



APPLIED DEVELOPMENT HOLDINGS LTD.

實力建業集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 519



INTERIM REPORT 2008 中期報告



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors:

Hung Kin Sang, Raymond (*Managing Director*)
Hung Wong Kar Gee, Mimi (*Chairman*)
Hung Kai Mau, Marcus
Fang Chin Ping

Independent Non-executive Directors:

Lo Yun Tai
Lun Tsan Kau
Lam Ka Wai, Graham
Soo Hung Leung, Lincoln J.P.
(*resigned on 24 January 2008*)

COMPANY SECRETARY

Ng Kit Ling (*appointed on 4 February 2008*)
Lee Wai Fun, Betty (*resigned on 4 February 2008*)

REGISTERED OFFICE

In Hong Kong
Units 3402-3, 34th Floor
China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

In Bermuda
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

SHARE REGISTRAR IN HONG KONG

Computershare Hong Kong Investor Services Limited
46th Floor
Hopewell Centre
183 Queen's Road East
Hong Kong

SHARE REGISTRAR IN BERMUDA

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
The Bank of East Asia, Limited
Nanyang Commercial Bank, Ltd.

AUDITORS

Deloitte Touche Tohmatsu

SOLICITORS

Richards Butler
Sidley Austin Brown & Wood

公司資料

董事會

執行董事：

洪建生 (*董事總經理*)
洪王家琪 (*主席*)
洪繼懋
方進平

獨立非執行董事：

盧潤帶
倫贊球
林家威
蘇洪亮，非官守太平紳士
(*於二零零八年一月二十四日辭任*)

公司秘書

吳潔玲 (*於二零零八年二月四日獲委任*)
李蕙芬 (*於二零零八年二月四日辭任*)

註冊辦事處

香港
香港
干諾道中168-200號
信德中心
招商局大廈
34樓3402-3室

百慕達
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

在香港之股份登記處

香港中央證券登記有限公司
香港
皇后大道東183號
合和中心46樓

在百慕達之股份登記處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

主要銀行

香港上海滙豐銀行有限公司
恒生銀行有限公司
東亞銀行有限公司
南洋商業銀行有限公司

核數師

德勤·關黃陳方會計師行

律師

齊伯禮律師行
盛德律師事務所



The Board of Directors (the “Directors”) of Applied Development Holdings Limited (the “Company”) announce the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (the “Group”) for the six months ended 31 December 2007 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended 31 December 2007

實力建業集團有限公司(「本公司」)董事會(「董事會」)宣佈，本公司及其附屬公司(「本集團」)於截至二零零七年十二月三十一日止六個月之未經審核簡明綜合中期財務報表如下：

簡明綜合收益表
截至二零零七年十二月三十一日止六個月

		Six months ended 31 December		
		2007	2006	
		(Unaudited)	(Unaudited)	
		HK\$'000	HK\$'000	
		截至十二月三十一日止六個月	截至十二月三十一日止六個月	
		二零零七年	二零零六年	
		(未經審核)	(未經審核)	
		千港元	千港元	
		附註		
Continuing operations	持續經營業務			
Turnover	營業額	2	3,926	3,294
Cost of sales	銷售成本		—	—
Gross profit	毛利		3,926	3,294
Increase in fair value of investment properties	投資物業之公平值增加		25,000	5,000
Other operating income	其他經營收入		1,793	664
Loss on disposal of investment properties	出售投資物業之虧損		(374)	—
Administrative expenses	行政開支		(14,479)	(11,407)
Interest income	利息收入		68	432
Investment income	投資收入		9	241
Finance costs	融資成本		(2,811)	(792)
Gain on disposal of available-for-sale investments/other securities	出售可供銷售投資／其他證券之收益		—	1,868
Gain on disposal of subsidiaries	出售附屬公司之收益		—	12,000
Profit before taxation	除稅前溢利	3	13,132	11,300
Taxation	稅項	4	340	—
Profit for the period from continuing operations	持續經營業務之期內溢利		13,472	11,300
Discontinued operations	已終止業務			
(Loss) profit for the period from discontinued operations	已終止業務之期內(虧損)溢利	5	(81)	251
Profit for the period	本期溢利		13,391	11,551
Attributable to:	應佔：			
Equity holders of the parent	母公司股權持有人		13,391	11,551
Minority interests	少數股東權益		—	—
			13,391	11,551
Earnings per share	每股盈利	6		
From continuing and discontinued operations:	持續經營及已終止業務所得：			
Basic and diluted	基本及攤薄		1.59 HKcents港仙	1.33 HKcents港仙
From continuing operations:	持續經營業務所得：			
Basic and diluted	基本及攤薄		1.60 HKcents港仙	1.30 HKcents港仙



CONDENSED CONSOLIDATED BALANCE SHEET
At 31 December 2007

簡明綜合資產負債表
於二零零七年十二月三十一日

		Notes	31/12/2007 (Unaudited) HK\$'000 二零零七年 十二月三十一日 (未經審核) 千港元	30/6/2007 (Audited) HK\$'000 二零零七年 六月三十日 (經審核) 千港元
		附註		
Non-current Assets	非流動資產			
Investment properties	投資物業	7	213,355	159,030
Property, plant and equipment	物業、廠房及設備		182,085	178,313
Prepaid lease payments – non-current portion	預付租賃付款 – 非流動部份		1,935	1,957
Other assets	其他資產		1,846	1,846
Interest in a jointly controlled entity	於一間共同控制公司權益		36,469	36,469
Available-for-sale investments	可供出售投資		1,244	1,144
Deposits paid on acquisition of investment properties	收購投資物業之已付按金		–	7,756
			436,934	386,515
Current Assets	流動資產			
Inventories	存貨		1,448	1,898
Trade and other receivables	貿易及其他應收款項	8	22,400	13,744
Promissory note receivable from a jointly controlled entity	應收一間共同控制公司 承兌票據	9	171,600	171,600
Amount due from a jointly controlled entity	應收一間共同控制公司 之款項	10	16,268	12,955
Prepaid lease payments – current portion	預付租賃付款 – 流動部份		46	46
Tax refund	可退回稅項		433	–
Pledged bank deposits	已抵押銀行存款		3,232	3,173
Bank balances and cash	銀行結餘及現金		12,729	23,299
			228,156	226,715
Properties held for sale	待出售之物業		–	59,000
			228,156	285,715
Current Liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	11	7,375	7,623
Tax payable	應付稅項		–	712
Secured bank borrowings – due within one year	已抵押銀行借貸 – 於一年內到期		13,741	17,853
Obligations under finance leases – due within one year	融資租約承擔 – 於一年內到期		3,298	3,582
Bank overdrafts	銀行透支		4,873	4,539
			29,287	34,309
Liabilities associated with properties held for sale	待出售物業有關之負債		–	8,880
			29,287	43,189
Net current assets	流動資產淨值		198,869	242,526
Total assets less current liabilities	總資產減流動負債		635,803	629,041
Capital and reserves	資本及儲備			
Share capital	股本	12	8,743	8,804
Treasury shares	庫存股份		(8,911)	(8,911)
Share premium & reserves	股份溢價及儲備金		544,144	534,731
Equity attributable to equity holders of the parent	母公司股權持有人應佔權益		543,976	534,624
Minority interest	少數股東權益		–	–
Total equity	權益總額		543,976	534,624
Non-current liabilities	非流動負債			
Secured bank borrowings – due after one year	已抵押銀行借貸 – 於一年後到期		90,642	92,269
Obligations under finance leases – due after one year	融資租約承擔 – 於一年後到期		1,185	2,148
			91,827	94,417
			635,803	629,041



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 31 December 2007

截至二零零七年十二月三十一日
止六個月

Attributable to equity holders of the parent

母公司權益持有人應佔權益

	Share capital	Treasury shares	Shares premium account	Share options reserve	Investment revaluation reserve	Other reserve	Capital redemption reserve	Capital reserve	Distributable reserve	Translation reserve	Retained profit	Total	Minority interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	股本	庫存股份	股份溢價	購股權儲備	投資重估儲備	其他儲備	贖回儲備	資本儲備	可分派儲備	換算儲備	保留溢利	合計	股東權益少數	合計
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 July 2006 (audited) 於二零零六年七月一日(經審核)	9,100	(8,911)	1	8,233	64	8,551	11,203	205,038	93,961	65	111,356	438,661	858	439,519
Repurchase of own shares 回購股份	(187)	-	-	-	-	-	187	-	-	-	(9,512)	(9,512)	-	(9,512)
Gain on fair value changes of available-for-sale investments 可供出售投資公平值變動產生之收益	-	-	-	-	227	-	-	-	-	-	-	227	-	227
Disposal of a subsidiary 出售附屬公司	-	-	-	-	-	-	-	62	-	-	-	62	-	62
Profit for the period 期內溢利	-	-	-	-	-	-	-	-	-	-	11,551	11,551	-	11,551
At 31 December 2006 (unaudited) 於二零零六年十二月三十一日(未經審核)	8,913	(8,911)	1	8,233	291	8,551	11,390	205,100	93,961	65	113,395	440,989	858	441,847
At 1 July 2007 (audited) 於二零零七年七月一日(經審核)	8,804	(8,911)	1	8,612	346	8,551	11,499	205,038	93,961	87	206,636	534,624	-	534,624
Repurchase of own shares 回購股份	(67)	-	-	-	-	-	67	-	-	-	(4,480)	(4,480)	-	(4,480)
Gain on fair value changes of available-for-sale investments 可供出售投資公平值變動產生之收益	-	-	-	-	100	-	-	-	-	-	-	100	-	100
Exercise of shares options 行使購股權	6	-	318	(131)	-	-	-	-	-	-	131	324	-	324
Exchange difference arising on translation of foreign operations 換算海外業務之匯兌差價	-	-	-	-	-	-	-	-	-	17	-	17	-	17
Profit for the period 期內溢利	-	-	-	-	-	-	-	-	-	-	13,391	13,391	-	13,391
At 31 December 2007 (unaudited) 於二零零七年十二月三十一日(未經審核)	8,743	(8,911)	319	8,481	446	8,551	11,566	205,038	93,961	104	215,678	543,976	-	543,976



CONDENSED CONSOLIDATED CASH FLOW STATEMENT

簡明綜合現金流量表

For the six months ended 31 December 2007

截至二零零七年十二月三十一日止六個月

Six months ended 31 December

		2007 (Unaudited) HK\$'000 截至十二月三十一日止六個月 二零零七年 (未經審核) 千港元	2006 (Unaudited) HK\$'000 截至十二月三十一日止六個月 二零零六年 (未經審核) 千港元
Net cash used in from operating activities	經營活動所用之現金淨額	(11,029)	(24,242)
Net cash generated from investing activities	投資活動所得之現金淨額	15,184	24,581
Net cash used in from financing activities	融資活動所用之現金淨額	(15,076)	(8,547)
Net decrease in cash and cash equivalents	現金及現金等值物之淨額減少	(10,921)	(8,208)
Cash and cash equivalents at beginning of the period	期初現金及現金等值物	18,760	33,065
Effect of foreign exchange rate changes	外幣兌換率變動之影響	17	—
Cash and cash equivalents at end of the period	期末現金及現金等值物	7,856	24,857
Analysis of the balances of cash and cash equivalents	現金及現金等值物結餘之分析		
Bank balance and cash	銀行結存及現金	12,729	31,023
Bank overdrafts	銀行透支	(4,873)	(6,166)
		7,856	24,857



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2007

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The condensed consolidated interim financial statements are unaudited, but have been reviewed by the Audit Committee of the Company.

These unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Accounting Standard No. 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The condensed consolidated interim financial statements have been prepared on the historical cost basis, except for certain financial instruments and investment properties which are measured at fair values.

The accounting policies used in the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 30 June 2007.

In the current interim period, the Group has applied, for the first time, certain new standard, amendment and interpretations ("new HKFRSs") issued by HKICPA, which are effective for the Group's financial year beginning 1 July 2007. The adoption of the new HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

簡明綜合財務報表附註

截至二零零七年十二月三十一日
止六個月

1. 編製基準及會計政策

簡明綜合中期財務報表乃未經審核，惟已由本公司之審核委員會審閱。

本未經審核簡明綜合中期財務報表乃按照香港聯合交易所有限公司（「交易所」）證券上市規則（「上市規則」）附錄16所載之適用披露規定及香港會計師公會（「香港會計師公會」）所頒佈之香港會計準則第34號「中期財務報告」編製。

簡明綜合中期財務報表乃根據歷史成本基準編製，惟若干財務工具及投資物業以公平值（如適用）釐定者除外。

簡明綜合中期財務報表所採用之會計政策與本集團截至二零零七年六月三十日止年度之綜合財務報表所載者一致。

於本中期期間內，本集團首次採用多項由香港會計師公會頒佈之新準則、修訂及詮釋（以下統稱「《新香港財務報告準則》」），此等新準則、修訂及詮釋於本集團二零零七年七月一日開始之財政年度生效。採用《新香港財務報告準則》對本集團之本會計期間或過往會計期間之業績及財務狀況並無造成重大影響。因此，毋須作出前期調整。



1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

The Group has not early applied the following new and revised standards or interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the financial statements of the Group.

1. 編製基準及會計政策 (續)

本集團並無提早採用以下已頒佈但未生效之新準則、修訂及詮釋。本公司董事預期採用此等準則或詮釋將不會對本集團之財務報表造成重大影響。

HKAS 23 (Revised)
《香港會計準則》第23條(更新)

HKFRS 8
《香港財務報告準則》第8條

HK(IFRIC) – INT 12
香港(國際財務報告解釋委員會)
— 詮釋第12條

HK(IFRIC) – INT 13
香港(國際財務報告解釋委員會)
— 詮釋第13號

HK(IFRIC) – INT 14
香港(國際財務報告解釋委員會)
— 詮釋第14號

Borrowing Costs¹
借貸成本¹

Operating Segments¹
經營分類¹

Service Concession Arrangements²
特許服務權安排²

Customer Loyalty Programmes³
客戶忠誠度計劃³

HKAS 19 – The Limit on a Defined Benefit Asset,
Minimum Funding Requirements and their Interaction²
香港會計準則第19號— 一定額福利資產之限制、最低資金要求
及兩者之互動關係²

¹ Effective for annual periods beginning on or after 1 January 2009
適用於二零零九年一月一日或以後開始之年度期間

² Effective for annual periods beginning on or after 1 January 2008
適用於二零零八年一月一日或以後開始之年度期間

³ Effective for annual periods beginning on or after 1 July 2008
適用於二零零八年七月一日或以後開始之年度期間



2. SEGMENT INFORMATION

Turnover represents the net amounts received and receivable for goods sold to outside customers and rental income from properties under operating leases during the period.

(a) Business segments

For management purposes, the Group's operations are organised into three operating divisions namely resort development, property investment and manufacture and distribution of electronic products. The Group's resort development division includes multi-purpose resort communities as well as sales of condo hotels, residential units and club memberships. These divisions are the basis on which the Group reports its primary segment information.

Business segment information for the six months ended 31 December 2007:

2. 分類資料

營業額指就期內向外界客戶銷售貨物之已收及應收款項淨額及經營租賃物業之租金收入。

(a) 按業務分類

就管理而言，本集團的業務以三個業務部門－度假村發展、物業投資及製造及分銷電子產品組成。本集團之度假村發展項目包括多用途度假村及建設和出售分權酒店、住宅單位及會所會籍。該等部門乃本集團報告其主要分類資料之基礎。

截至二零零七年十二月三十一日止六個月之業務分類資料：

		Continuing operations			Discontinued operations	
		持續經營業務			已終止業務	
		Resort development	Property investment	Total	Manufacture and distribution of electronic products	Consolidated
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		度假村發展	物業投資	總計	電子產品	綜合
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		千港元	千港元	千港元	千港元	千港元
Turnover	營業額	515	3,411	3,926	56,988	60,914
Results	業績					
Segment results	分類業績	515	21,601	22,116	1,040	23,156
Unallocated corporate expenses	未分配公司費用			(6,173)	–	(6,173)
Profit from operations	經營溢利			15,943	1,040	16,983
Finance costs	融資成本			(2,811)	(1,121)	(3,932)
Profit (loss) before taxation	除稅前溢利 (虧損)			13,132	(81)	13,051
Taxation	稅項			340	–	340
Profit (loss) for the period	期內溢利 (虧損)			13,472	(81)	13,391



2. SEGMENT INFORMATION (Continued)

(a) Business segments (Continued)

Business segment information for the six months ended 31 December 2006:

2. 分類資料 (續)

(a) 按業務分類 (續)

截至二零零六年十二月三十一日止六個月之業務分類資料：

		Continuing operations 持續經營業務			Discontinued operations 已終止業務	
		Resort development (Unaudited) HK\$'000	Property investment (Unaudited) HK\$'000	Total (Unaudited) HK\$'000	Manufacture and distribution of electronic products (Unaudited) HK\$'000	Consolidated (Unaudited) HK\$'000
		度假村發展 (未經審核) 千港元	物業投資 (未經審核) 千港元	總計 (未經審核) 千港元	製造及分銷 電子產品 (未經審核) 千港元	綜合 (未經審核) 千港元
Turnover	營業額	557	2,737	3,294	61,387	64,681
Results	業績					
Segment results	分類業績	557	6,893	7,450	1,542	8,992
Unallocated corporate income	未分配公司收入			4,642	—	4,642
Profit from operations	經營溢利			12,092	1,542	13,634
Finance costs	融資成本			(792)	(1,291)	(2,083)
Profit before taxation	除稅前溢利			11,300	251	11,551
Taxation	稅項			—	—	—
Profit for the period	期內溢利			11,300	251	11,551

(b) Geographical segments

The Group's operations are principally located in Hong Kong, the People's Republic of China other than Hong Kong (the "PRC") and the British Virgin Islands (the "BVI").

(b) 地區分類

本集團之經營地區主要位於香港、中華人民共和國(「中國」，不包括香港)及英屬處女群島(「英屬處女群島」)。



2. SEGMENT INFORMATION (Continued)

(b) Geographical segments (Continued)

The following table provides an analysis of the Group's turnover by geographical market, irrespective of the origin of the goods:

		Six months ended 31 December			
		2007		2006	
		Turnover (Unaudited) HK\$'000	Contribution (Unaudited) HK\$'000	Turnover (Unaudited) HK\$'000	Contribution (Unaudited) HK\$'000
		截至十二月三十一日止六個月			
		二零零七年		二零零六年	
		營業額 (未經審核) 千港元	盈利 (未經審核) 千港元	營業額 (未經審核) 千港元	盈利 (未經審核) 千港元
Geographical segments	地區分類				
Continuing operations	持續經營業務				
Hong Kong	香港	974	(4,827)	767	(284)
The PRC	中國	2,437	1,428	1,970	886
The BVI	英屬處女群島	515	515	557	557
		3,926	(2,884)	3,294	1,159
Discontinued operations	已終止業務				
Hong Kong	香港	56,988	1,040	61,387	1,542

2. 分類資料 (續)

(b) 地區分類 (續)

下表提供本集團按地區市場劃分之營業額分析 (不論貨品之來源地) :

3. PROFIT BEFORE TAXATION

3. 除稅前溢利

		Continuing operations		Discontinued operations		Consolidated	
		持續經營業務		Six months ended 31 December 已終止業務		綜合	
				截至十二月三十一日止六個月			
		2007	2006	2007	2006	2007	2006
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		千港元	千港元	千港元	千港元	千港元	千港元
Profit for the period has been arrived at after charging:	期內溢利已扣除下列各項：						
Depreciation of property, plant and equipment and amortisation on:	物業、廠房及設備之折舊及攤銷：						
- Assets owned by the Group	- 本集團擁有之資產	1,155	380	1,426	-	2,581	380
- Assets held under finance leases	- 根據融資租約持有之資產	1,315	847	-	-	1,315	847
and after crediting:	並經計入：						
Dividend income from listed available-for-sale investments	可供出售上市投資股息收入	9	241	-	-	9	241



4. TAXATION

4. 稅項

		Continuing operations		Discontinued operations		Consolidated	
		持續經營業務		已終止業務		綜合	
		Six months ended 31 December		截至十二月三十一日止六個月			
		2007	2006	2007	2006	2007	2006
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		千港元	千港元	千港元	千港元	千港元	千港元
The (credit) charge comprises:	稅項（抵免）支出包括：						
Hong Kong Profits Tax	香港利得稅						
Current period provision	本期間撥備	-	-	-	-	-	-
Overprovision in previous years	以往年度超額撥備	(340)	-	-	-	(340)	-
		(340)	-	-	-	(340)	-
Deferred tax	遞延稅項	-	-	-	-	-	-
		(340)	-	-	-	(340)	-

Hong Kong Profits Tax is calculated at the rate of 17.5% (2006: 17.5%) of the estimated assessable profits for the period.

香港利得稅乃按期內估計應課稅溢利以稅率17.5%計算（二零零六年：17.5%）。

No provision for Hong Kong Profits Tax was made for the period ended 31 December 2007 (2006: Nil) as the Company and its subsidiaries had no assessable profit for that period.

截至二零零七年十二月三十一日止期間並無就香港利得稅作出撥備（二零零六年：無），原因是本公司及其附屬公司於期內並無應課稅溢利。

No provision for deferred tax has been made in the period.

期內並無作出遞延稅項撥備。



5. DISCONTINUED OPERATIONS

On 5 November 2007, the Company entered into the Agreement to sell the entire 51% interest in Wideland Electronics Limited (the "Disposal"), principally engaged in manufacture of electronic products for OEM customers. The Disposal was completed on 3 January 2008.

The results for the period from the discontinued operations is analysed as follows:

(a) (Loss) profit for the period from the discontinued operations

		Six months ended 31 December	
		2007	2006
		(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
		截至十二月三十一日止六個月	
		二零零七年	二零零六年
		(未經審核)	(未經審核)
		千港元	千港元
(Loss) profit for the period from discontinued operations	已終止業務之期內 (虧損) 溢利		
Revenue	收益	56,988	61,387
Expenses	費用	(57,069)	(61,136)
(Loss) profit before tax	除稅前 (虧損) 溢利	(81)	251
Income tax expense	稅項	—	—
(Loss) profit for the period from discontinued operations	已終止業務之期內 (虧損) 溢利	(81)	251

(b) The cash flows statement of the discontinued operations

		Six months ended 31 December	
		2007	2006
		(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
		截至十二月三十一日止六個月	
		二零零七年	二零零六年
		(未經審核)	(未經審核)
		千港元	千港元
Cash flows from discontinued operations	已終止業務之現金流量		
Net cash flows from operating activities	來自經營活動之淨現金流量	545	(977)
Net cash flows from investing activities	來自投資活動之淨現金流量	(247)	(4,046)
Net cash flows from financing activities	來自融資活動之淨現金流量	(683)	2,411
Net cash flows	淨現金流量	(385)	(2,612)

5. 已終止業務

於二零零七年十一月五日，本公司簽訂一份協議出售威能電子有限公司全部51%之權益（「出售」），其之主要業務為原設備之電子產品製造。該出售已於二零零八年一月三日完成。

於相關期間，已終止業務之業績如下：

(a) 已終止業務之期內 (虧損) 溢利

		Six months ended 31 December	
		2007	2006
		(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
		截至十二月三十一日止六個月	
		二零零七年	二零零六年
		(未經審核)	(未經審核)
		千港元	千港元

(b) 已終止業務之現金流量表

		Six months ended 31 December	
		2007	2006
		(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
		截至十二月三十一日止六個月	
		二零零七年	二零零六年
		(未經審核)	(未經審核)
		千港元	千港元



5. DISCONTINUED OPERATIONS (Continued)

(c) The carrying amount of the assets and liabilities of the discontinued operations is as follows:

5. 已終止業務(續)

(c) 已終止業務之資產及負債賬面值如下：

		31/12/2007 (Unaudited) HK\$'000 二零零七年 十二月三十一日 (未經審核) 千港元	30/6/2007 (Audited) HK\$'000 二零零七年 六月三十日 (經審核) 千港元
Non-current assets	非流動資產		
Investment properties	投資物業	2,080	2,080
Property, plant and equipment	物業、廠房及設備	10,290	11,462
Prepaid lease payments – non-current portion	預付租賃付款 – 非流動部份	203	206
		12,573	13,748
Current assets	流動資產		
Inventories	存貨	1,448	1,898
Trade and other receivables	貿易及其他應收款項	9,802	6,949
Prepaid lease payments – current portion	預付租賃付款 – 流動部份	5	5
Pledged bank deposits	已抵押銀行存款	3,232	3,173
Bank balances and cash	銀行結餘及現金	143	193
		14,630	12,218
Current liabilities	流動負債		
Trade and other payables	貿易及其他應付款項	5,436	4,889
Bank and other borrowings – due within one year	銀行及其他借貸 – 於一年內到期	12,430	14,853
Obligations under finance leases – due within one year	融資租約承擔 – 於一年內到期	2,358	2,637
Bank overdrafts	銀行透支	4,873	4,539
		25,097	26,918
Net current liabilities	流動負債淨值	(10,467)	(14,700)
Total assets less current liabilities	總資產減流動負債	2,106	(952)
Non-current liabilities	非流動負債		
Bank and other borrowings – due after one year	銀行及其他借貸 – 於一年後到期	4,515	269
Obligations under finance leases – due after one year	融資租約承擔 – 於一年後到期	710	1,816
		5,225	2,085
		(3,119)	(3,037)
Capital and reserves	資本及儲備		
Share capital	股本	200	200
Reserves	儲備金	(3,319)	(3,237)
		(3,119)	(3,037)



6. EARNINGS PER SHARE

The calculation of the basic earnings per share for the period is based on the profit attributable to equity holders of the parent for the period of HK\$13,391,000 (2006: HK\$11,551,000) and on the weighted average of 841,327,875 (2006: 866,354,826) ordinary shares of the Company in issue during the period. The weighted average number of shares adopted in calculation of earnings per share has been arrived after eliminating the shares in the Company held by Applied Investment (Asia) Limited.

The calculation of diluted earnings per share has not considered the effect of share options because the exercise price of the share options granted is higher than the average market price of shares for both periods.

From continuing and discontinued operations

The calculation of the basic earnings per share attributable to the equity holders of the parent company is based on the following data:

6. 每股盈利

每股基本盈利乃根據期內母公司股權持有人應佔溢利13,391,000港元（二零零六年：11,551,000港元）及於期內本公司已發行普通股之加權平均數841,327,875股（二零零六年：866,354,826股）計算。計算每股盈利所採用之加權平均股份數目乃經撇除實力投資發展有限公司持有本公司之股份後釐定。

計算每股攤薄盈利時並無考慮購股權之影響，原因為所授予之購股權之行使價高於相關期間股份之平均市價。

持續經營及已終止業務

母公司股權持有人應佔每股基本盈利乃根據以下數據計出：

Six months ended 31 December

2007	2006
(Unaudited)	(Unaudited)
HK\$'000	HK\$'000
截至十二月三十一日止六個月	截至十二月三十一日止六個月
二零零七年	二零零六年
(未經審核)	(未經審核)
千港元	千港元

Earnings for the purpose of basic per share (profit for the period attributable to the equity holders of the parent company)	用作每股基本盈利之盈利（於期內母公司股權持有人應佔溢利）	13,391	11,551
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Number of shares 股份數目

Weighted average number of ordinary shares for the purposes of basic earnings per share	用作每股基本盈利之普通股加權平均數	841,327,875	866,354,826
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6. EARNINGS PER SHARE (Continued)

From continuing operations

The calculation of the basic earnings per share from continuing operations attributable to the equity holders of the parent company is based on the filling data:

6. 每股盈利(續)

持續經營業務

持續經營業務時，母公司股權持有人應佔每股基本盈利乃根據以下數據計出：

Six months ended 31 December

2007	2006
(Unaudited)	(Unaudited)
HK\$'000	HK\$'000
截至十二月三十一日止六個月	截至十二月三十一日止六個月
二零零七年	二零零六年
(未經審核)	(未經審核)
千港元	千港元

Earnings for the purpose of basic per share (profit for the period attributable to the equity holders of the parent company)	用作每股基本盈利之盈利（於期內母公司股權持有人應佔溢利）	13,391	11,551
Add loss/less (profit) for the period from the discontinued operations	加已終止業務之期內虧損／減已終止業務之期內（溢利）	81	(251)
Earnings for the purpose of basic per share from continuing operations	用作每股基本盈利之持續經營業務溢利	13,472	11,300

Number of shares 股份數目

Weighted average number of ordinary shares for the purposes of basic earnings per share	用作每股基本盈利之普通股加權平均數	841,327,875	866,354,826
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7. INVESTMENT PROPERTIES

7. 投資物業

		HK\$'000 千港元
VALUATION/FAIR VALUE	估值／公平值	
At 1 July 2006	於二零零六年七月一日	207,500
Disposals	出售	(59,000)
Increase in fair value	公平值增加	10,530
At 30 June 2007 and 1 July 2007	於二零零七年六月三十日 及二零零七年七月一日	159,030
Purchase	購入	29,325
Increase in fair value	公平值增加	25,000
At 31 December 2007	於二零零七年十二月三十一日	213,355

The value of investment properties held by the Group at 30 June 2007 and 31 December 2007 comprises:

本集團持有之投資物業於二零零七年六月三十日及二零零七年十二月三十一日之價值包括：

		31/12/2007 (Unaudited) HK\$'000 二零零七年 十二月三十一日 (未經審核) 千港元	30/6/2007 (Audited) HK\$'000 二零零七年 六月三十日 (經審核) 千港元
Held in Hong Kong:	於香港持有：		
Long-term leases	長期租約	179,325	125,000
Medium-term leases	中期租約	2,080	2,080
Held outside Hong Kong:	於香港以外地方持有：		
Medium-term leases	中期租約	31,950	31,950
		213,355	159,030



8. TRADE AND OTHER RECEIVABLES

The Group allows credit period ranging from 30 to 90 days to its trade customers.

Included in trade and other receivables of the Group are trade debtors of HK\$9,415,000 (30 June 2007: HK\$6,151,000) and their aging analysis is as follows:

		31/12/2007 (Unaudited) HK\$'000 二零零七年 十二月三十一日 (未經審核) 千港元	30/6/2007 (Audited) HK\$'000 二零零七年 六月三十日 (經審核) 千港元
Within 90 days	90 天以內	8,071	5,851
More than 90 days and within 180 days	90 天以上至 180 天內	1,344	300
		9,415	6,151

8. 貿易及其他應收款項

本集團給予其貿易客戶之平均信貸期介乎30至90天。

本集團之貿易及其他應收款項已計入貿易應收款項9,415,000港元(二零零七年六月三十日：6,151,000港元)及其賬齡分析如下：

9. PROMISSORY NOTE RECEIVABLE FROM A JOINTLY CONTROLLED ENTITY

The amount is unsecured, interest-free and repayable on or before 9 April 2008.

10. AMOUNT DUE FROM A JOINTLY CONTROLLED ENTITY

The amount is unsecured, interest-free and recoverable within one year.

9. 應收一間共同控制公司承兌票據

該款項乃無抵押，免息及於二零零八年四月九日或之前償還。

10. 應收一間共同控制公司之款項

該款項乃無抵押，免息及於一年內償還。



11. TRADE AND OTHER PAYABLES

Included in trade and other payables of the Group are trade payables of HK\$2,958,000 (30 June 2007: HK\$3,459,000) and their aging analysis is as follows:

		31/12/2007 (Unaudited) HK\$'000 二零零七年 十二月三十一日 (未經審核) 千港元	30/6/2007 (Audited) HK\$'000 二零零七年 六月三十日 (經審核) 千港元
Within 90 days	90 天以內	1,729	1,661
More than 90 days and within 180 days	90 天以上至 180 天內	1,229	1,798
		2,958	3,459

11. 貿易及其他應付款項

本集團之貿易及其他應付款項已計入貿易應付款項2,958,000港元(二零零七年六月三十日: 3,459,000港元)及其賬齡分析如下:

12. SHARE CAPITAL

12. 股本

		Number of Ordinary shares 普通股數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值 0.01 港元之普通股		
Authorised: At 30 June 2007 and 31 December 2007	法定股本: 於二零零七年六月三十日 及二零零七年十二月三十一日	6,000,000,000	60,000
Issued and fully paid: At 1 July 2006	已發行及繳足股本: 於二零零六年七月一日	909,982,826	9,100
Cancellation upon repurchases of own shares	回購時註銷	(29,540,000)	(296)
At 30 June 2007 and 1 July 2007	於二零零七年六月三十日 及二零零七年七月一日	880,442,826	8,804
Exercise of shares options	行使購股權	600,000	6
Cancellation upon repurchases of own shares	回購時註銷	(6,690,000)	(67)
At 31 December 2007	於二零零七年十二月三十一日	874,352,826	8,743



13. CONTINGENT LIABILITIES

As at 30 June 2007 and 31 December 2007, the Group had no significant contingent liabilities.

13. 或然負債

於二零零七年六月三十日及二零零七年十二月三十一日，本集團無任何重大或然負債。

14. CAPITAL COMMITMENTS

14. 資本承擔

		31/12/2007 (Unaudited) HK\$'000 二零零七年 十二月三十一日 (未經審核) 千港元	30/6/2007 (Audited) HK\$'000 二零零七年 六月三十日 (經審核) 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	已簽約但未在綜合財務報表撥備之有關物業、廠房及設備之資本承擔		
– the Group	– 本集團	15,000	1,115
– share of a jointly controlled entity	– 於一間共同控制公司應佔	31,000	31,000

15. RELATED PARTY DISCLOSURES

15. 關連人士披露

(a) Transaction

At 31 December 2007, a minority shareholder of Wideland Electronics Limited ("Wideland"), which is a 51% owned subsidiary of the Company, had outstanding guarantee, issued in respect of lessors of the leased assets under finance leases arrangement of the Group with an aggregate amount of HK\$463,000 (2006: HK\$649,000).

At 31 December 2007, banking facilities granted to the Group of HK\$18,900,000 (2006: HK\$17,300,000) were also secured by personal guarantee from and properties owned by the minority shareholder of Wideland.

(a) 交易

於二零零七年十二月三十一日，本公司之51%附屬公司威能電子有限公司(「威能」)之少數股東已就本集團之融資租約資產安排作出保證承擔，其金額為463,000港元(二零零六年：649,000港元)。

於二零零七年十二月三十一日，以威能少數股東個人承擔及其持有之物業作為本集團之銀行信貸額抵押，其金額為18,900,000港元(二零零六年：17,300,000港元)。



15. RELATED PARTY DISCLOSURES (Continued)

(a) Transaction (Continued)

At 31 December 2007, Wideland had outstanding corporate guarantee issued in favour of a bank in respect of credit facilities granted by the bank to a related company amounting to HK\$1,500,000 (2006: HK\$2,000,000). The minority shareholder of Wideland was interested in this transaction as a sole proprietor of the related company.

During the period ended 31 December 2007, the Group paid rental expenses of approximately HK\$192,000 (2006: HK\$192,000) for premises owned by the minority shareholder of Wideland.

(b) Balances

Details of the Group's outstanding balances with a related party are set out in the condensed consolidated balance sheet and in notes 9 and 10.

- (c) During the period ended 31 December 2007 and 2006, no transactions have been entered with the directors and other members of key management of the Company other than their emoluments paid to them.

15. 關連人士披露 (續)

(a) 交易 (續)

於二零零七年十二月三十一日，威能對銀行以公司承擔1,500,000港元(二零零六年：2,000,000港元)作為一有關連公司之信貸額。威能之少數股東為該關連公司之經營人。

截至二零零七年十二月三十一日期間，本集團就該物業持有之由威能少數股東已付租約支出約為192,000港元(二零零六年：192,000港元)。

(b) 結餘

本集團與關連人士尚未償還之結餘詳情載於簡明綜合資產負債表及附註9及10。

- (c) 於二零零七年及二零零六年十二月三十一日止期間，除支付本公司董事及管理層其他成員酬金外，本公司並無與他們參與任何交易。



INTERIM DIVIDEND

The Directors do not recommend an interim dividend for the period ended 31 December 2007 (2006: Nil).

REVIEW OF OPERATIONS

The Group's turnover from continuing operations for six months ended 31 December 2007 was approximately HK\$3.9 million representing an increase of 19.2% as compared to the corresponding period ended 31 December 2006. Due to an appreciation of the investment properties held by the Group, the Group has achieved an unaudited net profit of approximately HK\$13.4 million for the six months ended 31 December 2007 which represented an increase of approximately HK\$1.9 million from HK\$11.5 million in the corresponding period ended 31 December 2006.

BUSINESS REVIEW

The Company announced on 5 November 2007 that Elite Industries Limited, an indirect wholly-owned subsidiary of the Company, disposed of its shares in Wideland which represented 51% of the then issued share capital of Wideland. The Disposal completed in January 2008. After the Disposal, there remains two major resort investments in BVI and Panama and certain properties investment in Hong Kong and the PRC with the Group. The Group is then principally engaged in (i) resort and property development and (ii) investment and property holding.

中期股息

董事不建議就截至二零零七年十二月三十一日止期間派付中期股息(二零零六年：無)。

營運回顧

本集團於截至二零零七年十二月三十一日止六個月之持續經營業務之營業額約為3,900,000港元，較截至二零零六年十二月三十一日止同期間增加19.2%。由於本集團持有之投資物業升值，本集團於截至二零零七年十二月三十一日止六個月未經審核之溢利為13,400,000港元較截至二零零六年十二月三十一日止同期為11,500,000港元上升約1,900,000港元。

業務回顧

本公司於二零零七年十一月五日，公佈Elite Industries Limited — 本公司間接擁有之全資附屬公司出售威能之股份，出售股份佔威能現有已發行股本之51%，該出售已於二零零八年一月份完成。出售完成後，業務餘下兩項分別位於英屬處女群島及巴拿馬之主要度假村投資和若干物業投資位於香港及中國。本集團之主要業務為(i)度假村及物業發展及(ii)投資及物業控股。



BUSINESS REVIEW (Continued)

(i) Resort and Property Development

BVI Project

The Company formed a joint venture with InterIsle Holdings Ltd. (“InterIsle”) to develop a project in Beef Island (the “JV Agreement”) in BVI, sized approximately 660 acres (approximately 267 hectares or 28.75 million square feet). Upon completion of the transactions contemplated under the JV Agreement in April 2007, the Group has received US\$8 million (approximately HK\$62.4 million) in cash and the balance US\$22 million is secured by a promissory note issued by Quorum Island (BVI) Limited (“Quorum Island”), the jointly controlled entity of the Company and InterIsle, to the Company. The repayment of the US\$22 million promissory note is subject to the approval of the initial loan from the proposed bank for the BVI Project (the “Proposed Bank”) which will provide both the initial loan and project loan to Quorum Island.

業務回顧 (續)

(i) 度假村及物業發展

英屬處女群島項目

本公司與 InterIsle Holdings Ltd. (「InterIsle」) 組成一間合營企業，發展一塊面積約660英畝(約267公頃或2,875萬平方呎)位於英屬處女群島的 Beef Island (該「合營協議」) 之項目。該合營協議已於二零零七年四月完成，本集團已收到現金8,000,000美元(約相等於62,400,000港元)及餘額22,000,000美元以承兌票據由共同控制公司Quorum Island (BVI) Limited (「Quorum Island」) 付予本公司。該22,000,000美元承兌票據款項之償還須就推薦銀行(「推薦銀行」)(一起提供首期貸款及項目貸款予Quorum Island之銀行)審批首期貸款決定。



BUSINESS REVIEW (Continued)

(i) Resort and Property Development (Continued)

BVI Project (Continued)

In late 2007, there is a change in the Prime Minister of the British Virgin Islands and the Virgin Islands Environmental Council (“VIEC”), a non-profit civil environmental organization, has been challenging those outstanding projects in BVI which were approved by the former BVI Government. The BVI Project is one of those challenged projects. Quorum Island, as an interested party to the BVI Project, is prepared to provide detailed analysis and studies to defend the major challenge to the BVI Project – the building of an 180 acres golf course out of 663 acres of the total development for the project. This was one of the conditions in the approved master plan of the BVI Project (the “Master Plan”) requested by the former Prime Minister. Although there may be changes to the Master Plan as a result of the challenge, our experienced JV partners, InterIsle, who developed the St. Regis Resort in Puerto Rico and Yacht Haven Grande St. Thomas, has already started to prepare a new Master Plan to address this matter. The management believes that the new Master Plan which has the golf course eliminated may not only furnish the 180 acres excess land for more residential units to be built and sold and more green facilities but also save construction and yearly maintenance costs of the golf course.

業務回顧 (續)

(i) 度假村及物業發展 (續)

英屬處女群島項目 (續)

於二零零七年底，英屬處女群島總理被更換及處女群島環境局（一間非牟利政府環境組織機構）對於已獲英屬處女群島前政府批准的英屬處女群島項目之未完成項目提出質詢。英屬處女群島項目是其中被質詢的項目之一。Quorum Island為英屬處女群島項目之利益者準備提供詳細分析及研究答辯主要質詢－在663英畝之項目總發展面積中用以興建180英畝高爾夫球場，該主要質詢是前總理批准策劃藍圖（該「策劃藍圖」）中之主要條款之一。雖該質詢會引起英屬處女群島項目之策劃藍圖有所改變，本集團之富有豐富經驗之合作伙伴InterIsle（於Puerto Rico，St. Regis Resort及Yacht Haven Grande St. Thomas有豐富之發展經驗）就上述質詢已開始預備新策劃藍圖書作解決質詢之用。管理層相信該新策劃藍圖中不只因刪除被質詢之興建高爾夫球場而提供180英畝之額外土地，其除可用作興建更多住宅單位出售及建設更多環保設施外，更能省略高爾夫球場之建築支出及其每年維修費用。



BUSINESS REVIEW (Continued)

(i) Resort and Property Development (Continued)

BVI Project (Continued)

Although the final stage of the grant of the initial loan and project loan to Quorum Island has been reached, the Proposed Bank may delay its financial decision on the provision of loan for the BVI Project due to the abovementioned challenge. The coming trial date of the BVI Project is scheduled on 14 May 2008.

The BVI Project is co-developed by the Group and InterIsle. It is intended that a mixed use luxury resort featuring a luxury hotel comprising a condominium hotel and fractional ownership element, an 18-hole championship golf course with Jack Nicklaus signature (water-front residential units and other green facilities, if in case to be deleted), a variety of residential units, a marina and a high-end retail residential area, together with the related infrastructure improvements and installation of utilities.

Panama Project

The Company also acquired land sized approximately 1,223 acres (approximately 495 hectares or 53.27 million square feet) named Playa Grande in Province of Chiriqui in Panama ("Panama Land"), which has a 2.2 km beach for a consideration of approximately US\$19,500,000 (approximately HK\$152,100,000) in June 2007. To replicate the business model of the BVI Project, the Company will partner with renowned expertise in the resort development industry to study and design the project in Panama (the "Panama Project"). The project team members will be similar to those of the BVI Project and funded by project finance.

業務回顧 (續)

(i) 度假村及物業發展 (續)

英屬處女群島項目 (續)

雖然給予 Quorum Island 有關首期貸款及項目貸款之審批正處於最後階段，然而對於該上述質詢，推薦銀行可能延誤其就該貸款金額之決定。英屬處女群島項目審裁日期定為二零零八年五月十四日。

本集團與 InterIsle 合作發展英屬處女群島項目。其將發展成多用途豪華度假村，包括一個附設獨立產權及分權單位的豪華酒店、一個 Jack Nicklaus 名師設計之 18 洞錦標賽級高爾夫球場（如需要刪除，將興建為臨海住宅單位出售及建設其他環保設施）、多個住宅單位、一個遊艇會及高尚零售住宅區及其相關基建及配套設施安裝工程。

巴拿馬項目

本公司亦於二零零七年六月收購一幅位於 Province of Chiriqui, Panama 名為「Playa Grande」(「巴拿馬土地」)之土地，該土地面積約 1,223 英畝（約 495 公頃或 5,327 萬平方呎），收購代價約為 19,500,000 美元（約相等於 152,100,000 港元），該地擁有 2.2 公里長的海灘。本集團按照英屬處女群島項目的經營模式來發展巴拿馬項目，並將與實力雄厚之度假村發展商合作，共同發展及設計於巴拿馬之項目（該「巴拿馬項目」）。項目發展成員將會與英屬處女群島項目之成員相似及亦由項目融資支付發展資金。



BUSINESS REVIEW (Continued)

(i) Resort and Property Development (Continued)

Panama Project (Continued)

The Panama Project is planned to feature a 5-star luxury hotel, a branded boutique hotel and a luxury condo hotel, a marina facility and a marina village, an 18-hole signature golf course, a branded fractional ownership club, branded ocean-view villas and branded residential lots. After completion, 800-1,000 residential units in the various branded residential will be offered.

In October 2007, the Group acquired a hot spring in October 2007 located in Borough of San Felix, Chiriqui, Panama. This hot spring has been certified by ASOTEMPA, an affiliate of an international medical thermal association, as one of the medical hot springs in the world. This hot spring will be an amenity to the Panama Project. Further the acquisition of the hot spring, the Group has signed with Jack Nicklaus another golf course agreement in respect of the Panama Project.

Development of the Panama Project such as environmental land approval and tax holidays is underway smoothly. The Group has developed a master plan for the project, devised golf course routing plans, conducted market studies, environmental studies, IRR studies, and various studies and tests on the project.

Recently, over ten potential joint venture partners of the Panama Project had shown interests in the Panama Project after their site visits. Some of them are multi-national enterprises.

業務回顧 (續)

(i) 度假村及物業發展 (續)

巴拿馬項目 (續)

巴拿馬項目預期包括五星級豪華酒店、以營運商命名的精品酒店及豪華獨立產權酒店、遊艇設施及遊艇村、一個18洞名師設計高爾夫球場、以營運商命名的分權物業及會所、以營運商命名的海景別墅及以營運商命名的住宅地段。待竣工後，將會提供800至1,000個住宅單位出售。

於二零零七年十月，本集團已收購位於巴拿馬齊里基省San Felix鎮熱溫泉。該熱溫泉已獲得「ASOTEMPA」（國際熱能醫學協會成員）認證為全世界有醫療用途熱溫泉之一。該熱溫泉將成為巴拿馬項目設施之一。完成收購熱溫泉之後，本集團亦已跟Jack Nicklaus就巴拿馬項目簽定另外一項高爾夫球場協議。

巴拿馬項目之發展順利進行，例如申請批准環境土地及稅務假期等。本集團已策劃發展藍圖及進行高爾夫球場路線之規劃、市場研究、環境研究、內部投資回報率研究，對項目進行不同的研究和測試。

現時，有超過十個之可能合營伙伴在探訪地盤後，均表示其對合作巴拿馬項目之強烈興趣。他們當中更是跨國企業。



BUSINESS REVIEW (Continued)

(ii) Investment and Property Holding

The Group's investment properties, mainly in Hong Kong and the PRC continue to generate a stable rental income to the Group for the six months ended 31 December 2007.

OUTLOOK

The management believes that the Disposal of Wideland, which was engaged in the manufacture of OEM business which had brought high revenue but a comparative low profit margin to the Group before the Disposal, will improve the liquidity and working capital of the Group (as at 31 December 2007, the current ratio of the Group excluding Wideland was 51 times as compared with the current ratio of the Group including Wideland of 7.8 times) and the Group will concentrate its resources in higher profit margin business such as resort development and property development and investment.

BVI Project

Although the negative impact on the US sub-prime debts was announced recently, there is still healthy development in the resort market in the neighbourhood where the BVI Project is situated. Nevertheless, the management believes that there may be a delay in fund raising of the BVI project as a result of the adverse credit market.

Regarding the major challenge of the BVI Project raised by the VIEC, if possible, the elimination of golf course may not only furnish more the 180 acres excess land and for more residential units to be built and sold, more green facilities but also save construction and yearly maintenance costs of the golf course.

業務回顧 (續)

(ii) 投資及物業控股

本集團之投資物業主要位於香港及中國，於截至二零零七年十二月三十一日止六個月，其繼續為本集團帶來穩定收入。

回顧

管理層相信出售威能(主要業務為原設備製造營運，其曾為本集團帶來高營業額，但低邊際利潤之業務)後，本集團之流動現金及營運資金將會改善(截至二零零七年十二月三十一日，本集團之流動比率為7.8倍與本集團除威能外之流動比率為51倍比較)及本集團將集中資源於較高利潤之業務如度假村發展及物業發展及投資。

英屬處女群島項目

雖然近期公佈美國次按所帶來之負面影響，唯英屬處女群島項目所處之鄰近地區之度假村市場仍然健康發展。儘管如此，管理層相信惡劣的信貸市場可能會導致英屬處女群島項目融資延遲。

有關於英屬處女群島環境局所提出對英屬處女群島項目之主要質詢，如可能的情況下，刪除興建高爾夫球場時，其影響將會不但可以提供180英畝之額外土地及興建更多住宅單位出售及建設更多環保設施，更能省略高爾夫球場之興建支出及其每年維修費用。



OUTLOOK (Continued)

Panama Project

As some multi-national enterprises have recently shown their interests to the Group for the joint development of the Panama Project and that Panama is a prime destination of comparatively low living cost than the US and Europe, and of stable inflation rate, the management still has confidence that its investment in the Panama is a potential project which will contribute satisfactory profit to the Group.

In view of the prospects of the resort and property sector, we will continue to be strategically allied with world-renowned architects, designers, and resort developers to develop future resort projects for development and good profits to the Group and seek other appropriate property investment opportunities in the Asian Region including Hong Kong and the PRC in future to boom up the sources of income to the Group.

PLEDGE OF ASSETS

As at 31 December 2007, the Group pledged the following assets to banks to secure general banking facilities granted to the Group:

回顧 (續)

巴拿馬項目

由於一些跨國企業最近已向本集團提出有意共同發展巴拿馬項目之興趣及巴拿馬為理想居住地方（其生活指數相比美國及歐洲較低，其通貨膨脹率亦穩定下），管理層依然有信心於巴拿馬之投資將有潛力成為另一個為集團帶來令人滿意利潤之項目。

有見度假村及物業項目之良好發展前景，本集團將繼續與世界級知名的建築師、設計師及度假村發展商組成策略聯盟，共同發展未來度假村項目，為本集團帶來良好盈利，及在亞洲地區包括香港及中國尋找其他合適物業投資機會，為本集團未來提升收入來源。

資產抵押

於二零零七年十二月三十一日，本集團以以下資產作抵押為本集團獲授一般銀行信貸之擔保：

		31/12/2007 (Unaudited) HK\$'000 二零零七年 十二月三十一日 (未經審核) 千港元	30/06/2007 (Audited) HK\$'000 二零零七年 六月三十日 (經審核) 千港元
Investment properties	投資物業	181,405	127,080
Property, plant and equipment	物業、廠房及設備	1,866	1,866
Prepaid lease payments	預付租賃付款	208	211
Properties held for sale	待出售之物業	—	59,000
Bank deposits	銀行存款	3,232	3,173

As agreed with the bank, the pledge of the Group's properties held for sale will be released when the properties are sold.

獲得該銀行同意，本集團待出售物業之抵押將於出售時被解除。



LIQUIDITY AND FINANCIAL INFORMATION

As at 31 December 2007, the Group's total net asset value and borrowings amount to HK\$543.9 million and HK\$113.7 million respectively, representing a gearing ratio of 20.9%. In addition, the majority of the Group's assets were in Hong Kong, and hence US dollars and the exposure to foreign exchange were insignificant to the Group.

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

At at 31 December 2007, the interests held by the directors of the Company ("Directors") in the shares, underlying shares of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in register required to be kept by the Company under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), were as follows:

流動現金及財務資料

於二零零七年十二月三十一日，本集團之總資產淨值及總借款淨值分別為 543,900,000 港元及 113,700,000 港元，負債資產比率維持於 20.9%。此外，本集團大部分資產以港元及美元持有，故本集團並無重大外匯波動風險。

董事於本公司股份及相關股份之權益

於二零零七年十二月三十一日，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條存置之登記冊所載，本公司董事擁有本公司及其相聯法團（定義見證券及期貨條例第XV部）股份及相關股份權益，或根據交易所證券上市規則（「上市規則」）所載上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及交易所之權益如下：

Name of directors 董事姓名	Number of ordinary shares 普通股數目			Total 總計	Approximate % of shareholding 概約持股 百分比
	Personal interests 個人權益	Other interests 其他權益	Corporate interests 公司權益		
Hung Kin Sang, Raymond 洪建生	3,280,000	405,655,584 (Note 1) (附註1)	34,329,000 (Note 2) (附註2)	443,264,584	50.70%
Hung Wong Kar Gee, Mimi 洪王家琪	9,310,056	405,655,584 (Note 1) (附註1)	34,329,000 (Note 2) (附註2)	449,294,640	51.39%
Hung Kai Mau, Marcus 洪繼懋	2,760,000	-	-	2,760,000	0.32%
Fang Chin Ping 方進平	100,000	-	-	100,000	0.01%
Soo Hung Leung, Lincoln J.P. (resigned on 24 January 2008) 蘇洪亮，非官守太平紳士 (已於二零零八年一月二十四日辭任)	1,100,000	-	-	1,100,000	0.13%



DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (Continued)

董事於本公司股份及相關股份之權益 (續)

Note 1: These shares and underlying shares were held by the following companies:

附註1：該等股份及相關股份乃由下列公司持有：

	Number of ordinary shares 普通股數目
Malcolm Trading Inc.	43,992,883
Primore Co. Inc.	2,509,266
Capita Company Inc.	359,153,435
	405,655,584

Malcolm Trading Inc., Primore Co. Inc. and Capita Company Inc. are wholly-owned by the Marami Foundation as trustee for the Raymond Hung/Mimi Hung & Family Trust, a discretionary trust the discretionary objects of which include the family members of Hung Kin Sang, Raymond and Hung Wong Kar Gee, Mimi.

Malcolm Trading Inc., Primore Co. Inc.及Capita Company Inc.均由作為洪建生／洪王家琪與家族信託之信託人之Marami Foundation所全資擁有，該全權信託基金之全權受益人包括洪建生及洪王家琪之家族成員。

Note 2: These shares and underlying shares were held by Applied Investment (Asia) Limited which was a wholly-owned subsidiary of the Company.

附註2：此等股份及相關股份由實力投資發展有限公司持有。該公司為本公司之全資附屬公司。

Save as disclosed above, as at 31 December 2007, none of the Directors or chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), the Model Code for Securities Transactions by Directors of Listed Companies and which were required to be entered into and kept under the register pursuant to section 352 of the SFO.

除上文披露者外，於二零零七年十二月三十一日，本公司董事及行政總裁概無於本公司或任何相聯法團(定義見證券及期貨條例第XV分部)之股份、相關股份及債權證中擁有須根據證券及期貨條例第XV分部第7及8分部知會本公司及交易所或根據上市公司董事證券交易之標準守則知會本公司及交易所及須記錄於根據證券及期貨條例第352條規定置存之登記冊之權益及淡倉(包括根據證券及期貨條例之該等條文被計作或視作擁有之權益及淡倉)。



ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

The Directors and employees of the Company and its subsidiaries are entitled to participate in the share option scheme of the Company adopted by the Company on 16 September 2002 (the "Scheme").

The following table discloses movements of the share options of the Company granted to the Directors during the period:

購買股份及債券安排

本公司及其附屬公司之董事及僱員均可參與本公司於二零零二年九月十六日所採納之本公司購股權計劃（「計劃」）。

在本期間，給予本公司董事之公司購股權變動如下：

Name of directors	Date of share options granted	Outstanding at beginning of the period	Granted during the period	Exercised during the period	Lapsed or cancelled during the period	Outstanding at end of the period	Exercise price
					本期間已逾期或作廢		
董事名稱	購股權給予日期	本期初購股權結餘	本期間給予	本期間行使	本期間已逾期或作廢	本期終結餘	行使價
							HK\$ 港元
Hung Kin Sang, Raymond 洪建生	(1) 25 April 2006 二零零六年四月二十五日	45,611,141	-	-	-	45,611,141	0.54
Hung Kai Mau, Marcus 洪繼懋	(2) 25 April 2006 二零零六年四月二十五日	3,000,000	-	-	-	3,000,000	0.54
Total for directors 總數予董事		48,611,141	-	-	-	48,611,141	

Notes:

附註：

(1) The exercise period of the share options of the Company granted to Mr. Hung Kin Sang, Raymond is five years from the date of grant. There is no minimum vesting period for the share options of the Company granted to Mr. Hung Kin Sang, Raymond.

(1) 洪建生先生購股權行使期為期5年（由給予日起計）。其沒有限制行使本公司購股權期。



ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES (Continued)

Notes: (Continued)

- (2) The exercise period of the share options of the Company granted to Mr. Hung Kai Mau, Marcus is three years from the date of grant. Except 50% of the share options granted must be held for at least one year before they can be exercised, there is no minimum vesting period for the remaining 50% share options of the Company granted to Mr. Hung Kai Mau, Marcus.
- (3) The closing price of the shares of the Company immediately before the date of grant of share options is HK\$0.54.

Save as disclosed above, at no time during the period was the Company or any of its subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. None of the Directors or their spouses or children under the age of 18 had any right to subscribe for securities of the Company or had exercised any such rights during the period.

SUBSTANTIAL SHAREHOLDERS

Other than the interests disclosed above under the heading “Directors’ interests in shares and underlying shares of the Company” in respect of certain Directors, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO discloses no person as having a notifiable interest or short position in the issued share capital of the Company at 31 December 2007.

購買股份及債券安排 (續)

附註：(續)

- (2) 洪繼懋先生購股權行使期為期3年（由給予日起計）。其餘50%之給予購股權須有一年限制行使外，其沒有限制行使本公司之購股權。
- (3) 給予購股權日之前之本公司收市價為0.54港元。

除上文所披露者外，本公司或其任何附屬公司於本期間內任何時間概無訂立任何安排，致使本公司之董事可藉購買本公司或任何其他法人團體之股份或債券而獲得利益。各董事或彼等之配偶或未滿十八歲子女概無認購本公司證券之權利，亦無於本期間內行使任何該等權利。

主要股東

除上文「董事之股份及相關股份權益」一節所披露本公司若干董事之權益外，本公司根據證券及期貨條例第336條之規定而存置之主要股東名冊顯示，於二零零七年十二月三十一日並無任何人士擁有本公司已發行股本而須予公佈之權益或淡倉。



DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed above, no contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or any of its subsidiaries had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period.

Substantial shareholding in other members of the Group

As at 31 December 2007, 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) are directly or indirectly interested in 5 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group:

Name of Subsidiary 附屬公司名稱	Name of Shareholder 股東姓名	% Shareholding 權益百分比
Wideland Electronics Limited 威能電子有限公司	Ma Yi Fat 馬二發	40
Wideland Electronics Limited 威能電子有限公司	Ma Siu Lun Frank 馬兆麟	9

Save as disclosed above, the Directors and the chief executive of the Company are not aware of any person (other than a Director or chief executive of the Company) who, as at 31 December 2007, had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

董事於重大合約中之權益

除上文披露者外，於期終或期內任何時間，本公司或其任何附屬公司概無訂立本公司或其任何附屬公司之董事於其中有直接或間接重大權益之重大合約。

於本集團其他成員公司之重大股權

於二零零七年十二月三十一日，據本公司董事及行政總裁所知，下列人士（並非本公司董事或行政總裁）直接或間接持有附有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級別之股本面值之5%或以上權益：

除上文披露者外，本公司董事及行政總裁概不知悉有任何人士（並非本公司董事或行政總裁）於二零零七年十二月三十一日持有登記在本公司遵照證券及期貨條例第336條規定存置之登記冊中之股份及相關股份之權益或淡倉。



EMPLOYEE INFORMATION

As at 31 December 2007, the Group employed a total of 334 full-time employees.

The Group's emolument policies are formulated on the basis of performance of individual employees and are reviewed annually. The Group also provides medical insurance coverage and provident fund scheme (as the case may be) to its employees depending on the location of such employees.

僱員資料

於二零零七年十二月三十一日，本集團合共僱用334名全職僱員。

本集團乃按個別員工之表現制訂薪酬政策，並每年檢討一次。本集團亦因應員工工作之地點為僱員提供醫療保險及公積金計劃（視情況而定）。

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the period under review, the Company repurchased 6,690,000 ordinary shares of the Company ("Shares") on the Stock Exchange at an aggregate consideration of HK\$4,480,000. All of the Shares were subsequently cancelled. The nominal value of the cancelled Shares being HK\$66,900 was credited to the capital redemption reserve and the relevant aggregate consideration of HK\$4,480,000 was paid out from the Company's retained profits. Details of the repurchases are as follows:

買賣或贖回本公司上市證券

本公司於期內以總代價4,480,000港元在交易所購回6,690,000股普通股。全部購回股份其後均已註銷。期內已註銷股份之面值共66,900港元已記入資本贖回儲備，且相關總代價4,480,000港元已自本公司保留溢利支付。購回詳情概述如下：

Month of the repurchases	Total number of the ordinary shares repurchased	Purchase price per share		Aggregate consideration HK\$'000	
		Highest price paid per share HK\$	Lowest price paid per share HK\$		
		每股回購價			
		已付每股 最高價 港元	已付每股 最低價 港元		
購回月份	回購普通股總數			總代價 千港元	
July 2007	二零零七年七月	3,115,000	0.890	0.540	2,101
August 2007	二零零七年八月	2,560,000	0.810	0.500	1,790
September 2007	二零零七年九月	440,000	0.640	0.610	281
October 2007	二零零七年十月	90,000	0.640	0.580	57
November 2007	二零零七年十一月	430,000	0.550	0.455	219
December 2007	二零零七年十二月	55,000	0.610	0.550	32
	6,690,000				4,480



PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES (Continued)

The repurchases were made for the benefit of the shareholders as a whole as they enhance the net asset value and/or earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold, or redeemed any of the listed securities of the Company during the relevant period.

CORPORATE GOVERNANCE

The Company is committed to adopt best corporate governance practices and procedures of the Group. It strives to enhance transparency and independency of operation through the use of effective accountability system to enable a healthy and sustainable development of the Company. The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 31 December 2007.

In order to reinforce independence and accountability, the role of the Chairman is separated from that of the Group's Managing Director in which their respective responsibilities were endorsed by the Board in writing and more than one-third of the Board comprises of Independent Non-Executive Directors.

買賣或贖回本公司上市證券 (續)

購回乃基於全體股東之利益而作出，因購回可提升本公司每股資產淨值及／或每股盈利。

除上文披露者外，本公司或其任何附屬公司於期內並無買賣或贖回本公司任何上市證券。

企業管治

本公司致力以高素質之董事會、健全之內部控制及對全體股東提供高透明度及高問責性之方式遵守最佳企業管治常規及程序。本公司於截至二零零七年十二月三十一日止六個月內一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之企業管治常規守則。

為提高獨立性、問責性及責任，本集團主席之角色獨立於本集團董事總經理，二者之職責分別由董事會書面註明。此外，董事會超過三分之一成員由獨立非執行董事組成。



AUDIT COMMITTEE

The Audit Committee currently comprises of Independent Non-Executive Directors, namely, Mr. Lo Yun Tai (Chairman of the Audit Committee), Mr. Lun Tsan Kau and Mr. Lam Ka Wai, Graham. All of them have related professional qualifications, accounting or related financial management expertise. The Audit Committee has the responsibility to review with the senior management and the Company's external auditors the internal and external audit findings, the accounting principles and practices adopted by the Group pursuant to the Listing Rules, and to discuss with them issues relating to auditing, internal controls, risk management financial reporting matters (including the interim financial report for the six months ended 31 December 2007 before recommending it to the Board for approval) and statutory compliance. The Audit Committee is satisfied that the internal controls and accounting systems of the Group are adequate.

REMUNERATION COMMITTEE

The Remuneration Committee was formed by a majority of Independent Non-Executive Directors which comprises of one executive director, Mr. Hung Kin Sang, Raymond, and two Independent Non-Executive Directors, namely, Mr. Lo Yun Tai and Mr. Lam Ka Wai, Graham newly appointed on 24 January 2008 (Mr. Soo Hung Leung, Lincoln J.P. resigned on 24 January 2008). The Remuneration Committee has the responsibility to make recommendations to the Board on the remuneration policy of the Company and its structure. It also reviews specific remuneration packages of all executive Directors and senior management in accordance with the corporate goals and objectives as resolved by the Board from time to time.

審核委員會

審核委員會由獨立非執行董事即盧潤帶先生(審核委員會主席)、倫贊球先生及林家威先生組成。彼等皆擁有相關專業資格、會計或相關財經管理專業知識。審核委員會負責與管理層及本公司外部核數師審閱內部及外部審核結果、本集團所採納之會計原則及慣例、上市規則、法定合規情況，並就審核、內部控制、風險管理及財務申報事宜(包括提交董事會批准前之截至二零零七年十二月三十一日止六個月中期財務報告)進行討論。審核委員會對本集團之內部控制及會計制度感到滿意並認為適當。

薪酬委員會

薪酬委員會成員包括大多數獨立非執行董事。薪酬委員會由一名執行董事(洪建生先生)及兩名獨立非執行董事(即盧潤帶先生及林家威先生，林家威先生於二零零八年一月二十四日獲委任(蘇洪亮先生，非官守太平紳士於二零零八年一月二十四日辭任))組成。薪酬委員會負責就與董事及高級管理層之薪酬相關之政策及結構向本公司董事會提出建議。該委員會亦根據董事會不時確定之企業目標及目的審查全體執行董事及高級管理人員之個別薪酬待遇。



MODEL CODE FOR SECURITIES TRANSACTION BY DIRECTORS

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. Having made specific enquiries of all the Directors, all the Directors have confirmed that they had complied with the required standard set out in the Model Code during the accounting period covered by the interim report for the six months from 1 July 2007 to 31 December 2007.

PUBLICATION OF INFORMATION ON WEBSITES

This results announcement is available for viewing on the website of Stock Exchange at <http://www.hkex.com.hk> and on the website of the Company at <http://www.applieddev.com>.

MEMBERS OF THE BOARD

At the date hereof, the members of the board are as follows:

Executive directors:

Hung Kin Sang, Raymond (*Managing Director*)
Hung Wong Kar Gee, Mimi (*Chairman*)
Hung Kai Mau, Marcus
Fang Chin Ping

Independent non-executive directors:

Lo Yun Tai
Lun Tsan Kau
Lam Ka Wai, Graham

By order of the Board
Applied Development Holdings Limited
Hung Kin Sang, Raymond
Managing Director

Hong Kong, 17 March 2008

董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載的上市公司董事進行證券交易之標準守則(「標準守則」)。經向本公司各董事作出個別查詢後，各董事已確認彼等於本中期報告之會計期間(二零零七年七月一日至二零零七年十二月三十一日止六個月)一直遵守標準守則所載之要求標準。

於網站刊發資料

本業績公佈可於交易所網站<http://www.hkex.com.hk>及本公司網站<http://www.applieddev.com>覽閱。

董事會成員

於本報告日期，董事會成員如下：

執行董事：

洪建生 (*董事總經理*)
洪王家琪 (*主席*)
洪繼懋
方進平

獨立非執行董事：

盧潤帶
倫贊球
林家威

承董事會命
實力建業集團有限公司
董事總經理
洪建生

香港，二零零八年三月十七日