



FUJIAN HOLDINGS LIMITED

閩 港 控 股 有 限 公 司

(Incorporated in Hong Kong with limited liability)

(於香港註冊成立之有限公司)

(Stock Code 股份代號 : 181)

ANNUAL REPORT 年報

2008

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors:

WANG Xiaowu (*Chairman of the Board*)
WANG Ruilian
LIU Xiaoting

Non-executive Directors:

FENG Qiang
YE Tao

Independent Non-executive Directors:

LAM Kwong Siu
CHEUNG Wah Fung, Christopher
LEUNG Hok Lim

COMPANY SECRETARY

CHAN Tao Ming

AUDIT COMMITTEE

LEUNG Hok Lim (*Chairman of the Committee*)
LAM Kwong Siu
CHEUNG Wah Fung, Christopher

REMUNERATION COMMITTEE

LAM Kwong Siu (*Chairman of the Committee*)
LEUNG Hok Lim
CHEUNG Wah Fung, Christopher

NOMINATION COMMITTEE

CHEUNG Wah Fung, Christopher
(*Chairman of the Committee*)
LEUNG Hok Lim
LAM Kwong Siu

董事會

執行董事：

汪小武 (*董事會主席*)
王瑞煉
劉小汀

非執行董事：

馮強
葉濤

獨立非執行董事：

林廣兆
張華峰
梁學濂

公司秘書

陳道明

審核委員會

梁學濂 (*委員會主席*)
林廣兆
張華峰

薪酬委員會

林廣兆 (*委員會主席*)
梁學濂
張華峰

提名委員會

張華峰
(*委員會主席*)
梁學濂
林廣兆

PRINCIPAL BANKERS

Hang Seng Bank Limited
Chiyu Banking Corporation Limited

REGISTERED OFFICE

Room 3305A, 33th Floor,
West Tower, Shun Tak Centre
200 Connaught Road Central
Hong Kong

AUDITORS

Messrs. HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants
31st Floor, Gloucester Tower
The Landmark
11 Pedder Street, Central
Hong Kong

SOLICITORS

Paul, Hastings, Janofsky & Walker
22nd Floor, Bank of China Tower
1 Garden Road
Hong Kong

SHARE REGISTRAR

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

STOCK CODE

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WEBSITE

www.fujianholdings.com

往來銀行

恒生銀行有限公司
集友銀行有限公司

註冊辦事處

香港
中環干諾道中二百號
信德中心西座
33樓3305A室

核數師

國衛會計師事務所
英國特許會計師
香港執業會計師
香港
中環畢打街11號
置地廣場
告羅士打大廈31樓

律師

普衡律師事務所
香港
花園道1號
中銀大廈22樓

股份過戶登記處

卓佳標準有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓

股份代號

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網址

www.fujianholdings.com

Financial Summary

財務摘要

CONSOLIDATED INCOME STATEMENT

綜合收益表

		12 months ended 31 December 2008 二零零八年 十二月三十一日 十二個月 HK\$'000 千港元	12 months ended 31 December 2007 二零零七年 十二月三十一日 十二個月 HK\$'000 千港元	12 months ended 31 December 2006 二零零六年 十二月三十一日 十二個月 HK\$'000 千港元	9 months ended 31 December 2005 二零零五年 十二月三十一日 九個月 HK\$'000 千港元	12 months ended 31 March 2005 二零零五年 三月三十一日 十二個月 HK\$'000 千港元 (restated) (重列)
Revenue	收益	16,667	15,936	13,753	11,415	16,542
Profit before tax	除稅前溢利	3,645	26,187	11,115	13,943	2,609
Income tax expense	所得稅開支	(29)	(221)	(1,039)	(2,661)	853
Profit attributable to the equity holders of the Company	本公司權益持有人 應佔溢利	3,616	25,966	10,076	11,282	3,462
Profit attributable to the equity holders of the Company (excluding extra-ordinary items)	本公司權益持有人 應佔溢利 (不包括非 經常性項目)	3,616	25,966	10,076	11,282	3,462

CONSOLIDATED BALANCE SHEET

綜合資產負債表

		As at 31 December 2008 二零零八年 十二月三十一日 <i>HK\$'000</i> 千港元	As at 31 December 2007 二零零七年 十二月三十一日 <i>HK\$'000</i> 千港元	As at 31 December 2006 二零零六年 十二月三十一日 <i>HK\$'000</i> 千港元	As at 31 December 2005 二零零五年 十二月三十一日 <i>HK\$'000</i> 千港元	As at 31 March 2005 二零零五年 三月三十一日 <i>HK\$'000</i> 千港元 (restated) (重列)
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	141,871	139,410	148,578	144,965	134,924
Total liabilities	負債總值	(19,518)	(20,261)	(55,982)	(57,102)	(58,344)
Net assets	淨資產	122,353	119,149	92,596	87,863	76,580

PER SHARE DATA

每股數據

		As at 31 December 2008 二零零八年 十二月三十一日 <i>HK Cents</i> 港仙	As at 31 December 2007 二零零七年 十二月三十一日 <i>HK Cents</i> 港仙	As at 31 December 2006 二零零六年 十二月三十一日 <i>HK Cents</i> 港仙	As at 31 December 2005 二零零五年 十二月三十一日 <i>HK Cents</i> 港仙	As at 31 March 2005 二零零五年 三月三十一日 <i>HK Cents</i> 港仙 (restated) (重列)
Earnings per share (excluding extra-ordinary items)	每股盈利 (不包括非經常性 項目)	0.68	4.92	1.94	2.17	0.67
Net book value per share	每股賬面淨值	22.97	22.36	17.81	16.90	14.73

Financial Summary

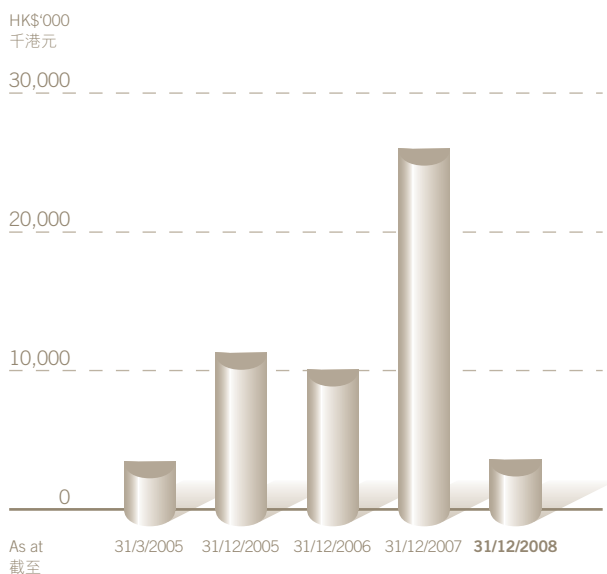
財務摘要

PROFIT ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

本公司權益持有人應佔溢利

(excluding extra-ordinary items)

(不包括非經常性項目)

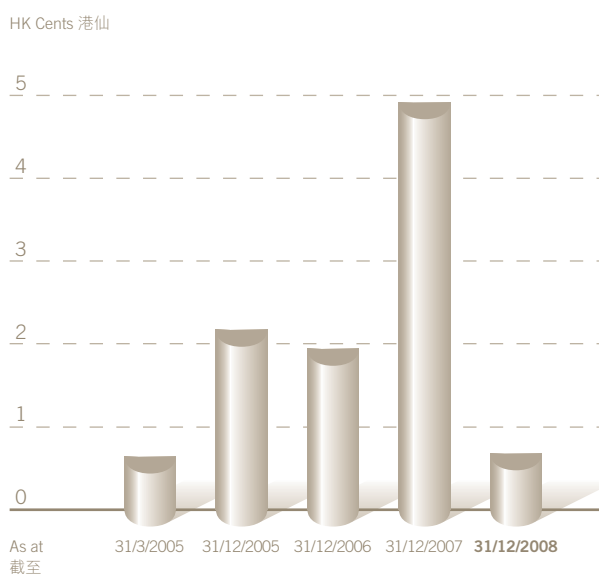


EARNINGS PER SHARE

每股盈利

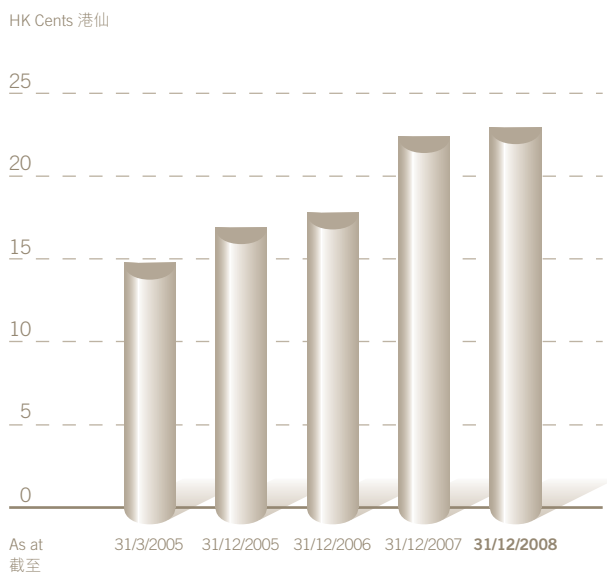
(excluding extra-ordinary items)

(不包括非經常性項目)



NET BOOK VALUE PER SHARE

每股賬面淨值



On behalf of the Board of Directors (the "Board") of Fujian Holdings Limited (the "Company") together with its subsidiaries (the "Group"), I am pleased to present the annual report and the audited consolidated results of the Group for the year ended 31 December 2008.

BUSINESS REVIEW

For the year ended 31 December 2008, the Group achieved turnover of approximately HK\$16.67 million, representing an increase of approximately 4.6% as compared to approximately HK\$15.94 million in the previous year. Net profit attributable to shareholders was approximately HK\$3.62 million, representing a decline of 86.1% over the previous year. Basic earnings per share was approximately 0.68 HK cent for the year ended 31 December 2008 as compared to basic earnings per share of approximately 4.92 HK cents last year. Total assets less current liabilities value increased by 7%, a net increase of approximately HK\$8.89 million to approximately HK\$135.83 million as compared with last year. All of these achievements clearly demonstrated the persistent efforts made by the management and employees of the Group in developing its business.

DIVIDENDS

The Company did not propose any dividends for the year ended 31 December 2008. The Directors do not recommend the payment of a dividend for the year ended 31 December 2008.

PROSPECTS

Looking forward to the coming future, the Group will continue to adopt a prudent approach in its business development and financial strategy. Besides, the Group will plan its future through changes and continuing improvement.

ACKNOWLEDGEMENTS

I would like to take this opportunity to extend my sincere gratitude to all shareholders, business partners and customers for their support and to all our colleagues for their efforts, hard work and dedication. Their hard work has laid the foundation of the Group's future business development.

WANG Xiaowu
Chairman

Hong Kong, 15 April 2009

本人謹代表閩港控股有限公司(「本公司」)及其附屬公司(「本集團」)之董事會(「董事會」)，欣然提呈本集團截至二零零八年十二月三十一日止年度之財政年度報告及經審核綜合業績。

業務回顧

截至二零零八年十二月三十一日止年度，本集團營業額達1,667萬港元，與去年約1,594萬港元比較，增加約4.6%。股東應佔純利約362萬港元，較上年減少86.1%。截至二零零八年十二月三十一日止年度，每股基本盈利0.68港仙，去年每股基本盈利約為4.92港仙。總資產減流動負債比去年度增加7%，淨增約為889萬港元，達至約為13,583萬港元。以上業績均反映了本集團管理層及員工在業務發展方面的不懈努力。

股息

本公司並無宣派截至二零零八年十二月三十一日止年度任何股息。董事不建議派發二零零八年十二月三十一日年度任何股息。

前景展望

展望未來，本集團將繼續採納一貫的審慎業務發展及財務策略。此外，本集團會繼續以改革及持續進步作為未來規劃方向。

致謝

本人謹此感謝各位股東、合作伙伴及客戶在過去一年對本集團的鼎力支持。本人亦藉此衷心感謝集團全體員工的辛勤工作和無私奉獻，他們的努力為集團未來業務的發展奠定了堅實基礎。

汪小武
主席

香港，二零零九年四月十五日

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The turnover of the Group for the year ended 31 December 2008 amounted to approximately HK\$16.67 million, representing an increase of approximately 4.6% as compared to approximately HK\$15.94 million in the previous year. The increase was mainly resulted from the increase in rental income through rental reversion as the leasing cycle reverts and the appreciation of Renminbi against Hong Kong Dollar for the period under review.

Facing the turbulent economic environment in the year under review, the Group still continued to deliver positive result again in year 2008. For the year ended 31 December 2008, the gearing ratio (dividend non-current liabilities by equity plus long term liabilities multiple by 100 which results in percentage) of the Group was 9.9% (2007: 6.1%). The increase in gearing ratio was mainly resulted from the increase in the non-current other receivable of approximately HK\$5.65 million (2007: Nil) for the period under review. For the year ended 31 December 2008, net profit attributable to shareholders was approximately HK\$3.62 million, representing a decline of 86.1% over the previous year. Basic earnings per share was approximately 0.68 HK cent for the year ended 31 December 2008 as compared to basic earnings per share of approximately 4.92 HK cents last year. The decline in net profit and earnings per share was mainly resulted from the decrease in the impairment loss reversed in respect of other receivable by 85.3% to approximately HK\$4.51 million for the period under review.

During the year under review, the Group did not have substantial losses attributable to the impairment of receivables. However, the Group had to account for loss in fair value of investment properties approximately HK\$1.63 million (2007: gain in fair value of approximately HK\$1.5 million) and disposals of associated companies of HK\$1.96 million (2007: Nil).

業務回顧

截至二零零八年十二月三十一日止年度內，本集團營業額達1,667萬港元，與去年約1,594萬港元之數字比較，增加約4.6%。此乃由於回顧期內我們透過於租務週期調升租金以致租金收入增加及人民幣兌港元升值所致。

於回顧期內，本集團面對着不穩定的經濟環境，於二零零八年度仍能繼續獲得盈餘業績。截至二零零八年十二月三十一日止年度內，集團資本負債比率（非流動負債與股本權益總額加非流動負債之百分比）為9.9%（二零零七年：6.1%）。此乃由於回顧期內非流動負債內之其他應收賬款增加約565萬港元（二零零七年：無）所致。截至二零零八年十二月三十一日止年度內，股東應佔純利約362萬港元，較上年減少86.1%。截至二零零八年十二月三十一日止年度，每股基本盈利0.68港仙，去年度每股基本盈利約為4.92港仙。此乃由於回顧期內其他應收賬款之減值撥回減少達85.3%至約451萬港元所致。

於回顧期內，本集團並沒有因應收賬減值而產生重大虧損。但本集團仍然需要計提為投資物業公平值減少而損失約163萬港元（二零零七年：公平值收益約150萬港元）及出售聯營公司虧損入賬約196萬港元（二零零七年：無）。

Management Discussion and Analysis

管理層討論及分析

OPERATIONAL REVIEW

a. Star-rated Hotel Operation

During the year under review, China's hotel industries were confronted with new challenges arising from the slowdown of the global economy triggered by the US subprime mortgage crisis and the exceptionally severe snowstorms and earthquake in Mainland China. Nevertheless, the Group achieved stable development in its star-rated hotel operation during the year which was attributable to a good operation management. The revenue for the star-rated hotel operation amounted to approximately HK\$15.28 million, representing growth of 2.2% over the last year. Or reduce by 6.41% when the appreciation of Renminbi excluded.

On 4 March 2008, the Group entered into an agreement with Fujian Sunshine Group Limited (福建陽光集團有限公司) ("Sunshine Group") and Xiamen Friendship International Co., Ltd (廈門敦睦酒店管理有限公司) ("Friendship International"). Pursuant to the agreement, Sunshine Group had agreed to transfer the management right of the Group's hotel to Friendship International. On the same date, the Group entered into a management contract with Friendship International in relation to the appointment of Friendship International to manage the daily operation of the Hotel for a period of five years.

Further impairment loss on doubtful receivables for HK\$0.35 million was charged to the Income Statement for the year under review on prudent basis (2007: HK\$4.89 million). The Group has engaged PRC lawyer to recover the outstanding amounts.

In 2009, the Group will continue to strengthen its cost management and risk control, optimize the resources and management flow of the hotel operation, improve its ability to respond to contingencies and enhance the overall economic efficiency.

營運回顧

a. 星級酒店營運

於回顧期內，全球經濟受美國次級按揭貸款問題影響而逐漸放緩，加上國內罕見雪災及大地震，為中國酒店業帶來新挑戰。然而，憑藉本集團的優良營運管理服務，本集團在星級酒店營運取得穩定收入。期內，實現銷售收入約1,528萬港元，較去年同期增加2.2%。如撇除年內人民幣匯率上升的因素，則減少6.41%。

於二零零八年三月四日，本集團與福建陽光集團有限公司（「陽光集團」）及廈門敦睦酒店管理有限公司（「敦睦」）敦睦訂立一項協議，據此，陽光集團轉移酒店承包管理權予敦睦。於同日，本集團與敦睦訂立有關委聘敦睦作為集團之酒店日常營運管理公司之合同為期五年。

於回顧期內，另外35萬港元之應收款項呆賬減值虧損按審慎基準自收益表扣除（二零零七年：489萬港元）。本集團已委聘國內律師追討欠款。

二零零九年，本集團將繼續強化成本管理和風險控制，優化酒店營運的資源和管理流程，增強應變能力，提高整體經濟效益。

Management Discussion and Analysis

管理層討論及分析

b. Hong Kong properties held by the Group

The occupancy rate for the properties of the Group nearly full during the year under review. It brought steady rental income to the Group.

For the year ended 31 December 2008, the rental income of properties in Hong Kong was approximately HK\$1.39 million, while the rental income was approximately HK\$0.99 million in year 2007. The increase was mainly resulted from the increase in rental income through rental reversion as the leasing cycle reverts and the acquisition of investment properties.

The erratic global economic condition in year 2009 would likely cause a fall in demands for leases of commercial properties in Hong Kong. However, most of existing tenancy contracts of the Group's properties will expire after 2009; therefore, the impact on the rental income in 2009 is expected to be insignificant.

On 31 March 2008, the Group entered into a sale and purchase agreement to dispose of its entire equity interests in Ealing Court Limited, an associated company, to the existing shareholders at a consideration of approximately HK\$5 million. The disposal was completed in the financial year under review.

On 31 March 2008, the Group entered into a sale and purchase agreement to acquire a property located at Shop D on Ground Floor, Ealing Court, No. 259A Temple Street, Kowloon, from Ealing Court Limited at a consideration of HK\$5.1 million. The acquisition was completed in the financial year under review.

On 16 June 2008, the Company entered into the provisional agreement relating to the disposal of the above mentioned property held for sale. Pursuant to the provisional agreement, the Company agreed to sell, and the purchaser agreed to purchase, the above-mentioned property for a cash consideration of HK\$9.5 million. The disposal was completed in the financial year under review.

b. 香港物業

本集團物業之出租率接近完全租出，為本集團持續帶來穩定之租金收入。

於二零零八年十二月三十一日，香港物業租金收入約為139萬港元，而去年同期則約為99萬港元。此乃由於回顧期內我們透過於租務週期調升租金及新購投資物業以致租金收入增加所致。

二零零九年的環球經濟預期持續不穩定，有可能造成香港的商業物業之租用需求下降。惟本集團物業之現有的大部份租約是跨越二零零九年，所以二零零九年的租金收入預期不會有重大影響。

於二零零八年三月三十一日，本集團與怡齡有限公司(本公司之聯營公司)之其他現有股東訂立一項買賣協議出售有關怡齡有限公司之全部權益，作價約為500萬港元。出售已於回顧期內完成。

於二零零八年三月三十一日，本集團與怡齡有限公司訂立一項買賣協議，購買怡齡有限公司擁有之一項物業位於九龍廟街259A號怡齡閣地下D店舖，作價510萬港元。收購已於回顧期內完成。

本公司於二零零八年六月十六日就出售上述持作出售之物業訂立臨時協議。根據臨時協議，本公司與買方分別同意出售及購買上述物業，現金代價為950萬港元。出售已於本回顧期內完成。

Management Discussion and Analysis

管理層討論及分析

On 3 July 2008, the Group entered into a sale and purchase agreement to dispose of its entire equity interests in Sherrin Property Investment Limited, an associated company, to the existing shareholders at a consideration of approximately HK\$2.83 million. The disposal was completed in the financial year under review.

On 3 July 2008, the Group entered into a sale and purchase agreement to acquire 3 properties from Sherrin Property Investment Limited at a consideration of HK\$3.82 million. The acquisition was completed in the financial year under review.

c. Piano Manufacturing

The Group diversified its business into the piano manufacturing sector by acquiring a 25% equity interest of Harmony Piano in 2005. This business interest is expected to contribute a reasonable profit to the Group for the coming years.

FUTURE DEVELOPMENT

Looking forward to the coming future, the Group's management will seize challenges by upholding a standardized and market-oriented operation model, and strive to achieve continual growth in the Group's profits and higher returns for shareholders.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at the balance sheet date, the Group had a net cash balance of approximately HK\$29.90 million (2007: HK\$16.82 million). The Group's net asset value (assets less liabilities) was approximately HK\$122.35 million (2007: HK\$119.15 million), with a liquidity ratio (ratio of current assets to current liabilities) of 5.49 (2007: 1.43). This high level of liquidity and available funding will enable the Group to meet its expected future working capital requirements and to take advantage of growth opportunities for the business. During the year, there was no material change in the Group's funding and treasury policy. The Directors do not expect the Company to experience any problem with liquidity and financial resources in foreseeable future.

於二零零八年七月三日，本集團與瑞齡地產有限公司(本公司之聯營公司)之其他現有股東訂立一項買賣協議，出售有關瑞齡地產有限公司之全部權益，作價約為283萬港元。出售已於本回顧期內完成。

於二零零八年七月三日，本集團與瑞齡地產有限公司訂立一項買賣協議，購買瑞齡地產有限公司擁有之三項物業，作價382萬港元。收購已於回顧期內完成。

c. 鋼琴製造

本集團於二零零五年透過完成收購和聲鋼琴25%股權而擴展業務至鋼琴製造業。此業務權益預期將於未來數年為本集團帶來合理之盈利。

未來發展

展望未來，集團管理層將會堅持規範化和市場化的運作模式，積極面對挑戰，努力實現集團盈利持續增長，為股東創造更高的回報。

財務回顧

流動資金及財務資源

於結算日，本集團之現金結餘淨額約為2,990萬港元(2007年：1,682萬港元)。本集團之資產淨值(資產減負債)約為12,235萬港元(2007年：11,915萬港元)。流動比率(流動資產與流動負債之比率)為5.49(2007年：1.43)。該高水平之流動性及可動用資金令本集團可應付未來營運資金及業務增長機會的需求。於本年內，本集團之資金及財政政策並無重大改變。董事認為，本公司在可預見的未來並不會遇上任何資金流動性和財務資源上的問題。

Management Discussion and Analysis

管理層討論及分析

Charge on Assets and Contingent Liabilities

On 24 February 2008, the Group subsequently repaid the loan of HK\$2.13 million which was secured by the Group's 40% interests in Xiamen Plaza. Accordingly, a notice on release of Property from charge was filed to Xiamen Administration for Industry and Commerce on 30 June 2008. Neither other properties nor any bank deposits of the Group were pledged to secure banking facilities granted to the Group.

Capital Structure of the Group

The Group's monetary assets, loan and transactions are principally denominated in Hong Kong dollars and Renminbi. Operating outgoings incurred by the Group's subsidiary in mainland China is mainly denominated in RMB, which usually receives revenue in RMB as well. The management is of the opinion that the Group's exposure to foreign exchange rate risks is not significant, and hedging by means of derivative instruments is considered unnecessary. The funding and treasury policies of existing subsidiaries of the Group are centrally managed and controlled by the senior management of the Group in Hong Kong.

Substantial Disposal and Acquisitions

The Group had not participated in any substantial acquisition and disposal during the year under review.

Contingent Liability

During the year, the Group did not have any significant contingent liability.

HUMAN RESOURCES

As at 31 December 2008, the Group had approximately 129 employees in Hong Kong and Xiamen. The remuneration package was determined with reference to performance and prevailing salary levels in the market. The Group also provides employees with training, mandatory provident fund scheme and medical insurance cover.

資產抵押及或然負債

於二零零八年二月二十四日，集團已清還以本集團於廈門東南亞大酒店有限公司之40%權益作為抵押之貸款213萬港元。因此，於二零零八年六月三十日，解除抵押通知書已提交至廈門市工商行政管理局。本集團並無抵押其他物業及銀行存款作為本集團取得銀行信貸之擔保。

本集團之資本架構

本集團之貨幣資產、貸款及交易主要以港元及人民幣計值。本集團內地附屬公司之營運支出主要為人民幣，並常以人民幣收取收益。管理層認為本集團之外匯風險極低，並認為無須採用衍生工具進行對沖。本集團之現有附屬公司之資金及財政政策均由香港之高級管理層集中管理及監控。

重大收購及出售事項

於回顧年度內，本集團並沒有參與任何重大收購及出售。

或然負債

於本年內，本集團並無任何重大或然負債。

人力資源

於二零零八年十二月三十一日，本集團於香港及廈門擁有約129名僱員。酬金組合乃根據彼等之表現及市場上之現行薪金水平釐定。本集團亦提供僱員培訓、強制性公積金計劃及醫療保險。

EXECUTIVE DIRECTORS

Mr. WANG Xiaowu, aged 52, is the Chairman of the Group, a director and Vice Chairman of HC Technology Capital Company Limited, and Vice General Manager of Fujian Huamin Industrial Group Company Limited, the ultimate controlling shareholder of the Group. Mr. Wang joined the Group in December 2003 and is responsible for the overall strategic planning of the Group.

Mr. Wang has over 25 years' senior management experience including Assistant President and General Manager in the Treasury Department and International Finance Department in Fujian International Trust and Investment Corporation prior to joining the Group.

Mr. Wang acquired his Bachelor Degree in Electrical and Mechanical Engineering from Tsinghua University in the PRC and Master Degree in Business Administration from the University of Glasgow in the UK.

Mr. WANG Ruilian, aged 45, is the General Manager of the Group. Mr. Wang joined the Group in July 2006 and is responsible for the daily operations and execution of the strategies developed by the Board. Mr. Wang has over 20 years' experience in management and finance. Mr. Wang has previously been sent to overseas companies to take up a number of senior management posts, including a director and vice general manager of the Finance Department of Fujian Investment and Development Company Limited, and the managing director of Fujian Enterprises (Hungary) Co., Ltd.

Mr. Wang acquired his Bachelor Degree in Economics from Xiamen University in the PRC and Master Degree of International Management from Australian National University in Australia.

Mr. LIU Xiaoting, aged 43, is the Vice General Manager of the Group. Mr. Liu joined the Group in November 2004 and assists the General Manager for the daily operations. Mr. Liu has over 20 years' experience in finance management. Mr. Liu has taken up a number of management posts, included the related Department of Fujian Provincial People's Government; Director of Fujian Hua Min Import & Export Co., Ltd.; Assistant General Manager and the in charge of Finance Department of Fujian Industrial Company Limited; Financial Controller of trading firm in Hong Kong.

執行董事

汪小武先生，52歲，本集團主席，華晶科技投資有限公司之董事兼副董事長，以及本集團之最終控股公司福建華閩實業(集團)有限公司之副總經理。汪先生於二零零三年十二月加盟本集團，負責本集團之整體策略性規劃。

汪先生於管理方面擁有超過25年經驗，於加盟本集團前，汪先生曾於福建國際信託投資公司出任多個職位，包括總裁助理、資金管理部總經理及國際金融部總經理。

汪先生持有中國清華大學電機工程系學士學位及英國University of Glasgow工商管理碩士學位。

王瑞煉先生，45歲，本集團總經理。王先生於二零零六年七月加盟本集團，負責日常營運及執行董事會之策略。王先生具有超過20年管理及金融財務經驗，曾派駐海外公司及出任多個高級管理職位，包括華閩投資發展有限公司之董事、金融財務部副總經理及華閩集團(匈牙利)有限公司之執行董事。

王先生持有中國廈門大學經濟學學士學位及澳大利亞國立大學之國際管理碩士學位。

劉小汀先生，43歲，本集團副總經理。劉先生於二零零四年十一月加盟本集團，負責協助總經理執行日常營運之事務。劉先生具有超過20年財務管理經驗，曾出任多個包括福建省有關政府部門之管理職位，福建華閩進出口公司董事，福建華閩實業有限公司財務部總經理助理、財務部負責人，香港貿易公司財務總監。

Directors' Biography

董事簡歷

NON-EXECUTIVE DIRECTORS

Mr. FENG Qiang, aged 42, is the Vice General Manager of Fujian Huamin Industrial Group Company Limited. Mr. Feng joined the Group in January 2005. He spent years of research in the Chinese Academy of Social Science at Fujian for corporate strategies and reforms. He also has practical experience in corporate investment planning, operational management and corporate restructuring during his service in the government of Fujian Province and its related companies. Mr. Feng has over 20 years' corporation and investment management experience.

Mr. Feng has a Bachelor Degree in Economics from Shanghai University of Finance and Economics.

Mr. YE Tao, aged 38, is the Deputy Managing Director of Sino Earn Holdings Limited. Mr. Ye joined the Group in September 2004. Mr. Ye has over 10 years' management experience. Save as disclosed herein, Mr. Ye did not held any directorship in other listed public companies within the past 3 years.

Mr. Ye graduated from Fuzhou University with a Bachelor Degree in Economics and acquired his Master Degree in Finance from Xiamen University.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LAM Kwong Siu, aged 75, joined the Group in December 2003. He is the Vice Chairman of BOC International Holdings Limited, Delegate of the National People's Congress (10th Session), Chairman of the Board of Directors of Hong Kong Federation of Fujian Association, the Chairman of the Board of Supervision of Hong Kong Fukien Chamber of Commerce, the Vice Chairman of Fujian-Hong Kong Economic Cooperation, the Honorary President of the Chinese General Chamber of Commerce and the Consultant of the Hong Kong Chinese Enterprises Association, and Non-Executive Director of Hong Kong CITIC Ka Wah Bank Limited, China Overseas Land & Investment Limited and Xinyi Glass Holdings Ltd. Mr. Lam was awarded the HKSAR Silver Bauhinia Star in 2003.

非執行董事

馮強先生，42歲，福建華閩實業有限公司副總經理。馮先生於二零零五年一月加盟本集團。馮先生曾長期在福建社會科學院從事企業發展戰略和企業改革的研究工作，並曾任職於福建省有關政府部門、企業，從事企業投資策劃、經營管理和企業重組的實務工作。馮先生於企業管理和投資管理方面擁有超過20年的經驗。

馮先生持有上海財經大學經濟學學士學位。

葉濤先生，38歲，葉先生為華鑫(香港)控股有限公司董事副總經理。葉先生於二零零四年九月加盟本集團。葉先生擁有超過10年管理經驗。除披露者外，葉先生於過去三年並無擔任其他上市公司董事之職。

葉先生持有福州大學投資經濟管理學士學位及廈門大學財政金融碩士學位。

獨立非執行董事

林廣兆先生，75歲，於二零零三年十二月加盟本集團。現任香港中銀國際控股有限公司副董事長、第十屆全國人大代表、香港福建社團聯會董事會主席、旅港福建商會監事長、閩港經濟合作促進會副主任、香港中華總商會永久名譽會長及香港中國企業協會顧問、香港中信嘉華銀行有限公司，香港中國海外發展有限公司及信義玻璃控股有限公司非執行董事。林先生於二零零三年獲香港特區政府頒發銀紫荊勳銜。

Mr. CHEUNG Wah Fung Christopher, JP, aged 57, joined the Group in December 2003. He is the Chairman of Christfund Securities Limited, Christfund Futures Limited, Christfund Finance Limited and Christfund Corporate Finance Limited, an Independent Non-executive Director of Tongda Group Holdings Limited. He serves as a Member of the People's Political Consultative Conference of PRC, chairman of the Hong Kong Securities Professionals Association, Council Member of the Chinese Overseas Friendship Association, Director of the Friends of Hong Kong Association, a Council Member (1997-2000) of the Hong Kong Stock Exchange and a Director (1998-2000) of the Hong Kong Securities Clearing Company Limited, Committee Member of the Chinese General Chamber of Commerce, the Honorary President of Hong Kong Federation of Fujian Association and Member of the Standing Committee of the Federation of Commerce and Industry of Guangdong Province and Mr. Cheung acquired his Master Degree in MBA from City University of Hong Kong and was appointed as Justice of Peace by the Chief Executive of the HKSAR Government in 2000.

Mr. LEUNG Hok Lim, FCPA (Aust.), CPA (Macau), FCPA (Practising), aged 74, joined the Group in September 2004. He is the founder and Senior Partner of PKF. Mr. Leung obtained his fellowship with Hong Kong Institute of Certified Public Accountants (formerly Hong Kong Society of Accountants) in 1973. Mr. Leung, is a Non-executive Director of Beijing Hong Kong Exchange of Personnel Centre Limited, an Independent Non-executive Director of Yangtzekiang Garment Ltd., YGM Trading Ltd., S E A Holdings Ltd., High Fashion International Ltd., Phoenix Satellite Television Holdings Ltd. and Theme International Holdings Ltd.

張華峰先生，太平紳士，57歲，於二零零三年十二月加盟本集團。現任恆豐證券(集團)有限公司、恆豐期貨有限公司、恆豐融資有限公司及恆豐企業財務有限公司董事長、通達集團控股有限公司獨立非執行董事、中國全國政協委員、香港證券學會會長、中華海外聯誼會理事、香港友好協進會董事、香港聯合交易所理事(一九九七至二零零零年)、香港中央結算有限公司董事(一九九八至二零零零年)、香港中華總商會選任會董、香港福建社團聯會永久名譽會長及廣東省工商聯合會常務委員。張先生持有香港城市大學工商管理碩士學位，並於二零零零年獲香港特區政府行政長官委任為太平紳士。

梁學濂先生，FCPA (Aust.), CPA (Macau), FCPA (Practising)，74歲，於二零零四年九月加盟本集團。梁先生為PKF大信梁學濂(香港)會計師事務所之創辦人及高級合伙人。梁先生於一九七三年取得香港會計師公會執業資深會計師資格。梁先生為京港人才交流中心有限公司之非執行董事、長江製衣有限公司、YGM貿易有限公司、爪哇控股有限公司、達利國際集團有限公司、鳳凰衛視控股有限公司及榮暉國際集團有限公司之獨立非執行董事。

Directors' Report

董事報告

The directors present the directors' report and the audited financial statements for the year ended 31 December 2008.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activities of the Company are hotel business and property investment and those of its subsidiaries are disclosed in note 6 to the financial statements.

An analysis of the Group's turnover and contribution to results by principal activities and geographical area of operation for the year ended 31 December 2008 is set out in note 6 to the financial statements.

RESULTS AND APPROPRIATIONS

The results and cash flow of the Group for the year ended 31 December 2008 and the state of affairs of the Group and the Company for the year ended 31 December 2008 are set out in the financial statements on pages 41 to 124.

DIVIDENDS

The Company did not propose any dividends for the year ended 31 December 2008. The Directors do not recommend the payment of a dividend for the year ended 31 December 2008.

FINANCIAL SUMMARY

A summary of the results and the statement of net assets/liabilities of the Group for the last financial years is set out on page 4.

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate turnover attributable to the Group's five largest customers and the Group's largest customer accounted for 25.4% and 8.7% respectively of the Group's total turnover for the year. The aggregate purchases attributable to the Group's five largest suppliers and the Group's largest supplier accounted for 71.6% and 29.8% respectively of the Group's total purchase for the year.

None of the Directors, their associates, or shareholders (which to the knowledge of the Directors owned more than 5% of the Company's share capital) had any beneficial interest in the Group's five largest suppliers and customers during the year.

董事會謹此提呈截至二零零八年十二月三十一日年度之董事報告和經審核財務報表。

主要業務及經營地區分析

本公司主要從事酒店業務及物業投資，其附屬公司之業務已於財務報表附註6披露。

本集團截至二零零八年十二月三十一日止年度按主要業務及經營地區劃分之營業額及業績貢獻分析載於財務報表附註6。

業績及分派

本集團截至二零零八年十二月三十一日止年度之業績及現金流量，以及本集團及本公司於二零零八年十二月三十一日年度財務狀況載於財務報表第41至124頁。

股息

本公司並無宣派截至二零零八年十二月三十一日止年度任何股息。董事不建議派發二零零八年十二月三十一日年度任何股息。

財務摘要

本集團於過往財政年度之業績及淨資產／負債報表之概要載於第4頁。

主要客戶及供應商

本集團五大客戶及最大客戶的總營業額分別佔本集團年內總營業額的25.4%及8.7%。本集團五大供應商及最大供應商的總採購額分別佔本集團年內總採購額的71.6%及29.8%。

年內，概無董事、其聯繫人或就董事所知擁有本公司股本5%以上的股東擁有本集團五大供應商及客戶任何實際權益。

RESERVES

Movements in the reserves of the Group and of the Company for the year ended 31 December 2008 are set out on page 44 and in note 27 to the financial statements.

PREPAID LEASE PAYMENTS

Details of the movements in prepaid lease payments of the Group are set out in note 16 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 15 to the financial statements.

SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's subsidiaries and associates for the year ended 31 December 2008 are set out in notes 18 and 19 to the financial statements.

SHARE CAPITAL

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

BANK LOAN AND OTHER

There were no outstanding bank loan and other borrowings by the Company and the Group at 31 December 2008.

CAPITALIZED BORROWING COSTS

No borrowing costs were being capitalized during the year ended 31 December 2008 (2007: Nil).

MAJOR AND CONNECTED TRANSACTIONS

On 9 May 2005, the Group entered into an extension agreement with Railway Department, the joint venture partner of the Hotel, to extend the operating period of the Hotel by 10 years to 31 December 2025.

儲備

本集團及本公司於二零零八年十二月三十一日年度之儲備變動載於第44頁及財務報表附註27。

預付租賃款項

本集團之預付租賃款項變動詳情載於財務報表附註16。

物業、廠房及設備

本集團之物業、廠房及設備變動詳情載於財務報表附註15。

附屬公司及聯營公司

本公司於二零零八年十二月三十一日年度之附屬公司及聯營公司詳情載於財務報表附註18及19。

股本

本公司之股本變動詳情載於財務報表附註26。

銀行貸款及其他借款

本公司及本集團於二零零八年十二月三十一日並無銀行貸款及其他借貸。

借貸成本資本化

於二零零八年十二月三十一日年度概無借貸成本資本化(二零零七年：無)。

主要及關連交易

於二零零五年五月九日，本集團與酒店之合作夥伴鐵路開發訂立一份延長協議，將酒店之經營年期延長十年至二零二五年十二月三十一日屆滿。

Directors' Report

董事報告

RELATED PARTY TRANSACTION

Details of related party transactions are set out in note 34 to the financial statements.

SHARE OPTION SCHEME

Details of the Company's share option scheme are set out in note 31 to the financial statements.

DIRECTORS

The Directors who held office during the year ended 31 December 2008 and up to the date of this report were:

Executive Directors:

Mr. WANG Xiaowu (*Chairman*)
Mr. WANG Ruilian
Mr. LIU Xiaoting

Non-executive Directors:

Mr. FENG Qiang
Mr. YE Tao

Independent Non-executive Directors:

Mr. LAM Kwong Siu
Mr. CHEUNG Wah Fung, Christopher
Mr. LEUNG Hok Lim (re-appointed on 24 September, 2008)

In accordance with article 101 of the Company's Articles of Association, one third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one third shall retire at the forthcoming Annual General Meeting of the Company and shall be eligible for re-election.

Mr. Leung Hok Lim has been an Independent Non-executive Director of the Company with tenure of two years which expired on 23 September, 2008 and was reappointed on 24 September, 2008 with tenure of two years, expiring on 23 September, 2010. Mr. Lam Kwong Siu and Mr. Cheung Wah Fung, Christopher have been Independent Non-executive Directors of the Company with tenure of two years which expired on 10 December, 2007 and were as reappointed on 11 December, 2007 with tenure of two years, expiring on 10 December, 2009.

關連人士交易

關連人士交易詳情載於財務報表附註34。

購股權計劃

本公司購股權計劃之詳情載於財務報表附註31。

董事

於二零零八年十二月三十一日年度及截至本報告刊發日期止之在任董事名單如下：

執行董事：

汪小武先生(主席)
王瑞煉先生
劉小汀先生

非執行董事：

馮強先生
葉濤先生

獨立非執行董事：

林廣兆先生
張華峰先生
梁學濂先生(於二零零八年九月二十四日重新委任)

遵照本公司之公司組織章程細則第101條之規定，三分之一之現任董事(或倘董事人數並非三位或三之倍數，則為最接近三分之一之人數)任期將於應屆股東週年大會屆滿，惟彼等具備資格膺選連任。

梁學濂先生為本公司獨立非執行董事，其任期為期兩年，已於二零零八年九月二十三日屆滿。並於二零零八年九月二十四日獲重新委任，任期為期兩年，至二零一零年九月二十三日屆滿。林廣兆先生及張華峰先生為本公司獨立非執行董事，彼等之任期為期兩年，已於二零零七年十二月十日屆滿。並於二零零七年十二月十一日獲重新委任，任期為期兩年至二零零九年十二月十日屆滿。

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting have a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' BIOGRAPHY

Biography of the Company's directors is set out on pages 13 to 15.

DISCLOSURE OF INTERESTS BY DIRECTORS

As at 31 December 2008, the interests of the Directors in the shares, underlying shares, and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")), which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Listing Rules (the "Model Code") were as follows:

Long position in shares and underlying shares of the Company

Director	Type of interests	Number of issued ordinary shares held	Number of underlying shares held	Percentage of interest
董事	權益類別	所持已發行普通股數目	所持相關股份數目	權益百分比
Wang Xiaowu 汪小武	Personal 個人	–	1,040,000(a)	0.2%

Note:

(a) These interests represent the interests in underlying shares in respect of share options granted by the Company to Mr. Wang Xiaowu as beneficial owners, the details of which are set out in the Section "Share Options" below.

董事服務合約

於即將舉行之股東週年大會上膺選連任之董事概無與本公司或其任何附屬公司訂立僱用公司不可於一年內終止而毋須作出補償(法定補償除外)之服務合約。

董事簡歷

本公司董事簡歷載於第13至第15頁。

董事權益披露

於二零零八年十二月三十一日，董事於本公司或其相聯法團(定義見證券及期貨條例(按香港法例第571章)(「證券及期貨條例」)第XV部)之股份及相關股份擁有(a)須根據證券及期貨條例第XV部第7及8分部通知本公司及香港聯合交易所有限公司(「聯交所」)之權益(包括根據證券及期貨條例之該等條文董事被當作或被視作享有之權益及淡倉)；或(b)須記入根據證券及期貨條例第352條規定存置之登記冊之權益；或(c)須根據上市規則所載上市發行人董事進行證券交易的標準守則(「標準守則」)通知本公司及聯交所之權益如下：

本公司股份及相關股份之好倉

Number of issued ordinary shares held	Number of underlying shares held	Percentage of interest
所持已發行普通股數目	所持相關股份數目	權益百分比
–	1,040,000(a)	0.2%

附註：

(a) 該等權益指有關本公司授予汪小武先生作為實益擁有人之購股權之相關股份權益，有關詳情載於下文「購股權」一節。

Directors' Report

董事報告

Save as disclosed above, during the year, none of the directors of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (as defined in Part XV of the SFO) (i) 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 or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

At no time during the year was the Company or its subsidiaries engaged in any arrangements to enable the directors of the Company or their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Interests in competing businesses

During the year, none of the directors of the Company nor their respective associates had any business which competes or is likely to compete, either directly or indirectly, with any business of the Group.

Interests in assets of the Group

During the year, none of the directors of the Company had any direct or indirect interests in any assets which have been acquired or disposed of, or leased to, or which are proposed to be acquired or disposed of or leased to, the Company or any of its subsidiaries.

Directors' interests in contracts

None of the directors of the Company was materially interested in any contract or arrangement subsisting during or at the end of the year which is significant in relation to the business of the Group.

除上文所披露外，於本年間，董事概無於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有或被視為擁有(i)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所（包括根據證券及期貨條例之該等條文被當作或視為擁有之權益或淡倉）；或(ii)根據證券及期貨條例第352條之規定須載入該條文所述之登記冊內之任何權益或淡倉；或(iii)須根據標準守則，須知會本公司及聯交所之任何權益或淡倉。

本公司或其附屬公司在本年間任何時間概無參與任何安排，致使董事或彼等各自之配偶或未滿18歲之子女可透過購入本公司或任何其他法團之股份或債券而獲取利益。

於競爭業務中之權益

於本年間，董事或彼等各自之聯繫人士概無直接或間接擁有與本集團任何業務競爭或可能競爭之任何業務。

於本集團資產中之權益

於本年間，董事概無於本公司或其任何附屬公司已收購或出售或承租，或建議收購或出售或承租之任何資產中擁有任何直接或間接權益。

董事之合約權益

董事概無於本年間或至本年底存在而就本集團業務而言屬重大之任何合約或安排中擁有重大權益。

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2008, as far as is known to the directors of the Company and the Company, and as confirmed upon reasonable enquiry, the register maintained by the Company under section 336 of the SFO shows that the following persons (not being directors and employees of the Company) had, or were deemed to have, interests or short positions in the shares and underlying shares of the Company which are required to be disclosed to the Company or the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Company or had an option in respect of such capital were as follows:

Long Positions in the shares of the Company

Name of Shareholders 股東名稱	Number of shares of the Company held 所持本公司 股份數目	% of total issued shares of the Company 佔已發行本公司 股份總額百分比
HC Technology Capital Company Limited ("HC Technology") 華晶科技投資有限公司(「華晶科技」)	279,241,379 (a)	52.4
FIDC 華閩投發	279,241,379 (a)	52.4
Fujian Huamin Industrial Group Company Limited ("FHIG") 福建華閩實業(集團)有限公司(「福建華閩實業(集團)」)	279,241,379 (a)	52.4
Sino Earn Holdings Limited ("Sino Earn") 華鑫(香港)控股有限公司(「華鑫」)	72,553,382 (b)	13.6
Fujian Huaxing Trust & Investment Company ("FHTI") 福建華興信託投資公司(「華興信託」)	72,553,382 (b)	13.6
Fujian Huaxing Industrial Company ("FHIC") 福建華興實業公司(「華興實業」)	72,553,382 (b)	13.6

主要股東

截至二零零八年十二月三十一日止，就本公司董事及本公司所知，或於彼等作出合理查詢後所能確定，按照本公司根據證券及期貨條例第336條須存置之登記冊所記錄，下列人士(並非本公司之董事及僱員)擁有或被視為擁有本公司股份或相關股份中根據證券及期貨條例第XV部第2及第3分部須向本公司或聯交所披露之權益或淡倉，或直接或間接擁有附帶權利可於所有情況下於本公司任何其他成員公司之股東大會上投票之任何類別股本面值5%以上，或擁有該等股本之購股權：

本公司股份之好倉

Directors' Report

董事報告

Notes:

- (a) HC Technology beneficially holds 279,241,379 shares in the Company. Pursuant to the SFO, FHIG is deemed to be interested in the 279,241,379 shares by virtue of its being beneficially interested in 100% of the issued share capital of FIDC and FIDC is deemed to be beneficially interested in 100% of the issued share capital of HC Technology. FHIG is a state-owned corporation of the PRC.
- (b) Sino Earn beneficially holds 72,553,382 shares in the Company. Pursuant to the SFO, each of FHTI and FHIC is deemed to be interested in the 72,553,382 shares by virtue of their being beneficially interested in 30% and 70% of the issued share capital of Sino Earn respectively. Both FHTI and FHIC are state-owned corporations of the PRC.

Save as disclosed herein, as at 31 December 2008, the directors of the Company and the Company, as confirmed upon reasonable enquiry made by them and as indicated in the register maintained by the Company under section 336 of the SFO, were not aware of any other persons (other than directors and employees of the Company) had, or were deemed to have, interests or short positions in the shares and underlying shares (including any interests in options in respect of such capital), which are required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who owned any interests or short positions to be recorded in the register under Section 336 of the SFO; or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Company or had any option in respect of such capital.

附註：

- (a) 華晶科技實益持有279,241,379股本公司股份。根據證券及期貨條例，鑑於福建華閩實業(集團)實益擁有華閩投發已發行股本之100%權益及華閩投發實益擁有華晶科技已發行股本之100%權益，因此被視為擁有279,241,379股股份權益。福建華閩實業(集團)為中國之國有企業。
- (b) 華鑫實益持有72,553,382股本公司股份。根據證券及期貨條例，鑑於華興信託及華興實業分別實益擁有華鑫已發行股本之30%及70%權益，因此各自被視為擁有72,553,382股股份權益。華興信託及華興實業均為中國之國有企業。

除本文所披露者外，於二零零八年十二月三十一日，董事及本公司或於彼等作出合理查詢後所能確定，按照本公司根據證券及期貨條例第336條須存置之登記冊所記錄均未獲悉任何其他人士(本公司之董事及僱員除外)於股份及相關股份(包括該等股本之任何購股權權益)中擁有或被視為擁有須根據證券及期貨條例第XV部第2及第3分部之條文向本公司及聯交所披露之權益或淡倉，或概無任何其他人士佔有根據證券及期貨條例第336條，列入該條例所述之登記冊內之權益或淡倉；或直接或間接擁有附帶權利可於所有情況下於本公司任何其他成員公司之股東大會上投票之任何類別股本之面值5%或以上，或擁有該等股本之任何購股權。

SHARE OPTIONS

On 22 January 1997, the Company approved a share option scheme (the “Existing Scheme”) under which the Directors may, at their discretion, invite any employee or executive directors of the Company and the Group to take up options to subscribe for shares in the capital of the Company at any time during the ten years from the date of offer. The subscription price of the Company’s shares shall be referred to the average closing price of the Company’s shares as quoted on the main board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for five dealings days immediately preceding the offer date. The maximum number of shares on which options may be granted may not exceed 10% of the ordinary share capital of the Company in issue from time to time. No options of the Company were being granted or outstanding since the year ended 2002.

On 23 August 2001, the Stock Exchange introduced changes to the provisions of the Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) in relation to share option schemes which came into effect on 1 September 2001. As a result of the amendments to the Listing Rules, the Board has not been able to grant options under the Existing Scheme. In compliance with the amendments to the Listing Rules, by an ordinary resolution passed on 10 May 2004, the Company terminated the Existing Scheme and adopted a new share option scheme (the “New Scheme”).

購股權

於一九九七年一月二十二日，本公司批准一項購股權計劃（「現行計劃」），據此，董事會可酌情邀請本公司及本集團任何僱員或執行董事接納購股權，可於要約日期起十年內隨時認購本公司股本中之股份。本公司股份之認購價為緊接要約日期前五個交易日本公司股份在香港聯合交易所有限公司（「聯交所」）之平均收市價。所授出購股權可認購本公司股份之數目，最多不可超逾本公司不時已發行普通股股本之10%。自二零零二年起，本公司並無批授任何購股權或購股權未獲行使。

於二零零一年八月二十三日，聯交所擬就證券上市規則（「上市規則」）第17章有關購股權計劃之條文實行若干修訂，該等修訂於二零零一年九月一日生效。基於上市規則之修訂，董事會未能按現行計劃批授購股權。為遵守上市規則之修訂，本公司於二零零四年五月十日通過普通決議案，藉以終止現行購股權計劃及採納新購股權計劃（「新計劃」）。

Directors' Report

董事報告

The details of option share outstanding as at 31 December 2008 as granted under the New Scheme are as follows:

根據新計劃授出而於二零零八年十二月三十一日尚未行使之購股權股份詳情如下：

	Date of grant	Options held as at 1 January 2008 於二零零八年一月一日持有之購股權	Options exercised during the Period 於期內行使之購股權	Options lapsed during the Period 於期內失效之購股權	Options held as at 31 December 2008 於二零零八年十二月三十一日持有之購股權	Nature of interests 權益性質	Exercise price 行使價 HK\$ 港元	Exercise period 行使期	% of existing Shares 佔現有股份之百分比
Wang Xiaowu 汪小武	3 June 2004 二零零四年六月三日	1,040,000	-	-	1,040,000	Personal 個人	0.184	3 June 2004- 2 June 2014 二零零四年六月三日至 二零一四年六月二日	0.20
Chen Danyun 陳丹雲	3 June 2004 二零零四年六月三日	420,000	-	-	420,000	Personal 個人	0.184	3 June 2004- 2 June 2014 二零零四年六月三日至 二零一四年六月二日	0.08
		1,460,000	-	-	1,460,000				

The consideration to be paid upon acceptance of the options by each of the grantees is HK\$1.

每位承授人在每次接納購股權時所付之代價為港幣1元。

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2008.

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

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

CORPORATE GOVERNANCE

The Directors consider that throughout the year ended 31 December 2008, the Company has complied with the Code on Corporate Governance Practices ("Code on Corporate Governance") as set out in Appendix 14 of the Listing Rules. The Company had received from each of the Independent Non-executive Directors a verbal confirmation of his independence.

The Company has adopted the Code on Corporate Governance. The Company had made specific enquiries to all Directors regarding any non-compliance with the Code on Corporate Governance during the year ended 31 December 2008, and had received confirmations from all Directors that they had fully complied with the required standard set out in the Code on Corporate Governance during the year ended 31 December 2008.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted Appendix 10 to the Listing Rules, the Model Code, as its own code of conduct regarding Directors' securities transactions. Specific enquiry has been made with all Directors and the Directors have complied with the requirements set out in the Model Code for the year ended 31 December 2008.

管理合約

本公司於二零零八年十二月三十一日年度內並無就全部或任何重大部分業務中之管理及行政事宜而訂立或存有任何合約。

購買、出售或贖回本公司之上市證券

截至二零零八年十二月三十一日止年度，本公司或其附屬公司均無購買、出售及贖回任何本公司之上市證券。

企業管治

董事認為，本公司於二零零八年十二月三十一日年度一直遵守上市規則附錄十四所載之企業管治常規守則（「企業管治守則」）。本公司已收到每一位獨立非執行董事就有關彼等之獨立性發出的口頭確認。

本公司已採納企業管治守則。本公司已向全體董事為於二零零八年十二月三十一日年度有否違反標準守則一事作出特定查詢，而彼等均確認已於二零零八年十二月三十一日年度完全遵從企業管治守則之有關規定。

董事進行證券交易之標準守則

本集團已採納載於上市規則附錄十有關董事進行證券交易之標準守則，作為董事買賣證券之標準守則。經向所有董事作出特定查詢後，各董事於截至二零零八年十二月三十一日止年度內，一直遵守標準守則之規定。

Directors' Report

董事報告

AUDIT COMMITTEE

The Audit Committee of the Group was established in 1999. Currently, it comprises three members, all of whom are Independent Non-executive Directors, namely Mr. Leung Hok Lim who possesses professional accounting qualification, Mr. Lam Kwong Siu and Mr. Cheung Wah Fung, Christopher. Mr. Leung Hok Lim is the Chairman of the Audit Committee. The Audit Committee has adopted the term of reference in line with the Code on Corporate Governance Practices issued by the Stock Exchange. The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting process and internal controls. Two regular meetings were held by the Audit Committee during the year. Each Committee meeting was provided with necessary financial information of the Group for consideration, review and assessment of major issues. The Audit Committee has reviewed with the management and the Group's external auditors, Messrs. HLB Hodgson Impey Cheng, the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including the review of connected transactions and the consolidated financial statements.

NOMINATION COMMITTEE

The Nomination Committee was formed in March 2005 to ensure fair and transparent procedures for the appointment of directors to the Board. The committee's authority and duties are set out in the written terms of reference, which specify that it must comprise at least three members, the majority of whom are Independent Non-executive Directors. The current members of the Nomination Committee are Mr. Cheung Wah Fung, Christopher, Mr. Leung Hok Lim and Mr. Lam Kwong Siu.

REMUNERATION COMMITTEE

According to the Code on Corporate Governance, the Group shall set up a Remuneration Committee with a majority of the members being Independent Non-executive Directors. The Group established its Remuneration Committee in March 2005 comprising three Independent Non-executive Directors, namely Mr. Lam Kwong Siu, Mr. Leung Hok Lim and Mr. Cheung Wah Fung, Christopher.

審核委員會

本集團於一九九九年設立審核委員會。現時委員會由三名成員組成，彼等均為獨立非執行董事，包括梁學濂先生（具備專業會計師資格）、林廣兆先生及張華峰先生。梁學濂先生為審核委員會主席。審核委員會已採納與聯交所頒佈企業管治常規守則一致之職權範圍。審核委員會之主要職務包括審閱及檢討本集團之財務申報程序及內部監控。審核委員會於本年度已舉行兩次定期會議。每次委員會會議均獲提供必須之本集團財務資料，供成員考慮、檢討及評審工作中涉及之重大事宜。審核委員會已與管理層及本集團之外聘核數師「國衛會計師事務所」檢討本集團所採納之會計原則及慣例，並已就內部監控及財務申報等事宜進行討論，其中包括審閱本集團之關連交易及綜合財務報表。

提名委員會

提名委員會已於二零零五年三月成立，旨在確保董事之委聘程序符合公平及透明之原則。該委員會之權力及職責載於書面指引內，列明委員會最少應有三名成員，而大部份必須為獨立非執行董事。提名委員會現時之成員包括張華峰先生、梁學濂先生及林廣兆先生。

薪酬委員會

根據企業管治常規守則，本集團須成立大部份成員為獨立非執行董事之薪酬委員會。本集團已於二零零五年三月成立薪酬委員會，由三名獨立非執行董事組成，包括林廣兆先生、梁學濂先生及張華峰先生。

The Remuneration Committee shall consult the Chairman and/ or the General Manager of the Group about their proposals relating to remuneration package and other human resources issues of the Directors and senior management of the Group. The emoluments of Directors are based on each Director's skill, knowledge and involvement in the Group's affairs, the Group's performance and profitability, remuneration benchmark in the industry and the prevailing market conditions.

SUFFICIENCY OF PUBLIC FLOAT

Based on information available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the Public as of the date of this report.

POST BALANCE SHEET

Details of post balance sheet event are set out in note 36 to the financial statements.

AUDITORS

Messr. HLB Hodgson Impey Cheng were appointed as the auditors of the Company for the year ended 31 December 2008 and have audited the accompanying financial statements. A resolution will be submitted by the Board of Directors at the forthcoming annual general meeting of the Company to re-appoint Messr. HLB Hodgson Impey Cheng as the Company's auditors for the year ending 31 December 2009.

On behalf of the Board

Wang Xiaowu
Chairman

Hong Kong, 15 April 2009

薪酬委員會須就本集團董事及高級管理人員之薪酬建議及其他人力資源問題諮詢本集團主席及／或總經理。董事酬金乃根據個別董事之技能、知識水平及對本集團事務之投入程度，並參照本集團之業績與盈利狀況、同業酬金水平及市場環境而釐定。

足夠公眾持股量

根據本公司所獲提供資料及據董事所知悉，於本報告日期，公眾人士最少持有本公司已發行股本總額25%。

結算日後事項

結算日後事項詳情載於財務報表附註36。

核數師

國衛會計師事務所獲委聘擔任本公司截至二零零八年十二月三十一日止年度核數師，並已對隨附的財務報表進行了審計。董事會在即將召開的股東週年大會上將提呈重新委聘國衛會計師事務所擔任本公司截至二零零九年十二月三十一日止年度的核數師的決議案。

代表董事會

汪小武
主席

香港，二零零九年四月十五日

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

Adapting and adhering to recognized standards of corporate governance principles and practices has always been one of the top priorities of the Company. The Board of Directors (the "Board") believes that good corporate governance is one of the areas that lead to the success of the Company and in balancing the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

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

BOARD COMPOSITION AND BOARD PRACTICES

The Board is principally responsible for the management and operations of the Group. The Board also reviews the overall strategic development and monitors the financial performance of the Group. The Directors acknowledge their responsibilities in reviewing the reports of the Group for the year covered by this annual report.

The Board comprises a total of eight Directors, three of which are Executive Directors, two Non-executive Directors and three Independent Non-executive Directors. One of the Independent Non-executive Directors has appropriate professional qualifications, or accounting or related financial management expertise.

Board composition review will be made regularly to ensure that it has a balance of expertise, skills and expertise appropriate for the requirements of the business of the Group. In accordance with article 101 of the Company's Articles of Association, one third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire at the forthcoming Annual General Meeting and shall be eligible for re-election.

企業管治常規

配合及遵循企業管治原則及常規之公認標準一貫為本公司最優先原則之一。董事會(「董事會」)認為良好的企業管治是帶領本公司邁向成功及平衡股東、客戶及僱員之間利益之因素之一，董事會致力於持續改善該等原則及常規之效率及有效性。

於截至二零零八年十二月三十一日止年度整段期間內，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」)附錄十四所載之企業管治常規守則內之守則條文(「守則條文」)。

董事會組成及董事會常規

董事會主要負責管理及經營本集團，董事會亦檢討整體策略發展，並監管本集團的財務表現。董事知悉彼等之責任為審閱本集團於本年報所涵蓋年度之報告。

董事會由合共八名董事組成，當中三名為執行董事、兩名為非執行董事、及三名為獨立非執行董事。其中一名獨立非執行董事擁有適當之專業資格，或具備會計或相關財務管理專長。

本公司將定期檢討董事會之組成，確保其具備適當及所需之專長、技能及經驗以應付本集團業務之需求。根據本集團之公司組織章程細則第101條之規定，三分之一之現任董事(或倘董事人數並非三位或三之倍數，則為最接近三分之一之人數)，任期將於應屆股東週年大會屆滿，惟彼等具備資格膺選連任。

CHAIRMAN'S ROLE AND RESPONSIBILITY

The Chairman of the Board (“Chairman”) and the Group General Manager are separate individuals, to maintain segregation of duties between the management of the Board and the day-to-day management of the Group’s business. One important role of the Chairman is to provide leadership for the Board. The Chairman has to ensure that the Board works effectively, discharges responsibilities, and that all key and appropriate issues are discussed by the Board in a timely manner. All Directors are consulted about matters proposed for inclusion in the agenda. The Chairman has delegated to the Company Secretary the responsibility for drawing up the agenda for each Board meeting.

The Group supports the establishment of good corporate governance practices and procedures. The Group General Manager has been delegated such authority. The Board always acts in the best interests of the Group, and all Directors have made full and active contribution to the affairs of the Board. Meeting between the Chairman and the Non-executive Directors (including Independent Non-executive Directors) without the presence of Executive Directors has been scheduled as at least once a year.

A package of orientation materials setting out the duties and responsibilities of Directors under the Listing Rules, related ordinances and relevant regulatory requirements of Hong Kong is provided to each newly appointed Director. Orientation meeting for briefing on business and operations of the Group will be held with the Directors concerned.

主席的角色及責任

董事會主席（「主席」）及集團總經理之職務由不同人士擔任，使董事會管理及本集團業務之日常管理得以有效區分。主席之其中一項主要職能為領導董事會。主席須確保董事會有效運作及履行職責，並就各項重要及適當事務進行適時討論。所有董事均經諮詢以提出任何商討事項列入會議議程。主席已委派公司秘書負責擬定每次董事會會議之議程。

本集團支持制定良好之企業常規管治守則及程序。集團總經理已獲授有關授權。董事會一直以符合本集團最佳利益之方式行事，所有董事均全力投入董事會事務。主席與非執行董事（包括獨立非執行董事）至少每年一次在執行董事並不出席之情況下舉行會議。

各新任董事於就任時均獲提供詳盡資料，載列上市規則、相關法例及香港有關監管規例所訂之董事職責及責任。本公司亦就新任董事就任時安排會議，就本集團之業務及運作向有關董事作出簡介。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS

The Board meets regularly. For the year ended 31 December 2008, it held four meetings. Regular Board meetings of the year are scheduled in advance. All notices of the meeting of the Board will be made to various directors at least 14 days prior to the meeting, the Company Secretary will assist the Chairman in preparing the memorandum of the meeting as to give all Directors an opportunity to attend. Board papers are circulated not less than three days before the Board meetings, to enable the Directors to make informed decisions on matters to be raised at the Board meetings and to offer them sufficient time to review the documents. The Company Secretary and the Qualified Accountant normally attend all regular Board meetings, to advise on corporate governance, statutory compliance, accounting and financial matters when necessary, as to ensure the compliance and maintenance of sound corporate governance practice. The Company Secretary shall prepare minutes and keep record of matters discussed and decisions resolved at all Board meetings.

INTERNAL CONTROL

The directors have overall responsibility for the establishment, maintenance and review of the Group's system of internal control. For the year ended 31 December 2008, the directors periodically reviewed its internal control system to ensure its effectiveness and adequacy, which embraced financial, operational and risk management control.

董事會

董事會定期開會。截至二零零八年十二月三十一日止年度，合共召開四次會議。每年定期召開之董事會會議均預定有關舉行日期。所有董事會會議的通知將於會議舉行最少十四天前發出予各董事，公司秘書協助主席預備會議議程，使各董事有充裕時間及機會出席。為確保董事會會議之討論事項具備充份資料以作出決定及使各董事有時間審閱該等文件，會議文件均於會議召開前不少於三天送交全體董事。公司秘書及合資格會計師均出席各董事會定期會議，於有需要時就企業管治、法定管治、會計及財務等事宜向董事會提供意見，以確保本公司遵守及維持良好企業管治常規。於董事會會議上經討論及議決之事項均由公司秘書詳細記錄及存檔。

內部監控

董事對建立、維持及檢討本集團之內部監控制度具有整體責任。截至二零零八年十二月三十一日止年度，董事定期檢討其內部監控制度，以確保其有效及足夠，涉及範圍包括財務、經營及風險管理控制。

Corporate Governance Report

企業管治報告

For the year ended 31 December 2008, the Board met 4 times and the Directors' attendance at the Board Meeting is as follows:

於二零零八年十二月三十一日年度，董事會舉行4次會議，董事出席情況如下：

Director	董事	Attendance 出席次數
Chairman WANG Xiaowu	主席 汪小武	4
Executive Directors WANG Ruilian LIU Xiaoting	執行董事 王瑞煉 劉小汀	4 4
Non-executive Directors FENG Qiang YE Tao	非執行董事 馮強 葉濤	3 2
Independent Non-executive Directors LAM Kwong Siu CHEUNG Wah Fung, Christopher LEUNG Hok Lim	獨立非執行董事 林廣兆 張華峰 梁學濂	4 1 4

Records of Board meetings are kept by the Company Secretary, and submitted to each Director for filing and made available to them for their inspection.

董事會會議記錄乃由公司秘書保存，並會送呈各董事作為記錄及會公開讓董事查閱。

Insurance policy has been arranged to safeguard the interests of the Directors in case of legal proceedings.

已安排適當保險，使董事面對法律訴訟時得到保障。

Non-executive Directors

Mr. Ye Tao and Mr. Feng Qiang were appointed as Non-executive Directors on 24 September 2004 and 27 January 2005 respectively and without a specific term, but are subject to retirement by rotation at the Annual General Meeting in compliance with the Company's Articles of Association.

非執行董事

葉濤先生及馮強先生分別於二零零四年九月二十四日及二零零五年一月二十七日，獲委任為非執行董事，其委任均無指定任期，惟須按照本集團之公司組織章程細則之規定，須於股東週年大會屆滿輪席告退并膺選連任。

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Each Independent Non-executive Director has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules, and are independent in accordance with the terms of the guidelines.

獨立非執行董事之獨立性確認書

各獨立非執行董事已根據上市規則第3.13條之規定提交確認其符合獨立性之確認書。本公司認為所有獨立非執行董事皆符合載於上市規則第3.13條獨立性指引，並根據該指引條文屬獨立人士。

Corporate Governance Report

企業管治報告

Mr. Leung Hok Lim has been an Independent Non-executive Director of the Company with tenure of two years which expired on 23 September 2008 and was reappointed on 24 September 2008 with tenure of two years, expiring on 23 September 2010. Mr. Lam Kwong Siu and Mr. Cheung Wah Fung have been Independent Non-executive Directors of the Company with tenure of two years which expired on 10 December 2007 and were reappointed on 11 December 2007 with tenure of two years, expiring on 10 December 2009. However, their tenure is subject to retirement by rotation at the Annual General Meeting in compliance with the Articles of Association of the Company and the Code on Corporate Governance, under which they have to retire by rotation and make themselves eligible for re-election.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the financial statements, the Directors have selected appropriate accounting policies, applied them consistently, made judgments and estimation that are prudent, fair and reasonable, ensured all applicable accounting standards are followed and prepared the financial statements on a going concern basis. The Directors are also responsible for ensuring that the Group keeps accounting records which disclose with reasonable accuracy at any time the financial position of the Group and which enable the preparation of financial statements in accordance with the Hong Kong Companies Ordinance and the applicable accounting standards.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted Appendix 10 to the Listing Rules, the Model Code, as its own code of conduct regarding Directors' securities transactions. Specific enquiry has been made with all Directors and the Directors have complied with the requirements set out in the Model Code for the year ended 31 December 2008.

梁學濂先生為本公司獨立非執行董事，其任期為期兩年，已於二零零八年九月二十三日屆滿。並於二零零八年九月二十四日獲重新委任，任期為期兩年，至二零一零年九月二十三日屆滿。林廣兆先生及張華峰先生為本公司獨立非執行董事，彼等之任期為期兩年，已於二零零七年十二月十日屆滿。並於二零零七年十二月十一日獲重新委任，任期為期兩年至二零零九年十二月十日屆滿。然而，其任期須受本公司章程及企業管治常規守則之規定，在股東週年大會上董事須輪席告退及重選再任。

董事於綜合財務報表之責任

董事負責編製每一財務期間之財務報表。財務報表應真實公平地反映本集團狀況及期間之業績和現金流。編製財務報表時，董事選用適當之會計原則並貫徹執行，作出審慎、公平及合理之判斷及估計，採用所有適用之會計準則並採取持續經營基準編製財務報表。董事亦須負責確保本集團保存會計記錄，該等記錄須於任何時間合理準確地披露本集團之財務狀況，並可據此按香港公司條例及適用之會計準則編製財務報表。

董事進行證券交易之標準守則

本集團已採納載於上市規則附錄十有關董事進行證券交易之標準守則，作為董事買賣證券之標準守則。經向所有董事作出特定查詢後，各董事於截至二零零八年十二月三十一日止年度內，一直遵守標準守則之規定。

AUDIT COMMITTEE

The Audit Committee of the Group was established in 1999. Currently, it comprises three members, all of whom are Independent Non-executive Directors, namely Mr. Leung Hok Lim who possesses professional accounting qualification, Mr. Lam Kwong Siu and Mr. Cheung Wah Fung, Christopher. Mr. Leung Hok Lim is the Chairman of the Audit Committee. The Audit Committee adopted the term of reference in accordance with the Code on Corporate Governance Practices issued by the Stock Exchange. The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting process and internal controls. Two regular meetings have been held by the Audit Committee during the year. Each Committee meeting was provided with necessary financial information of the Group for consideration, review and assessment of major issues.

During the year ended 31 December 2008, the members of the Audit Committee met twice and their attendance is as follows:

Name of member	成員名稱	Attendance 出席次數
LEUNG Hok Lim (<i>Chairman</i>)	梁學濂 (主席)	2
LAM Kwong Siu	林廣兆	2
CHEUNG Wah Fung, Christopher	張華峰	0

The Audit Committee has reviewed the interim and final financial results for the year 2008. The Audit Committee considers the financial statement to be complied with the appropriate financial standards and the law regulations and with enough disclosure has been made.

審核委員會

本集團於一九九九年設立審核委員會。現時委員會由三名成員組成，彼等均為獨立非執行董事，包括梁學濂先生(具備專業會計師資格)、林廣兆先生及張華峰先生。梁學濂先生為審核委員會主席。審核委員會已採納與聯交所頒佈企業管治常規守則一致之職權範圍。審核委員會之主要職務包括審閱及檢討本集團之財務申報程序及內部監控。審核委員會於本年度已舉行兩次定期會議。每次委員會會議均獲提供必須之本集團財務資料，供成員考慮、檢討及評審工作中涉及之重大事宜。

於二零零八年十二月三十一日年度，審核委員會舉行兩次會議，成員出席情況如下：

審核委員會已審閱本集團截至二零零八年中期及全年度財務業績。審核委員會認為，該等報表符合適用會計準則及法律規定且已作出足夠披露。

Corporate Governance Report

企業管治報告

NOMINATION COMMITTEE

The Nomination Committee was formed by the Group in March 2005. The Committee currently comprises three members, all of whom are Independent Non-executive Directors namely Mr. Cheung Wah Fung, Christopher, Mr. Leung Hok Lim and Mr. Lam Kwong Siu, whereas Mr. Cheung Wah Fung, Christopher was nominated as the Chairman of the committee. The major duty of the Nomination Committee is to ensure fair and transparent procedures for the appointment, re-election and removal of directors to the Board.

During the year ended 31 December 2008, the members of the Nomination Committee met once and their attendance is as follows:

提名委員會

本集團於二零零五年三月成立提名委員會。現時委員會由三名成員組成，彼等為獨立非執行董事，包括張華峰先生、梁學濂先生及林廣兆先生，張華峰先生為提名委員會主席。提名委員會主要職務是確保董事之委聘、重選及罷免的程序符合公平及透明之原則。

於二零零八年十二月三十一日年度，提名委員會舉行一次會議，成員出席情況如下：

Name of member	成員名稱	Attendance 出席次數
CHEUNG Wah Fung, Christopher (<i>Chairman</i>)	張華峰 (主席)	1
LEUNG Hok Lim	梁學濂	1
LAM Kwong Siu	林廣兆	1

REMUNERATION COMMITTEE

The Group established its Remuneration Committee in March 2005. The Committee currently comprises three members, all of whom are Independent Non-executive Directors, namely Mr. Lam Kwong Siu, Mr. Leung Hok Lim and Mr. Cheung Wah Fung, Christopher. Mr. Lam Kwong Siu is the Chairman of the Remuneration Committee. The Remuneration Committee adopted the term of reference in accordance with the Code on Corporate Governance Practices issued by the Stock Exchange. The Remuneration Committee met once during the year as to review the emolument policy and the benefits of the Executive Directors.

The Remuneration Committee shall consult the Chairman and/or the General Manager of the Group about their proposals relating to remuneration package and other human resources issues of the Directors and senior management of the Group. The emoluments of Directors are based on each Director's skill, knowledge and involvement in the Group's affairs, the Group's performance and profitability, remuneration benchmark in the industry and the prevailing market conditions.

For the year ended 31 December 2008, the members of the Remuneration Committee met once and their attendance is as follows:

Name of member	成員名稱	Attendance 出席次數
LAM Kwong Siu (<i>Chairman</i>)	林廣兆 (主席)	1
LEUNG Hok Lim	梁學濂	1
CHEUNG Wah Fung, Christopher	張華峰	1

EXTERNAL AUDITORS

The Audit Committee has reviewed a service plan from Messr. HLB Hodgson Impey Cheng regarding their independence and objectivity and had a meeting with HLB Hodgson Impey Cheng, the external auditors of the Company, to discuss the scope of their audit and approve the scope.

The Audit Committee also makes recommendations to the Board on the appointment and retention of the external auditors.

薪酬委員會

本集團於二零零五年三月成立薪酬委員會，現時委員會由三名成員組成，彼等為獨立非執行董事，包括林廣兆先生、梁學濂先生及張華峰先生。林廣兆先生為薪酬委員會的主席。薪酬委員會之職權範圍乃遵從聯交所簽發之企業管治原則及常規，薪酬委員會於年度期間舉行一次會議，審閱執行董事之薪酬政策及待遇。

薪酬委員會須就本集團董事及高級管理人員之薪酬建議及其他人力資源問題諮詢本集團主席及／或總經理。董事酬金根據個別董事之技能、知識水平及對本集團事務之投入程度，並參照本集團之業績與盈利狀況、同業酬金水平及市場環境而釐定。

於二零零八年十二月三十一日年度，薪酬委員會舉行一次會議，成員出席情況如下：

外部核數師

審核委員會已審閱國衛會計師事務所確認其獨立性及客觀性之服務計劃，並與本公司之外部核數師國衛會計師事務所舉行會議，討論及批准其審核範圍。

審核委員會亦就委聘及挽留外部核數師向董事會提供建議。

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企業管治報告

For the year ended 31 December 2008, the Company paid Messrs. HLB Hodgson Impey Cheng, the external auditors of the Company, HK\$495,000 as audit fees (2007: HK\$495,000).

The auditors' reporting responsibility is set out on pages 39 to 40 of this annual report.

RISK MANAGEMENT

The Company's management believes that risk management is an essential component of the Group's administrative structure. The management assists the Board in evaluating material risk exposure existing in the Group's business, including investment risk, interest rate risk, liquidity risk etc, and participates in designing and formulating appropriate risk management and internal control measures, and to ensure its implementation in daily operational management.

The management considers that the investment risk management measures provide guarantee to the Group through its way of seeking new development opportunities, as to secure reasonable return in every investment, to reduce investment risks and to avoid possible loss attributable to investments.

The Group's risk management towards liquidity aims to ensure that under all circumstances there exists sufficient capital to fulfill repayment obligations of all debts due, to maintain good creditworthiness, to finance reasonable investment opportunities and to fuel business development. The Group's accounting department is responsible for daily financial activities and monitors liquidity position from time to time to cope with business operation of the Company.

截至二零零八年十二月三十一日止年度，本公司向外部核數師國衛會計師事務所支付審計費用495,000港元(二零零七：495,000港元)。

核數師之申報職責載於本年報第39至40頁。

風險管理

公司管理層相信風險管理是本集團管治架構中重要的組成部分。管理層協助董事會評估本集團業務中存在的主要風險，包括投資風險、利率風險、流動資金風險等，參與設計和制訂合適的風險管理及內部監控措施，並在日常經營管理中落實執行。

管理層認為投資風險管理之措施可以令集團在尋找新的發展機會中得到保障，使每一項投資都能得到合理的回報，減低投資風險、避免投資可能會帶來的損失。

本集團對流動資金的風險管理，旨在確保在任何情況下，仍能以充足的資金履行所有到期債務的償還責任，保持良好的信譽；能在適當的投資機會中提供所需資金，以擴大業務發展。集團會計部負責日常的財務活動並不時監察流動資金狀況，以應付公司的經營運作。

CORPORATE CORRESPONDENCE

The Company commits to report to the shareholders of the Company the Group's corporate information in a timely and punctual way through notifying or mailing to all shareholders via press release, Interim Report and Annual Report. The circular of the Annual General Meeting will be distributed to all shareholders of the Company at least 21 days prior to the meeting, which set out the requirements and the procedure of the vote and the relevant details of other proposed resolutions. The printed copies of the Group's Annual Report and Interim Report have been dispatched to all the shareholders.

The Company also maintains a corporate website on which comprehensive information about the Group is provided.

The Company is committed to ensuring that it is fully compliant with disclosure obligations stipulated under the Listing Rules and other applicable laws and regulations, and that all shareholders and potential investors have an equal opportunity to receive and obtain externally available information that is released by the Group.

CORPORATE MONITOR

The Board is responsible for monitoring the Group's overall corporate reporting process and control system, while the corporate reporting standard is handled by the accounting department, which makes regular review of resources allocation and financial reporting system properly. Compliance with Code on Corporate Governance Practices, the Listing Rules, SFO and other applicable laws and regulations are handled by the Company Secretary. The Company's management meets with the Executive Directors regularly to review and brief the reporting system, and the Audit Committee annually to review and brief the reporting system.

企業通訊

本公司依時向股東匯報本集團之企業資料，並透過刊發新聞稿、中期報告及年報等方式，通知和寄發予所有股東，而有關股東週年大會的通函於大會舉行前最少二十一天寄發予所有股東，通函載列要求及舉行票選的程序及其他建議的議案的有關資料。本集團的年報及中期報告之印刷本已寄發予所有股東。

本公司亦設有公司網站，提供有關本集團之全面資料。

本公司致力確保全面遵守上市規則及其他適用法例與法規訂明之披露責任，而全體股東及潛在投資者均同樣可獲得及取得本集團公佈之外界資料。

企業監控

董事會有責任監察本集團整體企業匯報過程及控制系統，企業匯報標準已交予會計部負責，由會計部適當地定期檢討資源調配及財務匯報系統。企業管治常規，以及符合上市規則、證券及期貨條例及其他適用法規等事宜，已交予公司秘書負責。本公司管理層定期與執行董事檢討及簡述匯報系統，亦每年與審核委員會檢討及簡述匯報系統。

Corporate Governance Report

企業管治報告

A package of detailed materials setting out the duties and responsibilities of the Directors of the Company is provided to each newly appointed Director of the Company, in which it is especially specified the applicable rules and regulations (including the Listing Rules) that the first time appointed Directors of the Company shall notice and understand.

In respect of the securities transactions made by Directors, the Company has adopted a set of rules not less stricter than the code of conduct regarding the standard for securities transactions by listing issuers set out in Appendix 10 to the Listing Rules (the “Corporate Code”). Printed copies of the Corporate Code have been distributed to each Director and relevant employee of the Group as stipulated therein. All the Directors confirmed that they have complied with the standards set out therein.

On behalf of the Board

Wang Xiaowu
Chairman

Hong Kong, 15 April 2009

本公司每位新委任董事均獲發一份詳盡資料，當中詳述作為本公司董事之責任及職責，並特別註明首次獲委任本公司董事須留意及知悉之適用規則及規例（包括上市規則）。

本公司就本集團董事及僱員之證券交易，採用一套不低於上市規則附錄十上市發行人之證券交易標準之行為守則（「公司守則」）。公司守則之印刷本已分發予本公司守則內規定須獲提供之本集團每位董事及相關僱員。所有董事已確認，彼等已遵守本公司之守則內所載標準。

代表董事會

汪小武
主席

香港，二零零九年四月十五日

Independent Auditors' Report

獨立核數師報告



Chartered Accountants
Certified Public Accountants

TO THE SHAREHOLDERS OF
FUJIAN HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Fujian Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 41 to 124, which comprise the consolidated and company balance sheets as at 31 December 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE 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 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.

AUDITORS' 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 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any

致閩港控股有限公司股東
(於香港註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核列載於第41至124頁閩港控股有限公司(「公司」)及其附屬公司(統稱「集團」)的綜合財務報表，此綜合財務報表包括於二零零八年十二月三十一日的綜合及公司資產負債表與截至該日止年度的綜合收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》編製及真實而公平地列報該等綜合財務報表。該責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見，並按照香港公司條例第141條僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。我們已根據香港會計師公會頒佈的香港審計準

Independent Auditors' Report

獨立核數師報告

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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 Company and of the Group as at 31 December 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

HLB Hodgson Impey Cheng

*Chartered Accountants
Certified Public Accountants*

Hong Kong, 15 April 2009

則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否不存在任何重大錯誤陳述。

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報綜合財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評估董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評估綜合財務報表的整體列報方式。

我們相信，我們所獲得的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

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映公司及集團於二零零八年十二月三十一日的事務狀況及集團截至該日止年度的利潤及現金流量，並已按照香港公司條例妥為編製。

國衛會計師事務所

*英國特許會計師
香港執業會計師*

香港，二零零九年四月十五日

Consolidated Income Statement

綜合收益表

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度(以港元列示)

		Notes 附註	2008 二零零八	2007 二零零七
Revenue	收益	5	16,667,080	15,935,467
Other income	其他收入	7	4,401,750	1,745,657
Other gains and losses	其他收益和虧損	8	5,193,098	30,119,347
Staff costs	員工成本		(6,100,863)	(5,402,281)
Depreciation	折舊	15	(3,993,709)	(3,944,031)
Amortisation of prepaid lease payment	預付租賃款項攤銷	16	(2,009,302)	(2,061,674)
Share of profits of associates	應佔聯營公司盈利		666,420	2,530,720
Other operating expenses	其他經營費用		(11,179,391)	(12,735,756)
Profit before tax	除稅前溢利		3,645,083	26,187,449
Income tax expense	所得稅開支	9	(29,448)	(221,532)
Profit for the year	本年度溢利	10	3,615,635	25,965,917
Earnings per share	每股盈利			
Basic (HK cents per share)	基本(每股港仙)	13	0.68	4.92
Diluted (HK cents per share)	攤薄(每股港仙)	13	0.68	4.87

Consolidated Balance Sheet

綜合資產負債表

At 31 December 2008 (in HK Dollars)
於二零零八年十二月三十一日 (以港元列示)

		Notes 附註	2008 二零零八	2007 二零零七
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	47,816,963	51,504,553
Prepaid lease payment	預付租賃款項	16	33,990,698	36,000,000
Investment properties	投資物業	17	18,910,000	16,600,000
Interests in associates	聯營公司權益	19	7,984,808	17,448,121
			108,702,469	121,552,674
Current assets	流動資產			
Inventories	存貨	20	105,517	99,529
Trade and other receivables	貿易及其他應收賬款	21	3,163,927	941,349
Bank balances and cash	銀行結餘及現金	22	29,899,372	16,816,032
			33,168,816	17,856,910
Current liabilities	流動負債			
Borrowings	借貸	23	–	2,133,379
Trade and other payables	貿易及其他應付賬款	24	6,038,516	10,330,588
			6,038,516	12,463,967
Net current assets	流動資產淨值		27,130,300	5,392,943
Total assets less current liabilities	總資產減流動負債		135,832,769	126,945,617

Consolidated Balance Sheet

綜合資產負債表

At 31 December 2008 (in HK Dollars)
於二零零八年十二月三十一日(以港元列示)

	Notes 附註	2008 二零零八	2007 二零零七
Capital and reserves			
Equity attributable to the equity holders of the Company			
Share capital	26	66,597,500	66,597,500
Reserves		55,756,164	52,551,371
Total equity		122,353,664	119,148,871
Non-current liabilities			
Deferred tax liabilities	25	7,826,194	7,796,746
Trade and other payables	24	5,652,911	–
		13,479,105	7,796,746
		135,832,769	126,945,617

The consolidated financial statements on pages 41 to 124 were approved and authorised for issue by the Board of Directors on 15 April, 2009 and are signed on its behalf by:

董事會於二零零九年四月十五日已批准並授權刊發及簽署之綜合財務報表中第41頁至124頁：

汪小武
Wang Xiaowu
董事
Director

王瑞煉
Wang Ruilian
董事
Director

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度 (以港元列示)

		Share capital (Note 26)	Share premium (Note 27)	Translation reserve	Share-based compensation reserve (Note 27) 以股份為 支付基礎的 酬金儲備 (附註27)	Accumulated losses	Total
		股本 (附註26)	股份溢價 (附註27)	換算儲備	酬金儲備 (附註27)	累計虧損	合計
At 1 January 2007	二零零七年一月一日	65,000,000	573,199,393	(5,342,606)	2,907,200	(543,167,812)	92,596,175
Exchange differences arising on translation of foreign operations	兌換差異出於外來經營之轉化	-	-	(1,764,741)	-	-	(1,764,741)
Profit for the year	本年度溢利	-	-	-	-	25,965,917	25,965,917
Total recognised income and expenses for the year	年內已確認收益及開支總額	-	-	(1,764,741)	-	25,965,917	24,201,176
Issue of ordinary shares upon exercise of share options	行使購股權時發行股份	1,597,500	3,105,540	-	(2,351,520)	-	2,351,520
Share options forfeited	已失效之購股權	-	-	-	(287,040)	287,040	-
At 31 December 2007	二零零七年十二月三十一日	66,597,500	576,304,933	(7,107,347)	268,640	(516,914,855)	119,148,871
Exchange differences arising on translation of foreign operations	兌換差異出於外來經營之轉化	-	-	(410,842)	-	-	(410,842)
Profit for the year	本年度溢利	-	-	-	-	3,615,635	3,615,635
Total recognised income and expenses for the year	期內已確認收益及開支總額	-	-	(410,842)	-	3,615,635	3,204,793
At 31 December 2008	二零零八年十二月三十一日	66,597,500	576,304,933	(7,518,189)	268,640	(513,299,220)	122,353,664

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度(以港元列示)

		2008 二零零八	2007 二零零七
Operating activities	經營業務		
Profit for the year	本年度溢利	3,615,635	25,965,917
Adjustments for:	調整項目：		
Income tax expense	稅項	29,448	221,532
Bank interest income	銀行利息收入	(416,453)	(574,758)
Share of profits of associates	應佔聯營公司盈利	(666,420)	(2,530,720)
Amortisation of prepaid lease payment	預付租賃款項攤銷	2,009,302	2,061,674
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	3,993,709	3,944,031
Loss/(Gain) on fair value changes of investment properties	投資物業公平值虧損／(收益)	1,629,642	(1,500,000)
Gain on disposal of investment property	出售投資物業收益	(4,111,203)	-
Impairment loss recognised in respect of prepaid lease payment	預付租賃款項減值虧損確認	-	938,326
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	4,570	1,067,806
Loss on disposal of associates	出售聯營公司虧損	1,957,288	-
Write-down of inventories	存貨撥備增加	25,807	136,894
Impairment losses recognised in respect of trade receivables	應收帳款之減值虧損確認	345,002	638,435
Impairment loss recognised in respect of other receivable	其他應收帳款之減值虧損確認	9,170	4,250,580
Impairment loss reversed in respect of other receivable	其他應收帳款之減值虧損撥回	(4,505,182)	(30,725,427)
Waiver of interest payable on borrowings	應付借貸利息之豁免	-	(2,552,245)
Operating cash flows before movements in working capital	營運資金變動前之經營現金	3,920,315	1,342,045
Inventories	存貨	(31,795)	(8,673)
Trade and other receivables	貿易及其他應收賬款	1,928,432	(1,307,964)
Trade and other payables	貿易及其他應付賬款	1,360,839	728,668
Cash generated from operations	經營業務現金流入	7,177,791	754,076
Interest received	已收利息	416,453	574,758
Net cash generated by operating activities	經營業務現金流入淨額	7,594,244	1,328,834

Consolidated Cash Flow Statement (Continued)

綜合現金流量表 (續)

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度 (以港元列示)

		2008 二零零八	2007 二零零七
Investing activities	投資業務		
Purchase of property, plant and equipment	購置物業、廠房及設備	(83,949)	-
Purchase of investment properties	購置投資物業	(9,221,487)	-
Proceeds from disposal of investment property	來自出售投資物業	9,393,048	-
Proceeds from repayment of amount due from an associate	來自聯營公司償還應付賬款	650,000	-
Proceeds from disposal of associates	來自出售聯營公司	7,783,581	-
Dividend received from an associate	聯營公司股息	255,109	-
Net cash generated by investing activities	投資業務之現金流入淨額	8,776,302	-
Financing activities	融資活動		
Repayment of borrowings	償還借貸	(2,133,379)	(4,608,814)
Proceeds from issue of ordinary shares	來自已發行之普通股	-	2,351,520
Net cash used in financing activities	融資動用之現金流出淨額	(2,133,379)	(2,257,294)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值增加/(減少)淨額	14,237,167	(928,460)
Cash and cash equivalents at the beginning of the financial year	年初之現金及現金等值	16,816,032	18,879,382
Effects of foreign exchange rate changes	匯率變動影響	(1,153,827)	(1,134,890)
Cash and cash equivalents at the end of the financial year	年結之現金及現金等值	29,899,372	16,816,032

Balance Sheet

資產負債表

At 31 December 2008 (in HK Dollars)
於二零零八年十二月三十一日(以港元列示)

		Notes 附註	2008 二零零八	2007 二零零七
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	94,049	138,094
Investment properties	投資物業	17	18,910,000	16,600,000
Interests in subsidiaries	附屬公司權益	18	7,734,223	14,217,413
Interests in associates	聯營公司權益	19	-	2,650,001
			26,738,272	33,605,508
Current assets	流動資產			
Trade and other receivables	貿易及其他應收賬款	21	1,453,262	164,521
Bank balances and cash	銀行結餘及現金	22	28,683,415	16,145,974
			30,136,677	16,310,495
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	24	686,092	548,286
			686,092	548,286
Net current assets	流動資產淨值		29,450,585	15,762,209
Total assets less current liabilities	資產淨值		56,188,857	49,367,717
Capital and reserves	股本及儲備			
Equity attributable to the equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	26	66,597,500	66,597,500
Reserves	儲備	27	(10,408,643)	(17,229,783)
Total equity	股本權益總額		56,188,857	49,367,717

汪小武
Wang Xiaowu
董事
Director

王瑞煉
Wang Ruilian
董事
Director

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度 (以港元列示)

1. GENERAL

Fujian Holdings Limited (the “Company”) is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding company is HC Technology Capital Company Limited, a company incorporated in the British Virgin Islands and its ultimate holding company is 華閩實業(集團)有限公司, a state-owned corporation in the People’s Republic of China (the “PRC”). The addresses of the registered office and principal place of business of the Company is Room 3305A, 33/F, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong.

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

The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are investment holding, property investment in Hong Kong and hotel operations in the PRC.

1. 一般

閩港控股有限公司(「本公司」)為一家於香港註冊成立之公開上市公司。其股份於香港聯合交易所有限公司(「聯交所」)上市。其直接控股公司為華晶科技投資有限公司，乃於英屬處女群島成立之中國企業及其最終控股公司則為福建華閩實業(集團)有限公司，乃中國之國有企業。本公司註冊辦事處及主要營業地址為香港中環干諾道中二百號信德中心西座33樓3305A室。

綜合財務報表以本公司之功能貨幣港元呈列。

本公司及其附屬公司(綜稱為「本集團」)主要從事投資控股、位於香港之物業投資及位於中國之酒店業務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度(以港元列示)

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

In the current year, the Group has applied the following amendments and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) which are or have become effective.

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

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度，本集團採用以下由香港會計師公會(「香港會計師公會」)新頒佈之香港會計準則新準則、修訂及詮釋(在下文統稱為「新香港財務報告準則」)，該等準則已生效開始於本集團之財務年度。本集團所採納之新香港財務報告準則概述如下：

香港會計準則第39號及香港財務報告準則第7號(修訂案)	重新分類金融資產金融工具：披露
香港(國際財務報告詮釋委員會)一詮釋第11號	香港財務報告準則第2號—集團及庫存股份交易
香港(國際財務報告詮釋委員會)一詮釋第12號	服務特許權安排
香港(國際財務報告詮釋委員會)一詮釋第14號	香港會計準則第19號—界定利益資產的限額、最低撥款規定及其相互關係

應用新訂香港財務報告準則對現時或以往會計期間之編製及呈列方式並無重大影響。因此，毋須作出前期調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度 (以港元列示)

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

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

HKFRSs (Amendments)	Improvements to HKFRSs ¹
HKAS 1 (Revised)	Presentation of Financial Statements ²
HKAS 23 (Revised)	Borrowing Costs ²
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ³
HKAS 32 & HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ²
HKAS 39 (Amendment)	Eligible hedged items ³
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate ²
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ²
HKFRS 3 (Revised)	Business Combinations ³
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments ²
HKFRS 8	Operating Segments ²
HK(IFRIC)-Int 9 & HKAS 39 (Amendments)	Embedded Derivatives ⁴
HK(IFRIC)-Int 13	Customer Loyalty Programmes ⁵

2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」) (續)

本集團並無提早應用以下已頒佈惟未生效之新訂準則、修訂準則或詮釋。

香港財務報告準則 (修訂案)	對香港財務報告準則之改善 ¹
香港會計準則第1號 (經修訂)	財務報表之呈列 ²
香港會計準則第23號 (經修訂)	借貸成本 ²
香港會計準則第27號 (經修訂)	綜合及獨立財務報表 ³
香港會計準則第32號及香港會計準則第1號 (修訂案)	可沽出之金融工具及於清盤時所產生之責任 ²
香港會計準則第39號 (修訂案)	合資格對沖項目 ³
香港財務報告準則第1號及香港會計準則第27號 (修訂案)	於一間附屬公司、共同控制實體或聯營公司進行投資之成本 ²
香港財務報告準則第2號 (修訂案)	以股份為基礎的付款—歸屬條件付款及註銷 ²
香港財務報告準則第3號 (經修訂)	業務合併 ³
香港財務報告準則第7號 (修訂案)	金融工具披露的改進 ²
香港財務報告準則第8號	經營分部 ²
香港 (國際財務報告詮釋委員會) — 詮釋第9號及香港會計準則第39號 (修訂案)	嵌入式衍生工具 ⁴
香港 (國際財務報告詮釋委員會) — 詮釋第13號	客戶忠誠度計劃 ⁵

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綜合財務報表附註

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度(以港元列示)

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

HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate ²
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation ⁶
HK(IFRIC)-Int 17	Distribution of Non-cash Assets to Owners ³
HK(IFRIC)-Int 18	Transfers of Assets from Customers ⁷

- ¹ Effective for annual periods beginning on or after 1 January 2009 except for the amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009
- ² Effective for annual periods beginning on or after 1 January 2009
- ³ Effective for annual periods beginning on or after 1 July 2009
- ⁴ Effective for annual periods ending on or after 30 June 2009
- ⁵ Effective for annual periods beginning on or after 1 July 2008
- ⁶ Effective for annual periods beginning on or after 1 October 2008
- ⁷ Effective for transfers of assets from customers received on or after 1 July 2009

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港(國際財務報告 詮釋委員會) — 詮釋第15號	房地產建設之 協議 ²
香港(國際財務報告 詮釋委員會) — 詮釋第16號	對沖境外業務之 淨投資 ⁶
香港(國際財務報告 詮釋委員會) — 詮釋第17號	向擁有人分派 非現金資產 ³
香港(國際財務報告 詮釋委員會) — 詮釋第18號	轉讓客戶之資產 ⁷

- ¹ 於二零零九年一月一日或以後開始之年度期間生效，除香港財務報告準則第5號於二零零九年七月一日或以後之年度期間生效
- ² 於二零零九年一月一日或以後開始之年度期間生效
- ³ 於二零零九年七月一日或以後開始之年度期間生效
- ⁴ 於二零零九年六月三十日年結或之後的年度期間生效
- ⁵ 於二零零八年七月一日或以後開始之年度期間生效
- ⁶ 於二零零八年十月一日或以後開始之年度期間生效
- ⁷ 於二零零九年七月一日或以後收到從客戶轉讓之資產時生效

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度 (以港元列示)

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

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent’s ownership interest in a subsidiary. The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or 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 of Hong Kong Limited 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.

2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」) (續)

若企業合併之收購日期為二零零九年七月一日或之後開始之首個年度報告期間開始當日或之後，則應用香港財務報告準則第3號(經修訂)或會影響有關會計處理。香港會計準則第27號(經修訂)將影響母公司擁有附屬公司股權變動之會計處理。董事預期，應用其他新及經修訂準則、修訂或詮釋不會對集團之業績及財務狀況產生重大影響。

3. 主要會計政策

除若干以重估價值或公平值計算之物業及金融工具外，綜合財務報表乃根據歷史成本準則編製，有關詳情見下文所載之會計政策。

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則及香港公司條例規定之適用披露。

合併基準

綜合財務報表載入本公司及其附屬公司的財務報表。獲得控制權就本公司可於某實體行使監管其財務及營運決策權以達致獲取其業務之利益。

本年度已收購或已出售附屬公司的業績由收購生效日期起或截至出售生效日期止在適當情況下列入綜合收益表。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度(以港元列示)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (Continued)

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

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

Investments in subsidiaries

A subsidiary is an entity in which the Company, directly and indirectly, controls the composition of the board of directors, controls more than half of the voting power or holds more than half of the issued share capital. Investments in subsidiaries are stated at cost less any identified impairment losses. The results of the subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Investments 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.

3. 主要會計政策 (續)

合併基準 (續)

附屬公司的財務報表於有需要時作出調整，以使其會計政策與本集團其他成員公司所採納者一致。

所有集團成員公司之間的交易、結餘、收入及開支於合併時撇銷。

附屬公司之投資

附屬公司指本公司因直接或間接控制其董事會之組成或控制半數以上投票權或已發行股本之實體。投資附屬公司以成本減值撥備計入。本公司按已收及應收之股息計算附屬公司之業績。

聯營公司之投資

聯營公司指集團對其有重大影響力，而非附屬公司或合營權的一切實體。

聯營公司之業績、資產及負債乃以會計權益法綜合入綜合財務報表。根據權益法，於聯營公司之投資乃按成本於綜合資產負債表中列賬，並就本集團分佔該聯營公司之損益及權益變動之收購後變動作出調整，以及減去任何已識別之減值虧損。當本集團分佔某聯營公司之虧損相等於或超出其於該聯營公司之權益(其包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司之投資淨額之一部份)，則本集團不再繼續確認其分佔之進一步虧損。額外分佔之虧損乃被備抵，而負債僅以本集團已產生法定或推定責任或代表該聯營公司作出付款者為限被確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度 (以港元列示)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments in associates (Continued)

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.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

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.

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.

Rental income under operating leases is recognised on a straight-line basis over the term of the lease.

Revenue from hotel operations is recognised when services are provided.

Income from granting the management right of the Group's hotel is recognised in accordance with the terms of the contract.

Management fee income is recognised on quarterly basis for the fixed portion and yearly basis for floating portion over the terms of contract.

3. 主要會計政策 (續)

聯營公司之投資 (續)

收購成本超過本集團應佔於收購日期已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任何數額確認為商譽。商譽乃計入聯營公司權益之賬面值，並作為部分權益就減值進行評估。

本集團應佔可識別資產、負債及或然負債之公平淨值之權益超逾收購成本之差額在重新評估後即時在盈利或虧損內確認。

倘與本集團之一間聯營公司進行一組交易，則損益以本集團於有關聯營公司中之權益為限撇銷。

收益確認

收入按已收或應收代價之公允價值計量，即於日常業務過程中就提供貨品及服務應收金額，扣除折扣及銷售相關稅項之淨額。

經營租賃之租金收入按租約年期以直線法確認。

酒店業務之收益乃於提供該等服務時確認入賬。

將本集團酒店管理權授出所產生之收入按合約年期確認。

管理費收入按合約年期就固定費用按季度及就浮動費用按年度基準確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度(以港元列示)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (Continued)

Interest income from a financial asset excluding financial assets at fair value through profit or loss 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.

Property, plant and equipment

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

Hotel property is interests in buildings and their integral fixed plant which are collectively used in the operations of the hotel, and are stated at cost less subsequent depreciation and impairment losses. The related repairs and maintenance attributable to hotel properties are charged to the consolidated income statement in the period which they are incurred. The costs of significant improvements are capitalised.

Depreciation of the hotel property is calculated on the straight-line basis to write off the cost of the hotel property over the remaining lease terms.

Depreciation of other property, plant and equipment is provided to write off the cost over their estimated useful lives and after taking into account of their estimated residual value, using the reducing balance method at a principal annual rate of 20%.

3. 主要會計政策 (續)

收益確認 (續)

除按公允價值損益計算之金融資產外其他金融資產之利息收入按未償還本金額及適用之實際利率以時間比例計算。有關利率按金融資產之估計未來現金流入預計可使用期內折現至資產賬面淨值之利率計算。

物業、廠房及設備

物業、廠房及設備乃按成本值減折舊及減值虧損列賬。

酒店物業乃指於樓宇權益與經營酒店時運用之整體固定設施，按成本值扣除累計折舊及累計減值虧損列賬。酒店物業相關修葺及維修於其產生期間計入收益表。其主要修建成本已被撥作資本。

酒店物業乃以直線法計算折舊，并按酒店物業之成本除以剩餘租賃年期計算撇銷。

折舊以其他物業、廠房及設備餘額遞減法，按預計本集團可使用年期撇銷其成本值，以主要年率20%計算。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (Continued)

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 consolidated income statement in the year in which the item is derecognised.

Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. 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 asset) is included in the consolidated income statement in the year in which the item is derecognised.

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.

3. 主要會計政策 (續)

物業、廠房及設備 (續)

於物業、廠房及設備出售後或當預計不會因持續使用資產而產生未來經濟效益時，該項物業、廠房及設備解除確認。因解除確認資產而產生之任何盈虧(按該項資產之出售所得款項淨額及賬面值之差額計算)於該項資產被解除確認之年度計入綜合收益表。

投資物業

投資物業於首次確認時按成本(包括所有有關的直接支出)計量。於首次確認後，投資物業按公平值入賬。公平值變動所產生的收益或虧損於產生期間直接確認於綜合收益表。

當投資物業出售，或當永久停止使用該投資物業，或繼續使用該投資物業不會為將來帶來經濟利益，該項投資物業不再確認。因不再確認而得的收益或虧損(按出售該項資產的淨所得款項及其賬面值的差額計算)於該年度的綜合收益表入賬。

租賃

倘租賃期條款將所有權絕大部分風險及回報轉讓予承租人，則租賃被分類為融資租賃。所有其他租賃被分類為經營租賃。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasing (Continued)

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.

The Group as lessee

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 term on a straight-line basis.

Leasehold land

Interest in leasehold land is accounted for as operating leases and amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model.

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 that are 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.

3. 主要會計政策 (續)

租賃 (續)

本集團作為出租人

經營租約之租金收入乃按相關租約年期以直線法於綜合收益表確認。

本集團作為承租人

根據經營租賃而應付之租金，在有關之租賃期內以直線法在綜合收益表中支銷。就訂立經營租賃作為鼓勵已收及應收之利益亦於租賃期內以直線法分攤。

土地租賃

土地租賃之權益以營運租賃形式入賬及按直線法在租期內攤銷。除此以外，將被分類及當作根據公允值形式入賬之投資物業。

外幣

於編製每間個別集團實體的財務報表時，倘交易的貨幣(外幣)與實體的功能貨幣不同，則以其功能貨幣(實體經營業務的主要經濟環境)按交易日期適用的匯率換算入賬。於每個結算日，貨幣項目再以外幣為面值的貨幣項目按結算日適用的匯率換算。惟外幣列值以歷史成本入賬的非貨幣項目則不予換算。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in the profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in equity in the consolidated financial statements. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the 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 cases, the exchange differences are also recognised directly in equity.

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 the profit or loss in the period in which the foreign operation is disposed of.

Borrowing costs

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

3. 主要會計政策(續)

外幣(續)

於結算及換算貨幣項目時產生之匯兌差額均於產生期間內於損益中確認，惟組成本公司海外業務之投資淨額部份之貨幣項目所產生之匯兌差額除外，在此情況下，有關匯兌差額乃於綜合財務報表中確認為股本權益。以公平值定值之非貨幣項目經重新換算後產生之匯兌差額於該期間之損益列作損益，惟換算直接於股本內確認盈虧之非貨幣項目產生之差額除外，在此情況下，匯兌差額亦直接於股本權益內確認。

為呈列綜合財務報表的目的，本集團境外業務的資產及負債均以結算日適用匯率換算為本公司的呈列貨幣(即港元)，而其收入及開支則以本年度平均匯率予以換算，除非期內之匯率有重大波動，則於該情況下，按交易當日之現行匯率換算。產生的匯兌差異確認為一個股本的獨立構成部份(換算儲備)。該匯兌差異於該境外業務被出售期間於損益內確認。於收購海外業務時產生之有關所收購可識別資產之商譽及公平值調整乃處理為該海外經營業務之資產及負債，並按於結算日之適用匯率進行換算。產生之匯兌差額乃於換算儲備內確認。

借款成本

所有借款成本乃於其產生期間內於損益中融資成本項下確認及列值。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered service entitling them to the contributions.

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 bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary 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.

3. 主要會計政策(續)

退休福利成本

向界定供款之退休福利計劃支付之供款於僱員提供服務而使其符合領取供款資格時列作開支。

稅項

所得稅開支指本年度應付稅項及遞延稅項的總和。

現時應付稅項乃按本年應課稅溢利計算。應課稅溢利不包括其他年度的應課稅或應扣減之收入或開支項目，亦不包括從未課稅或可扣稅之項目，故與綜合收益賬表所列溢利不同。本集團本期稅項負債乃按已於結算日實施或大致實施之稅率計算。

遞延稅項以綜合財務報表內資產及負債賬面值與計算應課稅溢利所採用相應稅基之差異入賬，以資產負債表負債法處理。遞延稅項負債一般就所有應課稅暫時差額確認，遞延稅項資產則按可能出現可供動用可扣減暫時差額之所有應課稅溢利而予以確認。倘若暫時差額由商譽或由初次確認一項不影響應課稅溢利或會計溢利之其他資產及負債(業務合併除外)所產生，則不會確認有關資產及負債。

遞延稅項乃就附屬公司及聯營公司投資產生之暫時差異而撥備，但假若本集團可以控制而暫時差異之撥回時間，而暫時差異在可預見將來有可能不會撥回則除外。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

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

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, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. 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.

Impairment of tangible assets other than goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible 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, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

When 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, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項資產之賬面值乃於每個結算日進行檢討，並予以相應扣減，直至並無足夠應課稅溢利可供收回全部或部分資產為止。

遞延稅項按預期於清還負債或變現資產年度採用之稅率計算并按已於結算日實施或大致實施之稅率 (及稅務條例) 計算。遞延稅項從損益中扣除或計入，除非遞延稅項關乎直接從股本扣除或直接計入股本之項目，則在該情況下遞延稅項亦於股本中處理。

除了商譽的無形資產減值虧損

於每個結算日，本集團檢討其有形資產賬面值，以釐定是否有任何證據顯示該等資產蒙受減值虧損。倘若一項資產之可收回款項估計為少於其賬面值，該項資產之賬面值削減至其可收回款項。減值虧損即時確認為開支，除非有關資產根據另一準則以重估金額列賬，則於該情況下，減值虧損視作根據該準則之重估減少。

當減值虧損其後撥回時，該項資產之賬面值增至其可收回款項之經修訂估計金額，但所增加之賬面值不得超過該項資產於以往年度原未確認減值時於損益內確認，除非有關資產根據另一準則以重估金額列賬，則於該情況下，減值虧損視作根據該準則之重估減少。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

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 one of the four categories, including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables, held-to-maturity investments and 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.

3. 主要會計政策(續)

存貨

存貨按成本及可變現淨值兩者中之較低者入賬。成本按先入先出法計算。

金融工具

當一家集團公司成為工具合約條文之一方，金融資產及金融負債於綜合資產負債表內確認。金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債直接應佔之交易成本(經損益賬按公平值入賬之金融資產及金融負債除外)乃於初步確認時按適當情況加入或從金融資產或金融負債之公平值扣除。

金融資產

本集團之金融資產分類為四個類別之一，包括按公平值計入損益表之金融資產(「FVTPL」)、貸款及應收款項、持至到期投資的非衍生工具以及可供買賣財務資產。所有正常購買或銷售之金融資產，按交易日之基準確認及不予確認。正常購買或銷售之金融資產是指按照市場規定或慣例須在一段期限內進行資產交付之金融資產買賣。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

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.

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 as 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)

金融工具 (續)

金融資產 (續)

實際利率法

實際利率法乃計算財務資產之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃將估計日後現金收入 (包括所有支付或收取構成整體實際利率之費用及利率差價、交易成本及其他所有溢價或折價) 按財務資產之預期使用年期，或較短期間 (倘合適) 實際折現之利率。

收入按債務工具之實際利率基準確認，惟指定於收益賬按公允值處理的金融資產除外，其利息收入計入淨盈利或虧損。

於收益賬按公允值處理的金融資產

本集團於收益賬按公允值處理的金融資產主要分為兩類，包括為持有以作買賣及於收益賬按公允值處理的所指定之初步確認。

下列情況下金融資產乃歸類為持有以作買賣：

- 所收購的金融資產主要用於在不久將來出售；或
- 屬於本集團整體管理的已識別金融工具組合的一部份，且近期實際上有出售以賺取短期利潤的模式；或
- 屬於衍生工具 (指定及具有有效對沖作用的工具除外)。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

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

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.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

於收益賬按公允值處理的金融資產 (續)

金融資產乃歸類為金融負債持有作交易用途，透過損益以反映其公平值計，如：

- 指定能消除或因按照不同基準計量作重大減值或確認而出現不一致處理情況；或
- 根據列明之風險管理或投資策略，該等金融資產或負債為一組受管理而其表現乃按公平值評估其中之一部份，而該等組合之資料均按予主要管理人員之基準而釐定之內部資料；或
- 為組成的嵌入式衍生工具合約之其中一部分或多部分，及根據香港會計準則39條容許整體組合合約(資產或負債)可按公平值計量及透過損益反映。

於初步確認後的各結算日，金融資產以公平值計量而釐定的公平值，彼等之公平價值產生時反映於損益中，彼等之淨損益包括金融資產所賺取的任何股息或利息。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

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 trade receivables, other receivables and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy in respect of impairment loss on financial assets below).

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. The Group designated certain debt securities as held-to-maturity investments. At each balance sheet date subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy in respect of 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.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款之非衍生金融資產，而其在活躍市場並無報價。於首次確認後之各個結算日，貸款及應收款項乃按實際利息法計算之攤銷成本減任何已識別減值虧損列賬，其包括應收貿易款項、其他應收款項、銀行結存及現金(見下文有關財務資產減值虧損的會計政策)。

持至到期日投資

持至到期日投資為具有固定或待定付款金額及固定到期日之投資，及本集團管理層有明確意向及能力持至到期日之投資。本集團界定債券為持至到期日之投資，於首次確認後之各個結算日，持至到期日之投資乃按實際利息法計算之攤銷成本減任何已識別減值虧損列賬(見下文有關財務資產減值虧損的會計政策)。

可供出售之財務資產

可供銷售財務資產即已指定為或並無列作透過損益以公平值列賬之財務資產、貸款及應收款項或持作到期日投資。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Available-for-sale financial assets (Continued)

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 in respect of impairment loss on financial assets below).

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition (see accounting policy in respect of impairment loss on financial assets below).

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)

可供出售之財務資產 (續)

於初步確認後各結算日，可供出售財務資產按公平值計算。公平值變動乃於股本確認，直至該項財務資產售出或釐定出現減值為止，屆時，先前於股本確認之累計盈虧將自股本剔除，並於損益確認(參閱下文有關財務資產減值虧損之會計政策)。

在活躍市場並無市場報價，且未能可靠衡量公平價值之可供出售股本投資，於首次確認後在各結算日按成本減任何已識別減值虧損列賬(見下文有關財務資產減值虧損的會計政策)。

財務資產的減值

財務資產(在損益中以公平價值處理之財務資產除外)會於每個結算日評定是否有減值跡象。於有客觀證據顯示財務資產之預期未來現金流量因於初步確認該財務資產後發生之一項或多項事件而受到影響時，便對財務資產作出減值。

對於可供出售股本投資，該項投資的公平價值大幅或長時間下跌至低於其成本，視為減值之客觀證據。

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截至二零零八年十二月三十一日年度 (以港元列示)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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 trade 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 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.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

財務資產的減值 (續)

對於所有其他金融資產，減值之客觀證據可包括：

- 發行人或對手方出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

對於若干類別之財務資產，例如應收貿易款項及資產，評定為不會單獨作出減值之資產會於其後彙集一併評估減值。應收貿易款項之客觀證據，可包括本集團過往收款記錄、拖欠款項的次數增加、全國或局部地區經濟狀況出現與應收貿易款項及其他應收款項的拖欠具有關連的明顯變化。

對於按攤銷成本列賬之財務資產而言，當有客觀證據顯示資產已減值，則於損益賬確認減值虧損，並按資產賬面值與按原實際利率貼現之估計日後現金流量現值之差額計算。

與所有財務資產有關之減值虧損會直接於財務資產之賬面值扣減，其賬面值會透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益賬確認。當應收貿易款項及其他應收款項被視為不可收回時，其將於撥備賬內撇銷。如其後收回之前已撇銷的款項，將計入損益賬內。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade 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 trade 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.

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. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

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.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

財務資產的減值 (續)

對於按攤銷成本列賬之財務資產而言，如在隨後期間，減值虧損金額減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損透過損益賬予以撥回，惟該資產於減值被撥回當日之賬面值，不得超過未確認減值時之攤銷成本。

對於按成本列賬的可供出售財務資產，減值虧損數額以資產賬面值與按同類財務資產現行市場回報率貼現的預期未來現金流量現值的差額計算。該等減值虧損不會於其後期間轉回。

可供出售之股本投資之減值虧損將不會於以後期間在損益中撥回。減值虧損後公平值的任何增加將直接於權益中確認。就可供出售債務投資而言，如其後該投資之公平值增加，而該增加是可客觀地與確認減值虧損後發生的事件有關連，則其減值虧損隨後撥回。

財務負債及股本

由集團實體發行之財務負債和股本工具，根據所訂立合約安排之實質內容及財務負債和股本工具之定義而歸類。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are generally classified into financial liabilities at FVTPL and other financial liabilities.

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 other than those financial liabilities designated as at FVTPL, of which the interest expense is included in net gains or losses.

Financial liabilities at fair value through profit or loss

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

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing 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)

金融工具 (續)

財務負債及股本 (續)

股本工具指能證明擁有集團在減除其所有負債後之資產中的餘剩權益的任何合約。本集團之財務負債及其他金融負債。

實際利率法

實際利率法乃計算金融負債之攤銷成本及於有關期間攤分利息支出之方法。實際利率為實際於該項金融負債的預計年期或(如適用)較短期間折現估計未來現金付款的利率。

除了該等於已公允價值計量中指定的金融負債外，該些利息支出是包括在淨收益或虧損中。利息支出乃按實際利率基準確認。

透過損益以反映金融負債的公平價值計量

按公平值列帳及透過損益處理的金融負債分成兩類，持作買賣投資金融負債及透過於公平值列帳通過損益處理作初步確認。

下列情況下金融負債乃歸類為持作買賣：

- 所收購的金融負債主要於不遠將來銷售；或
- 屬於本集團整體管理的可區別之財務工具組合的一部分，及最近有實際獲得短期溢利；或
- 屬於衍生工具(除指定及具有有效之對沖工具除外)。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at fair value through profit or loss (Continued)

A financial liability other than a financial liability 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 liability 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 liabilities 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 interest paid on the financial liability.

Other financial liabilities

Other financial liabilities (including borrowings, trade payables and other payables) are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策 (續)

金融工具 (續)

財務負債及股本 (續)

透過損益以反映金融負債的公平價值計量 (續)

金融負債乃歸類為金融負債持有作交易用途，透過損益以反映其公平值計，如：

- 指定能消除或因按照不同基準計量作重大減值或確認而出現不一致處理情況；或
- 根據列明之風險管理或投資策略，該等金融資產或負債為一組受管理而其表現乃按公平值評估其中之一部份，而該等組合之資料均按予主要管理人員之基準而釐定之內部資料；或
- 為組成的嵌入式衍生工具合約之其中一部分或多部分，及根據香港會計準則39條容許整體組合合約(資產或負債)可按公平值計量及透過損益反映。

於初步確認後的各結算日，金融負債以公平值計量而釐定的公平值，彼等之公平價值產生時反映於損益中，彼等之淨損益包括金融負債所支付的任何利息。

其他金融負債

其他金融負債包括借貸、貿易及其他應付款項，初步按公平價值計量，而其後則使用實際利率法按攤銷成本計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Equity instruments

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

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. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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 the profit or loss.

Provisions

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

3. 主要會計政策 (續)

金融工具 (續)

財務負債及股本 (續)

股本工具

本公司發行之股本工具以已收所得款項扣除直接發行成本後記錄。

解除確認

若從資產收取現金流量之權利已到期，或財務資產已轉讓及本集團已將其於財務資產擁有權之絕大部分風險和回報轉移，則財務資產將被解除確認。於解除確認財務資產時，資產賬面值與已收取和應收取代價及已直接於權益確認之累計盈虧總和之差額，將於損益賬確認。

財務負債乃當於有關合約所訂明責任獲解除、取消或屆滿時解除確認。解除確認財務負債之賬面值與已付及應付代價之差額，於損益賬確認。

撥備

倘本集團因過往事件而產生目前的責任，而本集團可能須償還該責任時，則確認撥備。撥備乃根據董事會於結算日對償還有關責任所需支出的最佳估算釐定，並在出現重大影響時折讓至現值。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to employees

For grants of share options which are conditional upon satisfying specified vesting conditions, 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, with a corresponding increase in equity (share-based compensation reserve). The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss with a corresponding adjustment to share options reserve.

For share options which are vested at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

At the time when the share options are exercised, the amount previously recognised in share-based compensation 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 compensation reserve will be transferred to retained profits.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, management is 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.

3. 主要會計政策(續)

金融工具(續)

以股份付款之交易

以權益結算并以股份付款之交易

授予僱員之優先認股權

就授出須符合指定歸屬條件之優先認股權而言，參考於授出日期授出優先認股權之公平值而釐定所得服務之公平值，於歸屬期內以直線法確認為開支，並於權益(以股份報酬儲備)中作出相應增加。對原先估計所作修訂於歸屬期內的影響(如有)，在損益內確認，並對優先認股權儲備作相應調整。

就於授出日期歸屬之優先認股權而言，所授出優先認股權之公平值即時在損益內支銷。

於行使購股權時，以往於以股份為支付基礎的酬金儲備確認之款項，將撥入股份溢價。當購股權於屆滿日期仍未行使或購股權於歸屬期後失效時，以往於購股權儲備確認之款項，將撥入累計溢利。

4. 重要會計判斷及估計未明朗因素的主要來源

採用本集團的會計政策，在附註3中的描述，管理層須就資產和負債的面賬值進行評估，預計和假設。預計和有關的假設仍基於其過往經驗和其他被認為相關的因素。實際結果與預計可能出現誤差。

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

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

Investment properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on a method of valuation which involves certain estimates. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions and underlying assumptions adopted for capitalisation of the income derived from the existing tenancies with due provision for the reversionary income potential of the property interests.

Estimated impairment of property, plant and equipment

The Group assesses annually whether property, plant and equipment have any indication of impairment, in accordance with the relevant accounting policies. Where an indication of impairment is noted, the recoverable amounts of property, plant and equipment will be estimated based on value-in-use calculations or scrap value. These calculations and valuations require the use of judgement and estimates on future operating cash flows and discount rates adopted and estimated market value of the scraps.

4. 重要會計判斷及估計未明朗因素的主要來源 (續)

預計和潛在性假設將不斷進行修訂。會計預計中的修訂只影響在該修訂期間，或如現時或將來的修訂，將影響現時或將來之期間。

投資物業

投資物業之公平價值乃根據獨立專業評估師釐定，在釐定公平價值時，評估師已包含若干假設來計入評估方法中。在依賴評估報告時，本公司董事已作充份判斷和滿意此評估方法已完全反映現時市場條件和若干假設而實施從現時租帶來的資本性收入。同時，仍為樓宇權益之收益帶來可行性的收入回撥。

物業、機器及設備的減值估計

本集團根據相關的會計政策而每年評估物業、機器及設備是否有減值指標。減值指標將按可收回的物業、機器及設備的價值按其可使用價值和淨殘值計算。此等計算和評估，須按未來現金流程和實施的貼現率進行判斷和估計，和估計其殘值的市場價值。

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

Estimated useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar natures and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

Impairment losses on trade and other receivables

The policy for doubtful receivables of the Group is based on the ongoing evaluation of the collectability and aging analysis of the trade and other receivables and on the management's judgement. Considerable judgement is required in assessing the ultimate realisation of these receivables, including creditworthiness, the past collection history of each debtor and the present value of estimated future cash flows discounted at the effective interest rate. If the financial conditions of the Group's debtors were to deteriorate, resulting in an impairment of their abilities to make payments, additional impairment losses of trade and other receivables may be required.

4. 重要會計判斷及估計未明朗因素的主要來源(續)

物業、機器及設備的可用年期

本集團的管理層釐定物業、機器及設備的估計可用年期及相關的折舊支出。這估計乃根據過往類別與功能類同的物業、機器及設備的經驗而釐定。創新科技可將其大大改變。管理層會因應與先前估計不乎的可用年期而改變其折舊支出，同時亦會把過時及廢棄或已變賣的資產撇除或減值。

應收款或其他應收款的減值虧損

本集團之應收撥備政策基於不間斷評估應收款或其他應收款的繳付能力和帳齡分析的驗證，而令管理層作出判斷。在評定最終可收回之應收帳款時，考慮其信貸評級，每個客戶過往的還款記錄和估計未來現金流量按實際利率貼現之現值。如本集團應收款的財務條件惡化，導致減值能力的支付，須需求增加應收款或其他應收款減值虧損。

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5. REVENUE

	2008 二零零八	2007 二零零七
Gross rental income from letting of investment properties	1,391,946	988,103
Revenue from hotel operations	15,275,134	14,947,364
	16,667,080	15,935,467

5. 收益

6. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into two operating divisions - property investment and hotel operations. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Property investment – the rental of investment properties

Hotel operations – the operation of hotel

6. 業務和地區分類

業務分類

就業務管理而言，本集團現由兩個經營業務組成—物業投資和酒店業務。本集團之呈報方法以業務為基本資料。

主要業務分類如下：

物業投資 — 出租投資物業

酒店業務 — 酒店營運

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6. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

Business segments (Continued)

Segment information about these businesses is presented below.

6. 業務和地區分類(續)

業務分類(續)

業務分類資料呈報如下。

		Property investment 物業投資		Hotel operations 酒店業務		Consolidated 綜合	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
REVENUE	收益						
Revenue from external customers	外來客戶收益	1,391,946	988,103	15,275,134	14,947,364	16,667,080	15,935,467
RESULT	業績						
Segment result	分類業績	3,756,135	949,650	5,705,046	31,235,610	9,461,181	32,185,260
Unallocated income	未攤分收入					935,467	3,253,771
Unallocated corporate expenses	未攤分公司費用					(5,460,697)	(11,782,302)
Loss on disposal of associates	出售聯營公司虧損					(1,957,288)	-
Share of profits of associates	應佔聯營公司盈利					666,420	2,530,720
Profit before tax	除稅前溢利					3,645,083	26,187,449
Income tax expense	所得稅開支					(29,448)	(221,532)
Profit for the year	本年度溢利					3,615,635	25,965,917

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6. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

6. 業務和地區分類 (續)

Business segments (Continued)

業務分類 (續)

		Property investment 物業投資		Hotel operations 酒店業務		Consolidated 綜合	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
BALANCE SHEET	資產負債表						
ASSETS	資產						
Segment assets	分類資產	49,140,726	33,048,589	84,741,072	88,912,204	133,881,798	121,960,793
Interests in associates	聯營公司權益					7,984,808	17,448,121
Unallocated corporate assets	未攤分公司資產					4,679	670
Consolidated total assets	綜合總資產					141,871,285	139,409,584
LIABILITIES	負債						
Segment liabilities	分類負債	(686,092)	(548,286)	(10,995,335)	(11,915,681)	(11,681,427)	(12,463,967)
Unallocated corporate liabilities	未攤分公司負債					(7,836,194)	(7,796,746)
Consolidated total liabilities	綜合總負債					(19,517,621)	(20,260,713)
OTHER INFORMATION	其他資料						
Capital additions	資本增加	9,246,667	-	58,769	365,869	9,305,436	365,869
Depreciation of property, plant and equipment	物業、廠房和設備之折舊	66,469	75,377	3,927,240	3,868,654	3,993,709	3,944,031
Amortisation of prepaid lease payment	預付租賃款項攤銷	-	-	2,009,302	2,061,674	2,009,302	2,061,674
Loss/(Gain) on fair value changes of investment properties	投資物業公平值虧損/ (收益)	1,629,642	(1,500,000)	-	-	1,629,642	(1,500,000)
Gain on disposal of investment property	出售投資物業收益	(4,111,203)	-	-	-	(4,111,203)	-
Impairment loss on prepaid lease payment	預付租賃款項減值 虧損確認	-	-	-	938,326	-	938,326
Loss on disposal of property, plant and equipment	出售物業、廠房和設備 之虧損	2,756	-	1,814	1,067,806	4,570	1,067,806
Impairment losses on trade receivables	應收帳款之減值虧損確認	-	-	345,002	638,435	345,002	638,435
Impairment loss on other receivable	其他應收帳款 之減值虧損確認	-	-	9,170	4,250,580	9,170	4,250,580
Reversal of impairment loss on other receivable	其他應收帳款之減值 虧損撥回	-	-	(4,505,182)	(30,725,427)	(4,505,182)	(30,725,427)
Waiver of interest payable on borrowings	應付借貸利息之豁免	-	-	-	(2,552,245)	-	(2,552,245)
Write-down of inventories	存貨減值	-	-	25,807	136,894	25,807	136,894

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6. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

Geographical segments

The Group's two divisions operate in two principal geographical areas - the People's Republic of China (excluding Hong Kong) (the "PRC") and Hong Kong.

The following table provides an analysis of the Group's revenue by geographical markets:

		Hong Kong 香港		PRC 中國		Total 總額	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
Revenue from external customers	外來客戶收益	1,391,946	988,103	15,275,134	14,947,364	16,667,080	15,935,467

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment and investment properties, analysed by the geographical area in which the assets are located:

		2008 二零零八	2007 二零零七
Assets located in	資產位於		
– PRC	– 中國	84,184,286	88,816,988
– Hong Kong	– 香港	49,702,191	33,144,475
Interests in associates	聯營公司權益	133,886,477	121,961,463
		7,984,808	17,448,121
		141,871,285	139,409,584
Capital expenditure	資本開支		
– PRC	– 中國	58,769	365,869
– Hong Kong	– 香港	9,246,667	–
		9,305,436	365,869

6. 業務和地區分類 (續)

地區分類

本集團之兩個業務經營於兩個主要地區區域 – 中國(香港除外) (「中國」) 及香港。

下表呈列本集團按地區市場分類之收益：

以資產所在、分析分類資產面值和添置物業、廠房和設備投資物業之地區區域呈列如下：

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7. OTHER INCOME

7. 其他收入

		2008 二零零八	2007 二零零七
Income from granting the management right of the Group's hotel (notes (i), (ii), (iii) and (iv))	將本集團酒店管理權授予管理代理所產生之收入 (附註(i), (ii), (iii)及(iv))	3,942,627	1,017,443
Bank interest income	銀行利息收入	416,453	574,758
Others	其他	42,670	153,456
		4,401,750	1,745,657

Notes:

附註：

- (i) On 30 June 2004, Yan Hei Limited ("Yan Hei"), a wholly owned subsidiary of the Company, entered into a management contract with an independent third party, 福建陽光集團有限公司 (Fujian Sunshine Group Limited) ("Sunshine Group") in relation to the appointment of Sunshine Group to manage the daily operation of Xiamen South East Asia Hotel (the "Hotel"), a hotel owned by Xiamen South East Asia Company Limited ("Xiamen Plaza"), a wholly-owned subsidiary of Yan Hei, for a period of ten years.
- (ii) On 4 March 2008, Yan Hei and Xiamen Plaza entered into an agreement with Sunshine Group and 廈門敦睦酒店管理有限公司 (Xiamen Friendship International Co., Ltd) ("Friendship International"). Pursuant to the agreement, Sunshine Group had agreed to transfer the management right of the Hotel to Friendship International.
- (iii) On 4 March 2008, Xiamen Plaza entered into a management contract ("Management Contract") with Friendship International in relation to the appointment of Friendship International to manage the daily operation of the Hotel for a period of five years. Friendship International has paid RMB5 million as security deposit to Xiamen Plaza, which is refundable upon expiry of the Management Contract.
- (i) 本公司全資附屬公司仁禧有限公司 (「仁禧」) 與獨立第三方福建陽光集團有限公司 (「陽光集團」) 於二零零四年六月三十日就委任陽光集團管理廈門東南亞大酒店 (「酒店」)，此酒店乃由仁禧有限公司全資附屬公司廈門東南亞大酒店有限公司 (「東酒」) 擁有之酒店日常營運訂立管理合同 (「管理合同」)，為期十年。
- (ii) 於二零零八年三月四日，仁禧及東酒與陽光集團及廈門敦睦酒店管理有限公司 (「敦睦」) 訂立一項協議，據此，陽光集團轉移酒店承包管理權予敦睦。
- (iii) 於二零零八年三月四日，東酒與敦睦訂立有關委聘敦睦作為集團之酒店日常營運管理合同為期五年。敦睦已向本公司支付人民幣5,000,000元作為保證按金，並可於管理合同到期後退回。

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7. OTHER INCOME (CONTINUED)

Notes: (Continued)

- (iv) The Hotel remains the property of the Group at all time under the Management Contract and there will not be a transfer of ownership of the Hotel at or after the completion of the Management Contract. Xiamen Plaza is entitled to receive income from Friendship International which is calculated in accordance with the terms of the Management Contract.

7. 其他收入 (續)

附註：(續)

- (iv) 根據管理合同，酒店將保持為本集團物業，酒店業權不會在管理合同完時或之後轉讓。仁禧有權自敦睦收取一筆按管理合同條款計算之費用。

8. OTHER GAINS AND LOSSES

8. 其他收益和虧損

	2008 二零零八	2007 二零零七
Impairment loss recognised in respect of prepaid lease payment	-	(938,326)
(Loss)/Gain on fair value changes of investment properties	(1,629,642)	1,500,000
Impairment losses recognised in respect of trade receivables	(345,002)	(638,435)
Impairment loss recognised in respect of other receivable	(9,170)	(4,250,580)
Impairment loss reversed in respect of other receivable	4,505,182	30,725,427
Waiver of interest payable on borrowings	-	2,552,245
Loss on disposal of associates	(1,957,288)	-
Net foreign exchange gains	517,815	1,169,016
Gain on disposal of investment property	4,111,203	-
	5,193,098	30,119,347

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9. INCOME TAX EXPENSE

		2008 二零零八	2007 二零零七
Deferred tax (note 25):	遞延稅項(附註25) :		
Current year	本年度	(836,857)	(1,293,511)
Attributable to a change in tax rate	應佔稅率改變	866,305	1,515,043
		29,448	221,532

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 and reduced corporate profit tax rate from 17.5% to 16.5% which is effective from the year of assessment 2008/2009. Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) of the estimated assessable profit for the year.

No provision for Hong Kong profits tax has been made in the consolidated financial statements as the Company had agreed losses brought forward to set off the assessable profits and its Hong Kong subsidiaries did not have any assessable profits for the year (2007: Nil).

The provision for PRC Enterprise Income Tax is calculated at 18% (2007: 15%) on the assessable profit of the Group's PRC subsidiary as determined in accordance with the relevant income tax rules and regulations in the PRC. No provision for PRC Enterprise Income Tax has been made in the consolidated financial statements as the relevant PRC subsidiary has sufficient tax losses brought forward to offset against the assessable profit for the year ended 31 December 2008 and 2007.

On 16 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 People's Republic of China. On 6 December 2007, the State Council issued Implementation Regulation of the New Law. The New Law and Implementation Regulation changed the tax rate of the PRC subsidiary to 25% from 1 January 2008 onwards. 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.

9. 所得稅開支

於二零零八年六月二十六日，香港立法會通過二零零八年收入條例草案，當中包括由二零零八至二零零九課稅年度開始，調減公司利得稅稅率由17.5%至16.5%。香港利得稅按年內估計應課稅溢利16.5%（二零零七年：17.5%）計算。

由於本公司有確認之承前稅務虧損抵銷估計應課稅溢利，及其香港附屬公司並無估計應課稅溢利，故並無於財務報表內就香港利得稅計提撥備（二零零七年：無）。

其中國附屬公司的企業所得稅撥備是根據中國相關之所得稅法則及稅率18%（二零零七年：15%）而釐定。於二零零八年度及二零零七年度由於本集團估計承前稅務虧損抵銷估計應課稅溢利，因此並無就中國企業所得稅作出撥備。

於二零零七年三月十六日，中國頒佈了中華人民共和國主席令第六十三號《中華人民共和國企業所得稅法》（「新法」）。於二零零七年十二月六日，中國國務院頒佈了新法的實施條例。新法及實施條例將導致由二零零八年一月一日起，若干附屬公司的稅率至25%。遞延稅項結餘已作調整，以反映預期於有關資產變現或有關負債清償時的相關期間適用的有關稅率。

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9. INCOME TAX EXPENSE (CONTINUED)

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

2008

		Hong Kong 香港	% 百分比	PRC 中國	% 百分比	Total 總額	% 百分比
Profit before tax	除稅前溢利	2,835,754		809,329		3,645,083	
Tax at applicable tax rates	按適用稅率計算稅款	467,900	16.50	145,679	18.00	613,579	16.83
Tax effect of expenses not deductible for tax purpose	不可扣稅項目之稅務影響	890,137	31.39	255,786	31.61	1,145,923	31.44
Tax effect of income not taxable for tax purpose	無須課稅項目之稅務影響	(1,330,567)	(46.92)	(150)	(0.02)	(1,330,717)	(36.51)
Effect on opening deferred tax resulting from an increase in applicable tax rate	適用稅率增加導致年初遞延稅項資產之影響	-	-	866,305	107.04	866,305	23.77
Utilisation of tax losses previously not recognised	動用先前未經確認之稅項虧損	(19,675)	(0.69)	(787,797)	(97.34)	(807,472)	(22.15)
Others	其他	(7,795)	(0.28)	(450,375)	(55.65)	(458,170)	(12.57)
Tax charge and effective tax rate for the year	年內稅務開支及實際稅率	-	-	29,448	3.64	29,448	0.81

9. 所得稅開支(續)

於本年度的稅項支出與綜合損益表所載溢利對賬如下：

二零零八年

2007

二零零七年

		Hong Kong 香港	% 百分比	PRC 中國	% 百分比	Total 總額	% 百分比
Profit/(Loss) before tax	除稅前溢利/(虧損)	(3,550,813)		29,738,262		26,187,449	
Tax at applicable tax rates	按適用稅率計算稅款	(621,392)	17.50	4,460,739	15.00	3,839,347	14.66
Tax effect of expenses not deductible for tax purpose	不可扣稅項目之稅務影響	1,057,718	(29.79)	604,147	2.03	1,661,865	6.35
Tax effect of income not taxable for tax purpose	無須課稅項目之稅務影響	(1,235,294)	34.79	(4,990,088)	(16.78)	(6,225,382)	(23.77)
Effect on opening deferred tax resulting from an increase in applicable tax rate	適用稅率增加導致年初遞延稅項資產之影響	-	-	1,515,043	5.09	1,515,043	5.79
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	798,968	(22.50)	-	-	798,968	3.05
Utilisation of tax losses previously not recognised	動用先前未經確認之稅項虧損	-	-	(74,798)	(0.25)	(74,798)	(0.28)
Others	其他	-	-	(1,293,511)	(4.35)	(1,293,511)	(4.94)
Tax charge and effective tax rate for the year	年內稅務開支及實際稅率	-	-	221,532	0.74	221,532	0.86

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For the year ended 31 December 2008 (in HK Dollars)
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10. PROFIT FOR THE YEAR

10. 本年度溢利

		2008 二零零八	2007 二零零七
Profit for the year has been arrived at after charging/ (crediting):	本年度溢利已扣除/ (計入) :		
Gross rental income from investment properties	投資物業 租金收入總額	(1,391,946)	(988,103)
Less: Direct operating expenses from investment properties that generated rental income during the year	減: 本年直接經營成本 從投資物業收取之 租金收入而產生		
		117,372	38,453
		(1,274,574)	(949,650)
Depreciation of hotel property	酒店物業之折舊	2,643,172	2,643,172
Depreciation of other property, plant and equipment	其他物業、廠房和 設備之折舊	1,350,537	1,300,859
		3,993,709	3,944,031
Amortisation of prepaid lease payment	預付租賃 款項攤銷	2,009,302	2,061,674
Total depreciation and amortisation	總折舊和攤銷	6,003,011	6,005,705
Auditors' remuneration	核數師酬金	495,000	495,000
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備虧損	4,570	1,067,806
Loss on disposal of associates	出售聯營公司虧損	1,957,288	-
Salaries and other benefits (including directors' remunerations)	薪金和其他福利 (包括董事酬金)	5,760,526	5,145,467
Retirement benefit scheme contributions	退休計劃供款	340,337	256,814
Staff costs	員工成本	6,100,863	5,402,281
Share of tax of associates (included in share of profits of associates)	應佔聯營公司稅項 (包括在應佔聯營公司 溢利內)	201,872	282,728
Write-down of inventories	存貨減值	25,807	136,894

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11. DIRECTORS' EMOLUMENTS

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

2008

Name of directors	Fees	Salaries and other benefits	Contributions to retirement benefit schemes	Total	
董事姓名	袍金	薪金及其他福利	退休計劃供款成本	總額	
<i>Executive directors</i>	<i>執行董事</i>				
Wang Xiaowu	汪小武	–	639,000	–	639,000
Wang Ruilian	王瑞煉	–	509,000	–	509,000
Liu Xiaoting	劉小汀	–	445,000	–	445,000
<i>Non-executive directors</i>	<i>非執行董事</i>				
Feng Qiang	馮強	–	–	–	–
Ye Tao	葉濤	–	–	–	–
<i>Independent non-executive directors</i>	<i>獨立之非執行董事</i>				
Lam Kwong Siu	林廣兆	100,000	–	–	100,000
Cheung Wah Fung, Christopher	張華峰	100,000	–	–	100,000
Leung Hok Lim	梁學濂	100,000	–	–	100,000
Total emoluments	總酬金	300,000	1,593,000	–	1,893,000

11. 董事酬金

期內應付本公司8位(二零零七年: 8位)董事酬金總數如下:

二零零八年

Name of directors	Fees	Salaries and other benefits	Contributions to retirement benefit schemes	Total	
董事姓名	袍金	薪金及其他福利	退休計劃供款成本	總額	
<i>Executive directors</i>	<i>執行董事</i>				
Wang Xiaowu	汪小武	–	639,000	–	639,000
Wang Ruilian	王瑞煉	–	509,000	–	509,000
Liu Xiaoting	劉小汀	–	445,000	–	445,000
<i>Non-executive directors</i>	<i>非執行董事</i>				
Feng Qiang	馮強	–	–	–	–
Ye Tao	葉濤	–	–	–	–
<i>Independent non-executive directors</i>	<i>獨立之非執行董事</i>				
Lam Kwong Siu	林廣兆	100,000	–	–	100,000
Cheung Wah Fung, Christopher	張華峰	100,000	–	–	100,000
Leung Hok Lim	梁學濂	100,000	–	–	100,000
Total emoluments	總酬金	300,000	1,593,000	–	1,893,000

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11. DIRECTORS' EMOLUMENTS (CONTINUED)

11. 董事酬金(續)

2007

二零零七年

Name of directors		Fees	Salaries and other benefits	Contributions to retirement benefit schemes	Total
董事姓名		袍金	薪金及其他福利	退休計劃供款成本	總額
<i>Executive directors</i> 執行董事					
Wang Xiaowu	汪小武	–	639,000	–	639,000
Wang Ruilian	王瑞煉	–	524,300	–	524,300
Liu Xiaoting	劉小汀	–	469,000	–	469,000
<i>Non-executive directors</i> 非執行董事					
Feng Qiang	馮強	–	–	–	–
Ye Tao	葉濤	–	–	–	–
<i>Independent non-executive directors</i> 獨立之非執行董事					
Lam Kwong Siu	林廣兆	100,000	–	–	100,000
Cheung Wah Fung, Christopher	張華峰	100,000	–	–	100,000
Leung Hok Lim	梁學濂	100,000	–	–	100,000
Total emoluments	總酬金	300,000	1,632,300	–	1,932,300

There were no arrangements under which the directors of the Company have waived or agreed to waive any remuneration.

本公司董事未有安排免除或同意免除任何酬金。

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12. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, three (2007: three) were directors of the Company whose emoluments are included in the disclosure in note 11 above. The emoluments of the remaining two (2007: two) individuals were as follows:

		2008 二零零八	2007 二零零七
Salaries and other benefits	薪金及其他福利	557,112	644,000
Contributions to retirement benefit schemes	退休計劃供款成本	21,255	21,250
		578,367	665,250

Their emoluments were all within HK\$1,000,000.

During the year ended 31 December 2008, no emoluments were paid by the Group to the five highest paid individuals, including the directors of the Company, as an inducement to join or upon joining the Group or as compensation for loss of office (2007: Nil).

12. 僱員酬金

在五名最高薪僱員中，三名(二零零七年：三名)為董事，彼等之酬金已計入附註11之董事酬金內。兩名(二零零七年：二名)最高薪非董事人士之總薪酬如下：

	2008 二零零八	2007 二零零七
Salaries and other benefits	557,112	644,000
Contributions to retirement benefit schemes	21,255	21,250
	578,367	665,250

酬金於1,000,000港元之內。

於二零零八年十二月三十一日期間，並無董事放棄任何酬金，亦無董事獲支付酬金作為吸引加入或加入本集團時之獎金或作為離職補償(截至二零零七年：無)。

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13. EARNINGS PER SHARE

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

		2008 二零零八	2007 二零零七
Earnings	盈利		
Earnings for the purpose of basic earnings per share (profit for the year attributable to equity holders of the Company)	盈利計算以每股基本盈利(本年度本公司權益持有人應佔溢利)	3,615,635	25,965,917
Effect of dilutive potential ordinary shares	普通股潛在攤薄之影響	-	-
Earnings for the purpose of diluted earnings per share	盈利計算每股攤薄盈利	3,615,635	25,965,917

13. 每股盈利

每股攤薄盈利之計算乃根據本公司權益持有人應佔溢利如下數字：

		2008 二零零八	2007 二零零七
Number of shares	股票數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	普通股加權平均數計算每股盈利	532,780,000	527,562,959
Effect of dilutive potential ordinary shares: Share options issued by the Company	本公司已發行之購股權對普通股可能攤薄之影響	970,317	5,797,800
Weighted average number of ordinary shares for the purpose of diluted earnings per share	普通股加權平均數計算每股盈利攤薄	533,750,317	533,360,759

14. PROFIT ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$3,615,635 (2007: HK\$25,965,917).

14. 本公司股東應佔溢利

本公司權益持有人應佔綜合溢利3,615,635港元(二零零七年：25,965,917港元)。

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

Group		本集團				
		Hotel property	Furniture and fixtures	Leasehold improvements	Plant, machinery and equipment	Total
		酒店物業	傢俬及裝置	物業裝修	廠房、 機器及設備	總額
COST	按成本					
At 1 January 2007	於二零零七年一月一日	93,000,000	5,925,273	12,942,316	3,954,541	115,822,130
Additions	添置	-	-	365,869	-	365,869
Disposals	出售	-	-	(1,102,784)	-	(1,102,784)
Exchange adjustments	匯率差額	-	412,226	488,685	268,662	1,169,573
At 31 December 2007	於二零零七年十二月三十一日	93,000,000	6,337,499	12,694,086	4,223,203	116,254,788
Additions	添置	-	58,769	-	25,180	83,949
Disposals	出售	-	(3,202,410)	(7,146,467)	(55,658)	(10,404,535)
Exchange adjustments	匯率差額	-	344,651	675,796	242,024	1,262,471
At 31 December 2008	於二零零八年十二月三十一日	93,000,000	3,538,509	6,223,415	4,434,749	107,196,673
DEPRECIATION AND IMPAIRMENT	折舊及減值虧損					
At 1 January 2007	於二零零七年一月一日	43,000,000	5,856,674	7,393,481	3,732,430	59,982,585
Provided for the year	本年度折舊	2,643,172	28,428	1,207,326	65,105	3,944,031
Eliminated on disposals	出售時對銷	-	-	(63,795)	-	(63,795)
Exchange adjustments	匯率差額	-	411,649	287,594	188,171	887,414
At 31 December 2007	於二零零七年十二月三十一日	45,643,172	6,296,751	8,824,606	3,985,706	64,750,235
Provided for the year	本年度折舊	2,643,172	29,020	1,258,810	62,707	3,993,709
Eliminated on disposals	出售時對銷	-	(3,200,596)	(7,146,467)	(52,902)	(10,399,965)
Exchange adjustments	匯率差額	-	341,930	460,175	233,626	1,035,731
At 31 December 2008	於二零零八年十二月三十一日	48,286,344	3,467,105	3,397,124	4,229,137	59,379,710
CARRYING AMOUNTS	賬面淨值					
At 31 December 2008	於二零零八年 十二月三十一日	44,713,656	71,404	2,826,291	205,612	47,816,963
At 31 December 2007	於二零零七年十二月三十一日	47,356,828	40,748	3,869,480	237,497	51,504,553

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15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

15. 物業、廠房及設備 (續)

Company		本公司			
		Furniture and fixtures 傢俬及裝置	Leasehold improvements 物業裝修	office equipment 辦公室設備	Total 總額
COST	按成本				
At 1 January 2007 and 31 December 2007	於二零零七年一月一日及 二零零七年十二月三十一日	9,180	105,956	173,906	289,042
Additions	添置	-	-	25,180	25,180
Disposals	出售	-	-	(8,050)	(8,050)
At 31 December 2008	於二零零八年十二月三十一日	9,180	105,956	191,036	306,172
DEPRECIATION AND IMPAIRMENT	折舊及減值虧損				
At 1 January 2007	於二零零七年一月一日	8,621	4,415	62,535	75,571
Provided for the year	本年度折舊	112	52,978	22,287	75,377
At 31 December 2007	於二零零七年十二月三十一日	8,733	57,393	84,822	150,948
Provided for the year	本年度折舊	89	48,563	17,817	66,469
Eliminated on disposals	出售時對銷	-	-	(5,294)	(5,294)
At 31 December 2008	於二零零八年十二月三十一日	8,822	105,956	97,345	212,123
CARRYING AMOUNTS	賬面淨值				
At 31 December 2008	於二零零八年 十二月三十一日	358	-	93,691	94,049
At 31 December 2007	於二零零七年十二月三十一日	447	48,563	89,084	138,094

The hotel property is situated in the PRC and held under medium-term lease.

During the year, the Group carried out a review of the recoverable amount of its hotel property and leasehold improvements. These assets are used in the Group's hotel segment. The directors of the Company reviewed the carrying value of the hotel property with reference to the valuation performed by Norton Appraisals Limited, independent qualified professional surveyors not connected with the Group. Norton Appraisals Limited is a member of Hong Kong Institute of Surveyors. In the opinion of the directors, the recoverable amounts of the hotel property and leasehold improvements approximate their carrying amounts, and accordingly, no impairment loss has been recognised in the current year.

位於中國之酒店物業乃按中期租約持有。

本年度，本集團對酒店物業及其物業裝修進行可收回價值之審閱，該資產是用作相關之酒店業務。董事於審閱酒店物業之賬面值時已參考普敦國際評估有限公司之估值。普敦國際評估有限公司為獨立專業評估師和香港測量師學會會員及與集團沒有關連。董事認為，由於酒店物業之可收回金額與其賬面值相若，因此沒有就酒店物業作減值虧損。

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16. PREPAID LEASE PAYMENT

16. 預付租賃款項

Group	本集團	
COST	按成本	
At 1 January 2007, 31 December 2007 and 31 December 2008	於二零零七年一月一日、二零零七年 十二月三十一日及二零零八年 十二月三十一日	86,000,000
AMORTISATION AND IMPAIRMENT	累計攤銷及減值虧損	
At 1 January 2007	於二零零七年一月一日	47,000,000
Amortisation for the year	本年度之攤銷	2,061,674
Impairment loss recognised	減值虧損確認	938,326
At 31 December 2007	於二零零七年十二月三十一日	50,000,000
Amortisation for the year	本年度之攤銷	2,009,302
At 31 December 2008	於二零零八年十二月三十一日	52,009,302
CARRYING AMOUNT	賬面淨值	
At 31 December 2008	於二零零八年十二月三十一日	33,990,698
At 31 December 2007	於二零零七年十二月三十一日	36,000,000

Notes:

附註：

- (a) Pursuant to the terms of the joint venture agreement signed between the Xiamen Railway Department Company Limited ("Railway Department") and Yan Hei, both parties have agreed to establish a co-operative joint-venture enterprise known as Xiamen Plaza, an indirect wholly-owned subsidiary of the Company to operate and manage the Hotel. The land use rights of the Hotel have been granted to the joint venture partner and Xiamen Plaza is vested with the land use rights of the Hotel throughout the operation period of Xiamen Plaza.
- (b) The Group's prepaid lease payment is a leasehold land situated in the PRC and held under medium-term lease.

- (a) 根據廈門鐵路開發公司(「鐵路局」)與本公司附屬公司仁禧簽定一項合資協議之條款，雙方同意成立合作共同控制個體廈門東南亞大酒店有限公司(「東酒」，本公司之間接全資附屬公司)，負責營運及管理廈門東南亞大酒店(「酒店」)。酒店土地使用權已授予合資夥伴，而東酒經營期間酒店之土地使用權屬東酒所有。
- (b) 位於中國之本集團預付土地租賃款項乃按中期租約持有。

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17. INVESTMENT PROPERTIES

Group and Company

FAIR VALUE

At 1 January 2007	於二零零七年一月一日	15,100,000
Net increase in fair value	公平值增加	1,500,000
At 31 December 2007	於二零零七年十二月三十一日	16,600,000
Additions	添置	9,221,487
Disposals	出售	(5,281,845)
Net decrease in fair value	淨公平值減少	(1,629,642)
At 31 December 2008	於二零零八年十二月三十一日	18,910,000

The fair value of the Group's investment properties at 31 December 2008 and 2007 have been arrived at on the basis of a valuation carried out on that date by Norton Appraisals Limited. Norton Appraisals Limited has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation, which conforms to The HKIS Valuation Standards, was arrived on the open market value basis.

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

The carrying amount of investment properties shown above comprises:

17. 投資物業

本集團及本公司

公平值

普敦國際評估有限公司已按其於二零零八年十二月三十一日及二零零七年十二月三十一日之投資物業公平值進行估值。普敦國際評估有限公司擁有合適資格及最近亦有評估相關地點之同類物業之經驗。該估值乃遵守香港測量師學會所頒布的物業估值準則，並按公開市值為基準進行重估。

根據營運租賃持有以賺取租金之本集團所有物業權益乃採用公平值模式計量，並分類及入賬列作投資物業。

上述投資物業之賬面值包括：

		2008 二零零八	2007 二零零七
Land in Hong Kong:	位於香港		
Long lease	長期租約	4,030,000	—
Medium-term lease	中期租約	14,880,000	16,600,000
		18,910,000	16,600,000

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18. INTERESTS IN SUBSIDIARIES

18. 附屬公司權益

		Company 本公司	
		2008 二零零八	2007 二零零七
Unlisted shares, at cost	非上市股份·按成本	588,543	588,543
Less: Accumulated impairment	減：減值虧損	(2,365)	(2,365)
		586,178	586,178
Loans to subsidiaries	給予附屬公司之貸款	126,839,110	134,577,279
Less: Accumulated impairment	減：減值虧損	(119,691,065)	(120,946,044)
		7,148,045	13,631,235
		7,734,223	14,217,413

The amount due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

應收附屬公司款項乃無抵押，免息及沒有特定的還款期。

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18. INTERESTS IN SUBSIDIARIES (CONTINUED)

As at 31 December 2008 and 2007, the Company had interests in the following subsidiaries:

18. 附屬公司權益 (續)

本公司於二零零八年十二月三十一日及二零零七年十二月三十一日所持有之主要物業權益詳情如下：

Name of subsidiaries 附屬公司名稱	Place of establishment/ incorporation and principal place of operations 成立／註冊 成立及主要 營業地點	Proportion of nominal value of issued capital/registered capital held by the Company 本公司應佔 繳足股本／註冊股本之百分比		Nominal value of issued share capital/ registered capital 繳足股本／ 註冊股本	Principal activities 主要業務
		2008 二零零八 %	2007 二零零七 %		
Direct subsidiaries: 直屬附屬公司：					
Ming Chuen Construction Company, Limited 明川建築有限公司	Hong Kong 香港	100	100	Ordinary HK\$100,000 普通股 100,000港元	Investment holding 投資控股
Yan Hei Limited ("Yan Hei") 仁禧有限公司	Hong Kong 香港	100	100	Ordinary HK\$10,000 and Deferred (i) HK\$10,000 普通股10,000港元及 遞延股份(i) 10,000港元	Investment holding 投資控股
Indirect subsidiary: 間接附屬公司：					
Xiamen South East Asia Hotel Company, Limited ("Xiamen Plaza") (ii) & (iii) 廈門東南亞大酒店有限公司 ("東酒") (ii) 及 (iii)	PRC 中國	100	100	Registered capital US\$5,000,000 註冊資本 5,000,000 美元	Hotel operations 酒店業務

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18. INTERESTS IN SUBSIDIARIES (CONTINUED)

Notes:

- (i) The deferred shares carry no rights to dividends and no rights to receive notice of or to attend or vote at any general meeting of the company. In the winding-up of the company, holders of the deferred shares are entitled to receive half of the amounts paid-up or credited as paid-up on shares after the holders of the ordinary shares of the company have received a total return of HK\$10,000,000 per share.
- (ii) Xiamen Plaza was established as a Sino-foreign co-operative joint venture company under the laws of the PRC and is currently wholly owned by Yan Hei.
- (iii) 40% of the Group's interests in Xiamen Plaza were pledged for a loan granted to the subsidiary as referred to note 23 the consolidated financial statements. The charge have been released upon the fully repayment of loan during the year.

18. 附屬公司權益(續)

附註：

- (i) 遞延股份無權獲派股息，亦無權收取本公司任何股東大會之通告或出席股東大會或於會上投票。在公司進行清盤時，遞延股份持有人須待公司普通股持有人獲合共退還每股10,000,000港元，方有權收取已就股份繳付或入賬列作繳足之半數款項。
- (ii) 東酒乃根據中國法律成立之中外合作共同控制個體，並由仁禧全資擁有。
- (iii) 誠如財務報表附註23所述，本集團於東酒之40%權益已就附屬公司所獲授之貸款抵押予一間銀行。有關貸款已於年內清還，因此，有關抵押已解除。

19. INTERESTS IN ASSOCIATES

19. 聯營公司權益

		Group 本集團		Company 本公司	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
Cost of investments in associates, unlisted	聯營公司投資成本，非上市	5,877,362	7,877,363	-	2,000,001
Share of post-acquisition results	攤佔收購後溢利	2,107,446	8,920,758	-	-
		7,984,808	16,798,121	-	2,000,001
Amount due from an associate	應收聯營公司款項	-	650,000	-	650,000
		7,984,808	17,448,121	-	2,650,001

The amount due from an associate as at 31 December 2007 was unsecured, interest-free and had been fully settled during the year.

於二零零七年十二月三十一日，應收聯營公司款項乃無抵押，免息及已於年內清還。

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19. INTERESTS IN ASSOCIATES (CONTINUED)

As at 31 December 2008 and 2007, the Group had interests in the following associates:

19. 聯營公司權益 (續)

於二零零八年十二月三十一日及二零零七年十二月三十一日本集團之聯營公司詳情如下：

Name of associates 聯營公司名稱	Place of establishment/ incorporation and principal place of operations 成立／註冊 成立及主要 營業地點	Proportion of nominal value of issued capital/registered capital held by the Group 本集團應佔 繳足股本／註冊股本之百分比		Nominal value of issued share capital/ registered capital 已繳足股本／ 註冊股本	Principal activities 主要業務
		2008 二零零八 %	2007 二零零七 %		
Ealing Court Limited ("Ealing Court") (note I) 怡齡有限公司 (附註 I)	Hong Kong 香港	-	33.33	Ordinary US\$2,000,000 HK\$6,000,000 普通股 6,000,000 港元	Property and distribution investment 物業投資
Sherrin Property Investment Limited ("Sherrin Property") (note II) 瑞齡地產有限公司 (附註 II)	Hong Kong 香港	-	33.33	Ordinary HK\$3 普通股3 港元	Property investment 物業投資
Fuzhou Harmony Piano Co., Ltd. ("Harmony Piano") 福州和聲鋼琴有限公司	PRC 中國	25.00	25.00	Registered capital US\$2,000,000 註冊資本 2,000,000 美元	Design, manufacturing and distribution of piano and related products 設計、製造 及分銷鋼琴 及相關產品

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19. INTERESTS IN ASSOCIATES (CONTINUED)

- (I) On 31 March 2008, the Company entered into an agreement with a third party to dispose of its entire equity interests in Ealing Court. Accordingly, the results of Ealing Court were equity accounted for up to 31 March 2008 and a loss on disposal of interest in an associate of HK\$1,094,991 was charged to the income statement.
- (II) On 3 July 2008, the Company entered into an agreement with a third party to dispose of its entire equity interests in Sherrin Property. Accordingly, the results of Sherrin Property were equity accounted for up to 3 July 2008 and a loss on disposal of interest in an associate of HK\$862,297 was charged to the income statement.

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

		2008 二零零八	2007 二零零七
Total assets	總資產	72,626,550	94,513,142
Total liabilities	總負債	(40,687,319)	(37,549,090)
Revenue	收益	53,323,672	49,564,694
Profits for the year	本年度溢利	2,295,912	5,550,546

20. INVENTORIES

		2008 二零零八	2007 二零零七
Raw materials and consumables	原材料及易損耗品	105,517	99,529

19. 聯營公司權益(續)

- (I) 於二零零八年三月三十一日，本公司與第三方達成協議出售有關怡齡有限公司之全部權益。據此，截至二零零八年三月三十一日止之業績及出售聯營公司之虧損1,094,991港元已於本年內入賬。
- (II) 於二零零八年七月三日，本公司與第三方達成了協議出售有關瑞齡地產有限公司之全部權益。據此，截至二零零八年七月三日止之業績及出售聯營公司之虧損862,297港元已於本年內入賬。

根據聯營公司之未經審核管理賬目，概要財務資料如下：

20. 存貨

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21. TRADE AND OTHER RECEIVABLES

21. 貿易及其他應收賬款

		Group 本集團		Company 本公司	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
Trade receivables	應收貿易賬款	2,226,667	1,214,170	–	6,500
Less: Allowance for doubtful debts	減：呆賬撥備	(1,025,453)	(638,435)	–	–
		1,201,214	575,735	–	6,500
Other receivables, utility deposits and prepayments	其他應收款項、公用設施按金及預付款項	13,718,451	15,698,830	1,453,262	158,021
Less: Allowance for doubtful debts	減：呆賬撥備	(11,755,738)	(15,333,216)	–	–
		1,962,713	365,614	1,453,262	158,021
Total trade and other receivables	貿易及其他應收賬款總額	3,163,927	941,349	1,453,262	164,521

An aged analysis of trade receivables net of allowance for doubtful debts at the balance sheet date, based on the invoice date, is as follows:

據發票日，已扣除壞賬減值之應收貿易賬款如下：

		Group 本集團		Company 本公司	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
Current to six months	即期至六個月	1,198,478	540,743	–	6,500
Over six months and within one year	六個月以上但一年內	2,736	18,215	–	–
Over one year	超過一年	–	16,777	–	–
		1,201,214	575,735	–	6,500

The average credit period on rendering services is 45 days.

信貸期平均45日。

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21. TRADE AND OTHER RECEIVABLES (CONTINUED)

21. 貿易及其他應收賬款(續)

An aged analysis of trade receivables that are not considered to be impaired is as follows:

未計入減值之應收貿易賬款之賬齡如下：

		Group 本集團		Company 本公司	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
Neither past due nor impaired	未過期及減值	1,046,812	540,743	-	-
Past due but not impaired	過期但無減值				
Current to six months	即期至六個月	153,615	-	-	-
Over six months and within one year	六個月以上一年以內	787	18,215	-	-
Over one year	超過一年	-	16,777	-	-
		1,201,214	575,735	-	-

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

根據過往經驗，大部份未過期及並未減值客戶之應收賬款能悉數收回。

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

本集團之過期但未減值客戶之應收賬款皆擁有良好記錄。根據過往經驗，本公司董事認為結餘之信貸質量皆沒有改變及能悉數收回。集團並未為該等結餘作出任何擔保及信貸提升。

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21. TRADE AND OTHER RECEIVABLES (CONTINUED)

21. 貿易及其他應收賬款(續)

The movement in the allowance for doubtful debts on trade receivables is as follows:

貿易應收賬款呆賬撥備之變動：

		Group 本集團		Company 本公司	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
Balance at beginning of the year	年初結餘	638,435	–	–	–
Impairment losses recognised	減值虧損確認	345,002	638,435	–	–
Exchange alignment	匯兌調整	42,016	–	–	–
Balance at end of the year	年底結餘	1,025,453	638,435	–	–

The movement in the allowance for doubtful debts on other receivables is as follows:

其他應收賬款呆賬撥備之變動：

		Group 本集團		Company 本公司	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
Balance at beginning of the year	年初結餘	15,333,216	40,250,080	–	–
Impairment loss recognised	減值虧損確認	9,170	4,250,580	–	–
Impairment loss reversed	減值虧損回撥	(4,505,182)	(30,725,427)	–	–
Exchange alignment	匯兌調整	918,534	1,557,983	–	–
Balance at end of the year	年底結餘	11,755,738	15,333,216	–	–

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21. TRADE AND OTHER RECEIVABLES (CONTINUED)

Included in the allowances for doubtful debts are individually impaired trade receivables and other receivables with balances of HK\$1,025,453 and HK\$11,755,738 (2007: HK\$638,435 and HK\$15,333,216) respectively. The individually impaired receivables related to customers that were in financial difficulties or in dispute and the management assessed that the recovery of the amounts is doubtful. The impairment loss reversed of HK\$4,505,182 related to the amounts due by Sunshine Group who has settled the debts during the year. The Group does not hold any collateral over these balances.

An aged analysis of impaired trade and other receivables is as follows:

21. 貿易及其他應收賬款(續)

呆賬撥備中包括獨立減值之貿易及其他應收賬款分別為結餘1,025,453港元及11,755,738港元(二零零七年: 638,435港元及15,333,216港元)。管理層評估後對作出獨立減值是為該等貿易及其他應收賬款發生財政困難或爭論而作出。減值虧損撥回4,505,182港元為陽光集團未付之應收款, 有關欠款已於本年度清還。本集團為該等結餘無作出任何擔保。

已減值貿易及其他應收賬之賬齡分析如下:

		Group 本集團		Company 本公司	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
Current to six months	即期至六個月	254,075	1,059,660	-	-
Over six months and within one year	六個月以上 但一年內	2,413	638,435	-	-
Over one year	超過一年	12,524,703	14,273,556	-	-
		12,781,191	15,971,651	-	-

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22. BANK BALANCES AND CASH

22. 銀行結餘及現金

		Group 本集團		Company 本公司	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
Cash at bank and in hand	銀行及手頭現金	3,540,675	2,435,108	2,324,718	1,765,050
Short-term bank deposits	短期銀行存款	26,358,697	14,380,924	26,358,697	14,380,924
		29,899,372	16,816,032	28,683,415	16,145,974

Bank balances carry interest at floating rates based on daily bank deposit rates. The bank deposits carry fixed interest rate which range from 0.165% p.a. to 2.9% p.a. (2007: 2.5% p.a. to 3.15% p.a.).

銀行存款之現行年利率由0.165厘至2.9厘之浮動利率計算。(二零零七年：年利率2.5厘至3.15厘)。視乎現金需求而定。

At the balance sheet date, the bank balances and cash of the Group denominated in Renminbi ("RMB") amounted to approximately HK\$9,266,000 (2007: HK\$3,104,000). The remittance of these funds out of the PRC is subject to the exchange control restrictions imposed by the PRC government.

於年結日，本集團現金及銀行結餘為人民幣（「人民幣」）金額大約9,266,000港幣（於二零零七年：3,104,000港幣）。中國之貨幣實行外匯監控。

23. BORROWINGS

23. 借貸

		2008 二零零八	2007 二零零七
Secured	有抵押	-	2,133,379
Carrying amount repayable	應付還面值		
On demand or within one year	按要求或一年內	-	2,133,379
Less: Amounts due within one year shown under current liabilities	減：於一年內到期之款項予流動負債呈列	-	(2,133,379)
		-	-

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23. BORROWINGS (CONTINUED)

Notes:

The loan of HK\$2,133,379 was secured by the Group's 40% interests in Xiamen Plaza. Repayment was rescheduled with the bank on 24 September 2003 whereby the bank had agreed to apply to its head office to waive the outstanding interest payable based on the amount of principal repaid on a 1:1 basis. Should the head office of the bank not agree to waive the accrued interest wholly or partly, the remaining interest payable would become payable upon due date of the final installment. Interest was accrued based on the prevailing interest rate of 7.66% per annum. On 19 July 2005, the bank transferred the loan to China Huarong Asset Management Corporation ("Huarong") where the bank and Huarong had agreed that the loan would continue to comply with the terms as agreed on 24 September 2003 between the Group and the bank.

On 7 April 2006, Huarong transferred the loan to Investments 2234 China Fund I B.V. ("Investment 2234") where both parties had also agreed that all terms and conditions of the loan would continue to be complied with as agreed on 24 September 2003.

On 24 August 2007, the Company's wholly-owned subsidiary, Yan Hei Limited (as guarantor) together with its subsidiary, Xiamen Plaza (as borrower) entered into a dissolution agreement (the "Dissolution Agreement") with Investments 2234 in relation to new repayment arrangement of outstanding balances of secured borrowing and interest payable (collectively refer to as the "Secured Debts") amounting to RMB23,000,000 (equivalent to HK\$22,920,466) and RMB15,912,672 (equivalent to HK\$15,857,645) respectively.

Pursuant to the Dissolution Agreement, Xiamen Plaza agreed to repay the Secured Debts by cash of RMB6,500,000 and by transferring the right of unsecured loan receivable from Xiamen Hong Du Park Hotel amounting to RMB30,000,000 (equivalent to HK\$30,725,427) as at 13 July 2007 to Investments 2234. The RMB6,500,000 would be repaid in three installments within six months from the date of the Dissolution Agreement. RMB4,500,000 was repaid in 2007. The remaining balance of RMB2,000,000 (equivalent to HK\$2,133,379) was eventually repaid on 24 February 2008.

23. 借貸(續)

附註：

貸款2,133,379港元乃以本集團於東酒之40%權益作為抵押，而還款日期由銀行於二零零三年九月二十四日重新訂立，據此，銀行同意向其總部申請根據所償還之本金額按1:1之基準豁免尚未償還之應付利息，則餘下應付利息須於分期付款最終一期之到期日支付。利息乃根據現行利率每年7.66%孳生。於二零零五年七月十九日，銀行已將貸款轉移予中國華融資產管理公司(「華融」)，銀行及華融均同意有關貸款將繼續遵守於二零零三年九月二十四日本集團與銀行雙方同意之條款。

於二零零六年四月七日，該借貸已由華融轉移予投資2234中國第一號基金公司，雙方均同意有關貸款將繼續遵守於二零零三年九月二十四日之期限和條附。

於二零零七年八月二十四日，本公司全資附屬公司，仁禧有限公司(擔保人)連同其附屬公司，廈門東南亞大酒店有限公司(借貸人)與投資2234中國第一號基金為一筆有關已抵押貸款及其應付利息(合稱抵押貸款)作出新的還款安排及簽定和解協議(和解協議)。該筆貸款，擔保人尚欠款項為人民幣23,000,000(等值於港幣22,920,466)及其利息人民幣15,912,672(等值於港幣15,857,645)。

根據和解協議安排，借貸人同意歸還已抵押貸款人民幣6,500,000及於二零零七年七月十三日轉讓共人民幣30,000,000(等值港幣30,725,427)有關宏都大酒店之債權與投資2234中國第一號基金。根據和解協議人民幣6,500,000分三期於和解協議六個月內清還。人民幣4,500,000於二零零七年清還。其餘人民幣2,000,000(等值港幣2,133,379)最終於二零零八年二月二十八日清還。

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24. TRADE AND OTHER PAYABLES

24. 貿易及其他應付賬款

		Group 本集團		Company 本公司	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
Trade payables	貿易應付賬款	648,483	664,830	–	–
Other payables	其他應付賬款	11,042,944	9,665,758	686,092	548,286
		11,691,427	10,330,588	686,092	548,286
Less: Other payables classified as non-current liabilities	減：其他應付賬款 歸類為非 流動負債 之部份	(5,652,911)	–	–	–
Total trade and other payables	貿易及其他 應付賬款總額	6,038,516	10,330,588	686,092	548,286

An aged analysis of trade payables at the balance sheet date is as follows:

應付貿易賬款於結算日之賬齡分析如下：

		Group 本集團		Company 本公司	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
Current to six months	即期至六個月	630,865	614,564	–	–
Over six months and within one year	六個月以上但 一年以內	8,542	42,709	–	–
Over one year	超過一年	9,076	7,557	–	–
		648,483	664,830	–	–

The average credit period is 45 days.

平均信貸期為四十五日。

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25. DEFERRED TAXATION

The following are the major deferred tax balances recognised and movements thereon during the current and prior year:

Deferred tax liabilities

		Accelerated tax depreciation 加速稅項折舊
At 1 January 2007	於二零零七年一月一日	7,575,214
Charge to consolidated income statement for the year (note 9)	年內於綜合收益表之變動 (附註9)	2,455,632
At 31 December 2007	於二零零七年十二月三十一日	10,030,846
Credit to consolidated income statement for the year (note 9)	年內於綜合收益表之變動 (附註9)	(310,383)
At 31 December 2008	於二零零八年十二月三十一日	9,720,463

25. 遞延稅項

以下為本集團於本年度及過往年度確認之主要遞延稅項結餘及其變動：

遞延稅項負債

Deferred tax assets

		Tax losses 稅項虧損
At 1 January 2007	於二零零七年一月一日	–
Credit to consolidated income statement for the year (note 9)	年內於綜合收益表撥回 (附註9)	2,234,100
At 31 December 2007	於二零零七年十二月三十一日	2,234,100
Charge to consolidated income statement for the year (note 9)	年內於綜合收益表之變動 (附註9)	(339,831)
At 31 December 2008	於二零零八年十二月三十一日	1,894,269

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25. DEFERRED TAXATION (CONTINUED)

For the purpose of balance sheet presentation, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2008 二零零八	2007 二零零七
Deferred tax assets	遞延稅項資產	1,894,269	2,234,100
Deferred tax liabilities	遞延稅項負債	(9,720,463)	(10,030,846)
		(7,826,194)	(7,796,746)

At the balance sheet date, the Group has unused tax losses of HK\$140,031,001 (2007: HK\$142,437,095) available for offset against future taxable profits that may be carried forward indefinitely, except the amount of HK\$9,240,670 (2007: HK\$11,509,366) arising in the PRC which is due to expire within one to five years for offsetting against future taxable profits of the subsidiary operating in the PRC in which the losses arose. Deferred tax assets have been recognised in respect of tax loss of HK\$11,480,421. No deferred tax assets has been recognised in respect of the remaining tax losses of HK\$128,550,580 (2007: HK\$129,670,810) due to the unpredictability of future profit streams.

25. 遞延稅項 (續)

為資產負債表之呈列，若干遞延稅項負債及資產已經對銷。就財務報告用途之遞延稅項結餘分析如下：

於結算日，本集團有港幣140,031,001元(二零零七年：港幣142,437,095元)之累計稅項虧損可無限期結轉，惟港幣9,240,670元(二零零七年：11,509,366元)於中國大陸產生之虧損可供抵銷該等於中國大陸經營之附屬公司日後溢利需於一年到五年內到期。已確認為遞延稅項資本的稅項虧損為港幣11,480,421。由於未能預計日後之溢利，故並無就港幣128,550,580(二零零七年：港元129,670,810元)之累計稅項虧損確認為遞延稅項資產。

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26. SHARE CAPITAL

26. 股本

		2008 二零零八		2007 二零零七	
		Number of shares 股份數目	HK\$ 港元	Number of shares 股份數目	HK\$ 港元
Authorised:	法定股本：				
Ordinary shares of HK\$0.125 each	每股面值0.125港元 之普通股	3,040,000,000	380,000,000	3,040,000,000	380,000,000
Issued and fully paid:	已發行及繳足股本：				
At beginning of year	於年初	532,780,000	66,597,500	520,000,000	65,000,000
Exercise of share options (note)	認股權行使	-	-	12,780,000	1,597,500
At end of year	於年底	532,780,000	66,597,500	532,780,000	66,597,500

Note:

On 29 May 2007, share options were exercised to subscribe for 12,780,000 ordinary shares in the Company at a consideration of HK\$2,351,520 of which HK\$1,597,500 was credited to share capital and the balance of HK\$754,020 was credited to the share premium account.

附註：

於二零零七年五月二十九日，12,780,000份認股權獲行使而發行12,780,800股；認購款額港幣2,351,520元中已計入股本為港幣1,597,500元及其餘港幣754,020元已計股份溢價。

27. RESERVES

27. 儲備

(a) Group

Details of changes in reserves of the Group are set out in the consolidated statement of changes in equity on page 44.

(a) 本集團

本集團儲備變動之詳情載於第44頁之綜合權益變動表。

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27. RESERVES (CONTINUED)

(b) Company

27. 儲備 (續)

(b) 本公司

		Share premium 股份溢價 Note (i) 註(i)	Share-based compensation reserve 以股份為支付基礎的 酬金儲備	Accumulated losses 累計虧損	Total 合計
At 1 January 2007	於二零零七年 一月一日	573,199,393	2,907,200	(591,683,262)	(15,576,669)
Issue of ordinary shares upon exercise of share options	行使購股權時 發行之普通股份	3,105,540	(2,351,520)	-	754,020
Share options forfeited	於期內於棄之購股權	-	(287,040)	287,040	-
Loss for the year	本年度虧損	-	-	(2,407,134)	(2,407,134)
At 31 December 2007	於二零零七年 十二月三十一日	576,304,933	268,640	(593,803,356)	(17,229,783)
Profit for the year	本年度溢利	-	-	6,821,140	6,821,140
As 31 December 2008	於二零零八年 十二月三十一日	576,304,933	268,640	(586,982,216)	(10,408,643)

Notes:

附註：

- (i) The application of share premium is governed by Section 48B of the Hong Kong Companies Ordinance.
- (ii) At 31 December 2008, no distributable reserve of the Company was available for distribution as dividends (2007: Nil).

- (i) 股份溢價之運用受香港公司條例第48B條所監管。
- (ii) 於二零零八年十二月三十一日，本公司概無可供分派儲備作股息分派 (二零零七年：無)。

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28. 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 borrowings, and trade and other payables), cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

Gearing ratio

		2008 二零零八	2007 二零零七
Debt (i)	債項 (i)	6,038,516	12,463,967
Cash and cash equivalents	現金及現金等值項目	(29,899,372)	(16,816,032)
Net debt	債款淨額	(23,860,856)	(4,352,065)
Equity (ii)	權益(ii)	122,353,664	119,148,871
Net debt to equity ratio	淨債項與權益比率	N/A	N/A

Notes:

- (i) Debt comprises borrowings and trade and other payables as detailed in notes 23 and 24 respectively.
- (ii) Equity includes all capital and reserves of the Group.

28. 資本風險管理

本集團管理其資本，以確保本集團旗下實體將能繼續持續經營業務，同時透過優化債務及股本結餘為股東帶來回報。本集團之整體策略與去年一致。

本集團之資本架構包括負債(包括借貸、貿易及其他應收賬款)、現金及現金等值項目以及本公司權益持有人應佔權益，包括已發行股本及儲備。

負債比率

附註：

- (i) 債項包括借貸、貿易及其他應收款，詳情分別載於附註23及24項。
- (ii) 權益包括本集團所有資本及儲備。

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29. FINANCIAL INSTRUMENTS

29. 金融工具

(a) Categories of financial instruments

(a) 金融工具分類

		Notes 附註	2008 二零零八	2007 二零零七
Financial assets	金融資產			
Loans and receivables	貸款及應收賬款			
– Trade and other receivables	– 貿易及其他應收賬款	21	1,769,345	707,079
– Bank balances and cash	– 銀行結餘及現金	22	29,899,372	16,816,032
			31,668,717	17,523,111
Financial liabilities	金融負債			
Amortised cost	攤銷成本			
– Borrowings	– 借貸	23	–	2,133,379
– Trade and other payables	– 貿易及其他應付賬款	24	11,197,030	10,330,588
			11,197,030	12,463,967

(b) Financial risk management objectives and policies

(b) 金融風險管理和政策

The Group's major financial instruments include trade and other receivables, bank balances and cash, borrowings and trade and other payables. 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. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

本集團之主要金融工具包括貿易及其他應收款項、銀行存款及現金、借貸、貿易及其他應付款項。該等金融工具詳情於各附註披露。下文載列與該等金融工具有關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效採取適當之措施。

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29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market risk

There has been no change to the Group's exposure to market risk or the manner in which it manages and measure the risk.

Foreign currency risk management

Substantial revenue and cost of the Group are denominated in the functional currency of the group entity. Certain other receivables, bank balances and cash, and other payables are denominated in foreign currencies. The Group currently does not have a foreign currency hedging policy, as the management considers the exposure to foreign currency risk is insignificant to the Group. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Interest rate risk management

The Group is not exposed to significant fair value interest rate risk and cash flow interest rate risk. The Group currently does not have interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

Price Risk

As the Group has no significant investments, the Group is not subject to significant price risk.

29. 金融工具(續)

(b) 金融風險管理和政策(續)

市場風險

本集團市場風險或有關之管理及監控並沒有改變。

貨幣風險

本集團主要收益及成本是以相關公司功能貨幣計值。惟若干其他應收賬款，銀行結餘及現金及其他應付賬款則以外幣為貨幣單位。本集團現時並無任何外匯貨幣對沖工具。但管理層會密切監管其外幣風險，並於必要時考慮對沖重大外幣風險。

利率風險管理

本集團並沒有重大的利率風險及現金流量利率風險。本集團並無任何利率對沖工具，但管理層將監察利率風險及會於必要時考慮對沖重大利率風險。

價格風險

因為本集團並沒有重大投資，所以並沒有重大的價格風險。

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29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet.

In order to minimise the credit risk, the 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 trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the management considers that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group does not have any other significant concentration of credit risk. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas.

29. 金融工具(續)

(b) 金融風險管理和政策(續)

信貸風險

因交易對手未能履行義務，而導致本集團所承受將對集團造成財務損失之最大信貸風險乃由確認金融資產綜合資產負債表所列該等資產之賬面值所產生。

為盡量降低信貸風險，管理層已指派一組人員負責釐定信貸額度、信貸批核及其他監管程序，確保能採跟進行動追收逾期貸款。此外於每個結算日，本集團檢討每宗個別貿易債項之可收回款，確保就無法收回款項，作出足夠之減值虧損。就此而言，管理層認為本集團之信貸風險已大幅降低。

由於對手方為具有高信貸評級之銀行，故有關流動資金之信貸風險有限。

除存放於高信用等级銀行內之流動資金存在集中性之信貸風險外；本集團並沒有其它重大之集中性信貸風險。貿易應收賬款包括不同行業及地區的客户。

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29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk management

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 utilization of borrowings and ensures compliance with loan covenants.

Liquidity tables

The following tables detail the Group's remaining contractual maturity for its financial liabilities which are included in the maturity analysis provided internally to the key management personnel for the purpose of managing liquidity risk. The tables have 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.

29. 金融工具(續)

(b) 金融風險管理和政策(續)

流動資金風險管理

於管理流動資金風險時，本集團監督及維持現金及等同現金項目處於管理層認為充足之水平以支持本集團之營運及減低現金流量波動之影響。管理層管理動用借貸之情況，並確保遵守貸款契諾。

流動資金附表

下表詳列本集團金融負債之餘下合約到期情況，該等因素已列入向內部主要管理人員提供管理流動資金風險用途之到期情況分析。該等附表反映根據本集團被要求還款之最早日期而釐定之非折現現金流量。

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29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk management (Continued)

Liquidity tables (Continued)

		On demand or	3 months		Total		Total	
		less than	1 to 3 months	to 1 year	1 to 5 years	Over 5 years	undiscounted	carrying
		one month						
		按要求或	一至三個月	三個月至一年	一年至五年	超過五年	非折現現金流	面值
		少於一個月						
2008	二零零八年							
Trade and other payables	貿易及其他應付	4,746,579	236,610	22,611	6,155,051	36,179	11,197,030	11,197,030
2007	二零零七年							
Trade and other payables	貿易及其他應付	2,719,772	824,062	6,154,674	632,080	-	10,330,588	10,330,588
Non interest-bearing borrowings	無利息借貸	2,133,379	-	-	-	-	2,133,379	2,133,379
		4,853,151	824,062	6,154,674	632,080	-	12,463,967	12,463,967

(c) Fair value of financial instruments

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions as input.

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

29. 金融工具(續)

(b) 金融風險管理和政策(續)

流動資金風險管理(續)

流動資金附表(續)

(c) 金融工具之公平值

其他金融資產及金融負債(包括衍生工具)之公平值乃根據一般採納之定價模式、基於折現現金流量分析而釐定，並使用來自可觀察現有市場交易之價格或利率作為輸入數據。

董事認為綜合財務報表所記錄之金融資產及金融負債賬面值與其公平值相若。

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30. OPERATING LEASES

The Group as lessee

		2008 二零零八	2007 二零零七
Minimum lease payments paid under operating leases during the year:	本年度根據經營租賃繳付之最低付款額：		
Premises	物業	864,240	864,240

At the balance sheet date, the Group and the Company had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2008 二零零八	2007 二零零七
Within one year	於一年內	530,265	579,720
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	-	625
		530,265	580,345

Operating leases relate to office property, director's quarters, staff quarters and office equipment with lease terms ranging from 2 to 5 years (2007: 2 to 5 years). The Group does not have an option to purchase the leased assets at the expiry of the lease period.

The Group as lessor

Property rental income earned during the year was HK\$1,391,946 (2007: HK\$988,103). All of the Group's investment properties are held for rental purposes. The Group leases its investment properties under operating lease arrangements, with leases negotiated for terms ranging from one to nine years (2007: one to nine years).

30. 經營租賃安排

本集團為承租人

		2008 二零零八	2007 二零零七
Minimum lease payments paid under operating leases during the year:	本年度根據經營租賃繳付之最低付款額：		
Premises	物業	864,240	864,240

於結算日，本集團及本公司承諾及不可取消之經營租賃承擔最低付款額如下：

		2008 二零零八	2007 二零零七
Within one year	於一年內	530,265	579,720
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	-	625
		530,265	580,345

該等經營租賃安排包括租賃期二至五年之(二零零七年：二年至五年)辦公室、員工宿舍及機器。本集團於租賃期滿後對租賃資產並沒有認購權。

本集團為出租人

於年內賺取之物業租金收入約為1,391,946港元(二零零七年：988,103港元)，本集團之投資物業皆持有作出租用用途。本集團以經營租賃安排出租物業。所持物業之所有租戶承擔租用年期均為一至九年(二零零七年：一至九年)。

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30. OPERATING LEASES (CONTINUED)

The Group as lessor (Continued)

At the balance sheet date, the Group and the Company had contracted with tenants for the following future minimum lease payments:

		Group 本集團		Company 本公司	
		2008 二零零八	2007 二零零七	2008 二零零八	2007 二零零七
Within one year	一年內	2,753,100	2,934,187	1,223,920	297,384
In the second to fifth years inclusive	兩年至五年內	5,742,437	8,110,142	1,452,012	45,500
Over five years	超過五年	419,446	715,748	-	-
		8,914,983	11,760,077	2,675,932	342,884

31. SHARE-BASED PAYMENTS TRANSACTIONS

(a) Employee share-based compensation benefits

Employee share-based compensation benefits represent the fair value of employee services estimated to be received in exchange for the grant of the relevant options over the relevant vesting periods, the total of which is based on the fair value of the options at grant date. The amount for each period is determined by spreading the fair value of the options over the relevant vesting periods and is recognised as staff costs with a corresponding increase in the employee share-based compensation reserve.

30. 經營租賃安排 (續)

本集團為出租人 (續)

於結算日，本集團及其公司與承租人簽定經營租賃合約最低付款額如下：

31. 以股份為基礎之交易

(a) 以股份為基準之僱員薪酬福利

以股份支付的僱員薪酬福利，相當於授出相關購股權後估計可於相關權益授予期內換取得來的僱員服務的公平值，其總數乃以授出當日有關購股權的公平值為計算基準。至於每段期間的數額，則是將有關購股權的公平值在相關的權益授予期內攤分計算，並作為僱員費用入賬，及相應提高以股份支付的僱員薪酬儲備。

31. SHARE-BASED PAYMENTS TRANSACTIONS (CONTINUED)

(b) Share options

Purpose of the Share options scheme

The purpose of the Share options scheme is to provide participants of the same with the opportunity to acquire proprietary interests in the Company and to encourage them to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole.

Eligible participants of the Share options scheme

(i) any executive, non-executive or independent non-executive director of any member of the Group or an entity in which the Group holds an interest ("Affiliate"); (ii) any employee or officer (whether full time or part time) ("Employee") of the Group or an Affiliate; (iii) any shareholder of any member of the Group or an Affiliate who has, in the opinion of the Board, contributed or may contribute to the development and growth of the Group; (iv) any customer, supplier, agent, partner, consultant or adviser of or contractor to any member of the Group or an Affiliate; or (v) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, Employee, customer, supplier, agent, partner, consultant or adviser of or contractor to any member of the Group or an Affiliate; or (vi) a company beneficially owned by any director, Employee, consultant, customer, supplier, agent, partner or adviser of or contractor any member of the Group or an Affiliate.

31. 以股份為基礎之交易(續)

(b) 購股權計劃

購股權計劃之目的

本計劃之目的，乃向計劃參與者提供於本公司購買專有權益之機會，鼓勵彼等致力提高本公司及其股份之價值，為本公司及其股東爭取整體利益。

購股權計劃之合資格參與者

(i)本集團任何成員公司或本集團持有權益之實體(「聯屬公司」)之執行董事、非執行董事或獨立非執行董事；(ii)本集團或聯屬公司之僱員或行政人員(不論全職或兼職)(「僱員」)；(iii)董事會認為本集團發展或增長帶來貢獻之本集團任何成員公司或聯屬公司之股東；(iv)本集團任何成員公司或聯屬公司之客戶、供應商、代理、夥伴、顧問或諮詢人或承辦商；或(v)信託之信託人或酌情信託之信託對象，包括本集團任何成員公司或聯屬公司之任何董事、僱員、客戶、供應商、代理、夥伴、顧問或諮詢人或承辦商；或(vi)本集團任何成員公司或聯屬公司之董事、僱員、顧問、客戶、供應商、代理、夥伴或諮詢人或承辦商所實益擁有之公司。

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31. SHARE-BASED PAYMENTS TRANSACTIONS (CONTINUED)

(b) Share options (Continued)

Total number of securities issuable

The maximum number of shares which may be granted under the Share options scheme and any other schemes involving the issue or grant of options or similar rights over shares or other securities by the Company shall not, in aggregate, exceed 10% of shares in issue as at the date of approval of the Share options scheme.

Maximum entitlement of each participant

Unless approved by the shareholders, no option may be granted to any eligible participants which if exercised in full would result in the total number of shares issued and to be issued upon exercise of the options already granted or to be granted to such eligible participant under the Share options scheme (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such new grant exceeding 1% of the issued share capital of the Company as at the date of such new grant.

Period to take up share options and minimum period to hold before exercise

There is no minimum period within which the shares option must be taken up or for which a share option must be held before it can be exercised.

Amount payable to take up share options and time to accept offer

An offer for the granting of share options under the Share options scheme shall be accepted within 28 days from the offer date and by way of payment of a consideration of HK\$1.

31. 以股份為基礎之交易(續)

(b) 購股權計劃(續)

可發行證券之總數

購股權計劃及其他計劃批授之股份總數(包括本公司發行或批授購股權或股份或其他證券之類似權利)，最高合共不得超過購股權計劃批准日期已發行股份之10%。於本年報日期，購股權計劃項下並無授出任何購股權。

各參與人之最高配額

除股東批准者外，向任何合資格參與者批授購股權後，該等購股權獲悉數行使後之已發行股份總數，以及根據購股權計劃已批授或將會批授之購股權(包括已行使、註銷及未行使購股權)獲行使後將予發行之股份總數，於截至新批授日期(包括當日)止十二個月期間不得超過本公司於新批授日期已發行股本之1%。

認購購股權之期間及行使前最短持有期間

購股權並無必須認購或必須於行使前持有之最短期間之規定。

認購購股權之應付款項及接納建議之時間

根據購股權計劃批授購股權之建議，須自建議日期起計二十八日內以支付代價1港元之方式接納。

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31. SHARE-BASED PAYMENTS TRANSACTIONS (CONTINUED)

(b) Share options (Continued)

Maximum period for exercising on option

An option may be exercised in accordance with the terms of the Share options scheme at any time during a period to be determined and notified by the Board of Directors to each participant, which period may commence on the date on which the offer for the grant of options is made but shall end in any event not more than 10 years from the date of grant of the option.

Exercise price

The exercise price shall be a price determined by the Board of Directors of the Company and shall not be less than the highest of:

- (i) the closing price of a share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant option, which must be a business day;
- (ii) an amount equivalent to the average closing price of the shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant of the relevant option; and
- (iii) the nominal value of a share.

Life of the Share options scheme

The Share options scheme shall be valid and effective for a period of two years commencing on the date of adoption of the Share options scheme.

31. 以股份為基礎之交易(續)

(b) 購股權計劃(續)

行使購股權之最長期間

購股權可根據購股權計劃條款於董事會將釐訂及知會各承授人之期間內隨時行使，該期間可於購股權批授建議日期開始，惟於任何情況下不得遲於購股權批授日期起計十年後結束。

行使價

行使價乃本公司董事會將會釐訂之價格，惟不得少於下列三者之最高者：

- (i) 於有關購股權批授日，聯交所日報表所報之股份收市價(當日必須為營業日)；
- (ii) 緊接有關購股權批授日前五個營業日，聯交所日報表所報股份平均收市價之同等金額；及
- (iii) 股份面值。

購股權計劃之有效期

購股權計劃於其採納日期起計兩年內有效及生效。

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31. SHARE-BASED PAYMENTS TRANSACTIONS (CONTINUED)

(b) Share options (Continued)

The following tables disclose the movement of the Company's share options held by directors and employees for the year ended 31 December 2008 and 31 December 2007:

2008

		Outstanding at 1/1/2008	Granted during year	Exercise during year	Forfeited during year	Expired during year	Outstanding at 31/12/2008
		於二零零八年 一月一日 尚未行使	於本年 度授出	於本年 度行使	於本年 度放棄	於本年 度過期	於二零零八年 十二月 三十一日 尚未行使
No. of share options	認股權數量	1,460,000	-	-	-	-	1,460,000
Exercise price	行使價	HK\$0.184	-	-	-	-	HK\$0.184

2007

		Outstanding at 1/1/2007	Granted during year	Exercise during year	Forfeited during year	Expired during year	Outstanding at 31/12/2007
		於二零零七年 一月一日 尚未行使	於本年 度授出	於本年 度行使	於本年 度放棄	於本年 度過期	於二零零七年 十二月 三十一日 尚未行使
No. of share options	認股權數量	15,800,000	-	(12,780,000)	(1,560,000)	-	1,460,000
Exercise price	行使價	HK\$0.184	-	HK\$0.184	HK\$0.184	-	HK\$0.184

31. 以股份為基礎之交易(續)

(b) 購股權計劃(續)

於截至二零零八年十二月三十一日止年度及二零零七年十二月三十一日止期間授予董事及員工之購股權之價值及經調整價值如下：

二零零八年

二零零七年

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31. SHARE-BASED PAYMENTS TRANSACTIONS (CONTINUED)

(b) Share options (Continued)

The following tables disclose the Company's share options held by directors and employees as at 31 December 2008 and 2007:

2008

Name of director/ Category	Date of grant	Exercise period	Exercise price per share	Number of share options outstanding and exercisable 未行使及 可行使之 購股權數目
董事名稱/分類	批出日期	行使期	每股行使價	購股權數目
Directors				
董事				
Mr. Wang Xiaowu 汪小武	3 June 2004	3 June 2004 to 2 June 2014	0.184	1,040,000
Employees				
僱員				
	3 June 2004	3 June 2004 to 2 June 2014	0.184	420,000
Total				
總額				1,460,000

31. 以股份為基礎之交易(續)

(b) 購股權計劃(續)

於截至二零零八年十二月三十一日止年度及二零零七年十二月三十一日止期間授予董事及員工之購股權之價值及經調整價值如下：

二零零八年

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31. SHARE-BASED PAYMENTS TRANSACTIONS (CONTINUED)

(b) Share options (Continued)

2007

Name of director/ Category	Date of grant	Exercise period	Exercise price per share	Number of share options outstanding and exercisable 未行使及 可行使之 購股權數目
董事名稱/分類	批出日期	行使期	每股行使價	購股權數目
Directors 董事				
Mr. Wang Xiaowu 汪小武	3 June 2004	3 June 2004 to 2 June 2014	0.184	1,040,000
Employees 僱員	3 June 2004	3 June 2004 to 2 June 2014	0.184	420,000
Total 總額				1,460,000

Notes:

- (i) No options were granted under the Share options scheme and none of the share options expired during the year ended 31 December 2008 and 2007.
- (ii) None of the directors and employees exercised their share options during the year ended 31 December 2008. The 12,780,000 share options exercised during the year ended 31 December 2007 resulted in the issue of 12,780,000 ordinary shares of the Company and new share capital of HK\$1,597,500 (note 26) and share premium of HK\$754,020.

31. 以股份為基礎之交易(續)

(b) 購股權計劃(續)

二零零七年

附註：

- (i) 於二零零八年度及二零零七年度，並無根據購股權計劃下批出購股權。同時，並無購股權屆滿。
- (ii) 於二零零八年董事和僱員並無行使購股權。截至二零零七年十二月三十一日12,780,000份認股權獲行使而發行12,780,000股；已計入股本為港幣1,597,500元(附註26)及其餘港幣754,020元已計竹股份溢價。

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31. SHARE-BASED PAYMENTS TRANSACTIONS (CONTINUED)

(b) Share options (Continued)

Notes: (Continued)

- (iii) The exercise in full of the outstanding vested options would, under the present capital structure of the Company, result in the issue of additional 1,460,000 ordinary shares (2007: 1,460,000 ordinary shares).

32. RETIREMENT BENEFIT PLANS

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the plans are held separately from those of the Group in funds under the control of trustees.

The employees of the Group's subsidiary in the Mainland China are members of a state-managed retirement benefit plan operated by the government of the PRC. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The total expense recognised in the consolidated income statement of HK\$340,337 (2007: HK\$256,814) represents contributions payable to these plans by the Group at rates specified in the rules of the plans. There was no outstanding contribution as at 31 December 2008 and 2007 respectively.

31. 以股份為基礎之交易(續)

(b) 購股權計劃(續)

附註：(續)

- (iii) 賦予未行使的所有批出購股權將構成現時資本性結構，該等購股權會構成增加發行1,460,000普通股(二零零七年：1,460,000普通股)。

32. 退休福利計劃

本集團根據強制性公積金計劃條例為其所有香港僱員設立一項強積金計劃。計劃中的資產與本集團資本分開，並受信託公司監管。

本集團於中國大陸之附屬公司遵照中國之適用規則，參與一項國家管理由當地政府經營的退休福利計劃。附屬公司須按工資成本的指定百分比比率向退休福利計劃供款。本集團就退休福利計劃之唯一責任作出指定供款。

所有支出入賬於綜合收益表為340,337港元(二零零七：256,814港元)已代表本集團根據條例計劃中供款之指定比率。分別於二零零八年／二零零七年十二月三十一日，並無欠供款金額。

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33. NON-CASH TRANSACTIONS

During the year ended 31 December 2007, the Group had transferred a receivable of RMB 30,000,000 to Investments 2234 as partial settlement of the secured borrowing and associated interest payable (note 23).

34. RELATED PARTY TRANSACTIONS

During the year, the Group entered into the following transactions with related parties:

33. 非現金交易

於二零零七年十二月三十一日，本集團轉撥人民幣30,000,000元予投資2234中國第一號基金公司用以償還抵押借貸連利息(附註23)。

34. 關連人士之交易

除該等財務報表所披露者外，於本年度／期間，本集團已訂立下列重大關連人士之交易：

Related parties 關連人士	Nature of transactions 交易種類	Note 附註	2008 二零零八	2007 二零零七
Fellow subsidiaries 同系附屬公司	Office, directors' and staff quarters rental 寫字樓董事及僱員宿租金	(i)	869,460	894,240
	Building management fee 樓宇管理費	(i)	104,017	95,213
Associates 聯營公司	Purchase of investment properties 購買投資物業	(ii)	8,920,000	–

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度(以港元列示)

34. RELATED PARTY TRANSACTIONS (CONTINUED)

Notes:

- (i) Office, directors' and staff quarters rental, and building management fee paid to fellow subsidiaries are based on rates mutually agreed between the parties involved.
- (ii) Purchase of investment properties from associates are made according to prices and conditions of agreements signed between the parties involved.
- (iii) Extension of operating period of Xiamen Plaza

Pursuant to an agreement entered into by Yan Hei and Railway Department on 1 October 1985 for co-operation on the construction and operation of Xiamen Plaza and as supplemented and amended subsequently on 18 December 1987 and 21 January 1992 (the "CJV Agreement"), the operating period for Xiamen Plaza will end on 11 December 2015. On 6 June 2005 and 20 July 2005, the Company announced that, Yan Hei entered into an extension agreement with Railway Department, and Fujian Enterprises (Holdings) Company Limited ("Fujian Enterprises") (as a guarantor) on 9 May 2005 ("Extension Agreement"), in which, amongst others, the operation period of Xiamen Plaza will be extended for an additional 10 years up to 31 December 2025 and a change in the terms of the CJV Agreement in respect of the annual amounts to be distributed by Yan Hei to Railway Department. Pursuant to the terms of the Extension Agreement, Yan Hei has agreed to pay annual distributions to Railway Department during the operating period of Xiamen Plaza up to year 2025 as set out below:

2005 to 2006: US\$70,000 per year
2007 to 2011: US\$100,000 per year
2012 to 2025: US\$200,000 per year

34. 重大關連人士之交易(續)

附註：

- (i) 本集團向本公司之同系附屬公司支付之租賃寫字樓、董事及員工宿舍租金及大廈管理費乃以雙方同意下釐定。
- (ii) 從聯營公司收購投資物業之價值及條款乃根據相方之協議釐定。
- (iii) 延長東酒之經營期

根據仁禧與鐵路局於一九八五年十月一日訂立以合作興建及經營該酒店之正式及具法律約束力之協議(其後曾於一九八七年十二月十八日及一九九二年一月二十一日補充及修訂)(「作協議」)，東酒之經營期將於二零一五年十二月十一日終止。於二零零五年六月六日及二零零五年七月二十日，本公司宣佈，仁禧與鐵路局及華閩(集團)有限公司(「華閩集團」)(作擔保人)已於二零零五年五月九日訂立延長協議(「延長協議」)。酒店合營企業之經營期將於二零一五年十二月十一日結束。延長協議訂明(其中包括)額外延長酒店合營企業之經營期十年至二零二五年十二月三十一日，並更改有關每年由仁禧分派予鐵路局之數額之合作協議條款。根據延長協議條款，仁禧已同意於東酒經營期間直至二零二五年支付分派予鐵路局，其數額列載如下：

二零零五年至二零零六年：每年70,000美元
二零零七年至二零一一年：每年100,000美元
二零一二年至二零二五年：每年200,000美元

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008 (in HK Dollars)
截至二零零八年十二月三十一日年度 (以港元列示)

34. RELATED PARTY TRANSACTIONS (CONTINUED)

Notes: (Continued)

(iii) Extension of operating period of Xiamen Plaza (Continued)

At the balance sheet date, the Group had commitments for future minimum lease payments under the above agreement which fall due as follows:

		2008 二零零八	2007 二零零七
Within one year	一年內	775,070	780,490
In the second to fifth years inclusive	兩年至五年內	4,650,420	3,902,450
Over five years	超過五年	18,601,680	20,292,740
		24,027,170	24,975,680

In addition, Fujian Enterprises irrevocably undertakes to Railway Department that it will guarantee performance by Yan Hei of its obligations under the CJV Agreement (as amended and extended).

Railway Department is the joint venture partner of Xiamen Plaza and is beneficially owned by the State Railway Department. To the best knowledge, information and belief of directors of the Company, having made all reasonable enquiries, Railway Department is considered as an independent third party as despite being a joint venture partner, it has no effective interest in the operations of Xiamen Plaza.

Fujian Enterprises is a trading conglomerate incorporated in Hong Kong with limited liability, and under administration of Fujian Provincial State-owned Asset Administration Commission of the PRC. Both Fujian Enterprises and the Company are ultimately owned by Fujian provincial government of the PRC. There are no common directors among Fujian Enterprises and any member of the Group.

Compensation of key management personnel

		2008 二零零八	2007 二零零七
Short-term employee benefits	短期員工福利	1,893,000	1,932,300

34. 重大關連人士之交易 (續)

附註：(續)

(iii) 延長東酒之經營期 (續)

結算日，本集團經營租約之未來須付最低租金總額如下：

		2008 二零零八	2007 二零零七
Within one year	一年內	775,070	780,490
In the second to fifth years inclusive	兩年至五年內	4,650,420	3,902,450
Over five years	超過五年	18,601,680	20,292,740
		24,027,170	24,975,680

此外，華閩集團向鐵路局作出不可撤回承諾，承諾其將保證仁禧履行其根據合作協議 (經修訂及延長) 之責任。

鐵路局為東酒之合營企業伙伴，其實益擁有人為國家鐵道部。據董事於作出一切合理查詢後所知、得悉及相信，儘管鐵路局為合營企業之合作伙伴，惟其於經營東酒中並無實際權益，故視為獨立第三方。

華閩集團乃一家於香港註冊成立之企業集團式貿易有限公司，由中國福建省國有資產管理委員會管理。華閩集團及本公司均由中國福建省政府最終擁有。華閩集團與本集團任何成員公司並無任何共同董事。

主要管理人員之補償

