



德祥地產集團有限公司

ITC PROPERTIES GROUP LIMITED

(Stock Code 股份代號 : 199)

Annual Report
2007-2008
年報

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CORPORATE INFORMATION

公司資料

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

BOARD OF DIRECTORS

Executive Directors

Mr. Cheung Hon Kit (*Chairman*)
Mr. Chan Fut Yan (*Managing Director*)
Mr. Wong Kam Cheong, Stanley (*Deputy Managing Director*)
Mr. Cheung Chi Kit
Mr. Lai Tsan Tung, David
Mr. Ma Chi Kong, Karl

Independent Non-executive Directors

Mr. Qiao Xiaodong (*Vice Chairman*)
Mr. Wong Chi Keung, Alvin
Mr. Kwok Ka Lap, Alva

COMMITTEES

Audit Committee

Mr. Wong Chi Keung, Alvin (*Chairman*)
Mr. Qiao Xiaodong
Mr. Kwok Ka Lap, Alva

Remuneration Committee

Mr. Wong Chi Keung, Alvin (*Chairman*)
Mr. Chan Fut Yan
Mr. Kwok Ka Lap, Alva

COMPANY SECRETARY

Ms. Yan Ha Hung, Loucia

QUALIFIED ACCOUNTANT

Mr. Cheung Chi Kit

AUTHORISED REPRESENTATIVES

Mr. Cheung Hon Kit
Mr. Wong Kam Cheong, Stanley (*Alternate to Mr. Cheung Hon Kit*)
Mr. Cheung Chi Kit
Ms. Yan Ha Hung, Loucia (*Alternate to Mr. Cheung Chi Kit*)

SOLICITORS

Conyers Dill & Pearman (*Bermuda*)
Iu, Lai & Li (*Hong Kong*)
Vincent T. K. Cheung, Yap & Co. (*Hong Kong*)
Leong Hon Man, Advogado (*Macau*)

AUDITORS

Deloitte Touche Tohmatsu

董事會

執行董事

張漢傑先生 (*主席*)
陳佛恩先生 (*董事總經理*)
黃錦昌先生 (*副董事總經理*)
張志傑先生
賴贊東先生
馬志剛先生

獨立非執行董事

喬小東先生 (*副主席*)
王志強先生
郭嘉立先生

委員會

審核委員會

王志強先生 (*主席*)
喬小東先生
郭嘉立先生

薪酬委員會

王志強先生 (*主席*)
陳佛恩先生
郭嘉立先生

公司秘書

忻霞虹小姐

合資格會計師

張志傑先生

法定代表

張漢傑先生
黃錦昌先生 (*張漢傑先生替任人*)
張志傑先生
忻霞虹小姐 (*張志傑先生替任人*)

律師

Conyers Dill & Pearman (*百慕達*)
姚黎李律師行 (*香港*)
張葉司徒陳律師事務所 (*香港*)
梁瀚民大律師 (*澳門*)

核數師

德勤•關黃陳方會計師行

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PRINCIPAL BANKERS

Industrial and Commercial Bank of China (Asia) Limited
The Bank of East Asia, Limited
Wing Hang Bank, Limited
Guangdong Development Bank
UBS, AG Hong Kong Branch
CITIC Ka Wah Bank Limited

REGISTERED OFFICE

Clarendon House
Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 3102, 31/F., Bank of America Tower
12 Harcourt Road
Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

The Bank of Bermuda Limited
6 Front Street
Hamilton HM 11
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Secretaries Limited
26/F., Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong

WEBSITE

<http://www.itcproperties.com>

STOCK CODE

Hong Kong Stock Exchange 199

主要往來銀行

中國工商銀行(亞洲)有限公司
東亞銀行有限公司
永亨銀行有限公司
廣東發展銀行股份有限公司
瑞士銀行香港分行
中信嘉華銀行有限公司

註冊辦事處

Clarendon House
Church Street
Hamilton HM 11
Bermuda

香港主要營業地點

香港
中環
夏愨道12號
美國銀行中心31樓3102室

主要股份登記及轉名處

The Bank of Bermuda Limited
6 Front Street
Hamilton HM 11
Bermuda

股份登記及轉名香港分處

卓佳秘書商務有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓

網址

<http://www.itcproperties.com>

股份代號

香港聯交所 199

CHAIRMAN'S STATEMENT

主席報告書

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

BUSINESS REVIEW

In the current year, revenue includes net gain on disposal of investments held-for-trading and excludes interest on unsecured loan due from an associate whereas revenue for 2007 as previously reported included gross proceeds from disposal of investments held-for-trading of HK\$328.7 million and interest on unsecured loan due from an associate of HK\$56.2 million. The Group's gross proceeds from continuing operations for the year ended 31st March, 2008 was approximately HK\$600.8 million, representing an increase of 46% as compared with last year of HK\$411.7 million, primarily attributable to increase in securities investment transactions and sale of properties during the year. As a result, the Group achieved a gross profit for the year of approximately HK\$76.9 million, showing an improvement from HK\$43.5 million last year.

Income from loan financing amounted to HK\$31.8 million for the year as compared to HK\$21 million last year. Other income, including interest of HK\$51.6 million charged on shareholder's loan to Orient Town Limited ("Orient Town", together with its subsidiaries the "Orient Town Group"), an associate of the Group, amounted to HK\$73.2 million, showing a decrease as compared with HK\$105.6 million last year mainly because there was less bank interest income in current year due to the lower interest rate.

Since Concordia Land (as defined below) was still in the development stage, the Orient Town Group incurred a loss during the year as a result of the effective interest charged on shareholders' loans which was included in share of results of associates of a loss of HK\$25 million.

The Group recorded a loss for the year of HK\$144.4 million, as compared to the profit of HK\$74.1 million last year, mainly due to the following non-recurring items from the corporate exercises during the year:

1. a loss on disposal of an associate of HK\$39.5 million as a result of the disposal of the Group's effective 20% interest in Grand Waldo Hotel, details of which are included in "Property Development and Investment" paragraph below;
2. an impairment loss of HK\$45 million was recognised in view of an estimated loss on disposal of the Group's entire interest in the Lotus Hill Golf Resort due to the change in regulations of the People's Republic of China (the "PRC"), details of which are included in "Golf and Leisure" paragraph below. Together with the further recognition of a loss on disposal of HK\$19.1 million of the Lotus Hill Golf Resort and the related businesses, the aggregate loss incurred in this respect amounted to HK\$64.1 million; and
3. a loss on disposal of the Group's entire interest in Tung Fong Hung Investment Limited ("TFH") of HK\$18.6 million.

業務回顧

於本年度，收益包括出售持作買賣投資之收益淨額，惟不包括應收一間聯營公司之無抵押貸款之利息，而過往呈列之二零零七年收益則包括出售持作買賣投資之所得款項總額港幣328,700,000元，以及應收一間聯營公司無抵押貸款之利息港幣56,200,000元。截至二零零八年三月三十一日止年度，本集團來自持續經營業務之所得款項總額由去年之港幣411,700,000元增加46%至約港幣600,800,000元，主要因為本年度之證券投資交易及物業銷售增加。因此，本集團錄得本年度的毛利約港幣76,900,000元，與去年港幣43,500,000元相比，增幅顯著。

年內貸款融資收入為港幣31,800,000元，去年則為港幣21,000,000元。其他收入(包括收取本集團之聯營公司華鎮有限公司(「華鎮」，連同其附屬公司「華鎮集團」)股東貸款之利息收入港幣51,600,000元)為港幣73,200,000元，較去年港幣105,600,000元減少，主要因利率下降而令本年度銀行利息收入減少。

由於聯生土地(定義見下文)依然處於發展階段，故華鎮集團於本年度產生虧損，乃來自股東貸款之應付之實際利息，有關款項已計入應佔聯營公司業績港幣25,000,000元之虧損中。

本集團於本年度錄得港幣144,400,000元之虧損，去年則為港幣74,100,000元之溢利，主要由於本年度因企業活動進行之下列非經常性項目所致：

1. 出售一間聯營公司之虧損港幣39,500,000元，乃因本集團出售於金都酒店實際20%權益所致，詳情載列下文「物業發展及投資」一段；
2. 確認減值虧損港幣45,000,000元，乃因中華人民共和國(「中國」)之法規變動，致使本集團出售於蓮花山高爾夫球度假村之全部權益估計出現虧損，詳情載列下文「高爾夫球及消閒」一段。計及出售蓮花山高爾夫球度假村及相關業務之進一步虧損確認港幣19,100,000元，有關方面產生之總虧損達港幣64,100,000元；及
3. 本集團出售Tung Fong Hung Investment Limited(「東方紅」)之全部權益而錄得虧損港幣18,600,000元。

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BUSINESS REVIEW (Cont'd)

Property Development and Investment

Macau:

In April 2007, the Group acquired 44 residential units in Zhu Kuan Mansion, a residential/office/commercial complex nearby the Sands casino-hotel. These properties have been upgraded with major renovation and improvements which are currently held for the purpose of resale at an opportune time. The total gross floor area of the units is approximately 57,432 sq. ft. with an average cost of approximately HK\$2,070/sq. ft.

In July 2007, the Group further acquired another 18 residential units and 18 car parking spaces in Pearl on the Lough, a luxury residential building on the waterfront of Taipa, which are also currently held for resale purpose. The total gross floor area of the units is approximately 44,046 sq. ft. with an average cost of approximately HK\$2,690/sq. ft. In March 2008, 2 residential units and 2 car parking spaces were sold. In May 2008, another residential unit and car parking space were sold at close to HK\$4,000/sq. ft.

The Group has an effective 35.5% interest in Empresa De Fomento Industrial E Comercial Concórdia, S.A. ("Concordia"). In October 2007, the Government of Macau has granted to Concordia the new concession of 14 parcels of leased land situated in Estrada de Seac Pai Van, Macau for a 25-year plus 25-year time from 2007 ("Concordia Land"), which absolutely confirmed the value of the Group's investment in Concordia. The planned total gross floor area of Concordia is approximately 8,000,000 sq. ft. with an average cost of approximately HK\$430/sq. ft. as based on the Group's investment in Concordia of HK\$1,213 million. Development plans are being submitted to the Government of Macau for approval and other preparatory works for the development and marketing are being actively taken out.

In September 2007, the Group disposed of its effective 20% interest in Grand Waldo Hotel in Macau for an aggregate consideration of HK\$350 million, of which HK\$150 million was paid in cash, HK\$100 million was settled by 126,262,626 shares in Get Nice Holdings Limited ("Get Nice") at HK\$0.792 each ("Get Nice Consideration Shares") and remaining HK\$100 million was settled by convertible bonds issued by Get Nice. Upon the completion of the disposal, the market price of the Get Nice Consideration Shares was considerably below HK\$0.792 and as a result, a loss on disposal of an associate of HK\$39.5 million was recorded mainly attributable to the shortfall in the fair value of the Get Nice Consideration Shares as partial consideration. This loss was substantially compensated by the net gain on financial instruments since all the Get Nice Consideration Shares were subsequently disposed of at market prices above HK\$0.792 each and HK\$43 million of the convertible bonds issued by Get Nice was also disposed of at a price above its face value. Taking into account the share of profit from Grand Waldo Hotel of approximately HK\$92.1 million recognised in last year, there is a reasonably good return from this investment.

業務回顧(續)

物業發展及投資

澳門:

於二零零七年四月,本集團收購一座鄰近澳門金沙酒店之住宅/辦公室/商用綜合大樓珠江大廈中之44個住宅單位。該等物業已進行大型升級翻新及裝修,目前正持有以待轉售時機出現。該等單位之總建築面積約為57,432平方呎,平均成本為每平方呎約港幣2,070元。

於二零零七年七月,本集團進一步收購位於氹仔海濱之豪宅樓宇海明灣畔內之18個住宅單位及18個停車位,目前亦正持有等候轉售。該等單位之總建築面積約為44,046平方呎,平均成本為每平方呎約港幣2,690元。於二零零八年三月,已售出2個住宅單位及2個停車位。於二零零八年五月,另一個住宅單位及停車位則以接近每平方呎港幣4,000元售出。

本集團於聯生發展股份有限公司(「聯生」)之實際權益為35.5%。於二零零七年十月,澳門政府向聯生授出位於澳門石排灣馬路之十四幅租賃土地之新租約,由二零零七年起計25年及另加25年(「聯生土地」),確切肯定本集團於聯生之投資價值。聯生之計劃總建築面積約為8,000,000平方呎,平均成本約為每平方呎港幣430元,此乃根據本集團於聯生之投資港幣1,213,000,000元計算。發展計劃現正呈交澳門政府以待審批,其他發展籌備工程及市場推廣亦正如火如荼地進行。

於二零零七年九月,本集團出售其於澳門金都酒店之20%實際權益,代價合共為港幣350,000,000元,其中港幣150,000,000元以現金支付、港幣100,000,000元以126,262,626股每股面值港幣0.792元之結好控股有限公司(「結好」)股份(「結好代價股份」)償付,餘下之港幣100,000,000元乃透過結好發行之可換股債券償付。出售完成後,結好代價股份之市價遠低於港幣0.792元,因此,乃錄得出售一間聯營公司虧損港幣39,500,000元,主要由於結好代價股份作為部份代價之公平值不足所致。此虧損大部份已由財務工具之淨收益所補償,乃因所有結好代價股份其後已按每股港幣0.792元以上之市價售出,以及結好發行之港幣43,000,000元可換股債券亦按高於其面值之價格售出。計及去年確認應佔金都酒店之溢利約港幣92,100,000元,有關投資回報理想。

CHAIRMAN'S STATEMENT

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ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

BUSINESS REVIEW (Cont'd)

Property Development and Investment (Cont'd)

PRC:

The Group has entered into an agreement to acquire in Hengqin, Zhuhai a plot of land in the area of approximately 26,000 m² located right on the waterfront across from Cotai, Macau, at the consideration of approximately RMB51 million which permitted uses under town planning guidelines are commercial, residential, hotel and retail. The plot ratio is 1.6. Consideration had substantially been paid up and title transfer is pending upon lifting of moratorium for land transfer within the Hengqin area imposed by local government.

Hong Kong:

In January 2008, the Group has acquired 2 adjacent blocks of building located at the junction of Nathan Road and Fife Street for approximately HK\$229 million which aggregate re-developable gross floor area is approximately 29,000 sq. ft. It is currently intended that the properties will be held for re-development into a retail and office complex for investment purpose.

During the current year, some units at Talon Tower on Connaught Road West were sold at a profit. As at 31st March, 2008, 7 residential units and 1 commercial unit remained unsold.

業務回顧(續)

物業發展及投資(續)

中國:

本集團已訂立協議收購位於澳門路氹海濱珠海對岸橫琴一幅土地，面積約為26,000平方米，代價約人民幣51,000,000元，該土地獲准根據城市規劃指引用作商業、住宅、酒店及零售用途。地積比率為1.6。代價大部份已繳付，業權轉讓則須待地方政府就橫琴區內土地轉讓暫停之指令取消後方可作實。

香港:

於二零零八年一月，本集團收購位於彌敦道及快富街交界2座相連樓宇，作價約港幣229,000,000元，可重建建築面積合共約29,000平方呎。現計劃該等物業將持有作重新發展為零售及辦公室建築物，作投資用途。

於本年度，干諾道西達隆名居部份單位售出獲利。截至二零零八年三月三十一日，7個住宅單位及1個商用單位仍然待售。

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BUSINESS REVIEW (Cont'd)

Outlined below is a summary of the Group's interest in significant properties held for development/sale as at 31st March, 2008:

業務回顧(續)

截至二零零八年三月三十一日，本集團持有作發展／待售之主要物業權益概述如下：

Location 地點	Usage 用途	Group's interest 本集團 所佔權益 (%)	Attributable Gross Floor Area (excluding car parking spaces) 所佔建築面積 (不包括停車位) (sq. ft.) (平方呎)
14 parcels of land situated in Estrada de Seac Pai Van, Macau 位於澳門石排灣馬路之十四幅土地	Residential, Commercial and Hotel 住宅、商業及酒店	35.5	2,250,000
44 residential units at Edifício Comercial Zhu Kuan Mansion, Avenida Xian Xing Hai nos. 81-121, Rua de Londres nos. 148-254, Avenida do Governador Jaime Silvério Marques nos. 80-120 and Rua de Madrid nos. 147-225, Macau 位於澳門冼星海大馬路81-121號，倫敦街148-254號，馬濟時總督大馬路80-120號及馬德理街147-255號珠江大廈之44個住宅單位	Residential 住宅	100	57,432
16 residential units and 16 car parking spaces at Pearl on the Lough, Ilha da Taipa, junto à Estrada Nordeste da Taipa Aterro da Baía de Pac On, Macau 位於澳門氹仔北安灣P05地段海明灣畔之16個住宅單位及16個停車位	Residential 住宅	100	39,936
Section B of Kowloon Inland Lot No. 1263 and the Remaining Portion of Inland Lot No. 1263, being Nos. 703 and 705, Nathan Road, Mongkok, Kowloon, Hong Kong 九龍內地段1263號B部份及九龍內地段1263號餘段，即香港九龍旺角彌敦道703及705號	Retailing/Office 零售／辦公室	100	29,000

Golf and Leisure

The sales revenue from the golf and leisure business during the year was HK\$62.6 million (2007: HK\$52.4 million) with a segmental loss of HK\$16.3 million (2007: segmental profit of HK\$3.4 million). The construction of additional 9 holes in Sun Valley Golf Resort has been completed and opened to golfers in November 2007. The enlarged hotel development plan has been approved by the local government.

高爾夫球及消閒

本年度來自高爾夫球及消閒業務之銷售收益為港幣62,600,000元(二零零七年：港幣52,400,000元)，分部虧損港幣16,300,000元(二零零七年：分部溢利港幣3,400,000元)。紅峽谷高爾夫球度假俱樂部新增9個洞之建築工程已經完工，並已於二零零七年十一月開放予客戶使用。經擴大酒店開發計劃已獲地方政府批准。

CHAIRMAN'S STATEMENT

主席報告書

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

BUSINESS REVIEW (Cont'd)

Golf and Leisure (Cont'd)

In November 2007, the National Commission of Development and Reform and the Ministry of Commerce of the PRC have jointly announced that foreign investors are prohibited to take part in golf business in the PRC unless consent has been obtained prior to 1st December, 2007. The joint venture for the Sun Valley Golf Resort in Sanya will expire in 2049 and therefore shall not be affected by this new regulation in the foreseeable future. However, this new regulation had significant impact on the joint venture for the Lotus Hill Golf Resort in Guangzhou since its contract period expired in September 2007 which had been temporarily extended by further 6 months in order to facilitate the negotiation with the PRC joint venture partner for a practical re-arrangement of the joint venture. In November 2007, the Group entered into agreements to dispose of its entire interest in the Lotus Hill Golf Resort to an associate of the PRC joint venture partner. Simultaneously, the Group:

- a) remains as a lessee of the golf resort to maintain revenue from guests for using facilities in the golf resort;
- b) remains as a partner to the development of villas of saleable area of about 23,000 m² within the golf resort; and
- c) has the first right to participate in any new business opportunities within the golf resort, including property developments.

Details of this transaction have been included in the circular of the Company dated 17th January, 2008.

Securities Investment

As part of its treasury management to obtain better return from the surplus cash, the Group has increased its activities in securities investment. During the year, gross proceeds and segmental profit from securities investment were HK\$424.6 million (2007: HK\$329.2 million) and HK\$59.1 million (2007: HK\$26.8 million) respectively. As at 31st March, 2008, the Group had available-for-sale investments and financial assets at fair value through profit or loss in an aggregate sum of HK\$106.5 million, mainly comprised of shares listed in Hong Kong and Singapore.

Manufacturing and Trading of Medicine and Health Products

Following the disposal of entire interest in TFH in July 2007, the Group has discontinued the operation of manufacturing and trading of medicine and health products. The segmental turnover for the year up to the date of disposal was HK\$115.7 million (2007: HK\$400.6 million) with a pre-tax profit contribution of HK\$1.8 million (2007: HK\$3.2 million).

業務回顧(續)

高爾夫球及消閒(續)

於二零零七年十一月，中國國家發展和改革委員會及商務部作出聯合公佈，除非於二零零七年十二月一日前已獲得同意，否則外國投資者不得在中國參與高爾夫球業務。由於三亞紅峽谷高爾夫球度假俱樂部之合資企業年期將於二零四九年屆滿，故於可見將來不會受此新規定影響。然而，由於廣州蓮花山高爾夫球度假村合資企業之合約期已於二零零七年九月屆滿，故此新規定對其有重大影響，惟該合約期已暫時額外延長6個月，以便就合資公司的可行重組安排與中國合資公司夥伴進行磋商。於二零零七年十一月，本集團已訂立協議向中國合資企業夥伴之聯營公司出售於蓮花山高爾夫球度假村之全部權益。同時，本集團將：

- a) 繼續成為高爾夫球度假村之承租人，以保持來自用戶使用高爾夫球度假村設施之收益；
- b) 繼續成為高爾夫球度假村內可銷售面積約23,000平方米之別墅發展之夥伴；及
- c) 擁有高爾夫球度假村內任何新商機(包括物業發展)之優先參與權。

上述交易詳情已載於本公司日期為二零零八年一月十七日之通函內。

證券投資

作為庫務管理之一部分，以從剩餘現金取得更佳回報，本集團已增加其證券投資活動。本年度之內，證券投資分部之所得款項總額及分部溢利分別為港幣424,600,000元(二零零七年：港幣329,200,000元)及港幣59,100,000元(二零零七年：港幣26,800,000元)。於二零零八年三月三十一日，本集團之可供出售投資及按公平值列賬及計入損益之金融資產合共為數港幣106,500,000元，主要包括在香港及新加坡上市之股份。

製造及買賣醫藥及健康產品

於二零零七年七月出售東方紅之全部權益後，本集團已終止經營其製造及買賣醫藥及健康產品業務。本年度截至出售日期止之分部營業額為港幣115,700,000元(二零零七年：港幣400,600,000元)，除稅前溢利貢獻為港幣1,800,000元(二零零七年：港幣3,200,000元)。

CHAIRMAN'S STATEMENT

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BUSINESS REVIEW (Cont'd)

Financing

During the year, the Group had interest income from unsecured loans due from associates, convertible bonds, related companies and other loan receivables of HK\$86.4 million of which HK\$31.8 million was included as revenue while the remaining HK\$54.6 million was included in other income. As at 31st March, 2008, unsecured loans and interest due from associates, debt portion of convertible bonds, unsecured loan and interest due from related companies and other loan receivables of the Group amounted to HK\$1,077.7 million, HK\$51.1 million, HK\$58.3 million and HK\$243.1 million respectively.

FINANCIAL REVIEW

During the year, convertible notes in an aggregate principal amount of HK\$247.5 million were converted into approximately 483.2 million shares of the Company and the outstanding principal amount of the convertible notes as at 31st March, 2008 was approximately HK\$1,394.5 million.

To further strengthen the Group's resources, the Company had entered into a placing and subscription agreement for the issue of 300,000,000 new shares at HK\$0.56 each ("Top-Up Placing") which was completed in June 2007. The net proceeds of approximately HK\$163 million were retained as general working capital.

The Group adopts a prudent funding and treasury policy with regard to its overall business operations. In addition to the above convertible note payables, a variety of credit facilities is maintained so as to meet its working capital requirements.

During the year, the Group has obtained additional bank loans of approximately HK\$144 million to partially finance the acquisition of properties in Macau. As at 31st March, 2008, total borrowings from financial institutions amounted to HK\$153.6 million, of which HK\$39.6 million was repayable after one year. The net gearing ratio of the Group, calculated with reference to the bank and other borrowings of HK\$153.6 million and the fair value of the liability component of convertible note payables of HK\$1,243.8 million, offsetting with the pledged bank deposits and the bank and cash balances of HK\$294.9 million, and the Group's shareholders' funds of HK\$1,843 million, was 0.6 as at 31st March, 2008, showing some decreases from 0.74 as at 31st March, 2007.

業務回顧(續)

融資

年內，本集團來自應收聯營公司之無抵押貸款、可換股債券、相關公司及其他應收貸款之利息收入為港幣86,400,000元，其中港幣31,800,000元列入收益，而其餘港幣54,600,000元則列入其他收入。於二零零八年三月三十一日，本集團應收聯營公司之無抵押貸款及利息、可換股債券之負債部分、應收關連公司之無抵押貸款及利息以及其他應收貸款分別為港幣1,077,700,000元、港幣51,100,000元、港幣58,300,000元及港幣243,100,000元。

財務回顧

年內，本金總額港幣247,500,000元之可換股票據乃兌換為約483,200,000股本公司股份，而於二零零八年三月三十一日尚未兌換之可換股票據之本金金額則約為港幣1,394,500,000元。

為進一步加強本集團資源，本公司已訂立配售及認購協議，以發行300,000,000股新股份，作價每股港幣0.56元（「補充配售」），並於二零零七年六月完成。所得款項淨額約港幣163,000,000元已保留作一般營運資金。

本集團就其整體業務採納審慎融資及財務政策。除上述可換股票據應付款項外，本集團維持多項信貸融資，以應付其營運資金所需。

年內，本集團已取得額外銀行貸款約港幣144,000,000元，作為收購澳門物業之部分融資。於二零零八年三月三十一日，金融機構借貸總額為港幣153,600,000元，當中港幣39,600,000元將於一年後償還。於二零零八年三月三十一日，本集團之淨資產負債比率為0.6，比較二零零七年三月三十一日為0.74有所減少，當中已計及銀行及其他借貸港幣153,600,000元及可換股票據應付款項負債部分之公平值港幣1,243,800,000元，並抵銷已抵押銀行存款與銀行及現金結餘港幣294,900,000元以及本集團股東資金港幣1,843,000,000元。

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ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

FINANCIAL REVIEW (Cont'd)

About HK\$120.4 million of the borrowings from financial institutions were interest-bearing with variable rates while interest of the remaining balance was calculated on fixed rate. The management anticipates that interest rate remains stable in the capital market and therefore no hedge is to be made against any unfavourable fluctuation in interest rate. Most of the assets and liabilities of the Group were denominated in Hong Kong dollars, Renminbi and Macau Pataca, and hence the Directors considered that the Group was not subject to any material adverse exchange rate exposure.

NUMBER OF EMPLOYEES, REMUNERATION POLICIES AND SHARE OPTION SCHEME

As at 31st March, 2008, the number of employees of the Group was 1,003 (2007: 1,726). Employees are remunerated according to their qualifications and experience, job nature and performance, under the pay scales aligned with market conditions. Other benefits to employees include medical, insurance cover and retirement schemes. On 15th August, 2006 and 27th July, 2007, the Company had granted share options with an exercise price of HK\$0.50 per share and HK\$0.67 per share respectively, to certain directors, senior management and employees of the Group pursuant to the terms and conditions of the share option scheme adopted by the Company on 26th August, 2002.

OUTLOOK

In September 2007, the name of the Company has been changed from Macau Prime Properties Holdings Limited to ITC Properties Group Limited so as to reflect that in addition to Macau being a major geographical market, the Group has considerable investments in the PRC and the interests of ITC Corporation Limited in the Group.

Further to the real growth in the GDP of 16.6% recorded in full year 2006, the GDPs of Macau for the full year 2007 further accelerated with a strong real growth of 27.3%. Unemployment rate remains low at around 3.1% with enviable increases in household income which drives the local demand for better living condition. Most of the properties recently put on the market are well received with wide attraction to the international investors. As a result, the Macau property market has been strong in all sectors, including residential, shops, office and hotels. The opening of Venetian Macao Resort Hotel, the Crown Macau, the MGM Grand Macau, the convention and exhibition facilities as well as scheduled opening of more exciting leisure and entertainment facilities stage the area in Cotai Strip, Macau as an international focal spot. The Group's investment in the luxury and large-scale residential development over the Concordia Land, superiorly located at the south end of Cotai Strip, enjoys a magnificent view of Venetian Macao Resort Hotel and other surrounding deluxe entertainment developments. The Group believes that once this development is marketed for pre-sale, it will be one of the most popular luxury residential projects in Macau.

財務回顧(續)

約港幣120,400,000元之金融機構借貸乃按浮動利率計息，而餘下的大部分結餘按固定利率計息。管理層預料資本市場之利率將維持穩定，故毋須就任何負面利率波動作出對沖。本集團大部分資產及負債均以港幣、人民幣及澳門幣列值，故董事認為，本集團並無面對任何重大匯率風險。

僱員人數、薪酬政策及購股權計劃

於二零零八年三月三十一日，本集團之僱員人數為1,003人(二零零七年：1,726人)。本集團按員工之資歷及經驗、工作性質及表現以及市場薪酬情況釐定薪酬待遇。其他僱員福利包括醫療、保險及退休計劃。於二零零六年八月十五日及二零零七年七月二十七日，本公司根據於二零零二年八月二十六日採納之購股權計劃之條款及條件，向若干董事、高級管理人員及僱員分別授出每股行使價港幣0.50元及港幣0.67元之購股權。

展望

於二零零七年九月，本公司名稱由澳門祥泰地產集團有限公司改為德祥地產集團有限公司，以反映本集團之主要地域市場不限於澳門，亦已於中國作出可觀投資，以及德祥企業集團有限公司於本集團之權益。

澳門之生產總值繼二零零六年全年錄得16.6%迅速實質增長後，二零零七年全年估計將進一步取得27.3%強勁增長。失業率處於約3.1%之低水平，家庭收入增長可觀，提升了當地人對優質生活環境之需求。近期大部份於市場上放盤之物業吸引到國際投資者之注意。因此，澳門各分部物業市場均表現強勁，包括住宅、商舖、辦公室及酒店。澳門威尼斯人度假村酒店、皇冠酒店、澳門美高梅金殿、會議及展覽設施開幕，且計劃開設更多具特色之消閒及娛樂設施，令澳門路氹金光大道成為全球焦點。本集團投資於路氹金光大道南端優越地段聯生土地之大型豪宅發展項目，可享有澳門威尼斯人度假村酒店及其他周邊豪華娛樂發展項目之壯麗景觀。本集團相信，一旦該發展項目可供預售，定必成為澳門最受歡迎之豪宅項目之一。

CHAIRMAN'S STATEMENT

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OUTLOOK (Cont'd)

After the termination and cancellation of the acquisition of an effective 25% in the Shanghai Tianma Country Club, the Group will focus on the development of leisure facilities including hotels within Sun Valley Golf Resort in Sanya, where is one of the most preferred spot for vacation within the PRC.

The Group has been closely studying the property market in Vietnam to explore lucrative investment opportunities in light of the current market slump. The Group has targeted and touched base with certain party in relation to a developable site of about 1 sq. kilometre in Greater Ho Chi Minh City to be developed into residential houses and units with amenity facilities.

In June 2008, the Company proposes to raise HK\$650.1 million before expenses by way of the rights issue of 9,286,554,078 rights shares (with warrants) at a subscription price of HK\$0.07 per rights share on the basis of three rights shares (with warrants in the proportion of four warrants for every fifteen rights shares subscribed) for every share held (the "Rights Issue"). The net proceeds from the Rights Issue and the exercise of the warrants are intended to be used (i) as a general working capital of the Group for its existing business; and (ii) for possible repurchase of the convertible notes (other than those held by the respective subsidiaries and/or associate of ITC Corporation Limited, Hanny Holdings Limited and a director of the Company) issued by the Company; and (iii) future acquisitions. The details of the Rights Issue have been disclosed in the Company's circular dated 24th June, 2008.

In the recent years, the Group has proactively enlarged its portfolio of property investments by acquiring property interests in Macau and Hong Kong including the aspiring substantial interest in Concordia Land. In addition, the Group has on one hand extended its business to the PRC market by developing quality leisure properties within its golf resorts while on the other hand, streamlined its operations by disposing the non-core businesses including the medicine and health products segment. The management of the Group is confident that these investments will contribute substantial rewards to the Group in the coming years. Continuing with the same strategy, the Group will be looking for new opportunities in Macau, the PRC, Hong Kong and the surrounding area with a view to expanding its investments in quality properties.

PLEDGE OF ASSETS

As at 31st March, 2008, general credit facilities granted to the Group by banks and financial institutions were secured by pledges of the Group's property held for sale in an aggregate value of approximately HK\$231.8 million, bank balances of HK\$41.3 million, and financial assets at fair value through profit or loss of approximately HK\$1.8 million.

展望(續)

終止及取消收購於上海天馬鄉村俱樂部之25%實際權益後，本集團將集中開發位於三亞紅峽谷高爾夫球度假俱樂部之消閒設施(包括酒店)，三亞為中國國內最佳度假勝地之一。

本集團一直密切研究越南物業市場，務求在其當前不景氣的市場內發掘有利可圖之投資商機。本集團已鎖定一幅位於胡志明市約為一平方公里之可供發展土地，並與若干相關人士聯繫，該土地可發展為住宅房屋及單位以及康樂設施。

於二零零八年六月，本公司建議按每持有一股股份供三股供股股份(以及按每認購十五股供股股份派送四份認股權證)之基準供股(「供股」)，透過按每股供股股份港幣0.07元之認購價以供股方式發行9,286,554,078股供股股份(連同認股權證)籌組約港幣650,100,000元之資金(扣除開支前)。供股及行使認股權證之所得款項淨額擬用作(i)本集團現有業務之一般營運資金；及(ii)可能購回本公司發行之可換股票據(不包括由德祥企業集團有限公司、錦興集團有限公司及本公司董事各自之附屬公司及/或聯營公司所持有者)；及(iii)未來收購事項。供股之詳情已於本公司於二零零八年六月二十四日之通函內披露。

近年，本集團一直透過收購澳門及香港之物業權益(包括於聯生土地之主要權益)積極擴展其物業投資組合。此外，本集團一方面藉開發其高爾夫球度假村內之優質消閒物業將其業務擴充至中國市場，另一方面亦透過出售醫藥及健康產品分部之非核心業務以精簡營運。本集團管理層有信心此等投資項目可於將來為本集團帶來重大回報。本集團將延續相同策略，於澳門、中國、香港及鄰近地區尋求新機會，務求擴大其優質物業之投資。

資產抵押

於二零零八年三月三十一日，銀行及財務機構向本集團授出之一般信貸額度乃以本集團總值約港幣231,800,000元之待售物業、港幣41,300,000元之銀行結餘及約港幣1,800,000元之按公平值列賬及計入損益之金融資產作抵押。

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主席報告書

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

SECURITIES IN ISSUE

During the year, the Company had issued a total of 483,203,485 shares upon conversion of convertible notes including 348,917,775 shares at the conversion price of HK\$0.44 per share and 134,285,710 shares at the conversion price of HK\$0.70 per share. In addition, the Company had issued 300,000,000 new shares at the price of HK\$0.56 per share by way of Top-Up Placing on 1st June, 2007.

As at 31st March, 2008, there were 3,095,518,026 shares in issue and a total of outstanding share options of 90,500,000 shares including 26,800,000 shares at an exercise price of HK\$0.50 per share and 63,700,000 shares at an exercise price of HK\$0.67 per share. Save as disclosed above, there was no movement in the issued share capital during the year.

APPRECIATION

I would like to take this opportunity to express my appreciation to the shareholders for their support, to the management and staff for their dedicated efforts and to our client, consultants and partners for all their valuable assistance offered during this past year.

Cheung Hon Kit

Chairman

Hong Kong, 4th July, 2008

已發行證券

年內，本公司於兌換可換股票據後合共發行483,203,485股股份，包括按換股價每股港幣0.44元獲兌換可換股票據時發行348,917,775股股份及按換股價每股港幣0.70元兌換可換股票據時發行134,285,710股股份。此外，本公司已於二零零七年六月一日以補充配售按每股港幣0.56元發行300,000,000股新股份。

於二零零八年三月三十一日，已發行3,095,518,026股股份，以及涉及合共90,500,000股股份之尚未行使購股權，包括行使價每股港幣0.50元之26,800,000股股份及行使價每股港幣0.67元之63,700,000股股份。除以上披露者外，年內已發行股本概無變動。

致謝

本人謹藉此機會就股東之鼎力支持、管理層及員工之竭誠服務以及客戶、顧問及業務夥伴於過去一年給予之寶貴協助致以衷心感謝。

主席

張漢傑

香港，二零零八年七月四日

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

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DIRECTORS

Executive Directors

Mr. Cheung Hon Kit, aged 54, joined the Company as Chairman in April 2005 and a director of various subsidiaries of the Company. He graduated from the University of London with a bachelor of arts degree. Mr. Cheung has over 30 years of experience in real estate development, property investment and corporate finance, and has worked in key executive positions in various leading property development companies in Hong Kong. He is the managing director of Wing On Travel (Holdings) Limited (01189.HK), an executive director of ITC Corporation Limited (00372.HK), an independent non-executive director of International Entertainment Corporation (08118.HK) and Future Bright Holdings Limited (formerly known as Innovo Leisure Recreation Holdings Limited) (00703.HK). Mr. Cheung previously held directorships as an executive director of PYI Corporation Limited (formerly known as Paul Y. – ITC Construction Holdings Limited) (00498.HK) (retired on 8th September, 2005) and a non-executive director of Hanny Holdings Limited (00275.HK) (retired on 1st September, 2005) and an independent non-executive director of Towngas China Company Limited (formerly known as Panva Gas Holdings Limited) (01083.HK) (resigned on 23rd May, 2007).

Mr. Chan Fut Yan, aged 54, joined the Company as Managing Director in April 2005 and a director of various subsidiaries of the Company. He is also a member of the Remuneration Committee of the Company. Mr. Chan has over 35 years of experience in the local construction field specialising in site supervision, planning of works and progress monitoring. He is an executive director of ITC Corporation Limited (00372.HK). Mr. Chan previously held directorship as an executive director of PYI Corporation Limited (formerly known as Paul Y. – ITC Construction Holdings Limited) (00498.HK) (retired on 8th September, 2005).

Mr. Wong Kam Cheong, Stanley, aged 50, joined the Company in 2006 and is now the Deputy Managing Director and an Executive Director of the Company. Mr. Wong is responsible for overseeing the property development and investment of the Group. He is also a director of various subsidiaries of the Company. Mr. Wong holds an Honours Degree in civil engineering awarded by the University of Manchester, U.K. and a Master of Science degree in finance awarded by the Chinese University of Hong Kong. He is a member of the Hong Kong Institution of Engineers, a Registered Professional Engineer in Hong Kong, a Chartered Professional Engineer of Australia, a U.K. Chartered Civil and Structural Engineer and a Fellow Member of the Hong Kong Institution of Real Estate Administration. Mr. Wong is also a Registered Structural Engineer and Authorised Person (Engineer) registered under section 3 of the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong). He has over 26 years of experience in the field of design, construction, project management, property development and management. Mr. Wong previously held directorship as an independent non-executive director of ITC Corporation Limited (00372.HK) (retired on 13th September, 2006).

董事

執行董事

張漢傑先生，54歲，於二零零五年四月加入為本公司主席及本公司多家附屬公司之董事。彼畢業於倫敦大學，持有文學學士學位。張先生於地產發展、物業投資及企業融資方面積逾三十年經驗。彼曾於香港多間具領導地位的物業發展公司擔任主要行政職務。彼為永安旅遊(控股)有限公司(01189.HK)之董事總經理、德祥企業集團有限公司(00372.HK)之執行董事、國際娛樂有限公司(08118.HK)及佳景集團有限公司(前稱澤新遊樂控股有限公司)(00703.HK)之獨立非執行董事。張先生曾為保華集團有限公司(前稱保華德祥建築集團有限公司)(00498.HK)之執行董事(於二零零五年九月八日退任)及錦興集團有限公司(00275.HK)之非執行董事(於二零零五年九月一日退任)及港華燃氣有限公司(前稱百江燃氣控股有限公司)(01083.HK)之獨立非執行董事(於二零零七年五月二十三日辭任)。

陳佛恩先生，54歲，於二零零五年四月加入為本公司董事總經理及本公司多家附屬公司之董事。彼亦為本公司薪酬委員會之成員。陳先生於本地建築業積逾三十五年經驗，專注於地盤監督、工程策劃及施工進度監察工作。彼為德祥企業集團有限公司(00372.HK)之執行董事。陳先生曾為保華集團有限公司(前稱保華德祥建築集團有限公司)(00498.HK)之執行董事(於二零零五年九月八日退任)。

黃錦昌先生，50歲，於二零零六年加入本公司，現為本公司副董事總經理兼執行董事。黃先生負責管理本集團之物業發展及投資。彼亦為本公司多家附屬公司之董事。黃先生持有英國曼徹斯特大學土木工程榮譽學位及香港中文大學財務理學碩士學位。彼為香港工程師學會會員、香港註冊專業工程師、澳洲特許專業工程師、英國特許土木工程及結構工程師及香港地產行政學會資深會員。黃先生亦為根據香港法例第123章建築物條例第3條註冊之結構工程師及認可人士(工程師)。彼於建築設計、建築營造、項目管理、物業發展及管理方面擁有逾二十六年經驗。黃先生曾擔任德祥企業集團有限公司(00372.HK)之獨立非執行董事(於二零零六年九月十三日退任)。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

DIRECTORS (Cont'd)

Executive Directors (Cont'd)

Mr. Cheung Chi Kit, aged 42, joined the Company in 2005 and is now an Executive Director and the Qualified Accountant of the Company. Mr. Cheung is responsible for the finance and accounting functions of the Group. He is also a director of various subsidiaries of the Company. Mr. Cheung has over 20 years of experience in auditing, accounting and financial management. He holds a bachelor's degree in accounting. Mr. Cheung is a member of The Hong Kong Institute of Certified Public Accountants, The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators.

Mr. Lai Tsan Tung, David, aged 54, joined the Company in 2006 and is now an Executive Director of the Company. Mr. Lai is also a director of various subsidiaries of the Company and he is responsible for the leisure and golf operations in the People's Republic of China. He graduated from the University of Birmingham with a bachelor's degree in civil engineering. Mr. Lai has over 29 years of experience in the construction field and has worked for several international construction companies at a senior managerial position.

Mr. Ma Chi Kong, Karl, aged 37, joined the Company as an Executive Director in May 2007 and a director of various subsidiaries of the Company. He is responsible for its real estate acquisitions and property development in the People's Republic of China (the "PRC"). Mr. Ma holds a bachelor's degree in Business Administration and a Master's degree in Finance. He is also a holder of AIMR Certified Financial Analyst. Mr. Ma has over 15 years of experience in banking industry and property development in the PRC. Since 1998, he has been involved in SOE restructuring and acquisitions, projects financing and real estate investments in major cities of the PRC. He has successfully invested and managed several property deals for private investors including a villa project in Beijing, a vineyard property in Jiangsu Province and office developments in Guangdong Province. Mr. Ma is very active in the property sector in Beijing and is currently a standing member of Beijing Xicheng District China's People Consultative Committee.

Independent Non-executive Directors

Mr. Qiao Xiaodong, aged 50, joined the Company as Vice Chairman and an Independence Non-executive Director in February 2008. He is also a member of the Audit Committee of the Company. Mr. Qiao holds a bachelor's degree in Science and also a bachelor's degree in Business and Administration from Norwegian School of Management. He graduated from the Beijing University of Science and Technology. In the early 1990s, Mr. Qiao joined China Council for the Promotion of International Trade as a Patent Attorney, and the managing director of China Technology Trade (H.K.) Ltd. He has been engaged in real estate business in the People's Republic of China since 1997. Mr. Qiao was the chairman and the director in several real estate development companies.

董事(續)

執行董事(續)

張志傑先生，42歲，於二零零五年加入本公司，現為本公司執行董事兼合資格會計師。張先生負責本集團之財務及會計工作。彼亦為本公司多家附屬公司之董事。張先生在審核、會計及財務管理方面積逾二十年經驗。彼持有會計學士學位。張先生為香港會計師公會、香港特許秘書公會及英國特許秘書及行政人員公會之會員。

賴贊東先生，54歲，於二零零六年加入本公司，現為本公司執行董事。賴先生亦為本公司多家附屬公司之董事，並負責本集團在中華人民共和國之消閒及高爾夫球業務。彼畢業於伯明翰大學，持有土木工程學士學位。賴先生在建築業積逾二十九年經驗，並曾擔任多間國際建築公司之高級管理職位。

馬志剛先生，37歲，於二零零七年五月加入本公司為執行董事，亦為本公司多家附屬公司之董事。彼負責中華人民共和國(「中國」)房地產收購及物業發展。馬先生持有工商管理學士學位及財務碩士學位。彼亦為投資管理研究協會之特許財務分析師。馬先生於銀行業及中國物業發展積逾十五年經驗。自一九九八年，彼於中國主要城市參與國有企業重組及收購、項目融資及房地產投資。彼成功地為私人投資者投資及管理多個物業買賣包括北京之別墅項目、江蘇省之葡萄園物業以及廣東省之商業樓宇發展。馬先生於北京之地產界非常活躍及現為北京市西城區政協常務委員。

獨立非執行董事

喬小東先生，50歲，於二零零八年二月加入本公司為副主席及獨立非執行董事。彼亦為本公司審核委員會之成員。喬先生持有理科學士及獲挪威商學院的工商管理學士學位。彼畢業於北京理工大學。一九九零年代初期，喬先生受聘於中國國際貿易促進委員會出任專利代理人，及後出任中國技術轉讓(香港)有限公司之董事總經理。自一九九七年後，彼於中華人民共和國從事房地產行業。喬先生先後出任數家房地產開發公司的董事長及董事職務。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Annual Report 2007-2008年報

DIRECTORS (Cont'd)

Independent Non-executive Directors (Cont'd)

Mr. Wong Chi Keung, Alvin, aged 45, joined the Company as an Independent Non-executive Director in May 2003. He is also the chairman of both the Audit Committee and the Remuneration Committee of the Company. Mr. Wong is a fellow member of The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants and an associate member of The Chartered Institute of Management Accountants. He has over 21 years of experience in accounting and corporate finance gained in property development, construction and manufacturing companies. Mr. Wong is an executive director of CNT Group Limited (00701.HK).

Mr. Kwok Ka Lap, Alva, aged 60, joined the Company as an Independent Non-executive Director in October 2001. He is also a member of both the Audit Committee and the Remuneration Committee of the Company. Mr. Kwok has been a marketing manager in an international company engaging in the design of business administration system. He has over 25 years of experience in the insurance and investment business, principally in the senior managerial position leading a sizable sales team. Mr. Kwok is an independent non-executive director of Hanny Holdings Limited (00275.HK) and Wing On Travel (Holdings) Limited (01189.HK). He previously held directorship as an executive director of China Strategic Holdings Limited (00235.HK) (resigned on 7th April, 2008).

SENIOR MANAGEMENT

Ms. Yan Ha Hung, Loucia, aged 38, is the General Manager (Corporate Services) and the Company Secretary of the Group. Ms. Yan is also a director of various subsidiaries of the Company. She holds a master's degree in business administration. Ms. Yan is an Associate Member of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. Prior to joining the Group in July 2005, she was the company secretary of certain listed companies in Hong Kong. Ms. Yan has over 14 years of experience in company secretarial and legal affairs.

董事(續)

獨立非執行董事(續)

王志強先生，45歲，於二零零三年五月加入本公司為獨立非執行董事。彼亦為本公司審核委員會及薪酬委員會之主席。王先生為香港會計師公會資深會員、英國特許公認會計師公會資深會員及英國特許管理會計師公會會員。彼於物業發展、建築及製造公司方面積逾二十一年會計及企業財務經驗。王先生為北海集團有限公司(00701.HK)之執行董事。

郭嘉立先生，60歲，於二零零一年十月加入本公司為獨立非執行董事。彼亦為本公司審核委員會及薪酬委員會之成員。郭先生曾出任一家從事設計商業行政系統之國際公司之市場經理。彼在保險及投資業務方面積逾二十五年經驗，且為高級管理人員，管理具規模之營業隊伍。郭先生為錦興集團有限公司(00275.HK)及永安旅遊(控股)有限公司(01189.HK)之獨立非執行董事。彼曾為中策集團有限公司(00235.HK)之執行董事(於二零零八年四月七日辭任)。

高級管理人員

忻霞虹小姐，38歲，本集團之總經理(企業事務)及公司秘書。忻小姐亦為本公司多家附屬公司之董事。彼持有工商管理碩士學位。忻小姐為香港特許秘書公會及英國特許秘書及行政人員公會之會員。於二零零五年七月加入本集團前，彼曾為數間香港上市公司之公司秘書。忻小姐於公司秘書及法律事務方面積逾十四年經驗。

DIRECTORS' REPORT

董事會報告書

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

The directors present their annual report and the audited consolidated financial statements of the Group for the year ended 31st March, 2008.

CHANGE OF COMPANY NAME

Pursuant to a special resolution passed at the special general meeting of the Company held on 12th September, 2007 and upon the approval from the Registrar of Companies in Bermuda having been obtained, the name of the Company was changed from Macau Prime Properties Holdings Limited to ITC Properties Group Limited with effect from 12th September, 2007. The registration of the name of the Company in Hong Kong was also changed from Macau Prime Properties Holdings Limited to ITC Properties Group Limited upon the approval from the Registrar of Companies in Hong Kong having been obtained. The new Chinese name of 德祥地產集團有限公司 was adopted to replace 澳門祥泰地產集團有限公司 for identification purpose only.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are property development and investment in Macau, the People's Republic of China (the "PRC") and Hong Kong, golf resort and leisure operations in the PRC, securities investment and loan financing services. The activities of its principal subsidiaries are set out in note 55 to the consolidated financial statements.

RESULTS AND APPROPRIATION

The results of the Group for the year ended 31st March, 2008 are set out in the consolidated income statement on pages 48 and 49.

No dividend was paid during the year. The directors do not recommend the payment of a dividend for the year ended 31st March, 2008.

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 167.

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 consolidated financial statements.

PRINCIPAL PROPERTIES

Particulars of the Group's principal properties at 31st March, 2008 are set out on page 168.

SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 43 to the consolidated financial statements.

董事會謹此提呈本集團截至二零零八年三月三十一日止年度年報及經審核綜合財務報表，敬祈省覽。

更改公司名稱

根據本公司於二零零七年九月十二日舉行之股東特別大會通過之特別決議案，及取得百慕達公司註冊處處長批准後，本公司之名稱已由 Macau Prime Properties Holdings Limited 改為 ITC Properties Group Limited，於二零零七年九月十二日生效。經香港公司註冊處處長批准後，本公司於香港之註冊名稱亦由 Macau Prime Properties Holdings Limited 改為 ITC Properties Group Limited。本公司已採納 德祥地產集團有限公司 為新中文名稱，取代 澳門祥泰地產集團有限公司，以僅供識別。

主要業務

本公司乃一投資控股公司。本集團之主要業務為於澳門、中華人民共和國（「中國」）及香港從事物業發展及投資，於中國經營高爾夫球度假村及消閒經營業務、證券投資及貸款融資服務，其主要附屬公司之業務載於綜合財務報表附註55。

業績及分派

本集團於截至二零零八年三月三十一日止年度之業績載於第48及49頁之綜合損益表。

本年度並無派發股息。董事不建議派付截至二零零八年三月三十一日止年度之股息。

財務概要

本集團過去五個財政年度之業績、資產及負債摘要刊載於第167頁。

物業、機械及設備

本集團於年內之物業、機械及設備變動詳情載於綜合財務報表附註16。

主要物業

本集團於二零零八年三月三十一日之主要物業詳情載於第168頁。

股本

本公司於年內之股本變動詳情載於綜合財務報表附註43。

DIRECTORS' REPORT

董事會報告書

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DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to the shareholders as at 31st March, 2008 comprised the accumulated profits of HK\$61,160,000 (2007: HK\$28,938,000).

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive directors:

Mr. Cheung Hon Kit (*Chairman*)
Mr. Chan Fut Yan (*Managing Director*)
Mr. Wong Kam Cheong, Stanley (*Deputy Managing Director*)
Mr. Cheung Chi Kit
Mr. Lai Tsan Tung, David
Mr. Ma Chi Kong, Karl
(*appointed on 30th May, 2007*)

Non-executive directors:

Mr. Ho Hau Chong, Norman (*Deputy Chairman*)
(*retired on 12th September, 2007*)
Mr. Lo Lin Shing, Simon
(*retired on 12th September, 2007*)

Independent non-executive directors:

Mr. Qiao Xiaodong (*Vice Chairman*)
(*appointed on 5th February, 2008*)
Mr. Wong Chi Keung, Alvin
Mr. Kwok Ka Lap, Alva
Mr. Chui Sai Cheong
(*resigned on 5th February, 2008*)

Pursuant to Bye-law 86(2) of the Company's Bye-laws, Mr. Qiao Xiaodong, an independent non-executive director, being appointed by the board of directors (the "Board") to fill a casual vacancy after the last general meeting of the Company, shall retire at the forthcoming annual general meeting (the "AGM"). Pursuant to Bye-law 87(1) and the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"), Mr. Cheung Hon Kit and Mr. Chan Fut Yan, both executive directors, and Mr. Wong Chi Keung, Alvin, an independent non-executive director, will retire at the AGM by rotation. All retiring directors, being eligible, will offer themselves for re-election at the AGM. Mr. Wong Kam Cheong, Stanley, Mr. Cheung Chi Kit, Mr. Lai Tsan Tung, David and Mr. Ma Chi Kong, Karl, all executive directors, and Mr. Kwok Ka Lap, Alva, an independent non-executive director, will continue in office for the ensuing year.

本公司可供分派儲備

本公司於二零零八年三月三十一日可供向股東分派之儲備包括累計溢利港幣61,160,000元(二零零七年:港幣28,938,000元)。

董事及董事服務合約

於年內及截至本報告日期止,本公司之在任董事如下:

執行董事:

張漢傑先生(*主席*)
陳佛恩先生(*董事總經理*)
黃錦昌先生(*副董事總經理*)
張志傑先生
賴贊東先生
馬志剛先生
(*於二零零七年五月三十日獲委任*)

非執行董事:

何厚鏘先生(*副主席*)
(*於二零零七年九月十二日退休*)
魯連城先生
(*於二零零七年九月十二日退休*)

獨立非執行董事:

喬小東先生(*副主席*)
(*於二零零八年二月五日獲委任*)
王志強先生
郭嘉立先生
崔世昌先生
(*於二零零八年二月五日辭任*)

根據本公司之公司細則第86(2)條,獲董事會(「董事會」)委任以填補自本公司最後一次股東大會起之臨時空缺之獨立非執行董事喬小東先生將於應屆股東週年大會(「股東週年大會」)依章告退。根據公司細則第87(1)條及香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載之企業管治常規守則(「守則」),執行董事張漢傑先生及陳佛恩先生,以及獨立非執行董事王志強先生,將於股東週年大會輪值退任。所有退任董事均合資格並願意於股東週年大會膺選連任。所有執行董事黃錦昌先生、張志傑先生、賴贊東先生及馬志剛先生,以及獨立非執行董事郭嘉立先生將於來年繼續留任。

DIRECTORS' REPORT

董事會報告書

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS (Cont'd)

None of the directors being proposed for re-election at the AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The term of office of each non-executive director and independent non-executive director appointed from time to time is fixed with the terms of office subject to retirement by rotation and re-election in accordance with the requirements of code provisions A.4.1 and A.4.2 of the Code which states that non-executive directors should be appointed for a specific term, subject to re-election and that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment and every director, including those appointed for a specified term, should be subject to retirement by rotation at least once every three years, subject to the Company's Bye-laws.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND CONVERTIBLE NOTES

As at 31st March, 2008, the interests and short positions of the directors and chief executive of the Company and/or their associates in the shares, underlying shares and convertible notes of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be entered into the register maintained by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules, were as follows:

本公司可供分派儲備(續)

擬於股東週年大會膺選連任之董事，概無與本公司或其任何附屬公司訂有本集團不得於一年內毋須賠償(法定賠償除外)終止之服務合約。

各不時獲委任之非執行董事及獨立非執行董事之服務年期乃固定，惟須根據守則條文第A.4.1及A.4.2條之規定輪席告退及膺選連任，該條訂明非執行董事之委任應有指定任期，並須接受重新選舉及所有獲委任填補臨時空缺之董事均須於彼等獲委任後之首屆股東大會接受股東選舉，各董事(包括以固定年期獲委任者)均須根據本公司之公司細則至少每三年輪值退任一次。

董事及主要行政人員於股份、相關股份及可換股票據之權益及淡倉

於二零零八年三月三十一日，本公司之董事及主要行政人員及／或彼等之聯繫人士於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及可換股票據中擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所之權益及淡倉(包括彼等根據證券及期貨條例有關條文被視作或當作擁有之權益及淡倉)，或須記入本公司根據證券及期貨條例第352條存置之登記冊之權益及淡倉，或須根據上市規則附錄10所載之上市發行人董事進行證券交易的標準守則(「標準守則」)知會本公司及聯交所之權益及淡倉如下：

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Long position

(i) *Interests in the ordinary shares of HK\$0.01 each of the Company*

董事及主要行政人員於股份、相關股份及可換股票據之權益及淡倉(續)

好倉

(i) 於本公司每股面值港幣0.01元之普通股之權益

Name of director 董事姓名	Capacity 身分	Number of issued ordinary shares held 所持已發行普通股數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本概約百分比 (%)
Mr. Cheung Hon Kit ("Mr. Cheung") 張漢傑先生(「張先生」)	Beneficial owner 實益擁有人	15,000,000	0.48

(ii) *Convertible notes of the Company*

(ii) 本公司之可換股票據

Name of director 董事姓名	Capacity 身分	Amount of convertible notes 可換股票據數目 (HK\$) (港幣)	Number of underlying shares under convertible notes of the Company 本公司可換股票據項下之相關股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本概約百分比 (%)
Mr. Lai Tsan Tung, David ("Mr. Lai") 賴贊東先生(「賴先生」)	Interest of controlled corporation 受控法團權益	17,476,177	39,718,584 (Note) (附註)	1.28

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DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND CONVERTIBLE NOTES (Cont'd)

Long position (Cont'd)

(ii) Convertible notes of the Company (Cont'd)

Note: Mr. Lai, an executive director of the Company, was deemed to be interested in 39,718,584 underlying shares in respect of a principal amount of HK\$17,476,177 zero coupon convertible notes due 2010 issued by the Company on 8th June, 2006 at the initial conversion price of HK\$0.44 per share held by Green Label Investments Limited ("Green Label") by virtue of his beneficial interest in the entire issued share capital of Green Label.

(iii) Interests in the share options of the Company

董事及主要行政人員於股份、相關股份及可換股票據之權益及淡倉(續)

好倉(續)

(ii) 本公司之可換股票據(續)

附註：鑑於本公司執行董事賴先生擁有 Green Label Investments Limited (「Green Label」)全部已發行股本之實益權益，因此被視為持有本公司於二零零六年六月八日發行予 Green Label 本金金額為港幣 17,476,177 元於二零一零年到期之零息可換股票據所涉及 39,718,584 股相關股份之權益，初步換股價為每股港幣 0.44 元。

(iii) 於本公司購股權之權益

Name of director 董事姓名	Date of grant 授出日期	Option period 可行使期間	Exercise price per share 每股行使價 (HK\$) (港幣)	Number of share options 購股權數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本概約百分比 (%)
Mr. Cheung 張先生	15th August, 2006 二零零六年八月十五日	15th August, 2006 — 14th August, 2008 二零零六年八月十五日至 二零零八年八月十四日	0.50	10,000,000	0.32
	27th July, 2007 二零零七年七月二十七日	27th July, 2007 — 26th July, 2011 二零零七年七月二十七日至 二零一一年七月二十六日	0.67	12,000,000	0.39
Mr. Chan Fut Yan ("Mr. Chan") 陳佛恩先生 (「陳先生」)	15th August, 2006 二零零六年八月十五日	15th August, 2006 — 14th August, 2008 二零零六年八月十五日至 二零零八年八月十四日	0.50	6,000,000	0.19
	27th July, 2007 二零零七年七月二十七日	27th July, 2007 — 26th July, 2011 二零零七年七月二十七日至 二零一一年七月二十六日	0.67	7,000,000	0.23

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Long position (Cont'd)

(iii) Interests in the share options of the Company (Cont'd)

董事及主要行政人員於股份、相關股份及可換股票據之權益及淡倉(續)

好倉(續)

(iii) 於本公司購股權之權益(續)

Name of director 董事姓名	Date of grant 授出日期	Option period 可行使期間	Exercise price per share 每股行使價 (HK\$) (港幣)	Number of share options 購股權數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本概約百分比 (%)
Mr. Wong Kam Cheong, Stanley 黃錦昌先生	15th August, 2006 二零零六年八月十五日	15th August, 2006 — 14th August, 2008 二零零六年八月十五日至 二零零八年八月十四日	0.50	2,000,000	0.06
	27th July, 2007 二零零七年七月二十七日	27th July, 2007 — 26th July, 2011 二零零七年七月二十七日至 二零一一年七月二十六日	0.67	3,000,000	0.10
Mr. Cheung Chi Kit 張志傑先生	15th August, 2006 二零零六年八月十五日	15th August, 2006 — 14th August, 2008 二零零六年八月十五日至 二零零八年八月十四日	0.50	2,000,000	0.06
	27th July, 2007 二零零七年七月二十七日	27th July, 2007 — 26th July, 2011 二零零七年七月二十七日至 二零一一年七月二十六日	0.67	5,000,000	0.16
Mr. Lai 賴先生	27th July, 2007 二零零七年七月二十七日	27th July, 2007 — 26th July, 2011 二零零七年七月二十七日至 二零一一年七月二十六日	0.67	3,000,000	0.10
Mr. Ma Chi Kong, Karl 馬志剛先生	27th July, 2007 二零零七年七月二十七日	27th July, 2007 — 26th July, 2011 二零零七年七月二十七日至 二零一一年七月二十六日	0.67	9,000,000	0.29

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DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND CONVERTIBLE NOTES (Cont'd)

Long position (Cont'd)

(iii) Interests in the share options of the Company (Cont'd)

董事及主要行政人員於股份、相關股份及可換股票據之權益及淡倉(續)

好倉(續)

(iii) 於本公司購股權之權益(續)

Name of director 董事姓名	Date of grant 授出日期	Option period 可行使期間	Exercise price per share 每股行使價 (HK\$) (港幣)	Number of share options 購股權數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本概約百分比 (%)
Mr. Wong Chi Keung, Alvin ("Mr. Wong") 王志強先生 (「王先生」)	15th August, 2006 二零零六年八月十五日	15th August, 2006 — 14th August, 2008 二零零六年八月十五日至 二零零八年八月十四日	0.50	1,500,000	0.05
	27th July, 2007 二零零七年七月二十七日	27th July, 2007 — 26th July, 2011 二零零七年七月二十七日至 二零一一年七月二十六日	0.67	1,500,000	0.05
Mr. Kwok Ka Lap, Alva 郭嘉立先生	27th July, 2007 二零零七年七月二十七日	27th July, 2007 — 26th July, 2011 二零零七年七月二十七日至 二零一一年七月二十六日	0.67	1,500,000	0.05
				<u>63,500,000</u>	

Save as disclosed above, none of the directors or chief executive of the Company nor their associates had any interests or short positions in any shares, underlying shares or convertible notes of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required the notification to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such director or chief executive was taken or deemed to have under such provisions of the SFO); or which were required pursuant to section 352 of the SFO to be entered into the register maintained by the Company; or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SHARE OPTIONS

The share option scheme was adopted by the Company on 26th August, 2002 (the "2002 Scheme"). Particulars of the Company's share option scheme are set out in note 44 to the consolidated financial statements.

除上文披露者外，本公司董事或主要行政人員或彼等之聯繫人士概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)任何股份、相關股份或可換股票據中，擁有任何須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所之權益或淡倉(包括彼等根據證券及期貨條例有關條文被視作或當作擁有之權益及淡倉)，或根據證券及期貨條例第352條須記入本公司存置之登記冊之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

購股權

本公司購股權計劃於二零零二年八月二十六日(「2002計劃」)獲採納。本公司購股權計劃之詳情載於綜合財務報表附註44。

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SHARE OPTIONS (Cont'd)

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

購股權(續)

下表披露本公司購股權於年內之變動：

	Date of grant 授出日期	Option period 可行使期間	Exercise price per share 每股行使價 (HK\$) (港幣)	Number of share options of the Company 本公司購股權數目				Outstanding at 31.3.2008 於二零零八年 三月三十一日 尚未行使
				Outstanding at 1.4.2007 於二零零七年 四月一日 尚未行使	Granted during the year 年內 授出	Exercised during the year 年內 行使	Cancelled during the year 年內 註銷	
2002 Scheme 2002計劃								
Directors 董事	15.8.2006 二零零六年八月十五日	15.8.2006 to 14.8.2008 二零零六年八月十五日至 二零零八年八月十四日	0.50	21,500,000	-	-	-	21,500,000
	27.7.2007 二零零七年七月二十七日	27.7.2007 to 26.7.2011 二零零七年七月二十七至 二零一一年七月二十六日	0.67	-	42,000,000	-	-	42,000,000
Former Directors 前董事	15.8.2006 二零零六年八月十五日	15.8.2006 to 14.8.2008 二零零六年八月十五日至 二零零八年八月十四日	0.50	6,000,000	-	-	(4,500,000)	1,500,000
	27.7.2007 二零零七年七月二十七日	27.7.2007 to 26.7.2011 二零零七年七月二十七至 二零一一年七月二十六日	0.67	-	1,500,000	-	-	1,500,000
Employees 僱員	15.8.2006 二零零六年八月十五日	15.8.2006 to 14.8.2008 二零零六年八月十五日至 二零零八年八月十四日	0.50	1,500,000	-	-	-	1,500,000
	27.7.2007 二零零七年七月二十七日	27.7.2007 to 26.7.2011 二零零七年七月二十七至 二零一一年七月二十六日	0.67	-	15,200,000	-	-	15,200,000
Other participants 其他參與者	15.8.2006 二零零六年八月十五日	15.8.2006 to 14.8.2008 二零零六年八月十五日至 二零零八年八月十四日	0.50	2,300,000	-	-	-	2,300,000
	27.7.2007 二零零七年七月二十七日	27.7.2007 to 26.7.2011 二零零七年七月二十七至 二零一一年七月二十六日	0.67	-	5,000,000	-	-	5,000,000
Total 合計				31,300,000	63,700,000	-	(4,500,000)	90,500,000

The closing price of the Company's shares immediately before 27th July, 2007, the date of grant of the options under the 2002 Scheme, was HK\$0.66.

緊接二零零七年七月二十七日(根據2002計劃授出購股權日期)前,本公司股份之收市價為港幣0.66元。

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DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Interests of directors of the Company in competing businesses as at 31st March, 2008 required to be disclosed pursuant to Rule 8.10 of the Listing Rules were as follows:

董事於競爭業務之權益

於二零零八年三月三十一日，本公司董事於競爭業務中擁有須根據上市規則第8.10條披露之權益如下：

Name of director 董事姓名	Name of company 公司名稱	Nature of competing business 競爭業務性質	Nature of interest 權益性質
Mr. Cheung 張先生	Wing On Travel (Holdings) Limited and its subsidiaries 永安旅遊(控股)有限公司及其附屬公司	Property business and hotel operation in Hong Kong and the PRC 香港及中國物業業務及酒店經營	As the managing director 作為董事總經理
	China Development Limited 中之傑發展有限公司	Property investment in Hong Kong 香港物業投資	As a director and shareholder 作為董事及股東
	Artnos Limited	Property investment in Hong Kong 香港物業投資	As a director and shareholder 作為董事及股東
	Co-Forward Development Ltd. 互勵發展有限公司	Property investment in Hong Kong 香港物業投資	As a director and shareholder 作為董事及股東
	Orient Centre Limited	Property investment in Hong Kong 香港物業投資	As a shareholder 作為股東
	Super Time Limited	Property investment in Hong Kong 香港物業投資	As a director and shareholder 作為董事及股東
	Asia City Holdings Ltd.	Property investment in Hong Kong 香港物業投資	As a director and shareholder 作為董事及股東
	Supreme Best Ltd.	Property investment in Hong Kong 香港物業投資	As a shareholder 作為股東
	Orient Holdings Limited 東田集團有限公司	Property investment in Hong Kong 香港物業投資	As a director and shareholder 作為董事及股東
Mr. Wong 王先生	CNT Group Limited and its subsidiaries 北海集團有限公司及其附屬公司	Property investment and development in Hong Kong and the PRC 香港及中國物業投資及發展	As an executive director 作為執行董事

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DIRECTORS' INTERESTS IN COMPETING BUSINESSES (Cont'd)

Mr. Cheung is the Chairman of the Company who is principally responsible for the Group's strategic planning and management of the operations of the Board. His role is clearly separated from that of the Managing Director, Mr. Chan, who is principally responsible for the Group's operations and business development. Mr. Wong, being an independent non-executive director, does not participate in the daily management of the Group.

In addition, any significant business decision of the Group is to be determined by the Board. A director who has interest in the subject matter being resolved will abstain from voting. In view of the above, the Board considers that the interests of Mr. Cheung and Mr. Wong in other companies will not prejudice their capacity as directors nor compromise the interests of the Company and the shareholders of the Company.

Save as disclosed above, as at 31st March, 2008, none of the directors of the Company or their respective associates was interested in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, 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. In addition, none of the directors or their spouses or children under the age of 18 had any right to subscribe for securities of the Company or had exercised any such right during the year.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed under the heading "Connected Transactions and Continuing Connected Transactions" as set out below and in note 52 to the consolidated financial statements, there are no contract of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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

董事於競爭業務之權益(續)

張先生為本公司主席，主要負責本集團策略規劃及管理董事會運作。彼之職務與董事總經理陳先生之職務清晰劃分，陳先生則主要負責本集團營運及業務發展。獨立非執行董事王先生並無參與本集團日常管理。

此外，本集團任何重大業務決策須由董事會決定。倘董事於所議決事項擁有任何權益，彼將須放棄投票。基於上述各項，董事會認為，張先生及王先生於其他公司之權益不會對彼等出任董事職務構成任何重大影響，亦不會犧牲本公司及本公司股東利益。

除上文披露者外，於二零零八年三月三十一日，本公司董事或彼等之聯繫人士概無於任何與本集團業務直接或間接構成或可能構成競爭之業務(本集團業務除外)中擁有權益。

董事購買股份或債券之權利

除上文披露者外，本公司或其任何附屬公司於年內任何時間概無訂立任何安排，致使本公司董事可透過購入本公司或任何其他法人團體之股份或債券而獲益。此外，概無董事或彼等之配偶或十八歲以下之子女擁有認購本公司證券之任何權利或已於年度行使有關權利。

董事之重大合約權益

除下文「關連交易及持續關連交易」所載及綜合財務報表附註52所披露者外，在年結日及於本年度任何時間內，本公司或其任何附屬公司並無訂有本公司董事於當中直接或間接擁有重大權益之任何重大合約。

獨立非執行董事之獨立性

本公司已根據上市規則第3.13條取得各獨立非執行董事就其獨立性作出之年度確認。本公司認為所有獨立非執行董事均為獨立人士。

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CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Connected transactions and continuing connected transactions undertaken by the Company during the year and up to date of this report are set out below:

- (a) As stated in the announcement dated 7th December, 2007, on 28th November, 2007, Donson (International) Development Limited (“Donson”), an indirect wholly-owned subsidiary of the Company, entered into several agreements in relation to:
- (i) the disposal by Donson of its entire interests in Guangzhou Panyu Lotus Golf & Country Club Co., Ltd. (“Panyu Golf”), Guangzhou Panyu Wei Di Si Golf Property Company Limited (“Wei Di Si”) and Guangzhou Lian Chui Property Management Company Limited (“Lian Chui”) to 廣州市番禺協誠實業有限公司 (“番禺協誠”), a company incorporated in the PRC with limited liability, which is an investment holding company controlled by the Panyu Municipal Government, the PRC, for an aggregate cash consideration of RMB20 million (equivalent to approximately HK\$22.2 million) as set out in note 46 to the consolidated financial statements;
- (ii) the co-operation between Panyu Golf and Donson in the development of a parcel of land within Guangzhou Lotus Hill Golf Resort (the “Development Project Agreement”) in which the Group will have the right to share 65% of its residual value. Under the terms of the Development Project Agreement, the Group will provide a loan of RMB40 million (equivalent to approximately HK\$44.3 million) to Panyu Golf for use in the development project as set out in note 22 to the consolidated financial statements; and
- (iii) the lease of Guangzhou Lotus Hill Golf Resort (the “Lease Agreement”) which comprises golf course and golf clubhouse within Panyu, Guangzhou, Guangdong Province, the PRC by Panyu Golf to Guangzhou Donson Hotel Management Limited (“Donson Hotel Management”), a subsidiary of the Company, for three years commencing from the date of the Lease Agreement entered into between Donson Hotel Management as lessee and Panyu Golf as lessor for the lease of the Guangzhou Lotus Hill Golf Resort on 16th April, 2008 at an annual rental of RMB5 million (equivalent to approximately HK\$5.2 million) renewable at an option of Donson Hotel Management at the successive terms of 3 years up to 20 years.

關連交易及持續關連交易

本公司於年內及截至本報告日期進行之關連交易及持續關連交易如下：

- (a) 誠如日期為二零零七年十二月七日之公佈所述，於二零零七年十一月二十八日，本公司之間接全資附屬公司東迅(國際)發展有限公司(「東迅」)就以下各項訂立若干協議：
- (i) 東迅出售其於廣州番禺蓮花山高爾夫球度假俱樂部有限公司(「番禺高爾夫球」)、廣州市番禺偉迪斯高爾夫房地產有限公司(「偉迪斯」)及廣州市蓮翠房產物業管理有限公司(「蓮翠」)之全部權益予於中國註冊成立之有限公司廣州市番禺協誠實業有限公司(「番禺協誠」，為中國番禺市政府控制之投資控股公司)，總現金代價為人民幣20,000,000元(相等於約港幣22,200,000元)，誠如綜合財務報表附註46所載；
- (ii) 番禺高爾夫球與東迅合作進行發展位於廣州蓮花山高爾夫球度假村內一幅土地(「發展項目協議」)，據此，本集團有權享有其65%餘值。根據發展項目協議之條款，本集團將向番禺高爾夫球提供人民幣40,000,000元(相等於約港幣44,300,000元)貸款用於發展項目，誠如綜合財務報表附註22所載；及
- (iii) 向本公司附屬公司廣州市東迅酒店管理有限公司(「東迅酒店管理」)租賃，包括中國廣東省廣州市番禺區內「廣州蓮花山高爾夫球度假村」之高爾夫球場及高爾夫會所(「租賃協議」)，由東迅酒店管理(作為承租人)與番禺高爾夫球(作為出租人)於二零零八年四月十六日就租賃廣州蓮花山高爾夫球度假村訂立租賃協議之日起為期三年，年租為人民幣5,000,000元(相等於約港幣5,200,000元)，東迅酒店管理有權選擇每三年續期，總年期最長為20年。

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CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(a) (Cont'd)

By virtue of the fact that 番禺協誠 is controlled by the Panyu Municipal Government and 廣州市番禺旅游總公司 (“番禺旅游”), a company incorporated in the PRC which is a substantial shareholder of Panyu Golf, Wei Di Si and Lian Chui, is also controlled by the Panyu Municipal Government, 番禺協誠 and 番禺旅游 are therefore connected persons of the Company. Accordingly, the disposal of Panyu Golf, Wei Di Si and Lian Chui and the provision of the loan of RMB40 million constituted connected transactions for the Company under Chapter 14A of the Listing Rules. The transactions contemplated under the Lease Agreement also constituted a continuing connected transaction for the Company under Chapter 14A of the Listing Rules. Details of the abovementioned transactions are set out in the announcement dated 7th December, 2007 and the circular of the Company dated 17th January, 2008. The disposal was completed on 6th March, 2008. The Development Project Agreement and the Lease Agreement were entered into by the Group on 16th April, 2008.

(b) As stated in the announcement dated 28th April, 2008, ITC Properties Management Limited (the “Tenant”), an indirect wholly-owned subsidiary of the Company, entered into a tenancy agreement with Island Town Limited (the “Landlord”), an indirect wholly-owned subsidiary of Hanny Holdings Limited (“Hanny”) for renting Unit 3102, 31/F., Bank of America Tower, 12 Harcourt Road, Central Hong Kong, for the period from 28th April, 2008 to 27th April, 2011 with a fixed rental of HK\$311,340 per month and management fee and air-conditioning charges of HK\$23,927 per month. The annual caps for total rental and other charges payable by the Tenant to the Landlord will not exceed HK\$3,900,000 for the financial year ending 31st March, 2009 and HK\$4,200,000 for each of the financial years ending 31st March, 2010 and 31st March, 2011.

As at 28th April, 2008, Hanny was indirectly interested in approximately 16.72% of the issued share capital of the Company. Accordingly, the Landlord was a connected person of the Company. The tenancy, which will be carried out on a continuing basis and in the ordinary and usual course of business of the Company, constituted a continuing connected transaction for the Company under Rule 14A.14 of the Listing Rules.

(c) During the year ended 31st March, 2008, Kopola Investment Company Limited (“Kopola”) had converted HK\$50 million (2007: HK\$100 million) of the convertible note due 2010 issued by the Company into 113,636,363 (2007: 227,272,727) ordinary shares of HK\$0.01 each in the share capital of the Company at a conversion price of HK\$0.44 per share. Each of Mr. Ho Hau Chong, Norman (a former non-executive director of the Company who retired on 12th September, 2007), and his brother, Mr. Ho Hau Hay, Hamilton owned 50% interest in Kopola, the conversion of the convertible notes constituted a connected transaction of the Company under the Listing Rules.

關連交易及持續關連交易(續)

(a) (續)

由於番禺協誠受番禺市政府及廣州市番禺旅游總公司(「番禺旅游」)控制，而番禺旅游乃一間於中國註冊成立之公司，為番禺高爾夫球、偉迪斯及蓮翠之主要股東，亦受番禺市政府控制，故番禺協誠及番禺旅游均為本公司之關連人士。因此，根據上市規則第14A章，出售番禺高爾夫球、偉迪斯及蓮翠，以及提供人民幣40,000,000元貸款構成本公司之關連交易。根據上市規則第14A章，租賃協議項下擬進行之交易亦構成本公司之持續關連交易。上述交易詳情載於日期為二零零七年十二月七日之公佈及本公司日期為二零零八年一月十七日之通函。出售已於二零零八年三月六日完成。本集團於二零零八年四月十六日同時訂立發展項目協議及租賃協議。

(b) 誠如日期為二零零八年四月二十八日之公佈所述，本公司之間接全資附屬公司德祥地產管理有限公司(「承租人」)與錦興集團有限公司(「錦興」)之間接全資附屬公司倫都有限公司(「業主」)訂立一項租賃協議，以租用香港中環夏慤道12號美國銀行中心31樓3102室，年期由二零零八年四月二十八日起至二零一一年四月二十七日止，固定金額月租為港幣311,340元，管理費及空調費每月港幣23,927元。截至二零零九年三月三十一日止財政年度，承租人應向業主支付之租金及其他費用總額年度上限不會超過港幣3,900,000元，截至二零一零年三月三十一日及二零一一年三月三十一日止財政年度各年不會超過港幣4,200,000元。

於二零零八年四月二十八日，錦興間接擁有本公司已發行股本約16.72%。因此，業主為本公司之關連人士。租賃將於本公司一般及正常業務過程中按持續基準進行，根據上市規則第14A.14條構成本公司之持續關連交易。

(c) 於截至二零零八年三月三十一日止年度，Kopola Investment Company Limited(「Kopola」)已按每股港幣0.44元之兌換價將金額為港幣50,000,000元(二零零七年：港幣100,000,000元)之本公司發行二零一零年到期之可換股票據兌換為本公司股本中113,636,363股(二零零七年：227,272,727股)每股面值港幣0.01元之普通股。何厚鏞先生(本公司前非執行董事，彼於二零零七年九月十二日退任)及其胞兄何厚滙先生各自擁有Kopola之50%權益，因此根據上市規則，兌換可換股票據構成本公司之關連交易。

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ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2008, the interests and short positions of any substantial shareholders or other persons (not being directors or chief executive of the Company) in the shares and underlying shares of the Company which have been disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO and have been recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Long position

(i) *Interests in the ordinary shares of HK\$0.01 each of the Company*

主要股東

於二零零八年三月三十一日，主要股東或其他人士（並非本公司董事或主要行政人員）於本公司股份及相關股份中擁有已根據證券及期貨條例第XV部第2及3分部之條文向本公司披露及已記錄於本公司根據證券及期貨條例第336條規定存置之登記冊之權益及淡倉如下：

好倉

(i) 於本公司每股面值港幣0.01元之普通股之權益

Name of shareholder 股東名稱	Capacity 身分	Number of issued shares 已發行股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本概約百分比 (%)
Loyal Concept Limited ("Loyal Concept")	Beneficial owner 實益擁有人	477,517,272 (Note 1) (附註1)	15.43
Hanny Magnetics (B.V.I.) Limited ("Hanny Magnetics")	Interest of controlled corporation 受控法團權益	517,517,272 (Note 1) (附註1)	16.72
Hanny 錦興	Interest of controlled corporation 受控法團權益	517,517,272 (Note 1) (附註1)	16.72
Famex Investment Limited ("Famex")	Interest of controlled corporation 受控法團權益	517,517,272 (Note 1) (附註1)	16.72
Mankar Assets Limited ("Mankar")	Interest of controlled corporation 受控法團權益	517,517,272 (Note 1) (附註1)	16.72
ITC Investment Holdings Limited ("ITC Investment")	Interest of controlled corporations 受控法團權益	594,072,272 (Note 1) (附註1)	19.19

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SUBSTANTIAL SHAREHOLDERS (Cont'd)

Long position (Cont'd)

(i) Interests in the ordinary shares of HK\$0.01 each of the Company (Cont'd)

主要股東(續)

好倉(續)

(i) 於本公司每股面值港幣0.01元之普通股之權益(續)

Name of shareholder 股東名稱	Capacity 身分	Number of issued shares 已發行股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本概約百分比 (%)
ITC Corporation Limited ("ITC") 德祥企業集團有限公司 (「德祥」)	Interest of controlled corporations 受控法團權益	719,642,272 (Note 1) (附註1)	23.25
Chan Kwok Keung, Charles ("Dr. Chan") 陳國強(「陳博士」)	Interest of controlled corporations 受控法團權益	719,642,272 (Note 1) (附註1)	23.25
	Beneficial owner 實益擁有人	3,810,000 (Note 1) (附註1)	0.12
		723,452,272	23.37
Ng Yuen Lan, Macy ("Ms. Ng") 伍婉蘭(「伍女士」)	Interest of spouse 配偶權益	723,452,272 (Note 1) (附註1)	23.37
Shepherd Investments International, Ltd. ("Shepherd")	Beneficial owner 實益擁有人	96,418,727 (Note 2) (附註2)	3.11
Stark Master Fund, Ltd. ("Stark Master")	Beneficial owner 實益擁有人	134,978,817	4.36
Stark Investments (Hong Kong) Limited ("Stark HK")	Investment manager 投資經理	220,267,725 (Note 2) (附註2)	7.12

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ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

SUBSTANTIAL SHAREHOLDERS (Cont'd)

Long position (Cont'd)

(ii) Interests in the underlying shares under convertible notes of the Company (as defined in Part XV of the SFO)

主要股東(續)

好倉(續)

(ii) 於本公司可換股票據項下之相關股份之權益(定義見證券及期貨條例第XV部)

Name of shareholder 股東名稱	Capacity 身分	Number of issued shares 已發行股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本概約百分比 (%)
Loyal Concept	Beneficial owner 實益擁有人	1,135,714,285 (Note 1) (附註1)	36.69
Hanny Magnetics	Interest of controlled corporation 受控法團權益	1,135,714,285 (Note 1) (附註1)	36.69
Hanny 錦興	Interest of controlled corporation 受控法團權益	1,135,714,285 (Note 1) (附註1)	36.69
Famex	Interest of controlled corporation 受控法團權益	1,135,714,285 (Note 1) (附註1)	36.69
Mankar	Interest of controlled corporation 受控法團權益	1,135,714,285 (Note 1) (附註1)	36.69
ITC Investment	Interest of controlled corporations 受控法團權益	1,178,571,427 (Note 1) (附註1)	38.07
ITC 德祥	Interest of controlled corporations 受控法團權益	1,178,571,427 (Note 1) (附註1)	38.07
Dr. Chan 陳博士	Interest of controlled corporations 受控法團權益	1,178,571,427 (Note 1) (附註1)	38.07
Ms. Ng 伍女士	Interest of spouse 配偶權益	1,178,571,427 (Note 1) (附註1)	38.07

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SUBSTANTIAL SHAREHOLDERS (Cont'd)

Long position (Cont'd)

(ii) Interests in the underlying shares under convertible notes of the Company (as defined in Part XV of the SFO) (Cont'd)

主要股東(續)

好倉(續)

(ii) 於本公司可換股票據項下之相關股份之權益(定義見證券及期貨條例第XV部)(續)

Name of shareholder 股東名稱	Capacity 身分	Number of issued shares 已發行股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本概約百分比 (%)
Shepherd	Beneficial owner 實益擁有人	188,198,051 (Note 2) (附註2)	6.08
Stark Master	Beneficial owner 實益擁有人	264,594,155	8.55
Stark HK	Investment manager 投資經理	369,415,584 (Note 2) (附註2)	11.93
Gandhara Master Fund Limited	Investment manager 投資經理	334,285,715	10.80

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ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

SUBSTANTIAL SHAREHOLDERS (Cont'd)

Long position (Cont'd)

Notes:

1. Hanny and Hanny Magnetics were taken to have an interest in 1,653,231,557 shares (of which 1,135,714,285 shares relate to their derivative interests) which were held by Loyal Concept and Cyber Generation Limited ("Cyber") since Loyal Concept was a wholly-owned subsidiary of Hanny Magnetics which, in turn, was a wholly-owned subsidiary of Hanny, the issued shares of which are listed on the Stock Exchange. Cyber is a wholly-owned subsidiary of China Enterprises Limited ("China Enterprises") of which Group Dragon (B.V.I.) Limited ("Group Dragon (B.V.I.)") owned approximately 55.22% of the effective equity interest. Pursuant to the conditional sale and purchase agreement dated 25th March, 2008 entered into by Group Dragon (B.V.I.), the effective equity interest in China Enterprises owned by Group Dragon (B.V.I.) is expected to be decreased to approximately 37.10% which was held by a direct wholly-owned subsidiary of Group Dragon (B.V.I.) upon completion of the disposal of the said equity interest in China Enterprises. Group Dragon (B.V.I.), Group Dragon Investments Limited, Well Orient Limited and Powervote Technology Limited were wholly-owned subsidiaries of Hanny Magnetics which, in turn, was a wholly-owned subsidiary of Hanny. Famex, a wholly-owned subsidiary of Mankar, was the controlling shareholder of Hanny. Mankar was a wholly-owned subsidiary of ITC Investment which, in turn, was a wholly-owned subsidiary of ITC. Famex and Mankar were deemed to be interested in 1,653,231,557 shares (of which 1,135,714,285 shares relate to their derivative interests) which were held by Loyal Concept and Cyber. Selective Choice Investments Limited ("Selective"), a wholly-owned subsidiary of ITC Investment, owned 119,412,142 shares (of which 42,857,142 shares relate to its derivative interest). ITC Investment was deemed to be interested in 1,772,643,699 shares (of which 1,178,571,427 shares relate to its derivative interest) which were held by Loyal Concept, Cyber and Selective. Great Intelligence Holdings Limited ("Great Intelligence"), a wholly-owned subsidiary of ITC Management Group Limited, which in turn, was a wholly-owned subsidiary of ITC. Dr. Chan was the controlling shareholder of ITC. Ms. Ng is the spouse of Dr. Chan. Great Intelligence owned 125,570,000 shares. ITC was deemed to be interested in 1,898,213,699 shares (of which 1,178,571,427 shares relate to its derivative interest) which were held by Loyal Concept, Cyber, Selective and Great Intelligence. Dr. Chan owned 3,810,000 shares and was deemed to be interested in 1,898,213,699 shares (of which 1,178,571,427 shares relate to his derivative interest) which were held by Loyal Concept, Cyber, Selective and Great Intelligence. Ms. Ng was deemed to be interested in 1,902,023,699 shares (of which 1,178,571,427 shares relate to her derivative interest) which were held by Dr. Chan, Loyal Concept, Cyber, Selective and Great Intelligence.

主要股東(續)

好倉(續)

附註:

1. 錦興與 Hanny Magnetics 被視為在 Loyal Concept 及 Cyber Generation Limited (「Cyber」) 持有 1,653,231,557 股股份 (其中 1,135,714,285 股股份涉及其衍生權益) 中持有權益。由於 Loyal Concept 為 Hanny Magnetics 之全資附屬公司，而 Hanny Magnetics 為錦興 (其已發行股份於聯交所上市) 之全資附屬公司。Cyber 為 China Enterprises Limited (「China Enterprises」) 之全資附屬公司。Group Dragon (B.V.I.) Limited (「Group Dragon (B.V.I.)」) 持有 China Enterprises 約 55.22% 實際股本權益。根據二零零八年三月二十五日 Group Dragon (B.V.I.) 簽訂之有條件買賣協議，於完成出售 China Enterprises, Group Dragon (B.V.I.) 直接全資附屬公司所持有 China Enterprises 之實際股本權益後將預期減少至約 37.10%。Group Dragon (B.V.I.)、Group Dragon Investments Limited、Well Orient Limited 及 Powervote Technology Limited 為 Hanny Magnetics 之全資附屬公司，Hanny Magnetics 則為錦興之全資附屬公司。Mankar 的全資附屬公司 Famex 為錦興之控股股東。Mankar 為 ITC Investment 之全資附屬公司，而 ITC Investment 則為德祥之全資附屬公司。Famex 及 Mankar 均被視為於 Loyal Concept 及 Cyber 所持有 1,653,231,557 股股份 (其中 1,135,714,285 股股份涉及其衍生權益) 中擁有權益。ITC Investment 之全資附屬公司 Selective Choice Investments Limited (「Selective」) 持有 119,412,142 股股份 (其中 42,857,142 股股份涉及其衍生權益) 中擁有權益。ITC Investment 被視為於 Loyal Concept、Cyber 和 Selective 所持有的 1,772,643,699 股股份 (其中 1,178,571,427 股股份涉及其衍生權益) 中擁有權益。Great Intelligence Holdings Limited (「Great Intelligence」) 為 ITC Management Group Limited 的全資附屬公司。ITC Management Group Limited 為德祥的全資附屬公司。陳博士為德祥的控股股東，伍女士為陳博士之配偶。Great Intelligence 持有 125,570,000 股股份。德祥被視為於 Loyal Concept、Cyber、Selective 和 Great Intelligence 所持有的 1,898,213,699 股股份 (其中 1,178,571,427 股股份涉及其衍生權益) 中擁有權益。陳博士持有 3,810,000 股股份，及被視為在 Loyal Concept、Cyber、Selective 及 Great Intelligence 所持有的 1,898,213,699 股股份 (其中 1,178,571,427 股股份涉及其衍生權益) 中擁有權益。伍女士視為於陳博士、Loyal Concept、Cyber、Selective 及 Great Intelligence 所持有的 1,902,023,699 股股份 (其中 1,178,571,427 股股份涉及其衍生權益) 中擁有權益。

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SUBSTANTIAL SHAREHOLDERS (Cont'd)

Long position (Cont'd)

Notes:

2. Stark HK was taken to have an interest as an investment manager in 589,683,309 shares (of which 369,415,584 shares relate to its derivative interest) which were held by Centar Investments (Asia) Ltd., Shepherd, Stark Asia Master Fund, Ltd. and Stark International.

Save as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31st March, 2008.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31st March, 2008, the aggregate amount of turnover attributable to the Group's five largest customers were less than 30% of the Group's total turnover. The aggregate amount of purchases attributable to the Group's five largest suppliers accounted for approximately 37% of the Group's total purchases and the purchase attributable to the Group's largest supplier was approximately 32% of the Group's total purchases.

None of the directors, their associates or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's issued share capital) has any interest in any of the Group's five largest suppliers.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31st March, 2008.

主要股東(續)

好倉(續)

附註:

2. Stark HK作為投資經理被當作擁有 Centar Investments (Asia) Ltd.、Shepherd、Stark Asia Master Fund, Ltd. 及 Stark International 所持有 589,683,309 股股份(其中 369,415,584 股股份涉及其衍生權益)之權益。

除上文所披露者外，本公司並未獲悉任何其他於二零零八年三月三十一日於本公司已發行股本中之相關權益或淡倉。

主要客戶及供應商

截至二零零八年三月三十一日止年度，本集團五大客戶之營業總額佔本集團總營業額少於30%。本集團五大供應商之採購總額佔本集團總採購額約37%，而本集團最大供應商之採購額佔本集團總採購額約32%。

各董事、彼等之聯繫人士或據各董事所知擁有本公司已發行股本超過5%之任何股東概無於本集團五大供應商中擁有任何權益。

購入、出售或贖回本公司之上市證券

於截至二零零八年三月三十一日止年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

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CONTINUING OBLIGATIONS UNDER CHAPTER 13 OF THE LISTING RULES

The following disclosure is made by the Company pursuant to Rules 13.20 and 13.22 of the Listing Rules:

1. ADVANCES TO ENTITIES

In accordance with Rule 13.20 of the Listing Rules, details of the advances to entities made by the Group as at 31st March, 2008, which individually exceeds 8% of the assets ratio as set out in Rule 14.07 of the Listing Rules are as follows:

Entities 實體	Attributable interest held by the Group 本集團持有之應佔權益	Advances 墊款 HK\$'000 港幣千元	Interest receivable 應收利息 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元	Percentage of total assets 佔總資產 百分比 (Note 2) (附註2)
Orient Town Limited ("Orient Town") and its subsidiaries (Notes 1 and 3) 華鎮有限公司(「華鎮」)及其附屬公司 (附註1及3)	45%	1,076,170	56,182	1,132,352	33.7%

上市規則第13章項下之持續責任

下文為本公司根據上市規則第13.20及13.22條作出之披露：

1. 向實體墊款

根據上市規則第13.20條，本集團於二零零八年三月三十一日向實體墊款(個別計算超過上市規則第14.07條所載列之資產比率之8%)之詳情如下：

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CONTINUING OBLIGATIONS UNDER CHAPTER 13 OF THE LISTING RULES (Cont'd)

1. ADVANCES TO ENTITIES (Cont'd)

Notes:

- (1) The advances are unsecured and non-interest bearing of which no demand for repayment will be made by the Group for an amount of HK\$908,000,000 unless approved by the board of directors of Orient Town and there is no fixed terms of repayment for the remaining amount of HK\$168,170,000.
- (2) "Total assets" mean the total assets value of the Group of HK\$3,361 million as at 31st March, 2008 according to the Group's audited consolidated balance sheet as at 31st March, 2008.
- (3) Pursuant to an acquisition agreement dated 29th March, 2006 for the Group to acquire 40% issued share capital of Orient Town, the Group undertook to advance to Orient Town by way of shareholder's loan in the amount of HK\$885 million (the "First Shareholder's Loan"). On 30th March, 2007, the Group has exercised the right to acquire further 5% issued share capital of Orient Town, as a condition of which an additional loan of HK\$93 million (the "Second Shareholder's Loan") was advanced to Orient Town. The shareholder's loans were principally used for financing acquisition of indirect interest in 14 parcels of leased land situated in Estrada de Seac Pai Van, Macau and for repayment of shareholder's loan due by Orient Town to the vendor. Pursuant to another acquisition agreement dated 25th January, 2007 for the Group to acquire 8.7% issued share capital of, a shareholder's loan and interest accrued thereon of HK\$39.6 million and HK\$71.4 million respectively (the "Acquired Loan") due by, Empresa De Fomento Industrial E Comercial Concórdia, S.A ("Concordia"), an effective 59.5%-owned subsidiary of Orient Town, the Group undertook to further advance to Concordia by way of additional shareholder's loan of not more than HK\$70 million (the "Concordia Loan"), of which HK\$55 million was advanced to Concordia at 31st March, 2008. The First Shareholder's Loan, the Second Shareholder's Loan, the Acquired Loan and the Concordia Loan have been approved in special general meetings of the Company held on 15th June, 2006 and 23rd March, 2007, respectively.

上市規則第13章項下之持續責任(續)

1. 向實體墊款(續)

附註:

- (1) 該等墊款乃無抵押及不計息，其中港幣908,000,000元墊款除獲華鎮之董事會批准，否則本集團將不會提出償還要求。餘下金額港幣168,170,000元墊款沒有固定還款期。
- (2) 「總資產」指根據本集團於二零零八年三月三十一日之經審核綜合資產負債表所示本集團於二零零八年三月三十一日港幣3,361,000,000元之總資產。
- (3) 根據日期為二零零六年三月二十九日本集團收購華鎮之40%已發行股本之一項收購協議，本集團承諾透過股東貸款之形式向華鎮墊款港幣885,000,000元（「第一次股東貸款」）。於二零零七年三月三十日，本集團已行使權利進一步收購華鎮5%之已發行股本，並以向華鎮額外提供港幣93,000,000元之貸款（「第二次股東貸款」）作為收購條件。股東貸款主要用作收購於澳門石排灣馬路之十四幅土地之間接權益之融資及償還華鎮結欠賣方之股東貸款。根據日期為二零零七年一月二十五日本集團就購入華鎮擁有59.5%實際權益附屬公司聯生發展股份有限公司（「聯生」）8.7%已發行股本以及股東貸款及累計利息金額分別為港幣39,600,000元及港幣71,400,000元（「購入貸款」）的另一項收購協議，本集團承諾透過提供額外股東貸款（金額不超過港幣70,000,000元）（「聯生貸款」）之形式再向聯生提供墊款，其中港幣55,000,000元已於二零零八年三月三十一日墊支予聯生。第一次股東貸款、第二次股東貸款、購入貸款及聯生貸款已分別於二零零六年六月十五日及二零零七年三月二十三日舉行之本公司股東特別大會獲批准。

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CONTINUING OBLIGATIONS UNDER CHAPTER 13 OF THE LISTING RULES (Cont'd)

2. FINANCIAL ASSISTANCE AND GUARANTEE TO AFFILIATED COMPANIES

As detailed in the previous paragraph headed "ADVANCES TO ENTITIES", the Group had provided financial assistance to, and guarantee for, affiliated companies in the aggregate amount of HK\$1,132,352,000, which represented approximately 33.7% of the Group's total assets value as at 31st March, 2008. In accordance with the requirement under Rule 13.22 of the Listing Rules, the pro forma combined balance sheet of those affiliated companies and the Group's attributable interests in those affiliated companies based on their latest financial statements available are presented below:

Non-current assets	非流動資產
Current assets	流動資產
Current liabilities	流動負債
Non-current liabilities	非流動負債
Minority interest	少數股東權益

上市規則第13章項下之持續責任(續)

2. 向聯屬公司提供之財務援助及擔保

詳情載列於上段標題為「向實體墊款」，本集團已向聯屬公司提供總額為港幣1,132,352,000元之財務援助及擔保，於二零零八年三月三十一日佔本集團資產總值約33.7%。根據上市規則第13.22條，以該等聯屬公司可供參閱之最新財務報表為基準，該等聯屬公司之備考合併資產負債表及本集團於該等聯屬公司之應佔權益呈列如下：

Combined balance sheet 合併資產負債表	Group's attributable interests 本集團應佔權益
HK\$'000 港幣千元	HK\$'000 港幣千元
2,163,601	982,914
499,135	252,833
(624,707)	(489,075)
(1,961,205)	(882,542)
(64,384)	(28,973)
12,440	(164,843)

DONATION

During the year, the Group made charitable and other donations of HK\$302,203.

EMOLUMENT POLICY

The emolument policy regarding the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emolument of the directors of the Company is decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme are set out in note 44 to the consolidated financial statements.

捐款

年內，本集團作出慈善及其他捐款港幣302,203元。

薪酬政策

就本集團僱員之薪酬政策乃由薪酬委員會按僱員之優點、資歷及能力訂定。

本公司董事之薪酬由薪酬委員會經考慮本公司經營業績、個別表現及可供比較市場統計數據後決定。

本公司已採納一項購股權計劃作為給予董事及合資格僱員之獎勵，有關詳情載於綜合財務報表附註44。

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PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31st March, 2008.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report, which is on pages 38 to 45 of this annual report.

POST BALANCE SHEET EVENTS

Details of the significant post balance sheet events are set out in note 53 to the consolidated financial statements.

AUDITORS

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

On behalf of the Board

Cheung Hon Kit
Chairman

Hong Kong, 4th July, 2008

優先購買權

本公司之公司細則或百慕達法例並無優先購買權之條文，規定本公司須按比例向現有股東提呈發售新股。

足夠公眾持股量

本公司於截至二零零八年三月三十一日止年度一直維持足夠公眾持股量。

企業管治

本公司致力維持高水平企業管治。有關本公司所採納企業管治常規之資料載於本年報第38至45頁之企業管治報告書。

結算日後事項

結算日後重大事項詳情載於綜合財務報表附註53。

核數師

有關續聘德勤•關黃陳方會計師行為本公司核數師之決議案將於本公司即將召開之股東週年大會提呈。

代表董事會

主席
張漢傑

香港，二零零八年七月四日

CORPORATE GOVERNANCE REPORT

企業管治報告書

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The Company is committed to maintaining a high standard of corporate governance practices and procedures and to complying with statutory and regulatory requirements with an aim to maximizing the shareholders' values and interests as well as to enhancing the stakeholders' transparency and accountability.

CORPORATE GOVERNANCE PRACTICES

Throughout the year ended 31st March, 2008, the Company has complied with the code provisions of the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

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 to the Listing Rules as its own code of conduct regarding securities transactions by the directors. Specific enquiry has been made with all directors of the Company and the directors have confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31st March, 2008. The Company has also adopted a code of conduct governing securities transactions by employees who may possess or have access to price-sensitive information.

BOARD OF DIRECTORS

Members of the Board are individually and collectively responsible for leadership and control, and for promoting the success, of the Company by operating and developing the Group's business operations and implementing the Company's business strategies. As at the date of this report, the Board consists of nine directors which include six executive directors and three independent non-executive directors.

The Company has a balanced Board composition of executive and non-executive directors (including independent non-executive directors). With three Board members being independent non-executive directors possessing professional expertise and diverse range of experience, the Board can effectively exercise independent judgment and give advice to the management of the Company, and it can make decisions objectively in the interests of the Company and its shareholders as a whole. The biographical details of the directors are set out on pages 13 to 15 of this annual report. There is no financial, business, family or other material/relevant relationship among the members of the Board.

The Board has delegated the Executive Board or Committee with authority and responsibility for handling the management functions and operations of the day-to-day business of the Company while specifically reserving certain important matters and decisions for the approval by the Board such as annual and interim period financial reporting and control, equity fund raising, declaration of interim dividend, recommendation of final dividend or other distributions, decision regarding notifiable transactions and connected transactions under Chapter 14 and Chapter 14A of the Listing Rules respectively and recommendation for capital reorganization or scheme of arrangement of the Company.

本公司致力維持高水平企業管治常規及程序，以符合法定及監管規定，以為股東帶來最大回報及利益，並提高對股東之透明度及問責性為目標。

企業管治常規

截至二零零八年三月三十一日止年度，本公司一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載企業管治常規守則（「守則」）之守則條文。

董事進行證券交易

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）作為董事進行證券交易之操守準則。本公司已向本公司全體董事作出特定查詢，董事均確認，彼等於截至二零零八年三月三十一日止年度內一直遵守標準守則所載規定標準。本公司亦已採納有關可能擁有或取得股價敏感資料之僱員進行證券交易之操守準則。

董事會

董事會成員個別及共同負責領導及控制本公司，並透過經營及發展本集團業務運作及推行本公司之業務策略，推動本公司邁向成功。於本報告日期，董事會由九名董事組成，當中包括六名執行董事及三名獨立非執行董事。

本公司董事會結構平衡，成員由執行及非執行董事（包括獨立非執行董事）組成，三名董事會成員為獨立非執行董事，具備均衡組合之專業知識及廣泛經驗，董事會可有效作出獨立判斷、向本公司管理層作出建議，並客觀地作出符合本公司及全體股東整體利益之決定。董事履歷詳情載於本年報第13至15頁。董事會成員間概無財務、業務、家庭或其他重大／相關關係。

董事會已成立執行董事會或委員會，授予其行使管理職能及執行本公司日常業務運作之權力及責任，另特別保留若干重要事項及決定由董事會批准，如年度及中期財務報告及監控、籌集股本資金、宣派中期股息、建議派付末期股息或其他分派、分別根據上市規則第14章及第14A章須予公佈之交易及關連交易之決定以及建議進行本公司股本重組或債務償還安排。

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BOARD OF DIRECTORS (Cont'd)

Regular Board meetings are held at least four times a year with at least 14 days' notices being given to all directors. Additional meetings, if necessary, are arranged as and when required. Directors may attend Board meetings either in person or through electronic means of communication. A total of seven Board meetings (including four regular Board meetings) were held during the year ended 31st March, 2008.

The directors are provided with relevant information to enable them to make informed decisions, and appropriate arrangements are in place to ensure that they are given every opportunity to include matters in the agenda of the Board meetings. All directors have separate and independent access to the advice and services of the Group's senior management and consultants with a view to ensuring that Board procedures and all applicable rules and regulations are observed.

The attendance record of each individual Board member at the Board, Audit Committee and Remuneration Committee meetings during the year under review, on a named basis, is as follows:

董事會(續)

本公司每年最少舉行四次例行董事會會議，全體董事將於例行董事會會議舉行最少14天前接獲通知，如有必要，本公司會於適當時候額外安排會議。董事可親身或以電子通訊方式出席董事會會議。截至二零零八年三月三十一日止年度，本公司合共舉行七次董事會會議，包括四次例行董事會會議。

董事獲提供相關資料，以便作出知情決定，另已作出適當安排，確保彼等有機會於董事會會議議程中加入事項。全體董事均可各自個別獲得本集團高級管理人員及顧問提供之意見及協助，以確保遵循董事會程序以及所有合適規則及規例。

下表載列回顧年度本公司各個別董事會成員於董事會、審核委員會及薪酬委員會會議各自之出席率：

Name of Director 董事姓名	Meetings Attended/Eligible to Attend 已出席會議／合資格出席會議次數		
	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會
Executive directors: 執行董事：			
Mr. Cheung Hon Kit (Chairman) 張漢傑先生(主席)	7/7		
Mr. Chan Fut Yan (Managing Director) 陳佛恩先生(董事總經理)	7/7		1/1
Mr. Wong Kam Cheong, Stanley (Deputy Managing Director) 黃錦昌先生 (副董事總經理)	7/7		
Mr. Cheung Chi Kit 張志傑先生	7/7		
Mr. Lai Tsan Tung, David 賴贊東先生	7/7		
Mr. Ma Chi Kong, Karl (appointed on 30th May, 2007) 馬志剛先生 (於二零零七年 五月三十日獲委任)	7/7		
Non-executive directors: 非執行董事：			
Mr. Ho Hau Chong, Norman (Deputy Chairman) (retired on 12th September, 2007) 何厚鏘先生 (副主席) (於二零零七年 九月十二日退任)	0/2		
Mr. Lo Lin Shing, Simon (retired on 12th September, 2007) 魯連城先生 (於二零零七年 九月十二日退任)	0/2		

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BOARD OF DIRECTORS (Cont'd)

董事會 (續)

Name of Director 董事姓名		Meetings Attended/Eligible to Attend 已出席會議 / 合資格出席會議次數		
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會
Independent non-executive directors:	獨立非執行董事：			
Mr. Qiao Xiaodong (Vice Chairman) (appointed on 5th February, 2008)	喬小東先生 (副主席) (於二零零八年 二月五日獲委任)	1/1		
Mr. Wong Chi Keung, Alvin	王志強先生	7/7	3/3	1/1
Mr. Kwok Ka Lap, Alva	郭嘉立先生	6/7	3/3	1/1
Mr. Chui Sai Cheong (resigned on 5th February, 2008)	崔世昌先生 (於二零零八年 二月五日辭任)	4/6	1/3	

Chairman and Managing Director

The roles of the Chairman and the Managing Director, held by separate individuals, are clearly segregated with an aim to providing a balance of power and authority. The Chairman is principally responsible for the strategic planning of the Group and the management of the operations of the Board. The Managing Director is mainly responsible for the operations and business development of the Group.

主席及董事總經理

主席及董事總經理由兩名個別人士出任，其職責清晰劃分，以維持權力及職權之平衡。主席主要負責本集團之策略規劃以及管理董事會之運作。董事總經理則主要負責管理本集團營運及業務發展。

Non-executive Directors

Pursuant to the bye-laws of the Company (the "Bye-laws"), every director is subject to re-election and retirement by rotation at least once every three years. Non-executive directors are subject to the aforesaid retirement requirements and are appointed for a specific terms of not more than three years.

非執行董事

根據本公司之公司細則(「公司細則」)，各董事須至少每三年膺選連任及輪值退任。非執行董事亦須遵守上述退任規定，並根據不超過三年的特定任期獲委任。

At least one of the independent non-executive directors has appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10 of the Listing Rules. 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 Listing Rules and considers them to be independent.

根據上市規則第3.10條，最少一名獨立非執行董事具備合適專業資格或會計或相關財務管理專業知識。本公司已接獲各獨立非執行董事各自根據上市規則第3.13條就獨立身分發出之年度確認書，並認為彼等均屬獨立人士。

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BOARD OF DIRECTORS (Cont'd)

Nomination, Appointment and Re-election of Directors

The Board as a whole is responsible for the appointment of directors and the nomination of directors for re-election by shareholders at the annual general meeting of the Company. Pursuant to the Bye-laws, the directors shall have the power from time to time and at any time to appoint any person as director either to fill a casual vacancy on the Board or as an addition to the existing Board who is subject to retirement and re-election at the first general meeting or first annual general meeting respectively after his/her appointment. The Board should take into account of the candidate's qualification, ability and potential contribution to the Company. A candidate to be appointed as an independent non-executive director must satisfy the independence criteria set out in Rule 3.13 of the Listing Rules. During the year under review, no director has involved in fixing his own terms of appointment and no independent non-executive director has participated in assessing his own independence.

Throughout the year ended 31st March, 2008, the Company has complied with code provision A.4.2 of the Code by receiving confirmation in writing from each of the non-executive directors (including independent non-executive directors) in relation to their renewed term of office so that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years and pursuant to the Bye-laws, at each annual general meeting one-third of the directors of the Company for the time being shall retire from office by rotation such that each director shall be subject to retirement at least once every three years at the annual general meeting.

REMUNERATION COMMITTEE

The Board has established the Remuneration Committee with specific written terms of reference which clearly defined its role, authority and function. As at the date of this report, the members of the Remuneration Committee are Mr. Wong Chi Keung, Alvin (chairman of the Remuneration Committee), Mr. Chan Fut Yan and Mr. Kwok Ka Lap, Alva. With the exception of Mr. Chan Fut Yan who is an executive director, the other members of the Remuneration Committee are independent non-executive directors.

The main responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management, establishing a formal and transparent procedure for developing policy on such remuneration and reviewing and determining the remuneration packages of the executive directors and senior management. The terms of reference of the Remuneration Committee, which follow closely with the requirements of the Code and have been adopted by the Board, are posted on the Company's website. The Remuneration Committee has been provided with sufficient resources to discharge its duties.

董事會(續)

提名、委任及重選董事

董事會整體負責委任董事及提名董事經由股東於本公司股東週年大會重選。根據公司細則，董事有權不時及隨時委任任何人士出任董事，以填補董事會之臨時空缺或作為現有董事會之新增成員，惟有關人士須分別於彼獲委任後首次股東大會或首次股東週年大會退任及膺選連任。董事會須計及被提名人士之資歷、才能及對本公司之潛在貢獻。獲委任為獨立非執行董事之被提名人士須符合上市規則第3.13條所載獨立身分標準。於回顧年度內，概無董事參與釐定本身之委任條款，亦無獨立非執行董事參與評估本身之獨立身分。

於截至二零零八年三月三十一日止整個年度，本公司已遵守守則之守則條文第A.4.2條，就非執行董事(包括獨立非執行董事)之更新任期接到彼等之書面確認，以使各董事(包括按特定任期獲委任者)須至少每三年輪值退任一次，而根據公司細則，於每次股東週年大會上，本公司其時三分之一之董事須輪值退任，以使各董事須至少每三年於股東週年大會輪值退任一次。

薪酬委員會

董事會已成立薪酬委員會，並書面訂明職權範圍，清楚界定其職責、職權及職能。於本報告日期，薪酬委員會成員為王志強先生(薪酬委員會主席)、陳佛恩先生及郭嘉立先生。除執行董事陳佛恩先生外，薪酬委員會成員均為獨立非執行董事。

薪酬委員會主要職責包括就本公司有關董事及高級管理人員所有薪酬之政策及結構，向董事會提供推薦意見；就有關薪酬制定政策及審閱並釐定執行董事與高級管理人員之薪酬待遇制定正式及具透明度之程序。薪酬委員會之職權範圍符合守則規定，已獲董事會採納，並載於本公司網站。薪酬委員會獲提供充裕資源履行其職責。

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ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

REMUNERATION COMMITTEE (Cont'd)

The Remuneration Committee convened one committee meeting during the year ended 31st March, 2008. The major issues discussed and resolved during the meeting included making recommendation for the approval by the Board the grant of share options to the directors, employees and other participants of the Company.

Details of the remuneration of the directors are set out in note 14 to the consolidated financial statements. During the year under review, no director has involved in deciding his own remuneration.

AUDIT COMMITTEE

The Board has set up the Audit Committee with specific written terms of reference which clearly defined its role, authority and function. As at the date of this report, the members of the Audit Committee are the three independent non-executive directors, namely, Mr. Wong Chi Keung, Alvin (chairman of the Audit Committee), Mr. Qiao Xiaodong and Mr. Kwok Ka Lap, Alva. Mr. Wong Chi Keung, Alvin is a qualified accountant with extensive experience in financial reporting and controls as required by the Listing Rules.

The principal duties of the Audit Committee include reviewing the Group's interim and final results prior to recommending them to the Board for its approval, appointing, and reviewing the relationship with, the external auditors of the Company and reviewing the Group's financial information and the Group's financial reporting system and internal control procedures. The terms of reference of the Audit Committee, which follow closely with the requirements of the Code and have been adopted by the Board, are posted on the Company's website. The Audit Committee has been provided with sufficient resources to discharge its duties.

During the year ended 31st March, 2008, the Audit Committee held three committee meetings. During these meetings, the Audit Committee had reviewed and made recommendation, for the Board's approval, the draft audited financial statements for the year ended 31st March, 2007 and the draft unaudited interim financial statements for the six months ended 30th September, 2007; had a discussion on the accounting policies and practices which may affect the Group with the management and the external auditors of the Company; made recommendation regarding the re-appointment of external auditors for the shareholders' approval at the Company's annual general meeting and reviewed the fees charged by the external auditors; and the internal control policy of the Company.

The Board and the Audit Committee did not have any differences of opinion during the year ended 31st March, 2008.

薪酬委員會(續)

截至二零零八年三月三十一日止年度內，薪酬委員會曾召開一次委員會會議。於該等會議上討論及決定之主要事項包括向本公司董事、僱員及其他參與者授予購股權提出推薦意見以便董事會批准。

董事薪酬詳情載於綜合財務報表附註14。於回顧年度內，概無董事參與決定本身之酬金。

審核委員會

董事會已成立審核委員會，並書面訂明職權範圍，清楚界定其職責、職權及職能。於本報告日期，審核委員會成員為三名獨立非執行董事王志強先生(審核委員會主席)、喬小東先生及郭嘉立先生。王志強先生為合資格會計師，於財務申報及監控方面具備上市規則所規定之豐富經驗。

審核委員會主要職責包括於建議董事會批准前審閱本集團之中期及末期業績、委聘外聘核數師及檢討與本公司外聘核數師之關係、審閱本集團之財務資料及本集團之財務申報制度與內部監控程序。審核委員會之職權範圍大致符合守則規定，已獲董事會採納，並載於本公司網站。審核委員會獲提供充裕資源履行其職責。

截至二零零八年三月三十一日止年度內，審核委員會曾舉行三次委員會會議。於該等會議上，審核委員會曾審閱截至二零零七年三月三十一日止年度之經審核財務報表初稿及截至二零零七年九月三十日止六個月之未經審核中期財務報表初稿，並就報表提供推薦意見以便董事會批准；與本公司管理人員及外聘核數師討論可能影響本集團之會計政策與慣例；就續聘外聘核數師提供推薦意見以供股東於本公司股東週年大會批准；檢討外聘核數師所收取費用；及本公司之內部監控政策。

截至二零零八年三月三十一日止年度，董事會與審核委員會並無任何意見分歧。

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FINANCIAL REPORTING

The directors acknowledge their responsibility for preparing the financial statements for each financial period to give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing the financial statements for the year ended 31st March, 2008, the directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis. The Board was not aware of any material uncertainties relating to events or conditions that might cause significant doubt upon the Group's ability to continue as a going concern. The statement of the external auditors of the Company regarding their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditors' Report, which is set out on pages 46 and 47 of this annual report.

AUDITORS' REMUNERATION

Messrs. Deloitte Touche Tohmatsu ("Deloitte") were re-appointed by shareholders at the annual general meeting held on 12th September, 2007 as the Company's external auditors until the next annual general meeting. For the year ended 31st March, 2008, the total auditors' remuneration in respect of statutory audit and non-audit services provided by Deloitte is set out below:

財務申報

董事知悉彼等就各個財務期間編製財務報表以真實公平地反映本集團之財務狀況及於該等期間之業績與現金流量之責任。於編製截至二零零八年三月三十一日止年度之財務報表時，董事已選定合適會計政策並已貫徹應用以及作出審慎、公平與合理之判斷及估計，並按持續基準編製財務報表。董事會並不知悉有關可能對本集團持續經營之能力構成重大疑問之事件或情況之任何重大不明朗因素。本公司外聘核數師對彼等就本集團財務報表之申報責任之聲明載於本年報第46及47頁之獨立核數師報告書。

核數師酬金

德勤•關黃陳方會計師行(「德勤」)於二零零七年九月十二日舉行之股東週年大會，獲股東續聘為本公司之外聘核數師，任期至下屆股東週年大會止。截至二零零八年三月三十一日止年度，就德勤所提供法定審核及非審核服務之核數師酬金總額載列如下：

Services rendered	所提供服務	Fees paid/payable 已付／應付費用 HK\$'000 港幣千元
Statutory audit fees	法定審核費用	3,791
Fees for non-audit services:	非審核服務費用：	
Ad hoc projects	特別項目	1,440
Review of interim results	審閱中期業績	520
Review of annual results announcement	審閱末期業績公佈	30
Total auditors' remuneration for the year	年內核數師酬金總額	5,781

CORPORATE GOVERNANCE REPORT

企業管治報告書

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

INTERNAL CONTROLS

The Board has overall responsibility for maintaining a sound and effective system of internal control and for reviewing its effectiveness, particularly in respect of the controls on financial, operational, compliance and risk management, to achieve the Company's business strategies and the Group's business operations. The directors of the Company have adopted an internal control policy of the Group, which has been developed with a primary objective of providing general guidance and recommendations on a basic framework of internal control and risk management. The Company's internal control systems include a well-established organisational structure, comprehensive policies and standards, periodic reviews on the implementation of the internal control systems for newly acquired businesses and operational and financial controls on the acquired property investments in Macau and the People's Republic of China. Procedures have been designed to secure assets against unauthorised use or disposition, to ensure maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and to ensure compliance with the Group's accounting policies, applicable laws, rules and regulations. The aim of the Group's internal control policy is to provide reasonable, but not absolute, assurance against material misstatement or loss rather than to eliminate risks of failure in operational systems and achievement of the objectives of the Group. The Audit Committee conducted periodic reviews on the internal audit checklists and reports prepared by the internal audit manager of the Company which are presented to the Board for its consideration and approval.

內部監控

董事會整體負責維持穩健及有效之內部監控制度，並檢討其效能，特別是有關財務、營運、守規及風險管理之監控，致令本公司之業務策略及本集團之業務營運均取得成功。本公司董事已採納本集團之內部監控政策，制定有關政策旨在就內部監控及風險管理提供一般指引及推薦意見。本公司之內部監控制度包括完善之組織架構及全面之政策與準則，定期審閱新收購業務之內部監控系統實施情況及於澳門及中華人民共和國之已收購物業投資之營運及財務控制狀況，並已制定程序杜絕未經授權使用或棄置資產，並確保就提供可靠財務資料作內部或刊發用途維持完善會計記錄以及確保符合本集團之會計政策、適用法例、規則與規例。本集團之內部監控政策旨在提供合理惟並非絕對保證並無重大錯誤陳述或損失以及管理而非消除營運系統及達致本集團目標過程中之疏忽風險。審核委員會已就內部審核清單及由本公司內部審核經理編製之報告進行定期審閱，以提呈董事會供其考慮及批准。

CORPORATE GOVERNANCE REPORT

企業管治報告書

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COMMUNICATION WITH SHAREHOLDERS

The Board always strives to maintain an ongoing and transparent communication with all the shareholders of the Company and, in particular, use general meetings as a means to communicate with its shareholders and encourage their participation. In respect of each distinctively separate issue put forward for consideration at a general meeting, a separate resolution is proposed by the Chairman of that meeting. The Chairman of the Board has attended the annual general meeting and the special general meetings of the Company and was available to answer questions at the meetings. The Company communicates with its shareholders through the publication of annual and interim reports, announcements, circulars and dissemination of additional information about the Group's activities, business strategies and developments. Such information is also available on the Company's website: <http://www.itcproperties.com>. Details of the poll voting procedures complying with the Listing Rules and the Bye-laws are included in the Company's circulars sent to the shareholders of the Company and in the proceedings of the Company's general meetings. During the year ended 31st March, 2008, some resolutions put forward at the special general meetings had been conducted by way of poll and the poll results were published in compliance with the requirements of the Listing Rules.

與股東之溝通

董事會致力與本公司全體股東維持持續及高透明度之溝通，特別是透過股東大會與股東溝通，並鼓勵彼等參與。就各項須提呈股東大會考慮之特別個別事項而言，該會議之主席將提呈個別決議案。董事會主席已出席本公司之股東週年大會及股東特別大會，並可於大會上回答提問。本公司採用各種渠道與股東溝通，包括透過刊發年度及中期報告、公佈、通函及有關本集團業務、業務策略及發展之其他資料，該等資料亦載於本公司網站：<http://www.itcproperties.com>。遵照上市規則及公司細則規定按股數投票表決之程序詳情，載於本公司致本公司股東之通函及本公司股東大會之會議文件。於截至二零零八年三月三十一日止年度內，於股東特別大會提呈之若干決議案已根據按股數投票之方式表決，而本公司已根據上市規則之規定刊發投票結果。

By order of the Board

Yan Ha Hung, Loucia
Company Secretary

Hong Kong, 4th July, 2008

承董事會命

公司秘書
忻霞虹

香港，二零零八年七月四日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

Deloitte.

德勤

**TO THE MEMBERS OF ITC PROPERTIES GROUP LIMITED
(FORMERLY KNOWN AS MACAU PRIME PROPERTIES
HOLDINGS LIMITED)**

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of ITC Properties Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 48 to 166, which comprise the consolidated balance sheet as at 31st March, 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

**致德祥地產集團有限公司
(前稱澳門祥泰地產集團有限公司)
列位股東**

(於百慕達註冊成立之有限公司)

本核數師行已完成審核第48至166頁所載德祥地產集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，其中包括於二零零八年三月三十一日之綜合資產負債表及截至該日期止年度之綜合損益表、綜合權益變動表及綜合現金流量表及主要會計政策概要及其他說明附註。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港《公司條例》有關之披露規定編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報綜合財務報表相關之內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述；選擇和應用適當之會計政策；及按情況下作出合理之會計估計。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

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

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

OPINION

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

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
4th July, 2008

核數師之責任

本行的責任是根據本行的審核對該等綜合財務報表作出意見，本行的報告僅為根據《百慕達公司法》第90節為股東（作為一個團體）而編製，並不為其他任何目的。本行並不就本報告之內容對任何其他人士承擔任何義務或接受任何責任。本行已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求本行遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

審核涉及執行情序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，本行考慮與實體編製及真實而公平地列報綜合財務報表相關之內部控制，以設計適當之審核程序，但並非為對實體內部控制之效能發表意見。審核亦包括評價董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評價綜合財務報表之整體列報方式。

本行相信，本行所獲得之審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

本行認為，該等綜合財務報表均已根據香港財務報告準則真實與公平地反映 貴集團於二零零八年三月三十一日之財政狀況及 貴集團於截至該日止年度之虧損和現金流量，並已按照香港《公司條例》有關之披露規定妥為編製。

德勤•關黃陳方會計師行
執業會計師
香港
二零零八年七月四日

CONSOLIDATED INCOME STATEMENT

綜合損益表

(for the year ended 31st March, 2008) (截至二零零八年三月三十一日止年度)

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

		NOTES 附註	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Continuing operations	持續經營業務			
Revenue	收益	7	181,944	93,389
Property sale and rental income	物業銷售及租金收入		81,792	5,251
Golf and leisure income	高爾夫球及消閒收入		62,622	52,367
			144,414	57,618
Cost of sales	銷售成本		(67,511)	(14,073)
Gross profit	毛利		76,903	43,545
Net income from loan financing	貸款融資淨收入		31,789	21,036
Net gain on financial instruments	金融工具之淨收益	8	76,382	28,623
Other income	其他收入	9	73,206	105,616
Administrative expenses	行政費用		(141,959)	(85,400)
Finance costs	財務費用	10	(109,933)	(97,009)
Impairment losses on prepaid lease payments of leasehold land and premium on prepaid lease payments of leasehold land	租賃土地預付租賃款項及租賃土地預付租賃款項之溢價之減值虧損	17	(45,000)	-
Loss on disposal of an associate	出售一間聯營公司之虧損	23(ii)	(39,486)	-
Loss on disposal of subsidiaries	出售附屬公司之虧損	46	(19,073)	-
Compensation for cancellation of call options for acquisition of additional interest in an associate	就註銷收購一間聯營公司額外權益認購期權之補償	23(i)	-	23,370
Share of results of associates	應佔聯營公司業績	23	(25,047)	40,916
(Loss) profit before taxation	除稅前(虧損)溢利		(122,218)	80,697
Taxation	稅項	11	(3,475)	(10,004)
(Loss) profit for the year from continuing operations	本年度來自持續經營業務之(虧損)溢利		(125,693)	70,693
Discontinued operations	非持續經營業務			
(Loss) profit for the year from discontinued operations	本年度來自非持續經營業務之(虧損)溢利	12	(18,665)	3,408
(Loss) profit for the year	本年度(虧損)溢利	13	(144,358)	74,101

CONSOLIDATED INCOME STATEMENT

綜合損益表

(for the year ended 31st March, 2008) (截至二零零八年三月三十一日止年度)

Annual Report 2007-2008年報

		NOTE 附註	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Attributable to:	下列人士應佔：			
Equity holders of the Company	本公司權益持有人		(141,853)	79,091
Minority interests	少數股東權益		(2,505)	(4,990)
			<u>(144,358)</u>	<u>74,101</u>
(Loss) earnings per share	每股(虧損)盈利	15		
From continuing and discontinued operations:	來自持續及非持續經營業務：			
– Basic (HK cents)	– 基本(港仙)		<u>(4.8)</u>	<u>3.7</u>
– Diluted (HK cents)	– 攤薄(港仙)		<u>N/A不適用</u>	<u>3.6</u>
From continuing operations:	來自持續經營業務：			
– Basic (HK cents)	– 基本(港仙)		<u>(4.2)</u>	<u>3.6</u>
– Diluted (HK cents)	– 攤薄(港仙)		<u>N/A不適用</u>	<u>3.5</u>

CONSOLIDATED BALANCE SHEET

綜合資產負債表

(as at 31st March, 2008) (於二零零八年三月三十一日)

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

		NOTES 附註	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機械及設備	16	178,543	279,956
Prepaid lease payments of leasehold land	租賃土地預付租賃款項	17	20,808	96,772
Premium on prepaid lease payments of leasehold land	租賃土地預付租賃款項之溢價	18	114,294	131,527
Intangible assets	無形資產	20	-	430
Available-for-sale investments	可供出售投資	21	94,570	130,036
Interest in properties held for development	於持作發展物業之權益	22	14,745	-
Interests in associates	於聯營公司之權益	23	135,503	93,879
Unsecured loans and interest due from associates	應收聯營公司之無抵押貸款及利息	24	1,077,690	1,234,443
Debt portion of convertible bonds	可換股債券之負債部份	25	51,120	-
Derivatives embedded in convertible bonds	可換股債券附帶之衍生工具	25	4,865	-
Deposits and expenses paid for acquisition of a land use right	收購土地使用權已付按金及開支	26	47,275	41,466
Deposit and expenses paid for acquisition of an associate	收購一間聯營公司已付按金及開支	27	-	90,675
Deposits and expenses paid for acquisition of properties	收購物業已付按金及開支	28	-	27,125
Other loan receivables	其他應收貸款	29	-	9,634
			1,739,413	2,135,943
Current assets	流動資產			
Inventories	存貨	30	2,161	76,919
Properties held for sale	待售物業		252,903	58,536
Properties under development	發展中物業	19	240,853	11,296
Financial assets at fair value through profit or loss	按公平值列賬及計入損益之金融資產	31	11,957	66,725
Debtors, deposits and prepayments	應收賬款、按金及預付款項	32	514,795	473,160
Other loan receivables	其他應收貸款	29	243,133	205,495
Prepaid lease payments of leasehold land	租賃土地預付租賃款項	17	517	2,480
Amounts due from associates	應收聯營公司款項	24	2,154	68
Unsecured loans and interest due from related companies	關連公司之無抵押貸款及應付利息	33	58,251	54,567
Tax recoverable	可退回稅款		-	1,506
Pledged bank deposits	已抵押銀行存款	34	51,818	40,783
Bank balances and cash	銀行結餘及現金	34	243,038	254,622
			1,621,580	1,246,157

CONSOLIDATED BALANCE SHEET

綜合資產負債表

(as at 31st March, 2008) (於二零零八年三月三十一日)

Annual Report 2007-2008年報

	NOTES 附註	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Current liabilities	流動負債		
Creditors, deposits and accrued charges	應付賬款、按金及 應計開支	35 70,392	158,947
Amounts due to minority shareholders of subsidiaries	應付附屬公司少數 股東款項	36 890	1,884
Dividend payable to a minority shareholder of a subsidiary	應付一間附屬公司一少數 股東股息	–	2,354
Tax payable	應繳稅項	13,252	12,340
Unsecured loans from minority shareholders of subsidiaries	附屬公司少數股東之 無抵押貸款	37 –	4,515
Unsecured loan from a related company	一間關連公司之無抵押貸款	38 –	1,616
Convertible note payables – due within one year	一年內到期之可換股票據 應付款項	39 7,284	7,945
Obligations under finance leases – due within one year	一年內到期之融資 租賃承擔	40 49	24
Bank and other borrowings – due within one year	一年內償還之銀行及 其他借貸	41 113,996	111,439
		205,863	301,064
Net current assets	淨流動資產	1,415,717	945,093
Total assets less current liabilities	總資產減流動負債	3,155,130	3,081,036
Non-current liabilities	非流動負債		
Convertible note payables – due after one year	一年後到期之可換股 票據應付款項	39 1,236,559	1,360,455
Obligations under finance leases – due after one year	一年後到期之融資 租賃承擔	40 173	71
Bank and other borrowings – due after one year	一年後到期之銀行 及其他借貸	41 39,647	8,081
Deferred tax liabilities	遞延稅項負債	42 28,574	40,609
		1,304,953	1,409,216
		1,850,177	1,671,820
Capital and reserves	股本及儲備		
Share capital	股本	43 30,955	23,123
Reserves	儲備	1,812,043	1,598,516
Equity attributable to the equity holders of the Company	本公司權益持有人 應佔權益	1,842,998	1,621,639
Minority interests	少數股東權益	7,179	50,181
		1,850,177	1,671,820

The consolidated financial statements on pages 48 to 166 were approved and authorised for issue by the Board of Directors on 4th July, 2008 and are signed on its behalf by:

第48至166頁所載綜合財務報表已於二零零八年七月四日由董事會批准及授權刊發，並由下列董事代表簽署：

Cheung Hon Kit
張漢傑
Chairman
主席

Cheung Chi Kit
張志傑
Executive Director
執行董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

(for the year ended 31st March, 2008) (截至二零零八年三月三十一日止年度)

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

		Attributable to equity holders of the Company 本公司權益持有人應佔部分													
		Share capital	Share premium	Convertible Capital redemption reserve	Convertible loan notes equity reserve	Share-based payment reserve	Available-for-sale investments reserve	Other reserve	Special reserve	Revaluation reserve	Translation reserve	Accumulated profits	Total	Minority interests	Total
		股本	股份溢價	股本贖回儲備	可換股票據股本儲備	股份付款儲備	可供出售投資儲備	其他儲備	特別儲備	重估儲備	換算儲備	累計溢利	總計	少數股東權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
								(note i) (附註i)	(note ii) (附註ii)						
At 1st April, 2006	於二零零六年四月一日	6,314	213,224	646	157,053	-	-	32,308	(8,908)	-	2,296	42,084	445,017	816	445,833
Exchange differences arising on translation of foreign operations	於二零零六年四月一日 換算外國業務之 匯兌差額	-	-	-	-	-	-	-	-	-	8,068	-	8,068	5,077	13,145
Gain on fair value changes of available-for-sale investments	可供出售投資公平值 變動收益	-	-	-	-	-	3,481	-	-	-	-	-	3,481	-	3,481
Net income recognised directly in equity	於股本權益直接確認之 淨收入	-	-	-	-	-	3,481	-	-	-	8,068	-	11,549	5,077	16,626
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	-	-	79,091	79,091	(4,990)	74,101
Total recognised income for the year	本年度已確認收入總額	-	-	-	-	-	3,481	-	-	-	8,068	79,091	90,640	87	90,727
Transfer (note i)	轉撥(附註i)	-	-	-	-	-	-	(32,308)	-	-	-	32,308	-	-	-
Recognition of equity component of convertible notes	確認可換股票據之 股本部分	-	-	-	274,644	-	-	-	-	-	-	-	274,644	-	274,644
Conversion of convertible notes	兌換可換股票據	8,953	393,688	-	(63,393)	-	-	-	-	-	-	-	339,248	-	339,248
Issue of shares	發行股份	8,334	491,666	-	-	-	-	-	-	-	-	-	500,000	-	500,000
Expenses incurred in connection with issue of shares	發行股份之開支	-	(12,908)	-	-	-	-	-	-	-	-	-	(12,908)	-	(12,908)
Repurchase and cancellation of shares	購回及註銷股份	(478)	(19,615)	478	-	-	-	-	-	-	-	(478)	(20,093)	-	(20,093)
Recognition of equity-settled share-based payments	確認股本結算股份付款	-	-	-	-	3,296	-	-	-	-	-	-	3,296	-	3,296
Dividend payable to a minority shareholder	應付一名少數股東股息	-	-	-	-	-	-	-	-	-	-	-	-	(2,354)	(2,354)
Acquired on acquisition of subsidiaries (note 45)	收購附屬公司時購入 (附註45)	-	-	-	-	-	-	-	-	1,795	-	-	1,795	51,632	53,427
At 31st March, 2007	於二零零七年 三月三十一日	23,123	1,066,055	1,124	368,304	3,296	3,481	-	(8,908)	1,795	10,364	153,005	1,621,639	50,181	1,671,820

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

(for the year ended 31st March, 2008) (截至二零零八年三月三十一日止年度)

Annual Report 2007-2008年報

		Attributable to equity holders of the Company 本公司權益持有人應佔部分													
		Share capital	Share premium	Convertible Capital redemption reserve	Convertible loan notes equity reserve	Share-based payment reserve	Available-for-sale investments reserve	Other reserve	Special reserve	Revaluation reserve	Translation reserve	Accumulated profits	Total	Minority interests	Total
		股本	股份溢價	股本贖回備	可換股票據股本儲備	股份付款儲備	可供出售投資儲備	其他儲備	特別儲備	重估儲備	換算儲備	累計溢利	總計	少數股東權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
								(note i) (附註i)	(note ii) (附註ii)						
Exchange differences arising on translation of foreign operations	換算外國業務之匯兌差額	-	-	-	-	-	-	-	-	-	18,580	-	18,580	3,478	22,058
Gain on fair value changes of available-for-sale investments	可供出售投資公平值變動收益	-	-	-	-	-	44,371	-	-	-	-	-	44,371	-	44,371
Net income recognised directly in equity	於股本權益直接確認之淨收入	-	-	-	-	-	44,371	-	-	-	18,580	-	62,951	3,478	66,429
Released on disposal of subsidiaries (note 46)	於出售附屬公司時轉出(附註46)	-	-	-	-	-	-	-	-	(991)	(21,472)	-	(22,463)	(43,975)	(66,438)
Released on disposal of available-for-sale investments	於出售可供出售投資時轉出	-	-	-	-	-	(60,752)	-	-	-	-	-	(60,752)	-	(60,752)
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	-	-	(141,853)	(141,853)	(2,505)	(144,358)
Total recognised expenses for the year	本年度已確認開支總額	-	-	-	-	-	(16,381)	-	-	(991)	(2,892)	(141,853)	(162,117)	(43,002)	(205,119)
Conversion of convertible notes	兌換可換股票據	4,832	268,001	-	(60,585)	-	-	-	-	-	-	-	212,248	-	212,248
Issue of shares	發行股份	3,000	165,000	-	-	-	-	-	-	-	-	-	168,000	-	168,000
Expenses incurred in connection with issue of shares	發行股份之開支	-	(5,114)	-	-	-	-	-	-	-	-	-	(5,114)	-	(5,114)
Recognition of equity-settled share-based payments	確認股本結算股份付款	-	-	-	-	8,342	-	-	-	-	-	-	8,342	-	8,342
At 31st March, 2008	於二零零八年三月三十一日	30,955	1,493,942	1,124	307,719	11,638	(12,900)	-	(8,908)	804	7,472	11,152	1,842,998	7,179	1,850,177

Notes:

- (i) Other reserve of the Group represents net balance from capital reduction and cancellation of share premium and set-off against the deficit pursuant to the capital reorganisation on 15th April, 2003. Pursuant to a resolution of the Directors passed on 29th September, 2006, the amount of other reserve was transferred to the accumulated profits.
- (ii) Special reserve of the Group represents the difference between the nominal value of the share capital of the subsidiaries acquired and the nominal amount of the share capital of the Company issued as consideration under the group reorganisation in 1994.

附註：

- (i) 本集團其他儲備為根據於二零零三年四月十五日之股本重組削減股本、註銷股份溢價及抵銷虧蝕所得淨額。根據董事於二零零六年九月二十九日通過之決議案，其他儲備金額已轉撥至累計溢利。
- (ii) 本集團特別儲備為本公司根據於一九九四年集團重組所收購附屬公司之股本面值與本公司發行作為代價之股本面值兩者之差額。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

(for the year ended 31st March, 2008) (截至二零零八年三月三十一日止年度)

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
OPERATING ACTIVITIES	經營業務		
(Loss) profit before taxation	除稅前(虧損)溢利	(140,325)	84,156
Adjustments for:	調整項目：		
Finance costs	財務費用	110,546	98,844
Share of results of associates	應佔聯營公司業績	25,047	(40,916)
Allowance for amount due from associate	應收聯營公司款項撥備	-	1
Amortisation of intangible assets	無形資產攤銷	-	225
Bank interest income	銀行利息收入	(10,259)	(33,942)
Interest income on convertible bonds	可換股債券之利息收入	(3,036)	-
Interest on unsecured loan due from an associate	應收一間聯營公司之無抵押貸款之利息	(51,618)	(56,182)
Depreciation of property, plant and equipment	物業、機械及設備折舊	17,569	20,797
Allowance for inventories	存貨撥備	5,106	10,870
Allowance for bad and doubtful debts	呆壞賬撥備	1,801	145
Amortisation of prepaid lease payments of leasehold land	租賃土地預付租賃款項攤銷	2,293	1,984
Amortisation of premium on prepaid lease payments of leasehold land	租賃土地預付租賃款項溢價攤銷	2,914	2,502
Discount on acquisition of subsidiaries	收購附屬公司折讓	-	(4,207)
Dividend income received from an associate	已收一間聯營公司之股息收入	-	(7,452)
Compensation of cancellation of call options for acquisition of additional interest in an associate	就註銷收購一間聯營公司額外權益認購期權之補償	-	(23,370)
Equity-settled share-based payments expense	以股權結算以股份形式付款之開支	8,342	3,296
Impairment losses on prepaid lease payments of leasehold land and premium on prepaid lease payments of leasehold land	租賃土地預付租賃款項及租賃土地預付租賃款項溢價之減值虧損	45,000	-
Loss on disposal of an associate	出售一間聯營公司之虧損	39,486	-
Loss on disposal of property, plant and equipment	出售物業、機械及設備之虧損	127	235
Loss on disposal of subsidiaries	出售附屬公司之虧損	37,644	-
Write-off of intangible assets	撇銷無形資產	-	2,550
Net gain on financial instruments	金融工具之淨收益	(71,772)	(18,217)
Operating cash flows before movements in working capital	未計營運資金變動前之經營業務現金流量	18,865	41,319
Decrease (increase) in other loan receivables	其他應收貸款減少(增加)	31,682	(162,180)
Increase in unsecured loans and interest due from related companies	關連公司之無抵押貸款及應付利息增加	(3,684)	(43,499)
Increase in inventories	存貨增加	(27,652)	(15,178)
(Increase) decrease in properties held for sale	持作銷售物業(增加)減少	(167,242)	213
Increase in properties under development	發展中物業增加	(244,128)	(5,696)
Decrease (increase) in financial assets at fair value through profit or loss	按公平值列賬及計入損益之金融資產減少(增加)	63,717	(39,465)
Increase in debtors, deposits and prepayments	應收賬款、按金及預付款項增加	(43,677)	(15,086)
Increase in amounts due from associates	應收聯營公司款項增加	(2,086)	(69)
Increase in creditors, deposits and accrued charges	應付賬款、按金及應計開支增加	48,562	33,070
Cash used in operations	經營所用現金	(325,643)	(206,571)

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

(for the year ended 31st March, 2008) (截至二零零八年三月三十一日止年度)

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	NOTES 附註	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Hong Kong Profits Tax paid	已繳香港利得稅	(1,568)	(34)
Overseas taxation paid	已繳海外稅項	(203)	(1,930)
Interest paid	已付利息	(22,855)	(9,744)
NET CASH USED IN OPERATING ACTIVITIES	經營業務所耗 現金淨額	(350,269)	(218,279)
INVESTING ACTIVITIES	投資業務		
Proceeds from disposal of available-for-sale investments	出售可供出售投資所得款項	226,428	–
Net proceeds from disposal of associates	出售聯營公司所得款項淨額	136,607	–
Proceeds from disposal of convertible bonds	出售可換股債券所得款項	44,975	–
Proceeds from disposal of property, plant and equipment	出售物業、機械及設備所得款項	188	135
Refundable earnest money received	已收可予退還誠意金	–	140,000
Interest received	已收利息	9,331	19,630
Advance to associates	墊款予聯營公司	(81,409)	(954,424)
Purchase of available-for-sale investments	收購可供出售投資	(63,258)	(126,555)
Purchase of property, plant and equipment	購入物業、機械及設備	(39,151)	(44,019)
Refundable earnest money paid	已付可予退還誠意金	(25,600)	(352,075)
Increase in pledged bank deposits	已抵押銀行存款增加	(11,035)	(37,783)
Deposit and expenses paid for acquisition of an associate	收購聯營公司已付按金及開支	–	(90,675)
Deposit and expenses paid for acquisition of a land use right	收購土地使用權已付按金及開支	(5,809)	(41,466)
Deposit and expenses paid for acquisition of properties	收購物業已付按金及開支	–	(27,125)
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	收購附屬公司(扣除所收購現金及現金等值項目)	45	–
Disposal of subsidiaries (net of cash and cash equivalents disposed)	出售附屬公司(扣除所出售現金及現金等值項目)	46	(120,315)
Acquisition of associates	收購聯營公司	(45,507)	(4,942)
Development cost incurred	已產生開發成本	–	(219)
NET CASH FROM (USED IN) INVESTING ACTIVITIES	投資業務所得(所耗) 現金淨額	89,450	(1,639,833)

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

(for the year ended 31st March, 2008) (截至二零零八年三月三十一日止年度)

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
FINANCING ACTIVITIES	融資業務		
New bank borrowings raised	新增銀行借貸	5,741,188	37,815
Proceeds from issue of shares	發行股份所得款項	168,000	500,000
Advance from minority shareholders of subsidiaries	附屬公司少數股東之墊款	13,493	507
Net proceeds from issue of convertible notes	發行可換股票據所得款項淨額	-	981,730
Unsecured loan from a related company	一間關連公司之無抵押貸款	-	67
Repayment of bank borrowings	償還銀行借貸	(5,668,618)	(10,939)
Expenses paid in connection with issue of shares	發行股份已付之開支	(5,114)	(12,908)
Repayment of obligations under finance leases	償還融資租賃承擔	(23)	(144)
Repayment of loans from minority shareholders of subsidiaries	償還附屬公司少數股東之貸款	-	(30,386)
Repayment of unsecured other borrowings	償還其他無抵押借貸	-	(36,565)
Share repurchase and cancellation	購回及註銷股份	-	(20,093)
Repayment of unsecured loan from a director	償還一名董事之無抵押貸款	-	(3,998)
NET CASH FROM FINANCING ACTIVITIES	融資業務所得現金淨額	248,926	1,405,086
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目減少淨額	(11,893)	(453,026)
CASH AND CASH EQUIVALENTS AT 1ST APRIL	於四月一日之現金及現金等值項目	254,622	705,480
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯變動之影響	309	2,168
CASH AND CASH EQUIVALENTS AT 31ST MARCH, representing bank balances and cash	於三月三十一日之現金及現金等值項目指銀行結餘及現金	243,038	254,622

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綜合財務報表附註

(for the year ended 31st March, 2008) (截至二零零八年三月三十一日止年度)

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1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office of the Company is Clarendon House, Church Street, Hamilton HM11, Bermuda and the principal place of business of the Company is Unit 3102, 31/F., Bank of America Tower, 12 Harcourt Road, Central, Hong Kong.

The consolidated financial statements are prepared in Hong Kong dollars, which is the same as the functional currency of the Company.

The Company is an investment holding company. The principal activities of the Group are property development and investment in Macau, the People’s Republic of China (the “PRC”) and Hong Kong, development and operation of golf resort and hotel in the PRC, securities investment and loan financing services. During the year, the Group discontinued trading of motorcycles and manufacturing and trading of medicine and health products, details of which are set out in note 12. The activities of its principal subsidiaries are set out in note 55.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, the following new standard, amendment and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are effective for the Group’s financial year beginning 1st April, 2007.

HKAS 1 (Amendment)	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
HK(IFRIC)-Int 11	HKFRS 2 – Group and Treasury Share Transactions

1. 一般資料

本公司為於百慕達註冊成立之獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊辦事處地址為Clarendon House, Church Street, Hamilton HM 11, Bermuda，而本公司主要營業地點位於香港中環夏慤道12號美國銀行中心31樓3102室。

綜合財務報表乃以本公司功能貨幣港幣編製。

本公司為投資控股公司。本集團之主要業務為於澳門、中華人民共和國（「中國」）及香港從事物業發展及投資、於中國發展及經營高爾夫球度假村及酒店、證券投資及貸款融資服務。年內，本集團結束買賣摩托車及製造及買賣醫藥及健康產品，詳情載於附註12。其主要附屬公司之業務載於附註55。

2. 應用新訂及經修訂香港財務報告準則

於本年度，本集團首次應用多項由香港會計師公會（「香港會計師公會」）頒佈並於二零零七年四月一日開始之本集團之財政年度生效之若干新準則、修訂及詮釋（「新香港財務報告準則」）。

香港會計準則第1號(經修訂)	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	應用香港會計準則第29號惡性通貨膨脹經濟體中之財務報告重列法
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	重估嵌入式衍生工具
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
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

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

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.

The Group has not early applied the following new or revised standards, amendments or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ²
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ¹
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combinations ²
HKFRS 8	Operating Segments ¹
HK(IFRIC)-Int 12	Service Concession Arrangements ³
HK(IFRIC)-Int 13	Customer Loyalty Programmes ⁴
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ³

¹ Effective for annual periods beginning on or after 1st January, 2009

² Effective for annual periods beginning on or after 1st July, 2009

³ Effective for annual periods beginning on or after 1st January, 2008

⁴ Effective for annual periods beginning on or after 1st July, 2008

2. 應用新訂及經修訂香港財務報告準則 (續)

本集團已分別追溯採納香港會計準則第1號(修訂本)及香港財務報告準則第7號項下的披露規定。根據香港會計準則第32號之規定於過往年度呈列的若干資料已被移除，基於香港會計準則第1號(修訂本)及香港財務報告準則第7號規定的有關比較資料已於本年度首次呈列。

本集團並未提早應用以下已頒佈但尚未生效之新準則、修訂或詮釋。

香港會計準則第1號 (經修訂)	呈列財務報表 ¹
香港會計準則第23號 (經修訂)	借貸成本 ¹
香港會計準則第27號 (經修訂)	綜合及獨立財務報表 ²
香港會計準則第32號 及第1號(修訂本)	可予沽出之金融工具 及因清盤而 產生之責任 ¹
香港財務報告準則 第2號(修訂本)	歸屬條件及註銷 ¹
香港財務報告準則 第3號(經修訂)	業務合併 ²
香港財務報告準則 第8號	經營分部 ¹
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 ³
香港(國際財務報告 詮釋委員會)－ 詮釋第13號	客戶忠誠計劃 ⁴
香港(國際財務報告 詮釋委員會)－ 詮釋第14號	香港會計準則 第19號－定額利益 資產之限額、 最低資本規定及 相互之間之關係 ³

¹ 於二零零九年一月一日或之後開始之年度期間生效

² 於二零零九年七月一日或之後開始之年度期間生效

³ 於二零零八年一月一日或之後開始之年度期間生效

⁴ 於二零零八年七月一日或之後開始之年度期間生效

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July, 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The directors of the Company anticipate that the application of other new or revised standards, amendments or interpretations will have no material effect on how the results and the financial position of the Group are prepared and presented.

3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

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

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority 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.

2. 應用新訂及經修訂香港財務報告準則 (續)

若收購日期為二零零九年七月一日或之後開始的首個年度報告期間開始之時或其後，則採納香港財務報告準則第3號(經修訂)可能影響有關業務合併之會計處理。若母公司於附屬公司之擁有權變動並無導致失去控制權，則香港會計準則第27號(經修訂)將影響有關擁有權變動之會計處理並將之以股權交易入賬。本公司董事預期，應用其他新訂及經修訂準則、修訂或詮釋不會對本集團的業績及財務狀況構成重大影響。

3. 主要會計政策

除如下文所載會計政策所述若干金融工具按公平值計量外，綜合財務報表乃根據歷史成本法編製。

綜合財務報表乃按香港會計師公會頒佈之香港財務報告準則而編製。此外，綜合財務報表包括聯交所證券上市規則及香港《公司條例》規定之適當披露。

綜合基準

綜合財務報表合併本公司及本公司控制實體(其附屬公司)之財務報表。當本公司擁有決定一實體之財務及營運政策之權力，並從而透過其活動取得利益時即被視為取得控制權。

於年內收購或出售之附屬公司業績乃自收購生效日期起或直至出售生效日期止(視情況而定)計入綜合損益表。

倘有需要時將對附屬公司之財務報表作出調整，藉此令其會計政策與本集團其他成員公司所採用者相符。

集團內公司間之所有交易、結餘及收支均已於綜合賬目時對銷。

少數股東於綜合附屬公司資產淨值之權益與本集團於當中之權益分開呈列。少數股東於資產淨值之權益包括於原本業務合併日期之權益及少數股東自合併日期後應佔權益變動。少數股東應佔虧損超出少數股東於該附屬公司股本權益之差額乃分配至本集團權益，惟倘少數股東具有約束力責任及能夠作出額外投資彌償有關虧損則除外。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Business combinations

The acquisition of businesses is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 "Business Combinations" are recognised at their fair values at the acquisition date.

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

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

Interests in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

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

Goodwill arising on acquisitions on or after 1st January, 2005

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

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

3. 主要會計政策(續)

業務合併

收購附屬公司乃以採購法入賬。收購成本以於交易日期本集團為交換被收購方之控制權所給予資產、所產生或承擔債項及所發行之股本工具之公平價值之總和加上任何直接因業務合併產生之成本計量。符合香港財務報告準則第3號「業務合併」之確認條件之被收購方之可識別資產、負債及或然負債於收購日期以其公平值確認。

收購產生之商譽確認為資產及最初以成本計量，即業務合併成本超出本集團於已確認可識別資產、負債及或然負債之公平淨值之權益。倘於重估後，本集團於被收購方之可識別資產、負債及或然負債之公平淨值之權益超出業務合併之成本，則超出金額即時確認為損益。

於被收購方之少數股東權益最初以少數股東所佔已確認可識別資產、負債及或然負債之公平淨值比例計量。

於聯營公司之權益

聯營公司為投資者具有重大影響而並非附屬公司或於合營企業之權益之實體。

聯營公司之業績及資產與負債以權益會計法計入此等綜合財務報表內。根據權益法，於聯營公司之投資乃按成本(並就本集團於收購後應佔聯營公司資產淨值扣除任何減值虧損作出調整)減任何已識別減值虧損計入綜合資產負債表。當本集團應佔聯營公司虧損相當於或超出其於該聯營公司之權益(包括任何本質上組成本集團於該聯營公司投資淨額部分之長期權益)時，本集團終止確認其應佔進一步虧損。本集團會就應佔額外虧損提供撥備，並僅就本集團代表該聯營公司所產生法定或推定責任或所作付款確認負債。

於二零零五年一月一日或之後收購產生之商譽

任何收購成本超出本集團應佔於收購日期確認之聯營公司可識別資產、負債及或然負債之公平淨值之金額確認為商譽。商譽計入投資之賬面值及作為投資一部份評估減值。

當集團實體與本集團聯營公司進行交易時，損益會與本集團於有關聯營公司之權益對銷。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Joint ventures

Jointly controlled operations

When a group entity undertakes its activities under joint venture arrangements directly, constituted as jointly controlled operations, the assets and liabilities arising from those jointly controlled operations are recognised in the balance sheet of the relevant company on an accrual basis and classified according to the nature of the item. The Group's share of the income from jointly controlled operations, together with the expenses that it incurs are included in the consolidated income statement when it is probable that the economic benefits associated with the transactions will flow to/from the Group.

Revenue recognition

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

Sales of goods are recognised when goods are delivered and title has passed.

Revenue in relation to hotel and golf club operations are recognised when the services are provided.

Golf club annual subscription fees are recognised on a straight-line basis over the subscription period of one year.

Golf club membership transfer fees are recognised upon approval of the transfer by the management committee of the golf operations.

Building management fee income is recognised over the relevant period in which the services are rendered.

Sales of securities investments are recognised when the related brought and sold notes are executed.

Sale of properties is recognised on the execution of a binding sales agreement.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3. 主要會計政策(續)

合資公司

共同控制業務

倘集團實體根據合營企業安排直接經營業務，則構成共同控制業務，而該等共同控制業務產生之資產及負債乃按累計基準於有關公司之資產負債表中確認，並根據該項目之性質分類。本集團應佔共同控制業務之收入，連同所產生之開支，於交易涉及之經濟效益將可能會流入／流出本集團時計入綜合收益表。

收益確認

收益乃按已收或應收代價之公平值計量，代表就於日常業務過程中提供之產品及服務應收及扣除貼現及銷售相關稅項之金額。

銷售貨物於貨物交付及擁有權轉讓時確認。

經營酒店及高爾夫球會之收益於提供服務時確認。

高爾夫球會會費於相關會員年內以直線法確認。

高爾夫球會轉會費於高爾夫球業務之管理委員會批准轉會時確認。

樓宇管理費收入於提供服務之相關期間確認。

銷售證券投資於完成有關買入及賣出票據時確認。

銷售物業之收入於簽訂具約束力銷售協議時確認。

金融資產之利息收入乃根據尚餘本金及適用實際利率按時間基準計量，實際利率乃將金融資產於預計年內估計日後現金收入貼現至資產賬面淨值之比率。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue recognition (Cont'd)

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

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

Property, plant and equipment

Property, plant and equipment, including building, held for use or supply of goods or services, or for administrative purposes (other than construction in progress) are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment other than construction in progress, over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

Construction in progress represents property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

Prepaid lease payments of leasehold land

Prepaid lease payments of leasehold land, which represent up-front payments to acquire leasehold land interest, are stated at cost and released to profit or loss over the period of the lease on a straight-line basis.

3. 主要會計政策(續)

收益確認(續)

按營業租賃出租之物業所得租金收入，包括預先收取之租金，按有關租期以直線法確認。

投資之股息收入在本集團收取款項之權利確立時確認。

物業、機械及設備

物業、機械及設備包括持有用於生產或提供貨物或服務、或用於行政用途之樓宇(除在建工程外)以成本減其後累計折舊及累計減值虧損列賬。

物業、機械及設備(除在建工程外)之折舊乃根據估計可用年期，並考慮到其估計剩餘價值後以直線法將其成本撇銷計算。

在建工程包括物業、機械及設備，在工程分類上被定為用作生產或自用。在建工程以成本扣除已確認減值虧損列賬。當工程完成或準備自用時，在建工程須合適地分類為物業、機械及設備。當該資產可作既定用途時，其折舊開始計算並與其他物業資產折舊計算方法相同。

以融資租賃持有之資產按預計可使用年期按根據自置資產相同之基準或有關租期(以較短者為準)折舊。

物業、機械及設備項目於出售或當預期持續使用該資產將不會產生未來經濟利益時終止確認。終止確認該資產時所產生任何盈虧(以出售所得款項淨額與該項目賬面值間之差額計算)將計入終止確認該項目年度之綜合損益表內。

租賃土地預付租賃款項

預付租賃款項指購入租賃土地權益之預付款項，乃按成本列賬，並於租約期間在損益內按直線法攤銷。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Premium on prepaid lease payments of leasehold land

Premium on prepaid lease payments of leasehold land represents premium on acquisition of prepaid lease payments of land use rights as a result of acquisition of subsidiaries, which are stated at cost and released to profit or loss on the same basis as the related land use rights.

Intangible assets

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. The resultant asset is subsequently amortised on a straight-line basis over its useful life, and carried at cost less subsequent accumulated amortisation and any accumulated impairment losses.

Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Inventories

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

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Net realisable value is determined by reference to professional valuations or directors' estimates based on prevailing market conditions.

Properties under development

Properties under development for future sale in the ordinary course of business are stated at the lower of cost and net realisable value. It comprises the costs of land use right and development expenditure directly attributable to the development of the properties.

3. 主要會計政策(續)

租賃土地預付租賃款項之溢價

租賃土地預付租賃款項之溢價指因收購附屬公司而收購土地使用權預付租賃款項之溢價，乃按成本列賬，並按與相關土地使用權相同之基準在損益內攤銷。

無形資產

研究及開發費用

研究費用於產生期間確認為開支。

開發費用所產生內部形成無形資產，於預期已確定項目所產生開發成本，將可透過日後商業活動收回時方予確認。初步確認內部形成無形資產之金額為無形資產首次達到確認條件之日起產生之開支總和。所產生資產於可用年期，按直線法攤銷，並按成本減其後累計攤銷及任何累計減值虧損列賬。

倘並無內部形成無形資產可予確認，開發費用於產生期間計入損益。

存貨

酒店存貨及其他存貨乃按成本及可變現淨值之較低者入賬。成本以加權平均法計算。

待售物業

待售物業按成本及可變現淨值之較低者入賬。可變現淨值乃參考專業估值或董事按照現行市況估計釐定。

發展中物業

在日常業務過程中用作日後銷售用途之發展中物業按成本及可變現淨值之較低者計入流動資產。有關金額包括土地使用權成本及發展有關物業直接應佔之發展開支成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Borrowing costs

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into financial assets at fair value through profit or loss ("FVTPL"), loans and receivables or available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Financial assets at fair value through profit or loss

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

3. 主要會計政策(續)

借貸成本

購買、建造或生產符合資格之資產之直接應佔借貸成本均將予以資本化，以作為該等資產之成本之一部分。當該等資產大致上可作其擬定用途或作出售時，有關借貸成本不再資本化。指定借貸用於合資格資產支出前之暫時投資所賺取之投資收入，乃於合資格資本化之借貸成本扣減。

所有其他借貸成本將在其產生期間在損益內確認為費用。

金融工具

倘集團實體成為工具合約條文之訂約方，則於資產負債表中確認金融資產及金融負債。金融資產及金融負債初步按公平值計算。因收購或發行金融資產及金融負債(按公平值列賬及計入損益之金融資產及金融負債除外)而直接產生之交易成本，於初步確認時加入金融資產或金融負債(按適用情況)之公平值或自金融資產或金融負債(按適用情況)之公平值扣除。因收購按公平值列賬及計入損益之金融資產或金融負債而直接產生之交易成本即時於損益確認。

金融資產

本集團之金融資產歸入下列四個類別其中一類：按公平值列賬及計入損益之金融資產、貸款及應收款項及可供出售金融資產。所有金融資產之一般買賣按交易日確認及終止確認。一般買賣指須根據市場規則或慣例訂定之時間內交付資產之金融資產買賣。

按公平值列賬及計入損益之金融資產

按公平值列賬及計入損益之金融資產有兩個次類別，包括持作買賣之金融資產和在初始確認時指定按公平值列值及計入損益之金融資產。

金融資產分類為持作買賣，若：

- 購進之主要目的是於短期內將之變賣；或
- 其為由本集團共同管理之已識別金融工具組合之其中一部分，並於近期有實際之短期獲利特點；或
- 其為一種並不能作為指定及有效對沖工具之衍生工具。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Financial assets at fair value through profit or loss (Cont'd)

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including debtors, other loan receivables, amounts due from associates, unsecured loans and interest due from related companies/associates, pledged bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments.

At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss (see accounting policy on impairment loss on financial assets below).

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

按公平值列賬及計入損益之金融資產(續)
倘出現下列情況，則持作買賣之金融資產以外之金融資產，可於初始確認時被劃分為按公平值列賬及計入損益：

- 有關劃分撤銷或大幅減低計量或確認可能出現不一致之情況；或
- 金融資產組成金融資產或金融負債各組合或兩者之部分，並根據本集團既定風險管理或投資策略，按公平值基準管理及評估其表現，而分類資料則按該基準由內部提供；或
- 金融資產組成包含一種或以上嵌入式衍生工具之合約其中部分，而香港會計準則第39號允許將整份合併合約(資產或負債)劃分為按公平值及計入損益之金融資產。

於初始確認後之各結算日，按公平值列賬及計入損益之金融資產以公平值計量，公平值變動在出現期間直接在損益確認。於損益表中確認之益淨額包括該金融資產所賺取之所有股息及利息。

貸款及應收款項

貸款及應收款項乃並無於活躍市場報價之固定或待定金額付款之非衍生金融資產。於初步確認後各結算日，貸款及應收款項(包括應收賬款、其他應收款項、應收聯營公司款項、應收關連公司、聯營公司無抵押貸款及利息、已抵押銀行存款以及銀行結餘及現金)均以實際利息法，按攤銷成本減任何已識別減值虧損入賬。(請參閱下文有關金融資產減值虧損之會計政策)

可供出售金融資產

可供出售金融資產乃指定或並未分類為按公平值列賬及計入損益之金融資產、貸款及應收款項或持有至到期日之投資之非衍生工具。

於初始確認後之每個結算日，可供出售金融資產按公平值計算。公平值之變動於權益中確認，直至該金融資產被出售或決定出現減值，屆時過往於權益中確認之累計收益或虧損會自權益中剔除，並於損益賬確認。(請參閱下文有關金融資產減值虧損之會計政策)

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Debt portion of convertible bonds

Convertible bonds held by the Group are separately recognised as a debt portion and derivatives embedded in convertible bonds. On initial recognition, the debt portion of the convertible bond and the embedded derivatives are recognised separately at fair value. The debt portion is subsequently measured at amortised cost according to the effective interest method.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss. In all other circumstances, derivatives embedded are not separated and are accounted for together with the host contracts in accordance with appropriate standards.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at FVTPL, of which interest income is included in net gains or losses.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

可換股債券之負債部份

本集團所持有之可換股債券乃按負債部份及可換股債券內含之衍生工具分開確認。於初始確認時，可換股債券的負債部份及內含衍生工具各自以公平值分開確認。於其後期間，負債部份以實際利息法按攤銷成本計量。

衍生金融工具

衍生工具最初於衍生工具合約簽訂當日按公平值確認，並且之後於各結算日按照公平值重新計算。由此產生的損益立即於損益賬確認。

內含衍生工具

當內含衍生工具之經濟特質及風險與主合同之經濟特質及風險並無密切關係，及主合同並非按公平值以公平值變動計入損益時，非衍生主合同內含之衍生工具乃自有關主合同分開，並被視作獨立衍生工具。在所有其他情況下，附帶內含衍生工具不會分開處理，並根據適用準則與主合同一併處理。

實際利息法

實際利息法乃計算金融資產之攤銷成本以及分配相關期間之利息收入之方法。實際利率乃按金融資產之預計年期或適用的較短期間內準確貼現估計未來收取之現金(包括構成實際利率一部份之所有已付或已收之費用及利率差價、交易成本及其他溢價或折讓)之利率。

債務工具(按公平值列賬及計入損益之金融資產除外)利息收入按實際利息基準確認，而按公平值列賬及計入損益之金融資產之利息收入則計入收益或虧損淨額。

金融資產減值

金融資產(按公平值列賬及計入損益之金融資產除外)於每個結算日評估是否有減值跡象。倘有客觀證據證明初步確認金融資產後發生之一項或多項事件令金融資產之估計未來現金流量受到影響，則金融資產屬已減值。

就可供出售股本投資而言，其公平值嚴重或持續低於其成本被視為其減值之客觀證據。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Impairment of financial assets (Cont'd)

For all other financial assets, objective evidence of impairment could include:

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

For certain categories of financial asset, such as debtors and other loan receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days and the repayment date of loan receivables respectively, and observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of debtors and other loan receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a debtor or a loan receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 主要會計政策(續)

金融工具(續)

金融資產減值(續)

就所有其他金融資產而言，減值之客觀證據可能包括：

- 發行人或對手方存在嚴重財政困難；或
- 拒付或拖欠支付利息或本金；或
- 借款人有可能破產或進行財務重組。

應收賬款及其他應收貸款等被評估為非個別減值之若干金融資產類別，其後按整體基準進行減值評估。應收賬款組合之客觀減值證據可包括本集團之過往收款經驗、組合內延遲還款至超逾60日平均信貸期或應收貸款之償還日期之次數增加，以及與應收賬款逾期有關之全國或地方經濟狀況明顯改變。

就以攤銷成本列值之金融資產而言，倘若存在客觀證據表明資產出現減值，則減值虧損於損益賬內確認，並按資產賬面值與按初始實際利率貼現之估計日後現金流量現值之差額計量。

就所有金融資產而言，金融資產之賬面值直接按減值虧損減少，惟應收賬款及其他應收貸款除外，其賬面值乃透過使用撥備賬目而減少。撥備賬目之賬面值變動於損益賬內確認。倘應收賬款及其他應收貸款被視為無法收回，則與撥備賬目撇銷。其後收回過往撇銷之款項計入損益賬內。

就以攤銷成本列值之金融資產而言，倘若隨後期間減值虧損數額減少，而該減少乃客觀地與減值虧損確認後發生之事項聯繫，則先前確認之減值虧損於損益賬撥回，惟撥回減值當日資產之賬面值不得超過倘若並無確認減值原有之攤銷成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Impairment of financial assets (Cont'd)

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in equity.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Financial liabilities

Financial liabilities including creditors, amounts due to minority shareholders of subsidiaries, dividend payable to a minority shareholder of a subsidiary, bank and other borrowings, unsecured loans from minority shareholders of subsidiaries and unsecured loan from a related company are subsequently measured at amortised cost, using the effective interest method.

Convertible note payables

Convertible note payables issued by the Company that contain both the liability and conversion option components are classified separately into respective items on initial recognition. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

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

In subsequent periods, the liability component of the convertible loan notes is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible loan notes equity reserve until the embedded option is exercised (in which case the balance stated in convertible loan notes equity reserve will be transferred to share premium. Where the option remains unexercised at the expiry date, the balance stated in convertible loan notes equity reserve will be released to the accumulated profits). No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

3. 主要會計政策(續)

金融工具(續)

金融資產減值(續)

可供出售股本投資之減值虧損將不會於隨後期間於損益賬撥回。於減值虧損後錄得之任何公平值增加直接於股本確認。

金融負債及股本

由集團實體發行之金融負債及股本工具按所訂立合約安排之性質以及金融負債及股本工具之定義而分類。

股本工具為證明於本集團資產經扣除其所有負債後剩餘權益之任何合約。

金融負債

金融負債(包括應付賬款、應付附屬公司少數股東款項、應付附屬公司少數股東股息、銀行及其他借貸、附屬公司少數股東之無抵押貸款及一間關連公司之無抵押貸款)其後之計量以實際利息法按攤銷成本計算。

可換股票據應付款項

本公司發行之可換股票據應付款項包括負債及兌換期權部分，乃於初步確認時獨立分類為負債及兌換期權部分。將以交換固定金額之現金或可兌換為本公司固定數目之股本工具之另一種金融資產結算之兌換期權歸類為股本工具。

於初步確認時，負債部分之公平值按同類不可換股債務之現行市場利息釐定。發行可換股貸款票據應付款項所得款項總額與轉往負債部分之公平值間之差額，即代表持有人可將貸款票據兌換為股本之兌換期權，於權益內列賬(可換股貸款票據股本儲備)。

於往後期間，可換股貸款票據之負債部分乃採用實際利息法按攤銷成本列賬。股本部分即兌換負債部分為本公司普通股之期權，將保留於可換股貸款票據股本儲備，直至內含期權獲行使為止。於此情況下，可換股貸款票據股本儲備之結餘將轉撥至股份溢價。倘期權於到期日未獲行使，可換股貸款票據股本儲備之結餘將撥回累計溢利。期權兌換或到期時不會於損益賬確認盈虧。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity (Cont'd)

Convertible note payables (Cont'd)

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible loan notes using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Upon repurchase of the Company's own shares, the respective shares are subsequently called upon repurchase and accordingly, the issued share capital of the Company is diminished by the nominal value thereof. The premium payable on repurchase was charged against the Company's share premium account. An amount equal to the nominal value of the shares repurchased is transferred from accumulated profits to capital redemption reserve.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

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

3. 主要會計政策(續)

金融工具(續)

金融負債及股本(續)

可換股票據應付款項(續)

與發行可換股貸款票據相關之交易成本乃按所得款項之劃分比例分配至負債及股本部分。與股本部分相關之交易成本乃直接計入股本內。與負債部分相關之交易成本乃計入負債部分之賬面值，並按可換股貸款票據之年期採用實際利息法攤銷。

股本工具

本公司所發行股本工具按已收所得款項扣除直接發行成本後列賬。

於購回本公司本身之股份時，有關股份將於購回後予以認購，本公司之已發行股本亦會按相關面值相應作出撇減。進行購回時應付之溢價於本公司之股份溢價賬內扣除。一筆相當於被購回股份面值之數額將由累計溢利轉撥至股本贖回儲備。

實際利息法

實際利息法乃計算金融負債之攤銷成本以及分配相關期間之利息開發之方法。實際利率乃按金融負債之預計年期或適用之較短期間內準確貼現估計未來現金付款之利息。

利息開支按實際利息基準確認。

終止確認

倘自資產收取現金流量之權利已屆滿，或金融資產已轉讓及本集團已將其於金融資產擁有權之絕大部分風險及回報轉移，則終止確認金融資產。於終止確認金融資產時，資產賬面值與已收或應收代價及已直接於權益確認之累計盈虧之總和之差額，將於損益賬確認。

至於金融負債，當於有關合約訂明之特定責任獲履行、取消或屆滿時取消確認。終止確認之金融負債賬面值與已付或應付代價之差額乃於損益賬確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in the consolidated income statement on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

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

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease on a straight-line basis.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value was denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which case, the exchange differences are also recognised directly in equity.

3. 主要會計政策(續)

租賃

融資租賃指租約條款將擁有權之絕大部分風險及回報轉嫁予承租人之租約。所有其他租約均列為營業租賃。

本集團作為出租人

來自營業租賃之租金收入按有關租賃之租期以直線法於綜合損益表確認。商議及安排經營租賃產生之初期直接成本計入有關租賃資產之賬面值內，並按直線法於租期確認為開支。

本集團作為承租人

按融資租賃持有之資產按租約開始時之公平值或最低租賃付款現值之較低者確認為本集團資產。出租人之相應負債於綜合資產負債表列作融資租賃承擔。租約付款按比例於財務費用及租約承擔減少之間作出分配，從而就計算該等負債應付餘額得出固定息率。

營業租賃之應付租金於有關租期按直線法於損益扣除。作為訂立營業租賃之優惠已收及應收利益亦按租期以直線法確認為租金開支減少。

外幣

編製各個別集團實體之財務報表時，以該實體功能貨幣以外貨幣(外幣)進行之交易乃以其功能貨幣(即實體經營之主要經濟環境之貨幣)按交易日期當時之匯率記錄。於各結算日，以外幣列值之貨幣項目以結算當日之匯率重新換算。以外幣列值並按公平值列賬之非貨幣項目以釐定公平值之日當時之匯率重新換算。以外幣過往成本計算之非貨幣項目不予重新換算。

結算貨幣項目及換算貨幣項目所產生匯兌差額會於產生期間於損益確認。重新換算以公平值列賬之非貨幣項目所產生之匯兌差額於期內計入損益，惟重新換算損益直接於權益內確認之非貨幣項目所產生匯兌差額除外，於此情況下，匯兌差額亦直接於權益內確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Foreign currencies (Cont'd)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base 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 differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments 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 profit will be available to allow all or part of the asset to be recovered.

3. 主要會計政策(續)

外幣(續)

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按結算當日匯率換算為本集團之呈列貨幣(即港幣)，而收入及開支則按年內平均匯率換算，除非期內匯率出動重大波幅，於此情況下，則將採用交易當日之匯率。所產生匯兌差額(如有)確認為股本之獨立部分(換算儲備)。有關匯兌差額於該項海外業務出售期間在損益確認。

稅項

所得稅開支指現行應繳稅項及遞延稅項之總和。

現行應繳稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益表所報溢利不同，乃由於前者不包括其他年度之應課稅或可扣稅收入或開支，並且不包括毋須課稅或不能扣稅之項目。本集團之現行稅項負債乃按結算日已頒佈或實際頒佈之稅率計算。

遞延稅項指就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之差額確認，按資產負債表負債法列賬。遞延稅項負債一般會就所有應課稅暫時差額確認，而遞延稅項資產乃於可能出現應課稅溢利以抵銷可扣稅之暫時差額時確認。倘暫時差額源自商譽或初步確認不影響應課稅溢利或會計溢利之交易(業務合併除外)其他資產及負債，則不會確認該等資產及負債。

遞延稅項負債乃按於附屬公司及聯營公司之投資所產生應課稅暫時差額確認，惟若本集團可控制撥回暫時差額之時間及暫時差額有可能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各個結算日檢討，並於可能不再有足夠應課稅溢利恢復該項資產全部或部分之情況下調減。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Taxation (Cont'd)

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 to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Retirement benefit costs

Payments to the Mandatory Provident Funds and state-managed retirement benefit schemes are charged as expenses when employees have rendered service entitling them to the contributions.

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to employees and others providing similar services after 1st April, 2005.

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period or is recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share-based payment reserve).

At each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates during the vesting period, if any, is recognised in profit or loss, with a corresponding adjustment to share-based payment reserve.

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

Share options granted to suppliers/consultants

Share options issued in exchange for goods or services are measured at the fair values of the goods or services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of the goods or services received are recognised as expenses immediately. Corresponding adjustment has been made to equity (share options reserve).

3. 主要會計政策(續)

稅項(續)

遞延稅項乃按預期於償還負債或變現資產期間適用之稅率計算。遞延稅項於損益表扣除或計入，惟遞延稅項與直接扣除或計入權益之項目相關者除外，在此情況下，遞延稅項亦於權益中處理。

退休福利成本

本集團於僱員提供服務令其應享供款時將強制性公積金計劃及國家管理退休福利計劃應付供款列為開支。

以股份為基礎支付之交易

以股權結算以股份形式付款之交易

於二零零五年四月一日後授予僱員及其他提供同類服務之人士之購股權。

參考於授出日期已授出購股權之公平值而釐定之所獲取服務之公平值於歸屬期間以直線基準支銷，或倘授出之購股權立即歸屬，則於授出日期悉數支銷，而權益(以股份為基礎支付儲備)亦會相應增加。

於各結算日，本集團修訂其對預期將最終歸屬之購股權數目之估計。估計變動於歸屬期(如有)之影響於損益賬確認，並對以股份為基礎支付儲備作出相應調整。

於購股權獲行使時，過往於以股份為基礎支付儲備確認之金額將轉撥至股份溢價。當購股權於歸屬日後被沒收或於屆滿日期仍未行使，則過往於以股份為基礎支付儲備確認之金額將轉撥至累計溢利。

授予供應商/顧問之購股權

就交換貨品或服務發行之購股權按所獲取貨品或服務之公平值計量，除非公平值未能可靠估算，則參考授出之購股權之公平值估計獲取貨品或服務之公平值。所獲取貨品或服務之公平值即時確認為開支，權益(購股權儲備)已作出相應調整。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. 主要會計政策(續)

有形及無形資產減值虧損(商譽除外)

(請參閱上文之有關商譽會計政策)
於各結算日，本集團檢討其有形及無形資產之賬面值，以確定有否跡象顯示該等資產出現減值虧損。倘某項資產之可收回金額估計低於其賬面值，該資產之賬面值將減至其可收回金額。減值虧損即時確認為開支。

倘減值虧損其後撥回，則資產賬面值將增至其經修訂之估計可收回金額，惟該增加之賬面值不得超出過往年度假設並無就資產確認任何減值虧損而釐定之賬面值。減值虧損撥回會即時確認為收入。

4. 估計不確定因素主要來源

於應用本集團之會計政策時，本公司之董事須對未能透過其他來源確定之資產及負債之賬面值作出判斷、估計及假設。所作出之估計及相關假設乃以過往經驗及其他被視為相關之因素為基準。實際業績可能與該等估計有異。

估計及相關假設乃以持續基準被審閱。倘對會計估計之修訂僅影響進行修訂之期間，則於該期間確認，或倘修訂會影響目前及未來期間，則會於目前及未來期間確認。

下列是涉及未來期間的主要假設以及其他在結算日作出估計不確定因素主要來源，這些估計是具有會造成在下一個會計年度對資產以及負債的賬面價值作出重大調整的風險。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Allowance on other loan receivables

The Group performs ongoing credit evaluations of its borrowers and adjust credit limits based on payment history and the borrowers' current credit-worthiness, as determined by the review of their current credit information. The Group continuously monitors collections and payments from its borrowers and maintains an allowance for estimated credit losses based upon the present value of the estimated future cash flows discounted at the original effective interest rate. If the financial conditions of the borrowers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be reprised.

Estimated impairment on properties under development

In determining whether impairment on properties under development is required, the Group takes into consideration the intended use of the properties, the current market environment, the estimated market value of the properties and/or the present value of future cash flow expected to receive. Impairment is recognised based on the higher of present value of estimated future cash flow and estimated market value. If the market environment/circumstances changes significantly, resulting in a decrease in the recoverable amount of these properties interest, impairment loss may be required.

Income taxes

As at 31st March, 2008, no deferred tax asset has been recognised on the tax losses of HK\$517,627,000 due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future.

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes the convertible note payables and borrowings disclosed in notes 39 and 41 respectively, net of cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued share capital, reserves and accumulated profits.

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-back as well as the issue of new debt or the redemption of existing debt.

4. 估計不確定因素主要來源(續)

其他應收貸款撥備

本集團持續評估其借款人之信譽，並按過往付款記錄以及審閱借用人現行信貸資料釐定其現時信譽調整信貸限額。本集團持續監察自借用人收款及付款狀況，並根據以原有實際利率貼現之估計未來現金流量現值就估計信貸虧損作出撥備。倘本集團借用人之財政狀況轉壞以致其之付款能力減弱，則或須作出額外撥備。

發展中物業之估值減值

釐定發展中物業是否需要減值，本集團考慮此等物業之預期用途、最新市場狀況、估計此物業之市值及／或其未來可收現金流量之現值。減值之確認乃根據估計未來現金流量及估計市值兩者之較高者。如市場狀況／情況有重大轉變，而結果令該等物業之可收回款項減少，則須作出額外減值虧損。

所得稅

於二零零八年三月三十一日，由於不能確定未來溢利趨勢，故並未就港幣517,627,000元稅項虧損確認遞延稅項資產。遞延稅項資產能否變現須視乎日後是否有足夠未來溢利或應課稅暫時性差額可供使用。

5. 資本風險管理

管理層管理其資本，以確保本集團之實體將可持續經營，並透過優化債務及權益結餘為股東帶來最大回報。於過往年度，本集團之整體策略維持不變。

本集團之資本結構包括債務，其包括分別於附註39及41披露可換股票據應付款項及借貸、扣除現金及現金等值項目及本公司權益持有人應佔權益，其包括已發行股本、儲備及累計溢利。

本公司董事按半年度基準審閱資本結構。作為此審閱之一環，董事考慮資本成本及與各類別資本相關之風險。本集團將根據董事之意見透過支付股息、發行新股及購回股份以及新增債務或贖回現有債務而平衡其整體資本結構。

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6. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

Financial assets	金融資產
Available-for-sale investments	可供出售投資
Fair value through profit or loss	按公平值列賬並計入損益
Investments held-for-trading	持作買賣投資
Equity-linked notes	股本掛鈎票據
Derivatives embedded	可換股債券附帶之
in convertible bonds	衍生工具
Loans and receivables	貸款及應收款項
(including cash and	(包括現金及
cash equivalents)	現金等值項目)
Financial liabilities	金融負債
Amortised cost	攤銷成本

(b) Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, debtors, other loan receivables, amounts due from associates, unsecured loans and interest due from associates/related companies, pledged bank deposits, bank balances and cash, creditors, convertible note payables, amount due to minority shareholders of subsidiaries and bank and other borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below.

6. 金融工具

(a) 金融工具分類

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
94,570	130,036
11,001	57,089
956	9,636
4,865	-
2,202,185	2,221,123
1,449,792	1,622,011

(b) 財務風險管理目標及政策

本集團主要金融工具包括股本及債券投資、應收賬款、其他應收貸款、應收聯營公司款項、聯營公司／關連公司之無抵押貸款及應付利息、已抵押銀行存款、銀行結餘及現金、應付賬款、可換股票據應付款項、應付附屬公司少數股東款項及銀行及其他借貸。此等金融工具之詳情於相關附註披露。與此等金融工具相關之風險及就減輕此等風險之政策載於下文。

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6. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and polices (Cont'd)

Market risk

(i) Currency risk

Several subsidiaries of the Company have foreign currency bank balances, bank borrowings and available-for-sale investments, which expose the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

United States dollars (USD) 美元

The carrying amounts of the Group's other foreign currency denominated assets at the report date is as follows:

Singapore dollars (SGD) 新加坡元

The Group is mainly exposed to the currency of SGD as the foreign currency risk on USD is not significant as Hong Kong dollars are pegged to USD.

6. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險

(i) 貨幣風險

本集團若干附屬公司有以外幣計值之銀行結餘、銀行借貸及可供出售投資，故本集團須承擔外匯風險。

本集團於呈報日期以外幣列值之貨幣資產及貨幣負債之賬面值如下：

Liabilities 負債		Assets 資產	
2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
1,844	-	31,975	6,827

本集團於呈報日期以外幣列值之貨幣資產及貨幣負債之賬面值如下：

Assets 資產	
2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
75,939	75,970

本集團主要面對新加坡元之外幣風險，由於美元與港幣掛鉤，美元之外幣風險並不顯著。

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6. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risk (Cont'd)

(i) Currency risk (Cont'd)

Sensitivity analysis

The following table details the Group's sensitivity to a 7% increase and decrease in Hong Kong dollars against SGD. 7% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes available-for-sale investments which are denominated in SGD, and adjusted their translation at the year ended for a 7% change in foreign currency rates.

The negative number below indicates a decrease in equity where Hong Kong dollars strengthen 7% against the relevant currency. For a 7% weakening of Hong Kong dollars against the relevant currency, there would be an equal and opposite impact on the reserve.

Impact on equity 對權益影響

In management's opinion, the sensitivity analysis is not necessarily representative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

6. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

敏感度分析

下表詳細載列本集團就港元兌新加坡元匯率上升及下降7%的影響。7%是當向高級管理人員作外幣風險內部匯報時採用的設定變動率，代表管理層對外幣匯率可能變動的評估。敏感度分析僅包括以新加坡元計算之可供出售投資，並於期末調整其兌換以反映匯率之7%變動。

下列負數表示港幣兌相關貨幣加強7%，以致權益減少。倘港幣兌相關貨幣出現減弱7%，將會對儲備造成相等及相反之影響。

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
(5,316)	(5,318)

管理層認為，因年末的匯兌風險並不反映年內的匯兌風險，故敏感度分析未必能代表固有的匯兌風險。

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6. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risk (Cont'd)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to unsecured loans from associates, debt portion of convertible bond, other loan receivables, fixed-rate bank deposits, unsecured loan from a related company, convertible note payables and borrowings as set out in notes 24, 25, 29, 34, 38, 39 and 41 respectively.

The Group is also exposed to cash flow interest rate risk in relation to variable-rate other loan receivables, unsecured loans from related companies, unsecured loans from minority shareholders of subsidiaries and bank and other borrowings as set out in notes 29, 33, 37, and 41 respectively.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Prime Rate, HIBOR and prevailing market rate in the PRC arising from the Group's other loan receivables, unsecured loans from minority shareholders of subsidiaries and borrowings denominated in Hong Kong dollars and Renminbi.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the balance sheet date. For variable-rate other loan receivables, unsecured loans from related companies, unsecured loans from minority shareholders of subsidiaries and bank and other borrowings, the analysis is prepared assuming the amount of asset and liability outstanding at the balance sheet date was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

6. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險

本集團就聯營公司之無抵押貸款、可換股債券之負債部分、其他應收貸款、定息銀行存款、應收附屬公司少數股東及一關連公司之款項、應付可換票據及貸款而面對公平值利率風險(該等詳情分別載於附註24、25、29、34、38、39及41)。

本集團就聯營公司之無抵押貸款、可換及一關連公司之無抵押貸款、浮息貸款其他應收款項及銀行借貸而面對現金流量利率風險(該等詳情分別載於附註29、33、37及41)。

本集團因金融負債而面對之利率風險，在本附註的流動資金風險管理一節詳述。本集團之現金流量利率風險，主要集中於港元最優惠利率、香港銀行同業拆息及中國現時市場率之波動，此乃源自本集團之港元及人民幣之其他應收貸款及借貸。

敏感度分析

以下敏感度分析乃根據非衍生金融工具於結算日之利率風險為基準而釐定。就浮息銀行借貸而言，編製該項分析時假設於結算日之未償還資產及負債額於全年內仍未償還。於向內部關鍵管理人員報告及陳述有關利率變動可能性的合理估計時使用100基點的增加或減少。

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6. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risk (Cont'd)

(ii) Interest rate risk (Cont'd)

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 31st March, 2008 would decrease/increase by HK\$1,325,000 (2007: profit for the year increase/decrease by HK\$1,343,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate other loan receivables and bank borrowings.

(iii) Other price risk

The Group is exposed to equity price risk arising from available-for-sale investments, derivatives embedded in convertible bonds, investments held-for-trading and investments in equity-linked notes. Management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on listed equity investments quoted on the Stock Exchange and equity-linked notes quoted by financial institutions. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the reporting date. The effect of equity-linked notes is insignificant.

6. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

倘利率上升/下降100基點，而所有其他變量維持不變，則本集團於截至二零零八年三月三十一日止年度虧損將減少/增加約港幣1,325,000元(二零零七年：年度溢利增加/減少約港幣1,343,000元)。此乃主要由於本集團之浮息貸款其他應收款及銀行借貸面對的利率風險所致。

(iii) 其他價格風險

本集團面對因可供出售投資、可換股債券附帶之衍生工具、持作買賣投資及股本掛鈎票據投資而產生之股本價格風險。管理層通過維持具不同風險特性之投資組合管理該類風險。本集團之股本價格風險主要集中於按香港聯合交易所有限公司報價之上市股本投資及按金融機構報價之股本掛鈎票據。此外，本集團委任一個特別小組監察價格風險並於必要時將考慮對沖風險。

敏感度分析

以下敏感度分析乃根據申報日期的股本價格風險釐定。

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6. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies

(Cont'd)

Market risk (Cont'd)

(iii) Other price risk (Cont'd)

Sensitivity analysis

If the prices of the respective equity instruments had been 10% higher/lower:

- loss for the year ended 31st March, 2008 would decrease/increase by HK\$2,008,000 (2007: profit for the year increase/decrease by HK\$5,505,000) as a result of the changes in fair value of investments held-for-trading, derivatives embedded in convertible bonds; and
- available-for-sale investment reserve would increase/decrease by HK\$9,457,000 (2007: increase/decrease by HK\$13,004,000) as a result of the changes in fair value of available-for-sale investments.

Credit risk

As at 31st March, 2008, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group is arising from:

- the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet; and
- the amount of contingent liabilities in relation to financial guarantee issued by the Group as disclosed in note 47.

In order to minimise the credit risk, management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

6. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

(iii) 其他價格風險(續)

敏感度分析

倘相關股本工具之價格上升/下降10%:

- 由於持作買賣投資公平值、可換股債券附帶之衍生工具及股本掛鈎票據投資變動，截至二零零八年三月三十一日止年度的虧損將減少/增加港幣 2,008,000 元(二零零七年: 年度溢利增加/減少港幣 5,505,000 元); 及
- 由於可供出售投資公平值變動，本集團可供出售投資將增加/減少港幣 9,457,000 元(二零零七年: 增加/減少港幣 13,004,000 元)。

信貸風險

於二零零八年三月三十一日，本集團將導致本集團產生財務損失之最高信貸風險乃由交易對手無法解除責任及本集團無法解除其發行之財務擔保所致，最高風險為:

- 綜合資產負債表內所列金融資產之賬面值; 及
- 附註47所述有關本集團發行之財務擔保之或然負債。

就減低該等信貸風險而言，本集團管理層已委任一支隊伍，專責釐定信貸限額、信貸批核及其他監察程式，以確保採取收回逾期債務之跟進措施。此外，本集團管理層會定期審閱各個別債務之可收回金額，以確保就無法收回債務確認足夠減值虧損。就此，管理層認為本集團之信貸風險已大大減少。

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6. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Credit risk (Cont'd)

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group's concentration of credit risk by geographical locations is mainly in Hong Kong, which accounted for 75% (2007: 73%) of the total debtors as at 31st March, 2008.

The Group does not have any other significant concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, and the unsecured loans and interests due from associates as set in note 24, the debt portion of convertible bonds and derivatives embedded in convertible bonds as set out in note 25, other loan receivables as set out in note 29, debtors as disclosed above and unsecured loans and interest due from related companies as set out in note 33.

Liquid risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As at 31st March, 2008, the Group has available unutilised bank loan facilities of approximately HK\$249,866,000 (2007: HK\$277,261,000), details of which are set out in note 41.

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

6. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險(續)

由於交易方均為國際信貸評級機構評為高信貸評級之銀行，故流動資金之信貸風險有限。

本集團按地區劃分之信貸風險主要集中於香港，佔於二零零八年三月三十一日之債務總額之75% (二零零七年：73%)。

本集團概無就存放於多間具高信貸評級之銀行之流動資金、附註24所載之無抵押貸款及應收聯營公司利息、附註25所載之可換股債券的負債部份及可換股債券所附帶之衍生工具、附註29所載之其他應收貸款、上文所披露之應收賬款及附註33所載之已抵押貸款及應收關連公司利息面對任何其他重大集中信貸風險。

流動資金風險

就管理流動資金風險而言，本集團監察及維持其視為足以為本集團營運提供資金，以及減輕現金流量波動影響之現金及現金等值物水平。管理層監察銀行借貸之動用情況，並確保符合貸款契諾。

本集團依賴銀行借貸作為流動資金之重要來源。於二零零八年三月三十一日，本集團擁有可供使用但未動用財務機構信貸融資約港幣249,866,000元 (二零零七年：港幣277,261,000元)，有關詳情載於附註41。

下表刊載本集團之金融負債餘下合約到期日。就非衍生金融負債而言，下表乃根據本集團須還款最早日期當日之金融負債未貼現現金流量作出。下表已包括利息及本金現金流量。

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6. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and polices

(Cont'd)

Liquidity risk (Cont'd)

Liquidity and interest risk tables

6. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險表

	Weighted average effective interest rate 加權平均 實際利率 %	Less than 3 months 少於三個月 HK\$'000 港幣千元	3 months to 1 year 三個月至 一年 HK\$'000 港幣千元	1-5 years 一至五年 HK\$'000 港幣千元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 港幣千元	Carrying amount at 31.3.2008 於二零零八年 三月三十一日 之賬面值 HK\$'000 港幣千元
2008						
Non-derivative financial liabilities						
Creditors		51,194	-	-	51,194	51,194
Amount due to minority shareholders of subsidiaries		890	-	-	890	890
Obligations under finance leases	9.15	17	51	201	269	222
Bank and other borrowings						
- fixed rate	7.20	598	34,007	-	34,605	33,259
- variable rate	4.05	6,065	77,311	42,112	125,488	120,384
Convertible note payables	0.62	9,171	-	1,560,862	1,570,033	1,243,843
		<u>67,935</u>	<u>111,369</u>	<u>1,603,175</u>	<u>1,782,479</u>	<u>1,449,792</u>
2007						
Non-derivative financial liabilities						
Creditors		123,627	-	-	123,627	123,627
Amount due to minority shareholders of subsidiaries		1,884	-	-	1,884	1,884
Dividend payable to a minority shareholder of a subsidiary		2,354	-	-	2,354	2,354
Unsecured loans from minority shareholders of subsidiaries	4.81	4,515	-	-	4,515	4,515
Unsecured loan from a related company	6.00	1,616	-	-	1,616	1,616
Obligations under finance leases	9.15	7	20	70	97	95
Bank and other borrowings						
- fixed rate	6.98	529	30,549	-	31,078	30,303
- variable rate	6.34	35,276	47,351	8,765	91,392	89,217
Convertible note payables	0.58	10,000	-	1,845,235	1,855,235	1,368,400
		<u>179,808</u>	<u>77,920</u>	<u>1,854,070</u>	<u>2,111,798</u>	<u>1,622,011</u>

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6. FINANCIAL INSTRUMENTS (Cont'd)

(c) Fair value

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

- the fair value of financial assets and financial liabilities (including derivative instruments) with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively;
- the fair value of the equity-linked notes are based on fair values quoted by the respective issuing banks or financial institutions; and
- the fair value of other financial assets and financial liabilities (including derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input. For an option-based derivative, the fair value is estimated using option pricing model (for example, the Black-Scholes Option pricing model).

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

6. 金融工具(續)

(c) 公平值

金融資產及金融負債之公平值乃以下列方式釐定：

- 擁有標準條款及條件且於活躍流動市動中買賣之金融資產及金融負債(包括衍生工具)之公平值乃分別參考其市場所報賣出價及買入價而釐定；
- 股本掛鈎票據之公平值乃根據相應發行票據之銀行或金融機構所呈報公平值而釐定；及
- 其他金融資產及金融負債(包括衍生工具)之公平值乃按以現金流量貼現分析為基準之公認定價模型或採用可觀察現有市場交易之價格而釐定。就以購股權為基準之衍生工具而言，公平價乃根據期權定價模式(柏力克－舒爾斯期權定價模式)估計得出。

董事認為，綜合財務報表內所列金融資產及金融負債以攤銷成本計量之賬面值與其公平值相若。

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7. REVENUE

Revenue represents the aggregate of the net amounts received and receivable from third parties, net of discounts and sales related taxes for the year. An analysis of Group's revenue for the year, for both continuing and discontinued operations, is as follows:

Continuing operations	持續經營業務
Net gain on disposal of investments held-for-trading	出售持作買賣投資之收益淨額
Dividend income from financial instruments	金融工具之股息收入
Sales of properties	銷售物業
Rental income	租金收入
Hotel operations	經營酒店
Golf club subscription fees and handling fees	高爾夫球會會費及手續費
Green fees, practice balls and car rental income	草坪費、練習球及汽車租金收入
Food and beverage sales	銷售食物及飲料
Pro shop sales	專賣店銷售
Property management fee income	物業管理費用收入
Loan interest income	貸款利息收入
Discontinued operations	非持續經營業務
Sales of motorcycles	銷售摩托車
Sales of medicine and health products	銷售醫藥及健康產品

In the current year, revenue includes net gain on disposal of investments held-for-trading and excludes imputed interest on unsecured loan due from an associate, which are included in other income. In prior years, revenue included gross proceeds from disposal of investments held-for-trading of HK\$328,693,000 for 2007 and interest on unsecured loan due from an associate of HK\$56,182,000 for 2007. Comparative figures are restated to conform with current year presentation.

7. 收益

收益指年內來自第三方扣除貼現及銷售相關稅項後已收及應收淨額之總和。年內本集團之收益(包括持續經營業務及非持續經營業務)之分析如下：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
4,610	10,406
1,131	462
76,619	1,162
3,270	2,658
18,852	11,820
8,174	7,457
19,895	23,717
12,698	7,663
3,198	1,727
1,708	1,414
31,789	24,903
181,944	93,389
17,567	13,125
115,741	400,638
133,308	413,763
315,252	507,152

本年度，收入包括出售持作買賣投資的收益淨額，但不包括一間聯營公司的無抵押貸款的折現利息，其計入其他收入。於過往年度，收入包括二零零七年持作買賣投資所得款項總額港幣328,693,000元及二零零七年一間聯營公司的無抵押貸款的利息港幣56,182,000元。比較數字已重列，務求與本年度呈列一致。

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8. NET GAIN ON FINANCIAL INSTRUMENTS

8. 金融工具之收益淨額

		Continuing operations 持續經營業務	
		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Gain on disposal of available-for-sale investments	出售可供出售投資之收益	60,752	-
Gain on disposal of investments held-for-trading	出售持作買賣投資之收益	4,610	10,406
Loss on disposal of convertible bonds	出售可換股債券之虧損	(2,373)	-
Increase (decrease) in fair values of:	下列各項之公平值增加(減少)：		
- investments held-for-trading	- 持作買賣投資	9,608	17,549
- equity-linked notes	- 股本掛鈎票據	710	206
- derivatives embedded in convertible bonds	- 可換股債券內含之衍生工具	1,944	-
Dividend income on available for sales investments	可供出售投資之股息收入	426	462
Dividend income on investments held-for-trading	持作買賣投資之股息收入	705	-
		76,382	28,623

9. OTHER INCOME

9. 其他收入

		Continuing operations 持續經營業務		Discontinued operations 非持續經營業務		Consolidated 綜合	
		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Bank interest income	銀行利息收入	10,168	33,601	91	341	10,259	33,942
Dividend income from an associate (Note)	來自一間聯營公司之股息收入(附註)	-	7,452	-	-	-	7,452
Discount on acquisition of subsidiaries	收購附屬公司折讓	-	4,207	-	-	-	4,207
Exchange gain, net	匯兌收益	2,732	2,773	-	-	2,732	2,773
Interest income on convertible bonds	可換股債券之利息收入	3,036	-	-	-	3,036	-
Interest on unsecured loan due from an associate	予聯營公司之無抵押貸款之利息收入	51,618	56,182	-	-	51,618	56,182
Others	其他	5,652	1,401	876	1,673	6,528	3,074
		73,206	105,616	967	2,014	74,173	107,630

Note: The amount represents the excess of dividend income from an associate over the carrying amount of interest in that associate.

附註：有關金額指來自一間聯營公司之股息超出於該聯營公司之權益賬面值之差額。

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10. FINANCE COSTS

10. 財務費用

	Continuing operations		Discontinued operations		Consolidated	
	持續經營業務		非持續經營業務		綜合	
	2008	2007	2008	2007	2008	2007
	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Interest on unsecured loans from:						
Minority shareholders of subsidiaries	734	2,051	-	-	734	2,051
Related companies	94	221	-	-	94	221
A director	-	222	-	-	-	222
Interest on bank and other borrowings wholly repayable within five years	11,416	5,186	613	1,831	12,029	7,017
Interest on obligations under finance leases	8	8	-	4	8	12
Effective interest on convertible note payables	97,681	89,321	-	-	97,681	89,321
	109,933	97,009	613	1,835	110,546	98,844

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11. TAXATION

11. 稅項

	Continuing operations 持續經營業務		Discontinued operations 非持續經營業務		Consolidated 綜合	
	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Current tax:	本年度稅項：					
Hong Kong Profits Tax	1,509	-	-	37	1,509	37
PRC Enterprise Income Tax	833	283	558	14	1,391	297
	2,342	283	558	51	2,900	334
Deferred tax (note 42):	遞延稅項 (附註42)：					
Current year	1,133	3,190	-	-	1,133	3,190
Attributable to a change in tax rate	-	6,531	-	-	-	6,531
	1,133	9,721	-	-	1,133	9,721
	3,475	10,004	558	51	4,033	10,055

Hong Kong Profits Tax is calculated at 17.5% of the estimated assessable profits for both years. The provision for PRC Enterprise Income Tax for all PRC subsidiaries is calculated at a range of 15% to 33% of the estimated assessable profits for the period from 1st April, 2007 to 31st December, 2007 and 25% of the estimated assessable profits for the period from 1st January, 2008 to 31st March, 2008, determined in accordance with the relevant income tax rules and regulations in the PRC.

On 16th March, 2007, the PRC promulgated the Law of the People's Republic of China on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the PRC. On 6th December, 2007, the State Council of the PRC issued Implementation Regulations of the New Law. The New Law and Implementation Regulations will change the tax rate from 33% to 25% for PRC subsidiaries from 1st January, 2008. The deferred tax balance has been adjusted to reflect the tax rates that are expected to apply to the respective periods when the asset is realised or the liability is settled. Details of deferred taxation are set out in note 42.

香港利得稅乃就兩個年度估計應課稅溢利按17.5%稅率計算。所有中國附屬公司之中國企業所得稅撥備均以根據中國相關所得稅規則及法規釐定於二零零七年四月一日至二零零七年十二月三十一日期間之估計應課稅溢利之15%至33%不等，以及於二零零八年一月一日至二零零八年三月三十一日期間之估計應課稅溢利之25%計算。

於二零零七年三月十六日，中國根據中國總理令第63號頒佈中華人民共和國企業所得稅法（「新稅法」）。於二零零七年十二月六日，中國國務院頒佈新稅法實施條例。新稅法及實施法規令本集團於中國成立之附屬公司之稅率由二零零八年一月一日起由33%改為25%。遞延稅項餘額已經調整以反映預期將應用於資產變現或負債償還相關期間之稅率。遞延稅項詳情載於附註42。

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11. TAXATION (Cont'd)

The tax charge for the year can be reconciled to the (loss) profit per the consolidated income statement as follows:

(Loss) profit before taxation:	除稅前(虧損)溢利：
Continuing operations	持續經營業務
Discontinued operations	非持續經營業務
Tax at the Hong Kong Profits	按香港利得稅稅率17.5%
Tax rate at 17.5% (2007: 17.5%)	(二零零七：17.5%)計算之稅項
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響
Tax effect of deductible temporary differences not recognised	未確認可扣稅暫時差額之稅務影響
Utilisation of deductible temporary differences previously not recognised	動用先前未確認之可扣稅暫時差額
Tax effect of share of results of associates	應佔聯營公司業績之稅務影響
Effect of tax exemptions granted to subsidiaries in the PRC	中國附屬公司獲授稅項豁免之影響
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司稅率不同之影響
Effect of change in tax rate	稅率變動之影響
Tax charge for the year	本年度稅項

11. 稅項(續)

本年度稅項支出與綜合損益表所示(虧損)溢利之對賬如下：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
(122,218)	80,697
(18,107)	3,459
(140,325)	84,156
(24,557)	14,727
47,703	20,247
(18,601)	(23,112)
7,768	7,465
(9,887)	(7,654)
4,383	(7,160)
-	(73)
(2,776)	(916)
-	6,531
4,033	10,055

12. DISCONTINUED OPERATIONS

On 27th February, 2007, the Group entered into a sale and purchase agreement to dispose of its entire 100% equity interest in Tung Fong Hung Investment Limited ("TFH") (together with its subsidiaries, the "TFH Group"), which carried out all of the Group's business of manufacturing and trading of medicine and health products, together with an assignment of the outstanding loan owing by TFH amounting to HK\$99,728,000 to the acquirer. The disposal was completed on 31st July, 2007, on which date the control of the TFH Group was passed to the acquirer.

12. 非持續經營業務

於二零零七年二月二十七日，本集團訂立一份銷售及購買協議，出售其於 Tung Fong Hung Investment Limited (「東方紅」)(連同其附屬公司一併稱為「東方紅集團」)之全部股本權益(東方紅原負責本集團的製造及買賣醫藥及健康產品一切業務)，同時將東方紅所欠之港幣99,728,000元未償還貸款撥予收購方。出售事項於二零零七年七月三十一日完成，而本集團對東方紅集團的控制權亦於同日轉至收購方手中。

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12. DISCONTINUED OPERATIONS (Cont'd)

On 31st March, 2008, the Group disposed of its entire interest in King-Tech International Holdings Limited (together with its subsidiary, the "King-Tech Group"), which carried out all of the Group's business of trading of motorcycles to the acquirer. The disposal was completed on 31st March, 2008, on which date the control of the King-Tech Group was passed to the acquirer.

The (loss) profit for the year from the discontinued operations is analysed as follows:

12. 非持續經營業務(續)

於二零零八年三月三十一日，本集團出售其於勁龍國際控股有限公司(連同其附屬公司一併稱為「勁龍集團」)之全部權益(勁龍集團原負責本集團的買賣摩托車業務)予收購方。出售事項於二零零八年三月三十一日完成，而本集團對勁龍集團的控制權亦於同日轉至收購方手中。

年內來自非持續經營業務之(虧損)溢利分析如下：

		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
(Loss) profit for the year from discontinued operations:	來自非持續經營業務之(虧損)溢利：		
Profit from manufacturing and trading of medicine and health products operation	來自製造及買賣醫藥及健康產品業務之溢利	1,266	3,235
(Loss) profit from trading of motorcycles operation	來自買賣摩托車業務之(虧損)溢利	(1,360)	173
		(94)	3,408
Loss on disposal of discontinued operations:	出售非持續經營業務之虧損：		
Loss on disposal of business of manufacturing and trading of medicine and health products	出售製造及買賣醫藥及健康產品業務之虧損	(18,577)	-
Gain on disposal of business of trading of motorcycles	出售買賣摩托車業務之溢利	6	-
		(18,571)	-
		(18,665)	3,408
Attributable to:	下列人士應佔：		
Equity holders of the Company	本公司權益持有人	(18,596)	3,667
Minority interests	少數股東權益	(69)	(259)
		(18,665)	3,408

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12. DISCONTINUED OPERATIONS (Cont'd)

The results of businesses of manufacturing and trading of medicine and health products, and trading of motorcycles for the period from 1st April, 2007 to the respective dates of disposals, which have been included in the consolidated income statement, were as follows:

12. 非持續經營業務(續)

由二零零七年四月一日至各自之出售日期間，製造及買賣醫藥及健康產品業務及買賣摩托車業務(已載於綜合損益表)之業績如下：

		Medicine and health products 醫藥及健康產品		Motorcycles 摩托車		Total 總計	
		1.4.2007 to 31.7.2007 二零零七年 四月一日至 二零零七年 七月 三十一日 HK\$'000 港幣千元	1.4.2006 to 31.3.2007 二零零六年 四月一日至 二零零七年 三月 三十一日 HK\$'000 港幣千元	1.4.2007 to 31.3.2008 二零零七年 四月一日至 二零零八年 三月 三十一日 HK\$'000 港幣千元	1.4.2006 to 31.3.2007 二零零六年 四月一日至 二零零七年 三月 三十一日 HK\$'000 港幣千元	1.4.2007 to 31.3.2008 二零零七年 四月一日至 二零零八年 三月 三十一日 HK\$'000 港幣千元	1.4.2006 to 31.3.2007 二零零六年 四月一日至 二零零七年 三月 三十一日 HK\$'000 港幣千元
Revenue	收益	115,741	400,638	17,567	13,125	133,308	413,763
Cost of sales	銷售成本	(77,496)	(275,961)	(16,518)	(12,347)	(94,014)	(288,308)
Gross profit	毛利	38,245	124,677	1,049	778	39,294	125,455
Net income from loan financing	貸款融資淨收入	-	3,001	-	-	-	3,001
Other income	其他收入	967	2,007	-	7	967	2,014
Distribution and selling expenses	分銷及銷售費用	(25,580)	(85,270)	-	-	(25,580)	(85,270)
Administrative expenses	行政費用	(10,833)	(35,783)	(2,408)	(573)	(13,241)	(36,356)
Other expenses	其他費用	(363)	(3,550)	-	-	(363)	(3,550)
Finance costs	財務開支	(612)	(1,833)	(1)	(2)	(613)	(1,835)
Profit (loss) before taxation	除稅前溢利(虧損)	1,824	3,249	(1,360)	210	464	3,459
Taxation	稅項	(558)	(14)	-	(37)	(558)	(51)
Profit (loss) for the period/year	本期/年間溢利(虧損)	1,266	3,235	(1,360)	173	(94)	3,408

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12. DISCONTINUED OPERATIONS (Cont'd)

The cash flows of the discontinued operations contributed to the Group were as follows:

Net cash from operating activities	經營業務所得之現金淨額
Net cash used in investing activities	投資業務所耗之現金淨額
Net cash from financing activities	融資業務所得之現金淨額

The carrying amounts of the assets and liabilities of the TFH Group and the King-Tech Group at the dates of disposals are disclosed in note 46.

12. 非持續經營業務(續)

本集團非持續經營業務之現金流量如下：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
29,777	19,699
(822)	(4,323)
846	935
29,801	16,311

東方紅集團及勁龍集團於出售日之資產及負債之賬面值載於附註46。

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13. (LOSS) PROFIT FOR THE YEAR

13. 本年度(虧損)溢利

		Continuing operations 持續經營業務		Discontinued operations 非持續經營業務		Consolidated 綜合	
		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
(Loss) profit for the year has been arrived at after charging (crediting):	本年度(虧損)溢利已扣除(計入):						
Auditors' remuneration – current year	核數師酬金 – 本年度	3,391	2,774	262	585	3,653	3,359
– underprovision in previous years	– 過往年度撥備不足	138	305	–	12	138	317
		3,529	3,079	262	597	3,791	3,676
Directors' emoluments (note 14a)	董事酬金(附註14a)	25,212	13,699	–	–	25,212	13,699
Salaries and other benefits	薪金及其他福利	39,754	37,890	16,338	50,058	56,092	87,948
Equity-settled share-based payments expense to employees	以股權結算以股份形式支付僱員之開支	2,498	702	–	–	2,498	702
Retirement benefits scheme contributions, net of forfeited contributions of Nil (2007: HK\$251,000)	退休福利計劃供款扣除已沒收供款零元(二零零七年: 港幣251,000元)	875	890	893	2,825	1,768	3,715
Total staff costs	員工成本總額	68,339	53,181	17,231	52,883	85,570	106,064
Less: Amount capitalised in intangible assets	減: 於無形資產撥充資本之款項	–	–	(17)	(43)	(17)	(43)
		68,339	53,181	17,214	52,840	85,553	106,021
Cost of inventories recognised as an expense	存貨成本確認為開支	55,690	3,203	90,121	288,308	145,811	291,511
Depreciation of property, plant and equipment:	物業、機械及設備折舊:						
– assets owned by the Group	– 本集團自置資產	15,664	10,998	1,879	9,776	17,543	20,774
– assets held under finance leases	– 根據融資租賃持有之資產	24	21	2	2	26	23
Release of prepaid lease payments of leasehold land	租賃土地預付租賃款項攤銷	2,283	1,953	10	31	2,293	1,984
Amortisation of premium on prepaid lease payments of leasehold land	租賃土地預付租賃款項之溢價攤銷	2,914	2,502	–	–	2,914	2,502
Amortisation of intangible assets	無形資產攤銷	–	–	–	225	–	225
Total depreciation and amortisation	折舊及攤銷總額	20,885	15,474	1,891	10,034	22,776	25,508
Allowance for inventories	存貨撥備	–	–	5,106	10,870	5,106	10,870
Research and development costs	研究及開發成本	–	–	–	304	–	304
Loss on disposal of property, plant and equipment	出售物業、機械及設備之虧損	110	71	17	164	127	235
Write-off of intangible assets	撇銷無形資產	–	–	–	2,550	–	2,550
Net exchange (gain) losses	匯兌(收益)虧損淨額	(2,732)	(2,773)	25	6	(2,707)	(2,767)
Allowance for bad and doubtful debts	呆壞賬撥備	1,441	145	360	–	1,801	145
Allowance for amounts due from associates	應收聯營公司款項撥備	–	–	–	1	–	1

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14. DIRECTORS' EMOLUMENTS AND HIGHEST PAID INDIVIDUALS

(a) Directors' emoluments

The emoluments paid or payable to each of the twelve (2007: ten) directors were as follows:

14. 董事酬金及最高薪酬人士

(a) 董事酬金

已付或應付十二名(二零零七年: 十名)董事各自之酬金如下:

			Other emoluments 其他酬金				
	Fees 袍金	Salaries and other benefits 薪金及 其他福利	Discretionary and performance related incentive payments 酌情及與 表現掛鈎 之獎金	Equity-settled share-based payments expense 以股權結算 以股份形式 付款之開支	Contributions to retirement benefits schemes 退休福利 計劃供款	Total emoluments 酬金總額	
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
			(Note) (附註)				
2008	二零零八年						
Cheung Hon Kit	張漢傑	10	2,640	2,500	1,670	12	6,832
Chan Fut Yan	陳佛恩	10	2,400	1,750	978	240	5,378
Wong Kam Cheong, Stanley	黃錦昌	10	2,002	334	406	12	2,764
Cheung Chi Kit	張志傑	10	1,430	500	644	72	2,656
Lai Tsan Tung, David ("Mr. Lai")	賴贊東(「賴先生」)	240	1,695	250	357	12	2,554
Ma Chi Kong, Karl	馬志剛	8	2,516	334	1,072	10	3,940
Ho Hau Chong, Norman	何厚鑾	5	-	-	72	-	77
Lo Lin Shing, Simon	魯連城	5	-	-	36	-	41
Wong Chi Keung, Alvin	王志強	120	-	-	215	-	335
Kwok Ka Lap, Alva	郭嘉立	120	-	-	179	-	299
Qiao Xiaodong	喬小東	19	-	-	-	-	19
Chui Sai Cheong	崔世昌	102	-	-	215	-	317
		659	12,683	5,668	5,844	358	25,212
2007	二零零七年						
Cheung Hon Kit	張漢傑	10	2,640	1,500	1,053	12	5,215
Chan Fut Yan	陳佛恩	10	2,400	1,000	632	240	4,282
Wong Kam Cheong, Stanley	黃錦昌	3	613	200	39	4	859
Cheung Chi Kit	張志傑	6	823	300	80	41	1,250
Mr. Lai	賴先生	150	666	100	-	7	923
Ho Hau Chong, Norman	何厚鑾	10	-	-	316	-	326
Lo Lin Shing, Simon	魯連城	10	-	-	158	-	168
Wong Chi Keung, Alvin	王志強	120	-	-	158	-	278
Kwok Ka Lap, Alva	郭嘉立	120	-	-	-	-	120
Chui Sai Cheong	崔世昌	120	-	-	158	-	278
		559	7,142	3,100	2,594	304	13,699

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14. DIRECTORS' EMOLUMENTS AND HIGHEST PAID INDIVIDUALS (Cont'd)

(a) Directors' emoluments (Cont'd)

Note: The amount included performance related incentive payment which is determined by the performance of the Directors for each of the years ended 31st March, 2008 and 2007.

No directors waived any emoluments during the current and prior years.

(b) Highest paid individuals

Of the five individuals with the highest emoluments in the Group, all (2007: all) were directors of the Company whose emoluments are included in (a) above. During the year ended 31st March, 2007, three of these directors were appointed during the year. Their emoluments of HK\$2,278,000 for the period before their appointment as directors were excluded from the amounts disclosed in (a) above. Their emoluments before their appointment as directors were as follows:

Salaries and other benefits	薪金及其他福利	1,948
Retirement benefits scheme contributions	退休福利計劃供款	29
Equity-settled shared-based payments expense	以股權結算以股份形式付款之開支	301

For the year ended 31st March, 2007, the emoluments of each of the above directors in their role as employees were below HK\$1,000,000.

During both years, no emoluments were paid by the Group to the five highest paid individuals, including directors and employees, as an inducement to join or upon joining the Group or as compensation for loss of office.

14. 董事酬金及最高薪酬人士(續)

(a) 董事酬金(續)

附註: 該金額包括根據董事於截至二零零八年及二零零七年三月三十一日止年度各年之表現釐定之表現掛鈎花紅。

於本年度及過往年度，並無任何董事放棄酬金。

(b) 最高薪酬人士

本集團最高酬金之五名人士中全體(二零零七年:全體)均為本公司董事，彼等之酬金載於上文(a)段。截至二零零七年三月三十一日止年度，於此等董事中三名乃於年內委任。彼等期內獲委任為董事前之酬金港幣2,278,000元並未計入上文(a)段之金額中。彼等於獲委任為董事前之酬金如下:

2007
二零零七年
HK\$'000
港幣千元
1,948
29
301
<u>2,278</u>

截至二零零七年三月三十一日止年度，上述董事各自作為僱員之酬金少於港幣1,000,000元。

於該兩年，本集團並無向五名最高薪酬人士(包括董事及僱員)支付酬金，作為鼓勵加入或加入本集團時之獎勵或作為離職補償。

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15. (LOSS) EARNINGS PER SHARE

(a) From continuing and discontinued operations

The calculation of the basic and diluted (loss) earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

Earnings:

(Loss) profit for the year attributable to equity holders of the Company and (loss) earnings for the purpose of basic (loss) earnings per share

盈利：

本公司權益持有人應佔本年度(虧損)溢利及計算每股基本(虧損)盈利之(虧損)盈利

Effect of dilutive potential ordinary shares – Interest on convertible note payables

潛在攤薄普通股之影響
— 可換股票據應付款項之利息

Earnings for the purpose of diluted earnings per share

計算每股攤薄盈利之盈利

Number of shares:

Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share

股份數目：

計算每股基本(虧損)盈利之普通股加權平均數

Effect of dilutive potential ordinary shares – convertible note payables

潛在攤薄普通股之影響—
可換股票據應付款項

Weighted average number of ordinary shares for the purpose of diluted earnings per share

計算每股攤薄盈利之普通股加權平均數

15. 每股(虧損)盈利

(a) 來自持續經營及非持續經營業務

本公司普通股權益持有人應佔每股基本及攤薄(虧損)盈利乃按照以下數據計算：

	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
	(141,853)	79,091
		<u>89,321</u>
		<u>168,412</u>
	<u>2,938,675,116</u>	2,119,525,127
		<u>2,611,225,804</u>
		<u>4,730,750,931</u>

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15. (LOSS) EARNINGS PER SHARE (Cont'd)

(b) From continuing operations

The calculation of the basic and diluted earnings per share from continuing operations attributable to the ordinary equity holders of the Company is based on the following data:

Earnings figures are calculated as follows:

(Loss) profit for the year attributable to equity holders of the Company	本公司權益持有人應佔本年度(虧損)溢利
Less: (loss) profit for the year from discontinued operations	減：來自非持續經營業務之本年度(虧損)溢利
(Loss) earnings for the purposes of basic (loss) earnings per share from continuing operations	計算來自持續經營業務每股基本(虧損)盈利之(虧損)盈利
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：
Interest on convertible note payables	可換股票據應付款項之利息
Earnings for the purposes of diluted earnings per share from continuing operations	計算來自持續經營業務每股攤薄盈利之盈利

The denominators used are the same as those detailed above for both basic and diluted (loss) earnings per share.

(c) From discontinued operations

Basic loss per share from discontinued operations is 0.6 HK cent per share (2007: earnings per share of 0.1 HK cent per share) and diluted earnings per share for the discontinued operations is 0.1 HK cents per share for the year ended 31st March, 2007, based on the loss for the year from discontinued operations attributable to the equity holders of the Company of HK\$18,596,000 (2007: profit of HK\$3,667,000) and the denominators detailed above for both basic and diluted (loss) earnings per share.

No diluted loss per share was presented for the year ended 31st March, 2008 because assuming the exercise of the share options and the conversion of convertible notes would result in a decrease in the loss per share.

The effect of the outstanding share options of the Company had not been adjusted as the exercise price of the options was higher than the average market price for shares for the year ended 31st March, 2007.

15. 每股(虧損)盈利(續)

(b) 來自持續經營業務

本公司普通股權益持有人應佔來自持續經營業務每股基本及攤薄盈利乃按照以下數據計算：

盈利數字以下列方式計算：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
(141,853)	79,091
(18,596)	3,667
(123,257)	75,424
	89,321
	164,745

所用之分母與上文所述計算兩項每股基本及攤薄(虧損)盈利所用者相同。

(c) 來自非持續經營業務

根據本年度來自非持續經營業務之本公司權益持有人應佔虧損港幣18,596,000元(二零零七年：溢利港幣3,667,000元)及上文所述計算每股基本及攤薄(虧損)盈利所用之分母計算，來自非持續經營業務之每股基本虧損為每股0.6港仙(二零零七年：每股盈利為每股0.1港仙)，以及截至二零零七年三月三十一日止年度來自非持續經營業務之每股攤薄盈利為每股0.1港仙。

由於假設行使購股權及兌換可換股票據會導致每股虧損減少，故截至二零零八年三月三十一日止年度並無呈列每股攤薄虧損。

本公司尚未行使購股權之影響未獲調整，此乃由於購股權之行使價較截至二零零七年三月三十一日止年度之市場平均股價為高。

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、機械及設備

		Buildings 樓宇 HK\$'000 港幣千元	Leasehold improvements 租賃 物業裝修 HK\$'000 港幣千元	Plant and machineries 機械及設備 HK\$'000 港幣千元	Furniture, fixtures and equipment 傢俬、 裝置及設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Construction in progress 在建工程 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
COST	成本							
At 1st April, 2006	於二零零六年 四月一日	5,826	50,043	14,367	4,872	4,296	-	79,404
Exchange adjustments	匯兌調整	6,957	695	1,641	234	323	1,170	11,020
Acquired on acquisition of subsidiaries (note 45)	收購附屬公司時 產生(附註45)	161,325	16	8,867	307	1,543	37,761	209,819
Additions	添置	288	1,920	3,927	1,662	2,193	34,029	44,019
Transfer	轉讓	33,892	-	-	1,245	-	(35,137)	-
Disposals	出售	(34)	(801)	(1,535)	(90)	(1,147)	-	(3,607)
At 31st March, 2007 and 1st April, 2007	於二零零七年 三月三十一日及 二零零七年四月一日	208,254	51,873	27,267	8,230	7,208	37,823	340,655
Exchange adjustments	匯兌調整	18,981	140	1,706	219	217	3,849	25,112
Additions	添置	2,133	400	10,068	2,406	2,938	21,368	39,313
Disposal of subsidiaries (note 46)	出售附屬公司 (附註46)	(129,599)	(51,786)	(28,315)	(6,069)	(3,916)	-	(219,685)
Disposals	出售	-	(438)	(1,096)	(24)	(233)	-	(1,791)
At 31st March, 2008	於二零零八年 三月三十一日	99,769	189	9,630	4,762	6,214	63,040	183,604
DEPRECIATION	折舊							
At 1st April, 2006	於二零零六年四月一日	187	28,652	10,075	1,381	482	-	40,777
Exchange adjustments	匯兌調整	402	224	1,302	193	241	-	2,362
Provided for the year	本年度撥備	8,766	7,439	1,946	1,492	1,154	-	20,797
Eliminated on disposals	出售時對銷	(2)	(673)	(1,450)	(76)	(1,036)	-	(3,237)
At 31st March, 2007 and 1st April, 2007	於二零零七年 三月三十一日及 二零零七年四月一日	9,353	35,642	11,873	2,990	841	-	60,699
Exchange adjustments	匯兌調整	4,706	56	520	88	67	-	5,437
Provided for the year	本年度撥備	11,020	1,114	2,860	1,300	1,275	-	17,569
Eliminated on disposal of subsidiaries	出售附屬公司時 對銷	(22,747)	(36,322)	(13,915)	(3,230)	(954)	-	(77,168)
Eliminated on disposals	出售時對銷	-	(435)	(949)	(22)	(70)	-	(1,476)
At 31st March, 2008	於二零零八年 三月三十一日	2,332	55	389	1,126	1,159	-	5,061
CARRYING VALUES	賬面值							
At 31st March, 2008	於二零零八年 三月三十一日	97,437	134	9,241	3,636	5,055	63,040	178,543
At 31st March, 2007	於二零零七年 三月三十一日	198,901	16,231	15,394	5,240	6,367	37,823	279,956

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16. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

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

Buildings	4% or over the remaining terms of the relevant lease, if shorter
Leasehold improvements	Over the terms of the leases
Plant and machineries	5% – 15%
Furniture, fixtures and equipment	10% – 33 $\frac{1}{3}$ %
Motor vehicles	10% – 20%

The buildings of the Group were situated on land held under medium-term lease in the PRC.

At 31st March, 2008, the carrying values of property, plant and equipment of the Group included an amount of HK\$215,000 (2007: HK\$101,000) in respect of assets held under finance leases.

17. PREPAID LEASE PAYMENTS OF LEASEHOLD LAND

The Group's prepaid lease payments of leasehold land comprise:

Land use rights in the PRC on medium-term lease	於中國根據中期租約持有之土地使用權
Analysed for reporting purposes as:	就申報分析為：
Current asset	流動資產
Non-current asset	非流動資產

During the year, the Group disposed of Guangzhou Panyu Lotus Golf & Country Club Co., Ltd. ("Panyu Golf"), a 65% owned subsidiary of the Company, which held a golf course and a piece of land located at Panyu, Guangdong Province in the PRC as set out in note 46. Prior to the disposal of Panyu Golf, the Group has assessed the recoverable amount of the land by reference to its fair value, and has identified and recognised impairment losses of HK\$30,681,000 (2007: Nil) and HK\$14,319,000 (2007: Nil) in respect of the prepaid lease payments of leasehold land and premium on prepaid lease payments of leasehold land, respectively.

16. 物業、機械及設備(續)

上述物業、機械及設備項目(在建工程除外)以直線法按下列年率折舊：

樓宇	4%或按尚餘之有關租期(取其較短者)
租賃物業裝修	按有關租期
機械及設備	5% – 15%
傢俬、裝置及設備	10% – 33 $\frac{1}{3}$ %
汽車	10% – 20%

本集團之樓宇位於中國根據中期租約持有之土地。

於二零零八年三月三十一日，本集團物業、機械及設備之賬面值包括就按融資租賃持有資產之款項港幣215,000元(二零零七年：港幣101,000元)。

17. 租賃土地預付租賃款項

本集團之租賃土地預付租賃款項包括：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
21,325	99,252
517	2,480
20,808	96,772
21,325	99,252

於年內，本集團出售本公司持有65%權益之附屬公司廣州番禺蓮花山高爾夫球度假俱樂部有限公司(「番禺高爾夫球」)。如附註46所述，該公司持有一個高爾夫球場及一幅位於中國廣東省番禺的土地。於出售番禺高爾夫球前，本集團已參考該土地之公平值以評估其可回收金額，並已就預付租賃土地之租賃付款及預付租賃土地之租賃付款溢價分別鑑定並確認減值虧損為港幣30,681,000元(二零零七年：無)及港幣14,319,000元(二零零七年：無)。

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18. PREMIUM ON PREPAID LEASE PAYMENTS OF LEASEHOLD LAND

The amount represents the premium on acquisition of prepaid lease payments for the rights to use land situated in the PRC on medium-term lease as a result of acquisition of Everight Investment Limited (“Everight”) and its subsidiaries as set out in note 45, which is amortised on the same basis as the related prepaid lease payments of the relevant land use rights.

The movement of premium on prepaid lease payments is set out below:

COST
Acquired on acquisition of subsidiaries and balance at 31st March, 2007

Disposal of subsidiaries

At 31st March, 2008

AMORTISATION AND IMPAIRMENT

Charge for the year and balance at 31st March, 2007

Charge for the year

Impairment loss recognised (note 17)

Eliminated on disposal of subsidiaries

At 31st March, 2008

CARRYING VALUE

At 31st March, 2008

At 31st March, 2007

成本

於收購附屬公司時產生以及於二零零七年三月三十一日之結餘

出售附屬公司

於二零零八年三月三十一日

攤銷及減值

本年度扣除及於二零零七年三月三十一日之結餘

本年度扣除

已確認減值虧損(附註17)

出售附屬公司時對銷

於二零零八年三月三十一日

賬面值

於二零零八年三月三十一日

於二零零七年三月三十一日

HK\$'000
港幣千元

134,029

(14,761)

119,268

2,502

2,914

14,319

(14,761)

4,974

114,294

131,527

19. PROPERTIES UNDER DEVELOPMENT

At cost:

At 1st April

Additions

Disposal of subsidiaries (note 46)

At 31st March

按成本：

於四月一日

添置

出售附屬公司(附註46)

於三月三十一日

Properties under development under current assets at 31st March, 2007 and 2008 were expected to realise after twelve months from the respective balance sheet dates.

19. 發展中物業

2008
二零零八年
HK\$'000
港幣千元

11,296

244,128

(14,571)

240,853

2007
二零零七年
HK\$'000
港幣千元

—

11,296

—

11,296

於二零零七年及二零零八年三月三十一日流動資產下之發展中物業預期自各自之結算日起計十二個月後變現。

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20. INTANGIBLE ASSETS

20. 無形資產

		Development costs 開發成本 HK\$'000 港幣千元
COST	成本	
At 1st April, 2006	於二零零六年四月一日	3,228
Additions	添置	219
Written-off	撇銷	(2,927)
		<hr/>
At 31st March, 2007	於二零零七年三月三十一日	520
Disposal of subsidiaries (note 46)	出售附屬公司(附註46)	(520)
		<hr/>
At 31st March, 2008	於二零零八年三月三十一日	–
		<hr/>
AMORTISATION	攤銷	
At 1st April, 2006	於二零零六年四月一日	242
Provided for the year	本年度撥備	225
Eliminated on written-off	撇銷時對銷	(377)
		<hr/>
At 31st March, 2007	於二零零七年三月三十一日	90
Eliminated on disposal of subsidiaries (note 46)	出售附屬公司時對銷 (附註46)	(90)
		<hr/>
At 31st March, 2008	於二零零八年三月三十一日	–
		<hr/>
CARRYING VALUES	賬面值	
At 31st March, 2008	於二零零八年三月三十一日	–
		<hr/>
At 31st March, 2007	於二零零七年三月三十一日	430
		<hr/>

The development costs were amortised, using the straight-line method, over a period of five years from the date of commencement of commercial operation.

開發成本以直線法按商業營運開始日期起計五年期間攤銷。

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21. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprise: 可供出售投資包括：

Equity securities listed in Hong Kong	於香港上市之股本證券
Equity securities listed elsewhere	於其他地方上市之股本證券

22. INTEREST IN PROPERTIES HELD FOR DEVELOPMENT

The amount represents the Group's interest in a property project involving the development of a parcel of land with a site area of approximately 48,000 sq.m. within the golf resort known as "Guangzhou Lotus Hill Golf Resort" resulting from disposal of its entire 65% interest in Panyu Golf as set out in notes 46 and 52(a). The Group will have the right to share 65% of the residual value of the Development Project as set out in note 52(a).

21. 可供出售投資

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
18,631	54,066
75,939	75,970
94,570	130,036

22. 於持作發展物業之權益

該金額指本集團於一項物業項目之權益，該項目涉及因出售其於番禺高爾夫球全部65%之權益(如附註46及52(a)所載)發展一幅在名為「廣州蓮花山高爾夫球度假村」之高爾夫球度假村內地盤面積約為48,000平方米之土地發展項目，本集團將有權分佔發展項目剩餘價值之65%(如附註52(a)所載)。

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ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

23. INTERESTS IN ASSOCIATES

Cost of investment in associates, unlisted	於聯營公司之投資成本，非上市
Share of post-acquisition (losses) profits, net of dividend received	應佔收購後(虧損)溢利，扣除已收股息

- (i) As at 31st March, 2007, interests in associates included a carrying amount of HK\$5,077,000 which represented 45% equity interest in Orient Town Limited (“Orient Town”). The principal asset of Orient Town is its indirect shareholdings interest in a subsidiary, namely Empresa De Fomento Industrial E Comercial Concórdia, S.A. (“Concordia”), a company incorporated in Macau, which held the leasehold interests of 14 parcels of land (the “Leasehold Interests”) situated in Estrada de Seac Pai Van, Macau. During the year ended 31st March, 2007, the Group obtained and recognised a compensation of HK\$23,370,000 in connection with the reduction of half of the share options held by the Group. As at 31st March, 2007, 35 share options were held by the Group representing 5% shareholding of Orient Town.

On 25th January, 2007, the Group entered into an acquisition agreement with Forever Charm Group Limited (“Forever Charm”) to acquire 8.7% of the registered capital of Concordia (the “Concordia Acquisition”) and a shareholder’s loan and interests accrued thereon due by Concordia to Forever Charm of MOP114,346,000 (equivalent to approximately HK\$111,016,000) at an aggregate consideration of approximately HK\$245,700,000, of which HK\$90,000,000 was paid and included in deposits paid for acquisition of associates at 31st March, 2007. The amount of HK\$90,000,000 has been transferred to interests in associates during the year ended 31st March, 2008 upon the completion of the Concordia Acquisition.

23. 於聯營公司之權益

2008 二零零八年 HK\$’000 港幣千元	2007 二零零七年 HK\$’000 港幣千元
170,626	6,807
(35,123)	87,072
135,503	93,879

- (i) 於二零零七年三月三十一日，於聯營公司之權益包括港幣5,077,000元之賬面值，該金額指於華鎮有限公司(「華鎮」)之45%股權。華鎮之主要資產為於一間附屬公司聯生發展股份有限公司(「聯生」)之間接股權。該公司於澳門註冊成立，其持有位於澳門石排灣馬路14幅土地之租賃權益(「租賃權益」)。截至二零零七年三月三十一日止年度，本集團已就減少本集團所持有之一半購股權而獲得及確認港幣23,370,000元之賠償。於二零零七年三月三十一日，本集團持有35份購股權，佔華鎮5%之股權。

於二零零七年一月二十五日，本集團與永美集團有限公司(「永美」)訂立一項收購協議，以收購聯生已註冊股本8.7%(「聯生發展收購」)，以及聯生結欠永美之股東貸款及應計利息，總額為澳門幣114,346,000元(相等於約港幣111,016,000元)，代價總額約為港幣245,700,000元，其中港幣90,000,000元於二零零七年三月三十一日已支付並計入收購聯營公司之訂金內。該港幣90,000,000元之金額於截至二零零八年三月三十一日止年度已於完成聯生發展收購轉撥至於聯營公司之權益。

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23. INTERESTS IN ASSOCIATES (Cont'd)

(i) (Cont'd)

According to the Macau Gazette published on 31st October, 2007, the Chief Executive of Macau had endorsed, and Concordia had accepted, the offer for the granting of a new land lease concession of the Leasehold Interests in August 2007 at an additional land premium of approximately MOP578.4 million (equivalent to approximately HK\$561.6 million).

The Group will develop the Leasehold Interests with other shareholders of Concordia. The Concordia Acquisition results in an acquisition of additional 8.7% interest in the Leasehold Interests. Accordingly, the value of the cost of acquiring additional interests in Concordia is recognised at the consideration paid for the Concordia Acquisition (including transaction costs) of HK\$136,182,000.

The Concordia Acquisition was completed during the year ended 31st March, 2008. Upon the completion, the Group's effective interest in the registered capital of Concordia increased from 26.8% at 31st March, 2007 to 35.5% at 31st March, 2008 and Concordia remains as an associate of the Group.

- (ii) On 6th October, 2006, the Group entered into a subscription agreement to subscribe for 4,000 new ordinary shares of US\$1 each in More Profit International Limited ("More Profit") for a cash consideration of US\$4,000 (equivalent to approximately HK\$32,000), representing 40% of the issued share capital of More Profit as enlarged by the subscription shares of 5,000 new shares at US\$1 each in More Profit, and to provide a shareholder's loan of HK\$248,000,000 to More Profit. More Profit was an investment holding company incorporated in the British Virgin Islands with limited liability. On the same date, More Profit entered into an acquisition agreement to acquire 50% interest in Great China Company Limited which was a company incorporated in Macau with limited liability and was the owner of a land situated in Su da Marina Taipa-Sul Junto a Rotunda do Dique-Oeste, Macau and a hotel complex erected on the land. The acquisition was completed on 1st February, 2007.

23. 於聯營公司之權益(續)

(i) (續)

根據澳門政府於二零零七年十月三十一日刊登之公報，澳門行政長官已批准以重新批給聯生新租約之形式重續租期之要約，而聯生已於二零零七年八月接納有關要約，額外地價約為澳門幣578,400,000元(相等於約港幣561,600,000元)。

本集團將與聯生其他股東發展租賃權益。聯生發展收購於租賃權益產生收購額外8.7%權益。因此，收購聯生額外權益的成本於支付聯生發展收購(包括交易成本)中之代價港幣136,182,000元中確認。

聯生發展收購於截至二零零八年三月三十一日止年度完成。完成後，本集團於聯生已註冊股本之實益權益由二零零七年三月三十一日之26.8%增至二零零八年三月三十一日之35.5%，而聯生仍為本集團之聯營公司。

- (ii) 於二零零六年十月六日，本集團訂立認購協定，以認購 More Profit International Limited (「More Profit」) 4,000股每股面值美金1元之新普通股，相當於 More Profit 經認購 More Profit 5,000股每股面值美金1元之新股擴大後之已發行股本40%，現金代價為美金4,000元(相等於約港幣32,000元)，以及向 More Profit 提供股東貸款港幣248,000,000元。More Profit 為一間於英屬處女群島註冊成立之投資控股有限公司。同日，More Profit 已訂立收購協議收購大中華有限公司50%權益，該公司為於澳門註冊成立之有限公司，並為澳門一幅位於澳門氹仔南部遊艇碼頭毗鄰西堤圓形地之土地及其上所建酒店之擁有人。收購已於二零零七年二月一日完成。

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23. INTERESTS IN ASSOCIATES (Cont'd)

(ii) (Cont'd)

On 26th June, 2007, the Group disposed of its entire 40% equity interest in More Profit, through disposal of a subsidiary, Dragon Rainbow Limited (“Dragon Rainbow”), together with the shareholder’s loan due from Dragon Rainbow to the Group amounting to HK\$260,412,000, to Get Nice Holdings Limited, a company incorporated in Cayman Islands and listed on the Stock Exchange (“Get Nice”) (the “Disposal”).

The total consideration for the Disposal amounted to HK\$350 million, which was satisfied as to (i) HK\$150 million in cash; (ii) 126,262,626 shares of Get Nice at market price of HK\$0.66 each; and (iii) HK\$100 million 5% convertible bonds due 2010 issued by Get Nice (“Get Nice Bonds”) as set out in note 25.

The Disposal was completed in September 2007, resulting in a loss of the Disposal of approximately HK\$39,486,000 which has been charged to the consolidated income statement during the year. Details of the Disposal were disclosed in the circular of the Company dated 24th August, 2007.

- (iii) On 31st July, 2007, the Group disposed of its entire 50% equity interest in Jean-Bon Pharmaceutical Technology Company Limited through the disposal of TFH as set out in notes 12 and 46.

Included in the cost of interests in associates at 31st March, 2007 was goodwill of HK\$1,701,000 arising on acquisition of associates during the year ended 31st March, 2007. The goodwill was released and included in the determination of loss on disposal of an associate as set out in (ii) above.

23. 於聯營公司之權益(續)

(ii) (續)

於二零零七年六月二十六日，本集團透過出售附屬公司 Dragon Rainbow Limited (「Dragon Rainbow」)，以及 Dragon Rainbow 結欠本集團之股東貸款港幣260,412,000元，向結好控股有限公司(「結好」，一間於開曼群島註冊成立，並於聯交所上市之公司)出售其於 More Profit全部40%之股本權益(「出售」)。

出售總代價為港幣350,000,000元，並以下列方式支付：(i) 現金港幣150,000,000元；(ii) 126,262,626股每股市價港幣0.66元之結好股份；及(iii) 附註25所載結好發行港幣100,000,000元5厘息於二零一零年到期之可換股債券(「結好債券」)。

出售於二零零七年九月完成，產生約港幣39,486,000元之出售虧損，虧損已於年內之綜合損益表內支銷。出售詳情於二零零七年八月二十四日刊發之本公司通函內披露。

- (iii) 於二零零七年七月三十一日，本集團透過出售東方紅出售其於正邦醫藥科技有限公司全部50%股本權益，有關詳情載於附註12及46。

於二零零七年三月三十一日聯營公司之投資成本內包括由於在截至二零零七年三月三十一日止年度收購聯營公司而產生之商譽港幣1,701,000元。商譽已獲解除，並已於上文(ii)所載釐定出售聯營公司之虧損時列賬。

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23. INTERESTS IN ASSOCIATES (Cont'd)

At 31st March, 2008, the Group had interest in the following major associates:

23. 於聯營公司之權益(續)

於二零零八年三月三十一日，本集團於下列主要聯營公司擁有權益：

Name of associate 聯營公司名稱	Form of business structure 業務架構形式	Place of incorporation/ operation 註冊成立/ 經營地點	Class of shares held 所持股份類別	Nominal value of issued and fully paid share capital 已發行及繳足股本面值		Proportion of nominal value of issued share capital indirectly held by the Group 本公司持有之已發行股本面值比例	Principal activity 主要業務
				2008 二零零八年	2007 二零零七年		
Best Profit Holdings Limited 佳富集團有限公司	Incorporated 註冊成立	Hong Kong 香港	Ordinary 普通股	HK\$1,000 港幣1,000元	HK\$1,000 港幣1,000元	31.5	Investment holding 投資控股
Concordia 聯生	Incorporated 註冊成立	Macau 澳門	Quota Capital 註冊資本	MOP100,000,000 澳門幣 100,000,000元	MOP100,000,000 澳門幣 100,000,000元	35.5	Property development 物業發展
Orient Town 華鎮	Incorporated 註冊成立	Hong Kong 香港	Ordinary 普通股	HK\$700 港幣700元	HK\$700 港幣700元	45	Investment holding 投資控股
Orient Town Project Management Limited 華鎮項目管理有限公司	Incorporated 註冊成立	Macau 澳門	Quota Capital 註冊資本	MOP25,000 澳門幣25,000元	MOP25,000 澳門幣25,000元	45	Project and construction management services 項目及建築管理服務
San Lun Mang Investimentos, Limitada 新聯盟投資有限公司	Incorporated 註冊成立	Macau 澳門	Quota Capital 註冊資本	MOP100,000 澳門幣 100,000元	MOP100,000 澳門幣 100,000元	31.5	Investment holding 投資控股

Note: Quota capital represents the Portuguese equivalence of registered capital as Portuguese is the official language of Macau.

附註：葡語中之 Quota capital 即註冊資本。葡語為澳門之官方語言。

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23. INTERESTS IN ASSOCIATES (Cont'd)

The above table lists the associates of the Group which, in the opinion of the directors of the Company, principally affected the results of the year or form a substantial portion of the net assets of the Group. To give details of other associates would, in the opinion of the directors of the Company, result in particulars of excessive length.

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

Total assets	資產總值
Total liabilities	負債總額
Minority interest	少數股東權益
Net assets	資產淨值
Group's share of net assets of associates	本集團應佔聯營公司資產淨值淨額
Revenue	收入
(Loss) profit for the year	本年度(虧損)溢利
Group's share of (loss) profit of associates for the year	本集團應佔聯營公司 年內(虧損)溢利

During the year ended 31st March, 2007, the Group discontinued the recognition of its share of losses of certain associates. The amounts of unrecognised share of losses of these associates, extracted from the relevant management accounts of the associates, for the year ended and cumulatively, are set out below. These associates of 2007 were disposed of during the year.

Unrecognised share of losses of associates for the year	本年度未確認應佔 聯營公司虧損
Accumulated unrecognised share of losses of associates	累計未確認應佔 聯營公司虧損

23. 於聯營公司之權益(續)

上表載列本集團的聯營公司，董事認為該等聯營公司對本集團年度業績有重大影響，或構成本集團資產淨值的主要部份。董事認為列出其他聯營公司的資料會過份冗長。

本集團聯營公司之合併財務資料概要載列如下：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
2,662,736	3,145,540
(2,585,912)	(3,067,243)
(64,384)	—
12,440	78,297
135,503	92,178
—	—
(54,201)	99,569
(25,047)	40,916

截至二零零七年三月三十一日止年度，本集團已終止確認其應佔聯營公司虧損。截至本年度止，及累計未確認之應佔該等聯營公司虧損金額(摘錄自該等聯營公司之相關管理賬目)如下。該等二零零七年之聯營公司於年內遭出售。

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
(2,451)	(1,353)
(2,451)	(1,353)

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24. UNSECURED LOANS AND INTERESTS DUE FROM ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES

(a) Unsecured loans and interests due from associates

Loans to associates	聯營公司貸款
Interest receivables	應收利息
Less: Loss allocated in excess of cost of investment	減：超出投資成本之已分配虧損

In 2007, the interest on loans to associates of HK\$1,226,237,000 is ranging from 7.75% to 8% per annum. In the opinion of the directors of the Company, the amount will not be repaid within twelve months from the balance sheet date and was therefore classified as non-current asset.

In 2008, the loans to associates are unsecured and non-interest bearing, except for an amount of approximately HK\$281,150,000 which carries interest at rates ranging from 5.25% to 7.75% per annum and interest income of HK\$23,677,000 is received during the year. The effective interest rate on the interest free loans of HK\$740,358,000 was 8% per annum.

Before offering any new loan to associate, the Group will assess the associate's credit quality and the usage of the loan by the associate. The recoverability of the loan is reviewed throughout the year. 100% of the loans to associates are neither past due nor impaired and of good credit quality.

The Group has concentration of credit risk as 85% of the total unsecured loans and interests due from only one associate and the associates are private companies and located in Macau. In order to minimize the credit risk, the management of the Group has monitored the repayment ability of the associates continuously.

24. 聯營公司之無抵押貸款及應付利息／應收聯營公司款項

(a) 聯營公司之無抵押貸款及應付利息

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
1,021,508	1,226,237
56,182	59,288
1,077,690	1,285,525
–	(51,082)
1,077,690	1,234,443

於二零零七年，聯營公司借貸為港幣1,226,237,000元，其年利率介乎7.75厘至8厘不等。本公司董事認為，有關金額將不會於結算日起計12個月內清償，故分類為非流動資產。

於二零零八年，聯營公司借貸為無抵押、免息(除一筆約為港幣281,150,000元的款項外，其年利率介乎5.25厘至7.75厘不等，而年內已收利息收入為港幣23,677,000元)。免息借貸港幣740,358,000元的實際年息為8厘。

本集團於提供新貸款予聯營公司前，先評估聯營公司的信貸質素及貸款的用途。本公司於整個年度審閱貸款的可收回程度。給予聯營公司的無抵押貸款全部並無逾期亦無減值，且信貸質素良好。

由於總貸款及利息的85%均來自唯一一間聯營公司，而且該等聯營公司為私人公司及位於澳門，故本集團有集中信貸風險。本集團管理層為減低信貸風險，已一直監察聯營公司的還款能力。

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24. UNSECURED LOANS AND INTERESTS DUE FROM ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES

(Cont'd)

(b) Amounts due from associates

Amounts due from associates	應收聯營公司款項
Less: Allowance	減：撥備

The amounts due from associates are unsecured, interest free and repayable within one year from the balance sheet date (2007: within one year).

25. DEBT PORTION OF CONVERTIBLE BONDS AND DERIVATIVES EMBEDDED IN CONVERTIBLE BONDS

As detailed in note 23(ii), the Get Nice Bonds in the principal amount of HK\$100 million with maturity on 20th September, 2010 was issued to the Group as part of consideration for the disposal of Dragon Rainbow in September 2007. The Group is entitled to convert the Get Nice Bonds into shares in Get Nice at an initial conversion price of HK\$0.924 per share, which was subsequently adjusted to HK\$0.907 per share as a result of share placement of Get Nice on 19th July, 2007 and further adjusted to HK\$0.901 per share as a result of share placement of Get Nice on 8th November, 2007. Both Get Nice and the Group may at any time after the expiry of the 18th month following the date of issue of the Get Nice Bonds and prior to the maturity date redeem or require Get Nice to redeem the outstanding Get Nice Bonds at par together with 5% interest accrued thereon.

The Group classified the debt portion of the Get Nice Bonds as loans and receivables and the embedded derivative component as financial assets at fair value through profit or loss on initial recognition. The fair value of each component of the Get Nice Bonds on initial recognition are determined by the directors of the Company with reference to the valuation performed by Greater China Appraisal Limited, a firm of independent valuers. The effective interest rate of the debt portion of Get Nice Bonds is 9.75% per annum.

24. 聯營公司之無抵押貸款及應付利息／應收聯營公司款項(續)

(b) 應收聯營公司款項

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
2,154	83
-	(15)
2,154	68

應收聯營公司款項為無抵押、不計息及結算日起一年內(二零零七年：一年內)。

25. 可換股債券的負債部份及可換股債券所附帶之衍生工具

誠如附註23(ii)所述，本集團收取本金額為港幣100,000,000元，到期日為二零一零年九月二十日之結好債券於二零零七年九月發行予本集團，作為出售Dragon Rainbow的部份代價。本集團可按初步兌換價每股股份港幣0.924元將結好債券兌換為結好股份。由於結好於二零零七年七月十九日進行股份配售，兌換價隨後調整至每股股份港幣0.907元，並因結好於二零零七年十一月八日再次進行股份配售進一步調整至每股股份港幣0.901元。結好及本集團可於結好債券發行日期後十八月屆滿後及到期日之前任何時間贖回或要求結好按面值(連同5厘應計利息)贖回尚未行使的結好債券。

本集團將結好債券之負債部分列作借貸及應收款項，而附帶衍生工具部分於初步確認時透過損益賬按公平值列作金融資產。該等結好債券各部分於初步確認時之公平值，乃由本公司董事參考漢華評值有限公司(一家獨立估價公司)之估價而釐定。結好債券負債部分之實際年息為9.75厘。

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25. DEBT PORTION OF CONVERTIBLE BONDS AND DERIVATIVES EMBEDDED IN CONVERTIBLE BONDS (Cont'd)

At 31st March, 2008, the fair value of the embedded derivative component of the Get Nice Bonds with initial recognition amount of approximately HK\$12,092,000, was approximately HK\$4,865,000 after the disposal of convertible bonds with the principal amount of HK\$43 million during the year.

The fair value of the Get Nice Bonds during the year ended 31st March, 2008 was calculated using the Black-Scholes option pricing model. The inputs used in the model adopted by the management in determining the fair values at the respective dates were as follows:

		Disposal date 1st November, 2007 出售日期 二零零七年 十一月一日	Disposal date 6th November, 2007 出售日期 二零零七年 十一月六日	31st March, 2008 二零零八年 三月三十一日
Closing share price at date of valuation	估值日期之收市價	港幣HK\$0.84元	港幣HK\$0.93元	港幣HK\$0.59元
Conversion price	兌換價	港幣HK\$0.907元	港幣HK\$0.907元	港幣HK\$0.901元
Expected volatility (note a)	預計波幅(附註a)	52.78%	54.78%	53.43%
Risk-free interest rate (note b)	無風險利率(附註b)	3.179%	2.806%	1.385%
Expected annual dividend yield	預計每年股息收益率	4.93%	4.93%	4.93%
Fair value per option	每份購股權公平值	港幣HK\$0.182元	港幣HK\$0.231元	港幣HK\$0.077元

Notes:

- (a) Expected volatility was determined by using the historical volatility of the price return of the ordinary shares of the Company over 910 days from the valuation date.
- (b) The risk-free rate interest was based on the yield of Exchange Fund Note.

Accrued interest on the convertible bonds was calculated using the effective interest method by applying the effective interest rate of 9% to the liability component.

The Group has concentration of credit risk as all (2007: nil) of the convertible bonds held by the Group was due from an independent third party which is publicly listed in Hong Kong.

25. 可換股債券的負債部份及可換股債券所附帶之衍生工具(續)

年內出售本金金額港幣43,000,000元之可換股債券後，於二零零八年三月三十一日，結好債券(最初確認金額約為港幣12,092,000元)所附帶之衍生工具部份之公平值約為港幣4,865,000元。

截至二零零八年三月三十一日結好債券之公平值以柏力克-舒爾斯期權定價模式計算。管理層於各日釐定公平值採納之模式之數據載列如下：

附註：

- (a) 預計波幅是以估值日期起910日本公司普通股的歷史價格回報波幅而釐定。
- (b) 無風險利率以外匯基金票據孳息率為基礎。

可換股債券之應計利息以實際利率法計算，於兩個年度利用9%實際利率於負債部份。

本集團面對集中信貸風險，原因是本集團持有之可換股債券均來自應收一名在香港上市之獨立第三方(二零零七年：無)。

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26. DEPOSIT AND EXPENSES PAID FOR ACQUISITION OF A LAND USE RIGHT

The amount represents deposit and expenses paid for the acquisition of a land use right in the PRC for a cash consideration of RMB50,964,000 (equivalent to HK\$51,479,000) under an acquisition agreement dated 22nd March, 2007.

27. DEPOSIT AND EXPENSES PAID FOR ACQUISITION OF AN ASSOCIATE

The amount at 31st March, 2007, represented deposit paid of HK\$90,000,000 and expenses incurred of HK\$675,000 for the Concordia Acquisition. The amount has been transferred to interests in associates upon the completion of the Concordia Acquisition during the year as set out in note 23(i).

28. DEPOSITS AND EXPENSES PAID FOR ACQUISITION OF PROPERTIES

The amount at 31st March, 2007, represented deposits paid of HK\$26,556,000 and expenses incurred of HK\$569,000 for the acquisition of 44 residential units in Macau at a consideration of approximately HK\$88,520,000. The acquisition was completed during the year and the amount has been transferred to properties held for sale.

29. OTHER LOAN RECEIVABLES

Fixed-rate loan receivables	定息應收貸款
Variable-rate loan receivables	浮息應收貸款
Carrying amount analysed for reporting purposes:	就申報分析之賬面值：
Current assets	流動資產
Non-current assets	非流動資產

26. 收購土地使用權已付按金及開支

有關款項指根據日期二零零七年三月二十二日的收購協議，收購一項於中國之土地使用權，現金代價為人民幣50,964,000元（相等於港幣51,479,000元）。

27. 收購一間聯營公司已付按金及開支

於二零零七年三月三十一日之款項指支付聯生發展收購之按金港幣90,000,000元及所產生之開支港幣675,000元。誠如附註23(i)所載，款項於聯生發展收購完成後已於年內轉撥至聯營公司之權益。

28. 收購物業已付按金及開支

於二零零七年三月三十一日之金額指就本集團按代價約港幣88,520,000元收購澳門44個住宅單位而支付之按金港幣26,556,000元及產生開支港幣569,000元。收購已於年內完成，有關款項已轉撥至出售物業。

29. 其他應收貸款

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
13,133	9,634
230,000	205,495
243,133	215,129
243,133	205,495
–	9,634
243,133	215,129

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29. OTHER LOAN RECEIVABLES (Cont'd)

The following is an analysis of the aging of other loan receivables at the balance sheet date:

Within one year	一年內
More than one year, but not exceeding two years	超過一年，但少於兩年
More than two years, but not exceeding three years	超過兩年，但少於三年

The Group's fixed-rate loan receivables of HK\$8,499,000 carries interest at 8% and are secured by 40,000,000 (2007: 25,000,000) shares of a private limited company incorporated in Malaysia, with a nominal value of RM0.25 per share. The remaining fixed-rate loan receivables of HK\$4,635,000 are denominated in United States Dollars, which is not the functional currencies of the relevant group entities, carries interest at 3% and are unsecured. All the fixed-rate loan receivables are due before December, 2008.

At 31st March, 2008, all variable-rate loans are unsecured, carry interest at Hong Kong Prime Rate plus 2% per annum and are repayable within one year. At 31st March, 2007, except for a loan of HK\$20,000,000 which carried interest at the higher of Hong Kong Prime Rate or 4% per annum and was secured by the borrower's investment in convertible note with a principal amount of HK\$20,000,000 issued by a company whose shares were listed on the Stock Exchange and was repayable on 28th September, 2007, all remaining variable-rate loans were unsecured, carried interest at Hong Kong Prime Rate plus 2% per annum and were repayable within one year. The effective interest rates of other loan receivables are ranging from 7.25% to 10% per annum for both years.

29. 其他應收貸款(續)

以下為其他應收貸款於結算日之賬齡分析：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
93,500	169,681
144,998	24,948
4,635	20,500
243,133	215,129

本集團之定息應收貸款港幣8,499,000元以8厘計息，並以一間於馬來西亞註冊成立之私人有限公司之40,000,000股(二零零七年：25,000,000股)每股面值馬來西亞幣0.25元之股份作抵押。其餘定息應收貸款港幣4,635,000元乃以美元計值(美元並非相關集團實體之功能貨幣，以3厘計息，為無抵押貸款，所有定息應收貸款於二零零八年十二月到期。

於二零零八年三月三十一日，所有浮息借貸為無抵押，按香港最優惠利率加年利率2厘計息，並須於一年內償還。於二零零七年三月三十一日，(除一筆按香港最優惠利率或年利率4厘之較高者計息之港幣20,000,000元貸款)，以借貸方於一間聯交所上市公司發行、本金額為港幣20,000,000元之可換股票投資作為抵押，並須於二零零七年九月二十八日償還外，所有其他浮息貸款均為無抵押，按香港最優惠利率加年利率2厘計息及。其他應收貸款之實際利率介乎年利率7.25厘至10厘。

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29. OTHER LOAN RECEIVABLES (Cont'd)

Before offering any new loans, the Director of the Company will assess the potential borrower's credit quality and defines credit limits by the borrower. The Director will continuously assess the recoverability of other loan receivables. 100% of the other loan receivables are neither past due nor impaired and in the opinion of the directors they are of good credit quality.

The Group's has concentration of credit risk in the above loans as five borrowers accounted for 95% (2007: 75%) of the total borrowings as at 31st March, 2008.

The loan receivables borrowers mainly consist of one listed company in Hong Kong and several private companies. In order to minimise the credit risk, the management of the Group has monitored the repayment ability of the borrowers continuously.

30. INVENTORIES

Raw materials	原料
Work in progress	在製品
Finished goods	製成品
Consumables	消耗品

29. 其他應收貸款(續)

本公司董事於提供新貸款前，先評估借款人之潛在信貸質素及界定借款人之信貸期限。董事將持續評估其他應收貸款之可收回程度。其他應收貸款全部並無逾期亦無減值，且董事認為該等款項具良好信貸質素。

由於五名借款人於二零零八年三月三十一日佔全部借貸95%(二零零七年：75%)，故本集團就上述貸款面對集中信貸風險。

應收貸款之借款人主要包括一間香港上市公司及多間私人公司。本集團管理層為減低信貸風險，已一直監察借款人之還款能力。

30. 存貨

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
–	20,185
–	829
341	54,559
1,820	1,346
2,161	76,919

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31. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

31. 按公平值列賬及計入損益之金融資產

		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Investments held-for-trading:	持作買賣投資：		
Equity securities listed in Hong Kong	於香港上市之股本證券	9,245	44,369
Equity securities listed elsewhere	於其他地方上市之股本證券	1,756	12,720
		11,001	57,089
Financial assets designated at fair value through profit or loss:	指定按公平值列賬及計入損益之金融資產：		
Equity-linked notes	股本掛鈎票據	956	9,636
		11,957	66,725

At the balance sheet date, all financial assets at fair value through profit or loss are stated at fair value. The fair values of listed securities are determined based on the bid prices quoted in active markets and those of the equity-linked notes are based on fair values quoted by the respective issuing banks or financial institutions.

於結算日，所有以公平值列賬及計入損益之金融資產均以公平值列示。上市證券之公平值乃按照活躍市場所報之買價而釐定，股本掛鈎票據之賣價乃按發票銀行或金融機構各自所報之公平值而釐定。

32. DEBTORS, DEPOSITS AND PREPAYMENTS

32. 應收賬款、按金及預付款項

		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Trade Receivables	應收貿易賬款	27,685	53,349
Less: Allowance for doubtful debts	減：呆壞賬撥備	-	(3,315)
		27,685	50,034
Refundable earnest money (Note)	可予退還誠意金(附註)	365,791	362,075
Other receivable (note 45)	其他應收款項(附註45)	-	17,721
Other debtors, deposits and prepayments	其他應收賬款、按金及預付款項	121,319	43,330
		514,795	473,160

The Group allows credit period ranging from 0 to 60 days to its trade customers.

本集團給予其貿易客戶之信貸期由零至六十日不等。

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32. DEBTORS, DEPOSITS AND PREPAYMENTS (Cont'd)

The following is an analysis of the aging of debtors net of allowance for doubtful debts at the balance sheet date:

0 – 60 days	零至六十日
61 – 90 days	六十一日至九十日
Over 90 days	超過九十日

Before accepting any new customer, the Group will assess the potential customer's credit quality and define credit limits by customer. Limits attributed to customers are reviewed twice a year. 61% (2007: 73%) of the trade receivables that are neither past due nor impaired have the best credit rating.

Included in the Group's trade debtors is an aggregate carrying amount of HK\$10,708,000 (2007: HK\$14,479,000) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The average age of these receivables is 120 days (2007: 120 days). The aging of trade debtors which are past due but not impaired is as follows:

61 – 90 days	六十一日至九十日
Over 90 days	超過九十日

The Group has provided fully for all receivables over 180 days because historical experience is such that receivables that are past due beyond 180 days are generally not recoverable.

32. 應收賬款、按金及預付款項(續)

以下為應收賬款(扣除呆壞賬撥備)於結算日之賬齡分析：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
16,977	35,555
124	1,118
10,584	13,361
27,685	50,034

於接受新顧客訂單前，本集團將評估該客戶之誠信素質，並釐定該客戶的信貸期限。客戶的信貸額及分數會每年進行二次檢討。61% (二零零七年：73%) 並無過期或減值之貿易應收賬款具最高之信貸評級。

列賬本集團的應收賬款之賬面總值為港幣10,708,000元(二零零七年：港幣14,479,000元)，該金額已於本報告日到期，惟本集團並無提供減值虧損。本集團概無在此等結餘持有任何抵押品。此等應收賬款的平均賬齡為120日(二零零七年：120日)。逾期但未減值之應收貿易賬款之賬齡載列如下：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
124	1,118
10,584	13,361
10,708	14,479

本集團已就所有逾期超過180日之應收賬款作全數撥備，原因是過往經驗顯示，逾期超過180日之應收賬款一般不能予以收回。

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32. DEBTORS, DEPOSITS AND PREPAYMENTS (Cont'd)

Movement in the allowance for doubtful debts is as follows:

Balance at beginning of the year	年初結餘
Exchange realignment	匯兌調整
Impairment losses recognised on receivables	應收款項確認之減值虧損
Amount written off as uncollectible	撇銷為不可收回款項
Eliminated on disposal of subsidiaries	出售附屬公司時對銷
Balance at end of the year	年終結餘

Note: In June 2005, a wholly-owned subsidiary of the Company and an independent third party ("Vendor A") signed a non-binding letter of intent with a view of negotiating a possible acquisition from Vendor A of 50% of its ownership and interest in certain land located in Macau which was initially intended for redevelopment purposes, at an initial consideration of HK\$495,000,000. Upon signing of the letter of intent, an amount of HK\$10,000,000 (2007: HK\$10,000,000) was paid by the Group as refundable earnest money.

In March 2007, a wholly-owned subsidiary of the Company and an independent third party ("Vendor B") signed a non-binding letter of intent with a view of negotiating a possible acquisition from Vendor B and a party as procured by Vendor B ("Vendor C") of their aggregate interests of 67.5% in a company which was established in the PRC and is engaged in development and operation of golf resort (the "PRC Company"), and of shareholders' loans due by the PRC Company to Vendor B and Vendor C of approximately US\$14,000,000 (equivalent to approximately HK\$109,200,000). Upon signing of the letter of intent, an amount of US\$2,800,000 (equivalent to approximately HK\$21,884,000) was paid by the Group as refundable earnest money. The amount was fully refunded to the Group during the year ended 31st March, 2008.

32. 應收賬款、按金及預付款項(續)

呆壞賬撥備之變動載列如下：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
3,315	3,026
305	144
1,801	145
(992)	—
(4,429)	—
—	3,315

附註： 於二零零五年六月，本公司一間全資附屬公司與一名獨立第三方(「賣方甲」)簽訂無約束力意向書，以磋商可能以初步代價港幣495,000,000元，向賣方甲收購其位於澳門若干土地之50%擁有權及權益，有關土地初步擬作重建用途。於簽訂意向書後，本集團已支付港幣10,000,000元(二零零七年：港幣10,000,000元)作為可予退還誠意金。

於二零零七年三月，本公司一間全資附屬公司與一名獨立第三方(「賣方乙」)簽訂無約束力意向書，以磋商可能向賣方乙及賣方乙促使之一名人士(「賣方丙」)收購彼等於一間在中國成立並從事發展及經營高爾夫球度假村之公司(「中國公司」)合共之67.5%權益，以及中國公司結欠賣方乙及賣方丙之股東貸款約美金14,000,000元(相等於約港幣109,200,000元)。於簽訂意向書後，本集團已支付美金2,800,000元(相等於約港幣21,884,000元)作為可予退還誠意金。該款項已於截至二零零八年三月三十一日止年度內全數退予本集團。

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32. DEBTORS, DEPOSITS AND PREPAYMENTS (Cont'd)

On 28th December, 2006 and 21st March, 2007, further amounts of refundable earnest money of approximately HK\$170,000,000 and HK\$160,191,000, respectively, were paid by the Group through Wing On Travel (Holdings) Limited ("Wing On"), a company whose shares are listed on the Stock Exchange for the negotiation of possible acquisition of ownership and interest in properties located in the PRC. Wing On will procure to return the earnest money to the Group within three months upon conclusion of the negotiations unless the fund is applied towards any payment for acquisition of the property interest. Up to the date of this report, the negotiations have not yet been concluded.

On 18th January, 2008, the Company entered into a memorandum of understanding with an independent third party with a view of negotiating a possible acquisition of the entire issued share capital of a company which is proposed to hold and develop a land in Vietnam. Upon signing of the memorandum of understanding, an amount of HK\$15,600,000 was paid by the Group as refundable earnest money.

On 29th October, 2007, a wholly-owned subsidiary of the Company paid HK\$10,000,000 to vendor with a view of negotiating a possible acquisition of ownership and interest in properties located in Hong Kong.

The refundable earnest money mainly concentrated on vendors of 4 projects and 90% of total refundable earnest money are arised from one project. The Company has continuously assessed the recoverability of the money invested and the progress of the project and consider the vendors of good credit quality.

No formal agreements in respect of the above possible acquisitions have been entered into up to the date of this report. In the opinion of the directors of the Company, the possible acquisitions may or may not materialise and are fully refundable, therefore, the above refundable earnest money is classified as current asset accordingly.

33. UNSECURED LOANS AND INTEREST DUE FROM RELATED COMPANIES

The amounts represented loans to Wing On and one of its subsidiaries. The amounts are unsecured, carry interest at Hong Kong Prime Rate plus 2% and repayable within one year from the balance sheet date (2007: within one year).

The effective interest rate is 7.2% (2007: 9.5%) per annum.

The Group has concentration of credit risk as all (2007: all) of the unsecured loans were due from two related companies.

32. 應收賬款、按金及預付款項(續)

於二零零六年十二月二十八日及二零零七年三月二十一日，本集團透過永安旅遊(控股)有限公司(「永安」，一間其股份於聯交所上市之公司)就磋商可能收購位於中國之物業之擁有權及權益，分別進一步支付可予退還誠意金約港幣170,000,000元及港幣160,191,000元。永安將促使於磋商結束後三個月內退還誠意金予本集團(除非該筆金額用作支付收購物業權益)。截至本報告日期，有關磋商尚未結束。

於二零零八年一月十八日，本公司為磋商可能收購一間建議於越南持有及開發一幅土地的公司之全部已發行股本，與獨立第三方訂立諒解備忘錄。簽立諒解備忘錄後，本集團支付港幣15,600,000元作為可予退還誠意金。

於二零零七年十月二十九日，本公司之全資附屬公司為磋商可能收購位於香港之物業之擁有權及權益，向賣方支付港幣10,000,000元。

可予退還誠意金主要來自四個項目之賣方，可予退還誠意金總額之90%來自一個項目。本公司持續評估已投資之款項之可收回程度及項目之進度，並認為賣方具良好信譽。

截至本報告日期為止，概無就上述可能進行之收購訂立任何正式協議。本公司董事認為，可能進行之收購未必落實且可予悉數退還，因此，上述可予退還誠意金分類為流動資產。

33. 關連公司之無抵押貸款及應付利息

該款項指給予永安及其一間附屬公司之貸款。款項為無抵押，按香港最優惠利率加2厘計息，並於結算日起一年內償還(二零零七年：一年內)。

實際年利率為7.2厘(二零零七年：9.5厘)。

本集團面對集中信貸風險，原因是全部無抵押貸款來自兩間關連公司(二零零七年：全部)。

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34. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

The pledged bank deposits amount represents deposits pledged to banks to secure general banking facilities granted to the Group. The deposits carry interest at 2.9% (2007: 4.2%) per annum.

The bank balances carry interest at rates ranging from 0.01% to 4.5% (2007: 2.5% to 5.1%) per annum.

35. CREDITORS, DEPOSITS AND ACCRUED CHARGES

The following is an analysis of creditors, deposits and accrued charges at the balance sheet date:

Trade creditors aged:	應付貿易賬款之賬齡：
0 – 60 days	零至六十日
61 – 90 days	六十一至九十日
Over 90 days	超過九十日
Other creditors, deposits and accrued charges (<i>note</i>)	其他應付賬款、按金及應計開支(附註)

The average credit period on purchases of goods is 60 days. The Group has financial risk management policies to ensure that all payables are within the credit timeframe.

Note: Under the agreement in connection with the disposal of Panyu Golf, the Group agreed to assume certain assets and liabilities of Panyu Golf with the net carrying amount of approximately HK\$30,423,000 which has been included in other creditors at 31st March, 2008.

36. AMOUNTS DUE TO MINORITY SHAREHOLDERS OF SUBSIDIARIES

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

34. 已抵押銀行存款／銀行結餘及現金

已抵押銀行存款指已抵押予銀行以取得本集團之一般銀行融資之存款。該存款之年利率為2.9厘(二零零七年：4.2厘)。

銀行結餘之年利率由0.01厘至4.5厘(二零零七年：2.5厘至5.1厘)不等。

35. 應付賬款、按金及應計開支

應付賬款、按金及應計開支於結算日之分析如下：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
1,420	61,825
355	8,956
360	9,245
2,135	80,026
68,257	78,921
70,392	158,947

購買貨品之平均信貸期為60日。本集團有財務風險管理政策確保所有應付款項於信貸期內支付。

附註： 根據有關出售番禺高爾夫球的協議，本集團同意承擔番禺高爾夫球若干賬面淨值約為港幣30,423,000元之資產及負債。該金額於二零零八年三月三十一日列賬為其他應付賬款。

36. 應付附屬公司少數股東款項

款項為無抵押、免息及按要求償還。

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37. UNSECURED LOANS FROM MINORITY SHAREHOLDERS OF SUBSIDIARIES

The amount at 31st March, 2007 was unsecured, repayable on demand and interest free, except for a loan of HK\$3,535,000 which carried interest at prevailing market rate of 6.14% per annum in the PRC. The loans was settled upon the disposal of subsidiaries.

38. UNSECURED LOAN FROM A RELATED COMPANY

The loan at 31st March, 2007 was borrowed from 番禺高爾夫球協會 in which Mr. Lai, an executive director of the Company, was the Chairman. The loan was unsecured, carried interest at 6% per annum and was repayable on demand. The loan was settled upon the disposal of subsidiaries.

39. CONVERTIBLE NOTE PAYABLES

(a) In April 2005, the Company entered into nine subscription agreements with seven subscribers. Of the nine subscribers, seven of them were subscribers who were funds managed by global asset management firms (the “Fund Subscribers”), with the remaining two subscribers being Loyal Concept Limited (“Loyal Concept”) and Kopola Investment Company Limited (“Kopola”). Pursuant to the subscription agreements, the Fund Subscribers in aggregate, Loyal Concept and Kopola had agreed to subscribe by cash for HK\$956 million unsecured zero coupon convertible notes due 2010 issued by the Company pursuant to the subscription agreements (the “First 2010 Convertible Notes”) with principal amounts of HK\$356 million, HK\$450 million and HK\$150 million, respectively (the “Subscription”). Loyal Concept is an indirect wholly-owned subsidiary of Hanny Holdings Limited (“Hanny”), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange. Kopola was 50% held by each of Mr. Ho Hau Chong, Norman (“Mr. Ho”), the former deputy chairman and non-executive director of the Company and his brother, Mr. Ho Hau Hay, Hamilton, and therefore an associate of Mr. Ho.

37. 附屬公司少數股東之無抵押貸款

該筆於二零零七年三月三十一日之款項為無抵押、按要求償還及免息(除一筆港幣3,535,000元之貸款按中國當時市場年息6.14厘計息)。貸款已於出售附屬公司時結算。

38. 一間關連公司之無抵押貸款

該筆於二零零七年三月三十一日之貸款借自本公司執行董事賴先生擔任主席之番禺高爾夫球協會。貸款無抵押、按年息6厘計息，及按要求償還。貸款已於出售附屬公司時結算。

39. 可換股票據應付款項

(a) 於二零零五年四月，本公司與七名認購人訂立九份認購協議。九名認購人當中，七名為由環球資產管理公司管理之基金認購人(「基金認購人」)，而餘下兩名認購人則為 Loyal Concept Limited (「Loyal Concept」) 及 Kopola Investment Company Limited (「Kopola」)。根據認購協議，基金認購人、Loyal Concept 及 Kopola 共同有條件同意，以現金認購本公司根據認購協議發行之港幣 956,000,000 元二零一零年到期無抵押零息可換股票據(「第一批二零一零年可換股票據」)，本金金額分別為港幣 356,000,000 元、港幣 450,000,000 元及港幣 150,000,000 元(「認購」)。Loyal Concept 為於百慕達註冊成立且其股份於聯交所上市之公司錦興集團有限公司(「錦興」)之間接全資附屬公司。Kopola 由本公司前任副主席兼非執行董事何厚鏘先生(「何先生」)及其胞兄何厚浚先生各自持有 50%，故屬何先生之聯繫人士。

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39. CONVERTIBLE NOTE PAYABLES (Cont'd)

(a) (Cont'd)

Pursuant to a placing agreement, the placing agent would procure not less than six placees to subscribe by cash for HK\$44 million unsecured zero coupon convertible notes due 2010 proposed to be issued by the Company (the "Placing Convertible Notes") pursuant to the placing agreement with a principal amount of HK\$44 million (the "Placing"). The terms of the First 2010 Convertible Notes and Placing Convertible Notes were identical. None of the placees would be the subscribers.

Upon full conversion of the First 2010 Convertible Notes at the initial conversion price of HK\$0.44 per share (subject to anti-dilutive adjustments), a total of 2,172,727,272 new ordinary shares, which would fall to be issued by the Company upon the exercise of the conversion rights attached to the First 2010 Convertible Notes, would be issued.

Upon full conversion of the Placing Convertible Notes at the initial conversion price of HK\$0.44 per share (subject to anti-dilutive adjustments), a total of 100,000,000 new ordinary shares, which would fall to be issued by the Company upon the exercise of the conversion rights attached to the Placing Convertible Notes, would be issued.

The First 2010 Convertible Notes and the Placing Convertible Notes, unless converted prior to their maturity under the conditions specified in the relevant notes documents, will be redeemed at 110% of their principal amounts.

The Subscription and the Placing were completed on 11th August, 2005. The total gross proceeds from the Subscription and the Placing amounted to HK\$956 million and HK\$44 million, respectively. Therefore, the total gross proceeds from the Subscription and the Placing amounted to HK\$1,000 million. After deducting related expenses of approximately HK\$11 million, approximately HK\$989 million would be used to finance the expansion of the investment property portfolio of the Group.

39. 可換股票據應付款項(續)

(a) (續)

根據一份配售協議，配售代理促使不少於六名承配人以現金認購本公司建議根據配售協議發行之港幣44,000,000元二零一零年到期無抵押零息可換股票據(「配售可換股票據」)，本金金額為港幣44,000,000元(「配售」)。第一批二零一零年可換股票據與配售可換股票據之條款相同。概無承配人將為認購人。

倘第一批二零一零年可換股票據按每股港幣0.44元之初步換股價(可予反攤薄調整)全數兌換，則將發行合共2,172,727,272股新普通股，本公司須於第一批二零一零年可換股票據所附換股權獲行使時發行有關股份。

倘配售可換股票據按初步換股價每股港幣0.44元(可予反攤薄調整)全數兌換，則將發行合共100,000,000股新普通股，本公司須於配售可換股票據所附換股權獲行使時發行有關股份。

除非第一批二零一零年可換股票據及配售可換股票據於到期日前按有關票據文件所註明之條件獲兌換，否則將按其本金額之110%被贖回。

認購及配售已於二零零五年八月十一日完成。認購及配售所得款項總額合共分別為港幣956,000,000元及港幣44,000,000元。因此，認購及配售所得款項總額合共為港幣1,000,000,000元。經扣除有關開支約港幣11,000,000元後，約港幣989,000,000元將撥作擴展本集團投資物業組合之用。

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39. CONVERTIBLE NOTE PAYABLES (Cont'd)

(a) (Cont'd)

During the year, HK\$111 million (2007: HK\$354 million) of the First 2010 Convertible Notes was converted into 252,272,727 (2007: 804,431,812) ordinary shares of HK\$0.01 each in the share capital of the Company at the conversion price of HK\$0.44 as set out in note 43(iv). In addition, HK\$40 million of the Placing Convertible Notes was converted into 90,909,000 ordinary shares of HK\$0.01 each in the share capital of the Company at the conversion price of HK\$0.44 during the year ended 31st March, 2007 as set out in note 43(i), whereas no such conversion was noted during the year ended 31st March, 2008. The remaining HK\$469.5 million (2007: HK\$580.5 million) and HK\$1.5 million (2007: HK\$1.5 million) of the First 2010 Convertible Notes and the Placing Convertible Notes, respectively, were outstanding at 31st March, 2008.

(b) On 8th June, 2006, the Company issued HK\$60 million unsecured zero coupon convertible notes due 2010 (the "Second 2010 Convertible Notes") at an initial conversion price of HK\$0.44 (subject to anti-dilutive adjustments) for settlement of consideration on acquisition of Everight as set out in note 45. The Second 2010 Convertible Notes is non-interest bearing and will mature on 11th August, 2010. The holders of the convertible notes have the right to convert the Second 2010 Convertible Notes into shares of HK\$0.01 each in the share capital of the Company at any time during the period from 8th June, 2006 to 11th August, 2010.

Unless previously converted, the Company will redeem the convertible notes on the maturity date at the redemption amount of 108.3% of the principal amount of the convertible notes then outstanding.

39. 可換股票據應付款項(續)

(a) (續)

誠如附註43(iv)所述，年內，港幣111,000,000元(二零零七年：港幣354,000,000元)第一批二零一零年可換股票據按兌換價港幣0.44元兌換為252,272,727股(二零零七年：804,431,812股)本公司股本中每股面值港幣0.01元之普通股。此外，誠如附註43(i)所述，截至二零零七年三月三十一日止年內，港幣40,000,000元之配售可換股票據按兌換價港幣0.44元兌換為90,909,000本公司股本中每股面值港幣0.01元之普通股，而於二零零八年三月三十一日止年內並未發現進行該等兌換。其餘港幣469,500,000元(二零零七年：港幣580,500,000元)第一批二零一零年可換股票據及港幣1,500,000元(二零零七年：港幣1,500,000元)之配售可換股票據於二零零八年三月三十一日尚未兌換。

(b) 於二零零六年六月八日，本公司按初步換股價港幣0.44元(可予反攤薄調整)，發行港幣60,000,000元於二零一零年到期之無抵押零息可換股票據(「第二批二零一零年可換股票據」)，以作為償付附註45所載之收購永權之代價。第二批二零一零年可換股票據為免息，並將於二零一零年八月十一日到期。可換股票據持有人有權於二零零六年六月八日至二零一零年八月十一日期間，隨時將第二批二零一零年可換股票據兌換為本公司股本中每股面值港幣0.01元之股份。

除過往兌換者外，本公司將於到期日按尚未兌換之可換股票據本金額之108.3%贖回可換股票據。

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39. CONVERTIBLE NOTE PAYABLES (Cont'd)

(b) (Cont'd)

Upon full conversion of the Second 2010 Convertible Notes at the initial conversion price of HK\$0.44 per share (subject to anti-dilutive adjustments), a total of 136,363,636 new ordinary shares, which would fall to be issued by the Company upon the exercise of the conversion rights attached to the Second 2010 Convertible Notes, would be issued.

During the year, HK\$42.5 million (2007: Nil) of the Second 2010 Convertible Notes was converted into 96,645,052 (2007: Nil) ordinary shares of HK\$0.01 each in the share capital of the Company at the conversion price of HK\$0.44 per share. The remaining HK\$17.5 million of the Second 2010 Convertible Notes was outstanding at 31st March, 2008.

(c) On 15th June, 2006, the Company issued HK\$1,000 million unsecured 1% convertible notes due 2011 (the "2011 Convertible Notes") at an initial conversion price of HK\$0.70 (subject to anti-dilutive adjustments). The 2011 Convertible Notes bear interest at 1% per annum and will mature on 15th June, 2011. The holders of the convertible notes have the right to convert the 2011 Convertible Notes into shares of HK\$0.01 each in the share capital of the Company at any time during the period from 15th June, 2006 to 15th June, 2011.

Unless previously converted, the Company will redeem the convertible notes on the maturity date at the redemption amount of 110% of the principal amount of the convertible notes then outstanding.

Upon full conversion of the 2011 Convertible Notes at the initial conversion price of HK\$0.70 per share (subject to anti-dilutive adjustments), a total of 1,428,571,429 new ordinary shares, which would fall to be issued by the Company upon the exercise of the conversion rights attached to the 2011 Convertible Notes, would be issued.

39. 可換股票據應付款項(續)

(b) (續)

倘第二批二零一零年可換股票據按每股港幣0.44元之初步換股價(可予反攤薄調整)全數兌換,則將發行合共136,363,636股新普通股,本公司須於第二批二零一零年可換股票據所附換股權獲行使時發行有關股份。

年內,金額為港幣42,500,000元(二零零七年:無)之第二批二零一零年可換股票據按兌換價每股港幣0.44元兌換為96,645,052股(二零零七年:無)本公司股本中每股面值港幣0.01元之普通股。餘下港幣17,500,000元之第二批二零一零年可換股票據於二零零八年三月三十一日尚未兌換。

(c) 於二零零六年六月十五日,本公司按初步換股價港幣0.70元(可予反攤薄調整),發行港幣1,000,000,000元於二零一一年到期之1厘息無抵押可換股票據(「二零一一年可換股票據」)。二零一一年可換股票據按年利率1厘計息,並將於二零一一年六月十五日期間,隨時將二零一一年可換股票據兌換為本公司股本中每股面值港幣0.01元之股份。

除過往兌換者外,本公司將於到期日按尚未兌換之可換股票據本金額之110%贖回可換股票據。

倘二零一一年可換股票據按每股港幣0.70元之初步換股價(可予反攤薄調整)全數兌換,則將發行合共1,428,571,429股新普通股,本公司須於二零一一年可換股票據所附換股權獲行使時發行有關股份。

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39. CONVERTIBLE NOTE PAYABLES (Cont'd)

(c) (Cont'd)

During the year, HK\$94 million (2007: Nil) of the 2011 Convertible Notes was converted into 134,285,714 (2007: Nil) ordinary shares of HK\$0.01 each in the share capital of the Company at the conversion price of HK\$0.70 per share. The remaining HK\$906 million of 2011 Convertible Notes was outstanding as at 31st March, 2008.

The convertible note payables contain two components, liability and equity elements. The equity element is presented in equity under the heading of "convertible loan notes equity reserve". The effective interest rates of the convertible notes are ranging from 5.85% to 9.58% (2007: 5.85% to 9.16%) per annum.

The movement of the liability component of the convertible note payables for the year is set out below:

Liability component at the beginning of the year	年初之負債部分
Issue of convertible notes	發行可換股票據
Conversion during the year	年內兌換
Interest charge (note 10)	利息開支(附註10)
Interest paid	已付利息
Liability component at the end of the year	年終之負債部分
Analysed for reporting purposes as:	就申報分析為：
Current liability	流動負債
Non-current liability	非流動負債

39. 可換股票據應付款項(續)

(c) (續)

年內，金額為港幣94,000,000元(二零零七年：無)之二零一一年可換股票據按兌換價每股港幣0.70元兌換為134,285,714股(二零零七年：無)本公司股本中每股面值港幣0.01元之普通股。餘下港幣906,000,000元之二零一一年可換股票據於二零零八年三月三十一日尚未兌換。

可換股票據應付款項包含兩部分：負債及股本部分。股本部分於「可換股票據股本儲備」項下呈列為股本。可換股票據之實際年利率則為5.85厘至9.58厘(二零零七年：5.85厘至9.16厘)不等。

可換股票據應付款項負債部分年內變動如下：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
1,368,400	838,462
–	780,086
(212,248)	(339,248)
97,681	89,321
(9,990)	(221)
1,243,843	1,368,400
7,284	7,945
1,236,559	1,360,455
1,243,843	1,368,400

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40. OBLIGATIONS UNDER FINANCE LEASES

40. 融資租賃承擔

		Minimum lease payments 最低租金款項		Present value of minimum lease payments 最低租金款項現值	
		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Amount payable under finance leases:	根據融資租賃應付款項：				
Within one year	一年內	67	36	49	24
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	202	91	173	71
		<u>269</u>	<u>127</u>	<u>222</u>	<u>95</u>
Less: Future finance charges	減：日後融資費用	(47)	(32)	-	-
Present value of lease obligations	租賃承擔現值	<u>222</u>	<u>95</u>	<u>222</u>	<u>95</u>
Less: Amount due within one year shown under current liabilities	減：流動負債項下一年內到期之款項			(49)	(24)
Amount due after one year	一年後到期之款項			<u>173</u>	<u>71</u>

It is the Group's policy to lease certain fixtures and equipment under finance leases. The average lease term is approximately five years. Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 9.15% to 9.16% (2007: 7.5% to 9.2%) per annum.

The Group's obligations under finance leases are secured by the lessors' charge over the leased assets.

本集團之政策為根據融資租賃租用若干裝置及設備。平均租期約為五年。所有融資租賃項下承擔之年息為9.15厘至9.16厘(二零零七年：7.5厘至9.2厘)不等，息率於各合約日期釐定。

本集團融資租賃承擔乃以出租人之出租資產作抵押。

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41. BANK AND OTHER BORROWINGS

41. 銀行及其他借貸

		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Bank loans, secured	有抵押銀行貸款	153,643	93,902
Trust receipt and import loans, secured	有抵押信託收據及進口貸款	—	25,618
		153,643	119,520
The maturity profile of the above loans and borrowings is as follows:	上述貸款及借貸之到期日如下：		
Within one year or on demand	於一年內或按要求償還	113,996	111,439
More than one year, but not exceeding two years	一年以上但兩年內	12,433	4,040
More than two years, but not exceeding three years	兩年以上但三年內	12,837	2,021
More than three years but not exceeding four years	三年以上但四年內	13,254	2,020
More than four years but not exceeding five years	四年以上但五年內	1,123	—
		153,643	119,520
Less: Amount due within one year shown under current liabilities	減：流動負債項下一年內到期之款項	(113,996)	(111,439)
Amount due after one year	一年後到期之款項	39,647	8,081

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41. BANK AND OTHER BORROWINGS (Cont'd)

41. 銀行及其他借貸(續)

Bank borrowings comprise 銀行借貸包括	Maturity date 到期日	Contractual interest rate 合約利率	Carrying amount 賬面值	
			2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Variable-rate borrowings: 浮息借貸：				
HIBOR plus 1.75% secured HK\$ bank loan (note i) 香港銀行同業拆息加1.75厘 有抵押港元銀行貸款(附註i)	31st July, 2007 二零零七年七月三十一日	HIBOR + 1.75% 香港銀行同業 拆息加1.75厘	-	24,500
HIBOR plus 0.75% secured HK\$ bank loan (note i) 香港銀行同業拆息加0.75厘 有抵押港元銀行貸款(附註i)	11th May, 2007 二零零七年五月十一日	HIBOR + 0.75% 香港銀行同業 拆息加0.75厘	-	3,787
HIBOR plus 1% secured HK\$ bank loan (note i) 香港銀行同業拆息加1厘 有抵押港元銀行貸款(附註i)	Revolving 循環	HIBOR + 1% 香港銀行同業 拆息加1厘	1,844	5,009
HIBOR plus 1.55% secured HK\$ bank loan (note i) 香港銀行同業拆息加1.55厘 有抵押港元銀行貸款(附註i)	30th April, 2012 二零一二年四月三十日	HIBOR + 1.55% 香港銀行同業 拆息加1.55厘	51,690	-
Hong Kong Prime Rate minus 0.5% secured HK\$ bank loan (note i) 香港最優惠利率減0.5厘 有抵押港元銀行貸款(附註i)	25th July, 2008 二零零八年七月二十五日	P - 0.5% 最優惠利率減0.5厘	66,850	-
Secured bank loan of RMB12,000,000 at prevailing market rate in the PRC (note ii) 按中國現行市場利率計息之人民幣 12,000,000元有抵押銀行貸款(附註ii)	31st October, 2010 二零一零年十月三十一日	Prevailing market rate in the PRC 中國現行市場利率	-	12,121
Secured bank loan of RMB18,000,000 at prevailing market rate in the PRC 按中國現行市場利率計息之人民幣 18,000,000元有抵押銀行貸款	10th September, 2007 二零零七年九月十日	Prevailing market rate in the PRC 中國現行市場利率	-	18,182
			120,384	63,599

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41. BANK AND OTHER BORROWINGS (Cont'd)

41. 銀行及其他借貸(續)

Bank borrowings comprise 銀行借貸包括	Maturity date 到期日	Contractual interest rate 合約利率	Carrying amount 賬面值	
			2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Fixed-rate borrowings: 定息借貸：				
6.696% secured bank loan of RMB11,000,000 6.696厘之人民幣11,000,000元 有抵押銀行貸款	13th September, 2007 二零零七年九月十三日	6.696%	-	11,111
6.728% secured bank loan of RMB13,000,000 6.728厘之人民幣13,000,000元 有抵押銀行貸款	19th July, 2007 二零零七年七月十九日	6.728%	-	13,132
8.064% secured bank loan of RMB6,000,000 8.064厘之人民幣6,000,000元 有抵押銀行貸款	4th August, 2007 二零零七年八月四日	8.064%	-	6,060
7.47% secured bank loan of RMB12,000,000 7.47厘之人民幣12,000,000元 有抵押銀行貸款	22nd December, 2008 二零零八年十二月二十二日	7.47%	13,304	-
7.02% secured bank loan of RMB18,000,000 7.02厘之人民幣18,000,000元 有抵押銀行貸款	9th September, 2008 二零零八年九月九日	7.02%	19,955	-
			33,259	30,303
			153,643	93,902

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41. BANK AND OTHER BORROWINGS (Cont'd)

Notes:

- (i) Interest will be repriced when HIBOR, Hong Kong Prime Rate or prevailing market rate in the PRC was changed.
- (ii) The loan was early repaid during the year.

As at the balance sheet date, the Group has the following undrawn borrowing facilities:

Floating rate	浮動利率
– expiring within one year	– 一年內屆滿
– expiring beyond one year	– 一年後屆滿

Secured trust receipt and import loans are repayable within one year from the balance sheet date and carry interest at rates ranging from HIBOR plus 1% per annum to HIBOR plus 1.75% per annum (2007: HIBOR plus 1% per annum to HIBOR plus 1.75% per annum). Interest is repricing monthly or quarterly.

The effective interest rates of bank and other borrowings are ranging from 4.75% to 8.06% (2007: 4.48% to 6.38%) per annum.

41. 銀行及其他借貸(續)

附註：

- (i) 利率將根據香港銀行同業拆息或香港最優惠利率或中國現行市場利率變動而重訂。
- (ii) 該筆貸款於年內提早償還。

於結算日，本集團有以下未提取之借貸融資：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
17,150	–
222,406	277,261
239,556	277,261

有抵押信託收據及進口貸款須於結算日起計一年內償還，按香港銀行同業拆息加1厘至1.75厘(二零零七年：香港銀行同業拆息加1厘至1.75厘)之年利率計息。利率每月或每季重訂。

銀行及其他借貸之實際年利率為4.75厘至8.06厘(二零零七年：4.48厘至6.38厘)不等。

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42. DEFERRED TAXATION

The following is the major deferred tax liabilities (assets) recognised and movements thereon during the current and prior years:

42. 遞延稅項負債

以下為本年度及過往年度已確認之主要遞延稅項負債(資產)及有關變動：

		Accelerated tax depreciation 加速 稅項折舊 HK\$'000 港幣千元	Deferred development costs 遞延 開發成本 HK\$'000 港幣千元	Tax losses 稅項虧損 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1st April, 2006	於二零零六年四月一日	–	540	(540)	–
Charge (credit) to income for the year	於年內收入扣除(計入)	3,352	(465)	303	3,190
Effect of change in tax rate charged to income for the year	於年內收入扣除利率變動之影響	7,275	–	(744)	6,531
Arising on acquisition of subsidiaries (note 45)	收購附屬公司產生(附註45)	31,842	–	(954)	30,888
At 31st March, 2007	於二零零七年三月三十一日	42,469	75	(1,935)	40,609
(Credit) charge to income for the year	於年內收入(計入)扣除	(646)	–	1,779	1,133
Exchange realignment	匯兌調整	1,067	–	81	1,148
Released on disposal of subsidiaries (note 46)	出售附屬公司轉出(附註46)	(14,316)	(75)	75	(14,316)
At 31st March, 2008	於二零零八年三月三十一日	28,574	–	–	28,574

At 31st March, 2008, the Group has unused tax losses of HK\$517,627,000 (2007: HK\$702,486,000) available for offset against future profits. At the balance sheet date, a deferred tax asset has been recognised in respect of HK\$nil (2007: HK\$8,554,000) of such losses. No deferred tax asset has been recognised in respect of the remaining unused tax losses of HK\$517,627,000 (2007: HK\$693,932,000). The tax losses of HK\$511,706,000 (2007: HK\$667,840,000) may be carried forward indefinitely under current tax regulation in Hong Kong and the remaining tax losses of HK\$5,921,000 (2007: HK\$34,646,000) will expire from 2008 to 2011.

At 31st March, 2007, the Group had deductible temporary differences associated with property, plant and equipment of HK\$11,622,000. No deferred tax asset had been recognised in respect of such deductible temporary differences due to the unpredictability of future profit streams. At 31st March, 2008, there is no deductible temporary differences due to disposal of subsidiaries.

於二零零八年三月三十一日，本集團可用作抵銷未來溢利之未動用稅項虧損為港幣517,627,000元(二零零七年：港幣702,486,000元)。於結算日已就有關虧損確認遞延稅項資產港幣零元(二零零七年：港幣8,554,000元)，惟並無就餘下未動用稅項虧損港幣517,627,000元(二零零七年：港幣693,932,000元)，確認遞延稅項資產。根據香港現時稅務規例，稅務虧損港幣511,706,000元(二零零七年：港幣667,840,000元)可無限期結轉，而餘下稅務虧損港幣5,921,000元(二零零七年：港幣34,646,000元)將於二零零八年至二零一一年屆滿。

於二零零七年三月三十一日，本集團有關物業、機械及設備之可扣減暫時差額為港幣11,622,000元。由於無法預計未來溢利來源，故並無就可扣減暫時差額確認遞延稅項資產。於二零零八年三月三十一日，因出售附屬公司並無可扣減暫時差額。

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43. SHARE CAPITAL

43. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 港幣千元
At HK\$0.01 each:	每股面值港幣0.01元		
Authorised:	法定：		
At 1st April, 2006, 31st March, 2007 and 31st March, 2008	於二零零六年四月一日、 二零零七年三月三十一日及 二零零八年三月三十一日	40,000,000,000	400,000
Issued and fully paid:	已發行及繳足：		
At 1st April, 2006	於二零零六年四月一日	631,436,639	6,314
Conversion of convertible notes (note i)	兌換可換股票據(附註i)	895,340,902	8,953
Placement of shares (note ii)	配售股份(附註ii)	833,332,000	8,334
Repurchase and cancellation of shares (note iii)	購回及註銷股份(附註iii)	(47,795,000)	(478)
At 31st March, 2007	於二零零七年三月三十一日	2,312,314,541	23,123
Conversion of convertible notes (note iv)	兌換可換股票據(附註iv)	483,203,485	4,832
Placement of shares (note v)	配售股份(附註v)	300,000,000	3,000
At 31st March, 2008	於二零零八年三月三十一日	3,095,518,026	30,955

Note:

- (i) In April 2006 and May 2006, the First 2010 Convertible Notes and Placing Convertible Notes with aggregate principal amounts of HK\$354,000,000 and HK\$40,000,000 were converted into 804,431,812 and 90,909,090 ordinary shares of HK\$0.01 each, respectively, in the share capital of the Company at the conversion price of HK\$0.44 per share. The new shares rank pari passu with all the other shares in issue in all respects.
- (ii) On 27th April, 2006, the Company entered into a share placing agreement with a placing agent for a placing of 833,332,000 new ordinary shares of HK\$0.01 each in the share capital of the Company at an issue price of HK\$0.60 per share. The placement was approved by shareholders in a special general meeting held on 8th June, 2006. The net proceeds of approximately HK\$487 million would be used to finance the expansion of the property portfolio and the existing property development projects of the Group. The new shares rank pari passu with all the other shares in issue in all respects.

附註：

- (i) 於二零零六年四月及二零零六年五月，本金總額港幣354,000,000元之第一批二零一零年可換股票據及港幣40,000,000元之配售可換股票據已按換股價每股港幣0.44元分別兌換為804,431,812股及90,909,090股本公司股本中每股面值港幣0.01元之普通股。新股份於各方面均與其他已發行股份享有同等權益。
- (ii) 於二零零六年四月二十七日，本公司與一名配售代理訂立股份配售協議，按發行價每股港幣0.60元配售833,332,000股本公司股本中每股面值港幣0.01元之新普通股。配售已於二零零六年六月八日舉行之股東特別大會上獲股東批准。所得款項淨額約港幣487,000,000元將撥作擴展本集團物業組合及現有物業發展項目之用。新股份於各方面均與其他已發行股份享有同等權益。

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43. SHARE CAPITAL (Cont'd)

- (iii) During the year ended 31st March, 2007, the Company repurchased a total of 47,795,000 ordinary shares of HK\$0.01 each in the share capital of the Company through the Stock Exchange at an aggregate consideration of approximately HK\$20 million, details of which are as follows:

Month of repurchase 購回月份	No. of ordinary shares of HK\$0.01 each 每股面值港幣0.01元 之普通股數目
July 2007 二零零七年七月	4,505,000
August 2007 二零零七年八月	26,425,000
September 2007 二零零七年九月	16,865,000
	47,795,000

All of the above shares were cancelled upon repurchase. The nominal value of the cancelled shares was credited to the capital redemption reserve and the aggregate consideration was paid out of the reserves of the Company.

None of the Company's subsidiaries purchased, sold and redeemed any of the Company's listed securities during both years.

- (iv) During the year, the First 2010 Convertible Notes, the Second 2010 Convertible Notes and the 2011 Convertible Notes with aggregate principal amounts of HK\$111,000,000, HK\$42,500,000 and HK\$94,000,000 were converted into 252,272,723, 96,645,052 and 134,285,710 ordinary shares of HK\$0.01 each in the share capital of the Company at the conversion prices of HK\$0.44, HK\$0.44 and HK\$0.70 per share, respectively.
- (v) On 18th May, 2007, the Company entered into a share placing agreement with a placing agent for a placing of 300,000,000 new ordinary shares of HK\$0.01 each in the share capital of the Company at an issue price of HK\$0.56 per share. The placement was approved by shareholders in a special general meeting held on 1st June, 2007. The net proceeds of approximately HK\$163 million would be used to finance the expansion of the property portfolio and the existing property development projects of the Group. The new shares rank pari passu with all the other shares in issue in all respects.

43. 股本(續)

- (iii) 截至二零零七年三月三十一日止年度，本公司透過聯交所以代價總額約港幣20,000,000元購回47,795,000股本公司股本中每股面值港幣0.01元之普通股，詳情載列如下：

Highest 最高價 HK\$ 港幣	Price per share 每股股份價格		Aggregate consideration paid 已付代價總額 HK\$'000 港幣千元
	Lowest 最低價 HK\$ 港幣		
0.490	0.350		2,011
0.465	0.390		11,795
0.405	0.345		6,287
			20,093

上述所有股份於購回時註銷。註銷股份之面值計入資本贖回儲備，總代價以本公司之儲備支付。

年內，本公司附屬公司概無購買、出售及贖回任何本公司上市證券。

- (iv) 年內，總本金額為港幣111,000,000元、港幣42,500,000元、港幣94,000,000元之第一批二零一零年可換股票據、第二批二零一零年可換股票據及二零一一年可換股票據分別按兌換價每股港幣0.44元、港幣0.44元及港幣0.70元兌換為252,272,723股、96,645,052股及134,285,710股本公司股本中每股面值港幣0.01元之普通股。
- (v) 於二零零七年五月十八日，本公司就按發行價每股港幣0.56元配售300,000,000股本公司股本中每股面值港幣0.01港元之新普通股與配售代理訂立股份配售協議。配售於二零零七年六月一日舉行之股東特別大會上獲股東批准。所得款項淨額約為港幣163,000,000元將用作為本集團擴展物業組合及現有物業開發項目提供資金。新股與各方面與所有其他股份具有同等地位。

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44. SHARE-BASED PAYMENT TRANSACTIONS

Scheme adopted on 26th August, 2002 (the "Scheme")

Following the termination of the scheme adopted on 28th February, 1994, in August 2002, the Scheme was adopted pursuant to a resolution passed on 26th August, 2002 for the primary purpose of providing incentives to eligible persons and will expire on 25th August, 2012. Under the Scheme, the directors of the Company may grant share options to the following eligible persons to subscribe for shares in the Company:

- (i) employees including executive directors of the Company, its subsidiaries and any companies in which the Company holds any equity interest; or
- (ii) non-executive directors of the Company, its subsidiaries and any companies in which the Company holds any equity interest; or
- (iii) suppliers or customers; or
- (iv) consultants, advisers or agents.

Share options granted should be accepted within 28 days of the date of grant, upon payment of HK\$1 per each grant of share options. The exercise price is determined at the highest of: (i) the closing price of the shares on the date of grant of the share option; or (ii) the average closing price of shares on the five trading days immediately preceding the date of grant or (iii) the nominal value of shares on the date of grant.

There is no specific requirement that an option must be held for any minimum period before it can be exercised but the directors are empowered to impose at their discretion any such minimum period at the time of grant of any particular option. The period during which an option may be exercised will be determined by the directors at their absolute discretion, save that no option may be exercised more than 10 years from the date of grant.

44. 股份付款交易

於二零零二年八月二十六日採納之計劃(「計劃」)

繼於一九九四年二月二十八日採納之計劃於二零零二年八月終止後，本公司根據於二零零二年八月二十六日通過之決議案採納計劃，主要目的為向合資格人士提供獎勵，計劃將於二零一二年八月二十五日屆滿。根據計劃，本公司董事可向下列合資格人士授出可認購本公司股份之購股權：

- (i) 本公司、其附屬公司及本公司持有其任何股本權益之任何公司之僱員，包括執行董事；或
- (ii) 本公司、其附屬公司及本公司持有其任何股本權益之任何公司之非執行董事；或
- (iii) 供應商或客戶；或
- (iv) 諮詢顧問、顧問或代理人。

所授出購股權須於授出日期起計28天內接納，屆時須就每份授出之購股權支付港幣1元代價。行使價按以下最高之價格釐定：(i)股份於授出購股權日期之收市價；或(ii)股份於緊接授出購股權日期前五個交易日之平均收市價；或(iii)股份於授出日期之面值。

概無有關在購股權可予行使前之最短持有期之特別規定，惟董事有權於授出任何特定購股權之時酌情釐定任何該等最短持有期。購股權可予行使期間將由董事全權釐定，惟概無購股權可於授出日期起計十年後行使。

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44. SHARE-BASED PAYMENT TRANSACTIONS (Cont'd)

The maximum number of shares in respect of which share options under the Scheme may be granted when aggregated with the maximum number of shares in respect of which options may be granted under all the other schemes (the "Scheme Limit") is 10% of shares in issue on the adoption date of the Scheme. The Scheme Limit may be refreshed by a resolution in shareholders' meeting such that the total number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes shall not exceed 10% of the shares in issue as at the date of such shareholders' approval. However, the Scheme Limit and any increase in the Scheme Limit shall not result in the number of shares which may be issued upon exercise of all outstanding share options granted under the Scheme and other schemes exceed 30% of the shares in issue from time to time. No person shall be granted a share option, within 12-month period of the date of grant, exceeds 1% of the shares in issue as at the date of grant.

The following table discloses details of the Company's share options held by directors and employees and other participants, and movements in such holdings during the current and prior years:

44. 股份付款交易(續)

根據計劃可予授出購股權所涉及之股份總數，連同根據所有其他計劃可予授出購股權所涉及之股份總數(「計劃限額」)最多合共為計劃獲採納當日已發行股份之10%。計劃限額可通過股東大會決議案更新，惟根據計劃及任何其他計劃將予授出之購股權獲悉數行使時可發行之股份總數，不得超過於股東批准當日已發行股份之10%。然而，計劃限額及其任何增幅不得導致根據計劃及其他計劃授出之未行使購股權獲悉數行使時可予發行之股份數目，超出不時已發行股份之30%。概無任何人士可於授出購股權日期起計十二個月期間，獲授超出於授出日期已發行股份1%之購股權。

下表披露董事、僱員及其他參與者所持有本公司購股權詳情，以及本年度及過往年度有關變動：

Date of grant 授出日期	Vesting proportion 歸屬部份	Exercisable period 可行使期間	Exercise price per share 每股行使價 HK\$ 港幣千元	Number of share options 購股權數目						
				Outstanding at 1.4.2006 於二零零六年 四月一日 尚未行使	Granted during the year 年內授出	Outstanding at 1.4.2007 於二零零七年 四月一日 尚未行使	Granted during the year 年內授出	Cancelled during the year 年內註銷	Outstanding at 31.3.2008 於二零零八年 三月三十一日 尚未行使	
Employees: 僱員:										
15.8.2006	二零零六年八月十五日	50%	15.8.2006 - 14.8.2008 二零零六年八月十五日至 二零零八年八月十四日	0.50	-	750,000	750,000	-	-	750,000
		50%	15.8.2007 - 14.8.2008 二零零七年八月十五日至 二零零八年八月十四日	0.50	-	750,000	750,000	-	-	750,000
27.7.2007	二零零七年七月二十七日	50%	27.7.2008 - 26.7.2011 二零零八年七月二十七日至 二零一一年七月二十六日	0.67	-	-	-	7,600,000	-	7,600,000
		50%	27.7.2009 - 26.7.2011 二零零九年七月二十七日至 二零一一年七月二十六日	0.67	-	-	-	7,600,000	-	7,600,000

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44. SHARE-BASED PAYMENT TRANSACTIONS (Cont'd)

44. 股份付款交易(續)

Date of grant 授出日期	Vesting proportion 歸屬部份	Exercisable period 可行使期間	Exercise price per share 每股行使價 HK\$ 港幣千元	Number of share options 購股權數目						
				Outstanding at 1.4.2006 於二零零六年 四月一日 尚未行使	Granted during the year 年內授出	Outstanding at 1.4.2007 於二零零七年 四月一日 尚未行使	Granted during the year 年內授出	Cancelled during the year 年內註銷	Outstanding at 31.3.2008 於二零零八年 三月三十一日 尚未行使	
Other participants: 其他參與者:										
15.8.2006	二零零六年八月十五日	50%	15.8.2006 – 14.8.2008 二零零六年八月十五日至 二零零八年八月十四日	0.50	-	1,150,000	1,150,000	-	-	1,150,000
		50%	15.8.2007 – 14.8.2008 二零零七年八月十五日至 二零零八年八月十四日	0.50	-	1,150,000	1,150,000	-	-	1,150,000
27.7.2007	二零零七年七月二十七日	50%	27.7.2008 – 26.7.2011 二零零八年七月二十七日至 二零一一年七月二十六日	0.67	-	-	-	2,500,000	-	2,500,000
		50%	27.7.2009 – 26.7.2011 二零零九年七月二十七日至 二零一一年七月二十六日	0.67	-	-	-	2,500,000	-	2,500,000
Directors: 董事:										
15.8.2006 (Note)	二零零六年八月十五日 (附註)	50%	15.8.2006 – 14.8.2008 二零零六年八月十五日至 二零零八年八月十四日	0.50	-	13,750,000	13,750,000	-	(4,500,000)	9,250,000
		50%	15.8.2007 – 14.8.2008 二零零七年八月十五日至 二零零八年八月十四日	0.50	-	13,750,000	13,750,000	-	-	13,750,000
27.7.2007	二零零七年七月二十七日	50%	27.7.2008 – 26.7.2011 二零零八年七月二十七日至 二零一一年七月二十六日	0.67	-	-	-	21,750,000	-	21,750,000
		50%	27.7.2009 – 26.7.2011 二零零九年七月二十七日至 二零一一年七月二十六日	0.67	-	-	-	21,750,000	-	21,750,000
						<u>31,300,000</u>	<u>31,300,000</u>	<u>63,700,000</u>	<u>(4,500,000)</u>	<u>90,500,000</u>
Exercisable at the end of the years				年終行使			<u>15,650,000</u>			<u>26,800,000</u>

Note: The share options included 4,000,000 options granted to two executive directors of the Company before their appointment as executive directors.

附註: 購股權包括於委任兩名本公司執行董事前授予彼等之4,000,000份購股權。

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44. SHARE-BASED PAYMENT TRANSACTIONS (Cont'd)

The closing prices of the Company's shares immediately before 15th August, 2006 and 27th July, 2007, the dates of grant of the options, were HK\$0.445 and HK\$0.66, respectively, and the estimated fair values of the options granted were approximately HK\$4,050,000 and HK\$15,269,000 at the dates of grant, respectively.

The fair values of the share options granted during the current and prior years were calculated using the Binomial option pricing model. The inputs into the model were as follows:

	授出日期	2008 二零零八年	2007 二零零七年
Date of grant		27.7.2007 二零零七年 七月二十七日	15.8.2006 二零零六年 八月十五日
Share price	股價	HK\$0.63 港幣0.63元	HK\$0.44 港幣0.44元
Exercise price	行使價	HK\$0.67 港幣0.67元	HK\$0.50 港幣0.50元
Expected life of options	預計購股權年期	1 to 2 years 一至二年	2 years 二年
Expected volatility	預計波幅	59.03% 59.03%	56.21% 56.21%
Expected dividend yield	預計股息率	Nil 無	Nil 無
Risk free rate	無風險利率	4.28% 4.28厘	4.21% 4.21厘
Fair value per option	每股購股權公平值	HK\$0.2206 & HK\$0.2588 港幣0.2206元及港幣0.2588元	HK\$0.1294 港幣0.1294元

The Binomial option pricing model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the management's best estimate. The value of an option varies with different variables of certain subjective assumptions. Expected volatility was determined by using the historical volatility of the Company's share price over five years. The expected life used in the model has been estimated, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

As the fair value of the services to be performed by other eligible participants cannot be estimated reliably, the fair value of such services is also measured with reference to the fair value of share options granted using the Black-Scholes pricing model.

44. 股份付款交易(續)

本公司股份於緊接購股權授出日期二零零六年八月十五日及二零零七年七月二十七日前之收市價分別為港幣0.445元及港幣0.66元。已授出購股權之估計公平值於授出日期分別約為港幣4,050,000元及港幣15,269,000元。

本年度及過往年度已授出購股權之公平值乃採用二項式期權定價模式計算。該模式之輸入項目如下：

	2008 二零零八年	2007 二零零七年
Date of grant	27.7.2007 二零零七年 七月二十七日	15.8.2006 二零零六年 八月十五日
Share price	HK\$0.63 港幣0.63元	HK\$0.44 港幣0.44元
Exercise price	HK\$0.67 港幣0.67元	HK\$0.50 港幣0.50元
Expected life of options	1 to 2 years 一至二年	2 years 二年
Expected volatility	59.03% 59.03%	56.21% 56.21%
Expected dividend yield	Nil 無	Nil 無
Risk free rate	4.28% 4.28厘	4.21% 4.21厘
Fair value per option	HK\$0.2206 & HK\$0.2588 港幣0.2206元及港幣0.2588元	HK\$0.1294 港幣0.1294元

二項式期權定價模式乃用作估計購股權公平值。計算購股權公平值採用之變數及假設乃按管理層之最佳估計作出。購股權價值基於若干主觀假設而有所不同。預計波幅乃採用本公司股價於過往五年之歷史波幅釐定。該模式採用之預計年期乃根據管理層經考慮不可轉讓性、行使限制及慣例後作出之最佳估計。

由於其他合資格參與者提供的服務的公平值未能可靠估計，有關服務的公平值亦經參考授出的購股權的公平值並採用柏力克-舒爾斯期權定價模式計算。

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44. SHARE-BASED PAYMENT TRANSACTIONS (Cont'd)

The Group recognised the total expense of HK\$8,342,000 for the year (2007: HK\$3,296,000) in relation to the share options granted by the Company, of which HK\$2,498,000 (2007: HK\$702,000) was related to options granted to the Group's employees which has been included in staff costs as set out in note 13, and the remaining balance of HK\$5,844,000 (2007: HK\$2,594,000) was related to options granted to directors which has been included in directors' remuneration as set out in note 14(a).

45. ACQUISITION OF SUBSIDIARIES

During the year ended 31st March, 2007:

- (a) The Group acquired the entire equity interest in Everight (the "First Acquisition"), a company engaged in the development and operation of golf resort and hotel and property management, for a consideration of HK\$141,993,000. Everight owned 63.03% interest in Smart Sharp Investment Limited ("Smart Sharp") which owned 88.17% interest in Donson.
- (b) Everight acquired the remaining 11.83% interest in Donson ("the Second Acquisition") for a consideration of HK\$19,529,000. After the completion of the Second Acquisition, the Group owned 67.40% effective interest in Donson.
- (c) Everight acquired the remaining 36.97% interest of Smart Sharp through the acquisition of the entire interest in Braniff Developments Limited ("Braniff") (the "Third Acquisition") for a consideration of HK\$35,730,000. After the completion of the Third Acquisition, the Group owns the entire interest in Smart Sharp and Donson.

The transaction (a) had been accounted for using the purchase method of accounting.

44. 股份付款交易(續)

本年度，本集團已就本公司授出之購股權確認港幣8,342,000元(二零零七年：港幣3,296,000元)之開支總額，誠如附註13所載，其中港幣2,498,000元(二零零七年：港幣702,000元)乃與計入員工成本之授予本集團僱員之購股權有關，而誠如附註14(a)所載，其餘結餘港幣5,844,000元(二零零七年：港幣2,594,000元)乃與計入董事薪酬之授予董事之購股權有關。

45. 收購附屬公司

於截至二零零七年三月三十一日止年度：

- (a) 本集團以代價港幣141,993,000元收購永權全部股本權益(「首次收購」)，該公司從事發展及經營高爾夫球度假村、酒店及物業管理。永權於卓駿投資有限公司(「卓駿」)擁有63.03%權益，而卓駿則於東迅擁有88.17%權益。
- (b) 永權以代價港幣19,529,000元收購於東迅餘下11.83%權益(「第二次收購」)。於完成第二次收購後，本集團於東迅擁有67.40%實際權益。
- (c) 永權透過收購 Braniff Developments Limited (「Braniff」)全部權益，收購於卓駿餘下36.97%權益(「第三次收購」)，代價為港幣35,730,000元。於完成第三次收購後，本集團擁有卓駿及東迅全部權益。

交易(a)已按收購會計法列賬。

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45. ACQUISITION OF SUBSIDIARIES (Cont'd)

The net assets acquired in the acquisitions and the discount arising on acquisition are as follows:

45. 收購附屬公司(續)

於收購購入之資產淨值及所產生之收購折讓如下：

		2007 二零零七年		
		Acquiree's carrying amount before combination 於合併前 被收購公司 之賬面值 HK\$'000 港幣千元	Adjustments 調整 HK\$'000 港幣千元	Fair values 公平值 HK\$'000 港幣千元
Net assets acquired:	所收購資產淨值：			
Property, plant and equipment	物業、機械及設備	209,819	–	209,819
Prepaid lease payments of leasehold land	租賃土地預付租賃款項	101,139	–	101,139
Premium on prepaid lease payments of leasehold land	租賃土地預付租賃款項之溢價	–	134,029 (note i)(附註i)	134,029
Inventories	存貨	1,752	–	1,752
Properties held for sale	待售物業	213	–	213
Debtors, deposits and prepayments	應收賬款、按金及預付款項	19,985	–	19,985
Tax recoverable	可收回稅項	258	–	258
Bank balances and cash	銀行結餘及現金	9,559	–	9,559
Creditors, deposits and accrued charges	應付賬款、按金及應計費用	(55,640)	–	(55,640)
Tax payable	應付稅項	(11,443)	–	(11,443)
Amounts due to minority shareholders of subsidiaries	應付附屬公司少數股東款項	(1,377)	–	(1,377)
Unsecured loans from minority shareholders of subsidiaries	附屬公司少數股東無抵押貸款	(34,901)	–	(34,901)
Unsecured loans from related parties	有關連人士無抵押貸款	(8,303)	–	(8,303)
Unsecured loan from a director	一名董事無抵押貸款	(16,427)	–	(16,427)
Unsecured other borrowings	無抵押其他借貸	(17,382)	–	(17,382)
Bank borrowings	銀行借貸	(45,507)	–	(45,507)
Deferred tax liabilities	遞延稅項負債	(7,119)	(23,769) (note i)(附註i)	(30,888)
Minority interests	少數股東權益	144,626 (103,522)	110,260 51,890 (note ii)(附註ii)	254,886 (51,632)
Revaluation reserve	重估儲備	–	(1,795)	(1,795)
		<u>41,104</u>	<u>160,355</u>	201,459
Discount on acquisition	收購折讓			<u>(4,207)</u>
				<u>197,252</u>

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45. ACQUISITION OF SUBSIDIARIES (Cont'd)

Notes:

- (i) The amount represented fair value adjustment on acquisition of prepaid lease payments of leasehold land and the related deferred tax liabilities.
- (ii) The amount represented the fair values of net assets of HK\$100,812,000 acquired from minority shareholders in the Second Acquisition and Third Acquisition, net of share of fair value adjustment of HK\$48,922,000 by minority shareholders in relation to the premium on acquisition of prepaid lease payments of leasehold land and the related deferred tax liabilities.

45. 收購附屬公司(續)

附註：

- (i) 該金額指購入租賃土地預付租賃款項及相關遞延稅項負債之公平值調整。
- (ii) 該金額指扣除有關購入租賃土地預付租賃款項及相關遞延稅項負債溢價之少數股東分佔金額公平值調整港幣48,922,000元後，於第二次收購及第三次收購向少數股東購入資產淨值之公平值港幣100,812,000元。

		2007 二零零七年 HK\$'000 港幣千元
Satisfied by:	支付方式：	
Deposit and expenses paid for acquisition of subsidiaries	收購附屬公司已付按金及開支	12,099
Cash	現金	128,233
Issue of Second 2010 Convertible Notes	發行第二批二零一零年可換股票據	73,000
Expenditure incurred for the acquisition of subsidiaries	收購附屬公司所產生之開支	1,641
Other receivable (note)	其他應收款項(附註)	(17,721)
		197,252
Net cash outflow arising on acquisition:	收購產生現金流出淨額：	
Cash consideration	現金代價	(129,874)
Bank balances and cash acquired	購入銀行結餘及現金	9,559
		(120,315)

Note: The other receivable represented an amount due from the vendor in respect of tax indemnity given by the vendor pursuant to the sale and purchase agreement for acquisition of Everight. The amount is included in other receivable as set out in note 32.

附註：其他應收款項指根據收購永權之買賣協議就賣方作出之稅項彌償而應收賣方之金額。有關金額已計入附註32所載之其他應收款項。

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45. ACQUISITION OF SUBSIDIARIES (Cont'd)

The subsidiaries acquired during the year ended 31st March, 2007 contributed HK\$54,960,000 to the Group's revenue and had a loss of HK\$5,727,000 included in the Group's profit after taxation for the period between the date of acquisition and 31st March, 2007. Had the acquisition had been completed on 1st April, 2006, the Group's revenue for the year would have been HK\$890,230,000, and profit for the year ended 31st March, 2007 would have been HK\$68,267,000.

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 1st April, 2006, nor is it intended to be a projection of future results.

46. DISPOSAL OF SUBSIDIARIES

As detailed in note 12, the Group discontinued its businesses of manufacturing and trading of medicine and health products and trading of motorcycles through disposal of its subsidiaries, the TFH Group and the King-Tech Group on 31st July, 2007 and 31st March, 2008, respectively.

In addition, the Group entered into several conditional agreements on 28th November, 2007, to dispose of its entire 65%, 64.83% and 65% interest in Panyu Golf, Guangzhou Panyu Wei Di Si Golf Property Company Limited ("Wei Di Si") and Guangzhou Lian Chui Property Management Company Limited ("Lian Chui"), respectively, which are engaged in development and operation of golf resort and hotel in the PRC to the acquirer. The disposal was completed on 6th March, 2008, on which the control of these subsidiaries was passed to the acquirer.

45. 收購附屬公司(續)

截至二零零七年三月三十一日止年度收購之附屬公司自收購日期至二零零七年三月三十一日期間為本集團帶來港幣54,960,000元之收益及港幣5,727,000元之虧損，並已計入本集團之除稅後溢利。倘收購已於二零零六年四月一日完成，本集團年內收益為港幣890,230,000元，而截至二零零七年三月三十一日止年度之溢利則為港幣68,267,000元。

備考資料僅作說明用途，不一定顯示倘收購於二零零六年四月一日已完成情況下本集團實際錄得之營業額及業績，亦不擬作為未來業績之預測。

46. 出售附屬公司

誠如附註12所詳述，本集團分別於二零零七年七月三十一日及二零零八年三月三十一日，透過出售其附屬公司東方紅集團及勁龍集團，中止其製造及買賣醫藥及健康產品和摩托車買賣之業務。

此外，本集團於二零零七年十一月二十八日訂立多項有條件協議，以出售其於番禺高爾夫球、廣州市番禺偉迪斯高爾夫房地產有限公司（「偉迪斯」）及廣州市蓮翠房產物業管理有限公司（「蓮翠」）分別持有全部65%、64.83%及65%之權益。該三間公司均於中國向收購方從事發展及經營高爾夫球度假村及酒店的業務。出售事項已於二零零八年三月六日完成，而於該等附屬公司之控制權已於該日轉往收購方。

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46. DISPOSAL OF SUBSIDIARIES (Cont'd)

The aggregate net assets of the disposed subsidiaries at the dates of disposals were as follows:

46. 出售附屬公司(續)

於各出售日期已出售附屬公司之淨資產總額如下：

		Continuing operations 持續經營業務 HK\$'000 港幣千元	Discontinued operations 非持續經營業務 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Net assets disposed of:	已出售淨資產：			
Property, plant and equipment	物業、機械及設備	111,501	31,016	142,517
Prepaid lease payments of leasehold land	租賃土地預付租賃款項	52,947	1,405	54,352
Intangible assets	無形資產	-	430	430
Other loan receivables	其他應收貸款	-	30,314	30,314
Inventories	存貨	68	96,153	96,221
Properties under development	發展中物業	14,571	-	14,571
Amount due from immediate holding company	應收直接控股公司款項	-	1,138	1,138
Debtors, deposits and prepayments	應收賬款、按金及預付款項	5,534	39,834	45,368
Financial assets at fair value through profit or loss	按公平值列賬及計入損益之金融資產	-	2,500	2,500
Tax recoverable	可收回稅項	-	2,045	2,045
Bank balances and cash	銀行結餘及現金	3,862	81,629	85,491
Creditors, deposits and accrued charges	應付賬款、按金及應計費用	(6,389)	(128,765)	(135,154)
Dividend payable to a minority shareholder of a subsidiary	應付附屬公司少數股東之股息	(2,665)	-	(2,665)
Amounts due to minority shareholders of subsidiaries	應付附屬公司少數股東款項	(521)	-	(521)
Unsecured loan from a minority shareholder of a subsidiary	附屬公司少數股東無抵押貸款	(14,115)	(980)	(15,095)
Unsecured loan from a related party	有關連人士無抵押貸款	(621)	-	(621)
Obligations under finance leases	融資租賃承擔	-	(12)	(12)
Bank and other borrowings	銀行及其他借貸	(17,573)	(25,457)	(43,030)
Tax payable	應付稅項	-	(270)	(270)
Deferred tax liabilities	遞延稅項負債	(14,316)	-	(14,316)
		132,283	130,980	263,263
Minority interests	少數股東權益	(43,471)	(504)	(43,975)
Translation reserve released	匯兌儲備獲解除	(17,671)	(3,801)	(21,472)
Revaluation reserve released	重估儲備獲解除	(991)	-	(991)
		70,150	126,675	196,825
Loss on disposal of subsidiaries	出售附屬公司之虧損	(19,073)	(18,571)	(37,644)
Total consideration	總代價	51,077	108,104	159,181

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46. DISPOSAL OF SUBSIDIARIES (Cont'd)

Satisfied by:	以下列方式支付：
Cash	現金
Amount due from the disposed subsidiary included in debtors, deposits and prepayment	應收已出售附屬公司款項(於應付賬款、按金及應計費用入賬)
Other loan receivables	其他應收貸款
Interest in properties held for development (note 22)	持作發展之物業之利息(附註22)
Expense paid for the disposal of subsidiaries	出售附屬公司之已付開支
Net cash outflow arising on disposal:	出售事項產生之淨現金流出：
Cash consideration	現金代價
Bank balances and cash disposed of	已出售銀行結餘及現金
Expense paid for the disposal of subsidiaries	出售附屬公司之已付開支

The impacts of the disposed subsidiaries of discontinued operation on the Group's results and cash flows in the current and prior periods are disclosed in note 12.

47. CONTINGENT LIABILITIES

At 31st March, 2007, the Group had given an indemnity to the purchaser relating to unrecorded taxation liabilities, if any, and warranties relating to the affairs and businesses of a subsidiary disposed of in the previous year. The maximum aggregate liability of the Group in respect of all claims for breach of the warranties shall, when taken together with the aggregate liability of the Group in respect of all claims under the indemnity, not exceed the sum of HK\$60,000,000. All related claims may be brought against the Group up to the expiry of 10 years from 31st March, 1998. The contingent liabilities were released on 31st March, 2008.

In addition, the financial guarantee given to a bank in respect of banking facilities utilised by an associate amounted to HK\$250,000,000 at 31st March, 2007. The financial guarantee has been released through the disposal of More Profit as set out in note 23(ii).

46. 出售附屬公司(續)

Continuing operations 持續經營業務	Discontinued operations 非持續經營業務	Total 總計
HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
22,173	20,000	42,173
14,669	–	14,669
–	90,000	90,000
14,745	–	14,745
(510)	(1,896)	(2,406)
<u>51,077</u>	<u>108,104</u>	<u>159,181</u>
22,173	20,000	42,173
(14,448)	(81,629)	(96,077)
(510)	(1,896)	(2,406)
<u>7,215</u>	<u>(63,525)</u>	<u>(56,310)</u>

出售非持續經營業務之附屬公司對本集團於目前及過往期間之業績及現金流量之影響於附註12中作出披露。

47. 或然負債

於二零零七年三月三十一日，本集團向買方就未記錄之稅務負債(如有)提供補償保證並就過往年度出售之一間附屬公司之事務及業務提供保證。本集團就違反保證之所有索償，連同本集團根據補償保證項下所有索償之合計負債，最多不超過港幣60,000,000元。所有有關索償可於一九九八年三月三十一日起計十年內向本集團提出。或然負債已於二零零八年三月三十一日解除。

此外，於二零零七年三月三十一日，就一間聯營公司動用之銀行融資而向銀行提供之財務擔保達港幣250,000,000元。該財務擔保已透過出售More Profit(詳情載於附註23(ii))獲得解除。

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48. CAPITAL AND OTHER COMMITMENTS

48. 資本及其他承擔

		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of:	就以下各項之已訂約但未於綜合財務報表撥備：		
– acquisition of property, plant and equipment	– 購置物業、機械及設備	31,292	35,080
– acquisition of properties (Note 28)	– 收購物業(附註28)	–	61,964
		<u>31,292</u>	<u>97,044</u>
Other commitments:	其他承擔：		
– acquisition of an associate (Note 27)	– 收購一間聯營公司(附註27)	–	155,700
– acquisition of a land use right (Note 26)	– 收購土地使用權(附註26)	5,000	10,013
– loan to an associate (Note 23)	– 向一間聯營公司提供貸款(附註23)	15,000	70,000
		<u>20,000</u>	<u>235,713</u>
		<u>51,292</u>	<u>332,757</u>

49. OPERATING LEASE COMMITMENTS

49. 營業租賃承擔

The Group as lessee

本集團為承租人

		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Property rentals paid by the Group during the year in respect of:	本集團年內就以下各項支付之物業租金：		
Minimum lease payments	最低租金	13,422	30,407
Contingent rents	或然租金	3,167	9,572
		<u>16,589</u>	<u>39,979</u>

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49. OPERATING LEASE COMMITMENTS (Cont'd)

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Within one year	一年內
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)

Operating lease payments represent rentals payable by the Group for certain of its office premises and outlets. Leases are negotiated for an average term of three years and rentals are either fixed or, in addition to the fixed rentals, determined based on a fixed percentage of the monthly gross turnover of the outlets, for an average term of three years.

The Group as lessor

The property rental income earned during the year was HK\$3,270,000 (2007: HK\$2,658,000). The properties are expected to generate rental yield of 1% on an ongoing basis. All of the properties held have committed tenants within one year.

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments:

Within one year	一年內
-----------------	-----

49. 營業租賃承擔(續)

於結算日，本集團根據不可撤銷營業租賃須於下列年期支付之未來最低租金承擔如下：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
1,960	27,492
323	12,805
2,283	40,297

應付營業租賃金額指本集團就其若干寫字樓及店舖應付之租金。租期平均議定為三年，租金為固定租金，或除固定租金外另加按店舖每月總營業額固定百分比計算(平均為期三年)。

本集團為出租人

本年度賺取之物業租金收益為港幣3,270,000元(二零零七年：港幣2,658,000元)。預期物業可持續產生1%的租賃收益。所有已持有物業於一年內保證有租戶。

於結算日，本集團已就下列日後最低賃付款與租戶之訂約：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
805	—

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50. PLEDGE OF ASSETS

At 31st March, 2008, the Group's bank and other borrowings and credit facilities from financial institutions were secured by the following:

- (a) bank deposits of HK\$41,268,000 (2007: HK\$40,783,000);
- (b) legal charges over the Group's properties held for sale with a carrying value of HK\$231,818,000 (2007: HK\$58,536,000);
- (c) financial assets at fair value through profit or loss of HK\$1,756,000 (2007: HK\$29,599,000).

In addition, at 31st March, 2008, the Group had bank deposits of approximately of HK\$10,550,000 (2007: Nil) pledged to banks in respect of banking facilities granted to third parties.

Other than the above, the Group's bank and other borrowings and credit facilities from financial institutions at 31st March, 2007 were also secured by the following:

- (a) prepaid lease payments of leasehold land of HK\$143,211,000; and
- (b) available-for-sale investments of HK\$75,970,000.

51. RETIREMENT BENEFITS SCHEMES

The Group operates a defined contribution retirement benefits scheme which is registered under the Occupational Retirement Scheme Ordinance (the ORSO Scheme) for eligible employees. The assets of the scheme are separately held in funds under the control of trustees.

The cost charged to the consolidated income statement represents contributions payable to the fund by the Group at rates specified in the rules of the scheme. Where there are employees who leave the scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

At the balance sheet dates, the Group had no significant forfeited contributions, which arose upon employees leaving the retirement benefits scheme and which are available to reduce the contributions payable by the Group in future years.

50. 資產抵押

於二零零八年三月三十一日，本集團之銀行及其他借貸及由財務機構作出之信貸融資由下列項目作抵押：

- (a) 銀行存款港幣41,268,000元(二零零七年：港幣40,783,000元)；
- (b) 本集團賬面值為港幣231,818,000元(二零零七年：港幣58,536,000元)持作出售物業之法定抵押；
- (c) 按公平值列賬並計入損益之金融資產為港幣1,756,000元(二零零七年：港幣29,599,000元)

此外，於二零零八年三月三十一日，本集團約為港幣10,550,000元(二零零七年：無)之銀行存款已抵押予銀行，作為銀行授予第三者融資之擔保。

除上述外，本集團於二零零七年三月三十一日之銀行及其他借貸及由財務機構作出之信貸融資亦由下列項目作抵押：

- (a) 租賃土地預付租賃款項為港幣143,211,000元；及
- (b) 可供出售投資為港幣75,970,000元。

51. 退休福利計劃

本集團為合資格僱員推行根據職業退休保障計劃條例(「職業退休保障計劃」)註冊之定額供款退休福利計劃，該計劃之資產乃由受託人管理之基金分開持有。

在綜合損益表中扣除之費用，乃指本集團須按該計劃規定所註明特定比率向基金應付之供款。倘僱員在全數取得供款前退出該計劃，則沒收之供款可用以減低本集團應付之供款。

於結算日，本集團並無因僱員退出退休福利計劃而有可用作減低本集團往後年度應付供款之重大沒收供款。

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51. RETIREMENT BENEFITS SCHEMES (Cont'd)

With effect from 1st December, 2000, the Group has also joined a Mandatory Provident Fund Scheme (the "MPF Scheme") for employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Scheme Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee.

Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme. The contributions to the MPF Scheme charged to the consolidated income statement represent contributions paid or payable to the funds by the Group at rates specified in the rules of the scheme. No forfeited contribution is available to reduce the contribution payable in future years.

The employees of the subsidiaries in the PRC are members of state-managed retirement benefits schemes operated by the PRC government. The subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes are to make the required contributions under the schemes.

The total cost charged to consolidated income statement of HK\$2,126,000 (2007: HK\$4,019,000) represents contributions paid or payable to the schemes by the Group during the year.

51. 退休福利計劃(續)

由二零零零年十二月一日起，本集團亦為香港僱員參加強制性公積金計劃(「強積金計劃」)。強積金計劃已根據強制性公積金計劃條例向強制性公積金計劃管理局註冊。有關強積金計劃資產與本集團資產分開管理，並由一名獨立受託人控制之基金持有。

根據強積金計劃之規則，僱主及其僱員須各自按規例所註明特定比率向計劃供款，本集團於強積金計劃之唯一責任為向該計劃作出所規定供款。於綜合損益表中扣除之強積金計劃供款，乃指本集團按計劃規例所註明特定比率已付或應付之供款。並無任何沒收供款可用作扣減日後應付供款。

中國附屬公司之僱員為中國政府運作之國家管理退休福利計劃之成員。附屬公司須按其工資某一百分比向退休福利計劃供款，撥作福利之資金。本集團對退休福利計劃之唯一責任為作出計劃項下規定供款。

於綜合損益表扣除之總成本為港幣2,126,000元(二零零七年：港幣4,019,000元)，乃指年內本集團已付或應付予計劃之供款。

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52. RELATED AND CONNECTED PARTY TRANSACTIONS AND BALANCES

Related party transactions

(a) During the year, the Group had the following transactions with related parties:

Related parties 有關連人士	Notes 附註	Nature of transactions 交易性質
<i>Director:</i> 董事：		
Mr. Lai 賴先生		Interest expense 利息開支
<i>Minority shareholders of subsidiaries:</i> 附屬公司少數股東：		
Braniff	(i)	Interest expense 利息開支
廣州市番禺旅游總公司	(ii)	Interest expense 利息開支
三亞博后經濟開發有限公司	(ii)	Management fee paid 已付管理費 Rental paid 已付租金
<i>Associates:</i> 聯營公司：		
Orient Town 華鎮		Interest income 利息收入
Concordia 聯生		Management fee paid 已付管理費
Orient Town Project Management Limited 華鎮項目管理有限公司		Management fee received 已收管理費
<i>Other related companies:</i> 其他有關連公司：		
Wing On 永安	(iii)	Interest income 利息收入
Mr. Chang Rong Wu 張榮梧先生	(iv)	Interest expense 利息開支
L.F. Sam (HK) Ltd. 聯豐生(香港)有限公司	(v)	Interest expense 利息開支

52. 有關連人士交易及結餘

有關連人士交易

(a) 年內，本集團曾與有關連人士進行以下交易：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
–	222
–	1,785
734	266
295	295
231	84
51,618	56,182
910	–
250	–
4,677	3,690
–	11
–	92

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52. RELATED AND CONNECTED PARTY TRANSACTIONS AND BALANCES (Cont'd)

Related party transactions (Cont'd)

- (a) During the year, the Group had the following transactions with related parties: (Cont'd)

Notes:

- (i) Minority shareholders of subsidiaries of Smart Sharp which become a wholly-owned subsidiary of the Company on 28th February, 2007 as set out in (d) below.
- (ii) Minority shareholders of subsidiaries of Everight.
- (iii) Mr. Cheung Hon Kit, an executive director of the Company is also a director of Wing On.
- (iv) A former director of a subsidiary of Everight.
- (v) Mr. Chan Jink Chou, Eric, a former director of a subsidiary of Everight, is also a director and a shareholder of the related company.

Details of the outstanding balances with related parties are set out in the consolidated balance sheet and in notes 23, 24, 33, 35, 36, 37 and 38.

- (b) As stated in the announcement on 5th January, 2007, Everight entered into an agreement with AIM Pacific Limited ("AIM") which was owned as to 65% by Mr. Lai and 35% by Mr. Chan Jink Chou, Eric. Pursuant to the agreement, Everight agreed to acquire the entire interest in Braniff which was owned as to 67% and 33% by AIM and Mr. Chang Rong Wu, respectively, and aggregate amount of shareholders' loans owing by Braniff to AIM and Mr. Chang Rong Wu and the interests accrued thereon up to the completion of the agreement for an aggregate consideration of approximately HK\$98 million (the "Braniff Acquisition"). The principal asset of Braniff was its indirect holding of 36.97% effective interest in the issued share capital of Donson and the guarantors of the Braniff Acquisition were Mr. Lai and Mr. Chan Jink Chou, Eric.

In addition, Everight should, immediately after the completion of the Braniff Acquisition, repaid on behalf of Donson or procure Donson to repay loans due to Mr. Lai and L.F. Sam (HK) Ltd. of approximately HK\$1.3 million and HK\$1.6 million, respectively, and interest accrued thereon.

52. 有關連人士交易及結餘(續)

有關連人士交易(續)

- (a) 年內，本集團曾與有關連人士進行以下交易：(續)

附註：

- (i) 卓駿(於二零零七年二月二十八日成為本公司全資附屬公司)之附屬公司少數股東載於下文(d)。
- (ii) 永權之附屬公司少數股東。
- (iii) 本公司執行董事張漢傑先生，亦為永安之董事。
- (iv) 永權之一間附屬公司前董事。
- (v) 永權之一間附屬公司的前董事陳正秋先生，亦為有關連公司的董事及股東。

與有關連公司之尚未償還結餘詳情載於綜合資產負債表及附註23、24、33、35、36、37及38。

- (b) 誠如日期為二零零七年一月五日之公佈所述，永權與分別由賴先生及陳正秋先生擁有65%及35%權益之AIM Pacific Limited(「AIM」)訂立一份協議。根據該協議，永權同意購入Braniff全部權益，Braniff分別由AIM及張榮梧先生擁有67%及33%權益，以及Braniff結欠AIM及張榮梧先生之股東貸款連同其截至協議完成為止累計利息之總額，代價合共約為港幣98,000,000元(「Braniff收購」)。Braniff之主要資產為間接持有東迅已發行股本中36.97%實際權益，而Braniff收購之擔保人為賴先生及陳正秋先生。

此外，永權須於緊隨Braniff收購完成後代表東迅或促使東迅償還分別結欠賴先生及聯豐生(香港)有限公司約港幣1,300,000元及港幣1,600,000元之貸款，連同其累計利息。

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52. RELATED AND CONNECTED PARTY TRANSACTIONS AND BALANCES (Cont'd)

Related party transactions (Cont'd)

(b) (Cont'd)

Mr. Lai, Mr. Chan Jink Chou, Eric and Mr. Chang Rong Wu were directors of certain subsidiaries of the Company and Mr. Lai was the executive director of the Company. Mr. Chan Jink Chou, Eric and Mr. Chang Rong Wu have been resigned as directors of these subsidiaries during the year ended 31st March, 2007.

- (c) On 15th June, 2006, Hanny, four fund subscribers who were funds managed by Stark Investments (Hong Kong) Limited., an investment manager of the fund subscribers ("Stark Funds"), ITC Corporation Limited ("ITC"), and the eleven other note subscribers which were funds managed by global asset management firms had in aggregate conditionally agreed to subscribe for an aggregate of HK\$1,000 million 1% convertible notes due 2011 issued by the Company pursuant to the subscription agreements with principal amount of HK\$270 million, HK\$123 million, HK\$30 million and HK\$577 million, respectively. Hanny and ITC were companies incorporated in Bermuda with limited liability and their shares were listed on the Stock Exchange. The 2011 Convertible Notes had been issued during the year ended 31st March, 2007 as explained in note 39(c).

Hanny and Stark Funds held 20.71% and 17.26% interest in the total issued ordinary shares of HK\$0.01 each in the share capital of the Company, respectively, as at the date of the note subscription agreements entered. No conversion of 2011 Convertible Notes held by Hanny and Stock Funds noted during both years.

52. 有關連人士交易及結餘 (續)

有關連人士交易 (續)

(b) (續)

賴先生、陳正秋先生及張榮梧先生均為本公司若干附屬公司之董事，而賴先生為本公司執行董事。截至二零零七年三月三十一日止年度，陳正秋先生及張榮梧先生已辭任該等附屬公司之董事。

- (c) 於二零零六年六月十五日，錦興、四名基金認購人之投資經理 Stark Investments (Hong Kong) Limited 管理彼等基金之基金認購人（「Stark 基金」）、德祥企業集團有限公司（「德祥」）及十一名由全球資產管理公司管理之基金之其他票據認購人共同有條件同意，認購本公司根據認購協議發行之總額合共為港幣 1,000,000,000 元之二零一一年到期 1 厘息可換股票據，本金金額分別為港幣 270,000,000 元、港幣 123,000,000 元、港幣 30,000,000 元及港幣 577,000,000 元。錦興及德祥為於百慕達註冊成立之有限公司，其股份於聯交所上市。誠如附註 39(c) 所述，二零一一年可換股票據已於截至二零零七年三月三十一日止年度發行。

錦興及 Stark 基金在票據認購協議訂立日期於本公司股本中每股面值港幣 0.01 元之全部已發行普通股分別擁有 20.71% 及 17.26% 權益。於兩個年度內錦興及 Stark 基金概無兌換其持有之二零一一年可換股票據。

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52. RELATED AND CONNECTED PARTY TRANSACTIONS AND BALANCES (Cont'd)

- (d) Compensation of key management personnel
The remuneration of directors during the year was as follows:

Short-term benefits	短期利益
Share-based payments	股份付款

The remuneration of directors is determined by the remuneration committee having regard to the performance of individuals and market trends.

Connected party transactions

- (a) As stated in the announcement on 7th December, 2007, on 28th November, 2007, Donson entered into several agreements in relation to:
- (i) the disposal by Donson of its entire interest in Panyu Golf, Wei Di Si and Lian Chui to 廣州市番禺協誠實業有限公司(「番禺協誠」), a company incorporated in the PRC with limited liability, which is an investment holding company controlled by the Panyu Municipal Government, the PRC, for an aggregate cash consideration of RMB20 million (equivalent to approximately HK\$22.2 million) as set out in note 46;
- (ii) the co-operation between Panyu Golf and Donson in the Development Project in which the Group will have the right to share 65% of its residual value. Under the terms of the Development Project Agreement, the Group will provide a loan of RMB40 million (equivalent to approximately HK\$44.3 million) to Panyu Golf for use in the development project as set out in note 22; and

52. 有關連人士交易及結餘(續)

- (d) 主要管理人員報酬
年內董事之薪酬如下：

2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
19,368	11,105
5,844	2,594
25,212	13,699

董事之薪酬乃由薪酬委員會經考慮個別人士表現及市場趨勢釐定。

關連人士交易

- (a) 誠如日期為二零零七年十二月七日及二零零七年十一月二十八日之公佈所述，東迅就下列事項訂立多項協議：
- (i) 東迅以合共現金代價人民幣20,000,000元(相當於約港幣22,200,000元)，出售其於番禺高爾夫球、偉迪斯及蓮翠之全部權益予廣州市番禺協誠實業有限公司(「番禺協誠」)，詳情載於附註46。番禺協誠為一間於中國註冊成立之有限責任投資控股公司，由中國番禺區政府管理；
- (ii) 番禺高爾夫球與東迅於發展項目的合作中，本集團將有權分佔其剩餘價值之65%。根據發展項目協議之條款，本集團將提供人民幣40,000,000元(相當於約港幣44,300,000元)之貸款予番禺高爾夫球用於該發展項目，詳情載於附註22；及

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52. RELATED AND CONNECTED PARTY TRANSACTIONS AND BALANCES (Cont'd)

Connected party transactions (Cont'd)

- (iii) the lease of the golf resort known as “Guangzhou Lotus Hill Golf Resort” which comprises golf course and golf clubhouse within Panyu, Guangzhou, Guangdong Province, the PRC by Panyu Golf to Guangzhou Donson Hotel Management Limited (“Donson Hotel Management”), a subsidiary of the Company, for three years commencing from the date of the lease agreement entered into between Donson Hotel Management as lessee and Panyu Golf as lessor for the lease of the Guangzhou Lotus Hill Golf Resort on 16th April, 2008 at an annual rental of RMB5 million (equivalent to approximately HK\$5.2 million) renewable at an option of Donson Hotel Management at the successive terms of 3 years up to 20 years.

By virtue of the fact that 番禺協誠 is controlled by the Panyu Municipal Government. 廣州市番禺旅游總公司 (“番禺旅游”), a company incorporated in the PRC which is a substantial shareholder of Panyu Golf, Wei Di Si and Lian Chui, is also controlled by the Panyu Municipal Government, 番禺協誠 and 番禺旅游 are therefore connected persons of the Company. Details of the above-mentioned transactions are set out in the announcement dated 7th December, 2007. The disposal was completed on 6th March, 2008.

- (b) During the year ended 31st March, 2008, Kopola had converted HK\$50 million (2007: HK\$100 million) of the First 2010 Convertible Notes into 113,636,363 (2007: 227,272,727) ordinary shares of HK\$0.01 each in the share capital of the Company at a conversion price of HK\$0.44 per share.

52. 有關連人士交易及結餘 (續)

關連人士交易 (續)

- (iii) 向本公司附屬公司廣州市東迅酒店管理有限公司 (「東迅酒店管理」) 租賃中國廣東省廣州市番禺區內名為「廣州蓮花山高爾夫球度假村」之高爾夫球度假村 (包括高爾夫球場及高爾夫球會所), 租期為自東迅酒店管理 (作為承租人) 與番禺高爾夫球 (作為出租人) 就租賃廣州蓮花山高爾夫球度假村事宜於二零零八年四月十六日訂立之租賃協議日期起計三年, 年租為人民幣 5,000,000 元 (相當於約港幣 5,200,000 元), 東迅酒店管理可決定每次續租三年, 最多續期二十年。

由於番禺協誠由番禺區政府管理, 而廣州市番禺旅游總公司 (「番禺旅游」) (於中國註冊成立之公司) 為番禺高爾夫球、偉迪斯及蓮翠的主要股東, 亦由番禺區政府管理, 故番禺協誠及番禺旅游均為本公司之關連人士。上述交易之詳情載於日期為二零零七年十二月七日之公佈。出售事項已於二零零八年三月六日完成。

- (b) 截至二零零八年三月三十一日止年度內, Kopola 已將港幣 50,000,000 元 (二零零七年: 港幣 100,000,000 元) 之第一批二零一零年可換股票據按每股換股價港幣 0.44 元兌換為 113,636,363 股 (二零零七年: 227,272,727 股) 本公司股本中每股面值港幣 0.01 元之普通股。

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53. POST BALANCE SHEET EVENTS

- (a) As stated in the announcement dated 28th April, 2008, ITC Properties Management Limited (the “Tenant”), an indirect wholly-owned subsidiary of the Company, entered into a tenancy agreement with Island Town Limited (the “Landlord”), an indirect wholly-owned subsidiary of Hanny for renting Unit 3102, 31/F., Bank of America Tower, 12 Harcourt Road, Central, from 28th April, 2008 to 27th April, 2011 with a fixed rental of HK\$311,340 per month and management fee and air-conditioning charges of HK\$23,927 per month. The annual caps for total rental and other charges payable by the Tenant to the Landlord will not exceed HK\$3,900,000 for the financial year ending 31st March, 2009 and HK\$4,200,000 for each of the financial years ending 31st March, 2010 and 31st March, 2011.

As at 28th April, 2008, Hanny was indirectly interested in approximately 16.72% of the issued share capital of the Company and is a substantial shareholder. Accordingly, the Landlord is a connected person of the Company. The tenancy, which will be carried out on a continuing basis and in the ordinary and usual course of business of the Company, constitutes a continuing connected transaction of the Company under Rule 14A.14 of the Listing Rules.

53. 結算日後事項

- (a) 誠如日期為二零零八年四月二十八日之公佈所述，德祥地產管理有限公司(「承租人」)，為本公司間接全資附屬公司與倫都有限公司(「業主」)，為錦興之間接全資附屬公司就租賃中環夏慤道12號美國銀行中心31樓3102室訂立一項租賃協議，租期由二零零八年四月二十八日起至二零一一年四月二十七日止，每月固定租金港幣311,340元，管理費及空調費每月港幣23,927元。截至二零零九年三月三十一日止財政年度以及截至二零一零年三月三十一日及二零一一年三月三十一日止財政年度各年，承租人應向業主支付之租金及其他費用總額年度上限將不會超過港幣3,900,000元及其後兩年不會超過港幣4,200,000元。

於二零零八年四月二十八日，錦興間接擁有本公司已發行股本約16.72%權益，並為一名主要股東。因此，業主為本公司之關連人士。租賃將於本公司一般及日常業務過程中持續進行，根據上市規則第14A.14條構成本公司之持續關連交易。

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53. POST BALANCE SHEET EVENTS (Cont'd)

- (b) Pursuant to the announcement dated 6th June, 2008, the Company proposed to issue 9,286,554,078 shares (with up to 2,476,414,420 bonus warrants to be issued by the Company to the successful applicants of the Right Shares pursuant to the rights issue at an initial exercise price of HK\$0.105 per warrant share (subject to adjustments) at any time during a period of 18 months from the date of issue of the warrants (the "Warrants")) at a subscription price of HK\$0.07 each in the capital of the Company, by way of rights issue in the proportion of three rights shares per every ordinary share of HK\$0.01 each in the share capital of the Company (the "Right Shares") (with the Warrants to be issued in the proportion of four Warrants for every fifteen Rights Shares subscribed) held to the shareholders other than the excluded shareholders as defined in the announcement, whose names appear on the register of members of the Company at the close of business on the record date for determining the entitlements of the shareholders to participate in the rights issue.

The rights issue is conditional upon the approval of the shareholders of the Company at the special general meeting of the Company and the transaction has not yet been completed up to the date of this report. The estimated net proceeds of the rights issue will be approximately HK\$626.6 million. The net proceeds are intended to be used as general working capital of the Group principally for its existing business and for the repurchase of the First 2010 Convertible Notes and the 2011 Convertible Notes. The Rights Shares, credited as fully paid, rank pari passu in all respects with the then existing issued shares.

53. 結算日後事項(續)

- (b) 根據日期為二零零八年六月六日之公佈，本公司建議透過按本公司股本中每股港幣0.07元之認購價以供股方式發行9,286,554,078股股份，其中最多2,476,414,420份紅利認股權證將由本公司按照認股權證(「認股權證」)發行日期起計18個月期間內任何時間按每股認股權證股份之初步行使價港幣0.105元(可予調整)發行予供股之成功申請人，按每持有本公司股本中一股每股面值港幣0.01元之普通股供三股供股股份(「供股股份」)以及按每認購十五股供股股份派送四份認股權證之基準，配發予於記錄日期營業結束時名列本公司股東名冊以確定其有資格參與供股之股東(不包括本公佈所定義之除外股東)。

供股須待本公司股東於本公司股東特別大會上批准，方告落實。直至本報告日期交易仍未完成。供股所得款項淨額預計將約為港幣626,600,000元。所得款項淨額計劃用作本集團一般營運資金，主要用於本集團之現有業務以及購回第一批二零一零年可換股票據及二零一一年可換股票據。入賬列作繳足之供股股份於各方面與當時已發行股份均具同等地位。

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綜合財務報表附註

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ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

54. BALANCE SHEET OF THE COMPANY

The balance sheet of the Company at 31st March, 2008 is as follows:

54. 本公司資產負債表

本公司於二零零八年三月三十一日之資產負債表如下：

		Note 附註	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Non-current asset	非流動資產		1,117,096	1,189,481
Current assets	流動資產		2,034,061	1,657,490
Current liabilities	流動負債		8,060	8,676
Net current assets	流動資產淨值		2,026,001	1,648,814
Total assets less current liabilities	總資產減流動負債		3,143,097	2,838,295
Non-current liabilities	非流動負債		1,236,559	1,360,455
			1,906,538	1,477,840
Capital and reserves	股本及儲備			
Share capital	股本		30,955	23,123
Reserves	儲備	(a)	1,875,583	1,454,717
			1,906,538	1,477,840

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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54. BALANCE SHEET OF THE COMPANY (Cont'd)

Note:

(a) Reserves

		Share premium	Capital redemption reserve	Convertible loan notes equity reserve	Share-based payment reserve	Contributed surplus	Accumulated (losses) profits	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
THE COMPANY	本公司							
At 31st March, 2006	於二零零六年三月三十一日	213,224	646	157,053	-	206,177	(181,664)	395,436
Recognition of equity component of convertible notes	確認可換股票據之股本部分	-	-	261,644	-	-	-	261,644
Conversion of convertible notes	兌換可換股票據	393,688	-	(63,393)	-	-	-	330,295
Transfer	轉撥	-	-	-	-	(206,177)	206,177	-
Issue of shares	發行股份	491,666	-	-	-	-	-	491,666
Expenses incurred in connection with issue of shares	發行股份產生之開支	(12,908)	-	-	-	-	-	(12,908)
Repurchase and cancellation of shares	購回及註銷股份	(19,615)	478	-	-	-	(478)	(19,615)
Recognition of equity-settled share-based payments	確認股本結算股份付款	-	-	-	3,296	-	-	3,296
Profit for the year	年內溢利	-	-	-	-	-	4,903	4,903
At 31st March, 2007	於二零零七年三月三十一日	1,066,055	1,124	355,304	3,296	-	28,938	1,454,717
Conversion of convertible notes	兌換可換股票據	268,001	-	(47,585)	-	-	-	220,416
Issue of shares	發行股份	165,000	-	-	-	-	-	165,000
Expenses incurred in connection with issue of shares	發行股份產生之開支	(5,114)	-	-	-	-	-	(5,114)
Recognition of equity-settled share-based payments	確認股本結算股份付款	-	-	-	8,342	-	-	8,342
Profit for the year	年內溢利	-	-	-	-	-	32,222	32,222
At 31st March, 2008	於二零零八年三月三十一日	<u>1,493,942</u>	<u>1,124</u>	<u>307,719</u>	<u>11,638</u>	<u>-</u>	<u>61,160</u>	<u>1,875,583</u>

54. 本公司資產負債表(續)

附註：

(a) 儲備

		Share premium	Capital redemption reserve	Convertible loan notes equity reserve	Share-based payment reserve	Contributed surplus	Accumulated (losses) profits	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
THE COMPANY	本公司							
At 31st March, 2006	於二零零六年三月三十一日	213,224	646	157,053	-	206,177	(181,664)	395,436
Recognition of equity component of convertible notes	確認可換股票據之股本部分	-	-	261,644	-	-	-	261,644
Conversion of convertible notes	兌換可換股票據	393,688	-	(63,393)	-	-	-	330,295
Transfer	轉撥	-	-	-	-	(206,177)	206,177	-
Issue of shares	發行股份	491,666	-	-	-	-	-	491,666
Expenses incurred in connection with issue of shares	發行股份產生之開支	(12,908)	-	-	-	-	-	(12,908)
Repurchase and cancellation of shares	購回及註銷股份	(19,615)	478	-	-	-	(478)	(19,615)
Recognition of equity-settled share-based payments	確認股本結算股份付款	-	-	-	3,296	-	-	3,296
Profit for the year	年內溢利	-	-	-	-	-	4,903	4,903
At 31st March, 2007	於二零零七年三月三十一日	1,066,055	1,124	355,304	3,296	-	28,938	1,454,717
Conversion of convertible notes	兌換可換股票據	268,001	-	(47,585)	-	-	-	220,416
Issue of shares	發行股份	165,000	-	-	-	-	-	165,000
Expenses incurred in connection with issue of shares	發行股份產生之開支	(5,114)	-	-	-	-	-	(5,114)
Recognition of equity-settled share-based payments	確認股本結算股份付款	-	-	-	8,342	-	-	8,342
Profit for the year	年內溢利	-	-	-	-	-	32,222	32,222
At 31st March, 2008	於二零零八年三月三十一日	<u>1,493,942</u>	<u>1,124</u>	<u>307,719</u>	<u>11,638</u>	<u>-</u>	<u>61,160</u>	<u>1,875,583</u>

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54. BALANCE SHEET OF THE COMPANY (Cont'd)

Note: (Cont'd)

(a) Reserves (Cont'd)

Note: The contribution surplus of the Company represents:

- (i) the difference between the underlying net assets of the subsidiaries acquired by the Company at the date of the group reorganisation in 1994 less any dividends distributed from the pre-reorganisation reserves and the nominal amount of the Company's share capital issued as consideration for the acquisition; and
- (ii) net balance from capital reduction, cancellation of share premium and set-off against the deficit pursuant to the capital reorganisation on 15th April, 2003.

Pursuant to a resolution of the directors of the Company passed on 29th September, 2006, the amount of contribution surplus was transferred to the accumulated losses.

55. SUBSIDIARIES

Particulars of the Company's principal subsidiaries at 31st March, 2008 are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/經營地點	Issued and fully paid share/ registered capital 已發行及繳足股本/註冊資本	Percentage of issued share/ registered capital held by the Company 本公司所持已發行股本/註冊資本之百分比		Principal activities 主要業務		
			Directly 直接	Indirectly 間接			
			2008 二零零八年 %	2007 二零零七年 %		2008 二零零八年 %	2007 二零零七年 %
Advance Tech Limited 科進有限公司	Hong Kong 香港	HK\$1 ordinary share 港幣1元普通股	-	-	100	100	Securities investment 證券投資
Asia Progress Investments Limited	British Virgin Islands 英屬處女群島	US\$1 ordinary share 美金1元普通股	-	-	100	100	Investment holding 投資控股
Champion Palace Development Limited 冠堡發展有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	-	100	Properties holding in the PRC 中國物業持有
Castle Win International Limited 城威國際有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	100	-	Property development 物業發展

54. 本公司資產負債表(續)

附註：(續)

(a) 儲備(續)

附註：本公司之繳入盈餘指：

- (i) 本公司於一九九四年進行集團重組之日所收購附屬公司之相關資產淨值減自重組前儲備分派之任何股息與本公司就收購代價所發行股本之面值之差額；及
- (ii) 根據二零零三年四月十五日之股本重組進行股本削減、註銷股份溢價及與虧絀對銷之淨結餘。

根據本公司董事於二零零六年九月二十九日通過之決議案，繳入盈餘金額已轉撥至累計虧損。

55. 附屬公司

本公司主要附屬公司於二零零八年三月三十一日之詳情如下：

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55. SUBSIDIARIES (Cont'd)

55. 附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立 或註冊/經營地點	Issued and fully paid share/ registered capital 已發行及繳足 股本/註冊資本	Percentage of issued share/ registered capital held by the Company 本公司所持已發行 股本/註冊資本之百分比				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 二零零八年 %	2007 二零零七年 %	2008 二零零八年 %	2007 二零零七年 %	
Cheung Tai Hong Holdings (Motor Vehicle) Limited 祥泰行集團(摩托車)有限公司	Hong Kong 香港	HK\$10,000 ordinary shares 港幣10,000元普通股	-	-	-	100	Trading of motorcycles and spare parts 摩托車及配件買賣
Donson 東迅	Hong Kong 香港	HK\$85,297,692 ordinary shares 港幣85,297,692元 普通股	-	-	100	100	Investment holding 投資控股
Dragon Rainbow Limited	British Virgin Islands 英屬處女群島	US\$1 ordinary share 美金1元普通股	-	-	-	100	Investment holding 投資控股
Exalt Investment Limited 顯揚投資有限公司	Hong Kong 香港	HK\$10,000 ordinary shares 港幣10,000元普通股	-	-	-	100	Investment holding 投資控股
Handsworth Investments Limited	British Virgin Islands 英屬處女群島	US\$1 ordinary share 美金1元普通股	-	-	100	100	Investment holding 投資控股
Hayton Limited 漢東有限公司	Hong Kong 香港	HK\$1 ordinary share 港幣1元普通股	-	-	100	100	Property investment 物業投資

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55. SUBSIDIARIES (Cont'd)

55. 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ or registration/ operations 註冊成立 或註冊/經營地點	Issued and fully paid share/ registered capital 已發行及繳足 股本/註冊資本	Percentage of issued share/ registered capital held by the Company 本公司所持已發行 股本/註冊資本之百分比				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 二零零八年 %	2007 二零零七年 %	2008 二零零八年 %	2007 二零零七年 %	
ITC Properties Management Limited 德祥地產管理有限公司 (formerly known as Macau Prime Management Limited) (前稱澳門祥泰管理有限公司)	Hong Kong 香港	HK\$2,000 ordinary shares 港幣2,000元普通股	-	-	100	100	Securities investment and investment holding 證券投資及投資控股
		HK\$500,000 non-voting deferred shares (note 1) 港幣500,000元 無投票權遞延股 (附註1)	-	-	-	-	
Jean-Marie Pharmacial Company Limited 正美藥品有限公司	Hong Kong 香港	HK\$812,600 ordinary shares 港幣812,600元 普通股	-	-	-	100	Manufacture and sale of pharmaceutical products 藥品製造及銷售
Jean-Marie Pharmacial Management Limited 正美藥品管理有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	-	100	Investment holding 投資控股
Jumbo Ever Limited 金保華有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	-	100	Investment holding 投資控股
Macau Prime (B.V.I.) Limited	British Virgin Islands 英屬處女群島	US\$50,000 ordinary shares 美金50,000元普通股	100	100	-	-	Investment holding 投資控股
Macau Prime Finance Limited 澳門祥泰財務有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	100	100	Money lending 貸款
Macau Prime Property (Macau) Limited	British Virgin Islands 英屬處女群島	US\$1 ordinary share 美金1元普通股	-	-	100	100	Investment holding 投資控股

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55. SUBSIDIARIES (Cont'd)

55. 附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ or registration/ operations 註冊成立 或註冊/經營地點	Issued and fully paid share/ registered capital 已發行及繳足 股本/註冊資本	Percentage of issued share/ registered capital held by the Company 本公司所持已發行 股本/註冊資本之百分比		Principal activities 主要業務		
			Directly 直接	Indirectly 間接			
			2008 二零零八年 %	2007 二零零七年 %		2008 二零零八年 %	2007 二零零七年 %
Master Super Development Limited 泰瑞發展有限公司	Hong Kong 香港	HK\$100 ordinary shares 港幣100元普通股	-	-	100	100	Property holding and sale 物業持有及銷售
Million Orient Limited 東萬有限公司	Hong Kong 香港	HK\$1 ordinary share 港幣1元普通股	-	-	100	100	Investment holding 投資控股
New Smarten Limited 新豐利有限公司	Hong Kong 香港	HK\$1 ordinary share 港幣1元普通股	-	-	100	100	Investment holding 投資控股
Pacific Essence Limited	British Virgin Islands 英屬處女群島	US\$1 ordinary share 美金1元普通股	-	-	-	100	Investment holding 投資控股
Pacific Wins Development Ltd.	British Virgin Islands 英屬處女群島	US\$1,000 ordinary shares 美金1,000元普通股	-	-	-	100	Investment holding 投資控股
Smarteam Limited 萃添有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	100	-	Property investment 物業發展
Sound Advice Investments Limited	British Virgin Islands 英屬處女群島	US\$100 ordinary shares 美金100元普通股	-	-	100	100	Investment holding 投資控股
South Step Limited 南通興業有限公司	Hong Kong 香港	HK\$1 ordinary share 港幣1元普通股	-	-	100	100	Property investment and development 物業投資及發展
Teamate Limited	British Virgin Islands 英屬處女群島	US\$1 ordinary share 美金1元普通股	-	-	100	100	Investment holding 投資控股

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ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

55. SUBSIDIARIES (Cont'd)

55. 附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ or registration/ operations 註冊成立 或註冊/經營地點	Issued and fully paid share/ registered capital 已發行及繳足 股本/註冊資本	Percentage of issued share/ registered capital held by the Company 本公司所持已發行 股本/註冊資本之百分比		Principal activities 主要業務		
			Directly 直接	Indirectly 間接			
			2008 二零零八年 %	2007 二零零七年 %		2008 二零零八年 %	2007 二零零七年 %
Top Century International Limited	British Virgin Islands 英屬處女群島	US\$1 ordinary share 美金1元普通股	-	-	100	100	Investment holding 投資控股
Total Pacific Limited 裕利泰有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	-	100	Investment holding 投資控股
Tung Fong Hung Investment Limited	British Virgin Islands 英屬處女群島	US\$10,000 ordinary shares 美金10,000元普通股	-	-	-	100	Investment holding 投資控股
Tung Fong Hung Nominees Limited	British Virgin Islands 英屬處女群島	US\$2 ordinary shares 美金2元普通股	-	-	-	100	Provision of nominee services 提供代理人服務
Tung Fong Hung (China) Limited 東方紅(中國)有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	-	100	Distribution of Chinese medicine and health products 中藥及健康產品分銷
Tung Fong Hung Foods Limited 東方紅食品有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	-	100	Distribution of health food 健康食品分銷
Tung Fong Hung Foods Company, B.C. Limited	Canada 加拿大	CAD360 common shares 加幣360元普通股	-	-	-	100	Retail of herbal products and dried seafood 草藥產品及海味零售
Tung Fong Hung Medicine (BVI) Limited	British Virgin Islands 英屬處女群島	HK\$0.2 ordinary share 港幣0.2元普通股	-	-	-	100	Investment holding 投資控股
Tung Fong Hung Medicine Company Limited 東方紅藥業有限公司	Hong Kong 香港	HK\$1,001 ordinary shares 港幣1,001元普通股	-	-	-	100	Retailing of Chinese medicine and foodstuffs 中藥及食品零售

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55. SUBSIDIARIES (Cont'd)

55. 附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ or registration/ operations 註冊成立 或註冊/經營地點	Issued and fully paid share/ registered capital 已發行及繳足 股本/註冊資本	Percentage of issued share/ registered capital held by the Company 本公司所持已發行 股本/註冊資本之百分比				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 二零零八年 %	2007 二零零七年 %	2008 二零零八年 %	2007 二零零七年 %	
Tung Fong Hung Medicine Company (Macau) Limited 東方紅藥業(澳門)有限公司	Macau 澳門	MOP100,000 quota capital 澳門幣100,000元 限額股本	-	-	-	100	Retailing of Chinese medicine and foodstuffs 中藥及食品零售
TFH Management Limited 東方紅管理有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	-	100	Provision of management services 提供管理服務
TFH Manufacturing Company Limited 東方紅製藥有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	-	100	Processing, packaging and distribution of Chinese medicine and foodstuffs 中藥及食品加工、 包裝及分銷
TFH (China) Holdings Limited 東方紅(中國)控股有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	-	100	Investment holding 投資控股
Universal Focus Limited	British Virgin Islands 英屬處女群島	US\$1 ordinary share 美金1元普通股	-	-	-	100	Investment holding 投資控股
Well Cycle Limited 志圖有限公司	Hong Kong 香港	HK\$2 ordinary shares 港幣2元普通股	-	-	100	100	Letting of motor vehicles 汽車租賃
Vintage Hotel Limited 偉迪斯酒店有限公司	British Virgin Islands 英屬處女群島	HK\$23,595,000 ordinary shares 港幣23,595,000元 普通股	-	-	100	100	Development and operation of hotel and golf resort 發展及經營酒店及 高爾夫球度假村

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ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

55. SUBSIDIARIES (Cont'd)

55. 附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ or registration/ operations 註冊成立 或註冊/經營地點	Issued and fully paid share/ registered capital 已發行及繳足 股本/註冊資本	Percentage of issued share/ registered capital held by the Company 本公司所持已發行 股本/註冊資本之百分比		Principal activities 主要業務		
			Directly 直接	Indirectly 間接			
			2008 二零零八年 %	2007 二零零七年 %		2008 二零零八年 %	2007 二零零七年 %
三亞亞龍灣風景高爾夫 文化公園有限公司	PRC (note 2) 中國(附註2)	RMB35,000,000 ordinary shares 人民幣35,000,000元 普通股	-	-	80	80	Development and operation of hotel and golf resort 發展及經營酒店及 高爾夫球度假村
三亞亞龍灣紅峽谷度假 酒店有限公司	PRC (note 2) 中國(附註2)	HK\$30,000,000 港幣30,000,000元	-	-	100	100	Development and operation of hotel 發展及經營酒店
深圳市東方聖恒貿易有限公司	PRC (note 2) 中國(附註2)	RMB2,000,000 人民幣2,000,000元	-	-	-	51	Distribution of Chinese medicine and health food 中藥及健康食品分銷
東方紅(中山)保健食品廠 有限公司	PRC (note 3) 中國(附註3)	US\$1,000,000 美金1,000,000元	-	-	-	100	Processing and wholesaling of health food 健康食品加工及批發
黑龍江金保華農業有限公司	PRC (note 3) 中國(附註3)	HK\$14,000,000 港幣14,000,000元	-	-	-	100	Cultivation and sales of potatoes 馬鈴薯種植及銷售
哈爾濱東方綠種業有限公司	PRC (note 4) 中國(附註4)	RMB1,100,000 人民幣1,100,000元	-	-	-	100	Sales of potatoes seeds 馬鈴薯種子銷售

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55. SUBSIDIARIES (Cont'd)

Notes:

- (1) The non-voting deferred shares, which are not held by the Group, practically carry no rights to dividends or to receive notice of or to attend or vote at any general meeting of the respective companies nor to participate in any distribution on winding up.
- (2) The subsidiaries were established in the PRC as a sino-foreign equity joint venture companies.
- (3) The subsidiaries are wholly-owned foreign enterprises.
- (4) The subsidiaries are wholly-owned domestic enterprises.

None of the subsidiaries had any debt securities outstanding at the balance sheet date or at any time during the year.

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

56. SEGMENT INFORMATION

Business segments

For management purposes, the Group is currently organised into five operating divisions. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Property development	–	development of property
Property investment	–	trading of properties
Golf and leisure	–	development and operation of golf resort and hotel
Securities investment	–	trading of securities
Finance	–	loan financing services

The Group was also involved in trading of motorcycles and manufacturing and trading of medicine and health products in prior year. These operations were discontinued during the year as set out in note 12.

55. 附屬公司(續)

附註：

- (1) 並非本集團持有之無投票權遞延股份，實質上並無附有權利可獲派股息或獲發有關公司任何股東大會之通告或出席股東大會或於會上投票或於清盤時獲取任何分派。
- (2) 該等附屬公司於中國成立為中外合資經營公司。
- (3) 該等附屬公司為全外資企業。
- (4) 該等附屬公司為全內資企業。

於結算日或本年度任何時間內，各附屬公司概無任何尚未償還之債務證券。

上表載列董事認為對本集團業績或資產有重大影響之本公司附屬公司。董事認為，詳列其他附屬公司之資料會令篇幅過於冗長。

56. 分部資料

業務分部

就管理而言，本集團現時分為五個營運部門。該等部門為本集團報告其首要分部資料之基準。

主要業務如下：

物業發展	–	物業發展
物業投資	–	物業買賣
高爾夫球及 消閒	–	高爾夫球度假村及 酒店發展及營運
證券投資	–	證券買賣
融資	–	貸款融資服務

過往年度本集團亦曾從事摩托車買賣及醫藥及健康食品之製造及買賣。該等業務已於年內結束，詳情載於附註12。

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(for the year ended 31st March, 2008) (截至二零零八年三月三十一日止年度)

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

56. SEGMENT INFORMATION (Cont'd)

Business segments (Cont'd)

Segment information about these businesses is presented below:

2008

56. 分部資料(續)

業務分部(續)

該等業務之分部資料呈列如下：

二零零八年

		Continuing operations 持續經營業務						Discontinued operations 非持續經營業務				Total Consolidated 總計 綜合	
		Property develop- ment 物業發展 HK\$'000 港幣千元	Property investment 物業投資 HK\$'000 港幣千元	Golf and leisure 及消閒 高爾夫球 HK\$'000 港幣千元	Securities investment 證券投資 HK\$'000 港幣千元	Finance 投資 HK\$'000 港幣千元	Segment Elimination/ total adjustments 分部總計 對銷/調整 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元	Motor- cycles 摩托車 HK\$'000 港幣千元	Medicine and health 醫藥及 健康產品 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元		
CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008	綜合損益表 截至二零零八年三月三十一日止年度												
Gross Proceeds	所得款項總額	2,500	79,292	62,622	424,641	31,789	600,844	-	600,844	17,567	115,741	133,308	734,152
REVENUE	收益												
External sales	對外之銷售	2,500	79,292	62,622	5,741	31,789	181,944	-	181,944	17,567	115,741	133,308	315,252
Inter-segment sales*	分部之間之銷售*	-	-	-	-	25,842	25,842	(25,842)	-	-	-	-	-
Total	總計	2,500	79,292	62,622	5,741	57,631	207,786	(25,842)	181,944	17,567	115,741	133,308	315,252
SEGMENT RESULTS	分部業績	(2,136)	27,906	(16,303)	59,141	7,469	76,077	-	76,077	(1,359)	1,747	388	76,465
Unallocated corporate income	未分配企業收入						43,860	-	43,860	-	689	689	44,549
Unallocated corporate expenses	未分配企業費用						(58,762)	-	(58,762)	-	-	-	(58,762)
Share of results of associates	應佔聯營公司業績	(30,047)	5,000	-	-	-	(25,047)	-	(25,047)	-	-	-	(25,047)
Impairment losses on prepaid lease payments of leasehold land and premium on prepaid lease payments of leasehold land	預付租賃土地租賃款項之減值虧損及預付租賃土地租賃款項之溢價	-	-	(45,000)	-	-	(45,000)	-	(45,000)	-	-	-	(45,000)
Loss on disposal of an associate	出售聯營公司之虧損	-	(39,486)	-	-	-	(39,486)	-	(39,486)	-	-	-	(39,486)
Loss on disposal of subsidiaries	出售附屬公司之虧損	-	-	(19,073)	-	-	(19,073)	-	(19,073)	-	-	-	(19,073)
Unallocated finance costs	未分配財務成本						(54,787)	-	(54,787)			(613)	(55,400)
Loss before taxation and gain (loss) on disposal of discontinued operations	出售非持續經營業務除稅前虧損及盈利(虧損)						(122,218)	-	(122,218)			464	(121,754)
Taxation	稅項						(3,475)	-	(3,475)			(558)	(4,033)
Gain (loss) on disposal of discontinued operations	出售非持續經營業務盈利(虧損)						-	-	-	6	(18,577)	(18,571)	(18,571)
Loss for the year	本年度虧損						(125,693)		(125,693)			(18,665)	(144,358)

* Inter-segment sales were charged at terms determined and agreed between group companies.

* 分部之間之銷售乃按集團公司之間釐定及協定之條款扣除。

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56. SEGMENT INFORMATION (Cont'd)

Business segments (Cont'd)

2008

56. 分部資料(續)

業務分部(續)

二零零八年

	Continuing operations 持續經營業務							Discontinued operations 非持續經營業務				
	Property development 物業發展	Property investment 物業投資	Golf and leisure 高爾夫球及消閒	Securities investment 證券投資	Finance 融資	Segment total 分部總計	Elimination/adjustments 對銷/調整	Total 總計	Motor-cycles 摩托車	Medicine and health products 醫藥及健康產品	Total 總計	Consolidated 綜合
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
CONSOLIDATED BALANCE SHEET 綜合資產負債表												
AT 31ST MARCH, 2008 於二零零八年三月三十一日												
ASSETS 資產												
Segment assets 分部資產	322,814	274,111	320,619	162,513	1,399,868	2,479,925	-	2,479,925	-	-	-	2,479,925
Interest in properties held for development 於持作發展物業之權益	14,745					14,745		14,745				14,745
Interests in associates 於聯營公司之權益	135,503	-	-	-	-	135,503	-	135,503	-	-	-	135,503
Unallocated corporate assets 未分配企業資產												732,820
Consolidated total assets 綜合總資產												3,360,993
LIABILITIES 負債												
Segment liabilities 分部負債	885	5,168	58,250	920	1,269,058	1,334,281	(1,269,022)	65,259	-	-	-	65,259
Unallocated corporate liabilities 未分配企業負債												1,445,557
Consolidated total liabilities 綜合總負債												1,510,816

	Continuing operations 持續經營業務							Discontinued operations 非持續經營業務				
	Property development 物業發展	Property investment 物業投資	Golf and leisure 高爾夫球及消閒	Securities investment 證券投資	Finance 融資	Segment total 分部總計	Unallocated 未分配	Total 總計	Motor-cycles 摩托車	Medicine and health products 醫藥及健康產品	Total 總計	Consolidated 綜合
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
OTHER INFORMATION 其他資料												
Depreciation of property, plant and equipment 物業、機械及設備折舊	20	-	14,882	-	-	14,902	786	15,688	-	1,881	1,881	17,569
Amortisation of prepaid lease payments of leasehold land 預付租賃土地之租賃款項攤銷	-	-	2,283	-	-	2,283	-	2,283	-	10	10	2,293
Amortisation of premium on prepaid lease payments of leasehold land 預付租賃土地之租賃款項溢價攤銷	-	-	2,914	-	-	2,914	-	2,914	-	-	-	2,914
Allowance for inventories 存貨撥備	-	-	-	-	-	-	-	-	-	5,106	5,106	5,106
Loss on disposal of property, plant and equipment 出售物業、機械及設備虧損	-	-	77	-	-	77	33	110	-	17	17	127
Allowance for bad and doubtful debts 呆壞賬撥備	-	-	1,441	-	-	1,441	-	1,441	-	360	360	1,801
Increase in fair value of financial assets at fair value through profit or loss 按公平值列賬及計入損益之金融資產公平值增加	-	-	10,318	-	-	10,318	-	10,318	-	-	-	10,318
Decrease in fair value of derivatives embedded in convertible bonds 可換股債券內含之衍生工具公平值減少	-	-	-	-	-	-	1,944	1,944	-	-	-	1,944
Capital additions 資本增加	958	-	36,727	-	-	37,685	918	38,603	-	710	710	39,313
Equity-settled share-based payment expenses 股權結算股份支付之開支	-	-	-	-	-	-	8,342	8,342	-	-	-	8,342

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(for the year ended 31st March, 2008) (截至二零零八年三月三十一日止年度)

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

56. SEGMENT INFORMATION (Cont'd)

Business segments (Cont'd)

2007

56. 分部資料(續)

業務分部(續)

二零零七年

		Continuing operations 持續經營業務					Discontinued operations 非持續經營業務					Total 總計	Consolidated 綜合
		Property development 物業發展 HK\$'000 港幣千元	Property investment 物業投資 HK\$'000 港幣千元	Golf and leisure 高爾夫球 及消閒 HK\$'000 港幣千元	Securities investment 證券投資 HK\$'000 港幣千元	Finance 融資 HK\$'000 港幣千元	Segment total 分部總計 HK\$'000 港幣千元	Elimination/ adjustments 對銷/調整 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元	Motor- cycles 摩托車 HK\$'000 港幣千元	Medicine and health products 醫藥及 健康產品 HK\$'000 港幣千元		
CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2007	綜合損益表 截至二零零七年三月三十一日止年度												
Gross Proceeds	所得款項總額	3,690	1,561	52,367	329,155	24,903	411,676	-	411,676	13,125	400,638	413,763	825,439
REVENUE	收益												
External sales	對外之銷售	3,690	1,561	52,367	10,868	24,903	93,389	-	93,389	13,125	400,638	413,763	507,152
Inter-segment sales*	分部之間之銷售*	-	-	-	-	37,702	37,702	(37,702)	-	-	-	-	-
Total	總計	3,690	1,561	52,367	10,868	62,605	131,091	(37,702)	93,389	13,125	400,638	413,763	507,152
SEGMENT RESULTS	分部業績	1,963	1,040	3,428	26,837	4,269	37,537	-	37,537	4,384	215	4,599	42,136
Unallocated corporate income	未分配企業收入						41,741	-	41,741			698	42,439
Unallocated corporate expenses	未分配企業費用						(43,015)	-	(43,015)			(3)	(43,018)
Discount on acquisition of subsidiaries	收購附屬公司折讓	-	-	4,207	-	-	4,207	-	4,207	-	-	-	4,207
Compensation for cancellation of call options for acquisition of additional interest in an associate	就註銷收購一間聯營公司額外權益認購期權之補償						23,370	-	23,370	-	-	-	23,370
Share of results of associates	應佔聯營公司業績	-	40,916	-	-	-	40,916	-	40,916	-	-	-	40,916
Unallocated finance costs	未分配財務成本						(24,059)	-	(24,059)			(1,835)	(25,894)
Profit before taxation	除稅前溢利						80,697		80,697			3,459	84,156
Taxation	稅項						(10,004)		(10,004)			(51)	(10,055)
Profit for the year	本年度溢利						70,693		70,693			3,408	74,101

* Inter-segment sales were charged at terms determined and agreed between group companies.

* 分部之間之銷售乃按集團公司之間釐定及協定之條款扣除。

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綜合財務報表附註

(for the year ended 31st March, 2008) (截至二零零八年三月三十一日止年度)

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56. SEGMENT INFORMATION (Cont'd)

Business segments (Cont'd)

2007

56. 分部資料(續)

業務分部(續)

二零零七年

	Continuing operations 持續經營業務							Discontinued operations 非持續經營業務				
	Property development 物業發展	Property investment 物業投資	Golf and leisure 高爾夫球及消閒	Securities investment 證券投資	Finance 融資	Segment total 分部總計	Elimination/adjustments 對銷/調整	Total 總計	Motor-cycles 摩托車	Medicine and health products 醫藥及健康產品	Total 總計	Consolidated 綜合
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
CONSOLIDATED BALANCE SHEET 綜合資產負債表												
AT 31ST MARCH, 2007 於二零零七年三月三十一日												
ASSETS 資產												
Segment assets 分部資產	71,662	-	509,581	194,265	1,518,647	2,294,155	-	2,294,155	1,859	164,145	166,004	2,460,159
Interests in associates 於聯營公司之權益	93,879	-	-	-	-	93,879	-	93,879	-	-	-	93,879
Unallocated corporate assets 未分配企業資產						795,651		795,651	-	32,411	32,411	828,062
Consolidated total assets 綜合總資產						3,183,685		3,183,685			198,415	3,382,100
LIABILITIES 負債												
Segment liabilities 分部負債	13,600	-	41,248	720	1,318,822	1,374,390	(1,318,822)	55,568	50	94,874	94,924	150,492
Unallocated corporate liabilities 未分配企業負債						1,559,788		1,559,788	-	-	-	1,559,788
Consolidated total liabilities 綜合總負債						2,934,178		1,615,356			94,924	1,710,280
OTHER INFORMATION 其他資料												
Depreciation of property, plant and equipment 物業、機械及設備折舊	-	-	10,390	-	-	10,390	629	11,019	-	9,778	9,778	20,797
Amortisation of prepaid lease payments of leasehold land 預付租賃土地之租賃款項攤銷	-	-	1,953	-	-	1,953	-	1,953	-	31	31	1,984
Amortisation of premium on prepaid lease payments of leasehold land 預付租賃土地之租賃款項溢價攤銷	-	-	2,502	-	-	2,502	-	2,502	-	-	-	2,502
Amortisation of intangible assets 無形資產攤銷	-	-	-	-	-	-	-	-	-	225	225	225
Increase in fair value of financial assets at fair value through profit or loss 按公平值列賬及計入損益之金融資產公平值增加	-	-	-	17,755	-	17,755	-	17,755	-	-	-	17,755
Allowance for inventories 存貨撥備	-	-	-	-	-	-	-	-	-	10,870	10,870	10,870
Write-off of intangible assets 無形資產撇銷	-	-	-	-	-	-	-	-	-	2,550	2,550	2,550
Capital additions 資本增加	-	-	247,373	-	-	247,373	856	248,229	-	5,609	5,609	253,838
Development cost incurred 所產生開發成本	-	-	-	-	-	-	-	-	-	219	219	219
Equity-settled share-based payment expense 股權結算股份支付之開支	-	-	-	-	-	-	3,296	3,296	-	-	-	3,296

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(for the year ended 31st March, 2008) (截至二零零八年三月三十一日止年度)

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

56. SEGMENT INFORMATION (Cont'd)

Geographical segments

The Group's operations are principally located in Macau, Hong Kong, the PRC and other countries including Canada, Taiwan and Singapore. The Group's administrative functions are carried out in Macau, Hong Kong and the PRC.

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

Hong Kong	香港
PRC	中國
Other countries	其他國家

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment and intangible assets, analysed by the geographical area in which the assets are located:

Segment assets	分部資產
Macau	澳門
Hong Kong	香港
PRC	中國
Other countries	其他國家
Other assets	其他資產

56. 分部資料(續)

地區分部

本集團之業務主要位於澳門、香港、中國及其他國家，包括加拿大、台灣及新加坡。本集團之行政職能於澳門、香港及中國進行。

下表提供本集團按地區市場劃分之銷售分析(不論貨品來源地)：

Sales revenue by geographical market	
按地區市場劃分之銷售收益	
2008	2007
二零零八年	二零零七年
HK\$'000	HK\$'000
港幣千元	港幣千元
188,549	335,502
89,657	136,306
37,046	35,344
315,252	507,152

以下為按資產所在地區劃分之分部資產賬面值以及添置物業、機械及設備以及無形資產之分析：

Carrying amount of segment assets		Additions to property, plant and equipment and intangible assets	
分部資產賬面值		添置物業、機械及設備以及無形資產	
2008	2007	2008	2007
二零零八年	二零零七年	二零零八年	二零零七年
HK\$'000	HK\$'000	HK\$'000	HK\$'000
港幣千元	港幣千元	港幣千元	港幣千元
1,375,889	1,242,017	-	-
607,606	646,703	1,628	4,954
374,277	565,284	37,685	248,904
122,153	6,155	-	199
2,479,925	2,460,159	39,313	254,057
881,068	921,941	-	-
3,360,993	3,382,100	39,313	254,057

FINANCIAL SUMMARY

財務概要

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		Year ended 31st March, 截至三月三十一日止年度				2008
		2004	2005	2006	2007	2008
		二零零四年	二零零五年	二零零六年	二零零七年	二零零八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue	收益	47,650	91,707	4,002	507,152	315,252
(Loss) profit before tax	除稅前(虧損)溢利	(37,791)	14,085	(70,435)	84,156	(140,325)
Income tax expenses	所得稅開支	–	(1,823)	(2,657)	(10,055)	(4,033)
(Loss) profit for the year	本年度(虧損)溢利	(37,791)	12,262	(73,092)	74,101	(144,358)
Attributable to:	下列人士應佔：					
Equity holders of the Company	本公司權益持有人	(29,612)	12,262	(72,960)	79,091	(141,853)
Minority interests	少數股東權益	(8,179)	–	(132)	(4,990)	(2,505)
		(37,791)	12,262	(73,092)	74,101	(144,358)

		At 31st March, 於三月三十一日				2008
		2004	2005	2006	2007	2008
		二零零四年	二零零五年	二零零六年	二零零七年	二零零八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Total assets	總資產	232,261	478,513	1,401,214	3,382,100	3,360,993
Total liabilities	總負債	(102,085)	(229,709)	(955,381)	(1,710,280)	(1,510,816)
		130,176	248,804	445,833	1,671,820	1,850,177
Equity attributable to equity holders of the Company	本公司權益持有人應佔股本	130,176	248,804	445,017	1,621,639	1,842,998
Minority interests	少數股東權益	–	–	816	50,181	7,179
		130,176	248,804	445,833	1,671,820	1,850,177

Note: The above financial summary prior to 2005 has not been adjusted to take into account the effect on the adoption of the new Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards and Interpretation issued by the Hong Kong Institute of Certified Public Accountants since 2004.

附註： 以上二零零五年前之財務概要未有就採納香港會計師公會自二零零四年起所頒佈新香港財務報告準則以及香港會計準則及詮釋之影響作出調整。

SCHEDULE OF PRINCIPAL PROPERTIES

主要物業附表

ITC PROPERTIES GROUP LIMITED 德祥地產集團有限公司

Location 地點	Approximate gross floor area 概約建築面積 (Sq. ft.) (平方呎)	Use 用途	Stage of completion 完成階段	Group's ownership 本集團 之所有權
PROPERTIES HELD FOR SALE		持作銷售物業		
1 office unit and 7 residential units at Talon Tower 38 Connaught Road West Hong Kong 位於香港干諾道西38號 達隆名居之一個辦公單位及7個住宅單位	8,965	Commercial and Residential 商業及住宅	Completed 已落成	100%
44 residential units at Edifício Comercial Zhu Kuan Mansion, Avenida Xian Xing Hai nos. 81-121, Rua de Londres nos. 148-254, Avenida do Governador Jaime Silvério Marques nos. 80-120 and Rua de Madrid nos. 147-225, Macau 位於澳門洗星海大馬路81-121號， 倫敦街148-254號， 馬濟時總督大馬路80-120號及 馬德理街147-225號 珠江大廈之44個住宅單位	57,432	Residential 住宅	Completed 已落成	100%
16 residential units and 16 car parking spaces at Pearl on the Lough, Ilha da Taipa, junto à Estrada Nordeste da Taipa Aterro da Baía de Pac On, Macau 位於澳門氹仔北安灣 P05地段海明灣畔1座 之16個住宅單位 及16個停車位	39,936	Residential 住宅	Completed 已落成	100%
PROPERTIES UNDER DEVELOPMENT		發展中物業		
Section B of Kowloon Inland Lot No. 1263 and the Remaining Portion of Inland Lot No, 1263, being Nos. 703 and 705 Nathan Road, Mongkok, Kowloon, Hong Kong 九龍內地段1263號B部份及 九龍內地段1263號餘段， 即香港九龍旺角彌敦道703及705號	29,000 (Gross site area: approximately 2,432 sq.ft) (地盤面積：約2,432平方呎)	Commercial and Residential 商業及住宅	Demolition to commence 準備清拆	100%
Junto Aterro Da Concórdia Estrada De Seac Pai Van Lote "A" to "O", S. Francisco Xavier Coloane, Macao 位於澳門路環聖方濟各堂區A地段至O地段 石排灣馬路聯生填海區	8,000,000 (Gross site area: approximately 600,000 sq. ft.) (地盤面積：約600,000平方呎)	Residential, Commercial and Hotel 住宅、商業及酒店	Planning 計劃中	35.5%



德 祥 地 產 集 團 有 限 公 司

ITC PROPERTIES GROUP LIMITED

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