



遠東發展有限公司

Far East Consortium International Limited

Stock Code 股份代號：035



Annual Report 年報 2010





We entered 2010/11 financial year with more optimism compared to last year. We believe the foundations that we have laid in the past will enable the Group to continue to grow in the future. We remain firmly committed to deliver consistent long term return to our shareholders and we are confident we have adopted the right strategy and model to achieve this objective.

PLACE OF INCORPORATION

Cayman Islands

EXECUTIVE DIRECTORS

Deacon Te Ken CHIU, J.P. (Chairman)

David CHIU, Tan Sri Dato', B.Sc.

(Deputy Chairman and
Chief Executive Officer)

Dennis CHIU, B.A.

Craig Grenfell WILLIAMS, B. ENG. (CIVIL)

NON-EXECUTIVE DIRECTORS

Ching Lan JU CHIU, J.P.

Daniel Tat Jung CHIU

INDEPENDENT NON-EXECUTIVE DIRECTORS

Jian Yin JIANG

Kwok Wai CHAN

Peter Man Kong WONG, J.P.

MANAGING DIRECTOR

Chris Cheong Thard HOONG, B. ENG, ACA

CHIEF OPERATING OFFICER

Denny Chi Hing CHAN

QUALIFIED ACCOUNTANT, CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Bill Kwai Pui MOK, B.A., M.B.A., A.I.C.P.A., C.P.A.

AUTHORIZED REPRESENTATIVES

Deacon Te Ken CHIU

David CHIU

SOLICITORS

Hong Kong

Woo, Kwan, Lee & Lo

Australia

Freehills

AUDITOR

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

PRINCIPAL BANKERS

Hong Kong

Cathay United Bank Company, Limited

Chong Hing Bank Limited

Citic Bank International Limited

Dah Sing Bank, Limited

DBS Bank (Hong Kong) Limited

Hang Seng Bank Limited

Nanyang Commercial Bank Limited

Public Bank (Hong Kong) Limited

The Hongkong and Shanghai

Banking Corporation Limited

Wing Hang Bank Limited

Malaysia

Affin Islamic Bank Berhad

Affin Bank Berhad

OCBC Bank (Malaysia) Berhad

Public Bank Berhad

Singapore

The Hongkong and Shanghai

Banking Corporation Limited

Australia

Australia and New Zealand Banking Group Limited

Bank of Western Australia

Commonwealth Bank of Australia Limited

China

Agricultural Bank of China Limited

Construction Bank of China

DBS Bank (China) Limited

HSBC Bank (China) Company Limited

REGISTERED OFFICE

P.O. Box 1043, Ground Floor,

Caledonian House, Mary Street,

George Town,

Grand Cayman, Cayman Islands,

British West Indies

PRINCIPAL OFFICE

16th Floor, Far East Consortium Building,

121 Des Voeux Road Central,

Hong Kong

SHARE REGISTRAR

Tricor Standard Limited

26th Floor, Tesbury Centre,

28 Queen's Road East,

Wanchai,

Hong Kong

LISTING INFORMATION

Ordinary Shares (Code: 035)

Convertible Bonds 2015 (Code: 4317)

The Stock Exchange of Hong Kong Limited

WEBSITE

<http://www.fecil.com.hk>

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Yue Shanghai Hotel

Shanghai, China



Chairman's Statement



Listed on the Hong Kong Stock Exchange in 1972, Far East Consortium is a company with a long history. No matter successful or not, we should always learn from the past and plan for the future. In order to achieve business success, we must have a long term vision and a strategy to execute. Over the past few decades, the Company had kept pace with the passage of time, and now we have developed businesses in Mainland China, Hong Kong, Malaysia, Singapore and Australia.

In 2009, the global economy was still in the aftershock of financial crisis, the economic environment for the first half of the year was still dampened. Notwithstanding the challenges of the global economy, we have demonstrated the sturdy virtue of Chinese and safely got through the global financial crisis. As the market recovered, we had expanded our core business areas to strengthen our competitiveness.

2009 is a significant year for our country as it marks the 60th anniversary of The People's Republic of China (PRC). The 60th anniversary of the PRC was one of the most glorious celebrations in Chinese history. I am delighted

to see China's rising to power among the leading countries in the world and emerging as one of the strongest economies just after the turn of the century. And now, China plays a prominent role in the global economic development. We should all take pride in our Chinese heritage.


I am glad to see that our Company has so many young and talented staff. Thanks to the dedicated staff of the Company, our hotels once again won a number of encouraging awards during the year, for example: Lan Kwai Fong Hotel@ Kau U Fong was awarded the "Asia's Leading Boutique Hotel" of the World Travel Awards 2009, and was nominated for the "World's Leading Boutique Hotel" of the World Travel Awards 2009; Cosmopolitan Hotel was selected as one of the designated hotels for Hong Kong 2009 East Asian Games and was recommended by "Michelin Guide Hong Kong and Macau 2009 & 2010" as one of the most comfortable hotels in Hong Kong.

2010 will be an exciting year with the opening of Shanghai EXPO, the tourism and hotel industries will benefit the most,

and will bring new opportunities to the Group. Yue Shanghai Hotel, situated in the heart of Pudong, was opened in early 2010. This project has set a cornerstone for the Group's business in Shanghai. Far East Consortium will continue to grow with Mainland China's development.

Lastly, I would like to take this opportunity to express my appreciation to Tan Sri Dato' David Chiu, the Deputy Chairman and Chief Executive Officer, for his great contribution to the Company over last year, and I would like to express my sincere gratitude to the Shareholders, Directors and all staffs of the Company. Despite various challenges in the coming year, we will continue to count on your commitment and dedication for attaining the success of the Company in the future.

Deacon Te Ken Chiu
Chairman



Cosmo Kowloon Hotel
Hong Kong

**Report of Deputy Chairman &
Chief Executive Officer**



California Garden
Shanghai, China



Upper West Side
Melbourne, Australia

I am pleased to present the annual results of Far East Consortium International Limited for the financial year ended 31 March 2010.

2009/2010 was a year where we experienced weak economic conditions in the first half and a gradual recovery in operating environment in the second half.

Despite the challenging first half where the Group's results were affected by a combination of slow economic conditions and the H1N1 flu pandemic, the Group had a record year in terms of revenue, helped by the completion of the Northbank project in Australia, sale of residential units in California Gardens, a strong recovery in our hotel business in the second half and the contribution from our car park division.

In order to position the Group to capture the significant opportunities in different property segments in Asia,

the Group continued to implement a number of strategic initiatives to strengthen our core businesses.

Our longer term strategic objective for our property development division is to have a larger number of projects in order to smooth out the effect of the unevenness of earnings contributions from the completion of our property projects. To this end we will grow our pipeline by acquiring more sites whilst taking into account of different property cycles in different cities in China.

Last year, we started construction of a new phase of mid rise apartments in California Garden with approximately 280 units. We also concluded the plan for a further 798 residential units in the coming phases of development. In Australia, we finalized our plan with regard to phase one of the Upper West Side project in central Melbourne and we expect to launch approximately

700 apartments in the pre-sale soon. A further 600-700 apartments will be launched immediately following phase one. We also finalized our plan to build approximately 630 apartments in our Hua Di Jia Yuan project in Guangzhou the construction of which is expected to commence this year. Including our development projects in Hong Kong, we have over 3,000 residential units which are currently under construction or the construction of which shall commence within the next two years.

On land acquisitions, we are constantly reviewing new opportunities and we intend to continue to selectively grow our presence in China.

With regard to our hotel division, we continued our efforts to build our pipeline. We acquired a new site in Singapore which will be developed into a mixed development including a 285-room hotel. We formed a new team focusing on third party hotel

Report of Deputy Chairman & Chief Executive Officer

management operation. We opened our landmark hotel in Shanghai in February 2010 and obtained the occupancy permit for our new hotel in Kowloon, Hong Kong. We are currently expecting to add 2,752 hotel rooms to our portfolio within two and half years taking the total number of hotel rooms under our ownership to 6,356 rooms. On branding, we will be implementing a new initiative to rebrand our hotels to facilitate expansion into third party management business. We have recently signed a letter of intent with a third party owner to manage a 400-room hotel and we expect to grow this business aggressively.

We account for our hotel portfolio in our balance sheet at cost less depreciation rather than market value. As at 31 March 2010, the revaluation surplus of our hotel portfolio over its carrying amount in the balance sheet amounted to approximately HK\$5 billion⁽¹⁾ based on valuations by independent valuers. To unlock such significant revaluation surplus in our hotel portfolio, we appointed a number of investment banks to help us evaluate our options. We are in the process of seriously considering a proposed plan to spin off the hotel division. The timing for such proposed spin-off will be subject to, among other things, market conditions.

We established a new car park division through completion of the acquisitions announced on 7 May 2009. We are now managing over 250 car parks with approximately 46,000 parking bays and we have increased our ownership of car parks to 20 with over 5,600 parking bays. We will continue to make selective acquisitions and expect this division to generate a steady growing cashflow stream.

We have maintained a core investment property portfolio in Hong Kong, mainland China and Singapore which generates a steady rental income stream. Last year, we disposed a number of smaller assets to improve our management efficiency. We are currently evaluating an opportunity to build a regional shopping mall in California Garden which will contribute to the earning stream in the medium term.

On financial management, we redeemed/repurchased convertible bonds of HK\$130m last year and we completed a HK\$800m convertible offering in March 2010. The net proceeds raised will provide the Group with additional ammunition to further expand our project pipelines and lay a strong foundation for further growth in the next several years.

We entered 2010/11 financial year with more optimism compared to last year. We believe the foundations that we have laid in the past will enable the Group to continue to grow in the future. We are evaluating entering the serviced apartment sector which is regarded as complimentary to our existing businesses. We remain firmly committed to deliver consistent long term return to our shareholders and we are confident we have adopted the right strategy and model to achieve this objective.

I would like to thank our employees, management and directors for their hard work and contributions during the year.

David Chiu

Deputy Chairman and
Chief Executive Officer

Note(1) Including Dorsett Regency CBD, Zhongshan, of which we are in the process of obtaining the title certificate. Its market value was estimated at RMB220m as at 31st March 2010.

Profile of Directors and Senior Management



Mr. Deacon Te Ken CHIU
Chairman

Mr. Deacon Te Ken CHIU, J.P. (Chairman)

Mr. Chiu, aged 85, is the founder of the Far East Group and has been the Chairman of the Company since 1972. He is also the Chairman of Far East Holdings International Limited (stock code: 36) and Far East Hotels and Entertainment Limited (stock code: 37). Mr. Chiu has more than 50 years of business experience in property investment and development; operation of entertainment and tourism related business; hotel ownership and management; financing and banking. He was a member of the Chinese People's Political and Consultative Conference from the 6th to 9th; the founder of the Yan Chai Hospital and the Vice Patron of the Community Chest since 1968; the founder and permanent Honorary Chairman of The New Territories General Chamber of Commerce; the founder and Chairman of the Ju Ching Chu Secondary Schools since 1966. Mr. Chiu is the husband of Madam Ching Lan Ju Chiu J.P., the father of Tan Sri Dato' David Chiu, Messrs. Dennis Chiu and Daniel Tat Jung Chiu.



Tan Sri Dato' David CHIU
Deputy Chairman and Chief Executive Officer

Tan Sri Dato' David Chiu, B.Sc.
(Deputy Chairman & Chief Executive Officer)

Tan Sri Dato' David Chiu, aged 56, holds a double degree of Bachelor of Science in Business Administration and Economics at the University of Sophia, Japan. He is a prominent businessman with over 30 years' experience in the property development and extensive experience in the hotel development. In his business career, he established a number of highly successful business operation through organic growth and acquisitions, covering mainland China, Hong Kong, Japan, Malaysia, Singapore and Australia. Since 1978, he had been the Managing Director of Far East Consortium Limited (the predecessor of the Company). He was appointed as Deputy Chairman and Chief Executive Officer of the Company on 8th December, 1994 and 8th October, 1997 respectively.

With regard to his devotion to the community services, Tan Sri Dato' David Chiu is a trustee member of "The

Better Hong Kong Foundation" and the former chairman of "the Festival Celebration for the Chinese People's Liberation Army Force" in Hong Kong. He is also a member of the "Concerted Efforts Resource Centre", a member of "Hong Kong General Chamber Commerce", a member of the "Constitutional Reform Synergy" and a member of "The Real Estate Developers Association of Hong Kong". In Malaysia, he was awarded an honorary award which carried the title "Dato" and a more senior honorary title of "Tan Sri" by His Majesty, King of Malaysia in 1997 and 2005 respectively. He is the second son of Mr. Deacon Te Ken Chiu J.P. and Madam Ching Lan Ju Chiu J.P., the brother of Messrs. Dennis Chiu and Daniel Tat Jung Chiu.

Mr. Dennis CHIU, B.A.
(Executive Director)

Mr. Chiu, aged 51, was appointed as an Executive Director of the Far East Consortium Limited, the predecessor of the Company, in 1978. Mr. Chiu has

been actively involved in the business development in the People's Republic of China ("PRC"), Singapore and Malaysia. He is an Executive Director of Far East Holdings International Limited (stock code: 36) and a Non-executive Director of Far East Hotels and Entertainment Limited (stock code: 37). He is also a Non-executive Director of Fortune Oil PLC, a company listed on the stock exchange in London. He is the son of Mr. Deacon Te Ken Chiu J.P. and Madam Ching Lan Ju Chiu J.P., the brother of Tan Sri Dato' David Chiu and Mr. Daniel Tat Jung Chiu.

Mr. Craig Grenfell WILLIAMS,
B.ENG. (CIVIL)
(Executive Director)

Mr. Williams, aged 58, was appointed as Executive Director of the Company in 2000. He is responsible for all property development in Australia. He resides in Melbourne, Australia. He holds a degree of Bachelor of Civil Engineering from Melbourne University. Before joining the Australian operations of the Company, he was a



(From right to left)

Tan Sri Dato' David CHIU

Deputy Chairman and
Chief Executive Officer

Mr. Denny CHAN

Chief Operating Officer

Mr. Chris HOONG

Managing Director

Mr. Bill MOK

Chief Financial Officer and
Company Secretary

director of all development companies of the Lend Lease Group, Australia's largest property developer. Mr. Williams has extensive experience in all facets of property development and is the immediate Past President of the St. Kilda Road Campaign Inc.

**Madam Ching Lan JU CHIU, J.P.
(Non-executive Director)**

Madam Chiu, aged 70, was appointed as Director of Far East Consortium Limited (the predecessor of the Company) in 1972. She is now a Non-executive Director of each of the Company and Far East Hotels and Entertainment Limited (stock code: 37). Since 1975, she is the Honorary Vice-President of Hong Kong Girl Guides Association. She has been active in social circles and was Lady Chairman of Yan Chai Hospital for 1977/78. Madam Chiu is the founder and Honorary Chairman of New Territories Women's and Juveniles Welfare Association. She is a committee member and Supervisor of Ju Ching Chu Secondary School and the Chairman of Kowloon

Women's Welfare Club. She is a member of Shanghai Standing Committee Chinese People's Political Consultative Conference since 1982. She has also been the Honorary Vice-President of Hong Kong Federation of Women since 1997. She is the wife of Mr. Deacon Te Ken Chiu J.P., the mother of Tan Sri Dato' David Chiu, Messrs. Dennis Chiu and Daniel Tat Jung Chiu.

**Mr. Daniel Tat Jung CHIU
(Non-executive Director)**

Mr. Chiu, aged 49, was appointed as a Director of Far East Consortium Limited, the predecessor of the Company, in 1984. He is also a Non-executive Director of Far East Holdings International Limited (stock code: 36). He is the major shareholder and Vice Chairman of Fortune Oil PLC. He is the founder of Harrow International School. Mr. Chiu has extensive experience in China trade, petroleum trading and infrastructure investments. He also takes an active part in several kinds of projects in Hong Kong and the

PRC. He is the son of Mr. Deacon Te Ken Chiu J.P. and Madam Ching Lan Ju Chiu J.P., the brother of Tan Sri Dato' David Chiu and Mr. Dennis Chiu.

**Mr. Jian Yin JIANG
(Independent Non-executive Director)**

Mr. Jiang, age 80, was appointed as an Independent Non-Executive Director of the Company in July 2004. Mr. Jiang graduated from the Law Faculty of Shanghai Zhengdan University (上海震旦大學法學院). He was a professor and was experienced in supervisory management. He was the secretary and principal of various colleagues and universities. He is currently a committee member and vice president of Shanghai Fuktao Natural Disaster Prevention Foundation (上海福島自然災害減災基金會).

Profile of Directors and Senior Management

Mr. Kwok Wai CHAN (Independent Non-executive Director)

Mr. Chan, aged 51, is a member of The Hong Kong Securities Institute and an associate member of CPA Australia. Mr. Chan is currently a director of High Progress Consultants Limited and also an Independent Non-Executive Director of Chinese Estates Holdings Limited, Junefield Department Store Group Limited, China Investments Holdings Limited, Tern Properties Company Limited and National Electronics Holdings Limited, the shares of all which are listed on the Main Board of the Stock Exchange.

Mr. Peter Man Kong WONG, J.P. (Independent Non-executive Director)

Mr. Wong, aged 61, was appointed as an Independent Non-executive Director of the Company in May 2007. Mr. Wong graduated from the University of California at Berkeley with a Bachelor of Science Degree and was an awardee of the "Young Industrialist Award of Hong Kong" in 1988. Mr. Wong has over 35 years of experience in industrial, commercial and public service. Mr. Wong is the Chairman of M.K. Corporation Limited and North West Development Limited. He is also a director of the following listed companies: China Travel International Investment Hong Kong Limited, Chinney Investments Limited, Glorious Sun Enterprises Limited, Hong Kong Ferry (Holdings) Co. Ltd., Sino Hotels (Holdings) Limited, Sun Hung Kai & Co., Limited and New Times Group Holdings Ltd.. Mr. Wong is a Deputy of the 11th National People's Congress of the PRC.

Mr. Chris Cheong Thard HOONG, B. ENG, ACA (Managing Director)

Mr. Hoong, aged 41, joined the Group in September 2008 as the Managing Director. He is responsible for the formulation and implementation of the Group overall strategies for

development. He brings with him a wealth of knowledge in corporate development and extensive experience in mergers & acquisitions as well as international capital markets. Prior to joining the Group, Mr. Hoong was the Chief Executive Officer of China LotSynergy Holdings Ltd, a company listed on the Hong Kong Stock Exchange. He was instrumental in implementing a number of important initiatives which established international relationships for the company and built solid foundations for business expansion whereas he is currently a Non-Executive Director of the Company. Mr. Hoong was an investment banker for over 12 years and had held senior positions at Deutsche Bank and UBS where he was responsible for corporate finance business in Asia. He is also a Director of Tokai Kanko Co., Ltd., a company listed on the Tokyo Stock Exchange, and Non-Executive Director of Land & General Berhad, a company listed on the KLSE Bursa Malaysia.

Mr. Hoong is a member of the Institute of Chartered Accountants in England and Wales and holds a bachelor's degree in Mechanical Engineering from Imperial College, University of London.

Mr. Denny Chi Hing CHAN (Chief Operating Officer)

Mr. Chan, aged 47, was promoted as the Group's Chief Operating Officer, Hong Kong in March 2004. He is responsible for the Hong Kong, Macau and the Mainland based activities with emphasis on the commercial management, hotel and property development and investment, and project development. He is also responsible for the industrial and infrastructure businesses in the Mainland. He joined the Company in 1990 as the Group Chief Accountant and promoted as the Group Financial Controller in 2002. From 1990 to 2003, he was responsible for the Group's financial, treasury and accounting

functions. He has extensive experience in accounting and auditing of Hong Kong listed companies. He is a director of various subsidiaries of the Group. He was also appointed as an alternative Director of Far East Hotels and Entertainment Limited to Mr. Deacon Te Ken Chiu J.P., the founder of the Far East Group, on 17th May, 2003. In June, 2007, he was appointed as an Independent Non-Executive Director of Hidili Industry International Development Limited, a Hong Kong listed company.

Before joining the Group, he was an audit manager of a big four international accounting firm with over ten years of audit experience.

Mr. Bill Kwai Pui MOK, B.A., M.B.A., A.I.C.P.A., C.P.A. (Chief Financial Officer and Company Secretary)

Mr. Mok, aged 49, joined the Group on 1st April, 2004 as the Chief Financial Officer. He is responsible for the overall finance and accounting functions of the Group. He began his career in public accounting in the United States. After returning to Hong Kong in 1988, he continued his professional career with a big four international accounting firm, where he worked for five years before moving to commercial field. Prior to joining the Group, Mr. Mok spent over six years in the investment industry where he held senior positions at a security house from the United States and a major investment bank from Europe. Mr. Mok has extensive experience in investment and finance activities in Hong Kong and China.

Mr. Mok holds a Bachelor of Arts degree in Business Administration and a Master's degree in Business Administration. He is a member of American Institute of Certified Public Accountants and a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants.

Five-Year Financial Summary

	For the year ended 31st March,				
	2006 HK\$'000	2007 HK\$'000	2008 HK\$'000	2009 HK\$'000	2010 HK\$'000
RESULTS					
Revenue	684,144	875,176	2,159,514	1,732,841	2,342,235
Profit before taxation	418,078	693,823	658,396	221,947	494,612
Taxation	(85,867)	(157,394)	(215,016)	(116,847)	(154,545)
Profit for the year	332,211	536,429	443,380	105,100	340,067
Earnings per share	24 cents	37 cents	28 cents	5 cents	17 cents
	At 31st March,				
	2006 HK\$'000	2007 HK\$'000	2008 HK\$'000	2009 HK\$'000	2010 HK\$'000
ASSETS AND LIABILITIES					
Total assets	7,140,308	8,712,356	9,585,961	10,527,277	13,146,136
Total liabilities	(3,568,525)	(4,664,260)	(4,633,817)	(5,753,277)	(6,990,651)
Minority interests	3,571,783 (27,250)	4,048,096 (26,148)	4,952,144 (39,467)	4,774,000 (30,456)	6,155,485 (94,127)
Shareholders' funds	3,544,533	4,021,948	4,912,677	4,743,544	6,061,358



Yue Shanghai Hotel
Shanghai, China



Business Overview and Financial Review

1. Hotel Division

Our hotel operation during the first nine months of the financial year was significantly affected by weakness in the global economy and the H1N1 pandemic. Rooms and facilities upgrade in a number of our hotels also caused a reduction in our hotel revenue. A strong recovery of room rates and occupancy rate in the last 3 months of the financial year helped to minimize the negative impacts experienced in the first nine months of the year. For the full year, revenue for our hotel operation dropped 9.2% to HK\$616 million compared to last year.

In March 2010, we added a new hotel in Shanghai to our operation. We currently own and operate a total of seven hotels in Hong Kong, two hotels in China and five hotels in Malaysia with a combined total of over 3,600 rooms. We also have eight hotels in various stages of development, including five in Hong Kong, two in China and one in Singapore, representing an additional of 2,752 rooms which will bring our total number of hotel rooms to 6,356 rooms by 2013.

We established a new team focusing on developing third party hotel management business during the year. We believe there is significant potential for this business in Asia, and in particular, China.





Cosmo Hotel
Causeway Bay, Hong Kong



Cosmopolitan Hotel
Causeway Bay, Hong Kong

We operate our hotels under our “Cosmopolitan”, “Cosmo”, “Dorsett” and “Grand Dorsett” brands as well as individual boutique hotel names such as our Lan Kwai Fong Hotel @ Kau U Fong and Central Park. While we believe these brands have developed strong customer recognition, we have recently undertaken a brand strategy initiative with the objective to develop a more cohesive and engaging portfolio of brands to serve as a platform for our hotel management business. The initiative will be implemented over the coming years.

The carrying value of our hotel portfolio is stated at cost less depreciation. We carried out an independent valuation of our hotel portfolio as at 31st March, 2010 and the unrealized revaluation surplus amounted to approximately HK\$5 billion⁽¹⁾. We are actively considering different avenues to unlock the value and are seriously considering a proposed plan to spin-off the hotel division.

With the expected addition of new hotels and the strong performance seen recently in our hotel operations, we believe the contribution from the division to increase substantially in the coming year.

Note(1) Including Dorsett Regency CBD, Zhongshan, of which we are in the process of obtaining the title certificate. Its market value was estimated at RMB220m as at 31st March 2010.



Hong Kong

Cosmopolitan Hotel, Causeway Bay – the largest contemporary deluxe hotel of the Group with 454 rooms and suites. Like many legendary landmarks which typify historical value, this Hotel was converted from the “old” Xin Hua News Agency Building and commenced operation in January 2005. With its unique location amidst the commercial district in Wanchai and the shopping attractions in Causeway Bay, this 4-star hotel is the perfect location for both business and leisure travellers. For two consecutive years, Cosmopolitan Hotel is honored as one of the few “Comfortable Hotels in Hong Kong” by the prestigious <Michelin Hong Kong & Macau Guide 2009 and 2010>. The exceptional accommodation experience and quality service it offers are also

manifested by its frequent selection as a hotel host of international events, including the city’s debut East Asian Games 2009.

Cosmo Hotel, Causeway Bay – our first business boutique hotel opened in October 2005. Situated only two buildings away from Cosmopolitan Hotel, this Hotel is renowned for its vibrant use of colour, modern design and latest technology. As impressive as its 142 color-coded rooms and suites, the chic Nooch Bar and the alfresco Breeze, the Cosmo is embraced by attractions nearby and close to the Star Street Precinct where bars and restaurants with a funky artistic atmosphere abound. In 2010, Cosmo Hotel is included by <Michelin Hong Kong & Macau Guide> as a recommended hotel in Hong Kong,

recognizing its product quality and service.

Central Park Hotel, Sheung Wan – finalist of “Hong Kong Leading’s Boutique Hotel” by World Travel Awards 2008. Central Park Hotel is a hip, boutique hotel with contemporary design, located in the business district of Sheung Wan and Central. It is easily accessible by all means of transport, Airport Express Hong Kong Station, Hong Kong-Macau Ferry Terminal, MTR are just a short stroll away.



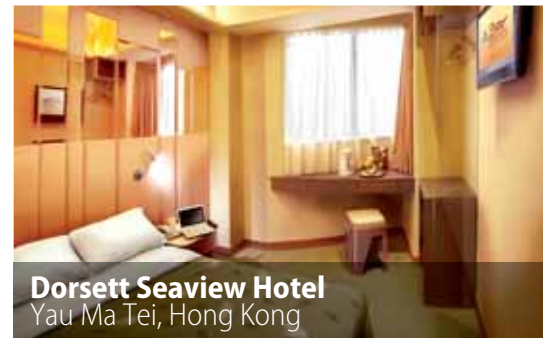
Dorsett Kowloon Hotel
Tai Kok Tsui, Hong Kong



Dorsett Seaview Hotel
Yau Ma Tei, Hong Kong



Dorsett Kowloon Hotel
Tai Kok Tsui, Hong Kong



Dorsett Seaview Hotel
Yau Ma Tei, Hong Kong

Within walking distance to the trendy dining and entertainment areas of Soho and Lan Kwai Fong, this 142-room hotel was converted from a commercial building and opened in April 2005. The Hotel has been newly refurbished to meet the dynamic rhythm of Hong Kong. Interactive elements and art pieces are added to this design hotel, extending the artistic and cultural atmosphere from Hollywood Road's designer shops, art galleries and antique shops into the hotel.

Lan Kwai Fong Hotel @ Kau U Fong, Central – award winning boutique hotel, uniquely designed in décor, modern in style with Chinese accents. Since its opening in 2006, Lan Kwai Fong Hotel @ Kau U Fong is consecutively recognized as “The

Best Boutique Hotel in Asia” by TravelWeekly; “Hong Kong’s Leading Boutique Hotel” by World Travel Awards and “The Best Boutique Hotel of China” by China Hotel Starlight Awards. Recently, it was awarded as “Asia’s Leading Boutique Hotel” by World Travel Awards.

Its 162 rooms are furnished with a distinctive touch of oriental style with private balcony in suite room overlooking the spectacular view of Hong Kong city and Victoria Harbour, which illuminated at night. The Hotel is in a perfect location for trendy dining, nightlife and entertainment area of Soho and Lan Kwai Fong, just moments away from the financial and shopping district of Central. MTR, Star Ferry, Airport Express Hong Kong Station and Hong Kong Macau Ferry

Terminal are just a short stroll away, provides the most convenient way of getting around.

Dorsett Seaview Hotel, Yau Ma Tei – a traditional 3-star hotel with a total of 268 rooms. The Hotel is located in Yau Ma Tei, one of the bustling commercial, shopping, eating and entertainment centers in Hong Kong and is within walking distance to vibrant district of Tsim Sha Tsui. We have completed a guest room upgrading renovation by September 2009 and all our hotel guest rooms were tastefully refurbished.



Dorsett Far East Hotel
Tsuen Wan, Hong Kong

Dorsett Kowloon Hotel, Tai Kok Tsui – a modern 3-star hotel situated in one of Kowloon’s new booming areas – Tai Kok Tsui, with 141 comfortably designed guest rooms. It was developed by the Group and opened in May 2005. The Hotel is close to famous tourist points in Mongkok shopping district such as the Ladies’ Market, the Goldfish Market, the Flower Market.

Dorsett Far East Hotel, Tsuen Wan – this modern 3-star hotel was converted from the “Far East Bank Building” with a total of 240 rooms and commenced operation in October 2006. The Hotel is situated in one of the major satellite towns, Tsuen Wan. It is just a step away from Tsuen Wan MTR station and close to shopping and entertainment facilities.

China

Wuhan Cosmopolitan Hotel – a trendy design hotel located in the heart of downtown with a total of 384 rooms. The 18-storey hotel sits atop the well-known Hong Kong & Macau Center with a total gross floor area of approximately 725,000 square feet comprises mainly of retail shops, underground car park and commercial office etc., on Jiangnan Road, the famous pedestrian boulevard. With proximity to the most prosperous shopping areas, diverse dining and fabulous entertainment conveniences together with our effective leasing strategies, we recorded a high occupancy with stable leases and high-end tenants for this investment property. Furthermore, with contemporary decor, furniture and fixtures, state- of-the-art meeting



Wuhan Cosmopolitan Hotel
WuHan, China



and banquet facilities as well as comprehensive recreational facilities, Wuhan Cosmopolitan Hotel aims to blend simplicity with elegance and to be one of a kind in town.

Yue Shanghai Hotel – This trendy 264-room hotel is strategically situated in front of the green and idyllic oasis of Century Park, between Lujiazui Finance & Trade Zone and Zhangjiang High-Tech Park. The Hotel is within walking distance from the Shanghai New International Expo Centre (SNIEC) and a 5-minute drive from the Maglev Station, from where guests can reach Pudong International Airport within 8 minutes. The World Expo Park 2010 is only a 20-minute drive away. Shanghai’s major cultural and entertainment spots such as The Bund, Nanjing Road, People’s Square and



Yue Shanghal Hotel
Shanghai, China



Yue Shanghal Hotel
Shanghai, China



Yue Shanghal Hotel
Shanghai, China



Dorsett Regency Hotel
Kuala Lumpur, Malaysia

Xin Tian Di, as well as both Pudong International Airport and Hongqiao International Airport are easily accessible through Metro Line 2 at Century Park Station, which is located right next to the Hotel.

Malaysia

Dorsett Regency Hotel, Kuala Lumpur, Malaysia – This is a stylish 4-star business class hotel which promises “You’ll Never Miss Home!” Located in the heart of Kuala Lumpur’s city center and at the start of the famous Bintang Walk, it features modern amenities, warm Malaysian hospitality and the comforts of contemporary living. The Hotel boasts 320 tastefully furnished deluxe rooms that include 28 suites and 3 club floors. It caters to a broad mix of executive business and leisure travelers who take pleasure in the

nation’s unparalleled shopping havens, health clubs, beauty and hair salons, entertainment outlets, and a huge selection of local and international specialty restaurants, cafes and bakeries. Services offered at the Hotel includes in-room broadband access, 24-Hour concierge and security, laundry, dry cleaning, valet parking, gymnasium and swimming pool. The Hotel’s 320 guestrooms and suites as well as its meeting rooms have recently undergone some soft refurbishment with installation of new carpets and LCD TVs.

Grand Dorsett Subang Hotel, Kuala Lumpur, Malaysia – A 5-star urban business resort, this Hotel is the epitome contemporary elegance which is set against a picturesque view of lush greenery and serene lakes. It is

strategically located in the heart of the commercial hub of Subang Jaya, Shah Alam and Petaling Jaya. It is merely a 35-minute drive from the Kuala Lumpur International Airport (KLIA) and an even shorter 20-minute drive from Kuala Lumpur’s city center, and is surrounded by numerous shopping and recreational facilities such as international standard golf courses and theme parks. The Hotel primarily caters towards the MICE segment, which in turn is predominantly made of business, corporate and convention/trade show customers. With 478 tastefully furnished guest rooms and suites, spacious conference facilities for up to 2,000 people and latest in technological facilities that includes hi-speed internet access and Wi-Fi, the Hotel is an ideal choice for business travelers, meeting and conference planners and holiday



Grand Dorsett Subang Hotel
Kuala Lumpur, Malaysia



Grand Dorsett Subang Hotel
Kuala Lumpur, Malaysia



Grand Dorsett Subang Hotel
Kuala Lumpur, Malaysia

makers alike, living up to its tagline, "Hospitality Redefined".

Grand Dorsett Labuan Hotel, Labuan, Malaysia – Strategically located in the revitalized business district of Labuan, Grand Dorsett Labuan Hotel is only minutes away from Labuan's town center and airport, and the only 5-star hotel in the island. Positioned on the duty-free island, the Hotel has 178 well-appointed guest rooms and suites which overlook the serene harbour as well as views of the city. It also offers a 24-hour in-room dining service for guests who prefer to dine within the comforts of their own room. Guests staying on the Hotel's executive floors or in its premier suites gets the opportunity to enjoy the exclusive use of the executive lounge on the 8th floor of the Hotel,

offering complimentary coffee and tea and evening cocktails, canapés, and hors d'oeuvres. Convention and banquet facilities are complemented by a business centre which offers administrative services as well as internet access. A wide range of audio visual equipment is available to provide a smooth professional edge to a host of different types of functions, banquets, meetings, and conventions. Alternatively, for some outdoor fun, guests can enjoy a cool dip in the swimming pool, relax in the whirlpool or have an excellent work out at the Hotel's fitness club that offers aerobic classes and personalized fitness programs. The Hotel, which also boasts of the tagline "Redefining Hospitality", is yet another ideal choice for business travelers, conference and meeting planners as well as holiday makers.

Maytower Hotel, Kuala Lumpur, Malaysia – Designed to provide the ultimate in convenient transportation and comfort environment with 179 hotel guest rooms. The Hotel is located near the tourist attractions such as "Little India", China Town, Central Market, KL Tower and the grand Petronas Twin Towers. All guest rooms and suites are equipped with high-speed wireless broadband internet access, a wide selection of television channels, and a range of amenities. The recently refurbished Sutera Room is a prestigious venue for holding all kinds of business functions. There is also a well-equipped gymnasium and an outdoor pool. Maytower Hotel with its tagline "Home Away From Home", offers guests with a glimpse of Kuala Lumpur as a modern city of humble beginnings that has not lost her



Grand Dorsett Labuan Hotel
Labuan, Malaysia

charming heritage. Only short walks away and accompanied by an excellent network of public transportation for quick access to other parts of the city are the 100-year old 'Little India', China Town, Central Market, KL Tower, and the Petronas Twin Towers.

Dorsett Johor Hotel, Johor Bahru, Malaysia – Strategically located for a business stay in Johor Bahru, Dorsett Johor Hotel is just 10 minutes to the North-South Highway, less than 20 minutes to Johor Bahru City Centre and with very close proximity to Sultan Ismail International Airport. The Hotel offers a collection of 252 well-appointed guest rooms, each featuring a 32-inch LCD TV with satellite television channels, private electronic safe, in-room dining service, laundry and dry-cleaning services.

The Hotel has wireless high-speed internet access in all areas while convention and banquet facilities are complemented by a business centre which offers administrative services as well as internet access. A wide range of audio visual equipment is available to provide a smooth professional edge to a host of different types of functions, banquets, and meetings. With just the right facilities and personalized services, it's not a wonder that the Hotel tagline is "You'll Never Miss Home!"

Dorsett Johor Hotel was recently awarded the "Best Three-Star Hotel in Johor" by the Johor Ministry of Tourism and was awarded the "Johor Tourism Award — Gem's Award" for 2009.

Hotels under Development **Hong Kong**

Cosmo Kowloon Hotel, Tai Kok Tsui, – A forthcoming business hotel is centrally located in Tai Kok Tsui area which harmonizes Hong Kong's bustling and cultural characteristics. It is easily accessible to Olympic MTR Station or Mong Kok MTR Station to step on the train throughout Hong Kong. Total 285 comfortable rooms including 20 sophisticated suites; provide you with boutique hotel intimacy. The estimated commencement date of operations is scheduled in third quarter 2010.

Dorsett Regency Kennedy Town, Hong Kong – a 4-star hotel development project, with 217 rooms located at Davis Street. The superstructure works are in progress and scheduled to complete and to commence operations in second quarter 2011.



Maytower Hotel
Kuala Lumpur, Malaysia



Maytower Hotel
Kuala Lumpur, Malaysia



Dorsett Johor Hotel
Johor Bahru, Malaysia



Dorsett Johor Hotel
Johor Bahru, Malaysia

Dorsett Regency Kwun Tong, Hong Kong – a hotel development project, located at Hung To Road. The existing industrial building will be demolished and the site will be re-developed into a 4-star hotel with 380 rooms. The construction works (superstructure) have been commenced in June 2009 and scheduled to complete and to commence operations in fourth quarter 2011.

“The Mercer by Kosmopolito” – Just steps away from the heart of Central, our boutique hotel will offer 55 rooms with uniquely contemporary design ranging from studio to one bedroom layouts. Gymnasium and swimming pool will be provided upon completion. The construction of superstructure works have been commenced in June 2009 and scheduled to complete and to

commence operations in first quarter 2011.

Dorsett Regency Kwai Chung, Hong Kong – The existing industrial building, known as Toppo Tower, will be fully refurbished into a 4-star hotel with 567 rooms. It is currently under statutory submission stage. Partial demolition works were completed in January 2010 and main construction works have been commenced in June 2010. It will be completed with restaurants, grand ballroom, conference facilities, swimming pool and gymnasium. The Hotel is scheduled to complete and commence operations in second quarter 2012.

China

Dorsett Regency CBD, Zhongshan – a 4-star hotel development project,

with 416 rooms located at Zhongshan, China. It is currently under planning stage and scheduled to complete in third quarter 2011.

Hotel Kosmopolito City Centre, Chengdu – this Hotel is located at the heart of the central business district and close to major financial and entertainment complexes in Chengdu. It is currently undergoing renovation for a 5-star contemporary deluxe class hotel with 547 rooms. The project is scheduled to complete in second quarter 2011.



Cosmo Kowloon Hotel
Tai Kok Tsui, Hong Kong

Singapore

Dorsett Regency "On New Bridge", Singapore, located at New Bridge Road, Singapore, Central Business District. Under the current plan, it will be developed into a business boutique hotel with 285 rooms and 68 apartment suites. The project is scheduled to complete in second quarter 2013.

2. Property Development Division

Our property development division recorded total sales of HK\$1,376 million, an increase of 45% compared to last year. The increase in sales was mainly due to higher contribution from Australia and China. Gross profit contribution was HK\$369 million, an increase of 45% compared to last year. Completion of the Northbank project in Melbourne and the ongoing sale of our development properties in California Garden in Shanghai contributed substantially to the revenue of our property development division.

China

Over the last few years, there have been series of tightening measures taken by the Chinese government to

cool down the property markets in various major cities. However, with the steady growth of China's economy and the significant wealth creation, demand for middle class housing is expected to remain strong. Despite the recent weakened market sentiment due to a new round of austerity measures, we continue to be optimistic about the long term prospects for middle class and end-user market and will continue to invest in this segment.

In our California Garden project in Shanghai, we are constructing approximately 280 apartment units in a new phase of development. We are also planning the construction of approximately 180 units of mid-rise apartment and 42 townhouses for our next phase of development in 2011. Additionally, we are finalizing a plan to build 488 high-rise apartments with 88 townhouse units, totaling 576 mixed units in the following phase. California Garden will remain a substantial development project for us with a significant land bank for future growth in the next 5 to 6 years.

We have three property development projects in Guangzhou which are at various stages of development. Construction of approximately 630

apartments in our Hua Di Jia Yuan project is expected to commence this year.

California Garden, Shanghai – a residential development with a land area of approximately 14.5 million square feet with an approved built-up area of approximately 15 million square feet. Upon full completion of the development, this project will boost a total of about 10,000 units of a mixture of residential and commercial properties. Since its first phase of development in the late 90's, a total of 4,200 units of residential and commercial units have been built with 99% sold. The company is currently developing 762 residential units and has withheld 133 units of commercial units for lease. The remaining balance of about 5,000 units is scheduled for completion over the next 5 to 6 years. This project will be the major profit source of the Group till its completion in 2016.

New Time Plaza, Guangzhou – the Group owns 50% of the development. It comprises of an auxiliary building with a site area of about 33,000 square feet and a proposed 28-storey



California Garden
Shanghai, China

residential tower. The total gross floor area of the residential tower approximately 215,000 square feet. The building includes 110,000 square feet of residential area, 67,000 square feet of commercial area and 38,000 square feet of car parking space. The basement construction is completed and the superstructure work is currently at the pending status for the authority approval.

Gantangyuan, Huadiwan, Guangzhou – the Group owns 100% of this development. It comprises of 2 blocks of 32-storey residential tower with a total gross floor area of approximately 460,000 square feet, including 430,000 square feet of residential area, 20,000 square feet of commercial area and 10,000 square feet of car parking space. Currently the development is at the pending status for the authority approval.

Huadijiayuen, Huadiwan, Guangzhou – the Group owns 100% of this development. Located next to the Huadi River, the site has an area of approximately 260,000 square feet and planning to be developed into a residential estate with a total gross floor area of approximately 910,000

square feet. The construction of detailed planning is approved and the construction is expected to start in late 2010 and is scheduled to complete in 2013.

Hong Kong

During the year, we sold a number of our stocks and focused our efforts on finalizing plan for a number of developments. We currently have 6 projects in Hong Kong with a total gross floor area of approximately 200,000 square feet at various stages of development. We expect to complete the Rose De Casa project in the coming year and other projects in subsequent years. We will remain selective on site acquisitions and will focus only on relatively high margin projects.

Bakerview, Hunghom – a 32-storey residential and commercial development with a total gross floor area of approximately 55,000 square feet comprises of 104 residential units, 26 car parks and two floors of retail spaces. The Group has withheld 35% of the unsold units and the two floors of retail spaces and 26 car parking bays for lease.

Art Del Sol, Sheung Yeung, Sai Kung – a proposed development of 24 houses with a total gross floor area of approximately 53,000 square feet. The construction work on Phase 1 of 5 houses was completed and approximately 85% of the units have been sold. Development for the Second Phase of another 5 houses will be carried out upon obtaining approval from relevant government authorities. The remaining 14 houses are also pending on obtaining approval from government authorities.

No. 684 Clear Water Bay Road, Sai Kung – Conversion of an existing 6 houses to 4 luxurious villas with a total gross floor area of approximately 12,500 square feet built on a site with 35,000 square feet. The Project is presently under construction and we target to obtain occupation permit from the Buildings Department by the fourth quarter of 2010.

Tan Kwai Tsuen, Yuen Long – a proposed residential development of 22 apartments with a total gross floor area of approximately 55,500 square feet. The Group is in the process of applying for land exchange and preparing building plan submission.



Huadijiayuen
Guangzhou, China



New Time Plaza
Guangzhou, China

Fung Lok Wai, Yuen Long – a joint venture project with Cheung Kong and Sun Hung Kai & Co. Limited for residential estate development with a total area of approximately 8,610,000 square feet. No definite plan for this development at present. The Group currently holds 25.33% beneficial interest in this project.

Chuen Lung, Tsuen Wan – a proposed golf club development with a land area of approximately 145,000 square feet with total gross floor area of approximately 58,000 square feet. Phase I had been completed in January 2009. Further development will depend on obtaining approvals from relevant government authorities.

Nos. 287-293, Sai Yeung Choi Street North, Sham Shui Po – a proposed commercial and residential development with a total gross floor area of 43,800 square feet comprising of approximately 75 residential units and 2 floors of commercial units. The project will start on the 100% acquisition through Section 545. We currently own approximately 95% of the property.

Nos. 90-100, Hill Road, West Point, Hong Kong – a proposed residential development with a total gross floor area of 45,600 square feet comprising approximately 120 residential units. The project will start on the 100% acquisition through Section 545. We currently own approximately 95% of the property.

Australia

During the year, we completed the Northbank project and pre-sold approximately 95% of the Bundoora project.

We spent significant efforts in finalizing the development plan of the Upper West Side project in central Melbourne. The development is expected to consist of 2,700 apartments, divided into four development phases. Pre-sale of its first tower with approximately 700 apartments will start soon. This project is expected to contribute significantly to the property development division in the coming several years.

In addition to the Upper West Side project, we also wholly own the Northcote project and 30% stake in the Pinnacle Valley project. These projects are at various stages of development.

We believe in the foreseeable future, Australia, particularly Melbourne, will remain a good economic place to do business and we are well positioned to participate in this growth.

Royal Domain Tower, Melbourne – Located along St. Kilda Road, overlooking the celebrated Melbourne Botanical Gardens, this is a 42 level high rise complex comprising of 133 luxurious residential apartments with a gross floor area of approximately 700,000 square feet. Work on this prominent project commenced in 2003 and was completed in 2006. Up to the end of the year, 99% of the 133 units of this prestigious project (which is simultaneously one of the tallest residential buildings of prestige in the city of Melbourne) have been sold. The Group has a 100% interest in this project.



Northbank Place
Melbourne, Australia



Royal Domain Tower
Melbourne, Australia

Northbank Place, Melbourne – this project consists of an office building with a net lettable area of approximately 110,000 square feet which has been pre-sold to an investor plus two residential towers consisting of 384 apartments which are 100% sold. Construction commenced in April 2007 and was completed in 2009. 99% of the apartments and 86% of retail shops have settled. The Group has a 100% interest in this project.

Northcote, Melbourne – The group has acquired, from the Macquarie Group, approximately 54,000 square feet of land in the inner suburbs of Melbourne. It is designated to build approximately 90 to 100 mid-range apartments on the site. The Group has a 100% interest in this project.

Bundoora, Melbourne – This project is the construction of 88 two-bedroom mid-range townhouses on a strategic parcel of land abutting RMIT University in the north eastern suburbs of Melbourne. The project has been 95% pre-sold. Construction commenced in May 2009 and the first stage of 40 units was completed in April 2010, with the remaining 48 units due for completion

in October 2010. The Group has a 25% stake in the project.

Upper West Side, 613 – 649 Lonsdale Street, Melbourne – The Group has acquired 97,000 square feet of vacant land in the central business district of Melbourne. It is proposed to build 4 residential towers consisting of 2,700 apartments. A display suite is being built and pre-selling will commence in the latter half of 2010. The Group has a 100% interest in this project.

Car Park Division

The Group's car park division was established through completion of the acquisitions of the Care Park Group and the Best Impact Group in August 2009. As at 31st March, 2010, the Group had approximately 250 car parks comprising over 46,000 parking bays under our management in strategic locations in Australia, New Zealand and Malaysia, among which 20 car parks comprising over 5,600 parking bays are owned by the Group.

Post acquisition, the car park division contributed HK\$279 million to the Group's revenue. The division performed in accordance with

expectation with total EBITDA contribution of HK\$42 million. Full year contribution will be reflected in the coming year.

Our Australian and New Zealand car park operation is under the Care Park Group. Its principal operation is managing third party car parks as well as operating self-owned car parks. The Care Park Group also has a number of contracts with city councils for parking meter collection. The Care Park Group has established itself as one of the largest car park operators in Australia. Last year, the Care Park Group continued to add car parks under management and made selective purchases. For the financial year ended 31st March, 2010, the Care Park Group added 12 new contracts for third party management and purchased 2 new car parks with 206 parking bays in Australia.



In Malaysia, the primary contribution of the operation is derived from the car parks located in Plaza Damas in Sri Hartamas, Kuala Lumpur. Plaza Damas is an integrated commercial development comprising shop-lots, business offices, high rise condominiums, serviced apartment and a multi-storey shopping centre (Hartamas Shopping Centre).

The Group will continue to grow its car park business with a longer term objective of expanding its presence across Asia.

Investment Properties

The Group owns and managed a number of investment properties in Hong Kong, Singapore and mainland China. For the year ended 31st March, 2010, rental income from these properties amounted to approximately HK\$58 million. We disposed a number of smaller properties during the year and are working on a project to convert more area in our building in Tsuen Wan, Hong Kong, into commercial units which will be available for rental this year. The division will continue to contribute a steady income stream for the Group.

FINANCIAL REVIEW

The Group recorded a consolidated revenue of HK\$2,342 million during the year, an increase of 35% from last year, helped by strong revenue contribution from our property development division and contribution from our newly established car park division. Revenue contribution from the hotel division during the year, and in particular the first half, was affected by a combination of the aftershocks of the financial crisis and the H1N1 pandemic.

Gross profit for the year was HK\$799 million, an increase of 10% compared to last year. As our Australian projects were financed primary on a non-recourse project financing basis based on pre-sales, gross margin in Australia was relatively lower compared to our projects in China.

For the year, we recorded a mark-to-market loss of approximately HK\$38 million in relation to an interest rate swap contract to hedge against rise in interest rate. We also recorded HK\$166 million in relation to revaluation of our investment properties.

Finance costs was 13% lower this year compared to that of the previous year due to lower interest rates despite higher borrowings.

Net profit attributable to shareholders increased 257% to HK\$306 million and earnings per share improved 3.2 times to HK17.0 cents for the year.

We maintained a healthy liquidity position and as at 31st March, 2010, we had a total cash balance of HK\$1,592 million. Shareholders' equity increased from 4,744 million last year to HK\$6,061 million as at 31st March, 2010. Proforma net gearing ratio as adjusted for an unrealized revaluation surplus of approximately HK\$5 billion is 34%.

Directors' Report

The Directors present their annual report and the audited financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st March, 2010.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. Its subsidiaries are engaged in property development and investment, hotel operation, car park operation, and treasury management. These divisions are the basis on which the Group reports its primary segment information. Other operations include sale of boiler products and other interest income.

PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES

Details of the Company's principal subsidiaries, associates and jointly controlled entities at 31st March, 2010 are set out in notes 50, 51 and 21 to the consolidated financial statements, respectively.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 45.

An interim dividend of HK2 cents per share amounting to HK\$37,993,000 was paid to the shareholders during the year. The Directors recommended a final dividend for the year of HK4 cents per share to shareholders whose names appear on the Company's Register of Members on 4th August, 2010. The proposed final dividend will be paid in the form of a scrip dividend with shareholders being given an option to elect to receive cash in lieu of all or part of their scrip dividend entitlements ("Scrip Dividend Scheme").

The Scrip Dividend Scheme will be subject to (i) shareholders' approval of the proposed final dividend at the annual general meeting to be held on 4th August, 2010; and (ii) The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting listing of and permission to deal in the new shares to be allotted thereunder. For the purpose of determining the number of new shares to be allotted, the market value of new shares will be calculated as the average of the closing prices of the existing shares of the Company on the Stock Exchange for the five trading days prior to and including 4th August, 2010. Full details of the Scrip Dividend Scheme will be set out in a circular to shareholders together with a form of election on 11th August, 2010. Dividends warrants or new shares certificates will be posted on 6th September, 2010.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 13.

Directors' Report

INVESTMENT PROPERTIES

The Group revalued all of its investment properties at 31st March, 2010. The increase in fair value of investment properties, which has been credited directly to consolidated income statement, amounted to HK\$166,197,000.

Details of these and other movements during the year in the investment properties of the Group are set out in note 16 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent approximately HK\$341,651,000 on hotel properties and hotel properties under development.

In addition, the Group acquired carpark through business combination with carrying amount of approximately HK\$547,659,000.

Details of these and other movements during the year in the property, plant and equipment of the Group are set out in note 17 and acquisition of a subsidiary/business in note 41 to the consolidated financial statements.

MAJOR PROPERTIES

Details of the major properties of the Group at 31st March, 2010 are set out on pages 138 to 149 of the annual report.

SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 36 to the consolidated financial statements.

During the year, the Company via its subsidiary, Singford Holdings Limited, purchased a total of 2,250,000 shares on the Stock Exchange and details of which are as follows:

Month of Repurchase	No. of ordinary share of HK\$0.1 each	Price per share		Aggregate consideration paid HK\$
		Highest HK\$	Lowest HK\$	
March 2010	2,250,000	2.31	2.24	5,119,120

The above shares were cancelled after year end and, accordingly the issued share capital of the Company was reduced by the nominal value of these shares and the premium paid on repurchase was charged to share premium.

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities other than the above disclosed.

Directors' Report

DISTRIBUTABLE RESERVES OF THE COMPANY

In the opinion of the Directors, the reserves of the Company which are available for distribution to shareholders at 31st March, 2010, amounted to approximately HK\$930,161,000 (2009: HK\$381,874,000), representing the net of the distributable reserve of HK\$327,467,000 (2009: HK\$403,122,000) and retained profits of HK\$604,002,000 (2009: accumulated losses of HK\$21,248,000).

DIRECTORS

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

Executive Directors

Mr. Deacon Te Ken Chiu, J.P., Chairman
Tan Sri Dato' David Chiu, Deputy Chairman and Chief Executive Officer
Mr. Dennis Chiu
Mr. Craig Grenfell Williams

Non-executive Directors

Madam Ching Lan Ju Chiu, J.P.
Mr. Daniel Tat Jung Chiu

Independent Non-executive Directors

Mr. Jian Yin Jiang
Mr. Kwok Wai Chan
Mr. Peter Man Kong Wong, J.P.

In accordance with the provisions of the Company's Articles of Association, Tan Sri Dato' David Chiu, Mr. Dennis Chiu, Mr. Jian Yin Jiang and Mr. Peter Man Kong Wong shall retire by rotation and, being eligible, offer themselves for re-election.

The term of office for each of the Non-executive Directors is the period up to his or her retirement by rotation in accordance with the Company's Articles of Association.

Directors' Report

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN SHARES

At 31st March, 2010, the interests and short positions of the Directors, chief executives and their associates in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance ("SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code"), were as follows :

(a) Directors' interest in shares and underlying shares of the Company:

Name of Director	Nature of Interests	Number of Ordinary Shares Held			Beneficial Interests in Underlying Shares	Total	Percentage of Issued Share Capital of the Company
		Personal Interests	Family Interests	Corporate Interests			
Deacon Te Ken Chiu	Long Position	12,140,586	1,514,288	131,344,390 ⁽ⁱ⁾	–	144,999,264	7.61%
David Chiu	Long Position	13,011,717	557,000	647,098,450 ⁽ⁱⁱ⁾	–	660,667,167	34.66%
Dennis Chiu	Long Position	8,683	–	5,205,356 ⁽ⁱⁱⁱ⁾	–	5,214,039	0.27%
Ching Lan Ju Chiu	Long Position	1,514,288	143,484,976	–	–	144,999,264	7.61%
Daniel Tat Jung Chiu	Long Position	44,561	–	3,877,218 ^(iv)	–	3,921,779	0.21%

Notes:

- (i) These Shares are held by various companies controlled by Mr. Deacon Te Ken Chiu.
- (ii) These Shares are held by Sumptuous Assets Limited and Modest Secretarial Services Limited, companies controlled by Tan Sri Dato' David Chiu.
- (iii) These Shares are held by Chiu Capital N.V., a company controlled by Mr. Dennis Chiu and First Level Holdings Limited, a company controlled by Mr. Dennis Chiu and Mr. Daniel Tat Jung Chiu.
- (iv) These Shares are held by First Level Holdings Limited, a company controlled by Mr. Dennis Chiu and Mr. Daniel Tat Jung Chiu and are entirely duplicated and included in the corporate interest of Mr. Dennis Chiu.

Directors' Report

(b) Director's interest in shares and underlying shares of associated corporation:

Name of Director	Nature of interests	Name of associated corporation	Number of ordinary shares held	Percentage of issued share capital of the associate corporation
Deacon Te Ken Chiu	Long Position	Kanic Property Management Limited	2	50%
David Chiu	Long Position	Oi Tak Enterprises Limited	250,000	25%

Save as disclosed above, none of the Directors had registered an interest and short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code at 31st March, 2010.

SHARE OPTION SCHEME

The Company's share option scheme was adopted pursuant to a resolution passed on 28th August, 2002 (the "Share Option Scheme") for the purpose of providing incentives and rewards to employees or executive or officers of the Company or any of its subsidiaries (including executive and non-executive directors) and business consultants, agents and legal or financial advisers who will contribute or have contributed to the Company or any of its subsidiaries. Under the Share Option Scheme, the directors of the Company may grant options to eligible employees including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

During the year, share options ("Option") entitled to subscribe for 7,400,000 new shares of HK\$0.1 each in the capital of the Company upon the exercise of the Option in full under the Share Option Scheme were granted to Mr. Chris Cheong Thard Hoong, the Managing Director of the Company.

The following table discloses movements in the Company's Option during the year:

Category of grantee	Date of grant	Exercise price HK\$	Number of options				Outstanding at 31.03.2010	Exercise period
			Outstanding at 01.04.2009	Granted during the year	Exercised during the year	Lapsed during the year		
Senior management								
Chris Cheong Thard Hoong	08.05.2009	1.50	-	1,850,000	-	-	1,850,000	16.09.2009 – 15.09.2019
			-	1,850,000	-	-	1,850,000	16.09.2010 – 15.09.2019
			-	1,850,000	-	-	1,850,000	16.09.2011 – 15.09.2019
			-	1,850,000	-	-	1,850,000	16.09.2012 – 15.09.2019
			-	7,400,000	-	-	7,400,000	

Directors' Report

Category of grantee	Date of grant	Exercise price HK\$	Number of options				Outstanding at 31.03.2010	Exercise period
			Outstanding at 01.04.2009	Granted during the year	Exercised during the year	Lapsed during the year		
Denny Chi Hing Chan	21.10.2004	2.075	500,000	-	-	-	500,000	01.01.2007 – 31.12.2010
			1,800,000	-	-	-	1,800,000	01.01.2008 – 31.12.2010
			2,000,000	-	-	-	2,000,000	01.01.2009 – 31.12.2010
			4,300,000	-	-	-	4,300,000	
Bill Kwai Pui Mok	21.10.2004	2.075	1,200,000	-	-	-	1,200,000	01.01.2007 – 31.12.2010
			1,800,000	-	-	-	1,800,000	01.01.2008 – 31.12.2010
			2,000,000	-	-	-	2,000,000	01.01.2009 – 31.12.2010
			5,000,000	-	-	-	5,000,000	
Other employees in aggregate	21.10.2004	2.075	250,000	-	-	-	250,000	01.01.2004 – 31.12.2010
			425,000	-	-	-	425,000	01.01.2006 – 31.12.2010
			1,075,000	-	-	-	1,075,000	01.01.2007 – 31.12.2010
			2,275,000	-	-	-	2,275,000	01.01.2008 – 31.12.2010
			3,275,000	-	-	300,000	2,975,000	01.01.2009 – 31.12.2010
7,300,000	-	-	300,000	7,000,000				
Other employees in aggregate	25.08.2006	3.29	125,000	-	-	125,000	-	01.01.2008 – 31.12.2010
			675,000	-	-	225,000	450,000	01.01.2009 – 31.12.2010
			750,000	-	-	250,000	500,000	01.01.2010 – 31.12.2010
			1,550,000	-	-	600,000	950,000	
		Total	18,150,000	7,400,000	-	900,000	24,650,000	

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.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract 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' Report

SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2010, the register of interests in shares or short positions required to be kept under Section 336 of the SFO showed that, other than the interests of directors as set out above, the following shareholders were interested in 5% or more of the issued share capital of the Company:

	Capacity	Nature of interests	No. of ordinary shares held	% of issued share capital
Zwaanstra John	Interests in controlled corporation	Long	565,071,345	29.64%
Penta Investment Advisers Ltd.	Investment manager	Long	565,071,345	29.64%
Mercurius GP LLC	Founder of a discretionary trust	Long	189,992,479	9.97 %
Penta Asia Fund, Ltd.	Interests in controlled corporation	Long	189,992,479	9.97%
Zwaanstra Todd	Trustee	Long	189,992,479	9.97%
UBS AG	Person having a security interest	Long	114,355,277	6.00%
	Beneficial owner	Long	5,001,222	0.26%
		Short	5,000,000	0.26%
	Interests in controlled corporation	Long	300,000	0.02%
		Short	300,000	0.02%
Penta Asia Long/Short Fund, Ltd.	Beneficial owner	Long	108,725,200	5.7%

Note: "Long" refers to the long position in the shares of the Company held by such person/entity, while "Short" refers to short position in the shares of the Company held by such person/entity.

Save as disclosed herein, the Company has not been notified of any other person (other than directors or chief executives of the Company) who had an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 31st March, 2010.

DONATIONS

During the year, the Group made charitable and other donations amounting to approximately HK\$2,063,000.

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate purchases attributable to the Group's five largest suppliers were less than 30% of total purchases.

The aggregate revenue attributable to the Group's five largest customers was less than 30% of total turnover.

Directors' Report

CONFIRMATION OF INDEPENDENCE 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 Rules Governing the Listing of Securities on the Stock Exchange. The Company considers all of the Independent Non-executive Directors are independent.

EMOLUMENT POLICY

The emolument policy of the 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 regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted the Share Option Scheme as an incentive to Directors and eligible participants, details of the scheme is set out in note 38 to the consolidated financial statements.

CORPORATE GOVERNANCE

A report on the principal corporate governance practices adopted by the Company is set out on pages 37 to 42 of the annual report.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31st March, 2010.

PRE-EMPTIVE RIGHTS

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

AUDITOR

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

On behalf of the Board

Tan Sri Dato' David Chiu

Deputy Chairman and Chief Executive Officer

14th June, 2010

Corporate Governance Report

The Company is committed to meeting statutory and regulatory standards and adherence to the principles of corporate governance emphasizing transparency, independence, accountability, responsibility and fairness. The Board and the Senior Management of the Company shall ensure that effective self-regulatory practices exist to protect the interests of the shareholders of the Group.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles of the code provisions under the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange (the "Listing Rules") throughout the year ended 31st March, 2010, except for the deviations from the code provisions A.4.1 and A.4.2 of the Code described below.

Under code provision A.4.1 of the Code, Non-executive Directors should be appointed for a specific term and subject to re-election. The Non-executive Directors of the Company are not appointed for a specific term of office. However, the Non-executive Directors of the Company are subject to retirement by rotation and re-election at annual general meetings in accordance with the Company's Articles of Association.

Under the second part of code provision A.4.2 of the Code, every Director, including those appointed for a specific term should be subject to retirement by rotation at least once every three years. The Chairman of the Company, however, is not subject to retirement by rotation. In accordance with the second part of Article 115(B) of the Articles of Association of the Company, a Director appointed as an Executive Chairman or as Managing Director or Joint Managing Director shall not while holding such office be subject to retirement by rotation or taken into account in determining the rotation retirement of Directors.

In order to uphold good corporate governance practices, the Executive Chairman voluntarily retired from his office and offered himself for re-election at the 2009 annual general meeting of the Company notwithstanding that he was not required to do so by the Company's Article 115(B). As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

THE BOARD OF DIRECTORS

Board Responsibilities

The Board is responsible for the management of the business and affairs of the Group with the objective of enhancing shareholder value and presenting a balanced, clear and understandable assessment of the Company's performance, position and prospects in the annual and interim reports, and of other price-sensitive announcements and other financial disclosures as required under the Listing Rules, and reports to regulators any information required to be disclosed pursuant to statutory requirements.

The Management is responsible for the day-to-day operations of the Group under the leadership of the Deputy Chairman and Chief Executive Officer. The Deputy Chairman and Chief Executive Officer, with other Executive Directors and the management team of each business division, is responsible for managing the business of the Group, including implementation of strategies adopted by the Board and assuming full accountability to the Board for operations of the Group.

Corporate Governance Report

Board Composition

The Board comprises nine Directors, whose profiles are set out in the section “Profile of Directors and Senior Management” on pages 9 to 12 of this Annual Report. Four of the Directors are Executive, two are Non-executive and three are Independent Non-executive. Please refer to the Report of Directors on page 29 for the composition of the Board.

Pursuant to the requirement of the Listing Rules, the Company has received written confirmation from all three Independent Non-executive Directors of their independence from the Company and considers them to be independent.

Collectively the Board has a diverse wealth of expertise and experience in the areas of business management, accounting, finance and corporate governance. One of the Independent Non-executive Directors possesses recognized professional qualification in accounting and corporate governance practices. This diversity of experiences and backgrounds enables the Board to enhance good corporate governance and to bring in valuable contributions and advices for the development of the Group’s business.

ROLES OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of Chairman and Deputy Chairman and Chief Executive Officer are held separately by Mr. Deacon Te Ken Chiu and Tan Sri Dato’ David Chiu respectively. Their roles and responsibilities are separate and are set out in writing.

The Chairman is responsible for providing leadership to, and overseeing the functioning of the Board. He is also responsible for taking the lead of effective running of the Board.

The Deputy Chairman and Chief Executive Officer is delegated with the authorities to manage the Group’s business in all aspects effectively, formulating and setting major strategies, making day-to-day decisions and coordinating overall business operations.

REGULAR BOARD MEETINGS

The Board has met four times during the year and has a formal schedule of matters referred to it for consideration and decision. Additional meetings may be convened as and when necessary. Notice of at least fourteen days is served for regular Board meetings and reasonable notice is given for all other Board meetings. Directors are consulted and provided with opportunities to include matters into the agenda for discussion at the Board meetings. The Company Secretary assists the Chairman in preparing the agenda for each regular Board meeting and ensuring that applicable rules and regulations regarding the meetings are observed.

Corporate Governance Report

The Board has met on four occasions during the year ended 31st March, 2010. The attendance of individual Directors at the Board meetings is set out in the table below.

	Number of meetings attended	Attendance rate
Executive Directors		
Deacon Te Ken Chiu, Chairman	4/4	100%
David Chiu, Deputy Chairman and Chief Executive Officer	2/4	50%
Dennis Chiu	0/4	0%
Craig Grenfell Williams	0/4	0%
Non-executive Directors		
Ching Lan Ju Chiu	0/4	0%
Daniel Tat Jung Chiu	0/4	0%
Independent Non-executive Directors		
Jian Yin Jiang	0/4	0%
Kwok Wai Chan	4/4	100%
Peter Man Kong Wong	0/4	0%

BOARD COMMITTEES

The Board has established an Audit Committee and a Remuneration Committee with written terms of reference which are of no less exacting terms than those set out in the Code. Each Committee has its own defined scope of duties and terms of reference. The Company Secretary shall make available the terms of reference of the Committees to any shareholder upon receipt of a request in writing from the shareholder. The members of each Committee are empowered to make decisions on matters within the terms of reference of such Committee.

Audit Committee

The Audit Committee currently comprises three members, all of whom are Independent Non-executive Directors, namely Mr. Mr. Jian Yin Jiang, Kwok Wai Chan and Mr. Peter Man Kong Wong.

Corporate Governance Report

The principal duties of the Audit Committee include monitoring the Group's financial reporting system, reviewing financial statements and internal control procedures. It also acts as an important link between the Board and the Company's auditors in matters within the terms of reference of the Audit Committee. Two meetings were held during the year ended 31st March, 2010, and the attendance record is set out as follows:

	Number of meetings attended	Attendance rate
Executive Director		
Deacon Te Ken Chiu	1/2	50%
David Chiu	1/2	50%
Independent Non-executive Directors		
Kwok Wai Chan, Chairman	2/2	100%
Jian Yin Jiang	0/2	0%
Peter Man Kong Wong	2/2	100%

During the year, the works performed by the Audit Committee were mainly set out below:

- reviewed the annual results for the year ended 31st March, 2009 and interim results for the period ended 30th September, 2009 of the Group
- discussed with the Management of the Company over the fairness and adequacy of the accounting standards and policies of the Group in the preparation of the interim and annual financial statements
- reviewed and discussed with external auditors over the financial reporting of the Company
- reviewed the internal control procedures

Remuneration Committee

A Remuneration Committee has been established by the Company in accordance with the requirements of the Code. The Remuneration Committee currently comprises one Executive Director, namely Tan Sri Dato' David Chiu, who is the Chairman of the Remuneration Committee, and two Independent Non-executive Directors, namely Mr. Kwok Wai Chan and Mr. Peter Man Kong Wong.

The primary duties of the Remuneration Committee are to make recommendations to the Board on the Group's policy and structure for the overall remuneration of the Directors and the Senior Management. In accordance with the Code, no Director or any of his/her associates may be involved in determining his/her own remuneration.

Corporate Governance Report

During the year ended 31st March, 2010, one meeting was held by the Remuneration Committee, and the attendance record is set out as follows:

	Number of meetings attended	Attendance rate
Executive Director		
David Chiu, Chairman	1/1	100%
Independent Non-executive Directors		
Kwok Wai Chan	1/1	100%
Peter Man Kong Wong	0/1	0%

During the year, the work performed by the Remuneration Committee were mainly set out below:

- reviewed and discussed the remuneration for all the staff of the Company
- recommended & approved a performance bonus scheme to the senior management and staff of the Company

DIRECTORS' AND AUDITORS' ACKNOWLEDGEMENT

All Directors acknowledge their responsibility for preparing the accounts for the year ended 31st March, 2010.

Deloitte Touche Tohmatsu, the auditors of the Company, acknowledge their reporting responsibilities in the auditors' report on the financial statements for the year ended 31st March, 2010.

AUDITORS' REMUNERATION

The remuneration paid to the external auditors in respect of audit services for the year ended 31st March, 2010 amounted to HK\$8,032,000.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they have fully complied with the required standards as set out in the Model Code during the year.

INTERNAL CONTROLS

The Board has overall responsibility for the Group's internal control systems and through the Audit Committee, conducts reviews on the effectiveness of these systems at least bi-annually, covering all material controls, financial, operational and compliance controls and risk management functions. The process used in reviewing the effectiveness of these internal control systems includes discussion with the Management on risk areas identified by the Management. The purpose of the Company's internal control is to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems so that the Company's objectives can be achieved.

COMMUNICATION WITH SHAREHOLDERS

The Company endeavours to maintain a high level of transparency in communicating with shareholders. Extensive information on the Group's activities, business strategies and developments is provided in the Company's annual reports, interim reports and corporate website (<http://www.fecil.com.hk>). Shareholders of the Company are encouraged to attend the annual general meeting of the Company which offers a valuable forum for dialogue and interaction with the Management.

Independent Auditor's Report

Deloitte.

德勤

TO THE MEMBERS OF FAR EAST CONSORTIUM INTERNATIONAL LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Far East Consortium International Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 45 to 137, which comprise the consolidated statement of financial position as at 31st March, 2010, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement 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 as to whether the consolidated financial statements are free from material misstatement.

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

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

Independent Auditor's Report

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31st March, 2010 and of its profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

14th June, 2010

Consolidated Income Statement

For the year ended 31st March, 2010

	NOTES	2010 HK\$'000	2009 HK\$'000
Revenue	8	2,342,235	1,732,841
Cost of sales and services		(1,468,833)	(937,497)
Depreciation and amortisation		(74,251)	(67,659)
Gross profit		799,151	727,685
Other income		16,874	26,539
Administrative expenses		(326,325)	(275,723)
Other gains and losses	9	85,607	(138,630)
Share of results of associates		28,592	(133)
Share of results of jointly controlled entities		410	7,956
Finance costs	10	(109,697)	(125,747)
Profit before taxation		494,612	221,947
Income tax expense	11	(154,545)	(116,847)
Profit for the year	12	340,067	105,100
Attributable to:			
Owners of the Company		305,500	85,540
Minority interests		34,567	19,560
		340,067	105,100
Earnings per share	14	HK cents	HK cents
Basic		17.0	5.3
Diluted		16.9	2.3

Consolidated Statement of Comprehensive Income

For the year ended 31st March, 2010

	2010 HK\$'000	2009 HK\$'000
Profit for the year	340,067	105,100
Other comprehensive income:		
Exchange differences arising on translation of foreign operations	296,995	(182,877)
Revaluation increase (decrease) on available-for-sale investments	59,580	(105,883)
Revaluation increase on properties, plant and equipment on transfer to investment properties less deferred tax of HK\$2,201,000 thereon	6,632	–
Reclassify to profit or loss on impairment of available-for-sale investments	–	31,921
Reclassify to profit or loss on disposal of available-for-sale investments	4,394	77,317
Other comprehensive income for the year	367,601	(179,522)
Total comprehensive income for the year	707,668	(74,422)
Total comprehensive income attributable to:		
Owners of the Company	659,221	(86,543)
Minority interests	48,447	12,121
	707,668	(74,422)

Consolidated Statement of Financial Position

At 31st March, 2010

	NOTES	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Non-current assets			
Investment properties	16	2,179,330	1,943,061
Property, plant and equipment	17	4,239,885	3,141,956
Prepaid lease payments	18	1,928,679	1,493,376
Goodwill	19	73,047	–
Interests in associates	20	181,620	163,276
Interests in jointly controlled entities	21	88,973	84,664
Available-for-sale investments	22	308,056	83,282
Financial assets designated at fair value through profit or loss	23	4,574	6,903
Deposit for acquisition of properties		109,009	73,450
Amounts due from associates	24	90,443	90,318
Amount due from an investee company	48	119,995	119,995
Amount due from a minority shareholder	48	451	451
Loans receivable	25	1,947	1,885
Pledged deposits	31	12,397	11,768
		9,338,406	7,214,385
Current assets			
Properties for sale	26		
Completed properties		198,363	488,890
Properties for/under development		1,688,234	1,705,278
Other inventories		6,452	4,431
Prepaid lease payments	18	40,578	26,969
Loans receivable	25	721	23,802
Debtors, deposits and prepayments	27	227,259	124,873
Amount due from a jointly controlled entity	48	5,152	15,234
Amounts due from associates	24	3,628	4,718
Amounts due from related companies	28	956	2,550
Tax recoverable		15,082	13,454
Available-for-sale investments	22	20,897	163,751
Financial assets designated at fair value through profit or loss	23	7,384	16,754
Investments held for trading	29	12,177	11,597
Derivative financial instruments	30	1,708	8,255
Pledged deposits	31	17,368	14,404
Restricted bank deposits	31	269,829	9,024
Deposits with investment banks	31	636,644	52,230
Bank balances and cash	31	655,298	626,678
		3,807,730	3,312,892

Consolidated Statement of Financial Position

	NOTES	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Current liabilities			
Creditors and accruals	32	423,593	379,626
Obligations under finance leases	33	1,256	1,015
Amounts due to directors	48	892	933
Amounts due to related companies	48	46,061	41,910
Amounts due to associates	48	17,952	15,894
Amounts due to minority shareholders	48	29,462	28,367
Customers' deposits received		81,811	81,505
Derivative financial instruments	30	208	–
Financial liabilities designated at fair value through profit or loss	34	–	121,845
Tax payable		249,473	192,619
Secured bank and other borrowings	35	1,235,783	1,009,219
		2,086,491	1,872,933
Net current assets			
		1,721,239	1,439,959
Total assets less current liabilities			
		11,059,645	8,654,344
Capital and reserves			
Share capital	36	190,638	162,200
Share premium		2,746,668	2,041,906
Reserves		3,124,052	2,539,438
Equity attributable to owners of the Company		6,061,358	4,743,544
Minority interests		94,127	30,456
Total equity			
		6,155,485	4,774,000
Non-current liabilities			
Derivative financial instruments	30	44,266	–
Liability component of convertible bonds	37	675,013	228,995
Amount due to a minority shareholder	48	–	5,175
Amount due to a jointly controlled entity	48	13,682	12,552
Deferred taxation	39	348,020	251,771
Obligations under finance leases	33	505	1,236
Secured bank and other borrowings	35	3,822,674	3,380,615
		4,904,160	3,880,344
		11,059,645	8,654,344

The consolidated financial statements on pages 45 to 137 were approved and authorised for issue by the Board of Directors on 14th June, 2010 and are signed on its behalf by:

Deacon Te Ken Chiu
DIRECTOR

David Chiu
DIRECTOR

Consolidated Statement of Changes in Equity

For the year ended 31st March, 2010

	Attributable to equity holders of the Company													
	Share capital	Share premium	Capital redemption reserve	Assets revaluation reserve	Special reserve	Exchange reserve	Investment revaluation reserve	Share options reserve	Convertible bond		Retained profits	Total	Minority interests	Total
									equity reserve	equity reserve				
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	
At 31st March, 2008	161,941	2,042,873	253	7,228	1,038,709	114,790	(39,915)	2,326	-	1,584,472	4,912,677	39,467	4,952,144	
Profit for the year	-	-	-	-	-	-	-	-	-	85,540	85,540	19,560	105,100	
Revaluation decrease on available-for-sale investments	-	-	-	-	-	-	(105,883)	-	-	-	(105,883)	-	(105,883)	
Exchange difference on translation of foreign operations	-	-	-	-	-	(175,438)	-	-	-	-	(175,438)	(7,439)	(182,877)	
Reclassify to profit or loss on disposal on available-for-sale investments	-	-	-	-	-	-	77,317	-	-	-	77,317	-	77,317	
Reclassify to profit or loss on impairment of available-for-sale investments	-	-	-	-	-	-	31,921	-	-	-	31,921	-	31,921	
Other comprehensive income for the year	-	-	-	-	-	(175,438)	3,355	-	-	-	(172,083)	(7,439)	(179,522)	
Total comprehensive income for the year	-	-	-	-	-	(175,438)	3,355	-	-	85,540	(86,543)	12,121	(74,422)	
Shares issued in lieu of cash dividend	1,499	23,823	-	-	-	-	-	-	-	-	25,322	-	25,322	
Issue of 2013 Bond	-	-	-	-	-	-	-	-	113,831	-	113,831	-	113,831	
Deferred tax on equity component of 2013 Bond	-	-	-	-	-	-	-	-	(18,782)	-	(18,782)	-	(18,782)	
Repurchase of own shares	(1,240)	(24,790)	-	-	-	-	-	-	-	-	(26,030)	-	(26,030)	
Recognition of the equity-settled share based payments	-	-	-	-	-	-	-	458	-	-	458	-	458	
Dividends paid to minority interests	-	-	-	-	-	-	-	-	-	-	-	(21,132)	(21,132)	
Dividends declared and paid	-	-	-	-	-	-	-	-	-	(177,389)	(177,389)	-	(177,389)	
At 31st March, 2009	162,200	2,041,906	253	7,228	1,038,709	(60,648)	(36,560)	2,784	95,049	1,492,623	4,743,544	30,456	4,774,000	

Consolidated Statement of Changes in Equity

	Attributable to equity holders of the Company												
	Share capital	Share premium	Capital redemption reserve	Assets revaluation reserve	Special reserve	Exchange reserve	Investment revaluation reserve	Share options reserve	Convertible bond equity reserve	Retained profits	Total	Minority interests	Total
Profit for the year	-	-	-	-	-	-	-	-	-	305,500	305,500	34,567	340,067
Revaluation increase on available-for-sale investments	-	-	-	-	-	59,580	-	-	-	59,580	-	-	59,580
Exchange difference on translation of foreign operations	-	-	-	-	283,115	-	-	-	-	283,115	13,880	-	296,995
Reclassify to profit or loss on disposal on available-for-sale investments	-	-	-	-	-	4,394	-	-	-	4,394	-	-	4,394
Revaluation increase on properties, plant and equipment on transfer to investment properties less deferred tax of HK\$2,201,000 thereon	-	-	-	6,632	-	-	-	-	-	6,632	-	-	6,632
Other comprehensive income for the year	-	-	-	6,632	-	283,115	63,974	-	-	-	353,721	13,880	367,601
Total comprehensive income for the year	-	-	-	6,632	-	283,115	63,974	-	-	305,500	659,221	48,447	707,668
Shares issued in lieu of cash dividend	2,325	44,298	-	-	-	-	-	-	-	46,623	-	-	46,623
Issue of 2015 Bond	-	-	-	-	-	-	-	115,410	-	115,410	-	-	115,410
Deferred tax on equity component of 2015 bond (note 39)	-	-	-	-	-	-	-	(19,042)	-	(19,042)	-	-	(19,042)
Shares issued on conversion of 2013 Bond	7,708	340,768	-	-	-	-	-	(113,831)	-	234,645	-	-	234,645
Reversal of deferred tax on equity component of 2013 Bond (note 39)	-	-	-	-	-	-	-	18,782	-	18,782	-	-	18,782
Acquisition of assets (note 41b)	8,172	141,330	-	-	-	-	-	-	-	149,502	-	-	149,502
Acquisition of business (note 41a)	10,233	179,075	-	-	-	-	-	-	-	189,308	51,291	-	240,599
Issue of shares upon recognition of the equity-settled share based payments	-	-	-	-	-	-	2,353	-	-	2,353	-	-	2,353
Shares issue expenses	-	(709)	-	-	-	-	-	-	-	(709)	-	-	(709)
Convertible bonds issue expenses	-	-	-	-	-	-	-	(2,623)	-	(2,623)	-	-	(2,623)
Dividends paid	-	-	-	-	-	-	-	-	(75,656)	(75,656)	-	-	(75,656)
Dividends paid to minority interests	-	-	-	-	-	-	-	-	-	-	(36,067)	-	(36,067)
At 31st March, 2010	190,638	2,746,668	253	13,860	1,038,709	222,467	27,414	5,137	93,745	1,722,467	6,061,358	94,127	6,155,485

Special reserve arises from group reorganisation in 1991 representing the excess of the value of the net assets of the subsidiaries acquired and the nominal value of the shares issued by the Company for the acquisition.

Consolidated Statement of Cash Flows

For the year ended 31st March, 2010

	2010 HK\$'000	2009 HK\$'000
Operating activities		
Profit before taxation	494,612	221,947
Adjustments for:		
Share of results of jointly controlled entities	(410)	(7,956)
Share of results of associates	(28,592)	133
Depreciation and amortisation	81,320	75,714
Dividend from listed investments	(7,130)	(4,761)
Interest income	(3,679)	(13,970)
Interest expenses	109,697	125,747
Allowance for bad and doubtful debts	–	2,220
Allowance for amount due from jointly controlled entities	13,200	–
(Increase) decrease in fair value of investment properties	(166,197)	2,715
Loss on disposal of available-for-sale investments	4,394	77,317
Impairment loss of available-for-sale investments recognised to profit and loss	–	31,921
Loss (gain) in fair value on financial liabilities through profit or loss	7,725	(55,901)
Recognition of share-based payments	2,353	458
Loss on disposal of property, plant and equipment	9	103
Loss on disposal of an associate	4,928	–
Operating cash flows before movements in working capital	512,230	455,687
Decrease in completed properties for sale	1,029,612	671,051
Increase in properties under development for sale	(419,654)	(1,021,482)
Increase in other inventories	(1,747)	(2,268)
Decrease in loans receivable	–	185
(Increase) decrease in debtors, deposits and prepayments	(78,484)	46,631
Increase in amount due from a jointly controlled entity	(3,118)	(2,099)
(Increase) decrease in investments held for trading	(580)	59,680
Decrease in financial assets designated at fair value through profit or loss	11,699	406,830
Decrease (increase) in derivative financial instruments	51,021	(149,293)
(Decrease) increase in creditors and accruals	(4,395)	90,812
Increase (decrease) in customers' deposits received	306	(273,291)
Cash from operations	1,096,890	282,443
Hong Kong Profits Tax paid	(18,231)	(46,938)
Tax paid for other jurisdictions	(71,311)	(134,008)
Net cash from operating activities	1,007,348	101,497

Consolidated Statement of Cash Flows

	NOTE	2010 HK\$'000	2009 HK\$'000
Investing activities			
Purchase of property, plant and equipment		(412,060)	(287,758)
Addition of investment properties		(16,497)	(76,267)
Acquisition of subsidiaries, net of bank balances and cash acquired	41(a)	6,835	4,169
Contribution to a jointly controlled entity		(1,562)	(5,766)
Proceeds from disposal of property, plant and equipment		3,925	967
Proceeds from disposal of investments properties		108,639	88,000
Purchase of available-for-sale investments		(83,120)	(460,252)
Proceeds from disposal of available-for-sale investments		60,780	273,239
Increase in prepaid lease payments		(597,252)	(407,691)
Deposit paid on acquisition of a property		(34,909)	–
(Increase) decrease in pledged deposits		(1,956)	82,366
Increase in restricted bank deposits		(260,805)	(9,024)
Increase in deposits with investment banks		(584,414)	(52,230)
Repayment from (advance to) associates		1,090	(12,408)
Repayment from related companies		1,594	2,267
Advance to a minority shareholder		(4,080)	(18,288)
Decrease (increase) in loan receivable		23,019	(22,608)
Dividend received from associates		5,320	7,266
Dividend received from listed investments		7,130	4,761
Bank interest received		3,679	13,970
Net cash used in investing activities		(1,774,644)	(875,287)
Financing activities			
Issue expenses on issue of shares		(749)	–
Issue expenses on convertible bonds		(14,249)	–
Repurchase of own shares		–	(26,030)
Repurchase of convertible bonds		(10,607)	(252,377)
Redemption of convertible bonds		(118,963)	–
Proceeds from issue of convertible bonds		800,000	–
New bank and other borrowings raised		1,131,329	3,266,529
Repayments of bank and other borrowings		(795,431)	(1,635,602)
Repayments of obligations under finance leases		(1,228)	(2,118)
Repayment to a director		(41)	(2,419)
Advances from (repayment to) related companies		4,151	(2,763)
Advances from jointly controlled entities		1,130	–
Advances from associates		2,058	2,134
Dividends paid		(29,033)	(152,067)
Dividend paid to a minority interest		(36,067)	(21,132)
Interest paid		(154,789)	(200,460)
Net cash from financing activities		777,511	973,695
Net increase in cash and cash equivalents		10,215	199,905
Cash and cash equivalents brought forward		626,678	444,620
Effect of foreign exchange rate changes		18,405	(17,847)
Cash and cash equivalents carried forward		655,298	626,678
Analysis of the balances of cash and cash equivalents			
Bank balances and cash		655,298	626,678

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2010

1. GENERAL

The Company is a public limited company incorporated in the Cayman Islands with its shares listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The principal activities of the Group are property development and investment, hotel operation, car park operation and treasury management.

The consolidated financial statements are presented in Hong Kong dollars ("HKD"), which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

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

HKAS 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised 2007)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) – Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC) – Int 18	Transfers of Assets from Customers
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1st July, 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

Except as disclosed below, the adoption of the new and revised HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKAS 1 (Revised 2007) Presentation of Financial Statements

HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

The application of the amendments to HKAS 40 Investment Property, the Group’s investment properties under construction previously included in leasehold land and building elements have been reclassified as investment properties at 1st April, 2009. Since such a reclassification has not resulted in any restatement of items of financial statements for prior periods, the consolidated statement of financial position as at 1st April, 2008 has not been presented.

HKFRS 8 “Operating Segments”

HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to segments and to assess their performance. In contrast, the predecessor Standard (HKAS 14 “Segment Reporting”) required an entity to identify two sets of segments (business and geographical), using a risks and returns approach, with the entity’s “system of internal financial reporting to key management personnel” serving only as the starting point for the identification of such segments.

In prior years, the Group’s primary reporting segment was business segments with secondary reporting segment on geographical segment. The application of HKFRS 8 has resulted in a redesignation of the Group’s reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14. The adoption of HKFRS 8 has also changed the basis of measurement of segment profit or loss as presented in note 7.

Improving Disclosures about Financial Instruments

(Amendments to HKFRS 7 “Financial Instruments: Disclosures”)

The amendments to HKFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The Group has not provided comparative information for the expanded disclosures in accordance with the transitional provision set out in the amendments. The amendments also expand and amend the disclosures required in relation to liquidity risk which has no impact on the consolidated financial statements of the Group.

Amendments to HKAS 1 Presentation of Financial Statements

As part of Improvements to HKFRSs (2008), HKAS 1 Presentation of Financial Statements has been amended to clarify whether derivatives that are classified as held for trading in accordance with HKAS 39 Financial Instruments: Recognition and Measurement should be presented as current or non-current. The amendment requires derivatives that are held primarily for trading purposes to be presented as current regardless of their maturity dates. Whereas derivatives that are not held for trading purposes are to be classified as current or non-current on the basis of their expected settlement date. Prior to the amendment, the Group presented, as current, all derivatives that are classified as derivative financial instruments in accordance with HKAS 39. The amendment has had no impact on the Group’s results for the reported periods.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKAS 40 Investment Property

As part of Improvements to HKFRSs (2008), HKAS 40 has been amended to include within its scope properties under construction or development for future use as investment properties and to require such properties to be measured at fair value (where the fair value model is used by the Group and the fair values of the properties are reliably determinable). In the past, the leasehold land and building elements of investment properties under construction were accounted for separately. The leasehold land element was accounted for as an operating lease and presented as prepaid lease payments in the consolidated statement of financial position and the building element was included in property, plant and equipment and was carried at cost less accumulated impairment losses, if any.

The Group has applied the amendments to HKAS 40 prospectively from 1st April, 2009 in accordance with the relevant transitional provision. As a result of the application of the amendment, the Group’s investment properties under construction that include the leasehold land and buildings elements with the previous carrying amounts of HK\$168,376,000 and HK\$3,283,000 as at 1st April, 2009 respectively, have been reclassified as investment properties. Since, in the opinion of the directors of the Company, the fair value of investment properties under construction cannot be determined reliably, they are measured at cost less impairment losses, if any, as at 31st March, 2010. As at 31st March, 2010, the impact of the adoption of the amendment to HKAS 40 has been to decrease prepaid lease payments and property, plant and equipment by HK\$168,376,000 and HK\$3,283,000 respectively and to increase investment properties by HK\$171,659,000.

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

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008 ¹
HKFRSs (Amendments)	Improvements to HKFRSs 2009 ²
HKFRSs (Amendments)	Improvements to HKFRSs 2010 ³
HKAS 24 (Revised)	Related Party Disclosures ⁷
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ¹
HKAS 32 (Amendment)	Classification of Rights Issues ⁵
HKAS 39 (Amendment)	Eligible Hedged Items ¹
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters ⁴
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters ⁶
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions ⁴
HKFRS 3 (Revised)	Business Combinations ¹
HKFRS 9	Financial Instruments ⁸
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement ⁷
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners ¹
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments ⁶

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKAS 40 Investment Property (Continued)

- ¹ Effective for annual periods beginning on or after 1st July, 2009.
- ² Effective for annual periods beginning on or after 1st July, 2009 and 1st January, 2010, as appropriate.
- ³ Effective for annual periods beginning on or after 1st July, 2010 and 1st January, 2011, as appropriate
- ⁴ Effective for annual periods beginning on or after 1st January, 2010.
- ⁵ Effective for annual periods beginning on or after 1st February, 2010.
- ⁶ Effective for annual periods beginning on or after 1st July, 2010.
- ⁷ Effective for annual periods beginning on or after 1st January, 2011.
- ⁸ Effective for annual periods beginning on or after 1st January, 2013.

The application of HKFRS 3 (Revised) may affect the Group’s accounting for business combination for which the acquisition date is on or after 1st January, 2010. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group’s ownership interest in a subsidiary.

HKFRS 9 Financial Instruments introduces new requirements for the classification and measurement of financial assets and will be effective from 1st January, 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification of the Group’s financial assets.

In addition, as part of Improvements to HKFRSs issued in 2009, HKAS 17 Leases has been amended in relation to the classification of leasehold land. The amendments will be effective from 1st January, 2010, with earlier application permitted. Before the amendments to HKAS 17, lessees were required to classify leasehold land as operating leases and presented as prepaid lease payments in the consolidated statement of financial position. The amendments have removed such a requirement. Instead, the amendments require the classification of leasehold land to be based on the general principles set out in HKAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. The application of the amendments to HKAS 17 might affect the classification of the Group’s leasehold land.

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 consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements included applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance. The principal accounting policies adopted are as follows:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and 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 benefit 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 and 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 in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses have been eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority interest in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities are recognised at their fair values at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Goodwill

Goodwill arising on an acquisition of a business represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the relevant business at the date of acquisition. Goodwill is carried at cost less any accumulated impairment losses and presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro/rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

Goodwill arising on acquisition of associates and jointly controlled entities is included within the carrying amount of the investment and is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment as a single asset. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment in the associate or jointly controlled entity. Any reversal of impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss for goodwill is not reversed in subsequent periods.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes as follows.

Revenue from sale of properties in the ordinary course of business is recognised when the respective properties have been completed and delivered to the buyers. Deposits and instalments received from purchasers prior to meeting the revenue recognition criteria are recorded as sales deposits under current liabilities. Sales of goods other than properties are recognised when goods are delivered and title has passed.

Revenue from hotel operation is recognised when the relevant services are provided.

Revenue from car park operation is recognised when the relevant facilities are provided.

Building management fee income and car park management fee income is recognised when the relevant services are provided.

Rental income from properties under operating leases is recognised on a straight-line basis over the periods of the respective tenancies.

Interest income from a financial asset 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 the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

Investment properties

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

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured 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 consolidated statement of comprehensive income in the year in which the item is derecognised.

Transfer from investment property to property, plant and equipment will be made when there is a change in use, evidenced by commencement of owner occupation. The fair value at the date of transfer deemed to be the cost of the property, plant and equipment transferred for subsequent accounting purpose.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Investment properties *(Continued)*

Transfers from property, plant and equipment and prepaid lease payment to investment property are made when there is a change in use evidenced by the end of owner occupation. When an item of property, plant and equipment is transferred to investment property carried at fair value and if the fair value of the property at the date of transfer exceeds the carrying amount of the property at the date of transfer, the surplus is credited directly to asset revaluation reserve. On disposal of the property, the revaluation surplus included in equity will be transferred to retained profits. The transfer from revaluation surplus to retained profits is not made through profit or loss.

Transfers from inventories to investment property are made when there is a change in use evidenced by the commencement of an operating lease. Any difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised in profit or loss.

Property, plant and equipment

Property, plant and equipment other than buildings and hotel under development are stated at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is provided to write off the cost of items of property, plant and equipment other than buildings and hotel under development over their estimated useful lives and after taking into account of their estimated residual value.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the terms of the leases.

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 derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated statement of comprehensive income in the year in which the item is derecognised.

When an item of property, plant and equipment is transferred to investment property at fair value, if the carrying amount is decreased as a result of the revaluation at the date of transfer, any resulting decrease in the carrying amount of the property is recognised in profit or loss. If the carrying amount is increased, to the extent that the increase reverses a previous impairment loss for that property, the increase is recognised in profit or loss and any remaining part of the increase is credited directly to assets revaluation reserve. On subsequent disposal of the investment property, the revaluation surplus included in equity may be transferred to accumulated profits. The transfer from revaluation surplus to accumulated profits is not made through profit or loss.

Buildings under development for hotel operation or own use are stated at cost less any impairment loss recognised. Cost comprises development expenditure including professional charges and interest capitalised during the development period.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Property, plant and equipment *(Continued)*

No depreciation is provided on the cost of the buildings which are under development for hotel operation or owners' occupation. Depreciation on the building commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

When the building on the leasehold land is in the course of development for rental or for administrative purposes, the leasehold land component is amortised on a straight-line basis over the lease term. The amortisation charge for the leasehold land is included as part of costs of buildings under construction during the construction period.

Owner-occupied leasehold interest in land

When the leasehold land and buildings are in the course of development for hotel operation or for administrative purposes, the leasehold land component is classified as prepaid lease payment and amortised over a straight-line basis over the lease term. During the construction period, the amortisation charge provided for the leasehold land is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses.

Interests in 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 carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in equity of the associate, less any identified impairment loss. 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. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a group entity transacts with an associate of the Group, unrealised profits and losses are eliminated to the extent of the Group's interest in the associate.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Joint ventures

Jointly controlled entities

Joint venture arrangements which involve the establishment of a separate entity in which each venturer has joint control over the economic activity of the entity are referred to as jointly controlled entities.

The results and assets and liabilities of jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in jointly controlled entities are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in equity of the jointly controlled entities, less any identified impairment loss. When the Group's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the jointly controlled entity), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

Any excess of the cost of acquisition over the Group's share of net fair value of the identifiable assets, liabilities and contingent liabilities of the jointly controlled entities recognised as goodwill.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

When a group entity transacts with a jointly controlled entity of the Group, unrealised profits and losses are eliminated to the extent of the Group's interest in the jointly controlled entity.

Jointly controlled assets

When a group company undertakes its activities under joint venture arrangements directly, constituted as jointly controlled assets, the Group's share of jointly controlled assets and share of any liabilities incurred jointly with other venturers are recognised in the consolidated financial statements and classified according to their nature. Expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis.

Income from the sale or use of the Group's share of the output of jointly controlled assets, together with its share of joint venture expenses, are recognised when it is probable that the economic benefits associated with the transaction will flow to/from the Group.

Impairment of tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. 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.

The carrying amount of the asset is increased to the revised estimate of its recoverable amount where an impairment loss subsequently reverses, 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 profit or loss 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 increase under that standard.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Inventories

Properties for sale

Completed properties for sale are stated at the lower of cost and net realisable value. Cost includes land cost, construction cost, borrowing costs capitalised and other direct development expenditure. Net realisable value is determined by reference to estimated sale proceeds less estimated selling expenses.

Properties for/under development intended for sale after completion of development are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

Other inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost method.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated 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 designated 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 financial assets at fair value through profits or loss, available-for-sale investments 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.

Loans and receivables

Loans and receivables (including amounts due from associates, an investee company, a minority shareholder, a jointly controlled entity and related companies, loans receivable, debtors, pledged deposits, restricted bank deposits, deposits with investment banks and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in profit or 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. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction 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.

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 through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount of the financial assets at initial recognition. Interest income is recognised on an effective interest basis for debt instruments.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Financial assets designated at fair value through profit or loss ("FVTPL")

Financial assets designated at fair value through profit or loss has two subcategories, including financial assets held for trading and those designated at fair value through profit or loss on initial recognition.

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.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition, if it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

At each reporting date subsequent to initial recognition, financial assets designated at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets.

Available-for-sale investments

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories (set out above). At each reporting date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in other comprehensive income and accumulated in investment revaluation reserve, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses on available-for-sale equity investments will not reverse in subsequent periods. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at each reporting date subsequent to initial recognition. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses will not reverse in subsequent periods.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets

Financial assets, other than those designated at FVTPL, are assessed for indicators of impairment at each reporting date. 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 assets have been impacted.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

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

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of 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 such receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

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 loss 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.

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated in investment revaluation reserve.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity

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.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Considerations paid to repurchase the Company's own equity instruments are deducted directly from equity.

Financial liabilities

The Group's financial liabilities are generally classified into financial liabilities designated at FVTPL and other financial liabilities.

Financial liabilities designated at fair value through profit or loss

The Group has designated certain convertible bonds with conversion option settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of equity instruments as financial liabilities carried at fair value through profit or loss. At initial recognition and in subsequent periods, the convertible bonds are measured at fair value, with changes in fair value arising on remeasurement recognised directly in profit or loss in the period in which they arise.

Interest expense on financial liabilities designated at FVTPL, is included in other gains or losses.

Convertible bonds

Convertible bonds issued by the Group with conversion option that will be settled by the exchange of a fixed amount of cash or a fixed number of the Company's own equity instruments are separated into the equity component and the liability component.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible bond and the fair value assigned to the liability component, representing the conversion option for the holder to convert the bond into equity, is included in convertible bond equity reserve under equity.

In subsequent periods, the liability component of the convertible bond is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible bond equity reserve until the conversion option is exercised in which case the balance stated in convertible bond equity reserve will be transferred to share premium. When the conversion option remains unexercised at the expiry date, the balance stated in convertible bond equity reserve will be released to the retained profits. Upon conversion of the convertible bonds, the liabilities component is derecognised and equity component is transferred to share capital and share premium. No gain or loss is recognised in profit or loss upon conversion or at the expiry date of the option.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity *(Continued)*

Convertible bonds (Continued)

Transaction costs incurred for the issuance of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds to the components at initial recognition. Transaction costs allocated to the equity component are charged directly against equity. Transaction costs allocated to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

Other financial liabilities

Other financial liabilities (including creditors, amounts due to directors, related companies, associates, minority shareholders and a jointly controlled entity and bank and other borrowings) are subsequently measured at amortised cost, using the 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 to the net carrying financial liability at initial recognition. Interest expense is recognised on an effective interest basis.

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, 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 directly in equity is recognised in profit or loss.

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

Repurchase of own shares

All ordinary shares repurchased during the year were cancelled during the year, and the issued share capital was reduced by the par value of the repurchased shares so cancelled. The premium and related expenses paid on the repurchases of the ordinary shares were charged to the share premium account. An amount equivalent to the par value of the ordinary shares cancelled was transferred to the share premium.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Leases

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 under operating leases is recognised in the consolidated statement of comprehensive income on a straight-line basis over the term of the relevant lease.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss.

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Leasehold land and building

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases and amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model.

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 its functional currency, the currency of the primary economic environment in which the entity operates, at the rates of exchange 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 the end of reporting 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 translation of monetary items, are recognised in profit or loss in the period in which they arise. 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 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.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Foreign currencies *(Continued)*

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company, the Hong Kong dollars, at the rate of exchange prevailing at the end of the reporting period, and their income and expenses 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. Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Retirement benefits schemes

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered service entitling them to the contributions.

Equity-settled share-based payment

Share options granted to employees after 7th November, 2002 and vested on or after 1st April, 2005

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in share options reserve.

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to share options reserve.

At the time when the share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained profits.

Share options granted to employees on or before 7th November, 2002, or granted after 7th November, 2002 and vested before 1st April, 2005

The financial impact of share options granted is not recorded in the consolidated financial statements until such time as the options are exercised, and no charge is recognised in the consolidated statement of comprehensive income in respect of the value of options granted. Upon the exercise of the share options, the resulting shares issued are recorded as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded as share premium. Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Equity-settled share-based payment *(Continued)*

Equity instruments to acquire assets

Equity instruments issued to acquire assets are measured at the fair values of the assets received, unless that fair value cannot be reliably measured, in which case the assets received are measured by reference to the fair value of the equity instruments granted.

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 and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's current tax liabilities are measured using the tax rates that have been enacted or substantively enacted by the end of reporting date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which 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 (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on interests in subsidiaries, associates and jointly controlled entities, 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 the reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the 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 rate (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.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31st March, 2010, the carrying amount of goodwill is HK\$73,047,000. Details of the recoverable amount calculation are disclosed in note 19.

Impairment of available-for-sale financial assets

The Group follows the guidance of HKAS 39 to determine whether or not an available-for-sale financial asset is impaired. For available-for-sale financial assets that do not have a quoted market price in an active market, this determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

Fair value of investment properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuers. The determination of the fair value involves certain assumptions of market conditions. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions.

Estimated allowances for bad and doubtful debts

The Group makes allowances for bad and doubtful debts when there is objective evidence that debtors balances are impaired. The balances of the debtors are based on the present value of estimated future cash flows discounted at the effective rate computed at initial recognition. The directors exercised judgement in assessing the ultimate realisation of these receivables including the current creditworthiness and the past collection history of each debtors. If the financial credit ratings of customers of the Group were to deteriorate, there may be an impairment on the related debts.

Taxation

The realisability of the deferred tax assets mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. The directors of the Company determine whether deferred tax assets would be recognised based on profit projections of the Group and the expected reversal of taxable temporary differences for coming years during which the deferred tax assets are expected to be utilised. The directors of the Company will review the probability of utilising tax losses in the future at each reporting date. In cases where the actual future profits generated are more or less than expected, an additional recognition or a reversal of deferred tax assets may arise, which would be recognised in the profit or loss for the period in which such a recognition or reversal takes place.

5. CAPITAL RISK MANAGEMENT

It is the Group's policy to maintain a strong capital base so as to safeguard the Group's ability to continue as a going concern and to sustain future development of the Group's business. The capital structure of the Group consists of net debt, which includes borrowings less cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained earnings.

The Group actively and regularly reviews and manages its capital structure and makes adjustments to the capital structure in light of changes in economic conditions.

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

6. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

	2010 HK\$'000	2009 HK\$'000
Financial assets		
Financial assets at fair value through profit or loss		
Held for trading	12,177	11,597
Designated at fair value through profit or loss	11,958	23,657
Derivative financial instruments	1,708	8,255
Available-for-sale investments	328,953	247,033
Loans and receivables	2,030,396	1,065,769
	2,385,192	1,356,311
Financial liabilities		
Financial liabilities at fair value through profit or loss		
Designated at fair value through profit or loss	–	121,845
Derivative financial instruments	44,474	–
Other financial liabilities stated at amortised cost	6,241,968	5,088,456
	6,286,442	5,210,301

6. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies

Details of the Group's financial instruments are disclosed above and in the respective notes. The risks associated with these financial instruments include market risk (foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

The management monitors and manages the financial risk of the Group through internal risk assessment which analyses exposures by degree and magnitude of risks. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank balances and pledged deposits, secured loan receivable, and variable-rate bank and other borrowings. The management monitors the interest rate exposure and manages it by entering into certain interest rate swaps contracts.

The Group's cash flow interest rate risk is mainly arising from the fluctuation of HIBOR and LIBOR in respect of the Group's bank borrowings.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for the floating rate borrowings and receivables. The floating rates include Hong Kong Interbank Offered Rates ("HIBOR"), HK\$ Prime Lending Rate, People's Bank of China ("PBOC"), Swap Offered Rate ("SOR"), Malaysia Base Lending Rates ("BLR") and Australia Bank Bill Swap Reference Rate ("BBSW"). The sensitivity analysis does not consider the exposure of the bank deposits because the impact is not significant.

The analysis is prepared assuming that the borrowings outstanding at the end of the reporting date were outstanding for the whole year. A 50 basis points (2009: 50 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represent management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points (2009: 50 basis points) higher/lower together with all other variables were held constant, the Group's profit after taxation would decrease by approximately HK\$7,530,000 (2009: HK\$9,036,000) and the interest capitalised as part of the cost of properties for /under development would increase/decrease by approximately HK\$9,283,000 (2009: HK\$8,977,000). This is mainly attributable to the Group's expense to interest rates on its variable-rate bank and other borrowings.

In management's opinion, the sensitivity analysis is unrepresentative of the interest rate risk as the year end exposure does not reflect the exposure during the year.

6. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Foreign currency risk

The group undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuation arises. The Group currently does not use any derivatives contract to hedge against its exposure to currency risk. The Group manages the foreign currency risk by closely monitoring the movement of the foreign currency rate.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities, excluding available-for-sale investments, financial assets designated at fair value through profit or loss, investments held for trading, derivative financial instruments and convertible bonds, at the reporting date are as follows:

	2010 HK\$'000	2009 HK\$'000
Assets		
USD	13,277	13,779
Renminbi ("RMB")	4,745	5,104
Japanese Yen ("YEN")	3,698	3,931
Australian Dollars ("AUD")	24,594	3,075
Euro	15,107	1,600
Singapore Dollars ("S\$")	902	–
Canadian Dollars ("CAD")	6,197	–

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 10% (2009: 10%) increase in the HKD against the relevant foreign currencies, while all other variables are held constant. Since Hong Kong dollars are pegged to US dollars under the Linked Exchange Rate System, the management does not expect significant foreign currency exposure in relation to the exchange rate fluctuation between Hong Kong dollars and US dollars. The Group mainly exposes to foreign currency risks other than US dollars. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding monetary items denominated in foreign currencies and adjusts their translation at the reporting date if HKD strengthens 10% against the relevant foreign currency.

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Foreign currency risk (Continued)

Foreign currency sensitivity analysis (Continued)

	Decrease in profit for the year	
	2010 HK\$'000	2009 HK\$'000
RMB	(475)	(510)
YEN	(370)	(393)
AUD	(2,459)	(307)
Euro	(1,511)	(160)
S\$	(90)	–
CAD	(620)	–

For a 10% weakening of HKD adjust the relevant foreign currencies, there would be an equal and opposite impact on profit.

In the management's opinion, the sensitivity analysis is unrepresentative of the foreign currency risk as the year end exposure does not reflect the exposure during the year.

Price risk

The Group is exposed to equity price risk and market price risk arising from investment in equity securities and other financial products including available-for-sale investments, investments held for trading and derivative financial instruments.

Price risk sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk at the reporting date.

If the price of the respective equity securities has been 10% (2009: 10%) higher/lower :

- profit for the year would increase/decrease by HK\$1,218,000 (2009: increase/decrease HK\$1,160,000) as a result of the changes in fair value of held-for trading investments.
- investment revaluation reserve would increase/decrease by HK\$26,696,000 (2009: HK\$20,808,000) as a result of the changes in fair value of available-for-sale investments.

6. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Credit risk

At each reporting date, the Group's maximum exposure to credit risk which will cause a financial loss to the Group in the event of the counterparties failure to discharge their obligations are the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position and the contingent liabilities in relation to the financial guarantee issued by the Group as disclosed in note 44. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

The Group has no significant concentration of credit risk, except for the amount due from an investee company, associates and loans receivable, with exposure spread over a number of counterparties and customers. The Group reviews the recoverable amount of each individual debt at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk for bank deposits and pledged deposits is limited because the counterparties are banks or financial institutions with high credit ratings.

Liquidity risk

The Group's liquidity position and its compliance with lending covenants is monitored closely by the management of the Company, to ensure that it maintain sufficient reserve of cash and adequate committed line of funding from major financial institutions to meet its liquidity requirement in the short and longer term. The Group finances its working capital requirements through a combination of funds generated from operations and bank and other borrowings.

The following table details the Group's contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

	Weighted average contractual interest rate %	0-180 days HK\$'000	181-365 days HK\$'000	One to three years HK\$'000	Three to five years HK\$'000	Over five years HK\$'000	Total HK\$'000	Carrying amount HK\$'000
At 31st March, 2010								
Non-derivative financial liabilities								
Non-interest bearing	N/A	493,055	–	13,682	–	–	506,737	506,737
Fixed interest rate instruments	5.84	17,387	17,409	69,873	92,666	27,098	224,433	184,554
Variable interest rate instruments	2.40	793,731	534,026	931,068	2,818,670	225,032	5,302,527	4,873,903
Convertible bonds (a)	3.63	14,540	14,460	87,080	826,934	–	943,014	675,013
Obligation under finance leases	2.60	606	671	475	33	–	1,785	1,761
Financial guarantee contract (b)	N/A	127,006	–	–	–	–	127,006	–
		1,446,325	566,566	1,102,178	3,738,303	252,130	7,105,502	6,241,968
At 31st March, 2009								
Non-derivative financial liabilities								
Non-interest bearing	N/A	454,824	–	12,552	–	–	467,376	467,376
Fixed interest rate instruments	5.35	14,116	20,615	67,184	98,612	43,017	243,544	201,077
Variable interest rate instruments	2.16	864,706	233,287	973,119	2,441,856	360,341	4,873,309	4,188,757
Convertible bonds	8.81	–	–	–	331,445	–	331,445	228,995
Obligation under finance leases	4.15	581	505	973	285	–	2,344	2,251
Financial guarantee contract (b)	N/A	150,443	–	–	–	–	150,443	–
		1,484,670	254,407	1,053,828	2,872,198	403,358	6,068,461	5,088,456

(a) The amount assumed the Company and the bondholders do not exercise the early redemption option.

(b) The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on the expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

6. FINANCIAL INSTRUMENTS *(Continued)*

c. Fair value measurement of financial instruments

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of listed available-for-sale investments with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices.
- the fair value of the financial assets at fair value through profit or loss is determined based on valuation and are determined using generally accepted pricing models based on discounted cash flow using prices or rates from observable current market transactions.
- the fair value of the financial liabilities at fair value through profit or loss is determined based on discounted cash flow model and black-scholes model using prices or rates of similar instruments with key inputs such as weighted average share price, expected validity, risk free rate and expected dividend yield. Details are set out in note 34.
- the fair value of derivative financial instruments are determined in accordance with generally accepted pricing models based on data obtained from current market transactions or dealer quotes for similar instruments. Details are set out in note 30.
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

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

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 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 market 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).
- Level 3 fair value measurements are those derived from valuation techniques that included inputs for the asset or liability that are not based on observable market data (unobservable inputs).

6. FINANCIAL INSTRUMENTS (Continued)

c. Fair value measurement of financial instruments (Continued)

The fair value of financial assets measured in different levels recognised in the statement of financial position are as follows:

	31/3/2010			Total HK\$'000
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	
Financial assets at FVTPL				
Derivative financial assets	–	1,708	–	1,708
Non-derivative financial assets held for trading	12,177	–	–	12,177
Financial assets designated at fair value through profit or loss	–	–	11,958	11,958
Total	12,177	1,708	11,958	25,843
Available-for-sale financial assets				
Listed equity securities	198,522	–	–	198,522
Unlisted debt securities	–	48,009	–	48,009
Investment funds	–	20,432	–	20,432
Total	198,522	68,441	–	266,963
Financial liabilities at FVTPL				
Derivative financial liabilities	–	44,474	–	44,474

There were no transfers between Level 1, 2 and 3 in the current year.

Reconciliation of Level 3 fair value measurements of financial liabilities:

	HK\$'000
Financial assets designated of fair value through profit or loss	
At 1st April, 2009	23,657
Gain from change in fair value recognised in profit or loss	3,731
Purchases	62,818
Disposals	(78,248)
At 31st March, 2010	11,958

7. SEGMENT INFORMATION

The Group has adopted HKFRS 8 “Operating Segments” with effect from 1st April, 2009. Information reported to the Group’s chief operating decision maker who are the executive directors of the Company for the purposes of resource allocation and assessment of performance is mainly focused on the property development, property investment, hotel operation, car park operation and securities and financial product investments.

The application of HKFRS 8 has resulted in a redesignation of the Group’s reportable segments:

- the property development segment and the property investment segment which were previously grouped under “property development and investment” have been reported as separate reportable segments upon the application of HKFRS 8.
- the segment information was previously analysed on the basis of different nature of operation, the “property development and investment”, “hotel operation”, “financial products investment” and “other operations”. As financial information reported to the chief operating decision maker is on the performance of each type of business operation. During the year, the Group acquired certain companies which are the owners and operators of car parks. Car park operation constitutes new operating segment in the current year. The reportable segments have been changed and summarised as follows:
 - Property development and sale in Hong Kong (“HK”)
 - Property development and sale in the People Republic of China (“PRC”)
 - Property development and sale in Australia
 - Property development and sale in Malaysia
 - Property investment in HK
 - Property investment in the PRC
 - Property investment in Singapore
 - Hotel operation in HK
 - Hotel operation in the PRC
 - Hotel operation in Malaysia
 - Hotel operation in Singapore
 - Car park operation in Australia
 - Car park operation in Malaysia
 - Securities and financial product investments
 - Other operation

Segment information for prior year has been restated to conform with the current year’s presentation.

The following is an analysis of the Group’s revenue and results by reportable segment for the year reported to the chief operating decision maker for the purposes of resource allocation and performance assessment. The accounting policies adopted in preparing segment profit (loss) is the same as the Group’s accounting policies described in note 3. Segment profit or loss represents the pre-tax profit or loss earned by each segment without allocation of central administrative costs, directors’ salaries, (loss) gain in fair value on financial liabilities designated at fair value through profit or loss and finance costs.

Notes to the Consolidated Financial Statements

7. SEGMENT INFORMATION *(Continued)*

	Segment revenue		Segment profit (loss)	
	2010 HK\$'000	2009 HK\$'000	2010 HK\$'000	2009 HK\$'000
Property development				
– Australia	916,495	570,407	54,761	97,915
– HK	62,363	21,927	43,324	10,839
– Other region in the PRC	397,547	359,095	220,095	152,423
– Malaysia	–	–	(20)	–
	1,376,405	951,429	318,160	261,177
Property investment				
– HK	25,934	30,048	136,939	(149,602)
– Other region in the PRC	10,725	10,225	3,722	228,798
– Singapore	21,098	19,702	57,697	(67,634)
	57,757	59,975	198,358	11,562
Hotel operation				
– HK	339,913	414,379	101,747	163,820
– Malaysia	241,782	237,228	55,032	56,596
– Other region in the PRC	34,558	27,383	612	3,696
– Singapore	–	–	(405)	–
	616,253	678,990	156,986	224,112
Car park operation				
– Australia	270,881	–	31,238	–
– Malaysia	7,997	–	3,629	–
	278,878	–	34,867	–
Securities and financial product investments	6,348	37,505	(40,149)	(140,879)
Other operation	6,594	4,942	3,572	(11,546)
Segment revenue/segment profit	2,342,235	1,732,841	671,794	344,426
Unallocated corporate expenses			(59,760)	(52,633)
(Loss) gain from change in fair value on financial liabilities designated at fair value through profit or loss			(7,725)	55,901
Finance costs			(109,697)	(125,747)
Profit before taxation			494,612	221,947
Income tax expense			(154,545)	(116,847)
Profit for the year			340,067	105,100

Notes to the Consolidated Financial Statements

7. SEGMENT INFORMATION *(Continued)*

The following is an analysis of the Group's assets by reportable segment. Segment assets represents assets held by each segment without allocation of corporate assets which are mainly bank balances and cash.

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Property development		
– PRC	1,701,343	1,411,076
– HK	511,135	683,034
– Australia	527,185	818,867
– Malaysia	241,823	236,675
	2,981,486	3,149,652
Property investment		
– HK	1,271,166	1,075,764
– Singapore	421,950	337,414
– PRC	2,604	2,419
	1,695,720	1,415,597
Hotel operation		
– HK	2,840,835	2,526,763
– PRC	1,468,449	1,273,834
– Malaysia	1,000,083	886,263
– Singapore	419,092	–
	5,728,459	4,686,860
Car park operation		
– Australia	632,955	–
– Malaysia	151,004	–
	783,959	–
Securities and financial product investments	994,097	316,352
Other operation	307,117	332,138
Segment assets	12,490,838	9,900,599
Unallocated corporate assets	655,298	626,678
	13,146,136	10,527,277

7. SEGMENT INFORMATION (Continued)

Other information

For the year ended 31st March, 2010

	Property development HK\$'000	Property investment HK\$'000	Hotel operation HK\$'000	Car park operation HK\$'000	Securities and financial products investments HK\$'000	Other operation HK\$'000	Consolidated HK\$'000
Amounts included in the measure of segment profit or loss:							
(Allowance for) reversal of bad and doubtful debts	–	(1,322)	1,322	–	–	–	–
Depreciation and amortisation	(6,143)	(260)	(69,120)	(5,131)	–	(666)	(81,320)
Gain from change in fair value of financial assets designated at fair value through profit or loss	–	–	–	–	3,731	–	3,731
Gain from change in fair value of investments held for trading	–	–	–	–	7,367	–	7,367
Increase in fair value of investment properties	–	162,711	3,486	–	–	–	166,197
Loss on disposal of available-for-sale investments	–	–	–	–	(4,394)	–	(4,394)
Loss from change in fair value of derivative financial instruments	–	–	(6,577)	–	(54,864)	–	(61,441)
Loss from change in fair value of financial liabilities designated at fair value through profit or loss	–	–	–	–	–	(7,725)	(7,725)
Allowance for amount due from jointly controlled entity	–	(6,000)	(7,200)	–	–	–	(13,200)
Loss on disposal of associate	–	–	–	–	–	(4,928)	(4,928)

7. SEGMENT INFORMATION (Continued)

Other information (Continued)

For the year ended 31st March, 2009

	Property development HK\$'000	Property investment HK\$'000	Hotel operation HK\$'000	Car park operation HK\$'000	Securities and financial products investments HK\$'000	Other operation HK\$'000	Consolidated HK\$'000
Amounts included in the measure of segment profit or loss:							
Allowance for bad and doubtful debts	–	(406)	(1,814)	–	–	–	(2,220)
Depreciation and amortisation	(7,686)	(220)	(67,328)	–	–	(480)	(75,714)
Loss from change in fair value of financial assets designated at fair value through profit or loss	–	–	–	–	(67,415)	–	(67,415)
Loss from change in fair value of investments held for trading	–	–	–	–	(25,213)	–	(25,213)
Decrease in fair value of investment properties	–	(226,449)	(6,304)	–	–	–	(232,753)
Loss on disposal of available-for-sale investments	–	–	–	–	(77,317)	–	(77,317)
Impairment loss on available-for-sale investments	–	–	–	–	(31,921)	–	(31,921)
(Loss) gain from change in fair value of derivative financial instruments	–	–	(11,694)	–	21,744	–	10,050
Gain from change in fair value of financial liabilities designated at fair value through profit or loss	–	–	–	–	–	55,901	55,901
Fair value increase on properties held for sale upon transfer to investment properties	230,038	–	–	–	–	–	230,038

Segment liabilities are not disclosed as they are not regularly reviewed by chief operating decision maker.

7. SEGMENT INFORMATION *(Continued)*

Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers determined based on the location of assets and (ii) the Group's non-current assets by location of assets.

	Revenue from external customers		Non-current assets	
	2010 HK\$'000	2009 HK\$'000	2010 HK\$'000	2009 HK\$'000
Hong Kong	440,603	507,637	3,955,453	3,623,475
Other regions in the PRC	442,830	396,704	1,808,367	1,635,989
Australia	1,187,376	570,407	619,050	10,187
Malaysia	250,328	238,391	1,154,253	888,026
Singapore	21,098	19,702	834,509	336,027
United States of America ("USA")	–	–	140,078	139,904
Others	–	–	18,240	18,235
	2,342,235	1,732,841	8,529,950	6,651,843

Notes:

- (i) No revenue from customers for the year or the corresponding year contributes over 10% of the total revenue of the Group.
- (ii) Non-current assets exclude interests in associates and jointly controlled entities, available-for-sale investments and financial assets designated at fair value through profit or loss, amounts due from associates, investee company and minority shareholders, loan receivable and pledged deposits.

8. REVENUE

Revenue represents the aggregate amount of proceeds from sale of properties, income from hotel operation, income from car park operation, provision of car park management services, gross rental from leasing of properties, provision of property management services, interest income from financial instruments during the year are set out as follows:

	2010 HK\$'000	2009 HK\$'000
Sale of properties	1,367,344	943,818
Hotel operation	577,489	647,612
Car park operation	258,718	–
Provision of car park management service	21,104	–
Leasing of properties	88,755	84,333
Provision of property management service	22,368	19,371
Interest income from financial instruments	5,203	37,505
Other operation	1,254	202
	2,342,235	1,732,841

9. OTHER GAINS AND LOSSES

	2010 HK\$'000	2009 HK\$'000
Increase (decrease) in fair value of investment properties	166,197	(232,753)
Fair value increase on properties held for sale upon transfer to investment properties	–	230,038
Gain (loss) from change in fair value of financial assets designated at fair value through profit or loss	3,731	(67,415)
Loss on disposal of available-for-sale investments	(4,394)	(77,317)
Impairment loss on available-for-sale investments	–	(31,921)
Gain (loss) from change in fair value of investments held for trading	7,367	(25,213)
(Loss) gain from change in fair value of derivative financial instruments	(61,441)	10,050
(Loss) gain from change in fair value of financial liabilities designated at fair value through profit or loss	(7,725)	55,901
Allowance for amount due from jointly controlled entity	(13,200)	–
Loss on disposal of associate	(4,928)	–
	85,607	(138,630)

10. FINANCE COSTS

	2010 HK\$'000	2009 HK\$'000
Interest on:		
Bank loans		
– wholly repayable within five years	122,116	123,606
– not wholly repayable within five years	27,936	70,647
Other loans		
– wholly repayable within five years	1,625	5,266
Interest expenses on convertible bonds	9,805	11,381
Finance leases	71	136
Amortisation of front-end fee	13,495	4,328
Others	975	804
Total interest costs	176,023	216,168
Less: Amounts capitalised to:		
– properties under development for sale	(44,926)	(77,526)
– owner's occupied properties under development	(20,241)	(12,895)
– investment properties under development	(1,159)	–
	109,697	125,747

11. INCOME TAX EXPENSE

	2010 HK\$'000	2009 HK\$'000
The income tax expense comprises:		
Current year:		
Hong Kong	13,495	22,615
PRC Enterprise Income tax	40,525	33,868
PRC Land Appreciation Tax	73,267	43,818
Other jurisdictions	10,589	3,975
	137,876	104,276
(Over) underprovision in prior years:		
Hong Kong	(194)	977
Other jurisdictions	(109)	–
	(303)	977
Deferred taxation (note 39)		
Current year	17,254	25,315
Attributable to changes in tax rate	(282)	(13,721)
	16,972	11,594
	154,545	116,847

Hong Kong is calculated at 16.5% of the estimated assessable profit of individual companies comprising the Group less tax losses where applicable.

People's Republic of China on Enterprise Income Tax (the "EIT Law") is calculated in accordance with the EIT Law and Implementation Regulations of the EIT Law. The tax rate is 25% from 1st January, 2008 onwards.

Notes to the Consolidated Financial Statements

11. INCOME TAX EXPENSE (Continued)

The income tax expense for the year can be reconciled to profit before taxation per the consolidated statement of comprehensive income as follows:

	Hong Kong HK\$'000	Other regions in the PRC HK\$'000	Malaysia HK\$'000	Australia HK\$'000	Others HK\$'000	Total HK\$'000
2010						
Profit before taxation	113,492	209,668	44,582	75,454	51,416	494,612
Applicable income tax rate	16.5%	25%	25%	30%	16%	
Tax at the applicable income tax rate	18,726	52,417	11,146	22,636	8,047	112,972
Tax effect of expenses not deductible for tax purpose	12,104	4,026	1,616	4,106	1,390	23,242
Tax effect of income not taxable	(11,536)	–	(1,979)	(17,526)	(280)	(31,321)
PRC Land Appreciation Tax	–	73,267	–	–	–	73,267
Tax effect of PRC Land Appreciation Tax	–	(18,317)	–	–	–	(18,317)
Tax effect of tax losses not recognised	11,825	3,227	643	–	–	15,695
Utilisation of tax losses not previously recognised	(2,974)	–	(9,567)	(975)	–	(13,516)
Decrease in operating deferred tax liabilities resulting from a decrease in applicable tax rate	–	–	–	–	(282)	(282)
Tax effect of share of results of associates	(4,718)	–	–	–	–	(4,718)
Tax effect of share of result of jointly controlled entities	–	103	–	–	–	103
(Over) underprovision in prior years	(194)	–	43	–	(152)	(303)
Others	(2,680)	1,443	29	(7)	(1,062)	(2,277)
Income tax expense for the year	20,553	116,166	1,931	8,234	7,661	154,545

Notes to the Consolidated Financial Statements

11. INCOME TAX EXPENSE (Continued)

	Hong Kong HK\$'000	Other regions in the PRC HK\$'000	Malaysia HK\$'000	Australia HK\$'000	Others HK\$'000	Total HK\$'000
2009						
(Loss) profit before taxation	(207,417)	371,574	31,386	101,100	(74,696)	221,947
Applicable income tax rate	16.5%	25%	25%	30%	18%	
Tax at the applicable income tax rate	(34,224)	92,894	7,847	30,330	(13,174)	83,673
Tax effect of expenses not deductible for tax purpose	22,629	3,065	4,398	331	4,638	35,061
Tax effect of income not taxable	(11,151)	(290)	(462)	(3,374)	(272)	(15,549)
PRC Land Appreciation Tax	–	43,818	–	–	–	43,818
Tax effect of PRC Land Appreciation Tax	–	(10,954)	–	–	–	(10,954)
Tax effect of tax losses not recognised	24,452	6,095	–	–	96	30,643
Utilisation of tax loss not previously recognised	(898)	–	(11,981)	(23,695)	–	(36,574)
Decrease in operating deferred tax liabilities resulting from a decrease in applicable tax rate	(12,273)	(273)	(302)	–	(873)	(13,721)
Tax effect of share of results of associates	22	–	–	–	–	22
Tax effect of share of result of jointly controlled entities	–	(1,989)	–	–	–	(1,989)
Underprovision in prior years	977	–	–	–	–	977
Others	945	455	558	4	(522)	1,440
Income tax expense for the year	(9,521)	132,821	58	3,596	(10,107)	116,847

Details of the deferred taxation are set out in note 39.

12. PROFIT FOR THE YEAR

	2010 HK\$'000	2009 HK\$'000
Profit for the year has been arrived at after charging:		
Cost of completed properties for sale recognised as an expense	1,006,628	699,750
Allowance for bad and doubtful debts	–	2,220
Allowance for amount due from jointly controlled entity	13,200	–
Auditor's remuneration	8,032	5,250
Amortisation of prepaid lease payments	32,262	21,564
Less: Amount capitalised:		
– hotel properties under development	(18,836)	(10,614)
– other building under development	(239)	(239)
	13,187	10,711
Depreciation	68,133	65,003
Amortisation of investment in a jointly controlled entity (deducted from share of results of jointly controlled entities)	2,904	2,904
Directors' remuneration and other staff costs	126,851	115,730
Loss on disposal of property, plant and equipment	9	103
Share of taxation of associates (included in share of results of associates)	4,315	1,646
and crediting:		
Rental income, net of outgoings of HK\$14,820,000 (2009: HK\$16,137,000)	73,935	68,196
Dividend income from:		
Investments held for trading	1,044	2,024
Available-for-sale investments	6,086	2,737
	7,130	4,761
Bank interest income	3,679	13,970

13. DIVIDENDS

	2010 HK\$'000	2009 HK\$'000
Dividends recognised as distribution during the year:		
Interim dividend of HK2 cents (2009: HK1 cent) per share	37,993	16,213
Final dividend, paid for 2009 – HK2 cents (2009: Final dividend, paid for 2008 HK10 cents) per share	37,663	161,176
	75,656	177,389

A final dividend for the year ended 31st March, 2010 of HK4 cents (2009: HK2 cents) per share, amounting to HK\$76,255,000 (2009: HK\$37,663,000) has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

Shareholders have an option to receive new shares of the Company in lieu of cash for the dividend proposed and paid during the year. Shares issued during the year on the shareholders' election to receive shares are set out in note 36.

14. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2010 HK\$'000	2009 HK\$'000
Earnings:		
Earnings for the purpose of basic earnings per shares	305,500	85,540
Effect of convertible bonds		
– Gain from change in fair value of financial liabilities designated at fair value through profit or loss	–	(55,901)
– Interest expenses on convertible bonds	–	11,381
Earnings for the purpose of diluted earnings per share	305,500	41,020

14. EARNINGS PER SHARE *(Continued)*

	2010 '000	2009 '000
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,801,413	1,617,418
Effect of dilutive potential ordinary shares		
– fair value adjustment on conversion of financial liabilities designated at fair value through profit or loss	–	128,924
– share options	1,682	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	1,803,095	1,746,342

The computation of diluted earnings per share for the year ended 31st March, 2010 did not assume the conversion of the Company's outstanding convertible notes since their exercise would result in an increase in earnings per share.

The computation of diluted earnings per share for the preceding year did not assume the conversion of the outstanding share options since the exercise price was higher than the average market price of the Company's shares during the year ended 31st March, 2009.

15. DIRECTORS' AND FIVE HIGHEST PAID EMPLOYEES' REMUNERATION

The emoluments paid and payable to each of the directors of the Company were as follows:

For the year ended 31st March, 2010

	Deacon Te Ken Chiu HK\$'000	David Chiu HK\$'000	Craig Grenfell Williams HK\$'000	Dennis Chiu HK\$'000	Ching Lan Ju Chiu HK\$'000	Daniel Tat Jung Chiu HK\$'000	Jian Yin Jiang HK\$'000	Kwok Wai Chan HK\$'000	Peter Man Kong Wong HK\$'000	Total HK\$'000
Fees	25	25	25	25	25	25	25	150	150	475
Other emoluments										
Salaries and other benefits	2,203	3,713	8,048	1,519	650	–	–	–	–	16,133
Contributions to retirement benefits schemes	–	12	119	43	–	–	–	–	–	174
Total emoluments	2,228	3,750	8,192	1,587	675	25	25	150	150	16,782

For the year ended 31st March, 2009

	Deacon Te Ken Chiu HK\$'000	David Chiu HK\$'000	Craig Grenfell Williams HK\$'000	Dennis Chiu HK\$'000	Ching Lan Ju Chiu HK\$'000	Daniel Tat Jung Chiu HK\$'000	Jian Yin Jiang HK\$'000	Kwok Wai Chan HK\$'000	Peter Man Kong Wong HK\$'000	Total HK\$'000
Fees	25	25	25	25	25	25	25	150	150	475
Other emoluments										
Salaries and other benefits	3,945	2,540	1,991	1,116	650	–	–	–	–	10,242
Contributions to retirement benefits schemes	–	12	116	53	–	–	–	–	–	181
Total emoluments	3,970	2,577	2,132	1,194	675	25	25	150	150	10,898

Of the five individuals with the highest emoluments in the Group, three (2009: three) were directors whose emoluments are disclosed above. The remuneration of the remaining two (2009: two) individuals were as follows:

	2010 HK\$'000	2009 HK\$'000
Salaries and other benefits	3,714	3,297
Contributions to retirement benefits scheme	24	24
	3,738	3,321

15. DIRECTORS' AND FIVE HIGHEST PAID EMPLOYEES' REMUNERATION *(Continued)*

The remuneration of each of the remaining two individuals were within the range of HK\$1,500,001 to HK\$2,000,000.

No emolument was paid to the directors and the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during both years.

No directors waived any of their emoluments for both years.

16. INVESTMENT PROPERTIES

	Completed properties HK\$'000	Properties under development HK\$'000	Total HK\$'000
At 1st April, 2008	1,936,939	–	1,936,939
Additions	76,267	–	76,267
Transfer from completed properties for sale	329,338	–	329,338
Disposal	(88,000)	–	(88,000)
Transfer to hotel properties	(40,000)	–	(40,000)
Decrease in fair value	(232,753)	–	(232,753)
Exchange alignment	(38,730)	–	(38,730)
At 31st March, 2009	1,943,061	–	1,943,061
Reclassify investment properties in accordance with amendment to HKAS40 (note 2)	–	171,659	171,659
Additions	3,941	12,556	16,497
Transfer from hotel properties	31,727	–	31,727
Disposal	(108,639)	–	(108,639)
Transfer to hotel properties	(89,219)	–	(89,219)
Increase in fair value	166,197	–	166,197
Exchange alignment	48,047	–	48,047
At 31st March, 2010	1,995,115	184,215	2,179,330

16. INVESTMENT PROPERTIES (Continued)

	31.3.2010	31.3.2009
	HK\$'000	HK\$'000
The carrying amount of investment properties which are stated at fair value are on land located:		
In Hong Kong:		
Long lease	302,360	141,654
Medium-term lease	704,214	679,575
Outside Hong Kong:		
Freehold	49,302	41,840
Long lease	419,780	335,280
Medium-term lease	703,674	744,712
	2,179,330	1,943,061

The fair values of the completed investment properties in Hong Kong and PRC, Malaysia, Singapore and Australia at 31st March, 2010 have been arrived at on the basis of a valuation carried out on that date by DTZ Debenham Tie Leung Limited, Raine & Horne International Zaki + Partners Sdn. Bhd., Jones LaSalle Property Consultants Pte Ltd. and CB Richard Ellis (V) Pty Ltd, independent qualified professional valuers not connected with the Group, respectively. DTZ Debenham Tie Leung Limited, are members of the Hong Kong Institute of Surveyors and Raine & Horne International Zaki + Partners Sdn. Bhd., Jones LaSalle Property Consultants Pte Ltd. and CB Richard Ellis (V) Pty Ltd are member of Royal Institution of Chartered Surveyors. The valuation was arrived at by reference to market evidence of transaction prices for similar properties at similar locations.

Since the fair value of investment properties under construction is not reliably determinable at this stage, such investment properties under construction are measured at cost less impairment, if any until either its fair value becomes reliably determinable or construction is completed, whichever is the earlier.

Notes to the Consolidated Financial Statements

17. PROPERTY, PLANT AND EQUIPMENT

	Freehold land HK\$'000	Hotel		Other building		Car parks HK\$'000	Other assets HK\$'000	Total HK\$'000
		Completed HK\$'000	Under development HK\$'000	Completed HK\$'000	Under Development HK\$'000			
COST								
At 1st April, 2008	188,119	1,926,548	359,751	88,957	107,317	–	113,208	2,783,900
Additions	177,897	147,419	266,361	–	30,806	–	37,998	660,481
Transfer from investment properties	–	40,000	–	–	–	–	–	40,000
Disposals	–	–	–	–	–	–	(3,567)	(3,567)
Exchange alignment	(16,064)	(81,341)	6,027	1,403	–	–	(8,456)	(98,431)
At 31st March, 2009	349,952	2,032,626	632,139	90,360	138,123	–	139,183	3,382,383
Reclassify to investment property in accordance with amendment to HKAS 40	–	–	–	–	(3,283)	–	–	(3,283)
Additions	33,192	58,691	282,960	–	4,073	183,505	39,674	602,095
Reclassification upon completion	–	204,575	(204,575)	–	–	–	–	–
Acquired through business combinations	91,545	–	–	–	–	283,426	23,186	398,157
Revaluation increase upon transfer to investment properties	–	3,422	–	–	–	–	–	3,422
Transfer to investment properties	–	(13,799)	–	–	–	–	–	(13,799)
Transfer from investment properties	–	33,900	–	–	–	–	–	33,900
Disposals	–	–	–	–	–	–	(14,551)	(14,551)
Exchange alignment	46,196	56,954	2,116	703	–	44,484	13,123	163,576
At 31st March, 2010	520,885	2,376,369	712,640	91,063	138,913	511,415	200,615	4,551,900
DEPRECIATION								
At 1st April, 2008	–	100,094	–	23,377	–	–	62,163	185,634
Provided for the year	–	48,030	–	4,542	–	–	12,431	65,003
Eliminated on disposals	–	–	–	–	–	–	(2,497)	(2,497)
Exchange alignment	–	(5,270)	–	542	–	–	(2,985)	(7,713)
At 31st March, 2009	–	142,854	–	28,461	–	–	69,112	240,427
Provided for the year	–	44,532	–	3,668	–	2,021	17,912	68,133
Eliminated on transfer to investment properties	–	(1,485)	–	–	–	–	–	(1,485)
Eliminated on disposals	–	–	–	–	–	–	(10,617)	(10,617)
Exchange alignment	–	8,253	–	314	–	–	6,990	15,557
At 31st March, 2010	–	194,154	–	32,443	–	2,021	83,397	312,015
CARRYING VALUES								
At 31st March, 2010	520,885	2,182,215	712,640	58,620	138,913	509,394	117,218	4,239,885
At 31st March, 2009	349,952	1,889,772	632,139	61,899	138,123	–	70,071	3,141,956

17. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Completed buildings on freehold land or land held under long lease	2%
Completed building on land held under medium-term lease	Shorter of lease terms or 50 years
Other assets	10% – 20%

No depreciation is provided on freehold land and buildings under development.

The carrying amounts shown above comprise properties:

	31.3.2010	31.3.2009
	HK\$'000	HK\$'000
In Hong Kong:		
Long lease	143,968	122,197
Medium-term lease	1,581,500	1,470,143
Outside Hong Kong:		
Freehold	1,578,620	835,144
Long lease	127,756	93,090
Medium-term lease	690,823	551,311
	4,122,667	3,071,885

Included in the other assets is an aggregate carrying amount of HK\$5,915,000 (31st March, 2009: HK\$5,498,000) in respect of assets held under finance leases.

18. PREPAID LEASE PAYMENTS

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
At 1st April	1,520,345	1,135,452
Reclassify to investment properties in accordance with amendment to HKAS40	(168,376)	–
Transfer from investment properties	55,319	–
Transfer to investment properties	(19,413)	–
Additions	597,252	407,691
Revaluation increase upon transfer to investment properties	5,418	–
Amortisation	(32,262)	(21,564)
Exchange alignment	10,974	(1,234)
At 31st March	1,969,257	1,520,345
The carrying value represents:		
Leasehold land in Hong Kong:		
Long-term lease	335,392	423,517
Medium-term lease	873,605	780,045
Leasehold land outside Hong Kong:		
Long-term lease	407,504	25,687
Medium-term lease	352,756	291,096
	1,969,257	1,520,345
Analysed for reporting purposes as:		
Current asset	40,578	26,969
Non-current asset	1,928,679	1,493,376
	1,969,257	1,520,345

19. GOODWILL

Goodwill arose from the acquisition of 73.75% equity interest in certain subsidiaries incorporated in Australia and New Zealand during the year, details of which are disclosed in note 41(a). These subsidiaries are engaged in the operation of car parks. The goodwill, which is determined on a provisional basis, will be adjusted upon finalisation of the rights operation of certain car parks.

The management determines that there is no impairment on the carrying amount of the goodwill based on the estimated future cash inflows to be generated from the car park operation. The calculation uses cash flow projection at growth rate of 5%, based on financial budgets approved by the management covering a 5-year period, at a discount rate of 10%. The management believes that any reasonably possible change in any of these assumptions would not cause the carrying amount of the goodwill exceeding its recoverable amount.

20. INTERESTS IN ASSOCIATES

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Unlisted investments, at cost less impairment	69,900	86,761
Share of post-acquisition reserves, net of dividends received	111,720	76,515
	181,620	163,276

Details of the Group's principal associates at the end of the reporting period are set out in note 51.

Included in the cost of investments in associates is goodwill of HK\$10,601,000 (31st March, 2009: HK\$10,601,000) arising on acquisitions of associates in prior years.

The summarised financial information in respect of the Group's associates is set out below:

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Total assets	770,067	958,381
Total liabilities	(161,230)	(427,661)
	608,837	530,720
Group's share of net assets	171,099	151,678
Revenue	510,385	478,787
Profit (loss) for the year	116,744	(1,530)
Group's share of results for the year	28,592	(133)

20. INTERESTS IN ASSOCIATES *(Continued)*

The Group has discontinued recognising its share of losses of certain associates. The amounts of unrecognised share of losses of those associates, extracted from the relevant management accounts of associates, both for the year and cumulatively, are as follows:

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Unrecognised share of losses for the year	19	38
Accumulated unrecognised share of losses	50,210	50,191

21. INTERESTS IN JOINTLY CONTROLLED ENTITIES

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Unlisted investments, at cost less amortisation	43,113	42,118
Share of post-acquisition reserves, net of dividends received	45,860	42,546
	88,973	84,664

21. INTERESTS IN JOINTLY CONTROLLED ENTITIES (Continued)

Details of the Group's jointly controlled entities at the end of the reporting period are as follows:

Name of entity	Country of registration/ incorporation and operations	Proportion of registered capital/ nominal value of ordinary share capital held by the Group		Principal activities
		2010	2009	
Dorvic Hotel F & B Limited (note a)	Hong Kong	60%	60%	Restaurant operations
商丘永遠公路有限公司 Shangqiu Yongyuan Development Company Limited ("Shangqiu Yongyuan") (notes a, b)	PRC	68%	68%	Operation of highway
Jarra Estate (Bundoora) Joint Venture	Australia	25%	25%	Property development

Notes:

- (a) The entity is accounted for as jointly controlled entity although the Group's interest is more than 50% as the Group and the other shareholder jointly control the operating and financial policies of the Company under an agreement.
- (b) The entity is established, under a joint venture agreement, for the construction and operation of a highway for a term of 21 years commencing from 31st July, 1997. The Group is entitled to 85% of the profits from operation of the highway until it has recouped its investment cost from the distribution by the entity. Thereafter, the Group is entitled to 25% of the profits whereas the PRC joint venture partner is entitled to the remaining 75% until the joint venture partner has recouped its investment cost representing the agreed fair value of the land contributed to the entity. Thereafter, both parties' entitlement to a share of profit is in proportion to their respective contribution. On expiry of the joint venture period, the joint venture will be dissolved and all remaining undistributed assets will be surrendered to the PRC party. Accordingly, the Group's cost of investment in the jointly controlled entity is amortised over the joint venture period.

Notes to the Consolidated Financial Statements

21. INTERESTS IN JOINTLY CONTROLLED ENTITIES *(Continued)*

The summarised financial information in respect of the Group's attributable interests in the jointly controlled entities which are accounted for using the equity method is set out below:

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Non-current assets	45,546	46,354
Current assets	57,707	46,919
Current liabilities	(12,598)	(4,693)
Revenue	18,155	19,582
Expenses	(17,827)	(13,217)

22. AVAILABLE-FOR-SALE INVESTMENTS

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Listed equity securities:		
Hong Kong	193,230	25,136
Overseas	5,292	5,672
	198,522	30,808
Unlisted:		
Equity securities	61,990	38,970
Debt securities	48,009	13,504
Investment funds	20,432	163,751
	130,431	216,225
	328,953	247,033
Analysed for reporting purposes as:		
Non-current assets	308,056	83,282
Current assets	20,897	163,751
	328,953	247,033

22. AVAILABLE-FOR-SALE INVESTMENTS *(Continued)*

Available-for-sale investments are stated at fair value except that the unlisted equity securities are measured at cost less impairment where applicable as the directors are of the opinion that their fair values cannot be measured reliably.

The fair value of the listed equity securities are determined based on the quoted market bid prices available on the relevant stock exchanges. The fair value of the debt securities are determined in accordance with generally accepted pricing models based on discounted cash flow using market interest rates. The investment funds are redeemable at the holder's discretion and its fair value of the determined based on the fair value of the underlying net assets.

23. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

The amounts mainly represent unlisted equity-linked notes of aggregate principal amount of HK\$15,193,000 (31st March, 2009: HK\$37,008,000) with fixed coupon interest rates and remaining time to maturity ranging from four months to two years. The notes contain terms enabling the issuers either to deliver the underlying equity securities on maturity if the market prices of underlying securities are lower than their respective predetermined reference prices or cash settlement of the principal and interest if market price of the underlying securities are higher than their respective predetermined reference prices. The notes are subject to the option for early termination at the discretion of holders.

The equity linked notes, which contain a host debt contract and an embedded derivative, are designated as financial assets at fair value through profit or loss and are measured at fair value. They are classified as current and non-current assets based on the maturity date of the respective notes.

The fair value of the equity-linked notes which are outstanding at reporting date are determined based on valuation using generally accepted pricing models or rate from observable current market transactions. Key assumptions include prices of underlying shares and market interest rate.

24. AMOUNTS DUE FROM ASSOCIATES

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Unsecured interest free advance to associates	94,071	95,036
Less: Amounts due within one year shown as current assets	(3,628)	(4,718)
Amounts due after one year	90,443	90,318

In determining the recoverability of the amounts due from associates, the Group takes into consideration the fair values of the underlying assets of the associates and the future operation and cashflow of these associates.

25. LOANS RECEIVABLE

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Second mortgage loans receivable	20,564	26,893
Unsecured fixed rate loan	5,918	22,608
	26,482	49,501
Less: Impairment loss recognised	(23,814)	(23,814)
	2,668	25,687
Less: Amount due within one year and shown as current assets	(721)	(23,802)
Amount due after one year	1,947	1,885

The second mortgage loans and interest receivable are secured by certain properties of the borrowers. They bear interest at prime rate with the effective interest rate for the year of 5.00% (2009: 5.17%), and are repayable by instalments in accordance with their respective repayment terms.

The aging of the second mortgage loans and interest receivable that are past due but not impaired are as follows:

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
31 – 60 days	54	52
61 – 90 days	54	50
Over 90 days	2,506	2,917
	2,614	3,019

No further allowance for doubtful debts is recognised during both years.

In determining the recoverability of a loan receivable, the Group considers any change in the credit quality of the borrowers and the value of the underlying properties. The directors believe that there is no further provision required.

26. PROPERTIES FOR SALE

Included in properties for sale are properties with a carrying value of HK\$1,499,932,000 (31st March, 2009: HK\$1,263,837,000) which are not expected to be realised within the next twelve months.

27. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade debtors of HK\$105,831,000 (31st March, 2009: HK\$54,107,000) and other debtors net of allowance of HK\$51,977,000 (31st March, 2009: HK\$38,607,000).

Trade debtors mainly comprise of receivables from renting of properties and the hotel operation. Rentals are payable on presentation of demand notes. No credit is allowed to these customers. Hotel room revenue is normally settled by cash or credit card. The Group allows on average credit period of 30 to 60 days to travel agents and corporate customers.

The following is an aged analysis of trade debtors based on the invoice date:

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
0 – 60 days	94,054	42,942
61 – 90 days	4,926	5,541
Over 90 days	6,851	5,624
	105,831	54,107

Trade receivables aged over 60 days are past due but are not impaired.

An allowance was provided for doubtful debts on trade debtors and the movements are as follow:

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Balance at beginning of the year	9,534	7,866
(Reversed) recognised of impairment losses	(842)	2,200
Amount written off as uncollectible	(1,702)	(532)
Balance at end of the year	6,990	9,534

The Group has provided fully for all receivable that have been past due and are generally not recoverable.

In determining the recoverability of trade and other debtors, the Group considers any change in the credit quality of the debtors from the date credit was initially granted up to the reporting date. There is no concentration of credit risk due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit provision required in excess of the allowance already made. The Group does not hold any collateral over these balances.

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28. AMOUNTS DUE FROM RELATED COMPANIES

Amounts due from related companies, Malaysia Land Properties Sdn. Bhd. and its subsidiaries, which is controlled by a director who is also the substantial shareholder of the Company, Mr. David Chiu, disclosed pursuant to section 161B of the Companies Ordinance are as follows:

	HK\$'000
Balance at 31st March, 2010	956
Balance at 31st March, 2009	2,550
Maximum amount outstanding during the year ended 31st March, 2010	2,550
Maximum amount outstanding during the year ended 31st March, 2009	4,773

The amounts are unsecured, interest free and repayable on demand.

29. INVESTMENTS HELD FOR TRADING

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Equity securities listed		
In Hong Kong	9,040	659
Overseas	3,137	10,938
	12,177	11,597

The securities are stated at their fair values which are determined based on the quoted market bid price available on the relevant stock exchanges.

30. DERIVATIVE FINANCIAL INSTRUMENTS

	31.3.2010		31.3.2009	
	Assets HK\$'000	Liabilities HK\$'000	Assets HK\$'000	Liabilities HK\$'000
Interest rate swap (note i)	1,678	(37,908)	8,255	–
Index swap (note ii)	–	(6,358)	–	–
Call/put options in listed equity securities (note iii)	30	(208)	–	–
	1,708	(44,474)	8,255	–
Analysed for reporting of purpose as:				
Current assets	1,708	–	8,255	–
Current liabilities	–	(208)	–	–
Non-current liabilities	–	(44,266)	–	–
	1,708	(44,474)	8,255	–

Notes:

- (i) Major terms of the interest rate swap contracts entered into by the Group to reduce its exposure to cash flow interest rate fluctuation risk of the bank borrowings outstanding at the reporting date are set out below. These derivatives are not accounted for under hedge accounting.

Notional amount	Maturity	Term
HK\$1,900,000,000	September 2013	From 3 months HIBOR to fixed rate of 2.395% per annum.
Aggregate total of HK\$1,900,000,000	September 2013 with an option of early termination by the Company	Pay interest at 3 months HIBOR with a maximum capped at 7.5% per annum and receive interest at 3 months HIBOR with upfront payment of HK\$19.9 million

The interest rate swap contracts are measured at fair value which are determined based on the discounted cash flow analysis using the applicable yield curve and the remaining duration of the instruments.

- (ii) The major terms of the contract, which is linked to Nikkei225 Index, are set out below.

Notional amount	: JPY1,734,750,000
Maturity	: February 2018 with early redemption option
Interest payment	: 6 month JPY LIBOR BBA payable semi-annually with additional coupon calculated at 20 Year JPY Constant Maturity Swap – 2 Year JPY Constant Maturity Swap plus 0.60% if on the relevant fixing date, the closing price of Nikkei225 Index is above 11,000 or 0.10% per annum if Nikkei225 Index is equal to or below 11,000.

- (iii) Call/put options represents forward contracts to purchase or sell listed equity securities with predetermined prices. The contracts with maturity date ranging from one to three months.

31. BANK DEPOSITS

Pledged deposits carry fixed interest rates ranging from 0.001% to 0.01% (2009: 0.02% to 3.0%) per annum with maturity date ranging from 1 to 6 months. Pledged deposits included in non-current assets are pledged to secure bank loans repayable after one year.

Pledged deposits included in current assets include time deposits of HK\$17,368,000 (31st March, 2009: HK\$17,835,000) which carry fixed interest rates ranging from 0.001% to 6% (2009: 0.01% to 4.10%) per annum and the remaining balances at an average market interest rate of 0.72% (2009: 3.80%) with maturity dates ranging from 1 to 6 months. The deposits are pledged to secure bank borrowings repayable within one year.

Restricted bank deposits can be solely applied for settlement of development cost of designated property projects.

Bank balances and deposits with investment banks comprise of short-term time deposits of HK\$292,010,420 (31st March, 2009: HK\$355,140,000) with maturity dates of three months or less which carry fixed interest rate of ranging from 0.001% to 3.25% (2009: 0.01% to 4.25%) per annum and the remaining balances carry floating average market interest rate of 0.01% (2009: 3.80%).

32. CREDITORS AND ACCRUALS

Included in creditors and accruals are trade creditors of HK\$131,586,000 (31st March, 2009: HK\$107,465,000). The following is an aged analysis of the trade creditors:

	31.3.2010	31.3.2009
	HK\$'000	HK\$'000
0 – 60 days	57,736	27,247
61 – 90 days	30,528	1,860
Over 90 days	43,322	78,358
	131,586	107,465

33. OBLIGATIONS UNDER FINANCE LEASES

	Minimum lease payments		Present value of minimum lease payments	
	31.3.2010 HK\$'000	31.3.2009 HK\$'000	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Amounts payable under finance leases:				
Within one year	1,277	1,086	1,256	1,015
In the second to fifth year inclusive	507	1,258	505	1,236
	1,784	2,344	1,761	2,251
Less: Future finance charges	(23)	(93)	–	–
Present value of lease obligations	1,761	2,251	1,761	2,251
Less: Amount due within one year shown under current liabilities			(1,256)	(1,015)
Amount due after one year			505	1,236

It is the Group's policy to lease certain of its motor vehicles and equipment under finance leases. The average lease terms range from 1 to 5 years. The average effective borrowing rates for the year range from 2.5% to 2.7% (31st March, 2009: 2.5% to 7.7%) per annum. Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The fair value of the Group's finance lease obligations, determined based on the present value of the estimated future cash flow discounted using the prevailing market rate at the end of the reporting period approximates to their carrying amount.

34. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Convertible bonds denominated in:		
– Hong Kong dollars (“HK\$ Bonds”) (note i)	–	119,950
– United States dollars (“US\$ Bonds”) (note ii)	–	1,895
	–	121,845

Notes:

- (i) The HK\$ Bonds as at 31st March, 2009 were issued in December 2004 and represented the fair value of the outstanding principal amount of HK\$105,540,000 zero coupon convertible bonds which were matured on 10th December, 2009. The holders of the HK\$ Bonds were entitled to convert the HK\$ Bonds into ordinary shares of the Company at an adjusted conversion price of HK\$2.775 per share during the period from 11th January, 2007 to 10th November, 2009, or to require the Company to redeem all or part of the HK\$ Bonds on 10th December, 2006 at 104.58% of their principal amount. The Company had the option to reset the conversion price to the average market price if the average closing price of the Company’s share for the period of 10 consecutive trading immediately prior to reset date (i.e. 18th January 2006) is less than conversion price on the reset date and option to redeem in full the remaining HK\$ Bonds on or at any time after 10th June, 2007 and prior to maturity, subject to certain conditions. The outstanding HK\$ Bonds were to be redeemed at 111.84% of their principal amount on maturity.

During the year, the Company repurchased a total principal amount of HK\$11,140,000 (2009: HK\$279,140,000) of the HK\$ Bond at a price of HK\$10,607,000 (2009: HK\$252,377,000) and redeemed in full the remaining on maturity.

- (ii) The US\$ Bonds as at 31st March, 2009 were issued in April 2004 represented the fair value of the outstanding principal amounting of US\$250,000 zero coupon convertible bonds which were matured on 13th April, 2009. The holders of the US\$ Bonds were entitled to convert the US\$ Bonds into ordinary shares of the Company at an adjusted conversion price of HK\$1.876 per share during the period from 13th May, 2004 to 14th March, 2009, or to require the Company to redeem in full the US\$ Bonds on 13th April, 2007 at 102.01% of their principal amount. The Company had the option to redeem in full the remaining US\$ Bonds, on or at any time after 13th April, 2007 and prior to maturity, subject to certain conditions. The outstanding US\$ Bonds were to be redeemed at 105.10% of their principal amount on maturity.

During the year, the Company redeemed in full the remaining US\$ Bonds on maturity.

The fair value of the convertible bonds at 31st March, 2009 which contained a liability component, and early redemption option were determined based on the respective fair value of the components. The fair value of the liability component was determined based on discounted cash flow using the Company’s current borrowing rate at each period end and the fair value of conversion options was based on the Black-Scholes model with key inputs such as weighted average share price, expected volatility, risk-free rate and expected dividend yield. The change in the fair value of convertible bonds includes the effects of the decrease in fair value of the liability component which was affected by the market interest rate, credit spread of the Group and the time to maturity and decrease in the fair value of the conversion option.

35. SECURED BANK AND OTHER BORROWINGS

	31.3.2010	31.3.2009
	HK\$'000	HK\$'000
The borrowings comprise:		
Bank loans	5,111,693	4,448,158
Other loans	2,288	4,857
	5,113,981	4,453,015
Less: front-end fee	(55,524)	(63,181)
	5,058,457	4,389,834
Analysed for reporting purpose as:		
Current liability	1,235,783	1,009,219
Non-current liability	3,822,674	3,380,615
	5,058,457	4,389,834
	31.3.2010	31.3.2009
	HK\$'000	HK\$'000
The borrowings are repayable:		
On demand or within one year	1,235,783	1,009,219
More than one year, but not exceeding two years	422,711	404,058
More than two years, but not exceeding three years	404,120	403,187
More than three years, but not exceeding five years	2,668,379	2,207,176
More than five years	382,988	429,375
	5,113,981	4,453,015

The bank loans with carrying amount of HK\$184,554,000 (31st March, 2009: HK\$201,077,000) bear interest at fixed rates ranging from 5.75% to 7.00% (2009: 4.95% to 7.00%) per annum. Other loans are secured, repayable on demand and bear floating interest rates ranging from 0.63% to 8.50% (31st March 2009: 1.07% to 8.25%) per annum.

Notes to the Consolidated Financial Statements

35. SECURED BANK AND OTHER BORROWINGS *(Continued)*

The remaining bank loans which carry interest at floating rates are summarised as follows:

Denominated in	Interest rates	31.3.2010 HK\$'000	31.3.2009 HK\$'000
HK\$	Hong Kong Interbank Offered Rates ("HIBOR") plus 0.8% to HK\$ Prime Lending Rate minus 0.75% (2009: HIBOR plus 0.8% to HK\$ Prime Lending Rate minus 0.75%)	3,179,220	2,886,086
RMB	1-year People's Bank of China ("PBOC") Prescribed Interest Rate to 110% of 1 to 3-year PBOC Prescribed Interest Rate (2009: 1-year PBOC Prescribed Interest Rate to 110% of 1 to 3-year PBOC Prescribed Interest Rate)	905,388	624,551
S\$	S\$ Swap Offered Rate ("SOR") plus 1.25% to 1.75% (2009: S\$ SOR plus 1.25% to 1.75%)	359,780	98,977
Malaysian Ringgit	Malaysia Base Lending Rates ("BLR") plus 1.25% to 1.5% (2009: Malaysia BLR plus 1.25% to 1.5%)	260,491	231,256
AUD	Australia Bank Bill Swap Reference Rate ("BBSW") plus 1% (2009: BBSW plus 1%)	222,260	406,211
		4,927,139	4,247,081

36. SHARE CAPITAL

	Number of ordinary shares of HK\$0.1 each	Nominal value HK\$'000
Authorised:	2,000,000,000	200,000
Issued and fully paid:		
At 1st April, 2008	1,619,411,952	161,941
Issue of shares in lieu of cash dividends at HK\$1.73 per share	14,248,502	1,425
Issue of shares in lieu of cash dividends at HK\$0.98 per share	738,486	74
Repurchase of shares	(12,397,000)	(1,240)
At 31st March, 2009	1,622,001,940	162,200
Issue of shares for acquisition of business (note (a) below)	102,328,571	10,233
Issue of shares for acquisition of assets (note (a) below)	81,714,285	8,172
Issue of shares on conversion of 2013 Bond at HK\$4.30 per share (note (b) below)	77,080,232	7,708
Issue of shares in lieu of cash dividends at HK\$1.8 per share	16,546,626	1,655
Issue of shares in lieu of cash dividends at HK\$2.51 per share	6,706,613	670
At 31st March, 2010	1,906,378,267	190,638

- (a) On 17th July, 2009 and 27th August, 2009, 102,328,571 and 81,714,285 ordinary shares of HK\$0.1 each were allotted at a price of HK\$1.85 and HK\$1.40, giving a total consideration of HK\$189,308,000 and HK\$149,502,000, respectively, for the acquisition of business and assets as set out in note 41(a) and (b)(i). The share price is determined based on the fair value of the shares at the completion date and fair value of the assets acquired respectively.
- (b) On 27th July, 2009, 77,080,232 ordinary shares of HK\$0.1 each were allotted on conversion of the 2013 Convertible bond with principal amount of HK\$331,445,000 at the conversion price of HK\$4.30 as detailed in note 37(ii).
- (c) On the same date, convertible bond with a face value of HK\$331,445,000 were converted into 77,080,232 ordinary shares of the Company, of which HK\$7,708,000 was credited to share capital and the balance was credited to the share premium account.

Notes to the Consolidated Financial Statements

36. SHARE CAPITAL (Continued)

- (d) During the year ended 31st March, 2009, the Company, through its subsidiary, repurchased certain of its own shares as follows:

Month of repurchase	No. of ordinary shares purchased	Price per share		Aggregate consideration paid HK\$
		Highest HK\$	Lowest HK\$	
April 2008	1,825,000	3.00	2.72	5,178,000
May 2008	904,000	2.80	2.62	2,468,000
June 2008	600,000	2.58	2.55	1,536,000
July 2008	4,320,000	2.00	1.82	8,460,000
August 2008	3,748,000	1.90	1.70	6,906,000
September 2008	1,000,000	1.51	1.43	1,482,000

All the shares issued during the two years ended 31st March, 2010 rank pari passu in all respects with the existing shares.

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities other than those disclosed above.

37. LIABILITY COMPONENT OF CONVERTIBLE BONDS

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
At 1st April	228,995	–
Issue of 2013 Bond	–	217,614
Issue of 2015 Bonds	684,590	–
Amortised interest charged to profit or loss	9,805	11,381
Payment of coupon interest	(2,066)	–
Issue expenses	(11,626)	–
Conversion of 2013 Bond	(234,685)	–
At 31st March	675,013	228,995

The carrying amount represents the liability component of HKD denominated convertible bonds due in 2013 and 2015 carried at amortised cost.

37. LIABILITY COMPONENT OF CONVERTIBLE BONDS *(Continued)*

- (i) The Company issued a 3.625 per cent convertible bonds with principal amount of HK\$800,000,000 due in 2015 ("2015 Bonds") on 5th March, 2010. The bonds are convertible, at the option of the holders, into ordinary shares of HK\$0.10 each of the Company at a conversion price of HK\$3.49 per share, subject to adjustments. The outstanding 2015 Bonds are redeemable by the Company at nominal value on maturity.

The holders of the 2015 Bonds are entitled to convert the 2015 Bonds into ordinary shares of the Company at an adjusted conversion price of HK\$3.49 per share during the period from 15th April, 2010 to 28th February, 2015, or to require the Company to redeem all or part of the 2015 Bonds on 5th March, 2012 at 100% of their principal amount together with interest accrued to the date fixed for redemption. The Company may redeem in full the outstanding 2015 Bonds on or at any time after 5th March, 2012 and prior to maturity at the principal amount together with interest accrued to the date, under certain specified condition. The outstanding 2015 Bonds will be redeemed at 100% of their principal amount on maturity. The fair value of liability component on initial recognition is estimated at HK\$684,590,000. The residual balance of HK\$115,410,000 is recognised in equity and presented at convertible bond equity reserve.

The 2015 Bonds contain two components, liability element and equity element. The liability element, which is stated at amortised cost at an effective interest rate of 9.68% per annum, is classified under non-current liability prior to conversion.

The fair values of the liability component at inception and at the reporting date is determined based on the valuation carried out by Vigers Appraisal and Consulting Limited.

- (ii) The Company issued a zero coupon convertible bond with principal amount of HK\$331,445,000 due in 2013 (the "2013 Bond") on 1st October, 2008 in connection with the acquisition of assets as detailed in 41(b) (ii). The bond will be convertible, at the option of the holder, into ordinary shares of HK\$0.10 each of the Company at a conversion price of HK\$4.30 per share, subject to adjustments. The outstanding 2013 Bond will be redeemable by the Company at nominal value on maturity.

The 2013 Bond contained two components: equity element of HK\$113,831,000 and liability element of HK\$217,614,000 which were determined based on the valuation carried out by Vigers Appraisal & Consulting Limited at an effective interest rate of 8.8% at initial recognition. The equity element was presented as convertible bond equity reserve in equity, whereas the liability component was classified under non-current liability prior to conversion.

During the year ended 31st March, 2010, the 2013 Bond was fully converted into the Company's ordinary shares which represented 4% of the enlarged capital of the Company.

38. SHARE OPTION SCHEME

The Company's share option scheme was adopted pursuant to a resolution passed on 28th August, 2002 (the "Share Option Scheme") for the purpose of providing incentives and rewards to employees or executive or officers of the Company or any of its subsidiaries (including executive and non-executive directors) and business consultants, agents and legal or financial advisers who will contribute or have contributed to the Company or any of its subsidiaries. Under the Share Option Scheme, the board of directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

At 31st March, 2010, the number of options which remained outstanding under the Share Option Scheme was 24,650,000 (31st March, 2009: 18,150,000) which, if exercise in full, represents 1.29% (31st March, 2009: 1.12%) of the enlarged capital of the Company. The total number of shares to be issued under the options the Share Option Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

Options granted will be taken up upon payment of HK\$1 per option. Options may be exercised at any time not exceeding a period of 10 years from the date on which the share options is accepted. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

Details of share options, which were granted on 21st October, 2004, 25th August, 2006 and 8th May, 2009 at an initial exercise price at HK\$2.075 per share, HK\$3.290 per share and HK\$1.500 per share, respectively, are as follows:

Options granted on 21st October, 2004

Option type	Vesting period	Exercisable period	Exercise price HK\$
Tranche 1	21.10.2004 to 31.10.2004	1.11.2004 to 31.12.2010	2.075
Tranche 2	21.10.2004 to 31.12.2005	1.1.2006 to 31.12.2010	2.075
Tranche 3	21.10.2004 to 31.12.2006	1.1.2007 to 31.12.2010	2.075
Tranche 4	21.10.2004 to 31.12.2007	1.1.2008 to 31.12.2010	2.075
Tranche 5	21.10.2004 to 31.12.2008	1.1.2009 to 31.12.2010	2.075

38. SHARE OPTION SCHEME *(Continued)*

Options granted on 25th August, 2006

Option type	Vesting period	Exercisable period	Exercise price HK\$
Tranche 1	25.8.2006 to 31.8.2006	1.9.2006 to 31.12.2010	3.290
Tranche 2	25.8.2006 to 31.12.2006	1.1.2007 to 31.12.2010	3.290
Tranche 3	25.8.2006 to 31.12.2007	1.1.2008 to 31.12.2010	3.290
Tranche 4	25.8.2006 to 31.12.2008	1.1.2009 to 31.12.2010	3.290
Tranche 5	25.8.2006 to 31.12.2009	1.1.2010 to 31.12.2010	3.290

Options granted on 8th May, 2009

Option type	Vesting period	Exercisable period	Exercise price HK\$
Tranche 1	8.5.2009 to 15.9.2009	16.09.2009 – 15.09.2019	1.500
Tranche 2	8.5.2009 to 15.9.2010	16.09.2010 – 15.09.2019	1.500
Tranche 3	8.5.2009 to 15.9.2011	16.09.2011 – 15.09.2019	1.500
Tranche 4	8.5.2009 to 15.9.2012	16.09.2012 – 15.09.2019	1.500

Notes to the Consolidated Financial Statements

38. SHARE OPTION SCHEME (Continued)

The movements in the options during the two years ended 31st March, 2009 and 31st March, 2010 are as follows:

Grantee	At 1.4.2008	Lapsed during the period	At 31.3.2009	Granted during the period	Lapsed during the period	At 31.3.2010	Date of grant	Option type
Employees:								
Chris Cheong Thard								
Hoong	–	–	–	1,850,000	–	1,850,000	8.5.2009	Tranche 1
	–	–	–	1,850,000	–	1,850,000	8.5.2009	Tranche 2
	–	–	–	1,850,000	–	1,850,000	8.5.2009	Tranche 3
	–	–	–	1,850,000	–	1,850,000	8.5.2009	Tranche 4
	–	–	–	7,400,000	–	7,400,000		
Denny Chi Hing Chan								
	500,000	–	500,000	–	–	500,000	21.10.2004	Tranche 3
	1,800,000	–	1,800,000	–	–	1,800,000	21.10.2004	Tranche 4
	2,000,000	–	2,000,000	–	–	2,000,000	21.10.2004	Tranche 5
	4,300,000	–	4,300,000	–	–	4,300,000		
Bill Kwai Pui Mok								
	1,200,000	–	1,200,000	–	–	1,200,000	21.10.2004	Tranche 3
	1,800,000	–	1,800,000	–	–	1,800,000	21.10.2004	Tranche 4
	2,000,000	–	2,000,000	–	–	2,000,000	21.10.2004	Tranche 5
	5,000,000	–	5,000,000	–	–	5,000,000		
Other employee in aggregate								
	250,000	–	250,000	–	–	250,000	21.10.2004	Tranche 1
	425,000	–	425,000	–	–	425,000	21.10.2004	Tranche 2
	1,075,000	–	1,075,000	–	–	1,075,000	21.10.2004	Tranche 3
	2,275,000	–	2,275,000	–	–	2,275,000	21.10.2004	Tranche 4
	3,675,000	(400,000)	3,275,000	–	(300,000)	2,975,000	21.10.2004	Tranche 5
	7,700,000	(400,000)	7,300,000	–	(300,000)	7,000,000		

38. SHARE OPTION SCHEME (Continued)

Grantee	At 1.4.2008	Lapsed during the period	At 31.3.2009	Granted during the period	Lapsed during the period	At 31.3.2010	Date of grant	Option type
Other employee	125,000	–	125,000	–	(125,000)	–	25.8.2006	Tranche 3
in aggregate	675,000	–	675,000	–	(225,000)	450,000	25.8.2006	Tranche 4
	750,000	–	750,000	–	(250,000)	500,000	25.8.2006	Tranche 5
	1,550,000	–	1,550,000	–	(600,000)	950,000		
	18,550,000	(400,000)	18,150,000	7,400,000	(900,000)	24,650,000		
Weighted average exercised price	2.177	–	2.179	1.50	–	1,569		

The estimated fair value of the options granted during the year ended 31st March, 2010, is determined at the date of grant using the Binomial model was approximately HK\$3,822,000. The Group recognised a total expense of approximately HK\$2,353,000 (2009: HK\$458,000) in relation to share options granted by the Company.

The major inputs into the models at the grant date were as follows:

At the grant date

Expected volatility	50.4%
Expected life	10 years
Risk-free rate	2.199% p.a.
Dividend yield	4.33% p.a.

The risk-free rate has made reference to the yield of HK Exchange Fund Notes (EFN) as at the grant date. The volatility of the Company's stock was determined by reference to the historical stock price and assumed to be constant throughout the option life.

No share options were exercised during the two years ended 31st March, 2010.

39. DEFERRED TAXATION

The major deferred tax (assets) liabilities recognised by the Group and movements thereon during the current and prior years are as follows:

	Accelerated tax depreciation	Revaluation of investments properties	Revaluation of assets	Fair value adjustments on business combination	Convertible bond	Tax losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1st April, 2008	43,336	175,539	–	41,464	–	(38,944)	221,395
Charge to profit or loss	(6,207)	15,782	–	(1,037)	–	16,777	25,315
Charged to equity	–	–	–	–	18,782	–	18,782
Effect of change in tax rate	(2,098)	(11,000)	–	(2,369)	–	1,746	(13,721)
At 31st March, 2009	35,031	180,321	–	38,058	18,782	(20,421)	251,771
Charge (credit) to profit or loss	521	21,952	–	(1,037)	–	(4,182)	17,254
Charge to other comprehensive income	–	2,201	–	–	–	–	2,201
Deferred tax on equity component of 2015 Bonds	–	–	–	–	19,042	–	19,042
Reversal of deferred tax on equity component of 2013 Bond	–	–	–	–	(18,782)	–	(18,782)
Acquired through business combination	–	–	72,446	–	–	–	72,446
Exchange re-alignment	–	–	4,370	–	–	–	4,370
Effect of change in tax rate	–	(479)	–	–	–	197	(282)
At 31st March, 2010	35,552	203,995	76,816	37,021	19,042	(24,406)	348,020

At 31st March, 2010, the Group has unused tax losses of HK\$1,103,125,000 (31st March, 2009: HK\$1,075,521,000) available for offset against future profits. A deferred tax asset has been recognised in respect of such losses to the extent of HK\$120,618,000 (31st March, 2009: HK\$104,630,000). No deferred tax asset has been recognised in respect of the remaining tax losses of HK\$982,507,000 (31st March, 2009: HK\$970,891,000) due to the unpredictability of future profit streams.

At 31st March, 2010, the Group has deductible temporary difference of HK\$263,679,000 (31st March, 2009: HK\$238,961,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Under the New Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1st January, 2008 onwards. Deferred tax has not been provided for in the consolidated financial statements in respect of temporary differences attributable to profits of the PRC subsidiaries generated after 1st January, 2008 as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

40. JOINTLY CONTROLLED ASSETS

Details of the Company's jointly controlled assets as at 31st March, 2010 as follows:

Name of the Entity	Form of business structure	Place/country of incorporation/ registration	Principal place of operation	Proportion of nominal value of issued capital registered capital held by the Company	Nature of business
Northbank Place Joint Venture	Joint Venture	Australia	Australia	50%	Property development

The aggregate amounts of the Group's interest in jointly controlled assets and the share of liabilities arising from the use of these assets included in the respective items in the consolidated statement of financial position are as follows:

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Properties for sale		
Completed properties	34,704	–
Properties for/under development	–	478,850
Debtors, deposits and prepayments	448	7,188
Bank balances and cash	108	2,299
Creditors and accruals	(2,486)	(40,440)
Secured bank and other borrowings	–	(406,211)
	32,774	41,686

41. ACQUISITION OF BUSINESS/ASSETS

(a) Acquisition of business

On 17th July, 2009, the Group acquired 73.75% issued share capital of Care Park Group Pty ("Care Park"), a company incorporated in Australia. Of the total acquisition, 84% of the acquisition was acquired from a director of the Company, who is also a substantial shareholder of the Company, and the consideration was settled by the issuance of 102,328,571 shares of the Company. The remaining 7% and 9% of the acquisition were acquired from another director of the Company and independent third parties respectively and the consideration was settled in cash. The principal activity of Care Park is car park operation. The acquisition was accounted for using the purchase method.

	Carrying amount of net assets HK\$'000	Fair value adjustment HK\$'000	Provision fair value of net assets HK\$'000
Net assets acquired:			
Property, plant and equipment	383,456	14,701	398,157
Debtors, deposits and prepayments	23,902	–	23,902
Inventories	274	–	274
Bank balances and cash	34,675	–	34,675
Creditors and accruals	(48,362)	–	(48,362)
Tax payable	(2,784)	–	(2,784)
Bank borrowings	(138,023)	–	(138,023)
Deferred tax liability	(68,036)	(4,410)	(72,446)
	185,102	10,291	195,393
Minority interests			(51,291)
Goodwill on acquisition recognised			73,047
			217,149
Total consideration satisfied by:			
Cash			27,841
Issue of shares at HK\$1.85 per share			189,308
			217,149
Net cash inflow arising on acquisition:			
Cash consideration			(27,840)
Bank balances and cash acquired			34,675
			6,835

41. ACQUISITION OF BUSINESS/ASSETS *(Continued)*

(a) Acquisition of business *(Continued)*

The fair value of property, plant and equipment are determined based on the valuation carried out by an independent valuer and determined by direct comparison approach, making reference to the comparable sales transactions as available in the market.

The fair value of the intangible asset in relation to the rights to manage car parks owned by third parties has not been quantified as the valuation is still undergoing by professional valuer. Accordingly, goodwill representing the purchase consideration over the fair value of the identifiable assets acquired is determined on a provisional basis and will be adjusted upon the finalisation of the valuation of the intangible asset.

From the date of acquisition to 31st March, 2010, Care Park has contributed HK\$15,476,000 to the profit for the Group. If the acquisition had taken place on 1st April, 2009, the profit for the Group for the year would have been HK\$345,414,000 and total group revenue would have been HK\$2,423,061,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1st April, 2009, nor is it intended to be a projection of future results.

(b) Acquisition of assets

- (i) On 27th August, 2009, the Group acquired from a director of the Company who is also a substantial shareholder of the Company, the entire issued share capital of Best Impact Limited, which is the owner of certain car parks in Malaysia, with the aggregate fair value of HK\$149,502,000. The consideration was satisfied by the issue of 81,714,285 ordinary shares of the Company.

The fair value of car parks that are classified as property, plant and equipment in the consolidated statement of financial position is determined based on the valuation carried out by an independent valuer and is determined by direct comparison approach, making reference to the comparable sales transactions as available in the market.

41. ACQUISITION OF BUSINESS/ASSETS (Continued)

(b) Acquisition of assets (Continued)

- (ii) On 1st October, 2008, the Group acquired from a director, who is also a substantial shareholder of the Company, a newly constructed hotel property and the related assets and liabilities through the acquisition of the entire issued share capital of Jade River Profits Limited ("JRPL"). The consideration was satisfied by the issuance of the 2013 Bond with a principal amount of HK\$331,445,000. Details of the convertible bond are set out in note 37(ii). The fair value of net assets acquired was as follows:

	HK\$'000
Property, plant and equipment	330,921
Inventories	358
Debtors, deposits and prepayments	6,037
Amounts due from related companies	44
Bank balances and cash	4,169
Creditors and accruals	(8,959)
Amounts due to related companies	(1,125)
<hr/>	
Total consideration satisfied by issue of convertible bonds	331,445
<hr/>	
Net cash inflow arising on acquisition:	
Bank balances and cash acquired	4,169
<hr/>	

The fair value of property, plant and equipment are determined based on the valuation carried out by an independent valuer and determined by direct comparison approach, making reference to the comparable sales transactions as available in the market.

42. MAJOR NON-CASH TRANSACTIONS

During the year, the Group entered into finance lease arrangements for acquisition of asset with a total capital value at the inception of the leases of HK\$738,000 (2009: HK\$2,548,000).

The Company issued shares in lieu of cash dividend payable to the Company's shareholders totalling HK\$46,623,000 (2009: HK\$25,321,000) and on conversion of the HK\$ Bonds with the principal amount of HK\$331,445,000 during the year ended 31st March, 2009.

The acquisition of a hotel and the related assets and assumption of the related liabilities in the preceding year was satisfied by the issuance of a convertible bond with a principal amount of HK\$331,445,000 as detailed in note 41(b)(ii).

43. CHARGE ON ASSETS

Bank loans outstanding at the end of the reporting period are secured by a fixed charge over the Group's properties (presented in the consolidated statement of financial position under completed properties for sale, investment properties, property, plant and equipment and prepaid lease payments) with an aggregate carrying amount of HK\$7,630,207,000 (31st March, 2009: HK\$5,858,000,000), bank deposits of HK\$29,765,000 (31st March, 2009: HK\$26,172,000) together with a floating charge over certain other assets and benefits accrued to the properties.

Other loans facilities to are secured by a pledge of the Group's investments held for trading, available-for-sale investments, and deposits with financial institutions with an aggregate carrying amount of approximately HK\$645,409,000 (2009: HK\$276,724,000).

44. CONTINGENT LIABILITIES

The Group has given guarantees for mortgage loans provided to the home buyers of the Group's properties in the PRC. At 31st March, 2010, the total amount of mortgage loans outstanding which are under the guarantee was HK\$127,006,000 (31st March 2009: HK\$150,443,000). The directors of the Company considered that the fair values of these financial guarantee contracts at their initial recognition are insignificant on the basis of short maturity periods and low default rate of mortgage loans.

45. CAPITAL COMMITMENTS

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Capital expenditure contracted but not provided in the financial statements in respect of:		
Acquisition, development and refurbishment of hotel properties	315,527	327,289
Others	2,311	3,025
	317,838	330,314
Capital expenditure authorised but not contracted for in respect of:		
Development and refurbishment of hotel properties	271,948	126,801
	589,786	457,115

46. OPERATING LEASE ARRANGEMENTS

The Group as lessor:

At the end of the reporting period, investment properties and completed properties for sale with carrying amount of HK\$2,015,569,000 (31st March, 2009: HK\$1,609,984,000) and HK\$80,846,000 (31st March, 2009: HK\$97,290,000) respectively were let out under operating leases. Gross rental income earned during the year is HK\$88,755,000 (2009: HK\$84,333,000) of which HK\$57,757,000 (2009: HK\$59,975,000) was derived from letting of investment properties. The property held has committed tenants for the next one to eleven years.

At the end of the reporting period, the Group had contracted with tenants for the future minimum lease payments under non-cancellable operating leases which fall due:

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Within one year	70,321	74,329
In the second to fifth years inclusive	108,817	114,632
More than five years	90,001	99,181
	269,139	288,142

Leases are negotiated and rentals are fixed for terms ranging from one to twenty years.

The Group as lessee:

Minimum lease payments paid under operating leases during the year.

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Premises	143,199	1,094
Equipment	297	157
	143,496	1,251

At the end of the reporting period, the Group had commitments for future minimum lease payments for premises under non-cancellable operating leases which fall due:

	31.3.2010 HK\$'000	31.3.2009 HK\$'000
Within one year	46,794	971
In the second to fifth years inclusive	125,106	1,155
	171,900	2,126

Leases are negotiated for an average term of two years and rentals are fixed over the lease period.

47. RELATED PARTY TRANSACTIONS

- (i) During the year, the Group entered into the following significant transactions with related entities:

Related party	Nature of transaction	2010 HK\$'000	2009 HK\$'000
Related company	Acquisition of business (note 41a)	271,148	–
Related company	Acquisition of assets (note 41b)	114,400	331,445
Associates	Building management fee expenses	4,420	5,262
Jointly controlled entities	Rental income	2,400	2,400

- (ii) Remuneration paid and payable to the directors and other members of key management during the year was as follows:

	2010 HK\$'000	2009 HK\$'000
Short-term benefits	19,413	14,014
Post-employment benefits	210	205
	19,623	14,219

The remuneration of directors and key executives is determined with reference to their individual performance and the market trends.

48. AMOUNT DUE FROM/TO RELATED PARTIES

The amounts due from/to associates, jointly controlled entities, investee company, related companies and director are set out in the consolidated statement of financial position and the related notes. The amounts are unsecured, interest-free and either repayable on demand or without fixed terms of repayment.

No repayment will be demanded for the amounts due from an investee company and a minority shareholder within next twelve months from the year end date and, accordingly, the amount is shown as non-current.

The related companies are companies controlled by the directors.

49. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme (“the MPF Scheme”) for all qualifying employees in Hong Kong under the rules and regulations of the Mandatory Provident Fund Authority. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of trustees. Contributions are made based on a percentage of the participating employees’ relevant income from the Group and are charged to the consolidated statement of comprehensive income as they become payable in accordance with the rules of the MPF Scheme. When an employee leaves the MPF Scheme, the mandatory contributions are fully vested with the employee. The retirement benefits scheme contributions charged to consolidated statement of comprehensive income during the year amounted to HK\$4,072,000 (2009: HK\$4,379,000).

According to the relevant laws and regulations in the PRC, the PRC subsidiary is required to contribute a certain percentage of the salaries of their employees to the state-managed retirement benefit scheme. The only obligation of the Group with respect to the retirement benefit scheme is to make the required contributions under the scheme. The retirement benefits scheme contributions charged to the profit or loss in the consolidated statement of comprehensive income during the year amounted to HK\$2,854,000 (2009: HK\$521,000).

Total retirement benefit expenses charged to the profit or loss in consolidated statement of comprehensive income amounted to HK\$16,962,000 in the current year (2009: HK\$11,146,000).

50. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Name of direct subsidiary	Issued share capital			Proportion of nominal value of issued capital/ registered capital held by the Group		Principal activities	Place of incorporation/ operation
	Number of shares	Par value per share	Class of shares held	2010	2009		
Accord Rise Investments Limited	1	US\$1	Ordinary	100	100	Investment holding	British Virgin Islands (“BVI”)
Ample Bonus Limited	100	US\$1	Ordinary	100	100	Investment holding	BVI
Ondella International Limited	1	US\$1	Ordinary	100	100	Investment holding	BVI

50. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name of indirect subsidiary	Number of Shares	Issued share capital		Proportion of nominal value of issued capital/ registered capital held by the Group		Principal activities
		Par value per share/ registered capital	Class of shares held	2010	2009	
Accessway Profits Limited	1	US\$1	Ordinary	100	100	Investment holding
Action Fulfilled Assets Limited	1	US\$1	Ordinary	100	100	Property investment
Amphion Investment Limited	2	HK\$1	Ordinary	100	100	Investment holding
Annick Investment Limited	2	HK\$1	Ordinary	100	100	Property investment
Apex Path Limited	1	US\$1	Ordinary	100	100	Investment holding
Arvel Company Limited	10,000	HK\$1	Ordinary	100	100	Property investment
Asia Land Pty Ltd.	1	A\$1	Ordinary	100	100	Loan financing
Australian Property Management Pty Ltd	1	A\$1	Ordinary	100	–	Property Management
Ballarat Central Car Park Pty Ltd	1,000	A\$0.012178	Ordinary	100	–	Car park operation
Best Impact Limited	1	US\$1	Ordinary	100	–	Car park operation
Best Hoover Limited	1	HK\$1	Ordinary	100	100	Property investment
Bonus Gain Investments Ltd.	1	US\$1	Ordinary	100	100	Investment holding
Bournemouth Estates Limited	2	HK\$10	Ordinary	100	100	Property development
Bradney Proprietary Ltd.	2	A\$1	Ordinary	100	100	Investment holding
Billion Century Holdings Ltd.	1	HK\$1	Ordinary	100	100	Investment holding
Capital Fortune Investment Limited	2	HK\$1	Ordinary	100	100	Investment holding
Caragis Limited	1,000	HK\$1	Ordinary	100	100	Hotel operation
Care Park Properties Pty Ltd	1,000	A\$0.012178	Ordinary	100	–	Car park operation
Care Park Holdings Pty Ltd	1,000	A\$0.012178	Ordinary	100	–	Car park operation
Care Park New Zealand Ltd	1,000	A\$0.012178	Ordinary	100	–	Car park operation
Care Park Pty Ltd	1,000	A\$0.012178	Ordinary	100	–	Car park operation
Care Park Finance Pty Ltd	1,000	A\$0.012178	Ordinary	100	–	Car park operation
Care Park (Albert Street) Pty L	1,000	A\$0.012178	Ordinary	100	–	Car park operation
Carterking Limited	1	US\$1	Ordinary	100	100	Investment holding
Cathay General Inc.	1	Nil	Common	100	100	Investment holding
Charter Joy Limited	2	HK\$1	Ordinary	100	100	Hotel operation
Charter National International Limited	2	HK\$1	Ordinary	100	100	Property development
Cheong Sing Property Development Limited	500	HK\$100	Ordinary	100	100	Property development
Ching Chu Property Management (Shanghai) Company Limited (i)	N/A	US\$9,000,000	N/A	100	100	Property management
Ching Chu (Shanghai) Real Estates Development Company Limited	N/A	US\$5,000,000	N/A	100	100	Investment holding
Chun Wah Holdings Limited	200	HK\$1	Ordinary	100	100	Property development
Complete Delight Limited	1	US\$1	Ordinary	100	100	Hotel operation
Cosmopolitan Hotel Limited	10,000	HK\$1	Ordinary	100	100	Hotel operation
Detheridge Estates Limited	2	HK\$1	Ordinary	100	100	Property development
Dorsett Hotel Management Services Limited	2	HK\$1	Ordinary	100	100	Hotel management
Dorsett Hotels & Resorts (H.K.) Ltd	1,000,000	HK\$1	Ordinary	100	100	Investment holding
Dorsett Hotels & Resorts International Limited	2	HK\$1	Ordinary	100	100	Investment holding

50. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name of indirect subsidiary	Issued share capital			Proportion of nominal value of issued capital/ registered capital held by the Group		Principal activities
	Number of Shares	Par value per share/ registered capital	Class of shares held	2010	2009	
Dorsett Regency Hotel (M) Sdn. Bhd.	5,000,000	RM\$1	Ordinary	100	100	Hotel operation
Double Advance Group Limited	1	US\$1	Ordinary	100	100	Hotel operation
Double Gaining Ltd	1	HK\$1	Ordinary	100	100	Administrative services
Dunball Limited	2	HK\$1	Ordinary	100	100	Property investment
Dunjoy Limited	2	HK\$1	Ordinary	100	100	Investment holding
E-Cash Ventures Limited	1	US\$1	Ordinary	100	100	Investment holding
Eldonstead Investment Ltd.	1	US\$1	Ordinary	100	100	Investment holding
Esmart Management Limited	2	HK\$1	Ordinary	100	100	Hotel management
Eternity Profits Limited	1	US\$1	Ordinary	100	100	Investment holding
Ever Liberty (M) Sdn. Bhd.	2	RM\$1	Ordinary	100	100	Property investment
Everkent Development Limited	2	HK\$1	Ordinary	100	100	Property development
Excel Chinese International Ltd	1	HK\$1	Ordinary	100	100	Property development
Far East Consortium China Infrastructure Company Limited	2	HK\$1	Ordinary	100	100	Investment holding
Far East Consortium China Investments Limited	6,000	HK\$100	Ordinary	100	100	Investment holding
Far East Consortium China Land Corporation Limited	1,000	HK\$100	Ordinary	100	100	Property development
Far East Consortium Holdings (Australia) Pty Limited	12 235	A\$1 A\$0.01	Ordinary Redeemable preference	100 100	100 100	Investment holding Investment
Far East Consortium Limited	830,650,000	HK\$1	Ordinary	100	100	Investment holding and property investment
Far East Consortium (B.V.I.) Limited	50,000	US\$1	Ordinary	100	100	Investment holding
Far East Consortium Machinery Limited	2	HK\$1	Ordinary	100	100	Investment holding
Far East Consortium (Malaysia) Limited	2	HK\$1	Ordinary	100	100	Investment holding
Far East Consortium (Netherlands Antilles) N.V.	6,000	US\$1	Ordinary	100	100	Investment holding
Far East Consortium Properties Pty Limited	12 225	A\$1 A\$0.01	Ordinary Redeemable preference	100 100	100 100	Investment holding and property investment
Far East Consortium Property & Marketing Service Pty Limited	1	A\$1	Ordinary	100	100	Property development
Far East Dorsett Hotel Mgt (Cheng Du) Co. Ltd.	N/A	US\$38,000,000	N/A	100	100	Hotel management
Far East Golf International Limited	5	HK\$1	Ordinary	100	100	Property development
Far East Real Estate and Agency (H.K.) Limited	60,000	HK\$100	Ordinary	100	100	Investment holding and loan financing

50. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name of indirect subsidiary	Number of Shares	Issued share capital		Proportion of nominal value of issued capital/ registered capital held by the Group		Principal activities
		Par value per share/ registered capital	Class of shares held	2010	2009	
Far East Supermarket Limited	500,000	HK\$1	Ordinary	100	100	Property investment
FEC Development (Malaysia) Sdn. Bhd.	2	RM\$1	Ordinary	100	100	Investment holding
FEC Financing Solutions Pty. Ltd.	1	A\$1	Ordinary	100	100	Investment holding
FEC Strategic Investments (Netherlands) B.V.	120,000	DFL1	Ordinary	100	100	Investment holding
Focus Venue Sdn. Bhd.	90	RM\$1	Ordinary	90	90	Property development
Fortune Plus (M) Sdn. Bhd.	935,000	RM\$1	Ordinary	100	100	Property investment
FECFW 1 Pty Ltd.	1	A\$1	Ordinary	100	100	Investment holding
FECFW 2 Pty Ltd.	1	A\$1	Ordinary	100	100	Investment holding
Ficon Roper Street Trust			Ordinary	100		– Car park operation
Full Benefit Limited	1	US\$1	Ordinary	100	100	Investment holding
Garden Resort Development Ltd.	100	HK\$1	Ordinary	100	100	Property development
Grand Expert Limited	2	HK\$1	Ordinary	100	100	Hotel operation
Grandco Investment Limited	1	US\$1	Ordinary	100	100	Property investment
Guangzhou Pegasus Boiler Manufacture Company Limited (ii)	N/A	HK\$50,000,000	N/A	51	51	Operation of boiler factory
Hong Kong (SAR) Hotel Ltd.	10,000	HK\$1	Ordinary	100	100	Property development
HK REIT Finance Company Limited	1	HK\$1	Ordinary	100	100	Loan financing
Hamsher International Ltd.	29,805,065	US\$1	Ordinary	100	100	Hotel investment and operation
Havena Holdings Ltd.	1	US\$1	Ordinary	100	100	Investment holding
Henrik Investment Limited	2	HK\$1	Ordinary	100	100	Property investment
Hero Housing Limited	880	HK\$1,000	Ordinary	100	100	Property investment
Hong Kong Hotel Asset Management Limited	5,000,000	HK\$1	Ordinary	100	100	Investment holding
Jade Rivers Profits Limited	2	US\$1	Ordinary	100	100	Investment holding
Kosmopolito Hotels International Ltd (formerly known as Hong Kong Hotel REIT Holdings Ltd)	100	US\$1	Ordinary	100	100	Investment holding
Kuala Lumpur Land Holdings Limited	100	£1	Ordinary	100	100	Investment holding
Launceston York Car Park Trust			Ordinary	100		– Car park operation
Madison Lighters and Watches Company Limited	4	HK\$1	Ordinary	100	100	Investment holding
Merlin Labuan Sdn Bhd	105,000,000	RM\$1	Ordinary	100	100	Hotel operation
Multi Yield Limited	1	HK\$1	Ordinary	100	100	Property investment
New Time Plaza Development Limited	1,000	HK\$1	Ordinary	100	100	Investment holding
New Union Investments (China) Limited	300	HK\$1	Ordinary	100	100	Investment holding
N.T. Horizon Realty (Jordan) Limited	2	HK\$100	Ordinary	100	100	Property investment

Notes to the Consolidated Financial Statements

50. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name of indirect subsidiary	Number of Shares	Issued share capital		Proportion of nominal value of issued capital/ registered capital held by the Group		Principal activities
		Par value per share/ registered capital	Class of shares held	2010	2009	
The Hotel of Lan Kwai Fong	10,000	HK\$1	Ordinary	100	100	Hotel operation
Oi Tak Enterprises Limited	1,000,000	HK\$1	Ordinary	75	75	Investment holding
Pandix Ltd.	1	HK\$1	Ordinary	100	100	Property development
Panley Ltd	1	HK\$1	Ordinary	100	100	Property development
Pansy Development Limited	2	HK\$1	Ordinary	100	100	Property investment
Peacock Management Services Limited	2	HK\$1	Ordinary	100	100	Administration services
Polyland Development Limited	2	HK\$1	Ordinary	100	100	Property investment
Proven Status Holdings Limited	1	US\$1	Ordinary	100	100	Investment holding
Ready Town Limited	2	HK\$1	Ordinary	100	100	Property and share investment
Redleaf Properties Limited	20,000	US\$1	Ordinary	100	100	Investment holding
Regency Hotels Proprietary Limited	100	A\$1	Ordinary	100	100	Investment holding
Roper Debt Pty Ltd	N/A	N/A	Ordinary	100	–	Car park operation
Roper Street Car Park Pty Ltd	N/A	N/A	Ordinary	100	–	Car park operation
Roper Street Car Park Unit Trust	N/A	N/A	N/A	100	–	Car park operation
Rosicky Limited	1	US\$1	Ordinary	100	100	Investment holding
Quadrant Plaza Pty Ltd	N/A	N/A	N/A	100	–	Car park operation
Quadrant Plaza Unit Trust	N/A	N/A	N/A	100	–	Car park operation
Rich Diamond Holdings Limited	10	US\$1	Ordinary	70	70	Investment holding
Richfull International Investment Limited	1	HK\$1	Ordinary	100	100	Bar operation
Ridon Investment Limited	2	HK\$1	Ordinary	100	100	Investment holding and share investment
Roseville Enterprises Limited	6,000	HK\$100	Ordinary	100	100	Property development
Royal Domain Plaza Pty. Ltd.	2	A\$1	Ordinary	100	100	Property investment
Royal Domain Towers Pty. Limited	2	A\$1	Ordinary	100	100	Property investment
Ruby Way Limited	2	HK\$1	Ordinary	100	100	Property development
Scarborough Development Limited	2	HK\$1	Ordinary	100	100	Property investment
Shanghai Chingchu Property Development Company Limited (ii)	N/A	US\$9,000,000	N/A	98.2	98.2	Developing, selling and leasing properties
Shepparton Car Park Pty Ltd	10,050	AUD0.17093	Ordinary	100	–	Car park operation
Shepparton Car Park Trust	N/A	N/A	N/A	100	–	Car park operation
Singford Holdings Limited	1	US\$1	Ordinary	100	100	Treasury management
Southsino Development Limited	100	HK\$1	Ordinary	100	100	Property development
Speedy Time Holdings Limited	1	HK\$1	Ordinary	100	100	Investment holding
Star Bridge Development Limited	2	HK\$1	Ordinary	100	100	Property development
Stoneline Sdn. Bhd.	100	RM\$1	Ordinary	100	100	Investment holding
Success Range Sdn. Bhd.	250,000	RM\$1	Ordinary	100	100	Hotel operation
Subang Jaya Hotel Development Sdn Bhd	45,000,000	RM\$1	Ordinary	100	100	Hotel investment and operation
Target Term Sdn. Bhd.	2	RM\$1	Ordinary	100	–	Investment holding
Tang City Holdings Pte Ltd	1,000,000	S\$1	Ordinary	100	100	Property investment
Tang Development Pte Limited	2	S\$1	Ordinary	100	100	Property investment

50. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name of indirect subsidiary	Issued share capital			Proportion of nominal value of issued capital/ registered capital held by the Group		Principal activities
	Number of Shares	Par value per share/ registered capital	Class of shares held	2010	2009	
Tang City Parkway Pte Limited	10	S\$1	Ordinary	100	100	Property investment
Tang City Properties Pte Limited	2,600,000	S\$1	Ordinary	100	100	Property investment
Tang Hotel Investment Pte Limited	2	S\$1	Ordinary	100	100	Property development
Tomarta Sdn. Bhd.	1,000,000	RM\$1	Ordinary	100	100	Property trading
Top Trend Developments Limited	2	US\$1	Ordinary	100	100	Investment holding
Total Win Profits Limited	1	US\$1	Ordinary	100	100	Investment holding
Turbulent Limited	2	HK\$10	Ordinary	100	100	Investment holding
Upperace Development Limited	1,000,000	HK\$1	Ordinary	100	100	Investment holding
Vennex Ltd.	1	HK\$1	Ordinary	100	100	Property investment
Venue Summit Sdn. Bhd.	250,000	RM\$1	Ordinary	100	100	Hotel operation
Vicsley Limited	1,000	HK\$1	Ordinary	100	100	Hotel operation
Victoria Land Pty. Ltd.	12	A\$1	Ordinary	100	100	Management services
Vicco Development Limited	2	HK\$1	Ordinary	100	100	Investment holding
Virgobee Limited	2	HK\$1	Ordinary	100	100	Property investment
Wanchope Limited	1	US\$1	Ordinary	100	100	Investment holding
Win Chance Engineering Limited	2	HK\$1	Ordinary	100	100	Engineering
Wonder China Investments Limited	1	US\$1	Ordinary	100	100	Investment holding
Wuhan Far East Dorsett Hotel Management Company Limited	N/A	US\$29,800,000	N/A	100	100	Hotel operation
Zhongshan Development Limited	2	US\$1	Ordinary	100	100	Investment holding
13 Roper Street Pty Ltd	10,000	A\$0.012178	Ordinary	100	-	Car park operation
13 Roper Street Trust	N/A	N/A	N/A	100	-	Car park operation
19 Bank Street Pty Ltd	10,000	A\$0.012178	Ordinary	100	-	Car park operation
19 Bank Street Trust	N/A	N/A	N/A	100	-	Car park operation
94 York Street Trust	N/A	N/A	N/A	100	-	Car park operation
124 York Street Pty Ltd	10,000	A\$0.012178	Ordinary	100	-	Car park operation
344 Queen Car Park Pty Ltd	10,000	A\$0.012178	Ordinary	100	-	Car park operation
344 Queen Car Park Trust	N/A	N/A	N/A	100	-	Car park operation

- (i) Foreign investment enterprise registered in the PRC
- (ii) Sino-foreign equity joint venture registered in the PRC

None of the subsidiaries had issued any debt securities at the end of the year.

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

50. PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

All the above indirect subsidiaries are incorporated and are operating in Hong Kong except the followings:

Name of indirect subsidiary	Place of incorporation	Place of operation
Accessway Profits Limited	British Virgin Islands	Hong Kong
Action Fulfilled Assets Limited	British Virgin Islands	Hong Kong
Asia Land Pty Ltd. (formerly known as FEC Property Services Pty Ltd.)	Australia	Australia
Australian Property Management Pty Ltd	Australia	Australia
Ballarat Central Car Park Pty Ltd	Australia	Australia
Bradney Proprietary Ltd.	Australia	Australia
Cathay General Inc.	Republic of Liberia	Hong Kong
Care Park Properties Pty Ltd	Australia	Australia
Care Park Holdings Pty Ltd	Australia	Australia
Care Park New Zealand Ltd	Australia	Australia
Care Park Pty Ltd	Australia	Australia
Care Park Finance Pty Ltd	Australia	Australia
Care Park (Albert Street) Pty Ltd	Australia	Australia
Ching Chu Property Management (Shanghai) Company Limited	The PRC	The PRC
Dorsett Regency Hotel (M) Sdn. Bhd.	Malaysia	Malaysia
E-Cash Ventures Limited	British Virgin Islands	Hong Kong
Eternity Profits Limited	British Virgin Islands	Malaysia
Ever Liberty (M) Sdn. Bhd.	Malaysia	Malaysia
Far East Consortium Holdings (Australia) Pty Limited	Australia	Australia
Far East Consortium (Netherlands Antilles) N.V.	Netherlands Antilles	Netherlands Antilles
Far East Consortium Properties Pty Limited	Australia	Australia
Far East Consortium Property & Marketing Service Pty Limited	Australia	Australia
FEC Development (Malaysia) Sdn. Bhd.	Malaysia	Malaysia
FEC Financing Solutions Pty Ltd.	Australia	Australia
FEC Properties Limited	British Virgin Islands	Hong Kong
FEC Strategic Investments (Netherlands) B.V.	The Netherlands	The Netherlands
FEH Strategic Investment Pte Limited	Singapore	Singapore
Focus Venue Sdn. Bhd.	Malaysia	Malaysia
Fortune Plus (M) Sdn. Bhd.	Malaysia	Malaysia
FECFW 1 Pty Ltd.	Australia	Australia
FECFW 2 Pty Ltd.	Australia	Australia
Ficon Roper Street Trust	Australia	Australia
Grandco Investment Limited	British Virgin Islands	The U.S.A.

50. PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

Name of indirect subsidiary	Place of incorporation	Place of operation
Guangzhou Pegasus Boiler Manufacture Company Limited	The PRC	The PRC
Hamsher International Ltd.	British Virgin Islands	The U.S.A.
Jade River Profits Limited	British Virgin Islands	Malaysia
Kuala Lumpur Land Holdings Limited	Channel Islands	Malaysia
Launceston York Car Park Trust	Australia	Australia
New Empire Assets Limited	Cayman Islands	The PRC
People Assets Limited	British Virgin Islands	Macau
Quadrant Plaza Pty Ltd	Australia	Australia
Quadrant Plaza Unit Trust	Australia	Australia
Redleaf Properties Limited	British Virgin Islands	Malaysia
Regency Hotels Proprietary Limited	Australia	Australia
Rich Diamond Holdings Limited	British Virgin Islands	The Philippines
Roper Debt Pty Ltd	Australia	Australia
Roper Street Car Park Pty Ltd	Australia	Australia
Roper Street Car Park Unit Trust	Australia	Australia
Royal Domain Plaza Pty. Ltd.	Australia	Australia
Royal Domain Towers Pty. Limited	Australia	Australia
Shanghai Chingchu Property Development Company Limited	The PRC	The PRC
Shepparton Car Park Pty Ltd	Australia	Australia
Shepparton Car Park Trust	Australia	Australia
Singford Holdings Limited	British Virgin Islands	Hong Kong
Smartland Assets Limited	British Virgin Islands	Singapore
Stoneline Sdn. Bhd.	Malaysia	Malaysia
Success Range Sdn. Bhd.	Malaysia	Malaysia
Tang City Holdings Pte Ltd	Singapore	Singapore
Tang City Parkway Pte. Limited	Singapore	Singapore
Tang City Properties Pte. Limited	Singapore	Singapore
Tang Hotel Investment Pte. Limited	Singapore	Singapore
Tomarta Sdn. Bhd.	Malaysia	Malaysia
Top Trend Developments Limited	British Virgin Islands	China
Venue Summit Sdn. Bhd.	Malaysia	Malaysia
Victoria Land Pty. Ltd.	Australia	Australia
Wonder China Investments Limited	British Virgin Islands	The PRC
Zhongshan Development Limited	British Virgin Islands	The PRC
13 Roper Street Pty Ltd	Australia	Australia
13 Roper Street Trust	Australia	Australia
19 Bank Street Pty Ltd	Australia	Australia
19 Bank Street Trust	Australia	Australia
94 York Street Trust	Australia	Australia
124 York Street Pty Ltd	Australia	Australia
344 Queen Car Park Pty Ltd	Australia	Australia
344 Queen Car Park Trust	Australia	Australia

51. PARTICULARS OF PRINCIPAL ASSOCIATES

Name of indirect associate	Class of shares held	Proportion of nominal value of issued capital/registered capital held by the Group		Principal activities
		2010	2009	
Bermuda Investments Limited	Ordinary	25	25	Property investment
Flinders Wharf Management Pty. Ltd.	Ordinary	50	50	Property management
Gold Coin (Hong Kong) Limited	Ordinary	26	26	Investment holdings
Gold Coin Feedmill (China) Limited	Ordinary	26	26	Operation of feedmill factory
Guangdong Xin Shi Dai Real Estate Limited	N/A	45	45	Property development
Kanic Property Management Limited	Ordinary	50	50	Building management
Liuzhou Universe Compressor Company Limited	N/A	–	25.24	Operation of compressor factory
Naples Investments Limited	Ordinary	35	35	Investment holdings
Northleisure Proprietary Limited	Ordinary	50	50	Investment holdings
Omicron International Limited	Ordinary	30	30	Investment holding
Peacock Estates Limited	Ordinary	25	25	Property investment

The above table lists the associates of the Group which, in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other associates would, in the opinion of the Directors, result in particulars of excessive length.

All the above associates are incorporated and are operating in Hong Kong except the followings:

Name of indirect associate	Place of incorporation/ establishment	Place of operation
Flinders Wharf Management Pty. Ltd.	Australia	Australia
Gold Coin Feedmill (China) Limited	The PRC	The PRC
Guangdong Xin Shi Dai Real Estate Limited	The PRC	The PRC
Liuzhou Universe Compressor Company Limited	The PRC	The PRC
Naples Investments Limited	British Virgin Islands	The Philippines

List of Major Properties Held by the Group

	Name of property and location	Lot number	Group's interest	Site area (m²)
Hong Kong				
1.	Cosmopolitan Hotel No. 387 Queen's Road East Wanchai	IL 1578RP	100%	1,093
2.	Central Park Hotel No. 263 Hollywood Road	IL568 s.A. RP. and IL 8412	100%	317
3.	Dorsett Kowloon Hotel 46-48 Anchor Street, Tai Kok Tsui	KIL 6374	100%	357
4.	Cosmo Hotel No. 375 Queen's Road East Wanchai	IL 1578 s.Ass1	100%	380
5.	Lan Kwai Fong Hotel@Kan U Fong 1 Kau U Fong 3-9 Aberdeen Street and 1 Gough Street, Central	IL 1747, 8852	100%	377
6.	Dorsett Far East Hotel 135-143 Castle Peak Road Tsuen Wan	Lot 2158 in DD 449	100%	632
7.	Dorsett Seaview Hotel 268 Shanghai Street Yau Ma Tei	KIL 9944, 9701, 9705, 9727, 9769 & 7429	100%	502
8.	Cosmo Kowloon Hotel 35-43 Ivy Street Tai Kok Tsui	KIL 8050	100%	514
9.	Dorselt Regency Kennedy Town 12-22 Davis Street Hong Kong	IL 905	100%	461
10.	Dorselt Regency Kwun Tong 84 Hung To Road, Kwun Tong	KTIL 162	100%	929
11.	The Mercer by Kosmopolito 27-31 Jervois Street Sheung Wan	IL871s.A., IL 872s.A., ML9B	100%	235

List of Major Properties Held by the Group

Approximate gross floor area (m²)	Type	Stage of completion	Expected completion date
15,895	H	Completed	Existing
4,745	H	Completed	Existing
3,210	H	Completed	Existing
5,546	H	Completed	Existing
5,646	H	Completed	Existing
5,180	H	Completed	Existing
6,065	H	Completed	Existing
6,222	H	Completed	2010
6,807	H	Under construction	2011
11,147	H	Under construction	2011
3,525	H	Under construction	2011

List of Major Properties Held by the Group

	Name of property and location	Lot number	Group's interest	Site area (m²)
Hong Kong				
12.	Dorselt Regency Kwai Chung 698 Castle Peak Road Kwai Chung	Lot No. 193 Kwai Chung Town	100%	2,323
13.	90-100 Hill Road West Point	IL 1095	95%	537
14.	16th, 18th, 19th, 20th and 24th Floors, (including lavatories on 16th, 18th, 19th, 20th and 24th Floors and Flat Roof on 24th Floor), Far East Consortium Building 121 Des Voeux Road Central	120/736 shares of and in IL 2198, 2200, 2201 s.A and IL 2199 RP and s.A, s.B & s.C of ML 299	100%	–
15.	Far East Consortium Building 204-206 Nathan Road Tsim Sha Tsui	KIL 10467 RP and KIL 10468 RP	100%	314
16.	1/F of Block 4, and Car Parking Spaces Nos. 61 & 62, Rise Park Villas 38 Razor Hill Road, Sai Kung	69/1408 shares of and in Lot 1124 in DD 253	100%	–
17.	Various shops on LG/F and UG/F Tsuen Wan Gardens Phase 1 15-23 Castle Peak Road Tsuen Wan	241/4400 shares of and in TWTL 241	100%	–
18.	Bakerview, 66 Baker Street Hung Hom	HHIL 235 s.B, s.C, s.D, s.E, s.lss1, s.lss2 and s.lss3	100%	604
19.	Sheung Yeung Sai Kung	Lots 84, 85, 86, 89, 91, 92, 94, 95A, 99, 116RP, 137, 139, 141RP, 213, 221RP, 224RP, 229, 230, 231A, 231RP, 233, 234, 236, 258, 263RP and 746 in DD 225	100%	7,136
20.	No. 684 Clear Water Bay Road	Lot No. 236 in D.D. at Ah Kwung Wan	100%	1,859
21.	Route TWISK, Chuen Lung Tsuen Wan	IL 389	100%	13,500
22.	Tan Kwai Tsuen, Yuen Long	Lot 3927 s.B in DD 124	100%	418

List of Major Properties Held by the Group

Approximate gross floor area (m ²)	Type	Stage of completion	Expected completion date
19,948	H	Under construction	2012
8,055	R	Site acquisition	2013
2,474	O	Completed	Existing
3,579	S & O	Completed	Existing
310	R & CP	Completed	Existing
3,908	SA	Completed	Existing
5,444	S & R	Completed	Existing
4,682	R	Phase 1 completed	2013 (phase 2)
744	R	Under construction	2010
5,400	A	Completed	2009 (phase 1)
4,497	R	Planning stage	2013

List of Major Properties Held by the Group

	Name of property and location	Lot number	Group's interest	Site area (m²)
Hong Kong				
23.	Various lots, Pak Kong Sai Kung	Lots 1134 RP, 1137 RP, 1138 & 1139 RP in DD 222	100%	3,524
24.	Yau Kam Tau, Tsuen Wan	Lot 232 RP in DD 354	100%	5,940
25.	Car Parking Spaces Nos. 14, 16, 17, 24, 26, 27, 29, 30, 34, 35, 40, 41, 44-46, 51, 53-56, 58, 62-71, 75, 77, 85, 86, 90, 91, 94, 96 and 97 on the Basement 1 and Car Parking Spaces Nos. 98, 99, 114, 124, 125, 129, 139-141, 144-147, 149-152, 154-157, 159-162, 164 and 167 on the Basement 2 Covent Garden, 88 Ma Tin Road Yuen Long	1675/35313 shares of and in YLTL 419	100%	–
26.	287-293 Sai Yeung Choy Street North Shamshuipo	KIL 317	95%	468
China				
1.	Hotel Kosmopolito City Centre, Chengdu 124-177 Yu Long West Street Chengdu, PRC	N/A	100%	5,866
2.	Wuhan Cosmopolitan Hotel 118 Jiang Han Street Jiang An District, Wuhan	N/A	100%	5,339
3.	Yue Shanghai Hotel Nos. 796 and 800 Huamu Road, Pudong New Area Shanghai, PRC	N/A	100%	3,990
4.	Room 2603, Block 3 Dong-Jun Plaza 836 Dong Feng Road East Guangzhou, PRC	N/A	100%	–
5.	Room 2604, Block 3 Dong-Jun Plaza 836 Dong Feng Road East Guangzhou, PRC	N/A	100%	–
6.	New Time Plaza JianSheHengMaLu Yue Xiu District, Guangzhou	N/A	50%	3,000

List of Major Properties Held by the Group

Approximate gross floor area (m²)	Type	Stage of completion	Expected completion date
Not yet determined	A	Planning stage	Vacant site
–	A	Planning stage	Vacant
–	CP	Completed	Existing
4,074	C & R	Site acquisition	2013
67,617	H	Under construction	2011
67,307	H	Completed	Existing
18,149	H	Completed	Existing
91	O	Completed	Existing
91	O	Completed	Existing
20,000	C & R	Under construction	2009

List of Major Properties Held by the Group

	Name of property and location	Lot number	Group's interest	Site area (m²)
China				
7.	Gan Tang Yuan Huadidadao East Li Wan District, Guangzhou	N/A	100%	8,000
8.	Hua Di Jia Yuen 10 Miaoqianjie North, Chajiao Li Wan District, Guangzhou	N/A	100%	24,359
Overseas				
1.	Dorsett Regency Hotel Kuala Lumpur 172, Jalan Imbi Kuala Lumpur Malaysia	Lots 471 and 472 Section 67, Town of Kuala Lumpur, Wilayah Persekutuan	100%	1,270
2.	Grand Dorsett Subang Hotel Jalan SS 12/1, 47500 Subang Jaya Selangor Darul Ehsan Malaysia	Lots 4244 and 4245 Mukim of Damansara, District of Petaling, Selangor	100%	37,782
3.	Grand Dorsett Labuan Hotel 462, Jalan Merdeka, 87029 Labuan F.T. Malaysia	Lot TL No. 207531888, Town of Labuan, Federal Territory of Labuan	100%	6,071
4.	Sri Jati Service Apartments Jalan Jati, Off Jalan Imbi Kuala Lumpur Malaysia	Lot 1292 Section 67, Town and District of Kuala Lumpur, Wilayah Persekutuan	100%	886
5.	Mukim of Kerling District of Hulu Selangor Selangor Darul Ehsan Malaysia	Lots 600 and 619	100%	422,907
6.	No. 100, Eu Tong Sen Street Pearl's Centre Singapore	Lot U871W	100%	–
7.	100A Eu Tong Sen Street Yang Tze Building Singapore	Lot U865L	100%	–
8.	Parkway Centre 1 Marine Parade Central Singapore	Various lots of Mukim 26	100%	–

List of Major Properties Held by the Group

Approximate gross floor area (m²)	Type	Stage of completion	Expected completion date
43,000	C & R	Planning stage	2010
83,700	R	Under Construction	2013
27,753	H	Completed	Existing
43,264	H	Completed	Existing
21,565	H	Completed	Existing
4,685	R	Completed	Existing
–	A	Planning stage	Vacant
14,044	CP	Completed	Existing
8,007	O & S	Completed	Existing
4,756	C	Completed	Existing

List of Major Properties Held by the Group

	Name of property and location	Lot number	Group's interest	Site area (m²)
Overseas				
9.	Dallas Grand Hotel 1914 Commerce Street Dallas, Texas, USA	N/A	100%	6,849
10.	1954 Commerce Street Dallas, Texas, USA	N/A	100%	2,322
11.	Royal Domain Tower 368 St Kilda Road Melbourne, Victoria	Lot 1306 PS 419703E Lot 1801 PS 419703E Lot 2201 PS 419703E	100%	–
12.	Northbank Place			
	– East, 507-541 Flinders Street, Melbourne, Victoria	Lot 1 PS 549354	100%	2,014
	– Central, 545-557 Flinders Street, Melbourne, Victoria	Lot 2 PS 549354	100%	2,647
	– West, 561-581 Flinders Street, Melbourne, Victoria	Lot 3 PS 549354	100%	1,482
13.	166 Victoria Road Northcote, Victoria	Vol 09173 Folio 688	100%	4,856
14.	289 McKimmies Road Bundoora, Victoria	Vol 10044 Folio 204	25%	23,000
15.	Upper West Side 613-649 Lonsdale Street Melbourne, Victoria.	Vol 10439 Folio 667 Vol 10372 Folio 666 Vol 4287 Folio 316 Vol 4864 Folio 623 Vol 1953 Folio 469 Vol 1959 Folio 722 Vol 4774 Folio 620 Vol 4682 Folio 328 Vol 10630 Folio 819 Vol 10630 Folio 820 Vol 10632 Folio 451	100%	9,196
16.	Maytower Hotel No. 7, Jalan Munshi Abdullah, 50100 Kuala Lumpur	Lot No. 301 Seksyen 40 held under Title No. GRN 54118 Town and District of Kuala Lumpur Wilayah Persekutuan	100%	2,162

List of Major Properties Held by the Group

Approximate gross floor area (m ²)	Type	Stage of completion	Expected completion date
–	H	Completed	Existing
11,918	C	Completed	Existing
762	R	Completed	Existing
10,592	O, S	Completed	Existing
13,483	R, S, CP	Completed	Existing
11,977	R, S	Completed	Existing
6,700	R	Planning	2012
7,191	R	Under Construction	2010
217,000	R, SA	Planning	2013
5,623	H	Completed	Existing

List of Major Properties Held by the Group

	Name of property and location	Lot number	Group's interest	Site area (m²)
Overseas				
17.	Dorsett Johor Hotel Mukim of Plentong District of Johor Bahru State of Johor	Part of PTD No. 101375 held under Title No. H.S. (D) 227751 Mukim of Plentong District of Johor Bahru	100%	4,370
18.	Dorsett Regency "On New Bridge" Singapore 5 at Now Bridge Road, Singapore	Lots 777W & 782P Town Subdivision (TS)	100%	4,650

List of Major Properties Held by the Group

Approximate gross floor area (m ²)	Type	Stage of completion	Expected completion date
8,804	H	Completed	Existing
16,537	H	Planning	2013

* Being the expected completion year of first stage development

O – Office

SA – Shopping Arcade

C – Commercial

S – Shops

R – Residential

A – Agricultural

H – Hotel

CP – Car Park

MAJOR AWARDS AND RECOGNITION 獎項及成就



2010

Grand Dorsett Subang Hotel, Malaysia

- "Gold Winner" of Global Award 2010" by Business Productivity (Deputy Finance Minister)

Cosmopolitan Hotel, Hong Kong

麗都酒店，香港

- Recommended as "Comfortable Hotel in Hong Kong" by Michelin Guide Hong Kong and Macau 2010
獲〈香港及澳門米芝蓮指南2010〉推薦為全港最舒適酒店的其中之一

Cosmo Hotel, Hong Kong

麗悅酒店，香港

- Recommended as "Comfortable Hotel in Hong Kong" by Michelin Guide Hong Kong and Macau 2010
獲〈香港及澳門米芝蓮指南2010〉推薦為全港最舒適酒店的其中之一

2009

Cosmopolitan Hotel, Hong Kong

麗都酒店，香港

- Recommended as "Comfortable Hotel in Hong Kong" by Michelin Guide Hong Kong and Macau 2009
獲〈香港及澳門米芝蓮指南2009〉推薦為全港最舒適酒店之一

Lan Kwai Fong Hotel@Kau U Fong, Hong Kong 蘭桂坊酒店@九如坊，香港

- "Asia's Leading Boutique Hotel" by World Travel Awards 2009
獲世界旅遊大獎 2009之「亞洲最佳精品酒店」
- Nominee of "World's Leading Boutique Hotel" by World Travel Awards 2009
獲提名世界旅遊大獎 2009之「世界最佳精品酒店」

MAJOR AWARDS AND RECOGNITION 獎項及成就



Grand Dorsett Subang Hotel, Malaysia

- "Fish or seafood Main Course-Silver Medal(2 winners)" of Malaysian Culinaire Competition KLCC by Malaysian Culinary Association
- "Apprentice Chicken & Salmon Main Course-Bronze Medal" of Malaysian Culinaire Competition KLCC by Malaysian Culinary Association
- " Ethnic Malay Cuisine-Silver Medal" of Malaysian Culinaire Competition KLCC by Malaysian Culinary Association
- "Mediterrenean Table Set Up - Bronze Medal" of Malaysian Culinaire Competition KLCC by Malaysian Culinary Association
- "Service Excellence Award" of The Award for Industrial Excellence by Ministry of International Trade & Industry

Dorsett Johor Hotel, Malaysia

- "Gems Awards or Anugerah Permata (three star) 'of Johor Tourism Awards 2009 by Menteri Besar Abdul Ghani Othman

Dorsett Regency Hotel, Malaysia

- "1st Placing Hospitality Category" of Global Emerging Knowledge Organisation Award (GEKO) by JT Frank presented by Deputy Minister of Higher Education
- "Fellow" of Visionary Knowledge Leadership For Global Emerging Knowledge Organisation Award (GIKEN) by JT Frank presented by Deputy Minister of Intl Trade and Industry
- "Fish or seafood Main Course-Bronze Medal" of Malaysian Culinaire Competition KLCC by Food Hotel Malaysia
- "Plated Dessert-Silver Medal" of Malaysian Culinaire Competition KLCC by Food Hotel Malaysia

Hotel Portfolio 酒店組合



1 Dorsett Regency Hotel, Kuala, Lumpur



320 rooms, in operation
320 間房間 · 營業中

2 Maytower Hotel



179 rooms, in operation
179 間房間 · 營業中

3 Grand Dorsett Subang



478 rooms, in operation
478 間房間 · 營業中

4 Grand Dorsett Labuan Hotel



178 room, in operation
178 間房間 · 營業中

5 Dorsett Johor Hotel



252 rooms, in operation
252 間房間 · 營業中

HOTELS IN OPERATION

1 Central Park Hotel
麗栢酒店

Location:
Central

No. of rooms:
142

Type:
Boutique hotel

Date of Commencement:
Apr, 2005



2 Cosmopolitan Hotel
麗都酒店

Location:
Wanchai

No. of rooms:
454

Type:
4-star hotel

Date of Commencement:
Jan, 2005



3 Cosmo Hotel
麗悅酒店

Location:
Wanchai

No. of rooms:
142

Type:
Boutique hotel

Date of Commencement:
Oct, 2005



4 Dorsett Far East Hotel
遠東帝豪酒店

Location:
Tsuen Wan

No. of rooms:
240

Type:
3-star hotel

Date of Commencement:
Oct, 2006



5 Dorsett Kowloon Hotel
帝豪九龍酒店

Location:
Tai Kok Tsui

No. of rooms:
141

Type:
3-star hotel

Date of Commencement:
May, 2005



6 Dorsett Seaview Hotel
帝豪海景酒店

Location:
Yau Ma Tei

No. of rooms:
268

Type:
3-star hotel

Date of Commencement:
Dec, 2000



7 Lan Kwai Fong Hotel @Kau U Fong
蘭桂坊酒店@九如坊

Location:
Central

No. of rooms:
162

Type:
Boutique hotel

Date of Commencement:
Mar, 2006



HOTELS UNDER DEVELOPMENT

8 Cosmo Kowloon Hotel
九龍麗悅酒店

Location:
Tai Kok Tsui

No. of rooms:
285

Type:
4-star hotel

Estimated Commencement Date
3rd Quarter, 2010



9 Dorsett Regency Kwai Chung, Hong Kong
香港葵涌帝盛酒店

Location:
Kwai Chung

No. of rooms:
567

Type:
4-star hotel

Estimated Commencement Date
2nd Quarter, 2012



10 Dorsett Regency Kwun Tong, Hong Kong
香港觀塘帝盛酒店

Location:
Kwun Tong

No. of rooms:
380

Type:
4-star hotel

Estimated Commencement Date
4th Quarter, 2011



11 Dorsett Regency Kennedy Town, Hong Kong
香港堅尼地城帝盛酒店

Location:
Kennedy Town

No. of rooms:
217

Type:
4-star hotel

Estimated Commencement Date
2nd Quarter, 2011



12 Dorsett Regency "On New Bridge", Singapore
新加坡新橋路帝盛酒店

Location:
Singapore

No. of rooms:
285 & 68 apt suites

Type:
Boutique hotel

Estimated Commencement Date
2nd Quarter, 2013



13 The Mercer by Kosmopolito

Location:
Sheung Wan

No. of rooms:
55

Type:
Boutique hotel

Estimated Commencement Date
1st Quarter, 2011



China Projects 中國業務



SHANGHAI 上海

Shanghai Metro Line 9 地鐵9號線
Shanghai New International Expo Center 上海新國際博覽中心
Jinxiu Road 錦繡路
Fanguan Road 芳園路
Shanghai Science and Technology Museum 上海科技館
Century Park 世紀公園
Hua Mu Road 花木路
Pujian Road 浦建路
Baiyang Road 白楊路

YUE SHANGHAI HOTEL
上海麗悅酒店

Yue Shanghai Hotel
上海麗悅酒店
Date of Commencement:
February, 2010
(264 rooms)
(264 間房間)

ZHONGSHAN 中山

中山一路
新沙街
富華道
香山大街
西堤路

Dorsett Regency CBD, Zhongshan
中山商業區帝盛酒店
(Hotel under development, 416 rooms)
(發展中酒店物業 · 416 間房間)

Estimated Commencement Date:
3rd Quarter, 2011

CHENGDU 成都

Renmin Zhong Road II 人民中二路
Yulong Street West 西玉龍街
Shangsheng Street 上升街
Donger Lane 東二巷

HOTEL KOSMOPOLITO CITY CENTRE, CHENGDU
成都市中心麗悅酒店

Hotel Kosmopolito City Centre, Chengdu
成都市中心麗悅酒店
(Hotel under development, 547 rooms)
(發展中酒店物業 · 547 間房間)

Estimated Commencement Date:
2nd Quarter, 2011

WUHAN 武漢

Zhongnan Road 中灘路
Yangtze River 長江
Jiangnan Commercial Walking Street 江漢商業步行街
Wangfujing Dpt. Store 王府井百貨公司

Wuhan Cosmopolitan Hotel
武漢麗悅酒店

Date of Commencement:
June, 2008
(384 rooms)
(384 間房間)

SHANGHAI 上海



1 M7 Shanghai University Station
M7地鐵上海大學站



3 Jin He Ya Court
錦和雅苑



5 Jin Qiu Xin Tian Di
錦秋新天地



2 Yong Jing Court
雍景苑



4 Di Jing Court
帝景苑

GUANGZHOU 廣州



Gantangyuan
廣州甘棠苑



(Under development)
(發展中物業)

GUANGZHOU 廣州



Huadijiayuan
廣州花地家園



(Under development)
(發展中物業)

GUANGZHOU 廣州



New Time Plaza
廣州新時代大廈
(Under development)
(發展中物業)

Hong Kong Projects 香港業務

HONG KONG 香港




Bakerview
東海雅園

(Developed Property)
(已發展物業)

HONG KONG 香港




Art Del Sol
清怡居

(Developed Property)
(已發展物業)

HONG KONG 香港




No. 684 Clear Water Bay Road
清水灣道684號

(Underdevelopment)
(發展中物業)

Melbourne Projects 墨爾本業務





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