

中國聯盛投資集團有限公司 China Leason Investment Group Co., Limited

(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)

(股份代號 Stock Code: 8270)



2008
ANNUAL REPORT 年報

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors (the “Directors”) of China Leason Investment Group Co., Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:- (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）市場之特色

創業板的定位，乃為相比起其他在聯交所上市的公司帶有較高投資風險的公司提供一個上市的市場。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。創業板的較高風險及其他特色表示創業板較適合專業及其他老練投資者。

由於創業板上市公司新興的性質所然，在創業板買賣的證券可能會較於主板買賣之證券承受較大的市場波動風險，同時無法保證在創業板買賣的證券會有高流通量的市場。

香港交易及結算所有限公司及香港聯合交易所有限公司對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告乃遵照香港聯合交易所有限公司創業板證券上市規則（「創業板上市規則」）之規定提供有關中國聯盛投資集團有限公司（「本公司」）之資料。本公司之董事（「董事」）共同及個別對此負全責。董事在作出一切合理查詢後，確認就彼等所知及所信：—(1)本報告所載資料在各重大方面均屬準確及完整，且無誤導成份；(2)本報告並無遺漏任何事實致使本報告任何內容產生誤導；及(3)本報告內表達的一切意見乃經審慎周詳考慮後作出，並以公平合理的基準及假設為依據。

Contents

目錄

Corporate Information	公司資料	3
Corporate Profile	公司簡介	5
Chairman's Statement	主席報告	6
Management Discussion and Analysis	管理層討論及分析	8
Corporate Governance Report	企業管治報告	14
Biographical Information of Directors and Senior Management	董事及高級管理層履歷資料	27
Directors' Report	董事會報告	31
Independent Auditor's Report	獨立核數師報告	40
Consolidated Income Statement	綜合損益表	42
Consolidated Balance Sheet	綜合資產負債表	43
Balance Sheet	資產負債表	44
Consolidated Statement of Changes in Equity	綜合權益變動表	45
Consolidated Cash Flow Statement	綜合現金流量表	46
Notes to the Financial Statements	財務報表附註	48
Five year financial summary	五年財務摘要	144

Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Wang Zhong Sheng (*Chairman*)

Mr. Shi Liang

Non-Executive Director

Mr. Kwok Shun Tim

Mr. Ye Jinxing

Independent Non-Executive Directors

Mr. Luo Wei Kun

Mr. Yan Chang Ming

Ms. Pang Yuk Fong

AUDIT COMMITTEE

Mr. Luo Wei Kun

Mr. Yan Chang Ming

Ms. Pang Yuk Fong (*chairman of audit committee*)

NOMINATION COMMITTEE

Mr. Luo Wei Kun

Mr. Yan Chang Ming (*chairman of nomination committee*)

Ms. Pang Yuk Fong

REMUNERATION COMMITTEE

Mr. Luo Wei Kun

Mr. Yan Chang Ming (*chairman of remuneration committee*)

Ms. Pang Yuk Fong

QUALIFIED ACCOUNTANT & COMPANY SECRETARY

Mr. Lui Chi Keung FCCA, CPA

COMPLIANCE OFFICER

Mr. Wang Zhong Sheng

AUTHORISED REPRESENTATIVES

Mr. Wang Zhong Sheng

Mr. Lui Chi Keung

董事會

執行董事

王忠勝先生 (*主席*)

施亮先生

非執行董事

郭純恬先生

葉金興先生

獨立非執行董事

羅維崑先生

閻長明先生

彭玉芳女士

審核委員會

羅維崑先生

閻長明先生

彭玉芳女士 (*審核委員會主席*)

提名委員會

羅維崑先生

閻長明先生 (*提名委員會主席*)

彭玉芳女士

薪酬委員會

羅維崑先生

閻長明先生 (*薪酬委員會主席*)

彭玉芳女士

合資格會計師兼公司秘書

呂志強先生 FCCA, CPA

監察主任

王忠勝先生

授權代表

王忠勝先生

呂志強先生

Corporate Information 公司資料

HEAD OFFICE & PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Rm 802 Wing On Square,
Tsim Sha Tsui East,
Kowloon
Hong Kong

REGISTERED OFFICE

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681 GT
George Town
Grand Cayman
British West Indies

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Bank (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
George Town
Grand Cayman
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tengis Limited
Level 28, Three Pacific Place
1 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

Hong Kong and Shanghai Banking Corporation
CITIC Ka Wah Bank Ltd

AUDITORS

CCIF CPA Limited

STOCK CODE

8270

香港總辦事處兼主要營業地點

香港
九龍
尖沙咀東
永安廣場802室

註冊辦事處

Century Yard
Cricket Square
Hutchins Drive
P. O. Box 2681 GT
George Town
Grand Cayman
British West Indies

主要股份過戶登記處

Butterfield Bank (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
George Town
Grand Cayman
Cayman Islands

香港股份過戶登記分處

登捷時有限公司
香港
皇后大道東1號
太古廣場第三座28樓

主要往來銀行

香港上海滙豐銀行有限公司
中信嘉華銀行有限公司

核數師

陳葉馮會計師事務所有限公司

股份代號

8270

Corporate Profile 公司簡介

China Leason Investment Group Co., Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) conducts business principally through its operating arm in China (the “PRC”), namely, Fujian Shine Science Company Limited and Shanghai Shine Science Company Limited. The Company was incorporated in Cayman Islands as an exempted company with limited liability in July 2002 and was listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited on 12 August 2003.

The Group is principally engaged in research and development of software solutions specially targetting the financial and securities sectors in the PRC. Headquartered in Fujian, the Group has a development and servicing network covering cities including Beijing, Shanghai, Shenzhen and Fuzhou where the national stock exchanges and majority of the financial institutions’ headquarters are based. The comprehensive spectrum of the Group’s software solutions was centrally developed in our software development centres in Fuzhou and Shanghai, and implemented, customized and supported by our local servicing teams.

Through its years of corporate developments, the Group succeeds in building up its reputation and brand prestige and has experienced phenomenal growth. The Group is currently one of the predominant, preferred solution providers of securities community in the PRC, rendering hardware, peripherals and professional services in complement to its corporate software solution offerings. The Group’s products have received high recognition especially in the domestic securities community.

As our corporate mission, the Group will work to enhance its position to be the best solution provider for the financial and securities sectors in China.

中國聯盛投資集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要透過其在中國(「中國」)經營之福建新意科技有限公司及上海新意新科技有限公司進行業務。本公司於二零零二年七月在開曼群島註冊成立為獲豁免有限公司，本公司股份於二零零三年八月十二日初次在香港聯合交易所有限公司創業板(「創業板」)上市。

本集團主要從事針對中國金融及證券行業的軟件解決方案研發業務。本集團之總部設於福建，而其開發及服務網絡則設於雲集國內證券交易所及大部分金融機構總部的城市，包括北京、上海、深圳以至福州等地。本集團一系列的軟件解決方案由其設於福州及上海的軟件開發中心統一開發，並由分散於各地之服務隊伍按客戶需求實施並提供相關支援服務。

經多年業務發展，本集團成功建立其卓越地位及市場品牌，且業務錄得顯著增長。現時更成為中國證券業主要解決方案供應商之一，除了提供企業軟件解決方案業務外，亦提供相關的配套硬件、週邊器材以及專業服務。本集團之產品在國內證券業享負盛名。

作為本集團的企業目標，本集團將致力提升其成為國內金融及證券行業的最佳解決方案供應商。



Chairman's Statement 主席報告

Dear Shareholders,

I am pleased to present the audited financial results of the Group for the year ended 31 December 2008.

OPERATION REVIEW

In the past year, China's securities market experienced a continuous sluggishness which was influenced by the global financial crisis and the deterioration of surrounding financial environment. The SSE Composite Index dropped to 1664.93 points from the peak of 5522.78 points over the year, which led to a difficult position for the industry. Meanwhile, to stabilize the operation of the market during the Olympics period, the securities dealers delayed their upgrading plans for IT system, which put a huge pressure on the Group's business. The Group recorded a loss attributed to shareholders of approximately RMB33,585,000 in 2008.

During the year, along with the increasing emphasis on the investor's account management by the securities dealers and the relevant business requirements, the Group engaged a key research and development team and set up a centralized management system for new customer's account. Also, it focused on the strengthening of the internal management and efficiency of the Group and put great emphasis on making improvement in product quality and on enhancing product functions.

LIQUEFIED COALBED GAS BUSINESS

In 2007, the Group plan to set up two coalbed gas-liquefying plants to develop liquefied coalbed gas business in the PRC. The construction of one of the two coalbed gas-liquefying plants is completed in the year of 2008. The Group's profitability is expected to improve in the coming years.

各位股東：

本人欣然呈報本集團截至二零零八年十二月三十一日止年度之經審核財務業績。

業務回顧

過去一年受到全球金融危機影響，隨着周邊金融環境的惡化，中國證券市場行情陷入低迷，全年上交所證券綜合指數從年度的最高5522.78點下挫探底至1664.93點，行業面臨巨大困境。同時在奧運期間為保證市場的平穩運行，券商均放緩更新IT系統的計劃，對本集團的業務產生巨大壓力。本集團在二零零八年錄得股東應佔虧損約人民幣33,585,000。

本年度內，隨着證券商對投資者賬戶管理的日益重視及相關業務需求，本集團投入重點研究及開發團隊，打造新意客戶賬戶集中管理系統，並且着重加強集團內部管理及效率提升，對產品質量的改進和功能加強給予重點關注。

液化煤層氣體業務

本集團於二零零七年計劃組建兩家煤層氣體液化工廠，以開發中國境內的液化煤層氣體業務。其中一家煤層氣體液化工廠的施工已於二零零八年完成。在未來年度，將會為集團帶來盈利的改善。

Chairman's Statement 主席報告

OUTLOOK

The advantage of the continuous development of China's securities market and the launch of new clearing products, coupled with the Group's leading position in the research and development of software solutions for China's finance and securities industry, we are optimistic about the Group's outlook in the business of research and development of software solutions for China's finance and securities industry. Meanwhile, the development of one of the liquefied coalbed gas-liquefying plants is completed which is expected to contribute to the stable income of the Group in the long term.

Finally, on behalf of the Board, I would also like this opportunity to express our heartfelt gratitude to our shareholders, customers and business associates for their continuous support to the Group.

Wang Zhong Sheng

Chairman

27 March 2009

展望

受惠於中國金融市場的持續發展及新的結算產品推出市場的帶動下，再加上本集團在中國金融及證券行業的軟件解決方案研發行業內的領先地位，本集團在中國金融及證券行業的軟件解決方案研發業務的業務前景仍然樂觀。同時，本集團開發液化煤層氣體業務的其中一間工廠已施工完成，這業務將會為集團帶來長遠而穩定的收益。

最後，本人謹代表董事會同人感謝股東、客戶及業務夥伴一直以來的鼎力支持。

王忠勝

主席

二零零九年三月二十七日



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

Market Review

In this year, the Group mainly focused on the research and development of software solutions for the finance and securities industry in the People's Republic of China ("PRC").

In the past year, China's securities market experienced a continuous sluggishness which was influenced by the global financial crisis and the deterioration of surrounding financial environment. The SSE Composite Index dropped to 1664.93 points from the peak of 5522.78 points over the year, which led to a difficult position for the industry. Meanwhile, to stabilize the operation of the market during the Olympics period, the securities dealers delayed their upgrading plans for IT system, which put a huge pressure on the Group's business. During the year, along with the increasing emphasis on the investor's account management by the securities dealers and the relevant business requirements, the Group engaged a key research and development team and set up a centralized management system for new customer's account. Also, it focused on the strengthening of the internal management and efficiency of the Group and put great emphasis on making improvement in product quality and on enhancing product functions.

The regulatory bodies has been constantly increasing its regulatory power over securities companies, and grade securities companies based on their risk prevention capability and business development, etc., so as to screen out quality companies. As a result, the competitiveness of quality securities companies will be strengthened continuously. Following further segmentation and optimization of securities companies' customers, the Group's competitive strength as a provider of professional information technology for the securities industry will become more prominent. This will also drive the Group's business development.

業務回顧

市場回顧

本年度本集團主要從事針對中華人民共和國（「中國」）金融及證券行業的軟件解決方案研發業務。

受到全球金融危機影響，隨着周邊金融環境的惡化，中國證券市場行情陷入低迷，全年上交所證券綜合指數從年度的最高5522.78點下挫探底至1664.93點，行業面臨巨大困境。同時在奧運期間為保證市場的平穩運行，券商均放緩更新IT系統的計劃，對本集團的業務產生巨大壓力。本年度內，隨着証券商對投資者賬戶管理的日益重視及相關業務需求，本集團投入重點研究及開發團隊，打造新意客戶賬戶集中管理系統，並且着重加強集團內部管理及效率提升，對產品質量的改進和功能加強給予重點關注。

隨著監管機構對証券商的監管力度持續加強，並從風險防範能力及業務發展等方面對証券商進行分級，以評審方式篩選優質證券公司，優質証券商的競爭能力將持續加強。隨著公司面對的客戶的細分及優化，本集團作為証券行業專業的資訊科技提供商的競爭優勢將會特顯，並帶動集團業務的發展。

Management Discussion and Analysis 管理層討論及分析

In respect of market share, the Group remains the leader of the industry that focuses on the research and development of software solutions for the finance and securities industry in the PRC. With the exception of a few giant securities companies which develop their own trading platforms, most securities companies in China are still using the Group's platform products as trading platform. Therefore, the Group would directly benefit from the rapid development of the Chinese stock market.

PRODUCT DEVELOPMENT

In addition, targeting the third party custody business, the Group launched E-SIM5.0, a third party custody platform; along with E-SIM6.0, a new generation of settlement platform with complete functions and more powerful performance, in a timely manner.

For the main products of the Group, the third party custody platform E-SIM5.0 acquired a new and main securities dealer customer; the new generation settlement platform E-SIM6.0 acquired 15 new customers during the year, which recorded an outstanding sales result for the accounting year. For other products of the Group, the video system acquired 12 new customers during the year and the margin business system also acquired 3 new customers. Moreover, the centralized management system for new customer's account, the latest product developed by the Group, achieved a breakthrough in sales during the year and had been successfully introduced to two main securities dealer customers, establishing a foundation of market promotion for the coming year.

Amid a market environment with enormous opportunities and challenges, the Group also invested in strengthening our product research and development and customer services so as to complement the Group's development.

在市場佔有率方面，在中國金融及證券行業的軟件解決方案研發行業內，本集團仍處於領先地位。除一些少數非常大型的証券商自行開發交易平台外，大部份在中國的証券商仍是使用本集團的交易平台產品。因此，本集團最能直接受惠於中國股票市場的迅速發展。

產品開發

本集團亦適時推出了針對第三方存管業務的E-SIM5.0第三方存管平台，以及功能完善、性能更加強大的新一代結算平台—E-SIM6.0。

本集團主要產品：E-SIM5.0的三方存管平台新增一家大型券商客戶；新一代結算平台—E-SIM6.0全新新增客戶15家，在本會計年度中的銷售業績突出。集團其他產品：影像系統年內新增客戶12家，融資融券業務系統亦有3家新客戶。同時，集團最新研發的產品—新意客戶賬戶集中管理系統，地在本年度內取得銷售突破，已成功推廣至兩家大型券商客戶，為新一年的市場推介打下良好基礎。

在充滿巨大機遇與挑戰的市場環境中，本集團亦投入資金致力加強產品研發和客戶服務，以配合集團之發展。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Turnover

Turnover by business operations for the two consecutive year ended 31 December 2008 was summarised as follows:

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Sales of software	軟件銷售	10,527	29,810
Sales of hardware	硬件銷售	14,906	5,859
Maintenances and other services fee	維修及其他服務收費	13,165	13,730
Provision of liquefied coalbed gas	提供液化煤層氣	—	—
Total	總計	38,598	49,399

The Group recorded a consolidated turnover of RMB38,598,000 for the year, representing a decrease of approximately 22% compared with last year. The decrease was mainly attributable to:

- Since the Shine Securities Integrate Management Platform 6.0 was introduced to the market in 2007, many signed sales contracts were accounted during the year 2007. In the past year, China's securities market experienced a continuous sluggishness which was influenced by the global financial crisis and the deterioration of surrounding financial environment led to a difficult position for the industry. Meanwhile, to stabilize the operation of the market during the Olympics period, the securities dealers delayed their upgrading plans for IT system, which decrease the sale of the Group's software.

財務回顧

營業額

截至二零零八年十二月三十一日止連續兩個年度，按業務劃分之營業額概述如下：

本集團於本年度錄得綜合營業額約人民幣38,598,000元，較去年減少約22%。減少主要是因：

- 由於新意證券綜合管理平台6.0在二零零七年成功推出市場，所以很多已簽訂的銷售合同已於二零零七年入賬。過去一年受到全球金融危機影響，隨着周邊金融環境的惡化，中國證券市場行情陷入低迷，行業面臨巨大困境。同時在奧運期間為保證市場的平穩運行，券商均放緩更新IT系統的計劃，令本集團的軟件業務下跌。

Management Discussion and Analysis 管理層討論及分析

Loss attributable to shareholders was approximately RMB33,585,000, compared with loss attributable to shareholders of approximately RMB2,500,000 for last year, mainly due to:

- The Company's gross profit for the year was 4,456,000, a decrease of approximately RMB22,121,000 compared with that of last year, due to a 22% or RMB10,801,000 decrease in the turnover during the year and therefore, the Group's loss attributable to shareholders was enlarged.

OTHER REVENUES

The major revenue was the tax refund on value added tax for the sales and distribution of the Group's own software. The amount was decrease by approximately RMB7,386,000 compare with last year. The decrease is mainly due to the loss on trading securities was approximately RMB2,536,000 (2007: Gain on trading securities was RMB3,676,000).

DISTRIBUTION EXPENSES

There was no material fluctuation for both years.

GENERAL AND ADMINISTRATIVE EXPENSES

There was no material fluctuation for both years.

而本年度之股東應佔虧損約人民幣33,585,000元，而去年則為應佔虧損約人民幣2,500,000元，主要原因為：

- 本年度之營業額較去年對比減少22%，減幅約為人民幣10,801,000元，因此令本公司之毛利額錄得人民幣4,456,000元，比較去年減少約人民幣22,121,000元，因此令集團之股東應佔虧損擴大。

其他收益

其他收益主要為銷售及分銷本集團自行開發之軟件的增值稅退稅。有關收益較去年減少約人民幣7,386,000元。減少主要原因是今年證券虧損約人民幣2,536,000(2007：證券收益為人民幣3,676,000)。

分銷開支

分銷開支與去年並無重大變動。

一般及行政開支

一般及行政開支與去年並無重大變動。

Management Discussion and Analysis

管理層討論及分析

OTHER OPERATING EXPENSES

The other operating expenses were approximately RMB7,373,000 in the year, while it was approximately RMB2,665,000 in the previous year.

Other operating expenses increased by RMB4,708,000 mainly because increase in impairment loss of trade receivables, property, plant and equipment and intangible asset of RMB3,193,000, RMB321,000 and RMB3,017,000 respectively offset by the drop in write-off of bad debts of RMB1,694,000.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2008, the Group had net assets of approximately RMB120,130,000 including total cash, bank and deposits balances of approximately RMB39,379,000. The Group has implemented disciplined financial and risk managements. The Group's gearing ratio, calculated by dividing Group's total external borrowings by its shareholders fund was 33%. Further, the Group had not charged on any of its assets as at 31 December 2008.

During the year, the Group has not entered into any material transactions or significant investment which are classified as notifiable transactions as defined under Chapter 19 of the GEM Listing Rules.

FOREIGN EXCHANGE EXPOSURE

Most of the Group's operating transactions, assets and liabilities are primarily denominated in either Renminbi or Hong Kong dollar. The Directors believes that Renminbi will remain relatively stable against Hong Kong dollar in the foreseeable future and considers the Group's present exposure to exchange risk is relatively minimal. Currently, no financial arrangements have been implemented for hedging purpose. Nevertheless, the Directors will closely monitor and from time to time reassess the exchange risk exposures of the Group and enter into non-speculative hedging arrangements if considered necessary.

其他營運開支

本年度之其他營運開支為約人民幣7,373,000元，去年約人民幣2,665,000元。

其他營運開支增加約人民幣4,708,000元主要是在應收賬款減值虧損、物業、機器及設備之減值虧損，無形資產減值攤銷分別增加約為人民幣3,193,000元、人民幣321,000元和人民幣3,017,000元及對沖壞賬撇銷減少之人民幣約1,694,000元。

流動資金及財務資源

於二零零八年十二月三十一日，本集團的資產淨值約人民幣120,130,000元，其中包括現金、銀行及存款結存約人民幣39,379,000元。本集團採取謹慎的財務及風險管理策略，故此，本集團之資產負債比率（按本集團對外借貸總額除以其股東資金計算）為33%。此外，本集團於截至二零零八年十二月三十一日並無抵押其任何資產。

於年內，本集團並無訂立任何根據創業板上市規則第19章所界定為須予披露之重要交易或重大投資事項。

外匯風險

本集團之主要業務交易、資產及負債皆是以人民幣或港元支付結算。董事相信，於可見未來人民幣兌港元之匯率仍將維持相對穩定水平；故本集團目前之外匯風險相對輕微。本集團因此目前並無採取任何對沖外匯風險的財務措施。然而，董事將不時密切監察及評估本集團的外匯風險水平，在認為需要時將訂立非投機性的對沖風險安排。

Management Discussion and Analysis

管理層討論及分析

SEGMENTAL INFORMATION

The segmental information of the Group was disclosed in note 13 to the financial statements.

EMPLOYEES

As a software solution provider, people are the Group's most valuable assets. Accordingly, human resources framework is one of the Group's critical strategic policies.

The Group is a "people-oriented" and "equal opportunity" employer whereas its staff selection and promotion process will only be determined with reference to employees' own merits and their competency in relation to their responsibility. Employee remuneration includes basic salaries and benefits-in-kind such as medical and insurance coverage, retirement benefits scheme, and other discretionary incentives etc.

Employee remuneration is maintained at market competitive level and will be regularly reviewed within the general framework of the Group's human resources system. Remuneration policy is basically determined with reference to individual performance as well as financial results of the Group which will be revised from time to time when performances of staff is warranted.

As at 31 December 2008, the Group had an aggregate of 270 employees, of which 157 were research and development staff, 53 were engineering and customer service staff, 46 were administrative staff and 14 were marketing staff. Staff cost, excluding directors' emoluments, was approximately RMB27,181,000 (2007: RMB19,154,000) for the year ended 31 December 2008.

分部資料

本集團之分部資料於財務報表附註13披露。

僱員

作為一家軟件解決方案供應商，人才是本集團最寶貴的資產。因此，本集團視其人力資源架構為最重要戰略政策之一。

本集團為實行「以人為本」及「平等機會」管理政策的僱主。本集團在考慮選拔及晉升僱員時，只會考慮僱員本身的能力及其履行職責方面時的稱職程度等因素。僱員薪酬包括基本薪金及其他實物利益，如醫療與保險計劃、退休福利計劃及其他酌情獎賞。

僱員薪酬定於具市場競爭力之水平，並按本集團人力資源體制內之既定架構定期檢討。薪酬政策主要按員工個別表現及本集團整體財務業績釐定，而報酬將於僱員有理想表現時，不時作出適當調整。

於二零零八年十二月三十一日，本集團員工總數為270人，其中研發技術人員157人，工程和客戶服務人員53人，行政管理人員46人以及市場銷售人員14人。截至二零零八年十二月三十一日止年度，員工成本(不含董事酬金)約為人民幣27,181,000元(二零零七年：人民幣19,154,000元)。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

(a) Application of Corporate Governance Principles

The Group is committed to promoting good corporate governance, with the objectives of (i) the maintenance of responsible decision making, (ii) the improvement in transparency and disclosure of information to shareholders, (iii) the continuance of respect for the rights of shareholders and the recognition of the legitimate interests of shareholders, and (iv) the improvement in management of risk and the enhancement of performance by the Group. The Group has applied the principles set out in the Code on Corporate Governance Practices (“HKSE Code”) contained in Appendix 15 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“GEM Listing Rules”) with these objectives in mind.

(b) Promulgation of Company’s Corporate Governance Code

To this end, the Group has promulgated a set of Code on Corporate Governance (“Company Code”) which sets out the corporate standards and practices used by the Group to direct and manage its business affairs. It is prepared by referencing to the principles, code provisions and recommended best practices set out in the HKSE Code, which came into effect on 1 January 2005. In addition to formalizing existing corporate governance principles and practices, the Company Code also serves the purpose of assimilating existing practices with benchmarks prescribed by the HKSE Code and ultimately ensuring high transparency and accountability to the Group’s shareholders.

企業管治常規

(a) 依照企業管治原則

集團致力提高企業管治水平，宗旨在於(i)維持負責任的決策、(ii)改善對股東的透明度及向股東披露的資料、(iii)貫徹一向對股東權益的尊重及股東的合法權益的認同，及(iv)改善危機管理，提升集團表現。在此等宗旨下，集團已依照香港聯合交易所有限公司創業板證券上市規則(「創業板上市規則」)附錄十五所載《企業管治常規守則》(「聯交所守則」)中的原則建立集團的管治守則。

(b) 頒佈本公司的企業管治守則

集團為此頒佈一套企業管治守則(「公司守則」)，載列集團在指導及管理其商業事務時所採用的企業準則及常規。公司守則在編製時已參考由二零零五年一月一日起生效的聯交所守則內所載的原則、守則條文及建議最佳常規。除訂定現有企業管治原則及常規外，公司守則亦將現有常規及聯交所守則所規定的基準兼收並蓄，最終確保高透明度及向集團股東負責。

Corporate Governance Report 企業管治報告

(c) Compliance of Company and HKSE's Code's Provisions

The Group has complied with all provisions in the Company Code and the HKSE Code with the deviations mentioned below.

On 12 August 2005, the Company set up the following board committees and adopted the company code, being its own code on corporate governance:—

- (a) Remuneration Committee;
- (b) Nomination Committee.

The Company Code contains all the Code Provisions of the HKSE Code and other provisions.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than those as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of the directors of the Company, all directors have complied with the required standard of dealings and code of conduct regarding securities transactions by directors as set out in the code of conduct for the year 2008.

(c) 公司及聯交所守則條文的遵行

除下文所述的偏離外，集團已遵守公司守則及聯交所守則的所有條文。

於二零零五年八月十二日，本公司設立下列董事委員會並採納公司守則，即本身之企業管治守則：

- (a) 薪酬委員會；
- (b) 提名委員會。

公司守則包括聯交所守則內之所有守則條文以及其他條文。

董事進行證券交易

本公司已採納一項守則不低於其條款於創業板上市規則第5.48條至5.67條所載條款標準之董事進行證券交易之操守守則。經向本公司董事提出具體徵詢，所有董事於截至二零零八年度內均有遵守該操守守則所列示有關董事進行證券交易之規定買賣準則及操守守則。

Corporate Governance Report

企業管治報告

BOARD COMPOSITION

The Board of Directors (“Board”) of the Company is entrusted with the overall responsibility for promoting the success of the Company by the direction and supervision of the Company’s business and affairs.

The Board comprises a total of seven Directors, with two Executive Directors, namely, Mr. Wang Zhong Sheng (Chairman) and Mr. Shi Liang; two Non-executive Directors, namely Mr. Kwok Shun Tim and Mr. Ye Jinxing and three Independent Non-executive Directors, namely, Mr. Luo Wei Kun, Mr. Yan Chang Ming and Ms. Pang Yuk Fong. Ms. Pang Yuk Fong has appropriate professional qualifications, accounting and financial management expertise as required under the Listing Rules.

Each of the Independent Non-executive Directors has made an annual confirmation of independence pursuant to Rule 5.09 of the Listing Rules. The Company is of the view that all Independent Non-executive Directors meet the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and are independent in accordance with the terms of the guidelines.

APPOINTMENT TERMS OF NON-EXECUTIVE DIRECTORS

Under Code Provision of the HKSE Code non-executive directors should be appointed for specific terms, subject to re-election. Currently, the Non-executive Directors and the Independent Non-executive Directors have no set term of office but are subject to retirement by rotation at annual general meetings of the Company in accordance with the Company’s Articles of Association.

董事會組成

公司董事會（「董事會」）就推廣公司業務的整體責任作出領導及監控公司的業務及事務的功能。

董事會由七名董事組成，其中二名屬執行董事，包括王忠勝先生（主席）及施亮先生；二名非執行董事，包括郭純恬先生及葉金興先生，另外三名屬獨立非執行董事，包括羅維崑先生、閻長明先生及彭玉芳女士。彭玉芳女士持有《上市規則》所要求之專業資格及具備會計及財務管理專業知識。

各獨立非執行董事已按創業板上市規則第5.09條作出年度獨立性確認。公司認為，全部獨立非執行董事均已符合創業板上市規則第5.09條所載的獨立性指引，並根據該指引的條款屬獨立人士。

非執行董事之任期

根據聯交所守則條文之守則條文，非執行董事應有固定任期，並須接受重選。目前，非執行董事及獨立非執行董事並無固定任期，惟須根據本公司之公司組織章程細則於本公司股東週年大會輪值告退。

Corporate Governance Report 企業管治報告

Roles of Directors

The Board assumes responsibility for leadership and control of the Company and is collectively responsible for appointing and supervising senior management to ensure that the operations of the Group are conducted in accordance with the objectives of the Group. The principal roles of the Board are:

- to lay down the Group's objectives, strategies, policies and business plan;
- to monitor and control operating and financial performance through the determination of the annual budget; and
- to set appropriate policies to manage risks in pursuit of the Group's strategic objectives.

The Board is directly accountable to the shareholders and is responsible for preparing the accounts.

Delegation by the Board

The Board has delegated the day-to-day management responsibility to the management staff under the instruction/supervision of the Board.

The management staff of the Company are principally responsible for:

1. exercising all such other powers and perform all such other acts as may be exercised and performed by the Directors, save and except for those that may specifically be reserved by the Board/or the committees set up by the Board for decision and implementation; or those that may only be exercised by the Board pursuant to the memorandum and articles of association of the Company, the GEM Listing Rules and other applicable Laws and regulations.

董事角色

董事會肩負領導及監控本公司的責任，同時集體負責委任及監督高級管理層，以確保本公司之營運符合本集團之目標。董事會的主要角色為：

- 制定本集團的目標、策略、政策及業務計劃；
- 通過釐定每年財政預算（特別是資本開支預算），監察及控制營運及財務表現；及
- 制定適當的風險管理政策，以處理集團在達致既定策略目標過程中所遇到的風險。

董事會直接向股東負責，並負責編製賬目。

董事會授權

董事會授權行政管理層在集團行政總裁及董事會不同委員會的指示／監察下，履行日常職責。

本集團之管理人員主要負責：

1. 行使董事可行使的其他所有權力及進行董事可進行的其他所有行動（指定由董事會／董事會成立的委員會負責決定及執行的事務，或根據本公司之組織大綱及組織章程、創業板上市規則及其他適用法律及法規之規定，僅可由董事會負責處理的事務則除外）；

Corporate Governance Report 企業管治報告

2. formulating and implementing policies for business activities, internal controls and administration of the Company;
3. planning and deciding the Company's strategies on its business activities; and
4. keeping proper written records of its decisions taken which may be inspected by any members of the Board or the Board committees upon request.

The Board will review those arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Group.

Chairman and Chief Executive Officer ("CEO")

Under the Code Provision A.2.1 of the HKSE Code, the roles of chairman and CEO should be separate and should not be performed by the same individual. Currently, Mr. Shi Liang is holding the title of CEO. Mr. Wang Zhong Sheng is the Chairman of the Board. The Board meets regularly to consider major matters affecting the business and operations of the Group. The Board considers that this structure will balance the power and authority between the Board and management and believes that this structure enables the Group to make and implement decision promptly and efficiently.

2. 制定並執行有關本公司業務、活動、內部監控及行政的政策；
3. 計劃及決定本公司業務策略；及
4. 保留各項決定的書面紀錄，以便董事會或各董事委員會查閱。

董事會定期作出檢討以確保上述安排一直符合本集團所需。

主席及行政總裁

根據聯交所守則條文第A.2.1條，主席與行政總裁應予區分，不應由同一人士兼任。現時，本公司出任行政總裁為施亮先生。王忠勝先生為董事會主席。董事會定期開會討論影響本集團業務及運作的主要事項。董事會認為現時該結構不會損害董事會與管理層的權力與職權的平衡，並相信該結構能使本集團迅速有效地作出與執行決定。

Corporate Governance Report

企業管治報告

BOARD OPERATION

Regular Board meetings are held normally every three months, with additional meeting arranged, if and when required. In 2008, the Board held 12 meetings. The attendance record of each member of the Board is set out below:

董事會運作

董事會一般會每三個月會面一次，並在有需要時另外安排會面。董事會於二零零八年曾舉行十二次會議。各董事會成員的出席紀錄如下：

Attendance 出席率

Executive Directors

執行董事

Mr. Wang Zhong Sheng (<i>Chairman</i>) 王忠勝先生 (主席)	11/12
Mr. Shi Liang 施亮先生	11/12

Non-executive Director:

非執行董事

Mr. Kwok Shum Tim 郭純恬先生	9/12
Mr. Ye Jinxing 葉金興先生	2/12

Independent Non-executive Directors:

獨立非執行董事

Mr. Luo Wei Kun 羅維崑先生	10/12
Mr. Yan Chang Ming 閻長明先生	10/12
Ms. Pang Yuk Fong 彭玉芳女士	9/12

Directors are free to contribute alternative views at meetings and major decisions would only be taken after deliberation at Board meetings. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed would not be counted in the quorum of meeting and would abstain from voting on the relevant resolution. Minutes of the Board/committee meetings are kept by the Company Secretary and are open for inspection by Directors.

董事於會上可自由發表不同的意見，重要決定只會在董事會會議上進行討論後始作出。如董事在建議的交易或即將討論的事宜上被視為存在利益衝突或擁有重大權益，有關董事將不計入會議法定人數，並須就有關決議案放棄表決權。董事會／委員會的會議紀錄由公司秘書保存，董事可隨時查閱。

Corporate Governance Report 企業管治報告

All Directors have access to the Company Secretary who is responsible for ensuring that the Board procedures are complied with, and advising the Board on compliance matters.

Directors' Duties

Every Director is kept abreast of his responsibilities as a director of the Company and of the conduct, business activities and development of the Company:

- A comprehensive director's handbook is issued to every Director, which sets out guidelines on conduct by making reference to the relevant sections of the statutes or the GEM Listing Rules, and reminds Directors of their responsibilities in making disclosure of their interests and potential conflict of interests.
- Orientation programmes are organised for providing induction to new Directors to help them familiarise with the Company's management, business and governance practices.
- Management provides appropriate and sufficient information to Directors and the committee members in a timely manner to keep them apprised of the latest development of the Group and enable them to discharge their responsibilities. Directors also have independent and unrestricted access to senior executives of the Company.

CONDUCT ON SHARE DEALINGS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as referred to in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company, having made specific enquiries to its directors and supervisors, confirms that, throughout the financial year ended 31 December 2008, all directors and supervisors met the criteria laid down in the said code for securities transactions by directors.

全體董事均可接觸公司秘書；公司秘書負責確保董事會程序得以遵守，並就守規事宜向董事會提供意見。

董事職責

每名董事須不時瞭解其作為本公司董事的職責，以及本公司的經營方式、業務活動及發展：

- 每名董事均獲發給資料完備的《董事手冊》。《董事手冊》透過引述法例規定或《創業板上市規則》的有關章節提供董事操守指引，及提醒董事必須履行的責任，包括適時披露權益及潛在的利益衝突。
- 為新任董事舉辦介紹公司的活動，提供就任須知協助董事熟悉香港交易所的管理、業務及管治常規。
- 管理層向董事及委員會成員適時提供恰當及充足資料，讓他們知悉集團的最新發展，以便他們履行職責。董事可就公司運作事宜獨立接觸高級行政人員。

證券交易守則

本公司已就董事進行的證券交易，採納一套不低於《創業板上市規則》第5.48至5.67條所訂交易標準的守則。本公司已向其董事及監事作出特定查詢，所有董事及監事確認已於截至二零零八年十二月三十一日止財政年度內遵守上述有關董事進行證券交易的守則的標準。

Corporate Governance Report 企業管治報告

REMUNERATION OF DIRECTORS

As mentioned above, a remuneration committee was established on 12 August 2005 for, inter alia, the following purposes:—

- (a) to make recommendations to the Board on policies and structure for remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- (b) to determine the remuneration packages for executive directors and senior management and to make recommendations to the board on the remuneration of non-executive directors.

The Remuneration Committee is made up of all of the Company's Independent Non-executive Directors, namely, Mr. Luo Wei Kun, Mr. Yan Chang Ming (Chairman) and Ms. Pang Yuk Fong. The duty of Remuneration Committee is to review and determine the remuneration policy and packages of the executive directors and executives.

In 2008, the Remuneration Committee held one meeting. The attendance record of each member of the Committee is set out below:

董事酬金

誠如上述，薪酬委員會已於二零零五年八月十二日成立，當中目的包括：

- (a) 就董事及高級管理層的全體薪酬政策及架構，及就設立正規而具透明度的程序制定此等薪酬政策，向董事會提出建議；
- (b) 釐定執行董事及高級管理層的酬金組合，並就非執行董事的酬金向董事會提出建議。

薪酬委員會由本公司全部獨立非執行董事組成，包括羅維崑先生、閻長明先生(主席)及彭玉芳女士。薪酬委員會之職責為檢討及釐定執行董事及行政人員之薪酬政策及待遇。

薪酬委員會於二零零八年曾舉行一次會議。各委員會成員的出席紀錄如下：

	Attendance 出席率
Mr. Luo Wei Kun 羅維崑先生	1/1
Mr. Yan Chong Ming (Chairman) 閻長明先生(主席)	1/1
Ms. Pang Kuk Fong 彭玉芳女士	1/1

Corporate Governance Report 企業管治報告

the meeting, members of the Remuneration Committee reviewed the remuneration packages and overall benefits of the Directors by taking into account factors such as remuneration packages and benefits offered by comparable companies, the respective contribution of each of the Directors to the Group and the business objectives of the Group.

The Executive Directors of the Company are responsible for reviewing all relevant remuneration data and market conditions as well as the performance of individuals and the profitability of the Group, and proposing to the Remuneration Committee for consideration and approval, remuneration packages for the executive directors and executives.

NOMINATION OF DIRECTORS

As mentioned above, a Nomination Committee was established on 12 August 2005 for, inter alia, the following purposes:—

- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board;
- (b) to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorship; and
- (c) to make recommendations to the Board on relevant matters relating to the appointment or reappointment of directors and succession planning for directors.

The Nomination Committee is made up of all of the Company's Independent Non-executive Directors, namely Mr. Luo Wei Kun, Mr. Yan Cheng Ming (Chairman) and Ms. Pang Yuk Fong.

會上，薪酬委員會成員已根據若干因素(如同類公司所提供的薪酬待遇及福利、各董事對集團的貢獻及本集團業務目標)檢討董事的薪酬待遇及整體福利。

本公司執行董事負責檢討所有有關薪酬數據及市況以及個別員工表現與本集團盈利能力，並向薪酬委員會提呈考慮及批准執行董事及行政人員之薪酬待遇。

提名董事

誠如上述，提名委員會已於二零零五年八月十二日成立，當中目的包括：

- (a) 檢討董事會的架構、規模及組成(包括技能、知識及經驗)；
- (b) 物色具備適合資格成為董事會成員的人士，並向董事會提出委任董事的建議；及
- (c) 就與委任或重新委任董事及董事之接任計劃有關的事宜向董事會提出建議。

提名委員會由本公司全部獨立非執行董事組成，包括羅維崑先生、閻長明先生(主席)及彭玉芳女士。

Corporate Governance Report 企業管治報告

In 2008, the Nomination Committee held one meeting. The attendance record of each member of the Committee is set out below:

提名委員會於二零零八年曾舉行一次會議。各委員會成員的出席紀錄如下：

	Attendance 出席率
Mr. Luo Wei Kun 羅維崑先生	1/1
Mr. Yan Chong Ming (<i>Chairman</i>) 閻長明先生 (主席)	1/1
Ms. Pang Kuk Fong 彭玉芳女士	1/1

the meeting, the Nomination Committee reviewed the structure, size and composition of the Company's Board of Directors, makes reference to criteria including, inter alia, reputation for integrity, accomplishment and experience in the relevant industry, professional and educational background, and commitment in respect of available time and relevant interest. The Nomination Committee was satisfied with the existing composition of the Company's Board of Directors and recommended no change in the near term.

會上，提名委員會檢討了本公司董事會的架構、規模及組成，製訂參考準則包括有關人士的誠信、其在相關行業的成就及經驗、其專業及教育背景以及其投入的程度，包括能夠付出的時間及對相關範疇的關注等。提名委員會滿意本公司董事會的現有組合，建議於短期內毋須變動。

AUDIT COMMITTEE

The Company's Audit Committee was established on 28 July 2003 and is currently composed of all three Independent Non-executive Directors of the Company, namely, Mr. Luo Wei Kun, Mr. Yan Chang Ming and Ms. Pang Yuk Fong (Chairman). The primary duties of the Audit Committee are (a) to review the Group's annual reports, financial statements, interim reports and quarterly reports; (b) To serve as a focal point for communication between Directors, the external auditors and internal auditors; (c) To assist the Board in fulfilling its responsibilities by providing an independent review and supervision of financial reporting, and the effectiveness of the Group's internal control system; and (d) To review the appointment of external auditors on an annual basis as well as to ensure independence of the continuing auditor.

審核委員會

本公司的審核委員會於二零零三年七月二十八日成立，現任成員包括本公司全部三名獨立非執行董事羅維崑先生、閻長明先生及彭玉芳女士（主席）。審核委員會之主要職責是(a)審查集團的年報、財務報表、中期報告及季度報告；(b)作為董事、外聘核數師及內部核數師之間的一個溝通焦點；(c)透過對財務報告、集團內部管控制程序的有效性提供獨立檢討及監督，協助董事會履行職責；及(d)每年檢討外聘核數師之委任以及確保續任核數師之獨立性。

Corporate Governance Report 企業管治報告

In 2008, the Audit Committee held four meetings. The attendance record of each member of the Committee is set out below:

審核委員會於二零零八年曾舉行四次會議。各委員會成員的出席紀錄如下：

	Attendance 出席率
Mr. Luo Wei Kun 羅維崑先生	4/4
Mr. Yan Chong Ming 閻長明先生	4/4
Ms. Pang Kuk Fong (<i>Chairman</i>) 彭玉芳女士(主席)	4/4

At the meetings, the Audit Committee has carefully reviewed the Company's quarterly, half-yearly and annual results and its system of internal control and has made suggestions to improve them. The Committee also carried out and discharged its other duties set out in HKSE Code. In the course of doing so, the Committee has met the company's management and qualified accountant several times during 2008. Each member of the Audit Committee has unrestricted access to the Group's external auditors and the Management.

會上，審核委員會已詳細審查本公司的季度報告、中期報告及年報，以及內部管制程序，並已提出改善建議。委員會已按聯交所守則實現及履行其他職責。過程中，委員會於二零零八年曾與本公司的管理層及合資格會計師舉行多次會議。本公司並無限制各審核委員會成員與本集團外聘核數師及管理層聯絡。

ACCOUNTABILITY AND AUDIT

Financial reporting

The Directors are responsible for overseeing the preparation of the annual accounts which give a true and fair view of the Group's state of affairs of the results and cash flow for the year. In preparing the accounts for the year ended 31 December 2008, the Directors have:

- adopted suitable accounting policies and applied them consistently; and
- made judgements and estimates that are prudent and reasonable; and ensured the accounts are prepared on a going concern basis.

問責及審核

財務報告

董事負責監督年度賬目之編製，以真實公平地反映出本集團於年內之相關業績及現金流量狀況。於編製截至二零零八年十二月三十一日止年度賬目時，董事已：

- 採用適合之會計政策並貫徹應用；
- 作出審慎合理之判斷及估計，以及確保賬目乃按持續經營基準編製。

Corporate Governance Report 企業管治報告

The company recognises that high quality corporate reporting is important in reinforcing the trust relationship between the company and the its stakeholders and aims at presenting a balanced, clear and comprehensible assessment of the Company's performance, position and prospects in all corporate communications. The annual, interim and quarterly results of the Company are announced in a timely manner within the required limits after the end of the relevant periods.

Internal Control

The Board, through the Audit Committee, has reviewed the effectiveness of the Company's system of internal control over financial, operational and compliance issues for the year 2008. The Audit Committee concluded that, in general, the Group has set up a sound control environment and installed necessary control mechanisms to monitor and correct noncompliance. The Board, through the review of the Audit Committee, is satisfied that the Group in 2008, fully complied with the code provisions on internal controls as set forth in the Code.

In order to maintain a high quality of Corporate Governance, the Group employed a Qualified Accountant in current year and will still employ a Qualified Accountant in the coming years. The Audit Committee also concluded that the Group has employed sufficient staff for the propose of accounting, financial and internal control.

External Auditors

The Group's external auditors are CCIF CPA Limited. The Audit Committee is mandated to ensure continuing auditors' objectivity and safeguard independence of the auditors, and it has:

- determined the framework for the type and authorisation of non-audit services for which the external auditors may provide. In general, the engagement of the external auditors to perform non-audit services is prohibited except for tax related services; and
- agreed with the Board on the policy relating to the hiring of employees or former employees of the external auditors and monitored the applications of such policy.

本公司認為高質素的公司報告機制對加強本公司與其權益人之間的信任非常重要，因此所有的企業傳訊均力求以平衡、清晰及全面地評估本公司的表現、狀況及前景。本公司的年度、中期及季度業績分別在有關期間完結後之規定限期內適時發表。

內部管制

董事會已通過審核委員會於二零零八年內檢討本集團內部管制系統之有效性，其中涵蓋財務、營運與合規等職能。審核委員會認為，整體而言，本集團已建立妥善之管制環境，並已採用必需之管制機制監督及改正不合規問題。通過審核委員會之檢討，董事會滿意本集團於二零零八年內完全遵守守則所列載之內部管制守則條文。

為了維持一個高質素的企業管治，本集團在本年度有聘用合資格會計師和在未來年度亦會聘用合資格會計師。審核委員會亦認為，本集團亦有聘用足夠的員工，作出會計財務及內部監控之作用。

外聘核數師

本集團之外聘核數師為陳葉馮會計師事務所有限公司。審核委員會有責任確保續任核數師的客觀性及保持核數師的獨立性，委員會已：

- 釐定外聘核數師可提供之非核數服務的類別及授權的框架。一般而言，除稅項有關服務外，委員會一般禁止委任外聘核數師提供非核數服務；及
- 與董事會協定有關聘請外聘核數師現職或前僱員的政策以及如何監察此等政策的應用。

Corporate Governance Report 企業管治報告

During 2008, the fees paid to the Company's external auditors for audit services amounted to RMB542,000.

The Group has not employed any staff who was formerly involved in the Group's statutory audit.

Corporate Communication

The Group recognizes the importance of shareholder feedback and the need for ongoing communication with its stakeholders, including the general public, investors, and the institutional and individual shareholders. The Company published annual, interim and quarterly reports which contained detailed information about the Group. Inquiries by shareholders are directed and dealt with by senior management of the Group.

於二零零八年，本公司支付予外聘核數師之核數服務費用為人民幣542,000元。

本集團從未僱用任何曾參與本集團法定核數工作的人士。

企業傳訊

本集團明白到股東的回應以及與權益人(包括公眾、投資者、機構及個人投資者)保持溝通的重要性。本公司發佈包含有關本集團之詳細資訊之年度、中期及季度報告。股東的一切查詢均有高級管理層直接處理。

Biographical Information of Directors and Senior Management 董事及高級管理層履歷資料

DIRECTOR

EXECUTIVE DIRECTOR

Mr. Wang Zhong Sheng (“Mr. Wang”), aged 46, has been appointed as Chairman of the Board, an executive Director and the compliance officer of the Company since May 2006. From 9 January 2004 to 26 May 2006, Mr. Wang was an executive director of Tianjin Tianlian Public Utilities Company Limited (“Tianjin Tianlian”), a company listed on the Growth Enterprise Market of the Stock Exchange (Stock Code: 8290), and was responsible for its business strategies. He graduated from the University of Tianjin with a bachelor degree in engineering in 1984. Mr. Wang is also a director of Tianjin Leason Investment Group Company Limited (天津市聯盛投資集團有限公司). Mr. Wang is a director of Jumbo Lane Investments Limited and is beneficially interested in 92% of the entire issued share capital of Jumbo Lane Investments Limited, a substantial shareholder of the company which holds 332,790,000 Shares, representing approximately 54% of the issued share capital of the Company as at the date of this report. Accordingly, Mr. Wang is deemed to be interested in these 332,790,000 Shares under the SFO.

Mr. Shi Liang (“Mr. Shi”), aged 41, has been appointed as an executive Director since May 2006. Mr. Shi graduated with a bachelor degree in Material Science in the Shanghai University of Science and Technology of the PRC and a master degree in management from the Business School of the People’s University in the PRC. He was a vice general manager of Tianjin Tianlian. He had worked for Jiangsu Nan Tong Electric Melter Company and Electronic Industrial Division Basic Products Department. He had also worked for Jiangsu Hua Yong Electronic Group Company as deputy manager of international cooperation department and secretary to the board of directors. He had also held various positions as a project manager, senior manager and an assistant to executive director in the investment banking of United Securities Limited, a securities company in the PRC. Mr. Shi owns approximately 4% interest in Jumbo Lane Investments Limited.

董事

執行董事

王忠勝先生(「王先生」)，46歲，自二零零六年五月起獲委任為董事會主席、執行董事及監察主任。王先生曾於二零零四年一月九日至二零零六年五月二十六日期間為天津天聯公用事業股份有限公司(「天津天聯」)，一家於聯交所創業板上市之公司，股份代號：8290)之執行董事，並負責其業務策略。王先生一九八四年於天津大學畢業，持有工程學學士學位。王先生亦為天津市聯盛投資集團有限公司之董事。王先生為寶連投資有限公司之董事，實際擁有寶連投資有限公司全部已發行股本之92%權益。要約人則持有332,790,000股股份，相當於本公司在本報告刊發日期之已發行股本約54%。因此，根據證券及期貨條例，王先生被視為擁有該等332,790,000股股份之權益。

施亮先生(「施先生」)，41歲，自二零零六年五月起獲委任為執行董事。施先生畢業時獲得中國上海科學技術大學材料科學學士學位及中國人民大學商學院管理學碩士學位。彼曾為天津天聯之副總經理。彼曾任職於江蘇南通電容器公司及電子工業部基礎產品公司。彼亦曾於江蘇華容電子集團公司任職國際合作部之副經理及董事會秘書。彼亦曾於一間中國證券公司聯合證券有限責任公司投資銀行部任多個職位，如項目經理、高級經理及助理執行董事。施先生擁有寶連投資有限公司約4%權益。

Biographical Information of Directors and Senior Management 董事及高級管理層履歷資料

NON-EXECUTIVE DIRECTOR

Mr. Ye Jinxing, aged 42 has been a director of the Company since July 2002 and was redesignated as a non-executive Director on 16 May 2006. He is a senior economist. He joined the Group in October 2000 and has been in charge of the Group's overall financial management, strategic capital planning and treasury functions of the Group. Mr. Ye previously held various managerial positions at the Quanzhou City Branch of Industrial and Commercial Bank of China in Fujian Province from 1990 to 1994 and Minfa Securities Company Limited from 1994 to 1999. Mr. Ye has over 14 years of experience and in-depth knowledge in domestic banking, capital and money markets. Mr. Ye was awarded a bachelor's degree in economics from the Jiangxi College of Finance and Economics in 1990.

Mr. Kwok Shun Tim ("Mr. Kwok"), aged 35, has been appointed as a non-executive Director since May 2006. Mr. Kwok is currently the company secretary and chief financial officer of Tianjin Tianlian. Mr. Kwok graduated from the Hong Kong University of Science and Technology and also obtained a master degree in China Business Studies from the Hong Kong Polytechnic University. Mr. Kwok has experience in the field of audit, corporate finance and financial management, Mr. Kwok is a director of Jumbo Lane Investments Limited and owns approximately 4% interest in Jumbo Lane Investments Limited. Currently, he is an independent non-executive director of Core Healthcare Investment Holdings Limited (Stock Code: 8250).

非執行董事

葉金興先生，42歲，自二零零二年七月起為本公司董事，並於二零零六年五月十六日獲重新委任為非執行董事。彼為高級經濟師。葉先生自二零零零年十月加入本集團以來一直負責本集團整體財務管理、策略性資本規劃及司庫職能。葉先生曾分別於一九九零年至一九九四年期間及一九九四年至一九九九年期間在中國工商銀行福建省泉州市分行及福建省閩發證券有限責任公司出任多個管理職位。葉先生對國內銀行、資本及貨幣市場有逾14年之經驗及深厚知識。葉先生於一九九零年獲江西財經學院頒授經濟學學士學位。

郭純恬先生（「郭先生」），35歲，自二零零六年五月起獲委任為非執行董事。郭先生現時為天津天聯之公司秘書及首席財務執行官。郭先生畢業於香港科技大學，並獲得香港理工大學中國商貿管理碩士學位。郭先生擁有多年審計、企業融資及財務管理經驗。郭先生為寶連投資有限公司之董事，持有寶連投資有限公司約4%權益。郭先生現時擔任確思醫藥投資控股有限公司（上市編號：8250）獨立非執行董事。

Biographical Information of Directors and Senior Management 董事及高級管理層履歷資料

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Luo Wei Kun, aged 70, has been a director of the Company since August 2006. He graduated from the Tsinghua University with a bachelor's degree in civil engineering in 1964 and started postgraduate studies in the same year. He was awarded a postgraduate diploma in civil engineering in 1967. He acted as a technician in Wuhan Branch of the Chinese Medicine Industrial Limited during 1968 to 1969 and as a technician, deputy section chief, section chief, engineer and vice chief engineer in the State Ministry of Medicine - Hubei Medical Manufactory Branch during 1969 to 1985. He then worked as a senior engineer, section chief and assistant factory manager in Tianjin Second Coal Gas Factory during 1986 to 1992. From 1992 to 2000, he acted as a vice chief engineer in Tianjin Utility Department and at the same time, worked as a chief engineer in Tianjin City Gas Administrative Office. After his retirement in March 2000, Mr. Luo acted as a consultant of Tianjin City Gas Administrative Office and Tianjin City Gas Planning Office. Currently, he is an independent non-executive director of Tianjin Tianlian.

Mr. Yan Changming, aged 46, has been a director of the Company since August 2006. He graduated from the Tsinghua University with a bachelor's degree in chemical engineering in 1986. He also obtained a master degree in chemical engineering from the Tsinghua University and University of Ottawa in 1989 and 1994, respectively. Since 1994, he has been acting as the President of Canada Cadavisa Investment Consulting Inc. Currently, he is the vice president and secretary general of the Chamber of Commerce of Chinese Western Returned Association and the Canada Branch of Chinese Western Returned Association. He is also the vice secretary general of all Federation of Returned Oversea Chinese.

獨立非執行董事

羅維崑先生，70歲，自二零零六年八月起為本公司董事。羅先生一九六四年畢業於清華大學土木工程系，同年繼續攻讀研究生，於一九六七年獲土木工程研究生畢業文憑。其後於一九六八年至一九六九年擔任中國醫藥工業公司武漢分公司技術員，一九六九年至一九八五年先後擔任國家醫藥總局湖北製藥製劑分廠的技術員、副科長、科長、工程師和副總工程師。一九八六年至一九九二年任職天津市第二煤氣廠，期間曾任高級工程師、科長和副廠長，一九九二年至二零零零年擔任天津市公用局副總工程師，兼任天津市燃氣管理處總工程師。羅先生於二零零零年三月退休後，還曾任天津市燃氣管理處和天津市燃氣規劃辦公室顧問。羅先生目前擔任天津天聯獨立非執行董事。

閻長明先生，今年46歲，自二零零六年八月起為本公司董事。閻先生一九八六年畢業於清華大學化學工程系，其後分別於一九八九年及一九九四年於清華大學及加拿大渥太華大學取得化學工程系碩士學位。從一九九四年起，閻先生擔任加拿大加達國際商務投資諮詢公司的總裁。閻先生現任中國歐美同學會商會副會長兼秘書長、中國歐美同學會加拿大分會副會長兼秘書長及中國僑聯華商會副秘書長。

Biographical Information of Directors and Senior Management 董事及高級管理層履歷資料

Ms. Pang Yuk Fong, aged 43, has been a director of the Company since August 2006. She is an experienced practicing certified public accountant in Hong Kong with over 20 years' professional experience in the accounting and auditing. She is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants, an associate member of the Hong Kong Institute of Company Secretaries and the Institute of Chartered Secretaries and Administrators. Ms. Pang holds a master of professional accounting degree from the Hong Kong Polytechnic University. Ms. Pang's professional career started in Deloitte Touche Tohmatsu. She has been the principal partner in Y. F. Pang & Co., Certified Public Accountants since 1990's and the managing director of AMC First Plan International Limited which is engaged in business advisory services in the Asia Pacific region. Ms. Pang was appointed by the Cuilong Copper International Holding Limited in 2006 as its independent non-executive director.

SENIOR MANAGEMENT

Ms. Gu Yun, aged 58, was the division head of software development. Ms. Gu graduated from the Xiamen University in 1985 majoring in finance in the Department of Finance and Banking. She joined the Group in December 1997 and assumes responsibility for strategic planning and business development of the Group. Before joining the Group, Ms. Gu worked in the Fujian Branch of the People's Bank of China from 1976 to 1992 and had been a vice general manager in Fujian Securities Trading Centre. Ms. Gu has good and extensive business connections and has a broad range of experiences in the domestic securities and banking industries dating back to 1980s.

Mr. Lui Chi Keung, aged 52, has been appointed as the company secretary, qualified accountant and authorized representative of the Company since September 2007. Mr. Lui is a fellow member of the Hong Kong Institute of Certified Public Accountants. He is also a fellow member of the Association of Chartered Certified Accountants. Mr. Lui has over 26 years of experience in auditing, accounting, financial and business management.

彭玉芳女士，今年43歲，自二零零六年八月起為本公司董事。彭女士是一名擁有豐富經驗的香港會計師，在會計及核數方面擁有20年的豐富經驗。彭女士是特許公認會計師公會及香港會計師公會資深會員、香港公司秘書公會及英國特許秘書暨行政管理人員學會的會員，持有香港理工大學專業會計碩士學位。彭女士於德勤會計師事務所開始她的專業生涯。自90年代開始，彭女士是香港彭玉芳會計師事務所的首席合夥人，她亦在向亞太區客戶提供商業顧問服務的聯亞專業顧問有限公司擔任董事總經理。彭女士於二零零六年獲Cuilong Copper International Holding Limited委任為其獨立非執行董事。

高級管理人員

顧雲女士，58歲，為軟件開發部之部門主管。顧女士於一九八五年在廈門大學畢業，在財務及銀行系主修金融科。自一九九七年十二月加入本集團以來一直負責本集團之策略規劃與業務發展。加入本集團前，顧女士曾於一九七六年至一九九二年期間任職中國人民銀行福建分行，並曾任福建證券交易中心副總經理。顧女士擁有良好廣泛業務聯繫，自八零年代開始已在國內證券及銀行業積累豐富經驗。

呂志強先生，52歲，自二零零七年九月起獲委任為本公司之公司秘書、合資格會計師兼授權代表。呂先生為香港會計師公會資深會員，亦為特許公認會計師公會資深會員。呂先生於會計、核數、財務及商業管理方面積逾二十六年經驗。

Directors' Report 董事會報告

The directors of China Leason Investment Group Co., Limited (the "Company") present their annual report and the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 19 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2008 are set out in the consolidated income statement on page 42.

The state of affairs of the Group and the Company as at 31 December 2008 are set out in the balance sheets on pages 43 and 44 respectively. The cash flows of the Group are set out in the consolidated cash flow statement on pages 46 and 47.

The directors of the Company do not recommend the payment of a dividend.

SHARE CAPITAL AND RESERVES

Details of the movements in share capital of the Company during the year are set out in note 31 to the financial statements.

Movements in the reserves of the Group and the Company during the year are set out in note 32 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 14 to the financial statements.

中國聯盛投資集團有限公司(「本公司」)董事會謹此提呈本公司及其附屬公司(「本集團」)截至二零零八年十二月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為投資控股公司。其附屬公司之主要業務載於財務報表附註19。

業績及分派

本集團及本公司截至二零零八年十二月三十一日止年度之業績分別載於第42頁的綜合損益表。

本集團及本公司於二零零八年十二月三十一日之營運狀況分別載於第43及44頁之資產負債表。本集團之現金流量載於第46及47頁之綜合現金流量表。

本公司董事不建議派付股息。

股本及儲備

本公司於年內之股本變動詳情載於財務報表附註31。

本集團及本公司於年內之儲備變動載於財務報表附註32。

物業、機器及設備

有關本集團之物業、機器及設備變動詳情載於財務報表附註14。

Directors' Report 董事會報告

DIRECTORS

The directors of the Company who held office during the year were:

Executive Directors

Mr. Wang Zhong Sheng (*Chairman*)
Mr. Shi Liang

Non-Executive Director

Mr. Chang Jian (*resigned on 15 October 2008*)
Mr. Kwok Shun Tim
Mr. Ye Jinxing

Independent Non-Executive Directors

Mr. Luo Wei Kun
Mr. Yan Chang Ming
Ms. Pang Yuk Fong

In accordance with article 87 of the Company's articles of association, Mr. Kwok Shun Tim, Mr. Ye Jinxing, Mr. Luo Wei Kun, Mr. Yan Chang Ming and Ms. Pang Yuk Fong shall retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Biographical information of the Directors is set out on page 27 to page 30 of this report.

董事

本公司於年內之在任董事如下：

執行董事

王忠勝先生 (主席)
施亮先生

非執行董事

常建先生 (於二零零八年十月十五日辭任)
郭純恬先生
葉金興先生

獨立非執行董事

羅維崑先生
閻長明先生
彭玉芳女士

根據公司章程第87條，郭純恬先生、葉金興先生、羅維崑先生、閻長明先生及彭玉芳女士須要在即將到來的股東週年大會退任，並符合規定可以獲得重選。

有關該等董事之履歷資料載於本報告第27至30頁。

Directors' Report 董事會報告

DIRECTORS' SERVICE CONTRACTS

None of the directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The directors' remuneration are subject to shareholders' approval at general meetings. Other emoluments are determined by the Company's board of directors with reference to directors' duties, responsibilities and performance and the results of the Group.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

- (i) There was no transaction which need to be disclosed as connected transactions in accordance with the requirements of Chapter 20 of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules"); and
- (ii) No contract of significance in relation to the Group's business subsisted at the year-end or any time during the year 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.

COMPETING INTERESTS

None of the directors of the Company or the management shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) had an interest in a business which causes or may cause any significant competition with the business of the Group.

董事服務合約

董事均無與本公司或其任何附屬公司訂立任何本集團不可於一年內免付補償(法定補償除外)而終止之服務合約。

董事酬金

董事酬金須由股東於股東大會批准。其他酬金由本公司董事會參考董事之職務、責任及表現以及本集團業績後釐定。

董事於重大合約之權益

- (i) 本公司概無進行任何須根據聯交所創業板證券上市規則(「創業板上市規則」)第20章所規定須予披露為關連交易之交易；及
- (ii) 本公司或其任何附屬公司於年終或年內任何時間概無訂有任何本公司董事於其中佔有重大權益(不論直接或間接)且與本集團業務有關之重大合約。

競爭權益

本公司董事或管理層股東或任何彼等各自之聯繫人士(定義見創業板上市規則)概無於對或可能對本集團業務構成重大競爭之業務中擁有任何權益。

Directors' Report 董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2008, the interests of the Director and chief executive of the Company and each of their respective associates (as defined under the GEM Listing Rules), in the Shares, underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which such Director or chief executive is taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange, were as follows:

(1) Long position in ordinary shares of the Company:

Name 姓名	Capacity 身份	Nature of Interest 權益性質	Number of shares/ underlying shares 股份／相關股份數目	Approximate % of shareholdings 持股概約百分比
Mr. Wang Zhong Sheng 王忠勝先生	Interest of controlled corporation 受控法團權益	Corporate interest 公司權益	332,790,000 (Note) (附註)	53.6%

Note: Such shares are owned by Jumbo Lane Investments Limited.

Mr. Wang Zhong Sheng owns 92% interest in the issued share capital of Jumbo Lane Investments Limited and he is taken to be interested in the shares owned by Jumbo Lane Investments Limited pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

董事及主要行政人員於股份、相關股份及債券之權益或淡倉

於二零零八年十二月三十一日，本公司董事或主要行政人員或任何彼等各自之聯繫人士（定義見創業板上市規則）於本公司及其相關法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券持有任何(a)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益（包括根據證券及期貨條例該等條文董事或主要行政人員被視為持有之權益或短倉）；或(b)根據證券及期貨條例第352條規定須記錄於本公司根據該條所置存之登記冊之權益；或(c)根據創業板上市規則第5.46至5.67條須知會本公司及聯交所之權益如下：

(1) 於本公司普通股之好倉

附註：該等股份由寶連投資有限公司擁有。

王忠勝先生擁有寶連投資有限公司已發行股本之92%權益，故根據香港法例第571章證券及期貨條例第XV部，王先生被視作於寶連投資有限公司所持之股份中擁有權益。

Directors' Report 董事會報告

(2) Long position in shares of associated corporations of the Company:

Director	Name of associated corporation	Nature of Interest	Percentage of interests in the registered capital of the associated corporation
姓名	相聯法團名稱	權益性質	佔該相聯法團註冊資本之權益百分比
Mr. Wang Zhong Sheng 王忠勝先生	Jumbo Lane Investments Limited (Note) 寶連投資有限公司 (附註)	Personal 個人	92%
Mr. Kwok Shum Tim 郭純恬先生	Jumbo Lane Investments Limited 寶連投資有限公司	Personal 個人	4%
Mr. Shi Liang 施亮先生	Jumbo Lane Investments Limited 寶連投資有限公司	Personal 個人	4%

Note: Jumbo Lane Investments Limited is a holding Company of the Group, owns 54% of the shareholding of the Group. Mr. Wang Zhong Sheng owns 92% interest in the issued share capital of Jumbo Lane Investments Limited. Mr. Shi Liang and Mr. Kwok Shun Tim each own 4% in the issued share capital of Jumbo Lane Investments Limited respectively.

Save as disclosed above, so far as the Directors are aware, as at the 31 December 2008, none of the Directors and the chief executive of the Company and each of their respective associates (as defined under the GEM Listing Rules) had any interest or short position in the Shares, underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Director or chief executive is taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

(2) 於相聯法團股份之好倉

附註：寶連投資有限公司為本集團之控股公司，持有本集團之54%股份。王忠勝先生擁有寶連投資有限公司已發行股本之92%權益，施亮先生及郭純恬先生各擁有寶連投資有限公司已發行股本之4%權益。

除上文披露者外，於二零零八年十二月三十一日，本公司董事或主要行政人員或任何彼等各自之聯繫人士（定義見創業板上市規則）概無於本公司及其相關法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券持有任何(a)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益（包括根據證券及期貨條例該等條文董事或主要行政人員被視為持有之權益或短倉）；或(b)根據證券及期貨條例第352條規定須記錄於本公司根據該條所置存之登記冊之權益；或(c)根據創業板上市規則第5.48至5.67條須知會本公司及聯交所之權益。

Directors' Report 董事會報告

3. SUBSTANTIAL SHAREHOLDERS

As at the 31 December 2008, so far as is known to the Directors and the chief executive of the Company, the following persons, other than a Director or chief executive of the Company, had an interest or a short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group, or held any option in respect of such capital:

Long positions in shares

Name 姓名	Number of Shares 股份數目	Nature of Interest 權益性質	Percentage of shareholding 持股概約百分比
Jumbo Lane Investments Limited (Note 1) 寶連投資有限公司 (附註1)	332,790,000	Beneficial owner 實益擁有人	53.6%
Ms. Zhao Xin (Note 2) 趙馨女士 (附註2)	332,790,000	Interest of spouse 配偶之權益	53.6%

Notes:

- The interest was also disclosed as an interest of Mr. Wang Zhong Sheng in the paragraph headed "Directors' interests" and Chief Executive's Interests or short portions in shares, underlying shares and debentures interests above.
- Ms. Zhao Xin (the spouse of Mr. Wang Zhong Sheng) is deemed to be interested in her spouse's interest in the Company which represent the same parcel of Shares held by Jumbo Lane Investments Limited pursuant to the SFO.

(3) 主要股東

於二零零八年十二月三十一日，就本公司董事及主要行政人員所知，下列人士(本公司董事或主要行政人員除外)擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露之權益或淡倉，或直接或間接擁有附帶權利可於任何情況下在本集團任何其他成員公司之股東大會上投票之任何類別股本面值10%或以上，或該等股本之購股權之權益或淡倉如下：

股份之好倉

Name 姓名	Number of Shares 股份數目	Nature of Interest 權益性質	Percentage of shareholding 持股概約百分比
Jumbo Lane Investments Limited (Note 1) 寶連投資有限公司 (附註1)	332,790,000	Beneficial owner 實益擁有人	53.6%
Ms. Zhao Xin (Note 2) 趙馨女士 (附註2)	332,790,000	Interest of spouse 配偶之權益	53.6%

附註：

- 此權益於上文「董事權益」及「董事及主要行政人員股份、相關股份及債券之權益或淡倉」一段中亦披露為王忠勝先生之權益。
- 根據證券及期貨條例，趙馨女士(王忠勝先生之配偶)亦被視為於本公司擁有其配偶權益之權益，即由寶連投資有限公司持有之同一批股份。

Directors' Report 董事會報告

Save as disclosed above, there was no person known to the Directors and the chief executive of the Company, other than the Directors or the chief executive of the Company, who, as at 31 December 2008, had an interest or a short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or held any option in respect of such capital.

DIRECTORS' AND CHIEF EXECUTIVE'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

MAJOR CUSTOMERS AND SUPPLIERS

For the year under review, the top five customers of the Group together accounted for approximately 20.2% of the Group's total sales for the year while the single largest customers accounted for approximately 5.4% of the Group's total sales during the year.

Whereas external purchase, mainly arising from its hardware resale operations, only accounted for about 32.9% of the Group's cost of sales during the year, the top five suppliers of the Group for the year under review together accounted for approximately 85.6% of the Group's total purchases for the year and the single largest supplier accounted for approximately 50.6% of the Group's total purchases.

除上文披露者外，就本公司董事及主要行政人員所知，於二零零八年十二月三十一日，並無其他人士（本公司董事或主要行政人員除外）擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露之權益或淡倉，或直接或間接擁有附帶權利可於任何情況下在本集團任何其他成員公司之股東大會上投票之任何類別股本面值10%或以上，或該等股本之購股權之權益或淡倉。

董事及最高行政人員購買股份或債券之權利

本公司或其任何附屬公司概無於年內任何時間訂有任何安排，致使本公司董事及最高行政人員可透過購買本公司或任何其他法團之股份或債券而受惠，而董事或彼等之配偶或18歲以下子女概無擁有認購本公司證券之權利，亦無行使有關權利。

主要客戶及供應商

於回顧年內，本集團五大客戶合共佔本集團年內總銷售額約20.2%，而最大單一客戶則佔本集團年內總銷售額約5.4%。

對外採購主要源自其硬件轉售業務，僅佔本集團年內銷售成本約32.9%，而本集團五大供應商於回顧年內合共佔本集團年內總採購額約85.6%，而最大單一供應商則佔本集團總採購額約50.6%。

Directors' Report 董事會報告

None of the directors, their respective associates or any shareholders of the Company who owns more than 5% of the issued share capital of the Company has any interests in the Group's five largest customers and suppliers above mentioned.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 31 December 2008.

RETIREMENT BENEFITS SCHEMES

Particular of the retirement benefits schemes of the Group are set out in note 34 to the financial statements.

CONVERTIBLE SECURITIES, WARRANTS OR SIMILAR RIGHTS

The Company had no outstanding convertible securities, warrants or instruments carrying other similar rights as at 31 December 2008.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association, or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

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

During the year ended 31 December 2008 neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed Shares.

董事、彼等各自之聯繫人士或任何擁有本公司已發行股本5%以上之本公司股東概無於上述本集團五大客戶及供應商中擁有任何權益。

或然負債

於二零零八年十二月三十一日，本集團並無任何重大或然負債。

退休福利計劃

本集團退休福利計劃詳情載於財務報表附註34。

可換股證券、認股權證或類似權利

於二零零八年十二月三十一日，本公司並無任何尚未行使可換股證券、認股權證或附有其他類似權利之文據。

優先購買權

本公司之公司組織章程細則或開曼群島法例並無訂有有關優先購買權之條文，規定本公司須向現有股東按比例提呈發售新股份。

購買、出售或贖回本公司上市股份

於截至二零零八年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市股份。

Directors' Report 董事會報告

AUDITORS

The financial statements have been audited by Messrs. CCIF CPA Limited who will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-appointment.

By order of the Board

Wang Zhong Sheng

Chairman

27 March 2009

核數師

財務報表已由陳葉馮會計師事務所有限公司審核，其將於本屆股東週年大會上告退，惟合資格及願應聘留任。

承董事會命

王忠勝

主席

二零零九年三月二十七日

Independent Auditor's Report 獨立核數師報告

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CHINA LEASON INVESTMENT GROUP CO., LIMITED

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of China Leason Investment Group Co., Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 42 to 143, which comprise the consolidated and company balance sheets as at 31 December 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these 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 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 financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

致中國聯盛投資集團有限公司 全體股東之獨立核數師報告

(於開曼群島註冊成立之有限公司)

本核數師已審核載於第42至143頁之中國聯盛投資集團有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表，包括於二零零八年十二月三十一日之綜合資產負債表及貴公司資產負債表，截至該日止年度的綜合損益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製及真實而公平地列報該等財務報表。這包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部監控，以確保財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及在不同情況下作出合理之會計估算。

核數師的責任

本核數師的責任乃根據審核工作的結果，對該等財務報表表達意見，並僅向全體股東報告，除此以外本報告概不可用作其他用途。本核數師概不就本報告的內容向任何其他人士承擔或負上任何責任。

本核數師已根據香港會計師公會頒佈之《香港核數準則》進行審核。該等準則規定本核數師須遵守道德規定，並計劃及進行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

Independent Auditor's Report 獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the 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 financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2008 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Without qualifying our opinion, we draw attention to Note 2(b)(ii) in the consolidated financial statements which indicates that the Group incurred a loss attributable to equity shareholders of the Company of approximately RMB33,585,000 during the year ended 31 December 2008 and as of that date, the Group's current liabilities exceeded its current assets by approximately RMB42,905,000. These conditions, along with other matters as set forth in Note 2(b)(ii), indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

CCIF CPA Limited

Certified Public Accountants
Hong Kong, 27 March 2009

Ho Chun Shing

Practising Certificate Number P04396

審核包括進程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與貴公司編製及真實而公平地列報財務報表相關的內部監控，以設計適當的審核程序，但並非為對公司的內部監控的有效性發表意見。審核亦包括評價董事所採用的會計政策是否恰當及所作出的會計估算是否合理，以及評價財務報表的整體列報方式。

本核數師相信，我們所獲得的審核憑證是充足和適當為我們的審核意見提供基礎。

意見

本核數師認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映貴公司及貴集團於二零零八年十二月三十一日之財務狀況，及貴集團截至該日止年度之虧損及現金流量，並按照香港公司條例的披露規定妥為編製。

儘管本核數師並無發表保留意見，惟謹請垂注綜合財務報表附註2(b)(ii)，當中顯示貴集團於截至二零零八年十二月三十一日止年度出現貴公司權益股東應佔虧損約人民幣33,585,000元，及貴集團於當日之流動負債超出其流動資產約人民幣42,905,000元。上述狀況連同附註2(b)(ii)所載列其他事項，顯示存在可能對貴集團持續經營能力構成重大疑問的重大不明朗因素。

陳葉馮會計師事務所有限公司

執業會計師
香港，二零零九年三月二十七日

何振誠

執業證書號碼P04396

Consolidated Income Statement

綜合損益表

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

			2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
		Note 附註		
Turnover	營業額	5, 13	38,598	49,399
Cost of sales	銷售成本		(34,142)	(22,822)
Gross profit	毛利		4,456	26,577
Other revenue and net income	其他收益及淨收入	6	2,677	10,063
Distribution costs	分銷成本		(5,902)	(5,699)
Administrative expenses	行政開支		(25,216)	(25,569)
Other operating expenses	其他經營開支		(7,373)	(2,665)
Finance costs	融資成本	7(c)	(1,903)	(1,742)
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	7	(33,261)	965
Income tax	所得稅	8	(324)	(3,465)
Loss for the year	本年度虧損		(33,585)	(2,500)
Attributable to:	下列應佔:			
Equity shareholders of the Company	本公司權益股東	11	(33,585)	(2,500)
Dividend	股利		—	—
			RMB(cents) 人民幣(仙)	RMB(cents) 人民幣(仙)
Loss per share	每股虧損			
Basic and diluted	基本及攤薄	12	(5.51)	(0.49)

The notes on pages 48 to 143 form part of these financial statements.

第48頁至143頁之附註組成財務報表其中部份。

Consolidated Balance Sheet

綜合資產負債表

As at 31 December 2008 (Expressed in Renminbi) 於二零零八年十二月三十一日 (以人民幣列值)

	Note 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Non-current assets			
非流動資產			
Property, plant and equipment	14(a)	134,772	23,367
Prepaid lease payments for land under operating leases	15	13,983	3,542
Intangible assets	16	—	7,110
Deposits for acquisition of property, plant and equipment	17	7,000	34,600
Deposits for acquisition of interests in land under operating leases	18	1,311	11,549
Available-for-sale investment	20	4,800	—
Deferred tax assets	31	1,169	—
		163,035	80,168
Current assets			
流動資產			
Prepaid lease payments for land under operating leases	15	363	143
Trading securities	21	16,071	4,313
Inventories	22	969	769
Trade and other receivables	23	18,630	24,173
Tax recoverable	24	692	1,312
Fixed bank deposits	25	7,164	6,624
Cash and cash equivalents	26	32,215	45,147
		76,104	82,481
Current liabilities			
流動負債			
Trade and other payables	27	74,090	43,783
Deferred income	28	3,713	1,750
Bank and other borrowings	29	40,000	7,960
Tax payable	30	1,206	1,644
		119,009	55,137
Net current (liabilities)/assets		(42,905)	27,344
Total assets less current liabilities		120,130	107,512
Non-current liabilities			
非流動負債			
Deferred tax liabilities	31	—	(853)
NET ASSETS		120,130	106,659
CAPITAL AND RESERVES			
資本及儲備			
Share capital	32(c)	6,399	5,922
Reserves	32(a)	113,731	100,737
TOTAL EQUITY		120,130	106,659

Approved and authorised for issue by the board of directors on 27 March 2009

董事會於二零零九年三月二十七日授權及批准刊發。

董事
Director

董事
Director

The notes on pages 48 to 143 form part of these financial statements.

第48頁至143頁之附註組成財務報表其中部份。

Balance Sheet

資產負債表

As at 31 December 2008 (Expressed in Renminbi) 於二零零八年十二月三十一日 (以人民幣列值)

			2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
		Note 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	14(b)	1,218	1,598
Investments in subsidiaries	於附屬公司之投資	19	110,233	67,992
			111,451	69,590
Current assets	流動資產			
Trade and other receivables	應收賬款及其他應收款項	23	25,234	20,045
Cash and cash equivalents	現金及現金等值物	26	785	5,496
			26,019	25,541
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	27	(21,593)	(15,002)
Net current assets	流動資產淨值		4,426	10,539
NET ASSETS	資產淨值		115,877	80,129
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	32(c)	6,399	5,922
Reserves	儲備	32(b)	109,478	74,207
TOTAL EQUITY	總權益		115,877	80,129

Approved and authorised for issue by the board of directors on
27 March 2009董事會於二零零九年三月二十七日授權及批准刊
發。董事
Director董事
DirectorThe notes on pages 48 to 143 form part of these financial
statements.

第48頁至143頁之附註組成財務報表其中部份。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

Attributable to equity shareholders of the Company
本公司權益股東應佔

		Share capital	Share premium	Merger reserve	General reserve	Translation reserve	Retained profits/ (Accumulated losses)	Total
		股本	股份溢價	合併儲備	一般儲備	換算儲備	保留溢利/ (累計虧損)	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2007	於二零零七年一月一日	5,014	34,845	(2,351)	4,430	(404)	794	42,328
Exchange differences on translation of financial statements of foreign entities	換算外國實體財務報表之匯兌差額	—	—	—	—	(67)	—	(67)
Loss for the year	本年度虧損	—	—	—	—	—	(2,500)	(2,500)
Profit appropriations	溢利分派	—	—	—	921	—	(921)	—
Total recognised income and expenses for the year	本年度確認收入及開支總額	—	—	—	921	(67)	(3,421)	(2,567)
Issue of new shares	發行新股	908	65,990	—	—	—	—	66,898
At 31 December 2007 and 1 January 2008	於二零零七年十二月三十一日及二零零八年一月一日	5,922	100,835	(2,351)	5,351	(471)	(2,627)	106,659
Exchange differences on translation of financial statements of foreign entities	換算外國實體財務報表之匯兌差額	—	—	—	—	(464)	—	(464)
Loss for the year	本年度虧損	—	—	—	—	—	(33,585)	(33,585)
Total recognised income and expenses for the year	本年度確認收入及開支總額	—	—	—	—	(464)	(33,585)	(34,049)
Issue of new shares	發行新股	477	47,043	—	—	—	—	47,520
At 31 December 2008	於二零零八年十二月三十一日	6,399	147,878	(2,351)	5,351	(935)	(36,212)	120,130

The notes on pages 48 to 143 form part of these financial statements.

第48頁至143頁之附註組成財務報表其中部份。

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Operating activities	經營業務		
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(33,261)	965
Adjustments for:	就下列各項調整:		
Depreciation	折舊	2,140	1,570
Amortisation of prepaid lease payments for land under operating leases	經營租約下預付土地租金攤銷	344	134
Amortisation of intangible assets	無形資產攤銷	4,093	5,515
Impairment loss on property, plant and equipment	物業、機器及設備減值虧損	321	—
Impairment loss on intangible assets	無形資產減值虧損	3,017	—
Interest income	利息收入	(513)	(261)
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	47	7
Net realised and unrealised losses/(gains) on trading securities	貿易證券之已變現及未變現虧損/(收益)淨額	2,536	(3,676)
Impairment loss on trade receivables	應收賬款減值虧損	3,790	597
Write off of trade and other receivables	應收賬款及其他應收款項撇銷	—	1,694
Write back of impairment loss on trade receivables	應收賬款減值虧損撥回	(839)	(25)
Interest expenses on bank and other borrowings	銀行及其他借款之利息支出	59	281
Other borrowing costs	其他借貸成本	1,844	1,461
Operating cash flows before changes in working capital	未計營運資金變動前之經營現金流量	(16,422)	8,262
Increase in inventories	存貨增加	(200)	(649)
Increase in trade and other receivables	應收賬款及其他應收款項增加	(4,224)	(6,019)
Decrease/(increase) in tax recoverable	可收回稅項減少/(增加)	620	(518)
Increase in trade and other payables	應付賬款及其他應付款項增加	30,307	31,138
Increase in deferred income	遞延收入增加	1,963	134
Cash generated from operations	經營業務產生之現金	12,044	32,348
Tax paid	已繳稅項		
PRC enterprise income tax paid	已繳中國企業所得稅	(2,784)	(1,479)
Net cash from operating activities	經營業務產生之現金淨額	9,260	30,869

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

	Note 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Investing activities	投資活動		
Payment for purchase of property, plant and equipment	購買物業、機器及設備款項	(81,920)	(21,252)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款項	3	16
Prepaid lease payments for land under operating leases	經營租約下預付土地租金	(767)	(2,164)
Payment for deposits for acquisition of property, plant and equipment	支付收購物業、機器及設備訂金之款項	(4,400)	(34,600)
Payment for deposits for acquisition of interests in land under operating leases	支付收購經營租約下土地權益之訂金之款項	—	(11,549)
Payment for available-for-sale investment	支付可供出售投資之款項	(4,800)	—
Payment for purchase of trading securities	購買貿易證券之款項	(118,045)	(35,575)
Proceeds from disposal of trading securities	出售貿易證券所得款項	103,574	37,750
Decrease/(increase) in amounts due from securities broker firms	應收證券經紀行款項減少/(增加)	6,816	(225)
Increase in fixed bank deposits	銀行定期存款增加	(540)	(6,624)
Interest received	已收利息收入	513	261
Net cash used in investing activities	投資活動動用之現金淨額	(99,566)	(73,962)
Financing activities	融資活動		
Net proceeds from issue of new shares	發行新股所得款項淨額	47,520	66,898
Proceeds from new bank and other borrowings	新增銀行及其他借款之所得款項	40,000	15,920
Repayment of bank and other borrowings	償還銀行及其他借款	(7,960)	(7,960)
Interest paid on bank and other borrowings	銀行及其他借款之已付利息	(59)	(281)
Other borrowing costs paid	其他已付借貸成本	(1,844)	(1,461)
Net cash from financing activities	融資活動產生之現金淨額	77,657	73,116
Net (decrease)/increase in cash and cash equivalents	現金及現金等值物(減少)/增加淨額	(12,649)	30,023
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值物	45,147	15,009
Effect of change in foreign currency translation	外幣兌換變動之影響	(283)	115
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等值物	32,215	45,147

The notes on pages 48 to 143 form part of these financial statements.

第48頁至143頁之附註組成財務報表其中部份。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

1. GENERAL INFORMATION

China Leason Investment Group Co., Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 15 July 2002 under the Companies Act, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company are listed on the Growth Enterprise Market (the “GEM”) of 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 activity of the Company is investment holding and the principal activities of its subsidiaries are development and sales of computer software, resale of computer hardware, provision of system integration and maintenance services; and manufacture and sales of liquefied coalbed gas.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the functional currency of the Company and its subsidiaries (collectively referred to as the “Group”).

1. 一般資料

中國聯盛投資集團有限公司(「本公司」)於二零零二年七月十五日根據開曼群島法例第二十二章公司法(一九六一年第三冊，經統一及修訂)在開曼群島註冊成立為獲豁免有限公司。本公司之股份均於香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市。本公司註冊辦事處及主要營業地點之地址，均披露於年報「公司資料」一節。

本公司業務活動主要為投資控股，而其附屬公司之業務活動則主要為電腦軟件開發及銷售、硬件轉售、提供系統集成及維修服務，以及液化煤層氣生產及銷售。

綜合財務報表使用本公司及其附屬公司(統稱為「本集團」)之功能貨幣人民幣(「人民幣」)進行呈列。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange. A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain amendments and interpretations which are or have become effective. It has also issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 3 provides information on the changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

2. 主要會計政策

a) 守章聲明

該等財務報表乃按香港財務申報準則（「香港財務申報準則」）編製。香港財務申報準則包括香港會計師公會（「香港會計師公會」）頒佈之所有適用之個別香港財務申報準則、香港會計準則（「香港會計準則」）及詮釋、香港普遍採納之會計準則以及香港公司條例之披露規定，並為彼等之統稱。該等財務報表亦遵守聯交所之創業板證券上市規則之適用披露條文。本集團採納有關重要會計政策均概述於下文。

香港會計師公會已頒佈若干有效或已生效之若干修訂及詮釋，亦頒佈若干新及經修訂香港財務申報準則，該等準則均已生效，或可提早於本集團及本公司當前之會計期間採用。附註3載有有關於當前及之前會計期間因初步應用其中與本集團相關之內容而產生之會計政策變動之資料，有關均反映於該等財務報表內。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

b) Basis of preparation of the financial statements and going concern concept

i) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2008 comprise the financial statements of the Company and its subsidiaries.

The measurement basis used in the preparation of the financial statements is the historical cost basis, except those disclosed otherwise in the accounting policies below.

The preparation of financial statements in conformity to HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2. 主要會計政策 (續)

b) 財務報表編製基準及持續經營概念

i) 財務報表編製基準

截至二零零八年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司之財務報表。

除下文會計政策以其他基準披露者外，編製財務報表時所用之計量基準為歷史成本法。

編製符合香港財務申報準則之財務報表時，需要管理層作出影響政策之應用及有關資產、負債、收入及開支之呈報款額之判斷、估計及假設。該等估計及相關假設乃根據歷史經驗及多項其他因素(相信於該等情況下為合理)而作出。所得結果構成管理層就目前未能從其他來源明顯得出賬面值的資產及負債作出判斷之基準。實際數字或會有別於估計數字。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

b) Basis of preparation of the financial statements and going concern concept (Continued)

i) Basis of preparation of the financial statements (Continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 4.

2. 主要會計政策 (續)

b) 財務報表編製基準及持續經營概念 (續)

i) 財務報表編製基準 (續)

本集團持續就所作估計及相關假設作出評估。會計估計之變動如只影響當期，則有關影響於估計變動當期確認。如該項會計估計之變動影響當期及以後期間，則有關影響於當期及以後期間確認。

於應用香港財務申報準則時管理層就來年所作之判斷(對財務報表構成重大影響)及估計(存在對下年作出重大調整之重大風險)均於附註4中討論。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

b) Basis of preparation of the financial statements and going concern concept (Continued)

ii) Going concern concept

The Group incurred a loss for the year attributable to equity shareholders of the Company of approximately RMB33,585,000 and net current liabilities of RMB42,905,000 as at 31 December 2008. Nevertheless, the directors had adopted the going concern basis in the preparation of financial statements of the Group based on the following assumptions and conditions:

- 1) Subsequent to 31 December 2008 and as at 27 February 2009, the other borrowing of RMB40,000,000 disclosed in note 29 to the financial statements was due for repayment in accordance with the loan agreement signed between the Group and a finance company. However, up to the date of approval of these financial statements, the other borrowing had been rolled over for a further period of six months and the finance company has not indicated its intention to withdraw their facilities granted to the Group.

2. 主要會計政策 (續)

b) 財務報表編製基準及持續經營概念 (續)

ii) 持續經營概念

本集團於二零零八年十二月三十一日錄得本公司權益股東應佔年度虧損約人民幣33,585,000元以及流動負債淨額人民幣42,905,000元。然而，董事根據下列假設及條件採用持續經營基準編製本集團之財務報表：

- 1) 於二零零八年十二月三十一日後及於二零零九年二月二十七日，財務報表附註29所披露，其他借款人民幣40,000,000元按本集團與一間財務公司簽訂的一份貸款協議為已到還款期。然而，截至該等財務報表獲批准日期，該其他借款已獲續期六個月，而該財務公司並無表示有意收回授予本集團之信貸。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

b) Basis of preparation of the financial statements and going concern concept (Continued)

ii) Going concern concept (Continued)

- 2) Mr. Wang Zhong Sheng, the chairman and executive director of the Group, has undertaken not to demand for the repayment of the amounts due to him totalling approximately RMB20,041,000 as at 31 December 2008 until the Group is financially viable to do so.

In light of the assumptions and conditions of the Group, the directors are confident that the Group will have sufficient working capital to finance its operations in order to maintain its operating scale and meet its obligations in the next twelve months from the balance sheet date. Accordingly, the directors consider that it is appropriate to prepare the financial statements of the Group on a going concern basis. The financial statements do not include any adjustments relating to the carrying amount and reclassification of assets and liabilities that might be necessary should the Group be unable to continue as a going concern.

2. 主要會計政策 (續)

b) 財務報表編製基準及持續經營概念 (續)

ii) 持續經營概念 (續)

- 2) 本集團主席兼執行董事王忠勝先生已承諾不會要求本集團償還於二零零八年十二月三十一日應付其之款項共計約人民幣20,041,000元，直至本集團財政上有能力償還為止。

基於本集團之假設及條件，董事有信心，本集團將有足夠營運資金應付其業務所需，以於結算日起計未來十二個月內維持其經營規模，並履行其責任。因此，董事認為，按持續經營基準編製本集團之財務報表乃屬合宜之舉。財務報表並不包括在本集團無法持續經營之情況下而須就資產與負債之賬面值及重新分類作出之任何調整。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

c) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions, and any unrealised profits arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

In the Company's balance sheet, investments in subsidiaries are stated at cost less impairment losses (see note 2(h)(ii)), unless the investment is classified as held for sale.

2. 主要會計政策 (續)

c) 附屬公司

附屬公司為本集團控制之實體。於本集團有權監管該實體之財務及經營決策，以自其業務獲取利益時，即存在控制。於評估控制時，將計及現時可行使之潛在投票權。

於附屬公司之投資由控制開始當日至控制終止當日在綜合財務報表中綜合計算。集團內公司間之結餘及交易以及集團內公司間交易所產生之任何未變現溢利均於編製綜合財務報表時全部撇銷。集團內公司間交易所產生之未變現虧損亦按照未變現收益之方法同樣予以撇銷，惟僅限於減值未出現之前。

於附屬公司之投資於本公司資產負債表按成本減任何減值虧損 (見附註 2(h)(ii)) 列賬，惟分類為持作銷售之投資則除外。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

d) Other investments in debt and equity securities

The Group's and the Company's policies for investments in debt and equity securities, other than investments in subsidiaries, associates and jointly controlled entities, are as follows:

Investments in debt and equity securities are initially stated at cost, which is their transaction price unless fair value can be more reliably estimated using valuation techniques whose variables include only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification.

Investments in securities held for trading are classified as current assets. Any attributable transaction costs are recognised in income statement as incurred. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised in income statement. The net gain or loss recognised in income statement does not include any dividends or interest earned on these investments as these are recognised in accordance with the policies set out in note 2(q)(iii) and (iv).

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognised in the balance sheet at cost less impairment losses (see note 2(h)(i)).

2. 主要會計政策 (續)

d) 於債務及股本證券之其他投資

本集團及本公司對於投資於債務及股本證券(不包括投資於附屬公司、聯營公司及共同控制實體)之政策載述如下:

於債務及股本證券之投資最初乃按其交易價計入成本, 除非公平值能更可靠地以估值法(其變量僅包括可觀測市場的數據)估計。除下文所述例外情況外, 成本包括應佔交易成本。該等投資其後按下文所述視乎其分類入賬。

投資於持作交易用途之證券均歸類為流動資產。任何應佔交易成本於產生時在損益表內確認。公平值於各結算日重新計量, 而得出之任何盈虧則於損益表內確認。於損益表內確認之盈虧淨額不包括該等投資所賺取之任何股息或利息, 因該等盈虧乃根據附註2(q)(iii)及(iv)所載之政策確認。

投資於股本證券(並無於活躍市場上上市, 且不能可靠地計量其公平值)均按成本減減值虧損於資產負債表內確認(見附註2(h)(i))。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

d) Other investments in debt and equity securities (Continued)

Other investments in securities which do not fall into any of the above categories are classified as available-for-sale investments and are initially recognised at fair value plus transaction costs. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised directly in equity. Dividend income from these investments is recognised in income statement in accordance with the policy set out in note 2(q)(iii) and, where these investments are interest-bearing, interest calculated using the effective interest method is recognised in income statement. When these investments are derecognised or impaired (see note 2(h)(i)), the cumulative gain or loss previously recognised directly in equity is recognised in income statement.

Investments are recognised/derecognised on the date the Group and/or the Company commits to purchase/sell the investments or they expire.

e) Property, plant and equipment

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 2(h)(ii)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in income statement on the date of retirement or disposal.

2. 主要會計政策 (續)

d) 於債務及股本證券之其他投資 (續)

不屬於上述類別之其他於證券之投資均歸類為可供出售投資，並初步按公平值加交易成本予以確認。於各結算日重新計量公平值，並於權益中直接確認所得出之盈虧。該等投資之股息收入根據附註2(q)(iii)所載之政策於損益表內確認，而倘若該等資產乃附帶利息，則利用實際利率法計算之利息，均於損益賬內確認。倘若不再確認該等投資，或該等投資發生減值(見附註2(h)(i))，則先前直接於權益中確認之累計盈虧，於損益表內確認。

投資項目均於本集團及/或本公司承諾購買/出售投資項目之日或彼等到期之日予以確認/不再確認。

e) 物業、機器及設備

物業、機器及設備按成本減累計折舊及減值虧損於資產負債表列賬(見附註2(h)(ii))。

棄用或出售物業、機器及設備項目產生之損益，均釐定為出售所得款項淨額與項目賬面值之差額，並於棄用或出售日期於損益表確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

e) Property, plant and equipment

(Continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

— Buildings held for own use	Over the shorter of unexpired term of the leases or 20 years
— Leasehold improvements	5 years
— Computer equipment	3 – 5 years
— Furniture and equipment	5 years
— Motor vehicles	5 – 8 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Construction in progress represents property, plant and equipment under construction and pending installation and is stated at cost less accumulated impairment losses, if any. Cost includes the costs of construction of buildings, the costs of plant and machinery and interest charges arising from borrowings used to finance these assets during the period of construction or installation and testing. No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and are available for the intended use. When the assets concerned are brought into use, the costs are transferred to other property, plant and equipment and depreciated in accordance with the policy as stated above.

2. 主要會計政策 (續)

e) 物業、機器及設備 (續)

折舊以於物業、機器及設備項目之估計可使用年期內，按直線法撇銷成本，減彼等之估計餘值(如有)計算，並載述如下：

— 持作自用之樓宇	按租約之未屆滿年期或20年之較短者
— 租賃裝修工程	5年
— 電腦設備	3 - 5年
— 傢俱及設備	5年
— 汽車	5 - 8年

倘若物業、機器及設備項目有部份之可使用年期不同，則該項目之成本乃按合理基準分配至各部份，而各部份則獨立予以折舊。資產之可使用年期及餘值(如有)乃每年予以審核。

在建工程指正在建設及有待安裝之物業、機器及設備，並按成本減累計減值虧損(如有)列賬。成本包括興建樓宇成本、機器及機械之成本，以及在建設或安裝及測試期間用以為該等資產融資所貸款之利息開支。在建工程於有關資產落成及可供擬定用途前，暫不計提折舊。當有關資產投入運作，成本會轉撥至其他物業、機器及設備，並根據上述政策予以折舊。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

f) Intangible assets (other than goodwill)

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources and the intention to complete development. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Capitalised development costs are stated at cost less accumulated amortisation and impairment losses (see note 2(h)(ii)). Other development expenditure is recognised as an expense in the period in which it is incurred.

Other intangible assets that are acquired by the Group are stated in the balance sheet at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 2(h)(ii)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of intangible assets is charged to income statement on a straight-line basis over the assets' estimated useful lives which are determined by the directors to be finite. Capitalised development costs with finite useful lives are amortised from the date they are available for use and their estimated useful lives of not exceeding five years.

Both the period and method of amortisation and any conclusion that the useful life of an intangible asset is indefinite are reviewed annually.

2. 主要會計政策 (續)

f) 無形資產 (商譽除外)

研究活動開支於產生期間確認為開支。倘若產品或過程於技術及商業上均為可行，且本集團有足夠資源及擬完成開發項目，則將開發活動開支撥充資本。撥充資本之開支包括材料及直接勞工成本，以及間接費用適當部份。撥充資本之開發成本按成本減累計攤銷及減值虧損 (見附註2(h)(ii)) 列賬。其他開發開支於產生期間確認為開支。

本集團所收購之其他無形資產乃按成本值減累計攤銷 (倘估計可使用年期為確定) 及減值虧損於資產負債表內列賬 (見附註2(h)(ii))。內部產生商譽及品牌之支出於產生期間內作為一項開支予以確認。

無形資產攤銷以直線法按資產之估計可使用年期 (由董事釐定固定期限) 自損益表扣除。資本化之開發成本 (有固定可使用年期) 乃由彼等之可供使用當日起予以攤銷，而彼等之估計可使用年期不超過5年。

有關攤銷期及方法，以及無形資產之可使用年期為無固定之結論，均會每年予以審核。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

g) 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.

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to income statement in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in income statement as an integral part of the aggregate net lease payments made. Contingent rentals are charged to income statement in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term.

2. 主要會計政策 (續)

g) 租約

凡租約條款規定擁有權之絕大部份風險及回報撥歸承租人之租約均列為融資租約。所有其他租約均列為經營租約。

倘本集團根據經營租約使用資產，租約項下之付款將按租期所涵蓋之會計期間按均等分期金額自損益表扣除，惟倘有其他方法可更清晰反映自租賃資產所得利益之情況，則當別論。已收租賃津貼於損益表確認為合共已付租金淨額之組成部份。或然租金於產生之會計期間自損益表扣除。

收購根據經營租約持有之土地之成本，乃於租賃期內按直線法予以攤銷。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

h) Impairment of assets

i) Impairment of investments in debt and equity securities and other receivables

Investments in debt and equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtors;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

2. 主要會計政策 (續)

h) 資產減值

i) 於債務及股本證券之投資及其他應收款項之減值

於債務及股本證券及其他現時及非現時應收款項之投資 (按成本或攤銷成本列賬或歸類為可供出售證券) 均於各結算日予以審核，以釐定是否有減值之客觀證據。減值之客觀證據包括本集團得悉的有關下列一項或多項虧損事項的可觀察資料：

- 債務人遭遇重大財務困難；
- 違約，譬如拖欠或無法如期償還本息；
- 債務人可能會宣告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境的重大變化對債務人造成重大影響；及
- 投資股本工具的公平值大幅或持續下降至低於其成本。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

h) Impairment of assets (Continued)

i) Impairment of investments in debt and equity securities and other receivables

(Continued)

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities are not reversed.

2. 主要會計政策 (續)

h) 資產減值 (續)

i) 於債務及股本證券之投資及其他應收款項之減值 (續)

倘若任何該等證據出現，則任何減值虧損均按以下方式釐定及確認：

- 就按成本入賬的未報價股本證券而言，倘貼現之影響重大，減值虧損金額按金融資產賬面值與預計未來現金流量現值（按同類財務資產目前的市場回報率貼現）兩者之差額計量。股本證券之減值虧損將不會撥回。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

h) Impairment of assets (Continued)

i) Impairment of investments in debt and equity securities and other receivables

(Continued)

- For trade and other financial assets carried at amortised cost, 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 financial asset's original effective interest rate (i.e., effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through income statement. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

2. 主要會計政策 (續)

h) 資產減值 (續)

i) 於債務及股本證券之投資及其他應收款項之減值 (續)

- 就按攤銷成本列賬之貿易及其他金融資產而言，倘貼現之影響重大，減值虧損按資產之賬面值與估計未來現金流量 (按金融資產之原本實際利率 (即於初步確認該等資產時計算之實際利率貼現) 之現值之差額計量。倘若按攤銷成本列賬之金融資產具備類似之風險特徵，例如類似之逾期情況及並未個別被評估為減值，則有關評估會同時進行。金融資產之未來現金流量會根據與該類資產具有類似信貸風險特徵資產之過往虧損情況同時評估減值。

倘若於其後減值虧損之數額減少，且有關減少可客觀地與於確認減值虧損後發生之事件連帶起來，則於損益表內撥回減值虧損。撥回減值虧損不會導致資產之賬面值超過若於過去年度並無確認減值虧損時所釐定之數額。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

h) Impairment of assets (Continued)

i) Impairment of investments in debt and equity securities and other receivables

(Continued)

- For available-for-sale securities, the cumulative loss that had been recognised directly in equity is removed from equity and is recognised in income statement. The amount of the cumulative loss that is recognised in income statement is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on the asset previously recognised in income statement.

Impairment losses recognised in income statement in respect of available-for-sale equity securities are not reversed through income statement. Any subsequent increase in the fair value of such assets is recognised directly in equity.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in income statement.

2. 主要會計政策 (續)

h) 資產減值 (續)

i) 於債務及股本證券之投資及其他應收款項之減值 (續)

- 就可供出售證券而言，已直接於權益中確認之累計虧損，乃從權益中撥至損益表內確認。於損益表內確認之累計虧損數額，乃收購成本 (扣除任何本金還款及攤銷) 與現時公平值之差額，減之前於損益表內確認之資產之任何減值虧損。

就可供出售股本證券而於損益表內確認之減值虧損，並無於損益賬內撥回。其後該等資產之公平值之增加，均直接於權益中確認。

倘若於其後公平值增加，且可客觀地與於確認減值虧損後發生之事件連帶起來，則撥回有關可供出售債務證券之減值虧損。於此情況下撥回之減值虧損，均於損益表內確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

h) Impairment of assets (Continued)

i) Impairment of investments in debt and equity securities and other receivables

(Continued)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors and bills receivable included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors and bills receivable directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in income statement.

2. 主要會計政策 (續)

h) 資產減值 (續)

i) 於債務及股本證券之投資及其他應收款項之減值 (續)

減值虧損應從相應的資產中直接撇銷，除非包含在應收賬款及其他應收款項中的應收賬款及應收票據的已確認減值虧損被視為難以收回但機會又並非微乎其微。在此情況下，應以撥備賬記錄呆壞賬的減值虧損。倘本集團確認能收回應收賬款的機會微乎其微，則視為不可收回金額會從應收賬款及應收票據中直接撇銷，而在撥備賬中持有有關該債務的任何金額會被撥回。若之前計入撥備賬款項在其後收回，則相關的撥備會被撥回。撥備賬的其他變動及之前直接撇銷而其後收回的款項，均在損益表中確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES 2. 主要會計政策 (續)

(Continued)

h) Impairment of assets (Continued)

ii) Impairment of other assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- prepaid lease payments for land under operating leases;
- intangible assets; and
- investments in subsidiaries.

If any such indication exists, the asset's recoverable amount is estimated. In addition, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

h) 資產減值 (續)

ii) 其他資產減值

於各結算日審核內部及外部資料來源，以確定下列資產是否出現減值，先前確認之減值虧損是否不再存在或已經減少：

- 物業、機器及設備 (不包括按重估款額列賬之物業)；
- 經營租約下預付土地租金；
- 無形資產；及
- 於附屬公司之投資。

倘存在任何該等跡象，則估計資產之可收回金額。此外，就尚未可供使用之無形資產及無固定可使用年期之無形資產而言，不論有否減值跡象，均會每年估計可收回金額。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

h) Impairment of assets (Continued)

ii) Impairment of other assets (Continued)

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e., a cash-generating unit).

2. 主要會計政策 (續)

h) 資產減值 (續)

ii) 其他資產減值 (續)

— 計算可收回金額

資產之可收回金額指其淨銷售價及使用價值之較高者。在估定使用價值時，估計日後現金流量按反映現時市場對金額時間值及資產特定風險所評估之除稅前貼現率貼現至其現值。倘一項資產所生之現金流入在很大程度上並非獨立於其他資產所產生之現金流入，則就獨立產生現金流入之最小部份資產 (即現金產生單元) 釐定可收回金額。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

h) Impairment of assets (Continued)

ii) Impairment of other assets (Continued)

— Recognition of impairment losses

An impairment loss is recognised in income statement whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of a cash-generating unit are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

2. 主要會計政策 (續)

h) 資產減值 (續)

ii) 其他資產減值 (續)

— 確認減值虧損

當資產或其所屬現金產生單元之賬面值超過其可收回款額，則於損益表中確認減值虧損。就現金產生單元確認之減值虧損，均首先被分配以減少分配至現金產生單元(或一組單元)之任何商譽之賬面值，然後分配以按比例減少該單元(或一組單元)之其他資產之賬面值，惟資產之賬面值將不會被減至低於其個別公平值減銷售成本或使用價值(如可予釐定)。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

h) Impairment of assets (Continued)

ii) Impairment of other assets (Continued)

— Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to income statement in the year in which the reversals are recognised.

i) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2. 主要會計政策 (續)

h) 資產減值 (續)

ii) 其他資產減值 (續)

— 撥回減值虧損

就商譽以外之資產而言，倘用以釐定可收回金額之估計數字出現有利變動，則撥回減值虧損。商譽之減值虧損則不會撥回。減值虧損撥回以於過往年度並無確認減值虧損而原應釐定之資產賬面值為限。減值虧損撥回計入確認該等撥回之年度之損益表。

i) 存貨

存貨以成本及可變現淨值兩者之較低者入賬。

成本乃根據加權平均成本法計算，包括所有購買成本、加工成本及將存貨送抵目前地點及達致目前狀況所產生之其他成本。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

i) Inventories (Continued)

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

j) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts (see note 2(h)(i)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts (see note 2(h)(i)).

2. 主要會計政策 (續)

i) 存貨 (續)

可變現淨值指於日常業務中之估計售價減估計完工成本及作出銷售所需估計成本。

售出存貨後，有關存貨之賬面值將於有關收益獲確認之期間確認為開支。所有將存貨撇減至可變現淨值之數額及有關存貨之所有虧損於撇減或出現虧損期間確認為開支。任何撇減存貨所撥回之有關數額將於出現撥回期間按已確認為開支之存貨數額減少確認。

j) 應收賬款及其他應收款項

應收賬款及其他應收款項均於初期按公平值確認，其後按攤銷成本減呆賬減值撥備列賬(見附註2(h)(i))，惟倘若應收款項為給予有關連人士之免息貸款(並無任何固定還款期或貼現之影響並不重大)則除外。於該等情況下，應收款項均按成本減呆賬減值撥備列賬(見附註2(h)(i))。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

k) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in income statement over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

l) Trade and other payables

Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

2. 主要會計政策 (續)

k) 計息借款

計息借款初步按公平值減應佔交易成本確認。於初步確認後，計息借款按攤銷成本列賬，初步確認金額與贖回價值的任何差額(連同任何應付利息及費用)會在借款期內以實際利率法於損益表內確認。

l) 應付賬款及其他應付款項

應付賬款及其他應付款項均於初期按公平值確認，其後按攤銷成本列賬，惟倘若貼現之影響並不重大，則按成本列賬。

m) 現金及現金等值物

現金及現金等值物包括銀行及手頭現金，銀行及其他金融機構之活期存款，以及可隨時轉換為已知數額現金，並於購入時起計三個月內到期且幾乎不受價值變動風險所影響之短期高度流通投資項目。就綜合現金流量表而言，須應要求償還且構成本集團現金管理中組成部份之銀行透支亦已作為現金及現金等值物計算在內。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

n) Employee benefits

- i) Salaries, annual bonuses, paid annual leave, contributions to defined contribution plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.
- ii) Contributions to Mandatory Provident Funds required under the Hong Kong Mandatory Provident Fund Schemes Ordinance and mandatory central pension schemes organised by the People's Republic of China ("PRC") government are recognised as an expense in income statement as incurred.
- iii) The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a share option reserve within equity. The fair value is measured at grant date using Black-Scholes Option Pricing Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

2. 主要會計政策 (續)

n) 僱員福利

- i) 薪金、年度花紅、有薪年假、界定供款計劃供款及非貨幣福利成本，乃於僱員提供有關服務之年度計算。倘款項支付或清付遞延處理且其影響屬重大，則該等金額將以其現值列賬。
- ii) 根據香港強制性公積金計劃條例須向強制性公積金作出之供款，以及向中華人民共和國（「中國」）政府所籌辦之強制性中央退休金計劃作出之供款，於產生時在損益表內確認為開支。
- iii) 授予僱員之購股權之公平值，乃確認為僱員成本，並相應增加權益中之購股權儲備。公平值乃於授出日期利用Black-Scholes期權定價模式計量，當中考慮到授出購股權所依據之條款及條件。倘若僱員於有權無條件享有購股權前符合歸屬條件，則估計購股權之總體公平值乃於歸屬期間內分攤，當中考慮到購股權將會歸屬之可能性。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

n) Employee benefits (Continued)

iii) (Continued)

During the vesting period, the number of share options expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to income statement for the year under review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share option reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vests (with a corresponding adjustment to the share option reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share option reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to the retained profits).

o) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in income statement except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.

2. 主要會計政策 (續)

n) 僱員福利 (續)

iii) (續)

於歸屬期內會審核預期歸屬之購股權數目。於過去年度確認之累計公平值之任何調整，乃於審核年度於損益賬內扣除／計入，惟合資格確認為資產之原本僱員開支則除外，並對購股權儲備作相應調整。於歸屬日，確認為開支之款額會予以調整，以反映歸屬購股權之實際數目（並對購股權儲備作相應調整），惟因並無達致與本公司股份市值相關之歸屬條件才沒收之購股權除外。權益款額乃於購股權儲備內確認，直至購股權獲行使（當其轉撥至股份溢價賬）或購股權到期（直接撥入保留溢利時）為止。

o) 所得稅

本年度所得稅包括即期稅項以及遞延稅項資產及負債變動。即期稅項以及遞延稅項資產及負債變動於損益表確認，惟倘與直接於權益確認之項目有關者，則於權益中確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

o) Income tax (Continued)

Current tax is expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided that those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary differences or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

2. 主要會計政策 (續)

o) 所得稅 (續)

即期稅項指年內就應課稅收入，按於結算日已實施或實際已實施之稅率，並經就過往年度應繳稅項調整而計算之估計應繳稅項。

分別由可扣減及應課稅暫時差額產生之遞延稅項資產及負債，指就財務申報之資產及負債賬面值與其稅基之差額。遞延稅項資產亦自未動用稅項虧損及未動用稅項進賬產生。

除若干例外情況外，倘日後應課稅溢利有可能對銷可予以使用的資產，則確認所有遞延稅項負債及遞延稅項資產。日後應課稅溢利有助確認撥回現有應課稅臨時差額之可扣減臨時差額產生之遞延稅項資產，惟該等差額須與同一稅務機構及同一應課稅實體有關，並預期會在可扣減臨時差額預期撥回之相同期間或轉回或結轉遞延稅項資產產生稅項虧損之期間撥回。於釐訂現有應課稅臨時差額是否可用以確認尚未動用的稅項虧損及進賬之遞延稅項資產時，可採納相同的準則，即是倘差額屬同一應課稅機構及同一應課稅實體，以及預期稅項虧損或可予以動用之進賬於期內撥回，該等差額將計入賬目。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

o) Income tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

2. 主要會計政策 (續)

o) 所得稅 (續)

確認遞延稅項資產及負債之例外情況包括不能為課稅而扣減商譽所產生之臨時差額，初步確認既不影響會計亦不影響應課稅溢利(惟須非業務組成部份)之資產或負債，及有關於附屬公司投資所出現臨時差額時，惟倘就應課稅差額而言，本集團可控制撥回之時間，且差額很可能不會於可見將來撥回或出現可扣減差額則除外，除非日後很可能會撥回。

所確認之遞延稅項金額乃按預期資產及負債賬面值之變現或結算方式，以結算日已實施或實際已實施之稅率計算。遞延稅項資產及負債不會折現。

遞延稅項資產賬面值於各結算日審核，倘可能不再有足夠應課稅溢利以容許使用有關稅項利益，則會進行扣減。倘可能會有足夠應課稅溢利，該等扣減將會撥回。

源自股息分派之額外所得稅於確認支付有關股息責任時予以確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

o) Income tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if, and only if, the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2. 主要會計政策 (續)

o) 所得稅 (續)

現有稅項結餘及遞延稅項結餘和其變動，均獨立呈列及不會予以抵銷。倘本公司或本集團有法定強制執行權，可以現有稅項資產抵銷現有稅項負債及達成以下額外條件時，則現有稅項資產將抵銷現有稅項負債，及遞延稅項資產將抵銷遞延稅項負債：

- 倘為現有稅項資產及負債，本公司或本集團擬按淨額結算或同時變現資產及清償負債；或
- 倘為遞延稅項資產及負債，由同一稅務機構按以下情況徵收所得稅：
 - 同一個課稅實體；或
 - 不同的課稅實體。這些實體計劃在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回的每個未來期間，按淨額實現即期稅項資產和清償即期稅項負債或在實現資產的同時清償負債。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

p) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. 主要會計政策 (續)

p) 撥備及或然負債

倘本集團或本公司因過往事件而負有可能導致經濟利益流出方可了結之法定或推定責任，且能作出可靠估計，則就不確定時限或金額之負債確認撥備。倘款項時間值為重大者，則撥備按預期解決債務所需開支之現值入賬。

倘可能毋須導致經濟利益流出或不能可靠估計金額，則將責任列作或然負債披露，除非經濟利益流出之可能性極微。僅可由發生或不發生一件或數件未來事件予以確定之可能責任，亦列作或然負債披露，除非經濟利益流出之可能性極微。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

q) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in income statement as follows:

i) Sales of computer software and hardware

Revenue is recognised when the Group has transferred to the customer the significant risks and rewards of ownership of the goods. Revenue excludes value-added and business taxes, and is after deduction of any goods returns and trade discounts.

ii) Income from provision of maintenance and other services

Revenue from maintenance and other services is recognised at the time when the service is performed.

iii) Dividends

Dividend income from unlisted investments is recognised when the shareholders' rights to receive payment are established.

Dividend income from listed investments is recognised when the share price of the investments goes ex-dividend.

2. 主要會計政策 (續)

q) 收益確認

倘經濟利益極有可能流入本集團，且收益及成本(倘適用)能可靠計算，收益將按以下方於損益表確認：

i) 銷售電腦軟件及硬件

收益乃於本集團將貨品擁有權之重大風險及回報轉移予客戶時確認。收益不包括增值稅及營業稅，並於扣除任何退貨及商業折扣後列賬。

ii) 提供維修及其他服務之收入

維修及其他服務之收益乃於提供服務時確認。

iii) 股息

非上市投資之股息收入於股東獲派有關款項之權利確立時確認。

當上市投資之股價除息後，則確認來自上市投資之股息收入。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

q) Revenue recognition (Continued)

iv) Interest income

Interest income is recognised as it accrues using the effective interest method.

v) Value-added tax refund

Value-added tax refund is recognised when the acknowledgement of refund from the Tax Bureau has been received.

vi) Government grants

Government grants are recognised in the balance sheet initially as deferred income when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in income statement on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognised in income statement as revenue on a systematic basis over the useful life of the asset.

r) Deferred income

Warranty costs are received in advance for the whole period under warranty and are recognised in the balance sheet initially as deferred income. They will be deferred usually for one year and subsequently recognised to income statement when incurred.

2. 主要會計政策 (續)

q) 收益確認 (續)

iv) 利息收入

利息收入乃於其利用實際利息法應計時確認。

v) 增值稅退稅

增值稅退稅乃於確認收訖稅務局退稅時予以確認。

vi) 政府津貼

當可合理確定將獲發政府津貼及本集團符合有關條件，則可於資產負債表內初步確認政府津貼為遞延收入。撥作補償本集團開支之津貼，會於開支產生之相同期間有系統地於損益表確認為收益。補償本集團資產成本之津貼，會有系統地按資產可使用年期於損益表確認為收益。

r) 遞延收入

在整段保用期間，已收的保本成本將會在資產負債表內初步確認為遞延收入。通常已收的保本成本將會遞延一年，其後將會於產生時在損益表內確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

s) Translation of foreign currencies

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB, which is the Group's presentation currency. The functional currency of the Company is Hong Kong dollars and the presentation currency is RMB. The reason for using RMB as a presentation currency of the Company is that the functional and presentation currency of the substantive entities within the Group is RMB.

Foreign currency transactions during the year are translated into RMB at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into RMB at the foreign exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

2. 主要會計政策 (續)

s) 外幣換算

本集團各實體之財務報表中所包括之項目，均使用有關實體業務所在之主要經濟環境之貨幣（「功能貨幣」）進行計量。綜合財務報表乃以人民幣（本集團之呈列貨幣）呈列。本公司之功能貨幣為港元及呈報貨幣為人民幣。使用人民幣作為本公司呈報貨幣之原因為本集團內大量實體之功能及呈報貨幣均為人民幣。

年內以外幣結算之交易乃按交易日之匯率換算為人民幣。以外幣換算之貨幣資產及負債，則按結算日之外幣匯率換算為人民幣。外匯收益及虧損乃於損益表內確認。

按歷史成本計量及以外幣列值之非貨幣資產及負債，乃按於交易日期之匯率換算。以外幣為單位並按公平值列賬之非貨幣資產及負債，均按於釐定公平值當日之匯率換算。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

s) Translation of foreign currencies

(Continued)

The results of foreign operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Balance sheet items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into RMB at the foreign exchange rates ruling at the balance sheet date. The resulting exchange differences are recognised directly in a separate component of equity. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

On disposal of a foreign operation, the cumulative amount of the exchange differences recognised in equity which relate to that foreign operation is included in the calculation of the profit or loss on disposal.

t) Borrowing costs

Borrowing costs are expensed in income statement in the period which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

2. 主要會計政策 (續)

s) 外幣換算 (續)

海外業務之業績均按與於交易當日之匯率相若之匯率換算為人民幣。資產負債表項目 (包括因綜合於二零零五年一月一日或之後收購之海外業務而產生之商譽) 均按於結算日之匯率換算為人民幣。所產生之匯兌差額，均直接於獨立之權益成分中確認。因綜合於二零零五年一月一日之前收購之海外業務而產生之商譽，乃按收購海外業務當日之匯率換算。

於出售海外業務時，有關海外業務之累計匯兌差額 (於權益中確認) 會計入出售之盈虧內。

t) 借貸成本

借貸成本乃於產生期間在損益表內列作開支，惟倘某項資產須經一段頗長時間始能投入擬定用途或出售，則須撥充資本，列為購入、建設或生產該項資產所需之直接資本。

屬於合資格資產成本一部分的借貸成本在資產產生開支、借貸成本產生和使資產投入擬定用途或出售所必須的準備工作進行期間開始撥充資本。在使合資格資產投入擬定用途或出售所必須的絕大部分準備工作中止或完成時，借貸成本便會暫停或停止撥充資本。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

u) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- ii) the Group and the party are subject to common control;
- iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- v) the party is a close family member of a party referred to in note 2(u)(i) or is an entity under the control, joint control or significant influence of such individuals; or
- vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

2. 主要會計政策 (續)

u) 有關連人士

在編製本財務報表時，與本集團有關連人士是指：

- i) 該人士有能力直接或間接透過一個或多個中介人控制本集團，或可對本集團的財務及經營決策發揮重大影響，或共同控制本集團；
- ii) 本集團及該人士均受共同控制；
- iii) 該人士屬本集團的聯營公司或該人士乃合營企業而本集團為合營方；
- iv) 該人士屬本集團或本集團母公司主要管理人員的成員、或屬該人士的近親家庭成員、或受該等個人人士控制、共同控制或重大影響的實體；
- v) 該人士如屬2(u)(i)所指的近親家庭成員或受該等個人人士控制、共同控制或重大影響的實體；或
- vi) 該人士屬提供福利予本集團或與本集團有關連實體的僱員的離職後福利計劃。

該人士的近親家庭成員指預期可對該人士與實體間之買賣構成影響或會受該人士與實體間之買賣影響的家庭成員。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

v) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and property, plant and equipment. Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, general interest-bearing borrowings, tax balances, corporate and financing expenses.

2. 主要會計政策 (續)

v) 分部呈報

分部指本集團所提供產品或服務(業務分部)或在特定經濟環境(地域分部)提供產品或服務之可區分類別，且不同分部之風險及回報均不相同。

根據本集團內部財務申報制度，本集團之財務報表以業務分部資料為主要呈報形式，而地區分部資料則為次要呈報形式。

分部收益、開支、業績、資產及負債包括直接屬於某個分部之項目及可合理分配予該分部之項目。舉例而言，分部資產可包括存貨、應收賬款以及物業、機器及設備。分部收益、開支、資產及負債乃在集團內公司間結餘及集團內公司間交易作為綜合賬目過程之部份而對銷前釐定，惟倘該集團內公司間結餘及交易乃於同一分部內之集團企業間進行者則除外。分部間之定價乃根據可提供予其他外界人士之類以條款釐定。

分部資本開支指期內用以購入分部資產(不論有形或無形，而且預計可使用一段期間以上)所產生之總成本。

未分配項目主要包括財務及企業資產、一般計息借款、稅項結餘、企業及財務開支。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

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

In the current year, the Group has where applicable applied the following amendments and interpretations (“new HKFRSs”) issued by the HKICPA which are or have become effective.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial assets
HK(IFRIC) – Int 11	HKFRS 2: Group and Treasury Share Transactions
HK(IFRIC) – Int 12	Service Concession Arrangements
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction

The application of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior year adjustment is required.

The Group has not early applied any of the following new and revised standards, amendments or interpretations which have been issued but are not yet effect for annual periods beginning on 1 January 2008.

HKFRSs (Amendments)	Improvements to HKFRSs ¹
HKAS 1 (Revised)	Presentation of Financial Statements ²
HKAS 23 (Revised)	Borrowing Costs ²
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ³
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ²
HKAS 39 (Amendment)	Eligible Hedged Items ³
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate ²
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ²
HKFRS 3 (Revised)	Business Combinations ³
HKFRS 8	Operating Segments ²
HK(IFRIC) – Int 13	Customer Loyalty Programmes ⁴
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate ²
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation ⁵
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners ³
HK(IFRIC) – Int 18	Transfers of Assets from Customers ⁶

3. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已(如適用)應用下列由香港會計師公會頒佈之已生效修訂及詮釋(「新香港財務報告準則」)。

香港會計準則第39號及香港財務報告準則第7號(修訂)	財務資產之重新分類
香港(國際財務報告詮釋委員會)–詮釋第11號	香港財務報告準則第2號：集團及庫存股份交易
香港(國際財務報告詮釋委員會)–詮釋第12號	服務特許權安排
香港(國際財務報告詮釋委員會)–詮釋第14號	香港會計準則第19號–界定福利資產之限額、最低資本規定及相互之關係

應用新香港財務報告準則對本會計期間或過往會計期間之業績及財務狀況之編製及呈列方式並無造成重大影響，因此毋須作出往年調整。

本集團並無提早應用下列任何於自二零零八年一月一日開始之年度期間已頒佈但尚未生效之新及經修訂準則、修訂或詮釋。

香港財務報告準則(修訂)	對香港財務報告準則之改善 ¹
香港會計準則第1號(經修訂)	財務報表之呈報 ²
香港會計準則第23號(經修訂)	借貸成本 ²
香港會計準則第27號(經修訂)	綜合及獨立財務報表 ³
香港會計準則第32號及第1號(修訂)	可沽售金融工具及清盤產生之責任 ²
香港會計準則第39號(修訂)	合資格對沖項目 ³
香港財務報告準則第1號及香港會計準則第27號(修訂)	投資於附屬公司、共同控制實體或聯營公司之成本 ²
香港財務報告準則第2號(修訂)	歸屬條件及註銷 ²
香港財務報告準則第3號(經修訂)	業務合併 ³
香港財務報告準則第8號	營運分類 ²
香港(國際財務報告詮釋委員會)–詮釋第13號	客戶忠誠計劃 ⁴
香港(國際財務報告詮釋委員會)–詮釋第15號	房地產建造協議 ²
香港(國際財務報告詮釋委員會)–詮釋第16號	對沖海外業務淨投資 ⁵
香港(國際財務報告詮釋委員會)–詮釋第17號	向擁有人分派非現金資產 ³
香港(國際財務報告詮釋委員會)–詮釋第18號	客戶轉讓資產 ⁶

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

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

- 1 Effective for annual periods beginning on or after 1 January 2009 except for the amendments to HKFRS 5 which is effective for annual period beginning on or after 1 July 2009
- 2 Effective for annual periods beginning on or after 1 January 2009
- 3 Effective for annual periods beginning on or after 1 July 2009
- 4 Effective for annual periods beginning on or after 1 July 2008
- 5 Effective for annual periods beginning on or after 1 October 2008
- 6 Effective for transfers of assets from customers received on or after 1 July 2009

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.

HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary.

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

3. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

- 1 於二零零九年一月一日或其後開始之年度期間生效，惟香港財務報告準則第5號之修訂於二零零九年七月一日或其後開始之年度期間生效
- 2 於二零零九年一月一日或其後開始之年度期間生效
- 3 於二零零九年七月一日或其後開始之年度期間生效
- 4 於二零零八年七月一日或其後開始之年度期間生效
- 5 於二零零八年十月一日或其後開始之年度期間生效
- 6 對於二零零九年七月一日或以後接獲之客戶轉讓資產生效

應用香港財務報告準則第3號(經修訂)可能會影響收購日期為二零零九年七月一日或之後開始之首個年度報告期間開始當日或之後之業務合併之會計處理。

香港會計準則第27號(經修訂)將會影響有關母公司於一間附屬公司所擁有權益之變動之會計處理。

本公司董事預期應用其他新及經修訂準則、修訂或詮釋將不會對本集團之業績及財務狀況造成重大影響。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a) Impairment of property, plant and equipment

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the Group has to exercise judgement in the area of asset impairment, particularly in assessing: (i) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (ii) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test. The Group determines whether an asset is impaired at least on an annual basis or where an indication of impairment exists. This requires an estimation of the value in use of the asset. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the assets and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

4. 關鍵會計判斷及估計不確定性之主要來源

估計和判斷會根據過往經驗和其他因素進行持續評估，包括在有關情況下相信為合理的未來事件預測。

本集團對未來作出估計和假設。所得的會計估計故名思義很少會與其實際結果相同。

於下一財政年度有較大風險會導致資產和負債的賬面值作出重大調整的估計和假設主要如下：

a) 物業、機器及設備減值

為了釐定資產是否減值或之前導致減值之事件是否不再存在，本集團須對資產減值作出判斷，特別是評估：(i) 是否已發生可能影響資產價值之事件，或影響資產價值之有關事件是否已不存在；(ii) 資產之賬面值能否得到未來現金流量之現值淨額（根據持續使用資產或不再確認資產而作出估計）所支持；及(iii) 於作出現金流量預測時所應用之適當主要假設，包括該等現金流量預測是否採用適當利率予以貼現。管理層人員在釐定減值水平時所揀選之假設（包括現金流量預測中之貼現率或增長率假設）之變動，有可能會嚴重影響減值測試中所使用之現值淨額。本集團至少會每年釐定資產是否出現減值，或是否存在減值跡象。這需要估計資產之使用價值。估計使用價值時，需要本集團估計資產之預期未來現金流量，並須為計算該等現金流量之現值而揀選適合之貼現率。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

b) Useful lives and residual values of property, plant and equipment

Management determines the estimated useful lives and residual values for the Group's property, plant and equipment. The Group will revise the depreciation charge where useful lives and residual values are different from previous estimates, or will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

c) Impairment of intangible assets

The Group performs annual tests on whether there has been impairment of intangible assets in accordance with the accounting policy stated in note 2(h)(ii). The recoverable amounts of cash generating units are determined based on value in use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value in use calculations.

d) Amortisation of intangible assets

Intangible assets are amortised on a straight-line basis over their estimated useful lives. The determination of the useful lives involves management's estimation. The Group re-assesses the useful life of the intangible assets and, if the expectation differs from the original estimate, such a difference may impact the amortisation in the year and the estimate will be changed in the future period.

4. 關鍵會計判斷及估計不確定性之主要來源 (續)

b) 物業、機器及設備的可使用年期及餘值

管理層釐定本集團物業、機器及設備的估計可使用年期及餘值。倘可使用年期及餘值與先前估計有別，本集團會修訂折舊開支，或將撇銷或撇減技術上已過時或棄用或售出之非策略性資產。

c) 無形資產減值

本集團根據附註2(h)(ii)所載之會計政策就無形資產是否出現減值進行年度測試。現金產生單元之可收回金額按使用價值之計算而釐定。該等計算採用管理層就日後業務營運及除稅前貼現率所作之估計及假設，以及其他計算使用價值時所作之假設。

d) 無形資產攤銷

無形資產按估計可使用年期以直線法攤銷。可使用年期之釐定涉及管理層之估計。本集團重新評估無形資產之可使用年期，如預期與原先估計不同，該差異或會影響年內攤銷，而估計亦會在未來期間出現變動。

Notes to the Financial Statements 財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

e) Impairment of receivables

The policy for impairment on receivables of the Group is based on the evaluation of collectibility, ageing analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional impairment may be required.

f) Taxation

The Group is subject to various taxes in the PRC. Significant judgement is required in determining the provision for taxation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that are initially recorded, such differences will impact the tax provisions in the period in which such determination is made.

4. 關鍵會計判斷及估計不確 定性之主要來源 (續)

e) 應收款項之減值

本集團應收款項減值之政策，乃根據評估賬目之可收回程度及賬齡分析，以及根據管理層人員之判斷而制訂。於評估該等應收款項之最終變現數額時，需作出大量判斷，包括各名客戶之目前信譽及過去收款歷史。倘若本集團客戶之財務狀況惡化，減低彼等付款之能力，則可能須作額外減值。

f) 稅項

本集團在中國須繳納不同稅項。在釐定稅項撥備時，須作出重大判斷。在日常業務過程中，有許多交易及計算均難以明確釐定最終稅項。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務事宜之責任。倘該等事宜之最終稅務結果與起初入賬之金額不同，該等差額將影響稅務釐定期內之稅項撥備。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

5. TURNOVER

The principal activities of the Group are development and sales of computer software, resale of computer hardware, provision of system integration and maintenance services; and manufacture and sales of liquefied coalbed gas.

Turnover represents the sales value of goods supplied and services provided to customers, which excludes value-added and business taxes, and is after deduction of any goods returns and trade discounts. The amount of each significant category of revenue recognised in turnover during the year is as follows:

5. 營業額

本集團之主要業務為電腦軟件開發及銷售、電腦硬件轉售、提供系統集成及維修服務，以及液化煤層氣生產及銷售。

營業額指向客戶提供貨品及服務之銷售值，惟不包括增值稅及營業稅，並於扣除任何退貨及商業折扣後列賬。年內於營業額確認之各項重大收益類別金額如下：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Sales of computer software	電腦軟件銷售	10,527	29,810
Resale of computer hardware	電腦硬件轉售	14,906	5,859
Maintenance and other services fees	維修及其他服務收費	13,165	13,730
Provision of liquefied coalbed gas	提供液化煤層氣	—	—
		38,598	49,399

6. OTHER REVENUE AND NET INCOME

6. 其他收益及收入淨額

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Value-added tax refund	增值稅退稅	3,195	5,527
Net realised and unrealised (losses)/ gains on trading securities	貿易證券之已變現及未變現(虧損)/收益淨額	(2,536)	3,676
Interest income from bank deposits	銀行存款利息收入	513	261
Government grants received	已收政府津貼	353	233
Write back of impairment loss on trade receivables	應收賬款減值虧損撥回	839	25
Net exchange gain	外幣兌換收益淨額	161	141
Others	其他	152	200
		2,677	10,063

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

7. (LOSS)/PROFIT BEFORE INCOME TAX

7. 扣除所得稅前之(虧損)/溢利

(Loss)/profit before income tax is arrived at after charging:

扣除所得稅前之(虧損)/溢利已扣除以下各項：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
(a) Staff costs (excluding directors' emoluments in note 9)	(a) 員工成本 (不含附註9之董事酬金)		
Salaries, wages and other benefits	薪金、工資及其他福利	25,231	17,832
Retirement benefit scheme contributions	退休福利計劃供款	1,950	1,322
Total staff costs	總員工成本	27,181	19,154
(b) Other items	(b) 其他項目		
Cost of inventories sold and services rendered	售出存貨及提供服務之成本	34,142	22,822
Auditor's remuneration	核數師酬金	542	514
Depreciation	折舊	2,140	1,570
Amortisation of prepaid lease payments for land under operating leases	經營租約下預付土地租金攤銷	344	134
Amortisation of intangible assets	無形資產攤銷	4,093	5,515
Impairment loss on property, plant and equipment	物業、機器及設備減值虧損	321	—
Impairment loss on intangible assets	無形資產減值虧損	3,017	—
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	47	7
Impairment loss on trade receivables	應收賬款之減值虧損	3,790	597
Write off of trade and other receivables	應收賬款及其他應收款項撇銷	—	1,694
Operating lease charges in respect of land and buildings	土地及樓宇之經營租約費用	1,138	987
(c) Finance costs	(c) 融資成本		
Interest expense on bank advances and other borrowings wholly repayable within five years	須於五年內全數償還之銀行墊款及其他借貸之利息開支	960	281
Other borrowing costs	其他借貸成本	1,844	1,461
Total borrowing costs	總借貸成本	2,804	1,742
Less: Amount capitalised into construction in progress (Note 14(a)(iii))	減：撥作在建工程資本之款項(附註14(a)(iii))	(901)	—
		1,903	1,742

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

8. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

8. 綜合損益表之所得稅

a) Income tax in the consolidated income statement represents:

a) 綜合損益表之所得稅指：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Current tax –	即期稅項 –		
PRC Enterprise Income Tax (“EIT”)	中國企業所得稅 (「企業所得稅」)		
Provision for the year	本年度撥備	1,680	2,115
Underprovision for the prior years	過往年度撥備不足	666	938
		2,346	3,053
Deferred taxation	遞延稅項		
Origination and reversal of temporary differences (note 31)	暫時差額來源及撥回 (附註31)	(2,022)	412
Income tax charge	所得稅支出	324	3,465

Note:

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 and reduced corporate profits tax rate from 17.5% to 16.5% which is effective from the year of assessment 2008/09. No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profits for the years ended 31 December 2008 and 2007.

Taxation arising in other jurisdictions are calculated at the rates prevailing in the relevant jurisdictions.

附註：

於二零零八年六月二十六日，香港立法會通過《二零零八年收入條例草案》，將公司利得稅稅率由17.5厘減至16.5厘，由二零零八／二零零九評稅年度起生效。由於本集團於截至二零零八年及二零零七年十二月三十一日止年度並無估計應課稅溢利，故並無為香港利得稅作出任何撥備。

其他司法管轄區之稅項乃按照相關司法管轄區當時之課稅率而計算。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

8. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT *(Continued)*

a) Income tax in the consolidated income statement represents:

(Continued)

Note: *(Continued)*

On 16 March 2007, the Fifth Plenary Session of the Tenth National People's Congress promulgated the Enterprise Income Tax Law of the PRC (the "New Tax Law"), which would become effective on 1 January 2008. Further, on 6 December 2007, the State Council released the Implementation Rules to the Enterprise Income Tax Law (the "Implementation Rules").

According to the New Tax Law, from 1 January 2008, the standard EIT rates for enterprises in the PRC will be reduced from 33% to 25%. However, an "encouraged hi-tech enterprise" will continue to be entitled to a reduced EIT rate of 15%.

Under the New Tax Law which became effective from 1 January 2008 and in accordance with "Notification of the State Council on Carrying out the Transitional Preferential Policies concerning Enterprise Income Tax" (Guo Fa [2007] No. 39) promulgated by the State Council on 26 December 2007, an entity established before 16 March 2007 that was entitled to preferential tax treatment prior to the New Tax Law will be subject to a transitional tax rate beginning in the year 2008 ("Transitional tax Rate") before the new EIT rate of 25% applies. For companies currently enjoying a reduced tax rate of 15%, the Transitional Tax Rate is 18%, 20%, 22%, 24% and 25% for 2008, 2009, 2010, 2011 and 2012 onwards respectively.

Any unutilised tax holidays can continue until expiry while tax holidays will be deemed to start from 1 January 2008, even if the company is not yet turning to a profit position.

In addition, according to the New Tax Law, the Company's subsidiaries in the PRC are subject to withholding tax on the dividends paid to their foreign investors out of profits earned subsequent to 1 January 2008.

8. 綜合損益表之所得稅 *(續)*

a) 綜合損益表之所得稅指：*(續)*

附註：*(續)*

於二零零七年三月十六日，第十屆全國人民代表大會第五次會議頒佈了《中國企業所得稅法》(「新稅法」)，自二零零八年一月一日起生效。此外，於二零零七年十二月六日，國務院頒佈企業所得稅法實施條例(「實施條例」)。

根據新稅法，自二零零八年一月一日起，中國企業之標準企業所得稅稅率將由33厘下調至25厘。然而，「高新科技企業」將繼續享有企業所得稅稅率15厘之寬減。

根據自二零零八年一月一日起生效之新稅法及國務院於二零零七年十二月二十六日頒佈之「國務院關於實施企業所得稅過渡優惠政策的通知」(國發[2007]39號)，於二零零七年三月十六日前成立並在新稅法前享有稅務優惠之實體，可自二零零八年開始至採用新的25厘所得稅稅率前享有過渡稅率(「過渡稅率」)。目前享有獲減低之15厘企業所得稅稅率之企業，其於二零零八年、二零零九年、二零一零年、二零一一年及二零一二年之過渡稅率分別為18厘、20厘、22厘、24厘及25厘。

所有尚未期滿之稅務優惠期將可繼續享用，直到期滿為止。而即使公司尚未獲利，其稅務優惠期均視為自二零零八年一月一日起開始。

另外，根據新稅法，本公司之中國附屬公司須就其於二零零八年一月一日後向其境外投資者自所賺取溢利支付股息扣除預扣稅項。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

8. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT *(Continued)*

8. 綜合損益表之所得稅 (續)

b) Reconciliation between income tax charge and accounting (loss)/profit at applicable tax rates is as follows:

b) 按適用稅率計算之所得稅支出與會計(虧損)/溢利之對賬如下：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
(Loss)/profit before income tax	扣除所得稅前(虧損)/溢利	(33,261)	965
Notional tax on (loss)/profit before income tax, calculated at the rates applicable to the countries concerned	按所在國家適用稅率計算之扣除所得稅前(虧損)/溢利名義稅項	(5,654)	(824)
Tax effect of non-deductible expenses	不可扣減開支之稅項影響	4,026	919
Tax effect of non-taxable income	毋須課稅收益之稅項影響	(753)	(28)
Tax effect of tax losses not allowed for tax deduction	不可扣稅稅項虧損之稅務影響	1,954	1,374
Tax effect of unused tax losses not recognised	未確認尚未使用稅項虧損的稅務影響	801	597
Tax effect of utilisation of tax losses not recognised	未確認已使用稅項虧損的稅務影響	—	(205)
(Over)/underprovision of deferred tax expenses in prior years	過往年度遞延稅項開支(超額撥備)/撥備不足	(575)	694
Underprovision of current tax in prior years	過往年度即期稅項撥備不足	666	938
Tax effect of change in tax rates	稅率變動之稅務影響	(141)	—
Income tax charge	所得稅指支出	324	3,465

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

9. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

9. 董事酬金

根據香港公司條例第161條披露之董事酬金如下：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Fees	袍金	135	146
Salaries and other emoluments	薪金及其他薪酬	1,782	2,169
Bonus	花紅	—	—
Retirement benefit scheme contributions	退休福利計劃供款	—	—
		1,917	2,315

Details of directors' emoluments by individual for the year ended 31 December 2008 are as follows:

截至二零零八年十二月三十一日止年度，個別人士之董事酬金詳情如下：

		Salaries and other emoluments		Retirement benefit scheme contributions		Total
		Fees	Salaries and other emoluments	Bonus	Retirement benefit scheme contributions	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Executive directors		執行董事				
Wang Zhong Sheng	王忠勝	—	890	—	—	890
Shi Liang	施亮	—	712	—	—	712
Non-executive directors		非執行董事				
Chang Jian (note)	常建(附註)	—	—	—	—	—
Kwok Shun Tim	郭純恬	—	178	—	—	178
Ye Jinxing	葉金興	—	2	—	—	2
Independent non-executive directors		獨立非執行董事				
Yan Chang Ming	閻長明	45	—	—	—	45
Luo Wei Kun	羅維崑	45	—	—	—	45
Pang Yuk Fong	彭玉芳	45	—	—	—	45
		135	1,782	—	—	1,917

Note: Resigned on 15 October 2008

附註：於二零零八年十月十五日辭任。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

9. DIRECTORS' EMOLUMENTS (Continued)

Details of directors' emoluments by individuals for the year ended 31 December 2007 are as follows:

9. 董事酬金 (續)

截至二零零七年十二月三十一日止年度，個別人士之董事酬金詳情如下：

		Salaries and other emoluments			Retirement benefit scheme contributions		Total
		Fees	Bonus	Bonus	退休福利計劃供款		總計
		袍金	薪金與其他薪酬	花紅	退休福利計劃供款		總計
		RMB'000	RMB'000	RMB'000	RMB'000		RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元		人民幣千元
Executive directors	執行董事						
Wang Zhong Sheng	王忠勝	—	970	—	—		970
Shi Liang	施亮	—	776	—	—		776
Non-executive directors	非執行董事						
Chang Jian	常建	—	194	—	—		194
Kwok Shun Tim	郭純恬	—	194	—	—		194
Ye Jinxing	葉金興	—	35	—	—		35
Independent non-executive directors	獨立非執行董事						
Yan Chang Ming	閻長明	48	—	—	—		48
Luo Wei Kun	羅維崑	49	—	—	—		49
Pang Yuk Fong	彭玉芳	49	—	—	—		49
		146	2,169	—	—		2,315

During the years ended 31 December 2008 and 2007, no directors waived any emoluments. No inducement payments to join or upon joining the Group or as compensation for loss of office was paid or payable to any director for the years ended 31 December 2008 and 2007.

於截至二零零八年及二零零七年十二月三十一日止年度，概無董事放棄任何酬金。於截至二零零八年及二零零七年十二月三十一日止年度，並無向任何董事支付或應付任何加入本集團或加入本集團時之獎賞或離職補償。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, two (2007: two) are directors whose emoluments are disclosed in note 9. The aggregate of the emoluments in respect of the other three (2007: three) individuals are as follows:

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Salaries, wages and other benefits	薪金、工資及其他福利	2,717	1,595
Retirement benefit scheme contributions	退休福利計劃供款	—	—
		2,717	1,595

五名最高薪人士中，兩名(二零零七年：兩名)為董事，彼等之酬金於附註9披露。其他三名(二零零七年：三名)個別人士之酬金總額如下：

For the year ended 31 December 2008, the emoluments of the three (2007: three) individuals with the highest emoluments are within the following bands:

		2008 二零零八年 Number of individuals 人數	2007 二零零七年 Number of individuals 人數
RMB Nil to RMB890,000 (equivalent to approximately HK\$Nil to HK\$1,000,000)	人民幣零元至人民幣 890,000元(相等於約 零港元至1,000,000港元)	2	3
RMB890,001 to RMB1,335,000 (equivalent to approximately HK\$1,000,001 to HK\$1,500,000)	人民幣890,001元至人民幣 1,335,000元(相等於約 1,000,001港元至1,500,000港元)	1	—

截至二零零八年十二月三十一日止年度，三名(二零零七年：三名)最高薪個別人士之酬金介乎以下範圍：

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

11. LOSS ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated loss attributable to equity shareholders of the Company includes a loss of approximately RMB10,558,000 (2007: loss of RMB10,013,000) which has been dealt with in the financial statements of the Company.

12. LOSS PER SHARE

a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of approximately RMB33,585,000 (2007: RMB2,500,000) and the weighted average number of 609,160,000 (2007: 514,728,000) ordinary shares in issue during the year, calculated as follows:

		2008 二零零八年 '000 千股	2007 二零零七年 '000 千股
Issued ordinary shares at 1 January	於一月一日之 已發行普通股	567,600	473,000
Effect of issue of shares by share placement	透過股份配售發行 股份之影響	41,560	41,728
Weighted average number of ordinary shares at 31 December	於十二月三十一日之 普通股加權平均數	609,160	514,728

b) Diluted loss per share

There were no dilutive potential shares during 2008 and 2007, and diluted loss per share is the same as basic loss per share.

11. 本公司權益股東應佔虧損

本公司權益股東應佔綜合虧損，包括已於本公司財務報表處理之虧損約人民幣10,558,000元(二零零七年：虧損人民幣10,013,000元)。

12. 每股虧損

a) 每股基本虧損

每股基本虧損乃按本公司普通權益股東應佔虧損約人民幣33,585,000元(二零零七年：人民幣2,500,000元)及年內已發行普通股加權平均數609,160,000股(二零零七年：514,728,000股)計算，其計算如下：

b) 每股攤薄虧損

二零零八年及二零零七年並無攤薄潛在普通股份，而每股攤薄虧損與每股基本虧損相同。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

13. SEGMENT REPORTING

Segment information is presented in respect of the Group's business segments. As all of the Group's revenue and results were substantially derived from the PRC, no geographical segment information is presented.

Business segments

The Group has the following major business segments:

- | | | |
|--------------------------------|---|---|
| Computer software | : | Development and sales of computer software relating to securities and financial industries in the PRC |
| Computer hardware | : | Resale of computer hardware |
| Maintenance and other services | : | Provision of repairs and maintenance and other technical support services for customers |
| Liquefied coalbed gas | : | Manufacture and sales of liquefied coalbed gas |

13. 分部呈報

分部資料按本集團之業務分部呈列。由於本集團之收益及業績大部份均來自中國，故並無呈列地區分部資料。

業務分部

本集團之主要業務分部包括：

- | | | |
|---------|---|-----------------------|
| 電腦軟件 | : | 在中國開發及銷售證券及金融業有關之電腦軟件 |
| 電腦硬件 | : | 轉售電腦硬件 |
| 維修及其他服務 | : | 向客戶提供修理及維護以及其他技術支援服務 |
| 液化煤層氣 | : | 生產及銷售液化煤層氣 |

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

13. SEGMENT REPORTING (Continued)

13. 分部呈報 (續)

An analysis of the Group's revenue and results by business segments is as follows:

本集團按業務分部劃分之收益及業績分析如下：

		Computer Software 電腦軟件		Computer Hardware 電腦硬件		Maintenance and other services 維修及其他服務		Liquefied coalbed gas 液化煤層氣		Consolidated total 總計	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Revenue from external customers	來自外界客戶之收益	10,527	29,810	14,906	5,859	13,165	13,730	—	—	38,598	49,399
Other revenue	其他收益	3,195	5,527	—	—	—	—	—	—	3,195	5,527
Total	總計	13,722	35,337	14,906	5,859	13,165	13,730	—	—	41,793	54,926
Segment results	分部業績	(20,127)	5,776	(3,025)	(178)	6,146	4,647	(10,288)	(1,544)	(27,294)	8,701
Unallocated operating income and expenses	未分配經營收入及支出									(4,064)	(5,994)
Finance costs	融資成本									(1,903)	(1,742)
(Loss)/profit before income tax	除所得稅前(虧損)/溢利									(33,261)	965
Income tax	所得稅									(324)	(3,465)
Loss for the year	本年度虧損									(33,585)	(2,500)
Depreciation	折舊	1,133	615	255	140	306	566	50	24	1,744	1,345
Unallocated depreciation	未分配折舊									396	225
										2,140	1,570
Amortisation of prepaid lease payments for land under operating leases	經營租約下預付土地租金攤銷	100	11	4	2	39	121	201	—	344	134
Amortisation of intangible assets	無形資產攤銷	4,093	5,515	—	—	—	—	—	—	4,093	5,515
Impairment loss on property, plant and equipment	物業、機器及設備減值虧損	202	—	11	—	108	—	—	—	321	—
Impairment loss on intangible assets	無形資產減值虧損	3,017	—	—	—	—	—	—	—	3,017	—
Loss on disposal of property, plant and equipment	出售物業、機器及設備虧損	25	7	16	—	6	—	—	—	47	7
Impairment loss on trade receivables	應收賬款減值虧損	3,521	597	245	—	24	—	—	—	3,790	597
Write off of trade and other receivables	應收賬款及其他應收款項撇銷	—	1,671	—	23	—	—	—	—	—	1,694
Write back of impairment loss on trade receivables	應收賬款減值虧損撥回	(817)	(25)	(22)	—	—	—	—	—	(839)	(25)
Operating lease charges in respect of land and buildings	土地及樓宇之經營租約費用	80	110	60	20	14	32	—	—	154	162
Unallocated operating lease charges	未分配經營租約費用									984	825
										1,138	987

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

13. SEGMENT REPORTING (Continued)

13. 分部呈報 (續)

An analysis of the Group's revenue and results by business segments is as follows: (Continued)

本集團按業務分部劃分之收益及業績分析如下：(續)

		Computer Software		Computer Hardware		Maintenance and other services		Liquefied coalbed gas		Consolidated total	
		電腦軟件	電腦軟件	電腦硬件	電腦硬件	維修及其他服務	維修及其他服務	液化煤層氣	液化煤層氣	總計	總計
		2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Segment assets	分部資產	16,558	41,761	10,207	7,897	14,910	17,778	168,812	67,585	210,487	135,021
Unallocated assets	未分配資產									28,652	27,628
Total assets	總資產									239,139	162,649
Segment liabilities	分部負債	31,265	13,444	3,043	2,704	5,811	8,143	34,850	19,859	74,969	44,150
Bank and other borrowings	銀行及其他借貸	–	4,804	–	944	–	2,212	40,000	–	40,000	7,960
Unallocated liabilities	未分配負債									4,040	3,880
Total liabilities	總負債									119,009	55,990
Capital expenditure	資本開支	468	558	337	1,961	91	2,245	124,021	15,630	124,917	20,394
Unallocated capital expenditure	未分配資本開支									8	3,022
										124,925	23,416

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、機器及設備

a) The Group

a) 本集團

		Buildings held for own use 持作自用之樓宇 RMB'000 人民幣千元	Leasehold improvements 租賃裝修工程 RMB'000 人民幣千元	Computer equipment 電腦設備 RMB'000 人民幣千元	Furniture and equipment 傢俱及設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	原值							
At 1 January 2007	於二零零七年一月一日	1,673	919	2,487	726	789	—	6,594
Additions	添置	3,632	1,960	761	1,482	2,287	11,130	21,252
Disposals	出售	—	(680)	(225)	(93)	—	—	(998)
Reclassification	重新分類	—	38	(38)	—	—	—	—
Exchange adjustments	匯兌調整	—	—	(3)	(7)	—	—	(10)
At 31 December 2007 and 1 January 2008	於二零零七年十二月三十一日及二零零八年一月一日	5,305	2,237	2,982	2,108	3,076	11,130	26,838
Additions (note (iii))	添置(附註(iii))	—	—	664	488	—	112,768	113,920
Disposals	出售	—	—	(727)	(100)	—	—	(827)
Exchange adjustments	匯兌調整	—	(5)	(5)	(6)	—	—	(16)
At 31 December 2008	於二零零八年十二月三十一日	5,305	2,232	2,914	2,490	3,076	123,898	139,915
Accumulated depreciation and impairment	累計折舊及減值							
At 1 January 2007	於二零零七年一月一日	206	591	1,362	482	243	—	2,884
Charge for the year	本年度支出	278	297	539	179	277	—	1,570
Written back on disposals	出售撥回	—	(680)	(217)	(78)	—	—	(975)
Exchange adjustments	匯兌調整	—	—	(4)	(4)	—	—	(8)
At 31 December 2007 and 1 January 2008	於二零零七年十二月三十一日及二零零八年一月一日	484	208	1,680	579	520	—	3,471
Charge for the year	本年度支出	246	472	565	353	504	—	2,140
Written back on disposals	出售撥回	—	—	(682)	(95)	—	—	(777)
Impairment loss (note (iv))	減值虧損(附註(iv))	321	—	—	—	—	—	321
Exchange adjustments	匯兌調整	—	(2)	(4)	(6)	—	—	(12)
At 31 December 2008	於二零零八年十二月三十一日	1,051	678	1,559	831	1,024	—	5,143
Net book value	賬面淨值							
At 31 December 2008	於二零零八年十二月三十一日	4,254	1,554	1,355	1,659	2,052	123,898	134,772
At 31 December 2007	於二零零七年十二月三十一日	4,821	2,029	1,302	1,529	2,556	11,130	23,367

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

14. PROPERTY, PLANT AND EQUIPMENT

(Continued)

a) The Group (Continued)

- (i) The buildings held for own use are situated on land held under medium-term leases in the PRC.
- (ii) At 31 December 2008, the net book value of buildings pledged for the Group's bank facilities was nil (2007: RMB4,799,000).
- (iii) Additions of construction in progress for the year ended 31 December 2008 includes interest expense on other borrowing wholly repayable within five years of approximately RMB901,000 (2007: Nil).
- (iv) As at 31 December 2008, the directors assessed the recoverable amount of buildings by reference to valuation report performed by Asset Appraisal Limited on the basis of their open market value by reference to observable prices in recent market transactions in comparable properties. Asset Appraisal Limited, is a firm of independent professional valuers, who has among their staff associate members of the Hong Kong Institute of Surveyors with recent experience in the location and category of the properties being valued. Based on the assessment, the directors concluded that an impairment loss of RMB321,000 (2007: Nil) was charged to the income statement.

14. 物業、機器及設備 (續)

a) 本集團 (續)

- (i) 持作自用之樓宇位處中國按中期租約持有之土地上。
- (ii) 於二零零八年十二月三十一日，本集團抵押以獲取銀行信貸之樓宇賬面淨值為零 (二零零七年：人民幣4,799,000元)。
- (iii) 截至二零零八年十二月三十一日止年度之在建工程之添置包括須於五年內全數償還之其他借貸之利息開支約人民幣901,000元 (二零零七年：零)。
- (iv) 於二零零八年十二月三十一日，董事參考了由資產評估有限公司編製之估值報告，根據近期同類物業於市場交易之可觀察價格後得出之公開市值評估了樓宇之可收回款額。資產評估有限公司為一間獨立專業估值公司，其僱員當中包括香港測量師學會之會員，並對所評估物業之地點及類別具備近期經驗。根據評估，董事確定減值虧損人民幣321,000元 (二零零七年：零) 已計入損益表。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、機器及設備 (續)

(Continued)

b) The Company

b) 本公司

		Leasehold improvements 租賃裝修工程 RMB'000 人民幣千元	Computer equipment 電腦設備 RMB'000 人民幣千元	Furniture and equipment 傢俱及設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	原值					
At 1 January 2007	於二零零七年 一月一日	—	75	112	330	517
Additions	添置	81	23	—	1,332	1,436
Exchange adjustments	匯兌調整	—	(2)	(7)	—	(9)
At 31 December 2007 and 1 January 2008	於二零零七年 十二月三十一日 及二零零八年 一月一日	81	96	105	1,662	1,944
Additions	添置	—	8	—	—	8
Disposals	出售	—	(37)	—	—	(37)
Exchange adjustments	匯兌調整	(5)	(2)	(6)	—	(13)
At 31 December 2008	於二零零八年 十二月三十一日	76	65	99	1,662	1,902
Accumulated depreciation	累計折舊					
At 1 January 2007	於二零零七年 一月一日	—	38	81	16	135
Charge for the year	本年度支出	7	14	21	178	220
Exchange adjustments	匯兌調整	—	(5)	(4)	—	(9)
At 31 December 2007 and 1 January 2008	於二零零七年 十二月三十一日 及二零零八年 一月一日	7	47	98	194	346
Charge for the year	本年度支出	39	12	2	332	385
Written back on disposals	出售撥回	—	(37)	—	—	(37)
Exchange adjustments	匯兌調整	(2)	(2)	(6)	—	(10)
At 31 December 2008	於二零零八年 十二月三十一日	44	20	94	526	684
Net book value	賬面淨值					
At 31 December 2008	於二零零八年 十二月三十一日	32	45	5	1,136	1,218
At 31 December 2007	於二零零七年 十二月三十一日	74	49	7	1,468	1,598

Notes to the Financial Statements 財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

15. PREPAID LEASE PAYMENTS FOR LAND UNDER OPERATING LEASES

The net book value of the Group's prepaid lease payments for land under operating leases is analysed as follows:

15. 經營租約下預付土地租金

本集團經營租約下預付土地租金之賬面淨值分析如下：

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Net book value at 1 January	於一月一日之賬面淨值	3,685	1,655
Additions	添置	11,005	2,164
		14,690	3,819
Amortisation for the year	本年度攤銷	(344)	(134)
Net book value at 31 December	於十二月三十一日之賬面淨值	14,346	3,685
Less: Current portion	減：即期部份	(363)	(143)
Non-current portion	非即期部份	13,983	3,542

The prepaid lease payments for land under operating leases in respect of land are held under medium-term leases and situated in the PRC. At 31 December 2008, the cost of the prepaid lease payments for land under operating leases is RMB15,050,000 (2007: RMB4,045,000).

At 31 December 2008, the Group was in the process of applying to the relevant government authority for the land use right certificate in respect of a piece of land located in the PRC at net book value of RMB10,804,000 (2007: Nil).

The amortisation charge for the year is included in administrative expenses in the consolidated income statement.

經營租約下之預付土地租金乃按中期租約持有，其位於中國。於二零零八年十二月三十一日，經營租約下之預付土地租金成本為人民幣15,050,000元(二零零七年：人民幣4,045,000元)。

於二零零八年十二月三十一日，本集團正就位於中國之一幅土地向有關政府機關申請土地使用權證，該土地之賬面淨值為人民幣10,804,000元(二零零七年：零)。

本年度攤銷支出於綜合損益表之行政開支列賬。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

16. INTANGIBLE ASSETS

The Group

16. 無形資產

本集團

		Computer software development costs
		電腦軟件開發成本
		RMB'000
		人民幣千元
Cost	原值	
At 1 January 2007,	於二零零七年一月一日、	
31 December 2007,	二零零七年十二月三十一日、	
1 January 2008 and	二零零八年一月一日及	
31 December 2008	二零零八年十二月三十一日	29,069
Accumulated amortisation and impairment	累計攤銷及減值	
At 1 January 2007	於二零零七年一月一日	16,444
Amortisation for the year	本年度攤銷	5,515
At 31 December 2007 and 1 January 2008	於二零零七年十二月三十一日及二零零八年一月一日	21,959
Amortisation for the year	本年度攤銷	4,093
Impairment loss	減值虧損	3,017
At 31 December 2008	於二零零八年十二月三十一日	29,069
Carrying amount	賬面值	
At 31 December 2008	於二零零八年十二月三十一日	—
At 31 December 2007	於二零零七年十二月三十一日	7,110

Notes to the Financial Statements 財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

16. INTANGIBLE ASSETS (Continued)

The Group (Continued)

Amortisation of intangible assets is recognised as an expense on a straight-line basis over their estimated useful lives of not exceeding five years.

The amortisation charge for the year is included in cost of sales in the consolidated income statement.

The recoverable amount of computer software development costs has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering one year period, which is the remaining life of the computer software development costs held by the Group. Other key assumptions for the value in use calculation relate to the estimation of cash inflow/outflow which include budgeted revenue and gross margin. Such estimation is based on the past performance and management's expectations of the return on computer software development costs. The directors of the Company considered that it is unlikely that the computer software development costs have any future value in use and therefore the carrying amount of these computer software development cost of approximately RMB3,017,000 (2007: Nil) were fully impaired.

17. DEPOSITS FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

During the year, the Group paid a total sum of approximately RMB7,000,000 (2007: RMB34,600,000) as deposits for the acquisition of certain property, plant and equipment, which comprise of two sets of plant and machinery for two production plants for the manufacture of liquefied coalbed gas in Shanxi Province PRC.

16. 無形資產 (續)

本集團 (續)

無形資產攤銷於不超過五年之估計可使用年內以直線法確認為開支。

本年度攤銷支出於綜合損益表銷售成本內列賬。

電腦軟件開發成本之可收回款額乃根據使用價值計算方法釐定。該計算乃使用根據管理層人員於一年期間內(即本集團持有之電腦軟件開發成本之餘下年期)批准之財政預算之現金流量預測。使用價值計算方法之其他主要假設與現金流入/流出之估計有關,包括預算收益及邊際毛利。有關估計乃根據過往表現及管理層對電腦軟件開發成本回報之預期而作出。本公司董事認為,電腦軟件開發成本不大可能擁有任何日後使用價值,因此該等電腦軟件開發成本約人民幣3,017,000元(二零零七年:零)之賬面值已全數作出減值。

17. 收購物業、機器及設備之訂金

本年度,本集團共支付約人民幣7,000,000元(二零零七年:人民幣34,600,000元)以作為收購若干物業、機器及設備之訂金,其中包括中國山西省兩個液化煤層氣生產工廠的兩組機器及設備。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

17. DEPOSITS FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

(Continued)

It is expected that the Group will invest approximately RMB320,000,000 to pursue the liquefied coalbed gas business and the directors of the Company expects that the production plants will start commercial production in 2009.

Capital commitments of the Group contracted for in respect of the remaining unpaid balances of approximately RMB85,400,000 (2007: RMB122,710,000) for the above acquisition are disclosed in note 36(a) to the financial statements.

18. DEPOSITS FOR ACQUISITION OF INTERESTS IN LAND UNDER OPERATING LEASES

During the year, the Group paid a total sum of approximately RMB1,311,000 (2007: RMB11,549,000) as deposits for the acquisition of interests in land in Shanxi Province PRC which will be held for own use under operating leases.

19. INVESTMENTS IN SUBSIDIARIES

17. 收購物業、機器及設備之訂金 (續)

本集團預計將投資約人民幣320,000,000元用於發展液化煤層氣業務，本公司董事預期生產工廠將於二零零九年投入商業生產。

上述收購未支付餘額約為人民幣85,400,000元(二零零七年：人民幣122,710,000元)，本集團就該款項已訂約之資本承擔於財務報表附註36(a)中披露。

18. 收購經營租約下土地權益之訂金

本年度，本集團已合共支付約人民幣1,311,000元(二零零七年：人民幣11,549,000元)作為收購中國山西省土地權益之訂金，該土地將根據經營租約持有作自用。

19. 於附屬公司之投資

		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Unlisted shares, at cost	非上市股份，按原值	110,233	67,992

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

19. INVESTMENTS IN SUBSIDIARIES

(Continued)

At as 31 December 2008, the details of the subsidiaries are as follows:

19. 於附屬公司之投資 (續)

於二零零八年十二月三十一日，附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Particulars of issued and paid up share/ registered capital 已發行及繳付股本/ 註冊資本詳情	Proportion of equity interest 股權比例		Principal activities/place of operation 主要業務/營運地點	
			Group's effective interest 本集團 實際權益	Direct 直接		Indirect 間接
Shine Science & Technology (BVI) Company Limited	British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」)	100,000 ordinary shares of US\$0.01 each 100,000股每股 面值0.01美元之普通股	100%	100%	—	Investment holding/ Hong Kong 投資控股/香港
Inboom Holdings Limited	BVI 英屬處女群島	1 ordinary share of US\$1.00 each 1股每股 面值1.00美元之普通股	100%	100%	—	Not yet commenced business/ Hong Kong 暫無開始業務/香港
Fujian Shine Science & Technology Co., Ltd. (note (a)) 福建新意科技有限公司(附註(a))	PRC 中國	Registered capital of RMB12,500,000 註冊資本 人民幣12,500,000元	100%	—	100%	Development and sales of computer software, resale of computer hardware, provision of system integration and maintenance/PRC 開發及銷售電腦軟件、轉售電腦硬件及提供系統集成及維修服務/中國
Shanghai Shine Science & Technology Co., Limited (note (b)) 上海新意新科技有限公司(附註(b))	PRC 中國	Registered capital of RMB5,000,000 註冊資本 人民幣5,000,000元	100%	—	100%	Development and sales of computer software, resale of computer hardware, provision of system integration and maintenance/PRC 開發及銷售電腦軟件、轉售電腦硬件及提供系統集成及維修服務/中國
Fuzhou Xinwangluo Network Company Limited (note (c)) 福州新意新網絡有限公司(附註(c))	PRC 中國	Registered capital of RMB1,000,000 註冊資本 人民幣1,000,000元	100%	—	100%	Resale of computer hardware and network installation/PRC 轉售電腦硬件及進行網絡安裝/中國
Shanxi Yangcheng Shuntai Energy Development Company Limited (note (d)) 山西陽城順泰能源發展有限公司(附註(d))	PRC 中國	Registered capital of HK\$37,000,000 註冊資本 37,000,000港元	100%	100%	—	Manufacture and sales of liquefied coalbed gas/PRC 液化煤層氣生產及銷售/中國
Shanxi Qinshui Shuntai Energy Development Company Limited (note (e)) 山西沁水順泰能源發展有限公司(附註(e))	PRC 中國	Registered capital of HK\$80,000,000 註冊資本 80,000,000港元	100%	100%	—	Manufacture and sales of liquefied coalbed gas/PRC 液化煤層氣生產及銷售/中國

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

19. INVESTMENTS IN SUBSIDIARIES

(Continued)

Note:

- (a) Fujian Shine Science & Technology Co., Ltd. is a wholly-owned foreign enterprise established in the PRC.
- (b) Shanghai Shine Science & Technology Co., Limited is a wholly-owned foreign enterprise established in the PRC. The Group nominated Ms. Gu Yun ("Ms. Gu"), the ex-chairman of the Company to hold a 10% equity interest in trust for and on behalf of the Group.
- (c) Fuzhou Xinwangluo Network Company Limited is a wholly-owned foreign enterprise established in the PRC. The Group nominated Ms. Gu to hold a 33% equity interest in trust for and on behalf of the Group.
- (d) Shanxi Yangcheng Shuntai Energy Development Company Limited ("Yangcheng Energy") is a wholly-owned foreign enterprise established in the PRC. The registered capital of Yangcheng Energy was HK\$40,000,000 (equivalent to approximately RMB38,800,000) of which HK\$37,000,000 (equivalent to approximately RMB35,411,000) was paid up by the Group as at 31 December 2008.
- (e) Shanxi Qinshui Shuntai Energy Development Company Limited ("Qinshui Energy") is a wholly-owned foreign enterprise established in the PRC. The registered capital of Qinshui Energy was HK\$80,000,000 (equivalent to approximately RMB74,804,000) which was fully paid up by the Group as at 31 December 2008.

19. 於附屬公司之投資 (續)

附註：

- (a) 福建新意科技有限公司為於中國成立之全外資企業。
- (b) 上海新意新科技有限公司為於中國成立之全外資企業。本集團提名本公司前主席顧雲女士(「顧女士」)以信託方式代表本集團持有其10%權益。
- (c) 福州新意新網絡有限公司為於中國成立之全外資企業。本集團提名顧女士以信託方式代表本集團持有其33%權益。
- (d) 山西陽城順泰能源發展有限公司(「陽城能源」)為於中國成立之全外資企業。陽城能源之註冊資本為40,000,000港元(相等於約人民幣38,800,000元)，其中，本集團於二零零八年十二月三十一日已繳付37,000,000港元(相等於約人民幣35,411,000元)。
- (e) 山西沁水順泰能源發展有限公司(「沁水能源」)為於中國成立之全外資企業。沁水能源之註冊資本為80,000,000港元(相等於約人民幣74,804,000元)，已由本集團於二零零八年十二月三十一日繳足。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

20. AVAILABLE-FOR-SALE INVESTMENT

20. 可供出售投資

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Unlisted equity securities, at cost	非上市股本證券，按成本計	4,800	—

During the year ended 31 December 2008, the Group acquired 8% equity interests, in 山西萬志物流有限公司 (“萬志物流”) at a consideration of RMB4,800,000. The available-for-sale investment represents investment in unlisted equity securities issued by private entity incorporated in PRC. They are measured at cost less impairment at each balance sheet date because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

截至二零零八年十二月三十一日止年度，本集團已收購山西萬志物流有限公司（「萬志物流」）8%股權，代價為人民幣4,800,000元。可供出售投資指投資於中國註冊成立之私營實體之非上市股本證券，該等證券於每個結算日以成本減減值計量，原因為合理公平值之估計範圍非常大，因此本公司董事認為該等證券之公平值不能可靠地計量。

21. TRADING SECURITIES

21. 貿易證券

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Listed securities, at market value	上市證券，按市值計		
— Listed equity securities in Hong Kong	— 香港之上市股本證券	1,179	3,488
— Listed equity securities in the PRC	— 中國之上市股本證券	364	825
		1,543	4,313
Unlisted securities	非上市證券		
— Managed investment funds in the PRC (note)	— 中國之管理投資基金 (附註)	14,528	—
		16,071	4,313

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

21. TRADING SECURITIES (Continued)

Note: The managed investment funds are managed by professional investment managers and mainly comprise securities issued by central banks, banks and other financial institutions and corporate entities. Fair values of unlisted managed investment funds are provided by fund managers. The valuation is generally based upon the market return and performance of the underlying securities.

21. 貿易證券 (續)

附註：管理投資基金乃由專業投資經理管理，主要包含由中央銀行、銀行及其他金融機構及企業實體發行之證券。非上市管理投資基金之公平值乃由基金經理提供。其估值一般根據有關證券之市場回報及表現進行。

22. INVENTORIES

Inventories in the consolidated balance sheet comprise:

22. 存貨

於綜合資產負債表之存貨包括：

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Computer hardware and accessories acquired for resale	電腦硬件及作轉售而購入之配件	969	769

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

23. TRADE AND OTHER RECEIVABLES

23. 應收賬款及其他應收款項

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Amounts due from subsidiaries (note (a))	應收附屬公司款項(附註(a))	—	—	22,686	16,609
Trade receivables (note (d))	應收賬款(附註(d))	3,029	8,272	—	—
Amounts due from securities broker firms (note (b))	應收證券經紀行款項(附註(b))	55	6,871	—	—
Other receivables	其他應收款項	1,440	2,112	186	663
		4,524	17,255	22,872	17,272
Prepayments and deposits	預付款項及按金	14,106	6,918	2,362	2,773
		18,630	24,173	25,234	20,045

Note:

附註：

- (a) The amounts due from subsidiaries are unsecured, interest-free and repayable on demand.
- (b) During the year, the Group traded securities through securities broker firms. As at 31 December 2008, a total amount of approximately RMB55,000 (2007: RMB6,871,000) was due from securities broker firms. The amounts are unsecured and bear interest at prevailing market interest rates and can be withdrawn by the Group at any time.
- (c) All of the trade and other receivables, apart from prepayments and deposits, are expected to be recovered within one year.

- (a) 應收附屬公司款項為無抵押、免息並須應要求償還。
- (b) 本年度，本集團透過證券經紀行買賣證券。於二零零八年十二月三十一日，應收證券經紀行之款項總額約為人民幣55,000元(二零零七年：人民幣6,871,000元)。該筆款項為無抵押、按現行市場利率計息及可由本集團隨時提用。
- (c) 除預付款項及按金外，預期所有應收賬款及其他應收款項將於一年內收回。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

23. TRADE AND OTHER RECEIVABLES

(Continued)

Note: (Continued)

(d) The ageing analysis of the trade receivables is as follows:

23. 應收賬款及其他應收款項

(續)

附註：(續)

(d) 應收賬款之賬齡分析如下：

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Within 1 month	1個月內	1,788	3,052
More than 1 month but less than 3 months	1個月後但3個月內	653	3,087
More than 3 months but less than 6 months	3個月後但6個月內	588	2,079
More than 6 months but less than 12 months	6個月後但12個月內	719	336
More than 12 months	12個月後	6,915	4,401
		10,663	12,955
Less: Impairment loss on trade receivables (note (e))	減：應收賬款之減值虧損 (附註(e))	(7,634)	(4,683)
		3,029	8,272

The Group generally grants credit terms of 30 days to 180 days to its customers. The Group may, on a case by case basis and after evaluation of the business relationship and credit worthiness, extend the credit period upon the customers' request.

本集團一般給予客戶30至180日信貸期。本集團可按每個個案基準，及於評估業務關係及信譽後，應客戶要求延長信貸期。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

23. TRADE AND OTHER RECEIVABLES

(Continued)

Note: (Continued)

- (e) The movement of impairment loss on trade receivables is as follows:

23. 應收賬款及其他應收款項

(續)

附註：(續)

- (e) 應收賬款減值虧損之變動如下：

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
At 1 January	於一月一日	4,683	4,111
Write back of impairment loss on trade receivables during the year	年內撥回之 應收賬款減值虧損	(839)	(25)
Impairment loss on trade receivables recognised during the year	年內確認之應收 賬款減值虧損	3,790	597
At 31 December	於十二月三十一日	7,634	4,683

Impairment losses in respect of trade debtors are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors directly (see note 2(j)).

Write back of impairment loss on trade receivables represents the recovery of the consideration received in relation to the impaired trade receivables. An allowance for non-recoverable amount that had been made in previous years was written back accordingly.

As at 31 December 2008, trade receivables of the Group amounting to RMB7,634,000 (2007: RMB4,683,000) were individually determined to be impaired and full provision had been made. These individually impaired receivables had been outstanding for over 180 days as at the balance sheet date or were due from companies with financial difficulties. Accordingly, specific allowances for doubtful debts of RMB3,790,000 (2007: RMB597,000) were recognised. The Group does not hold any collateral over these balances.

應收賬款之減值虧損乃採用撥備賬記錄，惟本集團信納收回的可能性極微除外，在此情況下，減值虧損直接與應收賬款撇銷(見附註2(j))。

應收賬款減值虧損撥回指收回就減值應收賬款所收取之代價。於以前年度作出之不可收回款額撥備已相應撥回。

於二零零八年十二月三十一日，本集團之應收賬款人民幣7,634,000元(二零零七年：人民幣4,683,000元)已個別釐定為減值，並作出全數撥備。於結算日，該等個別減值應收賬款拖欠超過180日，或屬出現財務困難之公司之欠款。因此，呆賬之特別撥備人民幣3,790,000元(二零零七年：人民幣597,000元)已被確認。本集團並無持有該等結餘之任何抵押品。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

23. TRADE AND OTHER RECEIVABLES

(Continued)

Note: (Continued)

(e) (Continued)

The factors which the Group considered in determining whether these trade receivables were individually impaired include the following:

- significant financial difficulty of the debtor;
- receivables that have been outstanding for a certain period;
- the Group granting to the debtor, for economic or legal reasons relating to the debtor's financial difficulty, a concession that the Group would not otherwise consider;
- it is becoming probable that the debtor will enter into bankruptcy or other financial reorganisation;
- observable data indicating that there is a measurable decrease in the estimated future cash flows from the debtor since their initial recognition, although the decrease cannot yet be identified including:
 - adverse changes in the payment status of debtors of the Group; and
 - economic conditions that correlate with defaults on the trade receivables of the Group.

23. 應收賬款及其他應收款項

(續)

附註：(續)

(e) (續)

本集團於釐定該等應收賬款是否已個別減值時所考慮之因素如下：

- 債務人出現重大財政困難；
- 應收款項已拖欠一定期間；
- 本集團因與債務人之財務困難有關之經濟或法律理由，給予債務人一項本集團在其他情況下不會考慮之讓步；
- 債務人將會破產或進行其他財務重組；
- 可觀察之資料顯示應收款項自首次確認入賬後，其估計未來現金流量出現可計量之減少，儘管尚未能識別有關跌幅，包括：
 - 本集團債務人之付款狀況出現不利變動；及
 - 與拖欠本集團應收賬款有關之經濟狀況。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

23. TRADE AND OTHER RECEIVABLES

(Continued)

Note: (Continued)

- (f) Trade receivables that are not impaired

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

23. 應收賬款及其他應收款項

(續)

附註：(續)

- (f) 未減值應收賬款

個別及共同均認為未減值的應收賬款之賬齡分析如下：

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Neither past due nor impaired	未到期及未減值	3,029	8,272
Less than 1 month past due	逾期少於1個月	—	—
1 to 3 months past due	逾期1至3個月	—	—
Over 3 months past due	逾期超過3個月	—	—
		—	—
		3,029	8,272

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

未到期及未減值的應收賬款涉及眾多客戶，該等客戶最近均無拖欠記錄。

24. TAX RECOVERABLE

24. 可收回稅項

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Value-added tax refund receivable	應收增值稅退稅	692	1,312

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

25. FIXED BANK DEPOSITS

Fixed bank deposits of approximately RMB7,164,000 (2007: RMB6,624,000) with maturity over three months from 31 December 2008 carry interest at prevailing market interest rates. The management of the Group considers that the carrying amount of deposits approximates their fair value.

26. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits with a maturity of three months or less at prevailing market interest rates. The management of the Group considers that the carrying amounts of cash and cash equivalents approximate their fair value.

25. 銀行定期存款

銀行定期存款約為人民幣7,164,000元(二零零七年：人民幣6,624,000元)。該筆存款於二零零八年十二月三十一日起計三個月後到期，並按現行市場利率計息。本集團管理層認為該等存款之賬面值與其公平值相若。

26. 現金及現金等值物

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Deposits with banks	銀行存款	12,000	540	—	—
Cash at bank and on hand	銀行及手頭現金	20,215	44,607	785	5,496
Cash and cash equivalents in the balance sheets	資產負債表中的現金及現金等值物	32,215	45,147	785	5,496
Less: Bank overdrafts	減：銀行透支	—	—		
Cash and cash equivalents in the consolidated cash flow statement	綜合現金流量表中的現金及現金等值物	32,215	45,147		

現金及現金等值物包括本集團持有之現金及於三個月或以內到期並按現行市場利率計息之短期銀行存款。本集團之管理層認為，現金及現金等值物之賬面值與其公平值相若。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

27. TRADE AND OTHER PAYABLES

27. 應付賬款及其他應付款項

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Trade payables (note (a))	應付賬款(附註(a))	858	130	—	—
Amounts due to directors (note (b))	應付董事款項 (附註(b))	22,037	20,080	20,851	13,080
Deposits received from customers	向客戶收取按金	30,450	17,846	—	—
Employees welfare payable	應付員工福利	998	760	—	—
Accrued expenses and other payables	應計開支及 其他應付款項	19,234	4,194	742	1,922
Other tax payables	其他應繳稅項	513	773	—	—
		74,090	43,783	21,593	15,002

Note:

附註：

(a) The ageing analysis of the trade payables is as follows:

(a) 應付賬款之賬齡分析如下：

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
More than 1 month but less than 3 months	1個月後但3個月內	858	130

(b) The amounts are unsecured, repayable on demand and interest-free except the amount due to Mr. Wang Zhong Sheng of RMB11,439,000 (2007: RMB18,859,000) which bears interest 10% per annum.

(b) 該筆款項為無抵押，按要求償還及免息，除應付王忠勝先生之人民幣11,439,000元(二零零七年：人民幣18,859,000元)款項為按年息10厘計息外。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

28. DEFERRED INCOME

28. 遞延收入

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
At 1 January	於一月一日	1,750	1,616
Credited to the income statement	計入損益表	(1,750)	(1,616)
Income deferred during the year	年內遞延收入	3,713	1,750
At 31 December	於十二月三十一日	3,713	1,750

29. BANK AND OTHER BORROWINGS

29. 銀行及其他借款

As at 31 December 2008, the bank and other loans are repayable as follows:

於二零零八年十二月三十一日，應償還的銀行及其他貸款如下：

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Secured bank loans repayable:	須償還有抵押銀行貸款：		
Within 1 year or on demand	1年內或須按要求償還	—	7,960
Unsecured other loan repayable:	須償還無抵押其他貸款：		
Within 1 year or on demand	1年內或須按要求償還	40,000	—
		40,000	7,960
Less: Amount due within 1 year shown under current liabilities	減：流動負債下一年內 到期之款項	(40,000)	(7,960)
Amount due after 1 year shown under non-current liabilities	非流動負債下一年 後到期之款項	—	—

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

29. BANK AND OTHER BORROWINGS

(Continued)

Note:

- (a) Bank loans bear interest at floating interest rates ranging from 6.63% to 7.13% per annum.
- (b) Other loan bears interest at the fixed interest rate of 7.12% per annum.
- (c) The directors consider that the carrying amounts of the bank and other borrowings approximate their fair values.

附註：

- (a) 銀行貸款按每年6.63厘至7.13厘之浮動利率計息。
- (b) 其他貸款按每年7.12厘之固定利率計算。
- (c) 董事認為銀行及其他借款之賬面值與其公平值相若。

30. TAX PAYABLE

30. 應繳稅項

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
PRC EIT	中國企業所得稅		
At 1 January	於一月一日	1,644	70
Provision for the year	本年度撥備	1,680	2,115
Underprovision in prior years	過往年度撥備不足	666	938
EIT paid for the year	本年度已繳付企業所得稅	(2,784)	(1,479)
At 31 December	於十二月三十一日	1,206	1,644

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

31. DEFERRED TAXATION

The major components of the deferred tax assets/(liabilities) provided for at the balance sheet date and for the year then ended are as follows:

Deferred tax assets

		The Group 本集團									
		Tax losses 稅項虧損		Computer software development costs 電腦軟件開發成本		Impairment loss on trade receivables 應收賬款減值虧損		Impairment loss on intangible assets 無形資產減值虧損		Total 總計	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
At the beginning of the year	年初	-	380	-	-	-	437	-	257	-	1,074
Credited/(charged) to income statement	於損益表抵免 / (支出)	-	(380)	-	-	1,169	(437)	-	(257)	1,169	(1,074)
At the end of the year	年末	-	-	-	-	1,169	-	-	-	1,169	-

Deferred tax liabilities

		The Group 本集團									
		Tax losses 稅項虧損		Computer software development costs 電腦軟件開發成本		Impairment loss on trade receivables 應收賬款減值虧損		Impairment loss on intangible assets 無形資產減值虧損		Total 總計	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
At the beginning of the year	年初	-	-	(853)	(1,515)	-	-	-	-	(853)	(1,515)
Credited to income statement	於損益表抵免	-	-	853	662	-	-	-	-	853	662
At the end of the year	年末	-	-	-	(853)	-	-	-	-	-	(853)

At the balance sheet date, the Group has unused tax losses of RMB7,123,000 (2007: RMB2,263,000) available for offset against future profits. No deferred tax assets in respect of these unused tax losses have been recognised due to the unpredictability of future taxable profit streams. The tax losses do not expire under current tax legislation.

31. 遞延稅項

於結算日及截至當日止年度已作出撥備之遞延稅項資產/(負債)之主要部份如下:

遞延稅項資產

		The Group 本集團									
		Tax losses 稅項虧損		Computer software development costs 電腦軟件開發成本		Impairment loss on trade receivables 應收賬款減值虧損		Impairment loss on intangible assets 無形資產減值虧損		Total 總計	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
At the beginning of the year	年初	-	380	-	-	-	437	-	257	-	1,074
Credited/(charged) to income statement	於損益表抵免 / (支出)	-	(380)	-	-	1,169	(437)	-	(257)	1,169	(1,074)
At the end of the year	年末	-	-	-	-	1,169	-	-	-	1,169	-

遞延稅項負債

		The Group 本集團									
		Tax losses 稅項虧損		Computer software development costs 電腦軟件開發成本		Impairment loss on trade receivables 應收賬款減值虧損		Impairment loss on intangible assets 無形資產減值虧損		Total 總計	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
At the beginning of the year	年初	-	-	(853)	(1,515)	-	-	-	-	(853)	(1,515)
Credited to income statement	於損益表抵免	-	-	853	662	-	-	-	-	853	662
At the end of the year	年末	-	-	-	(853)	-	-	-	-	-	(853)

於結算日，本集團之未動用稅項虧損為人民幣7,123,000元(二零零七年：人民幣2,263,000元)，可用作抵銷未來溢利。由於無法預測未來應課稅溢利之來源，故並無就該等未動用稅項虧損確認遞延稅項資產。根據現行稅法，該等稅項虧損並未屆滿。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

32. CAPITAL AND RESERVES

a) The Group

32. 資本及儲備

a) 本集團

Attributable to equity shareholders of the Company
本公司權益股東應佔

		Share premium 股份溢價	Merger reserve 合併儲備	General reserve 一般儲備	Translation reserve 換算儲備	Retained profits/ (Accumulated losses) 保留溢利/ (累計虧損)	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2007	於二零零七年一月一日	34,845	(2,351)	4,430	(404)	794	37,314
Exchange difference on translation of financial statements of foreign entities	換算外國實體財務報表之匯兌差額	—	—	—	(67)	—	(67)
Loss for the year	本年度虧損	—	—	—	—	(2,500)	(2,500)
Profit appropriations	溢利分派	—	—	921	—	(921)	—
Total recognised income and expenses for the year	本年度確認收入及開支總額	—	—	921	(67)	(3,421)	(2,567)
Issue of new shares	發行新股	65,990	—	—	—	—	65,990
At 31 December 2007 and 1 January 2008	於二零零七年十二月三十一日及二零零八年一月一日	100,835	(2,351)	5,351	(471)	(2,627)	100,737
Exchange difference on translation of financial statements of foreign entities	換算外國實體財務報表之匯兌差額	—	—	—	(464)	—	(464)
Loss for the year	本年度虧損	—	—	—	—	(33,585)	(33,585)
Total recognised income and expenses for the year	本年度確認收入及開支總額	—	—	—	(464)	(33,585)	(34,049)
Issue of new shares	發行新股	47,043	—	—	—	—	47,043
At 31 December 2008	於二零零八年十二月三十一日	147,878	(2,351)	5,351	(935)	(36,212)	113,731

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

32. CAPITAL AND RESERVES (Continued)

b) The Company

		Share premium 股份溢價 RMB'000 人民幣千元	Translation reserve 換算儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2007	於二零零七年 一月一日	34,845	(1,133)	(14,766)	18,946
Exchange differences on translation of financial statement to presentation currency	換算財務報表 為呈報貨幣之 匯兌差額	—	(716)	—	(716)
Loss for the year	本年度虧損	—	—	(10,013)	(10,013)
Issue of new shares	發行新股	65,990	—	—	65,990
At 31 December 2007 and 1 January 2008	於二零零七年十二月 三十一日及 二零零八年一月一日	100,835	(1,849)	(24,779)	74,207
Exchange differences on translation of financial statement to presentation currency	換算財務報表 為呈報貨幣之 匯兌差額	—	(1,214)	—	(1,214)
Loss for the year	本年度虧損	—	—	(10,558)	(10,558)
Issue of new shares	發行新股	47,043	—	—	47,043
At 31 December 2008	於二零零八年 十二月三十一日	147,878	(3,063)	(35,337)	109,478

32. 資本及儲備 (續)

b) 本公司

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

32. CAPITAL AND RESERVES (Continued)

32. 資本及儲備 (續)

c) Authorised and issued share capital

c) 法定及已發行股本

		The Group and the Company 本集團及本公司			
		2008 二零零八年		2007 二零零七年	
		Number of shares 股份數目	Amount 金額	Number of shares 股份數目	Amount 金額
		'000 千股	RMB'000 人民幣千元	'000 千股	RMB'000 人民幣千元
Authorised - Ordinary shares of HK\$0.01 (approximately equivalent to RMB0.0106) each:	法定－每股面值0.01港元(約相當於人民幣0.0106元)之普通股：				
At 1 January and 31 December	於一月一日及十二月三十一日	5,000,000	53,000	5,000,000	53,000
Issued and fully paid - Ordinary shares of HK\$0.01 (approximately equivalent to RMB0.0106) each:	已發行及繳足－每股面值0.01港元(約相當於人民幣0.0106元)之普通股：				
At 1 January	於一月一日	567,600	5,922	473,000	5,014
Issue of new shares	發行新股	53,000	477	94,600	908
At 31 December	於十二月三十一日	620,600	6,399	567,600	5,922

On 24 July 2007, the Company allotted and issued 94,600,000 ordinary shares of HK\$0.01 each by way of a placement of its shares at HK\$0.77 per share for cash.

於二零零七年七月二十四日，本公司透過以每股0.77港元配售其股份以換取現金之方式，配發及發行94,600,000股每股面值0.01港元之普通股。

On 19 March 2008, the Company allotted and issued 53,000,000 ordinary shares of HK\$0.01 each by way of a placement of its shares at HK\$1.00 per share for cash.

於二零零八年三月十九日，本公司透過以每股1.00港元配售其股份以換取現金之方式，配發及發行53,000,000股每股面值0.01港元之普通股。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

32. CAPITAL AND RESERVES (Continued)

d) Nature and purpose of reserves

(i) Share premium

Under the Companies Law (Revised) of the Cayman Islands, share premium is distributable to shareholders, subject to the condition that the Company cannot declare or pay a dividend, or make a distribution out of share premium if (i) it is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital account.

At 31 December 2008, the aggregate amount of the Company's reserves available for distribution to shareholders was approximately RMB109,478,000 (2007: RMB74,207,000) computed in accordance with the Companies Law (Revised) of the Cayman Islands and the Company's articles of association. This includes the Company's share premium of approximately RMB147,878,000 (2007: RMB100,835,000) less translation reserve and accumulated losses of approximately RMB3,063,000 (2007: RMB1,849,000) and RMB35,337,000 (2007: RMB24,779,000) respectively and is available for distribution provided that immediately following the date on which the dividend is proposed, the Company will be able to pay off its debts as they fall due in the ordinary course of business.

32. 資本及儲備 (續)

d) 儲備之性質及目的

(i) 股份溢價

根據開曼群島公司法(修訂本), 股份溢價可分派予股東, 惟倘(i)於分派時或其後未能償還其到期負債, 或(ii)資產可變現價值因而少於其負債及已發行股本賬之總額, 則本公司不得宣派或派付任何股息或於股份溢價賬作出任何分派。

於二零零八年十二月三十一日, 本公司可供分派予股東之儲備總額約人民幣109,478,000元(二零零七年: 人民幣74,207,000元), 乃根據開曼群島公司法(修訂本)及本公司之公司組織章程細則計算, 當中包括本公司股份溢價約人民幣147,878,000元(二零零七年: 人民幣100,835,000元)減換算儲備及累計虧損分別約人民幣3,063,000元(二零零七年: 人民幣1,849,000元)及人民幣35,337,000元(二零零七年: 人民幣24,779,000元), 倘緊隨建議派付股息日期後, 本公司將能夠償還其於日常業務中到期之債務, 則此筆款項可供分派。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

32. CAPITAL AND RESERVES (Continued)

32. 資本及儲備 (續)

d) Nature and purpose of reserves

(Continued)

(ii) Merger reserve

The merger reserve represents the amount of reserves of subsidiaries that have been capitalised as a result of the merger.

(iii) General reserve

According to the relevant laws and regulations in the PRC, each of the PRC subsidiaries is required to appropriate at least 10% of its after-tax profit (after offsetting prior year's losses), based on the PRC statutory financial statements prepared in accordance with the generally accepted accounting principles ("GAAP") and financial regulations applicable to the PRC enterprises, to the general reserve until the balance of the fund reaches 50% of the PRC subsidiary's registered capital. Thereafter, any further appropriation can be made at the directors' discretion.

The general reserve fund can be utilised to offset the prior years' losses, or be utilised to increase the capital on the condition that the general reserve shall be maintained at a minimum of 25% of the registered capital after such increase.

(iv) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 2(s).

d) 儲備之性質及目的 (續)

(ii) 合併儲備

合併儲備指附屬公司因合併而撥充資本之儲備金額。

(iii) 一般儲備

根據中國有關法律及法規，各中國附屬公司於抵銷上年度虧損後，須各自根據按公認會計準則（「公認會計準則」）及中國企業適用之財務規例編製之中國法定財務報表除稅後溢利撥款最少10%，作為一般儲備，直至基金之結餘達到中國附屬公司之註冊資本50%為止。其後，董事可酌情決定作出任何額外撥款。

一般儲備金可用作抵銷過往年度虧損，或用作增加資本，惟增加資本後，一般儲備須維持不少於註冊資本25%。

(iv) 換算儲備

換算儲備包括所有換算外國業務財務報表產生之匯兌差額。換算儲備按照附註2(s)所載之會計政策處理。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

32. CAPITAL AND RESERVES (Continued)

e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefit for other shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher stakeholder returns that might be possible with higher levels of borrowings afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders or sell assets to reduce debt.

Consistent with industry practice, the Group monitors its capital structure on the basis of the gearing ratio. This ratio is calculated as the Group's bank and other borrowings less cash and cash equivalents over its equity.

32. 資本及儲備 (續)

e) 資本管理

本集團管理資本之主要目標為確保本集團持續經營之能力，以向股東提供回報並為其他股東創造利益，並維持最佳資本結構藉以減低資金成本。

本集團積極並定期檢討及管理其資本結構，在盡可能為股東帶來較高回報，與健全之資金狀況所支持之較高借貸水平之間取得平衡，並因應經濟情況之變動對資本結構作出調整。為維持或調整資本結構，本集團可能調整派付予股東之股息金額、發行新股、向股東返還股本或出售資產以減低債務。

與行業慣例一致，本集團以資本負債比率監察其資本結構。資本負債比率按本集團之銀行及其他借款減現金及現金等值物除以其權益計算。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

32. CAPITAL AND RESERVES (Continued)

e) Capital management (Continued)

The details of the net debt to equity ratio of the Group is as follow:

	Notes 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	
Bank and other borrowings	銀行及其他借款	29	40,000	7,960
Less: Cash and cash equivalents	減：現金及 現金等值物	26	(32,215)	(45,147)
Net debt/(cash)	淨負債／(現金)		7,785	(37,187)
Total equity	總權益		120,130	106,659
Total capital	總資本		127,915	69,472
Net debt to equity ratio	淨負債與權益比率		6.09%	N/A 不適用

32. 資本及儲備 (續)

e) 資本管理 (續)

本集團淨負債與權益比率之詳情如下：



Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

33. SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed on 28 July 2003 for the purpose of providing incentives or rewards to eligible persons for their contributions to the Group. The Scheme will expire on 27 July 2013. Under the Scheme, the Company may grant options to any person who is a director or an employee (whether full-time or part-time) of the Group or any entity in which the Group holds an equity interest, or any classes of supplier, customer, consultant, adviser, manager or officer of the Group or any entity in which the Group holds an equity interest.

The total number of shares in respect of which options may be granted under the Scheme and any other share option schemes of the Company must not in aggregate exceed ten percent. of the total shares of the Company in issue from time to time. The total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company shall not in aggregate exceed thirty percent. of the total number of shares of the Company in issue from time to time. The total number of shares issued and which may fall to be issued upon exercise of the options granted (including both exercised or outstanding options) to each eligible person in any 12-month period must not exceed one per cent. of the total shares of the Company in issue. Any further grant of options in excess of the individual limit must be subject to shareholders' approval.

33. 購股權計劃

本公司之購股權計劃(「該計劃」)是根據於二零零三年七月二十八日通過之決議案採納，目的是就合資格人士對本集團所作貢獻提供鼓勵或獎賞。該計劃將會於二零一三年七月二十七日屆滿。根據該計劃，本公司可向本集團或本集團持有股權之任何實體的董事或僱員(不論全職或兼職)，或本集團或本集團持有股權之任何實體的任何類別供應商、客戶、諮詢顧問、顧問、經理或主管授出購股權。

根據該計劃及本公司任何其他購股權計劃可授出之購股權相應股份總數，合共不得多於本公司不時已發行股份總數之10%。根據該計劃或本公司任何其他購股權計劃授出之所有已發行但尚未行使購股權獲行使時可予發行之股份總數，合共不得超過本公司不時已發行股份總數之30%。於任何12個月期間向各合資格人士授出購股權(包括已行使或尚未行使購股權)獲行使時已經及可能須發行之股份總數，不得超過本公司已發行股份總數1%。任何進一步授出超逾個人限額的購股權，必須事先獲得股東批准。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

33. SHARE OPTION SCHEME (Continued)

Options granted must be taken up within 21 days from the date of grant, upon payment of HK\$1 as consideration for the grant. In respect of option holders other than suppliers and customers, option may be exercised, which shall commence 1 year from the date on which that option is granted and shall expire on the earlier of the last day of (i) a 10-year period from the date of such grant and (ii) 10 years from 28 July 2003. In respect of option holders who are suppliers and customers, such period shall commence on the date of grant and expire 1 year thereafter. The subscription price is determined by the Board, but shall not be less than the highest of (a) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotation interests on the date of grant of that option, which must be a business day; (b) the average closing price of the shares of the Company as stated in the Stock Exchange's daily quotation interests for the five business days immediately preceding the date of grant of that option; and (c) the nominal value for the time being of each shares of the Company. There are no outstanding share option as at 31 December 2007 and 2008.

34. RETIREMENT BENEFITS SCHEME

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$20,000. Contributions to the MPF Scheme vest immediately.

33. 購股權計劃 (續)

授出購股權必須由授出日期起計21天內接納，屆時須支付1港元作為授出代價。就供應商及客戶以外的購股權持有人而言，購股權可由購股權授出日期起計一年後開始行使，直至由(i)該項授出日期起計十年內；或(ii)二零零三年七月二十八日起計十年期間(以較早者為準)之最後一日屆滿。就身為供應商及客戶之購股權持有人而言，該段期間將會由授出日期起，並於該日期後1年屆滿。認購價由董事會釐定，惟不得少於下列三項中之最高者：(a)於授出購股權日期(必須為營業日)當日聯交所每日報價表所示本公司股份之收市價；(b)於緊接授出購股權日期前五個營業日聯交所每日報價表所示本公司股份之平均收市價；及(c)本公司股份當時之每股面值。於二零零七年及二零零八年十二月三十一日，並無尚未行使之購股權。

34. 退休福利計劃

本集團就僱用於香港僱傭條例管轄範圍之僱員，根據香港強制性公積金計劃條例設立強制性公積金計劃(「強積金計劃」)。強積金計劃指由獨立信託人管理之定額供款退休計劃。根據強積金計劃，僱主及其僱員須各自就僱員之有關收入向計劃作出5%供款，最高上限為每月有關收入20,000港元。強積金計劃供款將即時撥歸僱員所有。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

34. RETIREMENT BENEFITS SCHEME

(Continued)

The Company's subsidiaries established in the PRC participate in a mandatory central pension scheme organised by the PRC government for certain of its employees, the assets of which are held separately from those of the Group. Contributions made are based on a percentage of the eligible employees' salaries and are charged to the consolidated income statement as they become payable in accordance with the rules of the scheme. The employer's contributions vest fully once they are made.

Under the above schemes, retirement benefits of existing and retired employees are payable by the relevant scheme administrators and the Group has no further obligations beyond the annual contributions.

The aggregate amounts of employer's contributions by the Group in respect of retirement benefits scheme dealt with in the consolidated income statement for the year are disclosed in note 7(a) to these financial statements.

The Group does not have any other pension schemes for its employees in respect of the subsidiaries outside Hong Kong and PRC. In the opinion of the directors of the Company, the Group did not have any significant contingent liabilities as at 31 December 2008 and 2007 in respect of the retirement of its employees.

34. 退休福利計劃 (續)

本公司於中國成立之附屬公司為其若干僱員參與由中國政府籌辦之強制性中央退休金計劃，該計劃之資產與本集團之資產分開持有。根據該計劃規則，本集團按合資格僱員之薪金比率作出之供款於應付時計入綜合損益表。僱主供款於作出後立即全數撥歸僱員所有。

根據上述計劃，現有及退休僱員之退休福利由有關計劃管理人負責支付，本集團除每年供款外並無其他責任。

本集團就退休福利計劃作出之僱主供款總額於年內之綜合損益表中處理，並已於財務報表附註7(a)中披露。

本集團並無就香港及中國以外附屬公司僱員設立任何其他退休金計劃。本公司董事認為，於二零零八年及二零零七年十二月三十一日，本集團並無任何有關其僱員退休之重大或然負債。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include cash and cash equivalents, trade and other receivables, trading securities, trade and other payables, and bank and other borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include credit risk, liquidity risk, interest rate risk, foreign currency risk, equity price risk, fair value, economic risk and business risk arises in the normal course of the Group's business.

a) Credit risk

- i) As at 31 December 2008, the maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated balance sheets after deducting any impairment allowance.
- ii) In respect of trade and other receivables, in order to minimize risk, the management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit evaluations of its customers' financial position and condition is performed on each major customer periodically. These evaluations focus on the customers' past history of making payments when due and current ability to pay, and take into account information specific to the customers as well as pertaining to the economic environment in which the customers operate. The Group does not require collateral in respect of its financial assets. Debts are usually due within 180 days from the date of billing.

35. 財務風險管理目標及政策

本集團之主要金融工具包括現金及現金等值物、應收賬款及其他應收款項、貿易證券、應付賬款及其他應付款項及銀行及其他借款。金融工具之詳情於其各自附註披露。該等金融工具之相關風險包括本集團在日常業務過程中產生之信貸風險、流動資金風險、利率風險、外匯風險、股價風險、公平值風險、經濟風險及業務風險。

a) 信貸風險

- i) 於二零零八年十二月三十一日，最大信貸風險為綜合資產負債表各金融資產經扣除任何減值撥備後之賬面值。
- ii) 就盡量減低風險之應收賬款及其他應收款項，管理層已訂立一項信貸政策，並對有關信貸風險進行持續監察。本集團會定期對各主要客戶之財務狀況及條件進行信貸評估。該等評估針對客戶過往支付到期款項之歷史及目前之支付能力，並考慮客戶特定資料及客戶經營所處經濟環境之資料。本集團就其金融資產並不要求從屬抵押品。債務一般自開單日期起180日內到期。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a) Credit risk (Continued)

ii) (Continued)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. At the balance sheet date, the Group has a certain concentration of credit risk as 5.84% (2007: 8.08%) and 24.16% (2007: 25.72%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 23.

iii) The majority of the Group's trading securities are blue chips listed on a recognised stock exchange. Given their high credit standing, management does not expect any investment counterparty to fail to meet its obligations.

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

35. 財務風險管理目標及政策 (續)

a) 信貸風險 (續)

ii) (續)

本集團面對之信貸風險主要受各客戶之個別特點影響。客戶營運之行業及業務所在之國家之違約風險亦對信貸風險有影響，但程度較輕。於結算日，本集團信貸風險集中分別為應收本集團最大客戶及五大客戶之應收賬款總額之5.84% (二零零七年：8.08%) 及24.16% (二零零七年：25.72%)。

有關本集團來自應收賬款及其他應收款項之信貸風險之量化披露載於附註23。

iii) 本集團大部份貿易證券為於認可證券交易所上市之藍籌股。鑒於其高信貸評級，管理層並無預期任何投資對手方會無法履行其責任。

iv) 由於對手方均為享獲國際信貸評級機構授予高信貸評級之銀行，故此流動資金之信貸風險有限。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to board approval. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient amount of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. The Group relies on bank and other borrowings as a source of liquidity.

Also as mentioned in note 2(b)(ii), the Group has extended the repayment term of the other borrowing and obtained undertaking from Mr. Wang Zhong Sheng, the chairman and executive director of the Group, not to demand for the repayment of the amounts due to him until the Group is financially viable to do so. All of the above steps have been enable the Group to mitigate its liquidity risk.

35. 財務風險管理目標及政策 (續)

b) 流動資金風險

本集團旗下之獨立營運實體須負責其各自之現金管理，包括現金盈餘之短期投資及籌措貸款以滿足預期現金需求，惟須獲董事會批准方可作實。本集團之政策為定期監察當前及預計之流動資金需求，及對借貸契諾之遵照，以確保本集團能維持充裕的現金金額及從主要金融機構取得足夠的承諾信貸融資，以滿足其短期及長期流動資金之要求。本集團依賴銀行及其他借款作為流動資金來源。

另外，如附註2(b)(ii)所述，本集團已延長其他借款之還款期，並取得本集團主席兼執行董事王忠勝先生之承諾，不會要求本集團償還應付其之款項，直至本集團財政上有能力償還為止。上述措施均可減輕本集團之流動資金風險。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

b) Liquidity risk (Continued)

The following liquidity table set out the weighted average effective interest rate and the remaining contractual maturities at the balance sheet date of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group and the Company is required to pay:

		2008 二零零八年					2007 二零零七年						
		Weighted average effective interest rate 加權平均 實際利率	Within 1 year or on demand 一年內 或須應 要求償還	More than 1 year but less than 2 years 一年以上 兩年以內	More than 2 years but less than 5 years 兩年以上 五年以內	Total contractual undiscounted cash flow 合約未貼現 現金流總額	Carrying amount 賬面值	Weighted average effective interest rate 加權平均 實際利率	Within 1 year or on demand 一年內或須應 要求償還	More than 1 year or less than 2 years 一年以上 兩年以內	More than 2 year but less than 5 years 兩年以上 五年以內	Total contractual undiscounted cash flow 合約未貼現 現金流總額	Carrying amount 賬面值
			RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
The Group	本集團												
Trade payables	應付賬款	N/A 不適用	858	-	-	858	858	N/A 不適用	130	-	-	130	130
Amounts due to directors (note)	應付董事款項 (附註)	10.00%	22,037	-	-	22,037	22,037	10.00%	20,080	-	-	20,080	20,080
Other payables	其他應付款項	N/A 不適用	15,162	-	-	15,162	15,162	N/A 不適用	93	-	-	93	93
Bank and other borrowings	銀行及其他借款	7.12%	40,460	-	-	40,460	40,000	6.76%	7,960	-	-	7,960	7,960
			78,517	-	-	78,517	78,057		28,263	-	-	28,263	28,263

Note:

The amounts are unsecured, repayable on demand and interest-free except the amount due to Mr. Wang Zhong Sheng of RMB11,439,000 (2007: RMB18,859,000) which bears interest at 10% per annum.

35. 財務風險管理目標及政策 (續)

b) 流動資金風險 (續)

以下流動資金表格載列本集團及本公司之金融負債於結算日，基於合約未貼現現金流(包括使用合約利率計得之利息付款或，如按浮息，則按結算日當日之利率計)及本集團及本公司須予償還之最早日期所得之加權平均實際利率及餘下合約期：

附註：

該款項為無抵押、須應要求償還及免息，惟應付王忠勝先生之款項人民幣11,439,000元(二零零七年：人民幣18,859,000元)乃以年息10厘計息。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

35. 財務風險管理目標及政策 (續)

b) Liquidity risk (Continued)

b) 流動資金風險 (續)

		2008 二零零八年					2007 二零零七年					
		Weighted average effective interest rate	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total contractual undiscounted cash flow	Weighted average effective interest rate	Within 1 year or on demand	More than 1 year or less than 2 years	More than 2 year but less than 5 years	Total contractual undiscounted cash flow	Carrying amount
		加權平均實際利率	一年內或須應要求償還	一年以上兩年以內	兩年以上五年以內	合約未貼現現金流總額	加權平均實際利率	一年內或須應要求償還	一年以上兩年以內	兩年以上五年以內	合約未貼現現金流總額	賬面值
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
The Company	本公司											
Amounts due to directors (note)	應付董事款項(附註)	10.00%	20,851	-	-	20,851	10.00%	13,080	-	-	13,080	13,080
Other payables	其他應付款項	N/A 不適用	174	-	-	174	N/A 不適用	-	-	-	-	-
			21,025	-	-	21,025		13,080	-	-	13,080	13,080

Note:

The amounts are unsecured, repayable on demand and interest-free except the amount due to Mr. Wang Zhong Sheng of RMB11,439,000 (2007: RMB11,859,000) which bears interest at 10% per annum.

附註：

該款項為無抵押、須應要求償還及免息，惟應付王忠勝先生之款項人民幣11,439,000元(二零零七年：人民幣11,859,000元)乃以年息10厘計息。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

c) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to cash and cash equivalents, bank deposits and bank and other borrowings at floating interest rate.

i) Interest rate profile

The following table details the interest rate profile of the Group's borrowings at the balance sheet date:

35. 財務風險管理目標及政策 (續)

c) 利率風險

本集團面對之現金流量利率風險與現金及現金等值物、銀行存款及按浮動利率計息之銀行及其他借款相關。

i) 利率概況

下表詳列本集團借款於結算日之利率概況：

		The Group 本集團			
		2008 二零零八年		2007 二零零七年	
		Effective interest rates 實際利率 %		Effective interest rates 實際利率 %	
		RMB'000 人民幣千元		RMB'000 人民幣千元	
Fixed rate borrowings:	固定利率借款：				
Other loan	其他貸款	7.12	40,000	N/A 不適用	—
Floating rate borrowings:	浮動利率借款：				
Bank loans	銀行貸款	N/A 不適用	—	6.63% 厘	7,960
Total borrowings	總借款		<u>40,000</u>		<u>7,960</u>
Fixed rate borrowings as a percentage of total borrowings	固定利率借款佔總借款之百分比		<u>100%</u>		<u>0%</u>

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

c) Interest rate risk (Continued)

ii) Sensitivity analysis

All of the cash and cash equivalents, bank deposits and bank and other borrowings of the Group which are fixed rate instruments are insensitive to any change in interest rates. A change in interest rates at the balance sheet date would not affect profit or loss.

At 31 December 2008, it is estimated that a general increase or decrease of 100 basis points in interest rates, with all other variables held constant, would decrease or increase the Group's loss after income tax by approximately RMB23,000 (2007: profit after income tax by approximately RMB200,000). Other components of consolidated equity would not change in response to the general increase or decrease in interest rates.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for both derivative and non-derivative financial instruments in existence at that date. The 100 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual balance sheet date. The analysis is performed on the same basis for 2007.

35. 財務風險管理目標及政策 (續)

c) 利率風險 (續)

ii) 敏感性分析

本集團所有現金及現金等值物、銀行存款及為定息工具之銀行及其他借款，對利率任何變動反應不大。於結算日之利率變動對溢利或虧損不構成影響。

於二零零八年十二月三十一日，估計利率普遍上升或下跌100個基點，而所有其他可變因素保持穩定，將令本集團除所得稅後虧損減少或增加約人民幣23,000元(二零零七年：除所得稅後溢利約人民幣200,000元)。綜合權益其他組成部份不會因利率普遍上升或下跌而改變。

上述敏感性分析乃假定利率變動於結算日發生及已應用於該日存續的衍生及非衍生金融工具的利率風險。100個基點的上升或下跌相當於管理層對直至下一個年度結算日期間的合理可能的利率變動的估計。該分析按二零零七年之相同基準進行。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

d) Foreign currency risk

Presently, there is no hedging policy with respect to the Group's foreign exchange exposure. The Group's transactional currency is RMB as substantially all turnover are within PRC. With the natural hedging of the revenue and costs being denominated in RMB, the directors believe that the Group's transactional foreign exchange exposure was insignificant and no sensitivity analysis is required due to immateriality.

e) Equity price risk

i) The Group is exposed to equity price risk in respect of investments held by the Group which are classified as trading securities. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on securities listed on the Stock Exchange and the Shanghai Stock Exchange.

ii) Sensitivity analysis

The sensitivity analysis has been determined based on the exposure to equity price risks at the reporting date. If the prices of the respective equity securities had been increased or decreased by 5%, the loss for the year will decrease or increase by RMB77,000 (2007: RMB216,000) as a result of the change in fair value of equity securities.

35. 財務風險管理目標及政策 (續)

d) 外匯風險

目前，本集團並無有關外匯風險承擔之對沖政策。本集團之交易貨幣為人民幣，原因為基本上所有營業額均來自中國。鑒於收益及成本以人民幣列值。董事認為，本集團之交易外匯風險並非重大，且由於不屬重大，因此毋須作出敏感性分析。

e) 股價風險

i) 本集團須承受其持有並歸類為貿易證券之投資的股價風險。管理層已維持不同風險程度之投資組合以應對此風險。本集團的股價風險主要集中於在聯交所及上海證券交易所上市的證券。

ii) 敏感度分析

敏感度分析已根據報告日期的股價風險進行釐定。倘各股本證券的價格上升或下跌5%，股本證券的公平值變動將導致本年度虧損減少或增加人民幣77,000元(二零零七年：人民幣216,000元)。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

f) Fair value

The carrying amounts of significant financial assets and liabilities approximate their respective fair values as at 31 December 2008 and 2007.

i) Cash and cash equivalents, trade and other receivables, trade and other payables

The carrying values approximate their fair values because of the short maturity of these items.

ii) Trading securities

Fair value is based on quoted market prices at the balance sheet date without any deduction for transaction costs. Fair values of unlisted managed investment funds are based upon the market return of the underlying securities.

iii) Bank and other borrowings

The carrying amount of bank and other loans approximates their fair value based on the borrowing rates currently available for bank and other loans with similar terms and maturities.

35. 財務風險管理目標及政策 (續)

f) 公平值

於二零零八年及二零零七年十二月三十一日，重大金融資產及負債之賬面值約為彼等各自之公平值。

i) 現金及現金等值物、應收賬款及其他應收款項、應付賬款及其他應付款項

由於該等項目之到期日短，彼等之賬面值約為其公平值。

ii) 貿易證券

公平值乃按結算日所報市價不抵回任何交易成本計算。非上市管理投資基金之公平值根據相關證券之市場回報計算。

iii) 銀行及其他借款

銀行及其他貸款之賬面值約為彼等根據目前與其年期及到期日相似之銀行及其他貸款所取得之借貸利息計算之公平值。



Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Continued)*

g) Economic risk

The Group's operations may be adversely affected by significant political, economic and social uncertainties in the PRC. Although the government of the PRC has been pursuing economic reform policies in the past years, no assurance can be given that the PRC government will continue to pursue such policies or that such policies may not be significantly altered.

h) Business risk

A substantial portion of the Group's operations is conducted in the PRC. This includes risks associated with, among others, the political, economic and legal environment in the PRC.

35. 財務風險管理目標及政策 *(續)*

g) 經濟風險

本集團業務可受中國之重大政治、經濟及社會不明朗因素之負面影響。雖然中國政府在過去一直推行經濟改革政策，惟無法保證中國政府將繼續推動有關政策或有關政策不會大幅修改。

h) 業務風險

本集團大部份業務均在中國進行。此包括之風險(但不限於)中國之政治、經濟及法制環境。

Notes to the Financial Statements 財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

36. COMMITMENTS

- a) At the balance sheet date, the Group had authorised capital commitments contracted but not provided for in the financial statements as follows:

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Contracted for:	已訂約：		
— Plant and equipment	— 機器及設備	85,400	122,710
— Construction in progress	— 在建工程	11,806	7,379
— Intangible assets	— 無形資產	1,981	—
		99,187	130,089

- b) At the balance sheet date, the total future minimum lease payments under non-cancellable operating leases in respect of office premises are payable as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Within 1 year	1年內	240	960	165	901
After 1 year but within 5 years	1年後但5年內	—	—	—	—
After 5 years	五年以上	—	—	—	—
		240	960	165	901

The Group is the lessee in respect of a number of properties held under operating leases. The leases typically run for an initial period of one year, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

- a) 於各結算日，本集團於財務報表已訂約惟未撥備之法定資本承擔如下：

- b) 於各結算日，有關辦公室物業之不可撤銷經營租約項下之未來應付最低租賃款項總額如下：

本集團為多個根據經營租約持有之物業之承租人。初步租期一般為一年，且於重新磋商所有條款時可選擇延續租期。該等租約概無包含或然租金。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度(以人民幣列值)

37. PLEDGE OF ASSETS

At the balance sheet date, the Group had pledged the following assets to secure bank borrowings granted to the Group:

37. 抵押資產

於各結算日，本集團已抵押下列資產以獲取授予本集團之銀行信貸：

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Buildings held for own use	持作自用之樓宇	—	4,799

38. RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

In addition to those disclosed elsewhere in the financial statements, the following is a summary of significant related party transactions entered into in the normal course of business between the Group and its related parties during the year.

As detailed in note 20 to the financial statements, the Group has 8% equity interests in 萬志物流, a newly incorporated private entity in the PRC for the year ended 31 December 2008. In the opinion of the directors, 萬志物流 is ultimately controlled by an independent third party with 58% equity interests, while 廣西玉林天安運輸有限公司, a related company with common directors of the Company, also held 17% equity interests of 萬志物流. Currently, 萬志物流 is in its start up stage and it is planned to provide logistic service of liquefied coalbed gas for the Group in the future.

38. 關連方交易

(a) 與關連方之交易

除財務報表其他章節所披露者外，以下為年內本集團與其關連方在日常業務過程中訂立之重大關連方交易概要。

如財務報表附註20所詳述，本集團持有萬志物流8%股權。萬志物流為於截至二零零八年十二月三十一日止年度於中國新註冊成立之私人實體。董事認為，萬志物流由一名獨立第三方最終控制並持有58%股權，而與本公司有共同董事之關連公司廣西玉林天安運輸有限公司亦持有萬志物流17%股權。現時萬志物流正在啟業階段，其計劃在日後為本集團提供液化煤層氣體之物流服務。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2008 (Expressed in Renminbi) 截至二零零八年十二月三十一日止年度 (以人民幣列值)

38. RELATED PARTY TRANSACTIONS

(Continued)

(b) Key management personnel emoluments

Emoluments for key management personnel, including amounts paid to the Company's directors as disclosed in note 9 and certain of the highest paid employees as disclosed in note 10 are as follows:

38. 關連方交易 (續)

(b) 主要管理人員之薪酬

主要管理人員之薪酬 (包括於附註9披露之付予本公司董事之款額) · 及於附註10披露之若干最高薪酬僱員如下:

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	4,634	3,910
Post-employment benefits	離職後福利	—	—
		4,634	3,910

39. COMPARATIVE FIGURES

Certain comparative figures have been re-classified in conformity to the current year's presentation of the financial statements.

39. 比較數字

若干比較數字已予重列，以符合本年度財務報表之呈列方式。

40. ULTIMATE CONTROLLING PARTY

At 31 December 2008, the directors consider the ultimate controlling party of the Group to be Jumbo Lane Investments Limited ("Jumbo Lane"), which is incorporated in BVI. Jumbo Lane does not produce financial statements available for public use.

40. 最終控股方

於二零零八年十二月三十一日，董事認為本集團最終控股方為寶連投資有限公司 (「寶連」)，一家於英屬處女群島註冊成立的公司。寶連並無提供可供公眾查閱之財務報表。

41. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board on 27 March 2009.

41. 財務報表之通過

本財務報表已由董事會於二零零九年三月二十七日通過。

Five year financial summary 五年財務摘要

RESULTS

業績

For the year ended 31 December

截至十二月三十一日止年度

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2005 二零零五年 RMB'000 人民幣千元	2004 二零零四年 RMB'000 人民幣千元
Turnover	營業額	38,598	49,399	25,773	31,246	17,985
(Loss)/profit before income tax	除所得稅前 (虧損)/溢利	(33,261)	965	(6,618)	1,399	657
Income tax	所得稅	(324)	(3,465)	27	(461)	(753)
Attributable to: Equity shareholders of the Company	下列應佔： 本公司權益股東	(33,585)	(2,500)	(6,591)	938	(96)
Minority interests	少數股東權益	—	—	—	—	95
(Loss)/profit for the year	本年度(虧損)/ 溢利	(33,585)	(2,500)	(6,591)	938	(1)

ASSETS AND LIABILITIES

資產及負債

At 31 December

於十二月三十一日

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2005 二零零五年 RMB'000 人民幣千元	2004 二零零四年 RMB'000 人民幣千元
Total assets	總資產	239,139	162,649	57,100	60,032	55,583
Total liabilities	總負債	(119,009)	(55,990)	(14,772)	(10,651)	(7,908)
Minority interests	少數股東權益	—	—	—	(155)	(155)
Shareholders' fund	股東資金	120,130	106,659	42,328	49,226	47,520

