



Dragon Crown Group Holdings Limited 龍翔集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 00935



Annual Report **2011** 年度報告



	<i>Page</i>
Financial and Operating Highlights 財務及營運摘要	2
Chairman's Statement 主席報告	3
Directors and Senior Management 董事及高級管理人員	5
Management Discussion and Analysis 管理層討論與分析	12
Corporate Governance Report 企業管治報告	23
Directors' Report 董事會報告	35
Independent Auditors' Report 獨立核數師報告	50
Consolidated Income Statement 綜合收益表	52
Consolidated Statement of Comprehensive Income 綜合全面收益表	53
Consolidated Statement of Financial Position 綜合財務狀況表	54
Consolidated Statement of Changes in Equity 綜合權益變動表	56
Consolidated Statement of Cash Flows 綜合現金流量表	58
Statement of Financial Position 財務狀況表	61
Notes to Financial Statements 財務報表附註	62
Five Year Financial Summary 五年財務概要	142
Corporate Information 公司資料	143

Financial and Operating Highlights

財務及營運摘要

		2011 HK\$'000 千港元	2010 HK\$'000 千港元	% Change 變動%
Result	業績			
Revenue	收入	240,675	233,024	3.3
Profit attributable to owners of the Company	本公司擁有人應佔溢利	90,076	96,745	(6.9)
Basic earnings per share (HK cents)	基本每股盈利(港仙)	9.15	11.73	(22.0)
Proposed final dividend per share (HK cents)	建議每股末期股息(港仙)	5	-	N/A
Financial Position	財務狀況			
Net current assets	流動資產淨值	271,393	11,326	2,296.2
Total interest-bearing bank loans	計息銀行貸款總額	156,409	218,660	(28.5)
Key Financial Ratios	主要財務比率			
Gross profit margin	毛利率	57.5%	61.5%	(4.0)
Net profit margin	淨利率	42.9%	50.3%	(7.4)
Return on equity	股本回報率	10.6%	22.1%	(11.5)
Current ratio	流動比率	2.5	1.1	
Gearing ratio ⁽¹⁾	資產負債比率 ⁽¹⁾	14.3%	29.4%	(15.1)
Operating Statistics	營運數據			
Throughput (metric tonnes)	吞吐量(公噸)			
Nanjing terminal	南京碼頭	1,588,200	1,801,600	(11.8)
Ningbo terminal	寧波碼頭	479,000	462,300	3.6
Tianjin terminal	天津碼頭	222,300	273,000	(18.6)
Jetty utilisation rate ⁽²⁾	碼頭使用率 ⁽²⁾			
Nanjing terminal	南京碼頭	48.8%	54.6%	(5.8)
Ningbo terminal	寧波碼頭	61.4%	37.7%	23.7
Tianjin terminal	天津碼頭	45.4%	54.4%	(9.0)

Notes:

- (1) The calculation of the gearing ratio is based on the sum of non-current and current bank loans divided by total assets multiplied by 100%.
- (2) The utilisation rate is calculated by our record of the annual actual throughput via jetties divided by (i) the total annual designed throughput capacity of jetties for Nanjing terminal and Ningbo terminal in relation to the operating period; and (ii) the total annual adjusted designed throughput capacity of the jetty for the Tianjin terminal in relation to the operating period.

附註：

- (1) 資產負債比率乃以非流動及流動銀行貸款除以總資產再乘以100%計算。
- (2) 使用率以碼頭年度實際吞吐量記錄除以(i)南京碼頭及寧波碼頭有關營運期間的碼頭設計年總吞吐量；及(ii)天津碼頭有關營運期間的經調整碼頭設計年總吞吐量來計算。

Dear Shareholders,

On behalf of the Board of Directors (the "Board"), I am pleased to present the first annual report of Dragon Crown Group Holdings Limited (the "Group" or "Dragon Crown") since our successful listing on the Main Board (the "Listing") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 10th June 2011.

RESULT

A significant milestone for Dragon Crown in 2011 was definitely the Listing, which not only provides a financial platform to accelerate expansion in our Nanjing terminal but also enhances the transparency of the corporate governance. Although there was a temporary production disruption of our key customer in the first half of 2011, our profit attributable to shareholders for the year of HK\$90 million remained at healthy level. With our stable and healthy operating cash inflow, our financial position has been further strengthened since the Listing. To acknowledge the support of our shareholders, the Board proposed a final dividend per ordinary share of HK5 cents, which represents a total payout of approximately of HK\$55.5 million and 61.6% of the profit attributable to shareholders for the year.

SAFETY

Over the years, safety of people is our top priority. For this reason, we provide regular trainings to all our staff and develop and enforce HSE (Health, Safety and Environment) policies in accordance with the national and industry standards. In 2011, we had not experienced any material incidents during our operation. We will strive for improvement with our goal to provide safety and quality services to our customers.

致列位股東：

本人謹代表董事會(「董事會」)欣然呈報龍翔集團控股有限公司(「本集團」)自2011年6月10日於香港聯合交易所有限公司(「聯交所」)主板成功上市(「上市」)後之首份年度報告。

業績

上市無疑是龍翔於2011年的重大里程碑。是次上市不僅提供融資平台以加速本集團南京碼頭的拓展，亦提高了企業管治之透明度。儘管受本集團主要客戶於2011年上半年生產短暫受阻所影響，本集團之本年度股東應佔溢利仍維持9,000萬港元健康水平。憑藉本集團穩健之營運現金流入，本集團之財務狀況於上市後得以進一步鞏固。董事會建議派發每股末期股息5港仙，其派發總金額約為港幣5,550萬元佔本年度股東應佔溢利約61.6%，以感謝股東的支持。

安全

人員安全乃本集團多年來的首務。因此，本集團向所有員工提供定期培訓，並根據國家及行業標準制定及執行健康、安全、環保政策。於2011年，本集團並未於經營過程中遭遇任何重大事故。本集團將繼續致力向客戶提供安全及優質服務。

EXPANSION

Over the past years, we strategically expanded our storage terminals network at those coastal locations that benefit most from the growth of the petroleum and chemical industry in the PRC with great success. In 2012, we will focus on the construction of a jetty with berthing capacity of 20,000 dwt and eleven tanks with storage capacity of 38,000 m³ in our Nanjing terminal for general chemicals. These facilities are expected to be operational by the first quarter of 2013. The total storage capacity in our Nanjing terminal will increase 25% from 152,000 m³ to 190,000 m³ by 2013. We have signed a new long term terminal service contract with our key customer with respect to 24,000 m³ new storage capacity.

OUTLOOK

The year ahead will be challenging. The economic growth in China is expected to slow down as a result of Eurozone financial crisis. Nevertheless, we remain optimistic about the Group's outlook. The rapid expansion of Chinese domestic petroleum and chemical industry will stimulate the continuing influx of multinational petroleum and chemical companies in China, which will offer us opportunity to broaden our customer base. Our business model as a leading independent liquid chemical terminal service provider in the PRC can facilitate and meet the logistics and storage needs from customers. During the year, we have signed a memorandum of understanding with Dow Chemical China Holdings Pte. Ltd. to establish chemical terminal facilities in Tianjin Nangang Industrial Park. This cooperation is another significant milestone of the Group for our strategy to expand our terminal networks that support our customers' expansion plan.

ACKNOWLEDGEMENT

On behalf of the Board, I would like to thank all our colleagues and staff for their hard work. I would also like to express my gratitude to all of our business partners, customers and shareholders for their solid support.

Ng Wai Man

Chairman

6 March 2012

拓展

受惠於中國石油化工行業之蓬勃發展，本集團過往於沿海地區拓展倉儲碼頭網絡的策略取得巨大成功。於2012年，本集團將於南京碼頭重點建設一個停泊能力為20,000載重噸之碼頭及11個儲存容量為38,000立方米之一般化學品儲罐。該等設施預期於2013年首個季度前投入營運。到2013年，本集團南京碼頭之總儲存容量將由152,000立方米提高25%至190,000立方米。本集團已就24,000立方米之新儲存容量與主要客戶簽訂一份新長期碼頭服務合約。

展望

來年將充滿挑戰。市場預期，中國經濟增長將因歐元區金融危機而放緩。然而，我們對本集團之發展仍持樂觀態度。國內石油化工行業之快速擴張將刺激跨國石油化工企業持續進入中國，並為本集團提供擴大客戶基礎之良機。本集團作為中國領先獨立化學液體儲存服務供應商之業務模式有助推動並滿足客戶對物流及儲存之需求。年內，本集團與陶氏化學控股有限公司訂立諒解備忘錄，共同在天津南港工業區建立液體化工品碼頭罐區儲存設施。是次合作可拓展碼頭網絡以支持客戶擴展計劃乃本集團之另一重大里程碑。

鳴謝

本人謹此代表董事會衷心感謝全體同仁及員工之辛勞。亦感謝本集團所有合作伙伴、客戶及股東之堅定支持。

主席

吳惠民

2012年3月6日

EXECUTIVE DIRECTORS

Mr. NG, Wai Man, aged 55, is an executive Director and the chairman of the Company. Mr. NG is the founder of our Group and is principally responsible for operation of our Board and is the key decision-maker of our Group. He is responsible for formulating the overall business strategic development for our Group. Mr. NG has accumulated around 23 years of management and operation experience in the terminal and storage of liquid chemical products industry. Mr. NG is the founder of Dragon Source Industrial Limited and its invested entity, Ningbo Haixiang Liquid Chemical Store Co., Ltd. (the predecessor of Ningbo Xinxiang Liquid Chemical Store Co., Ltd. ("Ningbo Xinxiang")), and has managed its operation since 1988. Mr. NG was the president and legal representative of Nanjing Dragon Crown Liquid Chemicals Terminal Co., Ltd from April 2004 to 2007 responsible for overseeing strategic development and management of resources. From December 1993 to September 2004, Mr. NG was a director of Ningbo Huaxiang Inspection Co., Ltd, a company which provides inspection, certification and testing services. He served as the chairman and general manager from October 1997 to October 2006 and legal representative from October 1997 to October 2007 for Ningbo Free Trade Zone Dragon Crown Chemical International Trade Company Ltd., a trading company, responsible for strategic business management. Mr. NG was appointed as our Director on 16 July 2010 and was re-designated as our executive Director on 30 November 2010.

執行董事

吳惠民先生，55歲，本公司執行董事兼主席。吳先生為本集團的創始人，主要負責董事會運作，且為本集團主要決策者，負責制訂本集團整體業務策略發展。吳先生在碼頭和儲存液體化學品行業中擁有超過23年的管理和運作經驗。吳先生為龍翔化工有限公司及其投資企業－寧波海翔液體化工倉儲有限公司（寧波新翔液體化工倉儲有限公司（「寧波新翔」）前身）的創始人，並自1988年起管理其運作。吳先生自2004年4月至2007年間任南京龍翔液體化工儲運碼頭有限公司的總裁兼法人代表，負責監督策略制訂及資源管理。自1993年12月至2004年9月，吳先生擔任寧波華翔檢驗有限公司（一家提供檢測、認證及測試服務的公司）董事。彼自1997年10月至2006年10月間擔任寧波保稅區龍翔化工國際貿易有限公司（一家貿易公司）的董事長兼總經理負責策略業務管理及自1997年10月至2007年10月間出任該公司的法人代表。吳先生於2010年7月16日獲任命為本公司董事，並於2010年11月30日調任執行董事。

Directors and Senior Management

董事及高級管理人員

Mr. TING Yian Ann, aged 51, is an executive Director and the chief executive officer of the Company. Mr. TING is principally responsible for overall management and strategic development, major decision-making and communications with our key customers. Mr. TING joined our Group in 2003. Since 2007, Mr. TING has served as the president and legal representative of Nanjing Dragon Crown Liquid Chemicals Terminal Co., Ltd. He has accumulated around 23 years of management and operation experience in the terminal and storage of liquid chemical products industry. Prior to joining our Group, Mr. TING was a regional budget coordinator of Astra Asia Regional Office, a pharmaceutical company, in Singapore from 1986 to 1988, his major duties included coordinating and preparing budget for all regional offices within Asia and reporting to managing director. He served as an account executive from 1988 to 1990, a senior account manager, sales and marketing department from 1990 to 1992, an assistant vice president, sales and marketing department from 1992 to 1993, a vice president, regional development and marketing department from 1993 to 1995, a senior vice president, regional development and marketing from 1995 to 1997, and president and chief executive officer from 1997 to 2001 of GATX (Jurong) Terminals Pte Ltd., a company providing global networks in bulk liquid storage, packaging, distribution and logistic services in Singapore. His major duties at GATX (Jurong) Terminals Pte Ltd. covered overall planning and operation of the company in the region, formulating strategies, cultivating relationship with customers and authorities and developing internal controls system. Mr. TING was the deputy chairman of the Singapore Chemical Industry Council from 1997 to 2001 and also served as the chairman of the Logistics & Distribution Committee established under the Singapore Chemical Industry Council from 1997 to 2001. Mr. TING graduated from University of Southern California in 1985 with a Bachelor of Science degree in Business Administration. Mr. TING was appointed as an executive Director on 30 November 2010.

陳言安先生，51歲，本公司執行董事兼行政總裁。陳先生主要負責整體管理、策略制訂、主要決策及與主要的客戶聯絡。陳先生於2003年加盟本集團。自2007年起，陳先生擔任南京龍翔液體化工儲運碼頭有限公司的總裁及法人代表。彼在碼頭和儲存液體化學品行業中擁有超過23年的管理和運作經驗。在加入本集團前，陳先生於1986年至1988年間擔任新加坡Astra（一家藥品公司）亞洲地區辦事處的地區預算協調員，主要負責包括協調及編製所有亞洲地區辦事處的預算，並向董事總經理報告。彼並於1988年至1990年在新加坡GATX (Jurong) Terminals Pte Ltd.（一家提供批量液體儲存、包裝、分銷及物流服務全球網絡的公司）擔任客戶主任，於1990年至1992年擔任銷售及推廣部門的高級客戶經理；於1992年至1993年擔任銷售及市場推廣部門助理副總裁；於1993年至1995年擔任地區發展及市場推廣部門副總裁；於1995年至1997年擔任地區發展及市場推廣部門高級副總裁；以及於1997年至2001年擔任總裁及行政總裁。彼於GATX (Jurong) Terminals Pte Ltd.的主要職責包括該公司在區內的整體規劃及經營、制訂策略、改善與客戶及政府當局的關係以及制訂內部監控制度。陳先生自1997年至2001年擔任新加坡化學工業委員會副主席，並自1997年至2001年擔任新加坡化學工業委員會設立的物流及分銷委員會主席。陳先生於1985年畢業於南加州大學，取得工商管理學士學位。陳先生於2010年11月30日獲委任為執行董事。

Mr. CHONG Yat Chin, aged 50, is an executive Director. Mr. CHONG joined our Group in 1994. Mr. CHONG is principally responsible for business and strategic development, major decision-making and communications with major customers. He has accumulated around 17 years of experience in the liquid chemical products terminal and storage industry. Prior to joining our Group, Mr. CHONG worked for Mitsui & Company (Hong Kong) Limited, an international conglomerate engaging in various businesses, including worldwide logistics and financing, development of infrastructure, for over seven years. He was in the chemicals division and undertook business support centered around petrochemical products chain for logistics and distribution. He was also responsible for developing strategic partnerships and customer relations. Mr. CHONG graduated from The Chinese University of Hong Kong in 1986 with a Degree of Bachelor of Business Administration. Mr. CHONG was appointed as an executive Director on 30 November 2010.

Ms. CHAN Wan Ming, aged 46, is an executive Director. Ms. CHAN is responsible for our Group's day-to-day management, administration as well as human resources management. She joined our Group in 1988. Ms. CHAN has accumulated around 23 years of management and operation experience in the terminal and storage of liquid chemical products industry. Prior to joining our Group, Ms. CHAN worked for Wai Hing Company, a trading company, from November 1986 to July 1988 responsible for arrangements in trading of chemicals. Ms. CHAN was appointed as an executive Director on 30 November 2010.

莊日青先生，50歲，為執行董事。莊先生於1994年加入本集團。莊先生主要負責業務及策略制訂、主要決策及與主要的客戶聯絡。彼在液體化學品碼頭和儲存行業擁有超過17年的經驗。在加入本集團前，莊先生於三井物產(香港)有限公司(一家國際綜合企業，從事多種業務，包括全球物流及融資服務以及基礎設施建設)任職逾七年，主要負責化工業務。彼任職於化學品部門，為化工產品物流及分銷鏈提供業務支持。彼亦負責開發戰略夥伴及客戶關係。莊先生於1986年畢業於香港中文大學，獲頒工商管理學士學位。莊先生於2010年11月30日獲委任為執行董事。

陳芸鳴女士，46歲，為執行董事。陳女士負責本集團的日常管理、行政及人力資源管理。彼於1988年加入本集團。陳女士在液體化學品碼頭及儲存行業擁有超過23年的管理和運作經驗。在加入本集團前，陳女士自1986年11月至1988年7月任職於貿易公司Wai Hing Company，主要負責安排化學品貿易。陳女士於2010年11月30日獲委任為執行董事。

Directors and Senior Management

董事及高級管理人員

Mr. KWAN Chun Yuen, aged 38, is an executive Director. Mr. KWAN joined our Group in 2003. He is principally responsible for the financial and accounting management of our Group. Mr. KWAN has over 16 years of experience in accounting and finance field and has accumulated around eight years of experience in the terminal and storage of liquid chemical products industry since his joining our Group in 2003. Prior to joining our Group, Mr. KWAN worked for Pannell Kerr Foster, an accounting firm, from 1995 to 1997 as audit senior responsible for auditing works, and Ernst & Young as audit senior responsible for audit planning and providing supervision of auditing staff from 1997 to 2003. Mr. KWAN graduated from The Chinese University of Hong Kong in 1995 with a Degree of Bachelor of Business Administration (Major in Professional Accountancy). He is a member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. KWAN was appointed as an executive Director on 30 November 2010.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LUO Shijie, aged 65, was appointed as an independent non-executive Director on 30 November 2010. Mr. LUO is also a member of the audit committee, remuneration committee and nomination committee of our Board. He was deputy factory director of SINOPEC Sichuan Vinylon Works from 1988 to 1996. Mr. LUO was deputy general manager of SINOPEC Sales Company from 1996 to 1999, deputy director of SINOPEC Chemical Department from 2000 to 2003, and director of SINOPEC Chemical Department from 2003 to 2006. From 2005 to 2006, he also was general manager of SINOPEC Chemical Products Sales Company. Mr. LUO graduated from Tianjin University in 1968, majored in Precision Instrument. He obtained the qualification as an engineer from Chongqing City Government in 1981. He was appointed as senior engineer by SINOPEC in 1987.

關振遠先生，38歲，為執行董事。關先生於2003年加入本集團。彼主要負責本集團的財務和會計管理。關先生在會計和金融領域擁有超過16年的經驗。及自彼於2003年加入本集團已積逾八年液體化學品行業的碼頭及儲存之經驗。加入本集團前，關先生自1995年至1997年間就職於會計師事務所Pannell Kerr Foster，作為負責審計工作的高級審計人員；自1997年到2003年就職於安永會計師事務所，作為負責審計規劃及監督審計員工的高級審計人員。關先生於1995年畢業於香港中文大學，獲頒工商管理(主修專業會計學)學士學位。彼現為香港會計師公會會員及英國特許會計師公會資深會員。關先生於2010年11月30日獲委任為執行董事。

獨立非執行董事

駱世捷先生，65歲，於2010年11月30日獲委任為獨立非執行董事。駱先生亦為董事會審核委員會、薪酬委員會及提名委員會成員。彼於1988年至1996年間擔任中國石化四川維尼綸廠副廠長。駱先生自1996年至1999年間擔任中國石油化工總公司銷售公司副總經理，自2000年至2003年擔任中國石化股份有限公司化工事業部副主任；自2003至2006年間任中國石化股份有限公司化工事業部主任；自2005年至2006年，彼亦為中國石化股份有限公司化工產品銷售分公司總經理。駱先生於1968年畢業於天津大學，主修精密儀器專業。彼於1981年獲重慶市人民政府頒發工程師資格。彼於1987年獲委任中國石油化工總公司高級工程師。

Mr. ZHU Wujun, aged 64, was appointed as an independent non-executive Director on 30 November 2010. Mr. ZHU is also a member of the audit committee, remuneration committee and nomination committee of our Board. Mr. ZHU was the deputy manager of Sinopec Yangzi Petrochemical Company from 1985 to 1998. From 1998 to 2005, Mr. ZHU was a director and deputy manager of Sinopec Yangzi Petrochemical Company Ltd. From 2005 to 2006, Mr. ZHU was the deputy manager of Sinopec Chemical Products Sales Company. Mr. ZHU was also the chairman of Yangyang Chemical Logistics and Trading Company from 1995 to 2005. Mr. ZHU graduated from Zhejiang University in 1965 with a bachelor degree in chemical engineering. He has obtained the qualification as a senior economist from the assessment committee of China Petrochemical Company which assessed his qualification according to standards set by the State Council in 1995.

Mr. LAU Sik Yuen, aged 44, was appointed as an independent non-executive Director on 30 November 2010. Mr. LAU is also chairman of the audit committee, remuneration committee and nomination committee of our Board. Mr. LAU served as the financial controller of a subsidiary of NWS Holdings Limited, a company listed on the Main Board over 3 years and had worked with PricewaterhouseCoopers for over 5 years. Mr. LAU graduated from Oregon State University with a bachelor degree of science in Business Administration in 1989. Mr. LAU is a fellow member of the Hong Kong Institute of Certified Public Accountants as well as a member of the American Institute of Certified Public Accountants. Mr. LAU has been serving as the chief financial officer and company secretary of Xinyi Glass Holdings Limited, a company listed on the Main Board, since April 2003. Mr. LAU has served as an independent non-executive director of China Qinfu Group Limited, a company listed on the Main Board since June 2009.

朱武軍先生，64歲，於2010年11月30日獲委任為獨立非執行董事，朱先生亦為董事會審核委員會、薪酬委員會及提名委員會成員。朱先生自1985年至1998年為中國石化揚子石油化工公司副經理。自1998年至2005年，朱先生為中國石化揚子石油化工股份有限公司董事兼副經理。自2005年至2006年，朱先生為中石化化工銷售上海分公司副經理。朱先生自1995年至2005年亦擔任揚洋化工運輸貿易有限公司主席。朱先生於1965年畢業於浙江大學，並取得化學工程學士學位。於1995年，彼獲得中國石油化工股份有限公司評審委員會高級經濟師資格。

劉錫源先生，44歲，於2010年11月30日獲委任為獨立非執行董事。劉先生亦為董事會審核委員會、薪酬委員會及提名委員會主席。劉先生曾於主板上市公司新創建集團有限公司一間附屬公司擔任財務總監逾三年，並於羅兵咸永道會計師事務所任職逾五年。劉先生於1989年畢業於俄勒岡州立大學，取得工商管理學學士學位。劉先生為香港會計師公會資深會員，亦為美國註冊會計師公會會員。劉先生自2003年4月起一直於主板上市公司信義玻璃控股有限公司擔任財務總監兼公司秘書。劉先生自2009年6月起於主板上市公司中國秦發集團有限公司擔任獨立非執行董事。

Directors and Senior Management

董事及高級管理人員

SENIOR MANAGEMENT

Mr. ZOU Qing Long, aged 47, is a director and general manager of Nanjing Dragon Crown. Mr. ZOU has joined our Group since May 2004. Mr. ZOU is principally responsible for our Group's overall operational management in Nanjing. Mr. ZOU has accumulated around nine years of management and operation experience in the terminal and storage of liquid chemical products industry. Mr. ZOU's major responsibility with the Group includes managing and coordinating operation workflow, recruitment and training of managers under his supervision, developing guidelines of operation and maintenance. He is overseeing operations in our terminals in Nanjing, Ningbo and Tianjin. Prior to joining the Group, he worked in the China Maritime Safety Administration for 16 years in which he gained valuable maritime logistics experience. Mr. ZOU graduated from Nanjing Political College of the Chinese People's Liberation Army with a bachelor degree in Economics Management in 2003.

Mr. LAU Chi Ming, Sammy, aged 54, is the deputy general manager of Nanjing Dragon Crown. Mr. LAU is principally responsible for our Group's business and new project development of petrochemical terminal in Nanjing. Mr. LAU has accumulated around 23 years of management and operation experience in the terminal and storage of liquid chemical products industry. Mr. LAU was an engineer of ExxonMobil Hong Kong Limited from 1988 to 2004 and he assumed management roles in HSE, logistics, operations and maintenance. Mr. LAU graduated from The University of Hong Kong with a degree of Bachelor of Science in Engineering in 1979. Mr. LAU was elected as a Graduate of the Institution of Engineers, Australia on 10 January 1985 and has been included in the list of competent persons for Class 2-inspection and certification of LPG compound and cylinder stores by Electrical & Mechanical Services Department, Government of Hong Kong since 6 November 1996. He joined our Group in April 2005 as a project manager.

高級管理人員

鄒青龍先生，47歲，為南京龍翔董事及總經理。鄒先生自2004年5月起加入本集團。鄒先生主要負責本集團在南京的整體運作管理。鄒先生在液體化學品碼頭和儲存行業擁有超過九年的管理和運作經驗。鄒先生於本集團的主要職責包括管理及協調營運工作流程、招募及在其監督下培訓管理人員、制定營運及維護指引。彼現在負責監督南京、寧波及天津碼頭的營運。於加入本集團前，彼於中國海事局任職16年，獲得寶貴的海上物流經驗。鄒先生於2003年畢業於中國人民解放軍南京政治學院，獲頒經濟管理學士學位。

劉志明先生，54歲，為南京龍翔副總經理。劉先生主要負責本集團在南京的石化碼頭業務和新項目發展。劉先生在液體化學品碼頭和儲存行業擁有超過23年的管理和運作經驗。劉先生自1988年至2004年為埃克森美孚香港有限公司的工程師及擔任健康、安全和環境、物流、營運及維護管理職位。劉先生於1979年畢業於香港大學，獲頒工程學理學士學位。劉先生於1985年1月10日獲選為澳洲工程師研究所研究生，並自1996年11月6日起獲列入香港政府機電工程署第2類勝任人士—檢查石油氣庫及氣瓶儲存室和簽發證明書名單。彼於2005年4月加入本集團，擔任項目經理。

Mr. LI Lian Chun, aged 53, is the general manager of Tianjin Tianlong. Mr. LI has joined our Group since March 1994. Mr. LI is principally responsible for our Group's overall operational management in Tianjin including managing and coordinating workflow, setting up annual budget and fiscal plan, providing training and recruitment of managers. Mr. LI has accumulated around 17 years of management and operation experience in the terminal and storage of liquid chemical products industry since his joining our Group in 1994. Mr. LI graduated from Tianjin Normal University with a bachelor of Art degree in English in 1984 and completed Post Graduate Course for Further Study in business management in Nankai University.

Mr. XIANG Xiao Chu, aged 56, is the general manager of Ningbo Ninxiang and Ningbo Xinxiang. Mr. XIANG has joined our Group since November 1995. Mr. XIANG is principally responsible for our Group's overall operational management in Ningbo. Mr. XIANG has accumulated around 19 years of management and operation experience of which around 16 years are in the terminal and storage of liquid chemical products industry. Prior to joining our Group, Mr. XIANG served as deputy director the factory, division deputy chief of Human Resource and Security and an office administrator in Ningbo No.2 Pharmaceutical Factory of Zhejiang Province from February 1988 to October 1992. During the period from November 1992 to September 1995, Mr. XIANG served as an office administrator handling selection and recruitment of new staff, finance management and observing compliance of HSE policies of Zhejiang Chemicals Factory (Yongxin Company). Mr. XIANG has served as a deputy director and director of tank field, business manager and general manager assistant in Ningbo Ninxiang and Ningbo Xinxiang since October 1995. Mr. XIANG completed administration management course of Self-Study Examination of the Higher Education of Zhejiang Province in October 1990.

李連春先生，53歲，為天津天龍總經理。李先生自1994年3月加入本集團。李先生主要負責本集團在天津的整體運作管理，包括管理及協調工作流程、制定年度預算及財務計劃、提供培訓及招募管理人員。自李先生於1994年加入本集團以來，彼在液體化學品碼頭和儲存行業擁有累計超過17年的管理和運作經驗。李先生於1984年畢業於天津師範大學，獲頒英語文學學士學位，並在南開大學修畢商業管理研究生課程進修班。

項小初先生，56歲，為寧波寧翔及寧波新翔總經理。項先生自1995年11月起加入本集團。項先生主要負責本集團在寧波的整體營運管理。項先生擁有約19年的管理和運作經驗，其中約16年在液體化學品碼頭和儲存行業。在加入本集團前，項先生自1988年2月至1992年10月擔任浙江省寧波第二製藥廠車間副主任、人保副科長及辦公室主任。於1992年11月至1995年9月期間，項先生擔任浙江化工廠(永興公司)辦公室主任，負責挑選及招募新員工、財務管理及監察健康、安全和環境政策是否合規。項先生自1995年10月起歷任寧波寧翔及寧波新翔儲罐區副主任、主任、商務經理及總經理助理。項先生於1990年10月修畢浙江省高等教育自學考試的行政管理專業課程。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

Dragon Crown is an integrated terminal service provider in the PRC specialised in the storage and handling of liquid chemical products. Its flagship terminal in Nanjing is sited in the thriving Yangtze River Delta region of China, while the terminals in Ningbo and Tianjin are strategically placed in the Zhenhai District and the emerging Bohai Economic Rim, respectively. At each location, Dragon Crown offers comprehensive storage and terminal services that include providing loading and unloading facilities at its self-owned jetties, liquid chemical storage at its tank farms, and delivery to and from clients' factories through dedicated chemical pipelines or other logistics modes, including via road, rail, and waterway. The following table provides an overview of the existing terminals and facilities as at 31 December 2011:-

Existing Terminals and facilities		Nanjing	Ningbo	Tianjin	Total
現有碼頭及設施		南京	寧波	天津	總計
Number of tanks	儲罐數	20	12	15	47
Storage capacity (m ³)	儲存容量(立方米)	152,000	29,000	24,900	205,900
Number of berth	泊位數	2	1	1	4
Berthing capacity (dwt)	泊位能力(載重噸)	25,000	3,000	3,000	
Jetty designed throughput capacity (metric tonnes)	碼頭設計吞吐量(公噸)	2,600,000	100,000	301,600	3,001,600

For the year ended 31 December 2011, Dragon Crown achieved revenue of approximately HK\$240.7 million (2010: HK\$233.0 million). The gross profit reached approximately HK\$138.3 million (2010: HK\$143.4 million). Gross profit margin maintained at a high level of 57.5% (2010: 61.5%). Profit attributable to owners of the Company was approximately HK\$90.1 million (2010: HK\$96.7 million). Basic earnings per share was HK9.15 cents (2010: HK11.73 cents).

業務回顧

龍翔為中國一家綜合碼頭服務供應商，專注於儲存和處理液體化學品。其於南京的旗艦碼頭位於中國繁榮的長江三角洲地區，而於寧波及天津的碼頭分別位於鎮海區及環渤海經濟圈。於各地點，龍翔提供綜合儲存及碼頭服務，包括於其自有碼頭提供裝載及卸載設施、於其罐區提供液體化學品儲存服務及透過專用化工管道或其他物流模式(包括公路、鐵路及水路)自客戶的工廠往來運送。下表呈列於2011年12月31日的現有碼頭及設施概要：

截至2011年12月31日止年度，龍翔錄得收益約2.407億港元(2010年：2.330億港元)。毛利達約1.383億港元(2010年：1.434億港元)。毛利率維持在57.5%(2010年：61.5%)的高水平。本公司擁有人應佔溢利約為9,010萬港元(2010年：9,670萬港元)。每股基本盈利為9.15港仙(2010年：11.73港仙)。

The decrease in profit was due to the temporary production disruption of the Group's customer ("Production Disruption") and facilities upgrade of the Group. The Group considers that the Production Disruption is a non-recurrent incident. The Group's customer has gradually resumed normal operation during the second half of the year and the throughput volume handled by the Nanjing Terminal has rebounded materially afterwards. On the other hand, the upgrade of the Dragon Crown's ethylene storage and handling facilities is to improve the ethylene handling efficiency. It is beneficial to the Group's long term growth.

During the year under review, the total actual throughput of liquid chemicals handled by the Group was 2,289,500 metric tonnes (2010: 2,536,900 metric tonnes). While Nanjing terminal, Tianjin terminal and Ningbo terminal recorded annual throughput of 1,588,200 metric tonnes, 222,300 metric tonnes and 479,000 metric tonnes respectively.

The Nanjing terminal is Dragon Crown's flagship operation. The terminal is strategically located inside the heart of the Nanjing Chemical Industry Park, one of China's major production sites for liquid chemicals. For the year ended 31 December 2011, the Nanjing terminal was the main income source of the Group and accounted for 92.7% of the Group's total profit (2010: 91.1%). The throughput volume of liquid chemical recorded a decrease to 1,588,200 metric tonnes (2010: 1,801,600 metric tonnes) due to the Production Disruption and facilities upgrade.

溢利減少乃由於本集團客戶暫時生產中斷（「生產中斷」）及本集團設施改造升級。本集團認為生產中斷為非經常性事件。本集團的客戶於本年度下半年已逐步恢復正常營運，且南京碼頭處理的吞吐量於此後大幅回升。另一方面，龍翔的乙烯儲存及處理設施改造升級乃為提高乙烯處理效率。此舉有利於本集團的長遠增長。

於回顧年度內，本集團處理的液體化學品總實際吞吐量為2,289,500公噸（2010年：2,536,900公噸），而南京碼頭、天津碼頭及寧波碼頭分別錄得年吞吐量1,588,200公噸、222,300公噸及479,000公噸。

南京碼頭為龍翔的旗艦業務。該碼頭在戰略位置上處於中國液體化學品主要生產地區之一南京化學工業園區腹地。截至2011年12月31日止年度，南京碼頭為本集團的主要收入來源且佔本集團溢利總額的92.7%（2010年：91.1%）。其液體化學品吞吐量錄得減少至1,588,200公噸（2010年：1,801,600公噸），此乃由於生產中斷及設施改造升級所致。

Management Discussion and Analysis 管理層討論與分析

The Ningbo terminal business maintained at a stable growth rate during the year. The terminal recorded a total annual throughput of handled liquid chemicals of 479,000 metric tonnes (2010: 462,300 metric tonnes) during the year under review. The Tianjin terminal business was affected by the construction works of the local government in the inner river. The throughput volume of liquid chemicals handled by the terminal was 222,300 metric tonnes (2010: 273,000 metric tonnes) for the year.

Located at the heart of the Nanjing Chemical industry Park is Dragon Crown's major customer, Celanese Corporation. Dragon Crown has been serving its subsidiaries since 2004, building a close relationship through long-term service contracts that provide sustainable earnings and operating cash inflow over the years. For the year ended 31 December 2011, the Celanese Contracts contributed approximately HK\$236.0 million in revenue (2010: HK\$228.3 million), which accounted for more than 90% of the Group's revenue.

The Group constantly explores expansion opportunities under the growth strategies to replicate the successful experience of the existing business to other coastal area and tapping the Pan-Bohai region. It successfully entered into a Memorandum of Understanding ("MOU") with Dow Chemical China Holdings Pte. Ltd. ("DOW") in July to establish chemical terminal facilities in Tianjin Nangang Industrial Park. It is expected to become another major chemical park in China and the facilities will become a strategic distribution hub of Dow in China. With an initial investment plan of approximately US\$200.0 million, it is projected that the chemical terminal facilities will have a total land area of 50 hectares and the annual handling capacity of up to 9 million metric tonnes. The project is currently undergoing preparation works to gain approval from related government authorities.

年內，寧波碼頭業務維持穩定增長。於回顧年度內，該碼頭錄得液體化學品總年吞吐量479,000公噸(2010年：462,300公噸)。而天津碼頭業務，因受當地政府於內河的建設工程影響，其於年內處理的液體化學品吞吐量為222,300公噸(2010年：273,000公噸)。

龍翔的主要客戶塞拉尼斯公司位於南京化學工業園區的中心地帶。龍翔自2004年開始為其附屬公司提供服務，與其簽署能提供穩定收入及現金流的長期服務合約並建立了緊密關係。截至2011年12月31日止年度，塞拉尼斯合約為集團帶來約2.360億港元收入(2010年：2.283億港元)，佔本集團收入逾90%以上。

本集團持續尋求擴展機會以落實將現有業務的成功經驗推廣至其他沿海地區，並開發環渤海地區等策略，本集團與陶氏化學控股有限公司(「陶氏」)於本年七月成功訂立諒解備忘錄(「諒解備忘錄」)，以於天津南港工業區建立液體化工品碼頭罐區儲存設施。此工業區預期將成為中國另一個主要化工園區，而該設施將成為陶氏於中國的策略性分銷樞紐。初步計劃投資涉款約2億美元，預期其液體化工品碼頭罐區儲存設施的總佔地面積將達50公頃，年處理能力高達900萬公噸。該項目現正進行前期工作，以取得相關政府部門的批准。

FINANCIAL PERFORMANCE REVIEW

Revenue

For the year ended 31 December 2011, the revenue of the Group increased slightly by 3.3% to HK\$240.7 million from HK\$233.0 million in 2010. The increase was mainly attributable to the recognition of a currency gain of HK\$11.3 million as a result of the appreciation in Renminbi (“RMB”) during the year and HK\$6.4 million jetty revenue generated from major customers as detailed in heading “Other income” below. However, the increase was in part offset by the decrease in excess throughput fee from the major customer, by HK\$11.9 million in 2011. As a result of the Production Disruption and facilities upgrade, total throughput volume handled by the Nanjing terminal decreased to 1,588,200 metric tonnes during the year from 1,801,600 metric tonnes in last year. The excess throughput fee from the Group’s major customer decreased accordingly.

Gross profit

For the year ended 31 December 2011, gross profit decreased to HK\$138.3 million from HK\$143.4 million in 2010. Correspondingly, the gross profit margin decreased to 57.5% in 2011 from 61.5% in 2010. The decrease in gross profit was primarily due to the combined effects of the decrease in excess throughput fee, the recognition of exchange gain as mentioned above and the general increase in the operation costs such as diesel fuel costs during the year.

The cost of services provided increased to HK\$102.4 million in 2011 compared with HK\$89.6 million in 2010, primarily due to the recognition of exchange loss of HK\$4.8 million as a result of the appreciation in RMB, the increase in port related costs of HK\$4.0 million as detailed in heading “Other income” below and the increase in diesel fuel cost of HK\$3.7 million during the year.

財務表現回顧

收入

本集團收入由2010年之2.330億港元輕微增加3.3%至截至2011年12月31日止年度之2.407億港元，此增幅乃主要由於本年度人民幣升值確認匯兌收益1,130萬港元及自主主要客戶產生碼頭收入640萬港元（詳情見下文「其他收入」）。然而，該增幅部分被2011年本集團來自主要客戶的超額吞吐量收費減少1,190萬港元所抵銷。由於生產中斷及設施改造升級，本集團南京碼頭之總吞吐量由去年之1,801,600公噸減少至年內之1,588,200公噸。本集團主要客戶之超額吞吐量收費因而同步減少。

毛利

毛利由2010年之1.434億港元減少至截至2011年12月31日止年度1.383億港元。同時，毛利率由2010年之61.5%減少至2011年之57.5%。毛利減少主要由於上述之超額吞吐量收費減少、上述確認之匯兌收益以及年內營運成本如柴油燃料成本增加的共同影響所致。

提供服務成本由2010年之8,960萬港元增加至2011年之1.024億港元，主要由於人民幣升值而確認匯兌虧損480萬港元、於下文「其他收入」一節詳述的港口相關成本增加400萬港元以及年內柴油燃料成本增加370萬港元所致。

Management Discussion and Analysis

管理層討論與分析

Other income

Other income decreased to HK\$2.4 million in 2011 from HK\$11.8 million in 2010. The decrease was mainly due to (i) there was a one-off revaluation gain of HK\$ 2.5 million on pre-existing interest in the acquisition of Dragon Bussan International Limited (“Dragon Bussan”) in 2010 during the Reorganisation, but no such gain incurred in 2011; and (ii) no government subsidies was recorded as the Group charged its major customers jetty fee of HK\$6.4 million as revenue and paid port related costs of HK\$4.0 million to the Port Authority as cost of service provided in 2011, thus the Group was not entitled to lodge application for the subsidy. In addition, the subsidies on port construction fee ceased since 1 October 2011 after the issuance of a notice by the Ministry of Transport of the People’s Republic of China together with the Ministry of Finance of the People’s Republic of China.

Administrative expenses

Administrative expenses amounted to HK\$32.0 million during the year, compared with HK\$29.1 million in 2010. The slightly increase of HK\$2.9 million in the year as compared with the figure a year earlier was mainly attributed to the combined effects of the decrease in listing fee by HK\$6.2 million, the increase of exchange gain by HK\$3.2 million, the increase in directors’ remuneration by HK\$7.0 million and the increase of staff costs of HK\$3.7 million and the increase of rental expense of HK\$1.2 million during the year.

Finance costs

Finance costs for the year dropped to HK\$8.2 million from HK\$8.9 million for the same period of 2010. The slight decrease was due to the repayment of bank loans during the year.

其他收入

其他收入自2010年之1,180萬港元減少至2011年之240萬港元。該減少主要由於：(i) 於2010年重組期間收購龍翔物產有限公司（「龍翔物產」）現有權益的一次性重估收益250萬港元，但該收益於2011年不再復現；及(ii) 由於本集團於2011年向其主要客戶收取碼頭費收入640萬港元並向港務局支付該等港口相關成本400萬港元為其提供服務成本。因此，本集團不再享有申請該補貼的資格。此外，於中華人民共和國交通運輸部連同中華人民共和國財政部發佈通告後，港口建設費用補貼自2011年10月1日起停止發放，因此於2011年並無錄得政府補貼。

行政開支

本集團年內的行政開支為3,200萬港元，而於2010年則為2,910萬港元。與上年同期數字比較，年內輕微增加290萬港元主要由於年內上市費用減少620萬港元、匯兌收益增加320萬港元及董事薪酬增加700萬港元、僱員成本增加370萬港元及租賃開支增加120萬港元之共同影響所致。

融資成本

融資成本由2010年同期之890萬港元減少至年內之820萬港元。輕微減少之主因是於年內償還銀行貸款所致。

Share of profits of associates

Share of profits of associates for the year decreased to HK\$2.2 million from HK\$5.3 million for 2010 because the Group acquired the 40% remaining interest in Dragon Bussan on 29 November 2010 (the “Acquisition”). Dragon Bussan ceased to be an associate and became the Company’s wholly-owned subsidiary. Its interest in Ningbo Ningxiang Liquid Chemicals Terminal Co., Ltd (“Ningbo Ningxiang”) is accounted for as a jointly-controlled entity of the Group.

Share of profits of jointly-controlled entities

Share of profits of jointly-controlled entities increased to HK\$6.0 million in the year from HK\$2.7 million in the same period of 2010 because Ningbo Ningxiang became the Group’s jointly-controlled entity after the Acquisition.

Tax expense

Tax expense for the year amounted to HK\$5.3 million, compared with HK\$8.0 million in 2010. The effective tax rate of the Group decreased from 6.4% in 2010 to 4.9% in 2011.

USE OF NET PROCEEDS FROM LISTING

The Group has received approximately HK\$281.1 million net proceeds, after deducting underwriting fee and other related expenses, from listing of the Company’s shares during the year. The net proceeds will be used to develop Nanjing phase III facilities. These proceeds were applied during the year ended 31 December 2011 in accordance with the proposed applications set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus dated 30 May 2011 (the “Prospectus”), as follows:–

應佔聯營公司溢利

應佔聯營公司溢利由2010年的530萬港元減少至年內的220萬港元，有關減少是由於本集團於2010年11月29日收購了龍翔物產之40%剩餘權益（「收購」），龍翔物產不再是本集團之聯營公司，而成為本公司之全資附屬公司。其於寧波寧翔液化儲運碼頭有限公司（「寧波寧翔」）的權益於入賬時列作本集團之共同控制實體。

應佔共同控制實體溢利

應佔共同控制實體溢利由2010年同期的270萬港元上升至年內的600萬港元，有關上升是由於收購後寧波寧翔成為本集團之共同控制實體。

稅項開支

本集團年內之稅項開支為530萬港元，與2010年800萬港元比較，本集團之有效稅率由2010年的6.4%降低至2011年的4.9%。

上市所得款項淨額之用途

年內，本集團自本公司股份上市獲得已扣除包銷費用及其他相關費用約2.811億港元之所得款項淨額。該所得款項淨額將用於發展南京第三期設施。根據日期為2011年5月30日之招股章程（「招股章程」）「未來計劃及所得款項用途」一節所載之建議用途，該等所得款項截至2011年12月31日止年度運用如下：

Management Discussion and Analysis

管理層討論與分析

		Net proceeds (HK\$ million) 所得款項淨額(百萬港元)		
		Available 可動用	Utilised 已動用	Unutilised 未動用
Construction of ten spherical storage tanks	建設10座球形儲罐	133.1	–	133.1
Construction of the third jetty	建設第3座碼頭	46.6	0.9	45.7
Construction of the dedicated railway system	建設專用鐵路系統	40.0	–	40.0
Construction of nine general purpose storage tanks	建設9個一般用途儲罐	33.3	0.4	32.9
General working capital	一般營運資金	28.1	28.1	–
		281.1	29.4	251.7

The Group held the unutilised net proceeds in short-term deposits or time deposits with banks in Hong Kong as at 31 December 2011.

於2011年12月31日，本集團將未動用所得款項淨額以短期存款或定期存款形式存於香港之銀行。

CAPITAL STRUCTURE, LIQUIDITY AND GEARING

As at 31 December 2011, the Group's total bank loans amounted to HK\$156.4 million (2010: HK\$218.7 million), which included RMB bank loans of 85.7 million (2010: RMB106.7 million). The Group's gearing ratio (total bank loans to total assets) was 14.3% at 31 December 2011 (2010: 29.4%). The gearing structure was as follows:–

股本結構、流動資金及資產負債率

截至2011年12月31日止本集團銀行貸款總額為1.564億港元(2010年：2.187億港元)，包括人民幣8,570萬元之人民幣銀行貸款(2010年：人民幣1.067億元)。截至2011年12月31日本集團之資產負債率(銀行貸款總額除以資產總額)為14.3%(2010年：29.4%)。資產負債率如下：

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Total bank loans	銀行貸款總額	156,409	218,660
Total assets	資產總額	1,092,511	745,105
Gearing ratio	資產負債率	14.3%	29.4%

The Company received HK\$281.1 million net proceeds after its shares were successfully listed on the Main Board of the Stock Exchange. As a result, its cash and bank balances increased to HK\$403.2 million as at 31 December 2011 (2010: HK\$46.6 million). The cash will be primarily used for the development of Nanjing phase III facilities as mentioned above.

As at 31 December 2011, the Group's current assets and current liabilities amounted to HK\$451.5 million (2010: HK\$104.2 million) and HK\$180.1 million (2010: HK\$92.9 million), respectively. As at 31 December 2011, Group current ratio increased to 2.5 (2010: 1.1).

The Group strives to efficiently use its financial resources and adopts a prudent financial policy in order to maintain a healthy capital ratio and support its business expansion requirements.

DEBT MATURITY PROFILE

The maturity profile of the Group's bank loans is set out below:—

Repayable	應償還	2011 HK\$'000 千港元	2010 HK\$'000 千港元
Within one year	一年內償還	144,474	56,472
In the second year	第二年償還	11,935	150,808
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年)	—	11,380
		156,409	218,660

Note: All bank loans are denominated in RMB currency except for a HKD denominated bank loans of HK\$50,698,000 which will mature in November 2012.

本公司股份於聯交所主板成功上市後，獲得所得款項淨額為2.811億港元。因此，本集團於2011年12月31日之現金及銀行結餘增加至4.032億港元(2010年：4,660萬港元)。該現金將重點用作發展上述南京第三期設施。

於2011年12月31日，本集團流動資產及流動負債分別為4.515億港元(2010年：1.042億港元)及1.801億港元(2010年：9,290萬港元)。2011年12月31日，本集團之流動比率為2.5(2010年：1.1)。

本集團爭取有效地運用其財務資源，採納謹慎之財務政策，以維持穩健的資本比率及支持本集團之擴展需求。

債務還款期概況

本集團銀行貸款的債務還款期概況載列如下：

	2011 HK\$'000 千港元	2010 HK\$'000 千港元
	144,474	56,472
	11,935	150,808
	—	11,380
	156,409	218,660

附註：本集團所有銀行貸款按人民幣計值(除了一筆以港元計值及還款期為2012年11月之50,698,000港元貸款外)

Management Discussion and Analysis

管理層討論與分析

PLEGGED ASSETS

Details of pledged assets as at 31 December 2011 are set out in note 26 to the financial statements.

FOREIGN CURRENCY AND INTEREST RATE RISKS

The Group's cash and bank balances were primarily denominated in RMB and HK\$. Its operating cash inflows and outflows were primarily denominated in RMB and HK\$. During the year, the Group did not have any material foreign exchange exposure and had not used any financial instruments for hedging purpose.

As most of the Group's bank borrowings were denominated in RMB, the interest rates of these bank borrowings are calculated with reference to the benchmark interest rate amended by the People's Bank of China ("PBOC") from time to time. The Group will closely monitor the interest rate movements and regularly review its banking facilities so as to mitigate the expected interest rate risk.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Details of capital commitments as at 31 December 2011 are set out in note 36 to the financial statements.

As at 31 December 2011, the Group did not have any significant contingent liabilities.

EMPLOYEES AND REMUNERATION

As at 31 December 2011, the Group had a total of 267 full time employees (2010: 252). The Group provides competitive remuneration package to retain its employees including salaries, discretionary bonus, medical insurance, other allowance and benefits in kind as well as mandatory provident fund schemes for employees in Hong Kong and state-managed retirement benefit schemes for employees in the PRC.

MATERIAL ACQUISITIONS AND DISPOSALS

During the year, the Group made no material acquisitions or disposals of subsidiaries and associated companies.

抵押資產

有關於2011年12月31日抵押資產詳情載列於財務報表附註26。

外匯及利率風險

本集團之現金及銀行結餘主要以人民幣及港元計值。其營運現金流入及流出主要以人民幣及港元計值。年內，本集團並無任何重大外匯風險且並無使用任何以對沖為目的之金融工具。

本集團大部份銀行借貸乃以人民幣計值，該等銀行借貸之利率乃參照中國人民銀行（「中國人民銀行」）不時修訂之基準利率計算。本集團將密切監控利率波動及定期檢討銀行融資以降低預期利率風險。

資本承擔及或然負債

有關於2011年12月31日資本承擔之詳情，載列於財務報表附註36。

於2011年12月31日，本集團並無重大或然負債。

僱員及薪酬

於2011年12月31日，本集團合共擁有267名全職僱員（2010年：252名）。本集團為員工提供具有競爭力的酬金組合，包括薪金、酌情花紅、醫療保險及其他津貼及實物福利，以及有關香港員工的強制性公積金計劃及有關中國員工的國家管理退休福利計劃。

重大收購及出售

於2011年，本集團並無任何重大收購或出售附屬公司或聯營公司。

BUSINESS OUTLOOK

Remaining optimistic over the outlook of the chemical storage and logistics industry, the Group will persist with the growth strategy of expanding its existing terminal storage business and replicating its success to other coastal regions in China. The strong financial position after the Listing will lay the groundwork for future expansion.

The Group is expediting efforts to the development of Phase III facilities in Nanjing terminal. The following table provides an overview of the terminal facilities to be constructed in Nanjing terminal in 2012:-

		Nanjing Phase III facilities 南京第三期 設施	New long term terminal service contract 新長期碼頭 服務合約	Total 總計
Number of tanks	儲罐數量	9	2	11
Storage capacity (m ³)	儲存容量(立方米)	18,000	20,000	38,000
Number of berth	泊位數	1	-	1
Berthing capacity (dwt)	泊位能力(載重噸)	20,000	-	20,000
Expected investment amount (approximately RMB'000)	預計投資金額 (約人民幣千元)	104,500	29,700	134,200

During the year under review, the Group has signed a new long term terminal service contract with its key customer with respect to 24,000 m³ new storage capacity. Out of the nine general purpose storage tanks under Nanjing Phase III facilities, two storage tanks with a total of 4,000 m³ will be operated under the new long term terminal service contract. These projects are expected to be completed by the first quarter of 2013. Nanjing Phase III facilities will be financed by the IPO net proceeds, project financing and/or internal resources in accordance with the proposed applications set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The tanks and associated facilities under the new long term terminal service contract will be financed by project financing and/or internal resources.

業務展望

本集團對化學品儲存及物流行業的前景仍保持樂觀，將堅持增長策略，擴大本集團現有碼頭儲存業務，並將其成功推廣至中國其他沿海地區。上市後財務狀況的增強將為未來擴展打下堅實基礎。

本集團正加速發展南京碼頭第三期設施。下表呈列2012年將於南京碼頭建設的碼頭設施概要：

於回顧年度，本集團就24,000立方米新儲存容量與主要客戶簽訂一份新長期碼頭服務合約。於南京第三期設施下的9個一般用途儲罐中，2個總儲存容量為4,000立方米的儲罐將於新長期碼頭服務合約項目下運營。該等項目預期將於2013年首個季度前完成，南京第三期設施將根據本集團的招股章程「未來計劃及所得款項用途」一節所載建議用途透過首次公開發售所得款項淨額、項目融資及／或內部資源籌集資金。而新長期碼頭合約內的儲罐及附屬設施將以項目融資及／或內部資源籌集資金。

Management Discussion and Analysis

管理層討論與分析

With 20 years' industry experience and proven track record of serving the leading multinational chemical enterprise, the Group has the competitive strengths in cooperation with those multinational enterprises in establishing their footprints in China. Compared with the local counterparts, the Group can accommodate specific storage requirements for wide range of liquid chemicals including Cryogenic Ethylene which requires to be stored/transported as an cryogenic (deep-cooled) liquid at -104 degree Celsius. In contrast with the overseas peers, the Group is more cost effective as it is able to capitalise on its existing well-established local terminal networks, which possess members with thorough understanding of the China market, including relevant regulations and licensing requirements.

Positioned for the future, Dragon Crown will overcome whatever challenges that may come, and thrive as a leading integrated terminal service provider in China. Such dogged determination is what will allow the Group to continue creating value for its shareholders.

擁有逾20年行業經驗及多年服務跨國化工企業佳績，本集團善於與該等跨國化工企業合作於中國建立其業務。與國內競爭對手相比，本集團的儲存罐可以滿足不同液體化學品的特定儲存要求，包括於攝氏零下104度作為低溫（深冷）液體液化及儲存／輸送的低溫乙烯。與海外同行相比，本集團更具成本效益，因為本集團擁有完善的碼頭設施網絡及對中國市場相關法規及許可規定有全面了解的僱員。

着眼未來，龍翔將滿懷信心地迎接任何挑戰，並努力成為中國領先的綜合碼頭服務供應商。這一堅定信念將令本集團持續為股東創造價值。

The Board is pleased to present this Corporate Governance Report in the Annual Report for the year ended 31 December 2011.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to achieving high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability.

The Company has applied the principles as set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange (the “Listing Rules”).

In the opinion of the directors, since the listing of the shares of the Company on the Stock Exchange on 10 June 2011 (the “Listing Date”) and up to 31 December 2011 (the “Period Under Review”), the Company has complied with all the code provisions as set out in the CG Code.

The Company regularly reviews its corporate governance practices to ensure compliance with the CG Code.

THE BOARD

RESPONSIBILITIES

The Board is responsible for leadership and control of the Company and oversees the Group’s businesses, strategic decisions and performance. The Board has delegated to the Chief Executive Officer, and through him, to the senior management the authority and responsibility for the day-to-day management and operation of the Group.

All directors have carried out their duties in good faith, in compliance with applicable laws and regulations and in the interests of the Company and its shareholders at all times.

董事會欣然提呈截至2011年12月31日止年度報告之企業管治報告。

企業管治常規

本集團致力達致高水平之企業管治，以保障股東權益及提升企業價值及問責性。

本公司已應用聯交所證券上市規則（「上市規則」）附錄十四所載企業管治常規守則（「企業管治守則」）內之原則。

董事認為，自本公司股份於2011年6月10日（「上市日期」）在聯交所上市起至2011年12月31日（「回顧期間」），本公司已遵守企業管治守則所載之守則條文。

本公司會定期檢討其企業管治常規以確保遵守企業管治守則。

董事會

責任

董事會負責領導及監控本公司，並監察本集團之業務、策略方針及表現。董事會已授予行政總裁權力及責任，並透過授予高級管理人員權力及責任，以管理本集團的日常事務及經營業務。

全體董事真誠地按照適用法例及法規履行職責，亦一直以符合本公司及其股東利益行事。

DELEGATION OF MANAGEMENT FUNCTIONS

The Board reserves for its decision all major matters of the Company, including: approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of directors and other significant financial and operational matters.

All directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary, with a view to ensuring that Board procedures and all applicable laws and regulations are followed. Each director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the Chief Executive Officer and the senior management. The delegated functions and responsibilities are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the aforesaid officers.

BOARD COMPOSITION

The Board currently comprises 8 members, consisting of 5 executive directors, and 3 independent non-executive directors.

The Company has adopted the recommended best practice under the CG Code for the Board to have at least one-third of its membership comprising independent non-executive directors.

管理職能授權

董事會負責就本公司所有重大事務作出決策，包括：批准及監控所有政策事務、整體策劃及預算、內部監控及風險管理系統、重大交易（尤其是可能涉及利益衝突者）、財務資料、委任董事及其他重大財務及營運事宜。

全體董事可全面及時取得全部有關資料，以及公司秘書之意見及服務，藉此確保遵守董事會程序及所有適用規則及規例。於適當情況下，各董事一般在向董事會提出要求後徵求獨立專業意見，費用由本公司支付。

本公司之日常管理、行政及營運已指派行政總裁及高級管理層負責。本公司會定期檢討行政總裁及高級管理層獲指派之職能及職責。上述高級職員訂立任何重大交易前，必須取得董事會之事先批准。

董事會組成

董事會目前共有八位成員，包括五位執行董事及三位獨立非執行董事。

本公司已採納企業管治守則下之建議最佳常規，董事會中至少三分之一成員為獨立非執行董事。

The Board comprises the following directors:

Executive directors:

Mr. NG Wai Man (*Chairman*)
Mr. TING Yian Ann (*Chief Executive Officer*)
Mr. CHONG Yat Chin
Ms. CHAN Wan Ming
Mr. KWAN Chun Yuen

Independent non-executive directors:

Mr. LAU Sik Yuen
Mr. LUO Shijie
Mr. ZHU Wujun

The list of directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules. The independent non-executive directors are expressly identified in all corporate communications pursuant to the Listing Rules.

During the Period Under Review, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications or accounting or related financial management expertise.

The independent non-executive directors bring a wide range of business and financial expertise, experience and independent judgement to the Board. Through active participation at Board meetings, taking the lead in managing issues involving potential conflict of interests, all non-executive directors have made various contributions to the effective direction of the Company.

The biographical details of the directors of the Company are set out under "Directors and Senior Management" section in this annual report. None of the members of the Board is related to one another.

董事會包括下列董事：

執行董事：

吳惠民先生(主席)
陳言安先生(行政總裁)
莊日青先生
陳芸鳴女士
關振遠先生

獨立非執行董事：

劉錫源先生
駱世捷先生
朱武軍先生

董事名單(按類別劃分)亦已根據上市規則於本公司不時刊發之所有公司通訊中披露。所有公司通訊均已遵照上市規則明確說明獨立非執行董事身份。

於回顧期間，董事會一直符合上市規則有關委任至少三名獨立非執行董事而當中至少一名獨立非執行董事須具有合適專業資格或會計或相關財務管理專業知識之規定。

獨立非執行董事為董事會提供廣泛之業務及財務專業知識、經驗及獨立判斷。透過積極參與董事會會議，在管理涉及潛在利益衝突事務時發揮牽頭引導作用，全體非執行董事對本公司之有效指引作出各種貢獻。

本公司各董事履歷詳情載於本年報「董事及高級管理人員」一節。董事會成員之間並無任何關係。

The Company has received written annual confirmation from each independent non-executive director of his independence pursuant to the requirements of the Listing Rules. The Company considers all independent non-executive directors to be independent in accordance with the independence guidelines as set out in the Listing Rules.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The procedures and process of appointment, re-election and removal of directors are laid down in the Company's Articles of Association. The Nomination Committee is responsible for reviewing the Board composition, monitoring the appointment of directors and assessing the independence of independent non-executive directors.

Each of the independent non-executive directors of the Company is appointed for a specific term of one year and is subject to retirement by rotation once every three years.

In accordance with the Company's Articles of Association, all directors of the Company are subject to retirement by rotation at least once every three years and any new director appointed to fill a causal vacancy shall submit himself/herself for re-election by shareholders at the first general meeting after appointment.

At the forthcoming annual general meeting of the Company, Mr. NG Wai Man, Ms. CHAN Wan Ming and Mr. KWAN Chun Yuen shall retire by rotation and being eligible, offer themselves for re-election pursuant to the Company's Articles of Association.

INDUCTION AND CONTINUING DEVELOPMENT OF DIRECTORS

Each newly appointed director receives formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

本公司已接獲各獨立非執行董事根據上市規則規定有關其獨立性之年度確認書。本公司認為，根據上市規則所載之獨立指引，全體獨立非執行董事均為獨立人士。

董事之委任及重選

董事之委任、重選及罷免程序及步驟載列於本公司之組織章程細則內。提名委員會負責檢討董事會組成、監控董事之委任以及評估獨立非執行董事之獨立性。

本公司之各獨立非執行董事任期為一年且每三年輪值退任一次。

根據本公司之組織章程細則，本公司之全體董事須至少每三年輪值退任一次且獲委任填補臨時空缺之任何新董事應於委任後首個股東大會上由股東重選連任。

於本公司即將召開之股東週年大會上，吳惠民先生、陳芸鳴女士及關振遠先生應根據本公司之組織章程細則輪值退任且符合資格膺選連任。

董事入職及持續發展

每名新任董事均於首次獲委任時獲提供正式、全面及就其職位度身制訂的入職介紹，確保新任董事可適當掌握本公司業務及營運，並完全了解其根據上市規則以及相關法規之職責與責任。

Continuing briefing and professional development for directors will be arranged where necessary.

於必要時，本公司亦會為董事安排持續簡介及專業發展。

BOARD MEETINGS

董事會會議

Number of Meetings and Directors' Attendance

會議舉行次數及董事出席率

As the Company was listed on 10 June 2011, one Board meeting was held during the Period Under Review for approving the financial and operating performance. The attendance rate at this meeting was 100%. From 2012 onwards, the Board will take appropriate arrangements for holding at least four regular Board meetings a year at approximately quarterly intervals.

自本公司於2011年6月10日上市以來，本公司於回顧期間舉行了一次董事會會議，以批准財務及營運表現。是次董事會會議之出席率為100%。自2012年起，董事會將採取適當安排，至少每年定期舉行四次董事會會議，約每季度舉行一次。

The attendance records of each director at the Board meeting during the Period Under Review are set out below:

於回顧期間，各董事於董事會會議之出席記錄載列如下：

Name of Director		Attendance/Number of Meetings
董事姓名		出席次數／會議次數
Executive directors		
執行董事		
Mr. NG Wai Man	吳惠民先生	1/1
Mr. TING Yian Ann	陳言安先生	1/1
Mr. CHONG Yat Chin	莊日青先生	1/1
Ms. CHAN Wan Ming	陳芸鳴女士	1/1
Mr. KWAN Chun Yuen	關振遠先生	1/1
Independent non-executive directors		
獨立非執行董事		
Mr. LAU Sik Yuen	劉錫源先生	1/1
Mr. LUO Shijie	駱世捷先生	1/1
Mr. ZHU Wujun	朱武軍先生	1/1

Practices and Conduct of Meetings

Annual meeting schedules and draft agenda of each meeting are normally made available to directors in advance.

Notice of regular Board meetings is served to all directors at least 14 days before the meeting. For other Board meetings, reasonable notice is generally given.

Board papers together with all appropriate, complete and reliable information are sent to all directors at least 3 days before each Board meeting to keep directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. The Board and each director also have separate and independent access to the senior management where necessary.

The Company Secretary is responsible for taking and keeping minutes of all Board meetings. Draft minutes are normally circulated to directors for comment within a reasonable time after each meeting and final versions are open for directors' inspection.

According to current Board practice, any material transaction, which involves a conflict of interests for a substantial shareholder or a director, will be considered and dealt with by the Board at a duly convened Board meeting. The Company's Articles of Association contain provisions requiring directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such directors or any of their associates have a material interest.

議事常規及操守

董事一般可事先取得週年大會會期及各會議議程初稿。

定期董事會會議通知於會議前最少14日向全體董事發出，其他董事會會議則一般會發出合理通知。

董事會文件連同所有完備之合適可靠資料將於各董事會會議前最少3日向全體董事發出，以令董事得知本公司最新發展及財務狀況，並確保彼等作出知情決定。於必要時，董事會及各董事亦可個別獨立接觸高級管理層。

公司秘書負責作出及保存所有董事會會議之會議記錄。會議記錄初稿一般將於各會議後一段合理時間內分發予董事，而定稿將可供董事查閱。

根據現行董事會常規，任何涉及主要股東或董事利益衝突之重大交易將由董事會於正式召開之董事會會議上考慮及處理。本公司之組織章程細則亦載有條文，規定董事就批准該等董事或彼等任何聯繫人士擁有重大利益之交易於會議上放棄投票，且不計入會議法定人數。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Company fully supports the division of responsibility between the Chairman of the Board and the Chief Executive Officer to ensure a balance of power and authority. The positions of Chairman and Chief Executive Officer are held by Mr. NG Wai Man and Mr. TING Yian Ann respectively. Their respective responsibilities are clearly defined and set out in writing.

Currently, the Chairman provides leadership and is responsible for the effective functioning of the Board in accordance with good corporate governance practice whereas the Chief Executive Officer focuses on implementing objectives, policies and strategies approved and delegated by the Board.

BOARD COMMITTEES

The Board has established three committees, namely, the Nomination Committee, Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are available to shareholders upon request.

The majority of the members of each Board committee are independent non-executive directors and the list of the chairman and members of each Board committee is set out under "Corporate Information" on page 143.

Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company's expense.

NOMINATION COMMITTEE

The Nomination Committee comprises five members, namely, Mr. LAU Sik Yuen (Chairman), Mr. LUO Shijie, Mr. ZHU Wujun, Mr. NG Wai Man and Mr. TING Yian Ann, the majority of which are independent non-executive directors.

主席及行政總裁

本公司完全支持將董事會主席與行政總裁的職能分開，以達致權力和權限的平衡。主席職務由吳惠民先生擔任，而行政總裁職務則由陳言安先生擔任。彼等之職責已清晰界定並明文載列。

目前，董事會主席負責領導董事會，並負責董事會依照良好企業管治常規有效運作，而行政總裁專注於執行董事會批准並下達的目標、政策及策略。

董事委員會

董事會已成立三個委員會，即提名委員會、薪酬委員會及審核委員會，以監督本公司特定範疇事務。本公司全部董事委員會於成立時已界定書面職權範圍，並於股東要求時可供查閱。

各董事委員會大部分成員均為獨立非執行董事，有關各董事委員會主席及成員之名單，載於第143頁「公司資料」。

董事委員會獲提供充足資源以履行其職責，並可按合理要求於情況合適時徵求獨立專業意見，費用由本公司支付。

提名委員會

提名委員會包括五名成員，即劉錫源先生（主席）、駱世捷先生、朱武軍先生、吳惠民先生及陳言安先生，其中大部分為獨立非執行董事。

Principal duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for the nomination and appointment of directors, making recommendations to the Board on the appointment and succession planning of directors, and assessing the independence of independent non-executive directors.

As the Company was listed on 10 June 2011, no Nomination Committee meeting was held during the Period Under Review. From 2012 onwards, Nomination Committee will conduct meeting at least once a year.

REMUNERATION COMMITTEE

The Remuneration Committee comprises five members, namely, Mr. LAU Sik Yuen (Chairman), Mr. LUO Shijie, Mr. ZHU Wujun, Mr. NG Wai Man and Mr. TING Yian Ann, the majority of which are independent non-executive directors.

The primary objectives of the Remuneration Committee include making recommendations on and approving the remuneration policy and structure and remuneration packages of the executive directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions.

As the Company was listed on 10 June 2011, no Remuneration Committee meeting was held during the Period Under Review. From 2012 onwards, Remuneration Committee will conduct meeting at least once a year.

提名委員會之主要職責包括檢討董事會之組成，構思與制訂董事提名及委任之程序，就董事委任及繼任計劃向董事會提供意見，並評估獨立非執行董事之獨立性。

由於本公司於2011年6月10日上市，故於回顧期間並無舉行提名委員會會議。自2012年起，提名委員會將至少每年舉行一次會議。

薪酬委員會

薪酬委員會包括五名成員，即劉錫源先生（主席）、駱世捷先生、朱武軍先生、吳惠民先生及陳言安先生，其中大部分為獨立非執行董事。

薪酬委員會之主要目的包括批准薪酬政策、結構及執行董事及高級管理層之薪酬組合並就此提供推薦意見。薪酬委員會亦負責設立具透明度之程序，以推行有關薪酬政策及結構，確保董事或其任何聯繫人士將不會參與決定其本身之薪酬，且薪酬將會參照個人及本公司之表現，以及市場慣例及市況而釐定。

由於本公司於2011年6月10日上市，故於回顧期間並無舉行薪酬委員會會議。自2012年起，薪酬委員會將至少每年舉行一次會議。

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors, namely, Mr. LAU Sik Yuen (Chairman), Mr. LUO Shijie and Mr. ZHU Wujun, (including one independent non-executive director with the appropriate professional qualifications). None of the members of the Audit Committee is a former partner of the Company's existing external auditors.

The main duties of the Audit Committee include the following:

- To review the financial statements and reports and consider any significant or unusual items raised by the external auditors before submission to the Board
- To review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of engagement, and make recommendations to the Board on the appointment, re-appointment and removal of external auditors
- To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures

The Audit Committee held three meetings during the Period Under Review to review the financial results and reports, financial reporting and compliance procedures, the Company's internal control and risk management systems and processes, and the re-appointment of the external auditors.

The attendance records of the Audit Committee are set out below:

Name of Audit Committee Member
審核委員會成員姓名

Attendance/Number of Meetings
出席次數／會議次數

Mr. LAU Sik Yuen	劉錫源先生	3/3
Mr. LUO Shijie	駱世捷先生	3/3
Mr. ZHU Wujun	朱武軍先生	3/3

審核委員會

審核委員會包括三名獨立非執行董事(包括一名具有合適專業資格之獨立非執行董事)，即劉錫源先生(主席)、駱世捷先生及朱武軍先生。審核委員會成員並非本公司現任外聘核數師之前合夥人。

審核委員會主要職責包括下列各項：

- 於提交董事會前，審閱財務報表及報告，並考慮外聘核數師提呈之任何重大或非經常項目
- 參考核數師履行之工作、委聘費用及條款，審閱與外聘核數師之關係，並就委聘、重新委任及罷免外聘核數師向董事會提供推薦意見
- 審閱本公司財務申報系統、內部監控系統及風險管理系統和相關程序以決定是否足夠及有效

審核委員會於回顧期間內曾舉行三次會議，以審閱財務業績及報告、財務申報及合規程序、本公司之內部監控及風險管理系統及程序以及重新委任外聘核數師。

審核委員會之出席記錄載列如下：

The Group's accounting principles and practices and the audited consolidated financial statements for the year ended 31 December 2011 have been reviewed by the Audit Committee.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made of all the directors and the directors have confirmed that they have complied with the Model Code throughout the Period Under Review.

The Company has also established written guidelines on no less exacting terms than the Model Code (the "Employees Written Guidelines") for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company.

No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2011.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price-sensitive announcements and other disclosures required under the Listing Rules and other statutory and regulatory requirements.

The Management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval.

審核委員會已審閱本集團採納的會計原則及慣例以及截至2011年12月31日止年度之經審核綜合財務報表。

證券交易之標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)。

本公司已向全體董事作出具體查詢，董事已確認於回顧期間內已遵守標準守則。

本公司亦已就可能擁有本公司未公佈股價敏感資料僱員進行之證券交易設定書面指引(「僱員書面指引」)，其條款並不寬鬆於標準守則。

據本公司所知，概無任何僱員違反僱員書面指引。

董事對財務報表所負之責任

董事確認彼等知悉編製本公司截至2011年12月31日止年度財務報表之責任。

董事會負責根據上市規則及其他監管規定，對年度及中期報告、股價敏感資料及其他披露事宜提供內容公正、清晰易明之評估。

管理層已向董事會提供必要說明及資料，以使董事會對本公司之財務報表達致知情評估，以供董事會批准。

EXTERNAL AUDITORS AND AUDITORS' REMUNERATION

The statement of the external auditors of the Company about their reporting responsibilities for the financial statements is set out in the section headed "Independent Auditors' Report" in this annual report.

During the year ended 31 December 2011, the remuneration paid/payable to the Company's external auditors, Messrs Ernst & Young, in respect of audit services and non-audit services is set out below:

Service Category

服務類別

Audit Services	核數服務
– Annual audit	– 年度審核
– Initial public offering	– 首次公開發售
Non-audit Services	非核數服務
– Review of interim results	– 審閱中期業績
– Taxation services	– 稅務服務

外聘核數師及核數師薪酬

有關本公司外聘核數師對財務報表之申報責任之聲明載於本年度報告「獨立核數師報告」一節內。

於截至2011年12月31日止年度，就核數服務及非核數服務已付／應付予本公司外聘核數師安永會計師事務所之薪酬載例如下：

Fees Paid/Payable (HK\$)

已付／應付費用(港幣)

985,000

520,000

320,000

102,700

1,927,700

INTERNAL CONTROLS

During the Period Under Review, the Board, through the Audit Committee, conducted a review of the effectiveness of the internal control system of the Company, including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.

The Board is responsible for maintaining an adequate internal control system to safeguard shareholder investments and Company assets and reviewing the effectiveness of such on an annual basis through the Audit Committee.

The Audit Committee oversees the internal control system of the Group, reports to the Board on any material issues and makes recommendations.

內部監控

於回顧期間，董事會已透過審核委員會檢討本公司內部監控系統之成效，包括在會計及財務申報職能方面之資源充足性、員工資歷及經驗，以及員工培訓計劃及預算。

董事會負責維持足夠之內部監控系統，以保障股東之投資及本公司之資產，並每年透過審核委員會就上述事宜進行檢討。

審核委員會監控本集團之內部監控系統，並就任何重大事宜向董事會報告及提出推薦意見。

The internal control system of the Group is designed to facilitate effective and efficient operations, to ensure reliability of financial reporting and compliance with applicable laws and regulations, to identify and manage potential risks, and to safeguard assets of the Group.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognizes the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make the best investment decisions.

The general meetings of the Company provide a forum for communication between the Board and the shareholders. The Chairman of the Board as well as chairmen of the Nomination Committee, Remuneration Committee and Audit Committee or, in their absence, other members of the respective committees and, where applicable, the chairman of the independent Board committee, are available to answer questions at shareholder meetings.

To promote effective communication, the Company maintains a website at www.dragoncrown.com, where up-to-date information and updates on the Company's business operations and developments, financial information and other information are available for public access.

SHAREHOLDER RIGHTS

To safeguard shareholder interests and rights, a separate resolution is proposed for each substantially separate issue at shareholder meetings, including the election of individual directors.

All resolutions put forward at shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each shareholder meeting.

本集團之內部監控系統旨在促進有效營運，以確保財務申報之可靠性及遵守適用法律及規例，識別及管理潛在風險，並保障本集團之資產。

與股東及投資者之溝通

本公司認為，與股東有效溝通對加強投資者與本集團之關係及令投資者更能了解本集團之業務表現及策略而言至關重要。本公司亦明察到保持公司資料透明度及適時披露公司資料之重要性，此舉將使股東及投資者作出最佳投資決定。

本公司之股東大會提供一個平台，供董事會與股東進行溝通。董事會主席及提名委員會、薪酬委員會及審核委員會之主席或（缺席時）相關委員會其他成員及（如適用）獨立董事委員會主席會於股東大會上回應問題。

為促進有效溝通，本公司設有網站(www.dragoncrown.com)，提供有關本公司業務營運及發展之最新資料及更新、財務資料及其他資料供公眾人士查閱。

股東權利

為保障股東權益與權利，股東大會上會就各重大獨立事宜提出獨立決議案，包括選出個別董事。

於股東大會上提呈之所有決議案將根據上市規則以投票方式進行表決，而投票表決結果將於各股東大會後於本公司及聯交所網站公佈。

The directors have pleasure in presenting their report together with the audited financial statements of Dragon Crown Group Holdings Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2011.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries are set out in note 19 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2011 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 52 to 141.

The Board has not recommended the payment of an interim dividend for the six months ended 30 June 2011.

The Board has recommend the payment of a final dividend of HK5 cents per share for the year ended 31 December 2011 to shareholders whose names appear on the register of members of the Company at the close of business on 16 May 2012. The proposed final dividend is subject to the approval of the shareholders at the forthcoming annual general meeting. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the equity section of the statement of financial position.

FIVE YEAR FINANCIAL SUMMARY

A summary of the Group's results, assets and liabilities for the past five financial years, as extracted from audited financial statements, is set out on page 142. The summary does not form a part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Group's property, plant and equipment during the year are set out in note 16 to the financial statements.

董事欣然呈報董事會報告以及龍翔集團控股有限公司(「本公司」)及其附屬公司(「本集團」)截至2011年12月31日止年度之經審核財務報表。

主要業務

本公司之主要業務為投資控股。主要附屬公司之主要業務詳情載於財務報表附註19。年內，本集團主要業務性質概無出現任何重大變動。

業績及股息

本集團於截至2011年12月31日止年度之溢利以及本公司及本集團於該日之財務狀況載於第52至141頁之財務報表。

董事會不建議派付截至2011年6月30日止六個月之中期股息。

董事建議向於2012年5月16日營業結束時名列本公司股東名冊之股東派付截至2011年12月31日止年度的末期股息每股股份5港仙，建議末期股息須待本公司股東於應屆股東週年大會上批准。是項建議已列入財務報表內，並由財務狀況表內權益中的保留溢利撥付。

五年財務概要

本集團過往五個財政年度之業績、資產與負債概要乃摘錄自經審核財務報表，並載於第142頁。此概要並不構成經審核財務報表之一部分。

物業、廠房及設備

本集團之物業、廠房及設備於年內之變動詳情載於財務報表附註16。

BANK BORROWINGS

Particulars of the bank borrowings of the Group as at 31 December 2011 are set out in note 26 to the financial statements.

SHARE CAPITAL

Details of the movements in the Company's share capital during the year are set out in note 29 to the financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders of the Company.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities since the Listing Date up to 31 December 2011.

RESERVES

Details of movements in reserves of the Company and the Group are set out in note 31 to the financial statements and the consolidated statement of changes in equity on pages 56 and 57, respectively.

銀行貸款

本集團於2011年12月31日之銀行貸款詳情載於財務報表附註26。

股本

本公司股本於年內之變動詳情載於財務報表附註29。

優先購買權

組織章程細則或開曼群島法律並無有關本公司須按比例向本公司現有股東提呈發售新股份之優先購買權規定。

購買、贖回或出售本公司之上市證券

自上市日期至2011年12月31日止，本公司或其任何附屬公司概無購買、贖回或出售本公司之任何上市證券。

儲備

本公司及本集團儲備之變動詳情分別載於財務報表附註31及第56頁及57頁綜合權益變動表中。

DISTRIBUTABLE RESERVES

At 31 December 2011, the Company's reserves available for distribution, calculated in accordance with the Companies Law of the Cayman Islands amounted to approximately HK\$545.2 million (2010:HK\$263.0 million), of which approximately HK\$55.5 million has been proposed as a final dividend for the year. In accordance with Section 34 of the Companies Law, dividend may be paid out of the amount of approximately HK\$431.5 million (2010:HK\$244.8 million) of the Company's share premium account subject to a solvency test and the provisions of the Company's memorandum and articles of association.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the total revenue to the Group's top five customers and largest customer accounted for 99.8% and 46.9% of the total revenue for the year. The cost of services provided by the Group's top five suppliers and largest supplier accounted for 48.2% and 23.8% of the total cost of services for the year.

Save as disclosed below, none of the directors or any of their associates or any shareholder of the Company (which to the knowledge of the directors own more than 5% of the Company's issued share capital) had beneficial interests in the Group's top five suppliers or customers referred to above:

Dragon Crown Investments Limited ("DC Investments"), which is owned as to 98% and 2% by Mr. Ng Wai Man and Mr. Chong Yat Chin, is one of the top five customers of the Group under the Phenol Storage Agreement as detailed below in the section headed "Connected Transactions".

可供分派儲備

於2011年12月31日，本公司根據開曼群島公司法予以計算的可供分派之儲備達約5.452億港元(2010年：2.630億港元)，其中約5,550萬港元已被建議作為本年度末期股息。根據公司法第34條，股息可自本公司股份溢價賬約4.315億港元(2010年：2.448億港元)中派付，惟須受償付能力測試及本公司組織章程大綱及細則之條文所規限。

主要客戶及供應商

於本年度，來自本集團五大客戶及最大客戶之總收入佔本年總收入之99.8%及46.9%。來自本集團五大供應商及最大供應商之提供服務成本佔本年總服務成本之48.2%及23.8%。

除下述所披露，概無本公司董事或任何其聯繫人士或據董事會所知擁有本公司已發行股本5%以上之任何股東於上述五大供應商或客戶中擁有任何實益權益：

龍翔化工國際有限公司(「龍翔化工國際」)由吳惠民先生及莊日青先生分別擁有98%及2%權益，於苯酚儲存協議項下乃本集團之五大客戶之一，詳情載於下文「關連交易」一節。

DIRECTORS

The directors of the Company who were in office during the year and up to the date of this report were:

Executive directors:

Mr. Ng Wai Man (Chairman)
Mr. Ting Yian Ann (Chief executive officer)
Mr. Chong Yat Chin
Ms. Chan Wan Ming
Mr. Kwan Chun Yuen

Independent non-executive directors:

Mr. Lau Sik Yuen
Mr. Luo Shijie
Mr. Zhu Wujun

Pursuant to Article 84(1) of the Articles of Association of the Company, Mr. Ng Wai Man, Ms. Chan Wan Ming and Mr. Kwan Chun Yuen are subject to retirement by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

The Company has received annual confirmations of independence from each of its independent non-executive directors and at the date of this report still considers them to be independent.

董事

於本年度且直至本報告日期止，任職之本公司董事乃：

執行董事：

吳惠民先生(主席)
陳言安先生(行政總裁)
莊日青先生
陳芸鳴女士
關振遠先生

獨立非執行董事：

劉錫源先生
駱世捷先生
朱武軍先生

根據本公司章程細則第84(1)條，吳惠民先生、陳芸鳴女士及關振遠先生須於應屆股東週年大會上輪席退任，惟符合資格可膺選連任。

本公司已收到各獨立非執行董事之年度獨立性確認，且於本報告日期仍認為彼等屬獨立。

DIRECTORS' SERVICE CONTRACTS

Mr. Ng Wai Man, Ms. Chan Wan Ming and Mr. Kwan Chun Yuen have entered into service contracts with the Company for a term of three years which commenced on 1 December 2010 and is subject to termination by either party giving not less than three months' written notice.

No director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Connected Transactions" in this report and note 37 (Related Party Transactions) to the financial statements, no director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party during the year.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2011, the interests and short positions of the directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:—

董事之服務合約

吳惠民先生、陳芸鳴女士及關振遠先生已與本公司訂立自2010年12月1日起計，為期三年的服務合約，且任何一方均可透過發出不少於三個月之書面通知終止合約。

在應屆股東週年大會上獲提名連任之董事，概無訂立任何不可於一年內由本集團終止而毋須賠償(法定賠償除外)之服務合約。

董事於重大合約之權益

除本報告「關連交易」一節及財務報表附註37(關聯人士交易)所披露者外，董事概無於本公司、其控股公司或其任何附屬公司或同系附屬公司於年內訂定而對本集團業務而言屬重大之合約中直接或間接擁有重大權益。

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於2011年12月31日，本公司之董事及主要行政人員於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有須根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益或淡倉，或須記錄於根據證券及期貨條例第352條須予存置之登記冊內之權益或淡倉或根據聯交所證券上市規則(「上市規則」)附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)另行知會本公司及聯交所之權益或淡倉如下：—

Directors' Report

董事會報告

(i) Interest in the shares of the Company

Name of directors	Personal Interests	Corporate Interests	Total	Approximate percentage of existing issued share capital of the Company
董事姓名	個人權益	公司權益	總計	佔本公司現有已發行股本概約百分比
Mr. Ng Wai Man ("Mr. NG") 吳惠民先生(「吳先生」)	852,000	778,902,000 ⁽²⁾	779,754,000	70.26%
Mr. Ting Yian Ann ("Mr. TING") 陳言安先生(「陳先生」)	-	33,380,000 ⁽³⁾	33,380,000	3.00%
Mr. Chong Yat Chin ("Mr. CHONG") 莊日青先生(「莊先生」)	762,000	15,950,000 ⁽⁴⁾	16,712,000	1.50%
Ms. Chan Wan Ming ("Ms. CHAN") 陳芸鳴女士(「陳女士」)	184,000	-	184,000	0.01%

Note:

- All interests of the directors in the shares of the Company were long positions
- Mr. NG is the beneficial owner of all the issued share capital of Lirun Limited ("Lirun") and Sure Port Investments Limited ("Sure Port") and therefore is deemed to be interested in a total of 778,902,000 shares of the Company held by Lirun and Sure Port.
- Mr. TING is the beneficial owner of all the issued share capital of Ansen International Limited ("Ansen") and therefore is deemed to be interested in 33,380,000 shares of the Company held by Ansen.
- Mr. CHONG is the beneficial owner of all issued share capital of Silver Coin International Limited ("Silver Coin") and therefore is deemed to be interested in 15,950,000 shares of the Company held by Silver Coin

(i) 於本公司股份之權益

Name of directors	Personal Interests	Corporate Interests	Total	Approximate percentage of existing issued share capital of the Company
董事姓名	個人權益	公司權益	總計	佔本公司現有已發行股本概約百分比
Mr. Ng Wai Man ("Mr. NG") 吳惠民先生(「吳先生」)	852,000	778,902,000 ⁽²⁾	779,754,000	70.26%
Mr. Ting Yian Ann ("Mr. TING") 陳言安先生(「陳先生」)	-	33,380,000 ⁽³⁾	33,380,000	3.00%
Mr. Chong Yat Chin ("Mr. CHONG") 莊日青先生(「莊先生」)	762,000	15,950,000 ⁽⁴⁾	16,712,000	1.50%
Ms. Chan Wan Ming ("Ms. CHAN") 陳芸鳴女士(「陳女士」)	184,000	-	184,000	0.01%

附註：

- 董事於本公司股份之所有權益均為好倉。
- 吳先生乃力潤有限公司(「力潤」)及港順投資有限公司(「港順」)全部已發行股本之實益擁有人，因此被視為於力潤及港順持有本公司之合共778,902,000股股份中擁有權益。
- 陳先生乃Ansen International Limited(「Ansen」)全部已發行股本之實益擁有人，因此被視為於Ansen持有本公司之33,380,000股股份中擁有權益。
- 莊先生乃Silver Coin International Limited(「Silver Coin」)全部已發行股本之實益擁有人，因此被視為於Silver Coin持有之本公司15,950,000股股份中擁有權益。

(ii) Long positions in the shares of associated corporations of the Company

(ii) 於本公司關連法團股份之好倉

Name of directors	Name of associated corporation	Capacity	Number of shares held in associated corporation	Percentage of existing issued share capital of the associated corporations
董事姓名	關連法團名稱	身份	於關連法團所持股份	已發行股本百分比
Mr. NG 吳先生	Lirun 力潤	Beneficial owner 實益擁有人	40	100%
Mr. NG 吳先生	Sure Port 港順	Beneficial owner 實益擁有人	10	100%
Mr. TING 陳先生	Ansen	Beneficial owner 實益擁有人	20	100%
Mr. CHONG 莊先生	Silver Coin	Beneficial owner 實益擁有人	30	100%

Save as disclosed above, as at 31 December 2011, none of the directors nor chief executives of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations.

除上述披露者外，於2011年12月31日，本公司董事及主要行政人員並無於本公司或其相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

主要股東之權益及淡倉

As at 31 December 2011, so far as is known to the directors of the Company, the following persons or corporations (other than directors or chief executives of the Company) who had interests and short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO or as otherwise notified to the Company were as follows:

於2011年12月31日，就本公司董事所知，下列人士或企業（並非本公司董事或主要行政人員）於本公司之股份及相關股份中擁有根據證券及期貨條例第336條須記錄於登記冊而須知會本公司之權益及淡倉如下：

Name of shareholder	Capacity	Number of shares or underlying shares held in the Company 於本公司 所持相關股份	Approximate percentage of existing issued share capital of the Company 佔本公司現有已發 行股本概約百分比
股東姓名	身份		
Lirun 力潤	Beneficial owner ⁽²⁾ 實益擁有人 ⁽²⁾	762,402,000	68.70%

Note:

- The interest of the substantial shareholder in the shares of the Company was long position.
- Mr. NG is the beneficial owner of all the issued share capital of Lirun and therefore is deemed to be interested in 762,402,000 shares of the Company held by Lirun.

附註：

- 主要股東於本公司股份之權益均為好倉。
- 吳先生乃力潤全部已發行股本之實益擁有人，因此被視為於力潤持有本公司之762,402,000股股份中擁有權益。

Save as disclosed above, as at 31 December 2011, the Directors of the Company are not aware of any other persons (other than the directors of the Company whose interests are set out in the section "Directors' and chief executives' interests and short positions in shares, underlying shares and debentures" above) who held any interests or short positions in the shares, or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

除上述披露者外，於2011年12月31日，本公司董事概不知悉任何其他人士（除了載於上述「董事及主要行政人員於股份、相關股份及債券之權益及淡倉」一節有關本公司董事之權益外）於本公司股份或相關股份中擁有須記入證券及期貨條例第336條規定須存置登記冊內之權益或淡倉。

SHARE OPTION SCHEME

A share option scheme was adopted on 23 May 2011 (the "Share Option Scheme") to provide incentives to eligible participants (including employees, executives or officers, directors including non-executive directors and independent non-executive directors, advisers, consultants, suppliers, customers and agents of the Company or any of its subsidiaries) for their contribution to the long term growth of the Group and to enable the Company to attract and retain high calibre employees. During the year, no share options were granted, exercised or cancelled by the Company under the Share Option Scheme. There were no outstanding share options under the Share Option Scheme as at 31 December 2011.

購股權計劃

本集團於2011年5月23日採納購股權計劃（「購股權計劃」），旨在獎勵合資格參加者（包括僱員、行政人員或高級職員、董事（包括非執行董事及獨立非執行董事）、本公司或任何附屬公司之顧問、諮詢者、供應商、客戶及代理），感謝其對本集團長期增長作出之貢獻，促使本集團聘請及保留有才幹之僱員。年內，本公司概無授出、行使或註銷根據購股權計劃的購股權。於2011年12月31日，購股權計劃並沒有未獲行使之購股權。

DEED OF NON-COMPETITION

Each of the executive directors (collectively the "Covenantors") have entered into a Deed of Non-Competition in favour of the Company (on behalf of itself and the Group) dated 23 May 2011 (the "Deed"). Pursuant to the Deed, each of the Covenantors shall procure that their respective associates shall not directly or indirectly engage in any business in competition with the existing business activity of the Group. Relevant information on the Deed was disclosed in the Prospectus in the section headed "Relationship with Controlling Shareholders".

The Company has received confirmations from the Covenantors of their compliance with the terms of the Deed. The Covenantors declared that they have fully complied with the Deed since the effective date of the Deed and up to 31 December 2011. The independent non-executive directors have reviewed on the confirmations from the Covenantors and concluded that the Deed has been complied with and has been effectively enforced.

CONNECTED TRANSACTIONS

The Group entered into the following non-exempt continuing connected transactions during the year. The Stock Exchange has granted to the Company a conditional waiver from strict compliance with the announcement and/or independent shareholders' approval requirement for the following transactions subject to (i) the directors confirming that those transactions have been entered into in the ordinary and usual course of business of the Group, on normal commercial terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (ii) the proposed annual caps for those transactions are fair and reasonable and in the interests of the shareholders of the Company as a whole.

不競爭契據

本公司各執行董事(統稱為「契諾人」)已訂立以本公司(代表其本身及本集團)為受益人之日期為2011年5月23日之不競爭契據(「契據」)。根據契據,各契諾人將促使彼等各自之聯繫人士不會直接或間接參與與本集團現有業務活動構成競爭之任何業務。有關契據之相關資料於招股章程「與控股股東的關係」一節中披露。

本公司已收到契諾人就其遵守契據之條款而發出之確認。契諾人表明自契據生效日期起及直至2011年12月31日止,彼等已完全遵守契據。獨立非執行董事已審核來自契諾人之確認並認為契據已獲遵守及有效執行。

關連交易

本集團於年內進行以下非豁免持續關連交易。聯交所已向本公司授予有條件豁免,豁免就以下交易嚴格遵守公告及/或獨立股東批准規定,惟須待以下條件達致後,方可作實:(i) 本公司董事確認該等交易乃於本集團日常及一般過程中且按屬公平合理及符合本公司股東整體利益之正常商業條款訂立;及(ii) 該等交易之建議年度上限屬公平合理且符合本公司股東之整體利益。

Directors' Report

董事會報告

The table below sets out the annual caps and the actual transaction amounts of those non-exempt continuing transactions in 2011:—

下表載列該等非豁免持續交易於2011年之年度上限及實際交易額：

Connected transactions 關連交易	Connected person 關連人士	Annual cap 年度上限		Actual transaction amount 實際交易額	
		(RMB'000) (人民幣千元)	Approx. 約數 (HK\$'000) (千港元)	(RMB'000) (人民幣千元)	Approx. 約數 (HK\$'000) (千港元)
(A) Related Party Terminal Service Agreements	關聯人士碼頭服務協議				
(i) Phenol Storage Agreement 苯酚儲存協議	DC Investments 龍翔化工國際	2,880	3,456	2,880	3,468
(ii) Ningbo Ningxiang Storage Agreement 寧波寧翔儲存協議	Ningbo Free Trade Zone Dragon Crown Chemical International Trade Company Ltd. ("Ningbo DC") 寧波保稅區龍翔化工國際貿易有限公司(「寧波龍翔」)	3,620	4,161	2,168	2,611
(iii) DC Investments Storage Agreement 龍翔化工國際儲存協議	DC Investments 龍翔化工國際	2,320	2,667	2,514	3,028
		8,820	10,284	7,562	9,107
(B) Pipe Racks Agreements	管架協議				
(i) Pipe Racks Services Agreement 管架服務協議	Nanjing Chemical Industry Park Company Limited ("Nanjing CIPC") 南京化學工業園有限公司(「南京CIPC」)	8,200	9,425	7,791	9,382
(ii) Security Services Agreement 保安服務協議	Nanjing Chemical Industry Park Public Services Company Limited ("Nanjing CIPPS") 南京化學工業園公用事業有限責任公司(「南京CIPPS」)	889	1,022	889	1,071
		9,089	10,447	8,680	10,453
(C) Office Lease Agreement 辦公室租賃協議	DC Investments 龍翔化工國際		1,494		1,494

(A) Related Party Terminal Service Agreements

The Group entered into three related party terminal service agreements, namely Phenol Storage Agreement, Ningbo Ningxiang Storage Agreement and DC Investments Storage Agreement (collectively the "Related Party Terminal Service Agreements"), which constitute continuing connected transactions under the Listing Rules. Pursuant to Listing Rules 14A.25 and 14A.26, the transactions under the Related Party Terminal Service Agreements and the annual cap amounts of the transactions thereunder have been aggregated. Details of the Related Party Terminal Service Agreements are as follows:—

(a) Phenol Storage Agreement

On 19 April 2011, the Group and DC Investments entered into the Phenol storage agreement (the "Phenol Storage Agreement"), pursuant to which the Group agreed to provide DC Investments with terminal and storage services for Phenol at the Nanjing terminal. The term of the Phenol Storage Agreement is for the period from 1 January 2011 to 31 December 2012. The fees for the services provided are determined by the storage capacity of the tank at the Nanjing terminal and the lease term with reference to the market price.

(b) Ningbo Ningxiang Storage Agreement

On 1 January 2010, the Group and Ningbo DC entered into a storage agreement (the "Ningbo Ningxiang Storage Agreement"), pursuant to which the Group agreed to provide Ningbo DC with terminal and storage services for Methanol at the Ningbo terminal. The term of the Ningbo Ningxiang Storage Agreement is for a period from 1 January 2010 to 31 December 2012. The fees for the services provided are determined by the quantity of the liquid chemical handled and the lease term at the Ningbo terminal with reference to the market price. Pursuant to the mutual agreement between the Group and Ningbo DC, the Ningbo Ningxiang Storage Agreement was terminated with effect from 1 July 2011.

(A) 關聯人士碼頭服務協議

本集團訂立三份關聯人士碼頭服務協議，即苯酚儲存協議、寧波寧翔儲存協議和龍翔化工國際儲存協議（統稱「關聯人士碼頭服務協議」），該等協議根據上市規則構成持續關連交易。根據上市規則第14A.25及14A.26條，於關聯人士碼頭服務協議下的交易和其下交易的年度上限額已合併計算。關聯人士碼頭服務協議之詳情載列如下：—

(a) 苯酚儲存協議

於2011年4月19日，本集團及龍翔化工國際訂立苯酚儲存協議（「苯酚儲存協議」），據此本集團同意在南京的碼頭為龍翔化工國際提供有關苯酚的碼頭及儲存服務。苯酚儲存協議的年期由2011年1月1日起至2012年12月31日止。提供服務的費用乃按本集團的南京碼頭的儲罐儲量及租期並參考市場價釐定。

(b) 寧波寧翔儲存協議

於2010年1月1日，本集團與寧波龍翔訂立一份儲存協議（「寧波寧翔儲存協議」），據此，本集團同意於寧波的碼頭向寧波龍翔提供甲醇的碼頭和儲存服務。寧波寧翔儲存協議的期限自2010年1月1日至2012年12月31日。提供服務的費用乃按所處理的液體化學品數量及本集團寧波碼頭的租期並參考市場價釐定。根據本集團與寧波龍翔訂立的協議，寧波寧翔儲存協議已自2011年7月1日起終止。

(c) DC Investments Storage Agreement

On 1 January 2010, the Group and DC Investments entered into a storage agreement (the “DC Investments Storage Agreement”), pursuant to which the Group agreed to provide DC Investments with terminal and storage services for Phenol at the Ningbo terminal. The term of the DC Investments Storage Agreement is for the period from 1 January 2010 to 31 December 2012. The fees for the services provided are determined by the quantity of liquid chemical handed and the lease term at the Ningbo terminal with reference to the market price.

(B) Pipe Racks Agreements

The Group entered into the Pipe Racks Services Agreement and the Security Services Agreement (collectively the “Pipe Racks Agreements”), which constitute continuing connected transactions under the Listing Rules. Pursuant to the Listing Rules 14A.25 and 14A.26, the transactions under the Pipe Racks Agreements and the annual cap amounts of the transactions thereunder have been aggregated.

(c) 龍翔化工國際儲存協議

於2010年1月1日，本集團與龍翔化工國際訂立一份儲存協議（「龍翔化工國際儲存協議」），據此，本集團同意於寧波的碼頭向龍翔化工國際提供苯酚的碼頭和儲存服務。龍翔化工國際儲存協議的期限自2010年1月1日至2012年12月31日。提供服務的費用乃按所處理的液體化學品數量及本集團南京碼頭的租期並參考市場價釐定。

(B) 管架協議

本集團已訂立管架服務協議及保安服務協議（統稱為「管架協議」），根據上市規則，交易構成持續關連交易。根據上市規則14A.25及14A.26條，於管架協議下的交易和其下交易的年度上限額已合併計算。

In March 2007, the Group and Nanjing CIPC entered into a pipe racks services agreement (the "Pipe Racks Services Agreement"), pursuant to which Nanjing CIPC agreed to lease to the Group the pipe racks for the Acetic Acid pipelines and Methanol pipelines at the Nanjing Chemical Industry Park. The Pipe Racks Services Agreement was supplemented by (i) a supplemental agreement dated 28 September 2007, pursuant to which Nanjing CIPC agreed to lease to the Group the pipe racks for the Vinyl acetate and Acetic Anhydride pipelines at the Nanjing Chemical Industry Park; (ii) a supplemental agreement dated 12 October 2007, pursuant to which Nanjing CIPC agreed to lease to the Group the pipe racks for the Ethylene pipelines at the Nanjing Chemical Industry Park; and (iii) a supplemental agreement dated June 2008, pursuant to which Nanjing CIPC agreed to lease to the Group the pipe racks for the sub-pipelines of the Group connecting to the pipelines of two customers of Celanese. The Pipe Racks Services Agreement is for a period of 15 years from 15 March 2007 to 14 March 2022 and can be extended for a further five years upon expiry unless the parties thereto terminate the Pipe Racks Services Agreement. The fees payable for the pipe racks rental by the Group are principally determined by the occupied area of pipelines in the pipe racks rented to the Group by Nanjing CIPC subject to adjustment with reference to bank lending interest rate, consumer price index, inflation, etc., with terms no less favourable than those offered by other independent third parties in the ordinary course of business.

In addition, in March 2007, the Group and Nanjing CIPPS, a wholly-owned subsidiary of Nanjing CIPC, entered into a security services agreement (the "Security Services Agreement"), pursuant to which Nanjing CIPPS agreed to provide security services for the pipe racks rented by the Group at the Nanjing Chemical Industry Park. Nanjing CIPPS shall provide security, patrol and monitor services of the Group's pipelines at the Nanjing Chemical Industry Park. The Security Services Agreement is for a period of 15 years from 15 March 2007 to 14 March 2022. The fees payable for the security services by the Group are principally determined by the length of pipe racks which requires the provision of security services by Nanjing CIPPS with terms no less favourable than those offered by other independent third parties in the ordinary course of business.

於2007年3月，本集團與南京CIPC訂立管架服務協議（「管架服務協議」），據此，南京CIPC同意向本集團出租在南京化學工業園區的醋酸管道及甲醇管道。管架服務協議(i)經日期為2007年9月28日的補充協議所補充，據此，南京CIPC同意向本集團出租管架，供南京化學工業園區的醋酸乙酯及醋酐管道之用；(ii)經日期為2007年10月12日的補充協議所補充，據此，南京CIPC同意向本集團出租管架，供南京化學工業園區的乙烯管道之用；及(iii)經日期為2008年6月的補充協議所補充，據此，南京CIPC同意向本集團出租管道，供與兩家塞拉尼斯客戶連接的本集團分管道之用。管架服務協議自2007年3月15日至2022年3月14日止為期十五年，除非訂約各方終止管架服務協議，否則可於到期後進一步延長五年。本集團就租賃管架而應付的費用主要按南京CIPC出租予本集團的管架佔用的管道面積釐定，並可按銀行貸款利率、消費價格指數及通貨膨脹率等予以調整，其條款不遜於其他獨立第三方於日常業務過程中所提供的條款。

此外，於2007年3月，本集團與南京CIPPS（南京CIPC的全資附屬公司）訂立保安服務協議（「保安服務協議」），據此，南京CIPPS同意在南京化學工業園區為本集團租賃的管架提供保安服務。南京CIPPS將為本集團在南京化學工業園區的管道提供保安、巡邏及監察服務。保安服務協議的年期由2007年3月15日至2022年3月14日止，為期十五年。本集團就保安服務應付的費用主要按需要由南京CIPPS提供保安服務的管架長度釐定，其條款不遜於其他獨立第三方於日常業務過程中所提供的條款。

(C) Office Lease Agreement

On 12 November 2010, an office lease agreement (the "Office Lease Agreement") was entered into between DC Investments as landlord and the Group as tenant in respect of the premises located at Unit No. 3 on the 18th Floor of Convention Plaza, Office Tower, No. 1 Harbour Road, Hong Kong, with a gross floor area of approximately 2,227 square feet for a term commencing on 1 August 2010 and expiring on 31 December 2012. The property is currently occupied by the Group for office use. The rental payment under the Office Lease Agreement is determined with reference to the market rate.

The independent non-executive directors of the Company have, for the purpose of Rule 14A.37 of the Listing Rules, reviewed the continuing connected transactions set out above and have confirmed that these continuing connected transactions have been entered into by the Group (i) in the ordinary and usual course of its business; (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and (iii) in accordance with the terms of the agreements governing such transactions that are fair and reasonable and in the interests of the Company's shareholders as a whole.

The Company's auditors were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. With respect to the DC Investments Storage Agreement as disclosed above, the actual transaction amount was RMB2,514,000, which exceeded the annual cap of RMB2,320,000 as disclosed in the Prospectus. The combined annual caps for the Related Party Terminal Service Agreements, as defined above, was RMB8,820,000 by summation, which was higher than the aggregate transaction amounts of RMB7,562,000 for the Related Party Terminal Service Agreements. Except for the matter described herein, the auditors have not qualified its report in respect of the continuing connected transactions disclosed above by the Group in page 44 in accordance with Main Board Listing Rule 14A.38. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

(C) 辦公室租賃協議

於2010年11月12日，龍翔化工國際（作為業主）與本集團（作為承租人）就位於香港灣道1號會展廣場辦公大樓18樓3室的物業訂立一份辦公室租賃協議（「辦公室租賃協議」），總建築面積約為2,227平方呎，租期自2010年8月1日開始至2012年12月31日到期。該物業目前由本集團佔用作辦公用途。辦公室租賃協議的租金乃根據市場水平釐定。

就上市規則第14A.37條而言，本公司獨立非執行董事已審核上述所載的持續關連交易，並確認該等持續關聯交易已由本集團於下列情況中訂立(i)屬本集團日常及一般業務；(ii)按一般商業條款或對本集團而言不遜於獨立第三方所提供的條款；及(iii)根據規管該等交易的協議條款，而有關條款屬公平合理並符合股東的整體利益。

根據香港會計師公會頒佈的《香港核證工作準則》第3000號「對過往財務資料進行審核或審閱以外的核證工作」及參照應用指引第740號「關於香港《上市規則》所述持續關連交易的核數師函件」，本公司之核數師已獲聘報告本集團的持續關連交易。有關上述龍翔化工國際儲存協議的實際交易金額2,514,000人民幣已超出招股章程所披露之年度上限2,320,000人民幣。但關聯人士碼頭服務協議如上定義的合併年度上限8,820,000人民幣卻高於關聯人士碼頭服務協議的總實際交易金額7,562,000人民幣。除以上說明外，根據上市規則第14A.38條就本集團列於第44頁的持續關連交易，核數師於其報告內並未發出保留意見。本公司已將核數師函件副本送呈聯交所。

RELATED PARTY TRANSACTIONS

The details of the related party transactions are set out in note 37 to the financial statements.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors as at the latest practicable date prior to the issue of this report, the Company has maintained the prescribed public float under the Listing Rules.

AUDITORS

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

By order of the Board

Ng Wai Man
Chairman

Hong Kong, 6 March 2012

關聯人士交易

關聯人士交易詳情載於財務資料附註37中。

公眾持股量

根據已公佈資料及據董事所知，於發行本報告前的最後實際可行日期，本公司已維持上市規則規定的公眾持股量。

核數師

安永會計師事務所將於應屆股東週年大會上退任本公司的核數師，而該大會上將提呈重新聘任彼為本公司核數師的決議案。

承董事會命

主席
吳惠民

香港，2012年3月6日



TO THE SHAREHOLDERS OF DRAGON CROWN GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Dragon Crown Group Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 52 to 141, which comprise the consolidated and company statements of financial position as at 31 December 2011, the consolidated income statement and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致龍翔集團控股有限公司全體股東 (於開曼群島註冊成立的有限公司)

本核數師已審核龍翔集團控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)列載於第52至141頁的綜合財務報表，當中包括於2011年12月31日的綜合及公司財務狀況表以及截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策之概要及其他說明資料。

董事就綜合財務報表所承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則以及香港公司條例的披露規定，編製表達真實且公平意見的綜合財務報表，以及維持董事認為必要的有關內部控制，以確保編製綜合財務報表時不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

本核數師的責任乃根據吾等的審核，對該等綜合財務報表發表意見。本核數師的報告僅向閣下整體作出，且並無其他目的。本核數師不會就本報告內容向任何其他人士負上或承擔責任。

本核數師按照香港會計師公會頒佈的香港核數準則進行審核。該等準則規定本核數師須遵守操守規範，並規劃及執行審核，以合理保證該等綜合財務報表不存在重大錯誤陳述。

AUDITORS' RESPONSIBILITY (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2011, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young
Certified Public Accountants

22/F CITIC Tower
1 Tim Mei Avenue, Central
Hong Kong

6 March 2012

核數師的責任(續)

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估綜合財務報表不論因欺詐或錯誤而導致存在重大錯誤陳述的風險。在作出該等風險評估時，核數師考慮與該公司編製表達真實且公平意見的綜合財務報表相關的內部監控，以設計適合於有關情況使用的審核程序，但並非為對公司的內部監控效能發表意見。審核亦包括評價所採用的會計政策是否合適及董事作出的會計估計是否合理，以及評價綜合財務報表的整體呈列方式。

本核數師相信吾等獲取的審核憑證為充足及適當，為本核數師的審核意見提供基礎。

意見

本核數師認為該等綜合財務報表真實及公平地反映貴公司及貴集團於2011年12月31日之財務狀況及貴集團截至該日止年度之溢利及現金流量，並已按照香港財務報告準則及香港公司條例之披露規定而妥為編製。

安永會計師事務所
執業會計師

香港
中環添美道1號
中信大廈22樓

2012年3月6日

Consolidated Income Statement

綜合收益表

Year ended 31 December 2011 截至2011年12月31日止年度

		Notes 附註	2011 HK\$'000 千港元	2010 HK\$'000 千港元
REVENUE	收入	6	240,675	233,024
Cost of service provided	提供服務成本		(102,399)	(89,583)
Gross profit	毛利		138,276	143,441
Other income	其他收入	7	2,351	11,817
Administrative expenses	行政開支		(31,988)	(29,094)
Finance costs	融資成本	8	(8,220)	(8,930)
Share of profits and losses of:	應佔溢利及虧損：			
Associates	聯營公司		2,177	5,305
Jointly-controlled entities	共同控制實體		5,961	2,654
PROFIT BEFORE TAX	除稅前溢利	9	108,557	125,193
Tax	稅項	12	(5,319)	(8,036)
PROFIT FOR THE YEAR	年內溢利		103,238	117,157
Attributable to:	以下人士應佔：			
Owners of the Company	本公司擁有人	13	90,076	96,745
Non-controlling interests	非控股權益		13,162	20,412
			103,238	117,157
EARNINGS PER SHARE	本公司擁有人			
ATTRIBUTABLE TO	應佔每股盈利(港仙)			
OWNERS OF THE COMPANY				
(HK cents)				
Basic	基本	15	9.15	11.73

Details of the dividends proposed for the year are disclosed in note 14 to the financial statements.

有關本年度建議股息的詳情披露於財務報表附註14。

Consolidated Statement of Comprehensive Income

綜合全面收益表

Year ended 31 December 2011 截至2011年12月31日止年度

		Note	2011 HK\$'000 千港元	2010 HK\$'000 千港元
		附註		
PROFIT FOR THE YEAR	年內溢利		103,238	117,157
OTHER COMPREHENSIVE INCOME	其他全面收入			
Share of other comprehensive income of associates:	應佔聯營公司的其他全面收入：			
Changes in exchange reserve	匯兌儲備變動		1,191	842
Share of other comprehensive income of jointly-controlled entities:	應佔共同控制實體的其他全面收入：			
Changes in exchange reserve	匯兌儲備變動		959	676
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額		24,758	18,301
			26,908	19,819
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年內全面收入總額		130,146	136,976
Attributable to:	以下人士應佔：			
Owners of the Company	本公司擁有人	13	114,411	114,550
Non-controlling interests	非控股權益		15,735	22,426
			130,146	136,976

Consolidated Statement of Financial Position

綜合財務狀況表

31 December 2011 2011年12月31日

		Notes	2011 HK\$'000 千港元	2010 HK\$'000 千港元
		附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	546,547	541,742
Prepaid land lease payments	預付土地租金	17	42,975	41,906
Goodwill	商譽	18	1,210	1,210
Investments in associates	於聯營公司的投資	20	22,973	23,148
Investments in jointly-controlled entities	於共同控制實體的投資	21	27,313	25,780
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	23	-	7,132
Total non-current assets	非流動資產總值		641,018	640,918
CURRENT ASSETS	流動資產			
Inventories	存貨		4,152	2,416
Accounts receivable	應收賬款	22	39,857	45,152
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	23	4,241	10,008
Cash and cash equivalents	現金及現金等價物	24	403,243	46,611
Total current assets	流動資產總值		451,493	104,187
CURRENT LIABILITIES	流動負債			
Other payables and accruals	其他應付款項及應計費用	25	35,572	35,511
Interest-bearing bank loans	計息銀行貸款	26	144,474	56,472
Due to the former ultimate holding company	應付前最終控股公司款項	27	-	249
Tax payable	應付稅項		54	629
Total current liabilities	流動負債總值		180,100	92,861
NET CURRENT ASSETS	流動資產淨值		271,393	11,326
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		912,411	652,244
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank loans	計息銀行貸款	26	11,935	162,188
Deferred tax liabilities	遞延稅項負債	28	5,663	6,730
Total non-current liabilities	非流動負債總值		17,598	168,918
NET ASSETS	資產淨值		894,813	483,326

Consolidated Statement of Financial Position

綜合財務狀況表

31 December 2011 2011年12月31日

			2011	2010
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Issued share capital	已發行股本	29	110,966	83
Reserves	儲備	31	683,375	437,839
Proposed final dividend	建議末期股息	14	55,483	–
			849,824	437,922
Non-controlling interests	非控股權益		44,989	45,404
TOTAL EQUITY	權益總值		894,813	483,326

Ng Wai Man

吳惠民

Director

董事

Ting Yian Ann

陳言安

Director

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 December 2011 截至2011年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔權益								
		Issued capital 已發行 股本	Share premium 股份溢價	Reserve funds* 儲備 基金*	Capital reserve 資本儲備	Exchange fluctuation reserve 匯兌波動 儲備	Retained profits 保留溢利	Proposed final dividend 建議末期 股息	Non- controlling interests 非控股權益	Total equity 權益總額
Notes 附註		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		(Note 31(a)(iv)) (附註31(a)(iv))			(Note 31(a)(i)) (附註31(a)(i))	(Note 31(a)(iii)) (附註31(a)(iii))				
At 1 January 2011	於2011年1月1日	83	244,767	6,436	22,952	55,834	107,850	-	437,922	483,326
Profit for the year	年內溢利	-	-	-	-	-	90,076	-	90,076	103,238
Other comprehensive income for the year:	年內其他全面收入									
Share of changes in exchange reserve of associates	應佔聯營公司的 匯兌儲備變動	-	-	-	-	1,191	-	-	1,191	1,191
Share of changes in exchange reserve of jointly-controlled entities	應佔共同控制實體 的匯兌儲備變動	-	-	-	-	959	-	-	959	959
Exchange differences on translation of foreign operations	換算海外業務的 匯兌差額	-	-	-	-	22,185	-	-	22,185	24,758
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	24,335	90,076	-	114,411	130,146
Capitalisation issue	資本化發行	29(v)	82,417	(82,417)	-	-	-	-	-	-
Issue of new shares	發行新股份	29(vi)	28,466	284,662	-	-	-	-	313,128	313,128
Share issue expenses	發行股份費用	-	(15,503)	-	-	-	-	-	(15,503)	(15,503)
Appropriation to statutory reserve	撥至法定儲備	-	-	1,290	-	-	(1,424)	-	(134)	-
Dividends declared to non-controlling interests	宣派至非控股權益之股息	-	-	-	-	-	-	-	(16,284)	(16,284)
Proposed final dividend	建議末期股息	14	-	-	-	-	(55,483)	55,483	-	-
At 31 December 2011	於2011年12月31日	110,966	431,509**	7,726**	22,952**	80,169**	141,019**	55,483	849,824	894,813

* The reserve funds comprise the share of reserves of associates and jointly-controlled entities of HK\$3,958,000 (2010: HK\$3,709,000).

* 該等儲備基金包括應佔聯營公司及共同控制實體的儲備3,958,000港元(2010年: 3,709,000港元)

** These reserve accounts comprise the consolidated reserves of HK\$683,375,000 (2010: HK\$437,839,000) in the consolidated statement of financial position.

** 該等儲備賬組成綜合財務狀況表內的綜合儲備683,375,000港元(2010年: 437,839,000港元)

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 December 2011 截至2011年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔權益									
		Issued capital 已發行 股本	Share premium 股份溢價	Reserve funds* 儲備 基金*	Capital reserve 資本儲備	Exchange fluctuation reserve 匯兌波動 儲備	Retained profits 保留溢利	Proposed final dividend 建議末期 股息	Non- controlling interests Total 非控股權益 總計	Total equity 權益總額	
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
附註		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
				(Note 31(a)(ii)) (附註31(a)(ii))	(Note 31(a)(ii)) (附註31(a)(ii))	(Note 31(a)(iii)) (附註31(a)(iii))					
At 1 January 2010	於2010年1月1日	27,342	-	5,035	-	38,029	152,166	-	222,572	64,915	287,487
Profit for the year	年內溢利	-	-	-	-	-	96,745	-	96,745	20,412	117,157
Other comprehensive income for the year:	年內其他全面收入										
Share of changes in exchange reserve of associates	應佔聯營公司的 匯兌儲備變動	-	-	-	-	842	-	-	842	-	842
Share of changes in exchange reserve of jointly-controlled entities	應佔共同控制實體 的匯兌儲備變動	-	-	-	-	676	-	-	676	-	676
Exchange differences on translation of foreign operations	換算海外業務的 匯兌差額	-	-	-	-	16,287	-	-	16,287	2,014	18,301
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	17,805	96,745	-	114,550	22,426	136,976
Arising from the Reorganisation	來自重組	(27,264)	232,262	-	3,605	-	-	-	208,603	-	208,603
Acquisition of non-controlling interests	收購非控股權益	29(iv)	5	12,505	-	19,347	-	-	31,857	(19,347)	12,510
Appropriation to statutory reserve	撥至法定儲備	-	-	1,401	-	-	(1,623)	-	(222)	222	-
Dividends declared to non-controlling interests	宣派至非控股權益之股息	-	-	-	-	-	(5,240)	-	(5,240)	(22,812)	(28,052)
Dividends declared	已宣派股息	-	-	-	-	-	(134,198)	-	(134,198)	-	(134,198)
At 31 December 2010	於2010年12月31日	83	244,767**	6,436**	22,952**	55,834**	107,850**	-	437,922	45,404	483,326

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2011 截至2011年12月31日止年度

	Notes 附註	2011 HK\$'000 千港元	2010 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動產生之現金流量		
Profit before tax	除稅前溢利	108,557	125,193
Adjustments for:	就以下各項調整：		
Finance costs	融資成本	8,220	8,930
Bank interest income	銀行利息收入	(1,109)	(854)
Depreciation	折舊	34,203	31,888
Amortisation of prepaid land lease payments	預付土地租金攤銷	952	908
Revaluation of pre-existing interest in an acquired subsidiary to fair value	重估所收購附屬公司權益至公平值	-	(2,488)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損	199	620
Share of profits and losses of:	應佔下列之溢利及虧損：		
Associates	聯營公司	(2,177)	(5,305)
Jointly-controlled entities	共同控制實體	(5,961)	(2,654)
		142,884	156,238
Increase in inventories	存貨增加	(1,580)	(530)
Decrease/(increase) in accounts receivable	應收賬款減少／(增加)	7,318	(8,349)
Decrease in an amount due from a non-controlling shareholder	應收非控股股東款項減少	-	213
Decrease/(increase) in prepayments, deposits and other receivables	預付款、按金及其他應收款項減少／(增加)	1,350	(4,864)
Decrease in other payables and accruals	其他應付款項及應計費用減少	(5,700)	(3,906)
Decrease in an amount due to a director	應付董事款項減少	-	(1,996)
Cash generated from operations	經營所得現金	144,272	136,806
Tax paid	已繳稅項	(7,124)	(10,936)
Net cash flows from operating activities	經營活動所得現金流量淨額	137,148	125,870

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2011 截至2011年12月31日止年度

	Note	2011	2010
	附註	HK\$'000	HK\$'000
		千港元	千港元
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(5,908)	(17,388)
Proceeds from disposal of items of property, plant and equipment		-	40
Acquisition of a subsidiary	32	-	(2,840)
Interest received		1,109	854
Dividend received		8,961	4,646
Net cash flows from/(used in) investing activities		4,162	(14,688)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares upon acquisition of non-controlling interests		-	12,510
Arising from initial public offering and over-allotment		302,294	-
Proceeds from issue of shares arising from the Reorganisation		-	208,603
Decrease in an amount due to the former ultimate holding company		(249)	(199,235)
Repayment of bank loans		(85,817)	(160,566)
New bank loans		18,064	209,050
Dividend paid		-	(134,198)
Dividend paid to non-controlling interests		(11,630)	(17,052)
Interest paid		(8,220)	(8,930)
Net cash flows from/(used in) financing activities		214,442	(89,818)

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2011 截至2011年12月31日止年度

		Note	2011 HK\$'000 千港元	2010 HK\$'000 千港元
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物 增加淨額		355,752	21,364
Cash and cash equivalents at beginning of year	於年初之現金 及現金等價物		46,611	23,249
Effect of foreign exchange rate changes, net	匯率變動 的影響淨額		880	1,998
CASH AND CASH EQUIVALENTS AT END OF YEAR	於年末之現金 及現金等價物		403,243	46,611
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物 結餘分析			
Cash and cash equivalents at end of year	於年末之現金及 現金等價物	24	403,243	46,611

Statement of Financial Position

財務狀況表

31 December 2011 2011年12月31日

	Notes	2011 HK\$'000 千港元	2010 HK\$'000 千港元
	附註		
NON-CURRENT ASSETS			
Investments in subsidiaries	19	256,423	230,080
Total non-current assets		256,423	230,080
CURRENT ASSETS			
Prepayments, deposits and other receivables	23	111,769	36,369
Cash and cash equivalents	24	293,980	–
Total current assets		405,749	36,369
CURRENT LIABILITIES			
Other payables and accruals	25	6,044	3,392
Total current liabilities		6,044	3,392
NET CURRENT ASSETS		399,705	32,977
NET ASSETS		656,128	263,057
EQUITY			
Issued share capital	29	110,966	83
Reserves	31(b)	489,679	262,974
Proposed final dividend	14	55,483	–
TOTAL EQUITY		656,128	263,057

Ng Wai Man

吳惠民

Director

董事

Ting Yian Ann

陳言安

Director

董事

1. CORPORATE INFORMATION

The Company was incorporated on 16 July 2010 as an exempted company with limited liability under Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of its principle place of business is Unit No.3, 18th Floor, Convention Plaza, Office Tower, No.1 Harbour Road, Hong Kong. The Group is principally engaged in terminal storage and handling of liquid chemicals.

In the opinion of the directors of the Company, the ultimate holding company of the Company is Lirun Limited, which is a limited liability company incorporated in the British Virgin Islands (the “BVI”).

Pursuant to a reorganisation (the “Reorganisation”) described in the section headed “Reorganisation” and in Appendix V “Statutory and General Information” to the Company’s Prospectus dated 30 May 2011, the Company became the holding company of all the companies now comprising the Group on 29 November 2010.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

1. 公司資料

本公司根據開曼群島公司法於2010年7月16日註冊成立為獲豁免有限公司。本公司註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司的主要經營地點位於香港港灣道1號會展廣場辦公大樓18樓3室。本集團主要從事液體化學品碼頭儲存及處理業務。

本公司董事認為，本公司最終控股公司為於英屬維爾京群島註冊成立之有限責任公司力潤有限公司。

根據2011年5月30日之本公司招股章程「重組」一節及附錄五「法定及一般資料」所述之重組事項（「重組」），本公司於2010年11月29日成為目前組成本集團之所有公司之控股公司。

2.1 編製基準

該等財務報表乃根據香港會計師公會頒佈之香港財務報告準則（「香港財務報告準則」）（包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則及香港公司條例而編製。該等財務報表乃按歷史成本慣例編製。除另有指明外，財務資料以港元呈列，而所有金額均調整至最接近千港元。

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2011. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in the income statement. The Group’s share of components previously recognised in other comprehensive income is reclassified to the income statement or retained profits, as appropriate.

2.1 編製基準 (續)

綜合基準

綜合財務報表包括本公司及其附屬公司(統稱「本集團」)於截至2011年12月31日止年度之財務報表。附屬公司之財務報表乃與本公司於相同申報期間內採納連貫一致之會計政策編製。附屬公司之業績乃自收購日期(即本集團獲取控制權之日)起予以綜合，且於該等控制權終止前持續綜合。所有集團內公司間結餘、交易以及因集團內公司間交易產生的未變現盈虧及股息均會於綜合賬目時悉數對銷。

即使會產生虧損結餘，附屬公司之全面收入總額仍會歸屬於非控股權益。

於附屬公司擁有權權益之變動(並無失去控制權)於入賬時列作權益交易。

倘本集團失去一間附屬公司之控制權，則會終止確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控股權益之賬面值；及(iii)於權益內入賬的累計匯兌差額；並確認(i)已收代價的公平值；(ii)任何獲保留投資的公平值；及(iii)計入收益表的任何相關盈餘或虧損。先前於其他全面收入已確認的本集團應佔部分，乃視乎情況重新分類至收益表或保留溢利。

2.1 BASIS OF PREPARATION (continued)

The financial statements of the Group for the year ended 31 December 2010 incorporated the financial statements of the companies now comprising the Group for the year ended 31 December 2010. The acquisition of subsidiaries under common control pursuant to the Reorganisation had been accounted for using merger method of accounting. The acquisition of the interests of all other subsidiaries during the year ended 31 December 2010 was accounted for using the acquisition method.

The merger method of accounting involves incorporating the financial statement items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the then controlling shareholder of the Company.

The net assets of the combining entities or business are combined using the existing book values from the then controlling shareholder's perspective. No amount is recognised in respect of goodwill or the excess of the acquirers' interest in the net fair value of acquirees' identifiable assets, liabilities and contingent liabilities over the cost of investment at the time of common control combination.

The consolidated statements of comprehensive income of the Group for the year ended 31 December 2010 included the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under common control, where this is a shorter period, regardless of the date of the common control combination.

2.1 編製基準 (續)

本集團截至2010年12月31日止年度的財務報表包括截至2010年12月31日止年度已成為本集團成員公司的財務報表。根據重組對受共同控制之附屬公司的收購已採用合併會計法入賬。於2010年12月31日止年度，對其他所有附屬公司權益的收購均按收購法入賬。

合併會計法涉及列入發生共同控制形式合併的合併實體或業務的財務報表項目，猶如該等項目自該等合併實體或業務首次受本公司當時控股股東控制當日起已合併處理。

合併實體或業務的淨資產已按當時控股股東預期的現有賬面值合併入賬。不會就商譽或就收購方於被收購公司可識別資產、負債及或有負債公平淨值的權益超出共同控制合併當時的投資成本確認任何金額。

本集團截至2010年12月31日止年度的綜合全面收益表包括各合併實體或業務自最早呈報日期或合併實體或業務首次受共同控制之日(以較短期間為準)起之業績，而不論共同控制合併之日期。

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

HKFRS 1
Amendment
Amendment to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Limited Exemption from Comparative HKFRS 7 Disclosures for First-Time Adopters*

HKAS 24 (Revised) *Related Party Disclosures*

HKAS 32
Amendment
Amendment to HKAS 32 *Financial Instruments: Presentation – Classification of Rights Issues*

HK(IFRIC)-Int 14
Amendments
Amendment to HK(IFRIC)-Int 14 *Prepayments of a Minimum Funding Requirement*

HK(IFRIC)-Int 19
Extinguishing Financial Liabilities with Equity Instruments

Improvements to HKFRSs 2010
Amendments to a number of HKFRSs issued in May 2010

Other than as further explained below regarding the impact of HKAS 24 (Revised), the adoption of the new and revised HKFRSs has had no significant financial effect on these financial statements.

2.2 會計政策變動及披露

本集團已就本年度財務報表首次採納以下新訂及經修訂香港財務報告準則：

香港財務報告準則第1號 (修訂本)
香港財務報告準則第1號「首次採納香港財務報告準則—首次採納者有關根據香港財務報告準則第7號披露比較資料之有限度豁免」之修訂

香港會計準則第24號 (經修訂)
關聯人士披露

香港會計準則第32號 (修訂本)
香港會計準則第32號「金融工具：呈列—供股分類」之修訂

香港(國際財務報告詮釋委員會)—詮釋第14號 (修訂本)
香港(國際財務報告詮釋委員會)—詮釋第14號「最低資金規定的預付款」之修訂

香港(國際財務報告詮釋委員會)—詮釋第19號
以股本工具抵銷金融負債

香港財務報告準則2010年的改進
於2010年5月頒佈的多項香港財務報告準則的修訂

除就香港會計準則第24號(經修訂)的影響於下文詳述外，採納該等新訂及經修訂香港財務報告準則並未對該等財務報表產生任何重大財務影響。

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES *(continued)*

HKAS 24 (Revised) clarifies and simplifies the definitions of related parties. The new definitions emphasise a symmetrical view of related party relationships and clarify the circumstances in which persons and key management personnel affect related party relationships of an entity. The revised standard also introduces an exemption from the general related party disclosure requirements for transactions with a government and entities that are controlled, jointly controlled or significantly influenced by the same government as the reporting entity. The accounting policy for related parties has been revised to reflect the changes in the definitions of related parties under the revised standard. The adoption of the revised standard did not have any impact on the financial position or performance of the Group. Details of the related party transactions, including the related comparative information, are included in note 37 to the financial statements.

2.2 會計政策變動及披露 (續)

香港會計準則第24號(經修訂)闡明及簡化關聯人士的定義。新定義強調關聯人士關係的對稱性，並闡明人員及主要管理人員影響一家實體的關聯人士關係的情況。經修訂準則亦引入報告的實體與政府及受同一政府控制、共同控制或重大影響的實體進行交易的一般關聯人士披露規定的豁免。關聯人士的會計政策已修訂，以反映根據經修訂準則的關聯人士定義變動。採納該經修訂準則對於本集團財務狀況或表現並無造成任何影響。關聯人士交易之詳情，包括相關可比較資料已載於財務報表附註37。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters</i> ¹
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Transfers of Financial Assets</i> ¹
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities</i>
HKFRS 9	<i>Financial Instruments</i> ⁶
HKFRS 10	<i>Consolidated Financial Statements</i> ⁴
HKFRS 11	<i>Joint Arrangements</i> ⁴
HKFRS 12	<i>Disclosure of Interests in Other Entities</i> ⁴
HKFRS 13	<i>Fair Value Measurement</i> ⁴
HKAS 1 Amendments	Amendments to HKAS 1 <i>Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income</i> ³

2.3 已頒佈但尚未生效的香港財務報告準則

本集團於編製該等財務報表時並無採納以下已頒佈惟未生效的新訂及經修訂的香港財務報告準則：

香港財務報告準則 第1號(修訂本)	香港財務報告準則 第1號「首次採納香港財務報告準則—嚴重高通脹及剔除首次採納者的固定日期」之修訂 ¹
香港財務報告準則 第7號(修訂本)	香港財務報告準則 第7號「金融工具：披露—金融資產之轉撥」之修訂 ¹
香港財務報告準則 第7號(修訂本)	香港財務報告準則 第7號「金融工具：披露—抵銷金融資產及金融負債」之修訂
香港財務報告準則 第9號	金融工具 ⁶
香港財務報告準則 第10號	綜合財務報表 ⁴
香港財務報告準則 第11號	共同安排 ⁴
香港財務報告準則 第12號	於其他實體之權益之披露 ⁴
香港財務報告準則 第13號	公平值計量 ⁴
香港會計準則第1號 (修訂本)	香港會計準則第1號「財務報表之呈列—其他全面收入項目之呈列」之修訂 ³

Notes to Financial Statements

財務報表附註

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKAS 12 Amendments	Amendments to HKAS 12 <i>Income Taxes – Deferred Tax: Recovery of Underlying Assets</i> ²
HKAS 19 (2011)	<i>Employee Benefits</i> ⁴
HKAS 27 (2011)	<i>Separate Financial Statements</i> ⁴
HKAS 28 (2011)	<i>Investments in Associates and Joint Ventures</i> ⁴
HKAS 32 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation – Offsetting Financial Assets and Financial liabilities</i> ⁵
HK(IFRIC)-Int 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i> ⁴
1	Effective for annual periods beginning on or after 1 July 2011
2	Effective for annual periods beginning on or after 1 January 2012
3	Effective for annual periods beginning on or after 1 July 2012
4	Effective for annual periods beginning on or after 1 January 2013
5	Effective for annual periods beginning on or after 1 January 2014
6	Effective for annual periods beginning on or after 1 January 2015

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. The Group is not yet in a position to state whether they would have a significant impact on the Group's results of operations and financial position.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

香港會計準則第12號(修訂本)	香港會計準則第12號「所得稅 – 遞延稅項：收回相關資產」之修訂 ²
香港會計準則第19號(2011年)	僱員福利 ⁴
香港會計準則第27號(2011年)	獨立財務報表 ⁴
香港會計準則第28號(2011年)	於聯營公司及合營企業之投資 ⁴
香港會計準則第32號(修訂本)	香港會計準則第32號「金融工具：呈列 – 抵銷金融資產及金融負債」之修訂 ⁵
香港(國際財務報告準則詮釋委員會) – 詮釋第20號	露天礦生產階段的剝採成本 ⁴
1	自2011年7月1日或之後開始之年度期間生效
2	自2012年1月1日或之後開始之年度期間生效
3	自2012年7月1日或之後開始之年度期間生效
4	自2013年1月1日或之後開始之年度期間生效
5	自2014年1月1日或之後開始之年度期間生效
6	自2015年1月1日或之後開始之年度期間生效

本集團現正評估該等新訂及經修訂香港財務報告準則對初步應用之影響。本集團尚未能指出該等財務報告準則會否對其經營業績及財務狀況有任何重大影響。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss.

3. 主要會計政策概要

業務合併及商譽

業務合併乃以收購法入賬。已轉讓代價按收購日期之公平值計量，該公平值為本集團所轉讓資產於收購日期之公平值、本集團向被收購方前擁有人承擔的負債及本集團為換取被收購方控制權所發行之股本權益之總和。於各業務合併中，本集團選擇是否以公平值或被收購方可識別資產淨值的應佔比例，計量於被收購方屬現時擁有人權益的非控股權益，並賦予擁有人權利，於清盤時按比例分佔實體的淨資產。非控股權益之一切其他成分乃按公平值計量。收購成本於產生時列為開支。

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將承接的金融資產及負債，以作出適合的分類及標示，其中包括將被收購方主合約中的嵌入式衍生工具進行分離。

倘企業合併分階段進行，收購方先前持有的被收購方股權於收購日期的公平值應按收購日期的公平值透過損益表重新計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with HKAS 39 either in the income statement or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of HKAS 39, it is measured in accordance with the appropriate HKFRS.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets of the subsidiary acquired, the difference is, after reassessment, recognised in the income statement as a gain on bargain purchase.

3. 主要會計政策概要 (續)

業務合併及商譽 (續)

由收購方將予轉讓的任何或然代價將於收購日期按公平值確認。或然代價(被視為一項資產或負債)公平值的其後變動將會按香港會計準則第39號的要求，確認於收益表或作為其他全面收入的變動。倘或然代價被分類為權益，則其將毋須重新計量。其後結算於權益中入賬。在或然代價並未符合香港會計準則第39號範疇的情況下，其按合適的香港財務報告準則計量。

商譽起初按成本計量，即已轉讓總代價、已確認非控股權益及本集團先前持有的被收購方股權的公平值總額，超逾與所收購可識別資產淨值及所承擔負債的差額。如代價及其他項目的金額低於所收購附屬公司資產淨值的公平值，於評估後其差額將於收益表內確認為議價購買收益。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

3. 主要會計政策概要 (續)

業務合併及商譽 (續)

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行檢討。本集團於12月31日進行商譽之年度減值測試。為進行減值測試，無論本集團其他資產或負債是否已分配予該等單位或單位組別，因業務合併而購入的商譽自購入之日被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或現金產生單位組別。

減值乃通過評估與商譽有關的現金產生單位(或現金產生單位組別)的可收回金額釐定。當現金產生單位(或現金產生單位組別)的可收回金額低於賬面金額時，減值虧損便予以確認。已就商譽確認的減值虧損不得於未來期間撥回。

倘商譽構成現金產生單位(或現金產生單位組別)的一部分而該單位的部分業務已出售，則在釐定所出售業務的收益或虧損時，與所出售業務相關的商譽會計入該業務的賬面值。在該情況下出售的商譽，乃根據所出售業務的相對價值及現金產生單位的保留份額進行計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in subsidiaries that are not classified as held for sale in accordance with HKFRS 5 are stated at cost less any impairment losses.

Associates

An associate is an entity, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of associates is included in the income statement and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealised losses provide evidence of an impairment of the asset transferred.

3. 主要會計政策概要 (續)

附屬公司

附屬公司乃本公司可直接或間接控制其財務及營運政策以從其業務活動中獲取利益的公司。

附屬公司之業績以已收及應收股息為限計入本公司之收益表。並無根據香港財務報準則第5號分類為持有作出售之本公司對附屬公司之投資，乃按成本減任何減值虧損入賬。

聯營公司

聯營公司為非附屬公司或共同控制實體的實體，本集團於其中一般性持有股本投票權不少於20%的長期權益，並可對其構成重大影響。

本集團於聯營公司的投資於本集團綜合財務狀況表內按權益會計法計算本集團應佔資產淨值，並扣減任何減值虧損列賬。本集團應佔聯營公司收購後的業績及儲備分別於收益表及綜合儲備內確認。本集團與其聯營公司之間交易所產生的未變現收益及虧損乃按本集團所佔聯營公司的權益比率抵銷，惟未變現虧損證明已轉讓的資產出現減值除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Jointly-controlled entities

A jointly-controlled entity is a joint venture that is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's investments in jointly-controlled entities are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of its jointly-controlled entities are included in the income statement and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its jointly-controlled entities are eliminated to the extent of the Group's investments in the jointly-controlled entities, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of jointly-controlled entities is included as part of the Group's investments in jointly-controlled entities.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

3. 主要會計政策概要(續)

共同控制實體

共同控制實體指受共同控制的合營企業，因此，並無任何一個參與方對共同控制實體的經濟活動具有單方面控制權。

本集團於共同控制實體的投資於本集團綜合財務狀況表內按權益會計法計算本集團應佔資產淨值，並扣減任何減值虧損列賬。本集團應佔共同控制實體收購後的業績及儲備分別於收益表及綜合儲備內確認。本集團與其共同控制實體進行交易所產生之未變現盈虧均以本集團所佔該等共同控制實體之投資為限予以對銷，惟未變現虧損證明所轉讓資產出現減值者除外。收購共同控制實體產生的商譽作為本集團於共同控制實體持有的權益的一部分列報。

非金融資產減值

倘有跡象顯示出現減值或須就資產進行年度減值測試(金融資產除外)，則會估計資產的可收回數額。資產的可收回數額為資產或現金產生單位的使用價值或公平值減銷售成本(以較高者為準)，並就個別資產而確定，除非有關資產並無產生現金流入，且在頗大程度上獨立於其他資產或資產類別。在此情況下，可收回數額就資產所屬的現金產生單位而確定。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets (continued)

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

3. 主要會計政策概要 (續)

非金融資產減值 (續)

只有當資產的賬面值超出其可收回值時，減值虧損才予以確認。在評估使用價值時，估計未來現金流量乃按稅前折現率折現至彼等的現值，而稅前折現率乃反映現時市場就金錢時間價值及資產特定風險的評估。減值虧損將計入其產生期間的收益表中。惟倘若資產以重估金額列賬，則減值虧損根據該重估資產的有關會計政策處理。

在每個報告期末會評估有否於任何過往已確認的資產減值虧損可能不再存在或可能減少的跡象。倘出現任何該等跡象，會估計可收回數額。只有當用以確定資產可收回值的估計出現更改時，才可將以往確認的資產減值虧損撥回，但有關價值並不可高於假設過往年度並無就該資產確認任何減值虧損的情況下，該資產本來確定的賬面值（經扣除任何折舊／攤銷）。減值虧損撥回至其產生期間的收益表中，惟倘若資產以重估金額列賬，則減值虧損撥回根據該重估資產的有關會計政策處理。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset or as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings and structures	3.17%-19%
Motor vehicles	19%
Office equipment	19%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

3. 主要會計政策概要(續)

物業、廠房及設備以及折舊

物業、廠房及設備乃按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目的成本包括其購買價及任何使其達至營運狀況及地點作擬定用途的直接應佔成本。物業、廠房及設備項目投入運作後所產生維修保養等支出，一般於其產生期間自收益表扣除。倘達到確認條件，則重大檢查的開支會於資產賬面值中資本化作為替換。倘物業、廠房及設備的重大部分須定期替換，則本集團會將該等部分確認為有特定可使用年期及折舊的個別資產。

折舊乃按直線法於其估計可用年期撇銷物業、廠房及設備各項目的成本至其剩餘價值計算。就此所採用的主要有關年率如下：

樓宇及建築物	3.17%-19%
汽車	19%
辦公室設備	19%

當一項物業、廠房及設備項目的其中部分擁有不同的可用年期，該部分的成本會以合理原則分攤並將各部分單獨計提折舊。剩餘價值、可用年期及折舊方法將至少於各財政年末檢討及按需要作出調整。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the period the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents the infrastructure of a terminal under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rental payables under operating leases net of any incentives received from the lessor are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

3. 主要會計政策概要 (續)

物業、廠房及設備以及折舊 (續)

物業、廠房及設備項目及任何重要部分經首次確認，乃於出售後或預期將來其用途或出售並無經濟利益時終止確認。於資產終止確認的期間內，於收益表中確認的出售或報廢的任何收益或虧損乃出售所得款項淨額與相關資產賬面值之差額。

在建工程指興建中的碼頭基礎設施，乃按成本減任何減值虧損列賬，但不會計提折舊。成本包括建造期間的直接建設成本及有關借貸資金的借貸成本資本化。在建工程於完工且可供使用時將重新歸入物業、廠房及設備的適當類別。

經營租賃

資產所有權的絕大部分回報及風險由出租人保留的租賃乃列為經營租賃。倘本集團是出租人，由本集團以經營租賃出租的資產會在非流動資產內列賬，而經營租賃的應收租金按租約年期以直線法列入收益表內。倘本集團是承租人，經營租賃的應付租金扣除自出租人收取的任何優惠，按租約年期以直線法列支於收益表。

經營租賃項下的預付土地租金付款初步按成本列賬，隨後按租期以直線法確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets

Financial assets of the Group in the scope of HKAS 39 are classified as loans and receivables. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

The Group's financial assets include cash and cash equivalents, accounts and other receivables and deposits.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in interest income in the income statement. The loss arising from impairment is recognised in the income statement in finance costs for loans and in other operating expenses for receivables.

3. 主要會計政策概要(續)

投資及其他金融資產

根據香港會計準則第39號所界定之本集團金融資產分類為貸款及應收賬款。本集團於首次確認金融資產後決定其分類。金融資產於首次確認時以公平值加上交易成本計算，惟透過按公平值計入損益之金融資產除外。

金融資產的一般買賣於交易當日確認，即本集團承諾購買或出售該資產當日。一般買賣指須按市場規定或慣例於一般指定期間內交付資產的買賣。

本集團的金融資產包括現金及現金等價物、應收賬款及其他應收款及按金。

貸款及應收款項

貸款及應收款項乃按固定或可釐定款項計算且並無於活躍市場報價的非衍生金融資產。初步計算後該等資產隨後按實際利率法減去任何減值備用額以攤銷成本列賬。計算攤銷成本時會計及收購的任何折扣或溢價，並包括屬於實際利率完整部分的費用或成本。實際利率攤銷計入收益表的利息收入內。貸款及應收款項之減值產生的虧損分別於收益表中之融資成本及其他營運開支確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

3. 主要會計政策概要 (續)

金融資產的減值

本集團於各報告期末評估有否客觀證據顯示一項金融資產或一組金融資產出現減值。一項或一組金融資產，只有於首次確認後發生一項或多項事件導致出現客觀減值證據（一項已發生的「虧損事件」），而該項虧損事件對該項或該組金融資產的估計未來現金流量所造成的影響乃能夠可靠地予以估計時，會被視作減值。

減值跡象可包括一名或一夥債務人正面臨重大財務困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察資料顯示估計未來現金流量出現可計量之減少，例如拖欠金額變動或出現與違約欠款相關的經濟狀況。

按攤銷成本列賬的金融資產

就按攤銷成本入賬的金融資產而言，本集團首先對有客觀減值證據的個別重大的金融資產，單獨進行減值測試，對個別不重大的金融資產，合併進行減值測試。倘本集團認定已單獨進行減值測試的金融資產（無論重大與否）並無客觀證據顯示出現減值，則該項資產會歸入一組具有相似信貸風險特性的金融資產內，合併進行減值測試。經單獨評估減值並已確認或繼續確認減值的資產，不會納入合併減值測試之內。

3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced either directly or through the use of an allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to the income statement.

3. 主要會計政策概要 (續)

金融資產的減值 (續)

按攤銷成本列賬的金融資產 (續)

倘有客觀證據顯示出現減值虧損，則該虧損金額按該資產賬面值及估計未來現金流量（不包括並未產生的未來信貸虧損）現值的差額計量。估計未來現金流量的現值以金融資產的原實際利率（即首次確認時計算的實際利率）折現。倘貸款的利率為浮動利率，則計量任何減值虧損的折現率為現行實際利率。

該資產的賬面值直接或透過使用撥備賬扣除，而虧損金額於收益表確認。利息收入於經扣減後的賬面值中持續產生，並採用就計量減值虧損時用以折現未來現金流量的利率計提。倘若現實上日後無望收回及所有抵押品已變現或已轉入本集團，則貸款及應收賬款連同任何其相關的撥備將予以撇銷。

倘若在其後期間估計減值虧損金額由於確認減值之後所發生之事件而增加或減少，則透過調整撥備金額，增加或減少已確認的減值虧損。倘於其後收回預作的撇銷，該項收回將計入收益表。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the assets. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group’s continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

3. 主要會計政策概要 (續)

取消確認金融資產

在下列情況下，將取消確認金融資產，或(如適當)一項金融資產的一部分或一組類似金融資產的一部分：

- 可獲取資產所得現金流量的權利期屆滿；或
- 本集團已轉讓其可獲取資產所得現金流量的權利，或根據「轉遞」安排須無重大遞延地向第三方清償；並(a)本集團已轉讓資產的一切回報及風險絕大部分，或(b)本集團既無轉讓亦無保留資產的絕大部分回報及風險，但已轉讓資產的控制權。

倘本集團已轉讓其可獲取資產所得現金流量的權利或訂立轉遞安排，會評估其有否保留該項資產擁有權風險及回報，以及其程度。倘本集團既無轉讓亦無保留資產的絕大部分回報及風險，亦無轉讓資產的控制權，則本集團將繼續確認該資產。在此情況下，本集團亦確認有關負債。已轉讓的資產及有關負債乃按可反映本集團已保留的權利及責任的基準計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities at amortised cost

The Group's financial liabilities which include other payables and accruals, amount due to the former ultimate holding company and interest-bearing bank loans are initially stated at fair value plus directly attributable transaction costs. After initial recognition, financial liabilities are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the income statement.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

3. 主要會計政策概要(續)

按攤銷成本計算的金融負債

本集團的金融負債(包括其他應付款項及應計款項、應付前最終控股公司款項以及計息銀行貸款)初步按公平值加直接交易成本列賬。於初步確認後，金融負債其後利用實際利率法按已攤銷成本計算，但若折現的影響不重要，則按成本列賬。

當負債取消確認及於實際利率攤銷的過程中，相關損益於收益表確認。

計算攤銷成本時會計及收購的任何折扣或溢價，並包括屬於實際利率完整部分的費用。實際利率攤銷計入收益表的融資成本內。

當相關負債的責任被解除或取消或屆滿時，金融負債將取消確認。

如現有金融負債由同一放債人以條款極為不同的負債所取代，或現有負債的條款作出重大修訂，此類替換或修訂將被視為取消確認原負債及確認新負債處理，有關賬面值的差額於收益表中確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if, and only if, there is currently an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Inventories

Inventories represent consumables, tools and parts for use in the operation, and are stated at cost. Cost is determined on the first-in, first-out basis.

3. 主要會計政策概要 (續)

金融工具的抵銷

倘及僅於目前有可執行法定權利抵銷已確認金額並擬按淨額基準結算，或同時變賣資產及償還負債時，金融資產及金融負債才會互相抵銷，並在綜合財務狀況表內以淨額列示。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及可隨時轉換為已知金額的現金、沒有涉及重大價值變動風險且一般自取得起計三個月內到期的短期高流通性投資，減須於要求時償還並構成本集團現金管理組成部分的銀行透支。

就財務狀況表而言，現金及現金等價物包括不受使用限制的手頭現金及銀行現金（包括定期存款）。

存貨

存貨指用於營運中使用的消耗品、工具及配件，並按成本列賬。成本按先進先出基準釐定。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside the income statement is recognised outside the income statement, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the regions in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and jointly-controlled entities, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

3. 主要會計政策概要(續)

所得稅

所得稅包括即期及遞延稅項。有關於收益表以外確認的項目的所得稅於收益表外確認為其他全面收入或直接確認為權益。

即期稅項資產及負債乃根據於報告期結束時已頒佈或實施的稅率(及稅法)，經計及本集團營運的地區其現行的詮釋及慣例，預期自稅務機關收回或向稅務機關支付的款額計算。

遞延稅項以負債法就於各報告期末的資產及負債的稅務基礎及其用作財務申報的賬面值之間的所有暫時差額撥備。

所有應課稅暫時差異均會確認為遞延稅項負債，惟以下情況例外：

- 倘若有關遞延稅項負債是由並非業務合併的交易中初次確認資產或負債產生，且於進行交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 就與附屬公司、聯營公司及共同控制實體投資有關的應課稅暫時差異而言，倘暫時差異撥回的時間可被控制，且暫時差異異於可預見將來可能將不能撥回。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and a jointly-controlled entities, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

3. 主要會計政策概要 (續)

所得稅 (續)

遞延稅項資產乃就所有可扣減暫時差異、未動用稅項抵免及任何未動用稅項虧損的轉結而確認，惟以可扣減暫時差異、未動用稅項抵免及未動用稅項虧損的轉結可獲動用作抵銷應課稅溢利為限，惟以下情況例外：

- 倘若有關可抵扣暫時性差額的遞延稅項資產是由並非業務合併的交易中初次確認資產或負債產生，且於進行交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 就與附屬公司、聯營公司及共同控制實體權益有關的可抵扣暫時性差額而言，遞延稅項資產的確認僅以暫時差異於可預見將來可撥回及暫時差異可獲動用作抵銷應課稅溢利為限。

遞延稅項資產的賬面值於每個報告期末作出檢討，並扣減至應課稅溢利不再足以供所有或部分遞延資產可被動用。未被確認的遞延稅項資產乃於各報告期末重新評估，並於應課稅溢利足以供所有或部分遞延稅項資產可被動用時確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the rendering of services, when the services have been rendered;
- (b) rental income, on the straight-line basis over the lease terms; and
- (c) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

3. 主要會計政策概要 (續)

所得稅 (續)

遞延稅項資產及負債乃按預期適用於變現資產或償還負債期間的稅率，按照於各報告期末已制定或實質制定的稅率（及稅法）計算。

倘存在法律上可強制執行的權利，令即期稅項資產及即期稅項負債可互相抵銷，而遞延稅項與同一應課稅實體及同一稅務機關有關，則遞延稅項資產及遞延稅項負債將會抵銷。

政府補貼

政府補貼在所有條件均已符合且合理保證能收到時以公平值入賬。

收入確認

如果有經濟利益可能會流入本集團，而收入又能夠根據下列基準可靠地計算，則會確認收入：

- (a) 提供服務，於服務已提供時確認；
- (b) 租金收入，在租約期間以直線法計算；及
- (c) 利息收入，按實際利率法以累計基準計算，實際利率即將於金融工具估計可用年期所收取估計日後現金流量折算至該金融資產賬面淨值的利率。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits

Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiary which operates in Mainland China are required to participate in a central pension scheme operated by the local municipal government. The subsidiary is required to contribute certain percentage of its payroll costs to the central pension scheme. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

3. 主要會計政策概要 (續)

員工福利

退休金計劃

本集團根據強制性公積金計劃條例為合資格參與強制性公積金計劃(「強積金計劃」)的僱員經營一項界定供款的強積金計劃。供款根據僱員的基本薪金百分比計算，並於根據強積金計劃的規定予支付時在收益表內扣除。強積金計劃的資產與本集團資產分開，並由一個獨立管理的基金持有。本集團的僱員供款於向強積金計劃供款時悉數歸僱員所有。

本集團於中國內地經營的附屬公司的僱員被要求參與地方市政府營辦的中央退休金計劃。附屬公司須將其一定比例的薪金成本向該中央退休金計劃供款。根據中央退休金計劃條例須支付的供款於收益表列賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Foreign currencies

The financial statements are presented in Hong Kong dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of each reporting period. All differences arising on settlement or translation of monetary items are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on retranslation of a non-monetary item is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation differences on item whose fair value gain or loss is recognised in other comprehensive profit or loss is also recognised in other comprehensive profit or loss).

3. 主要會計政策概要 (續)

外幣

財務報表以本公司的功能貨幣港元呈列。本集團屬下各實體自行決定功能貨幣，而各實體財務報表內的項目均以該功能貨幣計量。外幣交易由本集團內實體按交易日的功能貨幣匯率初步記錄。於各報告期末以外幣定值的貨幣資產及負債乃按報告期末的功能貨幣匯率重新換算。所有由結算或換算貨幣項目產生的差額均計入收益表。按外幣歷史成本計量的非貨幣項目乃於首次交易日期按匯率換算。按外幣公平值計量的非貨幣項目乃於公平值釐定當日按匯率換算。重新換算非貨幣項目而產生的收益或虧損，按確認該項目公平值變動的收益或虧損一致的方法處理（即公平值收益或虧損已於其他全面收益或損益內確認的項目產生的換算差額亦於其他全面損益內確認）。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

The functional currencies of certain overseas subsidiaries, associates and jointly-controlled entities are currencies other than the Hong Kong dollar. As at the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the end of the reporting period and their statements of comprehensive income are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are included in the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated statement of cash flows, the cash flows of those entities comprising the Group in which their functional currencies are currencies other than the Hong Kong dollar are translated into the presentation currency of the Company at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of those entities which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

3. 主要會計政策概要 (續)

外幣 (續)

若干海外附屬公司、聯營公司及共同控制實體的功能貨幣並非港元。於報告日期，該等實體的資產及負債均已將按報告期末的匯率換算為本公司的呈列貨幣，且其全面收益表按年度的加權平均匯率換算為港元。因此產生的匯兌差額計入匯兌波動儲備。當出售海外實體時，於該特定海外業務的有關權益中確認的遞延累計金額於收益表中確認。

就綜合現金流量表而言，以港元以外的功能貨幣記賬的本集團旗下實體的現金流量按現金流量產生當日的匯率兌換為本公司的呈報貨幣。海外附屬公司於整個報告期內產生的循環現金流量按報告期內加權平均匯率換算成港元。

3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

3. 主要會計政策概要(續)

關聯人士

在下列情況下，有關方將被視為本集團的關聯人士：

- (a) 有關方為一名人士或該人士之關係密切家庭成員，而該人士：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理人員。

或

- (b) 有關方為實體，而符合以下條件：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 該實體為另一實體的聯營公司或合營企業(或該實體的母公司、子公司或同集團附屬公司)；
 - (iii) 該實體及本集團均為同一第三方的合營企業；
 - (iv) 該實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

(b) (continued)

- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a); and
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3. 主要會計政策概要 (續)

關聯人士 (續)

(b) (續)

- (v) 該實體為離職福利計劃，該計劃的受益人為本集團或與本集團有關的實體的僱員；
- (vi) 該實體受(a)所識別人士控制或受共同控制；及
- (vii) 於(a)(i)所識別人士對該實體有重大影響或屬該實體（或該實體母公司）主要管理人員的其中一名成員。

借貸成本

收購、興建或生產未完成資產（即需要長時間方可作擬定用途或出售之資產）的直接應佔借貸成本撥充為該等資產的部分成本。該等借貸成本於資產已大致可作擬定用途或出售時終止撥充。尚未用於未完成資產的特定借貸暫時投資所得的投資收入由撥充借貸成本扣除。所有其他借貸成本於其產生期間支銷。借貸成本包括實體於借貸時產生的利息及其他成本。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting or in the case of subsidiaries in the People's Republic of China ("PRC"), by the board of directors. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

3. 主要會計政策概要 (續)

股息

董事建議的末期股息將於財務狀況表股本項目下分類為獨立分配保留溢利，直至該等股息於股東大會上獲股東批准(或倘為中華人民共和國(「中國」)的附屬公司，則由董事會批准)。倘此等股息獲股東批准及宣派，將會確認為一項負債。

由於本公司組織章程大綱及細則授權董事宣派中期股息，故中期股息可同步建議及宣派。因此，中期股息在擬派及宣派時即時確認為負債。

4. 重大會計判斷及估計

本集團財務報表的編製要求管理層作出會影響各報告期末所呈報收入、開支、資產及負債的金額以及或然負債披露的判斷、估計及假設。然而，該等假設及估計的不確定因素可能導致需要對未來受影響的資產或負債的賬面值作出重大調整。

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Impairment of accounts receivable

The Group assesses at the end of each reporting period whether there is any objective evidence that a receivable is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

The Group maintains an allowance for estimated impairment of accounts receivable arising from the inability of its debtors to make the required payments. The Group makes its estimates based on the ageing of its trade receivable balances, debtors' creditworthiness, past repayment history and historical write-off experience. If the financial condition of its debtors was to deteriorate so that the actual impairment loss might be higher than expected, the Group would be required to revise the basis of making the allowance.

4. 重大會計判斷及估計 (續)

判斷

應用本集團的會計政策時，除涉及有關估計者外，管理層曾作出下列對財務報表已確認金額具最大影響的判斷：

應收賬款減值

本集團於各報告期末評估應收賬款是否存在任何減值的客觀證據。為釐定是否存在減值的客觀證據，本集團考慮多項因素，如債務人很有可能破產或有重大財務困難及違約或付款嚴重延遲。倘存在減值的客觀證據，則未來現金流量的金額及時間會根據與該類資產具有類似信貸風險特徵資產的過往虧損情況一同評估減值。

本集團就債務人無能力支付須繳款項而導致的估計應收賬款減值作出撥備。本集團乃根據其貿易應收款項結餘的賬齡、債務人的信用可靠性、過往償還記錄及過往的撇銷情況作出估計。倘其債務人的財政狀況轉壞而導致實際減值虧損較預期為高，則本集團須修訂作出撥備的依據。

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are described below.

Useful lives of property, plant and equipment

The cost of property, plant and equipment is depreciated on the straight-line basis over the property, plant and equipment's estimated economic useful lives. Management estimates the useful lives of the property, plant and equipment to be five to thirty years. Changes in the expected level of usage and/or the period over which future economic benefits are generated could impact the economic useful lives of the assets and, therefore, future depreciation charges could be revised.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

4. 重大會計判斷及估計(續)

估計的不確定性

涉及日後的主要假設及於各報告期末估計不確定性的其他主要來源(有導致下個財政期間的資產及負債的賬面值出現大幅調整的重大風險)討論如下。

物業、廠房及設備的可使用年期

物業、廠房及設備乃以直線法按物業、廠房及設備的估計經濟可使用年期折舊。管理層估計物業、廠房及設備的可使用年期為五至三十年。使用的預期水平及/或未來經濟收益產生期間的變動影響資產的經濟可使用年期，因此，未來折舊開支可予修訂。

非金融資產減值

本集團於每個報告期末評估全部非金融資產是否有任何減值跡象。無限年期的無形資產需每年及於存在該跡象之其他時間進行減值測試。其他非金融資產於有跡象顯示賬面值可能無法收回時測試減值。計算使用價值時，管理層需要估計資產或現金產生單位的預期未來現金流量，以及需要選用合適的折現率，以計算現金流量的現值。

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2011 was HK\$1,210,000 (2010: HK1,210,000). Further details are given in note 18 to the financial statements.

Income taxes

Significant management judgements on the future tax treatment of certain transactions are required in determining income tax provisions. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation.

4. 重大會計判斷及估計 (續)

估計的不確定性 (續)

商譽減值

本集團至少每年評估商譽是否發生減值。這要求對分配了商譽之現金產出單元之使用價值進行估計。估計使用價值時，本集團需要估計未來來自現金產出單元之現金流量，同時選擇恰當之折現率計算那些現金流量之現值。商譽於2011年12月31日之賬面值為1,210,000港元(2010年：1,210,000港元)。詳見財務報表附註18。

所得稅

釐定所得稅撥備時，要求管理層對若干交易的日後稅務處理作出重大判斷。本集團謹慎評估交易的稅務影響及因而作出稅務撥備。有關交易的稅務處理會定期檢討，並計及所有稅法變動。

5. OPERATING SEGMENT INFORMATION

No separate analysis of segment information is presented by the Group as over 90% of the Group's revenue, results and assets are related to the terminal storage and handling of liquid chemicals business in Mainland China.

Revenue from major customers, each of whom amounted to 10% or more of the Group's revenue, is set out below:

Customer A	客戶 A
Customer B	客戶 B
Customer C	客戶 C

6. REVENUE

Revenue, which is also the Group's turnover, is derived from terminal storage and the handling of liquid chemicals during the year.

5. 經營分部資料

由於本集團超過90%的收入、業績及資產源自於中國內地液體化學品的碼頭儲存和處理相關業務，故本集團並無呈列分部資料的獨立分析。

來自佔本集團收入10%或以上的各主要客戶的收入載列如下：

2011	2010
HK\$'000	HK\$'000
千港元	千港元
112,920	112,143
101,513	95,743
21,592	20,400

6. 收入

收入，即本集團的營業額，源自於本年度內的液體化學品的碼頭儲存和處理。

Notes to Financial Statements

財務報表附註

7. OTHER INCOME

An analysis of other income is as follows:

Government subsidies *	政府補貼*
Bank interest income	銀行利息收入
Gross rental income	租金收入總額
Revaluation of pre-existing interest in an acquired subsidiary to fair value	重估所收購附屬公司現有 權益至公平值
Others	其他

* Balance represented subsidies for maintenance of jetty from a PRC port authority. The subsidy is subject to application lodged by the Group and reviewed by the relevant port authority of Nanjing. Amounts recognised for the year ended 31 December 2010 were subsidies for the period from August 2009 to December 2010, the applications of which were made by the Group in 2010.

8. FINANCE COSTS

Interest on bank loans wholly repayable within five years	須於五年內悉數償還 銀行貸款的利息
Interest on an amount due to the former ultimate holding company	應付前最終控股公司 款項的利息

7. 其他收入

其他收入分析如下：

2011 HK\$'000 千港元	2010 HK\$'000 千港元
-	7,647
1,109	854
470	427
-	2,488
772	401
2,351	11,817

* 該結餘指因維護碼頭從中國港務局取得的補貼。該補貼須由本集團提交申請並由相關南京港務機關審批。就截至2010年12月31日止年度確認的金額包括於2009年8月至2010年12月期間的補貼，該等補貼由本集團於2010年申請。

8. 融資成本

2011 HK\$'000 千港元	2010 HK\$'000 千港元
8,220	8,773
-	157
8,220	8,930

9. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/
(crediting):

9. 除稅前溢利

本集團的除稅前溢利已扣除／(計
入)：

		Notes	2011 HK\$'000 千港元	2010 HK\$'000 千港元
		附註		
Depreciation	折舊	16	34,203	31,888
Amortisation of prepaid land lease payments	預付土地租金的攤銷	17	952	908
Minimum lease payments under operating leases of buildings and pipe racks	樓宇及管架經營租約的最低租賃付款		11,281	8,938
Auditors' remuneration	核數師酬金		985	320
Directors' remuneration	董事酬金	10	8,015	1,037
Staff costs (excluding directors' remuneration):	員工成本(不包括董事酬金)：			
Wages, salaries and other benefits	工資、薪金及其他福利		13,207	10,402
Pension scheme contributions	退休金計劃供款		2,723	1,799
			15,930	12,201
Gross rental income	租金收入總額	7	(470)	(427)
Less: Outgoings	減：支銷		23	25
			(447)	(402)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損		199	620
Revaluation of pre-existing interest in an acquired subsidiary to fair value	重估所收購附屬公司現有權益至公平值		-	(2,488)
Foreign exchange differences, net	匯兌差額，淨額		(3,198)	365

Notes to Financial Statements

財務報表附註

10. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Fees	袍金：		
– Executive directors and non-executive directors	– 執行董事及非執行董事	–	–
– Independent non-executive directors	– 獨立非執行董事	540	45
Other emoluments of executive directors:	執行董事其他薪酬：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	7,439	989
Pension scheme contributions	退休金計劃供款	36	3
		8,015	1,037

10. 董事酬金

根據上市規則及香港公司條例第161條所披露的年內董事酬金如下：

	Salaries, allowances and benefits in kind 薪酬、津貼 及實物福利 HK\$'000 千港元	Pension scheme contributions 退休金 計劃供款 HK\$'000 千港元	Total remuneration 總薪酬 HK\$'000 千港元
2011			
Executive directors:	執行董事：		
Mr. Ng Wai Man	吳惠民先生	–	935
Mr. Ting Yan Ann	陳言安先生	–	3,002
Mr. Chong Yat Chin	莊日青先生	–	1,300
Ms. Chan Wan Ming	陳芸鳴女士	–	1,200
Mr. Kwan Chun Yuen	關振遠先生	–	1,002
		–	7,439
		36	7,475

10. DIRECTORS' REMUNERATION (continued)

10. 董事酬金 (續)

		Salaries, allowances and benefits		Pension scheme contributions	Total remuneration
		Fees	in kind		
	袍金	薪酬、津貼及實物福利	退休金計劃供款	總薪酬	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
2010					
Executive directors:	執行董事：				
Mr. Ng Wai Man	吳惠民先生	-	78	-	78
Mr. Ting Yan Ann	陳言安先生	-	618	-	618
Mr. Chong Yat Chin	莊日青先生	-	109	1	110
Ms. Chan Wan Ming	陳芸鳴女士	-	100	1	101
Mr. Kwan Chun Yuen	關振遠先生	-	84	1	85
		-	989	3	992

The fees paid to independent non-executive directors of the Company during the year were as follows:

年內向本公司獨立非執行董事支付之袍金如下：

		2011	2010
		HK\$'000	HK\$'000
		千港元	千港元
Mr. Lau Sik Yuen	劉錫源	240	19
Mr. Luo Shi Jie	駱世捷	150	13
Mr. Zhu Wu Jun	朱武軍	150	13
		540	45

There were no other emoluments payable to the independent non-executive directors during the year (2010: Nil)

年內概無應付獨立非執行董事其他薪酬 (2010：零)

Save as disclosed above, no remuneration was paid or payable by the Group to other directors of the Company during the year (2010: Nil).

除上文所披露者外，本集團於年內並無任何已付或應付本公司其他董事的酬金 (2010：零)。

10. DIRECTORS' REMUNERATION (continued)

No remuneration was paid or payable by the Group to the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office during the year (2010: Nil).

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2010: Nil).

11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included five (2010: two) directors, details of whose remuneration are set out in note 10 above. Details of the remuneration of the remaining three non-director, highest paid employees for the year ended 31 December 2010 are as follows:

Salaries, allowances and benefits in kind	薪金、津貼及實物福利
Pension scheme contributions	退休金計劃供款

The number of non-director, highest paid employees whose remuneration fell within the following band is as follows:

Nil to HK\$1,000,000	零至1,000,000港元
----------------------	---------------

No remuneration was paid or payable by the Group to the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office during the year (2010: Nil).

10. 董事酬金 (續)

年內，本集團並無任何已付或應付本公司董事的酬金，作為加入本集團或於加盟時的獎金或作為離職補償(2010年：零)。

於本年度內，概無董事放棄或同意放棄任何酬金的安排(2010年：零)。

11. 五名最高薪酬僱員

於本年度內五名最高薪酬僱員包括五名董事(2010年：兩名)，其薪酬詳情載於上文附註10。於截至2010年12月31日止年度內餘下三名非董事最高薪酬僱員的薪酬詳情載列如下：

2011 HK\$'000 千港元	2010 HK\$'000 千港元
-	843
-	35
-	878

薪酬介乎下列範圍的非董事最高薪酬僱員的數目如下：

Number of employees 僱員的數目	
2011	2010
-	3

本集團於本年度內並無任何已付或應付五名最高薪酬僱員的酬金，作為加入或於加入本集團時的獎金或離職賠償(2010年：零)。

12. INCOME TAX

Current – Hong Kong	即期－香港
Current – Elsewhere	即期－其他地方
Charge for the year	本年度支出
Overprovision in prior year	往年度超額撥備
Deferred – note 28	遞延－附註28

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2010: Nil). Taxes on profits assessable in Mainland China have been calculated at the rates of tax prevailing in Mainland China in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Under the new PRC Enterprise Income Tax Law and its Implementation Rules (effective from 1 January 2008), the PRC Enterprise Income Tax rates for domestic and foreign-invested enterprises are unified at 25%. The other major tax concessions applicable to the Group's Mainland China subsidiary are detailed below.

Pursuant to the tax document Guoshui Han 2007 No. 2 "Approval on Enterprise Income Tax" issued by the national tax authority of Nanjing City, Jiangsu Province, the PRC, Nanjing Dragon Crown Liquid Chemical Terminal Company Limited, a subsidiary of the Company, is entitled to preferential tax treatment with full tax exemption from PRC Enterprise Income Tax ("EIT") for the first five profitable years, commencing from 1 January 2007, and thereafter is entitled to a 50% deduction in the EIT rate for the subsequent five years.

12. 稅項

2011	2010
HK\$'000	HK\$'000
千港元	千港元
–	–
755	2,046
(710)	–
5,274	5,990
5,319	8,036

因為本集團旗下公司並無於本年度內在香港產生任何應課稅溢利，故並無作出香港利得稅撥備(2010年：零)。本集團在中國內地經營所得的應課稅溢利已根據現行法律、詮釋及慣例，按中國內地的現行稅率計算。

根據新中國企業所得稅法及其實施條例(自2008年1月1日起生效)，內資及外資企業的中國企業所得稅稅率統一為25%。適用於本集團中國內地附屬公司的其他主要稅項減免於下文詳述。

根據中國江蘇省南京市國稅局頒佈的稅務文件國稅函2007第2號「關於企業所得稅的審批」，本公司附屬公司，南京龍翔液體化工儲運碼頭有限公司享有優惠稅務待遇，於2007年1月1日起首五個盈利年度可豁免中國企業所得稅(「企業所得稅」)，其後五年可享有企業所得稅稅率減半。

Notes to Financial Statements

財務報表附註

12. INCOME TAX (continued)

A reconciliation of the tax expense applicable to profit before tax using the statutory rates for the jurisdictions in which the Company and its subsidiaries are domiciled to the tax position at the effective tax rate is as follows:

2011

Profit/(loss) before tax	除稅前溢利／(虧損)
Tax at the applicable tax rates	按適用稅率計算的稅項
Lower tax rate due to concession	由於寬免令稅率下降
Income not subject to tax	毋須課稅收入
Expenses not deductible for tax	不可扣稅的開支
Adjustment in respect of current tax of previous year	過往年間即期稅項之調整
Effect of withholding tax on the distributable profits of the Group's Mainland China subsidiary, associates and jointly-controlled entities	本集團中國內地附屬公司、聯營公司及共同控制實體可分配溢利的預扣稅的影響
Tax	稅項

2010

Profit/(loss) before tax	除稅前溢利／(虧損)
Tax at the applicable tax rates	按適用稅率計算的稅項
Lower tax rate due to concession	由於寬免令稅率下降
Income not subject to tax	毋須課稅收入
Expenses not deductible for tax	不可扣稅的開支
Effect of withholding tax on the distributable profits of the Group's Mainland China subsidiary, associates and jointly-controlled entities	本集團中國內地附屬公司、聯營公司及共同控制實體可分配溢利的預扣稅的影響
Tax	稅項

12. 稅項(續)

按本公司及其附屬公司所在司法權區的法定稅率計算且適用於除稅前溢利的稅項開支與按實際稅率計算的納稅狀況的對賬如下：

	Hong Kong 香港 HK\$'000 千港元	Mainland China 中國大陸 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Profit/(loss) before tax	(8,222)	116,779	108,557
Tax at the applicable tax rates	(1,357)	29,195	27,838
Lower tax rate due to concession	-	(28,440)	(28,440)
Income not subject to tax	(120)	-	(120)
Expenses not deductible for tax	1,477	-	1,477
Adjustment in respect of current tax of previous year	-	(710)	(710)
Effect of withholding tax on the distributable profits of the Group's Mainland China subsidiary, associates and jointly-controlled entities	-	5,274	5,274
Tax	-	5,319	5,319

	Hong Kong 香港 HK\$'000 千港元	Mainland China 中國大陸 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Profit/(loss) before tax	(5,104)	130,297	125,193
Tax at the applicable tax rates	(842)	32,574	31,732
Lower tax rate due to concession	-	(30,528)	(30,528)
Income not subject to tax	(76)	-	(76)
Expenses not deductible for tax	918	-	918
Effect of withholding tax on the distributable profits of the Group's Mainland China subsidiary, associates and jointly-controlled entities	-	5,990	5,990
Tax	-	8,036	8,036

12. INCOME TAX (continued)

The shares of tax attributable to associates and jointly-controlled entities amounting to HK\$361,000 (2010:HK\$561,000) and HK\$2,242,000 (2010:HK\$961,000) are included in shares of profits and losses of associates and jointly-controlled entities, respectively, in the consolidated income statement.

13. PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The consolidated profit attributable to owners of the Company during the year included a loss of HK\$6,389,000 (2010: loss of HK\$12,470,000) which has been dealt with in the financial statements of the Company.

14. DIVIDENDS

Proposed final – HK5 cents per ordinary share	建議末期—每股普通股5港仙
Final dividends	末期股息

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

Final dividends for the year ended 31 December 2010 represented dividends declared by the subsidiary, associates and jointly-controlled entities of the Group of HK\$134,198,000 and dividend declared to non-controlling interests of HK\$28,052,000. The related dividend rates are not presented as such information is considered, by the directors of the Company, not meaningful for the purpose of these financial statements.

12. 稅項 (續)

應佔聯營公司及共同控制實體稅項為361,000港元(2010年:561,000港元)及2,242,000港元(2010年:961,000港元)，已分別計入綜合收益表內「應佔聯營公司及共同控制實體的應佔溢利及虧損」中。

13. 本公司擁有人應佔溢利

本公司擁有人於年內應佔綜合溢利包括6,389,000港元的虧損(2010年:12,470,000港元的虧損)，已於本公司財務報表中處理。

14. 股息

2011 HK\$'000 千港元	2010 HK\$'000 千港元
-------------------------	-------------------------

55,483	—
—	162,250
55,483	162,250

本年度建議末期股息須於應屆股東週年大會上獲得本公司股東批准。

截至2010年12月31日止年度的末期股息為由本集團附屬公司、聯營公司及共同控制實體已宣派股息134,198,000港元及向非控股權益宣派的股息28,052,000港元。本公司董事認為呈列上述資料的相關股息率並無意義，故無列出。

Notes to Financial Statements

財務報表附註

15. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculations of basic earnings per share are based on:

Earnings

Profit attributable to owners of the Company, used in the basic earnings per share calculation

盈利

本公司擁有人應佔溢利，用於計算每股基本盈利

Shares

Weighted average number of ordinary shares of the Company in issue used in the basic earnings per share calculation

股份

本公司已發行普通股股份加權平均數用於計算每股基本盈利

The weighted average number of shares used to calculate the basic earnings per share for the year ended 31 December 2010 includes the pro forma issued share capital of the Company of 825,000,000 shares, which comprised the following:

- (i) 825,000 shares issued upon incorporation and during the year ended 31 December 2010, details of which are set out in note 29 (i) to (iv), and
- (ii) the capitalisation issues of 824,175,000 shares (note 29 (v)).

No diluted earnings per share is presented as there were no potential ordinary shares in issue for both years.

15. 本公司擁有人應佔每股盈利

每股基本盈利之計算基於：

2011 HK\$'000 千港元	2010 HK\$'000 千港元
-------------------------	-------------------------

90,076	96,745
---------------	--------

Number of shares 股份數目

984,190,405	825,000,000
--------------------	-------------

用以計算截至2010年12月31日止年度的每股基本盈利的股份加權平均數包括本公司備考已發行股本825,000,000股股份，其中包括以下股份：

- (i) 於公司成立後及截至2010年12月31日止年度發行的825,000股股份，詳情載於附註29(i)至(iv)，及
- (ii) 資本化發行824,175,000股股份(附註29(v))。

由於兩年內並無潛在已發行普通股股份，故並無呈列每股攤薄盈利。

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Construction in progress 在建工程 HK\$'000 千港元	Buildings and structures 樓宇及建築物 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost:	成本：					
At 1 January 2010	於2010年1月1日	757	607,880	2,642	1,126	612,405
Additions	添置	7,870	2,276	-	110	10,256
Transfers	轉撥	(5,327)	5,327	-	-	-
Disposals	出售	-	(857)	-	(6)	(863)
Exchange realignment	匯兌調整	90	22,017	95	42	22,244
At 31 December 2010 and 1 January 2011	於2010年12月31日 及2011年1月1日	3,390	636,643	2,737	1,272	644,042
Additions	添置	10,259	1,597	1,125	228	13,209
Transfers	轉撥	(8,651)	8,651	-	-	-
Disposals	出售	-	(304)	-	-	(304)
Exchange realignment	匯兌調整	204	31,429	142	64	31,839
At 31 December 2011	於2011年12月31日	5,202	678,016	4,004	1,564	688,786
Accumulated depreciation:	累計折舊：					
At 1 January 2010	於2010年1月1日	-	66,239	700	482	67,421
Provided for during the year-note 9	年內撥備－附註9	-	31,184	498	206	31,888
Disposals	出售	-	(197)	-	(6)	(203)
Exchange realignment	匯兌調整	-	3,148	37	9	3,194
At 31 December 2010 and 1 January 2011	於2010年12月31日 及2011年1月1日	-	100,374	1,235	691	102,300
Provided for during the year-note 9	年內撥備－附註9	-	33,394	575	234	34,203
Disposals	出售	-	(105)	-	-	(105)
Exchange realignment	匯兌調整	-	5,716	74	51	5,841
At 31 December 2011	於2011年12月31日	-	139,379	1,884	976	142,239
Net carrying amount:	賬面淨值：					
At 31 December 2011	於2011年12月31日	5,202	538,637	2,120	588	546,547
At 31 December 2010	於2010年12月31日	3,390	536,269	1,502	581	541,742

16. PROPERTY, PLANT AND EQUIPMENT (continued)

Certain of the Group's buildings and structures with a net carrying amount of HK\$238,905,000 (2010: HK\$234,330,000) were pledged to banks to secure banking facilities granted to the Group (note 26).

17. PREPAID LAND LEASE PAYMENTS

Carrying amount at 1 January	於1月1日的賬面值
Amortised during the year-note 9	年內攤銷—附註9
Exchange realignment	匯兌調整
Carrying amount at 31 December	於12月31日的賬面值
Current portion	流動部分
Non-current portion	非流動部分

All the Group's leasehold lands were held under long term leases and were situated in Mainland China.

Certain of the Group's leasehold lands with a net carrying amount of HK\$13,159,000 (2010: HK\$12,824,000) were pledged to banks to secure banking facilities granted to the Group (note 26).

16. 物業、廠房及設備 (續)

本集團賬面淨值為238,905,000港元(2010年: 234,330,000港元)的若干樓宇及建築物已抵押予銀行, 作為向本集團授出銀行融資的擔保(附註26)。

17. 預付土地租金

2011	2010
HK\$'000	HK\$'000
千港元	千港元
42,897	42,312
(952)	(908)
2,069	1,493
44,014	42,897
(1,039)	(991)
42,975	41,906

本集團全部租賃土地均按長期租約持有及位於中國內地。

本集團賬面淨值為13,159,000港元(2010年: 12,824,000港元)的若干租賃土地已抵押予銀行, 作為向本集團授出銀行融資的擔保(附註26)。

18. GOODWILL

Cost at the beginning of the year	年初成本	1,210	-
Acquisition of a subsidiary – note 32	收購一間附屬公司—附註32	-	1,210
Cost and net carrying amount at the end of the year	年末成本及賬面淨值	1,210	1,210

Impairment testing of goodwill

Goodwill acquired through business combinations is related to the cash-generating unit of terminal storage and the handling of liquid chemicals. Its recoverable amount has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 9.4% and cash flows beyond the five-year period are extrapolated using an inflation rate of 5%.

Key assumptions were used in the value in use calculation of the cash-generating unit of terminal storage and the handling of liquid chemicals. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Discount rate – The discount rate used is before tax and reflects specific risks relating to the relevant units.

Inflation rate – The basis used to determine the value assigned to cost of sales and the revenue price are the forecast price indices during the budget year in the PRC.

18. 商譽

2011 HK\$'000 千港元	2010 HK\$'000 千港元
1,210	-
-	1,210
1,210	1,210

商譽減值測試

透過業務合併產生之商譽涉及液體化學品的碼頭儲存及處理的現金產生單位，其可收回金額已按以現金流量預測而釐定之使用值計算。而現金流量預測乃按由高級管理層批准之五年財務預算而計算。現金流量預測適用之折現率為9.4%，而超過五年期間的現金流量則使用5%之通脹率推測。

計算現金產生單位液體化學品碼頭儲存及處理的使用價值時已引用主要假設。以下說明管理層據以計算現金流量預測以進行商譽減值測試之各項主要假設：

折現率—使用之折現率為除稅前，並反映出有關現金產出單位之特定風險。

通脹率—用於釐定分配價值至銷售成本及收入價格的基準為預算年度在中國之預測價格指數。

Notes to Financial Statements

財務報表附註

19. INVESTMENTS IN SUBSIDIARIES

Unlisted shares, at cost
Amounts due from subsidiaries

未上市股份，按成本
應收附屬公司款項

The balances with subsidiaries are unsecured, interest-free and have no fixed terms of repayment. In the opinion of the directors, these advances are considered as quasi-equity loans to the subsidiaries.

Particulars of the principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration 註冊成立／註冊地	Nominal value of issued ordinary share capital 已發行 普通股 本面值	Percentage of equity attributable to the Company		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Ocean Ahead Limited	BVI 英屬維爾京群島	US\$100 100 美元	100	–	Investment holding 投資控股
Edford Investments Limited	BVI 英屬維爾京群島	US\$1 1 美元	–	100	Dormant 不活動
Dragon Bussan International Limited (“Dragon Bussan”) 龍翔物產有限公司(「龍翔物產」)	Hong Kong 香港	Ordinary US\$600,000 Non-voting deferred US\$900,000 (note a) 普通股 600,000 美元 無投票權遞延 股 900,000 美元 (附註 a)	–	100	Investment holding and provision of marketing services 投資控股及 提供市場 推廣服務

19. 於附屬公司的投資

2011 HK\$'000 千港元	2010 HK\$'000 千港元
-------------------------	-------------------------

1	1
256,422	230,079
256,423	230,080

於附屬公司的餘額為無抵押、免息且無固定還款期。董事認為，該等墊款視作向附屬公司提供准股權貸款。

主要附屬公司詳情如下：

19. INVESTMENTS IN SUBSIDIARIES (continued)

19. 於附屬公司的投資 (續)

Name 名稱	Place of incorporation/ registration 註冊成立/註冊地	Nominal value of issued ordinary share capital 已發行 普通股 本面值	Percentage of equity attributable to the Company		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Dragon Crown Petrochemicals Terminal (Holdings) Limited 龍翔石化儲運(集團) 有限公司	Hong Kong 香港	Ordinary US\$26,600,000 Non-voting deferred US\$500,000 (note a) 普通股 26,600,000 美元 無投票權遞延 股 500,000 美元 (附註 a)	–	100	Investment holding and provision of finance and management services 投資控股及 提供財務和 管理服務
Dragon Source Industrial Limited 龍翔化工有限公司	Hong Kong 香港	Ordinary HK\$26,000,000 Non-voting deferred HK\$2,000,000 (note a) 普通股 26,000,000 港元 無投票權遞延 股 2,000,000 港元 (附註 a)	–	100	Investment holding and provision of accounting services 投資控股及提供 會計服務
Nanjing Dragon Crown Liquid Chemical Terminal Company Limited (“NJDC”) 南京龍翔液體化工儲運碼頭 有限公司(「南京龍翔」)	PRC 中國	US\$28,094,820 28,094,820 美金	–	88.61	Terminal storage and handling of liquid chemicals 液體化學品碼頭 儲存及處理
Ocean Access Investments Limited 海瀛國際有限公司	Hong Kong 香港	HK\$1 1 港元	–	100	Investment holding and provision of administrative and technical services 投資控股及提供 行政與技術服務

Notes to Financial Statements

財務報表附註

19. INVESTMENTS IN SUBSIDIARIES (continued)

Note:

- (a) The non-voting deferred shares do not entitle the holders thereof to receive notice of or to attend or vote at any general meeting of the respective companies. The holders of the non-voting deferred shares are not entitled to any dividends. On a winding-up the holders of the non-voting deferred shares are entitled, out of the surplus assets of the respective companies, to a return of the capital paid up on the non-voting deferred shares held by them to one half of the balance after a total sum of HK\$100,000,000,000,000 has been distributed in such winding-up in respect of the ordinary shares of the respective companies.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

20. INVESTMENTS IN ASSOCIATES

Share of net assets

應佔資產淨值

Particulars of the Group's principal associate are as follows:

Name 名稱	Registered ordinary share capital 持有已註冊 普通股本詳情	Place of incorporation/ registration 註冊成立/ 註冊地	Percentage of equity interest attributable to the Group 本集團應佔 股權百分比	Principal activities 主要業務
Tianjin Tianlong Liquid Chemicals Storage and Transportation Co. Ltd [#] 天津天龍液體化工儲運 有限公司 [#]	US\$1,950,000 1,950,000 美元	PRC 中國	65	Terminal storage and handling of liquid chemicals 液體化學品 碼頭儲存及處理

[#] Pursuant to the articles of association, the Group has significant influence but not unilateral control over this entity.

19. 於附屬公司的投資 (續)

附註：

- (a) 無投票權遞延股份並無賦予有關持有人權利收取股東大會通知或出席有關公司任何股東大會或於會上投票。無投票權遞延股份持有人無權收取任何股息。於清盤時，無投票權遞延股份持有人，有權從有關公司盈餘資產中，獲退還彼等就所持無投票權遞延股份繳足之股本，最多為清盤時就有關公司的普通股分派總額100,000,000,000,000港元後餘額的二分之一。

董事認為，上表載述之本公司附屬公司主要對本年度業績產生影響或構成本集團大部分資產淨值。董事認為，若詳述其他附屬公司將導致提供之資料過於冗長。

20. 於聯營公司的投資

2011 HK\$'000 千港元	2010 HK\$'000 千港元
-------------------------	-------------------------

22,973 23,148

本集團之主要聯營公司的詳情如下：

Percentage of equity interest attributable to the Group 本集團應佔 股權百分比	Principal activities 主要業務
65	Terminal storage and handling of liquid chemicals 液體化學品 碼頭儲存及處理

[#] 根據各組織章程，本集團對該實體有重大影響，但無單一控制權。

20. INVESTMENTS IN ASSOCIATES (continued)

The above table lists the associate of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other associate would, in the opinion of the directors, result in particulars of excessive length.

The following table illustrates the financial information of the Group's associates extracted from their management accounts:

Assets	資產
Liabilities	負債
Revenue	收入
Profit	溢利

20. 於聯營公司的投資 (續)

董事認為，上述附表載述本公司之聯營公司對本年度業績產生重要影響或構成本集團大部分之資產淨值。董事認為，若詳述其他聯營公司將導致提供之資料過於冗長。

下表說明本集團聯營公司的摘錄自其管理賬目的財務資料：

2011	2010
HK\$'000	HK\$'000
千港元	千港元

36,981	37,645
1,045	1,439
16,481	21,669
3,349	8,364

21. INVESTMENTS IN JOINTLY-CONTROLLED ENTITIES

Share of net assets	應佔資產淨值
---------------------	--------

21. 於共同控制實體的投資

2011	2010
HK\$'000	HK\$'000
千港元	千港元

27,313	25,780
---------------	--------

Notes to Financial Statements

財務報表附註

21. INVESTMENTS IN JOINTLY-CONTROLLED ENTITIES (continued)

Particulars of the jointly-controlled entities as at 31 December 2011 are as follows:

Name 名稱	Particulars of issued shares held 持有已發行 股份詳情	Place of incorporation/ registration 註冊成立/ 註冊地	Percentage of 百分比			Principal activities 主要業務
			Ownership interest 擁有權權益	Voting power* 投票權*	Profit sharing 應佔溢利	
Ningbo Xinxiang Liquid Chemical Store Co. Ltd.* 寧波新翔液體化 工倉儲有限公司*	RMB4,200,000 4,200,000 人民幣	PRC 中國	60	60	60	Terminal storage and handling of liquid chemicals 液體化學品 碼頭儲存及處理
Ningbo Ningxiang Liquid Chemicals Terminal Co. Ltd.* 寧波寧翔液化儲運 碼頭有限公司*	RMB7,350,000 7,350,000 人民幣	PRC 中國	60	60	60	Terminal storage and handling of liquid chemicals 液體化學品碼頭 儲存及處理

The interests in the jointly-controlled entities are indirectly held by the Company.

* Pursuant to the articles of association, the Group has joint control of these entities with other joint venture partners.

21. 於共同控制實體的投資(續)

於2011年12月31日之主要共同控制實體的詳情如下：

本公司間接持有共同控制實體的權益。

* 根據組織章程，本集團與其他合營公司夥伴共同控制該等實體。

21. INVESTMENTS IN JOINTLY-CONTROLLED ENTITIES (continued)

The following table illustrates the summarised financial information of the Group's jointly-controlled entities:

		2011 HK\$'000 千港元	2010 HK\$'000 千港元
Shares of the jointly-controlled entities' assets and liabilities:	應佔共同控制實體資產及負債：		
Current assets	流動資產	17,151	13,718
Non-current assets	非流動資產	12,775	13,383
Current liabilities	流動負債	(2,613)	(1,321)
Net assets	資產淨值	27,313	25,780
Share of the jointly-controlled entities' results:	應佔共同控制實體業績：		
Revenue	收入	17,969	6,999
Other income	其他收入	471	153
		18,440	7,152
Total expenses	總開支	(10,237)	(3,537)
Tax	稅項	(2,242)	(961)
Profit after tax	除稅後溢利	5,961	2,654

21. 於共同控制實體的投資(續)

本集團的共同控制實體的財務資料概要如下表所示：

22. ACCOUNTS RECEIVABLE

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 30 days, extending to up to 60 days for major customers. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. Accounts receivable are non-interest bearing.

22. 應收賬款

除新客戶一般須預先付款外，本集團的客戶大多享有信貸期。信貸期一般為30天，主要客戶的繳款期限則可延長至60天。本集團嚴格控制其未清償應收賬款。高級管理層會定期檢討過期結欠。應收賬款屬無息款項。

Notes to Financial Statements 財務報表附註

22. ACCOUNTS RECEIVABLE (continued)

An aged analysis of the accounts receivable at the end of the reporting period, based on the invoice date and net of provision, is as follows:

Current to 30 days	即期至30天
31 to 60 days	31至60天

An aged analysis of the accounts receivable that are not considered to be impaired is as follows:

Neither past due nor impaired	既未到期亦未減值
Less than one month past due	逾期少於1個月

22. 應收賬款 (續)

於報告期末，根據發票日期及撥備淨值而編制的應收賬款賬齡分析如下：

2011 HK\$'000 千港元	2010 HK\$'000 千港元
35,899	41,598
3,958	3,554
39,857	45,152

未視作減值的應收賬款的賬齡分析如下：

2011 HK\$'000 千港元	2010 HK\$'000 千港元
39,857	43,676
-	1,476
39,857	45,152

22. ACCOUNTS RECEIVABLE (continued)

Receivables that were neither past due nor impaired relate to customers for which there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances. Certain of the Group's accounts receivable with a net carrying amount of HK\$14,851,000 (2010: HK\$14,241,000) were pledged to banks to secure banking facilities granted to the Group (note 26).

23. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Prepayments	預付款
Deposits and other receivables	按金及其他應收款項
Portion classified as current assets	分類為流動資產的部分
Portion classified as non-current assets	分類為非流動資產的部分

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to deposits and receivables for which there was no recent history of default. The carrying amounts of these deposits and other receivables approximate to their fair values.

22. 應收賬款(續)

既未到期亦未減值的應收款項乃與近期並無拖欠記錄的客戶有關。

已逾期但未減值的應收款項乃與本集團擁有良好往績記錄的若干獨立客戶有關。根據過往經驗，本公司董事認為，由於信貸質素並無重大變動及該等結欠仍視作可悉數收回，該等結欠無須減值撥備。本集團並無就該等結欠持有抵押品或實施其他加強信貸措施。本集團賬面淨值為14,851,000港元(2010年：14,241,000港元)的若干應收賬款已抵押予銀行，作為向本集團授出銀行融資的擔保(附註26)

23. 預付款、按金及其他應收款項

		Group 本集團		Company 本公司	
		2011 HK\$'000 千港元	2010 HK\$'000 千港元	2011 HK\$'000 千港元	2010 HK\$'000 千港元
Prepayments	預付款	3,381	13,937	172	4,669
Deposits and other receivables	按金及其他應收款項	860	3,203	111,597	31,700
		4,241	17,140	111,769	36,369
Portion classified as current assets	分類為流動資產的部分	(4,241)	(10,008)	(111,769)	(36,369)
Portion classified as non-current assets	分類為非流動資產的部分	-	7,132	-	-

上述資產既未到期亦未減值。上述結餘中包括的金融資產與最近並無拖欠記錄的按金及應收款項有關。該等按金及應收款項的賬面值與其公平值相若。

24. CASH AND CASH EQUIVALENTS

24. 現金及現金等價物

		Group 本集團		Company 本公司	
		2011 HK\$'000 千港元	2010 HK\$'000 千港元	2011 HK\$'000 千港元	2010 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	123,274	32,493	14,011	–
Time deposits	定期存款	279,969	14,118	279,969	–
Cash and cash equivalents	現金及現金等價物	403,243	46,611	293,980	–

At the end of the reporting period, the cash and cash equivalents of the Group denominated in Renminbi (“RMB”) amounted to HK\$251,987,000 (2010: HK\$30,204,000).

RMB is not freely convertible into other currencies, however, under Mainland China’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

於本報告期末，本集團以人民幣計值的現金及現金等價物達251,987,000港元(2010年：30,204,000港元)。

人民幣不能自由兌換成其他貨幣。然而，根據《中華人民共和國外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團獲准透過獲授權進行外匯業務的銀行，將人民幣兌換成其他貨幣。

存於銀行的現金按每日銀行存款利率的浮動息率賺取利息。短期定期存款期限從一天到三個月由本集團的現金需求而定，並以相應的短期定期存款利率獲得利息。銀行結餘儲存於近期無違約行為、信譽良好的銀行。

25. OTHER PAYABLES AND ACCRUALS

25. 其他應付款項及應計費用

		Group 本集團		Company 本公司	
		2011 HK\$'000 千港元	2010 HK\$'000 千港元	2011 HK\$'000 千港元	2010 HK\$'000 千港元
Other payables	其他應付款項	19,216	15,548	–	–
Accruals	應計費用	16,356	19,963	1,089	3,392
Amounts due to subsidiaries	應付附屬公司款項	–	–	4,955	–
		35,572	35,511	6,044	3,392

Other payables are non-interest bearing and are repayable on demand. The carrying amounts of other payables and accruals approximate to their fair values.

The balances with subsidiaries are unsecured, interest-free and repayable on demand.

As at 31 December 2011, included in other payables of the Group was a payable of HK\$1,233,900 (2010: HK\$1,177,000) due to the Nanjing Chemical Industry Park Management Committee which is the parent company of Nanjing Chemical Industry Park Company Limited, a non-controlling interest of the Group, representing the remaining outstanding balance due to acquiring a prepaid land lease. Upon certain conditions being fulfilled by the Nanjing Chemical Industry Park Management Committee, such as land levelling, the amount will be settled.

其他應付款項為不計息及按要求償還。該等其他應付款項及應計費用的賬面值與其公平值相若。

與附屬公司的結餘為無抵押、不計息及按要求償還。

於2011年12月31日，本集團其他應付款項內包括應付南京化學工業管理委員會（為本集團非控股公司南京化學工業園有限公司的母公司）的款項1,233,900港元（2010年：1,177,000港元），相當於因獲得預付土地租賃而應付的未償還款項餘額。待南京化學工業園管理委員會達成若干條件（如土地平整）後，該款項將予結算。

Notes to Financial Statements

財務報表附註

26. INTEREST-BEARING BANK LOANS

26. 計息銀行貸款

	Effective interest rate (%) 實際利率(%)	Maturity 到期日	2011 HK\$'000 千港元	2010 HK\$'000 千港元
Current				
流動部分				
Secured 有抵押	The People's Bank of China ("PBOC") base rate, plus 5% / PBOC base rate, discounted by 5%-10%/HIBOR+1% 中國人民銀行(「中國人民銀行」)基準利率，加5%/中國人民銀行基準利率，折讓5%-10%/香港銀行同業拆息利率+1%	2012 (2010: on demand to 2011) 2012 (2010年：按 要求至2011年)	144,474	56,472
Non-current				
非流動部分				
Secured 有抵押	PBOC base rate, discounted by 5% 中國人民銀行基準利率，折讓5%	2013 (2010: 2012 to 2013) 2013年 (2010年：2012年 至2013年)	11,935	162,188
			156,409	218,660
			2011	2010
			HK\$'000	HK\$'000
			千港元	千港元
Analysed into:	分析：			
Bank loans repayable:	銀行貸款須於以下期間償還：			
Within one year or on demand	1年內或按 要求			
In the second year	第2年			
In the third to fifth years, inclusive	第3至5年(包括首尾兩年)			
			144,474	56,472
			11,935	150,808
			-	11,380
			156,409	218,660

26. INTEREST-BEARING BANK LOANS (continued)

The Group's bank loans were secured by:

- (i) corporate guarantees granted by the Company. As at 31 December 2010, the bank loans were secured by corporate guarantees granted by Dragon Crown Investments Limited ("DC Investments"), the Company's former ultimate holding company and a related company as at 31 December 2011, and fixed charges over total bank deposits of HK\$93,160,000 by the DC Investments and a director of the Company. The fixed charges of bank deposits and corporate guarantees granted by DC Investments were released and replaced by the corporate guarantees granted by the Company upon listing on 10 June 2011;
- (ii) fixed charges over certain buildings and structures with a net carrying amount of HK\$238,905,000 (2010: HK\$234,330,000) (note 16);
- (iii) fixed charges over certain leasehold land with a net carrying amount of HK\$13,159,000 (2010: HK\$12,824,000) (note 17), respectively; and
- (iv) floating charges over certain accounts receivable with a net carrying amount of HK\$14,851,000 (2010: HK\$14,241,000) (note 22).

The carrying amounts of these bank loans approximate to their fair values at the end of the reporting period.

26. 計息銀行貸款(續)

本集團的銀行貸款乃以以下項目作抵押：

- (i) 本公司提供的企業擔保。於2010年12月31日，銀行貸款乃以本公司前最終控股公司(截至2011年12月31日為關聯公司)龍翔化工國際有限公司(「龍翔化工國際」)提供的企業擔保及龍翔化工國際及本公司一名董事以銀行存款總額93,160,000港元提供的固定押記作為抵押。銀行存款的固定押記及龍翔化工國際提供的企業擔保於2011年6月10日上市後解除及以本公司提供的企業擔保取代；
- (ii) 對賬面淨值為238,905,000港元(2010年：234,330,000港元)的若干樓宇及建築物的固定抵押(附註16)；
- (iii) 對賬面淨值為13,159,000港元(2010年：12,824,000港元)的若干租賃土地的固定抵押(附註17)；及
- (iv) 對賬面淨值為14,851,000港元(2010年：14,241,000港元)的若干應收款項的浮動抵押(附註22)。

於報告期末，該等銀行貸款的賬面值與其公平值相若。

Notes to Financial Statements

財務報表附註

27. DUE TO THE FORMER ULTIMATE HOLDING COMPANY

The balances due were non-trade in nature and represented payments by the former ultimate holding company on behalf of the Group. The balances were unsecured, interest-free and repayable on demand. The balances were fully settled during the year.

27. 應付前最終控股公司款項

結欠款項為非貿易性質及代表本集團的前最終控股公司代本集團提供的付款。結欠為無抵押、不計息及按要求償還。結餘於年內已悉數償還。

28. DEFERRED TAX LIABILITIES

28. 遞延稅項負債

		Withholding taxes 預扣稅 HK\$'000 千港元
At 1 January 2010	於2010年1月1日	8,307
Acquisition of a subsidiary – note 32	收購一間附屬公司—附註32	167
Deferred tax charged to the income statement during the year – note 12	自年內收益表扣除的遞延稅項—附註12	5,990
Withholding tax paid on repatriation of earnings from subsidiaries, jointly-controlled entities and associates	就附屬公司、共同控制實體及聯營公司匯出盈利而支付的預扣稅	(8,042)
Exchange realignment	匯兌調整	308
At 31 December 2010 and 1 January 2011	於2010年12月31日及2011年1月1日	6,730
Deferred tax charged to the income statement during the year – note 12	自年內收益表扣除的遞延稅項—附註12	5,274
Withholding tax paid on repatriation of earnings from subsidiaries, jointly-controlled entities and associates	就附屬公司、共同控制實體及聯營公司匯出盈利而支付的預扣稅	(6,488)
Exchange realignment	匯兌調整	147
At 31 December 2011	於2011年12月31日	5,663

28. DEFERRED TAX LIABILITIES (continued)

Pursuant to the PRC Corporate Income Tax Law, a 5%-10% withholding tax rate is levied on dividends declared to foreign investors from foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings generated after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The Group is therefore liable to withholding taxes on dividends distributed by the subsidiary, associates and jointly-controlled entities established in Mainland China in respect of earnings generated from 1 January 2008.

29. SHARE CAPITAL

Authorised:

4,000,000,000 (2010: 4,000,000,000)
ordinary shares of HK\$0.10 each

法定：

4,000,000,000 股
(2010年：4,000,000,000 股)
每股面值0.1港元之普通股

Issued and fully paid:

1,109,662,000 (2010: 825,000) ordinary
shares of HK\$0.10 each

已發行及繳足：

1,109,662,000 股
(2010年：825,000 股)
每股面值0.1港元之普通股

28. 遞延稅項負債 (續)

根據中國企業所得稅法，向中國內地成立的外資企業的境外投資者宣派股息將被徵收5%-10%的預扣稅。該規定自2008年1月1日起生效，並適用於2007年12月31日之後產生的盈利。倘中國與境外投資者所屬司法權區間訂有稅務優惠協議，則可按較低預扣稅率繳稅。因此，本集團須就於中國內地成立的附屬公司、聯營公司及共同控制實體就於2008年1月1日起所得盈利派發股息繳納預扣稅。

29. 股本

2011 HK\$'000 千港元	2010 HK\$'000 千港元
-------------------------	-------------------------

400,000	400,000
---------	---------

110,966	83
---------	----

Notes to Financial Statements

財務報表附註

29. SHARE CAPITAL (continued)

Movements in the Company's issued share capital during the year were as follows:

Issue of ordinary shares	發行普通股	Notes 附註	Number of shares in issue 已發行股份數目	Issued capital 已發行股本 HK\$'000 千港元
Upon incorporation	於註冊成立時	(i)	1	–
Allotment during the year	年內配發	(ii)	99	–
Arising from the Reorganisation	來自重組	(iii)	775,952	78
Acquisition of non-controlling interests	收購非控股權益	(iv)	48,948	5
At 31 December 2010	於2010年12月31日		825,000	83
Capitalisation issue	資本化發行	(v)	824,175,000	82,417
Issue of new shares	發行新股份	(vi)	284,662,000	28,466
At 31 December 2011	於2011年12月31日		1,109,662,000	110,966

Notes:

- (i) On 16 July 2010, one subscriber's share of the Company was allotted and issued at par as nil paid to Lirun Limited ("Lirun"), a company owned by the then controlling shareholder of the Company.
- (ii) On 4 August 2010, 97 and 2 subscriber's shares were allotted and issued at par as nil paid to Lirun and Silver Coin International Limited ("Silver Coin"), a company owned by the then non-controlling shareholder, respectively.

29. 股本(續)

於年內本公司已發行股本的變動如下：

Issue of ordinary shares	發行普通股	Notes 附註	Number of shares in issue 已發行股份數目	Issued capital 已發行股本 HK\$'000 千港元
Upon incorporation	於註冊成立時	(i)	1	–
Allotment during the year	年內配發	(ii)	99	–
Arising from the Reorganisation	來自重組	(iii)	775,952	78
Acquisition of non-controlling interests	收購非控股權益	(iv)	48,948	5
At 31 December 2010	於2010年12月31日		825,000	83
Capitalisation issue	資本化發行	(v)	824,175,000	82,417
Issue of new shares	發行新股份	(vi)	284,662,000	28,466
At 31 December 2011	於2011年12月31日		1,109,662,000	110,966

附註：

- (i) 於2010年7月16日，本公司一股未繳股款的認購人股份配發及發行予本公司控股股東擁有的一間公司力潤有限公司(「力潤」)。
- (ii) 於2010年8月4日，97股及2股未繳股款的認購人股份分別配發及發行予力潤及由非控股股東擁有的一間公司Silver Coin International Limited (「Silver Coin」)。

29. SHARE CAPITAL (continued)

Notes: (continued)

- (iii) Pursuant to the Reorganisation, on 29 November 2010, advances of HK\$232,340,000 due to the former ultimate holding company were repaid and the Company issued 759,452 subscriber's shares at par as fully paid to Lirun, and 16,500 subscriber's shares at par as fully paid to Sure Port Investments Limited ("Sure Port"), a company owned by the then controlling shareholder of the Company.
- (iv) Pursuant to the Reorganisation, the Company acquired additional interests in the group companies from non-controlling shareholders by (i) repaying the advances due to Silver Coin of HK\$4,211,000 and issuing 15,948 subscriber's shares at par as fully paid to Silver Coin on 29 November 2010; and (ii) repaying the advances of HK\$8,299,000 due to Ansen International Limited ("Ansen"), a company owned by the then non-controlling shareholder, and issuing 33,000 shares at par as fully paid to Ansen on 29 November 2010.
- (v) Pursuant to the resolution passed on 23 May 2011, an aggregate of 824,175,000 ordinary shares of HK\$0.1 each of the Company were allotted and issued, credited as fully paid at par, to the then shareholders whose names appeared on the register of members of the Company at close of business on 23 May 2011 by way of capitalisation of the amount of HK\$82,417,500 from the amount standing to the credit of the share premium account of the Company in proportion to their existing shareholdings in the Company.
- (vi) On 10 June 2011, the Company issued 275,000,000 new shares at HK\$1.1 per share by way of the Global Offering for a total cash consideration before expenses of HK\$302,500,000.

On 2 July 2011, the over-allotment option was partially exercised by the stabilising manager on behalf of the underwriters in respect of 9,662,000 over-allotment shares to cover over-allocation conditional placing of the international placing shares at offer price to professional, institutional and private investors. The over-allotment shares were issued and allotted by the Company at HK\$1.10 per share, resulting in proceeds of approximately HK\$10,628,000 before expenses.

29. 股本 (續)

附註：(續)

- (iii) 根據重組，於2010年11月29日，償還結欠前最終控股公司的232,340,000港元墊款及本公司向力潤發行759,452股入賬列作繳足的認購人股份及向本公司控股股東擁有的一間公司港順投資有限公司(「港順」)發行16,500股入賬列作繳足的認購人股份。
- (iv) 根據重組，透過本公司自非控股股東收購集團旗下公司的額外權益 (i) 於2010年11月29日償還結欠Silver Coin的4,211,000港元墊款及向Silver Coin發行15,948股未繳股款的認購人股份；及(ii) 於2010年11月29日償還結欠由非控股股東擁有的一間公司Ansen International Limited(「Ansen」)的8,299,000港元墊款及向Ansen發行33,000股入賬列作繳足的股份。
- (v) 根據於2011年5月23日通過的決議案，本公司透過將本公司股份溢價賬之進賬款額82,417,500港元按股東於本公司所持有之股權比例予以資本化，向於2011年5月23日營業結束時名列本公司股東名冊的股東配發及發行合共824,175,000股每股面值0.1港元的普通股，並按面值入賬列為繳足的普通股。
- (vi) 於2011年6月10日，本公司透過全球發售以每股1.1港元發行275,000,000股新股，獲得扣除開支前總現金代價為302,500,000港元。

於2011年7月2日，穩定價格經辦人代表包銷商部份行使涉及9,662,000股超額配發股份之超額配股權，以補足以發售價向專業、機構及私人投資者有條件超額配售國際配售股份。超額配發股份已由本公司以每股1.10港元發行及配發，獲得扣除開支前所得款項約10,628,000港元。

30. SHARE OPTION SCHEME

A share option scheme was adopted on 23 May 2011 (the “Share Option Scheme”) to provide incentives to eligible participants (including employees, executives or officers, directors including non-executive directors and independent non-executive directors, advisers, consultants, suppliers, customers and agents of the Company or any of its subsidiaries) for their contribution to the long term growth of the Group and to enable the Company to attract and retain high calibre employees. During the year, no share options were granted, exercised or cancelled by the Company under the Share Option Scheme. There were no outstanding share options under the Share Option Scheme as at 31 December 2011.

31. RESERVES

(a) Group

The amounts of the Group’s reserves and movements therein are presented in the consolidated statement of changes in equity.

(i) Capital reserve

Capital reserve mainly represented the difference between the consideration and the book value of the share of the net assets acquired in respect of the acquisition of non-controlling interests.

30. 購股權計劃

本集團於2011年5月23日採納購股權計劃(「購股權計劃」)，旨在獎勵合資格參與者(包括本公司或其任何附屬公司之僱員、行政人員或高級職員、董事(包括非執行董事及獨立非執行董事)、顧問、諮詢者、供應商、客戶及代理)，感謝其對本集團長期增長作出之貢獻，促使本集團吸納及挽留高才幹之僱員。年內，本公司概無根據購股權計劃授出、行使或註銷購股權。於2011年12月31日，購股權計劃下並無未獲行使之購股權。

31. 儲備

(a) 本集團

本集團的儲備及相關變動呈列於綜合權益變動表。

(i) 資本儲備

資本儲備主要指有關收購非控股權益的代價與應佔所收購資產淨值之間的差額。

31. RESERVES (continued)

(a) Group (continued)

(ii) Reserve funds

In accordance with the relevant regulations applicable in the PRC, the Group's subsidiary established in the PRC is required to transfer a certain percentage of its statutory annual profit after tax (after offsetting any prior year's losses), if any, to the reserve funds until the balance of the funds reaches 50% of its respective registered capital. Subject to certain restrictions as set out in the relevant PRC regulations, the statutory surplus fund may be used to offset against accumulated losses of the PRC subsidiary. The amount of the transfer is subject to the approval of the board of directors of the PRC subsidiary.

(iii) Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations in the PRC which are dealt with in accordance with the accounting policy set out in note 3.

31. 儲備 (續)

(a) 本集團 (續)

(ii) 儲備基金

根據中國適用的相關法規，本集團於中國成立的附屬公司須按若干百分比轉撥其除稅後（抵銷任何過往年度虧損後）法定年度溢利（如有）至儲備基金，直至基金結餘達到註冊資本的50%。在遵守有關中國法規所載的若干限制下，法定盈餘公積金可用於抵銷中國附屬公司的累積虧損。轉撥金額須經中國附屬公司董事會的批准。

(iii) 匯兌波動儲備

匯兌波動儲備包括換算中國業務財務報表時產生的所有外匯差額，並根據附註3所載的會計政策處理。

Notes to Financial Statements

財務報表附註

31. RESERVES (continued)

(b) Company

		Share premium 股份溢價 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Proposed final dividend 建議 末期股息 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Upon incorporation	於註冊成立後	-	-	-	-
Arising from the Reorganisation	來自重組	232,262	-	-	232,262
Acquisition of non- controlling interests	收購非控股權益	12,505	-	-	12,505
Total comprehensive income for the year	年內全面收入總額	-	18,207	-	18,207
At 31 December 2010 and 1 January 2011	於2010年12月31日 及2011年1月1日	244,767*	18,207*	-	262,974
Capitalisation issue	資本化發行	(82,417)	-	-	(82,417)
Issue of new shares	發行新股份	284,662	-	-	284,662
Share issue expenses	發行股份費用	(15,503)	-	-	(15,503)
Total comprehensive income for the year	年內全面收入總額	-	95,446	-	95,446
Proposed final dividend	建議末期股息	-	(55,483)	55,483	-
At 31 December 2011	於2011年12月31日	431,509*	58,170*	55,483	545,162

* These reserve accounts comprises the reserves of HK\$489,679,000 (2010: HK\$262,974,000) in the statement of financial position.

* 該等儲備賬包括財務狀況表內的儲備489,679,000港元(2010年: 262,974,000港元)。

31. 儲備(續)

(b) 本公司

32. ACQUISITION OF A SUBSIDIARY

On 27 September 2010, the Group entered into a sale and purchase agreement with Mitsui & Co., Ltd. and Mitsui & Company (Hong Kong) Limited to acquire the remaining 40% equity interests in Dragon Bussan, which was then a 60% owned associate of the Group, for a total cash consideration of US\$1,457,600 (equivalent to HK\$11,369,000). The acquisition was completed on 29 November 2010, upon which Dragon Bussan became a wholly-owned subsidiary of the Group. One of the principal activities of Dragon Bussan was holding a 60% investment in Ningbo Ningxiang.

The fair values of the identifiable assets and liabilities of Dragon Bussan as at the date of acquisition were as follows:

32. 收購一間附屬公司

於2010年9月27日，本集團與三井物產株式會社及三井物產(香港)有限公司訂立買賣協議，以收購本集團當時擁有60%權益的聯營公司龍翔物產餘下40%股權，總現金代價為1,457,600美元(相等於11,369,000港元)。收購於2010年11月29日完成，龍翔物產其後成為本集團的全資附屬公司。龍翔物產的主要業務之一為持有寧波寧翔60%的投資。

龍翔物產於收購日期的可識別資產及負債的公平值如下：

		Fair value recognised on acquisition 收購時確認的公平值
	Note 附註	HK\$'000 千港元
Net assets acquired:	所收購的資產淨值：	
Interest in a jointly-controlled entity	於共同控制實體的權益	17,182
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	2,691
Cash and bank balances	現金及銀行結餘	8,529
Accrued liabilities and other payables	應計負債及其他應付款項	(2,310)
Tax payable	應付稅項	(135)
Deferred tax liabilities	遞延稅項負債	28 (167)
Amount due to the former ultimate holding company	應付前最終控股公司款項	(392)
Equity value attributable to the Group and total acquisition consideration	本集團應佔權益及收購代價總額	25,398
Satisfied by:	以下列方式支付：	
Cash	現金	11,369
Carrying value of the pre-existing equity interest	現有股權的賬面值	14,029
		25,398

32. ACQUISITION OF A SUBSIDIARY (continued)

The Group recognised a gain of HK\$2,488,000 as a result of measuring, at fair value, its 60% pre-existing equity interest in Dragon Bussan held before the business combination. The gain was included in other income in the consolidated income statement for the year ended 31 December 2010.

An analysis of cash flows in respect of the acquisition of Dragon Bussan is as follows:

Cash consideration paid	已付現金代價	11,369
Cash and bank balances acquired	所收購的現金及銀行結餘	(8,529)
Net outflow of cash and cash equivalents included in cash flows from investing activities	投資活動所得現金流量所列現金及現金等價物的流出淨額	2,840

33. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Major non-cash transactions

- (a) As disclosed in note 29(v), the Company capitalised HK\$82,417,500 from the amount standing to the credit of the share premium account of the Company by allotting and issuing an aggregate of 824,175,000 ordinary shares to the then shareholders of the Company whose names appeared on the register of members of the Company at close of business on 23 May 2011.
- (b) During the year ended 31 December 2011, HK\$7,301,000 in relation to purchase of property, plant and equipment was transferred from deposits paid to property, plant and equipment.

32. 收購一間附屬公司 (續)

本集團因按公平值計量於業務合併前持有的龍翔物產60%現有股權而確認收益2,488,000港元。該收益計入截至2010年12月31日止年度綜合收益表的其他收入內。

有關收購龍翔物產的現金流量分析如下：

	HK\$'000 千港元
已付現金代價	11,369
所收購的現金及銀行結餘	(8,529)
投資活動所得現金流量所列現金及現金等價物的流出淨額	2,840

33. 綜合現金流量表附註

主要非現金交易

- (a) 誠如附註29(v)所披露，本公司透過向於2011年5月23日營業時間結束時名列本公司股東名冊之當時股東配發及發行合共824,175,000股普通股而自本公司股份溢價賬進賬金額資本化82,417,500港元。
- (b) 於截至2011年12月31日止年度，有關購買物業、廠房及設備7,301,000港元已由付按金轉撥至物業、廠房及設備。

34. CONTINGENT LIABILITIES

At the end of the reporting period, the Group did not have any significant contingent liabilities.

At the end of the reporting period, the Company has provided a guarantee, amounting to approximately HK\$173,220,000, to banks in connection with loans granted to subsidiaries (2010: Nil). As at 31 December 2011, the loan balance of subsidiaries subject to guarantees given to banks by the Company amounted to approximately HK\$156,409,000 (2010: Nil).

35. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases certain portion of its office building under an operating lease arrangement, with the lease negotiated for a term of one year.

At the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenant falling due as follows:

Within one year 1 年內

34. 或然負債

於本報告期末，本集團並無任何重大或然負債。

於本報告期末，本公司就授予附屬公司之貸款向銀行提供一份金額達約173,220,000港元之擔保(2010年：零)。於2011年12月31日，根據本公司向銀行發出的擔保，附屬公司貸款餘額達約156,409,000港元(2010年：零)。

35. 經營租賃安排

(a) 作為出租人

本集團根據經營租賃安排租賃其寫字樓的若干部分，該租約協定為1年期。

於報告期末，本集團就不可撤銷經營租賃的未來最低租金總額須於下列年期向租戶收取：

2011	2010
HK\$'000	HK\$'000
千港元	千港元

-	419
---	-----

Notes to Financial Statements

財務報表附註

35. OPERATING LEASE ARRANGEMENTS (continued)

(b) As lessees

The Group leases certain portion of its building and pipe racks under operating lease arrangements. The leases are negotiated for terms ranging from 1 to 15 years.

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

Within one year	1年內
In the second to fifth years, inclusive	第2至5年(包括首尾兩年)
After five years	5年以上

The Company had not entered into any operating lease arrangements as at 31 December 2011 (2010: Nil).

36. COMMITMENTS

In addition to the operating lease arrangements detailed in note 35 above, the Group had the following capital expenditure commitments at the end of the reporting period:

35. 經營租賃安排(續)

(b) 作為承租人

本集團根據經營租賃安排租賃其若干樓宇及管架。該等租約年期協定為1至15年。

於報告期末，本集團就不可撤銷經營租賃的未來最低租金總額須於下列年期向出租人支付：

2011 HK\$'000 千港元	2010 HK\$'000 千港元
11,596	10,634
38,452	36,442
50,068	54,079
100,116	101,155

於2011年12月31日，本公司並無訂立任何經營租賃安排(2010年：零)。

36. 承擔

除上文附註35所詳述經營租賃安排之外，於報告期末，本集團有下列資本承擔：

36. COMMITMENTS (continued)

Contracted, but not provided for	已訂約，但未撥備
Authorised, but not contracted for	已授權，但未訂約

The Company did not have any commitments as at 31 December 2011 (2010: Nil).

37. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year:

36. 承擔 (續)

2011 HK\$'000 千港元	2010 HK\$'000 千港元
3,373	3,196
482,726	-

於2011年12月31日，本公司並無任何承擔(2010年：零)。

37. 關聯人士交易

- (a) 除財務報表其他地方所詳述的交易外，本集團於年內曾與關聯人士進行以下交易：

Notes to Financial Statements

財務報表附註

37. RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

		Notes 附註	2011 HK\$'000 千港元	2010 HK\$'000 千港元
Terminal storage income:	碼頭儲存收入：			
Dragon Crown Chemical (Shanghai Pudong New Area) Company Ltd.	龍翔化工(上海浦東 新區)有限公司	(i)	-	1,623
DC Investments	龍翔化工國際	(i)	3,468	-
Terminal service expenses:	碼頭服務支出：			
Nanjing Chemical Industry Park Public Services Company Ltd.	南京化學工業園 公用事業有限責 任公司	(ii)	1,871	1,790
Nanjing Chemical Industry Park Management Committee	南京化學工業園 管理委員會	(ii)	546	520
Afforestation fee:	綠化費：			
Shanghai Jin Wang Afforestation Company Ltd.	上海正旺園林綠化 有限公司	(iii)	-	36
Rental expenses:	租賃支出：			
Nanjing Chemical Industry Park Company Limited ("Nanjing CIPC")	南京化學工業園 有限公司 〔「南京 CIPC」〕	(iv)	9,382	8,938
DC Investments	龍翔化工國際	(v)	1,494	622
Interest expenses:	利息支出：			
DC Investments	龍翔化工國際	8	-	157

37. 關聯人士交易(續)

(a) (續)

37. RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

Notes:

- (i) Terminal storage income was charged in accordance with the terms mutually agreed between the Group and these related companies in which a director of the Company is the ultimate controlling shareholder of these related companies.
- (ii) Terminal service expenses were charged in accordance with the terms mutually agreed between the Group and its related companies which were the group companies of a non-controlling shareholder of NJDC.
- (iii) Afforestation fee was charged in accordance with the terms mutually agreed between the Group and its related party which was a close family member of a director of the Company.
- (iv) Rental expense was charged in accordance with the terms mutually agreed between the Group and a non-controlling shareholder of NJDC for the use of pipe racks.
- (v) Rental expense was charged in accordance with the terms mutually agreed between the Group and the related company for the use of an office premise.

(b) Commitments with related parties

- (i) On 19 April 2011, a subsidiary of the Group, as the lessor, entered into a two year terminal storage agreement ending on 31 December 2012 with DC Investments. The total operating lease commitment fully due within one year as at 31 December 2011 was approximately HK\$3,554,000.

37. 關聯人士交易 (續)

(a) (續)

附註：

- (i) 碼頭儲存收入乃根據本集團與其關聯公司相互協定的條款收取，本公司董事為該等關聯公司的最終控股股東。
- (ii) 碼頭服務支出乃根據本集團與其關聯公司相互協定的條款支付。該關聯公司為南京龍翔非控股股東的集團旗下公司。
- (iii) 綠化費乃根據本集團與其關聯人士相互協定的條款支付，關聯人士為本公司董事的近親。
- (iv) 租賃支出乃根據本集團與南京龍翔的非控股股東就使用管架相互協定的條款支付。
- (v) 租賃支出乃根據本集團與該關聯公司就使用辦公物業相互協定的條款支付。

(b) 向關聯方作出之承擔

- (i) 於2011年4月19日，本集團之一間附屬公司作為出租人與龍翔化工國際訂立截至2012年12月31日止為期兩年之碼頭儲存協議。截至2011年12月31日止年度，一年內總經營租賃承擔為約3,554,000港元。

37. RELATED PARTY TRANSACTIONS (continued)

(b) (continued)

- (ii) On 12 November 2010, a subsidiary of the Group, as the lessee, entered into a twenty nine month lease agreement ending on 31 December 2012 with DC Investments. The total operating lease commitment fully due within one year as at 31 December 2011 was approximately HK\$1,494,000.
- (iii) In March 2007, a subsidiary of the Group entered into a fifteen year lease agreement ending on 14 March 2022 with Nanjing CIPC. The total operating lease commitments fully due within one year, in the second to fifth year, and beyond the fifth year as at 31 December 2011 were approximately HK\$9,613,000, HK\$38,452,000 and HK\$50,068,000, respectively.

(c) Details of the outstanding balances with related parties are included in notes 25 and 27 to the financial statements.

(d) Compensation of key management personnel of the Group

Short term employee benefits	短期僱員福利
Post-employment benefits	退休金福利
Total compensation paid to key management personnel	已付主要管理人員的薪酬總額

37. 關聯人士交易 (續)

(b) (續)

- (ii) 於2010年11月12日，本集團之一間附屬公司作為承租人與龍翔化工國際訂立截至2012年12月31日止為期29個月之租賃協議。截至2011年12月31日止年度，一年內總經營租賃承擔為約1,494,000港元。
- (iii) 於2007年3月，本集團之一間附屬公司與南京CIPC訂立截至2022年3月14日止為期15年之租賃協議。截至2011年12月31日止年度，一年內、第二年至第五年及五年以後之總經營租賃承擔分別約為9,613,000港元、38,452,000港元及50,068,000港元。

(c) 有關關聯人士的未清償結欠詳情載於財務報表附註25及27。

(d) 本集團的主要管理人員薪酬

2011	2010
HK\$'000	HK\$'000
千港元	千港元

8,558	1,941
46	12

8,604	1,953
-------	-------

38. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets – loans and receivables

Accounts receivable	應收賬款
Financial assets included in prepayments, deposits and other receivables (note 23)	計入預付款、按金及其他應收款項的金融資產(附註23)
Cash and cash equivalents	現金及現金等價物

Financial assets included in prepayments, deposits and other receivables (note 23)	計入預付款、按金及其他應收款項的金融資產(附註23)
Cash and cash equivalents	現金及現金等價物

38. 按類別劃分的金融工具

於報告期末，本集團的金融資產按類別劃分為貸款及應收款項，如下所示：

金融資產－貸款及應收賬款

Group	
本集團	
2011	2010
HK\$'000	HK\$'000
千港元	千港元

39,857	45,152
860	3,203
403,243	46,611
443,960	94,966

Company	
本公司	
2011	2010
HK\$'000	HK\$'000
千港元	千港元

111,597	31,700
293,980	–
405,577	31,700

Notes to Financial Statements

財務報表附註

38. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

Financial liabilities – at amortised cost

Other payables and accruals	其他應付款項及應計費用
Interest-bearing bank loans	計息銀行貸款
Due to the former ultimate holding company	應付前最終控股公司款項

Other payables and accruals	其他應付款項及應計費用
-----------------------------	-------------

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents and interest-bearing bank loans. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as accounts receivable, financial assets included in deposits and other receivables and other payables and accruals, which mainly arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

38. 按類別劃分的金融工具(續)

金融負債—按攤銷成本列帳

		Group 本集團	
		2011 HK\$'000 千港元	2010 HK\$'000 千港元
		35,572	35,511
		156,409	218,660
		–	249
		191,981	254,420

		Company 本公司	
		2011 HK\$'000 千港元	2010 HK\$'000 千港元
		6,044	3,392

39. 財務風險管理目標及政策

本集團的主要金融工具包括現金及現金等價物以及計息銀行貸款。該等金融工具主要用於為本集團之經營籌集資金。本集團擁有其他多項金融資產及負債，例如主要直接從經營產生的應收賬款、計入按金及其他應收款項的金融資產以及其他應付款項及應計費。

本集團金融工具所涉及的主要風險為利率風險、信貸風險及流動資金風險。董事會檢討並協定管理此等風險的政策，該等政策的概要如下。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's net debt obligations with floating interest rates. The majority of the bank borrowings bear interest at rates with reference to PBOC and HIBOR. The Group mitigates the risk by monitoring closely the movements in interest rates and reviewing its banking facilities and borrowings regularly. The Group has not used any interest rate swap to hedge its exposure to interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in PBOC rates and HIBOR, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate bank borrowings).

		Change in basis points 基點變動	Change in profit before tax 除稅前 溢利變動 HK\$'000 千港元
31 December 2011	2011年12月31日		
RMB	人民幣	50	529
Hong Kong dollar	港元	50	253
31 December 2010	2010年12月31日		
RMB	人民幣	50	628
Hong Kong dollar	港元	50	466

39. 財務風險管理目標及政策 (續)

利率風險

本集團面對的市場利率變動風險主要與本集團以浮動利率計息的淨債務負擔有關。大部分銀行借貸利息乃參照中國人民銀行基準利率及香港銀行同業拆息率計算，本集團透過加強利率變動的監控及定期檢討銀行融資及借貸等降低風險。本集團並未動用任何利率掉期對沖利率風險。

下表顯示在其他因素不變情況下，中國人民銀行基準利率及香港銀行同業拆息率合理變動對本集團的除稅前溢利(透過對浮息銀行借貸的影響)的敏感性。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

The Group primarily provides services to recognised and creditworthy third parties. It is the Group's policy that advanced payments are generally required for new customers. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. Since the Group primarily provides services to recognised and creditworthy third parties, there is normally no requirement for collateral.

The credit risk of the Group's financial assets, which comprise cash and cash equivalents, accounts receivable and financial assets included in prepayments, deposits and other receivables, arises from default of the counterparties, with a maximum exposure equal to the carrying amounts of these instruments. The Company is also exposed to credit risk through the granting of guarantee, further details of which are disclosed in note 34 to the financial statements.

Further quantitative data in respect of the Group's exposure to credit risk arising from accounts receivable, and financial assets included in prepayments, deposits and other receivables are disclosed in notes 22 and 23, respectively.

Liquidity risk

The Group monitors its risk to a shortage of funds by considering the maturity of both its financial liabilities and financial assets (for example, accounts receivable) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of internal funding and bank loans to meet its working capital requirements.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

39. 財務風險管理目標及政策 (續)

信貸風險

本集團主要向獲認可及信譽良好的第三方提供服務。本集團政策規定新客戶一般須支付預付款。此外，應收款項結餘均受到持續監測，本集團的壞賬風險並不重大。由於本集團主要向獲認可及信譽良好的第三方提供服務，因此一般毋須持有抵押品。

本集團的金融資產(包括現金及現金等價物、應收賬款、以及計入預付款按金及其他應收款項的金融資產)的信貸風險乃因對方違約所致，其最大風險相等於該等工具的賬面值。本公司的信用風險涉及作出擔保。有關詳情披露於財務報表附註34。

有關本集團應收賬款及計入預付款、按金及其他應收款項的金融資產產生的信貸風險的進一步量化數據分別披露於本報告附註22及23。

流動資金風險

本集團藉考慮金融負債及金融資產(例如應收賬款)以及預計經營業務現金流量的到期日來監察其資金短缺的風險。

本集團的目標為透過運用內部資金及貸款，在資金持續性與靈活性之間取得平衡，以滿足其營運資金需求。

本集團於報告期末基於合約未貼現付款的金融負債的到期情況如下：

Notes to Financial Statements

財務報表附註

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

39. 財務風險管理目標及政策 (續)

		2011				
		3 to				
		Less than	12 months	1 to 5		
On demand	3 months	3 months	3 個月至	years	Total	
按要求	少於3個月	12個月	12個月	1至5年	總計	
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
千港元	千港元	千港元	千港元	千港元	千港元	
Interest-bearing bank loans	計息銀行貸款	-	268	149,548	12,675	162,491
Other payables and accruals	其他應付款項及應計費用	1,234	34,338	-	-	35,572
		1,234	34,606	149,548	12,675	198,063
<hr/>						
		2010				
		3 to				
		Less than	12 months	1 to 5		
On demand	3 months	3 months	3 個月至	years	Total	
按要求	少於3個月	12個月	12個月	1至5年	總計	
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
千港元	千港元	千港元	千港元	千港元	千港元	

Interest-bearing bank loans	計息銀行貸款	28,236	329	29,533	171,239	229,337
Other payables and accruals	其他應付款項及應計費用	-	35,511	-	-	35,511
Due to the former ultimate holding company	應付前最終控股公司款項	249	-	-	-	249
		28,485	35,840	29,533	171,239	265,097

Notes to Financial Statements

財務報表附註

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

The maturity profile of the Company's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

Other payables and accruals	其他應付款項及應計費用
Guarantee given to banks in connection with loans granted to subsidiaries utilised at the end of the reporting period	就向附屬公司提供於本報告期末使用的貸款而向銀行作出擔保

Other payables and accruals	其他應付款項及應計費用
Guarantee given to banks in connection with loans granted to subsidiaries utilised at the end of the reporting period	就向附屬公司提供於本報告期末使用的貸款而向銀行作出擔保

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

39. 財務風險管理目標及政策 (續)

本公司財務負債於報告期末的合約未貼現付款的到期情況如下：

On demand 按要求償還 HK\$'000 千港元	2011		Total 總計 HK\$'000 千港元
	Less than 3 months 少於3個月 HK\$'000 千港元		
1,089	4,955		6,044
156,409	-		156,409
157,498	4,955		162,453

On demand 按要求償還 HK\$'000 千港元	2010		Total 總計 HK\$'000 千港元
	Less than 3 months 少於3個月 HK\$'000 千港元		
-	3,392		3,392
-	-		-
-	3,392		3,392

資本管理

本集團資本管理的主要目標為保障本集團有能力持續經營業務，並維持穩健的資本比率，從而支持其業務發展及最大限度地提升股東價值。

本集團管理其資本架構並根據經濟狀況變動及相關資產的風險特點對其加以調整。為維持或調整資本架構，本集團可調整向股東派付的股息，向股東退還資本或發行新股。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management (continued)

The Group monitors the capital ratio on the basis of the debt-to-adjusted capital ratio, which is calculated as the net debt divided by equity attributable to owners of the Company plus net debt. Net debt includes other payables and accruals and interest-bearing bank loans, less cash and cash equivalents. The debt-to-adjusted capital ratio as at the end of the reporting period was as follows:

Other payables and accruals	其他應付款項及應計費用
Interest-bearing bank loans	計息銀行貸款
Less: Cash and cash equivalents	減：現金及現金等價物
Net debt/(cash)	負債淨額／(現金)
Equity attributable to owners of the Company	本公司擁有人應佔權益
Capital and net debt	資本及負債淨額
Debt-to-adjusted capital ratio	負債與經調整資本比率

39. 財務風險管理目標及政策 (續)

資本管理 (續)

本集團按負債與經調整資本比率監控資本比率，前述比率乃按負債淨額除以本公司擁有人應佔權益加負債淨額之和計算。負債淨額包括其他應付款項及應計費用以及計息銀行貸款，減現金及現金等價物。於報告期末，負債與經調整資本比率如下：

	2011 HK\$'000 千港元	2010 HK\$'000 千港元
	35,572	35,511
	156,409	218,660
	(403,243)	(46,611)
	(211,262)	207,560
	849,824	437,922
	638,562	645,482
	N/A	32.2%

40. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 6 March 2012.

40. 批准財務報表

董事會已於2012年3月6日通過及授權刊發財務報表。

Five Year Financial Summary

五年財務概要

		Year ended 31 December				
		截至 12 月 31 日止年度				
		2011	2010	2009	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
REVENUE	收入	240,675	233,024	198,547	150,095	58,474
PROFIT BEFORE TAX	除稅前溢利	108,557	125,193	107,979	75,664	32,528
Tax	稅項	(5,319)	(8,036)	(6,043)	(3,643)	–
PROFIT FOR THE YEAR	年內溢利	103,238	117,157	101,936	72,021	32,528
Attributable to:	以下人士應佔：					
Owners of the Company	本公司擁有人	90,076	96,745	85,304	60,447	28,080
Non-controlling interests	非控股權益	13,162	20,412	16,632	11,574	4,448
		103,238	117,157	101,936	72,021	32,528
		At 31 December				
		於 12 月 31 日				
		2011	2010	2009	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
ASSETS	資產					
Non-current assets	非流動資產	641,018	640,918	626,071	640,380	545,475
Current assets	流動資產	451,493	104,187	62,673	65,273	39,030
Total assets	資產總值	1,092,511	745,105	688,744	705,653	584,505
LIABILITIES	負債					
Current liabilities	流動負債	180,100	92,861	117,182	158,351	171,211
Non-current liabilities	非流動負債	17,598	168,918	284,075	356,611	318,085
Total liabilities	負債總額	197,698	261,779	401,257	514,962	489,296
Net assets	資產淨值	894,813	483,326	287,487	190,691	95,209
Total equity	權益總值	894,813	483,326	287,487	190,691	95,209

The summary does not form a part of the audited financial statements.

該概要並不為審核財務報表的一部分。

EXECUTIVE DIRECTORS

Mr. NG Wai Man (*Chairman*)
Mr. TING Yian Ann (*Chief Executive Officer*)
Mr. CHONG Yat Chin
Ms. CHAN Wan Ming
Mr. KWAN Chun Yuen

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LAU Sik Yuen
Mr. LUO Shijie
Mr. ZHU Wujun

AUDIT COMMITTEE

Mr. LAU Sik Yuen (*Chairman*)
Mr. LUO Shijie
Mr. ZHU Wujun

REMUNERATION COMMITTEE

Mr. LAU Sik Yuen (*Chairman*)
Mr. LUO Shijie
Mr. ZHU Wujun
Mr. NG Wai Man
Mr. TING Yian Ann

NOMINATION COMMITTEE

Mr. LAU Sik Yuen (*Chairman*)
Mr. LUO Shijie
Mr. ZHU Wujun
Mr. NG Wai Man
Mr. TING Yian Ann

AUTHORISED REPRESENTATIVES

Mr. CHONG Yat Chin
Mr. KWAN Chun Yuen

COMPANY SECRETARY

Mr. KWAN Chun Yuen

COMPLIANCE ADVISER

China Everbright Capital Limited

AUDITOR

Ernst & Young
Certified Public Accountants

執行董事

吳惠民先生(*主席*)
陳言安先生(*行政總裁*)
莊日青先生
陳芸鳴女士
關振遠先生

獨立非執行董事

劉錫源先生
駱世捷先生
朱武軍先生

審核委員會

劉錫源先生(*主席*)
駱世捷先生
朱武軍先生

薪酬委員會

劉錫源先生(*主席*)
駱世捷先生
朱武軍先生
吳惠民先生
陳言安先生

提名委員會

劉錫源先生(*主席*)
駱世捷先生
朱武軍先生
吳惠民先生
陳言安先生

授權代表

莊日青先生
關振遠先生

公司秘書

關振遠先生

合規顧問

中國光大融資有限公司

核數師

安永會計師事務所
執業會計師

Corporate Information 公司資料

INVESTOR RELATIONS CONSULTANT

Strategic Financial Relations Limited
Unit A, 29/F., Admiralty Centre I,
18 Harcourt Road, Hong Kong

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit No. 3, 18th Floor
Convention Plaza, Office Tower
No. 1 Harbour Road
Hong Kong

PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 101, Hao-Jia-Ba, Xinli Village
County of Yudai
Nanjing Chemical Industry Park
Liuhe District, Nanjing City
Jiangsu Province, the PRC

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
26/F Tesbury Centre
28 Queen's Road East
Hong Kong

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

COMPANY WEBSITE

www.dragoncrown.com

投資者關係顧問

縱橫財經公關顧問有限公司
香港夏慤道18號
海富中心一期29樓A室

香港主要營業地點

香港
港灣道1號
會展廣場辦公大樓
18樓3號室

中國主要營業地點

中國江蘇省
南京市六合區
南京化學工業園區
玉帶鎮
新犁村郝家埧101號

開曼群島股份過戶登記總處

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

香港股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東28號
金鐘匯中心26樓

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

公司網址

www.dragoncrown.com

