

ANNUAL REPORT 2007 年報



**豐采** 多媒體集團  
Riche multi-media

Riche Multi-Media Holdings Limited

(Incorporated in Bermuda with limited liability)

**豐采多媒體集團有限公司**

(於百慕達註冊成立之有限公司)

Stock Code 股份代號：0764

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## BOARD OF DIRECTORS

### Executive directors

Mr. Heung Wah Keung (Chairman)  
Ms. Chen Ming Yin, Tiffany (Vice Chairman)

### Independent non-executive directors

Mr. Tang Chak Lam, Gilbert  
Mr. Ho Wai Chi, Paul  
Mr. Lien Wai Hung

## COMPANY SECRETARY

Mr. Chan Kin Wah, Billy

## AUDIT COMMITTEE

Mr. Tang Chak Lam, Gilbert  
Mr. Ho Wai Chi, Paul  
Mr. Lien Wai Hung

## REMUNERATION COMMITTEE

Ms. Chen Ming Yin, Tiffany  
Mr. Tang Chak Lam, Gilbert  
Mr. Lien Wai Hung

## NOMINATION COMMITTEE

Mr. Heung Wah Keung  
Mr. Tang Chak Lam, Gilbert  
Mr. Lien Wai Hung

## FINANCE COMMITTEE

Mr. Heung Wah Keung  
Mr. Ho Wai Chi, Paul

## REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

## 董事會

### 執行董事

向華強先生 (主席)  
陳明英女士 (副主席)

### 獨立非執行董事

鄧澤林先生  
何偉志先生  
連偉雄先生

## 公司秘書

陳健華先生

## 審核委員會

鄧澤林先生  
何偉志先生  
連偉雄先生

## 薪酬委員會

陳明英女士  
鄧澤林先生  
連偉雄先生

## 提名委員會

向華強先生  
鄧澤林先生  
連偉雄先生

## 財務委員會

向華強先生  
何偉志先生

## 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

**HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS**

Room 3408  
34/F Shun Tak Centre, West Tower  
168 – 200 Connaught Road Central  
Hong Kong

**總辦事處及主要營業地點**

香港  
干諾道中 168-200 號  
信德中心西翼 34 樓  
3408 室

**BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE**

The Bank of Bermuda Limited  
Bank of Bermuda Building  
6 Front Street  
Hamilton HM11  
Bermuda

**百慕達股份過戶登記總處**

The Bank of Bermuda Limited  
Bank of Bermuda Building  
6 Front Street  
Hamilton HM11  
Bermuda

**HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

Tricor Standard Limited  
Share Registration Public Office  
26th Floor, Tesbury Centre  
28 Queen's Road East  
Wanchai  
Hong Kong

**香港股份過戶登記分處**

卓佳標準有限公司  
證券登記服務處  
香港  
灣仔  
皇后大道東 28 號  
金鐘滙中心 26 樓

**AUDITORS**

HLB Hodgson Impey Cheng  
Chartered Accountants  
Certified Public Accountants

**核數師**

國衛會計師事務所  
英國特許會計師  
香港執業會計師

**PRINCIPAL BANKERS**

Bank of China (Hong Kong) Limited  
Hang Seng Bank Limited  
Hang Seng Bank (China) Limited  
Seng Heng Bank Limited

**主要往來銀行**

中國銀行(香港)有限公司  
恒生銀行有限公司  
恒生銀行(中國)有限公司  
誠興銀行有限公司

**STOCK CODE**

764

**股份代號**

764

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### To our Shareholders

In view of the downturn of Hong Kong film industry, we actively expanded our businesses in 2006 and 2007 to build a solid foundation to take the Group forward to strides. With the acquisition of the investment properties in Beijing in 2006 and several capital raising activities in 2007, our net asset value has exceeded HK\$1 billion during the year.

Our investment properties in Beijing are now named "Shama Luxe Chang An". Due to the linkage of its water system, we have experienced a delay in the completion of renovation of Shama Luxe Chang An. It is expected that Shama Luxe Chang An will commence business in early June 2008. Sales and marketing activities for Shama Luxe Chang An have been launched and we have received overwhelming responses.

As Macau has successfully established itself as a world-class gaming and leisure destination in Asia in recent years, Macau is one of the fastest growing economy in Asia. With a view to further diversify our revenue sources and capture the continuing growth of Macau's economy, we are in the process of acquiring a 50% interest in Kingsway Hotel Limited from China Star Entertainment Limited, our substantial shareholder. Kingsway Hotel is currently under renovation to becoming a luxurious boutique hotel and the renovation is expected to be completed in September 2008. Completion of the acquisition of the 50% interest in Kingsway Hotel Limited is expected to take place in the second quarter of 2008.

Macau is the only city in China where gaming is allowed. Recently, Macau has been ahead of Las Vegas in the United States of America and has become the largest gaming city in the world. In view of the strong growth in Macau's gaming sector, we entered into a transaction, in March 2008, for the proposed acquisition of a 100% interest in a company, which is a management services provider to the Concierge Department of a gaming promoter in Macau. The monthly service fee earned by the company is calculated at 0.03% of the monthly rolling turnover generated by the gaming promoter. A special general meeting of the Company will be convened and held for our shareholders to consider and approve the proposed acquisition.

### 致股東：

鑑於香港電影業衰退，本集團於二零零六年及二零零七年積極擴闊本集團之業務，以建立良好基礎讓本集團邁步向前。於二零零六年收購於北京之投資物業及於二零零七年進行若干集資活動後，本集團於年內之資產淨值已超過1,000,000,000港元。

本集團位於北京之投資物業現已命名為「莎瑪·長安」。由於其水管系統之接駁問題，本集團於莎瑪長安之翻新工程延遲竣工。預期莎瑪長·安將於二零零八年六月初啟業。莎瑪·長安之銷售及推廣活動經已展開，反應極為熱烈。

隨著澳門已成功變身為亞洲區世界級博彩及消閒目的地，澳門躋身成為亞洲發展最迅速之經濟體之一。本集團為進一步多元化其收益來源，以及把握澳門經濟之持續增長，現正向本公司之主要股東中國星集團有限公司收購Kingsway Hotel Limited之50%權益。金域酒店現正進行翻新，以改建為一間豪華精品酒店，而翻新工程預期將於二零零八年九月完成。收購Kingsway Hotel Limited之50%權益預期將於二零零八年第二季完成。

澳門為中國唯一准許博彩業務之城市。最近，澳門已超越美國拉斯維加斯，成為全世界首屈一指之博彩城市。鑑於澳門博彩業發展蓬勃，本公司於二零零八年三月就建議收購一間公司之100%權益訂立一項交易。該公司為一名管理服務供應商，向澳門一名博彩推廣員之禮賓部提供服務。該公司賺取之每月服務費乃按該博彩推廣員所產生每月累計營業額之0.03%計算。本公司將召開及舉行股東特別大會，以便本公司股東考慮及批准建議收購事項。

## Chairman's Statement

### 主席報告

In 2006 and 2007, we took initiatives to diversify our revenue sources and improve our profitability. We are confident that Shama Luxe Chang An and Kingsway Hotel will provide the Group with stable resources of income which have a positive impact on the Group's profitability.

Finally, I would like to thank our board of directors, shareholders and other stakeholders for their continued support and our employees for contributing their energy and skills this past year.

#### **Heung Wah Keung**

*Chairman*

Hong Kong, 25 April 2008

於二零零六及二零零七年，本集團採取措施多元化收益來源，提升盈利能力。本集團有信心，莎瑪長安及金域酒店將為本集團提供穩定收入來源，為本集團之盈利能力具有良好影響。

最後，本人謹此對本集團董事會、股東及其他人士之鼎力支持致以衷心謝意，並多謝各員工在過往一年內所作努力及貢獻。

主席

**向華強**

香港，二零零八年四月二十五日

### FINANCIAL REVIEW

The Group recorded a turnover of HK\$38,739,000 for the year ended 31 December 2007, a 122% increase from HK\$17,476,000 for the previous year. Of the total turnover amount, HK\$35,822,000 or 92% was generated from sales of financial assets and HK\$2,917,000 or 8% was generated from property investment. The profit for the year ended 31 December 2007 was HK\$25,694,000, whereas the Group recorded a loss of HK\$21,294,000 in the year ended 31 December 2006. The turnaround was attributable to the recognition of a gain of HK\$106,956,000 arising from the secured bank loan interest waived by China Merchants Bank and the increase in fair value of the Group's investment properties of HK\$43,853,000, which were partially offset by the impairment loss recognised in respect of goodwill of HK\$37,828,000, the provision for deferred taxation of HK\$13,156,000 arising from the revaluation of investment properties and the increases in administrative expenses and finance costs.

Cost of sales for the year ended 31 December 2007 amounted to HK\$28,958,000, of which HK\$28,100,000 was related to sales of financial assets and HK\$858,000 was related to property investment.

Gross profit for sales of financial assets amounted to HK\$7,722,000 in the year ended 31 December 2007. Taking into account the dividend income of HK\$78,000, the performance of the Group's sales of financial assets was a profit of HK\$7,800,000. As volatility in equity market remained high, the Group sold all of its financial assets in the second half of 2007.

Gross profit for property investment amounted to HK\$2,059,000 in the year ended 31 December 2007. As the Group's investment properties were under renovation during the year ended 31 December 2007, the contribution represented the rental income generated from the leasing of the ground floor of the Group's investment properties to a restaurant operator.

### 財務回顧

截至二零零七年十二月三十一日止年度，本集團錄得營業額38,739,000港元，較去年之17,476,000港元增加122%。總營業額其中之35,822,000港元或92%來自銷售金融資產，2,917,000港元或8%來自物業投資。截至二零零七年十二月三十一日止年度之溢利為25,694,000港元，而本集團於截至二零零六年十二月三十一日止年度錄得虧損21,294,000港元。轉虧為盈乃由於確認招商銀行豁免有抵押銀行貸款利息所產生之收益106,956,000港元，以及本集團投資物業公平值增加43,853,000港元所致，並由已確認商譽減值虧損37,828,000港元、投資物業重估產生之遞延稅項撥備13,156,000港元、以及行政開支及融資費用增加所部分抵銷。

截至二零零七年十二月三十一日止年度之銷售成本為28,958,000港元，其中28,100,000港元與銷售金融資產相關，858,000港元與物業投資相關。

截至二零零七年十二月三十一日止年度，銷售金融資產之毛利為7,722,000港元。經計入股息收入78,000港元，本集團銷售金融資產之業績為溢利7,800,000港元。由於股票市場仍然相當波動，故本集團於二零零七年下半年出售其全部金融資產。

截至二零零七年十二月三十一日止年度，物業投資之毛利為2,059,000港元。由於本集團之投資物業於截至二零零七年十二月三十一日止年度正在翻新，故該貢獻為出租本集團之投資物業地下予一餐廳經營者所產生之租金收入。

Other income increased from HK\$5,560,000 in the year ended 31 December 2006 to HK\$106,956,000 in the year ended 31 December 2007. The substantial increase was attributed to the recognition of a gain of HK\$106,956,000 arising from the secured bank loan interest waived by China Merchants Bank.

At the end of financial year, the directors reassessed the recoverable amount of Shinhan-Golden Faith International Development Limited (“Shinhan-Golden”) (the immediate holding company of Beijing Jianguo Real Estate Development Co. Ltd.), with reference to the valuation performed by an independent valuer, and determined that an impairment loss in respect of goodwill of HK\$37,828,000 was recognised in the year ended 31 December 2007.

Administrative expenses (net of depreciation, impairment losses and loss on disposal of property, plant and equipment) amounted to HK\$66,453,000 for the year ended 31 December 2007, a 189% increase from HK\$23,008,000 as compared to the correspondence figure for the previous year. The increase was mainly attributed to the full year effect of the engagements of external consultants for the renovation works of the Group’s investment properties, the payment of pre-operating services fee to Shama, the management company of the Group’s investment properties, and the share-based payment expenses of HK\$32,282,000 in relation to share options granted, of which HK\$25,912,000 was related to the Group’s employees and HK\$6,370,000 was related to the consultants.

Finance costs increased from HK\$9,615,000 in the year ended 31 December 2006 to HK\$19,494,000 in the year ended 31 December 2007. The substantial increase was attributable to the full year effect of the interest expenses of Beijing Jianguo Real Estate Development Co. Ltd. (“Beijing Jianguo”) as the acquisition of a 96.7% interest in the registered capital of Beijing Jianguo was completed in June 2006.

其他收入由截至二零零六年十二月三十一日止年度之5,560,000港元增加至截至二零零七年十二月三十一日止年度之106,956,000港元。大幅增加乃由於確認招商銀行豁免有抵押銀行貸款利息所產生之收益106,956,000港元所致。

於財政年度結算日，董事參考獨立估值師進行之估值重新評估北京建國房地產開發有限公司之直接控股公司Shinhan-Golden Faith International Development Limited (「Shinhan-Golden」)之可收回金額，並釐定截至二零零七年十二月三十一日止年度已確認商譽減值虧損為37,828,000港元。

截至二零零七年十二月三十一日止年度，行政開支(扣除折舊、減值虧損及出售物業、廠房及設備虧損後)為66,453,000港元，較去年之相應數字23,008,000港元增加189%。增加主要由於就本集團投資物業之翻新工作委聘外界顧問之整年影響、向本集團投資物業之管理公司莎瑪支付經營前服務費及所授出購股權以股份形式支付之開支32,282,000港元(其中25,912,000港元與本集團僱員及6,370,000港元與顧問有關)所致。

融資費用由截至二零零六年十二月三十一日止年度之9,615,000港元增加至截至二零零七年十二月三十一日止年度之19,494,000港元。大幅增加乃由於在二零零六年六月完成收購北京建國房地產開發有限公司(「北京建國」)註冊資本96.7%權益而計入北京建國利息開支之整年影響所致。



At 31 December 2007, the headcount of the Group was 70. Total staff costs (including directors' remuneration) amounted to HK\$34,375,000 in the year ended 31 December 2007, a 366% increase from HK\$7,375,000 as compared to the correspondence figure for the pervious year. The increase was attributable to the inclusion of share-based payment expenses of HK\$25,912,000 and the increase in Beijing Jianguo's headcount. Employees are remunerated according to their performance and work experience. In addition to basic salaries, retirement benefits scheme and discretionary bonus, staff benefits include medical scheme and share options. An analysis of headcount and total staff costs of the Group for the years ended 31 December 2007 and 2006 is as follows:

於二零零七年十二月三十一日，本集團之僱員人數為70名。截至二零零七年十二月三十一日止年度之總員工成本(包括董事酬金)為34,375,000港元，較去年之相應數字7,375,000港元增加366%。增加乃由於以股份形式支付之開支25,912,000港元及北京建國僱員人數增加所致。僱員乃按其表現及工作經驗獲得酬金。除基本薪金、退休福利計劃及酌情花紅外，員工福利亦包括醫療計劃及購股權。本集團截至二零零七年及二零零六年十二月三十一日止年度之僱員人數及總員工成本分析如下：

		<b>Year ended 31 December</b>	
		<b>截至十二月三十一日</b>	
		<b>止年度</b>	
		<b>2007</b>	2006
		<b>二零零七年</b>	二零零六年
Total staff costs in HK\$	總員工成本 (以港元計)		
— Salaries and contribution to retirement benefits scheme	— 薪金及退休福利計劃供款		
— Hong Kong and Macau	— 香港及澳門	<b>6,901,000</b>	6,775,000
— the PRC	— 中國	<b>1,562,000</b>	600,000
— Share-based payment expenses	— 以股份形式支付之開支		
— Hong Kong and Macau	— 香港及澳門	<b>24,494,000</b>	—
— the PRC	— 中國	<b>1,418,000</b>	—
		<b>34,375,000</b>	7,375,000
Headcount	僱員人數		
— Hong Kong and Macau	— 香港及澳門	<b>19</b>	20
— the PRC	— 中國	<b>51</b>	39
		<b>70</b>	59

During the year ended 31 December 2007, the Group funded its operations through a combination of equity attributable to equity holders of the Company, the secured RMB term loan facility, the unsecured and interest-free loan from a director, issuance of new shares and the amounts due to China Star Entertainment Limited and its subsidiary. Equity attributable to equity holders of the Company at 31 December 2007 amounted to HK\$1,046,080,000 (2006: HK\$399,636,000).

於截至二零零七年十二月三十一日止年度內，本集團以本公司股權持有人應佔股權之組合、有抵押人民幣定期貸款額、董事之無抵押及免息貸款、發行新股份及應付中國星集團有限公司及其附屬公司之款項應付其營運所需。於二零零七年十二月三十一日，本公司股權持有人應佔股權為1,046,080,000港元(二零零六年：399,636,000港元)。

At 31 December 2007, the cash and cash equivalents of the Group amounted to HK\$531,396,000 (2006: HK\$63,140,000), of which HK\$16,832,000 is pledged to a bank for securing the secured RMB term loan facility. The Group's current ratio was 5.19 (2006: 1.49) at 31 December 2007. The improvements on the Group's cash position and current ratio were attributable to the issue of new shares in the year ended 31 December 2007 as detailed below.

On 4 April 2007, the board of directors proposed that every ten (10) issued and unissued existing ordinary shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) issued and unissued ordinary share of HK\$0.10 each in the share capital of the Company. The share consolidation became effective on 21 May 2007.

During the year ended 31 December 2007, the Company issued:

- (a) 1,296,860,000 new shares of HK\$0.01 each at a price of HK\$0.04 per share by way of top-up placing in March 2007 raising HK\$50,500,000 (net of expenses) for financing possible diversified investments of the Group and general working capital of the Group;
- (b) 324,000,000 new shares of HK\$0.01 each at an exercise price of HK\$0.047 per share in May 2007 pursuant to the exercise of share options granted to the Group's employees and consultants;
- (c) 155,620,000 new shares of HK\$0.10 each at a price of HK\$0.55 per share by way of placement in May 2007 raising HK\$83,300,000 (net of expenses) for financing possible diversified investments of the Group and general working capital of the Group;
- (d) 162,100,000 new shares of HK\$0.10 each at a price of HK \$0.50 per share in July 2007 by way of placement raising HK\$78,900,000 (net of expenses) for the expansion of the Group's property investment business;

於二零零七年十二月三十一日，本集團之現金及現金等價物為531,396,000港元（二零零六年：63,140,000港元），其中16,832,000港元抵押予一間銀行作為有抵押人民幣定期貸款額之抵押。於二零零七年十二月三十一日，本集團之流動比率為5.19（二零零六年：1.49）。本集團現金狀況及流動比率改善，乃由於截至二零零七年十二月三十一日止年度發行新股份所致，詳述如下。

於二零零七年四月四日，董事會建議，本公司股本中每十(10)股每股面值0.01港元之已發行及未發行現有普通股合併為本公司股本中一(1)股每股面值0.10港元之已發行及未發行普通股。股份合併於二零零七年五月二十一日生效。

於截至二零零七年十二月三十一日止年度內，本公司：

- (a) 於二零零七年三月透過先舊後新配售以每股0.04港元之價格發行1,296,860,000股每股面值0.01港元之新股份，籌集50,500,000港元（已扣除開支），用於本集團可能進行之多元化投資及本集團之一般營運資金；
- (b) 由於行使授予本集團僱員及顧問之購股權，於二零零七年五月以每股0.047港元之行使價發行324,000,000股每股面值0.01港元之新股份；
- (c) 於二零零七年五月透過配售以每股0.55港元之價格發行155,620,000股每股面值0.10港元之新股份，籌集83,300,000港元（已扣除開支），用於本集團可能進行之多元化投資及本集團之一般營運資金；
- (d) 於二零零七年七月透過配售以每股0.50港元之價格發行162,100,000股每股面值0.10港元之新股份，籌集78,900,000港元（已扣除開支），用於擴充本集團之物業投資業務；

- (e) 173,000,000 new shares of HK\$0.10 each at a price of HK\$0.83 per share in August 2007 by way of top-up placing raising HK\$139,800,000 (net of expenses) for the expansion of the Group's property investment business, including the property set out in the Company's announcement dated 23 July 2007; and
- (f) 650,619,987 new shares of HK\$0.10 each at a subscription price of HK\$0.30 per share by way of open offer on the basis of one offer share for every two existing shares in December 2007 raising HK\$189,000,000 (net of expenses) for the proposed acquisition of a 100% interest in Modern Vision (Asia) Limited as announced by the Company on 23 July 2007 and general working capital of the Group.

At 31 December 2007, the total borrowings of the Group amounted to HK\$329,719,000 (2006: HK\$358,033,000), comprising the secured RMB term loan facility of HK\$329,018,000 which is secured by certain of the Group's investment properties and bank deposits of HK\$16,832,000, interest bearing at 95% of the interest rate prescribed by the People's Bank of China for loan period of five years and repayable within four years; and the amounts due by the Group to China Star Entertainment Limited and its subsidiary of HK\$701,000 which are unsecured, interest-free and have no fixed terms of repayment. The Group expresses its gearing ratio as a percentage of total borrowings over equity attributable to equity holders of the Company. At 31 December 2007, the Group's gearing ratio was 31.5% (2006: 89.6%).

The Company has given a guarantee to the bank to secure the secured RMB term loan facility granted to Beijing Jianguo. The outstanding balance of the secured RMB term loan facility at 31 December 2007 was HK\$329,018,000 (2006: HK\$250,470,000).

On 5 November 2007, the Company obtained an unsecured and interest-free loan of HK\$45,000,000 from Ms. Chen Ming Yin, Tiffany, an executive director, to finance its working capital. The loan was repaid by the Company on 27 November 2007.

- (e) 於二零零七年八月透過先舊後新配售以每股0.83港元之價格發行173,000,000股每股面值0.10港元之新股份，籌集139,800,000港元(已扣除開支)，用於擴充本集團之物業投資業務，包括本公司於二零零七年七月二十三日刊發之公佈所載之物業；及
- (f) 於二零零七年十二月透過按每兩股現有股份獲發一股發售股份之基準進行公開發售以每股0.30港元之認購價發行650,619,987股每股面值0.10港元之新股份，籌集189,000,000港元(已扣除開支)，用於本公司於二零零七年七月二十三日所公佈建議收購Modern Vision (Asia) Limited之100%權益及本集團之一般營運資金。

於二零零七年十二月三十一日，本集團之借貸總額為329,719,000港元(二零零六年：358,033,000港元)，包括有抵押人民幣定期貸款額329,018,000港元(以本集團若干投資物業及銀行存款16,832,000港元作抵押、按中國人民銀行規定之五年貸款期利率之95%計息及須於四年內償還)以及本集團應付中國星集團有限公司及其附屬公司701,000港元(無抵押、免息及無固定還款期)。本集團以借貸總額除以本公司股權持有人應佔股權計算之百分比呈列其負債比率。於二零零七年十二月三十一日，本集團之負債比率為31.5%(二零零六年：89.6%)。

本公司已向一間銀行作出擔保，以擔保授予北京建國之有抵押人民幣定期貸款額。於二零零七年十二月三十一日尚未償還之有抵押人民幣定期貸款額為329,018,000港元(二零零六年：250,470,000港元)。

於二零零七年十一月五日，本公司已向執行董事陳明英女士取得45,000,000港元之無抵押免息貸款，以應付其營運資金。本公司已於二零零七年十一月二十七日償還該貸款。

The Group's investment properties increased from HK\$678,000,000 at 31 December 2006 to HK\$887,450,000 at 31 December 2007. The increase was mainly attributable to the additions of renovation works for the investment properties of HK\$101,347,000, the increase in fair value of investment properties of HK\$43,853,000 and the exchange alignments of HK\$48,637,000 arising from the appreciation of Renminbi. At 31 December 2007, certain of the Group's investment properties with a fair value of HK\$852,081,000 was pledged to the bank to secure the secured RMB term loan facility granted to Beijing Jianguo.

During the year, the Group invested HK\$585 in a joint venture company, namely Best Season Holdings Corp. ("Best Season") for the purpose of extending its operations in Macau. Best Season is owned as to 75% by the Group and 25% by Steve Leung Hotel Design and Management Limited ("SLHDML"). Best Season has been established to invest in, manage and conduct branding for real estate and/or related properties in Macau. In addition, the Group agreed to grant a revolving facility of up to HK\$200,000,000 to Best Season for the purpose of its business and working capital requirements. As Best Season has not secured any business, no drawdown on the revolving facility has been made.

At 31 December 2007, the Group had the following material commitments contracted but not provided for in the audited consolidated financial statements:

- (a) capital expenditures of HK\$28,750,000 in respect of the renovation works of the Group's investment properties;
- (b) a commitment of HK\$447,000,000 in respect of the proposed acquisition of a 100% interest in Exceptional Gain Profits Limited and a sale loan from China Star Entertainment Limited, a substantial shareholder;
- (c) a commitment of HK\$4,538,000 (equivalent to RMB4,234,000) in respect of the acquisition of a 3.3% interest in the registered capital of Beijing Jianguo from Beijing Urban Development Group Co. Ltd. (北京城市開發集團有限責任公司) ("Beijing Urban");

本集團之投資物業由於二零零六年十二月三十一日之678,000,000港元增加至於二零零七年十二月三十一日之887,450,000港元。增加乃主要由於投資物業翻新工程增加101,347,000港元、投資物業公平值增加43,853,000港元及因人民幣升值而產生之匯兌調整48,637,000港元所致。於二零零七年十二月三十一日，本集團公平值為852,081,000港元之若干投資物業已抵押予一間銀行，以擔保授予北京建國之有抵押人民幣定期貸款額。

年內，本集團投資585港元於一間合資企業公司Best Season Holdings Corp. (「Best Season」)，以擴展業務至澳門。Best Season由本集團與梁志天酒店設計管理有限公司(「SLHDML」)分別擁有75%及25%。Best Season已成立以為澳門之房地產及/或相關物業進行投資、管理及建立品牌形象。此外，本集團同意向Best Season授出循環貸款額達200,000,000港元，以應付其業務及營運資金所需。由於Best Season尚未取得任何業務，故並無提取循環貸款額。

於二零零七年十二月三十一日，本集團有已訂約但未於經審核綜合財務報表作出撥備之重大承擔如下：

- (a) 本集團投資物業翻新工程之資本開支28,750,000港元；
- (b) 有關建議向主要股東中國星集團有限公司收購Exceptional Gain Profits Limited之100%權益及銷售貸款之承擔447,000,000港元；
- (c) 有關向北京城市開發集團有限責任公司(「北京城市」)收購北京建國註冊資本3.3%權益之承擔4,538,000港元(相等於人民幣4,234,000元)；

(d) a commitment in respect of acquiring the registered capital of 上海昇平文化發展有限公司 from its owners at a price to be determined by the valuers in Mainland China when the laws in Mainland China allow foreign investors to own more than 51% interest in the registered capital of 上海昇平文化發展有限公司; and

(e) a revolving facility of up to HK\$200,000,000 granted to Best Season.

As the majority of the Group's transactions, assets and liabilities are denominated in Hong Kong dollars and Renminbi, the exchange risk of the Group is considered to be minimal. Accordingly, no financial instruments for hedging purposes have been used by the Group.

At 31 December 2007, the Group had no material contingent liabilities (2006: HK\$3,697,000).

### OPERATION REVIEW

In view of the persisted weak demand for Hong Kong-made movies and rampant piracy, Hong Kong film production companies have adopted a cautious approach in investing films. As the number of films produced by Hong Kong film production companies decreased in 2007, the Group was not able to source quality films at reasonable prices for distribution. Accordingly, no revenue was generated from the Group's film distribution business in the year ended 31 December 2007. However, the Group is actively seeking potential buyers for its film library to realise its value.

The Group's investment properties are currently under renovation and being transformed from an apartment complex into a high-end serviced apartment. Due to linkage of the water system of the Group's investment properties, the completion of the renovation works has to extend for replacing the water system. The Group has appointed Shama, one of the leading providers of boutique-serviced apartments, to manage the Group's investment properties. To reflect its high-quality serviced accommodation and location in the heart of Beijing City,

(d) 有關當中國大陸法例容許海外投資者擁有上海昇平文化發展有限公司超過註冊資本51%之權益時向其擁有人收購上海昇平文化發展有限公司之註冊資本之承擔(價格將由中國內地之估值師釐定); 及

(e) 授予Best Season循環貸款額達200,000,000港元。

由於本集團大部份交易、資產及負債均以港元及人民幣為單位，故本集團之外匯風險極低。因此，本集團並無使用任何金融工具作對沖用途。

於二零零七年十二月三十一日，本集團並無重大或然負債(二零零六年：3,697,000港元)。

### 業務回顧

鑑於對香港製作電影需求持續疲弱及盜版猖獗，香港電影製作公司在投資電影方面採取審慎態度。由於香港電影製作公司生產之電影數量於二零零七年有所減少，故本集團未能以合理價格取得高品質電影以予發行。因此，於截至二零零七年十二月三十一日止年度，本集團電影發行業務並無產生收益。然而，本集團正積極尋求其電影之潛在買家，以實現其價值。

本集團之投資物業現正進行翻新，由綜合公寓改建為高級服務式公寓。由於本集團投資物業供水系統連接，故須延長翻新工作之完成時間，以更換供水系統。本集團已委任莎瑪(提供優質服務式公寓之領先供應商之一)管理本集團之投資物業。為反映其高質素服務式住宿及位處北京市中心，本集團之投資物業現名為「莎瑪•長安」。於翻新工程完成後，莎瑪•長安提供204套一居至三居及多套複式套間豪華

the Group's investment properties are now named as "Shama Luxe Chang An". Upon the completion of the renovation works, Shama Luxe Chang An presents 204 sophisticated residences with one to three bedroom layouts and duplex suites, a vast clubhouse with sports, recreation and children's facilities and a large private garden. It is expected that the operations of Shama Luxe Chang An will be commenced in early June 2008.

Currently, a 3.3% interest in the registered capital of Beijing Jianguo is held by Beijing Urban. The Group is in the process of acquiring the 3.3% interest from Beijing Urban at a cost of HK\$90,000 (equivalent to RMB84,000), after deducting an amount of HK\$4,448,000 (equivalent to RMB4,150,000) paid to Beijing Urban by Shinhan-Golden in 1997. Despite the fact that Beijing Urban has entered into an agreement for foregoing its entitlement to all of the future profits of Beijing Jianguo, the directors believe that the acquisition of the remaining 3.3% interest provides the Group with a better protection on its interest in Beijing Jianguo and a greater flexibility in managing Shama Luxe Chang An. It is expected that the acquisition will be completed in the second quarter of 2008.

With a view to diversify its revenue sources and capture the continuing growth of Macau's economy, the Group entered into the following transactions in order to extend its operations in Macau:

- (a) In May 2007, the Group entered into a joint venture agreement with SLHDML for the purpose of setting up of Best Season. Best Season has been established to invest in, manage and conduct branding for real estate and/or related properties in Macau including but not limited to hotel(s), serviced apartment(s), restaurant(s), retail(s), catering(s), resort(s), club(s), residential(s) and any other service position. No contribution has been made from Best Season as Best Season has not secured any business during the year.

公寓、一個設有運動、康樂及兒童設施之大型會所以及一個大型私家花園。預期莎瑪•長安將於二零零八年六月初投入經營。

目前，北京建國註冊資本之3.3%權益由北京城市持有。本集團正在按90,000港元(相等於人民幣84,000元)(扣除Shinhan-Golden於一九九七年向北京城市支付之4,448,000港元(相等於人民幣4,150,000元)後)之成本向北京城市收購3.3%權益。儘管北京城市已訂立協議放棄其對北京建國全部未來溢利之享有權，董事相信收購餘下3.3%權益可更有效保障本集團於北京建國之權益，亦可提高管理莎瑪•長安之靈活性。預期收購事項將於二零零八年第二季完成。

為分散其收益來源及把握澳門經濟之持續增長，本集團進行以下交易，以擴充其澳門業務：

- (a) 於二零零七年五月，本集團與SLHDML訂立合營協議以成立Best Season。Best Season已成立以為澳門之房地產及/或相關物業(包括但不限於酒店、服務式公寓、餐廳、零售、飲食、渡假村、會所、住宅及任何其他服務性質之房地產)進行投資、管理及建立品牌形象。由於Best Season於年內並無取得任何業務，故Best Season並無作出貢獻。

- (b) In July 2007, the Group entered into a conditional sale and purchase agreement in relation to the proposed acquisition of a 100% interest in Modern Vision (Asia) Limited from Ms. Chen Ming Yin, Tiffany, an executive director, at a consideration of HK\$684,000,000 (subject to adjustment). The major asset of Modern Vision (Asia) Limited is its indirect 50% interest in a lot of land with the area of 4,669 square meters located in the Nam Van Lakes Zone, Macau. However, the proposed acquisition was not approved by the independent shareholders on 21 November 2007.
- (c) In August 2007, the Group entered into a conditional sale and purchase agreement in relation to the proposed acquisition of a 100% interest in Exceptional Gain Profits Limited and a sale loan from China Star Entertainment Limited at a consideration of HK\$447,000,000 satisfied by the issue of a convertible note by the Company. The major asset of Exceptional Gain Profits Limited is its 50% interest in Kingsway Hotel Limited. Kingsway Hotel is currently under renovation to becoming a luxurious boutique hotel and the renovation is expected to be completed in September 2008. The proposed acquisition was approved by the independent shareholders on 31 December 2007. Due to additional time is required for the bank to release and change of security provided in relation to Kingsway Hotel, the completion of the proposed acquisition is expected to take place in the second quarter of 2008.
- (b) 於二零零七年七月，本集團訂立有條件買賣協議，內容有關建議向執行董事陳明英女士收購 Modern Vision (Asia) Limited 之 100% 權益，代價為 684,000,000 港元(可予調整)。Modern Vision (Asia) Limited 之主要資產為其於一幅位於澳門南灣湖畔地區面積 4,669 平方米之土地之 50% 間接權益。然而，建議收購事項於二零零七年十一月二十一日不獲獨立股東批准。
- (c) 於二零零七年八月，本集團訂立有條件買賣協議，內容有關建議向中國星集團有限公司收購 Exceptional Gain Profits Limited 之 100% 權益及銷售貸款，代價為 447,000,000 港元，以本公司發行可換股票據之方式支付。Exceptional Gain Profits Limited 之主要資產為其於 Kingsway Hotel Limited 之 50% 權益。金域酒店現正進行翻新，以改建為一間豪華精品酒店，而翻新工程預期將於二零零八年九月完成。建議收購事項已於二零零七年十二月三十一日獲獨立股東批准。由於需要額外時間待銀行解除及更改就金域酒店而提供之抵押，故建議收購事項預期將於二零零八年第二季完成。

## FUTURE PROSPECTS

As Mainland China's economy continues to expand, foreign investment will continue to flow into Beijing and more multi-national corporations will establish regional offices in Beijing, resulting in an increasing need for expatriate accommodation. With the opening of Shama Luxe Chang An in early June 2008, the Group is now better positioned to take advantage of this growth. The directors believe that Shama Luxe Chang An will provide the Group with a long-term recurrent income, which have a positive impact on the Group's profitability.

## 未來前景

隨著中國經濟不斷增長，外資將繼續流入北京，且更多跨國公司將於北京設立地區辦事處，令海外僱員之住宿需要增加。莎瑪•長安於二零零八年六月初開幕，本集團目前更可有效利用此增長。董事相信，莎瑪•長安將為本集團提供長期經常性收入，對本集團之盈利能力帶來正面影響。

Macau has been successfully established itself as a world-class gaming and leisure destination in Asia in recent years. According to the Macau Government Tourism Office, the number of new visitors was up 23% to 27,000,000 in 2007. Most visitors, many of them coming under individual traveler agreements with 44 Mainland cities, need more hotels and related services. Currently, hotels in Macau are mainly five-star and three-star and there are no stylish, comfort and luxury boutique hotels in the market. As the directors believe that there is a demand for stylish, comfort and luxury boutique hotels in Macau from the growing “middle-class” Mainland visitors, the Group is in the process of acquiring Kingsway Hotel Limited. The directors also believe that Kingsway Hotel will capture a plenty of guests after its renovation in September 2008. In addition, the directors believe that the value of Kingsway Hotel will be better reflected in the Group as the acquisition of Kingsway Hotel Limited will enable the Group to build up its own branding in hotel and hospitality sector.

### PROPOSED ACQUISITION

On 28 February 2008, the Group entered into a conditional sale and purchase agreement with Well Will Investment Limited and Mr. Ng Cheuk Fai relating to the proposed acquisition of a 100% of the issued share capital of Rich Daily Group Limited from Well Will Investment Limited at an initial consideration of HK\$504,000,000 (subject to adjustment). Rich Daily Group Limited is a management services provider to the Concierge Department of a gaming promoter. The monthly service fee earned by Rich Daily Group Limited is calculated at 0.03% of the monthly rolling turnover generated by the gaming promoter. The initial consideration will be settled by the Group paying HK\$360,000,000 in cash and issuing of convertible bonds in an aggregate principal amount of HK\$144,000,000. The proposed acquisition constitutes a very substantial acquisition for the Company under the Listing Rules. Accordingly, the proposed acquisition is subject to shareholders' approval at a special general meeting.

近年，澳門已成功變身為亞洲區世界級博彩及消閒目的地。根據澳門政府旅遊局，新遊客人數上升23%至二零零七年之27,000,000人。大部分遊客(不少根據澳門與44個內地城市訂立之個人遊協議而到訪)均需要更多酒店及相關服務。現時，澳門酒店基本為五星級及三星級，而市場上並無時尚、舒適及豪華精品酒店。由於董事相信愈來愈多內地「中產」遊客對澳門時尚、舒適及豪華精品酒店有所需求，故本集團正在收購Kingsway Hotel Limited。董事亦相信金域酒店於二零零八年九月完成翻新後將能吸引大批住客。此外，由於收購Kingsway Hotel Limited將讓本集團可於酒店及款客服務業建立其自身品牌，故董事相信金域酒店之價值將於本集團貼切反映。

### 建議收購事項

於二零零八年二月二十八日，本集團與Well Will Investment Limited及吳卓徽先生訂立有條件買賣協議，內容有關向Well Will Investment Limited收購Rich Daily Group Limited已發行股本之100%，初步代價為504,000,000港元(可予調整)。Rich Daily Group Limited為一博彩推廣員禮賓部之管理服務供應商。Rich Daily Group Limited將賺取之每月服務費乃按博彩推廣員產生之每月累計營業額之0.03%計算。初步代價將以本集團支付現金360,000,000港元及發行本金總額為144,000,000港元之可換股債券支付。根據上市規則，建議收購事項構成本公司之非常重大收購事項。因此，建議收購事項須待股東於股東特別大會上批准。



### PROPOSED CAPITAL REORGANISATION AND PROPOSED CHANGE OF THE COMPANY'S NAME

On 19 March 2008, the board of directors proposed the following changes to the capital of the Company (the "Proposed Capital Reorganisation"):

- (a) share consolidation: that every ten (10) issued and unissued existing ordinary shares of HK\$0.10 each in the share capital of the Company be consolidated into one (1) ordinary share of HK\$1.00 each (the "Consolidated Share") in the share capital of the Company;
- (b) capital reduction: that the issued Consolidated Shares be reduced by cancelling from the paid-up capital thereof to the extent of HK\$0.99 of each issued Consolidated Share and reducing the nominal value of all the Consolidated Shares comprising the authorised share capital of the Company from HK\$1.00 each to HK\$0.01 each; and
- (c) share premium cancellation: that the entire amount of HK\$813,058,000 standing to the credit of the share premium account of the Company at 31 December 2007 be cancelled and such credit amount arising from the share premium cancellation be applied to the contributed surplus account of the Company where it will be utilised by the board of directors in accordance with bye-laws of the Company and all applicable laws, including to eliminate the accumulated losses of the Company of HK\$518,374,000 at 31 December 2006 entirely.

The board of directors also proposed to change the board lot size for trading in the Company's shares from 10,000 shares of HK\$0.10 each to 5,000 shares of HK\$0.01 each upon the Proposed Capital Reorganisation becoming effective.

The Proposed Capital Reorganisation will reduce the overall transaction and handling costs for dealing in the Company's shares and allow the Company to declare dividends to its shareholders at an earlier opportunity than generating profits to offset its accumulated losses.

### 建議股本重組及建議更改本公司名稱

於二零零八年三月十九日，董事會建議對本公司股本作出以下變動（「建議股本重組」）：

- (a) 股份合併：將本公司股本中每十(10)股已發行及未發行現有每股面值0.10港元之普通股合併為本公司股本中一(1)股每股面值1.00港元之普通股（「合併股份」）；
- (b) 股本削減：透過自其繳足股本註銷每股已發行合併股份0.99港元及將構成本公司法定股本之全部合併股份之面值由每股1.00港元削減至每股0.01港元削減已發行合併股份；及
- (c) 註銷股份溢價：註銷本公司於二零零七年十二月三十一日之股份溢價賬之全部進賬金額813,058,000港元，而由註銷股份溢價產生之進賬金額將由董事會根據本公司細則及一切適用法例用於本公司之實繳盈餘賬，包括全數抵銷本公司於二零零六年十二月三十一日之累計虧損518,374,000港元。

董事會亦建議於建議股本重組生效後，將本公司股份之每手買賣單位由10,000股每股面值0.10港元之股份更改為5,000股每股面值0.01港元之股份。

建議股本重組將減少本公司股份之整體交易及手續成本，並容許本公司有較早時機向股東宣派股息，毋須產生溢利以抵銷本公司之累計虧損。

On 19 March 2008, the board of directors also proposed to change the Company's name from "Riche Multi-Media Holdings Limited" to "China Star Investment Holdings Limited" and upon the name change become effective, the new Chinese name "中國星投資有限公司" will be adopted to replace "豐采多媒體集團有限公司" for identification purposes only. The directors believe that the change of the Company's name would reflect China Star Entertainment Limited is the largest shareholder of the Company and would provide a better reflection of the existing business of the Group as the name "Riche Multi-Media Holdings Limited" has over the years been synonymous with film distribution and multi-media business.

A special general meeting will be held on 30 April 2008 for shareholders to consider and approve the Proposed Capital Reorganisation and the proposed change of the Company's name.

於二零零八年三月十九日，董事會亦建議將本公司名稱由「Riche Multi-Media Holdings Limited」更改為「China Star Investment Holdings Limited」，並於更改名稱生效後，將採納新中文名稱「中國星投資有限公司」以取代「豐采多媒體集團有限公司」以資識別。由於名稱「Riche Multi-Media Holdings Limited」多年來等同電影發行及多媒體業務，董事會相信，更改本公司名稱將反映中國星集團有限公司為最大股東，並將更貼切反映本集團之現有業務。

本公司將於二零零八年四月三十日舉行股東特別大會，以便股東考慮及酌情批准建議股本重組及建議更改本公司名稱。

### CORPORATE GOVERNANCE PRACTICES

The board of directors of the Company (the “Board”) is committed to maintaining high standards of corporate governance, in line with the principles of the code provisions of the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

In the opinion of the Board, the Company had complied with the Code throughout the year ended 31 December 2007, except that the non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election pursuant to the Company’s bye-laws.

The Board periodically reviews and improves the corporate governance practices and standards of the Company with a view to continuously improve the Company’s corporate governance practices by assessing their effectiveness with evolving standards to meet changing circumstances and needs.

### DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules for securities transactions by the directors of the Company. All the members of the Board have confirmed that they have complied with the required standard as set out in the Model Code throughout the year ended 31 December 2007.

### FINANCIAL REPORTING

The Board is responsible for presenting a balanced, clear and comprehensible assessment of the Company’s annual and interim reports, price-sensitive announcements and other financial disclosure required under the Listing Rules.

### 企業管治常規

本公司董事會(「董事會」)致力維持良好之企業管治水平，符合香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「守則」)之守則條文之原則。

董事會認為，本公司於截至二零零七年十二月三十一日止年度內一直遵守守則，惟本公司非執行董事之委任並無指定任期，且須根據本公司之公司細則輪值告退及膺選連任。

董事會定期審閱及改善企業管治常規，通過不斷演變以迎合不斷改變之情況及需要之守則，來評估其有效性，從而不斷改善本公司之企業管治常規。

### 董事證券交易

本公司已就本公司董事進行證券交易採納上市規則附錄十所載之上市公司董事進行證券交易的標準守則(「標準守則」)。全體董事會成員已確認，彼等於截至二零零七年十二月三十一日止年度內一直遵守標準守則所載之所訂標準。

### 財務報告

董事會負責對本公司年度及中期報告、股價敏感公佈及上市規則規定之其他財務披露事項作出持平、清晰及易明之評估。

### FINANCIAL REPORTING (Continued)

The directors acknowledge that it is their responsibilities for preparation of the financial statements of the Group and ensure that the financial statements are in accordance with statutory requirements and applicable accounting standards. The directors also ensure that the timely publication of the financial statements of the Group.

The directors confirm that, to the best of their knowledge, information and belief, having made all enquires, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the external auditors of the Company, HLB Hodgson Impey Cheng, about their reporting responsibilities on the financial statements of the Company is set out in the Independent Auditors' Report on pages 41 to 43 of this annual report.

### BOARD OF DIRECTORS

The Board is responsible for the leadership and control of the Company and oversees the Group's businesses, strategic direction and financial performance. The management is delegated the authority and responsibility by the Board for the management of the Group under the leadership of the Vice Chairman. In addition, the Board has also delegated various responsibilities to the four committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the Finance Committee, to assist the Board in discharging its duties and to oversee particular aspects of the Group's activities.

The day-to-day management of the Group is delegated to the Vice Chairman and the management. This delegation of authority includes responsibility for developing and formulating business plans and budgets of the Group for the Board's approval, operating the Group's businesses within the parameters set by the Board, keeping the Board informed of material developments of the Group's businesses, identifying and managing operation and other risk and implementing the policies and processes approved by the Board.

### 財務報告(續)

董事確認編製本集團財務報表乃彼等之責任，並確保財務報表遵守法律規定及適用會計準則。董事亦確保適時刊發本集團之財務報表。

董事經作出一切合理查詢後確認，就彼等所知、所得資料及所信，彼等並不知悉任何有關可能對本公司持續經營能力造成重大質疑之重大不明朗因素。

本公司外聘核數師國衛會計師事務所對彼等對本公司財務報表之申報責任發出之聲明載於本年報第41至43頁獨立核數師報告。

### 董事會

董事會負責領導及控制本公司，並監督本集團之業務、策略性方向及財務表現。董事會已授予管理層權力及責任在副主席之領導下管理本集團。此外，董事會亦將不同責任授予四個委員會(審核委員會、薪酬委員會、提名委員會及財務委員會)，以協助董事會履行其職責及監督本集團活動之特定範疇。

副主席及管理層獲授權負責本集團之日常管理。該等授權包括負責發展及制定本集團之業務計劃及預算以供董事會批准、在董事會定下之範圍內經營本集團業務、向董事會提供本集團業務重大發展之最新資料、確定及管理營運及其他風險，並實行董事會批准之政策及程序。

## BOARD OF DIRECTORS (Continued)

The composition of the Board reflects the necessary balance skills and experience desirable for effective leadership of the Company and independence in decision making.

The Board currently comprises two executive directors, namely Mr. Heung Wah Keung and Ms. Chen Ming Yin, Tiffany; and three independent non-executive directors, namely Mr. Tang Chak Lam, Gilbert, Mr. Ho Wai Chi, Paul and Mr. Lien Wai Hung. The biographies of the directors are set out under the section headed "Profiles of Directors and Senior Management" on pages 39 to 40 of this annual report.

There is no relationship between members of the Board except that Mr. Heung Wah Keung, the Chairman, is the husband of Ms. Chen Ming Yin, Tiffany, the Vice Chairman.

During the year ended 31 December 2007, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received from each of the independent non-executive directors an annual written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

During the year ended 31 December 2007, four full regular board meetings were held and the attendance of each director is set out below:

## 董事會(續)

董事會之組成反映其有效領導本公司及保持決策獨立性而具備適當所需均衡技巧及經驗。

董事會現由兩名執行董事向華強先生及陳明英女士及三名獨立非執行董事鄧澤林先生、何偉志先生及連偉雄先生組成。董事之履歷詳情載於年報第39至40頁之「董事及高級管理人員履歷」一節內。

除主席向華強先生為本公司副主席陳明英女士之丈夫外，各董事間概無任何關係。

於截至二零零七年十二月三十一日止年度內，董事會一宜遵守上市規則有關委任最少三名獨立非執行董事而最少一名獨立非執行董事具備適當專業資格或會計或相關財務管理專長之規定。

本公司已收到各獨立非執行董事根據上市規則第3.13條之規定所發出有關其獨立性之年度確認書。本公司認為全體獨立非執行董事均具獨立性。

於截至二零零七年十二月三十一日止年度內已舉行四次全體董事會會議，而各董事之個別出席紀錄載列如下：

Name of director	董事姓名	Number of meetings attended 出席董事會會議之次數	Attendance rate 出席率
Mr. Heung Wah Keung	向華強先生	4/4	100%
Ms. Chen Ming Yin, Tiffany	陳明英女士	4/4	100%
Mr. Tang Chak Lam, Gilbert	鄧澤林先生	4/4	100%
Mr. Ho Wai Chi, Paul	何偉志先生	4/4	100%
Mr. Lien Wai Hung	連偉雄先生	4/4	100%

## CHAIRMAN AND VICE CHAIRMAN

The Chairman of the Board is responsible for the leadership and effective running of the Board, while the Vice Chairman, taking the role of chief executive officer, is responsible for recommending policy and strategic directions for Board approval, implementing the strategies and policies adopted by the Board, and conducting the day-to-day management of the Group.

For ensuring the the balance of power and authority, the division of responsibilities between the Chairman of the Board and the Vice Chairman are clearly defined and have been set out in writing which was approved by the Board on 31 August 2005.

## TERMS OF NON-EXECUTIVE DIRECTORS

Code provision A.4.1 of the Code requires that non-executive directors should be appointed for a specific term, subject to re-election. The term of office for non-executive directors is subject to retirement from office by rotation and is eligible for re-election in accordance with the provisions of the Company's bye-laws. At each annual general meeting, one-third of the directors for the time being, (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation. As such, the Company considers that such provisions are sufficient to meet the underlying objective of this code provision.

## BOARD COMMITTEES

The Board has established four committees with clearly-defined written terms of reference. The main roles and responsibilities of these committees, including all authorities delegated to them by the Board, as set out in the terms of reference, are published on the Company's website, [www.riche.com.hk](http://www.riche.com.hk). The independent views and recommendations of the four committees ensure proper control of the Group and the continual achievement of the high corporate governance standards expected of a listed company. The chairman of each committee reports the outcome of the committee's meetings to the Board for further discussions and approvals.

## 主席與副主席

董事會主席負責領導董事會有效運作，而副主席（擔任行政總裁）則負責就政策及策略性方向提出建議以供董事會批准；及實行董事會所採納之策略及政策，並負責本集團之日常管理。

為確保權力和授權平衡，董事會主席及副主席之角色已清楚區分，並已載於董事會於二零零五年八月三十一日批准之書面文件。

## 非執行董事之任期

守則之守則條文A.4.1規定，非執行董事之委任應有指定任期，並須接受重新選舉。非執行董事須根據本公司之公司細則規定輪值告退及膺選連任。於各股東週年大會上，當時董事之三分之一（或倘人數並非三之倍數，則為最接近但不超過三分之一之數）須輪值告退。因此，本公司認為該等規定足以符合此守則條文之相關目標。

## 董事委員會

董事會已成立以書面具體列明職權範圍之四個委員會。該等委員會之主要職責及責任（包括所有獲董事會授予之權力）載於職權範圍內，刊登於本公司網站 [www.riche.com.hk](http://www.riche.com.hk)。四個委員會之獨立觀點及建議確保妥善控制本集團及持續達致預期上市公司應有之高企業管治水平。各委員會之主席向董事會報告委員會會議之結果，以供進一步討論及批准。

## BOARD COMMITTEES (Continued)

The majority of the members of each board committees are independent non-executive directors. The board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

### Remuneration Committee

The Remuneration Committee comprises two independent non-executive directors, namely Mr. Tang Chak Lam, Gilbert and Mr. Lien Wai Hung, and one executive director, namely Ms. Chen Ming Yin, Tiffany. Ms. Chen Ming Yin, Tiffany is the chairman of the Remuneration Committee.

The Remuneration Committee is responsible for making recommendations to the Board on the Company's remuneration policy and structure of directors and senior management. The Remuneration Committee is also responsible for establishing a formal and transparent procedure for developing policy on such remuneration policy and structure to ensure that no director or any of his/her associates will involve in deciding his/her own remuneration.

In determining any specific package for directors, the Remuneration Committee takes into account factors such as salaries paid by comparable companies, time commitment, responsibilities of the directors, employment conditions elsewhere in the Group and whether any part of the remuneration package should be performance-based.

During the year ended 31 December 2007, the Remuneration Committee met once to review the remuneration packages of the staff of the Group. All the committee members attended the meeting.

## 董事委員會(續)

各董事委員會之大部分成員為獨立非執行董事。董事委員會提供充足資源以履行彼等之責任，並應合理要求，可在適當情況下尋求獨立專業意見，費用由本公司承擔。

### 薪酬委員會

薪酬委員會由兩名獨立非執行董事鄧澤林先生及連偉雄先生以及一名執行董事陳明英女士組成。陳明英女士為薪酬委員會主席。

薪酬委員會負責就本公司董事及本集團高級管理人員之所有薪酬政策及架構向董事會提出建議。薪酬委員會亦負責就有關薪酬政策及架構建立正式及具透明度之制訂政策程序，以確保並無董事或其任何聯繫人士將參與決定其本身之薪酬。

於釐訂任何董事特定待遇時，薪酬委員會已考慮可資比較公司所付薪金、董事所付出之時間及責任、本集團其他部門之僱用條件及是否薪酬待遇之某部份須依表現計算等因素。

於截至二零零七年十二月三十一日止年度內，薪酬委員會已舉行一次會議，以檢討本集團員工之薪酬待遇。全體委員會成員均已出席會議。

## BOARD COMMITTEES (Continued)

### Nomination Committee

The Nomination Committee comprises one executive director, namely Mr. Heung Wah Keung and two independent non-executive directors, namely Mr. Tang Chak Lam, Gilbert and Mr. Lien Wai Hung. Mr. Heung Wah Keung is the chairman of the Nomination Committee.

The main function of the Nomination Committee is to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes, identify individuals suitable and qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships and assess the independence of independent non-executive directors. In addition, the Nomination Committee makes recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors in particular, the Chairman and the Vice Chairman.

During the year ended 31 December 2007, the Nomination Committee met once to review the structure, size and composition of the Board. All the committee members attended the meeting.

### Finance Committee

The Finance Committee comprises one executive director, namely Mr. Heung Wah Keung, and one independent non-executive director, namely Mr. Ho Wai Chi, Paul. Mr. Heung Wah Keung is the chairman of the Finance Committee.

The main function of the Finance Committee is to review and approve banking facilities and financial instruments to be granted or issued by the Company for the Group's needs, the provision of corporate guarantees by the Company for its subsidiaries and associates, financial assistant of the Company and the provision of financing to third parties.

During the year ended 31 December 2007, no Finance Committee meeting was held.

## 董事委員會(續)

### 提名委員會

提名委員會由一名執行董事向華強先生及兩名獨立非執行董事鄧澤林先生及連偉雄先生組成。向華強先生為提名委員會主席。

提名委員會之主要職能為定期檢討董事會之架構、規模及組成(包括技能、知識及經驗)，並就任何擬作出之變動向董事會提出建議、確定合適及合資格成為董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會提出建議，以及評估獨立非執行董事之獨立性。此外，提名委員會就有關董事委任或重新委任及董事(尤其是主席及副主席)繼任計劃事宜向董事會提出建議。

於截至二零零七年十二月三十一日止年度內，提名委員會已舉行一次會議，以檢討董事會之架構、規模及組成。全體委員會成員均已出席會議。

### 財務委員會

財務委員會由一名執行董事向華強先生及一名獨立非執行董事何偉志先生組成。向華強先生為財務委員會主席。

財務委員會之主要職能為檢討及批准本公司就本集團需要將授出或發行之銀行融資及金融工具、本公司為其附屬公司及聯營公司提供之公司擔保、本公司之財政資助以及向第三方提供融資。

於截至二零零七年十二月三十一日止年度內，財務委員會並無舉行會議。



## BOARD COMMITTEES (Continued)

### Audit Committee

The Audit Committee comprises three independent non-executive directors, namely Mr. Tang Chak Lam, Gilbert, Mr. Ho Wai Chi, Paul and Mr. Lien Wai Hung. Mr. Tang Chak Lam, Gilbert is the chairman of the Audit Committee.

The main function of the Audit Committee is to assist the Board to oversee the financial reporting system, risk management and internal control procedures and the external audit function. The Audit Committee reviews the interim and annual reports before submission to the Board for approval. The Audit Committee annually assesses the appointment of the external auditors, taking into account the quality and rigor of the audit, the quality of the audit service provided, the auditing firm's quality control procedures, relationships between the external auditors and the Company, and the independence of the external auditors.

During the year ended 31 December 2007, two Audit Committee meetings were held and the individual attendance of each member is set out below:

Name of member	成員姓名	Number of meeting attended 出席會議之次數	Attendance rate 出席率
Mr. Tang Chak Lam, Gilbert	鄧澤林先生	2/2	100%
Mr. Ho Wai Chi, Paul	何偉志先生	2/2	100%
Mr. Lien Wai Hung	連偉雄先生	2/2	100%

The Audit Committee has reviewed the accounting principles and policies adopted by the Company and discussed with management the internal controls and financial reporting matters. To monitor the integrity of the financial statements of the Company, the Auditor Committee had reviewed the unaudited interim results and annual audited results for 2007 and was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure had been made.

## 董事委員會(續)

### 審核委員會

審核委員會由三名獨立非執行董事鄧澤林先生、何偉志先生及連偉雄先生組成。鄧澤林先生為審核委員會主席。

審核委員會之主要職責為協助董事會監督財務報告制度、風險管理及內部監控程式及內部及外部審核職能。審核委員會在提交董事會批准前審閱中期報告及年報。審核委員會每年評估外聘核數師之委聘、考慮核數師行之品質控制程式、核數師行提供服務之質素、核數師行之品質控制程序、外聘核數師與本公司之間之關係及外聘核數師之獨立性。

於截至二零零七年十二月三十一日止年度內已舉行兩次審核委員會會議，而各成員之個別出席紀錄載列如下：

審核委員會已審閱本公司所採納之會計原則及政策，並與管理層討論內部監控及財務報告事宜。為監察本公司財務報表之完整性，審核委員會已審閱二零零七年未經審核中期業績及經審核年度業績，並認為該等業績乃遵照適用會計原則及規定編製，並已作出足夠披露。

## BOARD COMMITTEES (Continued)

### Audit Committee (Continued)

At the meeting held on 21 April 2008, the Audit Committee had concluded that it was satisfied with its review of the audit fee, process and effectiveness, independence and objectivity of Messrs. HLB Hodgson Impey Cheng. The Audit Committee has therefore recommended to the Board that Messrs. HLB Hodgson Impey Cheng be re-appointed as the Company's external auditors at the annual general meeting in 2008.

## AUDITORS' REMUNERATION

During the year, the Company engaged Messrs. HLB Hodgson Impey Cheng to perform audit services and non-audit services and incurred audit services fees of HK\$680,000 and non-audit services fees of HK\$1,225,000.

## INTERNAL CONTROLS

The Board is responsible for overseeing the Group's internal control system and to ensure that a sound and effective internal control system is maintained. The Board is responsible for approving and reviewing internal control policy while the responsibility of day-to-day management of operational risks and implementation of mitigation measures lies with the management. As the internal control system is designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure, and to achieve the business objectives of the Group. Accordingly, it can only provide reasonable assurance but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

## 董事委員會(續)

### 審核委員會(續)

於二零零八年四月二十一日舉行之會議上，審核委員會確認信納對國衛會計師事務所之核數費用、程序及有效性，獨立性及客觀性進行之檢討。審核委員會因此向董事會建議於二零零八年股東週年大會上續聘國衛會計師事務所為本公司之外聘核數師。

## 核數師酬金

年內，本公司委聘國衛會計師事務所進行核數服務，以及非核數服務，並產生核數服務費680,000港元及非核數服務費1,225,000港元。

## 內部監控

董事會負責監督本集團之內部監控系統，並確保維持一個健全及有效之內部監控系統。董事會負責批准及審閱內部監控政策，管理層則負責經營風險之日常管理並實施舒緩措施。由於內部監控系統旨在將本集團之風險管理於某一可接受之風險範圍內(而非杜絕失誤之風險)，並達至本集團之業務目標，故對於管理及財務信息及記錄之重大錯誤陳述，或財務損失及欺詐，內部監控系統僅可提供合理保障而非絕對保障。

### INTERNAL CONTROLS (Continued)

Key control procedures of the Group's internal control system are as follows:

- Segregation of duties and functions of the respective operational departments of the Group;
- Monitoring the strategic plan and performance;
- Designing an effective accounting and information system; and
- Controlling price-sensitive information.

The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes updating the internal control manual when there are changes to business environment or regulatory guidelines.

The Group has conducted an annual review of the effectiveness of its internal control system covering all material controls, including financial, operational and compliance as well as risk management. Besides the Group has also engaged HLB Hodgson Impey Cheng Consultants Limited (the "Consultant") to conduct review and make recommendations for the improvement and strengthening of the internal control system.

The review by the Consultant is conducted with reference to the principles outlined in Internal Control and Risk Management – A Basic Framework issued by the Hong Kong Institute of Certified Public Accountants. The assessment covers the major internal controls and measures, including financial, operational and compliance as well as risk management. Any material non-compliance or failures in internal controls maintained by the Group's management and relevant recommendations for improvements are reported to the Audit Committee.

### 內部監控(續)

本集團內部監控系統之主要控制程序如下：

- 區分本集團各經營部門之職責及職能；
- 監察策略方案及表現；
- 設計一套有效之會計及資訊系統；及
- 控制股價敏感之資料。

董事會已確立持續程序，以確定、評估及管理本集團所面對之重大風險，該程序包括當營商環境或規例指引變更時，更新內部監控系統。

管理層每年對其內部監控系統之有效性進行檢討，涵蓋包括財務、營運及合規之所有重大監管及風險管理。此外，本集團亦聘請國衛顧問有限公司（「顧問」）進行內部監控檢討、提出建議以改善及強化內部監控系統。

顧問所進行之檢討乃參考香港會計師公會頒佈之「內部監控與風險管理 — 基本架構」所概述之原則進行。評估涵蓋主要內部監控及措施，包括財務、經營、合規、及風險管理。任何重大不合規事宜或內部監控失效由本集團管理層記錄及有關改進建議則向審核委員會報告。

### INTERNAL CONTROLS *(Continued)*

Based on the assessments made by the Consultant, the Audit Committee and the Board considered that the key areas of the Group's internal control system are reasonably implemented with room for improvement. The Group shall use its best endeavour to implement the recommendations made by the Consultant in order to further improve the internal control system.

### COMMUNICATION WITH SHAREHOLDERS

The Company reports to its shareholders twice a year. Interim and annual results are announced to keep shareholders informed of the Group's performance and operations. The general meetings of the Company provide a forum for communication between the shareholders and the Board. All shareholders are encouraged to attend the annual general meeting to discuss the progress of the Group's business. The Chairman of the Board and/or the Vice Chairman, as well as chairman of the Audit Committee, Remuneration Committee, Nomination Committee and Finance Committee, or in their absence, other members of the respective committees, and where applicable, the independent Board Committee, are available to answer questions at the shareholders' meeting. Separate resolutions are proposed at shareholders' meeting on each substantial issue, including the re-election of directors. Our corporate website which contains corporate information, interim and annual reports, announcements and circulars issued by the Company, enables the Company's shareholders to access information on the Group on a timely basis.

### 內部監控(續)

根據顧問所作之評估，審核委員會及董事會認為本集團內部監控系統之主要環節均已合理落實，並有改進空間。本集團須竭力落實顧問所作之建議，以進一步改善內部監控系統。

### 與股東之溝通

本公司每年向其股東報告兩次，公佈中期報告及年報以便股東得悉本集團表現及營運之資料。本公司股東大會提供一個股東與董事會溝通之平台。本公司鼓勵全體股東出席股東週年大會以討論本集團業務之進度。董事會主席及／或副主席，以及審核委員會、薪酬委員會、提名委員會及財務委員會之主席或(在彼等缺席之情況下)各委員會之其他成員及獨立董事委員會(如適用)將於股東大會上解答提問。本公司將於股東大會上就各重大事宜(包括重選董事)提呈獨立決議案。本公司之公司網站載有公司資料、中期報告及年報、本公司刊發之公佈及通函，使本公司股東可及時獲得本集團資料。

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

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 18 to the financial statements.

### RESULTS AND APPROPRIATION

The results of the Group for the year ended 31 December 2007 are set out in the consolidated income statement on page 44 of this annual report.

The directors do not recommend the payment of a final dividend for the year ended 31 December 2007 (2006: nil). No interim dividend was paid during the year (2006: nil).

### FIVE YEARS FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years ended 31 December 2007 is set out on page 136 of this annual report.

### SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the share capital of the Company during the year are set out in note 26 to the financial statements.

Particulars of the Company's share options schemes and details of movements in the share options of the Company during the year are set out in note 38 to the financial statements.

### 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 ended 31 December 2007.

董事會欣然呈報本集團截至二零零七年十二月三十一日止年度之年報及經審核綜合財務報表。

### 主要業務

本公司為投資控股公司。其附屬公司之主要業務載於財務報表附註18。

### 業績及分派

本集團截至二零零七年十二月三十一日止年度之業績載於本年報第44頁之綜合收益表。

董事會不建議派發截至二零零七年十二月三十一日止年度之末期股息(二零零六年：無)。年內並無派發中期股息(二零零六年：無)。

### 五年財務概要

本集團截至二零零七年十二月三十一日止最近五個財政年度之業績、資產及負債概要載於本年報第136頁。

### 股本及購股權

年內本公司股本變動詳情載於財務報表附註26。

年內本公司購股權計劃資料及本公司購股權變動詳情載於財務報表附註38。

### 買賣及贖回本公司之上市證券

於截至二零零七年十二月三十一日止年度內，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

## RESERVES

Details of movements in the reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on page 48 of this annual report and in note 27 to the financial statements respectively.

## DISTRIBUTABLE RESERVES

At 31 December 2007, the Company had no reserves available for distribution.

## PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 16 to the financial statements.

## INVESTMENT PROPERTIES

Details of movements in the investment properties of the Group during the year are set out in note 17 to the financial statements.

## BANK LOANS

Particulars of bank loans of the Group at 31 December 2007 are set out in note 31 to the financial statements.

## DIRECTORS

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

### Executive directors:

Mr. Heung Wah Keung (*Chairman*)  
Ms. Chen Ming Yin, Tiffany (*Vice Chairman*)

### Independent non-executive directors:

Mr. Tang Chak Lam, Gilbert  
Mr. Ho Wai Chi, Paul  
Mr. Lien Wai Hung

## 儲備

年內本集團及本公司儲備變動之詳情分別載於本年報第48頁之綜合股本變動表及財務報表附註27。

## 可分派儲備

於二零零七年十二月三十一日，本公司並無可分派儲備。

## 物業、廠房及設備

年內本集團物業、廠房及設備之變動詳情載於財務報表附註16。

## 投資物業

年內本集團投資物業之變動詳情載於財務報表附註17。

## 銀行貸款

於二零零七年十二月三十一日之本集團銀行貸款資料載於財務報表附註31。

## 董事

年內及截至本報告日期之本公司董事如下：

### 執行董事：

向華強先生(主席)  
陳明英女士(副主席)

### 獨立非執行董事：

鄧澤林先生  
何偉志先生  
連偉雄先生

### DIRECTORS (Continued)

In accordance with the Company's bye-laws, Ms. Chen Ming Yin, Tiffany shall retire by rotation at the forthcoming annual general meeting and, being eligible, offer herself for re-election.

Biographical details of the directors are out under the section headed "Profiles of Directors and Senior Management" on pages 39 to 40 of this annual report.

### CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company considers all of the independent non-executive directors are independent.

### DIRECTORS' SERVICE CONTRACTS

No directors proposed for re-election at the forthcoming annual general meeting has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory compensation.

### DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 December 2007, none of the directors and their associates had registered any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO") and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

### 董事(續)

根據本公司之公司細則，陳明英女士將於應屆股東週年大會上輪值告退，惟符合資格膺選連任。

董事之履歷詳情載於本年報第39至第40頁之「董事及高級管理人員履歷」一節內。

### 確認獨立性

本公司已收到各獨立非執行董事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」)第3.13條之規定所發出有關其獨立性之年度確認書。本公司認為全體獨立非執行董事均具獨立性。

### 董事之服務合約

擬於應屆股東週年大會上膺選連任之董事概無訂有本公司或其任何附屬於一年內不付賠償(法定賠償除外)則不可終止之未屆滿服務合約。

### 董事於股份及相關股份之權益

於二零零七年十二月三十一日，概無董事及其聯繫人士登記於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何根據證券及期貨條例(「證券及期貨條例」)第352條須予記錄及根據上市公司董事進行證券交易的標準守則須知會聯交所之權益或淡倉。

## ARRANGEMENTS TO PURCHASE SHARES

At no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

- a. On 19 July 2007, Legend Rich Limited, a wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement with Ms. Chen Ming Yin, Tiffany, a director of the Company, pursuant to which Legend Rich Limited would acquire a 100% interest in the issued share capital of Modern Vision (Asia) Limited, a company wholly-owned by Ms. Chen Ming Yin, Tiffany, at a consideration of HK\$684,000,000 (subject to adjustment). The consideration shall be satisfied in cash. The major asset of Modern Vision (Asia) Limited is its indirect 50% interest in a lot of land with the area of 4,669 square meters located in the Nam Van Lakes Zone, Macau. The consideration is determined between Legend Rich Limited and Ms. Chen Ming Yin, Tiffany on a "willing buyer – willing seller" basis. The transaction was not approved by the independent shareholders on 21 November 2007.
- b. On 5 November 2007, the Company entered into a loan agreement with Ms. Chen Ming Yin, Tiffany, a director of the Company, pursuant to which Ms. Chen Ming Yin, Tiffany granted an unsecured and interest-free loan of HK\$45,000,000 to the Company for a period of six months from the date of the loan agreement. The Company repaid the loan on 27 November 2007.

Other than as disclosed above, 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, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## 購買股份之安排

於年內任何時間，本公司或其任何附屬公司概無參與任何安排，致使本公司董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

## 董事於重大合約之權益

- a. 於二零零七年七月十九日，Legend Rich Limited (本公司之全資附屬公司) 與陳明英女士 (本公司之董事) 訂立有條件買賣協議，據此，Legend Rich Limited 將收購 Modern Vision (Asia) Limited (陳明英女士全資擁有之公司) 已發行股本之 100% 權益，代價為 684,000,000 港元 (可予調整)，以現金支付。Modern Vision (Asia) Limited 之主要資產為其於一幅位於澳門南灣湖畔地區面積 4,669 平方米之土地之 50% 間接權益。代價乃經 Legend Rich Limited 與陳明英女士以「自願買賣雙方」之基準釐定。該交易於二零零七年十一月二十一日不獲獨立股東批准。
- b. 於二零零七年十一月五日，本公司與陳明英女士 (本公司之董事) 訂立貸款協議，據此，陳明英女士自貸款協議日期起六個月期間向本公司授出無抵押免息貸款 45,000,000 港元。本公司已於二零零七年十一月二十七日償還有關貸款。

除上文所披露者外，於年終或年內任何時間，概無本公司或其任何附屬公司訂立而本公司董事直接或間接於其中擁有重大權益之重大合約仍然生效。



### SUBSTANTIAL SHAREHOLDERS

At 31 December 2007, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of relevant interests in the issued share capital of the Company:

#### Long positions

Ordinary shares of HK\$0.10 each of the Company

### 主要股東

於二零零七年十二月三十一日，本公司根據證券及期貨條例第336條存置之主要股東登記冊顯示，下列股東已知會本公司擁有本公司已發行股本之有關權益：

#### 好倉

本公司股本中每股面值0.10港元之普通股

Name	Notes	Capacity	Interest in shares	Interest in underlying shares	Total interest	Percentage of the issued share capital of the Company
名稱	附註	身份	股份權益	相關股份權益	總權益	佔本公司已發行股本百分比
China Star Entertainment Limited 中國星集團有限公司	1 and 4 1及4	Interest of corporation 公司權益	583,606,128	447,000,000	1,030,606,128	52.80%
China Star Entertainment (BVI) Limited	1 and 4 1及4	Interest of corporation 公司權益	583,606,128	—	583,606,128	29.90%
Classical Statue Limited	1 and 4 1及4	Beneficial owner 實益擁有人	583,606,128	—	583,606,128	29.90%
Ms. Chu Yuet Wah 李月華女士	2 2	Interest of corporation 公司權益	288,007,809	—	288,007,809	14.75%
Ms. Ma Siu Fong 馬少芳女士	2 2	Interest of corporation 公司權益	288,007,809	—	288,007,809	14.75%
Kingston Securities Limited 金利豐證券有限公司	2 2	Beneficial owner 實益擁有人	288,007,809	—	288,007,809	14.75%

**SUBSTANTIAL SHAREHOLDERS** (Continued)

主要股東(續)

**Long positions** (Continued)

好倉(續)

**Ordinary shares of HK\$0.10 each of the Company**  
(Continued)

本公司股本中每股面值0.10港元之普通股  
(續)

Name	Notes	Capacity	Interest in shares	Interest in underlying shares	Total interest	Percentage of the issued share capital of the Company
名稱	附註	身份	股份權益	相關股份權益	總權益	佔本公司已發行股本百分比
Mr. Andrew Nan Sherrill 南國熙先生	3 3	Interest of corporation 公司權益	129,412,174	—	129,412,174	9.95%
Asia Vest Partners Limited	3 3	Interest of corporation 公司權益	129,412,174	—	129,412,174	9.95%
Asia Vest Partners VII Limited	3 3	Interest of corporation 公司權益	129,412,174	—	129,412,174	9.95%
Asia Vest Partners X Limited	3 3	Interest of corporation 公司權益	129,412,174	—	129,412,174	9.95%
Northbay Investments Holdings Limited	3 3	Beneficial owner 實益擁有人	129,412,174	—	129,412,174	9.95%

## SUBSTANTIAL SHAREHOLDERS (Continued)

### Long positions (Continued)

Notes:

- 583,606,128 shares are beneficially owned by Classical Statue Limited. Classical Statue Limited is a wholly-owned subsidiary of China Star Entertainment (BVI) Limited. China Star Entertainment (BVI) Limited is also a wholly-owned subsidiary of China Star Entertainment Limited, a company listed on the Stock Exchange. China Star Entertainment Limited and China Star Entertainment (BVI) Limited are deemed to be interested in the shares owned by Classical Statue Limited.
- 51% and 49% of shareholding of Kingston Securities Limited are respectively owned by Ms. Chu Yuet Wah and Ms. Ma Siu Fong. Ms. Chu Yuet Wah and Ms. Ma Siu Fong are deemed to be interested in the shares owned by Kingston Securities Limited.
- 129,492,174 shares are beneficially owned by Northbay Investments Holdings Limited. 35.5% and 64.8% of the shareholding of Northbay Investments Holdings Limited are respectively owned by Asia Vest Partners VII Limited and Asia Vest Partners X Limited, and both of them are indirectly wholly-owned by Mr. Andrew Nan Sherrill through Asia Vest Partners Limited.
- Mr. Heung Wah Keung, Ms. Chen Ming Yin, Tiffany and Mr. Ho Wai Chi, Paul are directors of the Company and China Star Entertainment Limited. Mr. Heung Wah Keung and Ms. Chen Ming Yin, Tiffany are also directors of China Star Entertainment (BVI) Limited and Classical Statue Limited.

Other than as disclosed above, the Company had not been notified of any other relevant interests or short positions in the issued share capital of the Company at 31 December 2007.

## 主要股東(續)

### 好倉(續)

附註：

- 583,606,128 股股份由 Classical Statue Limited 實益擁有。Classical Statue Limited 為 China Star Entertainment (BVI) Limited 之全資附屬公司。China Star Entertainment (BVI) Limited 為中國星集團有限公司(於聯交所上市之公司)之全資附屬公司。中國星集團有限公司及 China Star Entertainment (BVI) Limited 被視為於 Classical Statue Limited 擁有之股份中擁有權益。
- 金利豐證券有限公司股權之 51% 及 49% 分別由李月華女士及馬少芳女士擁有。李月華女士及馬少芳女士被視為於金利豐證券有限公司擁有之股份中擁有權益。
- 129,492,174 股股份由 Northbay Investments Holdings Limited 實益擁有。Northbay Investments Holdings Limited 股權之 35.5% 及 64.8% 分別由 Asia Vest Partners VII Limited 及 Asia Vest Partners X Limited 擁有，而該兩間公司則由南國熙先生透過 Asia Vest Partners Limited 間接全資擁有。
- 向華強先生、陳明英女士及何偉志先生為本公司及中國星集團有限公司之董事。向華強先生及陳明英女士亦為 China Star Entertainment (BVI) Limited 及 Classical Statue Limited 之董事。

除上文所披露者外，本公司並無獲知會於二零零七年十二月三十一日擁有本公司已發行股本之任何其他有關權益或淡倉。

## CONNECTED TRANSACTIONS

- a. On 19 July 2007, Legend Rich Limited, a wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement with Ms. Chen Ming Yin, Tiffany, a director of the Company, pursuant to which Legend Rich Limited would acquire a 100% interest in the issued share capital of Modern Vision (Asia) Limited, a company wholly-owned by Ms. Chen Ming Yin, Tiffany, at a consideration of HK\$684,000,000 (subject to adjustment). The consideration shall be satisfied in cash. The major asset of Modern Vision (Asia) Limited is its indirect 50% interest in a lot of land with the area of 4,669 square meters located in the Nam Van Lakes Zone, Macau. The consideration is determined between Legend Rich Limited and Ms. Chen Ming Yin, Tiffany on a “willing buyer – willing seller” basis. Ms. Chen Ming Yin, Tiffany is a connected person of the Company by virtue of being a director of the Company. The transaction constituted a connected transaction for the Company under the Listing Rules. The transaction was not approved by the independent shareholders on 21 November 2007.

## 關連交易

- a. 於二零零七年七月十九日，Legend Rich Limited（本公司之全資附屬公司）與陳明英女士（本公司之董事）訂立有條件買賣協議，據此，Legend Rich Limited將收購Modern Vision (Asia) Limited（陳明英女士全資擁有之公司）已發行股本之100%權益，代價為684,000,000港元（可予調整），以現金支付。Modern Vision (Asia) Limited之主要資產為其於一幅位於澳門南灣湖畔地區面積4,669平方米之土地之50%間接權益。代價乃經Legend Rich Limited與陳明英女士以「自願買賣雙方」之基準釐定。由於陳明英女士為本公司之董事，故彼為本公司之關連人士。根據上市規則，該交易構成本公司之關連交易。該交易於二零零七年十一月二十一日不獲獨立股東批准。

**CONNECTED TRANSACTIONS** (Continued)

- b. On 8 August 2007, Legend Rich Limited, the Company and China Star Entertainment Limited, a substantial shareholder, entered into a conditional sale and purchase agreement pursuant to which Legend Rich Limited would acquire a 100% interest in the issued share capital of Exceptional Gain Profits Limited, a wholly-owned subsidiary of China Star Entertainment Limited, and a sale loan at a consideration of HK\$447,000,000. The consideration shall be satisfied by the issue of a convertible note. Exceptional Gain Profits Limited is an investment holding vehicle, which indirectly holds a 50% interest in Kingsway Hotel Limited. The consideration is determined after arm's length commercial negotiations and with reference to an independent property valuation conducted by DTZ Debenham Tie Leung Limited on an open market basis valuing Kingsway Hotel at approximately HK\$894,000,000 at 31 July 2007. China Star Entertainment Limited is a connected person of the Company by virtue of being a substantial shareholder of the Company. The transaction constituted a connected transaction for the Company under the Listing Rules. The transaction was approved by the independent shareholders on 31 December 2007.
- c. On 5 November 2007, the Company entered into a loan agreement with Ms. Chen Ming Yin, Tiffany, a director of the Company, pursuant to which Ms. Chen Ming Yin, Tiffany granted an unsecured and interest-free loan of HK\$45,000,000 to the Company for a period of six months from the date of the loan agreement. Ms. Chen Ming Yin, Tiffany is a connected person of the Company by virtue of being a director of the Company. The transaction constituted a connected transaction for the Company under the Listing Rules and was exempt from reporting, announcement and independent shareholders' approval requirements under Rule 14A.65(4) of the Listing Rules. The Company repaid the loan on 27 November 2007.

At the date of this report, the transaction (b) has not been completed.

**關連交易(續)**

- b. 於二零零七年八月八日，Legend Rich Limited、本公司及主要股東中國星集團有限公司訂立有條件買賣協議，據此，Legend Rich Limited將收購Exceptional Gain Profits Limited（中國星集團有限公司之全資附屬公司）已發行股本之100%權益及銷售貸款，代價為447,000,000港元，以發行可換股票據支付。Exceptional Gain Profits Limited為投資控股工具，間接持有Kingsway Hotel Limited之50%權益。代價乃經公平商業磋商及參考戴德梁行有限公司按公開市場基準進行之獨立物業估值（評定金域酒店於二零零七年七月三十一日之價值約為894,000,000港元）後釐定。由於中國星集團有限公司為本公司之主要股東，故彼為本公司之關連人士。根據上市規則，該交易構成本公司之關連交易。該交易已於二零零七年十二月三十一日獲獨立股東批准。
- c. 於二零零七年十一月五日，本公司與陳明英女士（本公司之董事）訂立貸款協議，據此，陳明英女士自貸款協議日期起六個月期間向本公司授出無抵押免息貸款45,000,000港元。由於陳明英女士為本公司之董事，故彼為本公司之關連人士。根據上市規則，該交易構成本公司之關連交易，並獲豁免遵守上市規則第14A.65(4)條之申報、公佈及獨立股東批准規定。本公司已於二零零七年十一月二十七日償還有關貸款。

於本報告日期，交易(b)項尚未完成。

## MANAGEMENT CONTRACT

The Group has a management services contract with 尚明居物業管理(上海)有限公司 (“Shama”) in respect of the Group’s investment properties in Beijing, the People’s Republic of China for a period of ten years, with an option for Shama to extend another two “five-year period”, starting from the date of handover of the investment properties to Shama for management.

## RETIREMENT BENEFITS SCHEME

Details of the Group’s retirement benefits scheme are set out in note 39 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.

## COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

Details of the compliance by the Company with the Code on Corporate Governance Practices are set out on pages 18 to 27 of this annual report.

## SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2007.

## MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales or purchases attributable to the Group’s five largest customers combined or suppliers combined were less than 30% of the Group’s sales or purchases respectively.

## SUBSEQUENT EVENTS

Details of the significant subsequent events are set out in note 43 to the financial statements.

## 管理合約

本集團已就本集團位於中華人民共和國北京之投資物業與尚明居物業管理(上海)有限公司(「莎瑪」)訂有管理服務合約，為期十年，莎瑪可選擇自將投資物業交付予莎瑪管理日期起延長另外兩個「五年期間」。

## 退休福利計劃

本集團之退休福利計劃詳情載於財務報表附註39。

## 優先認購權

本公司之公司細則或百慕達法例並無有關優先認購權之規定，使本公司須按比例向現有股東發售新股份。

## 遵守企業管治常規守則

本公司遵守企業管治常規守則情況之詳情載於本年報第18至27頁。

## 足夠公眾持股量

於截至二零零七年十二月三十一日止年度內，本公司一直維持足夠公眾持股量。

## 主要客戶及供應商

年內，本集團五大客戶合計或供應商合計所佔之總銷售額或採購額分別少於本集團銷售額或採購額之30%。

## 結算日後事項

重大結算日後事項之詳情載於財務報表附註43。

## **AUDITORS**

A resolution to re-appoint Messrs. HLB Hodgson Impey Cheng as auditors of the Company will be proposed for approval by shareholders of the Company at the forthcoming annual general meeting.

On Behalf of the Board

**Heung Wah Keung**  
*Chairman*

Hong Kong, 25 April 2008

## **核數師**

應屆股東週年大會上將提呈決議案以供本公司股東批准，續聘國衛會計師報告為本公司核數師。

代表董事會

*主席*  
**向華強**

香港，二零零八年四月二十五日

### EXECUTIVE DIRECTORS

Mr. Heung Wah Keung, aged 59, is the Chairman of the Company. He is responsible for the development of the overall strategic planning of the Group and liaising with various government authorities in the PRC. His wife, Ms. Chen Ming Yin, Tiffany, is the Vice Chairman of the Company. He joined the Company in August 2001. Mr. Heung has over 20 years of experience in the entertainment and multi-media industries. He is the founder of Win's Entertainment Limited and One Hundred Years of Film Company Limited. Mr. Heung is also the chairman of China Star Entertainment Limited and the vice chairman of the Hong Kong Kowloon and New Territories Motion Picture Industry Association Limited.

Ms. Chen Ming Yin, Tiffany, aged 51, is the Vice Chairman of the Company. She is responsible for the overall management and business development of the Group. Ms. Chen is the wife of Mr. Heung Wah Keung. She joined the Company in August 2001. She has over 15 years of experience in the entertainment and multi-media industries. She has produced a number of blockbuster films for Win's Entertainment Limited and One Hundred Years of Film Company Limited. Ms. Chen is the vice chairman of China Star Entertainment Limited. In 2003, she was selected as one of 2003 Women in Entertainment – International Power by The Hollywood Reporter.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tang Chak Lam, Gilbert, aged 57, is a practicing solicitor in Hong Kong since 1987 and is a senior partner of Messrs. Gilbert Tang & Co.. He joined the Company in February 2002. He was a director of Pok Oi Hospital in 1993 and a Member of the Kowloon West Advisory Committee of Hong Kong Bank Foundation District Community Programme between July 1991 and November 1995. Mr. Tang holds a Bachelor of Law Degree from the University of Buckingham in the United Kingdom, and a Diploma in Chinese Law from the University of East Asia in Macau.

### 執行董事

向華強先生，現年59歲，為本公司之主席，負責本集團整體策略計劃發展及與中國各政府機關進行溝通聯繫。其妻陳明英女士為本公司之副主席。向先生於二零零一年八月加入本公司，擁有超過20年娛樂及多媒體事業之經驗。向先生為永盛娛樂有限公司及一百年電影有限公司之創辦人，並身兼中國星集團有限公司之主席及香港影業協會有限公司之副會長。

陳明英女士，現年51歲，為本公司之副主席，負責本集團之整體管理及業務發展。陳女士為向華強先生之妻子，於二零零一年八月加入本公司，擁有超過15年娛樂及多媒體事業之經驗。彼並曾為永盛娛樂有限公司及一百年電影有限公司監製多部電影。陳女士為中國星集團有限公司之副主席，並於二零零三年獲The Hollywood Reporter雜誌選為二零零三年於娛樂界最具國際影響力之女性之一。

### 獨立非執行董事

鄧澤林先生，現年57歲，自一九八七年起為香港執業律師，並為鄧澤林廖國華律師行之高級合夥人。鄧先生於二零零二年二月加入本公司，曾於一九九三年出任博愛醫院總理，並於一九九一年七月至一九九五年十一月期間出任滙豐銀行九龍西區慈善基金社區發展計劃委員。鄧先生持有英國白金漢大學之法律學士學位及澳門東亞大學之中國法律文憑。



### INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Mr. Ho Wai Chi, Paul, aged 57, is the sole proprietor of Paul W.C. Ho & Company, Certified Public Accountants (Practising), and is an associate of the Institute of Chartered Accountants in England and Wales, United Kingdom and a fellow of the Hong Kong Institute of Certified Public Accountants. Mr. Ho joined the Company in September 2004.

Mr. Lien Wai Hung, aged 45, is a practicing solicitor in Hong Kong since 1997 and is a partner of Messrs. Leung & Lien, a firm of solicitors in Hong Kong. He graduated from the University of East London with a LLB Degree in the United Kingdom. Mr. Lien joined the Company in April 2005.

### SENIOR MANAGEMENT

Mr. Chan Kin Wah, Billy, aged 45, is the Chief Financial Officer and Company Secretary of the Company. He is responsible for the overall financial control and management of the Group. Prior to joining the Company in September 2003, he worked in the accounting, finance and taxation field for over 15 years and has over ten years of working experience in Hong Kong listed companies. He is an associate member of the Hong Kong Institute of Certified Public Accountants, a CPA member of CPA Australia and a non-practicing member of the Chinese Institute of Certified Public Accountants. He holds a Bachelor of Administration Degree from the University of Ottawa in Canada and a Master of Commerce Degree in Professional Accounting from the University of New South Wales in Australia.

### 獨立非執行董事(續)

何偉志先生，現年57歲，為執業會計師何偉志會計師行之獨資擁有人，亦為英國英格蘭及威爾斯特許會計師公會之會員及香港會計師公會之資深會員。何先生於二零零四年九月加入本公司。

連偉雄先生，現年45歲，自一九九七年起為香港執業律師，並為香港之律師事務所梁心端連偉雄律師事務所之合夥人。連先生於英國東倫敦大學畢業，取得法律文學士學位。連先生於二零零五年四月加入本公司。

### 高級管理人員

陳健華先生，現年45歲，為本公司之財務總監及公司秘書，負責本集團之整體財務監控及管理。二零零三年九月加入本公司前，陳先生於會計、財務及稅務行業工作超過15年，並於香港之上市公司累積超過10年之工作經驗。陳先生為香港會計師公會會員、澳洲會計師公會之高級會員及中國註冊會計師協會之非執業會員。陳先生持有加拿大渥太華大學之工商管理學士學位及澳洲新南威爾斯大學之專業會計商學碩士學位。



Chartered Accountants  
Certified Public Accountants

**TO THE SHAREHOLDERS OF  
RICHE MULTI-MEDIA HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Riche Multi-Media Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 44 to 135 which comprise the consolidated and the 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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**致豐采多媒體集團有限公司股東**

*(於百慕達註冊成立之有限公司)*

吾等已審核第44頁至第135頁所載豐采多媒體集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，包括於二零零七年十二月三十一日的綜合資產負債表及公司資產負債表，及截至該日止年度的綜合收益表，綜合股本變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

**董事編製財務報表之責任**

貴公司董事須遵照香港會計師公會頒佈的香港財務報告準則以及香港公司條例的披露規定，負責編製及真實公平地呈列該等財務報表。該責任包括設計、實施及維持與編製及真實公平地呈列綜合財務報表有關之內部監控，以確保其並無重大錯誤陳述(不論由欺詐或錯誤引起)；選擇及應用適當會計政策；並在不同情況下作出合理之會計估算。

### AUDITORS' 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 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

### 核數師之責任

吾等負責根據吾等之審核結果對該等財務報表發表意見。本報告謹按照一九八一年百慕達公司法第90條而僅向閣下作出，並不作其他用途。吾等不會就報告內容向任何其他人士負責或承擔任何責任。

吾等按照香港會計師公會頒佈的香港核數準則進行審核工作。該等準則要求吾等在策劃及進行審核工作時須符合道德規範，使吾等能就綜合財務報表是否存有重要錯誤陳述作合理之確定。

審核範圍包括進程序以取得與綜合財務報表所載數額及披露事項有關之審核憑證。選用之程序須視乎核數師之判斷，包括評估綜合財務報表之重大錯誤陳述(不論其由欺詐或錯誤引起)之風險。在作出該等風險評估時，核數師將考慮與公司編製並真實公平地呈列綜合財務報表有關之內部監控，以為不同情況設計適當審核程序，但並非旨在就公司內部監控是否有效表達意見。審核範圍亦包括評估所用會計政策之恰當性，董事所作會計估算之合理性，並就綜合財務報表之整體呈列方式作出評估。

吾等相信，就提出審核意見而言，吾等所獲審核憑證屬充分恰當。

**OPINION**

In our opinion, the accompanying 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 profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**HLB Hodgson Impey Cheng**

Chartered Accountants  
Certified Public Accountants

Hong Kong, 25 April 2008

**意見**

吾等認為，根據香港財務報告準則，該等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之財務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港公司條例的披露要求妥為編製。

**國衛會計師事務所**

英國特許會計師  
香港執業會計師

香港，二零零八年四月二十五日

# 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

		Notes 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>Turnover</b>	營業額	7	<b>38,739</b>	17,476
<b>Cost of sales</b>	銷售成本		<b>(28,958)</b>	(13,998)
<b>Gross profit</b>	毛利		<b>9,781</b>	3,478
<b>Other revenue</b>	其他收益	8	<b>3,205</b>	5,699
<b>Other income</b>	其他收入	8	<b>106,956</b>	5,560
<b>Increase in fair value of investment properties</b>	投資物業之公平值增加	17	<b>43,853</b>	590
<b>Impairment loss recognised in respect of goodwill</b>	已確認商譽減值虧損	19	<b>(37,828)</b>	—
<b>Administrative expenses</b>	行政開支		<b>(67,623)</b>	(26,811)
<b>Profit/(loss) from operations</b>	經營溢利 / (虧損)	9	<b>58,344</b>	(11,484)
<b>Finance costs</b>	融資費用	10	<b>(19,494)</b>	(9,615)
<b>Profit/(loss) before taxation</b>	除稅前溢利 / (虧損)		<b>38,850</b>	(21,099)
<b>Taxation</b>	稅項	13	<b>(13,156)</b>	(195)
<b>Profit/(loss) for the year</b>	本年度溢利 / (虧損)		<b>25,694</b>	(21,294)
<b>Attributable to:</b>	歸屬於：			
<b>Equity holders of the Company</b>	本公司股權持有人		<b>25,694</b>	(21,294)
<b>Earnings/(loss) per share attributable to the equity holders of the Company</b>	本公司股權持有人 應佔每股盈利 / (虧損)			
— Basic and diluted	— 基本及攤薄	14	<b>HK2.50 cents</b> 港仙	HK(3.28) cents港仙

All of the Group's operations are classed as continuing.

本集團所有業務均分類為持續經營。

The accompanying notes form an integral part of these financial statements.

隨附之附註乃本財務報表之一部分。

# Consolidated Balance Sheet

## 綜合資產負債表

At 31 December 2007 於二零零七年十二月三十一日

		Notes 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	16	<b>6,000</b>	2,468
Investment properties	投資物業	17	<b>887,450</b>	678,000
Goodwill	商譽	19	<b>39,456</b>	77,284
Club membership	會所會籍		<b>172</b>	172
			<b>933,078</b>	757,924
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	20	<b>32,783</b>	45,154
Trade receivables	貿易應收款項	21	<b>1,245</b>	936
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	22	<b>31,830</b>	19,254
Financial assets at fair value through profit or loss	按公平值計入損益表之金融資產	23	<b>—</b>	28,100
Tax prepayments	預付稅項	24	<b>12,120</b>	7,720
Cash and cash equivalents	現金及現金等價物	25	<b>531,396</b>	63,140
			<b>609,374</b>	164,304
<b>Total assets</b>	<b>資產總值</b>		<b>1,542,452</b>	922,228
<b>EQUITY</b>	<b>股權</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>	<b>本公司股權持有人應佔股本及儲備</b>			
Share capital	股本	26	<b>195,186</b>	64,843
Reserves	儲備		<b>850,894</b>	334,793
			<b>1,046,080</b>	399,636
<b>Minority interests</b>	<b>少數股東權益</b>		<b>3,896</b>	3,896
<b>Total equity</b>	<b>股權總額</b>		<b>1,049,976</b>	403,532

# Consolidated Balance Sheet

## 綜合資產負債表

At 31 December 2007 於二零零七年十二月三十一日

	Notes 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>LIABILITIES</b>			
<b>Current liabilities</b>	<b>負債 流動負債</b>		
Accruals and other payables	應計費用及其他應付 款項	28 <b>19,245</b>	20,208
Receipts in advance	預收款項	29 <b>47,041</b>	60,898
Amounts due to related companies	應付關連公司款項	30 <b>701</b>	606
Secured bank loans – due within one year	有抵押銀行貸款 — 須於一年內支付	31 <b>27,533</b>	5,470
Tax payables	應付稅項	<b>22,969</b>	23,240
		<b>117,489</b>	110,422
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Secured bank loans – due after one year	有抵押銀行貸款 — 須於一年後支付	31 <b>301,485</b>	351,957
Deferred taxation	遞延稅項	32 <b>73,502</b>	56,317
		<b>374,987</b>	408,274
<b>Total equity and liabilities</b>	<b>股權及負債總額</b>	<b>1,542,452</b>	922,228
<b>Net current assets</b>	<b>流動資產淨額</b>	<b>491,885</b>	53,882
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>1,424,963</b>	811,806

Approved by the board of directors on 25 April 2008 and signed on its behalf by:

於二零零八年四月二十五日經董事會批准，並由下列代表簽署：

**Heung Wah Keung**

向華強

Director

董事

**Chen Ming Yin, Tiffany**

陳明英

Director

董事

The accompanying notes form an integral part of these financial statements.

隨附之附註乃本財務報表之一部分。

# Balance Sheet

## 資產負債表

At 31 December 2007 於二零零七年十二月三十一日

		Notes 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Interests in subsidiaries	附屬公司權益	18	4,873	41,824
<b>Current assets</b>	<b>流動資產</b>			
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	22	2,250	1,801
Cash and cash equivalents	現金及現金等價物	25	489,538	55,862
			<b>491,788</b>	57,663
<b>Total assets</b>	<b>資產總值</b>		<b>496,661</b>	99,487
<b>EQUITY</b>	<b>股權</b>			
Share capital	股本	26	195,186	64,843
Reserves	儲備	27	262,946	25,708
<b>Total equity</b>	<b>股權總額</b>		<b>458,132</b>	90,551
<b>LIABILITIES</b>	<b>負債</b>			
<b>Current liabilities</b>	<b>流動負債</b>			
Accruals and other payables	應計費用及其他應付款項	28	943	233
Amounts due to subsidiaries	應付附屬公司款項	18	37,586	8,703
			<b>38,529</b>	8,936
<b>Total equity and liabilities</b>	<b>股權及負債總額</b>		<b>496,661</b>	99,487
<b>Net current assets</b>	<b>流動資產淨額</b>		<b>453,259</b>	48,727
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>458,132</b>	90,551

Approved by the board of directors on 25 April 2008 and signed on its behalf by:

於二零零八年四月二十五日經董事會批准，並由下列代表簽署：

**Heung Wah Keung**

向華強

Director

董事

**Chen Ming Yin, Tiffany**

陳明英

Director

董事

The accompanying notes form an integral part of these financial statements.

隨附之附註乃本財務報表之一部分。



# Consolidated Statement of Changes in Equity

## 綜合股本變動表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司股權持有人應佔										
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	Share-based payment reserve 以股份形式 支付儲備 HK\$'000 千港元	Exchange reserve 兌換儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Minority interests 少數股東權益 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	51,540	127,865	19,834	80,103	—	—	—	(111,732)	167,610	—	167,610
Exchange differences arising from translation of investment in a foreign subsidiary	折算海外附屬公司 投資產生之 匯兌差額	—	—	—	—	—	—	7,201	—	7,201	—	7,201
Net income directly recognised in equity	直接於股權確認之 收入淨額	—	—	—	—	—	—	7,201	—	7,201	—	7,201
Net loss for the year	本年度虧損淨額	—	—	—	—	—	—	—	(21,294)	(21,294)	—	(21,294)
Total recognised income/(expense) for the year	本年度已確認收入/ (開支)總額	—	—	—	—	—	—	7,201	(21,294)	(14,093)	—	(14,093)
Issuance of new shares	發行新股份	13,303	252,761	—	—	—	—	—	—	266,064	—	266,064
Acquisition of a subsidiary	收購附屬公司	—	—	10	—	—	—	—	—	10	3,896	3,906
Special reserve arising from acquisition of a subsidiary	收購附屬公司產生之 特別儲備	—	—	—	—	(19,955)	—	—	—	(19,955)	—	(19,955)
At 31 December 2006 and 1 January 2007	於二零零六年 十二月三十一日及 二零零七年一月一日	64,843	380,626	19,844	80,103	(19,955)	—	7,201	(133,026)	399,636	3,896	403,532
Exchange differences arising from translation of investment in foreign subsidiaries	折算海外附屬公司 投資產生之匯兌 差額	—	—	—	—	—	—	29,533	—	29,533	—	29,533
Net income directly recognised in equity	直接於股權確認之 收入淨額	—	—	—	—	—	—	29,533	—	29,533	—	29,533
Net profit for the year	本年度純利	—	—	—	—	—	—	—	25,694	25,694	—	25,694
Total recognised income for the year	本年度已確認收入 總額	—	—	—	—	—	—	29,533	25,694	55,227	—	55,227
Issuance of new shares	發行新股份	127,103	416,604	—	—	—	—	—	—	543,707	—	543,707
Share-based payment expenses	以股份形式支付之 開支	—	—	—	—	—	32,282	—	—	32,282	—	32,282
Exercise of share options	行使購股權	3,240	15,828	—	—	—	(3,840)	—	—	15,228	—	15,228
<b>At 31 December 2007</b>	<b>於二零零七年 十二月三十一日</b>	<b>195,186</b>	<b>813,058</b>	<b>19,844</b>	<b>80,103</b>	<b>(19,955)</b>	<b>28,442</b>	<b>36,734</b>	<b>(107,332)</b>	<b>1,046,080</b>	<b>3,896</b>	<b>1,049,976</b>

### Notes:

- (i) The capital reserve of the Group represents the difference of the share capital and share premium of the subsidiaries and the nominal value of the 880 shares issued by Riche (BVI) Limited (formerly known as Ocean Shores (BVI) Limited) prior to the allotment of 120 shares to Classical Statue Limited and the amount arising from issue of shares by a subsidiary.
- (ii) The contributed surplus of the Group represents the net amount transferred from the share premium account and to the accumulated losses account pursuant to the special resolution passed at the special general meeting held on 22 August 2003.
- (iii) The special reserve represents the difference between the fair value and the contracted value of consideration in respect of the acquisition of Shinhan-Golden Faith International Development Limited during the year ended 31 December 2006.

### 附註：

- (i) 本集團資本儲備乃指附屬公司之股本及股份溢價與向 Classical Statue Limited 配發 120 股股份前 Riche (BVI) Limited (前稱 Ocean Shores (BVI) Limited) 所發行之 880 股股份之面值及因附屬公司發行股份所產生之款項差額。
- (ii) 本集團之實繳盈餘指根據於二零零三年八月二十二日舉行之股東特別大會上通過之特別決議案自股份溢價賬轉撥至累計虧損賬之淨額。
- (iii) 特別儲備乃指有關於截至二零零六年十二月三十一日止年度內收購 Shinhan-Golden Faith International Development Limited 之代價之公平值及合約價值之間的差額。

# 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

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Profit/(loss) before taxation	除稅前溢利 / (虧損)	38,850	(21,099)
<i>Adjustments for:</i>	<i>調整:</i>		
Interest income	利息收入	(2,990)	(4,314)
Dividend income	股息收入	(78)	(754)
Waiver of secured bank loan interest	豁免有抵押銀行貸款利息	(106,956)	—
Increase in fair value of financial assets at fair value through profit or loss	按公平值計入損益表之金融資產之公平值增加	—	(5,360)
Increase in fair value of investment properties	投資物業之公平值增加	(43,853)	(590)
Finance costs	融資費用	19,494	9,615
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,158	652
Impairment loss recognised in respect of goodwill	已確認商譽減值虧損	37,828	—
Impairment loss recognised in respect of trade receivables	已確認貿易應收款項減值虧損	9	1,050
Impairment loss recognised in respect of prepayments	已確認預付款項減值虧損	—	131
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	3	1,956
Reversal of accruals in previous year	撥回去年應計費用	—	(200)
Share-based payment expenses	以股份形式支付之開支	32,282	—
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(24,253)	(18,913)
Decrease/(increase) in inventories	存貨減少 / (增加)	12,371	(1,309)
Decrease in film right deposits	電影發行權按金減少	—	14
(Increase)/decrease in trade receivables	貿易應收款項 (增加) / 減少	(318)	2,755
(Increase)/decrease in deposits, prepayments and other receivables	按金、預付款項及其他應收款項 (增加) / 減少	(12,576)	34,988
Decrease in trade payables	貿易應付款項減少	—	(1,714)
Decrease in accruals and other payables	應計費用及其他應付款項減少	(963)	(41,337)
(Decrease)/increase in receipts in advance	預收款項 (減少) / 增加	(13,857)	1,335
Increase/(decrease) in amounts due to related companies	應付關連公司款項增加 / (減少)	95	(34,226)
Cash used in operations	營運所用現金	(39,501)	(58,407)
Tax paid	已付稅項	(4,671)	(3,303)
<b>Net cash used in operating activities</b>	<b>經營活動所用之現金淨額</b>	<b>(44,172)</b>	<b>(61,710)</b>

# 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

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Interest received	已收利息	2,990	4,314
Dividend income	股息收入	78	754
Proceeds from disposals of financial assets at fair value through profit or loss	出售按公平值計入損益表之金融資產之所得款項	—	13,461
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備之所得款項	220	—
Effect from acquisition of a subsidiary	收購附屬公司之影響	—	415
Additions to investment properties	投資物業添置	(116,960)	(15,852)
Purchase of financial assets at fair value through profit or loss	購買按公平值計入損益表之金融資產	—	(5,634)
Purchase of property, plant and equipment	購買物業、廠房及設備	(4,908)	(1,156)
<b>Net cash used in investing activities</b>	<b>投資活動所用之現金淨額</b>	<b>(118,580)</b>	<b>(3,698)</b>
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Interest paid	已付利息	(19,494)	(9,615)
Issuance of new shares	發行新股份	562,775	—
Repayment of a secured bank loan	償還有抵押銀行貸款	5,359	(250,000)
New secured bank loan raised	新增有抵押銀行貸款	65,922	250,470
<b>Net cash generated from/(used in) financing activities</b>	<b>融資活動所產生/(所用)之現金淨額</b>	<b>614,562</b>	<b>(9,145)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等價物增加/(減少)淨額</b>	<b>451,810</b>	<b>(74,553)</b>
Effect on foreign exchange rate	外匯兌換率之影響	16,446	(280)
<b>Cash and cash equivalents at the beginning of the year</b>	<b>年初之現金及現金等價物</b>	<b>63,140</b>	<b>137,973</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>年終之現金及現金等價物</b>	<b>531,396</b>	<b>63,140</b>
<b>Analysis of the balances of cash and cash equivalents:</b>	<b>現金及現金等價物結存分析:</b>		
Cash and bank balances	現金及銀行結存	531,396	63,140

**1. GENERAL**

The Company was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited.

The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company's principal activity is investment holding and the principal activities of its subsidiaries are set out in note 18 to the financial statements.

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

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations (the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are relevant to its operations and effective for accounting periods beginning 1 January 2007. A summary of the new HKFRSs is set out as below:

HKAS 1 (Amendment)	Presentation of Financial Statements: Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) – Int 7	Applying the Restatement Approach under HKAS 29 – Financial Reporting in Hyperinflationary Economies
HK(IFRIC) – Int 8	Scope of HKFRS 2
HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment

**1. 一般資料**

本公司為於百慕達註冊成立之受豁免有限公司，而其股份在香港聯合交易所有限公司上市。

本公司之註冊辦事處地址為 Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司之主要業務為投資控股，而其附屬公司之主要業務載於財務報表附註 18。

**2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)**

於本年度，本集團首次應用多項香港會計師公會頒佈之新訂準則、修訂本及詮釋(「新香港財務報告準則」)，此等新香港財務報告準則與本集團業務相關，並於二零零七年一月一日或其後開始之會計期間生效。新香港財務報告準則之概要載列如下：

香港會計準則第1號 (修訂本)	財務報表之呈列： 資本披露
香港財務報告準則 第7號	金融工具：披露
香港(國際財務報告 詮釋委員會) — 詮釋第7號	根據香港會計準則第29號— 過度通貨膨脹經濟中之 財務報告採用重列法
香港(國際財務報告 詮釋委員會) — 詮釋第8號	香港財務報告準則 第2號之範圍
香港(國際財務報告 詮釋委員會) — 詮釋第9號	重估內含衍生工具
香港(國際財務報告 詮釋委員會) — 詮釋第10號	中期財務報告及減值

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

The adoption of the above new HKFRSs did not have significant impact on the Group’s results and financial position for the current or prior accounting period, except for new disclosures relating to financial instruments made in the consolidated financial statements.

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior year under the requirements of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

## 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

採納上述新香港財務報告準則並無對本集團本會計期間或過往會計期間之業績及財務狀況構成重大影響，惟須於綜合財務報表中就金融工具作出新披露除外。

本集團已追溯應用香港會計準則第1號(修訂本)及香港財務報告準則第7號之披露規定。上年度根據香港會計準則第32號之規定呈列之若干資料已予撤除，而根據香港會計準則第1號(修訂本)及香港財務報告準則第7號之規定提供之有關比較資料已於本年度首次呈列。

### 3. IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not early applied the following new standards, amendments and interpretations that have been issued but are not yet effective. The directors of the Company are assessing whether the application of these standards or amendments would bring any material impact on the consolidated financial statements of the Group:

HKFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellations <sup>1</sup>
HKFRS 3 (Revised)	Business Combinations <sup>2</sup>
HKFRS 8	Operating Segments <sup>1</sup>
HKAS 1 (Revised)	Presentation of Financial Statements <sup>1</sup>
HKAS 23 (Revised)	Borrowing Costs <sup>1</sup>
HKAS 27 (Revised)	Consolidated and Separate Financial Statements <sup>2</sup>
HK(IFRIC) – Int 11	HKFRS 2 – Group and Treasury Share Transactions <sup>3</sup>
HK(IFRIC) – Int 12	Service Concession Arrangements <sup>4</sup>
HK(IFRIC) – Int 13	Customer Loyalty Programmes <sup>5</sup>
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2009

<sup>2</sup> Effective for annual periods beginning on or after 1 July 2009

<sup>3</sup> Effective for annual periods beginning on or after 1 March 2007

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2008

<sup>5</sup> Effective for annual periods beginning on or after 1 July 2008

### 3. 已頒佈但尚未生效香港財務報告準則之影響

本集團並無提早應用以下已頒佈但尚未生效之新訂準則、修訂本及詮釋。本公司董事現正評估應用該等準則或修訂本將會否對本集團之綜合財務報表構成重大影響：

香港財務報告準則第2號(修訂本)	以股份形式支付之款項 — 歸屬條件及註銷 <sup>1</sup>
香港財務報告準則第3號(經修訂)	業務合併 <sup>2</sup>
香港財務報告準則第8號	經營分部 <sup>1</sup>
香港會計準則第1號(經修訂)	財務報表之呈列 <sup>1</sup>
香港會計準則第23號(經修訂)	借貸成本 <sup>1</sup>
香港會計準則第27號(經修訂)	綜合及獨立財務報表 <sup>2</sup>
香港(國際財務報告詮釋委員會) — 詮釋第11號	香港財務報告準則第2號 — 集團及庫存股份交易 <sup>3</sup>
香港(國際財務報告詮釋委員會) — 詮釋第12號	服務特許權安排 <sup>4</sup>
香港(國際財務報告詮釋委員會) — 詮釋第13號	客戶忠誠計劃 <sup>5</sup>
香港(國際財務報告詮釋委員會) — 詮釋第14號	香港會計準則第19號 — 界定福利資產、最低資金規定及兩者之相互關係 <sup>4</sup>

<sup>1</sup> 於二零零九年一月一日或其後開始之年度期間生效

<sup>2</sup> 於二零零九年七月一日或其後開始之年度期間生效

<sup>3</sup> 於二零零七年三月一日或其後開始之年度期間生效

<sup>4</sup> 於二零零八年一月一日或其後開始之年度期間生效

<sup>5</sup> 於二零零八年七月一日或其後開始之年度期間生效

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### (a) Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, which is a collective term that includes all applicable individual HKFRS, Hong Kong Accounting Standards (“HKASs”) and Interpretations (“Ints”) issued by the HKICPA, and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under historical cost convention except for certain financial assets at fair value through profit or loss and investment properties which are carried at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies.

The Group’s books and records are maintained in Hong Kong Dollars (“HK\$”) as the directors of the Company control and monitor the performance and financial position of the Group in HK\$.

#### 4. 主要會計政策概要

編製該等綜合財務報表時應用之主要會計政策載列如下。除另有指明外，該等政策於呈列之所有年度獲貫徹應用。

##### (a) 編製基準

綜合財務報表乃根據香港會計師公會頒佈之所有適用香港財務報告準則(當中包括所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋(「詮釋」))、香港公認會計原則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例規定之適用披露事項。

綜合財務報表乃根據歷史成本慣例編製，惟以公平值入賬之按公平值計入收益表之若干金融資產及投資物業除外。

編製符合香港財務報告準則之綜合財務報表須使用若干關鍵會計估計，管理層亦有必要在應用本公司之會計政策過程中作出判斷。

由於本公司董事以港元(「港元」)監控及監察本集團之表現及財務狀況，故本集團之賬冊及紀錄以港元設置。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December each year.

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

All intra-group transactions, balance, income and expenses are eliminated in full on consolidation.

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

##### (c) Revenue recognition

Revenue from distribution of films is recognised when video products or master materials of films are delivered to customers and the title has passed.

Revenue from sub-licensing of film rights is recognised upon delivery of master materials of films to customers.

#### 4. 主要會計政策概要(續)

##### (b) 綜合基準

綜合財務報表包括本公司及其附屬公司截至每年十二月三十一日之財務報表。

年內所收購或出售附屬公司之業績均自收購生效日期起或截至出售生效日期(視乎情況而定)計入綜合收益表。

所有集團間交易、結餘、收入及開支均於綜合賬目時悉數撇銷。

綜合附屬公司之資產淨值中之少數股東權益乃與本集團所佔之權益分開呈列。資產淨值中之少數股權包括該等權益於原有業務合併日期之金額及少數股東自合併日期以來所佔股權之變動。適用於少數股東之虧損超出於附屬公司股權之少數股東權益之數額將在本集團之權益中作出分配，惟倘少數股東具約束力之責任及能夠作出額外投資以彌補虧損則除外。

##### (c) 收益確認

發行電影所得收益於影視產品或電影母帶材料付運予客戶及所有權轉移時入賬。

轉授電影發行權所得收益在將電影母帶材料付運予客戶時入賬。



#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (c) Revenue recognition (Continued)

Proceeds from sales of financial assets at fair value through profit or loss are recognised when sale and purchase contracts became unconditional.

Rental income, including rentals invoiced in advance, from properties under operating lease is recognised on a straight-line basis over the period of the respective leases.

Revenue from sales of property held-for-sale is recognised when legal titles pass to the buyers and therefore the risks and rewards of ownership have been transferred to the buyers.

Dividend income from investments is recognised when the shareholders' right to receive payment has been established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

##### (d) Impairment of assets

Internal and external sources of information are reviewed at each balance sheet date to determine whether there is any indication of impairment of assets, or whether there is any indication that an impairment loss previously recognised no longer exists or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the income statement in the year in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant policy for that revalued asset.

#### 4. 主要會計政策概要(續)

##### (c) 收益確認(續)

出售按公平值計入損益表之金融資產所得款項乃於買賣合約成為無條件時入賬。

租金收入(包括在經營租約下之物業提早發出之發票之租金)以直線法按各自之租約年期入賬。

出售持作出售物業之所得款項乃於法定所有權轉讓至買家，因而擁有權之風險及回報轉讓至買家時入賬。

投資之股息收入乃於股東可獲派息之權利確立時入賬。

利息收入乃根據尚未償還本金額及適用利率按時間比例入賬。

##### (d) 資產減值

於每個結算日，均會審閱內在及外來資料來源，以確定是否有任何跡象顯示資產出現減值，或是否有任何跡象顯示早前已確認之減值虧損已不再存在或可能已經減少。倘存在任何該等跡象，則會估計資產之可收回金額。每當資產之賬面值超過其可收回金額時，均會確認減值虧損。減值虧損於產生年度自收益表扣除，惟倘有關資產按重估值入賬，則根據該重估資產之相關會計政策將減值虧損入賬。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (d) Impairment of assets (Continued)

###### (i) Calculation of recoverable amount

The recoverable amount of an asset is the higher of its net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of any asset and from its disposal at the end of its useful life. 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 asset that generates cash inflows independently (i.e. a cash-generating unit).

###### (ii) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount. An impairment loss of goodwill is reversed only if the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates the reversal effect of that specific event.

A reversal of impairment losses 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 the income statement in the year in which the reversals are recognised.

#### 4. 主要會計政策概要(續)

##### (d) 資產減值(續)

###### (i) 計算可收回金額

資產之可收回金額為其淨售價與使用價值兩者中之較高者。淨售價為於公平磋商交易中銷售資產所得之金額，而使用價值則為預期將因持續使用任何資產或自於其可使用年期結束時將其出售所產生之估計未來現金流量之現值。倘資產並無產生在很大程度獨立於其他資產之現金流入，則可收回金額乃就能獨立產生現金流入之最小組別資產(即現金產生單位)而釐定。

###### (ii) 減值虧損撥回

就商譽以外之資產而言，倘用以釐定可收回金額之估計發生變化，則會將減值虧損撥回。商譽之減值虧損僅於虧損乃因性質特殊且預期不會再次發生之特定外來事件所引致，而可收回金額之增加與該特定事件之影響有關，方予撥回。

減值虧損撥回限於倘並無於過往年度確認減值虧損而原應釐定之資產賬面值。減值虧損撥回乃於確認撥回之年度計入收益表。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (e) Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit is the profit for the year, determined in accordance with the rules established by the taxation authorities, upon which income taxes are payable.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary difference can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investment in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

#### 4. 主要會計政策概要(續)

##### (e) 稅項

所得稅支出指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利為於應付所得稅時根據稅務機關制定之規則釐定之本年度溢利。

遞延稅項為就財務報表中資產及負債之賬面值及計算應課稅溢利所用相應稅基間之差額而須支付或收回之稅項，並採用資產負債表負債法處理。遞延稅項負債通常會就所有應課稅暫時差額確認，而遞延稅項資產乃按可能出現可利用暫時差額扣稅之應課稅溢利時提撥。若於一項交易中，因商譽(或負商譽)或因業務合併以外原因初步確認其他資產及負債而引致之暫時差額既不影響應課稅溢利，亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項負債乃按因附屬公司及聯營公司投資而引致之應課稅暫時差額而確認，惟若本集團可控制暫時差額撥回而暫時差額有可能將於可見將來不會撥回之情況除外。

遞延稅項資產之賬面值於每個結算日作檢討，並於沒可能有足夠應課稅溢利收回全部或部份資產時作調減。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (e) Taxation (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

##### (f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

Depreciation is provided to write off the cost of property, plant and equipment, using the straight-line method, over their estimated useful lives. The principal annual rates are as follows:

Leasehold improvements	33.3%
Office equipment	20%
Motor vehicles	20%
Furniture and fixtures	15%

#### 4. 主要會計政策概要(續)

##### (e) 稅項(續)

遞延稅項乃按預期於負債清償或資產變現之期間之適用稅率計算。遞延稅項於收益表中扣除或計入收益表。惟倘遞延稅項直接在股權中扣除或計入股權之情況(在此情況下遞延稅項亦會於股權中處理)除外。

##### (f) 物業、廠房及設備

物業、廠房及設備乃按成本減累計折舊及減值虧損列賬。

一項資產之成本包括其購買價及任何將資產運往擬定用途之工作環境及地點之直接應佔成本。於物業、廠房及設備投入生產後所引致之支出，如維修及保養等，一般均會於支出該等費用期間從收益表內扣除。倘若可清楚顯示支出已致使預期因使用物業、廠房及設備而獲取之日後經濟利益增加，該支出則會資本化，列作該項資產之額外成本。

折舊乃按物業、廠房及設備之估計可使用年期以直線法計提撥備，以撇銷其成本。主要年利率如下：

租賃物業裝修	33.3%
辦公室設備	20%
汽車	20%
傢俬及裝置	15%

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (f) Property, plant and equipment (Continued)

The gain or loss arising from disposal of property, plant and equipment is determined as the difference between the net sale proceeds and the carrying amount of the relevant asset and is recognised in the income statement in the year the asset is derecognised.

##### (g) Investment properties

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

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

##### (h) Investments in subsidiaries

A subsidiary is an enterprise controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. In the Company's balance sheet, investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

#### 4. 主要會計政策概要(續)

##### (f) 物業、廠房及設備(續)

出售物業、廠房及設備之盈虧乃按出售所得款項淨額與有關資產賬面值之差額而釐定，並於該資產解除確認之年度在收益表內確認。

##### (g) 投資物業

投資物業於初步確認時，以成本計量(包括任何直接應佔開支)。初步確認後，投資物業以公平值模式計量。投資物業公平值變動所產生之盈虧於產生年度計入收益表內。

於出售後成當投資物業永久停止使用或預期不會從出售該項投資物業中獲得任何未來經濟利益時，即解除確認投資物業。解除確認投資物業所產生之任何盈虧(按出售所得款項淨額與該資產之賬面值兩者之差額計算)，於該資產解除確認之年度計入收益表內。

##### (h) 附屬公司投資

附屬公司是一家由本公司控制之企業。倘本公司有權直接或間接監管某企業之財務及營運政策，以從其業務中取得利益，則屬擁有控制權。在本公司之資產負債表中，附屬公司投資乃按成本扣除減值虧損撥備入賬。附屬公司之業績乃由本公司按已收及應收股息基準入賬。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (i) Goodwill

Goodwill arising on an acquisition of a subsidiary or an associate represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant subsidiary or associate at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the balance sheet. Capitalised goodwill arising on an acquisition of an associate is included in the cost of the investment of the relevant associate.

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

On subsequent disposal of a subsidiary or an associate, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

#### 4. 主要會計政策概要(續)

##### (i) 商譽

收購附屬公司或聯營公司產生之商譽指收購成本超逾本集團於收購當日應佔有關附屬公司或聯營公司之可識別資產、負債及或然負債公平值權益之數額。該等商譽按成本減任何累計減值虧損列賬。

收購附屬公司產生之撥充資本商譽於資產負債表獨立呈列。收購聯營公司產生之撥充資本商譽計入有關聯營公司之投資成本。

就減值檢測而言，收購產生之商譽會分配至預期可自收購之協同效益收益之各相關現金產生單位或各組現金產生單位組別。經分配商譽之現金產生單位會每年及於有跡象顯示該單位可能出現減值時進行減值檢測。就於一個財政年度進行收購所產生之商譽而言，經分配商譽之現金產生之單位會於該財政年度完結前進行減值檢測。倘現金產生單位之可收回金額低於其賬面值，則減值虧損會先用作減低任何分配至該單位之商譽之賬面值，其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。商譽之任何減值虧損將直接於收益表確認。商譽減值虧損不會於往後期間撥回。

於其後出售附屬公司或聯營公司時，釐定出售盈虧時會計入撥充資本之商譽應佔金額。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (j) Inventories

Inventories on stock of properties, which are held for trading, is stated at the lower of cost and net realisable value. Net realisable value is determined by reference to sale proceeds received after the balance sheet date less selling expenses, or by management estimates based on the prevailing market conditions.

##### (k) Financial instruments

The Group classifies its investment in securities in the following categories depends on the purpose of such investment were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

##### (i) **Financial assets at fair value through profit or loss**

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

#### 4. 主要會計政策概要(續)

##### (j) 存貨

持作買賣之物業存貨按成本及可變現淨值之較低者列賬。可變現淨值乃經參考收取之銷售所得款項於結算日後減銷售開支釐定，或由管理層根據當時之市況作出估計。

##### (k) 金融工具

本集團將其之證券投資分類為以下類別，分類視乎收購投資之目的而定。管理層在初步確認時釐定其投資之分類，並於每個報告日期重新評估有關指定分類。

##### (i) **按公平值計入損益表之金融資產**

倘收購之主要目的為在短期內出售或倘須按管理層指定，則金融資產會撥歸此類別。倘此類別之資產乃持作買賣或預期將於結算日起12個月內變現，則分類為流動資產。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (k) Financial instruments (Continued)

###### (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables included loan receivables, convertible notes receivables and trade receivables.

###### (iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Available-for-sale financial assets included club membership.

#### 4. 主要會計政策概要(續)

##### (k) 金融工具(續)

###### (ii) 貸款及應收款項

貸款及應收款項為非衍生金融資產，具有固定或可決定金額，且並無在交投活躍之市場上報價。於本集團直接向債務人提供金錢、貨品或服務而無意買賣應收款項時，則產生貸款及應收款項。彼等計入流動資產內，惟不包括到期日為結算日後逾12個月者之款項(此等貸款及應收款項列作非流動資產)。貸款及應收款項包括應收貸款、應收可換股票據及貿易應收款項。

###### (iii) 可供出售之金融資產

可供出售之金融資產指獲指定該類別或並無分類為任何其他類別之非衍生工具。除非管理層擬於結算日後12個月內出售投資，否則該等資產乃列作非流動資產。可供出售之金融資產包括會所會籍。



#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (k) Financial instruments (Continued)

Purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the investments. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risk and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Available-for-sale financial assets which fair values could not be determined are carried at cost less accumulated impairment. Loans and receivables and held-to-maturity investments are carried at amortised cost using effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are included in the income statement in the year in which they arise. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale financial assets are recognised in equity. When securities classified as available-for-sale financial assets are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains or losses from investments in securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

#### 4. 主要會計政策概要(續)

##### (k) 金融工具(續)

投資之買賣於交易日(指本集團承諾買賣該等投資之日)確認。所有非按公平值計入損益表之金融資產之投資則按公平值加交易成本作初步確認。當從投資收取現金流量之權利屆滿或已轉讓，而本集團已將全部擁有權風險及回報大致轉讓時，投資將解除確認。可供出售之金融資產及按公平值計入損益表之金融資產其後按公平值列賬。不能釐定公平值之可供出售之金融資產乃按成本扣除累計減值列賬。貸款及應收款項及持有至到期日之投資按實際利率法以攤銷成本列賬。由於「按公平值計入損益表之金融資產」之公平值出現變動而導致之已變現及未變現盈虧於產生盈虧之年度列入收益表。由於非貨幣證券公平值變動而導致之未變現盈虧乃分類為可供出售並於股權中確認。當分類為可供出售之金融資產之證券獲出售或出現減值時，累計公平值調整乃列入收益表成為投資證券之收益或虧損。

報價投資之公平值乃根據當時實盤價計算。倘金融資產(及非上市證券)之市場並不活躍，則本集團利用估值方法設定公平值。有關估值方法包括採用最近之公平磋商交易、參考大致相同之其他工具、採用貼現現金流量分析及已調整以反映發行人個別情況之購股權價格模型。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (k) Financial instruments (Continued)

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale financial assets, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

##### (l) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

#### 4. 主要會計政策概要(續)

##### (k) 金融工具(續)

本集團於每個結算日評估是否有客觀證據顯示一項金融資產或一組金融資產出現減值。於股本證券獲分類為可供出售之金融資產之情況下，在釐定證券是否出現減值時，會考慮證券公平值有否大幅或長期下跌至低於其成本。倘可供出售之金融資產存在任何該等證據，則累計虧損(按收購成本與現行公平值之差額，減該項金融資產以往於收益表確認之任何減值虧損計算)會自股權中剔除並於收益表中確認。就股本工具於收益表確認之減值虧損並無於收益表撥回。

##### (l) 貿易及其他應收款項

貿易及其他應收款項初步以公平值確認，其後則利用實際利率法按攤銷成本除減值撥備計量。倘有客觀證據顯示本集團將無法按應收款項之原有條款收回所有款項，即就貿易及其他應收款項設定減值撥備。撥備金額為資產賬面值與按實際利率貼現之估計未來現金流量之現值兩者之差額。撥備金額於收益表確認。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (m) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

##### (n) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

#### 4. 主要會計政策概要(續)

##### (m) 現金及現金等價物

現金及現金等價物包括手頭現金、銀行通知存款、原到期日為三個月或以下之其他短期高流動性投資，以及銀行透支。銀行透支在資產負債表之流動負債內借貸中列示。

##### (n) 借貸

借貸初步按公平值並扣除產生之交易成本確認。交易成本為收購、發行或出售某項金融資產或金融負債直接所佔之新增成本，包括支付予代理人、顧問、經紀及交易商之費用及佣金、監管機關及證券交易所之徵費，以及過戶及印花稅。借貸其後按攤銷成本列賬，所得款項(扣除交易成本)與贖回價值兩者之任何差額採用實際利率法於借貸期間內在收益表確認。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (o) Leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the Group. Assets held under finance leases are capitalised at the lower of fair values or the present value of the minimum lease payments. The corresponding liability to the lessor, net of interest charges, is included in the balance sheet as a finance lease obligation. Finance costs are charged to the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

All other leases are classified as operating leases and the annual rentals are charged to the income statement on a straight-line basis over the relevant lease term.

##### (p) Translation of foreign currencies

###### (i) Functional and presentation currency

Items included in the accounts of Group are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Hong Kong dollars ("HK\$").

###### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

#### 4. 主要會計政策概要(續)

##### (o) 租約

凡於租期內資產擁有權之絕大部份風險及回報轉移往本集團之租約，均列作融資租約。根據融資租約持有之資產按最低租金之公平值或現值(以較低者為準)撥充資本。向出租人履行之有關責任(已扣除有關利息支出)於資產負債表內列作融資租約承擔。融資費用將按有關租期自收益表扣除，以定期定額扣除出每個會計期間之承擔餘額。

所有其他租約均列作經營租約，而年度租金以直線法按有關租期自收益表扣除。

##### (p) 外幣兌換

###### (i) 功能及呈列貨幣

列入本集團賬目之項目均以實體主要經營所在經濟環境之貨幣(功能貨幣)計量。財務報表以港元(「港元」)呈列。

###### (ii) 交易及結餘

外幣業務以交易發生當日之匯率折算為功能貨幣。因上述交易結算及按年終匯率換算以外幣計值之貨幣資產及負債而產生之匯兌損益，均於收益表確認，惟當在股權內遞延為合資格現金流量對沖或合資格投資淨額對沖時除外。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (p) Translation of foreign currencies (Continued)

###### (ii) Transactions and balances (Continued)

Translation differences on non-monetary items, such as equity instruments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Transaction difference on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

###### (iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (c) all resulting exchange differences are recognised as a separate component of equity.

#### 4. 主要會計政策概要(續)

##### (p) 外幣兌換(續)

###### (ii) 交易及結餘(續)

非貨幣項目(如按公平值計入損益表之股本工具)之匯兌差額均呈報為公平值盈虧之一部分。非貨幣項目(如分類為可供銷售金融資產之股權)之匯兌差額均於股權內計入公平值儲備。

###### (iii) 集團公司

所有功能貨幣與呈列貨幣不同之集團實體(全部均無嚴重通脹經濟體系之貨幣)之業績及財務狀況均以下列方法換算為呈列貨幣：

- (a) 於各結算日，在各資產負債表所列之資產及負債均按該結算日之收市匯率換算；
- (b) 各收益表所列之收入及開支均按平均匯率換算(除非該平均匯率不足以合理地估計交易當日通行匯率之累計影響，如屬此情況，收入及開支則於交易當日換算)；及
- (c) 所有因此而產生之匯兌差額會分開確認為股權之個別組成部份。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (p) Translation of foreign currencies (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

##### (q) Employee benefits

###### (i) Bonuses

The Group recognises a liability for bonuses when there is a contractual obligation and the amount can be estimated reliably.

###### (ii) Retirement benefit obligations

The Group operates the Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds.

Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% to 10% of the employees' relevant income, with the employees' contributions subject to a cap of monthly relevant income of HK\$20,000. The Group's contributions to the MPF Scheme are expensed as incurred. 5% of relevant income vests immediately upon the completion of service in the relevant service period, while the remaining portion vests in accordance with the MPF Scheme's vesting scales. Where employees leave the MPF Scheme prior to the full vesting of the employer's contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

#### 4. 主要會計政策概要(續)

##### (p) 外幣兌換(續)

收購海外實體所產生之商譽及公平值調整當作該海外實體之資產及負債處理，並按收市匯率換算。

##### (q) 僱員福利

###### (i) 花紅

本集團於有合約責任及金額能夠可靠地估計時就花紅確認負債。

###### (ii) 退休福利責任

本集團為根據香港強制性公積金計劃條例安排所有按香港僱傭條例聘用之僱員參與強制性公積金計劃(「強積金計劃」)。強積金計劃為定額供款計劃，其資產由獨立信託管理基金持有。

根據強積金計劃，僱主及其僱員均須按僱員相關收入之5%至10%向計劃作出供款，而僱員供款以每月相關收入20,000港元為上限。本集團向強積金計劃作出之供款於產生時支銷。相關收入之5%於相關服務期間服務完成時即時歸屬僱員，而其餘部份乃根據計劃之應享比例歸屬僱員。倘僱員於僱主供款全數歸屬前退出強積金計劃，沒收之供款金額將用作扣減本集團之應付供款。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (q) Employee benefits (Continued)

###### (iii) Share-based compensation

The fair value of the employee services received in exchange for the grant of the share options and restricted share awards is recognised as an expense in the income statement.

The total amount to be expensed over the vesting period is determined with reference to the fair value of the share options and restricted share awards granted. At each balance sheet date, the Company revises its estimates of the number of share options that are expected to become exercisable and the number of restricted share awards that become vested. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity in the balance sheet will be made over the remaining vesting periods.

The proceeds received, net of any directly attributable transaction costs, are credited to share capital and share premium accounts when the share options are exercised and when the restricted share awards are vested.

##### (r) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

#### 4. 主要會計政策概要(續)

##### (q) 僱員福利(續)

###### (iii) 以股份形式支付之薪酬

授予購股權及有限制股份獎勵所換取之僱員服務之公平值於收益表確認為支出。

於歸屬期內列作支出之總金額乃參照已授予之購股權及有限制股份獎勵之公平值釐定。於每個結算日，本公司會修訂其估計預期可予以行使之購股權數目及預期可予歸屬之有限制股份獎勵數目，並於收益表內確認修訂原估計數字(如有)之影響及在餘下歸屬期間對資產負債表之股權作相應調整。

當購股權獲行使時及有限制股份獎勵已歸屬時，所收取之款項於扣除任何直接應佔之交易成本後計入股本及股份溢價內。

##### (r) 借貸成本

建造任何合資格資產所產生之借貸成本於須完成及預備資產作擬定用途期間內撥充資本。其他借貸成本列作開支。

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (s) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

##### (t) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influences. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

#### 4. 主要會計政策概要(續)

##### (s) 或然負債及或然資產

或然負債乃因過往事件而可能產生之責任，而其存在與否僅由不屬本集團全然掌握之一件或以上未確定未來事件之發生或不發生所確定。或然負債亦可以是因過往未確認事件而產生之現有責任，而由於不大可能導致經濟資源流失，又或者責任金額不能可靠地計量而未予以確認。或然負債雖未予確認，惟於財務報表附註披露。倘外流可能性發生變動，以致有可能流失時，則確認為撥備。

或然資產乃指因過往事件而可能獲得之資產，其存在僅可視乎將來發生或不發生一件或以上非本集團所能完全控制之不確定之未來事件予以確定。或然資產雖未予確認，惟當一項經濟收益流入成為可能時於財務報表附註披露。當流入可確定時，則確認資產。

##### (t) 關連人士交易

倘一方有能力直接或間接控制另一方，或於作出財務及營運決定時發揮重大影響力，則雙方被視為有關連。倘彼等受共同控制或共同重大影響，則亦被視為有關連。倘資源或責任於關連人士間轉移，則該項交易被視為關連人士交易。



#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (u) Financial guarantees issued and provisions

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 creditors and accruals. 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 the income statement on initial recognition of any deferred income.

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligations. Provisions are measured at the directors’ best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

#### 4. 主要會計政策概要(續)

##### (u) 已發出之財務擔保

財務擔保是指擔保受益人(「持有人」)要求發行人(即擔保人)支付指定金額，以賠償持有人因指定負債人未能按債務工具條款依期還款所造成的損失之合約。

倘本集團發出財務擔保，該擔保的公平值(即交易價格，除非該公平值能確實地估計)最初確認為應付賬款及應計賬款內的遞延收入。倘在發行該擔保時收取或可收取代價，該代價則根據適用於該類資產的本集團政策而予確認。倘有關代價尚未收取或應予收取，於最初確認任何遞延收入時，即時開支於收益表內確認。

當本集團具有一項因過往事件導致之當前責任，且很有可能本集團被要求履行該項責任時，即確認撥備。撥備乃依據董事於結算日對履行該項責任所需開支之最佳估計，若影響重大則將金額貼現為現值。

### 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### (a) Estimated impairment of goodwill

The Group performs annual tests on whether there has been impairment of goodwill in accordance with the accounting policy stated in note 4(i) to the financial statements. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations. Information about the assumptions and the risk factors on impairment of goodwill are stated in note 19 to the financial statements.

### 5. 關鍵會計估計及判斷

估算及判斷會被持續評估，並根據過往經驗及其他因素進行評估，包括在有關情況下相信為合理之對未來事件之預測。

本集團對未來作出估計及假設。所得之會計估計如其定義，很少會與其實際結果相同。很大機會導致下個財政年度之資產與負債之賬面值作出重大調整之估計及假設討論如下。

#### (a) 商譽之估計減值

本集團按照財務報表附註4(i)所載之會計政策每年對商譽是否出現任何減值進行測試。現金產生單位之可收回金額乃按使用價值計算。該等計算須採用管理層就日後業務營運及除稅前折現率所作之估計及假設，以及其他計算使用價值時所作之假設。有關商譽減值之假設及風險因素之資料載於財務報表附註19。

### 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (b) Trade debtors

The aged debt profile of trade debtors is reviewed on a regular basis to ensure that the trade debtor balances are collectible and follow up actions are promptly carried out if the agreed credit periods have been exceeded. However, from time to time, the Group may experience delays in collection. Where recoverability of trade debtor balances are called into doubts, specific provisions for impairments are made based on credit status of the customers, the aged analysis of the trade receivable balances and write-off history. Certain receivables may be initially identified as collectible, yet subsequently become uncollectible and result in a subsequent write-off of the related receivable to the income statement. Changes in the collectibility of trade receivables for which provisions are not made could affect our results of operations.

#### (c) Useful lives of property, plant and equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment in order to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands or service output of the assets. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid.

### 5. 關鍵會計估計及判斷(續)

#### (b) 貿易應收賬款

本集團定期檢討貿易應收賬款之賬齡，以確保可收回貿易應收賬款餘額，並可於協定信貸期逾期後即時採取跟進行動。然而，本集團收賬不時會出現延誤。倘貿易應收賬款餘額之可收回機會存疑，則本集團會根據客戶之信貸狀況、貿易應收賬款餘額之賬齡分析及撇賬紀錄，作出特別減值撥備。若干應收款項可初步確認為可收回，惟其後可能無法收回而須於收益表內撇銷相關應收款項。倘未有為收回機會出現變化之貿易應收賬款作出撥備，則可能會對營運業績構成影響。

#### (c) 物業、廠房及設備之可使用年期

本集團根據香港會計準則第16號估計物業、廠房及設施之可使用年期，從而判斷所須記賬之折舊費用金額。本集團於購入資產時，根據過往經驗、資產之預期使用量、損耗程度，以及技術會否因市場需求或資產之服務產量有變而變成過時，估計其可使用年期。本集團亦會於每年作出檢討，以判斷對資產可使用年期作出之假設是否仍然合理。

## 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

### (d) Estimate of fair values of investment properties

As described in note 17 to the financial statements, the investment properties were revalued at the balance sheet date on market value basis by reference to independent professional valuations. Such valuation was based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the judgement, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions at each balance sheet date.

## 6. BUSINESS AND GEOGRAPHICAL SEGMENTS

### Business segments

For management purposes, the Group is currently organised into four operating divisions, namely distribution, sub-licensing, sales of financial assets and property investment. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Distribution	Distribution of films
Sub-licensing	Sub-licensing of film rights
Sales of financial assets	Sales of financial assets at fair value through profit or loss
Property investment	Leasing of rental properties

## 5. 關鍵會計估計及判斷(續)

### (d) 投資物業之公平值估計

如財務報表附註17所述，投資物業已根據獨立專業估值師於結算日按其市值基準重新估值。有關估值乃根據若干假設進行，故當中仍有不明確因素且或會與實際結果有重大差異。在作出判斷時，本集團考慮類似物業當時活躍市場之現行價格資料及採要主要根據每個結算日市況所作出之假設。

## 6. 業務分部及地區分部

### 業務分部

就管理而言，本集團現時分為發行、轉授發行權、銷售金融資產及物業投資四個營運部門。本集團乃根據該等部門呈報主要分部資料。

主要業務如下：

發行	發行電影
轉授發行權	轉授電影發行權
銷售金融資產	銷售按公平值計入損益表之金融資產
物業投資	租賃出租之物業

## 6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

### Business segments (Continued)

Segment information about these businesses for the years ended 31 December 2007 and 2006 is presented below.

### Consolidated income statement for the year ended 31 December 2007

		Distribution 發行 HK\$'000 千港元	Sub- licensing 轉授發行權 HK\$'000 千港元	Sales of financial assets 銷售金融資產 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Turnover	營業額	—	—	35,822	2,917	38,739
Segment results before impairment loss recognised in respect of goodwill	未計已確認商譽減值虧 損之分部業績	—	—	7,722	45,912	53,634
Impairment loss recognised in respect of goodwill	已確認商譽減值虧損	—	—	—	(37,828)	(37,828)
Segment results	分部業績	—	—	7,722	8,084	15,806
Unallocated corporate income	未分配集團收益					110,161
Unallocated corporate expenses	未分配集團開支					(67,623)
Profit from operations	經營溢利					58,344
Finance costs	融資費用					(19,494)
Profit before taxation	除稅前溢利					38,850
Taxation	稅項					(13,156)
Profit for the year attributable to equity holders of the Company	本年度本公司股權 持有人應佔溢利					25,694

## 6. 業務分部及地區分部(續)

### 業務分部(續)

截至二零零七年及二零零六年十二月三十一日止年度有關該等業務之分部資料呈列如下。

### 截至二零零七年十二月三十一日止年度之綜合收益表

# 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

## 6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

## 6. 業務分部及地區分部(續)

### Business segments (Continued)

#### Consolidated balance sheet at 31 December 2007

### 業務分部(續)

#### 於二零零七年十二月三十一日之綜合資產負債表

		Distribution 發行 HK\$'000 千港元	Sub- licensing 轉授發行權 HK\$'000 千港元	Sales of financial assets 銷售金融資產 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>					
Segment assets	分部資產	738	11,264	4,509	1,021,270	1,037,781
Unallocated corporate assets	未分配集團資產					504,671
<b>Consolidated total assets</b>	<b>綜合資產總值</b>					<b>1,542,452</b>
<b>Liabilities</b>	<b>負債</b>					
Segment liabilities	分部負債	—	2,669	718	55,660	59,047
Unallocated corporate liabilities	未分配集團負債					433,429
<b>Consolidated total liabilities</b>	<b>綜合負債總額</b>					<b>492,476</b>

#### Other segment information for the year ended 31 December 2007

#### 截至二零零七年十二月三十一日止年度之其他分部資料

		Distribution 發行 HK\$'000 千港元	Sub- licensing 轉授發行權 HK\$'000 千港元	Sales of financial assets 銷售金融資產 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Capital expenditures	資本開支	17	—	—	121,850	121,867
Depreciation	折舊	563	—	—	595	1,158
Impairment losses recognised	已確認減值虧損	—	—	—	37,837	37,837

# 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

## 6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

### Business segments (Continued)

#### Consolidated income statement for the year ended 31 December 2006

## 6. 業務分部及地區分部(續)

### 業務分部(續)

#### 截至二零零六年十二月三十一日止年度之綜合收益表

		Distribution 發行 HK\$'000 千港元	Sub- licensing 轉授發行權 HK\$'000 千港元	Sales of financial assets 銷售金融資產 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Turnover	營業額	164	200	15,229	1,883	17,476
Segment results	分部業績	74	23	1,768	2,203	4,068
Unallocated corporate income	未分配集團收入					11,259
Unallocated corporate expenses	未分配集團開支					(26,811)
Loss from operations	經營虧損					(11,484)
Finance costs	融資費用					(9,615)
Loss before taxation	除稅前虧損					(21,099)
Taxation	稅項					(195)
Loss for the year attributable to equity holders of the Company	本年度本公司股權 持有人應佔虧損					(21,294)

# 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

## 6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

## 6. 業務分部及地區分部(續)

### Business segments (Continued)

#### Consolidated balance sheet at 31 December 2006

### 業務分部(續)

#### 於二零零六年十二月三十一日之綜合資產負債表

		Distribution 發行 HK\$'000 千港元	Sub- licensing 轉授發行權 HK\$'000 千港元	Sales of financial assets 銷售金融資產 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>					
Segment assets	分部資產	804	7,593	32,156	815,360	855,913
Unallocated corporate assets	未分配集團資產					66,315
<b>Consolidated total assets</b>	<b>綜合資產總值</b>					<b>922,228</b>
<b>Liabilities</b>	<b>負債</b>					
Segment liabilities	分部負債	—	3,051	367	50,972	54,390
Unallocated corporate liabilities	未分配集團負債					464,306
<b>Consolidated total liabilities</b>	<b>綜合負債總額</b>					<b>518,696</b>

#### Other segment information for the year ended 31 December 2006

#### 截至二零零六年十二月三十一日止年度之其他分部資料

		Distribution 發行 HK\$'000 千港元	Sub- licensing 轉授發行權 HK\$'000 千港元	Sales of financial assets 銷售金融資產 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Capital expenditures	資本開支	1,115	—	23	15,870	17,008
Depreciation	折舊	143	1	468	40	652
Impairment losses recognised	已確認減值虧損	1,195	—	—	—	1,195



## 6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

### Geographical segments

The Group mainly operates in Hong Kong, Macau and The People's Republic of China (the "PRC"). The following table provides an analysis of the Group's turnover and segment results by geographical market, irrespective of the origin of goods and services.

		Turnover 營業額		Segment results 分部業績	
		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
Hong Kong and Macau	香港及澳門	35,822	15,393	7,722	1,842
The PRC	中國	2,917	2,083	8,084	2,226
		<b>38,739</b>	17,476	<b>15,806</b>	4,068

The following is an analysis of the carrying amounts of segment assets and segment liabilities, capital expenditures and depreciation, analysed by geographical area in which the assets and liabilities located:

## 6. 業務分部及地區分部(續)

### 地區分部

本集團主要業務位於香港、澳門及中華人民共和國(「中國」)。下表為本集團按地區市場劃分之營業額及分部業績(不論貨品及服務來源地)之分析。

以下為按資產及負債所在地區分析之分部資產及分部負債賬面值、資本開支及折舊：

		Segment assets 分部資產		Segment liabilities 分部負債		Capital expenditures 資本開支		Depreciation 折舊	
		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	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Hong Kong and Macau	香港及澳門	5,247	32,960	718	367	17	1,138	563	611
The PRC	中國	1,032,534	822,953	58,329	54,023	121,850	15,870	595	41
		<b>1,037,781</b>	855,913	<b>59,047</b>	54,390	<b>121,867</b>	17,008	<b>1,158</b>	652

# 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

## 7. TURNOVER

## 7. 營業額

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Distribution of films	發行電影	—	164
Sub-licensing of film rights	轉授電影發行權	—	200
Sales of financial assets at fair value through profit or loss	銷售按公平值計入損益表之金融資產	35,822	15,229
Rental income	租金收入	2,917	1,883
		<b>38,739</b>	17,476

## 8. OTHER REVENUE AND OTHER INCOME

## 8. 其他收益及其他收入

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>Other revenue</b>	<b>其他收益</b>		
Dividend income from financial assets at fair value through profit or loss	按公平值計入損益表之金融資產之股息收入	78	754
Interest income on bank deposits	銀行存款之利息收入	2,990	4,314
Sundry income	雜項收入	137	631
		<b>3,205</b>	5,699
<b>Other income</b>	<b>其他收入</b>		
Waiver of secured bank loan interest	豁免有抵押銀行貸款利息	106,956	—
Unrealised gain on change in fair value of financial assets at fair value through profit or loss	按公平值計入損益表之金融資產之公平值變動之未變現收益	—	5,360
Reversal of accruals in previous years	撥回過往年度應計費用	—	200
		<b>106,956</b>	5,560

# 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

## 9. PROFIT/(LOSS) FROM OPERATIONS

## 9. 經營溢利 / (虧損)

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit/(loss) from operations has been arrived after charging/ (crediting):	經營溢利 / (虧損) 已扣除 / (計入) 下列各項 :		
Auditors' remuneration	核數師酬金	600	600
Cost of inventories sold	已售存貨成本	—	89
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,158	652
Impairment loss recognised in respect of trade receivables	已確認貿易應收款項減值虧損	9	1,050
Impairment loss recognised in respect of film right deposits	已確認電影發行權按金減值虧損	—	14
Impairment loss recognised in respect of prepayments	已確認預付款項減值虧損	—	131
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	3	1,956
Operating lease rental in respect of rented premises	租賃物業之經營租約租金	2,315	1,710
Share-based payment expenses in respect of consultancy services	就顧問服務以股份形式支付之開支	6,370	—
Staff costs including directors' emoluments	員工成本(包括董事酬金)	8,349	7,258
— Salaries	— 薪金		
— Contribution to retirement benefits scheme	— 退休福利計劃供款	114	117
— Share-based payment expenses	— 以股份形式支付之開支	25,912	—
		<b>34,375</b>	7,375
Unrealised gain on change in fair value of financial assets at fair value through profit or loss	按公平值計入損益表之金融資產之公平值變動之未變現收益	—	(5,360)

# 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

## 10. FINANCE COSTS

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Interest expenses on borrowings wholly repayable within five years:	須於五年內悉數償還之借貸利息開支：		
— loan payable	— 應付貸款	—	100
— secured bank loans	— 有抵押銀行貸款	19,494	9,515
		<b>19,494</b>	<b>9,615</b>

## 10. 融資費用

## 11. DIRECTORS' EMOLUMENTS

The board of directors of the Company is currently composed of two executive directors and three independent non-executive directors.

The aggregate amount of emoluments payable to the directors of the Company during the year was HK\$360,000 (2006: HK\$360,000). The remuneration of each director for the years ended 31 December 2007 and 2006 is as below:

## 11. 董事酬金

董事會現由兩名執行董事及三名獨立非執行董事組成。

年內應付本公司予董事之酬金總額為360,000港元(二零零六年:360,000港元)。截至二零零七年及二零零六年十二月三十一日止年度，每名董事之薪酬如下：

Name of director	董事姓名	Fees		Salaries and bonuses		Mandatory provident fund		Share-based payment expenses		Total	
		袍金	薪金及花紅	強制性公積金	以股份形式支付之開支	總計					
		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
		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
Mr. Heung Wah Keung	向華強先生	—	—	—	—	—	—	—	—	—	—
Ms. Chen Ming Yin, Tiffany	陳明英女士	—	—	—	—	—	—	—	—	—	—
Mr. Tang Chak Lam, Gilbert	鄧澤林先生	120	120	—	—	—	—	—	—	120	120
Mr. Ho Wai Chi, Paul	何偉志先生	120	120	—	—	—	—	—	—	120	120
Mr. Lien Wai Hung	連偉雄先生	120	120	—	—	—	—	—	—	120	120
		<b>360</b>	<b>360</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>360</b>	<b>360</b>

# 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

## 12. FIVE HIGHEST PAID INDIVIDUALS

The emoluments paid to the five highest paid individuals of the Group during the year were as follow:

		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 allowances	薪金及其他津貼	4,773	4,545
Contributions to retirement benefits scheme	退休福利計劃供款	48	48
Share-based payment expenses	以股份形式支付之開支	7,289	—
		<b>12,110</b>	4,593

None (2006: Nil) of the five highest paid individuals of the Group was the director of the Company. Their emoluments were within the following bands:

		Number of employees 僱員人數	
		2007 二零零七年	2006 二零零六年
Nil – HK\$1,000,000	零至1,000,000港元	—	3
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	—	1
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	1	1
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	3	—
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至4,000,000港元	1	—

During the year, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

年內已付予本集團五名最高薪人士之酬金如下：

本集團五名最高薪人士中並無(二零零六年：無)本公司之董事。彼等之酬金介乎以下範圍：

年內，本集團並無向董事支付任何酬金，作為加入本集團之獎勵或離職補償。概無董事於年內放棄任何酬金。

## 13. TAXATION

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Deferred taxation (note 32)	遞延稅項(附註32)	13,156	195

## 13. 稅項

## 13. TAXATION (Continued)

No provision for Hong Kong Profits Tax or the PRC Corporate Income Tax has been made for the years ended 31 December 2007 and 2006 as the Group either has no estimated assessable profits or its estimated assessable profits are wholly absorbed by the estimated tax losses brought forward.

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

## 13. 稅項(續)

由於本公司概無估計應課稅溢利或其估計應課稅溢利已由承前估計稅項虧損全部抵銷，故截至二零零六年及二零零七年十二月三十一日止年度並無就香港利得稅或中國企業所得稅作出撥備。

年內，可與綜合收益表內之除稅前溢利/(虧損)對賬之稅項如下：

		2007 二零零七年		2006 二零零六年	
		HK\$'000 千港元	% 百分比	HK\$'000 千港元	% 百分比
Profit/(loss) before taxation	除稅前溢利/(虧損)	38,850		(21,099)	
Taxation at income tax rate of 17.5%	按所得稅稅率17.5%計算之稅項	6,799	17.5	(3,692)	17.5
Effect of different tax rates of subsidiaries operating in other jurisdiction	於其他司法權區經營附屬公司不同稅率之影響	11,944	30.7	—	—
Tax effect of income that is not taxable in determining taxable profit	在決定應課稅溢利時不可課稅收入之稅務影響	(9,809)	(25.2)	(10,628)	50.4
Utilisation of tax losses previously not recognised	動用過往並未確認之稅項虧損	(17,700)	(45.5)	—	—
Tax effect of expenses that are not deductible in determining taxable profit	在決定應課稅溢利時不可扣稅支出之稅務影響	6,620	17.0	1,833	(8.7)
Tax losses not yet recognised	未確認稅項虧損	2,146	5.5	12,487	(59.2)
Increase in deferred tax	遞延稅項增加	13,156	33.9	195	(0.9)
Taxation charge for the year	本年度稅項支出	13,156	33.9	195	(0.9)

## 14. EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings/(loss) per share is based on the following data:

		<b>2007</b> 二零零七年 <b>HK\$'000</b> 千港元	2006 二零零六年 HK\$'000 千港元
Profit/(loss) attributable to equity holders of the Company for the purposes of basic and diluted earnings/(loss) per share	於計算每股基本及攤薄盈利 / (虧損) 時所用之本公司股權持有人應佔溢利 / (虧損)	<b>25,694</b>	(21,294)
		<b>'000</b> 千股	'000 千股
<b>Number of ordinary shares</b>	<b>普通股數目</b>		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings/(loss) per share	於計算每股基本及攤薄盈利 / (虧損) 時所用之普通股加權平均數	<b>1,029,407</b>	648,434

The weighted average number of ordinary shares for the year ended 31 December 2006 for the purposes of basic and diluted loss per share has been adjusted to take into the effect of the share consolidation that became effective on 21 May 2007. Details of the share consolidation are set out in note 26(i) to the financial statements.

Diluted earnings/(loss) per share for the years ended 31 December 2007 and 2006 were the same as the basic earnings/(loss) per share. The Company's outstanding share options were not included in the calculation of diluted earnings/(loss) per share because the effect of the Company's outstanding share options was anti-dilutive.

## 15. DIVIDEND

The directors of the Company do not recommend the payment of any dividend for the year ended 31 December 2007 (2006: nil).

## 14. 每股盈利 / (虧損)

每股基本及攤薄盈利 / (虧損) 乃根據下列數據計算：

		<b>2007</b> 二零零七年 <b>HK\$'000</b> 千港元	2006 二零零六年 HK\$'000 千港元
Profit/(loss) attributable to equity holders of the Company for the purposes of basic and diluted earnings/(loss) per share	於計算每股基本及攤薄盈利 / (虧損) 時所用之本公司股權持有人應佔溢利 / (虧損)	<b>25,694</b>	(21,294)
		<b>'000</b> 千股	'000 千股
<b>Number of ordinary shares</b>	<b>普通股數目</b>		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings/(loss) per share	於計算每股基本及攤薄盈利 / (虧損) 時所用之普通股加權平均數	<b>1,029,407</b>	648,434

截至二零零六年十二月三十一日止年度於計算每股基本及攤薄虧損時所用之普通股加權平均數已作出調整，以計入於二零零七年五月二十一日生效之股份合併之影響。股份合併詳情載於財務報表附註26(i)。

截至二零零七年及二零零六年十二月三十一日止年度之每股攤薄盈利 / (虧損) 與每股基本盈利 / (虧損) 相同。由於本公司之未行使購股權具有反攤薄作用，故計算每股攤薄盈利 / (虧損) 時並無包括本公司之未行使購股權。

## 15. 股息

本公司董事並不建議派發截至二零零七年十二月三十一日止年度之任何股息(二零零六年：無)。

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## 16. PROPERTY, PLANT AND EQUIPMENT

## 16. 物業、廠房及設備

### The Group

### 本集團

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>					
At 1 January 2006	於二零零六年一月一日	2,175	4,071	1,633	2,128	10,007
Additions	添置	1,115	41	—	—	1,156
Acquisition of a subsidiary	收購附屬公司	—	1,926	—	—	1,926
Disposals	出售	(909)	(5,297)	—	(1,030)	(7,236)
Exchange alignments	匯兌調整	—	20	—	—	20
At 31 December 2006 and at 1 January 2007	於二零零六年 十二月三十一日及 二零零七年一月一日	2,381	761	1,633	1,098	5,873
Additions	添置	—	4,907	—	—	4,907
Disposals	出售	—	(562)	(376)	—	(938)
Exchange alignments	匯兌調整	—	8	—	—	8
<b>At 31 December 2007</b>	<b>於二零零七年 十二月三十一日</b>	<b>2,381</b>	<b>5,114</b>	<b>1,257</b>	<b>1,098</b>	<b>9,850</b>
<b>Accumulated depreciation</b>	<b>累計折舊</b>					
At 1 January 2006	於二零零六年一月一日	1,957	2,709	787	1,136	6,589
Charge for the year	本年度費用	223	155	169	105	652
Acquisition of a subsidiary	收購附屬公司	—	1,446	—	—	1,446
Elimination on disposals	出售時對銷	(873)	(3,831)	—	(576)	(5,280)
Exchange alignments	匯兌調整	—	(2)	—	—	(2)
At 31 December 2006 and at 1 January 2007	於二零零六年 十二月三十一日及 二零零七年一月一日	1,307	477	956	665	3,405
Charge for the year	本年度費用	358	608	127	65	1,158
Elimination on disposals	出售時對銷	—	(423)	(292)	—	(715)
Exchange alignments	匯兌調整	—	2	—	—	2
<b>At 31 December 2007</b>	<b>於二零零七年 十二月三十一日</b>	<b>1,665</b>	<b>664</b>	<b>791</b>	<b>730</b>	<b>3,850</b>
<b>Net book value</b>	<b>賬面淨值</b>					
<b>At 31 December 2007</b>	<b>於二零零七年 十二月三十一日</b>	<b>716</b>	<b>4,450</b>	<b>466</b>	<b>368</b>	<b>6,000</b>
At 31 December 2006	於二零零六年 十二月三十一日	1,074	284	677	433	2,468



## 17. INVESTMENT PROPERTIES

## 17. 投資物業

		<b>2007</b> 二零零七年 <b>HK\$'000</b> 千港元	2006 二零零六年 HK\$'000 千港元
At 1 January	於一月一日	<b>678,000</b>	—
Acquisition of a subsidiary	收購附屬公司	—	641,982
Additions	添置	<b>101,347</b>	15,852
Exchange alignments	匯兌調整	<b>48,637</b>	19,576
Transfer from inventories	轉撥自存貨	<b>15,613</b>	—
Increase in fair value recognised in the consolidated income statement	綜合收益表中已確認之公平值增加	<b>43,853</b>	590
<b>At 31 December</b>	<b>於十二月三十一日</b>	<b>887,450</b>	678,000

The fair value of the Group's investment properties at 31 December 2007 have been arrived at on the basis of a valuation carried out on that date by DTZ Debenham Tie Leung Limited, independent qualified professional valuers not connected with the Group. DTZ Debenham Tie Leung Limited is a member of the Hong Kong Institute of Valuers, has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation, which conforms to International Valuation Standards, were arrived at by reference to market evidence of transaction prices for similar properties.

The fair value of investment properties shown above comprise:

本集團投資物業於二零零七年十二月三十一日的公平值，乃由與本集團概無關連的獨立合資格專業估值師戴德梁行有限公司於同日進行估值。戴德梁行有限公司為香港測量師公會會員，具有適當資歷，並曾於近期為相關地點的物業作出估值。有關估值乃遵循國際估值準則並參考同類物業的市場交易價而達致。

上述投資物業之公平值包括：

		<b>2007</b> 二零零七年 <b>HK\$'000</b> 千港元	2006 二零零六年 HK\$'000 千港元
<b>Outside Hong Kong</b>	<b>香港以外地區</b>		
<b>Long-term leases</b>	<b>長期租約</b>	<b>887,450</b>	678,000

## 17. INVESTMENT PROPERTIES (Continued)

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purpose are measured using the fair value model and are classified and accounted for as investment properties.

Certain of the Group's investment properties of approximately HK\$852,081,000 have been pledged to secure banking facilities granted to the Group.

The following table sets forth the Group's investment properties as at 31 December 2007:

## 17. 投資物業(續)

本集團所有按經營租約以賺取租金或為資產增值為目的所持有之物業權益採用公平值模式計算，並分類為投資物業入賬。

本集團若干投資物業約852,081,000港元已抵押以取得授予本集團之銀行融資。

下表載列本集團於二零零七年十二月三十一日之投資物業：

Location 地點	Approx. gross floor area(square meter) 概約總樓面面積 (平方米)	Usage 用途	Category of the lease term 租期類別	Group interest 本集團權益
北京市東城區貢院西街9號 Main Building 1/F., 2/F., 3/F. – 19/F., Units Nos. 1507, 1606, 1610, 1611, 1710, 1711, 1801, 1811, 1906 and 1907 and 146 Car Parking Spaces at B1 – B3	40,222.66	Retail, apartment and car parking 零售、公寓及停車場	Long 長期	96.7%
北京市東城區貢院西街9號 主樓1樓、2樓、3樓至19樓 1507、1606、1610、1611、 1710、1711、1801、1811、 1906及1907號單位，及位 於B1-B3停車位146個				
北京市東城區貢院西街9號 Ancillary Building 1/F., 2/F., 3./F – 5/F. and Club	2,924.97	Retail, studio units and club 零售、套房及會所	Long 長期	96.7%
北京市東城區貢院西街9號 附屬建築物1樓、2樓、3樓 至5樓及會所				

## 18. INTERESTS IN SUBSIDIARIES

## 18. 附屬公司權益

		<b>The Company</b> 本公司	
		<b>2007</b> 二零零七年 <b>HK\$'000</b> 千港元	2006 二零零六年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	<b>83,553</b>	83,553
Impairment losses recognised	已確認減值虧損	<b>(83,553)</b>	(83,553)
		—	—
Amounts due from subsidiaries	應收附屬公司款項	<b>709,207</b>	562,170
Impairment losses recognised	已確認減值虧損	<b>(704,334)</b>	(520,346)
		<b>4,873</b>	41,824

The amounts due from subsidiaries are unsecured, interest-free and have no fixed repayment terms. In the opinion of the directors of the Company, the carrying amounts of the amounts due from subsidiaries at 31 December 2007 approximate to their fair values.

The carrying amounts of the interests in subsidiaries are reduced to their recoverable amounts which are determined by reference to the estimation of future cash flows expected to be generated from the respective subsidiaries.

The amounts due to subsidiaries are unsecured, interest-free and repayable on demand. The carrying amounts of amounts due to subsidiaries approximate to their fair values.

應收附屬公司款項為無抵押、免息及無固定還款期。本公司董事認為，於二零零七年十二月三十一日，應收附屬公司款項之賬面值於其公平值相若。

附屬公司權益之賬面值獲調減至其可收回金額，有關可收回金額乃參考預期將從各附屬公司所產生之估計未來現金流量予以釐定。

應付附屬公司款項為無抵押、免息及須於要求時償還。應付附屬公司款項之賬面值與其公平值相若。

## 18. INTERESTS IN SUBSIDIARIES (Continued)

## 18. 附屬公司權益(續)

Details of the Company's subsidiaries at 31 December 2007 are set out as follows:

本公司之附屬公司於二零零七年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Country/place of incorporation 註冊成立國家 / 地點	Particulars of issued share capital/ registered capital 已發行股本 / 註冊資本詳情	Principal activities 主要業務
Beijing Jianguo Real Estate Development Co., 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	Dormant 暫無營業
Best Season Holdings Corp.	British Virgin Islands 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元 之普通股	Dormant 暫無營業
Bluelagoon Investment Holdings 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	Investment holding, sales of financial assets, distribution of films and sub-licensing of film rights in the PRC 投資控股、銷售金融資產、 於中國發行電影及轉授電 影發行權
Dragon Leader 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	Investment holding 投資控股
Gainful Fortune Limited	British Virgin Islands 英屬處女群島	160,000,100 ordinary shares of HK\$1 each 160,000,100股每股面 值1港元之普通股	Holding of film rights 持有電影發行權

## 18. INTERESTS IN SUBSIDIARIES (Continued)

## 18. 附屬公司權益(續)

Name of subsidiary 附屬公司名稱	Country/place of incorporation 註冊成立國家 / 地點	Particulars of issued share capital/ registered capital 已發行股本 / 註冊資本詳情	Principal activities 主要業務
Legend Rich 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	Investment holding 投資控股
Ocean Shores Licensing Limited	British Virgin Islands 英屬處女群島	10,000 ordinary shares of US\$1 each 10,000 股每股面值 1 美 元之普通股	Holding of film rights outside Hong Kong 於香港以外地區持有電影 發行權
Rich Joy Investments Limited 富樂投資有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2 股每股面值 1 港元之 普通股	Dormant 暫無營業
Riche Advertising 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	Sales of financial assets 銷售金融資產
Riche (BVI) Limited	British Virgin Islands 英屬處女群島	1,000 ordinary shares of US\$1 each 1,000 股每股面值 1 美 元之普通股	Investment holding in Hong Kong 於香港投資控股
Riche Distribution Limited 豐采發行有限公司	Hong Kong 香港	1,000,000 ordinary shares of HK\$1 each 1,000,000 股每股面值 1 港元之普通股	Sub-licensing of film rights in Hong Kong and sales of financial assets 於香港轉授電影發行權及 銷售金融資產

## 18. INTERESTS IN SUBSIDIARIES (Continued)

## 18. 附屬公司權益(續)

Name of subsidiary 附屬公司名稱	Country/place of incorporation 註冊成立國家 / 地點	Particulars of issued share capital/ registered capital 已發行股本 / 註冊資本詳情	Principal activities 主要業務
Riche International (Macao Commercial Offshore) Limited 豐采國際(澳門離岸商業服務)有限公司	Macau 澳門	1 share of MOP100,000 1 股面值澳門幣 100,000 元之股份	Distribution of films and sub-licensing of film rights in the PRC 於中國發行電影及轉授電影發行權
Riche Multi-Media Limited 豐采多媒體有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2 股每股面值 1 港元之普通股	Distribution of films and other video features in the PRC 於中國發行電影及其他影視特輯
Riche Pictures Limited 豐采影畫有限公司	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	Investment holding in Hong Kong 於香港投資控股
Riche Video Limited 豐采錄影有限公司	Hong Kong 香港	10 ordinary shares of HK\$100 each 20,000 non-voting deferred shares of HK\$100 each* 10 股每股面值 100 港元之普通股 20,000 股每股面值 100 港元之無投票權遞延股份*	Distribution of video products in Hong Kong 於香港發行影視產品
Shinhan-Golden Faith International Development Limited	British Virgin Islands 英屬處女群島	10,000,000 ordinary shares of US\$1 each 10,000,000 股每股面值 1 美元之普通股	Investment holding in the PRC 於中國投資控股

## 18. INTERESTS IN SUBSIDIARIES (Continued)

## 18. 附屬公司權益(續)

Name of subsidiary 附屬公司名稱	Country/place of incorporation 註冊成立國家 / 地點	Particulars of issued share capital/ registered capital 已發行股本 / 註冊資本詳情	Principal activities 主要業務
Stable Income Limited 堅益有限公司	Hong Kong 香港	1,000,000 ordinary shares of HK\$1 each 1,000,000股每股面值1 港元之普通股	Dormant 暫無營業
World East 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	Distribution of films and sub-licensing of film rights in the PRC through a PRC agent 透過中國代理商於中國發 行電影及轉授電影發行權
北京建國房地產開發有限 公司 ("Beijing Jianguo Real Estate Development Co. Ltd")	The PRC 中國	Registered capital of US\$15,000,000 註冊資本 15,000,000美 元	Property investment in the PRC 於中國投資物業

\* The non-voting deferred shares, which are not held by the Group, carry practically no rights to dividends nor to receive notice of nor to attend or vote at any general meeting of the relevant company nor to participate in any distribution on winding up.

\* 該等無投票權遞延股份實際並無權利分享股息、接收任何有關公司股東大會之通告、出席該等大會或在會上投票之權利，在清盤時亦不可享有任何分派。

The Company directly holds the interest in Riche (BVI) Limited. All other subsidiaries are indirectly held by the Company.

本公司直接持有 Riche (BVI) Limited 之權益。所有其他附屬公司均由本公司間接持有。

All of the subsidiaries are wholly-owned by the Company, except 北京建國房地產開發有限公司 ("Beijing Jianguo") in which the Company holds 96.7% equity interest and Best Season Holdings Corp. was 75% owned by the Group.

所有附屬公司均由本公司全資擁有，惟北京建國房地產開發有限公司(「北京建國」)除外，本公司持有其96.7%之股本權益而 Best Season Holdings Corp. 由本集團擁有75%。

None of the subsidiaries had any debt securities outstanding at the end of the year, or at any time during the year.

各附屬公司於年結時或本年度任何時間均無任何尚未贖回之債務證券。

## 19. GOODWILL

## 19. 商譽

		The Group 本集團 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>	
At 1 January 2006	於二零零六年一月一日	40,128
Acquisition of a subsidiary	收購附屬公司	77,284
<b>At 31 December 2006, 1 January 2007 and 31 December 2007</b>	<b>於二零零六年十二月三十一日、 二零零七年一月一日及 二零零七年十二月三十一日</b>	<b>117,412</b>
<b>Accumulated impairment</b>	<b>累計減值</b>	
At 1 January 2006, 31 December 2006 and 1 January 2007	於二零零六年一月一日、 二零零六年十二月三十一日及 二零零七年一月一日	40,128
Impairment loss recognised	已確認減值虧損	37,828
<b>At 31 December 2007</b>	<b>於二零零七年十二月三十一日</b>	<b>77,956</b>
<b>Carrying amounts</b>	<b>賬面值</b>	
<b>At 31 December 2007</b>	<b>於二零零七年十二月三十一日</b>	<b>39,456</b>
At 31 December 2006	於二零零六年十二月三十一日	77,284

On 21 June 2006, the Group acquired 100% of the issued share capital of Shinhan-Golden Faith International Development Limited ("Shinhan-Golden") and the debts owed by Shinhan-Golden to Northbay Investments Holdings Limited ("Northbay"). The total consideration of the acquisition at fair value was approximately HK\$246,109,000. As a result, a goodwill of approximately HK\$77,284,000 arose from the acquisition of Shinhan-Golden.

於二零零六年六月二十一日，本集團收購Shinhan-Golden Faith International Development Limited (「Shinhan-Golden」)全部已發行股本及Shinhan-Golden尚欠Northbay Investments Holdings Limited (「Northbay」)的債項。該項收購按公平值計算之總代價約為246,109,000港元。因此，收購Shinhan-Golden產生約77,284,000港元之商譽。



### 19. GOODWILL (Continued)

#### Impairment of goodwill

Goodwill arising from the acquisition of Shinhan-Golden has been allocated to the leasing of rental property, which is property investment segment and is the cash-generating units (“CGU”) identified.

During the year, the directors of the Company reassessed the recoverable amount of the CGU with reference to the valuation performed by Grant Sherman Appraisal Limited, an independent firm of professional valuers, and determined that an impairment loss in respect of goodwill of approximately HK\$37,828,000 was recognised (2006: Nil).

The recoverable amount of the CGU was assessed by reference to value-in-use calculation. A discount rate of 15.43% per annum was applied in the value-in-use model which uses cash flow projection based on financial forecasts approved by the directors of the Company (the “Approved Forecast”) covering a ten-year period. Cash flows beyond the ten-year period have been extrapolated using a steady 7% growth rate. The growth rate is made by reference to National Bureau of Statistics of China and does not exceed the long-term average growth rate for the market in which the CGU operates. There are a number of assumptions and estimates involved for the preparation of the cash flow projection for the period covered by the Approved Forecast. Key assumptions include gross margin, growth rate and discount rate which are determined by management of the Group based on past experience and its expectation for market development. Gross margin are budgeted gross margin. Growth rate represents the rate used to extrapolate cash flows beyond the ten-year budgeted period and is consistent with the Approved Forecast. The discount rate used is pre-tax and reflects specific risks relating to the market.

### 19. 商譽(續)

#### 商譽減值

因收購Shinhan-Golden而產生之商譽已獲分配至租賃物業出租，此屬於物業投資分部，並為已識別現金產生單位(「現金產生單位」)。

年內，在參照一間獨立專業評估師行中證評估有限公司(Grant Sherman Appraisal Limited)所作出的估值後，董事已重新評審現金產生單位的可收回金額，並釐定商譽之減值虧損約37,828,000港元(二零零六年：零)已獲確認。

現金產生單位的收回金額的評估是參照使用價值的計算方式。應用在使用價值模式的折現率為15.43%，是用以計算根據董事批准的財務預測(「批准預測」)的現金流量推算，所涵蓋的期間為十年。超過十年期間的現金流量已使用了穩定的7%增長率推算。增長率是參考中國國家統計局的統計而並無超過現金產生單位所運作的市場之平均增長率。為編製批准預測所涵蓋的期間之現金流量推算需要多項假設及估計。主要的假設包括毛利率、增長率及折現率，該等數字是由本集團管理層根據過往經驗及其預期市場的發展而確定的。毛利率為預算的毛利率。增長率指推算現金流量超過十年預算期之利率，且與批准預測一致。所用折現率是除稅前，且反映與市場有關之特定風險。

## 20. INVENTORIES

## 20. 存貨

		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
Properties held-for-sale	持作出售之物業	<b>32,783</b>	45,154

Properties held-for-sale solely comprised of certain units of apartments held by Beijing Jianguo, a subsidiary of Shinhan-Golden, of which sale and purchase agreements were entered into and full considerations have been received by Beijing Jianguo in respect of these units of apartments (note 29 to the financial statements). However, the transfer of legal titles of these units of apartments have not yet been completed at the date of approval of the financial statements.

僅持作出售之物業包括由Shinhan-Golden之附屬公司北京建國所持有之若干公寓單位，北京建國已就該等公寓單位訂立買賣協議並已收取全部代價(財務報表附註29)。然而，轉讓該等公寓單位之法定所有權尚未於批准該等財務報表之日完成。

## 21. TRADE RECEIVABLES

## 21. 貿易應收款項

		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
Trade receivables	貿易應收款項	<b>1,254</b>	1,986
Less: impairment loss recognised in respect of trade receivables	減：已確認貿易應收款項值 虧損	<b>(9)</b>	(1,050)
		<b>1,245</b>	936

**21. TRADE RECEIVABLES** (Continued)

The following is an aged analysis of the trade receivables net of impairment loss at the balance sheet date:

		<b>The Group</b> 本集團	
		<b>2007</b> 二零零七年 <b>HK\$'000</b> 千港元	2006 二零零六年 <b>HK\$'000</b> 千港元
0 – 30 days	零至30日	<b>213</b>	—
31 – 60 days	31至60日	<b>424</b>	—
61 – 90 days	61至90日	<b>106</b>	—
Over 90 days	90日以上	<b>502</b>	936
		<b>1,245</b>	936

The Group allows an average credit period of 90 days to its customers.

Aging of trade receivables which are past due but not impaired:

		<b>The Group</b> 本集團	
		<b>2007</b> 二零零七年 <b>HK\$'000</b> 千港元	2006 二零零六年 <b>HK\$'000</b> 千港元
0 – 30 days	零至30日	—	—
31 – 60 days	31至60日	—	—
61 – 90 days	61至90日	—	—
Over 90 days	90日以上	<b>502</b>	936
		<b>502</b>	936

**21. 貿易應收款項(續)**

於結算日，貿易應收款項之扣除減值虧損之賬齡分析如下：

本集團給予客戶平均九十天之信貸期。

已逾期但未減值貿易應收款項之賬齡：

**21. TRADE RECEIVABLES (Continued)**

At 31 December 2007, trade receivables of HK\$502,000 were past due but not impaired. The Group is in negotiation with those customers for settlement of these debts. The directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there had not been a significant change in credit quality on these balances.

Aging of impaired trade receivables:

0 – 30 days	零至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
Over 90 days	90日以上

The carrying amounts of trade receivables approximate to their fair values.

**21. 貿易應收款項(續)**

於二零零七年十二月三十一日，貿易應收款項502,000港元為已逾期但未減值。本集團正在與該等客戶就清償該等債項進行磋商。本公司董事認為由於該等結餘之信貸質素並無出現重大變動，故毋須就該等結餘作出減值撥備。

已減值貿易應收款項之賬齡：

		<b>The Group</b> 本集團	
		<b>2007</b> 二零零七年 <b>HK\$'000</b> 千港元	2006 二零零六年 <i>HK\$'000</i> 千港元
0 – 30 days	零至30日	<b>2</b>	—
31 – 60 days	31至60日	<b>5</b>	—
61 – 90 days	61至90日	<b>1</b>	—
Over 90 days	90日以上	<b>1</b>	1,050
		<b>9</b>	1,050

貿易應收賬款之賬面值與其公平值相若。

## 22. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

## 22. 按金、預付款項及其他應收款項

		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
Deposits	按金	2,529	9,356	1,350	1,801
Prepayments	預付款項	25,207	1,842	550	—
Other receivables	其他應收款項	4,094	8,187	350	—
		<b>31,830</b>	19,385	<b>2,250</b>	1,801
Less: Impairment loss recognised in respect of prepayments	減：已確認預付款項減值虧損	—	(131)	—	—
		<b>31,830</b>	19,254	<b>2,250</b>	1,801

The carrying amounts of deposits, prepayments and other receivables approximate to their fair values.

按金、預付款項及其他應收款項之賬面值與彼等之公平值相若。

The maximum exposure to credit risk at the reporting date is the carrying value of each class of deposits, prepayments and other receivables.

於報告日期，最高信貸風險為各類按金、預付款項及其他應收款項之賬面值。

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

## 23. 按公平值計入損益表之金融資產

		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
Equity securities	股本證券		
— listed in Hong Kong, at market value	— 於香港上市，按市值	—	28,100

**23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS** (Continued)

During the year, the net gain on change in fair value of financial assets at fair value through profit or loss is as follows:

		<b>2007</b> 二零零七年 <b>HK\$'000</b> 千港元	2006 二零零六年 <b>HK\$'000</b> 千港元
Unrealised	未變現	—	5,360
Realised	已變現	<b>7,722</b>	1,768
Total net gain on change in fair value of financial assets at fair value through profit or loss	按公平值計入損益表之金融資產之公平值變動之總收益淨額	<b>7,722</b>	7,128

Fair values of listed equity securities have been determined by reference to the quoted market bid prices available on the relevant stock exchanges.

**23. 按公平值計入損益表之金融資產** (續)

年內按公平值計入損益表之金融資產之公平值變動之收益淨額如下：

該等上市股本證券之公平值乃經參考有關證券交易所所報之市場買入價釐定。

**24. TAX PREPAYMENTS**

		<b>The Group</b> 本集團	
		<b>2007</b> 二零零七年 <b>HK\$'000</b> 千港元	2006 二零零六年 <b>HK\$'000</b> 千港元
Tax reserve certificates	儲稅券	<b>3,055</b>	3,055
Tax paid in advance	預付稅項	<b>9,065</b>	4,665
		<b>12,120</b>	7,720

Tax reserve certificates bear interest rate at 2.33% to 2.68% (2006: 2.60% to 2.85%) per annum.

儲稅券以年利2.33厘至2.68厘(二零零六年：2.60厘至2.85厘)計息。

## 25. CASH AND CASH EQUIVALENTS

## 25. 現金及現金等價物

		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
Deposits with banks and other financial institutions	銀行存款及其他金融工具	<b>463,391</b>	52,097	<b>463,391</b>	52,097
Cash at bank and in hand	銀行現金及手頭現金	<b>68,005</b>	11,043	<b>26,147</b>	3,765
Cash and cash equivalents per cash flow statement	現金流量表之現金及現金等價物	<b>531,396</b>	63,140	<b>489,538</b>	55,862

The effective interest rates of deposits in banks and other financial institutions for the year were 2.2% to 4.3% (2006: 3% to 4.8%).

At 31 December 2007, cash and cash equivalents of HK\$39,133,000 (2006: HK\$5,798,000) are denominated in Renminbi. Renminbi is not freely convertible currency and the remittance of funds out of the PRC is subject to the exchange restrictions imposed by the PRC Government.

年內銀行存款及其他金融工具之實際利率為2.2%至4.3% (二零零六年：3%至4.8%)。

於二零零七年十二月三十一日，現金及現金等價物約39,133,000港元(二零零六年：5,798,000港元)以人民幣為單位。人民幣為不可自由兌換貨幣，將資金匯出中國須遵照中國政府實施之外匯管制。

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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

## 26. SHARE CAPITAL

## 26. 股本

Movements in the share capital of the Company during the year were as follows:

年內，本公司股本變動情況如下：

		Number of shares 股份數目		Share capital 股本	
		2007 二零零七年 '000 千股	2006 二零零六年 '000 千股	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Ordinary shares of HK\$0.1 each (2006: HK\$0.01)	每股面值0.1港元之普通股(二零零六年：0.01港元)				
<i>Authorised:</i>	<i>法定：</i>				
At 1 January	於一月一日	20,000,000	20,000,000	200,000	200,000
Share consolidation (note i)	股份合併(附註i)	(18,000,000)	—	—	—
Increase in authorised share capital (note ii)	增加法定股本(附註ii)	4,000,000	—	400,000	—
<b>At 31 December</b>	<b>於十二月三十一日</b>	<b>6,000,000</b>	20,000,000	<b>600,000</b>	200,000
<i>Issued and fully paid:</i>	<i>已發行及繳足：</i>				
At 1 January	於一月一日	6,484,340	5,154,018	64,843	51,540
Issuance of new shares (note iii)	發行新股份(附註iii)	—	1,330,322	—	13,303
Issuance of new shares (note iv)	發行新股份(附註iv)	1,296,860	—	12,969	—
Exercise of share options (note v)	行使購股權(附註v)	324,000	—	3,240	—
Share consolidation (note i)	股份合併(附註i)	(7,294,680)	—	—	—
Issuance of new shares (note vi)	發行新股份(附註vi)	155,620	—	15,562	—
Issuance of new shares (note vii)	發行新股份(附註vii)	162,100	—	16,210	—
Issuance of new shares (note viii)	發行新股份(附註viii)	173,000	—	17,300	—
Issuance of new shares (note ix)	發行新股份(附註ix)	650,620	—	65,062	—
<b>At 31 December</b>	<b>於十二月三十一日</b>	<b>1,951,860</b>	6,484,340	<b>195,186</b>	64,843



## 26. SHARE CAPITAL (Continued)

## Notes:

- (i) At the general meeting of the Company held on 18 May 2007, a resolution was passed to approve, among other things, the share consolidation on the basis of every ten shares of HK\$0.01 each in the issued and unissued share capital of the Company be consolidated into one share of HK\$0.10 each in the issued and unissued share capital of the Company. The share consolidation became effective on 21 May 2007.
- (ii) At the general meeting of the Company held on 11 December 2007, a resolution was passed to approve the increase authorised share capital of the Company from HK\$200,000,000 divided into 2,000,000,000 shares of HK\$0.10 each to HK\$600,000,000 divided into 6,000,000,000 shares of HK\$0.10 each by the creation of 4,000,000,000 new shares of HK\$0.10 each.
- (iii) On 21 June 2006, 1,330,321,745 new shares of HK\$0.01 each were allotted and issued to Northbay at a price of HK\$0.20 per share to settle the consideration of HK\$266,064,350 in respect of the acquisition of the entire issued share capital of Shinhan-Golden and the debts owed by Shinhan-Golden to Northbay.
- (iv) On 30 March 2007, 1,296,860,000 new shares of HK\$0.01 each were allotted and issued to Classical Statute Limited, a substantial shareholder of the Company, at a price of HK\$0.04 per share pursuant to the placing and subscription agreements dated 19 March 2007. The net proceeds of approximately HK\$50,500,000 were intended to be used for financing possible diversified investment of the Group and general working capital of the Group.
- (v) On 17 May 2007, the Company allotted and issued 324,000,000 new shares of HK\$0.01 each pursuant to the exercise of share options granted to the Group's employees and consultants. The exercise price was HK\$0.047 per share.
- (vi) On 31 May 2007, 155,620,000 new shares of HK\$0.10 each were allotted and issued at a price of HK\$0.55 per share. The net proceeds of approximately HK\$83,300,000 were intended to be used for investment in other relevant business opportunities that may arise in the future and for general working capital of the Group.
- (vii) On 11 July 2007, 162,100,000 new shares of HK\$0.10 each were allotted and issued at a price of HK\$0.50 per share by way of placing of new shares under general mandate. The net proceeds of HK\$78,900,000 were intended to be used for expansion of the Group's property investment business.
- (viii) On 7 August 2007, 173,000,000 new share of HK\$0.10 each were allotted and issued at a price of HK\$0.83 per share by way of top-up placing. The net proceeds of HK\$139,800,000 were intended to be used for expansion of the Group's property investment business.

## 26. 股本(續)

## 附註：

- (i) 於本公司於二零零七年五月十八日舉行之股東大會上，通過決議案批准(其中包括)股份合併，基準為每十股本公司已發行及未發行股本中每股面值0.01港元之股份合併為一股本公司已發行及未發行股本中每股面值0.10港元之股份。股份合併於二零零七年五月二十一日生效。
- (ii) 於本公司於二零零七年十二月十一日舉行之股東大會上，通過決議案批准透過增設4,000,000,000股每股面值0.10港元之新股份，將本公司之法定股本由200,000,000港元(分為2,000,000,000股每股面值0.10港元之股份)增加至600,000,000港元(分為6,000,000,000股每股面值0.10港元之股份)。
- (iii) 於二零零六年六月二十一日，按每股0.20港元之價格向Northbay配發及發行1,330,321,745股每股面值0.01港元之新股份，以支付收購Shinhan-Golden全部已發行股本及Shinhan-Golden結欠Northbay之債項之代價266,064,350港元。
- (iv) 於二零零七年三月三十日，根據於二零零七年三月十九日訂立之配售及認購協議，按每股0.04港元之價格向本公司之主要股東Classical Statute Limited配發及發行1,296,860,000股每股面值0.01港元之新股份。所得款項淨額約50,500,000港元擬用作撥付本集團可能之多元化投資及用作本集團之一般營運資金。
- (v) 於二零零七年五月十七日，本公司授予本集團僱員及顧問之購股權獲行使而配發及發行324,000,000股每股面值0.01港元之新股份。行使價為每股0.047港元。
- (vi) 於二零零七年五月三十一日，按每股0.55港元之價格配發及發行155,620,000股每股面值0.10港元之新股份。所得款項淨額約83,300,000港元擬作投資於其他將來可能出現之有關商機及本集團之一般營運資金。
- (vii) 於二零零七年七月十一日，根據一般授權以配售新股份之方式按每股0.50港元之價格配發及發行162,100,000股每股面值0.10港元之新股份。所得款項淨額約78,900,000港元擬用作擴充本集團之物業投資業務。
- (viii) 於二零零七年八月七日，以先舊後新配售之方式按每股0.83港元之價格配發及發行173,000,000股每股面值0.10港元之新股份。所得款項淨額約139,800,000港元擬用作擴充本集團之物業投資業務。

# 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

### 26. SHARE CAPITAL (Continued)

Notes: (Continued)

- (ix) On 18 December 2007, 650,619,987 new shares of HK\$0.10 each were issued at a price of HK\$0.30 per share by way of open offer to the qualifying shareholders on the basis of one offer share for every two existing shares. The net proceeds of HK\$189,000,000 were intended to be used for the proposed acquisition of 100% equity interest in Modern Vision (Asia) Limited as disclosed in the Company's announcement dated 23 July 2007 and circular dated 5 November 2007 and general working capital of the Group.

### 26. 股本(續)

附註：(續)

- (ix) 於二零零七年十二月十八日，以公開發售之方式按每股0.30港元之價格向合資格股東發行650,619,987股每股面值0.10港元之新股份，基準為每兩股現有股份獲發一股發售股份。所得款項淨額189,000,000港元擬用作本公司於二零零七年七月二十三日刊發之公佈及二零零七年十一月五日刊發之通函所披露建議收購Modern Vision (Asia) Limited之100%股本權益以及用作本集團之一般營運資金。

### 27. RESERVES

#### The Company

		Share premium	Contributed surplus	Accumulated losses	Share-based payment reserve	Total
		股份溢價	實繳盈餘	累計虧損	以股份形式支付儲備	總計
		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
At 1 January 2006	於二零零六年一月一日	127,865	*163,456	(243,842)	—	47,479
Issuance of new shares	發行新股份	252,761	—	—	—	252,761
Net loss for the year	本年度虧損淨額	—	—	(274,532)	—	(274,532)
At 31 December 2006 and 1 January 2007	於二零零六年十二月三十一日及二零零七年一月一日	380,626	*163,456	(518,374)	—	25,708
Issuance of new shares	發行新股份	416,604	—	—	—	416,604
Share-based payment expenses	以股份形式支付之開支	—	—	—	32,282	32,282
Exercise of share options	行使購股權	15,828	—	—	(3,840)	11,988
Net loss for the year	本年度虧損淨額	—	—	(223,636)	—	(223,636)
<b>At 31 December 2007</b>	<b>於二零零七年十二月三十一日</b>	<b>813,058</b>	<b>*163,456</b>	<b>(742,010)</b>	<b>28,442</b>	<b>262,946</b>

\* The contributed surplus of the Company represents the difference between the underlying net assets of the subsidiaries acquired by the Company as at the date of the group reorganisation and the nominal amount of the Company's share capital issued as consideration for the acquisition as well as the net amount transferred from share premium account and to accumulated losses account pursuant to a special resolution passed at the special general meeting held on 22 August 2003.

\* 根據於二零零三年八月二十二日舉行之股東特別大會上通過之特別決議案，本公司之實繳盈餘指本公司所收購之附屬公司於集團重組日期之相關資產淨值與本公司作為收購代價之所發行股本之面值及自股份溢價賬轉撥至累計虧損賬之淨額之差額。

**27. RESERVES (Continued)****The Company (Continued)**

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus, if:

- (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

**27. 儲備(續)****本公司(續)**

根據百慕達一九八一年公司法(經修訂),本公司之實繳盈餘賬可予分派。惟倘出現下列情況,則本公司不得宣派或派付股息或在實繳盈餘中作出分派:

- (i) 本公司現時或於分派後無法償還其到期負債;或
- (ii) 本公司資產可變現價值降至低於其負債、已發行股本及股份溢價賬之總和。

**28. ACCRUALS AND OTHER PAYABLES****28. 應計費用及其他應付款項**

		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
Accruals	應計費用	5,646	2,965	943	233
Other payables	其他應付款項	6,769	11,203	—	—
Tax payables	應付稅項	6,830	6,040	—	—
		<b>19,245</b>	20,208	<b>943</b>	233

Note:

- (i) The tax payable represented provision for land appreciation tax on certain units of apartments sold by Beijing Jianguo prior to 2003 (note 20 to the financial statements). According to the PRC tax law and regulation, 30% of land appreciation tax was accrued in the financial statements.

The carrying amounts of accruals and other payables approximate to their fair values.

附註:

- (i) 應付稅項指北京建國於二零零三年前銷售之若干公寓單位之土地增值稅撥備(財務報表附註20)。根據中國稅務法律及法規,在財務報表中已計入30%土地增值稅。

應計費用及其他應付款項之賬面值與其公平值相若。

## 29. RECEIPTS IN ADVANCE

## 29. 預收款項

		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
Trade deposit received	已收貿易按金	484	483
Receipts in advance	預收款項	46,557	60,415
		<b>47,041</b>	<b>60,898</b>

At 31 December 2007, receipts in advance represented the full amount of considerations received from sales of certain units of apartments, details of which are set out in note 20 to the financial statements. Since the transfer of legal titles of these units of apartments have not yet been completed at the date of the approval of the financial statements, no revenue could be recognised for the year and the total amount was recorded as receipts in advance.

於二零零七年十二月三十一日，預收款為出售若干公寓單位收取全數代價（詳情見財務報表附註20）。由於在批准本財務報表日期，該等公寓單位之法定所有權仍未完成轉讓，故未能於回年內確認收益，全部款項記錄為預收款項。

## 30. AMOUNTS DUE TO RELATED COMPANIES

## 30. 應付關連公司款項

		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
China Star Entertainment Limited and its subsidiaries	中國星集團有限公司及其 附屬公司	701	606

Note:

- (i) The amounts due to China Star Entertainment Limited ("China Star") and its subsidiaries are unsecured, non-interest bearing and have no fixed terms of repayment.

附註：

- (i) 應付中國星集團有限公司（「中國星」）及其附屬公司款項乃無抵押、免息及無固定還款期。

## 31. SECURED BANK LOANS

## 31. 有抵押銀行貸款

		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
Secured bank loans	有抵押銀行貸款	<b>329,018</b>	357,427
The maturity of the above borrowings is as follows:	上述借貸之到期日期如下：		
Within one year	一年內	<b>27,533</b>	5,470
Between one and two years	一至兩年	<b>64,308</b>	25,000
Between two and five years	兩年至五年	<b>237,177</b>	326,957
Over five years	五年以上	—	—
		<b>329,018</b>	357,427
Less: Amount due within one year shown under current liabilities	減：列於流動負債中之於一年內到期之款項	<b>(27,533)</b>	(5,470)
Amount due after one year	一年後到期之款項	<b>301,485</b>	351,957

The secured bank loans bear interest at rates ranging from 6.16% to 7.35% (2006: 6.16% to 6.41%) per annum.

All of the Group's secured bank loans are denominated in Renminbi.

The secured bank loans were secured by certain of the Group's investment properties in the PRC with fair value of approximately HK\$852,081,000 (2006: HK\$678,000,000) and the Group's bank deposits with balance of approximately HK\$16,832,000 (2006: Nil).

The carrying amounts of the secured bank loans approximate to their fair values.

有抵押銀行貸款之年利率按6.16%至7.35%(二零零六年：6.16%至6.41%)計算。

所有本集團之有抵押銀行貸款均以人民幣列值。

有抵押銀行貸款乃以公平值約為852,081,000港元(二零零六年：678,000,000港元)之於中國之若干投資物業及本集團銀行存款結餘約16,832,000港元(二零零六年：無)擔保。

有抵押銀行貸款之賬面值與其公平值相若。

## 32. DEFERRED TAXATION

The followings are the major deferred tax liabilities and assets recognised by the Group and movements thereon:

## 32. 遞延稅項

以下為本集團確認之主要遞延稅項負債及資產及有關變動：

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Estimated tax losses 估計稅項虧損 HK\$'000 千港元	Revaluation of investment properties 投資物業重估 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	254	(254)	—	—
Acquisition of a subsidiary	收購一間附屬公司	—	—	54,488	54,488
Exchange alignments	匯兌調整	—	—	1,634	1,634
Charge to income statement for the year (note 13)	本年度自收益表 扣除(附註 13)	—	—	195	195
At 31 December 2006 and 1 January 2007	於二零零六年 十二月三十一日 及二零零七年 一月一日	254	(254)	56,317	56,317
Exchange alignments	匯兌調整	—	—	4,029	4,029
Charge to income statement for the year (note 13)	本年度自收益表 扣除(附註 13)	—	—	13,156	13,156
<b>At 31 December 2007</b>	<b>於二零零七年 十二月三十一日</b>	<b>254</b>	<b>(254)</b>	<b>73,502</b>	<b>73,502</b>

At 31 December 2007, the Group had unused estimated tax losses of approximately HK\$21,112,000 (2006: HK\$80,960,000) available for offset against future profits. The unrecognised tax losses may be carried forward indefinitely. A deferred tax asset of approximately HK\$254,000 (2006: HK\$254,000) has been recognised. No deferred tax asset has been recognised in respect of the remaining balance of approximately HK\$6,778,000 (2006: HK\$14,422,000) due to the unpredictability of future profit streams.

於二零零七年十二月三十一日，本集團擁有約21,112,000港元(二零零六年：80,960,000港元)之未動用估計稅務虧損可供抵銷日後溢利。未確認稅務虧損可能無限期結轉。為數約254,000港元(二零零六年：254,000港元)之遞延稅項資產已獲確認。由於未能預計日後之溢利，故並無就餘額約6,778,000港元(二零零六年：14,422,000港元)確認遞延稅項資產。

## 33. ACQUISITION OF A SUBSIDIARY

The Group had no acquisition for the year ended 31 December 2007.

On 21 June 2006, the Group acquired the entire issued share capital of Shinhan-Golden and the debts owed by Shinhan-Golden to Northbay for a consideration of approximately HK\$266,064,000. The consideration was settled by the issue of 1,330,322,745 ordinary shares of HK\$0.01 each in the share capital of the Company, which were allotted, issued and credited as fully paid at a price of HK\$0.20 per share. The aggregate amount of goodwill arising as a result of the acquisition was approximately HK\$77,284,000.

The fair value of net assets acquired in the transaction and the goodwill arising are as follows:

## 33. 收購附屬公司

截至二零零七年十二月三十一日止年度，本集團並無進行收購。

於二零零六年六月二十一日，本集團收購Shinhan-Golden之全部已發行股本及Shinhan-Golden結欠Northbay之債項，代價約為266,064,000港元，以發行1,330,322,745股本公司股本中每股面值0.01港元之普通股支付，該等普通股乃按每股0.20港元之價格配發、發行及入賬列作繳足。因收購而產生之商譽總額約為77,284,000港元。

交易所收購之淨資產之公平值及商譽增加如下：

		Acquiree's carrying amount before combination 合併前 被收購方賬面值 HK\$'000 千港元	Fair value adjustments 公平值調整 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	480	—	480
Investment properties (note i)	投資物業(附註i)	483,802	158,180	641,982
Trade receivables	貿易應收款項	12	—	12
Inventories	存貨	43,839	—	43,839
Deposits, prepayments and other receivables	按金、預付款項及其他應收 款項	171	—	171
Cash and cash equivalents	現金及現金等價物	415	—	415
Accruals and other payables	應計費用及其他應付款項	(54,126)	—	(54,126)
Receipts in advance	預收款項	(59,080)	—	(59,080)
Secured bank loans	有抵押銀行貸款	(346,484)	—	(346,484)
Minority interests	少數股東權益	(3,896)	—	(3,896)
Deferred taxation	遞延稅項	—	(54,488)	(54,488)
Net assets required	所收購資產淨值	65,133	103,692	168,825
Goodwill on acquisition	收購之商譽			77,284
Special reserve (note ii)	特別儲備(附註ii)			246,109 19,955
Fair value of purchase consideration settled by issuance of new shares (note iii)	以發行新股份方式支付購買 代價之公平值(附註iii)			266,064
Net cash flow from acquisition of a subsidiary:	收購附屬公司之現金流入淨 額：			246,109
Cash paid	已付現金			—
Cash and cash equivalents acquired	所收購現金及現金等價物			415
				415

### 33. ACQUISITION OF A SUBSIDIARY

(Continued)

Notes:

- (i) The fair value of the investment properties was determined based on the valuation performed by DTZ Debenham Tie Leung Limited, an independent firm of qualified valuers and not connected with the Group, as at the acquisition date.
- (ii) The difference between the fair value and the contracted value of consideration paid in respect of the acquisition of the acquired subsidiary.
- (iii) The fair value of the consideration shares was determined based on the quoted closing price of the Company's share of HK\$0.185 per share at the date of acquisition and 1,330,322,745 consideration shares.

Details of the acquisition were disclosed in the Company's circular dated 19 May 2006.

If the acquisition had been completed on 1 January 2006, total group turnover for the year 2006 would have been HK\$19,803,000, and loss for the year 2006 would have been HK\$21,867,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of turnover and results of the Group that actually would have been achieved had the acquisition been completed on 1 January 2006, nor is it intended to be a projection of future results.

### 33. 收購附屬公司(續)

附註：

- (i) 投資物業之公平值乃根據與本集團概無關連之獨立專業合資格估值師戴德梁行有限公司於收購日期所作出之估值釐定。
- (ii) 有關收購已收購附屬公司所支付之代價之公平值與合約價值之間之差額。
- (iii) 代價股份之公平值乃根據本公司股份於收購日期所報之收市價每股0.185港元及1,330,322,745股代價股份釐定。

收購詳情於本公司於二零零六年五月十九日之刊發之通函披露。

倘收購事項已於二零零六年一月一日完成，則二零零六年集團總營業額將為19,803,000港元，而二零零六年虧損將為21,867,000港元。備考資料僅供說明用途，且不一定為本集團在收購事項於二零零六年一月一日完成後所實際取得之收益及經營業績之指標，亦非未來業績之預測。



## 34. COMMITMENTS

## (a) Lease commitments

**As lessee**

At 31 December 2007, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of land and buildings which fall due as follows:

		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 one year	一年內	1,856	1,332
In the second to fifth year inclusive	第二至五年內(包括首尾兩年)	341	1,646
		<b>2,197</b>	<b>2,978</b>

Operating lease payments represented rentals payable by the Group for its office premises. Leases are mainly negotiated for an average term of two years and rentals are fixed for an average of two years.

**As lessor**

At 31 December 2007, the Group had contracted with tenants for future minimum lease payments under non-cancellable operating leases in respect of the Group's investment property, which fall due as follows:

		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 one year	一年內	—	2,700

## 34. 承擔

## (a) 租賃承擔

**作為承租人**

於二零零七年十二月三十一日，本集團根據於下列期限屆滿之土地及樓宇不可撤銷經營租約之日後最低租金承擔如下：

		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 one year	一年內	1,856	1,332
In the second to fifth year inclusive	第二至五年內(包括首尾兩年)	341	1,646
		<b>2,197</b>	<b>2,978</b>

經營租金指本集團辦公室物業應付之租金。租約主要就平均兩年租期磋商，而平均兩年之租金固定不變。

**作為出租人**

於二零零七年十二月三十一日，本集團根據與租戶訂約於下列期限屆滿之本集團投資物業不可撤銷經營租約之日後最低租金如下：

		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 one year	一年內	—	2,700

## 34. COMMITMENTS (Continued)

## (a) Lease commitments (Continued)

At the balance sheet date, the Company did not have any lease commitments.

## (b) Other commitments

(i) At 31 December 2007, the Group had other commitments contracted but not provided for in the financial statements:

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Acquisition of a 100% interest in the issued share capital of Exceptional Gain Profits Limited and a sale loan	447,000	—
Acquisition of a 3.3% interest in the registered capital of Beijing Jianguo	4,538	—
Renovation work in respect of the Group's investment properties	28,750	63,739

(ii) Pursuant to the undertaking letters issued by the owners of 上海昇平文化發展有限公司 during the year ended 31 December 2003, they will transfer their ownership in the registered capital of 上海昇平文化發展有限公司 to the Group at a price to be determined by the valuers in the PRC when the laws in the PRC allow foreign investors to own more than 51% in the registered capital of 上海昇平文化發展有限公司.

## 34. 承擔(續)

## (a) 租賃承擔(續)

於結算日，本公司並無任何租賃承擔。

## (b) 其他承擔

(i) 於二零零七年十二月三十一日，本集團擁有其他已訂約但未於財務報表作出撥備之承擔：

(ii) 根據上海昇平文化發展有限公司之擁有人於截至二零零三年十二月三十一日止年度內發出之承諾書，倘中國法例容許外國投資者擁有上海昇平文化發展有限公司註冊資本超過51%之權益，則彼等將按中國估值師釐定之價格轉讓其於上海昇平文化發展有限公司註冊資本之擁有權予本集團。

### 34. COMMITMENTS (Continued)

#### (b) Other commitments (Continued)

- (iii) Pursuant to a facility agreement dated 11 May 2007 entered into between Rich Joy Investments Limited, a wholly-owned subsidiary of the Company, and Best Season Holdings Corp. ("Best Season"), a 75% owned subsidiary of the Group, Rich Joy Investments Limited has agreed to grant Best Season a revolving facility of up to HK\$200,000,000 for the purpose of its business and working capital requirements. At the balance sheet date, Best Season had not drawn down the facility.

### 35. CONTINGENCIES

Save as disclosed in note 37 to the financial statements, the Group has no material contingent liabilities at 31 December 2007.

### 36. BANKING FACILITIES

The Group's secured bank loans of approximately HK\$329,018,000 (2006: HK\$357,427,000) at 31 December 2007 were secured by:

- (a) Legal charges over certain of the Group's investment properties with the fair value of approximately HK\$852,081,000 (2006: HK\$678,000,000);
- (b) Legal charges over the Group's bank deposits with balance of approximately HK\$16,832,000 (2006: Nil); and
- (c) Corporate guarantee provided by the Company.

### 34. 承擔(續)

#### (b) 其他承擔(續)

- (iii) 根據富樂投資有限公司(本公司之全資附屬公司)與Best Season Holdings Corp. (「Best Season」, 本集團擁有75%之附屬公司)於二零零七年五月十一日訂立之融資協議, 富樂投資有限公司已同意就其業務及營運資金所需向Best Season授出循環融資最多200,000,000港元。於結算日, Best Season並無提取融資。

### 35. 或然事項

除財務報表附註37所披露者外, 本集團於二零零七年十二月三十一日並無重大或然負債。

### 36. 銀行融資

於二零零七年十二月三十一日, 本集團之有抵押銀行貸款約329,018,000港元(二零零六年: 357,427,000港元)乃以下各項作抵押:

- (a) 本集團公平值約852,081,000港元(二零零六年: 678,000,000港元)之若干投資物業之法定押記;
- (b) 本集團銀行存款結存約16,832,000港元(二零零六年: 無)之法定押記; 及
- (c) 由本公司提供之公司擔保。

### 37. LITIGATION

At 31 December 2007, save as disclosed below, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance known to the directors to be pending or threatened against any member of the Group:

The Commissioner of Inland Revenue had issued proceedings on 30 March 2005 against Ocean Shores Licensing Limited (“OSLL”), a wholly-owned subsidiary of the Company, in respect of an aggregate amount of outstanding taxation of HK\$13,928,226 for the estimated assessments for the years of assessments from 1998/1999 to 2000/2001. In February 2008, OSLL had reached a compromise settlement with the Inland Revenue Department for settling the outstanding tax for the years of assessments from 1998/1999 to 2000/2001 in amount of HK\$11,089,000, including interest and surcharge. Such amount has been properly accrued for in the Company’s audited consolidated financial statements for the year ended 31 December 2007.

### 38. SHARE - BASED PAYMENT TRANSACTIONS

The Company’s share option scheme (the “Option Scheme”), was adopted on 21 January 2002 to replace the share option scheme adopted by the Company on 19 January 2000, and will expire on 20 January 2012. The purpose of the Option Scheme is to enable the board of directors of the Company to grant share options to selected eligible persons as incentives or rewards for their contribution or potential contribution to the Group.

Under the Option Scheme, the board of directors of the Company may grant share options to the following eligible persons:

- (i) any director or proposed director, employee or proposed employee of, or any individual for the time being seconded to work for, any member of the Group or any controlling shareholder or any company controlled by a controlling shareholder.

### 37. 訴訟

於二零零七年十二月三十一日，除下文所披露者外，本公司或其任何附屬公司並無涉及任何重大訴訟或仲裁，而就董事所知，本集團任何成員公司概無待決或面臨重大訴訟或申索。

於二零零五年三月三十日，稅務局局長就截至一九九八／一九九九年度至二零零零／二零零一年度止課稅年度之未繳付稅項之預計評估合共13,928,226港元向本公司之全資附屬公司Ocean Shores Licensing Limited(「OSLL」)提出法律行動。於二零零八年二月，OSLL已與稅務局達成和解協議，償還一九九八／一九九九年度至二零零零／二零零一年度止課稅年度之未繳付稅項11,089,000港元(包括利息及附加費)。該金額已妥為計入本公司截至二零零七年十二月三十一日止年度之經審核綜合財務報表。

### 38. 以股權結算之股份交易

本公司於二零零二年一月二十一日採納購股權計劃(「購股權計劃」)，以取代本公司於二零零零年一月十九日採納之購股權計劃，並將於二零一二年一月二十日屆滿。購股權計劃旨在讓本公司董事會可向選定合資格人士授出購股權作為彼等對本集團之貢獻或潛在貢獻之獎勵或回報。

根據購股權計劃，董事會可向以下合資格人士授出購股權：

- (i) 本集團之任何成員公司或任何控股股東或任何由控股股東控制之公司之任何董事或候任董事、僱員或候任僱員，或任何當時臨時調派之人士。

### 38. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

(ii) any holder of any securities issued by any member of the Group or any controlling shareholder or any company controlled by a controlling shareholder.

(iii) any business or joint venture partner, contractor, agent or representative of,

(a) any person or entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to,

(b) any supplier, producer or licensor of films, television programmes, video features, goods or services to,

(c) any customer, licensee (including any sub-licensee) or distributor of films, television programmes, video features, goods or services of, or

(d) any landlord or tenant (including any sub-tenant) of,

any member of the Group or any controlling shareholder or a company controlled by a controlling shareholder.

### 38. 以股權結算之股份交易(續)

(ii) 持有本集團之任何成員公司或任何控股股東或任何由控股股東控制之公司所發行任何證券之人士。

(iii) 本集團之任何成員公司或任何控股股東或任何由控股股東控制之公司

(a) 獲提供研究、開發或其他技術支援或任何顧問、諮詢、專業或其他服務之公司之任何人士，

(b) 獲提供電影、電視節目、影視產品、貨物或服務之任何供應商、製片商或授權人，

(c) 獲提供電影、電視節目、影視產品、貨物或服務之任何客戶、受權人(包括任何轉授受權人)或發行商，或

(d) 任何業主或租戶(包括任何分租租戶)，

之任何業務或合營夥伴、承包商、代理人或代表。

### 38. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

The maximum number of shares which may be issued upon exercise of all share options to be granted by the Company under the Option Scheme and any other share option schemes of the Company must not exceed 10% of the Company's shares in issue as at the date of approval of the Option Scheme. Such limit may be refreshed by shareholders in general meeting from time to time. The maximum number of shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Options Scheme and any other share option schemes of the Company must not exceed 30% of the Company's shares in issue from time to time.

The maximum number of shares issued or to be issued upon exercise of share options granted under the Option Scheme and any share option schemes of the Company to any eligible person in any 12 months period shall not exceed 1% of the Company's shares in issue. Any further grant in excess of such limit must be separately approved by shareholders with such eligible person and his associates abstaining from voting.

Any grant of share options to a director, chief executive or substantial shareholder of the Company (or any of their associates) must be approved by independent non-executive directors. In addition, any grant of share options to a substantial shareholder or an independent non-executive directors of the Company (or any of their associates) in excess of 0.1% of the Company's shares in issue and having an aggregate value in excess of HK\$5,000,000, in any 12 months period, is required to be approved by shareholders in general meeting in accordance with the Listing Rules.

### 38. 以股權結算之股份交易(續)

因行使本公司根據購股權計劃及本公司任何其他購股權計劃將予授出之所有購股權而可予發行之最高股份數目，不得超過批准購股權計劃當日本公司已發行股份10%。該限額可由本公司於股東大會上不時更新。因行使根據購股權計劃及本公司任何其他購股權計劃授出之所有未行使而有待行使之購股權而可予發行之最高股份數目，不得超過不時之本公司已發行股份30%。

於任何12個月期間內因行使根據購股權計劃及本公司任何其他購股權計劃授出之購股權而向任何合資格人士發行或將予發行之最高股份數目，不得超過本公司已發行股份1%。進一步授出超過該限額之購股權須經股東另行批准，而該合資格人士及其聯繫人士須放棄投票。

向本公司董事、主要行政人員或主要股東(或彼等之任何聯繫人士)授出任何購股權必須經獨立非執行董事批准。此外，於任何12個月期間內向本公司主要股東或獨立非執行董事(或彼等之任何聯繫人士)授出超過本公司已發行股份0.1%而總值超過5,000,000港元之購股權，須根據上市規則於股東大會上經股東批准。

### 38. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

An offer of the grant of share options must be accepted within 30 days inclusive of the day on which such offer is made, with a payment of HK\$1.00 by the grantee to the Company. The exercise period of the share options granted is determinable by the board of directors, but in any event shall not exceed ten years from the date of grant.

The exercise price of share options is determined by the board of directors provided always that it shall be at least the highest of:

- (i) the Stock Exchange closing price of the Company's share on the date of grant, which must be a business day; and
- (ii) the average Stock Exchange closing price of the Company's share for the five business days immediately preceding the date of grant, provided that the exercise price per share shall in no event be less than the nominal value of the Company's share.

### 38. 以股權結算之股份交易(續)

授出購股權建議必須於作出該建議之日(包括該日)起計30日內由承授人向本公司支付1.00港元接納。已授出購股權之行使期由董事會釐定，惟無論如何不得超過授出日期起計十年。

購股權行使價由董事會釐定，惟必須至少為下列之最高者：

- (i) 本公司股份於授出日期(必須為營業日)之聯交所收市價；及
- (ii) 本公司股份於緊接授出日期前五個營業日之平均聯交所收市價，惟每股行使價無論如何不得低於本公司股份之面值。

# 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

### 38. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

### 38. 以股權結算之股份交易(續)

The following table discloses movements of the Company's share options during the year:

下表披露年內本公司購股權之變動：

Category of eligible persons	Date of grant	Exercise period	Exercise price per share before completion	Exercise price per share after completion	Outstanding at 1.1.2007	Granted during 2007	Exercised during 2007	Adjustment for the open offer	Outstanding at 31.12.2007
			of open offer	of open offer					
Employees 僱員	8.3.2002 二零零二年三月八日	8.3.2002 to 7.3.2012 二零零二年三月八日至二零一二年三月七日	HK\$2.60 2.60港元	HK\$2.615 2.615港元	19,000,000 (Note ii) (附註ii)	—	—	(106,742)	18,893,258
Employees 僱員	13.12.2004 二零零四年十二月十三日	13.12.2004 to 12.12.2014 二零零四年十二月十三日至二零一四年十二月十二日	HK\$1.94 1.94港元	HK\$1.951 1.951港元	27,570,000 (Note ii) (附註ii)	—	—	(154,888)	27,415,112
Employees and consultants 僱員及顧問	22.3.2007 二零零七年三月二十二日	22.3.2007 to 21.3.2017 二零零七年三月二十二日至二零一七年三月二十一日	HK\$0.47 0.47港元	HK\$0.473 0.473港元	—	47,520,000 (Note ii) (附註ii)	(32,400,000)	(84,944)	15,035,056
Employees and consultants 僱員及顧問	31.5.2007 二零零七年五月三十一日	31.5.2007 to 30.5.2017 二零零七年五月三十一日至二零一七年五月三十日	HK\$0.70 0.70港元	HK\$0.704 0.704港元	—	79,129,000	—	(444,545)	78,684,455
Employees and consultants 僱員及顧問	11.7.2007 二零零七年七月十一日	11.7.2007 to 10.7.2009 二零零七年七月十一日至二零零九年七月十日	HK\$0.63 0.63港元	HK\$0.634 0.634港元	—	98,536,994	—	(553,579)	97,983,415
					46,570,000	225,185,994	(32,400,000)	(1,344,698)	238,011,296
Exercisable at the end of the year 於年終可行使									238,011,296

#### Notes:

- (i) The exercise period commenced on the date of grant.
- (ii) The number of share options has been adjusted for the share consolidation that became effective on 21 May 2007.
- (iii) The closing price of the Company's share on 17 May 2007, the date on which the share options were exercised, was HK\$0.87 per share.

#### 附註：

- (i) 行使期於授出日期開始。
- (ii) 購股權數目已按於二零零七年五月二十一日生效之股份合併作出調整。
- (iii) 於二零零七年五月十七日(購股權獲行使當日)之本公司股份收市價為每股0.87港元。



### 38. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

The fair value of the share options granted in the year ended 31 December 2007 was HK\$32,282,000 which has been expensed as share-based payment expenses during the year.

The fair values of the share options granted on 22 March 2007 and 31 May 2007 were measured, using Black Scholes Model, by BMI Appraisals Limited. The fair value of the share options granted on 11 July 2007 was measured, using a binominal option pricing model, by Grant Sherman Appraisals Limited. The following table lists the inputs to the models used:

		Date of grant 授出日期		
		22 March 2007 二零零七年 三月二十二日	31 May 2007 二零零七年五月 三十一日	11 July 2007 二零零七年 七月十一日
Option life	購股權年期	10 years 10年	10 years 10年	2 years 2年
Grant date share price	授出日期股價	HK\$0.42 0.42港元	HK\$0.70 0.70港元	HK\$0.63 0.63港元
Exercise price	行使價	HK\$0.47 0.47港元	HK\$0.70 0.70港元	HK\$0.63 0.63港元
Expected volatility (%)	預期波幅(%)	71.37%	76.53%	85.12%
Expected lives of share options	購股權預期年期	1 month 1個月	3 months 3個月	2 years 2年
Dividend yield (%)	股息率(%)	0%	0%	0%
Risk-free interest rate	無風險利率	3.629%	4.017%	4.236%

The expected lives of share options are based on the historical data over the past five years and are not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

### 38. 以股權結算之股份交易(續)

截至二零零七年十二月三十一日止年度授出之購股權之公平值為32,282,000港元，已於年內列作以股份形式支付之開支。

於二零零七年三月二十二日及二零零七年五月三十一日授出之購股權之公平值乃於授出日期由中和邦盟評估有限公司採用畢蘇模式計量。於二零零七年七月十一日授出之購股權之公平值乃於授出日期由中證評估有限公司採用二項式期權定價模式計量。下表列示輸入所用模式之資料：

購股權預期年期乃按過去五年之歷史數據計算，不一定表示可能出現之行使模式。預期波幅反映歷史波幅表示未來趨勢之假設，亦不一定是實際結果。

### 38. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

No other feature of the share options granted was incorporated into the measurement of fair value.

At 31 December 2007, the Company had 238,011,296 share options outstanding under the Option Scheme (2006: 465,700,000), representing 12.19% (2006: 7.18%) of the existing issued share capital of the Company.

### 39. RETIREMENT BENEFITS SCHEMES

With effect from 1 December 2000, the Group has set up a defined contribution retirement scheme, the Mandatory Provident Fund Scheme (the "MPF Scheme"), for all the eligible employees of the Group. The Group did not provide retirement benefits for its employees prior to set up of the MPF Scheme.

Under the MPF Scheme, the employees are required to contribute 5% of their monthly salaries up to maximum of HK\$1,000 per employee and they can choose to make additional contributions. The employer's monthly contributions are calculated at 5% of each employee's monthly salaries up to a maximum of HK\$1,000 (the "Mandatory Contribution"). The employees are entitled to 100% of the employer's Mandatory Contribution upon their retirement at the age of 65 years old, death or total incapacity.

### 38. 以股權結算之股份交易(續)

概無其他已授出購股權之特點在計量公平值時計算在內。

於二零零七年十二月三十一日，本公司有238,011,296份(二零零六年：465,700,000份)根據購股權計劃授出之尚未行使購股權，佔本公司現已發行股本12.19%(二零零六年：7.18%)。

### 39. 退休福利計劃

自二零零零年十二月一日起，本集團為所有合資格僱員設立一項定額供款退休計劃——強制性公積金計劃(「強積金計劃」)。於設立強積金計劃前，本集團並無為僱員提供任何退休福利。

根據強積金計劃，僱員均須按其月薪5%(最多以每僱員1,000港元為限)作出供款，並可選擇作出額外供款。僱主每月之供款乃按各僱員月薪5%(最多以1,000港元為限)計算(「強制性供款」)。僱員可於65歲退休、逝世或完全失去工作能力時全數獲得僱主之強制性供款。

## 40. MATERIAL RELATED PARTY TRANSACTIONS

## 40. 重大關連人士交易

(a) Save as disclosed elsewhere in these financial statements, the Group had entered into the following material related party transactions with China Star and its subsidiaries:

(a) 除本財務報表其他地方所披露者外，本集團已與中國星及其附屬公司進行下列重大關連人士交易：

Name of company 公司名稱	Nature of transaction 交易性質	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Paid or payable to: 向以下公司已付或應付賬款：			
1. China Star 中國星	Salaries 薪金	(1,300)	(1,118)
2. China Star 中國星	Interest expense on loan 貸款利息支出	—	(100)
3. China Star Production Services Limited 中國星電影製作服務有限公司	Post-production services expenses 後期製作服務支出	—	(90)
4. China Star 中國星	Repayment of loan 償還貸款	—	(33,800)
5. China Star 中國星	Amount due by the Group 本集團應付款項	(700)	(602)
6. China Star Laser Disc Company Limited 中國星鐳射影碟有限公司	Amount due by the Group 本集團應付款項	(1)	—
7. China Star International Distribution Limited 中國星國際發行有限公司	Amount due by the Group 本集團應付款項	—	(2)
8. China Star Production Services Limited 中國星電影製作服務有限公司	Amount due by the Group 本集團應付款項	—	(2)
Received or receivable from: 自以下公司已收或應收賬款：			
9. China Star HK Distribution Limited 中國星香港發行有限公司	Sub-licensing income 轉授發行權收入	—	200

### 40. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

In addition to the above, the Group entered into a conditional sale and purchase agreement with China Star on 1 August 2007 pursuant to which the Group would acquire a 100% interest in the issued share capital of Exceptional Gain Profits Limited, a wholly-owned subsidiary of China Star, and a sale loan at a consideration of HK\$447,000,000. The consideration shall be satisfied by the issue of a convertible note by the Company. Exceptional Gain Profits Limited is an investment holding vehicle, which indirectly holds a 50% interest in Kingsway Hotel Limited. The consideration was determined after arm's length commercial negotiations and with reference to an independent property valuation conducted by DTZ Debenham Tie Leung Limited on an open market basis valuing Kingsway Hotel at approximately HK\$894,000,000 at 31 July 2007. The transaction was approved by the independent shareholders at the special general meeting of the Company held on 31 December 2007. On 31 December 2007, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to extend the long stop date in the conditional sale and purchase agreement from 31 December 2007 to 28 February 2008.

### 40. 重大關連人士交易(續)

(a) (續)

除上述者外，本集團於二零零七年八月一日與中國星訂立有條件買賣協議，據此，本集團將收購Exceptional Gain Profits Limited(中國星集團有限公司之全資附屬公司)已發行股本之100%權益及銷售貸款。該，代價為447,000,000港元，應以發行可換股票據支付。Exceptional Gain Profits Limited為投資控股工具，其間接擁持有Kingsway Hotel Limited之50%權益。代價乃經過公平商業磋商並及參考由戴德梁行有限公司按公開市場基準進行之獨立物業估值(評定金域酒店於二零零七年七月三十一日之價值約為894,000,000港元)後釐定。該交易已於本公司於二零零七年十二月三十一日舉行之股東特別大會上獲獨立股東批准。於二零零七年十二月三十一日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將有條件買賣協議之最後期限由二零零七年十二月三十一日延長至二零零八年二月二十八日。

### 40. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) During the year, the Group entered into the following material related party transactions with Ms. Chen Ming Yin, Tiffany, a director of the Company:

- (i) On 19 July 2007, the Group entered into a conditional sale and purchase agreement with Ms. Chen Ming Yin, Tiffany pursuant to which the Group would acquire a 100% interest in the issued share capital of Modern Vision (Asia) Limited at a consideration of HK\$684,000,000 (subject to adjustment). The major asset of Modern Vision (Asia) Limited is its indirect 50% interest in a lot of land with the area of 4,669 square meters located in the Nam Van Lakes Zone, Macau. The consideration was determined between the Group and Ms. Chen Ming Yin, Tiffany on a “willing buyer – willing seller” basis. The transaction was not approved by the independent shareholders at a special general meeting of the Company held on 21 November 2007.
- (ii) On 5 November 2007, Ms. Chen Ming Yin, Tiffany granted an unsecured and interest-free loan of HK\$45,000,000 to the Company. The Company repaid the loan on 27 November 2007.

### 40. 重大關連人士交易(續)

(b) 年內本集團與本公司之董事陳明英女士進行以下重大關連人士交易：

- (i) 於二零零七年七月十九日，本集團與陳明英女士訂立有條件買賣協議，據此，本集團將收購Modern Vision (Asia) Limited已發行股本之100%權益，代價為684,000,000港元（可予調整），以現金支付。Modern Vision (Asia) Limited之主要資產為其於一幅位於澳門南灣湖畔地區面積4,669平方米之土地之50%間接權益。代價乃經本集團與陳明英女士以「自願買賣雙方」之基準釐定。該交易於本公司於二零零七年十一月二十一日舉行之股東特別大會上不獲獨立股東批准。
- (ii) 於二零零七年十一月五日，陳明英女士向本公司授出無抵押免息貸款45,000,000港元。本公司已於二零零七年十一月二十七日償還貸款。

**40. MATERIAL RELATED PARTY TRANSACTIONS** (Continued)**(c) Compensation for key management personnel**

Remuneration for key management personnel, including amount paid to the directors of the Company and certain of the highest paid employees, as disclosed in notes 11 and 12 to the financial statements, is as follows:

		<b>2007</b> 二零零七年 <b>HK\$'000</b> 千港元	2006 二零零六年 <b>HK\$'000</b> 千港元
Salaries	薪金	<b>3,875</b>	3,954
Contribution to retirement benefits scheme	退休福利計劃供款	<b>24</b>	24
Share-based payment expenses	以股份形式支付之開支	<b>4,345</b>	—
		<b>8,244</b>	3,978

**41. PLEDGE OF ASSETS**

At 31 December 2007, the Group has pledged its investment properties with fair value of HK\$852,081,000 (2006: HK\$678,000,000) and its bank deposits of approximately HK\$16,832,000 (2006: Nil) which were held by Beijing Jianguo to secure the bank loans amounted to HK\$329,018,000 (2006: HK\$357,427,000).

**40. 重大關連人士交易(續)****(c) 主要管理人員薪酬**

主要管理人員薪酬(包括財務報表附註11及12所披露支付予本公司董事及若干最高薪僱員之金額)如下：

**41. 資產抵押**

於二零零七年十二月三十一日，本集團已將其由北京建國持有賬面值為852,081,000港元(二零零六年：678,000,000港元)之投資物業及銀行存款約16,832,000港元(二零零六年：無)作抵押，以作為獲取銀行貸款329,018,000港元(二零零六年：357,427,000港元)之擔保。

## 42. FINANCIAL RISK MANAGEMENT

### (a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including equity price risk and foreign currency risk), credit risk, liquidity risk and cash flow and fair value interest-rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

#### (i) Equity price risk

The Group is exposed to equity price risk because investments held by the Group are classified on the consolidated balance sheet either as available-for-sale financial assets or as financial assets at fair value through profit or loss. The Group's equity price risk is mainly concentrated on equity securities quoted in The Stock Exchange of Hong Kong Limited.

The Group has limited exposure to equity price risk since the investment securities held as at balance date is not significant. At 31 December 2007, the Group did not hold any financial assets at fair value through profit or loss (2006: HK\$28,100,000).

The Group is not exposed to commodity price risk.

## 42. 財務風險管理

### (a) 財務風險因素

本集團之活動承受多種財務風險：市場風險(包括股本價格風險及外匯風險)、信貸風險、流動資金風險及現金流及公平值利率風險。本集團之整體風險管理計劃專注於財務市場之難預測性，務求盡量減低對本集團財務表現之潛在不利影響。

#### (i) 股本價格風險

由於本集團所持有之投資於綜合資產負債表中被分類為可供銷售金融資產或按公平值計入損益表之金融資產，因此本集團承受股本價格風險。本集團之股本價格風險主要集中於香港聯合交易所有限公司報價之股本證券。

由於在結算日持有之投資證券並不重大，故本集團承受之股本價格風險有限。於二零零七年十二月三十一日，本集團並無持有任何按公平值計入損益表之金融資產(二零零六年：28,100,000港元)。

本集團並無承受商品價格風險。

## 42. FINANCIAL RISK MANAGEMENT

(Continued)

### (a) Financial risk factors (Continued)

#### (i) Equity price risk (Continued)

##### Sensitivity analysis

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

If equity prices had been 5% higher/lower, net profit for the year ended 31 December 2007 would not be affected (2006: increase/decrease by HK\$761,000) as a result of the changes in fair value of financial assets at fair value through profit or loss.

The Group's sensitivity to equity prices has not changed significantly from prior year.

#### (ii) Foreign currency risk

The Group operates in Hong Kong, the PRC and Macau and is exposed to foreign currency risk arising from various currency exposures, primarily with respect to Macau Pataca and Renminbi. The Group does not hedge foreign currency translation risk because translation gains or losses do not affect the project company's cash flow or the Group's annual profit.

## 42. 財務風險管理(續)

### (a) 財務風險因素(續)

#### (i) 股本價格風險(續)

##### 敏感度分析

下列敏感度分析乃按於報告當日所承受之股本價格風險釐定。

倘股本價格上升/下跌5%，則本集團截至二零零七年十二月三十一日止年度之純利不會因按公平值計入損益表之金融資產之公平值變動而受到影響(二零零六年：增加/減少761,000港元)。

本集團對股本價格之敏感度與上年度之差異不大。

#### (ii) 外匯風險

本集團於香港、中國及澳門經營，並須承受由不同貨幣產生之外匯風險，主要與澳門元及人民幣有關。由於匯兌盈虧並無影響本公司之現金流量或本集團之年度溢利，故本集團並無對沖外匯風險。



## 42. FINANCIAL RISK MANAGEMENT

(Continued)

## (a) Financial risk factors (Continued)

## (ii) Foreign currency risk (Continued)

## Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities).

## 42. 財務風險管理(續)

## (a) 財務風險因素(續)

## (ii) 外匯風險(續)

## 敏感度分析

下表呈示假設所有其他變數維持不變，本集團除稅前溢利對外幣匯率出現合理可能變動之敏感度(由於貨幣資產及負債)。

		Increase/ (decrease) in Renminbi Rate 人民幣匯率 上升/(下跌) %	Increase/ (decrease) in profit/(loss) before tax 除稅前 溢利/(虧損) 增加/(減少) HK\$'000 千港元
<b>2007</b>	<b>二零零七年</b>		
<b>If Renminbi weakens against Hong Kong dollar</b>	<b>倘人民幣兌港元貶值</b>	<b>5</b>	<b>1,957</b>
<b>If Renminbi strengthens against Hong Kong dollar</b>	<b>倘人民幣兌港元升值</b>	<b>(5)</b>	<b>(1,957)</b>
<b>2006</b>	<b>二零零六年</b>		
If Renminbi weakens against Hong Kong dollar	倘人民幣兌港元貶值	5	290
If Renminbi strengthens against Hong Kong dollar	倘人民幣兌港元升值	(5)	(290)

## 42. FINANCIAL RISK MANAGEMENT

(Continued)

### (a) Financial risk factors (Continued)

#### (iii) Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that distribution of films and sub-licensing of film rights to customers with an appropriate credit history.

The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of the each financial asset, including trade and other receivables, as reported on the balance sheet.

#### (iv) Liquidity risk

The Group manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due.

The Group closely monitors its exposure to liquidity risk by reviewing the cash position report monthly. It analyses efficiency of fund management appropriately on the drawdown of bank loans and appoint dedicated personnel to ensure loans are serviced on a timely and accurate basis.

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

## 42. 財務風險管理(續)

### (a) 財務風險因素(續)

#### (iii) 信貸風險

本集團並無重大信貸集中風險。本集團現行之政策乃為確保向具有妥善信貸紀錄之客戶發行電影及轉授電影發行權。

本集團承受之信貸風險自對手方違約而產生，最高風險相等於資產負債表所報各金融資產(包括貿易及其他應收款項)之賬面值。

#### (iv) 流動資金風險

本集團透過確保充足的流動現金結存履行到期的付款責任，以管理其流動資金風險。

本集團透過每月檢討現金狀況報告密切監察其承受之流動資金風險。該報告適當地分析銀行貸款提款之基金管理之效率，以及委任專責人員以確保貸款及時及準確支付。

下表詳列本集團就其非衍生金融負債之餘下合約到期日。該表已根據按本集團被要求支付之最早日期之金融負債未折現現金流量而編製。該表包括利息及本金現金流量。

## 42. FINANCIAL RISK MANAGEMENT

(Continued)

## (a) Financial risk factors (Continued)

## (iv) Liquidity risk (Continued)

		Less than 1 month 少於一個月 HK\$'000 千港元	1 to 3 months 一至三個月 HK\$'000 千港元	3 months to 1 year 三個月 至一年 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Over 5 years 五年以上 HK\$'000 千港元	Total 總計 HK\$'000 千港元
2007	二零零七年						
Accruals and other payables	應計費用及其他應 付款項	19,245	—	—	—	—	19,245
Receipts in advance	預收款項	47,041	—	—	—	—	47,041
Secured bank loans	有抵押銀行貸款	738	10,718	16,077	301,485	—	329,018
		67,024	10,718	16,077	301,485	—	395,304

		Less than 1 month 少於一個月 HK\$'000 千港元	1 to 3 months 一至三個月 HK\$'000 千港元	3 months to 1 year 三個月 至一年 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Over 5 years 五年以上 HK\$'000 千港元	Total 總計 HK\$'000 千港元
2006	二零零六年						
Accruals and other payables	應計費用及其他應 付款項	20,208	—	—	—	—	20,208
Receipts in advance	預收款項	60,898	—	—	—	—	60,898
Secured bank loans	有抵押銀行貸款	—	—	5,470	351,957	—	357,427
		81,106	—	5,470	351,957	—	438,533

## (v) Cash flow and fair value interest rate risk

The Group's cash flow interest-rate risk arises from bank borrowings. The Group's fair value interest-rate risk mainly arises from fixed-rate short-term bank deposits. The Group currently does not have an interest-rate hedging policy. However, the management monitors interest-rate exposure and will consider hedging significant interest-rate exposure should need arises.

## 42. 財務風險管理(續)

## (a) 財務風險因素(續)

## (iv) 流動資金風險(續)

## (v) 現金流及公平值利率風險

本集團之現金流利率風險來自銀行借貸。本集團之公平值利率風險主要來自定息短期銀行存款。本集團現時並無任何利率對沖政策。然而，管理層會監控利率風險，並將考慮於需要時對沖重大利率風險。

## 42. FINANCIAL RISK MANAGEMENT

(Continued)

## (a) Financial risk factors (Continued)

## (v) Cash flow and fair value interest rate risk (Continued)

## Sensitivity analysis

The sensitivity analysis below presents the effects on the Group's post-tax profit for the year (as a result of change in interest expense on floating rate borrowings). For floating-rate borrowings, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. The sensitivity to interest rate used is considered reasonable given the market forecasts available at the balance sheet date and under the economic environments in which the Group operates, with all other variables held constant.

## 42. 財務風險管理(續)

## (a) 財務風險因素(續)

## (v) 現金流及公平值利率風險(續)

## 敏感度分析

下列敏感性分析呈列對本集團之本年度除稅後溢利之影響(由於浮息借貸之利息支出變動)。就浮息借貸而言，該分析乃假設於結算日之未償還負債於全年內尚未償還而編製。鑑於假設所有其他變數維持不變，於結算日所得市場預測及在本集團經營所在經濟環境下，所用利息敏感度被視為合理。

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Hong Kong dollars	港元		
If interest rates were 2%(2006: 2%) higher	倘利率上升2% (二零零六年: 2%)		
Post-tax profit for the year	本年度除稅後溢利	(527)	(431)
If interest rates were 2%(2006: 2%) lower	倘利率下跌2% (二零零六年: 2%)		
Post-tax profit for the year	本年度除稅後溢利	527	431

## 42. FINANCIAL RISK MANAGEMENT

(Continued)

### (b) Fair value estimation

The carrying amounts of the Group's financial assets, including cash and bank balances, trade receivables, deposits, prepayments and other receivables, and financial liabilities, including other payables, accruals and amounts due to related companies, approximate to their fair values due to their short maturities. The face values less any credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate to their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

In assessing the fair value of financial instruments traded in active markets (such as financial assets at fair value through profit or loss) is based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets held by the Group are the current bid price.

The fair value of financial instrument that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods, such as estimated discounted value of future cash flows, and makes assumptions that are based on market conditions existing at each balance sheet date.

The carrying values of the current financial assets and current financial liabilities approximate to their fair values.

## 42. 財務風險管理(續)

### (b) 公平值估計

本集團金融資產(包括現金及銀行結存、貿易應收款項、按金、預付款項及其他應收款項)及金融負債(包括其他應付款項、應計費用及應付關連公司款項)之賬面值因其於短期內到期，故與其公平值相若。到期日為少於一年之金融資產及負債之面值減該等資產及負債之任何信貸調整乃假設為與其公平值相若。

供披露之金融負債公平值乃按本集團同類金融工具現時之市場利率折現未來合約現金流量而估計。

在評估於交投活躍市場上買賣之金融工具之公平值時，乃根據於結算日之市場報價。用於本集團持有之金融資產之市場報價乃現時之買入價。

並無於交投活躍市場上報價之金融工具之公平值乃採用估值法釐定。本集團採用估計未來現金流量之折現價值等多種方法，並根據於各結算日之市況作出假設。

流動金融資產及流動金融負債之賬面值與其公平值相若。

**42. FINANCIAL RISK MANAGEMENT***(Continued)***(c) Capital risk management**

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern, maintains a strong credit rating and healthy ratios in order to support its business and enhance shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or raise and repay debts. The Group's capital management objectives, policies or processes were unchanged during 2006 and 2007.

The Company monitors capital using gearing ratio, which is the Group's total borrowings over equity attributable to equity holders of the Company. The gearing ratios at 31 December 2007 and 31 December 2006 were as follows:

		<b>2007</b> 二零零七年 <b>HK\$'000</b> 千港元	2006 二零零六年 HK\$'000 千港元
Amounts due to related companies	應付關連公司款項	<b>701</b>	606
Secured bank loans	有抵押銀行貸款	<b>329,018</b>	357,427
<b>Total borrowings</b>	<b>總借貸</b>	<b>329,719</b>	358,033
Equity attributable to the equity holder of the Company	本公司股權持有人應佔股權	<b>1,046,080</b>	399,636
<b>Gearing ratio</b>	<b>負債比率</b>	<b>31.5%</b>	89.6%

**42. 財務風險管理(續)****(c) 資本風險管理**

本集團管理資本之主要目標為保障本集團持續經營之能力，維持強大信貸評級及穩健比率以支持其業務及提升股東價值。

本集團管理其資本結構並根據經濟情況變動作出調整。為維持或調整資本結構，本集團可調整向股東派發之股息、向股東退還資本、發行新股份或籌集及償還債項。於二零零六年及二零零七年，本集團之資本管理目標、政策及程序維持不變。

本公司採用負債比率(即本集團總借貸除以本公司股權持有人應佔股權)監察資本。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之負債比率如下：

### 43. SUBSEQUENT EVENTS

- (i) On 31 March 2008, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to further extend the long stop date in the conditional sale and purchase agreement dated 1 August 2007 relating to the proposed acquisition of a 100% interest in the issued share capital of Exceptional Gain Profits Limited and a sale loan from 31 March 2008 to 30 May 2008.
- (ii) On 28 February 2008, a conditional sale and purchase agreement was entered into between Riche (BVI) Limited, a wholly-owned subsidiary of the Company, Well Will Investment Limited and Mr. Ng Cheuk Fai, in relation to the acquisition of the entire issued share capital of Rich Daily Group Limited at an initial consideration of HK\$504,000,000. The consideration will be satisfied by cash of HK\$360,000,000 and the issue of convertible bonds in an aggregate principal amount of HK\$144,000,000 by the Company. Details of this transaction were set out in the Company's announcement dated 4 March 2008.
- (iii) On 19 March 2008, the board of directors proposed the following changes to the capital of the Company (the "Proposed Capital Reorganisation"):
  - 1. Share consolidation: that every ten issued and unissued existing shares of HK\$0.10 each in the share capital of the Company be consolidated into one consolidated share of HK\$1.00 each (the "Consolidated Share") in the share capital of the Company;

### 43. 結算日後事項

- (i) 於二零零八年三月三十一日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將於二零零七年八月一日訂立有關建議收購 Exceptional Gain Profits Limited 已發行股本之 100% 權益及銷售貸款之有條件買賣協議之最後期限由二零零八年三月三十一日進一步延長至二零零八年五月三十日。
- (ii) 於二零零八年二月二十八日，Riche (BVI) Limited (本公司之全資附屬公司)、Well Will Investment Limited 及吳卓微先生訂立有條件買賣協議，內容有關收購 Rich Daily Group Limited 之全部已發行股本，初步代價為 504,000,000 港元。代價將以現金 360,000,000 港元及本公司發行本金總額 144,000,000 港元之可換股債券支付。該交易之詳情載於本公司於二零零八年三月四日刊發之公佈。
- (iii) 於二零零八年三月十九日，董事會建議對本公司股本作出以下變動(「建議股本重組」):
  - 1. 股份合併，將每十股已發行及未發行現有本公司股本中每股面值 0.10 港元之現有股份合併為一股本公司股本中每股面值 1.00 港元之合併股份(「合併股份」)；

### 43. SUBSEQUENT EVENTS (Continued)

(iii) (Continued)

2. Capital reduction: that the issued Consolidated Shares be reduced by cancelling from the paid-up capital thereof to the extent of HK\$0.99 of each issued Consolidated Share and reducing the nominal value of all the Consolidated Shares comprising the authorised share capital of the Company from HK\$1.00 each to HK\$0.01 each; and
3. Share premium cancellation: that the entire amount of HK\$813,058,000 standing to the credit of the share premium account of the Company at 31 December 2007 be cancelled and such credit amount arising from the share premium cancellation be applied to the contributed surplus account of the Company where it will be utilised by the board of directors in accordance with the bye-laws of the Company and all applicable laws, including to eliminate the accumulated losses of the Company of HK\$518,374,000 at 31 December 2006 entirely.

The board of directors also proposed to change the board lot size for trading in the Company's shares from 10,000 shares of HK\$0.10 each to 5,000 shares of HK\$0.01 each upon the Proposed Capital Reorganisation becoming effective.

On 19 March 2008, the board of directors also proposed to change the Company's name from "Riche Multi-Media Holdings Limited" to "China Star Investment Holdings Limited" and upon the name change becoming effective, the new Chinese name "中國星投資有限公司" will be adopted to replace "豐彩多媒體集團有限公司" for identification purposes only.

Details of the Proposed Capital Reorganisation and the proposed change of the Company's name were set out in the Company's announcement dated 19 March 2008 and circular dated 8 April 2008.

### 44. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 25 April 2008.

### 43. 結算日後事項(續)

(iii) (續)

2. 股本削減：透過自其繳足股本註銷每股已發行合併股份0.99港元及將構成本公司法定股本之全部合併股份之面值由每股1.00港元削減至每股0.01港元削減已發行合併股份；及
3. 註銷股份溢價：註銷本公司於二零零七年十二月三十一日之股份溢價賬之全部進賬金額813,058,000港元，而由註銷股份溢價產生之進賬金額將由董事會根據本公司細則及一切適用法例用於本公司之實繳盈餘賬，包括全數抵銷本公司於二零零六年十二月三十一日之累計虧損518,374,000港元。

董事會亦建議於建議股本重組生效後，將本公司股份之每手買賣單位由10,000股每股面值0.10港元之股份更改為5,000股每股面值0.01港元之股份。

於二零零八年三月十九日，董事會亦建議將本公司名稱由「Riche Multi-Media Holdings Limited」更改為「China Star Investment Holdings Limited」，並於更改名稱生效後，將採納新中文名稱「中國星投資有限公司」以取代「豐彩多媒體集團有限公司」以資識別。

建議股本重組及建議更改本公司名稱之詳情載於本公司於二零零八年三月十九日刊發之公佈及於二零零八年四月八日刊發之通函。

### 44. 批准財務報表

財務報表已於二零零八年四月二十五日經董事會批准及授權刊發。



# Five Years Financial Summary

## 五年財務概要

### For the year ended 31 December

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	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
<b>Results</b>	<b>業績</b>					
Turnover	營業額	<b>38,739</b>	17,476	38,339	58,382	206,996
Profit/(loss) from operations	經營溢利 / (虧損)	<b>58,344</b>	(11,484)	(29,324)	(267,730)	116,429
Finance costs	融資費用	<b>(19,494)</b>	(9,615)	(340)	(340)	(340)
Profit/(loss) before taxation	除稅前溢利 / (虧損)	<b>38,850</b>	(21,099)	(29,664)	(268,070)	116,089
Taxation (charge)/ credit	稅項(支出) / 抵免	<b>(13,156)</b>	(195)	—	(277)	1,040
Net profit/(loss) for the year	本年度溢利 / (虧損) 淨額	<b>25,694</b>	(21,294)	(29,664)	(268,347)	117,129
Dividends	股息	—	—	—	—	—

### Assets and liabilities

### 資產與負債

#### At 31 December

於十二月三十一日

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Total assets	資產總額	<b>1,542,452</b>	922,228	235,227	132,881	445,616
Total liabilities	負債總額	<b>(492,476)</b>	(518,696)	(67,617)	(64,310)	(109,446)
Shareholders' funds	股東資金	<b>1,049,976</b>	403,532	167,610	68,571	336,170

## Riche Multi-Media Holdings Limited

(Incorporated in Bermuda with limited liability)

## 豐采多媒體集團有限公司

(於百慕達註冊成立之有限公司)

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