



Annual Report

2007 年報



WINFOONG INTERNATIONAL LIMITED
榮豐國際有限公司

(Stock Code: 0063)
(股份代號: 0063)



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Corporate Information 公司資料

DIRECTORS

Cheong Pin Chuan, Patrick

(Chairman and Managing Director)

Cheong Kim Pong

Cheong Sim Eng

Chan Yee Hoi, Robert

Kan Fook Yee

Lai Hing Chiu, Dominic

Lim Ghee

Cheong Hooi Kheng (alternate to Madam Lim Ghee)

COMPANY SECRETARY

Cheng Kin Nam, Julia

BANKERS

Hang Seng Bank Limited

Nanyang Commercial Bank, Limited

United Overseas Bank Limited

SOLICITORS

Raymond T.Y. Chan Victoria Chan & Co.

AUDITORS

CCIF CPA Limited

SHARE REGISTRARS

Butterfield Fund Services (Bermuda) Limited

Rosebank Centre

11 Bermudiana Road

Pembroke, Hamilton 08

Bermuda

BRANCH SHARE REGISTRARS AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited

17th Floor, Hopewell Centre

183 Queen's Road East

Wanchai

Hong Kong

PRINCIPAL OFFICE IN HONG KONG

Room 3201

9 Queen's Road Central

Hong Kong

WEBSITE

www.equitynet.com.hk/winfoong

董事

鍾斌銓

(主席兼董事總經理)

鍾金榜

鍾樂榮

陳以海

簡福飴

黎慶超

林義

鍾惠卿 (林義女士之替任董事)

公司秘書

鄭建南

往來銀行

恒生銀行有限公司

南洋商業銀行有限公司

大華銀行有限公司

律師

陳添耀陳瑛律師事務所

核數師

陳葉馮會計師事務所有限公司

股份過戶登記處

Butterfield Fund Services (Bermuda) Limited

Rosebank Centre

11 Bermudiana Road

Pembroke, Hamilton 08

Bermuda

股份過戶登記分處

香港中央證券登記有限公司

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灣仔

皇后大道東 183 號

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香港

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3201 室

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Chairman's Statement 主席報告

On behalf of the board of directors, I present the annual report of Winfoong International Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2007.

本人謹代表董事會同寅，向各股東提呈榮豐國際有限公司（「本公司」）及其附屬公司（「本集團」）截至二零零七年十二月三十一日止年度之年報。

FINANCIAL RESULTS

For the year ended 31 December 2007, the Group recorded consolidated loss attributable to shareholders of approximately HK\$312.3 million due primarily to impairment of goodwill which was a once-off non-cash item as a result of the group reorganization and the acquisition of Goldease Group. In the absence of such impact, the Group's results for the year would have been profit of approximately HK\$8.9 million.

財務業績

於截至二零零七年十二月三十一日止年度，本集團錄得股東應佔綜合虧損約312,300,000港元，此乃主要由於集團重組及收購Goldease集團而產生一項一次性非現金項目之商譽減值所致。在不計該影響情況下，本集團於本年度之業績將為溢利約8,900,000港元。

DIVIDENDS

A distribution in specie of 1 share of Hong Fok Land International Limited for every 1 share of the Company held was declared on 25 July 2007 and paid on 1 August 2007 to the shareholders whose names appear on the Register of Members of the Company on 25 July 2007. The directors do not recommend the payment of a final dividend.

股息

本公司已於二零零七年七月二十五日宣派一項實物分派，即每持有1股本公司股份將獲發1股Hong Fok Land International Limited股份，並已於二零零七年八月一日向名列二零零七年七月二十五日之本公司股東名冊之股東支付。董事不建議派付末期股息。

MANAGEMENT DISCUSSION, ANALYSIS REVIEW OF OPERATIONS AND FUTURE PROSPECTS

During the year, the Group has completed a group reorganization and the acquisition of Goldease Investments Limited and its subsidiaries (collectively, the "Goldease Group") on 1 August 2007. The Group has distributed the business of the holding of the properties at 15 and 17 Magazine Gap Road in Hong Kong, certain properties in the People's Republic of China ("PRC") and an approximately 20.2% interest in Hong Fok Corporation Limited ("HFC"). The Group has only retained the business of the redevelopment project at 38 Conduit Road in Hong Kong and the provision of horticultural services and is enlarged by the business of the Goldease Group of the holding of certain properties in Singapore.

管理層討論，分析 經營回顧及未來前景展望

於本年度內，本集團已於二零零七年八月一日完成集團重組及收購Goldease Investment Limited及其附屬公司（統稱為「Goldease集團」）。本集團已分派持有香港馬己仙峽道15號及17號之物業、中華人民共和國（「中國」）若干物業及鴻福實業有限公司（「鴻福實業」）約20.2%權益之業務，並只保留香港干德道38號重建項目及提供園藝服務之業務及經持有於新加坡之若干物業之Goldease集團擴大之業務。



Chairman's Statement 主席報告

Turnover increased by 12.1% which was mainly due to the sale of properties of Goldease Group. The Group recorded net loss of approximately HK\$312.3 million in the year as a result of the following:

- (i) decrease in net rental income of approximately HK\$4.7 million;
- (ii) decrease in valuation gains on investment properties, net of deferred tax, of approximately HK\$4.3 million;
- (iii) impairment of goodwill on acquisition of Goldease Group;
- (iv) decrease in interest expense of approximately HK\$10.9 million; and
- (v) decrease in share of profit of an associate of approximately HK\$149.9 million.

Following the distribution of the property holding business at 15 and 17 Magazine Gap Road during the year, net rental income, valuation gains and interest expenses has decreased. Share of profit of an associate decreased as a result of the distribution of interest in an associate.

As a result of the group reorganisation and the acquisition of Goldease Group, goodwill of HK\$321.1 million on acquisition of Goldease Group has arisen mainly from the unexpected fluctuation in the price of the Company's shares at the date of acquisition. By reference to HKFRSs, the closing per share price of the Company on date of acquisition was used as a proxy for the fair price of the Company's 900 million new shares, which were issued as part of the consideration for the acquisition, for the purposes of calculating the goodwill arising from the acquisition. As the closing price of shares of the Company on 1 August 2007, the date of acquisition, was HK\$0.475 per share, goodwill of approximately HK\$321.1 million was recognized for the acquisition, calculated based on the fair value of the

營業額增加12.1%，主要由於Goldease集團出售物業所致。本集團於本年度錄得虧損淨額約312,300,000港元，此乃由於以下各項所致：

- (i) 淨租金收入下降約4,700,000港元；
- (ii) 投資物業估值收益(扣除遞延稅項)下降約4,300,000港元；
- (iii) 收購Goldease集團之商譽減值；
- (iv) 利息開支下降約10,900,000港元；及
- (v) 應佔聯營公司溢利下降約149,900,000港元。

於本年度分派持有香港馬己仙峽道15號及17號物業之業務後，淨租金收入、估值收益及利息開支有所下降。應佔聯營公司溢利之下降乃由於分派於聯營公司之權益所致。

由於本集團重組及收購Goldease集團，收購Goldease集團之商譽321,100,000港元主要來自本公司股份之股價於收購日出現未能預料之波動所致。根據香港財務報告準則，就計算因收購事項產生之商譽而言，本公司於收購當日股份之收市價乃用作本公司900,000,000股新股份(發行作為收購事項代價之一部分)之公平值之替代。由於本公司於二零零七年八月一日(即收購日期)之股份收市價為每股0.475港元，根據代價之公平值及Goldease集團之可識別資產與負債之公平值計算，已確認收購事項之商譽約321,100,000港元。



Chairman's Statement 主席報告

consideration and the fair value of the identifiable assets and liabilities of Goldease Group. The fair value of the consideration shares was approximately HK\$427.5 million, of which HK\$45.0 million was credited to share capital of the Company and the remaining balance of approximately HK\$382.5 was credited to the contributed surplus account of the Company.

Pursuant to the impairment review of the goodwill arisen from the acquisition, the fair value of the net assets of Goldease Group was lower than the carrying amount of the cash generating unit of the Goldease Group and accordingly, an impairment loss of approximately HK\$321.1 million was recognized. However, the Board wishes to state that the recognition of the aforesaid contributed surplus and the impairment loss as a whole would not have material impact on the net asset value of the Group. In addition, as such goodwill is a one-off non-cash item, the daily operation and working capital of the Group are not materially and adversely affected by such impairment loss.

In the absence of the impairment of goodwill resulted from the acquisition of Goldease Group being part of the group reorganization, the Group's results for the year would have been profit of approximately HK\$8.9 million.

The net asset value of the Group per share as at 31 December 2007 was approximately HK\$0.12 (2006: HK\$1.26) based on the 2,392,410,986 (2006: 1,492,410,986) shares issued. The decrease was mainly due to the distribution in specie.

The Group will focus its resources on the existing properties. The redevelopment of the investment property at 38 Conduit Road has commenced as planned and is expected to be completed by the end of 2009.

代價股份之公平值約為427,500,000港元，其中45,000,000港元撥入本公司之股本，餘額約382,500,000港元撥入本公司之繳入盈餘賬。

根據對因收購事項產生之商譽進行之減值審閱，Goldease集團之淨資產之公平值低於其現金產生單位之賬面值，因此需要就此確認減值虧損約321,100,000港元。然而，董事會謹此聲明，確認上述繳入盈餘及減值虧損整體而言不會對本集團之資產淨值構成重大影響。此外，由於該商譽為一次性非現金項目，本集團之日常經營及營運資金並無因該等減值虧損而受到重大不利影響。

在不計收購Goldease集團(集團重組的一部份)產生之商譽減值情況下，本集團於本年度之業績將為溢利約8,900,000港元。

根據有2,392,410,986股(二零零六年：1,492,410,986股)已發行股份計算，本集團於二零零七年十二月三十一日之每股資產淨值約為0.12港元(二零零六年：1.26港元)。減值之主要原因是進行實物分派。

本集團會將資源集中於現有物業。位於干德道38號之投資物業已按計劃重新發展，預期於二零零九年年底之前竣工。



Chairman's Statement 主席報告

LIQUIDITY AND FINANCIAL RESOURCES

All the Group's funding and treasury activities are centrally managed and controlled at the corporate level. There is no significant change in respect of treasury and financing policies from the information disclosed in the Group's latest annual report. The Group's monetary assets and liabilities are denominated and the Group conducted its business transactions principally in Hong Kong dollars or Singapore dollars. The Group aims to utilize the fund for transactions that are denominated in the same currency. The exchange rate risk of the Group is not considered significant, no financial instruments for hedging purpose were employed.

The Group's working capital requirements are met by sales proceeds of development properties and committed undrawn credit facilities. The year-end gearing ratio was 52% (2006: 25%) based on bank loans less cash and bank balances to shareholders' funds including minority interests. The increase in gearing ratio was mainly due to the change in the Group's assets and liabilities as a result of the group reorganization. The Group's borrowings are arranged on a floating rate basis. As at 31 December 2007, the outstanding bank loans amounted approximately HK\$150.8 million. These loan facilities were secured by the Group's properties.

The following is the maturity profile of the Group's bank borrowings as of 31 December 2007:

After 2 years but within 5 years	100%
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ACKNOWLEDGMENT

I take this opportunity to express my gratitude to my colleagues on the Board and the staff members of the Group for their strong support and valuable contribution.

Cheong Pin Chuan, Patrick

Chairman

Hong Kong, 29 February 2008

現金及財務資源

本集團所有融資和財資活動均由集團集中管理及控制。財資及融資政策與本集團最近期刊發之年報所披露之資料並無重大變動。本集團之貨幣資產及負債均以港元或新加坡元計值，並主要以港元或新加坡元進行業務交易。本集團有意將資金用作以同一貨幣結算之交易。本集團之外匯風險並不重大，並無以金融工具作對沖用途。

本集團之營運資金需求以銷售發展物業之所得款項以及已承諾之未提取信貸融資額度撥付。按銀行貸款減現金及銀行結存除以股東資金(包括少數股東權益)計算之資本負債比率於年末時為52%(二零零六年:25%)。資本負債比率上升主要由於因集團重組導致本集團資產負債變動所致。本集團之借貸按浮動利率計息。於二零零七年十二月三十一日，未償還之銀行貸款約為150,800,000港元。貸款融資以本集團之物業作為抵押。

以下是本集團截至二零零七年十二月三十一日向銀行借貸之到期詳情：

兩年後但五年內	100%
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致謝

本人謹藉此機會向董事會同寅及本集團各位職員之鼎力支持及寶貴貢獻致謝。

主席

鍾斌銓

香港，二零零八年二月二十九日



Notice of Annual General Meeting 股東週年大會通告

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Room 3201, 9 Queen's Road Central, Hong Kong on 25 April 2008 at 11:00 a.m. for the following purposes:

- (1) To receive and consider the statement of accounts and the reports of the directors and the auditors for the year ended 31 December 2007.
- (2) To re-elect retiring directors and to fix their remuneration.
- (3) To re-appoint auditors and to authorise the board of directors to fix their remuneration.
- (4) To consider and, if thought fit, pass, with or without amendments, the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS

- A. "THAT there be granted to the directors of the Company an unconditional general mandate to repurchase shares of HK\$0.05 each in the capital of the Company and that the exercise by the directors of the Company of all powers of the Company to purchase shares of the Company subject to and in accordance with all applicable laws, be and are hereby generally and unconditionally approved, subject to the following conditions:
- (a) such mandate shall not extend beyond the Relevant Period;
 - (b) the aggregate nominal amount of share capital of the Company to be purchased by the directors of the Company during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution;

茲通告本公司謹訂於二零零八年四月二十五日上午十一時正於香港中環皇后大道中9號3201室舉行股東週年大會，以處理下列事項：

- (1) 省覽及考慮截至二零零七年十二月三十一日止年度之賬目報表及董事會報告及核數師報告。
- (2) 重新選舉告退董事及釐定董事酬金。
- (3) 重新聘任核數師及授權董事會釐定核數師酬金。
- (4) 考慮及酌情通過(無論有否修訂)下列之決議案為普通決議案：

普通決議案

- A. 「動議一般及無條件批准無條件授予本公司董事會一般授權以購回本公司股本中每股面值0.05港元之股份，以及本公司董事會依照所有適用之法例及在其規限下行使本公司一切權力以購入本公司之股份，惟須受以下條件限制：
- (a) 該授權不能延至有關期間以後；
 - (b) 本公司董事會於有關期間內購回之股本面值總額，不得超過本公司於本決議案通過日期已發行股本面值總額之10%；



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(c) for the purposes of this Resolution:

“Relevant” Period means the period from the date of passing this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; and
- (iii) the revocation or variation of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

B. **“THAT** there be granted to the directors of the Company an unconditional general mandate to issue, allot and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options including warrants, bonds and debentures convertible into shares in respect thereof, subject to the following conditions:

- (a) such mandate shall not extend beyond the Relevant Period save that the directors of the Company may during the Relevant Period make or grant offers, agreements and options including warrants, bonds and debentures convertible into shares which might require the exercise of such powers after the end of the Relevant Period;

(c) 就本決議案而言：

「有關期間」指由通過本決議案日期起至下列三者中之最早日期為止之期間：

- (i) 本公司下屆股東週年大會結束時；
- (ii) 按本公司細則或百慕達任何適用之法例規定須召開本公司下屆股東週年大會之期限屆滿時；及
- (iii) 本公司股東在股東大會上以普通決議案撤銷或更改本決議案之日。」

B. 「動議無條件授予本公司董事會一般授權以發行、配發及處理本公司股本中之額外股份，並就此訂立或授出建議、協議及購股權（包括認股權證、債券及可轉換股份之公司債券），惟須受下列條件限制：

- (a) 該授權不能延至有關期間以後，惟本公司董事可於有關期間內訂立或授出或須於有關期間結束後行使該等權力之建議、協議及購股權（包括認股權證、債券及可轉換股份之債券）；



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- (b) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally, to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to subparagraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) any issue of shares in the Company under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to shares; and (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in accordance with the bye-laws of the Company in force from time to time; shall not exceed 20 per cent. of the aggregate nominal amount of the issued share capital of the Company in issue on the date of passing this Resolution and the approval granted shall be limited accordingly; and
- (b) 本公司董事會根據以上(a)分段之批准配發或同意有條件或無條件配發(不論是否依據購股權或其他方式而配發者)及發行之股本面值總額, 除因(i)供股(定義見下文); (ii)行使本公司所發行任何認股權證或任何可兌換本公司股份之證券所附認購或換股權; (iii)本公司根據任何目前採納之購股權計劃或類似安排以向本公司及/或其任何附屬公司之高級職員及/或僱員授予或發行股份或與股份有關之權利而發行任何股份; 及(iv)任何規定依據本公司不時生效之細則配發股份以代替全部或部分股份股息之以股代息計劃或類似安排以外, 不得超過本公司於本決議案通過日期已發行股本之面值總額之20%, 而已授出之批准須因此而受限制; 及
- (c) for the purpose of this Resolution:
- “Relevant Period” means the period from the date of passing this Resolution until whichever is the earlier of:
- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; and
- (c) 就本決議案而言:
- 「有關期間」指由通過本決議案日期起至下列三者中之最早日期為止之期間:
- (i) 本公司下屆股東週年大會結束時;
- (ii) 按本公司細則或百慕達任何適用之法例規定須召開本公司下屆股東週年大會之期限屆滿時; 及



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(iii) the revocation or variation of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restriction or obligation under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, or in any territory outside, Hong Kong).”

C. “**THAT**, conditional upon the passing of the Resolutions Nos. A and B above, the aggregate nominal amount of the shares in the capital of the Company which are repurchased by the Company pursuant to and in accordance with the Resolution No. A above shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with the Resolution No. B above.”

By Order of the Board
Winfoong International Limited
Cheong Pin Chuan, Patrick
Chairman

Hong Kong, 29 February 2008

(iii) 本公司股東在股東大會上以普通決議案撤銷或更改本決議案之日。

「供股」指在本公司董事會指定之期間內，向於指定記錄日期名列本公司股東名冊之股份持有人按其當時持股比例配售股份之建議（惟在涉及零碎配額，或涉及受香港以外地區之法律或任何認可之監管機構或任何證券交易所所規定之限制或責任影響時，本公司董事會可以其認為必要或屬權宜之形式，將該等配額予以撤銷或另作安排）。

C. 「動議（倘以上A項及B項決議案獲通過）本公司按照及根據以上A項決議案購回本公司股本中之股份面值總額須加入本公司董事會按照及根據以上B項決議案可能配發或有條件或無條件同意配發之本公司股本面值總額。」

承董事會命
榮豐國際有限公司
主席
鍾斌銓

香港，二零零八年二月二十九日



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Notes:

1. A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. Concerning Resolution No. (4)B above, the directors wish to state that they have no immediate plans to issue any new shares of the Company but approval is being sought from the members as a general mandate for the purpose of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("the Listing Rules").
3. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

附註：

1. 凡有權出席上述大會及於會上投票之股東，均可委派一位代表出席並代其投票。代表毋須為本公司之股東。
2. 就以上第(4)B項決議案而言，董事會謹表明，當前並無計劃發行本公司任何新股份，惟本公司謹就香港聯合交易所有限公司證券上市規則（「上市規則」），尋求股東批准授予一般授權。
3. 本通告之中文譯本乃僅供參考。如有歧異，概以英文本為準。



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CORPORATE GOVERNANCE PRACTICES

The Board of directors of the Company is committed to raising the standard of corporate governance within the Group in order to enhance the transparency in disclosure of material information. The Board strives to implement the best practices embodied in the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules where feasible and as far as practicable.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding directors' securities transactions as set out in the Model Code of the Listing Rules. Following specific enquiry by the Company, all directors confirmed that they have complied with the required standards as set out in the Model Code throughout the year.

BOARD OF DIRECTORS

The Board consists of seven members who have appropriate corporate experience.

Of the seven directors, four are non-executive. Three of the non-executive directors are deemed to be independent by definition of the Listing Rules.

Guidelines are established which specify certain material transactions that require the Board's approval which include mergers and acquisitions, divestments and major capital expenditure.

The Board supervises the management of the business and affairs of the Company and the Group. Apart from its statutory duties, the Board reviews and approves the Company's and the Group's strategic plans, key operational initiatives, major investments and funding decisions, annual business plans, reviews the financial performance of the Company and the Group and evaluates the performance and compensation of senior management personnel.

企業管治常規

本公司董事會致力於本集團內部提升企業管治標準，以提高披露重要資料之透明度。董事會銳意在可行及可能之情況下，執行上市規則附錄 14 下之企業管治常規守則（「守則」）所載列之最佳實務。

董事證券交易

本公司已採納上市規則標準守則載列有關董事進行證券交易之操守守則。本公司經作出具體查詢後，所有董事確認，彼等於全年內一直遵守標準守則所載規定準則。

董事會

董事會包括七名具合適企業經驗之成員。

在七名董事中，四名為非執行董事。根據上市規則之定義，其中三名非執行董事被視為具獨立性。

已制定列明必須經董事會批准之若干重大交易（包括合併及收購、撤資及重大資本開支）之指引。

董事會監督本公司及本集團之業務及事務管理。除法定職責外，董事會亦負責審閱及批准本公司及本集團之策略規劃、主要營運措施、重大投資及融資決策、年度業務規劃，審閱本公司及本集團之財務表現，以及評估高級管理人員之表現及薪酬。



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BOARD OF DIRECTORS (CONTINUED)

The Board has separate and independent access to management and the Company Secretary. Management provides the Board with reports of the Company's and the Group's performance, financial position and prospects, and these are reviewed by the Board at each Board meeting. Directors may obtain independent professional advice in furtherance of their duties, at the Company's and the Group's expense.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under Code A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Cheong Pin Chuan, Patrick is both the Chairman of the Board, as well as the Group's chief executive officer ("CEO")/managing director. Given the size and that the Company's and the Group's current business operations and administration have been relatively stable and straightforward, the Board is satisfied that one person is able to effectively discharge the duties of both positions. However, going forward, the Board will review from time to time, the need to separate the roles of the Chairman and the CEO if the situation warrants it.

NON-EXECUTIVE DIRECTORS

Under Code A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. Non-executive directors of the Company are not appointed for a specific term although they are subject to retirement and rotation and re-election at the annual general meeting under the Company's Bye-laws and except for the chairman of the Board and/or the managing director of the Company, each director is effectively appointed under an average term of three years.

BOARD MEMBERSHIP

The Board does not have a nomination committee as the Board has been relatively stable with low turnover in the past few years. However, if the need arises, the Board as a whole, will decide on the nomination and appointment of new directors.

Details of the directors' qualifications, directorships and other particulars are set out on page 28.

董事會(續)

董事會可分開及獨立地接觸管理層及公司秘書。管理層向董事會提供本公司及本集團之表現、財務狀況及前景之報告，該等報告由董事會於每次董事會會議時審閱。董事可就履行其職責獲取獨立專業意見，費用由本公司及本集團承擔。

主席及行政總裁

根據守則第A.2.1條，主席及行政總裁之職責應有所區分及不應由同一人擔任。鍾斌銓先生既為董事會主席，兼任本集團之行政總裁（「行政總裁」）／董事總經理。鑒於本公司及本集團現有業務營運之規模及行政管理相對穩定及簡明，董事會信納能夠由一名人士有效履行兩個職位之職責。然而，展望未來，董事會將不時檢討在合適情況下將主席及行政總裁之職責分開之需要。

非執行董事

根據守則第A.4.1條，非執行董事應有指定任期，並應接受重選。本公司之非執行董事並未就特定期限委任，儘管根據本公司之公司細則彼等須受股東週年大會上輪席告退及重新選舉所規限，及除本公司之董事會主席及／或董事總經理外，各位董事實際根據平均三年期間委任。

董事會成員

由於董事會組成相對穩定，過去數年無大變動，因此董事會並無成立提名委員會。然而，若情況需要，董事會整體將決定提名及委任新董事。

董事資格、董事職位及其他方面之詳情載於第28頁。



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REMUNERATION POLICY

Employees (including directors) are remunerated according to their performance and working experience. On top of basic salaries, discretionary bonus and share options may be granted to eligible employee by reference to the individual's performance. In addition, the Group also provides social security benefits to its staff such as mandatory provident fund scheme in Hong Kong.

Under Code B.1, a remuneration committee should be established with specific written terms of reference which deal clearly with its authority and duties. A majority of the members of the remuneration committee should be independent non-executive directors.

The Board has not established a remuneration committee. The Board conducts an informal assessment of the individual director's contribution. No director decides his or her own remuneration. Details of directors' remuneration for the year are set out in note 7 to the financial statements.

AUDIT COMMITTEE

The audit committee comprises three independent non-executive directors. One of the committee members has financial management experience.

The audit committee has full access to and co-operation of the management. The committee also has discretion to invite any director or executive officer to attend its meetings and is assured of adequate resources to enable it to discharge its function properly. CCIF CPA Limited, the external auditors have unrestricted access to the audit committee.

薪酬政策

僱員(包括董事)之薪酬乃按其表現及工作經驗而定。於基本薪金以外，亦可能會根據僱員個人表現，向合資格之僱員授出酌情花紅和購股權。此外，本集團亦為僱員提供社會保障福利，例如香港之強制性公積金計劃。

根據守則B.1條，應設立薪酬委員會並以具體書面職權範圍清楚釐定其權力及職責。薪酬委員會之大部分成員應為獨立非執行董事。

董事會並無設立薪酬委員會。董事會對個別董事之貢獻作非正式評估。概無任何董事決定其本人薪酬。年內董事薪酬之詳情載於財務報表附註7。

審核委員會

審核委員會由三名獨立非執行董事組成。其中一名委員會成員擁有財務管理經驗。

審核委員會可全面接觸管理層及獲得管理層的幫助及協助。該委員會亦可酌情邀請任何董事或主管人員出席其會議，並獲充分資源以適當履行其職責。外聘核數師陳葉馮會計師事務所有限公司可不受限制接觸審核委員會。



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AUDIT COMMITTEE (CONTINUED)

The audit committee meets periodically with management and the auditors of the Company to discuss and review:

- (a) the annual and interim financial statements to shareholders before submission to the Board for adoption;
- (b) the Company's and Group's accounting policies and system of internal controls;
- (c) the audit plan of the Company's external and internal auditors;
- (d) the results of the external and internal auditors' examination and their evaluation of the Company's and the Group's internal control system;
- (e) the independence and objectivity of the external auditors;
- (f) the assistance given by the Company's and the Group's officers to the external and internal auditors; and
- (g) interested person transactions.

Under Code C.3.3, the audit committee should have the duties to be primary responsible for making recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of that auditor.

The recommendation on the appointment, reappointment and removal of the external auditor, and to approve the remuneration of the external auditors, and any questions of resignation or dismissal of that auditor of the Company is made by the Board to the audit committee for approval.

審核委員會(續)

審核委員會與本公司之管理層及核數師定期舉行會議，以討論及考察：

- (a) 尚未提交董事會採納之將向股東公佈之年度及中期財務報表；
- (b) 本公司及本集團之會計政策及內部監控系統；
- (c) 本公司外聘及內部核數師之審核計劃；
- (d) 外聘及內部核數師之審查結果及彼等對本公司及本集團之內部監控系統之評估；
- (e) 外聘核數師之獨立性及客觀性；
- (f) 本公司及本集團管理人員為外聘及內部核數師提供之協助；及
- (g) 利益人士交易。

根據守則第C.3.3條，審核委員會應主要負責就委聘、續聘及解聘外聘核數師、批准外聘核數師之薪酬及聘用條款及與該核數師之辭任或解聘有關之任何問題向董事會提供建議。

有關委聘、續聘及解聘外聘核數師、批准外聘核數師之薪酬及與本公司該核數師之辭任或解聘有關之任何問題之建議乃由董事會作出並提呈審核委員會批准。



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ATTENDANCE RECORDS AT BOARD AND BOARD COMMITTEE MEETINGS

The Board holds meetings on a regular basis during the year to review the Company's and the Group's operations and financial results. Details of attendance of the directors at the Board meetings and audit committee meetings are as follows.

董事會會議及董事委員會會議出席記錄

年內董事會定期舉行會議，檢討本公司及本集團之經營及財務業績。董事出席董事會會議及審核委員會會議之細節如下。

		Board		Audit committee		Independent board committee	
		董事會		審核委員會		獨立董事委員會	
		Number of meetings	Attendance	Number of meetings	Attendance	Number of meetings	Attendance
		會議次數	出席次數	會議次數	出席次數	會議次數	出席次數
Executive directors	執行董事						
Mr. Cheong Pin Chuan, Patrick (Chairman of the Board)	鍾斌銓先生 (董事會主席)	10	10	2	N/A 不適用	1	N/A 不適用
Mr. Cheong Kim Pong	鍾金榜先生	10	10	2	N/A 不適用	1	N/A 不適用
Mr. Cheong Sim Eng	鍾榮榮先生	10	10	2	N/A 不適用	1	N/A 不適用
Non-executive directors	非執行董事						
Mdm Lim Ghee	林 義女士	10	4	2	N/A 不適用	1	N/A 不適用
Ms. Cheong Hooi Kheng (alternate to Mdm. Lim Ghee)	鍾惠卿女士 (林義女士之替任董事)	10	N/A 不適用	2	N/A 不適用	1	N/A 不適用
Independent non-executive directors	獨立非執行董事						
Mr. Lai Hing Chiu, Dominic (Chairman of audit committee)	黎慶超先生 (審核委員會主席)	10	5	2	2	1	1
Mr. Kan Fook Yee	簡福齡先生	10	5	2	2	1	1
Mr. Chan Yee Hoi, Robert	陳以海先生	10	5	2	2	1	1



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DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for preparing the financial statements for the financial year ended 31 December 2007, which give a true and fair view of the state of affairs of the Company and of the Group at the date and of the Group's results and cash flows for the year then ended and are properly prepared on the going concern basis in accordance with the statutory requirements and accounting standards.

The statement of the auditors of the Company about their reporting responsibilities on the financial statements of the Company is set out in the Independent Auditors' Report on page 32.

AUDITORS' REMUNERATION

For the year ended 31 December 2007, the auditors of the Company and its subsidiaries would receive approximately HK\$629,000 for audit and audit related services (2006: HK\$444,000), HK\$39,000 for tax services (2006: HK\$18,000) and HK\$402,000 for other services (2006: HK\$55,000).

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for overseeing the Company's system of internal control.

To facilitate the effectiveness and efficiency of operations and to ensure compliance with relevant laws and regulations, the Group emphasizes on the importance of a sound internal control system which is also indispensable for mitigating the Group's risk exposure. The Group's system of internal control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage and eliminate risks of failure in operational systems and fulfillment of the business objectives.

董事就財務報表須承擔之責任

董事確認其負責編製截至二零零七年十二月三十一日止財政年度之財務報表，該等財務報表真實而公平地反映本公司及本集團於該日之財務狀況，及截至該日止年度本集團之業績及現金流量，並根據法定規例及會計準則採用持續經營基準妥為編製。

本公司核數師就其有關本公司財務報表之申報責任作出之聲明載於第32頁之獨立核數師報告。

核數師薪酬

於截至二零零七年十二月三十一日止年度，本公司及其附屬公司之核數師合共就審核及審核相關服務收取約629,000港元(二零零六年：444,000港元)，就稅務服務收取39,000港元(二零零六年：18,000港元)，及就其他服務收取402,000港元(二零零六年：55,000港元)。

內部監控及風險管理

董事會負責監管本公司之內部監控系統。

為推動經營有效性及效率，以及確保符合相關法律及規例，本集團強調良好內部監控系統之重要性，因為此乃減低本集團風險必不可少之元素。本集團之內部監控系統是專為確保無重大錯誤陳述或虧損提供合理但並不絕對之保證，以及管理和消除經營系統失誤之風險及履行業務目標而設。



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INTERNAL CONTROL AND RISK MANAGEMENT (CONTINUED)

The internal control system is reviewed on an ongoing basis by the Board in order to make it practical and effective in providing reasonable assurance in relation to protection of material assets and identification of business risks. The Board is satisfied that, based on information furnished to it and on its own observations, the present internal controls of the Group are satisfactory.

The Group is committed to the identification, monitoring and management of risks associated with its business activities and has implemented a practical and effective control system which includes a defined management structure with limits of authority, a sound cash management system and periodic review of the Group's performance by the Audit Committee and the Board.

The Board has conducted review of the effectiveness of the system of internal control and is of the view that the system of internal control adopted for the year ended 31 December 2007 is sound and is effective to safeguard the interests of the shareholders' investment and the Company's assets.

內部監控及風險管理(續)

內部監控系統乃由董事會持續進行檢討，以使該系統實際上可行及有效合理保證足以保護重要資產及識別業務風險。董事會根據向其提供之資料及本身之觀察，對本集團現有之內部監控感到滿意。

本集團致力於識別、監控及管理與其業務有關之風險，並已實施一項實際可行和行之有效之監控系統，包括清晰界定權限之管理結構、良好之現金管理系統，以及由審核委員會及董事會定期對本集團之業績進行檢討。

董事會亦已審閱內部監控系統之有效性，認為截至二零零七年十二月三十一日止年度採納之內部監控系統屬完善及有效，足以保障股東投資及本公司資產。



Directors' Report 董事會報告

The directors herein present their annual report together with the audited financial statements of the Company and the Group for the year ended 31 December 2007.

PRINCIPAL ACTIVITIES

The principal activity of the Company consists of investment holding. Details of the principal activities of the principal subsidiaries are set out in note 15 to the financial statements.

FINANCIAL STATEMENTS

The loss and cash flows of the Group for the year ended 31 December 2007 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 35 to 147.

DIVIDENDS

A distribution in specie of 1 share of Hong Fok Land International Limited for every 1 share of the Company held was declared on 25 July 2007 and paid on 1 August 2007 to the shareholders whose names appear on the Register of Members of the Company on 25 July 2007.

SUMMARY FINANCIAL INFORMATION

A summary of the results and of the assets, liabilities and minority interests of the Group for the last five financial years is set out below.

董事會謹此提呈截至二零零七年十二月三十一日止年度之董事會年度報告及本公司與本集團之經審核財務報表。

主要業務

本公司之主要業務為投資控股。主要附屬公司之主要業務之詳情載於財務報表附註15。

財務報表

本集團截至二零零七年十二月三十一日止年度之虧損及現金流量及本公司與本集團於該日之財務狀況載於第35頁至第147頁之財務報表。

股息

本公司已於二零零七年七月二十五日宣派一項實物分派，即每持有1股本公司股份將獲發1股Hong Fok Land International Limited股份，並已於二零零七年八月一日向名列二零零七年七月二十五日之本公司股東名冊之股東支付。

財務資料概要

本集團最近五個財政年度之業績及資產、負債及少數股東權益概要如下。



Directors' Report 董事會報告

RESULTS

業績

Year ended 31 December

截至十二月三十一日止年度

		2007	2006	2005	2004	2003
		二零零七年	二零零六年	二零零五年	二零零四年	二零零三年
		(restated)				
		(經重列)				
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Turnover	營業額	29,339	26,169	128,349	46,441	46,692
(Loss)/profit before taxation	除稅前(虧損)/溢利	(311,249)	154,587	140,306	547,386	(38,499)
Income tax	所得稅	(1,021)	(4,055)	(28,244)	(93,025)	(1,533)
(Loss)/profit before minority interests	未計少數股東權益前(虧損)/溢利	(312,270)	150,532	112,062	454,361	(40,032)
Minority interests	少數股東權益	-	-	3,069	79	(1,094)
(Loss)/profit attributable to shareholders	股東應佔(虧損)/溢利	(312,270)	150,532	115,131	454,440	(41,126)

ASSETS, LIABILITIES AND MINORITY INTERESTS

資產、負債及少數股東權益

As at 31 December

於十二月三十一日

		2007	2006	2005	2004	2003
		二零零七年	二零零六年	二零零五年	二零零四年	二零零三年
		(restated)				
		(經重列)				
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	總資產	449,979	2,641,002	2,406,180	2,397,915	1,831,110
Total liabilities	總負債	(169,330)	(756,712)	(713,620)	(817,441)	(603,446)
Minority interests	少數股東權益	-	-	-	(3,052)	(3,159)
Net assets	資產淨值	280,649	1,884,290	1,692,560	1,577,422	1,224,505



Directors' Report 董事會報告

FIXED ASSETS AND PROPERTY HELD FOR FUTURE DEVELOPMENT

Details of movements in the fixed assets of the Group are set out in note 13 to the financial statements.

SHARE CAPITAL

Details of movements in the Company's share capital during the year, together with the reasons therefor, are set out in note 26 to the financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 26 to the financial statements and in the consolidated summary statement of changes in equity.

DISTRIBUTABLE RESERVES

At 31st December 2007, the Company's reserves available for distribution calculated in accordance with the provisions of the Companies Act 1981 of Bermuda (as amended) amounted to approximately HK\$148,392,000.

CHARITABLE CONTRIBUTIONS

During the year, the Group made charitable contributions totalling approximately HK\$64,000 (2006: HK\$56,700).

固定資產及持作日後發展之物業

本集團固定資產之變動詳情載於財務報表附註13。

股本

年內本公司股本之變動詳情連同變動之理由載於財務報表附註26。

優先購股權

本公司之公司細則或百慕達之法例均無規定本公司必須按比例向現有股東優先配售新股之優先購股權條文。

儲備

年內本公司及本集團之儲備變動詳情載於財務報表附註26及綜合權益變動概要報表。

可分派儲備

於二零零七年十二月三十一日，根據百慕達一九八一年公司法(經修訂)計算之本公司之可供分派儲備約為148,392,000港元。

慈善捐款

年內本集團共捐出約64,000港元(二零零六年：56,700港元)作為慈善捐款。



Directors' Report 董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for 48% (2006: less than 30%) of the total sales for the year and sales to the largest customer included therein amounted to 41%.

Purchases from the Group's five largest suppliers accounted for 40% (2006: 51%) of the total purchases for the year and purchases from the largest supplier included therein amounted to 31% (2006: 12%).

As far as the directors are aware, neither the directors, their associates, nor those shareholders which to the knowledge of the directors own more than 5% of the Company's share capital had any interest in the five largest customers and suppliers.

DIRECTORS

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

EXECUTIVE DIRECTORS:-

Cheong Pin Chuan, Patrick
Cheong Kim Pong
Cheong Sim Eng

INDEPENDENT NON-EXECUTIVE DIRECTORS:-

Kan Fook Yee
Lai Hing Chiu, Dominic
Chan Yee Hoi, Robert

NON-EXECUTIVE DIRECTOR:-

Lim Ghee
Cheong Hooi Kheng (alternate to Madam Lim Ghee)

In accordance with bye-law 87 of the Company's bye-laws, Mr. Cheong Sim Eng and Mr. Kan Fook Yee will retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received from each independent non-executive director an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Company considered all of them to be independent.

主要客戶及供應商

於回顧年度內，本集團之五個最大客戶所佔之銷售額佔全年總銷售額48%（二零零六年：少於30%），而最大客戶所佔之銷售額佔41%。

本集團向五個最大供應商之購貨額佔全年總購貨額40%（二零零六年：51%），而向最大供應商之購貨額佔31%（二零零六年：12%）。

就董事所知，董事及其聯繫人士，或持有本公司股本逾5%之股東概無於五個客戶及供應商中擁有權益。

董事

於本年度及截至本報告日期止任職之董事為：—

執行董事：—

鍾斌銓
鍾金榜
鍾樂榮

獨立非執行董事：—

簡福飴
黎慶超
陳以海

非執行董事：

林 義
鍾惠卿（林義女士之替任董事）

根據本公司之公司細則第87條，鍾樂榮先生及簡福飴先生將告退，惟願於即將舉行之股東週年大會上膺選連任。

本公司已收到每位獨立非執行董事根據上市規則第3.13條作出之年度獨立性確認書，本公司認為彼等均為獨立。



Directors' Report 董事會報告

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' INTERESTS

At 31 December 2007, the interests and short positions of directors and chief executive in shares, underlying shares and debentures of the Company and its associated corporations as required to be disclosed under and within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") were as follows:-

(i) LONG POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY:-

Name of director 董事姓名	Type of interests and number of shares held 權益類別及所持股份數目		Total 總額	Percentage 百分比	
	Corporate 公司 (Note (a)) (附註 (a))	Family 家族			
Cheong Pin Chuan, Patrick	鍾斌銓	1,502,645,787	3,397,000	1,506,042,787	63%
Cheong Kim Pong	鍾金榜	1,502,645,787	-	1,502,645,787	63%
Cheong Sim Eng	鍾樂榮	1,502,645,787	-	1,502,645,787	63%
Cheong Hooi Kheng (Note (b))	鍾惠卿 (附註 (b))	1,502,645,787	2,000,000	1,504,645,787	63%

Notes:

(a) These directors were deemed to have corporate interests in the shares in the Company by virtue of their beneficial interests in the shares in Hong Fok Corporation Limited ("HFC"), a substantial shareholder of the Company. The 1,502,645,787 shares represented the same interests and were duplicated amongst these directors.

(b) Ms. Cheong Hooi Kheng's directorship is alternate to Mdm. Lim Ghee.

董事之服務合約

建議於即將舉行之股東週年大會膺選連任之董事並無與本公司訂立不可由本公司於一年內無需支付賠償(法定賠償除外)而終止之服務合約。

董事之權益

於二零零七年十二月三十一日，董事及主要行政人員於本公司及其聯營公司之股份、相關股份及債券中，擁有根據證券及期貨條例(「證券及期貨條例」)第XV部之涵義及按此須予披露之權益及淡倉如下：—

(i) 於本公司股份及相關股份之好倉：—

附註：

(a) 由於該等董事實益擁有本公司主要股東鴻福實業有限公司(「鴻福實業」)之股份權益，故被視為持有本公司股份之公司權益。該1,502,645,787股股份乃指同一項權益，而在該等董事之間重複呈列。

(b) 鍾惠卿女士為林義女士之替任董事。



Directors' Report 董事會報告

DIRECTORS' INTERESTS (CONTINUED)

(ii) LONG POSITIONS IN SHARES OF AN ASSOCIATED CORPORATION – HFC

董事之權益 (續)

(ii) 於一間聯營公司—鴻福實業之股份之好倉

Name of director 董事姓名	Type of interests and number of shares held 權益類別及所持股份數目					Total 總額	Percentage 百分比
	Personal 個人	Family 家族	Corporate 公司 (Note (a)) (附註(a))	Other 其他 (Note (b)) (附註(b))			
Cheong Pin Chuan, Patrick 鍾斌銓	5,679,454	1,237,830	104,058,803	133,469,600	244,445,687	37%	
Cheong Kim Pong 鍾金榜	2,829,178	553,300	104,058,803	133,469,600	240,910,881	37%	
Cheong Sim Eng 鍾燊榮	68,699,300	227,700	31,263,663	133,469,600	233,660,263	35%	
Cheong Hooi Kheng 鍾惠卿 (Note (c))	10,489,000	-	-	133,469,600	143,958,600	22%	

Notes:

- (a) These shares were beneficially held by a number of companies in which the directors had beneficial interests.
- (b) These shares were beneficially held by a company in which the directors had deemed interests.
- (c) Ms. Cheong Hooi Kheng's directorship is alternate to Mdm. Lim Ghee.

附註：

- (a) 該等股份由該等董事擁有實益權益之之間公司實益擁有。
- (b) 該等股份由該等董事被視作持有權益之一間公司實益擁有。
- (c) 鍾惠卿女士為林義女士之替任董事。

Save as disclosed above, as at 31 December 2007, none of the directors and the chief executive of the Company were, under Divisions 7 and 8 of Part XV of the SFO, taken to be interested or deemed to have any other interests or short positions in shares, underlying shares or debentures of the Company and its associated corporations, that were required to be entered into the register kept by the Company pursuant to section 352 of the SFO or were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

除上文所披露者外，於二零零七年十二月三十一日，根據證券及期貨條例第XV部第7及8分部，概無本公司之董事及主要行政人員被當作或視作於本公司及其聯營公司之股份、相關股份及債券中，擁有任何其他權益或淡倉而須於本公司根據證券及期貨條例第352條所存置之登記冊中記錄或根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）上市公司董事進行證券交易的標準守則須知會本公司及聯交所。



Directors' Report 董事會報告

SHARE OPTION SCHEMES

The Company operates a share option scheme, further details of which are set out in note 24 to the financial statements.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Apart from as disclosed under the sections headed "Directors' interests" and "Share option schemes" above, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Company's directors, their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 30 to the financial statements, there were no contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest subsisted at the end of year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the directors have any interests in competing business of the Group.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS

At 31 December 2007, the following persons (not being directors or chief executive of the Company) had an interest in the following long positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

購股權計劃

本公司設有一項購股權計劃，有關詳情載於財務報表附註24。

董事購入股份之權利

除上文「董事之權益」及「購股權計劃」兩節作出之披露外，本公司或其任何附屬公司於本年度並無參與任何安排，致令本公司任何董事、彼等各自之配偶或年齡未滿十八歲之子女可藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

董事於合約之權益

除財務報表附註30所披露者外，概無訂立於年終或年內任何時間有效，本公司或其任何附屬公司為訂約方及對彼等而言屬重大，且本公司董事擁有重大權益之合約。

董事於競爭業務之權益

於本年度並無董事於與本集團構成競爭之業務中擁有任何權益。

主要股東及其他人士之權益

於二零零七年十二月三十一日，下列人士（本公司董事或主要行政人員除外）按照本公司根據證券及期貨條例第336條之規定所存置之登記冊所記錄於本公司之股份或相關股份之好倉中擁有權益。



Directors' Report 董事會報告

主要股東及其他人士之權益(續)

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS (CONTINUED)

Name	名稱	Note 附註	Number of shares held 所持股份數目		Total 總額	Percentage 百分比
			Direct 直接	Indirect 間接		
HFL International Consortium Limited ("HFL")	HFL International Consortium Limited (「HFL」)		1,455,202,784	-	1,455,202,784	61%
Hong Fok Enterprises Limited ("HFE")	鴻福貿易有限公司 (「鴻福貿易」)	(i)	-	1,455,202,784	1,455,202,784	61%
Hong Fok Investment Holding Company, Limited ("HFIH")	鴻福有限公司(「鴻福」)	(ii)	47,443,003	1,455,202,784	1,502,645,787	63%
Hong Fok Corporation Limited ("HFC")	鴻福實業有限公司 (「鴻福實業」)	(iii)	-	1,502,645,787	1,502,645,787	63%
Barragan Trading Corp.	Barragan Trading Corp.		285,312,566	-	285,312,566	12%
Praise Time Co Limited	Praise Time Co Limited		136,000,000	-	136,000,000	6%

附註：

Notes:

- (i) HFE was deemed to have the same beneficial interests as its wholly-owned subsidiary, HFL, did in the issued share capital of the Company by virtue of HFE's interest in HFL.
- (ii) HFIH was deemed to have the same beneficial interests as its wholly-owned subsidiary, HFE, did in the issued share capital of the Company by virtue of HFIH's interest in HFE. In addition, HFIH was directly interested in approximately 2% of the issued share capital of the Company.
- (iii) HFC was deemed to have the same beneficial interests as its wholly-owned subsidiary, HFIH, did in the issued share capital of the Company by virtue of HFC's interest in HFIH.

- (i) 由於鴻福貿易持有其全資附屬公司HFL之權益，故鴻福貿易擁有本公司已發行股本之實益權益被視為與HFL所擁有者相同。
- (ii) 由於鴻福持有其全資附屬公司鴻福貿易之權益，故鴻福擁有本公司已發行股本之實益權益被視為與鴻福貿易所擁有者相同。此外，鴻福直接持有本公司已發行股本約2%之權益。
- (iii) 由於鴻福實業持有其全資附屬公司鴻福之權益，故鴻福實業擁有本公司已發行股本之實益權益被視為與鴻福所擁有者相同。

Save as disclosed above, no other person was recorded in the register required to be kept under section 336 of the SFO as having an interest or short position in the shares and underlying shares of the Company as at 31 December 2007.

除上文所披露者外，於二零零七年十二月三十一日，按照本公司根據證券及期貨條例第336條之規定所存置之登記冊所記錄，概無其他人士於本公司之股份及相關股份中擁有權益或淡倉。



Directors' Report 董事會報告

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

SUBSEQUENT EVENTS

There is no significant event subsequent to the balance sheet date as at 31 December 2007.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained the prescribed amount of public float during the year and up to the date of this report as required under the Listing Rules.

AUDITORS

In November 2005, PKF resigned as auditors of the Company. Appointment of CCIF CPA Limited as auditors of the Company was approved in January 2006.

CCIF CPA Limited retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Cheong Pin Chuan, Patrick

Chairman

Hong Kong, 29 February 2008

購買、出售及贖回本公司上市證券

本公司及其任何附屬公司於年內概無購入、出售或贖回任何本公司上市證券。

結算日後事項

於二零零七年十二月三十一日，概無重大結算日後事項。

公眾持股量

根據本公司可公開獲得之資料，及據董事所知，本公司於年內及截至本報告日期已維持上市規則規定之公眾持股量水平。

核數師

於二零零五年十一月梁學廉會計師事務所辭任本公司核數師。於二零零六年一月陳葉馮會計師事務所有限公司為本公司之核數師之委任獲得批准。

陳葉馮會計師事務所有限公司任滿告退，在即將舉行之股東週年大會上將提呈決議案，續聘其為本公司之核數師。

代表董事會

主席

鍾斌銓

香港，二零零八年二月二十九日



Directors' and Senior Management's Biographies 董事及高級管理人員履歷

DIRECTORS

Mr. Cheong Pin Chuan, Patrick, aged 58, is the chairman and managing director of the Company. Mr. Cheong is a member of the Australian Society of Certified Practising Accountants and the Hong Kong Institute of Certified Public Accountants. He joined the Group in 1991 and was appointed as a director of the Company in 1996. He has over 35 years' experience in property development. He is a director of the Group's ultimate holding company, Hong Fok Corporation Limited ("HFC").

Mr. Cheong Kim Pong, aged 65, is an executive director of the Company. Mr. Cheong joined the Group in 1991 and was appointed a director of the Company in 1996. He has over 44 years' experience in construction management and real estate development. He is a director of the Group's ultimate holding company, HFC.

Mr. Cheong Sim Eng, aged 47, is an executive director of the Company. Mr. Cheong graduated from the Chaminade University of Honolulu with a Bachelor of Arts degree. He joined the Group in 1991 and was appointed a director of the Company in 1996. He has over 22 years' experience in the construction industry. He is a director of the Group's ultimate holding company, HFC.

Mr. Kan Fook Yee, SBS, aged 71, is an independent non-executive director and a member of the audit committee of the Company. He is a barrister at law as well as a fellow member of the Hong Kong Institute of Surveyors, the Royal Institute of Chartered Surveyors and the Chartered Institute of Arbitrators. He was appointed an independent non-executive director of the Company in 1998. He is also a representative of the National People's Congress of the PRC.

董事

鍾斌銓先生，現年五十八歲，本公司主席兼董事總經理。鍾先生乃澳洲會計師公會及香港會計師公會之會員。彼於一九九一年加盟本集團，並於一九九六年獲委任為本公司董事。彼在物業發展方面有超過三十五年經驗。彼為本集團之最終控股公司鴻福實業有限公司（「鴻福實業」）之董事。

鍾金榜先生，現年六十五歲，本公司執行董事。鍾先生於一九九一年加盟本集團，並於一九九六年獲委任為本公司董事。彼在建築工程管理及地產發展方面有超過四十四年經驗。彼為本集團之最終控股公司鴻福實業之董事。

鍾樂榮先生，現年四十七歲，本公司執行董事。鍾先生畢業於檀香山Chaminade University，持有文學學士學位。彼於一九九一年加盟本集團，並於一九九六年獲委任為本公司董事。彼在建築業有超過二十二年經驗。彼為本集團之最終控股公司鴻福實業之董事。

簡福飴先生，SBS，現年七十一歲，本公司獨立非執行董事兼審核委員會成員。簡先生為執業大律師以及香港測量師學會、英國皇家特許測量師學會及特許仲裁人員學會資深會員。彼於一九九八年獲委任為本公司獨立非執行董事。彼亦為中國全國人民代表大會代表。



Directors' and Senior Management's Biographies 董事及高級管理人員履歷

DIRECTORS (CONTINUED)

Mr. Lai Hing Chiu, Dominic, aged 61, is an independent non-executive director and a member of the audit committee of the Company. He is a practising solicitor in Hong Kong and has also been admitted as a solicitor in England, Australia and Singapore. He joined the Group in 1994 and was appointed an independent non-executive director of the Company in 1996. He has over 35 years' experience as a solicitor.

Mr. Chan Yee Hoi, Robert, aged 58, is an independent non-executive director and a member of the audit committee of the Company. He joined the Group and was appointed an independent non-executive director of the Company in 2004. He graduated from the University of Hong Kong with a Bachelor of Social Science degree. He has over 28 years' experience in corporate restructuring, corporate finance, capital markets, direct investment and asset management. Mr. Chan held senior positions in various American banks in Hong Kong and fund management companies.

Madam Lim Ghee, aged 96, is a non-executive director of the Company and the senior manager of public relations of the Group. She joined the Group in 1991 and was appointed a non-executive director of the Company in 1996. She is a director of the Group's ultimate holding company, HFC. Madam Lim Ghee is the mother of Messrs. Cheong Kim Pong, Cheong Pin Chuan, Patrick, and Cheong Sim Eng.

SENIOR MANAGEMENT

Mr. Tsui Yeung Kun, Andrew, aged 52, is the director of the property development division of the Group. Mr. Tsui graduated from Christian Brothers College in the United States with a Bachelor of Science degree in Accounting and Economics. He joined the Group in 1995 and has over 6 years' experience in the management of investment funds and 11 years' experience in equity research and stock broking activities in Hong Kong. Mr. Tsui is Mrs. Cheong Pin Chuan, Patrick's brother.

董事(續)

黎慶超先生，現年六十一歲，本公司獨立非執行董事兼審核委員會成員。彼為香港之執業律師，亦為英國、澳洲及新加坡認許之律師。彼於一九九四年加盟本集團，並於一九九六年獲委任為本公司獨立非執行董事。彼有超過三十五年擔任律師之經驗。

陳以海先生，現年五十八歲，本公司之獨立非執行董事兼審核委員會成員。陳先生於二零零四年加入本集團，並獲委任為本公司之獨立非執行董事。彼畢業於香港大學，持有社會科學學士學位。彼於公司重組、企業融資、資本市場、直接投資及資產管理方面擁有超過二十八年經驗。陳先生曾於香港多家美資銀行及基金管理公司擔任高職。

林義女士，現年九十六歲，本公司非執行董事及本集團高級公關經理。林女士於一九九一年加盟本集團，並於一九九六年獲委任為本公司非執行董事。彼為本集團之最終控股公司鴻福實業之董事。林義女士乃鍾金榜先生、鍾斌銓先生及鍾樂榮先生之母親。

高級管理人員

徐羊根先生，現年五十二歲，本集團物業發展部董事。彼畢業於美國 Christian Brothers College，持有會計及經濟理學學士學位。徐先生於一九九五年加盟本集團，在投資基金管理方面有超過六年經驗，而在香港股票研究及證券買賣代理業務方面有超過十一年經驗。徐先生乃鍾斌銓先生之內弟。



Directors' and Senior Management's Biographies 董事及高級管理人員履歷

SENIOR MANAGEMENT (CONTINUED)

Mr. Cheong Tze Hong, Marc, aged 35, is the director of the business development division of the Group. Mr. Cheong holds a Bachelor of Science degree in Accounting from the University of Southern California in the United States of America and a Master of Business Administration degree from the University of Chicago Graduate School of Business. He joined the Group in 2000 and has over 3 years' experience in the merchant banking field and 7 years' experience in business development.

Mr. Cheong Tze Hian, Howard, aged 34, is the director of the project management division of the Group. Mr. Cheong holds a Bachelor of Science degree in Accounting from the University of Southern California in the United States of America. He joined the Group in 2004 and has over 3 years' experience in the private equity field and 3 years' experience in project management.

Mr. Cheong Tze Hong, Marc and Cheong Tze Hian, Howard are sons of Mr. Cheong Pin Chuan, Patrick.

Ms. Cheong Puay Kheng, aged 53, is the general manager of the Group. Ms. Cheong graduated from Armstrong College of Berkeley in the United States of America with a Bachelor of Science degree. She joined the Group in 1993 and has over 22 years' experience in the planning, organising and control of office administration and personnel management.

Mr. Cheong Aik Yen, Roy, aged 42, is the senior manager of business promotion of the Group. Mr. Cheong graduated from Western New England College in Massachusetts with a Bachelor of Science degree in Mechanical Engineering. He joined the Group in 2002 and has 3 years' experience in the merchant banking field. He is the personal assistance to directors of the Group's ultimate holding company, HFC. Mr. Cheong is the son of Mr. Cheong Kim Pong.

高級管理人員(續)

鍾子丰先生，現年三十五歲，本集團之業務發展部董事。鍾先生持有美國南加州大學會計學理學士學位，以及University of Chicago Graduate School of Business之工商管理碩士學位。彼於二零零零年加盟本集團，於商業銀行領域有超過三年經驗，並於業務開發有七年經驗。

鍾子賢先生，現年三十四歲，本集團之工程策劃部董事。鍾先生持有美國南加州大學會計學理學士學位。彼於二零零四年加入本集團，並於私募股本領域擁有超過三年經驗，並於項目管理有三年經驗。

鍾子丰先生及鍾子賢先生均為鍾斌銓先生之兒子。

鍾珮卿女士，現年五十三歲，本集團總經理。鍾女士畢業於美國Armstrong College of Berkeley，持有理學士學位。彼於一九九三年加盟本集團，在辦公室行政及人事管理策劃、組織及控制方面有超過二十二年經驗。

鍾譚賢先生，現年四十二歲，為本集團業務推廣部高級經理。鍾先生畢業於美國麻省Western New England College，獲頒機械工程理學士學位。彼於二零零二年加盟本集團，於商業銀行界積累三年經驗。彼為本集團最終控股公司鴻福實業之董事之私人助理。鍾先生為鍾金榜先生之子。



Directors' and Senior Management's Biographies 董事及高級管理人員履歷

SENIOR MANAGEMENT (CONTINUED)

Ms. Cheong Hooi Kheng, aged 54, is the financial advisor of the Group. Ms. Cheong holds a Bachelor of Science degree in Business Administration from the California State University, Hayward and a Master of Business Administration degree from the Chaminade University of Honolulu. She joined the Group in 1991 and has over 26 years' experience in the construction industry. She is a director of the Group's ultimate holding company, HFC. Ms. Cheong was appointed a non-executive director of the Company, alternate to Madam Lim Ghee, on 12 January 2005.

Ms. Cheong Hooi Kheng and Ms. Cheong Puay Kheng are sisters of Messrs. Cheong Kim Pong, Cheong Pin Chuan, Patrick and Cheong Sim Eng.

高級管理人員(續)

鍾惠卿女士，現年五十四歲，為本集團財務顧問。鍾女士持有Hayward加州州立大學工商管理學士學位以及檀香山Chaminade University工商管理碩士學位。彼於一九九一年加盟本集團，在建築業有超過二十六年經驗。彼為本集團最終控股公司鴻福實業之董事。鍾女士於二零零五年一月十二日獲委任為本公司之非執行董事(林義女士之替任董事)。

鍾金榜先生、鍾斌銓先生、鍾樂榮先生、鍾惠卿女士及鍾珮卿女士乃同胞兄弟姊妹關係。



Independent Auditor's Report 獨立核數師報告

**CCIF****CCIF CPA LIMITED**

20/F Sunning Plaza
10 Hysan Avenue
Causeway Bay Hong Kong

陳葉馮會計師事務所有限公司

香港 銅鑼灣
希慎道10號
新寧大廈20樓

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS
OF WINFOONG INTERNATIONAL LIMITED**

(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Winfoong International Limited (the "Company") set out on pages 35 to 147, which comprise the consolidated and company balance sheets as at 31 December 2007, 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.

獨立核數師報告

致榮豐國際有限公司各股東

(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已完成審核榮豐國際有限公司(「貴公司」)載於第35頁至第147頁的綜合財務報表，當中載有 貴公司於二零零七年十二月三十一日之綜合資產負債表及資產負債表、截至該日止年度的綜合收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責遵照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之披露規定，編製及真實而公平地列報該等財務報表。這責任包括設計、實施及維護與編製真實公平地列報的財務報表有關的內部監控，以確保並無重大錯誤陳述(不論是否因欺詐或錯誤引起)；選擇並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。



Independent Auditor's Report 獨立核數師報告

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act, 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.

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

核數師的責任

我們的責任是根據我們審核工作的結果，對該等財務報表表達意見。本報告乃按照百慕達公司法第90條的規定，僅向貴公司整體作出報告，除此以外本報告並無其他用途。我們不會就本報告的內容向任何其他人士承擔或負上任何責任。

我們已根據香港會計師公會頒佈的香港審核準則進行審核。該等準則規定我們須遵守道德規定以計劃及進行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核包括進程序以取得與財務報表所載金額及披露事項有關的審核憑證。選取的該等程序須視乎核數師的判斷，包括評估財務報表的重大錯誤陳述（不論是否因欺詐或錯誤引起）的風險。在作出該等風險評估時，核數師考慮與公司編製真實公平呈列財務報表有關的內部監控，以設計適當審核程序，但並非為對公司的內部監控是否有效表達意見。審核亦包括評價董事所採用的會計政策是否恰當及所作的會計估算是否合理，以及評價財務報表的整體呈列方式。

我們相信，我們已取得充分恰當的審核憑證，為我們的審核意見提供了基礎。



Independent Auditor's Report 獨立核數師報告

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 2007 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.

CCIF CPA Limited

Certified Public Accountants

Hong Kong, 29 February 2008

Yau Hok Hung

Practising Certificate Number P04911

意見

我們認為，按照香港財務報告準則編製的綜合財務報表真實公平地反映 貴公司及 貴集團於二零零七年十二月三十一日的財政狀況及 貴集團截至該日止年度的虧損和現金流量，並已按照香港公司條例的披露規定妥為編製。

陳葉馮會計師事務所有限公司

香港執業會計師

香港，二零零八年二月二十九日

邱學雄

執業證書編號 P04911



Consolidated Income Statement 綜合收益表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元計值)

		Note	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Turnover	營業額	3	29,339	26,169
Cost of sales	銷售成本		(16,793)	(8,743)
Gross profit	毛利		12,546	17,426
Valuation gains on investment property	投資物業重估收益	13	14,173	20,963
Other revenue	其他收益	4	302	309
Other net income	其他收入淨額	4	1,415	1,969
Operating and administrative expenses	經營及行政開支		(33,218)	(39,776)
(Loss)/profit from operations	經營(虧損)/溢利		(4,782)	891
Finance costs	融資成本	5(a)	(13,490)	(24,374)
Share of profit of an associate	應佔一間聯營公司之溢利		28,145	178,070
Impairment loss on goodwill	商譽之減值虧損	14	(321,122)	-
(Loss)/profit before taxation	除稅前(虧損)/溢利	5	(311,249)	154,587
Income tax	所得稅	6(a)	(1,021)	(4,055)
(Loss)/profit for the year	本年(虧損)/溢利		(312,270)	150,532
Attributable to:	以下應佔:			
Equity shareholders of the Company	本公司權益持有人	9	(312,270)	150,532
Minority interests	少數股東權益		-	-
(Loss)/profit for the year	本年(虧損)/溢利		(312,270)	150,532
Dividend	股息	10	1,731,047	-
(Loss)/earnings per share	每股(虧損)/盈利	11		
Basic	基本		HK cents (16.70) 港仙	HK cents 10.09 港仙
Diluted	攤薄		n/a	HK cents 10.02 港仙

The notes on pages 42 to 147 form part of these financial statements.

第42至147頁之附註構成此等財務報表之一部分。



Consolidated Balance Sheet 綜合資產負債表

As at 31 December 2007 於二零零七年十二月三十一日
(Expressed in Hong Kong dollars)
(以港元計值)

	Note 附註	2007 二零零七年		2006 二零零六年	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Non-current assets					
Fixed assets	固定資產	13			
– Investment property	– 投資物業		273,320		1,994,320
– Property held for future development	– 持作日後發展之物業		–		–
– Other property, plant and equipment	– 其他物業、廠房及設備		3,676		4,685
– Interests in leasehold land held for own use under operating leases	– 於經營租約項下持作自用之租賃土地之權益		452		464
			277,448		1,999,469
Goodwill	商譽	14	–		–
Interest in an associate	於一間聯營公司之權益	16	–		612,771
Pledged bank balances and time deposits	抵押銀行結存及定期存款	20	10		912
Other financial assets	其他金融資產	17	2,534		2,600
			279,992		2,615,752
Current assets	流動資產				
Inventories	存貨	18	160,965	12,728	
Trade and other receivables	貿易及其他應收賬項	19	3,529	8,097	
Tax recoverable	可收回稅項	25(a)	8	83	
Cash and cash equivalents	現金及現金等價物	20	5,485	4,342	
			169,987	25,250	
Current liabilities	流動負債				
Trade and other payables	貿易及其他應付賬項	21	11,557	22,305	
Bank borrowings	銀行借款	22	–	81,891	
Tax payables	應繳稅項	25(a)	856	–	
			12,413	104,196	
Net current assets/(liabilities)	流動資產/(負債)淨額		157,574		(78,946)



Consolidated Balance Sheet 綜合資產負債表

As at 31 December 2007 於二零零七年十二月三十一日
(Expressed in Hong Kong dollars)
(以港元計值)

	Note 附註	2007 二零零七年		2006 二零零六年	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Total assets less current liabilities		437,566		2,536,806	
Non-current liabilities					
Bank borrowings	22	150,829		396,234	
Loan from a fellow subsidiary					
	30(b)	302		-	
Deferred income				5,582	
Deferred tax liabilities	25(b)	5,786		250,700	
		156,917		652,516	
NET ASSETS		280,649		1,884,290	
CAPITAL AND RESERVES					
Share capital	26(a)	119,620		74,620	
Reserves		161,029		1,809,670	
Total equity attributable to equity shareholders of the Company		280,649		1,884,290	
Minority interests					
				-	
TOTAL EQUITY		280,649		1,884,290	

Approved and authorised for issue by the board of directors on 29 February 2008.

董事會於二零零八年二月二十九日批准及授權刊發。

Cheong Pin Chuan, Patrick

鍾斌銓

Director

董事

Cheong Kim Pong

鍾金榜

Director

董事

The notes on pages 42 to 147 form part of these financial statements.

第42至147頁之附註構成此等財務報表之一部分。



Balance Sheet 資產負債表

As at 31 December 2007 於二零零七年十二月三十一日
(Expressed in Hong Kong dollars)
(以港元計值)

	Note 附註	2007 二零零七年		2006 二零零六年	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Non-current assets					
Investments in subsidiaries	15		1		1,418,163
Current assets					
Trade and other receivables	19	209,747		230,813	
Cash and cash equivalents	20	7		12	
		209,754		230,825	
Current liabilities					
Trade and other payables	21	(1,260)		(401)	
Net current assets			208,494		230,424
NET ASSETS			208,495		1,648,587
CAPITAL AND RESERVES					
Share capital	26(b)		119,620		74,620
Reserves			88,875		1,573,967
TOTAL EQUITY			208,495		1,648,587

Approved and authorised for issue by the board of directors on 29 February 2008.

董事會於二零零八年二月二十九日批准及授權刊發。

Cheong Pin Chuan, Patrick

鍾斌銓

Director

董事

Cheong Kim Pong

鍾金榜

Director

董事

The notes on pages 42 to 147 form part of these financial statements.

第42至147頁之附註構成此等財務報表之一部分。



Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元計值)

	Note 附註	2007 二零零七年		2006 二零零六年	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Total equity at 1 January	於一月一日之權益總額		1,884,290		1,692,560
Net income recognised directly in equity:	直接於權益中確認之收入淨額：				
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	26	5,570	(162)	
Change in fair value of available-for-sale securities	可供銷售證券公平值變動	26	380	260	
Share of movements in reserves of an associate	應佔聯營公司儲備變動	26	6,226	41,100	
Net income for the year recognised directly in equity	年內直接於權益中確認之收入淨額		12,176	41,198	
Net (loss)/profit for year	本年溢利淨額		(312,270)	150,532	
Total recognised income and expense for the year	年內已確認之收入及支出總額		(300,094)		191,730
Attributable to:	以下應佔：				
Equity shareholders of the Company	本公司權益持有人應佔		(300,094)	191,730	
Minority interests	少數股東權益		-	-	
			(300,094)	191,730	
Distribution in specie	實物分派	26	(1,731,047)		-
Movements in equity arising from capital transactions:	因股本交易而產生之				
Shares issued for the acquisition of subsidiaries	以股份支付之股份收購附屬公司已發行股份	26	427,500		-
Total equity at 31 December	於十二月三十一日之權益總額		280,649		1,884,290

The notes on pages 42 to 147 form part of these financial statements.

第42至147頁之附註構成此等財務報表之一部分。



Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元計值)

	Note	2007	2006
	附註	二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
Operating activities	經營業務		
(Loss)/profit before taxation	除稅前(虧損)/溢利	(311,249)	154,587
Adjustments for:	經以下調整:		
– Valuation gains on investment property	– 投資物業重估收益	13 (14,173)	(20,963)
– Revaluation (gains)/losses on buildings	– 樓宇之重估(收益)/虧損	13 (40)	48
– Depreciation	– 折舊	5(c) 1,058	655
– Amortisation of land lease premium	– 土地租賃費用攤銷	5(c) 12	12
– Impairment loss for bad and doubtful debts	– 呆壞賬之減值虧損	5(c) 97	611
– Finance costs	– 融資成本	5(a) 13,490	24,374
– Impairment loss on goodwill	– 商譽之減值虧損	14 321,122	–
– Interest income	– 利息收入	4 (137)	(202)
– Share of profit of an associate	– 應佔聯營公司之溢利	(28,145)	(178,070)
– Loss on disposal of other financial assets	– 出售其他金融資產之虧損	4 –	208
– (Gain)/loss on disposal of fixed assets	– 出售固定資產(收益)/虧損	4 (35)	150
– Write-off of long outstanding creditors	– 撇銷長期未償還之應付賬款	4 –	(2,358)
– Foreign exchange (gain)/loss	– 匯兌(收益)/虧損淨額	(1,466)	57
Operating loss before changes in working capital	未計營運資金變動前經營虧損	(19,466)	(20,891)
Decrease in inventories	存貨減少	12,325	1,642
Increase in trade and other receivables	貿易及其他應收賬項增加	(764)	(3,191)
(Decrease)/increase in trade and other payables	貿易及其他應付賬項(減少)/增加	(4,010)	5,545
Cash used in operations	經營所使用之現金	(11,915)	(16,895)
Tax paid	已付稅項		
– Hong Kong profits tax paid	– 已付香港利得稅	(6)	(85)
– Hong Kong profits tax refunded	– 香港利得稅退還	1	4
– PRC income tax refunded	– 中國所得稅退還	–	14



Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元計值)

	Note	2007	2006
	附註	二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
Net cash used in operating activities		(11,920)	(16,962)
Investing activities			
Withdrawal of pledged bank deposits		231	–
Payment for purchase of fixed assets		(23,293)	(10,521)
Proceeds from sale of fixed assets		158	341
Proceeds from disposal of other financial assets		–	203
Loan repaid by a director of a subsidiary		500	–
Interest received		98	201
Net outflow of cash and cash equivalents in respect of acquisition of subsidiaries	31	(13,144)	–
Net cash used in investing activities		(35,450)	(9,776)
Financing activities			
Increase in amount due to a related company		3,558	–
Increase in amount due to a fellow subsidiary		248	–
Proceeds from new bank loans		362,000	90,860
Repayment of bank loans		(297,611)	(40,158)
Interest paid		(13,277)	(23,250)
Net outflow of cash and cash equivalents in respect of distribution in specie	10	(6,996)	–
Net cash generated from financing activities		47,922	27,452
Net increase in cash and cash equivalents		552	714
Cash and cash equivalents at 1 January	20	4,342	3,615
Effect of foreign exchange rate changes		591	13
Cash and cash equivalents at 31 December	20	5,485	4,342

The notes on pages 42 to 147 form part of these financial statements.

第42至147頁之附註構成此等財務報表之一部分。



Notes to the Financial Statements 財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元計值)

1. 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 Stock Exchange of the Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has 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 2 provides information on any changes in accounting policies resulting from initial application of these development to the extent that they are relevant to the Group for the current and prior accounting years reflected in these financial statements.

b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2007 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in an associate.

1. 主要會計政策

a) 合規聲明

該等財務報表已根據香港財務報告準則(「香港財務報告準則」, 此統稱包括香港會計師公會(「香港會計師公會」)頒佈之所有適用之香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認之會計原則及香港公司條例之披露規定編製而成。該等財務報表亦已符合香港聯合交易所有限公司證券上市規則之適用披露規定。下文載列本集團採納之主要會計政策之概要。

香港會計師公會已頒佈數項由本集團及本公司本期會計期生效或可提早採納之新增及經修訂之香港財務報告準則。初次應用該等與本集團有關執行過財務報告準則所引致當前和以往會計年度之會計政策任何變動, 已反映於本財務報表內, 有關資料列載於附註2。

b) 財務報表編製基準

截至二零零七年十二月三十一日止年度的綜合財務報表包括本公司及其附屬公司(統稱「本集團」)及本集團於一間聯營公司的權益。



Notes to the Financial Statements 財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元計值)

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Basis of preparation of the financial statements (continued)

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets are stated at their fair value as explained in the accounting policies set out below:

- investment property (see note 1(g));
- other buildings (see note 1(h)); and
- financial instruments classified as available-for-sale securities (see note 1(f)).

The preparation of financial statements in conformity with 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.

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.

1. 主要會計政策 (續)

b) 財務報表編製基準 (續)

編製財務報表所使用之計量基準為歷史成本法，惟誠如以下會計政策所解釋，下列資產乃按彼等之公平值列賬：

- 投資物業 (見附註 1(g))；
- 其他樓宇 (見附註 1(h))；及
- 分類為可供出售證券之金融工具 (見附註 1(f))。

編製此等符合香港財務報告準則之財務報表需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響有關資產、負債、收入及開支之政策應用及申報數額。該等估計及有關假設乃根據過往經驗及管理層相信於該等情況下乃屬合理之各項其他因素為基準而作出，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。

本集團持續就所作估計及相關假設作出評估。倘若會計估計之修訂僅影響作出有關修訂之期間，則於該期間確認有關修訂；倘若會計估計之修訂影響當期及未來期間，則於當期及未來期間確認有關修訂。



Notes to the Financial Statements 財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元計值)

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Basis of preparation of the financial statements (continued)

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 34.

c) Subsidiaries and minority interests

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 are 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 profits but only to the extent that there is no evidence of impairment.

1. 主要會計政策(續)

b) 財務報表編製基準(續)

在應用香港財務報告準則時管理層作出對來年有重大調整之主要風險並會對財務報表及估計有重大影響的判斷，在附註34論述。

c) 附屬公司及少數股東權益

附屬公司乃本集團控制之實體。當本集團有權監管財務及營運政策以從其經營活動獲取利益時，則存在控制關係。於評估控制關係時，將考慮現時可行使之潛在投票權。

於附屬公司之投資自控制開始日期直至控制終止日合併入綜合財務報表。

集團內公司間之結餘及交易及因集團內交易而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溢利之方法同樣予以撇銷，惟僅限於沒有減值跡象之情況下。



Notes to the Financial Statements 財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元計值)

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Subsidiaries and minority interests (continued)

Minority interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the Company, whether directly or indirectly through subsidiaries, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. Minority interests are presented in the consolidated balance sheet with equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company.

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses (see note 1(j)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

1. 主要會計政策 (續)

c) 附屬公司及少數股東權益 (續)

少數股東權益，為並非由本公司擁有（不論直接或間接透過附屬公司）的權益應佔附屬公司的資產淨值部分，就此而言，本集團並未與該等權益持有人協定任何額外條款，以致本集團整體須承擔就財務負債所界定的合約責任。少數股東權益在綜合資產負債表內與本公司股東應佔權益分開呈列。於本集團業績內之少數股東權益作為年內少數股東權益與本公司權益持有人之間在溢利或虧損總額之分配，並在綜合收益表內呈列。

倘少數股東應佔之虧損超出於附屬公司內少數股東權益，超出部分及任何少數股東之進一步虧損於本集團之權益內扣除，惟倘少數股東有約束責任作出（及能夠作出）額外投資彌償該等虧損除外。倘附屬公司其後錄得溢利，本集團之權益應佔全部該等權益，直至先前由本集團撥出之少數股東應佔虧損部分得以彌補為止。

於本公司資產負債表內，於附屬公司之投資按成本減減值虧損列賬（見附註1(j)），除非該投資被分類為持作出售用途（或列入被歸類為持作出售之出售組別內）。



Notes to the Financial Statements 財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元計值)

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Associates

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the associate for the year, including any impairment loss on goodwill relating to the investment in the associate recognised for the year (see notes 1(e) and (j)).

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. For this purpose, the Group's interest in the associate is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

1. 主要會計政策(續)

d) 聯營公司

聯營公司指本集團或本公司對其有重大影響力，但無法控制或共同控制其管理決定，包括參與財務及經營政策決定。

聯營公司之投資乃根據權益法在綜合財務報表中作會計處理，初步按成本入賬及隨後按收購後本集團攤佔有關聯營公司資產淨值之變動而作出調整，除非該等投資被分類為持作出售用途(或被列入被歸類為持作出售之出售組別內)。綜合收益表包括本集團於該年度攤佔該聯營公司之收購後除稅後業績，包括年內確認與於聯營公司之投資有關之商譽之任何減值虧損(見附註1(e)及(j))。

倘本集團應佔之虧損超過其於聯營公司之權益，則本集團之權益會撇減至零及不再確認進一步虧損，而除非本集團已代表該聯營公司產生法律或推定之責任或須作出付款。就此而言，本集團於聯營公司之權益為根據權益法計算投資之賬面值連同本集團構成於該聯營公司之本集團淨投資之長期權益部分。



Notes to the Financial Statements 財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港元計值)

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Associates (continued)

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

e) Goodwill

Goodwill represents the excess of the cost of a business combination or an investment in an associate over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment (see note 1(j)). In respect of associates, the carrying amount of goodwill is included in the carrying amount of the interest in the associate.

Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination or an investment in an associate is recognised immediately in profit or loss.

1. 主要會計政策 (續)

d) 聯營公司 (續)

本集團與其聯營公司進行交易產生之任何未變現溢利及虧損，均以本集團於有關聯營公司之權益為限進行撇銷，惟倘未變現虧損顯示所轉讓資產出現減值之證據，在該情況下，有關虧損則在損益表即時確認。

e) 商譽

商譽指商業合併或於聯營公司之投資之成本超過本集團應佔被收購實體之可辨別資產、負債及或然負債之公平淨值。

商譽按成本減累計減值虧損列賬。商譽被分配為現金生產單位，並須每年作減值測試(見附註1(j))。就聯營公司而言，商譽之賬面值列入於聯營公司之權益之賬面值內。

就商業合併或於聯營公司之投資而言，本集團應佔被收購實體之可辨別資產、負債及或然負債之公平淨值超出成本之部分即在損益表確認。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Goodwill (continued)

On disposal of a cash generating unit or an associate during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

f) 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 and associates, 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:

Investment in securities held for trading are classified as current assets. Any attributable transaction costs are recognised in profit or loss as incurred. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss. The net gain or loss recognised in profit or loss does not include any dividends or interest earned on these investments as these are recognised in accordance with the policies set out in note 1(s)(vi) and (vii).

1. 主要會計政策(續)

e) 商譽(續)

年內出售聯營公司之現金生產單位時，計算出售溢利或虧損時計入購入商譽應佔之任何金額。

f) 於債務及股本證券內之其他投資

本集團及本公司就債務及股本證券投資之政策(不包括於附屬公司或聯營公司之投資)如下：

於債務及股本證券內之投資起初按成本列賬，該成本為交易價格，除非可使用估值法(其變量僅包括自可資觀察之市場取得之數據)可靠估計公平值。成本包括應佔交易成本，惟下文另有說明者除外。隨後該等投資視乎其分類按下列方式會計處理。

於持作交易用途之證券投資歸類為流動資產。任何應佔交易成本於產生時確認為損益。公平值於每個結算日時重新計量，任何產生之盈虧於損益表內確認。於損益表內確認之盈虧淨額包括由投資獲得之任何股息或利息，此等股息或利息乃根據附註1(s)(vi)及(vii)所載之政策確認。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Other investments in debt and equity securities (continued)

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 1(j)).

Investments in securities which do not fall into any of the above categories are classified as available-for-sale securities. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised directly in equity, except foreign exchange gains and losses resulting from changes in the amortised cost of monetary items such as debt securities which are recognised directly in profit or loss. Dividend income from these investments is recognised in profit or loss in accordance with the policy set out in note 1(s)(vi) and, where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss in accordance with the policy set out in note 1(s)(vii). When these investments are derecognised or impaired (see note 1(j)), the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

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

1. 主要會計政策 (續)

f) 於債務及股本證券內之其他投資 (續)

並無在活躍市場報價及公平值不可以可靠地估計之股本證券投資，於資產負債表內按成本減減值虧損列賬(見附註1(j))。

不屬於上述類別之證券投資歸類為可供出售證券。於每個結算日，公平值將予以重新計量，任何因此產生之盈虧直接於權益中確認，惟就貨幣項目如債券等之攤銷成本變動產生之匯兌收益及虧損直接於損益表內確認。投資產生之股息收入根據附註1(s)(vi)所載之政策於損益表內確認，倘該等投資為計息，按實際利率法計算之利息乃根據附註1(s)(vii)所載之政策於損益表內確認。倘解除確認該等投資或予以減值(見附註1(j))，先前於權益中直接確認之累計收益或虧損於損益表內確認。

該等投資於本集團承諾購買該等投資之日予以確認或於本集團承諾出售該等投資或到期之日解除確認。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Investment property

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 1(i)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use.

Investment properties are stated in the balance sheet at fair value. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 1(s)(i).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease (see note 1(i)), and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in note 1(i).

1. 主要會計政策(續)

g) 投資物業

投資物業為租賃權益下擁有或持有之土地及／或樓宇(見附註1(i))，以賺取租金收入及／或用於資本增值目的。該等投資物業包括現時未能確定未來用途而持有之土地。

投資物業按公平值在資產負債表內列賬。因公平值變動產生或來自報廢或出售投資物業之任何收益或虧損於損益表內確認。投資物業之租金收入按附註1(s)(i)內所述進行會計處理。

倘本集團根據經營租約持有物業權益以賺取租金收入及／或用於資本增值目的時，該等權益按逐項基準被歸類為及作為投資物業進行會計處理。任何被歸類為投資物業之該等物業權益乃猶如其根據融資租約持有(見附註1(i))列賬，並採用與根據融資租約租賃之其他投資物業相同之會計政策計算該等權益。租約付款按附註1(i)所述作會計處理。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Other property, plant and equipment

The following properties held for own use are stated in the balance sheet at their revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation:

- land held under operating leases and buildings thereon, where the fair values of the leasehold interest in the land and buildings cannot be measured separately at the inception of the lease and the building is not clearly held under an operating lease (see note 1(i)); and
- buildings held for own use which are situated on leasehold land, where the fair value of the building could be measured separately from the fair value of the leasehold land at the inception of the lease (see note 1(i)).

Revaluations are performed with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the balance sheet date.

The other items of property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 1(j)).

1. 主要會計政策 (續)

h) 其他物業、廠房及設備

下列持作自用物業按其重估金額 (即其於重估日期之公平值減任何後續累積折舊) 於資產負債表內列賬：

- 根據經營租約持有之土地及土地上之樓宇，而該等土地及樓宇之租賃權益之公平值為不能在租約開始時單獨計量，並且樓宇並不是根據經營租約明確持有 (見附註 1(i))；及
- 位於租約土地上持作自用之樓宇，而該等樓宇之公平值為可自租約開始時與租賃土地之公平值分開計量 (見附註 1(i))。

重估會每相隔一段合適時間定期進行，確保該等資產之重估價值與於結算日採用公平值釐定之價值並無重大偏差。

物業、廠房及設備之其他項目按成本減累積折舊及減值虧損於資產負債表內列賬 (見附註 1(j))。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Other property, plant and equipment (continued)

Changes arising on the revaluation of properties held for own use are generally dealt with in reserves. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to profit or loss to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to profit or loss to the extent that a deficit on revaluation in respect of that same asset had previously been charged to profit or loss.

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 1(u)).

1. 主要會計政策(續)

h) 其他物業、廠房及設備(續)

因重估持作自用物業產生之變動一般在儲備內處理。僅有例外情況如下：

- 倘產生重估虧絀，變動將在損益表內扣除，直至超出於緊接重估前就有關資產於儲備內持有之金額為止；及
- 倘產生重估盈餘，變動將計入損益表，並以就同一項資產先前已於損益表內支銷之重估虧絀為限計算。

自行興建之物業、廠房及設備之成本，包括材料成本、直接勞工成本，及如適用，初步估計拆卸及搬遷項目以及恢復項目所在地原貌的成本，以及適當比例的其他生產成本和借貸成本(見附註1(u))。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Other property, plant and equipment (continued)

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 profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits.

Depreciation is calculated to write off the cost or valuation 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 situated on leasehold land are depreciated over their estimated useful lives of 40 years.
- Furniture, equipment and other fixed assets are depreciated over 5 years.

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation 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.

1. 主要會計政策 (續)

h) 其他物業、廠房及設備 (續)

報廢或出售物業、廠房及設備項目所產生之損益，以出售所得款項淨額與項目之賬面金額之間差額釐定，並於報廢或出售日在損益表內確認。任何相關重估盈餘由重估儲備撥入保留溢利。

物業、廠房及設備項目於以下之預計可用年期內以直線法撇銷成本或估值減其剩餘可使用價值(如有)以計算折舊：

- 座落在租賃土地之樓宇於其預計可用期限40年期間折舊。
- 傢俬、設備及其他固定資產分5年折舊。

當物業、廠房及設備項目之不同部分有不同使用年期時，項目之成本或估值在不同部分之間按合理基準分配，每個部分分開計算折舊。資產之可使用年期及其剩餘價值(如有)須每年檢討。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

i) *Classification of assets leased to the Group*

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (see note 1(g)); and

1. 主要會計政策(續)

i) 租賃資產

倘本集團決定在約定的時期內將特定資產使用權出讓以換取一筆或一連串付款的安排，則包括一項交易或連串交易之該項安排為或包括一項租賃。該項決定乃基於安排內容的估值而作出並不計是否該安排採取法律形式的租賃。

i) *租賃予本集團資產之分類*

本集團根據租賃持有之資產，而其中絕大部分風險及擁有權利益均轉移至本集團之租約乃分類為融資租約。不會轉移絕大部分風險及擁有權利益之租賃乃分類為經營租約，惟以下例外：

- 倘根據經營租約持有之物業可另行符合投資物業之定義，則按個別物業之基準分類為投資物業，而倘分類為投資物業，則根據融資租約持有入賬(見附註1(g))；及



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Leased assets (continued)

i) Classification of assets leased to the Group (continued)

- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss 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 profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss 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 except where the property is classified as an investment property (see note 1(g)) or is held for development for sale (see note 1(k)(ii)).

1. 主要會計政策 (續)

i) 租賃資產 (續)

i) 租賃予本集團資產之分類 (續)

- 根據經營租約持作自用之土地，而其公平值無法與於其上蓋興建之樓宇於租約生效時之公平值分開計量，有關土地則根據融資租約持有入賬，惟有有關樓宇已根據經營租約持有則例外。就此而言，租賃生效之時間為本集團首次訂立租賃之時間，或從先前承租人接管租賃之時間。

ii) 經營租約費用

如屬本集團透過經營租約使用資產之情況，則根據租賃作出之付款會於租賃期所涵蓋之會計期間內，以等額在損益表扣除，惟如有其他基準能更清楚反映租賃資產所產生之收益模式則例外。租賃優惠於損益表確認為租賃淨付款總額之組成部分。或有租金在其產生之會計期間內在損益表扣除。

根據經營租約所持有土地之收購成本於租賃期內以直線法攤銷，惟該物業分類為投資物業(見附註1(g))或持作發展供出售則例外。(見附註1(K)(ii))。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Impairment of assets

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

Investments in debt and equity securities (other than investments in subsidiaries and associates: see note 1(j)(ii)) 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 debtor;
- 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; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

1. 主要會計政策(續)

j) 資產減值

i) 於債務及股本證券內之投資及其他應收款項之減值

於債務及股本證券內之投資(附屬公司或聯營公司之投資除外:見附註1(j)(ii))及其他流動及非流動應收款項若以成本或攤銷成本列示,或歸類為可供出售證券,將會於每個結算日被審閱以確定有否客觀減值證據。客觀減值證據包括 貴集團注意到以下一項或多項虧損事項之顯著數據:

- 債務人有重大財務困難;
- 違反合約,如拖欠償還利息或本金;
- 債務人可能破產或進行其他財務重組;及
- 股本工具投資之公平價值大幅或長期下跌至低於其成本值。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) 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.
- For trade and other current receivables 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 estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the 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.

1. 主要會計政策 (續)

j) 資產減值 (續)

i) 於債務及股本證券內之投資及其他應收款項之減值 (續)

若存在任何有關證據，則按以下方式釐定及確認任何減值虧損：

- 就按成本列值之非報價股本證券而言，減值虧損乃按金融資產之賬面金額及估計未來再出金流量（如折現的影響重大，則按類似金融資產的現行市場回報率折現）兩者之差額計算。股本證券的減值減值虧損不會被轉回。
- 就按攤銷成本列值之貿易及其他應收款項及其他金融資產而言，如貼現影響重大，減值虧損乃按資產賬面金額與估計未來現金流量按金融資產原有之實際利率（即在初始確認該等資產時計算之實際利率）貼現之現值兩者之差額計算。如按攤銷成本列賬之金融資產具備類似之風險特徵，如類似之逾期情況及並未單獨被評估為減值，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以一同評估減值。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Impairment of assets (continued)

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

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 profit or loss. 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.

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

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

1. 主要會計政策(續)

j) 資產減值(續)

i) 於債務及股本證券內之投資及其他應收款項之減值(續)

若於其後的期間，減值虧損數額減少，而有關減少可客觀地與在確認減值虧損後發生的事件聯繫，則減值虧損會透過損益表撥回。減值虧損撥回不得導致資產賬面金額超出若在以往年度沒有確認減值虧損的金額。

- 就可供出售證券而言，已直接確認於權益中之累計虧損應從權益轉出並於損益表中確認。於損益表確認之累計虧損金額為收購成本(減去任何本金還款及攤銷)與現行公平值之差額，減去任何以前該資產於損益表中確認的減值虧損。

可供出售股本證券的減值虧損如已於損益表內確認，則不會透過損益表沖回。其後該資產公平值之任何增加會直接於權益中確認。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Impairment of assets (continued)

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

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 profit or loss.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors 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 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 profit or loss.

1. 主要會計政策 (續)

j) 資產減值 (續)

i) 於債務及股本證券內之投資及其他應收款項之減值 (續)

若其後公平值的增加可客觀地與在確認減值虧損後發生的事件聯繫，則可供出售債券的減值虧損可被沖回。減值虧損在該情況下沖回會於損益表中確認。

減值虧損與相應資產直接撇銷，惟包含在應收貿易賬款及其他應收款項中的應收貿易賬款除外，其可收回性被視為難以預料而並非微乎其微。在此情況下，呆壞賬的減值虧損以撥備賬記錄。倘本集團確認能收回應收賬款的機會微乎其微，則視為不可收回之金額會直接與應收貿易賬款撇銷，而在撥備賬中就該債務保留的任何金額會被撥回。倘之前計入撥備賬的款項在其後收回，則有關款項於撥備賬撥回。撥備賬的其他變動及其後收回先前直接撇銷的款項均於損益賬中確認。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) 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 or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- pre-paid interests in leasehold land classified as being held under an operating lease;
- investments in subsidiaries and associate (except for those classified as held for sale (or included in a disposal group that is classified as held for sale)); and
- goodwill.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

1. 主要會計政策(續)

j) 資產減值(續)

ii) 其他資產之減值

本集團會在每個結算日審閱內部及外部資料，以確定下列資產是否出現減值跡象，或(商譽除外)以往確認的減值虧損是否不再存在或已經減少：

- 物業、廠房及設備(按重估金額列值之物業除外)；
- 分類為經營租賃項下持有之租賃土地預付利息；
- 於附屬公司及聯營公司之投資，不包括該等投資被分類為持作出售(或包括在分類為持作出售之出售組別內)；及
- 商譽。

倘若存在任何有關跡象，則會估計資產的可收回金額。此外，就商譽而言，會每年估計可收回金額，以確定是否有任何減值跡象。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) 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).

- Recognition of impairment losses
An impairment loss is recognised in profit or loss 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 cash-generating units 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.

1. 主要會計政策 (續)

j) 資產減值 (續)

ii) 其他資產之減值 (續)

- 計算可收回金額
資產之可收回金額為其售價淨額及使用價值之較高者。於評估使用價值時，估計未來現金流量乃按能反映現時市場對貨幣時間值及資產特定風險的評估的稅前貼現率，貼現至其現值。倘資產所產生的現金流入基本上不能獨立於其他資產所產生的現金流入，則以能產生獨立現金流入的最小資產組別(即賺取現金單位)來釐定可收回金額。

- 確認減值虧損
每當資產或其所屬的賺取現金單位的賬面金額超過其可收回金額，即會於損益表中確認減值虧損。就賺取現金單位確認的減值虧損，首先會分配予減少賺取現金單位(或一組單位)所獲分配的任何商譽賬面金額，然後再按比例減少該單位(或一組單位)中其他資產的賬面金額，惟個別資產賬面值不會減少至低於其本身的公平值減銷售成本或使用價值(若能釐定)。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) 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 profit or loss in the year in which the reversals are recognised.

k) Inventories

i) Horticultural services

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

Cost is calculated using the standard cost basis (which approximates the average actual cost) and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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.

1. 主要會計政策(續)

j) 資產減值(續)

ii) 其他資產之減值(續)

- 撥回減值虧損
就商譽以外之資產而言，倘用以釐訂定收回金額之估計出現有利轉變，有關減值虧損將予撥回。商譽之減值虧損不會被撥回。

撥回之減值虧損以倘過往年度並未確認減值虧損而應已釐定之資產賬面金額為限。撥回之減值虧損乃於確認撥回之年度內計入損益表。

k) 存貨

i) 園藝服務

存貨以成本及可變現淨值兩者之較低者入賬。

成本乃根據標準成本基準(即概約平均實際成本)計算，包括採購成本、轉換成本和將存貨運至現址及使其達至現時狀況所產生之成本。

可變現淨值按在日常業務過程中之估計售價，減去估計完成成本及估計進行出售所需之其他成本計算。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Inventories (continued)

i) Horticultural services (continued)

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 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.

ii) Property development

Inventories in respect of property development activities are carried at the lower of cost and net realisable value. Cost and net realisable values are determined as follows:

– Property under development for sale

The cost of properties under development for sale comprises specifically identified cost, including the acquisition cost of land, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of overheads and borrowing cost capitalised (see note 1(u)). Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

1. 主要會計政策 (續)

k) 存貨 (續)

i) 園藝服務 (續)

於出售存貨後，其賬面值計入相關收益確認之期間之費用。存貨撇減至可變現淨值之任何撇減金額和虧損之金額，計入撇銷和虧損發生之期間之費用。撥回就存貨撇減之任何金額乃於撥回產生之期間確認為已確認存貨之減值及列作一項開支。

ii) 物業發展

與物業發展活動有關之存貨按成本及可變現淨值兩者之較低者入賬。成本及可變現淨值計算方式如下：

– 持作出售之發展中物業

持作出售之發展中物業之成本包括特別界定之成本，包括收購土地成本、發展、材料及供給、工資及其他直接費用之成本總額，與及按比例攤分之間接成本及資本化之借貸成本(見附註1(u))。可變現淨值指估計售價減估計完成及出售物業所產生之成本。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Inventories (continued)

ii) Property development (continued)

- Completed property held for sale
In the case of completed properties developed by the Group, cost is determined by apportionment of the total development costs for that development project, attributable to the unsold properties. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

l) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment losses of doubtful debts (see note 1(j)), 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 losses of doubtful debts.

1. 主要會計政策(續)

k) 存貨(續)

ii) 物業發展(續)

- 持作轉售之落成物業集團已發展完成物業之成本，按該發展項目中未售物業所佔發展總成本之部分釐定。可變現淨值指估計售價減估計出售物業產生之成本。

持作出售之落成物業之成本包括所有購買成本、轉換成本，以及將存貨達致其現有地點及狀況所產生之其他成本。

l) 貿易及其他應收賬項

貿易及其他應收賬項最初按公平值列值，其後按攤銷成本減呆壞賬之減值虧損列值(見附註1(j))，惟應收賬項為向關連人士作出無固定還款期之免息貸款或折現之影響並不重大者除外。在該等情況下，應收賬項按成本減呆壞賬之減值虧損列值。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m) 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 profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

n) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 1(r)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

o) 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 that are 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.

1. 主要會計政策 (續)

m) 計息借貸

計息借貸初步按公平值減應計之交易成本計算。初步確認後，計息借貸按攤銷成本列值，而成本與贖回之間之任何差額使用實際利率法於借貸年期內在損益表內確認。

n) 貿易及其他應付賬項

貿易及其他應付賬項最初按公平值確認，除根據附註1(r)(i)計量之財務擔保負債外，貿易及其他應付賬項其後按攤銷成本列值，除非折現之影響屬重大，在此情況下則按成本列值。

o) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行及其他金融機構之活期存款，以及可隨時兌換為已知數額之現金之短期高流動投資，該等投資所面對之價值變動風險並不重大，並為一般於購入時起計之三個月內到期。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p) Employee benefits

i) *Short-term employee benefits and contributions to defined contribution retirement plans*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement 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) *Share-based payments*

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the 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 options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

1. 主要會計政策(續)

p) 僱員福利

i) *短期僱員福利以及界定退休計劃供款*

僱員就年內提供之服務享有薪酬、年度分紅、有薪年假、界定供款計劃供款以及非貨幣性福利等各種福利。如此等付款或結算獲遞延及影響並不重大，則按其現值列值。

ii) *股份形式之付款*

授予僱員之購股權之公平值計入僱員成本，並在權益中之資本儲備作相應增加。公平值按授出日期當日採用畢蘇期權定價模式計算，並計入授出購股權之條款與條件。倘僱員須於無條件有權享有該等購股權前須達到某些歸屬條件，則於歸屬期內攤分計入購股權之估計公平值總額，並計入該購股權將予歸屬之可能性。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p) Employee benefits (continued)

ii) Share-based payments (continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share-based compensation reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share-based compensation 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-based compensation 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 retained profits).

q) 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 profit or loss except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.

Current tax is the expected tax payable on the 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.

1. 主要會計政策 (續)

p) 僱員福利 (續)

ii) 股份形式之付款 (續)

於歸屬期間須對預期將予歸屬之購股權數目進行評估。對以往年度確認之累計公平值之任何調整，於進行檢討之年度計入／在損益表內扣除，並於以股份支付之薪酬儲備內作相應調整，除非原有之僱員開支符合確認為資產之條件。於歸屬日期，確認為開支之金額須予調整，以反映實際上已歸屬之購股權數目（並於以股份支付之薪酬儲備內作相應調整），惟倘只因未能達到與本公司股份市價有關之歸屬條件而導致被沒收則除外。有關之權益部分在股份形式之薪酬儲備內確認，直至有關之購股權已獲行使（其時轉撥入股份溢價賬）或購股權已屆滿（其時直接解除至保留溢利）為止。

q) 所得稅

本年度之所得稅包括即期及遞延稅項資產及負債變動。除直接與權益有關之項目確認為權益外，現期稅項及遞延稅項資產及負債變動均於收益表內確認。

本期稅項是根據年內應課稅收入，按結算日已頒行或大致已頒行之稅率計算之預期應付稅項，並就過往年度的應付稅項作出調整。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

q) Income tax (continued)

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 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 difference 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.

1. 主要會計政策(續)

q) 所得稅(續)

遞延稅項之資產及負債乃分別來自資產及負債項目為財務報告目的所呈列之賬面值，與其就稅基計算之賬面值之可扣稅或須課稅暫時差額。遞延稅項資產亦可由尚未動用之稅務虧損及稅收抵免所產生。

除若干有限之特別情況外，所有遞延稅項負債及遞延稅項資產(資產確認之上限乃基於未來有可能產生之稅務利潤並能沖銷已確認之遞延稅項資產)均被確認。足以支持確認可予扣減暫時差異所產生遞延稅項資產之日後應課稅溢利，包括因轉回現有應課稅暫時差異而產生之數額；但這些差異必須與同一稅務機關及同一應課稅實體有關，並預期在預計轉回可予扣減暫時差異之同一期間或遞延稅項資產所產生稅務虧損可予撥回或結轉之期間內轉回。在決定現有應課稅暫時差異是否足以支持確認由未使用稅項虧損及稅項撥回所產生的遞延稅項資產時，亦會採用同一準則，即須計及與同一稅務機關及同一應課稅實體有關的差異，並預期在能夠使稅項虧損或稅項撥回之期間內轉回。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

q) 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 foreseeable 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 profits 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 profits will be available.

1. 主要會計政策 (續)

q) 所得稅 (續)

確認遞延稅項資產及負債之之有限例外情況包括：不可扣稅商譽所產生之暫時差異、不影響會計或應稅溢利(如屬業務合併的一部分則除外)之資產或負債之初步確認，以及於附屬公司之投資之暫時差異，如為應課稅差異，只限於本集團控制轉回時間而且在可預見未來不大可能轉回之差異；或如屬可予扣減的差異，則只限於在可預見將來可能轉回的差異。

所確認之遞延稅項金額，乃按照各資產及負債項目原計劃之變現及償還方式，以其賬面值及於結算日所頒行或大致頒行之稅率所計算。遞延稅項資產及負債並未以折現法計算。

遞延稅項資產之賬面值會於每一個結算日予以評估。當不再可能產生足夠應課稅溢利以使用相關之稅務利益，則遞延稅項資產會相應地被減少至其預期可實現之數額。但如可能有足夠應課稅溢利，該減值將被撥回。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

q) 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 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.

1. 主要會計政策(續)

q) 所得稅(續)

本期稅項結餘及遞延稅項結餘以及當中之變動乃各自分開呈列及不予沖銷。只有當符合以下之額外條件，而本公司或本集團擁有沖銷現期之稅項資產及稅項負債之法律權利，本期稅項資產才會與本期稅項負債抵銷，而遞延稅項資產則與遞延稅項負債抵銷：

- 就本期之稅項資產及負債而言，本公司或本集團計劃以淨額方式結算，或同時變現資產及償還負債；或
- 就遞延稅項資產及負債而言，如該資產及負債所產生之所得稅乃為同一個稅務機關所徵收，而：
 - 稅項乃為同一個繳稅單位；或
 - 對不同繳稅單位，但於每一個未來期間，意料到可觀之遞延稅項負債或資產或資產將被償還或回收，計劃以淨額方式變現本期之稅項資產及償還本期之稅項負債或同時變現及償還。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

r) Financial guarantees issued, provisions and contingent liabilities

i) Financial guarantees issued

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

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 1(r)(iii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

1. 主要會計政策 (續)

r) 所發出之財務擔保、撥備及或然負債

i) 所發出之財務擔保

財務擔保乃要求發行人(即擔保人)就補償擔保受益人(「持有人」)因特定債務人未能根據債項工具之條款於到期時付款而蒙受之損失，而向持有人支付特定款項之合約。

倘本集團發出財務擔保，該擔保之公平值(即交易價格，除非該公平值能以其他方法確實地估計)最初確認為應付貿易及其他應付款內之遞延收入。倘就發出該擔保已收取或應收取代價，該代價則根據適用於該類資產之本集團政策予以確認。倘並無收取或應收取代價，則最初於損益表確認任何遞延收入時，確認即時開支。

最初確認為遞延收入之擔保款額按擔保年期於損益內攤銷為所發出之財務擔保收入。此外，倘(i)擔保持有人有可能根據擔保省視本集團，及(ii)向本集團的申索款額預期超過現時列於該擔保的應付貿易及其他應付款項(即最初確認的金額)減累計攤銷，即根據附註1(r)(iii)確認撥備。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

r) Financial guarantees issued, provisions and contingent liabilities (continued)

ii) *Contingent liabilities acquired in business combinations*

Contingent liabilities acquired as part of a business combination are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note 1(r)(iii). Contingent liabilities acquired in a business combination that cannot be reliably fair valued are disclosed in accordance with note 1(r)(iii).

(iii) *Other provisions and contingent liabilities*

Provisions are recognised for other 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.

1. 主要會計政策(續)

r) 所發出之財務擔保、撥備及或然負債(續)

ii) 於業務合併所收購之或然負債

於業務合併所購入之或然負債最初按公平值確認，唯此公平值須能可靠計量。按公平值初始確認後，該或然負債會以初始確認數額減累計攤銷(如適用)與根據附註1(r)(iii)釐定的數額兩者中較高者確認。於業務合併所購入的或然負債不能依賴公平值而應根據附註1(r)(iii)披露。

iii) 其他撥備及或然負債

當本集團或本公司因過往事件而須負上法律或推定責任，可能須為處理該責任而導致付出經濟效益及於有關金額可作出可靠估計時，則須為未能確定何時發生或數額的其他負債計提撥備。當數額涉及重大的時間價值時，處理該責任的撥備以預計所需支出的現有價值呈列。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

r) Financial guarantees issued, provisions and contingent liabilities (continued)

(iii) Other provisions and contingent liabilities (continued)

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.

s) 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 profit or loss as follows:

i) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

1. 主要會計政策 (續)

r) 所發出之財務擔保、撥備及或然負債 (續)

iii) 其他撥備及或然負債 (續)

如果付出經濟效益的可能性較低，或其數目未能可靠地預測，則有關責任披露為或然負債，除非資源外流的可能性極微。當可能發生的責任的存在將只由一項或多項未來事件之產生與否所決定，此等責任亦披露為或然負債，除非付出經濟效益的可能性極微。

s) 收益確認

收益在本集團可取得經濟利益及收益可按下列基準可靠地計量時於損益表內確認：

i) 經營租約之租金收入

應收經營租約之租金收入乃按等額分期於租賃期所涵蓋會計期間於損益表內確認，但如有其他基準更清楚地反映租賃資產所產生之收益模式則除外。就租賃給予之優惠措施於損益表中確認為應收租賃款項淨額總額之組成部分。或然租金於賺取該等租金之會計期間確認為收益。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

s) Revenue recognition (continued)

ii) Sale of properties

Revenue arising from the sale of properties held for sale is recognised upon the signing of the sale and purchase agreement or the issue of an occupation permit by the relevant government authorities, whichever is the later. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the balance sheet under forward sales deposits and instalments received.

iii) Sale of goods

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deductible of any trade discounts.

iv) Contract revenue

When the outcome of a construction contract can be estimated reliably:

- revenue from a fixed price contract is recognised using the percentage of completion method, measured by reference to the percentage of contract costs incurred to date to estimated total contract costs for the contract; and

1. 主要會計政策(續)

s) 收益確認(續)

ii) 物業出售

來自持作出售之物業之出售收益於簽訂買賣協議時或由相關政府專責機構簽發入伙紙時(兩者中較遲者)被確認。於確認收益日期前就出售物業收取之按金及分期付款,列入資產負債表下已收之未來銷售按金及分期付款內。

iii) 銷售貨物

收入於貨物送抵客戶處所,即客戶接收貨物之地點及因擁有該等貨物而產生之風險及回報之時確認。收入不包括增值稅或其他銷售稅,並於扣除任何貿易折扣後計算。

iv) 合約收益

倘建造合約之結果可被可靠地估計時:

- 來自固定價格合約之收益採用完成百分比法確認,乃參考迄今為止已產生之合約成本相當於估計合約之合約成本總額之百分比計量;及



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

s) Revenue recognition (continued)

iv) Contract revenue (continued)

- revenue from a cost plus contract is recognised by reference to the recoverable costs incurred during the period plus an appropriate proportion of the total fee, measured by reference to the proportion that costs incurred to date bear to the estimated total costs of the contract.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable.

v) Management fee income

Management fee income is recognised at the time when the services are rendered.

vi) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

vii) Interest income

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

1. 主要會計政策 (續)

s) 收益確認 (續)

iv) 合約收益 (續)

- 來自成本加合約之收益，乃參考於該期間產生之可回收成本加費用總額之適當比例確認，而費用總額乃參考迄今為止所產生之成本相當於估計合約成本總額之比例計算。

倘建造合約之結果不能被可靠地估計，收入僅以所產生合約成本可能收回之部分確認。

v) 管理費收入

管理費收入於提供服務後確認。

vi) 股息

- 非上市投資之股息收入於股東收取付款之權利確定時確認。
- 上市投資之股息收入在該投資價格除息時確認。

vii) 利息收入

利益收入乃採用實際利率法於其產生利息時確認。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

t) Translation of foreign currencies

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

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.

The results of foreign operations are translated into Hong Kong dollars 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, are translated into Hong Kong dollars at the foreign exchange rates ruling at the balance sheet date. The resulting exchange differences are recognised directly in a separate component of equity.

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

1. 主要會計政策(續)

t) 外幣換算

於年內進行之外幣交易以交易日之適用外匯匯率換算。於結算日以外幣結算之貨幣資產及負債按該日之外匯匯率換算。匯兌盈虧則計入損益表內。

按過往成本以外幣為單位之非貨幣性資產及負債，按交易日之匯率換算。以公平值列賬的非貨幣性資產及負債按釐定其公平值當日適用之匯率換算。

外國企業之業績乃按與交易日之外匯匯率相若之匯率換算為港元。資產負債表項目(包括因合併所收購之外國企業產生之商譽)乃按結算日之外匯匯率換算為港元。產生之匯率差額直接於權益成分內獨立確認為一分開之項目。

於出售外國企業時，於權益內確認有關該外國企業之匯兌差額之累計數額，乃計入出售之損益中。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

u) Borrowing costs

Borrowing costs are expensed in profit or loss in the period in 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 completed.

v) 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;

1. 主要會計政策(續)

u) 借貸成本

借貸成本於發生期間在損益表確認，但與收購、建設或生產需要長時間才可以投入擬定用途或銷售的資產直接相關的借貸成本則會資本化。

屬於合資格資產成本一部分的借貸成本在用於資產的開支產生、產生借貸成本及使資產投入擬定用途或銷售所必需的準備工作進行期間開始資本化。當使合資格資產投入擬定用途或銷售所必需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資本化。

v) 關聯人士

在編製本賬項時，與集團關聯人士是指：

- i) 該人士有能力直接或間接透過一個或多個中介人控制，或可發揮重大影響本集團的財務及經營決策，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本集團為合營方之合營公司；



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

v) Related parties (continued)

- 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 (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.

w) 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.

1. 主要會計政策(續)

v) 關聯人士(續)

- iv) 該人士屬本集團主要管理人員的成員、或屬該人的近親家庭成員、或受該等個別人士控制、或共同控制或重大影響的實體；
- v) 該人士如屬(i)所指的近親家庭成員或受該等個別人士控制、或共同控制或重大影響的實體；或
- vi) 該人士屬提供福利予集團或與本集團關聯的實體的僱員離職後福利計劃。

個人的近親家庭成員指可影響，或受該個人影響，他們與該實體交易的家庭成員。

w) 分類報告

分類乃指本集團可區分之部分，包括提供之產品或服務(業務分類)或提供產品或服務之特定經濟環境(地區分類)，均受有別於其他分類之風險及回報所影響。



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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

w) Segment reporting (continued)

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, interest-bearing loans, borrowings, tax balances and corporate and financing expenses.

1. 主要會計政策 (續)

w) 分類報告 (續)

根據本集團之內部財務報告制度，就此等財務報表而言，本集團選擇業務分類資料為主要報告形式，而地區分類資料則為次選報告形式。

分類收益、開支、業績、資產及負債包括直接劃分至該分類之項目及可合理劃分為該分類之項目。例如，分類資產可包括存貨、貿易應收賬款及物業、廠房及設備。分類收益、開支、資產及負債未計集團內公司間結算，集團內公司間交易則予以抵銷作為綜合處理之部分，惟該等集團內公司間之結餘及交易乃屬於一個單一類別內之集團實體之間之交易及結餘則除外。分類間交易之定價乃按給予外間人士之類似條款釐定。

分類資本開支乃指期內因收購預計可使用超過一個期間之分類資產（包括有形及無形資產）所產生之總成本。

未分配項目主要包括金融和企業資產、計息貸款、借貸、稅項結餘、企業及融資開支。



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2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of new and revised HKFRSs and the Interpretations that are first effective or available for early adoption for the current accounting period of the Group and Company.

There have been no significant changes to the accounting policies applied in these financial statements for the years presented as a result of these developments. However, as a result of the adoption of HKFRS 7, Financial instruments: Disclosures and the amendment to HKAS 1, Presentation of financial statements: Capital disclosures, there have been some additional disclosures provided as follows:

As a result of the adoption of HKFRS 7, the financial statements include expanded disclosure about the significance of the Group's financial instruments and the nature and extent of risks arising from those instruments, compared with the information previously required to be disclosed by HKAS 32, Financial instruments: Disclosure and presentation. These disclosures are provided throughout these financial statements, in particular in note 27.

The amendment to HKAS 1 introduces additional disclosure requirements to provide information about the level of capital and the Group's and the Company's objectives, policies and processes for managing capital. These new disclosures are set out in note 26(f).

Both HKFRS 7 and the amendment to HKAS 1 do not have any material impact on the classification, recognition and measurement of the amounts recognised in the financial instruments.

2. 變更會計政策

香港會計師公會已頒佈多項新訂及經修訂香港財務報告準則及詮釋，並於本集團及本公司之當前會計期間首次生效或可提前採納。

所呈報之年度之財務報表所應用之會計政策並無因此等發展而出現重大變更。然而，由於採納香港財務報告準則第7號「金融工具：披露」及香港會計準則第1號(修訂)「財務報表的列報：資本披露」，故須作出額外披露，載列如下：

由於採納香港財務報告準則第7號，財務報表包括有關本集團金融工具重要性及該等工具的性質和風險程度的更多披露，較過往根據香港會計準則第32號「金融工具：披露及列報」規定披露的資料詳盡。該等披露事項於本財務報表內多處提供，尤其於附註27。

香港會計準則第1號的修訂條文提出額外披露規定，需提供有關資本水準及本集團和本公司管理資本的目標、政策及程式的資料。此等新披露事項載於附註26(f)。

香港財務報告準則第7號及香港會計準則第1號的修訂條文均並無對財務報表內確認的金額的分類、確認及計量造成任何重大影響。



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2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 35).

3. TURNOVER

The principal activities of the Group for the year ended 31 December 2007 were property investment and management, property development and construction, and provision of horticultural services.

Turnover represents the rental income, proceeds from sales of properties, revenue from provision of property management services, revenue from provision of property construction services and revenue from provision of horticultural services. The amount of each significant category of revenue recognised in turnover during the year is as follows:

2. 變更會計政策(續)

本集團並無應用本會計期間尚未生效的任何新準則或詮釋(見附註35)。

3. 營業額

截至二零零七年十二月三十一日止年度，本集團之主要業務為物業投資及管理、物業發展及建造及提供園藝服務。

營業額指租金收入、出售物業之所得款項、來自提供物業管理服務之收益、來自提供物業建造服務之收益及來自提供園藝服務之收益。年內於營業額確認之每一重大收入類別之金額如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Gross rentals from investment and other properties	來自投資及其他物業之租金總額	13,455	20,488
Gross proceeds from properties sold	來自已出售物業之所得款項總額	12,107	2,091
Revenue from provision of property management services	來自提供物業管理服務之收益	331	389
Revenue from provision of property construction services	來自提供物業建造服務之收益	137	-
Revenue from provision of horticultural services	來自提供園藝服務之收益	3,309	3,201
		29,339	26,169



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4. OTHER REVENUE AND NET INCOME

4. 其他收益及收入淨額

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Other revenue	其他收益		
Interest income	利息收入		
– banks	– 銀行	98	139
– others	– 其他	39	63
		137	202
Others	其他	165	107
		302	309
Other net income	其他收入淨額		
Gain/(loss) on disposal of fixed assets	出售固定資產之收益/(虧損)	35	(150)
Loss on disposal of other financial assets	出售其他金融資產之虧損	–	(208)
Revaluation gains/(losses) on buildings	樓宇重估收益/(虧損)	40	(48)
Write-off of long outstanding creditors	撇銷長期未償還之應付賬款	–	2,358
Net foreign exchange gain	外匯收益淨額	1,340	17
		1,415	1,969



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5. (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging/
(crediting):

5. 除稅前(虧損)/溢利

除稅前(虧損)/溢利已扣除/(計入):

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
(a) Finance costs	(a) 融資成本		
Interest on bank borrowings	銀行借款利息		
– wholly repayable within five years	– 須於五年內悉數償還	18,153	18,025
– repayable after five years	– 須於五年後償還	–	7,291
Interest on loan from a fellow subsidiary	來自同系一間附屬公司 之貸款之利息	2	–
Total interest expense on financial liabilities not at fair value through profit or loss	非按公平值計入損益 之金融負債之利息 開支總額	18,155	25,316
Less: Interest expense capitalised into properties under development*	減：發展中物業內資本化 之利息開支*	(4,665)	(942)
		13,490	24,374

* The borrowing costs have been capitalised at a rate of 3.59%-6.41%
(2006: 4.62%-5.13%) per annum.

* 借貸成本乃以年率3.59%至6.41%(二零零
六年：4.62%至5.13%)予以資本化。



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5. (LOSS)/PROFIT BEFORE TAXATION (CONTINUED)

5. 除稅前(虧損)/溢利(續)

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
(b) Staff costs (including directors' remuneration)	(b) 員工成本(包括董事酬金)		
Contributions to defined contribution retirement plan	界定退休計劃供款	259	290
Salaries, wages and other benefits	薪金、工資及其他福利	13,364	24,072
		13,623	24,362
(c) Other items	(c) 其他項目		
Amortisation of land lease premium	租賃土地費用攤銷	12	12
Depreciation of fixed assets	固定資產折舊	1,058	655
Auditors' remuneration	核數師酬金		
– audit services	– 審核服務	629	444
– tax services	– 稅務服務	39	18
– other services	– 其他服務	402	55
Operating lease charges:	營業租約開支:		
minimum lease payments	最低租約付款		
– hire of plant and machinery	– 租用廠房及機器	9	9
– hire of other assets (including property rentals)	– 租用其他資產 (包括物業租金)	2,634	2,463
Impairment loss for bad and doubtful debts	呆壞賬減值虧損		
– trade debtors	– 應收貿易款項	97	–
– other receivables	– 其他應收款項	–	611
Share of an associate's taxation	應佔聯營公司稅項	6,737	230
Rentals received and receivable from investment and other properties less direct outgoings of HK\$3,738,000 (2006: HK\$6,070,000)	自投資及其他物業已收及應收之租金減直接支出 3,738,000 港元 (二零零六年: 6,070,000 港元)	(9,717)	(14,418)
Cost of inventories (note 18(c))	存貨成本(附註18(c))	12,505	2,130



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6. INCOME TAX

a) Taxation in the consolidated income statement represents:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Current tax – Hong Kong Profits Tax	本期稅項 – 香港利得稅		
Under-provision in respect of prior years	過往年度撥備不足	8	10
Current tax – PRC Income Tax	本期稅項 – 中國所得稅		
Over-provision in respect of prior years	過往年度超額撥備	-	(14)
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時差異之產生及回撥	1,013	4,059
		1,021	4,055

No provision for Hong Kong Profits Tax, PRC Income Tax and Singapore Income Tax for the year ended 31 December 2007 has been made as the Group has no estimated assessable profits arising in Hong Kong, the People's Republic of China (the "PRC") and Singapore for the year (2006: Nil).

6. 所得稅

a) 綜合收益表內之稅項為：

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Current tax – Hong Kong Profits Tax		
Under-provision in respect of prior years	8	10
Current tax – PRC Income Tax		
Over-provision in respect of prior years	-	(14)
Deferred tax		
Origination and reversal of temporary differences	1,013	4,059
	1,021	4,055

由於本集團截至二零零七年十二月三十一日止年度並無於香港、中國及新加坡產生估計應課稅溢利，故此並無作出香港利得稅、中華人民共和國（「中國」）所得稅及新加坡所得稅撥備（二零零六年：無）。



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6. INCOME TAX (CONTINUED)

b) Reconciliation between tax expense and accounting (loss)/profit at applicable tax rates:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
(Loss)/profit before taxation	除稅前(虧損)/溢利	(311,249)	154,587
Notional tax on (loss)/profit before taxation, calculated at the rates applicable to profits in the countries concerned	除稅前(虧損)/溢利之名義稅項，按有關國家適用於溢利之稅率計算	(54,459)	27,053
Tax effect of non-deductible expenses	不可扣除費用之稅務影響	57,331	1,585
Tax effect of non-taxable income	非課稅收入之稅務影響	(701)	(1,310)
Tax effect of unused tax losses not recognised	未確認之未用稅項虧損之稅務影響	4,773	7,788
Tax effect of prior years' tax losses utilised this year	本年動用過往年度之稅項虧損之稅務影響	(573)	(403)
Tax effect of share of profit of an associate	應佔一間聯營公司溢利之稅務影響	(4,925)	(31,162)
Under-provision in prior years – Hong Kong Profit Tax	過往年度撥備不足 – 香港利得稅	8	10
Over-provision in prior years – PRC Income Tax	過往年度超額撥備 – 中國所得稅	–	(14)
Others	其他	(433)	508
Actual tax expense	實際稅項開支	1,021	4,055

6. 所得稅(續)

b) 採用適用稅率計算之稅項開支與會計(虧損)/溢利對賬：



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7. DIRECTORS' REMUNERATION

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

7. 董事酬金

根據香港公司條例第161條披露之董事酬金如下：

		Salaries, allowances and benefits			Retirement scheme	2007
		Directors' fee	in kind	Discretionary bonuses	contributions	Total
		薪金、津貼 及實物利益	酌情花紅	退休計劃供款		二零零七年 合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Executive Directors:	執行董事：					
Cheong Pin Chuan, Patrick	鍾斌銓	-	1,113	-	7	1,120
Cheong Kim Pong	鍾金榜	-	63	-	-	63
Cheong Sim Eng	鍾樂榮	-	768	-	7	775
Independent non-executive directors:	獨立非執行董事：					
Kan Fook Yee	簡福貽	100	-	-	-	100
Lai Hing Chiu, Dominic	黎慶超	100	-	-	-	100
Chan Yee Hoi, Robert	陳以海	100	-	-	-	100
Non-executive directors:	非執行董事：					
Lim Ghee	林義	-	220	-	-	220
Cheong Hooi Kheng*	鍾惠卿*	-	96	-	4	100
		300	2,260	-	18	2,578



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7. DIRECTORS' REMUNERATION (CONTINUED)

7. 董事酬金(續)

		Salaries, allowances and benefits	Retirement scheme	2006
Directors' fee	in kind	Discretionary bonuses	contributions	Total
董事袍金	及實物利益	酌情花紅	退休計劃供款	合計
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元	千港元
Executive Directors: 執行董事:				
Cheong Pin Chuan, Patrick	鍾斌銓	-	12	2,188
Cheong Kim Pong	鍾金榜	-	-	98
Cheong Sim Eng	鍾榮榮	1,500	12	2,829
Independent non-executive directors: 獨立非執行董事:				
Kan Fook Yee	簡福飴	100	-	100
Lai Hing Chiu, Dominic	黎慶超	100	-	100
Chan Yee Hoi, Robert	陳以海	100	-	100
Non-executive directors: 非執行董事:				
Lim Ghee	林義	-	300	300
Cheong Hooi Kheng *	鍾惠卿 *	-	7	150
		300	31	5,865

* Ms. Cheong Hooi Kheng's directorship is alternate to Madam Lim Ghee.

* 鍾惠卿女士為林義女士之替任董事。

The above emoluments do not include the monetary value of the rent-free accommodation provided to Mr. Cheong Pin Chuan, Patrick, an executive director of the Company, through a property owned by the Group. During the year, the monetary value of such residential accommodation provided to this executive director based on the tenancy agreements entered into by the Group was HK\$420,000 (2006: HK\$720,000).

上述酬金不包括由本集團擁有而由本公司一名執行董事鍾斌銓先生使用之免租住宅單位之貨幣價值。本年內，根據本集團就類似物業訂立之租約協議，提供予該名執行董事之住宅單位之貨幣價值為420,000港元(二零零六年：720,000港元)。



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8. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, two (2006: two) are directors whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other three (2006: three) individuals are as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Salaries and other emoluments	薪金及其他薪酬	3,698	6,301
Discretionary bonuses	酌情花紅	570	3,530
Retirement scheme contributions	退休計劃供款	21	36
		4,289	9,867

The emoluments of the three (2006: three) individuals with the highest emoluments are within the following bands:

		2007 二零零七年 Number of individuals 人數	2006 二零零六年 Number of individuals 人數
Nil – HK\$1,000,000	零 – 1,000,000 元	1	–
HK\$1,000,001 – HK\$1,500,000	1,000,001 元 – 1,500,000 元	1	–
HK\$1,500,001 – HK\$2,000,000	1,500,001 元 – 2,000,000 元	–	1
HK\$2,000,001 – HK\$2,500,000	2,000,001 元 – 2,500,000 元	1	–
HK\$3,000,001 – HK\$3,500,000	3,000,001 元 – 3,500,000 元	–	1
HK\$5,000,001 – HK\$5,500,000	5,000,001 元 – 5,500,000 元	–	1

8. 最高薪酬人士

五名最高薪酬人士中，兩名(二零零六年：兩名)為董事，其權益於附註7中披露。其他三名(二零零六年：三名)人士之薪酬總額如下：

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Salaries and other emoluments	3,698	6,301
Discretionary bonuses	570	3,530
Retirement scheme contributions	21	36
	4,289	9,867

三名(二零零六年：三名)最高薪酬人士之薪酬在以下範圍內：

	2007 二零零七年 Number of individuals 人數	2006 二零零六年 Number of individuals 人數
Nil – HK\$1,000,000	1	–
HK\$1,000,001 – HK\$1,500,000	1	–
HK\$1,500,001 – HK\$2,000,000	–	1
HK\$2,000,001 – HK\$2,500,000	1	–
HK\$3,000,001 – HK\$3,500,000	–	1
HK\$5,000,001 – HK\$5,500,000	–	1



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9. LOSS ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated loss attributable to equity shareholders of the Company includes a loss of HK\$300,345,000 (2006: HK\$441,000) which has been dealt with in the financial statements of the Company.

Reconciliation of the above amount to the company's profit for the year:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Amount of consolidated loss attributable to equity shareholders dealt with in the Company's financial statements	已於本公司財務報表內處理之權益持有人應佔綜合虧損	(300,345)	(441)
Dividends from subsidiaries attributable to the profits of the previous financial year, approved and paid during the year	先前財政年度溢利之應佔附屬公司股息，並已於年內獲批准及派發	163,800	-
Company's loss for the year (note 26(b))	本公司於本年度之虧損 (附註26(b))	(136,545)	(441)

10. DIVIDEND

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Distribution in specie (note)	實物分派 (附註)	1,731,047	-

Note: Pursuant to the group reorganization (the "Group Reorganization") as detailed in note 31 below, the Company distributed of all of the ordinary shares of HK\$0.05 each held in the issued share capital of Hong Fok Land International Limited ("HF Land"), a company incorporated in Bermuda with limited liability and a wholly-owned subsidiary of the Company before 1 August 2007, in specie out of its credit arising from the Company's retained profits and contributed surplus to the equity shareholders of the Company whose names appeared on the Register of Members of the Company at the close of business day on 25 July 2007 on a one for one basis.

9. 本公司權益持有人應佔虧損

本公司權益持有人應佔綜合虧損包括300,345,000港元之虧損(二零零六年: 441,000港元)，該虧損已於本公司財務報表中處理。

上述金額與本公司年內溢利之對賬如下：

10. 股息

附註：根據下文附註31所述之集團重組(「集團重組」)，本公司按等份基準透過資本化本公司保留溢利及繳入盈餘產生之進賬，向於二零零七年七月二十五日營業時間結束時名列本公司股東名冊之本公司權益持有人實物分派於Hong Fok Land International Limited(「HF Land」)(一間於百慕達註冊成立之有限公司及於二零零七年八月一日前為本公司之全資附屬公司)之已發行股本中所持有之所有每股面值0.05港元之普通股。



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10. DIVIDEND (CONTINUED)

10 股息(續)

		2007 二零零七年 HK\$'000 千港元
Net assets of HF Land and its subsidiaries (the "HF Land Group") distributed:	所分派之 HF Land 及其附屬公司 (「HF Land 集團」) 之資產淨值：	
Fixed assets	固定資產	1,759,008
Interest in an associate	於一間聯營公司之權益	647,072
Pledged bank deposits	有抵押銀行存款	671
Trade and other receivables	貿易及其他應收賬項	7,036
Inventories	存貨	12,500
Tax recoverable	可收回稅項	73
Cash and cash equivalents	現金及現金等價物	6,996
Trade and other payables	貿易及其他應付賬項	(13,238)
Bank borrowings	銀行借貸	(430,700)
Amount due to a subsidiary of the Company	應付本公司一間附屬公司之款項	(1,069)
Deferred tax liabilities	遞延稅項負債	(251,790)
Deferred income	遞延收入	(5,512)
Net assets distributed to the equity shareholders of the Company	分派予本公司權益持有人的資產淨值	(1,731,047)
Analysis of net cash outflow in respect of the distribution in specie	有關實物分派之現金流出淨額分析	
Cash and cash equivalents distributed	所分派之現金及現金等價物	(6,996)

The directors of the Company do not recommend the payment of a final dividend in respect of the year (2006: Nil).

本公司董事並不建議就本年度派發末期股息(二零零六年：零)。



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11. (LOSS)/EARNINGS PER SHARE

a) Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the loss attributable to ordinary equity shareholders of the Company of HK\$312,270,000 (2006: profit of HK\$150,532,000) and the weighted average number of 1,869,671,260 (2006: 1,492,410,986) ordinary shares in issue during the year.

b) Diluted (loss)/earnings per share

No diluted loss per share is presented as the exercise of the Company's outstanding share options for the year ended 31 December 2007 would result in a decrease in loss per share.

The calculation of diluted earnings per share for the year ended 31 December 2006 is based on the profit attributable to ordinary equity shareholders of the Company of HK\$150,532,000 and the weighted average number of 1,502,927,847 ordinary shares, calculated as follows:

Weighted average number of ordinary shares at 31 December 2006	於二零零六年十二月三十一日之普通股股份之加權平均數	1,492,410,986
Effect of deemed issue of shares under the Company's share option scheme for nil consideration	根據本公司之購股權計劃視為以零代價發行股份之影響	10,516,861
Weighted average number of ordinary shares (diluted) at 31 December 2006	於二零零六年十二月三十一日之普通股股份(攤薄)之加權平均數	<u>1,502,927,847</u>

11 每股(虧損)/盈利

a) 每股基本(虧損)/盈利

每股基本(虧損)/盈利乃根據年內本公司普通股股東應佔虧損312,270,000港元(二零零六年:溢利150,532,000港元)及年內已發行普通股股份之加權平均數1,869,671,260股(二零零六年:1,492,410,986股)計算。

b) 每股攤薄(虧損)/盈利

由於截至二零零七年十二月三十一日止年度行使本公司之尚未行使購股權將導致每股虧損減少，故並無呈列每股攤薄虧損。

截至二零零六年十二月三十一日止年度之每股攤薄盈利乃根據本公司普通股股東應佔溢利150,532,000港元及普通股股份之加權平均數1,502,927,847股計算，其計算如下：



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12. SEGMENT REPORTING

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

Business segments

The Group comprises the following main business segments:

Property investment and management: the leasing of properties to generate rental income and to gain from the appreciation in the properties values in the long term, and provision of building management services.

Property construction and development: the development, construction and sale of properties, and project management.

Horticultural services: the provision of horticultural services.

12. 分類申報

分類資料乃按本集團之業務及地區分類呈列。因業務分類資料較近似本集團之內部財務報告方式，故其被選為主要申報形式。

業務分類

本集團主要包括以下業務分類：

物業投資及管理：租賃物業以賺取租金收入及獲取長期物業升值收益，及提供樓宇管理服務。

物業建造及發展：發展、建造及銷售物業，以及項目管理。

園藝服務：提供園藝服務。



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12. SEGMENT REPORTING (CONTINUED)

12. 分類申報(續)

Business segments (continued)

業務分類(續)

		Property investment and management		Property construction and development		Horticultural services		Inter-segment elimination		Unallocated		Consolidated	
		物業投資及管理	物業建造及發展	園藝服務	內部分類之間撇銷	未分配	綜合						
		2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
		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	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
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Revenue from external customers	銷予對外客戶之收益	13,111	21,115	12,919	1,853	3,309	3,201	-	-	-	-	29,339	26,169
Inter-segment revenue	內部分類之間之收益	420	761	20,405	11,912	6	16	(20,831)	(12,689)	-	-	-	-
Other revenue from external customers	來自對外客戶之其他收益	30	73	29	28	5	4	-	-	101	2	165	107
Total	總計	13,561	21,949	33,353	13,793	3,320	3,221	(20,831)	(12,689)	101	2	29,504	26,276
Segment result	分類業績	20,970	31,662	19,954	11,261	178	6	(20,831)	(12,689)	(25,190)	(29,551)	(4,919)	689
Unallocated operating income and expenses	未分配經營收入及開支											137	202
(Loss)/profit from operations	經營(虧損)/溢利											(4,782)	891
Finance costs	融資成本											(13,490)	(24,374)
Share of profit of an associate	應佔一間聯營公司之溢利	28,145	178,070	-	-	-	-	-	-	-	-	28,145	178,070
Impairment loss on goodwill	商譽減值虧損	-	-	(321,122)	-	-	-	-	-	-	-	(321,122)	-
Income tax	所得稅											(1,021)	(4,055)
(Loss)/profit for the year	本年(虧損)/溢利											(312,270)	150,532
Depreciation and amortisation for the year	年內折舊及攤銷	96	173	83	2	65	65						



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12. SEGMENT REPORTING (CONTINUED)

12. 分類申報 (續)

Business segments (continued)

業務分類 (續)

		Property investment and management		Property construction and development		Horticultural services		Consolidated	
		物業投資及管理	物業建造及發展	園藝服務	綜合				
		2007	2006	2007	2006	2007	2006	2007	2006
		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	二零零七年	二零零六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Segment assets	分類資產	273,624	2,000,436	167,376	12,995	1,005	996	442,005	2,014,427
Interest in an associate	於一間聯營公司之權益	-	612,771	-	-	-	-	-	612,771
Unallocated assets	未分配資產							7,974	13,804
Total assets	總資產							449,979	2,641,002
Segment liabilities	分類負債	124,911	749,599	40,144	6,187	221	216	165,276	756,002
Unallocated liabilities	未分配負債							4,054	710
Total liabilities	總負債							169,330	756,712
Capital expenditure incurred during the year	本年內之資本開支	23,055	10,780	451,508	14	4	305		



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12. SEGMENT REPORTING (CONTINUED)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

12. 分類申報(續)

地區分類

於按地區分類呈列資料時，分類收益乃按客戶地點分類。分類資產及資本開支則按資產地點分類。

		Hong Kong and Mainland China 香港及中國內地		Singapore 新加坡		Total 總計	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Revenue from external customers	銷予對外客戶之收益	16,557	26,169	12,782	-	29,339	26,169
Other revenue from external customers	來自對外客戶之其他收益	153	107	12	-	165	107
Segment assets	分類資產	282,758	2,028,144	167,221	612,858	449,979	2,641,002
Capital expenditure incurred during the year	本年內之資本開支	23,276	14,198	451,508	-	474,784	14,198



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13. FIXED ASSETS

a) The Group

		Buildings held for own use carried at fair value	Furniture, equipment and other fixed assets	Sub-total	Investment property	Property held for future development	Interests in leasehold land held for own use under operating leases	Total fixed assets
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Cost or valuation:	原值或估值							
At 1 January 2006	於二零零六年一月一日	460	13,245	13,705	1,966,640	183,400	600	2,164,345
Exchange adjustments	匯兌調整	-	22	22	-	-	-	22
Additions	添置	-	3,484	3,484	7,037	-	-	10,521
Disposal	出售	-	(3,200)	(3,200)	(320)	-	-	(3,520)
Deficit on revaluation	重估虧絀	(48)	-	(48)	-	-	-	(48)
Less: elimination of accumulated depreciation	減：累積折舊對銷	(12)	-	(12)	-	-	-	(12)
Fair value adjustment	公平值調整	-	-	-	20,963	-	-	20,963
At 31 December 2006	於二零零六年十二月三十一日	400	13,551	13,951	1,994,320	183,400	600	2,192,271
Representing:	相當於：							
Cost	原值	-	13,551	13,551	-	183,400	600	197,551
Valuation - 2006	估值 - 二零零六年	400	-	400	1,994,320	-	-	1,994,720
		400	13,551	13,951	1,994,320	183,400	600	2,192,271
At 1 January 2007	於二零零七年一月一日	400	13,551	13,951	1,994,320	183,400	600	2,192,271
Exchange adjustments	匯兌調整	-	74	74	-	-	-	74
Additions	添置							
- through acquisition of subsidiaries	- 透過收購附屬公司	-	642	642	-	-	-	642
- others	- 其他	-	313	313	22,980	-	-	23,293
Disposal	出售	-	(479)	(479)	-	-	-	(479)
Distribution in specie	實物分派	-	(9,269)	(9,269)	(1,758,153)	(183,400)	-	(1,950,822)
Surplus on revaluation	重估盈餘	40	-	40	-	-	-	40
Less: elimination of accumulated depreciation	減：累積折舊對銷	(10)	-	(10)	-	-	-	(10)
Fair value adjustment	公平值調整	-	-	-	14,173	-	-	14,173
At 31 December 2007	於二零零七年十二月三十一日	430	4,832	5,262	273,320	-	600	279,182
Representing:	相當於：							
Cost	原值	-	4,832	4,832	-	-	600	5,432
Valuation - 2007	估值 - 二零零七年	430	-	430	273,320	-	-	273,750
		430	4,832	5,262	273,320	-	600	279,182



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13. FIXED ASSETS (CONTINUED)

13. 固定資產(續)

a) The Group (continued)

a) 本集團(續)

		Buildings held for own use carried at fair value 以公平值列賬之 持作自用樓宇 HK\$'000 千港元	Furniture, equipment and other fixed assets 傢俬、設備 及其他 固定資產 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Investment property 投資物業 HK\$'000 千港元	development 持作日後 發展之物業 HK\$'000 千港元	Interests in leasehold land held for own use under operating leases 於根據經營 租約持作自 用租賃土地 之權益 HK\$'000 千港元	Total fixed assets 固定資產 總值 HK\$'000 千港元
Accumulated amortisation and depreciation:	累積攤銷及折舊：							
At 1 January 2006	於二零零六年一月一日	-	11,630	11,630	-	183,400	124	195,154
Exchange adjustments	匯兌調整	-	22	22	-	-	-	22
Charge for the year	本年度支出	12	643	655	-	-	12	667
Written back on disposal	出售後撥回	-	(3,029)	(3,029)	-	-	-	(3,029)
Elimination on revaluation	重估時對銷	(12)	-	(12)	-	-	-	(12)
At 31 December 2006	於二零零六年 十二月三十一日	-	9,266	9,266	-	183,400	136	192,802
At 1 January 2007	於二零零七年一月一日	-	9,266	9,266	-	183,400	136	192,802
Exchange adjustments	匯兌調整	-	42	42	-	-	-	42
Charge for the year	本年度支出	10	1,048	1,058	-	-	12	1,070
Distribution in specie	實物分派	-	(8,414)	(8,414)	-	(183,400)	-	(191,814)
Written back on disposal	出售後撥回	-	(356)	(356)	-	-	-	(356)
Elimination on revaluation	重估時對銷	(10)	-	(10)	-	-	-	(10)
At 31 December 2007	於二零零七年 十二月三十一日	-	1,586	1,586	-	-	148	1,734
Net book value:	賬面淨值：							
At 31 December 2007	於二零零七年 十二月三十一日	430	3,246	3,676	273,320	-	452	277,448
At 31 December 2006	於二零零六年 十二月三十一日	400	4,285	4,685	1,994,320	-	464	1,999,469



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13. FIXED ASSETS (CONTINUED)

- a) All investment properties of the Group were revalued as at 31 December 2007 and 31 December 2006 at their open market value by reference to recent market transactions in comparable properties. The valuations were carried out by an independent firm of Surveyors, CB Richard Ellis Limited, who have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.
- b) The buildings held by the Group for own use were revalued as at 31 December 2007 and 31 December 2006 at their open market value by reference to recent market transactions in comparable properties. The valuations were carried out by an independent firm of Surveyors, CB Richard Ellis Limited, who have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.

The revaluation surplus of HK\$40,000 (2006: deficit of 48,000) has been transferred to the income statement of the Group.

Had these buildings held for own use been carried at cost less accumulated depreciation, the carrying amounts would have been HK\$531,000 (2006: HK\$551,000).

13. 固定資產(續)

- a) 於二零零七年十二月三十一日及二零零六年十二月三十一日，本集團所有投資物業進行重估。重估以彼等之公開市值計算並參考可比物業之近期市場交易進行。估值由獨立測量師世邦魏理仕有限公司(彼擁有屬於香港測量師學會資深會士之員工並對位於所估物業地點及類別有較近之經驗)進行。
- b) 於二零零七年十二月三十一日及二零零六年十二月三十一日，本集團持作自用樓宇進行重估。重估按彼等之公開市值計算並參考可比物業之近期市場交易進行。估值由獨立測量師世邦魏理仕有限公司(彼擁有屬於香港測量師學會資深會士之員工並對位於所估物業地點及類別有較近之經驗)進行。

重估盈餘40,000港元(二零零六年：虧絀48,000港元)已轉入本集團之收益表。

倘該等持作自用樓宇按成本減累計折舊列賬，其賬面值將為531,000港元(二零零六年：551,000港元)。



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13. FIXED ASSETS (CONTINUED)

- c) The analysis of net book value of properties is as follows:

13. 固定資產(續)

- c) 物業賬面淨值分析如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
In Hong Kong	位於香港		
– long leases	– 長期租賃	273,000	1,989,000
– medium-term leases	– 中期租賃	1,202	1,184
		274,202	1,990,184
Outside Hong Kong	香港以外		
– long leases	– 長期租賃	–	5,000
		274,202	1,995,184
Representing:	相當於：		
Buildings held for own use carried at fair value	以公平值列賬之持作 自用樓宇	430	400
Investment property	投資物業	273,320	1,994,320
Interests in leasehold land held for own use under operating leases	於根據經營租約持作 自用租賃土地之權益	452	464
		274,202	1,995,184



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14. GOODWILL

14. 商譽

		The Group
		本集團
		HK\$'000
		千港元
Cost:	成本：	
Additions arising from acquisition of subsidiaries (note 31) and at 31 December 2007	因收購附屬公司(附註31)而產生之添置及於二零零七年十二月三十一日	321,122
Accumulated impairment losses:	累計減值虧損：	
Impairment loss for the year and at 31 December 2007	本年之減值虧損及於二零零七年十二月三十一日	(321,122)
Carrying amount:	賬面值：	
At 31 December 2007	於二零零七年十二月三十一日	—
At 31 December 2006	於二零零六年十二月三十一日	—



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14. GOODWILL (CONTINUED)

On 1 August 2007, the Group acquired a 100% equity interest in Goldease Investments Limited and its subsidiaries (collectively, the "Goldease Group") at a consideration of HK\$451,491,000, of which HK\$23,991,000 was settled by cash and the remaining balance was settled by issue of 900 million new shares of the Company to Hong Fok Corporation Limited ("HFC"), which was the controlling shareholder holding an approximately 40.4% interest in the Company before 1 August 2007 and which became the ultimate holding company of the Company on 1 August 2007. Further details of this acquisition are set out in note 31.

Impairment tests for cash-generating units containing goodwill

For the purposes of impairment testing, goodwill arose from the acquisition of the Goldease Group. The Goldease Group's operating business segment is property development in the Republic of Singapore.

Goodwill acquired has been allocated to the cash generating unit ("CGU") of the Goldease Group. The recoverable amount of the CGU is determined based on net assets' fair value of the Goldease Group. The net assets of the Goldease Group mainly consist of properties, whose fair values are determined at their open market value by reference to recent market transactions in comparable properties. Due to the fact that such goodwill arose principally as a result of the unexpected fluctuation in the share price of the Company's shares at the date of acquisition and, by reference to the HKFRS 3 "Business Combinations", the closing per share price of the Company on that day was used as a proxy for the fair price of the Company's 900 million new shares for the purpose of calculating the goodwill arising from the acquisition of the Goldease Group, the net assets' fair value of the Goldease Group is lower than the carrying amount of CGU and accordingly, the Company's directors are of the view that an impairment loss of HK\$321,122,000 is recognised in the consolidated income statement.

14. 商譽(續)

於二零零七年八月一日，本集團收購 Goldease Investment Limited 及其附屬公司(「Goldease 集團」)之 100% 股權，代價為 451,491,000 港元，其中 23,991,000 港元以現金支付，及餘款則透過向鴻福實業有限公司(「鴻福實業」)發行 900,000,000 股本公司新股份方式支付，鴻福實業於二零零七年八月一日前為持有本公司約 40.4% 權益之控股股東並於二零零七年八月一日成為本公司之最終控股公司。有關此項收購之進一步詳情載於附註 31。

現金產生單位(包含商譽)之減值測試

就減值測試而言，商譽乃因收購 Goldease 集團而產生。Goldease 集團之經營業務分類為於新加坡共和國之物業發展。

所收購之商譽已分配至 Goldease 集團之現金產生單位(「現金產生單位」)。現金產生單位之可回收金額乃根據 Goldease 集團之資產淨值公平值釐定。Goldease 集團之資產淨值主要由物業組成，其公平值乃根據其公開市場價值並參考可比物業之近期市場交易釐定。由於有關商譽主要因本公司股價於收購日期之不可預計波動而產生，及根據香港財務報告準則第 3 號「業務合併」，本公司於該日之每股收市價乃被用作本公司 900,000,000 股新股份之指定公平價，藉以計算因收購 Goldease 集團所產生之商譽，而 Goldease 集團之資產淨值公平值低於現金產生單位之賬面值，因此，本公司董事認為減值虧損 321,122,000 港元已於綜合收益表中確認。



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15. INVESTMENTS IN SUBSIDIARIES

15. 於附屬公司之投資

	The Company 本公司	
	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Unlisted shares, at cost 未上市股份，原值	1	1,418,163

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

下表僅提供主要影響本集團業績、資產或負債之附屬公司之資料。

Name of company 公司名稱	Place of incorporation and operation 註冊成立及營業地點	Particulars of issued and paid-up capital 已發行及繳足股本詳情	Proportion of ownership interests 擁有權權益比例			Principal activity 主要業務
			Group's effective interest 本集團之實益權益	Held by the Company 本公司持有	Held by a subsidiary 由一間附屬公司持有	
Arundel Trading Pte Ltd.*	The Republic of Singapore ("Singapore") 新加坡共和國 (「新加坡」)	2 ordinary shares of S\$1 each 2股每股面值1坡元之普通股	100%	-	100%	Property development 物業發展
Cheung Kee Garden Limited 張記花園有限公司	Hong Kong 香港	100 ordinary shares of HK\$1 each and 450,000 non-voting deferred shares of HK\$1 each 100股每股面值1港元之普通股及450,000股每股面值1港元之無投票權遞延股	100%	-	100%	Investment holding and provision of horticultural services 投資控股及提供園藝服務
Firth Enterprises Pte Ltd.*	Singapore 新加坡	2 ordinary shares of S\$1 each 2股每股面值1坡元之普通股	100%	-	100%	Property development 物業發展
Goldease Investments Limited*	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股面值1美元之普通股	100%	-	100%	Investment holding 投資控股



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15. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

15. 於附屬公司之投資(續)

Name of company 公司名稱	Place of incorporation and operation 註冊成立及 營業地點	Particulars of issued and paid-up capital 已發行及繳足 股本詳情	Proportion of ownership interests 擁有權權益比例			Principal activity 主要業務
			Group's effective interest 本集團之 實益權益	Held by the Company 本公司 持有	Held by a subsidiary 由一間附屬 公司持有	
Hong Fok Development (Newton) Pte. Ltd.*	Singapore 新加坡	1,000,000 ordinary shares of S\$1 each 1,000,000股每股面值1坡元 之普通股	100%	–	100%	Property development 物業發展
Super Homes Limited	Hong Kong 香港	100 ordinary shares of HK\$1 each and 100 non-voting deferred shares of HK\$0.3 each 100股每股面值1港元之 普通股及100股每股面值 0.3港元之無投票權遞延股	100%	–	100%	Property investment 物業投資
Sui Chong International Resources Limited 瑞昌國際資源有限公司	Hong Kong 香港	1,000 ordinary shares of HK\$1 each 1,000股每股面值1港元 之普通股	100%	–	100%	Project management 項目管理
* Audited by KPMG, Singapore			* 經 KPMG, Singapore 審核			



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16. INTEREST IN AN ASSOCIATE

16. 於一間聯營公司之權益

		The Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Share of net assets	應佔資產淨值	-	612,771
Market value of shares listed in the Republic of Singapore	於新加坡共和國上市之股份市值	-	561,912

Summary financial information on the associate (i.e. 20.2% equity interest in Hong Fok Corporation Limited ("HFC") in respect of the year ended 31 December 2006:

聯營公司截至二零零六年十二月三十一日止年度之財務資料摘要(即鴻福實業有限公司(「鴻福實業」)之20.2%股權):

		Assets 資產	Liabilities 負債	Equity 權益	Revenues 收益	Profit/(loss) 溢利/(虧損)
2006	二零零六年	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
100 per cent	100%	6,371,237	2,578,616	3,792,621	321,807	(81,934)
Group's effect interest	本集團實益權益					178,070

The above financial information of the associate is a summary of the consolidated operating results and financial position of the associate, for the year ended and as of 31 December 2006, based on its financial statements. The Group's share of the associate's results are based on the associate's financial statements and adjusted for the cross-holding between the Company and the associate.

上述聯營公司之財務資料為該聯營公司截至二零零六年十二月三十一日止年度及於該日之綜合經營業績及財務狀況之摘要，乃基於其財務報表。本集團應佔聯營公司之業績乃基於聯營公司之財務報表並根據本公司與該聯營公司交叉持股而調整。

Refer to the Group Reorganization as set out in note 31, HFC ceased to be the Group's associate with effect from 1 August 2007.

誠如附註31所載，根據集團重組，自二零零七年八月一日起鴻福實業不再為本集團之聯營公司。



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17. OTHER NON-CURRENT FINANCIAL ASSETS

17. 其他非流動金融資產

		The Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Available-for-sale unlisted equity securities at fair value	按公平值可供出售未上市股本證券	1,990	1,610
Loan to a fellow subsidiary (note (i))	給予一間同系附屬公司之貸款(附註(i))	54	—
Loan receivable (note (ii))	應收貸款(附註(ii))	490	990
		2,534	2,600

Note:

(i) Loan to a fellow subsidiary is unsecured, non-interest-bearing and not repayable within one year.

(ii) Loan receivable from a director of a subsidiary:

Name of borrower	Mr. Tsui Yeung Kun, Andrew
Position	Director of a subsidiary
Terms of the loan	
– duration and repayment terms	Repayment on 31 August 2010
– loan amount	HK\$990,000
– interest rate	2% per annum over Hong Kong Interbank Offered Rate
– security	None
Balance of the loan	
– at 1 January 2006	HK\$990,000
– at 31 December 2006 and 1 January 2007	HK\$990,000
– at 31 December 2007	HK\$490,000

Maximum balance outstanding	
– during 2007	HK\$990,000
– during 2006	HK\$990,000

There was no amount due but unpaid, nor any provision made against the principal amount of or interest on this loan at 31 December 2007 and 2006.

附註：

(i) 給予一間同系附屬公司之貸款乃無抵押、不計息及毋須於一年內償還。

(ii) 應收一間附屬公司董事之貸款：

借款人姓名：	徐芊根先生
職位	一間附屬公司之董事
貸款之條款	
– 期限及償還條款	於二零一零年八月三十一日償還
– 貸款金額	990,000港元
– 利率	香港銀行同業拆息加年率2厘
– 抵押品	無

貸款結餘	
– 於二零零六年一月一日	990,000港元
– 於二零零六年十二月三十一日及二零零七年一月一日	990,000港元
– 於二零零七年十二月三十一日	490,000港元

尚未償還最高結餘	
– 於二零零七年內	990,000港元
– 於二零零六年內	990,000港元

於二零零七年及二零零六年十二月三十一日，並無逾期未支付之款項，亦無就此筆貸款之本金額或其利息作出任何撥備。



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18. INVENTORIES

- a) Inventories in the consolidated balance sheet comprise:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Plants	廠房	260	228
Properties held for sale	持作出售物業	160,705	12,500
		160,965	12,728

All of the inventories are expected to be recovered within one year.

- b) The analysis of carrying value of properties held for sale is as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Outside Hong Kong	香港以外		
– Under leases of 50 years or more (long leases)	– 根據50年或50年以上之租賃(長期租賃)	–	12,500
– Freehold	– 永久業權	160,705	–
		160,705	12,500

- a) 列入綜合資產負債表內之存貨包括：

所有該等存貨預計於一年內收回。

- b) 持作出售物業之賬面值分析如下：



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18. INVENTORIES (CONTINUED)

- c) The analysis of the amount of inventories recognised as an expense is as follows:

18. 存貨(續)

- c) 確認為開支之存貨金額分析如下：

	Plants		Properties		Total	
	廠房		物業		總計	
	2007	2006	2007	2006	2007	2006
	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
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Carrying amount of inventories sold	511	484	11,994	1,646	12,505	2,130
已售存貨之賬面值						

19. TRADE AND OTHER RECEIVABLES

19. 貿易及其他應收款項

	The Group		The Company	
	本集團		本公司	
	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Amount due from a subsidiary	-	-	209,379	230,520
Trade debtors	506	738	-	-
Other debtors	1,464	559	-	-
Loans and receivables	1,970	1,297	209,379	230,520
Gross amounts due from customers for contract work	-	595	-	-
Retentions receivable	-	338	-	-
Deposits and prepayments	1,559	5,867	368	293
	3,529	8,097	209,747	230,813



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19. TRADE AND OTHER RECEIVABLES (CONTINUED)

The amount due from a subsidiary is unsecured, non-interest-bearing and has no fixed terms of repayment.

All of the trade and other receivables are expected to be recovered or recognised as expense within one year.

(a) Ageing analysis

Included in trade and other receivables are trade debtors (net of impairment losses for bad and doubtful debts) with the following ageing analysis as of the balance sheet date:

		The Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within 1 month	一個月以下	366	561
1 to 3 month	一至三個月	139	171
More than 3 months but less than 12 months	超過三個月 但少於十二個月	1	6
		506	738

The Group's credit policy is set out in note 27(a).

19. 貿易及其他應收款項(續)

應收一間附屬公司之欠款乃無抵押、不計息且無固定還款期。

所有貿易及其他應收款項，預計將於一年內收回或確認為開支。

(a) 賬齡分析

於貿易及其他應收款項內，應收貿易賬款(扣除呆壞賬減值虧損)於結算日之賬齡分析如下：

		The Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within 1 month	一個月以下	366	561
1 to 3 month	一至三個月	139	171
More than 3 months but less than 12 months	超過三個月 但少於十二個月	1	6
		506	738

本集團之信貸政策載於附註27(a)。



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19. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Impairment of trade debtors

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 1(j)(i)).

The movement in the allowance for doubtful debts during the year, including both specific and collective loss components, is as follows:

19. 貿易及其他應收款項(續)

(b) 應收貿易賬款之減值

有關應收貿易賬款之減值虧損乃使用備抵賬記入，除非本集團信納收回有關金額之機會極微則作別論，於此情況下減值虧損乃直接於應收貿易賬款中撇銷（見附註1(j)(i)）。

年內呆賬（包括特定及集體虧損兩部分）撥備之變動如下：

		The Group	
		本集團	
		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
At 1 January	於一月一日	-	-
Impairment loss recognised	已確認之減值虧損	97	-
Uncollectible amounts written off	已撇銷之不可收回款項	(97)	-
At 31 December	於十二月三十一日	-	-



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19. TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Trade debtors that are not impaired

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

Neither past due nor impaired	既未逾期亦未減值
Less than 1 month past due	已逾期少於一個月
More than 1 month past due	已逾期多於一個月

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

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

19. 貿易及其他應收款項(續)

(c) 未予減值之應收貿易賬款

個別或共同認為不予減值之應收貿易賬款之賬齡分析如下：

The Group	
本集團	
2007	2006
二零零七年	二零零六年
HK\$'000	HK\$'000
千港元	千港元
366	561
122	150
18	27
140	177
506	738

既未逾期亦未減值之應收款項乃涉及眾多近期並無拖欠記錄之客戶。

已逾期但未予減值之應收款項乃涉及若干與本集團有良好往績記錄之獨立客戶。基於以往經驗，管理層認為，由於信貸質素並無出現重大變動及有關結餘仍認為可全數收回，故毋須就該等結餘作出減值撥備。本集團並無持有任何有關該等結餘之抵押品。



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20. CASH AND CASH EQUIVALENTS

20. 現金及現金等價物

		The Group		The Company	
		本集團		本公司	
		2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Deposits with banks and other financial institutions	存放於銀行及其他金融機構之存款	5,494	5,224	7	12
Cash on hand	手頭之現金	1	30	-	-
		5,495	5,254	7	12
Pledged bank balances and time deposits for bank borrowings	抵押銀行借貸之銀行結存及定期存款	(10)	(912)	-	-
Cash and cash equivalents in the balance sheets and the consolidated cash flow statement	於資產負債表及綜合現金流量表之現金及現金等價物	5,485	4,342	7	12

At 31 December 2007, bank balances carry interest at market rates which range from 0.00% to 1.50% (2006: 0.00% to 2.75%). At 31 December 2007, pledged bank balances carry interest rate of 0.00% to 0.25% (2006: 0.00% to 2.75%). The pledged bank balances will be released upon the settlement of relevant bank borrowings.

Pledged bank deposits represents deposits pledged to banks to secure banking facilities granted to the Group. The pledged bank balances have been pledged to secure long-term borrowings and are therefore classified as non-current assets.

於二零零七年十二月三十一日之銀行結存按介乎於0.00%至1.50%(二零零六年: 0.00%至2.75%)之市場利率計算。於二零零七年十二月三十一日之已抵押銀行結存按0.00%至0.25%(二零零六年: 0.00%至2.75%)之利率計息。已抵押銀行結存將於有關銀行借貸償還時解除。

已抵押銀行存款指已抵押予銀行以擔保本集團所獲受銀行融資之存款。已抵押銀行結存乃被抵押以擔保長期借貸，因此列為非流動資產。



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21. TRADE AND OTHER PAYABLES

21. 貿易及其他應付賬項

		The Group 本集團		The Company 本公司	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Trade creditors	應付貿易賬款	311	1,893	-	-
Other creditors and accrued charges	其他應付賬款及應計開支	5,151	14,742	1,260	401
Amount due to the ultimate holding company (note 30(b))	應付最終控股公司款項(附註30(b))	6	-	-	-
Amount due to a related company (note 30(b))	應付一間關連公司款項(附註30(b))	2,489	-	-	-
Financial liabilities measured at amortised cost	按攤銷成本列賬之財務負債	7,957	16,635	1,260	401
Retentions payable	應付保留款項	1,809	2,040	-	-
Deposits received	已收按金	1,791	3,630	-	-
		11,557	22,305	1,260	401

All of the trade and other payables, apart from the retentions payable, are expected to be settled within one year.

除應付保留款項外，所有貿易及其他應付賬項預計於一年內支付。

Included in trade and other payables are trade creditors with the following ageing analysis as of the balance sheet date:

於貿易及其他應付賬項內，應付貿易款項於結算日之賬齡分析如下：

		The Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within 1 month	一個月以下	108	30
After 1 month but within 3 months	一個月後但不超過三個月	5	10
After 3 months but within 6 months	三個月後但不超過六個月	20	16
After 6 months but within 12 months	六個月後但不超過十二個月	34	15
Over 1 year	一年以上	144	1,822
		311	1,893



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22. BANK BORROWINGS, SECURED

At 31 December 2007, the secured bank borrowings were repayable as follows:

Within 1 year or on demand as classified under current liabilities	於一年內或於要求時償還 (歸類為流動負債)	–	81,891
After 1 year but within 2 years	一年後但不超過兩年	–	22,745
After 2 years but within 5 years	兩年後但不超過五年	150,829	314,848
After 5 years	五年以上	–	58,641
After 1 year and classified under non-current liabilities	一年以上 (歸類為非流動負債)	150,829	396,234
		150,829	478,125

At 31 December 2007, the bank facilities of certain subsidiaries were secured by:

- i) fixed charges over certain of the Group's investment properties situated in Hong Kong with an aggregate carrying value of HK\$273,000,000 (2006: HK\$1,989,000,000);
- ii) fixed charges over certain of the Group's properties situated in Singapore with an aggregate carrying value of HK\$129,919,000 (2006: nil).
- iii) assignment of insurance, sale and rental proceeds of the aforementioned properties situated in Hong Kong and Singapore;

22. 銀行借款，有抵押

於二零零七年十二月三十一日，有抵押銀行借款須於以下期間償還：

The Group 本集團			
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元		
–	81,891		
–	22,745		
150,829	314,848		
–	58,641		
150,829	396,234		
150,829	478,125		

於二零零七年十二月三十一日，若干附屬公司之銀行融資額由下列各項抵押：

- i) 賬面總值為273,000,000港元(二零零六年：1,989,000,000港元)之本集團若干位於香港之投資物業之固定抵押；
- ii) 賬面總值為129,919,000港元(二零零六年：無)之本集團若干位於新加坡之發展物業之固定抵押；
- iii) 轉讓上述位於香港及新加坡之物業之保險、銷售及租金所得款項；



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22. BANK BORROWINGS, SECURED (CONTINUED)

- iv) charges over certain of the Group's bank balances of HK\$10,000 (2006: HK\$912,000);
- v) subordination and assignment of intra-group and shareholders' loans to certain wholly-owned subsidiaries of the Group in favour of the banks;
- vi) floating charges over the assets of Super Homes Limited ("SHL"), a subsidiary of the Group;
- vii) share mortgages over the entire issued share capital of SHL; and
- viii) corporate guarantees given by the Company.

At 31 December 2007, the effective interest rates for the floating rate bank borrowings range from 3.7% to 4.47% (2006: 4.86% to 6.14%) per annum. The floating interest rates will be repriced within six months at the balance sheet date.

23. DEFINED CONTRIBUTION RETIREMENT PLAN

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 plan administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$20,000. Contributions to the plan vest immediately.

22. 銀行借款，有抵押(續)

- iv) 本集團若干銀行結存10,000港元(二零零六年：912,000港元)之抵押；
- v) 以銀行為受益人將集團間及授予本集團若干全資附屬公司之股東貸款改為後償及予以轉讓；
- vi) Super Homes Limited (「SHL」) (本集團附屬公司)之資產之浮動抵押；
- vii) 就SHL之全部已發行股本之股份抵押；及
- viii) 本公司作出之公司擔保。

於二零零七年十二月三十一日，按浮動利率計息之銀行借貸之實際利率介乎於每年3.7厘至4.47厘(二零零六年：4.86厘至6.14厘)。浮動利率將於結算日起六個月內予重新釐定。

23. 界定供款退休計劃

本集團根據香港強制性公積金計劃條例對於香港僱用條例管轄範圍內僱用之僱員執行強制性公積金計劃(「強制性公積金計劃」)。強制性公積金計劃為由獨立受託人管理之界定供款退休計劃。根據強制性公積金計劃，僱主及僱員各須按僱員有關收入之5%向該計劃供款，且每月有關收入上限為20,000港元。該計劃之供款乃即時歸屬。



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24. EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company has a share option scheme which was adopted on 15 April 2002 whereby the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options at nil consideration to subscribe for shares of the Company. The options vest from the date of grant and are then exercisable within a period of not more than ten years. Each option gives the holder the right to subscribe for one ordinary share in the Company.

The number and weighted average exercise price of share options are as follows:

		2007 二零零七年		2006 二零零六年	
		Weighted average exercise price 加權平均 行使價	Number of options 購股權數目 '000 千份	Weighted average exercise price 加權平均 行使價	Number of options 購股權數目 '000 千份
Outstanding at the beginning of the year	年初未行使	HK\$0.377	53,040	HK\$0.377	53,040
Cancelled during the year	年內註銷	HK\$0.377	(53,040)	-	-
Outstanding at the end of the year	年末未行使	-	-	HK\$0.377	53,040
Exercisable at the end of the year	年末可行使	-	-	HK\$0.377	53,040

The options outstanding at 31 December 2006 had an exercise price of HK\$0.377 and a weighted average remaining contractual life of 5.3 years.

By a resolution passed at the meeting of the board of directors of the Company held on 20 June 2007, all of the options outstanding at 18 June 2007 were cancelled.

24. 以股份支付之股份形式交易

本公司現有一項於二零零二年四月十五日採納之購股權計劃，據此，本公司董事獲授權酌情邀請本集團僱員（包括本集團任何公司之董事）接納購股權（免付代價）以認購本公司股份。購股權自授出當日起歸屬，在不多於十年之期限內可予行使。每份購股權賦予持有人認購一股本公司普通股之權利。

購股權之數目及加權平均行使價如下：

於二零零六年十二月三十一日尚未行使之購股權行使價為0.377港元，加權平均剩餘合約年期為5.3年。

根據於二零零七年六月二十日舉行之本公司董事會會議上通過之一項決議案，於二零零七年六月十八日之全部未行使購股權已予以註銷。



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25. INCOME TAX IN THE BALANCE SHEET

- a) Income tax in the consolidated balance sheet represents:

25. 資產負債表內之所得稅

- a) 綜合資產負債表內之所得稅指：

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Tax recoverable for the payment of provisional Hong Kong Profits Tax 支付香港利得稅撥備之可收回稅項	8	83
Balance of Singapore Income Tax provision for the year 本年度新加坡所得稅撥備之結餘	856	-



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25. INCOME TAX IN THE BALANCE SHEET (CONTINUED)

b) Deferred tax assets and liabilities recognised:

The components of deferred tax (assets)/liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

25. 資產負債表內之所得稅(續)

b) 已確認之遞延稅項資產及負債：

綜合資產負債表內已確認遞延稅項(資產)/負債之成分及年內變動如下：

		The Group 本集團				
		Revaluation of investment property	Fair value adjustment for properties held for sale 持作出售 物業之公平值 調整	Depreciation allowances in excess of the related depreciation 超過相關 折舊之折舊 備抵	Tax losses	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Deferred tax arising from:	下列各項目產生之 遞延稅項：					
At 1 January 2006	於二零零六年一月一日	247,050	-	1,970	(2,379)	246,641
Charged/(credited) to profit or loss	損益表內扣除/ (計入)	3,650	-	(1,970)	2,379	4,059
At 31 December 2006	於二零零六年 十二月三十一日	250,700	-	-	-	250,700
At 1 January 2007	於二零零七年一月一日	250,700	-	-	-	250,700
Through acquisition of subsidiaries	透過收購 附屬公司	-	5,588	-	-	5,588
Distribution in specie	實物分派	(251,790)	-	-	-	(251,790)
Exchange alignment	匯兌調整	-	275	-	-	275
Charged/(credited) to profit or loss	損益表內扣除/ (計入)	1,530	(517)	-	-	1,013
At 31 December 2007	於二零零七年 十二月三十一日	440	5,346	-	-	5,786



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25. INCOME TAX IN THE BALANCE SHEET (CONTINUED)

b) Deferred tax assets and liabilities recognised: (Continued)

		The Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Net deferred tax liabilities recognised on the consolidated balance sheet	綜合資產負債表內 確認之遞延稅項 負債淨額	5,786	250,700

c) Deferred tax assets not recognised

(i) The Group

In accordance with the accounting policy set out in note 1(q), at 31 December 2007, the Group has not recognised deferred tax assets in respect of cumulative tax losses of HK\$281,638,000 (2006: HK\$625,693,000) as it is not probable that future taxable profits against which the tax losses can be utilised will be available in the relevant tax jurisdiction and for the respective entity. The tax losses do not expire under current tax legislation.

(ii) The Company

At 31 December 2007, the Company has cumulative tax losses of HK\$11,832,000 (2006: HK\$10,630,000) available for set-off against future taxable profits for an unlimited period of time. No deferred tax asset has been recognised in respect of such cumulative tax losses as it is not probable that future taxable profits against which the tax losses can be utilized will be available in the relevant tax jurisdiction and such tax losses are subject to the agreement with the tax authority.

25. 資產負債表內之所得稅(續)

b) 已確認之遞延稅項資產及負債： (續)

		The Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Net deferred tax liabilities recognised on the consolidated balance sheet	綜合資產負債表內 確認之遞延稅項 負債淨額	5,786	250,700

c) 未確認之遞延稅項資產

(i) 本集團

根據附註1(q)所載之會計政策，於二零零七年十二月三十一日，本集團並無就281,638,000港元(二零零六年：625,693,000港元)之累計稅項虧損確認遞延稅項資產，因為在有關之稅務司法權區或就相關實體而言不大可能未來應課稅溢利可動用稅項虧損。根據現行稅務法規，該等稅項虧損並未到期。

(ii) 本公司

於二零零七年十二月三十一日，本公司可供抵銷未來應課稅溢利之無限期累計稅項虧損為11,832,000港元(二零零六年：10,630,000港元)。未就該等累計稅項虧損確認遞延稅項資產，因為在有關之稅務司法權區不大可能未來應課稅溢利可動用稅項虧損，且該等稅項虧損須待稅務當局同意，方可作實。



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26. CAPITAL AND RESERVES

26. 資本及儲備

a) The Group

a) 本集團

		Attributable to equity shareholders of the Company 本公司權益持有人應佔										
		Capital redemption			Share-based compensation			Fairvalue		Minority interests		Total
Share capital	Share premium	reserve	Contributed surplus	reserve	Exchange reserve	Fairvalue reserve	Retained profits	Total	Minority interests	Total equity		
股本	股份溢價	贖回儲備	應入盈餘	以股份支付之酬勞儲備	匯兌儲備	公平值儲備	保留溢利	總計	股東權益	總權益		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元		
At 1 January 2006	於二零零六年一月一日	74,620	196,873	121	618,098	8,911	(143,777)	519	937,195	1,692,560	-	1,692,560
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	-	-	-	-	(162)	-	-	(162)	-	(162)
Changes in fair value of available-for-sale securities	可供銷售證券公平值之變動	-	-	-	-	-	-	260	-	260	-	260
Share of movements in reserves of an associate	應佔一間聯營公司儲備變動	-	-	-	-	-	41,047	53	-	41,100	-	41,100
Profit for the year	年度溢利	-	-	-	-	-	-	150,532	150,532	150,532	-	150,532
At 31 December 2006	於二零零六年十二月三十一日	74,620	196,873	121	618,098	8,911	(102,892)	832	1,087,727	1,884,290	-	1,884,290



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26. CAPITAL AND RESERVES (CONTINUED)

26. 資本及儲備 (續)

a) The Group (Continued)

a) 本集團 (續)

		Attributable to equity shareholders of the Company 本公司權益持有人應佔									
		Capital redemption			Share-based compensation				Minority interests		Total
		Share capital	Share premium	reserve	Contributed surplus	reserve	Exchange reserve	Fair value reserve	Retained profits	Total	equity
		股本	股份溢價	贖回儲備	繳入盈餘	以股份支付之酬勞儲備	匯兌儲備	公平值儲備	保留溢利	總計	股東權益
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2007	於二零零七年一月一日	74,620	196,873	121	618,098	8,911	(102,892)	832	1,087,727	1,884,290	1,884,290
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	-	-	-	-	5,570	-	-	5,570	5,570
Change in fair value of available-for-sale securities	可供銷售證券之變動	-	-	-	-	-	-	380	-	380	380
Share of movements in reserves of an associate	應佔聯營公司儲備變動	-	-	-	-	-	6,171	55	-	6,226	6,226
Cancellation of share premium	註銷股份溢價	-	(196,873)	-	196,873	-	-	-	-	-	-
Realisation of reserve upon distribution in specie	於實物分派時變現儲備	-	-	-	-	-	103,027	(627)	(102,400)	-	-
Shares issued for acquisition of subsidiaries	就收購附屬公司發行之股份	45,000	-	-	382,500	-	-	-	-	427,500	427,500
Cancellation of share options	註銷購股權	-	-	-	-	(8,911)	-	-	8,911	-	-
Loss for the year	年度虧損	-	-	-	-	-	-	-	(312,270)	(312,270)	(312,270)
Distribution in specie	實物分派	10	-	-	(1,197,471)	-	-	-	(533,576)	(1,731,047)	(1,731,047)
At 31 December 2007	於二零零七年十二月三十一日	119,620	-	121	-	-	11,876	640	148,392	280,649	280,649



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26. CAPITAL AND RESERVES (CONTINUED)

26. 資本及儲備(續)

b) The Company

b) 本公司

	Note 附註	Share capital 股本 HK'000 千港元	Share premium 股份溢價 HK'000 千港元	Capital redemption reserve 資本贖回 儲備 HK'000 千港元	Contributed surplus 繳入盈餘 HK'000 千港元	Share-based compensation reserve 以股份支付 之酬勞儲備 HK'000 千港元	Accumulated losses 累計虧損 HK'000 千港元	Total 總計 HK'000 千港元
At 1 January 2006	於二零零六年一月一日	74,620	196,873	121	1,386,571	8,911	(18,068)	1,649,028
Loss for the year	年度虧損	-	-	-	-	-	(441)	(441)
At 31 December 2006	於二零零六年十二月三十一日	74,620	196,873	121	1,386,571	8,911	(18,509)	1,648,587
At 1 January 2007	於二零零七年一月一日	74,620	196,873	121	1,386,571	8,911	(18,509)	1,648,587
Cancellation of share options	註銷購股權	-	-	-	-	(8,911)	8,911	-
Loss for the year	年度虧損	-	-	-	-	-	(136,545)	(136,545)
Share issued for acquisition of subsidiaries	就收購附屬公司 發行之股份	45,000	-	-	382,500	-	-	427,500
Cancellation of share premium	註銷股份溢價	-	(196,873)	-	196,873	-	-	-
Distribution in specie	實物分派	10	-	-	(1,731,047)	-	-	(1,731,047)
At 31 December 2007	於二零零七年十二月三十一日	119,620	-	121	234,897	-	(146,143)	208,495



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26. CAPITAL AND RESERVES (CONTINUED)

26. 資本及儲備 (續)

c) Share capital

i) Authorised and issued share capital

c) 股本

i) 法定及已發行股本

		2007 二零零七年		2006 二零零六年	
		No. of shares 股份數目		No. of shares 股份數目	
		'000 千股	HK\$'000 千港元	'000 千股	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.05 each	每股面值0.05 港元之普通股	3,000,000	150,000	2,000,000	100,000
Ordinary shares, issued and fully paid:	普通股，已發行 及繳足：				
At 1 January	於一月一日	1,492,411	74,620	1,492,411	74,620
Shares issued for acquisition of subsidiaries	就收購附屬公司 發行之股份	900,000	45,000	-	-
At 31 December	於十二月三十一日	2,392,411	119,620	1,492,411	74,620

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權獲派不時宣派之股息，且在本公司會議上每股可獲一票投票權。所有普通股對本公司之剩餘資產享有同等權益。



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26. CAPITAL AND RESERVES (CONTINUED)

c) Share capital (Continued)

- ii) *Increase in authorised share capital*
By an ordinary resolution passed at the special general meeting held on 25 July 2007, the Company's authorised ordinary share capital was increased to HK\$150,000,000 by the creation of an additional 1,000,000,000 ordinary shares of HK\$0.05 each, ranking pari passu with the existing ordinary shares of the Company in all respects.
- iii) *Shares issued for the acquisition of subsidiaries*
On 1 August 2007, the Company issued 900,000,000 new shares as part of the consideration payable for the acquisition of subsidiaries as set out in note 31.
- iv) *Terms of unexpired and unexercised share options at the balance sheet date*

26. 資本及儲備(續)

c) 股本(續)

- ii) *增加法定股本*
按照於二零零七年七月二十五日舉行之股東特別大會上通過之普通決議案，本公司之法定普通股股本透過增發額外1,000,000,000股每股面值0.05港元之普通股而增加至150,000,000港元，該等普通股在各方面與本公司之現有普通股享有同等地位。
- iii) *就收購附屬公司發行之股份*
於二零零七年八月一日，本公司發行900,000,000股新股份，作為有關收購附屬公司(如附註31所載)應付代價之一部分。
- iv) *於結算日未到期及未行使購股權之條款*

		Exercise price 行使價 港元	2007 二零零七年 Number 數目	2006 二零零六年 Number 數目
Exercise period 18 January 2005 to 14 April 2012	行使期 二零零五年一月十八日 至二零一二年四月十四日	0.377	-	53,040,000



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26. CAPITAL AND RESERVES (CONTINUED)

c) Share capital (Continued)

iv) *Terms of unexpired and unexercised share options at the balance sheet date (Continued)*

Each option entitles the holder to subscribe for one ordinary share in the Company. Further details of these options are set out in note 24.

d) Nature and purpose of reserves

i) *Share premium and capital redemption reserve*

The application of the share premium account and capital redemption reserve is governed by the Bermuda Companies Act.

By a special resolution passed at the special general meeting held on 25 July 2007, the entire amount standing to the credit of the share premium account of the Company as at 25 July 2007 was cancelled. The credit arising from the cancellation of share premium was applied for the purpose of the distribution in specie as disclosed in note 10.

ii) *Contributed surplus*

The contributed surplus of the Group represents the difference between the nominal value of the share capital issued by the Company and the aggregate of the share capital and the share premium accounts of the subsidiaries acquired. Under the Companies Act 1981 of Bermuda (as amended), the Company may make distributions to its members out of contributed surplus in certain circumstances.

26. 資本及儲備 (續)

c) 股本 (續)

iv) *於結算日未到期及未行使購股權之條款 (續)*

每份購股權賦予持有人認購本公司一股普通股之權利。該等購股權之進一步詳情載於附註24。

d) 儲備性質及用途

i) *股份溢價與資本贖回儲備*

股份溢價賬及資本贖回儲備之運用受百慕達公司法監管。

按照於二零零七年七月二十五日舉行之股東特別大會上通過之特別決議案，於二零零七年七月二十五日本公司股份溢價賬之全部進賬額乃予以註銷。因註銷股份溢價而產生之進賬乃用作附註10所披露之實物分派。

ii) *繳入盈餘*

本集團繳入盈餘指本公司已發行股本之面值與所收購附屬公司之股本及股份溢價賬總額之差額。根據百慕達一九八一年公司法(經修訂)，本公司於若干條件下可向其成員公司分配繳入盈餘。



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26. CAPITAL AND RESERVES (CONTINUED)

d) Nature and purpose of reserves (Continued)

iii) Share-based compensation reserve

The share-based compensation reserve represents the fair value of the actual or estimated number of unexercised share options granted to employees of a subsidiary recognised in accordance with the accounting policy adopted for share-based payments set out in note 1(p)(ii).

iv) Exchange reserve

The exchange 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 policies set out in note 1(t).

v) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale securities held at the balance sheet date and is dealt with in accordance with the accounting policies set out in notes 1(f) and (j).

e) Distributability of reserves

At 31 December 2007, the aggregate amount of reserves available for distribution to equity shareholders of the Company was HK\$88,754,000 (2006: HK\$1,368,062,000).

26. 資本及儲備(續)

d) 儲備性質及用途(續)

iii) 以股份支付之酬勞儲備

以股份支付之酬勞儲備指以股份支付之酬勞儲備指按附註1(p)(ii)所載就以股份付款採納之會計政策確認之授予一間附屬公司僱員尚未行使之購股權實際或估計數目之公平值。

iv) 匯兌儲備

匯兌儲備包含所有因換算海外業務財務報表產生之匯兌差額。該儲備按附註1(t)所載會計政策處理。

v) 公平值儲備

公平值儲備包含於結算日持有之可供出售證券公平值之累計變動淨額，按附註1(f)及(j)所載之會計政策處理。

e) 分配儲備

於二零零七年十二月三十一日，可分配予本公司權益持有人之儲備總額為88,754,000港元(二零零六年：1,368,062,000港元)。



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26. CAPITAL AND RESERVES (CONTINUED)

f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Consistent with industry practice, the Group monitors its capital structure on the basis of a net debt-to-capital ratio. For this purpose the Group defines net debt as total debt (which includes interest-bearing loans and borrowings, trade and other payables) less cash and cash equivalents. Capital comprises all components of equity.

During 2007, the Group's strategy, which was unchanged from 2006, was to maintain the net debt-to-capital ratio at the below 60%.

26. 資本及儲備 (續)

f) 資本管理

本集團管理資本之首要目標乃保障本集團能夠繼續根據持續經營基準經營，以便透過與風險水平相應之產品及服務定價以及獲得合理成本之融資，繼續為股東創造回報及為其他相關人士帶來利益。

本集團積極及定期對資本架構進行檢討及管理，以在較高股東回報情況下可能伴隨之較高借貸水平與良好資本狀況帶來之好處及保障之間取得平衡，並因應經濟環境之變化對資本架構作出調整。

和其他業界慣例一樣，本集團以淨負債對資本比率為基準監察其資本架構。為此本集團之債務淨額按總債務（包括計息貸款及借貸、貿易及其他應付賬項）減去現金及現金等價物計算。資本包含所有股本成分。

於二零零七年內，本集團之策略與二零零六年沒有改變，乃維持債務淨額對資本比率低於60%。



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26. CAPITAL AND RESERVES (CONTINUED)

f) Capital management (Continued)

The net debt-to-capital ratio at 31 December 2007 and 2006 was as follows:

26. 資本及儲備(續)

f) 資本管理(續)

於二零零七年及二零零六年十二月三十一日之債務淨額對資本比率如下：

		The Group 本集團		The Company 本公司	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Note 附註					
Current liabilities:	流動負債：				
Trade and other payables	貿易及其他應付賬項	21	11,557	22,305	1,260
Bank borrowings	銀行借貸	22	-	81,891	-
			11,557	104,196	1,260
Non-current liabilities:	非流動負債：				
Bank borrowings	銀行借貸	22	150,829	396,234	-
Loan from a fellow subsidiary	同系附屬公司 提供之貸款		302	-	-
Total debt	債務總額		162,688	500,430	1,260
Less: Cash and cash equivalents	減：現金及現金等 價物	20	(5,485)	(4,342)	(7)
Net debt	債務淨額		157,203	496,088	1,253
Capital	債務資本	26	280,649	1,884,290	208,495
Net debt-to-capital ratio	債務淨額對債務 資本比率		56%	26%	1%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

本公司或其任何附屬公司均毋須受外部實施之資本規定所規限。



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27. FINANCIAL INSTRUMENTS

Exposure to credit, liquidity and interest rate risks arises in the normal course of the Group's business. These risks are mitigated by the Group's financial management policies and practices described below.

a) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade and other receivables, credit evaluations are performed on all customers requiring credit over a certain amount. The Group grants a credit period of not more than 30 days from the date of billing. Debtors with balances that are more than 3 months overdue are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

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. The Group has no significant concentration of credit risk, with exposure spread over a number of customers.

The maximum exposure to credit risk without taking account of any collateral held is represented by the carrying amount of each financial asset, after deducting any impairment allowance. The Group does not provide any guarantees which would expose the Group or the Company to credit risk.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 19.

27. 金融工具

信貸、流動資金及利率風險乃在本集團業務之正常過程中產生。該等風險乃透過下列本集團之財務管理政策及實務而得以減輕。

a) 信貸風險

本集團之信貸風險主要由貿易及其他應收賬項產生。管理層已制定現成之信貸政策，並對該等信貸風險持續監控。

就貿易及其他應收賬項而言，將須對要求超出若干金額之信貸之客戶進行信貸評估。本集團授予信貸期不超過自發出賬單日起30日。逾期三個月未結清餘額之債務人須結清所有未償還餘額後方可授予進一步信貸。本集團通常不收取客戶抵押品。

本集團面對之信貸風險主要受各客戶之個別特性所影響。客戶經營所在行業及國家之違約風險亦對信貸風險有影響，但影響程度較低。本集團並無重大集中信貸風險，而是廣泛分佈於眾多客戶。

在未考慮所持有之任何抵押品情況下，最大信貸風險乃經扣減任何減值撥備後各項金融資產之賬面值。本集團並無提供任何擔保而致使本集團或本公司將承受信貸風險。

有關本集團因貿易及其他應收賬項所產生之信貸風險之進一步定量披露資料載於附註19。



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27. FINANCIAL INSTRUMENTS (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. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following table details the remaining contractual maturities at the balance sheet date of the Group's and the Company's financial liabilities which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates at the balance sheet date) and the earliest date the Group and the Company can be required to pay:

27. 金融工具(續)

b) 流動資金風險

本集團內個別經營實體乃負責彼等本身之現金管理，包括利用盈餘現金進行短期投資及籌集貸款以應付預計現金需求，本集團制訂政策以定期監察其流動資金需求及其遵守放貸契約之情況，從而確保維持充足現金儲備及獲金融機構承諾提供足夠資金，以應付其短期及長期之流動資金需求。

下表詳述本集團及本公司之金融負債於結算日之餘下合約到期日，乃根據合約未折扣現金流量（包括使用合約利率計算之利息付款，或如屬浮動利率，則按於結算日之利率計算）以及本集團及本公司可要求償還之最早日期計算：



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27. FINANCIAL INSTRUMENTS (CONTINUED)

b) Liquidity risk (Continued)

27. 金融工具(續)

b) 流動資金風險(續)

		The Group 本集團										
		2007 二零零七年					2006 二零零六年					
		Total	More than		Total		More than		More than			
		contractual	Within 1	1 year but	2 years	contractual	Within 1	1 year but	2 years	2 years	More than	
		amount	year or on	less than	but less	amount	year or on	less than	but less	but less	More than	
		Carrying	demand	than 2	than 5	Carrying	demand	2 years	years	than 5	More than	
		undiscounted	years	years	years	undiscounted	years	years	years	years	5 years	
		cash flow				cash flow						
		合約未				合約未						
		折扣現金	一年內	一年以上但	二年以上但	折扣現金	一年內	一年以上但	二年以上但	五年以上		
		賬面值	或按要求	少於兩年	少於五年	賬面值	或按要求	少於兩年	少於五年	五年以上		
		HK'000	HK\$'000	HK\$'000	HK\$'000	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Bank borrowings	銀行借貸	150,829	(167,974)	(6,535)	(33,282)	(128,157)	478,125	(559,781)	(104,491)	(43,007)	(346,196)	(66,087)
Creditors and	應付賬款及應計開支											
accrued charges		9,062	(9,062)	(7,253)	-	(1,809)	22,305	(22,305)	(20,265)	-	(2,040)	-
Amount due to the ultimate	應付最終控股											
holding company	公司款項	6	(6)	(6)	-	-	-	-	-	-	-	-
Amount due to	應付關連公司款項											
related companies		2,489	(2,489)	(2,489)	-	-	-	-	-	-	-	-
Loan from a	同系一間附屬公司											
fellow subsidiary	提供之貸款	302	(358)	(11)	(11)	(336)	-	-	-	-	-	-
		162,688	(179,889)	(16,294)	(33,293)	(130,302)	500,430	(582,086)	(124,756)	(43,007)	(348,236)	(66,087)



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27. FINANCIAL INSTRUMENTS (CONTINUED)

b) Liquidity risk (Continued)

	2007 二零零七年			2006 二零零六年		
	Total contractual Carrying amount	undiscounted cash flow 合約未折扣 現金流量總額	Within 1 year or on demand 一年內或 按要求	Total contractual Carrying amount	undiscounted cash flow 合約未折扣 現金流量總額	Within 1 year or on demand 一年內或 按要求
	HK'000 千港元	HK'000 千港元	HK'000 千港元	HK'000 千港元	HK'000 千港元	HK'000 千港元
Creditors and accrued charges						
應付賬款及應計開支	1,260	(1,260)	(1,260)	401	(401)	(401)

c) Interest rate risk

The Group's interest rate risk arises primarily from non-current loan receivable, bank borrowings and loan from a fellow subsidiary. The interest rates and maturity information of the Group's non-current loan receivable, bank borrowings and loan from the fellow subsidiary are disclosed in notes 17, 22 and 30(b)(ii) respectively.

27. 金融工具(續)

b) 流動資金風險(續)

The Company 本公司						
	2007 二零零七年			2006 二零零六年		
	Total contractual Carrying amount	undiscounted cash flow 合約未折扣 現金流量總額	Within 1 year or on demand 一年內或 按要求	Total contractual Carrying amount	undiscounted cash flow 合約未折扣 現金流量總額	Within 1 year or on demand 一年內或 按要求
	HK'000 千港元	HK'000 千港元	HK'000 千港元	HK'000 千港元	HK'000 千港元	HK'000 千港元
Creditors and accrued charges						
應付賬款及應計開支	1,260	(1,260)	(1,260)	401	(401)	(401)

c) 利率風險

本集團之利率風險主要因應收非即期貸款、銀行借貸及一間同系附屬公司提供之貸款而產生。本集團之應收非即期貸款、銀行借貸及同系附屬公司提供之貸款之利率及到期情況分別披露於附註17、22及30(b)(ii)。



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27. FINANCIAL INSTRUMENTS (CONTINUED)

c) Interest rate risk (Continued)

Sensitivity analysis

At 31 December 2007, it is estimated that a general increase/decrease of 1 percentage point in interest rates, with all other variables held constant, would decrease/increase the Group's result after tax and retained profits by approximately HK\$259,000 (2006: HK\$3,832,000).

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. For variable-rate borrowings, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. The 1 percentage point 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 2006.

27. 金融工具(續)

c) 利率風險(續)

敏感度分析

於二零零七年十二月三十一日，在所有其他不定因素維持不變之情況下，估計整體加息／減息1個百分點將令本集團之除稅後業績及保留溢利減少／增加約259,000港元(二零零六年：3,832,000港元)。

上述敏感度分析乃假設利率變動為於結算日發生而釐定，並已計入該日存在之衍生及非衍生金融工具之利率風險。就浮動利率借貸而言，該分析乃假設於結算日之未償還負債金額等於全年未償還金額而作出。增加或減少1個百分點代表管理層對利率於期內直至下個年度結算日合理可能變動之評估。二零零六年之分析乃根據相同基準進行。



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27. FINANCIAL INSTRUMENTS (CONTINUED)

d) Fair values

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2007 and 2006.

e) Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments set out in note 27(d) above.

i) Securities

Fair value for the unquoted equity investments are estimated using the applicable fair value measurement of the relevant assets and liabilities of the investee.

ii) Interest-bearing loans and borrowings

The fair value is estimated as the present value of future cash flows, discounted at current market interest rates for similar financial instruments.

27. 金融工具(續)

d) 公平值

所有金融工具均按與其於二零零七年及二零零六年十二月三十一日之公平值並無重大差異之數額列值。

e) 公平值之估計

以下概述於估計上文附註27(d)所載之金融工具公平值時所使用之主要方法及假設。

i) 證券

未報價之證券投資之公平值乃採用投資人之相關資產與負債之適用公平值法估計。

ii) 計息貸款及借貸

公平值乃按以類似金融工具之現時市場利率折現之未來現金流量之現值估計。



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28. COMMITMENTS

- a) Capital commitments outstanding at 31 December 2007 not provided for in the financial statements were as follows:

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Contracted for 已訂約	7,381	13,498

- b) At 31 December 2007, the total future minimum lease payments under non-cancellable operating leases in respect of office properties and office equipment are payable as follows:

The Group as lessee

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within 1 year 一年以內	2,833	2,744
After 1 year but within 5 years 一年以後但在五年以內	1,115	3,798
	3,948	6,542

Significant leasing arrangements in respect of land and buildings classified as being held under finance leases and properties held for sale are described in notes 13 and 18.

Apart from these leases, 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 to three years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

28. 承擔

- a) 財務報表中未予撥備及於二零零七年十二月三十一日未償還之資本承擔如下：

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Contracted for 已訂約	7,381	13,498

- b) 於二零零七年十二月三十一日，有關辦公室物業及辦公室設備之不可撤銷經營租約項下之未來應付最低租賃費用總額如下：

本集團作承租人

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within 1 year 一年以內	2,833	2,744
After 1 year but within 5 years 一年以後但在五年以內	1,115	3,798
	3,948	6,542

歸類為根據融資租賃持有及持作出售物業之有關土地及樓宇之重大租賃安排載於附註13及18。

除該等租賃外，本集團為數項根據經營租約持有之物業之承租人。該等租賃之初始年期通常為一至三年，可選擇重新磋商所有條款後續約。該等租賃概無包含或然租金。



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28. COMMITMENTS (CONTINUED)

- c) The Group leased out investment property and properties held for sale under operating leases. The leases typically run for an initial period of one to two years, with an option to renew the lease after that date at which time all terms are renegotiated. Lease payments are usually reviewed every year to reflect market rentals. None of the leases includes contingent rentals.

All properties held under operating leases that would otherwise meet the definition of investment property are classified as investment property.

The Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

The Group as lessor

Within 1 year	一年以內
After 1 year but within 5 years	一年以上及五年以內

28. 承擔(續)

- c) 本集團根據經營租約出租投資物業及持有作銷售之物業，初步租期通常為一至兩年，到期後可選擇就條款重新磋商以續租。租金通常每年進行考察以反映市場租金水平。概無租賃包含或然租金。

所有根據經營租約持有並符合投資物業定義之物業歸類為投資物業。

本集團根據不可撤銷經營租約之未來應收最低租金總額如下：

本集團作為出租人

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
928	6,437
325	-
1,253	6,437

- d) At 31 December 2007, the Company had no material commitments.

- d) 於二零零七年十二月三十一日，本公司概無重大承擔。



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29. CONTINGENT ASSETS AND LIABILITIES

- a) At 31 December 2007, the Company had given unconditional guarantees to banks to secure loan facilities made available to certain subsidiaries to the extent of approximately HK\$237 million (2006: HK\$658 million). The extent of such facilities utilized by the subsidiaries at the balance sheet date amounted to approximately HK\$151 million (2006: HK\$478 million).
- b) At 31 December 2007, the Company had given corporate guarantees to a bank for issuing letters of indemnity to third parties in respect of contracts undertaken by a subsidiary amounted to approximately HK\$268,000 (2006: HK\$402,000).

30. MATERIAL RELATED PARTY TRANSACTIONS

- a) **Key management personnel remuneration**
All members of key management personnel are the directors of the Company, and the remuneration for them is disclosed in note 7.

29. 或然資產及負債

- a) 於二零零七年十二月三十一日，本公司已向銀行提供無條件擔保，以擔保若干附屬公司約237,000,000港元(二零零六年：658,000,000港元)之信貸融資。於結算日，附屬公司已動用該等融資中約151,000,000港元(二零零六年：478,000,000港元)。
- b) 於二零零七年十二月三十一日，本公司已就銀行為一間附屬公司所承擔之合約向第三者發出保函，向銀行作出公司擔保約268,000港元(二零零六年：402,000港元)。

30. 重要關連人士交易

- a) **主要管理人員酬金**
全部主要管理人員均為本公司董事，其酬金披露於附註7：



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30. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

b) Financing arrangements

	Note 附註	Amounts owed by related parties As at 31 December 關聯人士欠款 於十二月三十一日		Amounts owed to related parties As at 31 December 關聯人士欠款 於十二月三十一日		Related interest (expenses)/income Year ended 31 December 相關利息(支出)/收入 截至十二月三十一日止年度	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Due to a related company	應付一間關聯公司款項 (i)	-	-	2,489	-	-	-
Due to the ultimate holding company	應付最終控股公司款項 (i)	-	-	6	-	-	-
Loan from a fellow subsidiary	應收同系一間附屬公司之貸款 (ii)	-	-	302	-	(2)	-
Loan to a fellow subsidiary	給予同系一間附屬公司之貸款 (i), (iii)	54	-	-	-	-	-
Loan to a director of a subsidiary	給予一間附屬公司董事之貸款 (iii), (iv)	490	990	-	-	39	61

Notes:

- The outstanding balances with these related parties are unsecured, interest free and have no fixed repayment terms. The amounts owed to related parties are included in "Trade and other payables" (note 21) and the amount owed by a related party are included in "other non – current financial assets" (note 17).
- The loan from a fellow subsidiary is generally non-trade in nature, unsecured and settlement is neither planned nor likely to occur in the foreseeable future. Interest incurred by the fellow subsidiary on bank borrowings taken to provide financing to this subsidiary is charged to the Company based on utilisation of funds by the subsidiary. The effective interest rate ranges from approximately 3.0% to 5.8% per annum. The interest rates will be repriced within six months of the balance sheet date.

附註：

- 該等關聯人士之未償還結餘乃無抵押、不計息及無固定還款期。結欠關聯人士之款項乃計入「貿易及其他應付款項」(附註21)，而關聯人士欠款則計入「其他非流動財務資產」(附註17)。
- 同系一間附屬公司提供之貸款一般屬非貿易性質，無抵押，且無償還計劃，亦不大可能於可預見將來償還。同系附屬公司因獲取銀行借貸以向該附屬公司提供融資而產生之利息由本公司支付，乃根據該附屬公司運用資金之情況計算。實際利率介乎於每年約3.0%至5.8%。利率將於結算日起計六個月內重新釐定。



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30. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

b) Financing arrangements (Continued)

Notes: (Continued)

- iii) No provision for bad or doubtful debts has been made in respect of these loans.
- iv) Further details of the loan to this individual, being a director of a subsidiary, are disclosed in note 17.

Details of new loans and loans repaid during the period are disclosed in the cash flow statement.

c) Other related party transactions

- i) During the year ended 31 December 2007, the Group acquired the entire interest in the Goldease Group from HFC. Further details of this transaction are disclosed in note 31.
- ii) During the year ended 31 December 2007, the Group paid management fee of approximately HK\$2.7 million (2006: Nil) to the HF Land Group for share of administrative expenses.
- iii) During the year ended 31 December 2007, the Group paid to fellow subsidiaries for an amount of approximately HK\$327,000 (2006: Nil) for share of office expenses.

30. 重要關連人士交易(續)

b) 融資安排(續)

附註:(續)

- iii) 並無就該等貸款作出呆壞賬撥備。
- iv) 有關給予此人士(即一間附屬公司之董事)之貸款之進一步詳情乃披露於附註17。

期內新增貸款及已償還貸款之詳情乃披露於現金流量表。

c) 其他關連交易

- i) 於截至二零零七年十二月三十一日止年度內,本集團向鴻福實業收購Goldease集團之全部權益。有關此項交易之進一步詳情乃披露於附註31。
- ii) 於截至二零零七年十二月三十一日止年度,本集團因分佔行政開支而向HF Land集團支付管理費約2,700,000港元(二零零六年:零)。
- iii) 於截至二零零七年十二月三十一日止年度,本集團因分佔辦公室開支而向同系附屬公司支付行政開支約327,000港元(二零零六年:零)。



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31. GROUP REORGANIZATION AND ACQUISITION OF SUBSIDIARIES

a) Group reorganization

During the year, the Group underwent a reorganization (the "Group Reorganization"), details of which are set out in the Company's circular dated 30 June 2007 and which was completed on 1 August 2007. Pursuant to the Group Reorganization, the Company distributed of all the ordinary shares of HK\$0.05 each held by it in the issued share capital of Hong Fok Land International Limited ("HF Land"), a company incorporated in Bermuda with limited liability and which was then a wholly-owned subsidiary of the Company before 1 August 2007, in specie out of its credit arising from the Company's retained profits and contributed surplus to the equity shareholders of the Company whose names appeared on the Register of Members of the Company at the close of business day on 25 July 2007 on a one for one basis. The assets of HF Land include an approximate 20.2% interest in HFC.

Subsequent to the Group Reorganization:

- (i) the Company continues to be a listed company and the Group excluding the HF Land Group continues carrying on the businesses which include the Group's property related businesses, including the holding of the redevelopment project at 38 Conduit Road in Hong Kong, and the provision of horticultural services;

31. 集團重組及收購附屬公司

a) 集團重組

年內，本集團進行重組（「集團重組」），有關詳情載於本公司於二零零七年六月三十日刊發之通函內，而集團重組已於二零零七年八月一日完成。根據集團重組，本公司按等份基準透過資本化本公司保留溢利及繳入盈餘產生之進賬，向於二零零七年七月二十五日營業時間結束時名列本公司股東名冊之本公司權益持有人實物分派於 Hong Fok Land International Limited（「HF Land」）（一間於百慕達註冊成立之有限公司，於二零零七年八月一日前為本公司之全資附屬公司）之已發行股本中其所持有之所有每股面值 0.05 港元之普通股。HF Land 之資產包括於鴻福實業約 20.2% 之權益。

於集團重組後：

- i) 本公司繼續為上市公司，本集團（不包括 HF Land 集團）亦繼續經營有關業務，其中包括本集團之物業相關業務（包括持有香港干德道 38 號之重建項目）及提供園藝服務；



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31. GROUP REORGANIZATION AND ACQUISITION OF SUBSIDIARIES (CONTINUED)

a) Group reorganization (Continued)

- ii) the HF Land Group continues carrying on the businesses which includes the Group's previous holding of the properties at 15 and 17 Magazine Gap Road in Hong Kong, certain properties in the PRC and an approximately 20.2% interest in HFC, the Group's previous associate; and
- iii) the HF Land's shares were distributed in specie to the Company's shareholders whose names appeared on the Register of Members of the Company at the close of business day on 25 July 2007 on the basis of one HF Land share for each of the Company's shares held.

b) Acquisition of subsidiaries

Pursuant to an agreement entered into with HFC, an associate of the Company at the date of the agreement, during the year, the Group acquired the 100% equity interest in the Goldease Group from HFC. The consideration was settled partly in cash and partly by the issue of 900 million new ordinary shares of the Company to HFC after which the latter became the ultimate holding company of the Company.

31. 集團重組及收購附屬公司(續)

a) 集團重組(續)

- ii) HF Land集團繼續經營有關業務，其中包括本集團先前持有香港馬己仙峽道15及17號之物業、於中國之若干物業及於鴻福實業(本集團之先前聯營公司)約20.2%之權益；及
- iii) HF Land股份已實物分派予於二零零七年七月二十五日營業時間結束時名列本公司股東名冊之本公司股東，基準為每持有1股本公司股份獲分派1股HF Land股份。

b) 收購附屬公司

根據年內與鴻福實業(於協議日期為本公司之聯營公司)訂立之協議，本集團向鴻福實業收購Goldease集團之100%股權。代價部份以現金支付，而部份則透過向鴻福實業發行900,000,000股本公司新普通股方式支付，此後鴻福實業成為本公司之最終控股公司。



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31. ACQUISITION OF SUBSIDIARIES (CONTINUED)

The acquisition of the entire interest in the Goldease Group had the following effect on the Group's assets and liabilities:

31. 收購附屬公司(續)

收購 Goldease 集團之全部權益對本集團資產及負債之影響如下：

		Carrying values prior to acquisition 收購前賬面值 HK\$'000 千港元	Fair value adjustments 公平值調整 HK\$'000 千港元	Carrying values upon acquisition 收購後賬面值 HK\$'000 千港元
Acquiree's net assets at the date of acquisition	被收購公司於收購 日期之資產淨值			
Fixed assets	固定資產	642	–	642
Property held for sale	持作出售之物業	133,123	31,041	164,164
Trade and other receivables	貿易及其他應收賬項	1,671	–	1,671
Cash and cash equivalents	現金及現金等價物	10,847	–	10,847
Trade and other payables	貿易及其他應付賬項	(3,540)	–	(3,540)
Tax payables	應付稅項	(812)	–	(812)
Amount due to the ultimate holding company	應付最終控股公司款項	(6)	–	(6)
Deferred tax liabilities	遞延稅項負債	–	(5,588)	(5,588)
Bank borrowings	銀行借貸	(37,009)	–	(37,009)
Net assets acquired	所收購之資產淨值	104,916	25,453	130,369
Goodwill (note 14)	商譽(附註14)			321,122
				451,491
Satisfied by:	支付方式為：			
– Cash consideration	– 現金代價			23,991
– 900 million new shares of the Company (note)	– 900,000,000 股 本公司新股份(附註)			427,500
				451,491
Net outflow of cash and cash equivalents in respect of the acquisition of subsidiaries:	有關收購附屬公司之現金 及現金等價物流出淨額：			
Cash consideration	現金代價			23,991
Less: Cash and cash equivalents acquired	減：所收購之現金及 現金等價物			(10,847)
Net outflow of cash and cash equivalents	現金及現金等價物 流出淨額			13,144



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31. ACQUISITION OF SUBSIDIARIES (CONTINUED)

Note: As part of the consideration for the acquisition of the Goldease Group, 900 million new ordinary shares of the Company with par value of HK\$0.05 each were issued. The fair value of these 900 million ordinary shares of the Company, determined using the published price available at the date of the acquisition, amounted to HK\$427,500,000.

The Goldease Group's loss of approximately HK\$402,000 since the date of acquisition included in the Group's loss for the period.

If the acquisition had been completed on 1 January 2007, the Group's total revenue for the period would have been HK\$89,201,000 and loss for the period would have been HK\$289,456,000. This pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2007, nor is it intended to be a projection of future results.

32. COMPARATIVE FIGURES

As a result of adopting HKFRS 7, Financial instruments: Disclosures, and the amendments to HKAS 1, Presentation of financial statements: Capital disclosures, certain comparative figures have been adjusted to conform with changes in disclosures in the current year and to show separately comparative amounts in respect of items disclosed for the first time in the year ended 31 December 2007. Further details of these developments are disclosed in note 2.

31. 收購附屬公司(續)

附注：作為收購Goldease集團代價之一部份，本公司已發行900,000,000股每股面值0.05港元之本公司新普通股。該900,000,000股本公司普通股之公平值乃採用於收購日已公佈之價格釐定，為427,500,000港元。

Goldease集團自收購日以來產生虧損約402,000港元已計入本集團於該期間之虧損。

倘收購於二零零七年一月一日完成，本集團於該期間之總收入應為89,201,000港元，虧損應為289,456,000港元。備考資料僅作說明用途，並不構成倘收購於二零零七年一月一日完成本集團實際將實現之經營收入與業績之指示，亦非對未來業績之預期。

32. 比較數字

因應採納香港財務報告準則第7號「金融工具：披露」及香港會計準則第1號「財務報表之呈列：資本披露」之修訂，若干比較數字已作出重列，以符合本年度之披露變動，並於截至二零零七年十二月三十一日止年度首次就所披露項目單獨列示比較金額。有關此等變動之進一步詳情乃披露於附註2。



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33. IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 December 2007, the directors consider the immediate parent and ultimate controlling party of the Company to be HFL International Consortium Limited, which is incorporated in Cayman Islands with limited liability, and Hong Fok Corporation Limited, which is incorporated with limited liability and listed in the Republic of Singapore, respectively. The immediate parent company does not produce financial statements available for public use while the ultimate controlling party produces financial statements for public use.

34. ACCOUNTING ESTIMATES AND JUDGEMENTS

Key sources of estimation uncertainty

Notes 13, 14, and 27 contain information about the assumptions and their risk factors relating to valuation of investment properties, goodwill impairment and financial instruments. Other key sources of estimation uncertainty are as follows:

33. 直接及最終控股人士

於二零零七年十二月三十一日，董事認為，本公司之直接母公司及最終控股人士分別為HFL International Consortium Limited（於開曼群島註冊成立之有限公司）及鴻福實業有限公司（於新加坡共和國註冊成立並在當地上市之有限公司）。直接母公司並不編製可供公眾使用之財務報表，而最終控股人士則編製供公眾使用之財務報表。

34. 會計估計及判斷

估計不確定因素之主要來源

附註13、14及27載列有關投資物業估值、商譽減值及金融工具之假設及其風險因素之資料。其他估計不確定因素之主要來源如下：



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34. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Key sources of estimation uncertainty (Continued)

a) *Depreciation*

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives, after taking into account the estimated residual value. The Group reviews annually the useful life of an asset and its residual value, if any. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

b) *Valuation of inventories*

Inventories are stated at the lower of cost and net realizable value at the balance sheet date. Net realizable value is determined on the basis of the estimated selling price less the estimated costs necessary to make the sale. The directors estimate the net realizable value for inventories based primarily on the latest invoice prices and current market conditions. In addition, the directors perform an inventory review on a product-by-product basis at each year end date and assess the need for write down of inventories.

c) *Allowance for impairment of doubtful debts*

Allowance for impairment of doubtful debts are assessed and provided based on the directors' regular review of ageing analysis and evaluation of collectibility. A considerable level of judgement is exercised by the directors when assessing the credit worthiness and past collection history of each individual customer. Any increase or decrease in the allowance for impairment of doubtful debts would affect profit or loss in future years.

34. 會計估計及判斷(續)

估計不確定因素之主要來源(續)

a) *折舊*

物業、廠房及設備於考慮估計餘值後按估計可用年期以直線基準折舊。本集團每年檢討物業之可用年期及其剩餘值(如有)。倘過往估計出現重大變動，未來期間之折舊及攤銷開支須予調整。

b) *存貨估值*

存貨按於結算日之成本及淨變現值之較低者列賬。淨變現值乃根據預期售價減進行銷售之預期必要成本釐定。董事認為存貨之淨變現值主要根據最近之發票價格及當前市況釐定。此外，董事於各個年末對每項產品進行存貨檢查，並評估撇銷存貨之需要。

c) *呆賬減值撥備*

呆賬減值撥備乃根據董事對賬齡分析之定期檢查及可收回性之評估進行評定及提供。董事於評估每位個人客戶之信貸價值及過往收款記錄時須作出審慎判斷。呆賬減值撥備之任何增減將影響未來年度之損益。



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34. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Key sources of estimation uncertainty (Continued)

d) *Impairment losses for goodwill*

Internal and external sources of information are reviewed by the Group at each balance sheet date to assess whether there is any indication that goodwill may be impaired. If any such indication exists, the recoverable amount of the goodwill is estimated. Changes in facts and circumstances may result in revisions to the conclusion of whether an indication of impairment exists and revised estimates of recoverable amounts, which would affect profit or loss in future years.

e) *Recognition of deferred tax assets*

Deferred tax assets in respect of tax losses carried forward are recognised and measured based on the expected manner of realization or settlement of the carrying amount of the assets, using tax rates enacted or substantively enacted at the balance sheet date. In determining the carrying amounts of deferred tax assets, expected taxable profits are estimated which involves a number of assumptions relating to the operating environment of the Group and requires significant level of judgement exercised by the directors. Any change in such assumptions and judgement would affect the carrying amounts of deferred tax assets to be recognised and hence the net profit in future years.

34. 會計估計及判斷(續)

估計不確定因素之主要來源(續)

d) *商譽減值虧損*

本集團於每個結算日檢討內部及外部資料來源，以評估是否有任何跡象顯示商譽出現減值。倘出現任何該等跡象，則估計商譽之可收回金額。事實及情況之變動可能會導致對是否出現減值跡象之結論及可收回金額之估計作出修訂，從而影響未來年度之損益。

e) *遞延稅項資產之確認*

有關結轉稅項虧損之遞延稅項資產，乃按資產賬面值之預期變現或清償方式，採用於結算日已實行或大致上已實行之稅率確認及計量。在釐定遞延稅項資產之賬面值時，預期應課稅溢利之估計涉及多項有關本集團營運環境之假設，需要董事作出很大程度上之判斷，此等假設及判斷之任何變動將影響將予確認之遞延稅項資產賬面值，繼而影響未來年度之溢利淨額。



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35. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2007

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2007 and which have not been adopted in these financial statements.

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

In addition, HKFRS 8, Operating segments, which is effective for annual periods beginning on or after 1 January 2009, may result in new or amended disclosures in the financial statements.

35. 於截至二零零七年十二月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響

截至此等財務報表刊發日期，香港會計師公會已頒佈多項於截至二零零七年十二月三十一日止年度尚未生效而本財務表亦未採用之修訂、新訂準則及詮釋。

本集團正對預期此等修訂、新準則及新詮釋對首次採用期間之影響進行評估。迄今為止結論為採用該等修訂、新準則及新詮釋對本集團經營業績及財務狀況產生重大影響之可能性不大。

此外，香港財務報告準則第8號「經營分類」（於二零零九年一月一日或之後開始之年度期間生效）可能導致須於財務報表內作出新訂或修訂披露。



Group Properties 集團物業

Particulars of the Group's major properties held for sale or for investment as at 31 December 2007 are as follows:

本集團於二零零七年十二月三十一日之主要持作出售或投資物業詳情如下：

Properties held for sale		持作出售物業	
Location 地點	Existing Use 現在用途	Gross floor area sq. m. 總建築面積 平方米	Percentage interest attributable to the Group 本集團應佔權益 百分比
4 units of ten@suffolk at Suffolk Road, Singapore 新加坡	Residential 住宅	427	100%
10 units of Jewel of Balmoral at Balmoral Park, Singapore 新加坡	Residential 住宅	1,351	100%

Properties held for investment		持作投資物業	
Location 地點	Existing Use 現在用途		Term of lease 租用年期
38 Conduit Road, Hong Kong 香港干德道38號	Residential premises redevelopment commenced in 2006 供出租之住宅物業，於二零零六年展開重建		Long term 長期

