盛洋地產
GEMINI PROPERTY

Gemini Property Investments Limited

(Incorporated in Hong Kong with limited liability)
Stock Code: 174

Strive For
Excellence In
Financial Investment &
Property Investment

ANNUAL REPORT | 2010

Contents

Financial Highlights

(HKD'000)	**2010**	2009
Continuing Operations		
Revenue	**18,727**	24,678
(Loss)profit before income tax	**(24,965)**	89,015
Profit before income tax (Excluding fair value changes of investment properties)	**4,452**	18,976
(Loss)profit for the year	**(26,337)**	78,783
(Loss)profit attributable to owners of the Company	**(25,645)**	74,749
(Loss)earnings per share - basic (HK cents)	**(5.76)**	16.78

(HKD'000)	**2010**	2009
Total assets	**538,062**	913,370
Equity attributable to owners of the Company	**501,140**	636,098
Cash and cash equivalents	**128,471**	233,792
Current ratio	**15.8**	2.3

Chairman's Statement

The year of 2010 was a new chapter for Gemini Property Investments Limited (the "Company") and its subsidiaries (together referred to as "our Group" or "We"). In October 2010, Sino-Ocean Land (Hong Kong) Limited, a principal subsidiary of Sino-Ocean Land Holdings Limited ("Sino-Ocean Land"), became the single largest shareholder of our Group and currently holds approximately 70.15% equity interests in the Company. Our Group welcomes such change and believes that through leveraging our close relationship with the powerful and resourceful Sino-Ocean Land, our Group will become better known in the capital market and have easier access to capital for our future business expansion.

To mark the change of our substantial shareholder and the focus of our businesses, the Company has changed its company name from "Kee Shing (Holdings) Limited" to "Gemini Property Investments Limited" as of 12 November 2010. In addition, six new members were appointed to the board of directors (the "Board"), which includes two executive directors, one non-executive director and three independent non-executive directors. Our Group believes that through a well-balanced board composition and contributions from members of the Board, together with the supervision from our three professional independent non-executive directors, our Group will maintain a high standard of corporate governance and will ensure the best and most effective performance by the management team to bring in long term value to our shareholders.

At this new juncture the Board is currently formulating our Group's new business plan and strategy. The Board recommends reserving the cash resources for business expansion in 2011 in order to bring in greater future profit to our shareholders. The Board therefore does not recommend any final dividend for the financial year of 2010.

Market Review and Outlook

Property Investment

In 2010, the Central Government of the PRC implemented various regulatory macro-policies including the "New 10 State Rules" promulgated by the State Council, speeding up the introduction of property tax and suspending lending for third home mortgage – all focused on suppressing investment-purpose demands.

Meanwhile concerns over inflation mounted as the Consumer Price Index went up from 1.5% year-on-year in January 2010 to 4.6% year-on-year in December 2010. Consequently, the People's Bank of China raised the bank reserve ratio and interest rate several times to reduce the risk of a hard landing. Capital market in general worried that the tightening of credit and liquidity will hinder the growth of the property sector in the PRC.

Nevertheless, given the current economic development, continuous urbanization and the demographic structure in the PRC, we remain positive towards the PRC property market on a medium to long term perspective as we expect housing demand will remain strong fundamentally even with the slight increase in prices. We believe that the macro-economic control policy and the tightening of credit directed at the property sector in 2011 will still be in force and will lead to more consolidation and new opportunities.

Despite the tightening policies and inflationary pressure faced by the property market in the PRC, we believe the Central Government of the PRC will continue its efforts in catering for the housing demands of different income groups as well as ensuring a healthy and sustained growth of the property market.

Securities Investment

The global financial markets continued their recovery in 2010. However, Hong Kong and the PRC stock markets experienced a slowdown in growth even though GDP growth in these two regions still maintained at a high level. In the four quarters in 2010, the Hang Seng Index and MSCI China Index only increased 5.5% and 2.6% respectively, compared to an 11.6% annual growth of S&P 500 Index. Such decoupling of economic growth and stock market movement in both Hong Kong and the PRC reflected investors' concerns on inflation and possible asset bubbles problems in these regions that could attract further tightening policy on both credit and liquidity.

In 2011, we expect the global equity markets will remain fragile and volatile as the global economies are anticipated to face challenges together with opportunities. As a result of the recovery of the US economy, more opportunities will be anticipated around the developed countries. However, continuous concerns over sovereign debts in Europe and inflationary pressure brought by hot money floating among emerging markets will no doubt pose significant challenges to the global equity markets. We will take a cautious approach in our investment, primarily focusing on the PRC and Hong Kong stock markets to grasp opportunities in the year 2011.

Prospect and Future Plan

Our Group had in the past focused on three business segments, namely trading business, property investment and securities investment. The trading business of our Group was distributed to our shareholders through distribution in specie during 2010. Our Group will continue to focus on developing property investment and securities investment in 2011. We are confident that the strong network and background of our major shareholder Sino-Ocean Land in the property sector in the PRC will help our Group to be successful in property and property related investments in the PRC. Therefore, through leveraging our inherent advantages, our Group will actively explore real estate related opportunities including but not limited to property funds in the PRC, direct investments, assets management, project management and property-related consultancy services.

In preparation for future expansion, the Board will analyze the need to enlarge our Group's capital base. We will also conduct timely review of the performance of our property investment and will regularly evaluate the benefit of disposing of investment properties, recouping the cash to invest in other businesses that may generate higher return. The Board also believes that the future success of our Group will depend on a team of talented staff. In view of this, the Board will also consider the possibility of adopting of a share option scheme which is considered to be one of the most effective tools to attract talents and reward the contribution from our dedicated staff.

Appreciation

Finally, on behalf of the Board, I would like to thank all shareholders who placed their strong confidence in our Group's management. I would also like to thank all our business partners and bankers who have continued to support us. We believe our major shareholder Sino-Ocean Land will continue to provide long term support to our future business development. As the saying goes "opportunities can always be found with challenges", we are confident that in 2011 we will overcome challenges and seize opportunities to achieve better performance and deliver higher returns to our shareholders.

LI Jianbo
Chairman
16 March 2011

Management Discussion & Analysis

FINANCIAL REVIEW

During 2010, our Group recorded a total revenue of HK$18,727,000 (2009:HK$24,678,000) and loss attributable to owners of the Company of HK$29,490,000 (2009:profit of HK$79,711,000). A loss was recorded in the year under review mainly due to loss arising from changes in fair value of investment properties of approximately HK$29,417,000 and our Group's restructuring during 2010. All subsidiaries engaged in trading business were distributed to our shareholders through the method of distribution in specie to those shareholders whose names appeared on the register of members of the Company on 7 October 2010 (the "Reorganization"). The distribution in specie contemplated thereunder amounted to approximately HK$85,535,000, and the difference of approximately HK$18,371,000 between the fair value of the distribution and the carrying value of the allocated net assets was accounted for in the profit and loss for the year under the principle of IFRIC – Int 17 (Distributions of Non-cash Assets to Owners). As a result, our Group recorded a loss per share of 6.62 HK cents in 2010 versus an earnings per share of 17.89 HK cents in 2009.

Nevertheless, excluding the one-off fair value changes of investment properties, a profit before taxation of HK$4,452,000 would be recorded in 2010 from our continuing operation.

Financial Resources and Liquidity

As at 31 December 2010, the cash and short term bank deposits of our Group amounted to approximately HK$128,471,000 (2009: HK$233,792,000).

As at 31 December 2010, total assets and net current assets of the Group were approximately HK$538,062,000 (2009: approximately HK$913,370,000) and HK$212,073,000 (2009: approximately HK$284,417,000) respectively. The current ratio (current assets divided by current liabilities) of our Group significantly increased to approximately 15.8 times (2009: approximately 2.3 times). The net asset value of our Group as at 31 December 2010 was about HK$501,140,000 . (2009: HK$636,098,000)

As at 31 December 2010, our Group had no bank borrowing or debt outstanding compared to approximately HK$188,855,000 in 2009. The healthy financial position with a net cash amount of HK$128,471,000 will enable our Group to further finance future expansion through the use of bank borrowing and other means of financial leveraging.

Financial Guarantees

As at 31 December 2010, our Group did not have any financial guarantees. As at 31 December 2009, the financial guarantees were given to banks by the Company in respect of banking facilities utilised by the subsidiaries amounting to HK$172,126,000.

Pledged Assets

As at 31 December 2010, our Group did not have any pledged asset. As at 31 December 2009, financial instruments and certain leasehold land and building were pledged to banks to secure banking facilities granted to our Group, amounting to HK$13,492,000.

Risk of Exposure to Exchange Rate Fluctuations and Related Hedging

During the year, our Group's assets and liabilities was mainly denominated in Hong Kong dollars, United Stated dollars and Renminbi. As HKD is pegged with USD and RMB exposure mainly comes from our investment properties, which RMB is appreciating against USD. Therefore the Board does not consider that our Group is exposed to any significant foreign currency exchange risk. The Board will closely monitor the foreign currency exchange risk exposure and will review if any related hedging should be necessary regularly.

OPERATION REVIEW

After the Reorganization, our Group only retained the property investment and securities investment businesses. The following presented the performance from these two remaining business segments.

Property Investment

Total rental income for 2010 amounted to approximately HK$17,801,000 (2009: approximately HK$ 22,995,000), representing a decrease of approximately HK$5,194,000. The decrease of rental income was mainly a result of investment properties apart from those in Shanghai have been distributed out of our Group through distribution in species during the year. Details of remaining two investment properties in Shanghai are stated as below:

Investment properties	As at 31 December 2010 Total GFA (sq.m)	Occupancy rate	Value HK$
15th floor of Shui On Plaza	2,574.51	79%	135,148,000
Several units of 10th floor, the whole of 11th and 12th floors and the multi-function room on the roof of Novel Building	5,559.05	100%	176,280,000

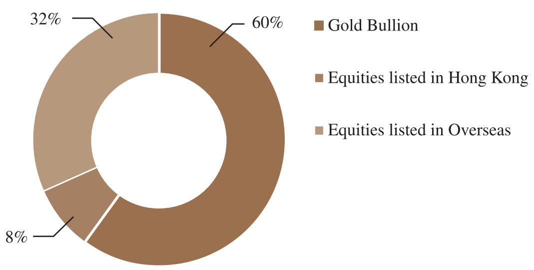
The revaluation of these two investment properties during 2010 recorded a decrease in fair value of approximately HK$29,417,000 (2009: increase of approximately HK$70,039,000) and such movement was recorded on the consolidated statement of comprehensive income.

Securities Investment

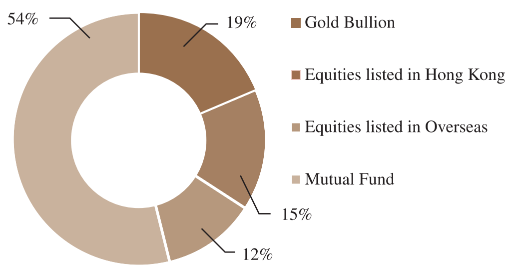
An analysis of the securities portfolio of our Group in terms of types of securities as at 31 December 2010 is as follows:

Market Value as at (HKD'000)	**31 December 2010**	31 December 2009
Financial instruments held for trading	**34,199**	102,671
Gold bullion	**51,364**	23,821
Of which: Distribution of financial instruments held for trading		
Equities – Hong Kong	**7,115**	19,693
Equities – Overseas	**27,084**	15,003
Mutual Funds	**—**	67,975

31 December 2010



31 December 2009



Our Group recorded a gain of HKD7,425,000 from the fair value changes of our securities portfolio during the year. The market value of the remaining investment portfolio as at 31 December 2010 amounted to approximately HK$85,563,000. Income from the investment portfolio for the financial year 2010 was about HK$926,000 (2009: about HK$1,683,000). With about HK$128,471,000 in cash and bank deposit as at 31 December 2010, we believe that we have the capacity to upsize our investment portfolio when market opportunity arises.

Employees

As at 31 December 2010, the total number of staff was 10 persons (2009: 73 persons). The decrease in the total number of staff was because most of the staff was working for the trading business which no longer belongs to our Group after the Reorganization. Staff cost from continuing operation was approximately HK$8,428,000 (2009: approximately HK$8,608,000) for the financial year ended 31 December 2010, including payment to several staff previously belonged to our Group before the Reorganization.

Our Group recruits and promotes individuals based on their performance and development potential in the positions offered. When formulating staff salary and benefit policies, our Group gives primary consideration to their performance and prevailing salary levels in the market. With a view to encouraging and rewarding the contribution made by staff, our Group believes that share option scheme will be an effective tool for achieving this purpose.

Biographies of Directors and Senior Management

Biographies of Directors and Senior Management

Mr. LI Jianbo, aged 48, is the Chairman and an Executive Director of the Company. He was appointed as an Executive Director of the Company on 22 October 2010. He is also chairman of the Remuneration Committee of the Company. Mr. LI has been the vice president of Sino-Ocean Land Holdings Limited ("Sino-Ocean Land"), a company listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") and controlling shareholder of the Company since 2009. He is primarily responsible for corporate strategic planning and business plan management, human resources management, process procedure and IT development management. He possesses over 25 years of experience in business and human resources management in multinational companies. Mr. LI obtained a Bachelor Degree in Computer Science from Tsinghua University in July 1985 and obtained a Master of Business Administration Degree from the State University of New Jersey in August 2000.

Mr. ZHAO Yanjie, aged 40, is the Deputy General Manager and an Executive Director of the Company. He was appointed as an Executive Director of the Company on 22 October 2010. He is also a director of various subsidiaries of the Company. Mr. ZHAO is a general manager of the Strategic Planning Department of Sino-Ocean Land Limited since 2002, a wholly-owned subsidiary of Sino-Ocean Land. He also serves as a director of a number of project companies and subsidiaries of Sino-Ocean Land. With over 13 years of experience in investment and strategic planning, Mr. ZHAO is responsible for operation of the investment and strategic planning projects of Sino-Ocean Land. Mr. ZHAO obtained a Bachelor of Arts Degree in English from the Foreign Language University of PLA in July 1993, and obtained a Master Degree in Military Science in International Politics from the National Defense University of PLA in February 1999.

Mr. LI Hongbo, aged 43, was appointed as a Non-Executive Director of the Company with effect from 22 October 2010. He is the general manager of the Finance Department of Sino-Ocean Land Limited since 1995, a wholly-owned subsidiary of Sino-Ocean Land. He also serves as a director of a number of project companies and subsidiaries of Sino-Ocean Land. With over 16 years of experience as an accountant, Mr. LI is responsible for the monitoring of the overall financial management of Sino-Ocean Land in the PRC region. Mr. LI obtained a Bachelor degree in Engineering from Xi'an Highway University (now Chang'an University) in July 1989.

Mr. LAW Tze Lun, aged 39, was appointed as an Independent Non-Executive Director of the Company on 12 November 2010. He is also a chairman of the Audit Committee and a member of the Remuneration Committee of the Company. He is a Practising Certified Public Accountant in Hong Kong and currently a director of ANSA CPA Limited. In 1999, Mr. LAW obtained a Bachelor of Commerce (Accounting) degree from Curtin University of Technology in Australia via distance learning. Mr. LAW is a Certified Public Accountant (Practising) of the Hong Kong Institute of Certified Public Accountants and a Certified Practising Accountant of CPA Australia. He has over 18 years of experience in auditing, accounting and finance gained from various accounting firms in Hong Kong. Mr. LAW has been an independent non-executive director of Come Sure Group (Holdings) Limited (stock code: 794), a company listed on the Main Board of the Stock Exchange, since February 2009 and China Automotive Interior Decoration Holdings Limited (stock code: 8321), a company listed on the Growth Enterprise Market of the Stock Exchange since September 2010, respectively.

Mr. LO Woon Bor, Henry, age 47, was appointed as an Independent Non-Executive Director of the Company on 12 November 2010. He is also a member of the Audit Committee and the Remuneration Committee of the Company. Mr. LO is a solicitor by profession and currently a partner of Sanny Kwong & Henry Lo, Solicitors in Hong Kong. He graduated from the University of Hong Kong with a Bachelor of Arts degree. Mr. LO studied law and passed 'the Solicitors' Final Examination in the United Kingdom. He was admitted as a Solicitor of the Hong Kong Special Administrative Region in 1993 and in England and Wales in 1994. In 1997, Mr. LO obtained a Master of Laws degree in Chinese and Comparative Law from the City University of Hong Kong. With over 18 years of experience in civil and commercial litigation, Mr. LO has extensive experience in the practice of property law, intellectual property, civil and commercial advice and litigation. He served as an in-house counsel in a listed publication conglomerate from 1998 to 1999. He regularly proffers advice to companies and institutions with regard to civil and commercial subjects and practice. Mr. LO has a keen interest in education and serves as School Manager in school. He is also the Honorary Legal Advisor to The Federation of Parent-Teacher Association Kowloon City District.

Mr. ZHENG Yun, aged 48, was appointed as an Independent Non-Executive Director of the Company on 12 November 2010. He is also a member of the Audit Committee and the Remuneration Committee of the Company. From 1985 to 1989, Mr. ZHENG was the minister of the labor practicing department of the Youth League Committee of Tsinghua University (北京清華大學團委勞動學習部). He acted as an investment manager of China KZ High & Technology Co. Ltd., (中國科招高技術有限公司) from 1990 to 1997. From 1998 to 2000, he was a manager of Innovation Electronics Co. Ltd., Beijing Union (北京友聯創新科貿有限公司). He was the minister of the investment and development department of the Tsinghua Science Part Development Center (清華科技園發展中心發展部) from 2001 to 2002. From 2003 to 2009, he was the manager of the ministry of strategy and investment development department, the secretary of the board, assistant to the president, financial controller, the director of human resources and vice president of Tuspark Co. Ltd. (啟迪控股股份有限公司), respectively. Since August 2009, Mr. ZHENG is the vice president and financial controller of Unisplendour Corporation Limited (紫光股份有限公司), a company listed in the Shenzhen Stock Exchange (stock code: 000938). Mr. ZHENG possesses over 25 years of experience in management and finance. He obtained a Bachelor degree in Chemical Engineering from Tsinghua University in 1985 and completed the postgraduate courses of the Technical and Economic Department of Chemical Engineering of Tsinghua University in 1988.

Corporate Governance Report

Gemini Property Investments Limited (formerly known as Kee Shing (Holdings) Limited) completed reorganization on 14 October 2010.

1. CORPORATE GOVERNANCE PRACTICES

The Board of Gemini Property Investments Limited (formerly known as Kee Shing (Holdings) Limited) (the "Company") is committed to establishing and maintaining high standards of corporate governance – the process by which the Company is directed and managed, risks are identified and controlled and accountability assured.

This Corporate Governance Report is to outline the major principles of the Company's governance. It intends to describe how the Group has applied the Code Provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") except on the deviation set out in the paragraph headed "Chairman and General Manager". It also highlights key changes and/or progress of the Company made to comply with the Code. Shareholders are encouraged to make their views known to the Group if they have issues with the Company's corporate governance and to directly raise any matters of concern to the Chairman.

The Board considers that the Company met and complied with the Code Provisions in the Code during the accounting period ended 31 December 2010.

2. DIRECTORS' SECURITIES TRANSACTIONS

In accordance with the required standard set out in the Model Code for Securities Transaction by Directors of Listed Issuers ("the Model Code") contained in Appendix 10 of the Listing Rules, the Company has adopted codes of conduct relating to securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code. For the accounting period ended 31 December 2010, all Directors have confirmed that they complied with the required standard set out in the Model Code and the Company's codes of conduct regarding Directors' securities transactions.

3. MAJOR GOVERNANCE PRINCIPLES

3.1 Board of Directors

Board composition

As at 31 December 2010, the Board had six members. Of these, two, including Chairman, were Executive Directors, one was a Non-Executive Director and the other three were Independent Non-Executive Directors (Messrs. LEUNG Shu Wing, LEUNG Miu King, Marina, WONG Chi Kin, WONG Choi Ying, YUEN Tin Fan, Francis, WONG Kong Chi, LAI Chung Wing, Robert, and CHAN Wing Lee resigned as Directors of the Company with effect from 12 November 2010). The name and biographical details of each Director are set out on pages 12 to 13 of the annual report.

The Company convenes at least four regular board meetings a year and meets more frequently as and when required. During the year ended 31 December 2010, the Board convened a total of five board meetings and the individual attendance record of the Directors is tabulated as follows:

	Attended in person	Apologies given
Executive Directors:		
Mr. LI Jianbo (Chairman) (Note 1)	1/5	—
Mr. ZHAO Yanjie (Note 1)	1/5	—
Mr. LEUNG Shu Wing (Note 2)	4/5	—
Miss. LEUNG Miu King, Marina (Note 2)	4/5	—
Mr. WONG Chi King (Note 2)	4/5	—
Mr. WONG Choi Ying (Note 2)	4/5	—
Non-Executive Directors:		
Mr. LI Hongbo (Note 1)	1/5	—
Mr. YUEN Tin Fan, Franics (Note 2)	3/5	1
Independent Non-Executive Directors:		
Mr. LAW Tze Lun (Note 3)	1/5	—
Mr. LO Woon Bor, Henry (Note 3)	1/5	—
Mr. ZHENG Yun (Note 3)	1/5	—
Mr. WONG Kong Chi (Note 2)	3/5	1
Mr. LAI Chung Wing, Robert (Note 2)	4/5	—
Mr. CHAN Wing Lee (Note 2)	4/5	—

Notes:

1. Messrs. LI Jianbo and ZHAO Yanjie have become Executive Directors and Mr. LI Hongbo has become a Non-Executive Director since 22 October 2010.

2. Mr. LEUNG Shu Wing, Ms. LEUNG Miu King, Marina, Messrs. WONG Chi Kin, WONG Choi Ying, YUEN Tin Fan, Fancis, WONG Kong Chi, LAI Chung Wing, Robert, and CHAN Wing Lee resigned as Directors of the Company with effect from 12 November 2010.

3. Messrs. LAW Tze Lun, LO Woon Bor, Henry, and ZHENG Yun have become Independent Non-Executive Directors since 12 November 2010.

Roles and responsibilities

The Board is collectively responsible for the success and interest of the Group through leadership and supervisions. The principal tasks of the Board are to:

– provide entrepreneurial leadership for the Company with a framework of prudent and effective controls which enables risks to be assessed and managed;

– set the Company's strategic aims, ensuring that the necessary financial and human resources are in place for the Company to meet its objectives and review management performance; and

– set the Company's values and standards and ensure that its obligations to its shareholders and others are understood and met.

The Board approved a Schedules of Matters Reserved for the Board on 10 August 2005, which set out the Board's duties and activities and the matters reserved for its consideration and decision. The matters that the Board has specifically reserved for its decisions include establishment of the Group's long term objectives and commercial strategy, approval and monitoring of budgets, changes of the Group's corporate structure, capital and listing status, approval of financial statements and announcement of results, declaration of dividends, approval of material transactions, appointment and remuneration of board members and senior executives, and other matters more specifically described in the schedule.

No event or condition of material uncertainties was found that may cast significant doubt about the Company's ability to continue as a going concern during the year. The Directors of the Board are responsible for the preparation and the true and fair presentation of the financial statements, in all material respects, in accordance with applicable regulatory requirements.

Skills, knowledge, experience and attributes of Directors

All prior Directors (all of them resigned on 12 November 2010) and all new appointed Directors of the Board served in office during 2010. Every Director commits to giving sufficient time and attention to the affairs of the Company. Directors also demonstrate their understanding and commit to high standards of governance. Executive Directors bring their perspectives to the Board through their deep understanding of the Group's business. Non-Executive Directors contribute their own skill and experience, understanding of local and global economies, and knowledge of capital markets to the Group's business. The Company is responsible for arranging and funding a suitable development programme for all Directors of continuous professional development to hone and refresh their knowledge and skills.

Division of responsibilities between the Board and management

The Group has formed strong management teams in its business areas, comprising both Executive Directors and senior officers, to develop and exercise both operational and non-operational duties. The management team members have ranges of skills, knowledge and experiences necessary to govern the Group's operation. All management team members are required to report directly to the General Manager. They are also required to meet with the Chairman, General Manager and other Board's Executive Directors on a regular basis to report business performances and operational and functional issues. This will allow the Group's management to focus resources more efficiently in decision-making and facilitate daily operation. The names and biographical details of each senior officer are set out on pages 12 to 13 of the annual report.

The Board and management fully appreciate their respective roles and are committed to good corporate governance. The Board is responsible for overseeing the processes by which the management identifies business opportunities and risks. The Board's role is not to manage the business and the responsibility of which remains vested in management. The Board has set up a formal Schedule of Matters Specifically Reserved for the Board's decision. Matters which the Board considers suitable for delegation are contained in the terms of reference of its committee. In addition, the Board will receive reports and recommendations from time to time on any matter which it considers significant to the Group.

Induction and training

Each new Director, executive or non-executive, commits to undertaking an induction program to ensure that he has a proper understanding of his duties and responsibilities. The induction program includes an overview of the Group's business operation, the board procedures, matters reserved to the Board, an introduction of the board committee, Directors' responsibilities and duties, relevant regulatory requirements, copies of minutes of the Board and board committees in the past 12 months, and briefings with senior management and site visits (if necessary). The need for Directors' training is regularly assessed by the Board.

Independent advice

The Board and its committees may seek advice from independent professional advice whenever it is considered appropriate. Individual Director, with the consent of the Chairman of the Board and/or the chairman of the Audit Committee, may seek independent professional advice on matters connected with the Company to discharge his/her responsibilities, at the Group's expense. No Director exercised his/her right during the year.

Independence of Non-Executive Director

Three Independent Non-Executive Directors, namely Mr. LAW Tsz Lun, Mr. LO Woon Bor, Henry and Mr. ZHENG Yun (Messrs WONG Kong Chi, Mr. LAI Chung Wing, Robert, and Mr. CHAN Wing Lee resigned on 12 November 2010) are considered to be independent of management within the guidelines set out in Listing Rule 3.13. They are free from any business relationship or other circumstances that could materially interfere with the exercise of independent or objective judgment. Also, the three Independent Non-Executive Directors, representing over one-third of the Board, constitute a proper balance of power maintaining full and effective control of both the Group and its executive management.

Company secretaries

The Company Secretary is responsible for keeping detailed minutes of each meeting including any dissenting views expressed by the Directors. She is also responsible for ensuring that board procedures are complied with and advises the Board on governance matters. All agenda, relevant materials and document are sent out at least 3 days prior to the intended dates of the board or the committee meeting. The Company Secretary sends the drafts of the board or committee meetings' minutes to all Directors for comments within a reasonable time after sending to the Board or the committee. Final versions of the board and committee meetings' minutes are also sent to all Directors for record. Moreover, she is responsible for keeping all Directors updated on Listing Rules, regulatory requirements, as well as internal codes of conduct of the Company.

Relationships and associations

There is no member of the Board involved in any financial, business, family or other material relationship with other members of the Board.

3.2 Chairman and General Manager

The Board approved the defined role of the Chairman and the General Manager on 10 August 2005, which set out that the roles of the Chairman and General Manager are segregated and are not exercised by the same person.

Effective from 12 November 2010, Mr. LEUNG Shu Wing and Ms. LEUNG Miu King, Marina resigned as chairman and general manager respectively, Mr. LI Jianbo was appointed Chairman (the "Chairman") and General Manager ("General Manager") of the Company. Given the current corporate structure, there is no separation between the roles of the Chairman and General Manager as required under code A.2.1 of the Code. Although the responsibilities of the Chairman and General Manager are vested in one person, all major decisions are made in consultation with board members and senior management of the Company. There are three Independent Non-Executive Directors and one Non-Executive Director in the Board. The Board considers that there is sufficient balance of power and that the current arrangement maintains a strong management position while facilitating the ordinary business activities of the Company.

3.3 Appointment, re-election and removal

One Non-Executive Director, Mr. LI Hongbo was appointed for a term of 2 years commencing from 12 November 2010 until terminated pursuant to his service contract, provided that either he or the Company may terminate such appointment at any time by giving the other not less than two months' notice in writing. Mr. LI is subject to retirement by rotation and re-election at the annual general meeting of the Company at least once every three years pursuant to Article 116 of the Articles of Association.

Three Independent Non-Executive Directors, including Messrs. LAW Tze Lun, LO Woon Bor, Henry and ZHENG Yun were appointed for a term of 2 years commencing from 12 November 2010 until their terminated pursuant to their appointment letter, provided that either the Independent Non-Executive Director or the Company may terminate such appointment at any time by giving the other not less than one month's notice in writing. They are subject to retirement by rotation and re-election at the annual general meeting of the Company at least once every three years pursuant to Article 116 of the Articles of Association.

There is no Nomination Committee set up in the Group. At least one third of the Directors of the Board, including those appointed for a specific term, retire at each Annual General Meeting pursuant to the Company's existing Articles of Association. All Executive Directors of the Company are appointed for a term of 2 years commencing from 12 November 2010 by the board of directors of the Company and subject to submitting themselves to shareholders for re-election every three years. Newly appointed Directors must submit themselves to shareholders for elections at the first annual general meeting following their appointment pursuant to the Company's existing Articles of Association.

3.4 Remuneration of Directors and senior officers

The Remuneration Committee met once during the year. It currently comprises three Independent Non-Executive Directors and one Executive Director, namely LAW Tze Lun, LO Woon Bor, Henry and ZHENG Yun and Mr. LI Jianbo (all hereafter defined as "New Members"). Mr. LI Jianbo serves as the chairman of the Remuneration Committee.

Since the Company was completely reorganized on 14 October 2010 and the New Members of Remuneration Committee were appointed on 12 November 2010, the Remuneration Committee has not convene any meeting yet during this financial year by the New Members. Nevertheless one Remuneration Committee Meeting was convened by previous members namely Messrs. WONG Kong Chi, LAI Chung Wing, Robert, CHAN Wing Lee and WONG Chi Kin, (all of them resigned as members of the Remuneration Committee since 12 November 2010). Attendance of each member at this meeting is shown in the table below:

	Attended in person	Apologies given
Independent Non-Executive Directors:		
Mr. LAW Tze Lun (Note 1)	0/1	—
Mr. LO Woon Bor, Henry (Note 1)	0/1	—
Mr. ZHENG Yun (Note 1)	0/1	—
Mr. WONG Kong Chi (Note 2)	1/1	—
Mr. LAI Chung Wing, Robert (Note 2)	1/1	—
Mr. CHAN Wing Lee (Note 2)	1/1	—
Executive Directors:		
Mr. LI Jianbo (Note 1)	0/1	—
Mr. WONG Chi Kin (Note 2)	1/1	—

Notes:

1. Messrs. LI Jianbo, LAW Tze Lun, LO Woon Bor, Henry, and ZHENG Yun became members of the Remuneration Committee since 12 November 2010.

2. Messrs. WONG Chi Kin, WONG Kong Chi, LAI Chung Wing, Robert and CHAN Wing Lee resigned as members of Remuneration Committee with effect from 12 November 2010.

Role and function

The role of the Remuneration Committee is to assist the Board to oversee the policy and structure of the remuneration of Executive Directors of the Company and senior officers of the Group, and to approve specific remuneration packages of all Executive Directors and senior officers. The duties and responsibilities of the Remuneration Committee are more specifically set out in its Terms of Reference, which is available for inspection at the Company's website www.geminiproperty.com.hk or upon request to the Company Secretary.

Principles of remuneration policy

The principles of the Group's remuneration policy:

– are applied to all Directors and senior officers for the year 2010 and, so far as practicable, for subsequent years;

– are sufficiently flexible to take account of future changes in the company's business environment and remuneration practice;

– allow remuneration arrangement to be designed to support the business strategy and to align with the interests of the Group's shareholders;

– aim at setting appropriate reward levels to reflect the competitive market in which the companies and the Group are operating during the year so as to position the best individual for outstanding performance;

– maintain performance-related remuneration level of the total potential remuneration for Executive Directors and senior officers; and

– require that performance-related remuneration be subject to satisfactory performance over short and long term targets, and the targets be set in the context of the Group's prospects, the prevailing economic environment in which it operates and the relative performance of comparable companies.

Remuneration rules and structure

Under the policy's rules, the remuneration package of each Executive Director and senior officer is structured to include:

– an appropriate rate of base compensation for the job of each Executive Director and senior officer;

– competitive benefit programs; and

– sets of performance measures and targets for performance-related annual and long-term incentive plans based on the appropriate independent advice and/or an assessment of the interests of shareholders of the Company and taking into account an appropriate balance of risk and reward for the Directors and other participants.

The Remuneration Committee is responsible for determining whether the preset targets are being met based on the relevant information. Annual review of the base compensation is required. The Remuneration Committee is also required to set annual targets performance measures for each Executive Director and senior officer, approve the maximum level of total annual bonus over monthly salary as well as the shares of contributions against each performance measure if target is achieved.

The work and findings together with recommendations of the Remuneration Committee were presented to the Board after the Remuneration Committee meeting. Minutes of the meeting were made available to all the Directors for inspection. No Director was involved in deciding his own remuneration, whether determined by the Remuneration Committee, or in the case of Non-Executive Director, by the Board.

3.5 Auditor's remuneration

The Board, on the recommendation of the Audit Committee, approved the appointment of Deloitte Touche Tohmatsu to perform its audit services to the Group for the fiscal year of 2010. Deloitte Touche Tohmatsu has been the Group's appointed external auditor since its public listing in 1989. A letter from Deloitte Touche Tohmatsu dated 17 November 2010 has stated that it was independent of Gemini Property Investments Limited (formerly known as Kee Shing (Holdings) Limited) and its subsidiaries with reference to Section 290 "Independence – Assurance Engagements" of Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountant.

During the financial year of 2010, total fees paid to the Group's appointed external Hong Kong auditors, Deloitte Touche Tohmatsu, amounted to HK$2,275,460 of which HK$775,460, or 34.08%, were fees for non-audit services, including taxation, interim review for the period ended 30 June 2010, review of enterprise resources system and other consultancy services.

3.6 Audit Committee

The Audit Committee consists of three Independent Non-Executive Directors namely Mr. LAW Tze Lun, Mr. LO Woon Bor, Henry and Mr. ZHENG Yun (all hereafter defined as "New Members"). Mr. LAW Tze Lun has the appropriate professional accounting qualification and is served as the chairman of the Audit Committee.

Since the Company was completely reorganized on 14 October 2010 and New Members of the Audit Committee were appointed on 12 November 2010, the Audit Committee has not convene any meeting yet during this financial year by the New Members. Nevertheless, two Audit Committee meetings were convened by previous members namely Messrs. WONG Kong Chi, LAI Chung Wing, Robert and CHAN Wing Lee (all of them resigned as members of the Audit Committee since 12 November 2010) in the financial year. The external auditors, Executive Directors and the Group's Financial Controller were invited to attend all Audit Committee meetings. The Audit Committee met two times during the financial year. Attendance of each member at these meetings is shown in the table below:

	Attended in person	**Apologies given**
Independent Non-Executive Directors:		
Mr. LAW Tze Lun (Note 1)	0/2	—
Mr. LO Woon Bor, Henry (Note 1)	0/2	—
Mr. ZHENG Yun (Note 1)	0/2	—
Mr. WONG Kong Chi (Note 2)	2/2	—
Mr. LAI Chung Wing, Robert (Note 2)	2/2	—
Mr. CHAN Wing Lee (Note 2)	2/2	—

Notes

1. Messrs. LAW Tze Lun, LO Woon Bor, Henry and ZHENG Yun became as members of Audit Committee since 12 November 2010.

2. Messrs. WONG Kong Chi, LAI Chung Wing, Robert and CHAN Wing Lee resigned as members of Audit Committee with effect from 12 November 2010.

Terms of Reference of the Audit Committee are available for inspection at the Company's website www.geminiproperty.com.hk or upon request to the Company Secretary.

The Audit Committee is required, among other things, to oversee the relationship with the external auditor, review the Company's annual and interim financial statements, and evaluate the effectiveness of the Group's internal controls and risk management system.

The Audit Committee assists the Board in assuring the integrity of the financial statements. It evaluates and makes recommendations to the Board about the appropriateness of accounting policies and practices, area of judgment, compliance with Hong Kong Financial Reporting Standards and other legal requirements and the results of external audit. It reviews interim and yearly financial statements, reports its work and findings to the Board and makes recommendations on specific actions or decision that the Board should consider after each Audit Committee meeting. Minutes of each meeting are kept by the Company Secretary and made available to all Directors.

The Audit Committee also manages the relationship with the external auditor on behalf of the Board. It makes recommendation to the Board on the appointment of the external auditor and the terms of engagement, including remuneration. The Audit Committee is required to review the integrity, independence and objectivity of the external auditor. Also, it examines the external auditor's independence including its engagement of non-audit services. Based on the review of the Audit Committee, the Board is satisfied that the external auditor is independent. The external auditor has also expressed an opinion on their reporting responsibilities in the "Independent Auditor's Report" set out on page 33 of the annual report.

The Audit Committee is required to ensure that the system of internal control is in place for identifying and managing risks. The Audit Committee has reviewed the effectiveness of internal controls for the financial year of 2010.

The review covered financial, operational and compliance controls and risk assessment of the Group and its subsidiaries. The Board is satisfied that the effectiveness of the internal controls has been properly reviewed by the Audit Committee.

3.7 Internal controls

It is the responsibility of the Board to ensure that the Group maintains sound and effective internal controls to safeguard the shareholders' interests and assets. Each year the Board reviews the effectiveness of the Group's system of internal controls and to report the results to the shareholders. This annual review covers all material controls, including financial, operational and compliance controls and risk management functions.

System of internal controls

Each year the Board reviews and considers the risk profile for the whole business. The Board has delegated the oversight of risk management to the Audit Committee. The Board also requires the General Manager to implement a system of control for identifying and managing risks. The Board has constructed a framework for the assessment and management of risks to each division within the Group every year. When any deficiency of risk area or new risk arising was raised and presented, it is the General Manager's responsibility to report to the Board for assessment; together with submission of proper control strategy or follow-up action to be taken.

For the fiscal year of 2010, no internal audit department was set up in the Group and the Board believed no such need was required in the year ahead.

Price sensitive information

The Group has also adopted the securities dealing policy setting out the Company's policy and rules governing the dealings in the securities of the Company by all employees of the Company and its subsidiaries and a confidentiality policy setting out the responsibilities of all employees of the Group in dealing with the Group's information that is considered to be confidential.

Business risks

The scope of business in which the Group is operating engaged a range of risk factors that may impact overall results.

Material risks that could negatively affect the results and performance of the Group include:

- Fluctuation of metal prices
- Fluctuation of currency exchange rates
- Failure to recover credits extended to customers
- Failure to control inventory level
- Impact of weak demand arising from global economic downturn
- Operating cost pressures
- Over-reliance on key suppliers
- Impact of changes in taxation in countries in which we operate
- Fluctuation of investment markets
- Stagnant market condition under distress from global financial crisis
- Fluctuation of property markets in Shanghai and Hong Kong
- Breaches in information technology security and failure in computer network systems
- Sudden reduction of credit facilities granted by financial institutions
- Fraud and dishonesty
- Adverse governmental policies and political events in the countries in which we operate
- Breaches in governance processes

The management of the Group has put in place a number of policies, processes and procedures to provide assurance to the Board on the integrity and effectiveness of the internal control system and risk management. During the financial year of 2010, each division of the Group reported an assessment overview for the effectiveness of controls for their activities, including any new risk area arising during the year. The Group's Audit Committee reviewed the Group's overall internal control system twice to monitor its risks and controls. Two management committees also performed roles relating to risks and control. The management team formally presented the Group's risk management and internal control structure to the Board at the end of 2010.

The Directors of the Board confirmed they had reviewed the effectiveness of the Group's internal control system during the financial year of 2010 and considered the internal control systems effective and adequate.

3.8 Communication with shareholders

The Group endeavors to disclose relevant information on its activities to shareholders in an open and timely manner, subject to applicable legal requirements. Communication is achieved through:

– The Company's annual and interim reports which have been enhanced to present a balanced, clear and comprehensive assessment of the Group's position and prospects;

– Notices of annual and other general meetings and accompanying explanatory materials;

– Press releases on major development of the Group;

– Disclosures to the Stock Exchange and relevant regulatory bodies;

– Response to inquiries from shareholders or media by the Company Secretary; and

– Company's website www.geminiproperty.com.hk to enable the public access to, among other things, corporate announcements, press releases, annual reports, and general corporate information of the Group.

Constructive use of annual general meetings

The Board values the annual general meeting ("AGM") as the principal opportunities to meet shareholders. All Executive Directors and the chairman of the Audit Committee attended the AGM held on 3 June 2010. Annual Report and financial statements and related papers are posted to shareholders for their consideration at least 20 clear business days prior to the AGM. AGM proceedings are continually reviewed in the light of corporate governance best practices.

4. DIRECTORS' RESPONSIBILITIES FOR THE ACCOUNTS

The Board acknowledges its responsibilities for the preparation of the financial statements for each financial year, which should give a true and fair view of the state of affairs of the Company and the Group and of the results and cash flow for that year in compliance with relevant laws and disclosure provisions of the Listing Rules.

In preparing the financial statements for the year ended 31 December 2010, the Directors adopted appropriate and consistent accounting policies and made prudent and reasonable judgments and estimations.

The financial statements for the reporting year have been prepared on a going concern basis. The statement of the auditor of the Company regarding their reporting responsibilities on the accounts of the Group is set out in the Auditor's Report on pages 34 to 84 in this Annual Report.

Directors' Report

GEMINI PROPERTY INVESTMENTS LIMITED (FORMERLY KNOWN AS KEE SHING (HOLDINGS) LIMITED)

The Directors have pleasure in presenting their Annual Report and the audited financial statements for the year ended 31 December 2010. The Company completed reorganization on 14 October 2010 and Grand Beauty Management Limited became the controlling shareholder, a wholly-owned subsidiary of Sino-Ocean (Hong Kong) Limited.

CORPORATE REORGANISATION AND CHANGE OF COMPANY NAME

During the year, at an extraordinary general meeting held on 7 October 2010, the shareholders of the Company approved the group reorganisation involving the reorganisation of assets of the group and a subsequent payment of a special dividend for the year ended 31 December 2010 satisfied by way of a distribution in specie of ordinary shares in Kee Shing Investment (BVI) Limited ("KSL"). At the said extraordinary general meeting, the name of the Company was changed from "Kee Shing (Holdings) Limited (奇盛（集團）有限公司)" to " Gemini Property Investments Limited (盛洋地產投資有限公司)".

Pursuant to the group reorganisation:

(i) The Company continued as a public listed company with its subsidiaries engaged in the business of properties investment and securities investment;

(ii) All subsidiaries carrying on trading business of chemicals and metals were transferred to KSL, a wholly owned subsidiary of the Company; and

(iii) The ordinary shares of KSL held by the Company, following the injection of the trading business into KSL, were distributed in specie to the Company's shareholders on the basis of one KSL's ordinary share for each of the Company's ordinary share.

The results of KSL and the subsidiaries transferred to KSL are included in the consolidated statement of comprehensive income up to the effective date of the distribution in specie.

The financial effect of the above group reorganisation is disclosed in note 35 of the financial statements.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The Group has been engaged in its principal activities in trading, property investment and securities investment since its incorporation. Following the Group's reorganization, the trading business was spun off while the retained group will be principally engaged in properties and securities investment. The principal activities of its subsidiaries are set out in note 40 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2010 are set out in the consolidated statement of comprehensive income on page 34.

The Board does not recommend the payment of a final dividend in respect of the year ended 31 December 2010.

INVESTMENT PROPERTIES

All of the investment properties of the Group were revalued at 31 December 2010, as set out in note 14 to the financial statements.

Particulars of the investment properties of the Group as at 31 December 2010 are set out on pages 62 to 63.

PROPERTY, PLANT AND EQUIPMENT

Movements in the property, plant and equipment of the Group and the Company during the year are set out in note 15 to the financial statements.

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2010, the Company's reserves available for distribution to shareholders comprised the retained profits of HK$142,965,000 (2009: of HK$106,138,000).

Details of the Company's distributable reserves are set out in note 28 to the financial statements.

DIRECTORS AND SERVICE CONTRACTS

The Directors of the Company during the year and up to the date of this report were:

Executive Directors:

LI Jianbo – Chairman	(appointed on 22 October 2010)
ZHAO Yanjie	(appointed on 22 October 2010)
LEUNG Shu Wing	(resigned on 12 November 2010)
LEUNG Miu King	(resigned on 12 November 2010)
WONG Chi Kin	(resigned on 12 November 2010)
WONG Choi Ying	(resigned on 12 November 2010)

Non-Executive Directors:

LI Hongbo	(appointed on 22 October 2010)
YUEN Tin Fan, Francis	(resigned on 12 November 2010)

Independent Non-Executive Directors:

LAW Tze Lun	(appointed on 12 November 2010)
LO Woon Bor, Henry	(appointed on 12 November 2010)
ZHENG Yun	(appointed on 12 November 2010)
WONG Kong Chi	(resigned on 12 November 2010)
LAI Chung Wing, Robert	(resigned on 12 November 2010)
CHAN Wing Lee	(resigned on 12 November 2010)

In accordance with Article 99 of the Company's Articles of Association, the Directors shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filing a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election at the meeting.

In accordance with Article 116 of the Company's Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office such that every Director, including those appointed for a special term, shall be subject to retirement by rotation at least once every three years. The retiring Directors shall be eligible for re-election.

In accordance with Article 99 of the Company's Articles of Association, Messrs. LI Jianbo, ZHAO Yanjie, LI Hongbo, LAW Tze Lun, LO Woon Bor, Henry and ZHENG Yun, being newly appointed Directors, will retire from office on the Board at the forthcoming AGM and being eligible, for re-election.

The Company has received annual confirmation from each of the Independent Non-Executive Directors as regards their independence pursuant to Rule 3.13 of the Listing Rules, and considers that each of the Independent Non-Executive Directors is independent to the Company.

DIRECTORS' SERVICE CONTRACTS

All Executive Directors of the Company, have entered into a service contract with the Company for a period of 2 years commencing from 12 November 2010 until terminated in accordance with the terms of the service contract. Under the service contract, either party may terminate such contract by giving the other not less than two months' notice in writing.

A Non-Executive Director signed aservice contract issued by the Company pursuant to which he will be appointed for a term of 2 years commencing from 12 November 2010 until terminated by either party by giving not less than two months' notice in writing.

Each of Independent Non-Executive Directors entered into an appointment letter with the Company for a term of 2 years commencing from 12 November 2010 until terminated by either party by giving not less than one month's notice in writing.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN SHARES

At 31 December 2010, the interests of the Directors and their associates in the shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by the Directors of Listed Companies ("Model Code"), were as follows:

(i) Interests in the Company

Long positions

Ordinary shares of HK$0.05 each in the Company

Name of Director	Capacity	Number of issued ordinary shares held as at 14 October 2010	Approximate percentage of the issued share capital of the Company as at 14 October 2010	Number of issued ordinary shares held as at 31 December 2010 (Note 3)	Approximate percentage of the issued share capital of the Company as at 31 December 2010 (Note 3)
LEUNG Shu Wing	Beneficial owner	184,691,075 (L)	41.46%	—	0
YUEN Tin Fan, Francis	Held by controlled corporation (Note 1)	26,984,000 (L)	6.06%	—	0
	Founder of discretionary trust (Note 2)	74,770,000 (L)	16.78%	—	0
LEUNG Miu King	Beneficial owner	21,050,000 (L)	4.73%	—	0
WONG Chi Kin	Beneficial owner	767,000(L)	0.17%	—	0
WONG Choi Ying	Beneficial owner	9,500(L)	0.00%	—	0

Notes:

1. 26,984,000 shares in the Company were owned by Tien Fung Hong Group Limited, a company which has 60% owned by Mr. YUEN Tin Fan, Francis.

2. 74,770,000 shares in the Company were owned by TF Yuen Trust. Mr. YUEN Tin Fan, Francis was the founder who had set up the TF Yuen Trust.

3. All the shares held by Messrs. LEUNG Shu Wing, YUEN Tin Fan, Francis, Ms. LEUNG Miu King were transferred to Grand Beauty Management Limited on 14 October 2010 and the three resigned as Director of the Company on 12 November 2010. The shares held by Messrs. WONG Chi Kin and WONG Choi Ying were transferred to Sino-Ocean Land (Hong Kong) Limited on 28 October 2010 and 1 November 2010 respectively and both of them resigned as Directors of the Company with effect from 12 November 2010.

The letter "L" denotes a long position in shares.

(ii) Long position in share options of associated corporations of the Company

Sino-Ocean Land Holdings Limited

Name of Director	Capacity	Nature of interests	Number of shares over which options are exercisable	Approximate percentage to the issued share capital of Associate Corporations as at 31 December 2010
LI Jianbo	Beneficial owner	Personal interest	1,320,000(L)	0.02%
ZHAO Yanjie	Beneficial owner	Personal Interest	1,180,000(L)	0.02%
LI Hongbo	Beneficial owner	Personal interest	1,320,000(L)	0.02%

Save as disclosed herein, at 31 December 2010, none of the Directors or Chief Executive of the Company had any interests or short positions in the shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 & 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have under such provisions of SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. In addition, none of the Directors, or their spouses or children under the age of 18 had any right to subscribe to the securities of the Company or exercised any such right during the year.

SUBSTANTIAL SHAREHOLDERS

(a) Interests in the Company

As at 31 December 2010, so far as is known to any Directors or Chief Executive of the Company, other than the interests and short positions of the Directors or Chief executive of the Company as disclosed above, the following persons had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Name of shareholder	Nature of Interest	Capacity/ No. of shares	Approximate percentage of the issued share capital of the Company
Sino-Ocean Land Holdings Limited (Note)	Interest of controlled corporation	312,504,625(L)	70.15%
Shine Wind Development Limited (Note)	Interest of controlled corporation	312,504,625(L)	70.15%
Faith Ocean International Limited (Note)	Interest of controlled corporation	312,504,625(L)	70.15%
Sino-Ocean Land (Hong Kong) Limited (Note)	Interest of controlled corporation	312,504,625(L)	70.15%
Grand Beauty Management Limited (Note)	Beneficial owner	312,504,625(L)	70.15%

Note: The 312,504,625 shares were beneficially owned by Grand Beauty Management Limited, which was wholly-owned by Sino-Ocean Land (Hong Kong) Limited. Sino-Ocean Land (Hong Kong) Limited was wholly-owned by Faith Ocean International Limited which in turn was wholly owned by Shine Wind Development Limited. Shine Wind Development Limited was wholly-owned by Sino-Ocean Land Holdings Limited.

The letter "L" denotes a long position in shares.

Save as disclosed herein, as at 31 December 2010, so far as is known to any Directors or Chief Executive of the Company, no other person (other than a Director or the Chief Executive of the Company) had an interest or short position in ordinary shares of the Company and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such capital.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2010, the aggregate turnover attributable to the Group's five largest customers was about 25% of the Group's total turnover. The aggregate purchases attributable to the Group's five largest suppliers accounted for 89% of the Group's total purchases and the purchases attributable to the Group's largest supplier was 45% of total purchases.

None of the Directors, their associates or any shareholders (which to the knowledge of the Directors owns more than 5% of the Company's share capital) has any interest in any of the Group's five largest suppliers or customers.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

There was no purchase, sale or redemption of the Company's listed shares by the Company or any of its subsidiaries during the year.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the Independent Non-Executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the Independent Non-Executive Directors are independent.

EMOLUMENT POLICY

The emolument policy of the senior employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the Directors of the Company are decided by the Remuneration Committee, having regards to the Company's operating results, individual performance and comparable market statistics.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of its Directors, the Directors confirmed that the Company has maintained the amount of public float as required under the Listing Rules as at the latest practicable date prior to the issue of the annual report.

AUDITOR

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint the auditor, Messrs. Deloitte Touche Tohmatsu.

On behalf of the Board

LI Jianbo
Chairman

16 March 2011

TO THE MEMBERS OF GEMINI PROPERTY INVESTMENTS LIMITED
盛洋地產投資有限公司
（FORMERLY KNOWN AS KEE SHING (HOLDINGS) LIMITED 奇盛（集團）有限公司）

(incorporated in Hong Kong with limited liability)

We have audited the financial statements of Gemini Property Investments Limited (formerly known as Kee Shing (Holdings) Limited) (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 34 to 84 which comprise the consolidated and Company's statement of financial position as at 31st December, 2010, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and 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 Financial Statements

The directors of the Company are responsible for the preparation of these 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 Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the 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 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 financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st December, 2010 and of the Group's loss 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 Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
16 March 2011

Consolidated Statement of Comprehensive Income

For the year ended 31st December, 2010

	NOTES	**2010** **HK$'000**	2009 HK$'000 (Restated)
Continuing operations			
Turnover	4	**18,727**	24,678
Other income	5	**8,518**	7,493
Staff costs		**(8,428)**	(8,608)
Depreciation		**(682)**	(1,088)
Other expenses		**(20,957)**	(9,090)
(Loss) gain arising from changes in fair value of financial instruments held for trading		**(2,797)**	4,200
Gain arising from changes in fair value of other investment		**10,222**	1,665
(Loss) gain arising from changes in fair value of investment properties		**(29,417)**	70,039
Finance costs	6	**(151)**	(274)
(Loss) profit before taxation		**(24,965)**	89,015
Income tax expense	7	**(1,372)**	(10,232)
(Loss) profit for the year from continuing operations	8	**(26,337)**	78,783
Discontinued operations			
Profit for the year from discontinued operations	9	**16,595**	6,896
Loss arising from distribution in specie of shares in a subsidiary	35	**(18,371)**	—
		(1,776)	6,896
(Loss) profit for the year		**(28,113)**	85,679
Other comprehensive income			
Exchange differences arising on translation		**16,081**	1,344
Release of translation reserve upon distribution in specie of shares in a subsidiary	35	**(10,858)**	—
Other comprehensive income for the year		**5,223**	1,344
Total comprehensive (expense) income for the year		**(22,890)**	87,023
(Loss) profit for the year attributable to:			
Owners of the Company			
– (Loss) profit for the year from continuing operations		**(25,645)**	74,749
– (Loss) profit for the year from discontinued operations		**(3,845)**	4,962
(Loss) profit for the year attributable to owners of the Company		**(29,490)**	79,711
Non-controlling interests			
– (Loss) profit for the year from continuing operations		**(692)**	4,034
– Profit for the year from discontinued operations		**2,069**	1,934
Profit for the year attributable to non-controlling interests		**1,377**	5,968
		(28,113)	85,679
Total comprehensive (expense) income attributable to:			
Owners of the Company		**(25,459)**	80,718
Non-controlling interests		**2,569**	6,305
		(22,890)	87,023
From continuing and discontinued operations (Loss) earnings per share - basic (HK cents)	13	**(6.62)**	17.89
From continuing operations (Loss) earnings per share - basic (HK cents)	13	**(5.76)**	16.78

		THE GROUP		THE COMPANY	
		2010	2009	**2010**	2009
	NOTES	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Non-current Assets					
Investment properties	14	**311,428**	377,997	**—**	—
Property, plant and equipment	15	**191**	26,338	**—**	102
Investments in subsidiaries	16	**—**	—	**29**	7,177
Interest in an associate	17	**—**	—	**—**	—
Amounts due from subsidiaries	18	**—**	—	**280,248**	300,048
		311,619	404,335	**280,277**	307,327
Current Assets					
Inventories	19	**—**	72,674	**—**	—
Debtors, deposits and prepayments	20	**6,211**	71,829	**165**	878
Bills receivable		**—**	2,788	**—**	—
Amount due from a fellow subsidiary	18	**6,091**	—	**—**	—
Financial instruments held for trading	22	**34,199**	102,671	**—**	—
Other investment	23	**51,364**	23,821	**—**	—
Taxation recoverable		**107**	1,460	**—**	—
Short term bank deposits	21	**40,008**	81,080	**19,464**	—
Bank balances and cash	21	**88,463**	152,712	**20,064**	186
		226,443	509,035	**39,693**	1,064
Current Liabilities					
Creditors and accrued charges	24	**10,244**	29,353	**1,002**	10,750
Amounts due to minority shareholders of subsidiaries	25	**4,048**	4,048	**—**	—
Taxation payable		**78**	2,362	**—**	—
Bank borrowings	26	**—**	188,855	**—**	15,500
		14,370	224,618	**1,002**	26,250
Net Current Assets (Liabilities)		**212,073**	284,417	**38,691**	(25,186)
Total Assets Less Current Liabilities		**523,692**	688,752	**318,968**	282,141
Capital and Reserves					
Share capital	27	**22,275**	22,275	**22,275**	22,275
Reserves	28	**478,865**	613,823	**296,693**	259,866
Equity attributable to owners of the Company		**501,140**	636,098	**318,968**	282,141
Non-controlling interests		**14,336**	34,306	**—**	—
Total Equity		**515,476**	670,404	**318,968**	282,141
Non-current Liabilities					
Deferred tax liabilities	29	**8,216**	18,348	**—**	—
		523,692	688,752	**318,968**	282,141

The financial statements on pages 34 to 84 were approved and authorised for issue by the Board of Directors on 16th March, 2011 and are signed on its behalf by:

LI Jianbo	**ZHAO Yanjie**
DIRECTOR	DIRECTOR

Consolidated Statement of Changes in Equity

For the year ended 31st December, 2010

	Share capital	Share premium	Property revaluation reserve	Translation reserve	Retained profits	Attributable to owners of the Company	Non-controlling interests	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 1st January, 2009	22,275	153,728	18,840	21,916	338,621	555,380	30,933	586,313
Exchange differences arising on translation of foreign operations	—	—	—	1,007	—	1,007	337	1,344
Profit for the year	—	—	—	—	79,711	79,711	5,968	85,679
Total comprehensive income for the year	—	—	—	1,007	79,711	80,718	6,305	87,023
Dividend paid	—	—	—	—	—	—	(2,932)	(2,932)
At 31st December, 2009	22,275	153,728	18,840	22,923	418,332	636,098	34,306	670,404
Exchange differences arising on translation of foreign operations	—	—	—	14,889	—	14,889	1,192	16,081
Release upon distribution in specie of shares in a subsidiary (note 35)	—	—	—	(10,858)	—	(10,858)	—	(10,858)
(Loss) profit for the year	—	—	—	—	(29,490)	(29,490)	1,377	(28,113)
Total comprehensive income (expenses) for the year	—	—	—	4,031	(29,490)	(25,459)	2,569	(22,890)
Release of deferred tax liability upon distribution in specie of shares in a subsidiary (note 29)	—	—	2,766	—	—	2,766	—	2,766
Dividend paid (note 12)	—	—	—	—	(26,730)	(26,730)	(3,884)	(30,614)
Special dividend by way of distribution in specie of shares in a subsidiary (note 12, 35)	—	—	—	—	(85,535)	(85,535)	(18,655)	(104,190)
Release upon distribution in specie of shares in a subsidiary	—	—	(21,606)	—	21,606	—	—	—
At 31st December, 2010	22,275	153,728	—	26,954	298,183	501,140	14,336	515,476

	2010	2009
	HK$'000	HK$'000
OPERATING ACTIVITIES		
(Loss) profit for the year	**(28,113)**	85,679
Adjustments for:		
Taxation	**1,965**	10,262
Depreciation	**995**	1,712
Loss (gain) arising from changes in fair value of financial instruments held for trading	**2,797**	(4,088)
Gain arising from changes in fair value of other investment	**(10,222)**	(1,665)
Gain arising from changes in fair value of foreign exchange yield linked deposit	**—**	(112)
Share of loss of an associate	**—**	453
(Reversal of) increase in impairment loss on trade debtors, net	**(1,583)**	9,952
Write-back of inventories	**(5,755)**	(17,173)
Loss (gain) arising from changes in fair value of investment properties	**29,417**	(70,039)
Loss arising from distribution in specie of shares in a subsidiary	**18,371**	—
Finance costs	**1,973**	2,201
Profit on disposal of property, plant and equipment	**(51)**	—
Interest income from bank deposits	**(654)**	(412)
Operating cash flows before movements in working capital	**9,140**	16,770
(Increase) decrease in inventories	**(8,055)**	72,248
Decrease in debtors, deposits and prepayments	**10,987**	2,445
(Increase) decrease in bills receivable	**(5,777)**	748
Decrease in financial instruments held for trading	**10,815**	27,422
Increase in bills payable	**269**	—
Increase in other investment	**(17,321)**	(22,156)
Decrease in creditors and accrued charges	**(1,301)**	(9,241)
Cash (used in) generated from operations	**(1,243)**	88,236
Hong Kong Profits Tax refunded (paid)	**891**	(4,696)
Profits tax outside Hong Kong paid	**(2,571)**	(873)
NET CASH (USED IN) GENERATED FROM OPERATING ACTIVITIES	**(2,923)**	82,667
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(399)**	(91)
Interest received from bank deposits	**654**	412
Proceeds from disposal of investment properties	**18,240**	37,859
Proceeds from redemption of foreign exchange linked deposit	**—**	8,827
Proceeds from disposal of property, plant and equipment	**70**	145
Advance to fellow subsidiary	**(6,091)**	—
NET CASH FROM INVESTING ACTIVITIES	**12,474**	47,152

Consolidated Statement of Cash Flows

For the year ended 31st December, 2010

	NOTES	2010 HK$'000	2009 HK$'000
FINANCING ACTIVITIES			
Increase in (repayment of) bank borrowings, net		**38,806**	(6,297)
Dividend paid		**(26,730)**	—
Distribution in specie	35	**(121,870)**	—
Interest paid		**(1,973)**	(2,201)
Dividend paid to minority shareholders of subsidiaries		**(3,884)**	(2,932)
Amounts repaid to minority shareholders of subsidiaries		**—**	(2,408)
NET CASH USED IN FINANCING ACTIVITIES		**(115,651)**	(13,838)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		**(106,100)**	115,981
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		**233,792**	117,721
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		**779**	90
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		**128,471**	233,792
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS			
Short term bank deposits		**40,008**	81,080
Bank balances and cash		**88,463**	152,712
		128,471	233,792

1. General

The Company is a public limited company incorporated in Hong Kong and its shares are listed on the Stock Exchange of Hong Kong Limited. Its parent is Grand Beauty Management Limited (incorporated in British Virgin Islands) and its ultimate parent is Sino-Ocean Land Holdings Limited (incorporated in Hong Kong and listed on the Stock Exchange of Hong Kong Limited). The addresses of its registered office and principal place of business of the Company are disclosed in the section of Corporate Information of the annual report.

The financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company. In addition, the functional currencies of certain group entities that operate outside Hong Kong are determined based on the currency of the primary economic environment in which the group entities operate.

The Company acts as an investment holding company. The principal activities of its subsidiaries are set out in note 40.

During the year, the Company completed a group reorganisation and changed its name to Gemini Property Investments Limited. Details of these are set out in the section of Directors' Report of the annual report.

2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRS")

In the current year, the Group and the Company have applied the following new and revised Standards, Amendments and Interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (as revised in 2008)	Business Combinations
HKAS 27 (as revised in 2008)	Consolidated and Separate Financial Statements
HKAS 39 (Amendments)	Eligible Hedged Items
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009
HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs issued in 2008
HK(IFRIC) - Int 17	Distributions of Non-cash Assets to Owners
HK - Int 5	Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

Except as described below, the adoption of the new and revised HKFRSs in the current year has had no material effect on the amounts reported in these financial statements and/or disclosures set out in these financial statements.

2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRS") *(Continued)*

Amendments to HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations (as part of Improvements to HKFRSs issued in 2009)

The amendments to HKFRS 5 clarify that the disclosure requirements in HKFRSs other than HKFRS 5 do not apply to non-current assets (or disposal groups) classified as held for sale or discontinued operations unless those HKFRSs require (i) specific disclosures in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations, or (ii) disclosures about measurement of assets and liabilities within a disposal group that are not within the scope of the measurement requirement of HKFRS 5 and the disclosures are not already provided in the consolidated financial statements.

Disclosures in these consolidated financial statements have been modified to reflect the above clarification.

HKAS 27 (as revised in 2008) Consolidated and Separate Financial Statements

The application of HKAS 27 (as revised in 2008) has resulted in changes in the Group's accounting policies for changes in ownership interests in subsidiaries of the Group.

Specifically, the revised Standard has affected the Group's accounting policies regarding changes in the Group's ownership interests in its subsidiaries that do not result in loss of control. In prior years, in the absence of specific requirements in HKFRSs, increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised, when appropriate; for decreases in interests in existing subsidiaries that did not involve a loss of control, the difference between the consideration received and the adjustment to the non-controlling interests was recognised in profit or loss. Under HKAS 27 (as revised in 2008), all such increases or decreases are dealt with in equity, with no impact on goodwill or profit or loss.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the revised Standard requires the Group to derecognise all assets, liabilities and non-controlling interests at their carrying amounts and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

These changes have been applied prospectively from 1st January, 2010 in accordance with the relevant transitional provisions.

In addition, under HKAS 27 (as revised in 2008), the definition of non-controlling interest has been changed. Specifically, under the revised Standard, non-controlling interest is defined as the equity in a subsidiary not attributable, directly or indirectly, to a parent.

Except as described above, the application of HKAS 27 (as revised in 2008) has no material effect on the financial statements.

2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRS") *(Continued)*

HK (IFRIC) - Int 17 clarifies that a dividend payable should be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity. Under HK (IFRIC) - Int 17, the dividend should be measured at the fair value of the assets to be distributed, and any difference between the carrying amount of the dividend payable and the previous carrying amount of the assets distributed should be recognised in profit or loss when the entity settles the dividend payable. This accounting treatment has no material effect to the financial statements.

The Group and the Company have not early applied the following new and revised Standards, Amendments or Interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs 2010[1]
HKFRS 1 (Amendments)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters[2]
HKFRS 7 (Amendments)	Disclosures - Transfers of Financial Assets[3]
HKFRS 9	Financial Instruments[4]
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets[5]
HKAS 24 (Revised)	Related Party Disclosures[6]
HKAS 32 (Amendments)	Classification of Rights Issues[7]
HK(IFRIC) - Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement[6]
HK(IFRIC) - Int 19	Extinguishing Financial Liabilities with Equity Instruments[2]

1 Effective for annual periods beginning on or after 1st July, 2010 or 1st January, 2011, as appropriate
2 Effective for annual periods beginning on or after 1st July, 2010
3 Effective for annual periods beginning on or after 1st July, 2011
4 Effective for annual periods beginning on or after 1st January, 2013
5 Effective for annual periods beginning on or after 1st January, 2012
6 Effective for annual periods beginning on or after 1st January, 2011
7 Effective for annual periods beginning on or after 1st February, 2010

HKFRS 9 *Financial Instruments* (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 *Financial Instruments* (as revised in November 2010) adds requirements for financial liabilities and for derecognition.

The directors anticipate that HKFRS 9 will be adopted in the Group's consolidated financial statements for financial year ending 31st December, 2013 and that the application of the new Standard will not have a significant impact on amounts reported in respect of the Groups' financial assets and financial liabilities.

The amendments to HKAS 12 *Deferred Tax: Recovery of Underlying Assets* mainly deal with the measurement of deferred tax for investment properties that are measured using the fair value model in accordance with HKAS 40 *Investment Property*. Based on the amendments, for the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties measured using the fair value model, the carrying amounts of the investment properties are presumed to be recovered through sale, unless the presumption is rebutted in certain circumstances.

2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRS") *(Continued)*

If the presumption is not rebutted, the directors anticipate that the application of the amendments to HKAS 12 may have a significant impact on deferred tax recognised for investment properties that are measured using the fair value model. Deferred tax liabilities in respect of revaluation of investment properties will be subject to the Law of the People's Republic of China on Land Appreciation Tax (the "LAT") and the deferred tax liabilities in respect of revaluation of investment properties will be estimated based on recovery of the investment properties through sale. The Group has not early applied these amendments and deferred tax has been provided at 7.5% in respect of changes in fair value of such properties as disclosed in note 29. The Group is in the process of assessing the potential impact.

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the financial statements.

3. Significant Accounting Policies

The financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-company transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

Allocation of total comprehensive income to non-controlling interests

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. Prior to 1st January, 2010, losses applicable to the non-controlling interests in excess of the non-controlling interests in the subsidiary's equity were allocated against the interests of the Group except to the extent that the non-controlling interests had a binding obligation and were able to make an additional investment to cover the losses.

3. Significant Accounting Policies *(Continued)*

Basis of consolidation *(Continued)*

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries on or after 1st January, 2010

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Where certain assets of the subsidiary are measured at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

Changes in the Group's ownership interests in existing subsidiaries prior to 1st January, 2010

Increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised where appropriate. For decreases in interests in subsidiaries, regardless of whether the disposals would result in the Group losing control over the subsidiaries, the difference between the consideration received and the adjustment to the non-controlling interests was recognised in profit or loss.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represent amounts receivable for goods sold and services provided in the normal course of business, net of discounts.

Revenue from sales of goods is recognised when goods are delivered and title has passed.

Rental income, including rentals invoiced in advance from properties let under operating leases, is recognised on a straight line basis over the terms of the relevant leases.

Dividend income from investments including financial asset at fair value through profit or loss is recognised when the shareholder's right to receive payment have been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income from a financial asset including financial assets at fair value through profit or loss is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3. Significant Accounting Policies *(Continued)*

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the item is derecognised.

Property, plant and equipment

Property, plant and equipment are stated at cost or fair value less subsequent accumulated depreciation and accumulated impairment losses, if any.

Certain of the Group's leasehold land and buildings were revalued at 31st December, 1991. The surplus arising on revaluation of land and buildings was credited to the property revaluation reserve. Advantage has been taken of the transitional relief provided by paragraph 80A of HKAS 16 *"Property, plant and equipment"* from the requirement to make regular revaluations of the Group's land and buildings which had been carried at revalued amounts prior to 30th September, 1995, and accordingly no further revaluation of land and buildings is carried out. Prior to 30th September, 1995, the revaluation increase arising on the revaluation of these assets was credited to the property revaluation reserve. Any future decreases in value of these assets will be dealt with as an expense to the extent that they exceed the balance, if any, on the revaluation reserve relating to a previous revaluation of the same asset. On the subsequent sale or retirement of a revalued asset, the property corresponding revaluation surplus is transferred to retained profits directly.

Depreciation is recognised so as to write off the cost or fair value of items of property, plant and equipment less their residue value over their estimated useful lives, using the straight-line method, at the following rates per annum:

Leasehold land and buildings	2% to 2.5% or over the remaining term of the lease, whichever is the shorter
Furniture, fixtures and equipment	16% to 20%
Motor vehicles	16% to 25%
Plant and machinery	20%
Computer equipment	20% to 33⅓%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. Significant Accounting Policies *(Continued)*

Property, plant and equipment *(Continued)*

When an item of property, plant and equipment is transferred to investment property carried at fair value, if the carrying amount is increased, the surplus is credited directly to equity (property revaluation reserve). On subsequent disposal of the investment property, the revaluation surplus included in property revaluation reserve may be transferred to retained profits directly.

Subsidiaries

Investments in subsidiaries are included in the Company's statement of financial position at cost, less any identified impairment loss.

Associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associates. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Other Investment

Other investment consist of gold bullions measured at fair value less cost to sell, with changes in fair value arising from remeasurement recognised in profit or loss in the period in which they arise.

Impairment of tangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss (if any). If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

3. Significant Accounting Policies *(Continued)*

Impairment of tangible assets *(Continued)*

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increases under that standard to the extent of the decrease previously charged.

Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into fair value through profit or loss ("FVTPL") and loans and receivables. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Financial assets at FVTPL

Financial assets at FVTPL consist of financial assets held for trading.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

3. Significant Accounting Policies *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Financial assets at FVTPL (Continued)

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets.

Loans and receivables

Loans and receivable are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including amounts due from a fellow subsidiary and subsidiaries, debtors, bills receivable, and bank balances and deposits) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of the reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been affected.

For all financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial asset, such as trade debtors, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit and loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of amounts due from subsidiaries and trade debtors, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When amount due from a subsidiary or trade debtor is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

3. Significant Accounting Policies *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets (Continued)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

Financial liabilities

Financial liabilities (including creditors and accrued charges, amounts due to minority shareholders of subsidiaries and bank borrowings) are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Dividend

Dividend payable is recognised when the dividend is appropriately authorised and no longer at the discretion of the Company, which is the date when the declaration of the dividend is approved by the shareholders or when the dividend is declared.

For distribution of non-cash assets, dividend payable is measured at the fair value of assets to be distributed. On the settlement of dividend payable, any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable is recognised in profit or loss.

3. Significant Accounting Policies *(Continued)*

Financial instruments *(Continued)*

Financial guarantees contract

A financial guarantees contract is a contract that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Company issues a financial guarantee in respect of a banking facility of a subsidiary at nil consideration, the guarantee is initially recognised at fair value within creditors and accrued charges and deemed contribution within investment in subsidiary.

The amount of the guarantee initially recognised is amortised to profit or loss over the terms of the guarantee as income from financial guarantees issued. In addition, provisions are recognised if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in creditors and accrued charges in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. Significant Accounting Policies *(Continued)*

Taxation *(Continued)*

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term of the relevant lease.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale for which the commencement date for capitalisation is on or after 1st January, 2009, are added to the cost of those assets until such time as 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 eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. Significant Accounting Policies *(Continued)*

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rate of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in other comprehensive income and accumulated in equity and will be reclassified from equity to profit and loss on disposal of foreign operation. Exchange differences arising on the retranslation of non-monetary items carried at fair value, are included in profit or loss for the period, except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Hong Kong dollars using exchange rates prevailing at the end of the reporting period, and their income and expense are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve).

Retirement benefits costs

Payments to the Group's Mandatory Provident Fund Scheme and other defined contribution retirement schemes are charged as an expense when employees have rendered service entitling them to the contributions.

4. Segment Information

Information reported to the Board of Directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

Specifically, the Group's reportable segments under HKFRS 8 are as follows:

1. Property investments-rental income from leasing of office and residential properties

2. Securities and other investments-investing in various securities and generating investment income

Operations regarding the sales of chemicals and metals was discontinued in the current year. The segment information reported below does not include any amounts for these discontinued operations, which are describe in more detail in note 9.

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

For the year ended 31st December, 2010

Continuing operations

	Property investments	Securities and other investments	Eliminations	Consolidated
	HK$'000	HK$'000	HK$'000	HK$'000
Turnover				
External revenue	17,801	926	—	18,727
Inter-segment revenue	836	—	(836)	—
Total turnover	18,637	926	(836)	18,727
Segment result	(13,977)	7,830	—	(6,147)
Interest income from bank deposits				635
Unallocated other income				3,700
Unallocated corporate expenses				(23,002)
Finance costs				(151)
Loss before taxation				(24,965)
Income tax expense				(1,372)
Loss for the year				(26,337)

4. Segment Information *(Continued)*

For the year ended 31st December, 2009

Continuing operations

	Property investments	Securities and other investments	Eliminations	Consolidated
	HK$'000	HK$'000	HK$'000	HK$'000
Turnover				
External revenue	22,995	1,683	—	24,678
Inter-segment revenue	2,230	—	(2,230)	—
Total turnover	25,225	1,683	(2,230)	24,678
Segment result	89,483	7,745	—	97,228
Interest income from bank deposits				183
Unallocated other income				3,417
Unallocated corporate expenses				(11,539)
Finance costs				(274)
Profit before taxation				89,015
Income tax expense				(10,232)
Profit for the year				78,783

Inter-segment sales are charged at prevailing market rates.

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment result represents the profit or loss by each segment without allocation of interest income from bank deposits, unallocated other income, unallocated corporate expenses (including central administration costs and directors' remuneration) and finance costs. This is the measure reported to the board of directors for the purposes of resource allocation and performance assessment.

4. Segment Information *(Continued)*

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

	31.12.2010	31.12.2009
	HK$'000	HK$'000
Assets		
Segment assets from continuing operations		
– Property investments	**323,722**	399,378
– Securities and other investments	**85,593**	126,611
Unallocated assets	**128,747**	236,009
	538,062	761,998
Assets relating to discontinued operations		
– Sales of chemicals and materials	**—**	151,372
Consolidated total assets	**538,062**	913,370
Liabilities		
Segment liabilities from continuing operations		
– Property investments	**2,111**	14,137
– Securities and other investments	**551**	406
Unallocated liabilities	**19,924**	216,049
	22,586	230,592
Liabilities relating to discontinued operations		
– Sales of chemicals and metals	**—**	12,374
Consolidated total liabilities	**22,586**	242,966

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments other than interest in an associate, other receivables, taxation recoverable, short term bank deposits, bank balances and cash; and

- all liabilities are allocated to reportable segments other than other creditors, amounts due to minority shareholders of subsidiaries, taxation payable, bank borrowings, and deferred tax liabilities.

4. Segment Information *(Continued)*

For the year ended 31st December, 2010

Other segment information

Continuing operations

	Property investments	**Securities and other investments**	**Total**
	HK$'000	**HK$'000**	**HK$'000**
Amounts included in the measure of segment profit or loss or segment assets:			
Capital expenditure	**7**	**26**	**33**
Depreciation	**681**	**1**	**682**
Loss arising from changes in fair value of investment properties	**(29,417)**	**—**	**(29,417)**
Loss arising from changes in fair value of financial instruments held for trading	**—**	**(2,797)**	**(2,797)**
Gain arising from changes in fair value of other investment	**—**	**10,222**	**10,222**

For the year ended 31st December, 2009

Other segment information

Continuing operations

	Property investments	Securities and other investments	Total
	HK$'000	HK$'000	HK$'000
Amounts included in the measure of segment profit or loss or segment assets:			
Capital expenditure	19	—	19
Depreciation	1,088	—	1,088
Gain arising from changes in fair value of investment properties	70,039	—	70,039
Gain arising from changes in fair value of financial instruments held for trading	—	4,088	4,088
Gain arising from changes in fair value of other investment	—	1,665	1,665
Gain arising from changes in fair value of foreign exchange yield linked deposit	—	112	112

4. Segment Information *(Continued)*

Geographical information

The Group's operations are located in Hong Kong (place of domicile) and elsewhere in the People's Republic of China ("PRC").

The Group's revenue from external customers and its non-current assets, other than financial instruments, by geographical location of the assets regarding its continuing operations are detailed below:

	Revenue from external customers		Non-current assets	
	2010	2009	**2010**	2009
	HK$'000	HK$'000	**HK$'000**	HK$'000
Hong Kong	**757**	1,096	**25**	37,492
Elsewhere in the PRC	**17,044**	21,899	**311,594**	335,363
Others	**926**	1,683	**—**	—
	18,727	24,678	**311,619**	372,855

No revenue from individual customer contribute over 10% of the total sales of the Group for both years presented.

5. Other Income

Included in other income is interest income from bank deposits of HK$635,000 (2009: HK$183,000).

6. Finance Costs

The finance costs represent interest on bank borrowings which is wholly repaid in 2010.

7. Income Tax Expense

	2010	2009
	HK$'000	HK$'000
		(Restated)
The taxation attributable to the Group's continuing operations comprises:		
Current taxation		
Hong Kong Profits Tax	**215**	316
Profits tax outside Hong Kong	**3,336**	6,374
	3,551	6,690
Overprovision in prior years		
Hong Kong Profits Tax	**21**	(23)
	3,572	6,667
Deferred taxation		
Current year	**(2,200)**	3,565
	1,372	10,232

7. Income Tax Expense *(Continued)*

Hong Kong Profit Tax is calculated at 16.5% of the estimated assessable profit for both years.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of relevant subsidiaries of the Company is calculated at 7.5% from 1st January, 2008 onwards.

Taxation arising in other countries outside PRC is calculated at the rates prevailing in the relevant jurisdictions.

Details of deferred tax liabilities are set out in note 29.

Taxation for the year can be reconciled to the (loss) profit before taxation per the consolidated statement of comprehensive income as follows:

	Hong Kong		Elsewhere in the PRC		Total	
	2010	2009	**2010**	2009	**2010**	2009
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
(Loss) profit before taxation	**(11,273)**	(2,040)	**(13,692)**	91,055	**(24,965)**	89,015
Applicable tax rate	**16.5%**	16.5%	**7.5%**	7.5%		
Tax at the applicable income tax rate	**(1,860)**	(337)	**(1,027)**	6,829	**(2,887)**	6,492
Land appreciation tax	**—**	—	**1,409**	2,042	**1,409**	2,042
Tax effect of expenses not deductible for tax purpose	**1,561**	837	**445**	486	**2,006**	1,323
Tax effect of income not taxable for tax purpose	**(105)**	(97)	**(856)**	(324)	**(961)**	(421)
Tax effect of utilisation of tax losses previously not recognised	**—**	(2,127)	**—**	—	**—**	(2,127)
Tax effect of unrecognised tax loss	**1,359**	1,890	**—**	—	**1,359**	1,890
Tax effect on different tax rate of operations in other jurisdiction	**—**	—	**8**	486	**8**	486
(Over)underprovision in prior years	**—**	(23)	**21**	—	**21**	(23)
Others	**157**	(82)	**260**	652	**417**	570
Income tax (credit) expense for the year	**1,112**	61	**260**	10,171	**1,372**	10,232

8. (Loss) Profit for the Year from Continuing Operations

	2010 HK$'000	2009 HK$'000 (Restated)
(Loss) profit for the year from continuing operations has been arrived at after charging:		
Auditor's remuneration		
– current year	**786**	1,049
– underprovision in the prior year	**48**	48
	834	1,097
Rental payments in respect of properties under operating leases	**324**	442
Retirement benefits scheme contributions (excluding amounts paid under directors' emoluments)	**(68)**	169
Professional fee arising from the group reorganisation	**6,603**	—
and after crediting:		
Interest income from investments	**324**	661
Dividend income from financial instruments held for trading	**602**	1,022
Net foreign exchange gain	**805**	891
Profit on disposal of property, plant and equipment	**3**	7
Gross rental income from investment properties	**17,801**	22,995
Less: direct operating expenses from investment properties that generated rental income during the year	**(31)**	(4,362)
	17,770	18,633

9. Discontinued Operations

During the year, the Group discontinued its sales of chemical and metals segment upon the completion of its group reorganisation where the ordinary shares of Kee Shing Investment (BVI) Limited ("KSL"), a wholly owned subsidiary following the injection of the trading business of chemical and metals into KSL, were distributed in specie to the Company's shareholders on the basis of one KSL's ordinary share for each of the Company's ordinary share.

The profit for the year from the discontinued operations is analysed as follows:

	2010 HK$'000	2009 HK$'000
Profit for the year from the trading of chemical and metals operations	**16,595**	6,896

9. Discontinued Operations *(Continued)*

The results of the trading of chemical and metals operations for the period from 1st January, 2010 to 7th October, 2010, which have been included in the consolidated statement of comprehensive income, were as follows:

	2010	2009
	HK$'000	HK$'000
Revenue	**865,146**	940,037
Cost of sales	**(826,897)**	(896,934)
Other income	**561**	1,208
Other expenses	**(19,800)**	(35,458)
Finance costs	**(1,822)**	(1,927)
Profit before tax	**17,188**	6,926
Income tax expense	**(593)**	(30)
Profit for the year	**16,595**	6,896

Profit for the year from discontinued operations include the following:

Depreciation	**313**	624
Auditor's remuneration	**714**	770
Profit (loss) on disposal of property, plant and equipment	**48**	(7)
Staff costs	**10,476**	12,504

The carrying amounts of the assets and liabilities of KSL and its subsidiaries at the date of distribution in specie of KSL's ordinary shares are disclosed in note 35.

10. Directors' Emoluments

The emoluments paid or payable to each of the 14 (2009: 8) directors were as follows:

2010

	Li Jianbo	Zhao Yanjie	Li Hongbo	Law Tze Lun	Lo Woon Bor, Henry	Zheng Yun	Leung Shu Wing	Leung Miu King	Wong Chi Kin	Wong Choi Ying	Yuen Tin Fan, Francis	Wong Kong Chi	Lai Chung Wing, Robert	Chan Wing Lee	Total 2010
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Fees	–	–	–	20	20	20	–	–	–	–	197	197	197	197	848
Other emoluments															
Salaries and other benefits	–	–	–	–	–	–	1,093	936	350	996	–	–	–	–	3,375
Contributions to retirement benefits schemes	–	–	–	–	–	–	–	9	9	9	–	–	–	–	27
Total emoluments	–	–	–	20	20	20	1,093	945	359	1,005	197	197	197	197	4,250

2009

	Leung Shu Wing	Leung Miu King	Wong Chi Kin	Wong Choi Ying	Yuen Tin Fan, Francis	Wong Kong Chi	Lai Chung Wing, Robert	Chan Wing Lee	Total 2009
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Fees	—	—	—	—	250	250	250	250	1,000
Other emoluments									
Salaries and other benefits	848	897	505	788	—	—	—	—	3,038
Contributions to retirement benefits schemes	—	11	12	12	—	—	—	—	35
Total emoluments	848	908	517	800	250	250	250	250	4,073

No directors waived any emoluments for each of the years ended 31st December, 2009 and 2010.

No emoluments were paid by the Group to the directors or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office during each of the two years ended 31st December, 2010.

11. Employees' Emoluments

The five highest paid individuals of the Group included three directors (2009: two directors), details of whose emoluments are included in the amounts disclosed in note 10 above. The emoluments of the remaining two (2009: three) highest paid employees, other than directors of the Company, are as follows:

	2010 HK$'000	2009 HK$'000
Salaries and other benefits	**1,510**	2,903
Performance related incentive payments	**—**	211
Retirement benefits scheme contributions	**18**	36
	1,528	3,150

Their emoluments were within the following bands:

	2010 Number of employees	2009 Number of employees
Below HK$1,000,000	**2**	Nil
HK$1,000,001 to HK$1,500,000	**Nil**	3

12. Dividends

	2010 HK$'000	2009 HK$'000
Dividends recognised as distributions during the year:		
Final dividend paid in respect of 2009 of 6 HK cents per ordinary share	**26,730**	—
Special dividend by way of distribution in specie of shares in a subsidiary (Note)	**85,535**	—
	112,265	—

Note:

Pursuant to the approval by the shareholders of the Company at the extraordinary general meeting held on 7th October, 2010, a non-cash special dividend satisfied by way of a distribution in specie of shares in Kee Shing Investment (BVI) Limited ("KSL Shares") was effected during the year. KSL Shares were distributed by the Company in the proportion of one KSL Share for every ordinary shares in the Company held by the shareholders recorded on the register of members of the Company as at the close of business on 7th October 2010. An aggregate of 445.5 million KSL Shares were distributed by the Company pursuant to the distribution. Based on the unconditional voluntary cash offer being made by Merit Gala Limited, a private limited liability company incorporated in the British Virgin Islands, to acquire all the KSL Shares on the basis of HK$0.192, the aggregate market value of the KSL Shares distributed to the eligible shareholders was approximately HK$85.5 million, which represents a distribution of approximately HK0.192 per share of the Company.

13. (Loss) Earnings Per Share

For continuing and discontinued operations

The calculation of the basic (loss) earnings per share attributable to equity holders of the Company is based on the loss for the year of HK$29,490,000 (2009: profit of HK$79,711,000) and on 445,500,000 ordinary shares (2009: 445,500,000 ordinary shares) in issue during the year.

For continuing operations

The calculation of the basic (loss) earnings per share attributable to equity holders of the Company is based on the loss for the year of HK$25,645,000 (2009: profit of HK$74,749,000) and on 445,500,000 ordinary shares (2009: 445,500,000 ordinary shares) in issue during the year.

For discontinued operations

The basic (loss) per share attributable to equity holders of the Company is 0.86 HK cents (2009: earnings 1.11 HK cents) which is based on the loss for the year of HK$3,845,000 (2009: profit of HK$4,962,000) and on 445,500,000 ordinary shares (2009: 445,500,000 ordinary shares) in issue during the year.

No diluted (loss) earnings per share have been presented as there were no dilutive potential ordinary shares in issue in both years presented.

14. Investment Properties

	THE GROUP HK$'000
VALUATION	
At 1st January, 2009	345,125
Exchange realignment	692
Increase in fair value	70,039
Disposal	(37,859)
At 31st December, 2009	377,997
Exchange realignment	11,642
Decrease in fair value	(29,417)
Decrease on distribution in specie of share in a subsidiary (note 35)	(30,554)
Disposal	(18,240)
At 31st December, 2010	311,428

14. Investment Properties *(Continued)*

The Group's investment properties comprise:

	2010	2009
	HK$'000	HK$'000
Properties held under medium-term leases:		
- in Hong Kong	**—**	18,408
- elsewhere in the PRC	**311,428**	336,735
	311,428	355,143
Properties held under long leases:		
- elsewhere in the PRC	**—**	17,887
- overseas	**—**	4,967
	311,428	377,997

The fair value of the Group's investment properties located in PRC (2009: Hong Kong, elsewhere in the PRC and Singapore) as at 31st December, 2010 have been arrived at on the basis of a valuation carried out on that date by BMI Appraisals Limited (2009: Knight Frank Petty Limited), an independent qualified professional valuer not connected with the Group. The valuation report on these properties was signed by a director of BMI Appraisals Limited (2009: Knight Frank Petty Limited) who is a member of the Hong Kong Institute of Surveyors. The valuation of the properties as at 31st December, 2010 was arrived at using the basis of capitalisation of the net income. In the valuation, the market rentals of all lettable units of the properties are assessed and capitalised at market yield expected by investors for this type of properties. The capitalisation rate adopted is made by reference to the yields derived from analysing the sales transactions and the valuer's knowledge of the market expectation from property investors. The valuation as at 31st December, 2009 was arrived at by reference to market evidence of transaction prices for similar properties.

The revaluation of investment properties during the current year gave rise to a net loss arising from changes in fair value of HK$29,417,000 (2009: gain arising from changes in fair value of HK$70,039,000) which has been recognised in profit or loss. All the investment properties of the Group are rented out under operating leases. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

15. Property, Plant and Equipment

	Leasehold land and buildings	Furniture, fixtures and equipment	Motor vehicles	Plant and machinery	Computer equipment	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
THE GROUP						
COST OR VALUATION						
At 1st January, 2009	36,143	14,518	3,144	1,583	2,188	57,576
Exchange realignment	191	21	23	—	5	240
Additions	—	51	—	9	31	91
Disposals	—	(1,095)	—	(476)	(2)	(1,573)
At 31st December, 2009	36,334	13,495	3,167	1,116	2,222	56,334
Exchange realignment	619	104	79	—	8	810
Additions	—	62	—	292	45	399
Disposal	—	(3,113)	(1,020)	—	(1,514)	(5,647)
Disposed on distribution of subsidiaries (note 35)	(36,953)	(9,350)	(2,226)	(1,408)	(735)	(50,672)
At 31st December, 2010	—	1,198	—	—	26	1,224
DEPRECIATION						
At 1st January, 2009	10,430	13,285	2,533	1,356	2,015	29,619
Exchange realignment	56	12	22	—	3	93
Provided for the year	729	693	116	94	80	1,712
Eliminated on disposals	—	(1,074)	—	(352)	(2)	(1,428)
At 31st December, 2009	11,215	12,916	2,671	1,098	2,096	29,996
Exchange realignment	180	76	71	—	7	334
Provided for the year	553	257	88	43	54	995
Eliminated on disposal	—	(3,100)	(1,020)	—	(1,508)	(5,628)
Eliminated on distribution in specie of shares in a subsidiary (note 35)	(11,948)	(9,117)	(1,810)	(1,141)	(648)	(24,664)
At 31st December, 2010	—	1,032	—	—	1	1,033
CARRYING VALUES						
At 31st December, 2010	—	166	—	—	25	191
At 31st December, 2009	25,119	579	496	18	126	26,338

Included in the leasehold land and buildings of the Group are certain lease payments that cannot be allocated reliably between the land and buildings element, and accordingly, the entire lease is treated as a finance lease and included in property, plant and equipment.

As at 31st December, 2009, certain of the leasehold land and buildings of the Group were revalued at 31st December, 1991. Had all the leasehold land and buildings been carried at cost less accumulated depreciation and amortisation, the carrying value of these properties would have been stated at HK$17,323,000.

As at 31st December, 2009, the Group has pledged its leasehold land and buildings having a net book value of approximately HK$6,100,000 to secure general banking facilities granted to the Group.

15. Property, Plant and Equipment *(Continued)*

The Group's leasehold land and buildings comprise:

	Leasehold land and buildings 2010	2009
	HK$'000	HK$'000
Properties held under medium-term leases:		
- in Hong Kong	—	18,975
Properties held under medium-term leases:		
- overseas	—	6,144
	—	25,119

	Furniture, fixtures and equipment	Computer equipment	Total
	HK$'000	**HK$'000**	**HK$'000**
THE COMPANY			
COST			
At 1st January, 2009	2,323	1,540	3,863
Disposals	(29)	(2)	(31)
At 31st December, 2009	2,294	1,538	3,832
Additions	—	7	7
Disposals	(2,294)	(1,545)	(3,839)
At 31st December, 2010	—	—	—
DEPRECIATION			
At 1st January, 2009	2,157	1,426	3,583
Provided for the year	128	50	178
Eliminated on disposals	(29)	(2)	(31)
At 31st December, 2009	2,256	1,474	3,730
Provided for the year	18	28	46
Eliminated on disposals	(2,274)	(1,502)	(3,776)
At 31st December, 2010	—	—	—
CARRYING VALUES			
At 31st December, 2010	—	—	—
At 31st December, 2009	38	64	102

16. Investments in Subsidiaries

	THE COMPANY 2010 HK$'000	2009 HK$'000
Unlisted investments at cost, including deemed capital contribution in subsidiaries	**29**	194,305
Less: Impairment loss recognised	**—**	(187,128)
	29	7,177

During the year, the directors reviewed the carrying values of the investments in subsidiaries. The recoverable amount of the investments in subsidiaries is estimated by directors based on the expected future cash flows generated from the operation of those subsidiaries. As at 31st December, 2010, no impairment loss (2009: HK$187,128,000) had been recognised.

Details of the Company's subsidiaries at 31st December, 2010 and 2009 are set out in note 40.

17. Interest in an Associate

	THE GROUP 2010 HK$'000	2009 HK$'000
Cost of investment		
Unlisted	**—**	757
Share of post-acquisition losses and other comprehensive expense, net of dividends received, up to cost of investment	**—**	(757)
	—	—

Particulars of the associate at 31st December, 2009 were as follows:

Name of associate	Form of business structure	Country of incorporation	Principal place of operation	Class of shares held	Proportion of issued share capital held by the Group %	Principal activities
KSIP (Thailand 1989) Co., Ltd.	Incorporated	Thailand	Thailand	Ordinary	49	Inactive

Summarised financial information in respect of the Group's associate is set out below:

	2010 HK$'000	2009 HK$'000
Total assets and net assets	**—**	—
Group's share of associate's net assets	**—**	—

18. Amounts Due from Subsidiaries and a Fellow Subsidiary

The amounts due from subsidiaries and a fellow subsidiary are unsecured, interest free (2009: bearing interest at 1.12%) and have no fixed terms of repayment. For amounts due from subsidiaies, the directors of the Company have agreed that no repayment will be demanded within the next twelve months from the end of the reporting period, accordingly, the amounts are shown as non-current assets.

19. Inventories

	THE GROUP	
	2010	2009
	HK$'000	HK$'000
Raw materials	–	87
Finished goods	–	72,587
	–	72,674

20. Debtors, Deposits and Prepayments

	THE GROUP	
	2010	2009
	HK$'000	HK$'000
Trade debtors	–	84,935
Less: allowance for doubtful debts	–	(20,202)
	–	64,733
Deposits and prepayments	**6,211**	7,096
Total debtors, deposits and prepayments	**6,211**	71,829

The aged analysis of trade debtors, net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period are as follows:

	THE GROUP	
	2010	2009
	HK$'000	HK$'000
0 - 30 days	–	45,787
31 - 60 days	–	11,623
61 - 90 days	–	5,804
91 - 120 days	–	1,205
121 - 365 days	–	314
	–	64,733

During the year, the aggregate turnover attributable to the Group's five largest customers approximates 25% (2009: 22%) of the Group's total turnover.

The Group and the Company did not have any trade debtors as at 31st December, 2010.

20. Debtors, Deposits and Prepayments *(Continued)*

Ageing of trade debtors which are past due but not impaired

	2010	2009
	HK$'000	HK$'000
Overdue:		
0-30 days	—	11,374
31-60 days	—	1,074
61-90 days	—	165
91-120 days	—	22
121-270 days	—	5
Total	—	12,640

Movement in the allowance for doubtful debts

	2010	2009
	HK$'000	HK$'000
At beginning of the year	**20,202**	19,789
Amounts written off during the year as uncollectible	–	(9,539)
Impairment loss recognised on receivables	**148**	11,233
Impairment loss reversed	**(1,731)**	(1,281)
Released upon distribution in specie of shares in a subsidiary	**(18,619)**	—
At end of the year	—	20,202

Included in the allowance for doubtful debts are specific trade debtors with a balance of HK$nil (2009: HK$11,089,000) which have been placed under liquidation or in severe financial difficulties. The impairment recognised represents the carrying amount of the specific trade debtor.

21. Cash and Cash Equivalents

Short term bank deposits and bank balances and cash comprise cash and deposits held by the Group and the Company with an original maturity of three months or less.

Bank balances and short-term bank deposits carry interest at market rates with average interest rate of 0.09% and 1.14% (2009: 0.0068% and 2.4013%) per annum respectively.

22. Financial Instruments Held for Trading

	THE GROUP	
	2010	2009
	HK$'000	HK$'000
Listed securities:		
- Equity securities listed in Hong Kong	**7,115**	19,693
- Equity securities listed elsewhere	**27,084**	15,003
	34,199	34,696
Mutual funds	—	67,975
	34,199	102,671

22. Financial Instruments Held for Trading *(Continued)*

The fair values of all listed equity securities are determined by reference to the quoted market bid price available on the relevant exchanges.

Mutual funds represent funds managed by professional fund managers, which are redeemable at their net assets value, net of handling fee and expenses. Fair values of the mutual funds are provided by the fund managers and are measured based on their net assets value which is calculated by dividing the value of the assets of the mutual funds less its liabilities, by the total number of units in issue as stipulated in the relevant trust deed. The underlying investments held by the mutual funds are valued as follows:

- quoted investments of the underlying funds are valued at their closing bid price.
- unquoted investments of the underlying funds are valued in accordance with the most recent revaluation or expected disposal or redemption price provided by the professional fund managers.

23. Other Investment

Other investment represent gold bullions stated at fair values less costs to sell. The fair values are determined by reference to the quoted market price. Any gain or loss arising on measurement is recognised in profit or loss.

24. Creditors and Accrued Charges

	THE GROUP	
	2010	2009
	HK$'000	HK$'000
Trade creditors	**—**	7,049
Other creditors and accrued charges	**10,244**	22,304
	10,244	29,353

The aged analysis of the trade creditors presented based on the invoice date at the end of the reporting period are as follows:

	2010	2009
	HK$'000	HK$'000
0 - 30 days	**—**	7,049

The Group and the Company did not have any trade creditors as at 31st December, 2010.

25. Amounts due to Minority Shareholders of Subsidiaries

The amounts due to minority shareholders of subsidiaries are unsecured, interest free and repayable on demand.

26. Bank Borrowings

	THE GROUP		THE COMPANY	
	2010	2009	**2010**	2009
	HK$'000	HK$'000	**HK$'000**	HK$'000
The bank borrowings, which are due within one year, comprise:				
Bank loans				
- secured (Note)	**—**	8,601	**—**	—
- unsecured	**—**	25,102	**—**	15,500
Trust receipt and import loans	**—**	155,152	**—**	—
	—	188,855	**—**	15,500

Note: For details of the assets pledged as collateral, please refer to note 32.

The Group and the Company did not have any borrowings or assets pledged as at 31st December 2010.

The bank borrowings of the Group and the Company were arranged at floating interest rates. The average interest rate for the Group and the Company for the year was 1.35% (2009: 1.17%) and 1.25% (2009: 1.13%) per annum, respectively.

The Group's bank borrowings that are denominated in currencies, other than the functional currency of the operations to which they related are set out below:

	THE GROUP		THE COMPANY	
	2010	2009	**2010**	2009
	HK$'000	HK$'000	**HK$'000**	HK$'000
United States dollar	**—**	20,884	**—**	–
Japanese yen	**—**	16,975	**—**	–

27. Share Capital

	Number of shares	**Amount**
		HK$'000
Ordinary shares of HK$0.05 each		
Authorised:		
At beginning and at end of the years 2009 and 2010	700,000,000	35,000
Issued and fully paid:		
At beginning and at end of the years 2009 and 2010	445,500,000	22,275

28. Reserves

	Share premium	(Accumulated loss) retained profits	Total
	HK$'000	HK$'000	HK$'000
THE COMPANY			
At 1st January, 2009	153,728	(4,086)	149,642
Profit for the year	—	110,224	110,224
At 31st December, 2009	153,728	106,138	259,866
Profit for the year	—	149,092	149,092
Dividend paid	—	(26,730)	(26,730)
Special dividend by way of distribution in specie of shares in a subsidiary	—	(85,535)	(85,535)
At 31st December, 2010	153,728	142,965	296,693

29. Deferred Tax Liabilities

The Group's deferred tax liabilities and assets recognised and movements thereon during the current and prior years are set out below:

	Fair value change of investment properties	Revaluation of leasehold land and building	Accelerated tax depreciation	Total
	HK$'000	HK$'000	HK$'000	HK$'000
At 1st January, 2009	10,876	2,766	1,150	14,792
Charge (credit) to profit or loss	4,134	—	(582)	3,552
Exchange realignment	4	—	—	4
At 31st December, 2009	15,014	2,766	568	18,348
Credit to profit or loss	(2,200)	—	—	(2,200)
Release upon distribution in specie of shares in a subsidiary	(5,438)	(2,766)	(568)	(8,772)
Exchange realignment	840	—	—	840
At 31st December, 2010	8,216	—	—	8,216

At the end of the reporting period, the Group had unused tax losses of approximately HK$63,000,000 (2009: HK$216,000,000) available for offset against future profits. No deferred tax assets have been recognised in respect of such losses due to the unpredictability of future profit streams. Such tax losses may be carried forward indefinitely.

30. Operating Lease Commitments

The Group as lessee:

At the end of the reporting period, the Group and the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

	THE GROUP		THE COMPANY	
	2010	2009	**2010**	2009
	HK$'000	HK$'000	**HK$'000**	HK$'000
Within one year	**—**	1,531	**—**	90

Operating lease payments represent rentals payable by the Group and the Company for certain of its office premises. Leases are negotiated for terms ranging from one to three years and rentals are fixed over the lease terms.

The Group as lessor:

Property rental income earned during the year is disclosed in note 8. The properties held have committed tenants for the lease term ranging from one to three years and rentals are fixed over the lease terms.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

	THE GROUP	
	2010	2009
	HK$'000	HK$'000
Within one year	**17,551**	15,161
In the second to fifth year inclusive	**18,394**	11,825
	35,945	26,986

31. Contingent Liabilities

There is no financial guarantee given by the Group and the Company as at 31st December 2010. As at 31st December, 2009, financial guarantees were given to banks by the Company in respect of banking facilities utilised by the subsidiaries amounting to HK$172,126,000, of which unamortisted amount of HK$8,363,000 was recognised in the Company's statement of financial position as financial guarantee contracts and was included in creditors and accrued charges.

32. Pledge of Assets

The following assets were pledged to banks to secure banking facilities granted to the Group at the end of the reporting period:

	THE GROUP	
	2010	2009
	HK$'000	HK$'000
Financial instruments held for trading	–	7,347
Leasehold land and buildings	–	6,145
	–	13,492

The Group and the Company did not pledge any assets as at 31st December, 2010.

33. Retirement Benefits Scheme

The Group operates a Mandatory Provident Fund Scheme and other defined contribution retirement schemes for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The employees of the Company's subsidiaries established outside Hong Kong are members of a state-managed retirement scheme operated by respective governments. These subsidiaries are required to contribute certain percentage of basic payroll costs to the retirement benefit scheme. The only obligation of the Group with respect to these schemes is to make the required contributions under the scheme.

The retirement benefits cost charged to the consolidated statement of comprehensive income of HK$251,000 (2009: HK$595,000) represents contributions payable to the scheme by the Group at rates specified in the rules of the scheme.

34. Related Party Transactions

Other than the amounts due from subsidiaries, amount due from a fellow subsidiary and related guarantee provided by the Company as disclosed in respective notes, the Group and the Company does not enter into any transactions with related parties.

The compensation to key management personnel comprises only the directors' emoluments, details of which are disclosed in note 10.

35. Distribution in Specie of Shares in a Subsidiary

During the year, at an extraordinary general meeting held on 7th October, 2010, the shareholders of the Company approved the group reorganisation which required the transfer of the subsidiaries carrying on trading business of chemicals and metals to KSL and a subsequent payment of a special dividend for the year ended 31st December, 2010 satisfied by way of a distribution in specie of ordinary shares in KSL.

The net assets of the subsidiaries were as follows:

	HK$'000
Analysis of assets and liabilities over which control was lost:	
Investment properties	30,554
Property, plant and equipment	26,008
Inventories	87,534
Debtors, deposits and prepayment	59,512
Bills receivable	8,565
Financial instruments held for trading	54,860
Bank balances and cash	121,870
Creditors and accrued charges	(18,055)
Bills payable	(269)
Deferred taxation liabilities	(6,006)
Taxation payable	(3,493)
Bank borrowings	(227,661)
Net assets transferred	133,419
Loss arising from distribution in specie of shares in a subsidiary:	
Distribution of shares in KSL at fair value	85,535
Net assets transferred	(133,419)
Non-controlling interest	18,655
Cumulative exchange differences in respect of the net assets of the subsidiaries reclassified from equity to retained profits on distribution in specie of shares in a subsidiary	10,858
Loss on distribution	(18,371)
Net cash outflow arising on distribution in specie of shares in a subsidiary	
Bank balances and cash	(121,870)

36. Major Non-cash Transactions

During the year, certain interests in subsidiaries have been distributed to the shareholders of the Company. Further details of the distribution are set out in notes 9, 12 and 35.

37. Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group and the Company consists of equity attributable to owners of the Company, comprising issued share capital and reserves.

The management reviews the capital structure regularly. As a part of this review, the management considers the cost of capital and the risks associated with the issued share capital and will balance the Group's overall capital structure through the payment of dividend, or the issue of new debt.

The Group's overall strategy remains unchanged from prior year.

38. Financial Instruments

(a) Categories of financial instruments

	THE GROUP		**THE COMPANY**	
	2010	2009	**2010**	2009
	HK$'000	HK$'000	**HK$'000**	HK$'000
Financial assets				
FVTPL				
– Held for trading	**34,199**	102,671	**—**	—
Loans and receivables (including cash and cash equivalents)	**138,464**	301,463	**319,776**	300,234
Financial liabilities				
Amortised cost	**8,200**	205,310	**1,002**	16,389
Financial guarantee contracts	**—**	—	**—**	8,363

(b) Financial risk management objectives and policies

The management monitors and manages the financial risks relating to the operations of the Group through various internal management reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

There has been no significant change to the Group's exposure to market risks or the manner in which it manages and measures such risks.

38. Financial Instruments *(Continued)*

(c) Foreign currency risk management

Some of the Group's transactions were included in foreign currencies (see below) other than the functional currency of the operations to which they related. Certain trade debtors, bank balances and deposits, trade creditors and bank borrowings of the Group were also denominated in foreign currencies other than the functional currency of the group entities. Hence, exposures to exchange rate fluctuations arise. The Group will manage the exchange rate exposures by using forward exchange contracts to hedge its foreign currency exposure in trading activities when considered appropriate.

The carrying amount of the Group's and the Company's foreign currency denominated monetary assets and monetary liabilities other than the functional currency of the operations to which they relate at the end of the reporting period is as follows:

	Assets		Liabilities	
	2010	2009	**2010**	2009
	HK$'000	HK$'000	**HK$'000**	HK$'000
THE GROUP				
United States dollar	**97,411**	126,029	**—**	18,811
Swiss franc	**306**	—	**—**	—
Singapore dollar	**294**	—	**—**	—
Australian dollar	**12,834**	—	**—**	—
Japanese yen	**—**	50	**—**	7,408
Euro	**—**	5,300	**—**	30
Renminbi	**2**	634	**—**	—
New Taiwanese dollar	**—**	—	**—**	58
Hong Kong dollar	**76**	1,006	**4,278**	4,655
	110,923	133,019	**4,278**	30,962
THE COMPANY				
United States dollar	**39,185**	38	**—**	—

Foreign currency sensitivity

As Hong Kong dollar is currently pegged to United States dollar, management considers that the exposure to exchange fluctuation in respect of United States dollar is limited as the relevant group entities have Hong Kong dollar as their functional currency. The Group therefore mainly exposed to other currencies.

The following table indicates the approximate change in the Group's and Company's profit or loss in response to reasonably possible changes in the foreign exchange rates to which the Group and Company have significant exposure at the end of the reporting period.

38. Financial Instruments *(Continued)*

(c) Foreign currency risk management *(Continued)*

Foreign currency sensitivity *(Continued)*

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to each of the group entities' exposure to currency risk for non-derivative financial instruments in existence at that date.

The stated changes represent the management's assessment of reasonably possible changes in foreign exchange rates over the next reporting period. Results of the analysis as presented in the below table represent an aggregation of the effects on each of the group entities' profit or loss measured in the respective functional currencies, translated into Hong Kong dollar at the exchange rate ruling at the end of the reporting period for presentation purposes. A positive (negative) number represented an increase in profit or decrease in loss (decrease in profit or increase in loss). The analysis is preformed on the same basis for 2009.

	2010		2009	
	Increase (decrease) in foreign exchange rates	**Effect on profit or loss**	Increase (decrease) in foreign exchange rates	Effect on profit or loss
		HK$'000		HK$'000
THE GROUP				
Japanese yen against	**10%**	**—**	10%	(736)
Hong Kong dollar	**(10%)**	**—**	(10%)	736
Euro against	**10%**	**—**	10%	527
Hong Kong dollar	**(10%)**	**—**	(10%)	(527)
Renminbi against	**10%**	**—**	10%	63
Hong Kong dollar	**(10%)**	**—**	(10%)	(63)
New Taiwanese dollar				
against	**10%**	**—**	10%	(6)
Hong Kong dollar	**(10%)**	**—**	(10%)	6
Swiss franc against	**10%**	**31**	10%	—
Hong Kong dollar	**(10%)**	**(31)**	(10%)	—
Singapore dollar against	**10%**	**29**	10%	—
Hong Kong dollar	**(10%)**	**(29)**	(10%)	—
Australian dollar against	**10%**	**1,283**	10%	—
Hong Kong dollar	**(10%)**	**(1,283)**	(10%)	—

38. Financial Instruments *(Continued)*

(d) Interest rate risk management

The Group's bank balances, short-term bank deposits and bank borrowings carry interest at market rates. In the opinion of the directors of the Company, the impact of change in the interest rate of short-term bank deposits is negligible. Accordingly, the sensitivity analysis below only include analysis on bank borrowing.

Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative financial instruments (representing variable rate bank borrowings as at 31st December, 2010 and 2009) and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is used as it represents management's assessment of the possible change in interest rate.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 31st December, 2010 would increase/decrease by HK$nil (2009: profit would decrease/increase by HK$944,000).

The Group's sensitivity to interest rates has decreased during the current year mainly due to the reduction in variable rate debt instruments.

(e) Other price risks

The Group's financial instruments held for trading, comprising listed equity securities and mutual funds, are measured at fair value at the end of the reporting period. The management has performed analysis of the nature of market risk associated with the equity securities and mutual funds, including discussion with the investment advisors, and concluded that the price risk is more prominent in evaluating the market risk of this kind of investments. The management manages this exposure by maintaining a portfolio of investments with different risk profiles in accordance with the limits set by the Group and located in different jurisdictions.

Price sensitivity

The sensitivity analyses below have been determined based on the exposure to price risk at the end of the reporting period. A 10% increase or decrease is used as it represents management's assessment of the possible change in price of equity securities and mutual funds.

If the prices of the respective equity securities and mutual funds had been 10% higher/lower, the Group's loss for the year ended 31st December, 2010 would decrease/increase by HK$3,420,000 (2009: profit would increase/decrease by HK$10,267,000) as a result of the changes in fair value of investments held-for-trading investments.

38. Financial Instruments *(Continued)*

(f) Credit risk management

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds and investments is limited because directors consider that the counterparties are financially sound.

The Company has concentration of credit risk as approximate 88% (2009: 97%) of the total assets of the Company were amounts due from subsidiaries.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

As at 31st December, 2010, the Group and the Company's maximum exposure to credit risk which will cause a financial loss to the Group and the Company due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated and the Company's statement of financial position.

(g) Liquidity risk management

In the management of the liquidity risk, the Group and the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's and the Company's operations and mitigate the effects of fluctuations in cash flows.

As at 31st December, 2009, the Group and the Company have available unutilised short-term bank loan facilities of approximately HK$461,896,000.

38. Financial Instruments *(Continued)*

(g) Liquidity risk management *(Continued)*

Liquidity information

The following tables detail the Group's and the Company's remaining contractual maturity for other non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The tables include both interest and principal cash flows:

THE GROUP

	Weighted average effective interest rate	Less than 1 month	1-3 months	Over 3 months	Total undiscounted cash flows	Carrying amount
	%	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
31st December, 2010						
Creditors and accrued charges	—	**1,743**	**81**	**2,328**	**4,152**	**4,152**
Amounts due to minority shareholders of subsidiaries	—	**4,048**	—	—	**4,048**	**4,048**
		5,791	**81**	**2,328**	**8,200**	**8,200**
31st December, 2009						
Creditors and accrued charges	—	8,086	42	4,279	12,407	12,407
Amounts due to minority shareholders of subsidiaries	—	4,048	—	—	4,048	4,048
Bank borrowings - variable rate	1.17	157,615	31,496	—	189,111	188,855
		169,749	31,538	4,279	205,566	205,310

THE COMPANY

	Weighted average effective interest rate	Less than 1 month	1-3 months	Over 3 months	Total undiscounted cash flows	Carrying amount
	%	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
31st December, 2010						
Creditors and accrued charges	—	**941**	**61**	—	**1,002**	**1,002**
31st December, 2009						
Creditors and accrued charges	—	—	—	889	889	889
Bank borrowings - variable rate	1.13	15,530	—	—	15,530	15,500
		15,530	—	889	16,419	16,389

38. Financial Instruments *(Continued)*

(h) Fair value of financial instruments

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 and Level 2 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

	31.12.2010		31.12.2009	
	Level 1	Level 1	Level 2	Total
	HK$'000	HK$'000	HK$'000	HK$'000
Total financial instruments held for trading	**34,199**	70,112	32,559	102,671

There were no transfers between Level 1 and 2 in the current year.

Other than set out in notes 22 and 23, the fair value of other financial assets and all financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

39. Critical Accounting Estimates and Judgements

In the process of applying the Group's accounting policies, which are described in note 3, the directors have considered the following critical accounting estimates at the end of the reporting period, that would have significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

As described in note 3 and 14, investment properties are stated at fair value based on the valuation performed by an independent professional valuer. In determining the fair value, the valuer has based on a method of valuation which involves estimates in market rental and rental yield. In relying on the valuation report, the directors have exercised their judgment and are satisfied that the method of valuation is reflective of the current market conditions.

40. Subsidiaries

Particulars of the subsidiaries as at 31st December, 2010 and 2009 are as follows:

Name of subsidiary	Place of incorporation/ registration	Principal place of operation	Issued/ registered and fully paid capital		Percentage of issued/ registered capital held by the Company		Principal activities
			Ordinary	Non-voting preferred (Note)	2010 %	2009 %	
Asia Fame International Limited	Hong Kong	Hong Kong	HK$1,000,000	–	–	100*	Manufacturing of electroplating chemicals and solutions
Bright Star Limited	Cook Islands	Hong Kong	US$1,000	–	–	100	Investment holding
Charterway Developments Limited	Hong Kong	Hong Kong	HK$1,000,000	–	–	100	Property investment
E.P. Resources Limited	Hong Kong	Hong Kong	HK$10,000	–	100*	100*	Securities investment and trading
Electrochemical Technologies Limited	Hong Kong	Hong Kong	HK$2	–	–	100*	Securities investment
EngoTech Limited	Hong Kong	Hong Kong	HK$10,000	–	–	100*	Manufacturing of and trading in electroplating chemicals and solutions
Ever Channel Properties Limited	Hong Kong	Elsewhere in the PRC	HK$10,000	–	–	90	Property investment
Gemini Investment (HK) Limited (formerly known as Kee Shing International Limited)	Hong Kong	Hong Kong	HK$2	–	100*	100*	Securities investment
Gemini Investments (Holdings) Limited (formerly known as Gemini Property Holdings Limited)	Hong Kong	Hong Kong	HK$1	–	100*	–	Inactive
Gemini Property (HK) Limited (formerly known as Gemini Property Investments Limited)	Hong Kong	Hong Kong	HK$1	–	100*	–	Inactive
Global Trade Properties Limited	Hong Kong	Elsewhere in the PRC	HK$10,000	–	–	90	Property investment
Gold Asset Properties Limited	Hong Kong	Elsewhere in the PRC	HK$10,000	–	–	90	Property investment
Guan Heng Trading (Shanghai) Co., Ltd.	Shanghai, PRC	Elsewhere in the PRC	US$350,000	–	–	100	Trading in chemicals
Jollifair Investments Limited	Hong Kong	Hong Kong	HK$3,497,897	–	–	100*	Investment holding
Joy Sky Capital Investment Limited	Hong Kong	Hong Kong	HK$1	–	100*	–	Investment holding

40. Subsidiaries *(Continued)*

Name of subsidiary	Place of incorporation/ registration	Principal place of operation	Issued/ registered and fully paid capital		**Percentage of issued/ registered capital held by the Company**		Principal activities
			Ordinary	Non-voting preferred (Note)	**2010 %**	2009 %	
Kee Shing (Coins) Limited	Hong Kong	Hong Kong	HK$1,000,000	–	**–**	100*	Securities trading
Kee Shing Hardware Supplies Limited	Hong Kong	Hong Kong	HK$800,000	HK$400,000	**–**	100	Trading in stainless steel
Kee Shing Industrial Products Limited	Hong Kong	Hong Kong and Taiwan	HK$200	HK$1,000,000	**–**	100*	Investment holding and trading in electroplating chemicals and metals
Kee Shing (Investments) Limited	Cook Islands	Hong Kong	US$1,000	–	**–**	100*	Investment holding
Kee Shing Property Consultants (Shanghai) Co., Ltd.	Shanghai, PRC	Elsewhere in the PRC	RMB2,902,060	–	**–**	100	Property management
Kingsview Properties Limited	Hong Kong	Elsewhere in the PRC	HK$10,000	–	**–**	90	Property investment
Klendo Limited	Hong Kong	Elsewhere in the PRC	HK$10,000	–	**90***	90*	Property investment
KSIP (Singapore) Pte. Ltd.	Republic of Singapore	Republic of Singapore	S$1,000,000	–	**–**	51	Trading in electroplating chemicals and metal plating products
Pacific Apex International Limited	Hong Kong	Hong Kong	HK$10,000	–	**–**	100*	Inactive
Pacific Wide Properties Limited	Hong Kong	Elsewhere in the PRC	HK$10,000	–	**–**	90	Property investment
Sam Wing International Limited	Hong Kong	Elsewhere in the PRC	HK$1,825,200	HK$2,160,000	**–**	100*	Trading in chemicals and securities investment
Sure Glory Ventures, Inc.	British Virgin Islands	Australia	US$2	–	**–**	100*	Investment holding
Topbase Properties Limited	Hong Kong	Elsewhere in the PRC	HK$10,000	–	**–**	90	Property investment
Top Image Properties Limited	Hong Kong	Elsewhere in the PRC	HK$10,000	–	**–**	90	Property investment
Trendex Investment Limited	Hong Kong	Elsewhere in the PRC	HK$10,000	–	**100***	100*	Property investment

40. Subsidiaries *(Continued)*

Name of subsidiary	Place of incorporation/ registration	Principal place of operation	Issued/ registered and fully paid capital		**Percentage of issued/ registered capital held by the Company**		Principal activities
			Ordinary	Non-voting preferred (Note)	**2010 %**	2009 %	
Union Channel Properties Limited	Hong Kong	Elsewhere in the PRC	HK$10,000	–	**–**	90	Property investment
Union Crown Properties Limited	Hong Kong	Elsewhere in the PRC	HK$10,000	–	**–**	90	Property investment
Winbase Properties Limited	Hong Kong	Elsewhere in the PRC	HK$10,000	–	**–**	90	Property investment

* Directly held by the Company

None of the subsidiaries had any loan capital subsisted at 31st December, 2010 or at any time during the year.

Note:

The non-voting preferred shares, which are not held by the Company, practically carry no rights to dividends or to receive notice of or to attend or vote at any general meeting of the respective companies or to participate in any distribution on winding up.

Consolidated Statement of Comprehensive Income

For the year ended 31st December,

	2006	2007	2008	2009	**2010**
	HK$'000	HK$'000	HK$'000	HK$'000 (Restated)	**HK$'000**
Turnover	2,240,998	2,271,092	1,782,553	24,678	**18,727**
Profit/(Loss) before taxation	90,099	111,799	(87,146)	89,015	**(24,965)**
Taxation	(9,923)	(9,953)	(1,812)	(10,232)	**(1,372)**
Profit/(Loss) for the year	80,176	101,846	(88,958)	78,783	**(26,337)**

Consolidated Statement of Financial Position

As at 31st December,

	2006	2007	2008	2009	**2010**
	HK$'000	HK$'000	HK$'000	HK$'000	**HK$'000**
Total assets	1,230,588	1,198,764	841,848	913,370	**538,062**
Total liabilities	(596,123)	(503,900)	(255,535)	(242,966)	**(22,586)**
	634,465	694,864	586,313	670,404	**515,476**
Equity attributable to:					
Equity holders of the parent	611,734	664,809	555,380	636,098	**501,140**
Non-controlling interests	22,731	30,055	30,933	34,306	**14,336**
	634,465	694,864	586,313	670,404	**515,476**

BOARD OF DIRECTORS

Executive Directors

LI Jianbo (Chairman)
ZHAO Yanjie

Non-Executive Director

LI Hongbo

Independent Non-Executive Directors

LAW Tze Lun
LO Woon Bor, Henry
ZHENG Yun

AUDIT COMMITTEE

LAW Tze Lun - Chairman
LO Woon Bor, Henry
ZHENG Yun

REMUNERATION COMMITTEE

LI Jianbo – Chairman
LAW Tze Lun
LO Woon Bor, Henry
ZHENG Yun

COMPANY SECRETARY

NGAN Chui Wan

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants

PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
China Construction Bank Corporation
The Hongkong and Shanghai Banking Corporation Limited

SHARE REGISTRAR

Tricor Standard Registrars Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suite 3709, 37/F.,
Lippo Centre Tower II
89 Queensway
Hong Kong