



CHOW SANG SANG HOLDINGS INTERNATIONAL LIMITED

周生生集團國際有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock code 股份代號：116

ANNUAL REPORT 2008 年報

## CORPORATE INFORMATION

### Board of Directors

#### Executive Directors

Dr. CHOW Kwen Lim, *Chairman*  
Mr. Vincent CHOW Wing Shing, *Group General Manager*  
Dr. Gerald CHOW King Sing  
Mr. Winston CHOW Wun Sing, *Group Deputy General Manager*

#### Non-executive Directors

Mr. CHOW Kwen Ling, *Honorary Chairman*  
Dr. CHAN Bing Fun\*  
Mr. Stephen TING Leung Huel  
Mr. CHUNG Pui Lam  
Mr. LEE Ka Lun\*  
Mr. LO King Man\*

\* Independent non-executive directors

### Company Secretary

Ms. Susan MAK Wei Yee

### Registered Office

Clarendon House, Church Street  
Hamilton HM 11, Bermuda

### Principal Place of Business

4/F Chow Sang Sang Building  
229 Nathan Road, Kowloon  
Hong Kong

### Principal Share Registrar

Butterfield Fulcrum Group (Bermuda) Limited  
Rosebank Centre, 11 Bermudiana Road  
Pembroke HM 08, Bermuda

### Branch Share Registrar

Tricor Tengis Limited  
26/F Tesbury Centre  
28 Queen's Road East  
Hong Kong

### Legal Advisers

Baker & McKenzie  
Wilkinson & Grist

### Auditors

Ernst & Young

### Principal Bankers

Standard Chartered Bank (Hong Kong) Limited  
The Hongkong and Shanghai Banking Corporation Limited  
Hang Seng Bank Limited  
The Bank of Nova Scotia  
Industrial and Commercial Bank of China Limited

### Stock Code & Website

Hong Kong Stock Exchange: 116  
www.chowsangsang.com

## 公司資料

### 董事會

#### 執行董事

周君廉博士 主席  
周永成先生 集團總經理  
周敬成醫生  
周允成先生 集團副總經理

#### 非執行董事

周君令先生 名譽董事長  
陳炳勳醫生\*  
丁良輝先生  
鍾沛林先生  
李家麟先生\*  
盧景文先生\*

\* 獨立非執行董事

### 公司秘書

麥惠怡女士

### 註冊辦事處

Clarendon House, Church Street  
Hamilton HM 11, Bermuda

### 主要營業辦事處

香港  
九龍彌敦道二二九號  
周生生大廈四樓

### 股份過戶登記處

Butterfield Fulcrum Group (Bermuda) Limited  
Rosebank Centre, 11 Bermudiana Road  
Pembroke HM 08, Bermuda

### 股份過戶登記分處

卓佳登捷時有限公司  
香港  
皇后大道東二十八號  
金鐘匯中心二十六樓

### 法律顧問

貝克·麥堅時律師事務所  
高露雲律師行

### 核數師

安永會計師事務所

### 主要往來銀行

渣打銀行(香港)有限公司  
香港上海滙豐銀行有限公司  
恒生銀行有限公司  
加拿大豐業銀行  
中國工商銀行股份有限公司

### 股份代號及網頁

香港聯合交易所：116  
www.chowsangsang.com

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The following abbreviations are used in this report:

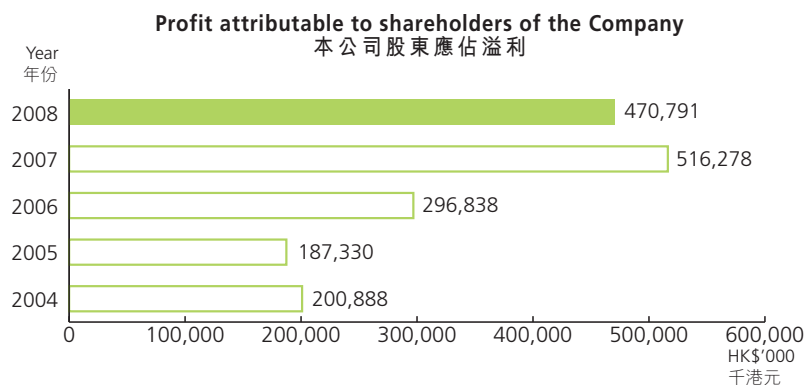
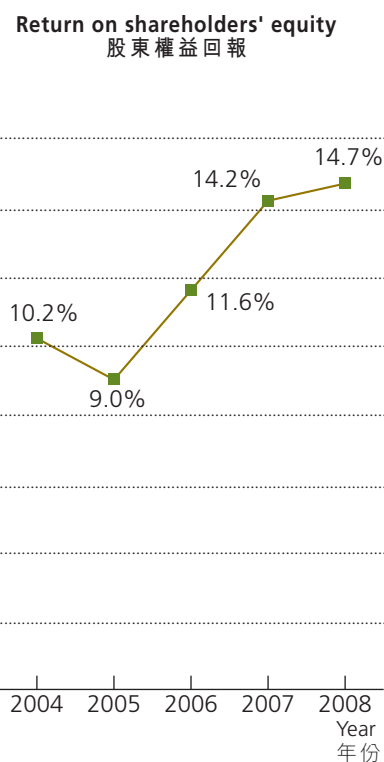
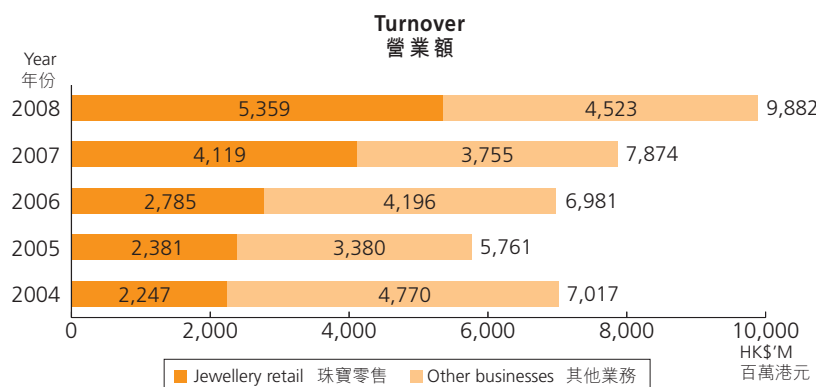
本年報用下列簡稱：

	<u>Abbreviations</u>		<u>簡稱</u>
Chow Sang Sang Holdings International Limited	The Company	周生生集團國際有限公司	本公司
Chow Sang Sang Holdings International Limited and its subsidiaries	The Group	周生生集團國際有限公司 及其附屬公司	本集團

## FINANCIAL HIGHLIGHTS

## 財務摘要

		2008 HK\$'000 千港元	2007 HK\$'000 千港元	Change 變動
Turnover	營業額			
Jewellery retail	珠寶零售	5,359,129	4,119,165	+30%
Other businesses	其他業務	4,522,376	3,754,418	+20%
		<b>9,881,505</b>	<b>7,873,583</b>	<b>+26%</b>
Profit attributable to shareholders of the Company	本公司股東應佔溢利	470,791	516,278	-9%
Basic earnings per share	每股基本盈利	78.2 cents 仙	85.8 cents 仙	-9%
Dividend per share	每股股息			
– Final	– 末期	23.0 cents 仙	26.0 cents 仙	-12%
– Full Year	– 全年	31.0 cents 仙	34.0 cents 仙	-9%
Dividend payout ratio	派息比率	40%	40%	
Equity attributable to shareholders of the Company	本公司股東應佔權益	3,206,844	3,634,269	-12%
Equity per share	每股權益	\$5.3 元	\$6.0 元	-12%



## CHAIRMAN'S REPORT

## 主席報告



For the year 2008 the Group recorded net profits after tax of HK\$471 million, 9% below that of 2007.

The charging train of growth rolled forward into the first half of 2008, but by the third quarter the global banking and financial crisis had it derailed. Abruptly, we have to change our tack from fast growth to

judicious expansion. With all our planned mega-stores in place in Hong Kong, we are well positioned to cater to the visitors from the Mainland, whose number is expected to increase as rules for travel are relaxed. Over in the Mainland itself, with the iconic Sanlitun store in Beijing as our flagship, we will continue to strengthen our supply chain and enlarge our network of stores. We will be vigilant of our inventory level and our expenditure. We will change our mix of merchandise to suit consumers with more value-conscious and pragmatic spending habits.

The year 2009 will be a tough year. Before the first quarter is over, the stock market is in shambles. Although we have been through rough patches before, there is no clue how deep and long this period of recession will be.

At times like this we are especially grateful to the support given us by our customers, shareholders and business partners, to the conscientiousness and dedication of our staff. I thank you all.

**Chow Kwen Lim**  
Chairman

Hong Kong  
31 March 2009

本集團在二零零八年錄得稅後溢利為四億七仟一佰萬港元，較二零零七年下跌9%。

二零零八年上半年增長仍全速前進，但至第三季環球銀行與金融危機使列車出軌。為應付突如其來的情況，集團需要改變步伐，從快速增長轉為明智擴張。集團已按計劃完成在香港開設數家旗艦店，準備就緒，接待因內地日漸放寬的旅遊政策而增加訪港的旅客。在內地，集團以北京三里屯旗艦店為地標，不斷加強貨品供應鏈及擴大分店網絡，並密切監控存貨水平及各項開支。集團亦會調整貨品組合，以迎合消費者要求物有所值及較實際的消費習慣。

二零零九年會是困難的一年。證券市場在首季完結前已滿目瘡痍，雖然集團也曾經歷類似困境，但卻無法預計是次衰退的深度及久暫。

集團衷心感激在此段時期顧客、股東及企業伙伴的支持，及同事們的盡責與貢獻。本人謹此致謝。

主席  
周君廉

香港  
二零零九年三月三十一日

## BOARD OF DIRECTORS AND SENIOR MANAGEMENT

**Mr. CHOW Kwen Ling**, aged 85, is a Non-executive Director of the Company, the Honorary Chairman of the Group and a director of a number of subsidiaries within the Group. He is the elder brother of Dr. CHOW Kwen Lim. As a founder of the Group, he served as the Group General Manager from 1973 to 1986 and the Group Chairman from 1973 to 1990. He was elected the Honorary Chairman upon retiring as Chairman in 1990. He is well experienced in corporate management.

**Dr. CHOW Kwen Lim**, BBS, MBE, JP, DSSc (Hon), aged 82, is an Executive Director of the Company, the Group Chairman and a director of a number of subsidiaries within the Group. He is the younger brother of Mr. CHOW Kwen Ling and the father of Mr. Vincent CHOW Wing Shing, the Group's General Manager. Dr. CHOW was the Group General Manager from 1986 to 1997, and having been the Group Chairman since 1990. As a founder of the Group, he has been in the jewellery business for over 60 years. He was awarded Doctor of Social Science, Honoris Causa by The Chinese University of Hong Kong in 1998 and is an Honorary Professor of the Fudan University and a member of the Board of the Journal of Shunde Polytechnic. He is also an Honorary Citizen of the cities of Guangzhou, Foshan, Changle, Lanzhou and Dunhuang, PRC.

**Dr. CHAN Bing Fun**, MB, BS, DMRT, FHKCR, FHKAM (Radiology), aged 75, is an Independent Non-executive Director of the Company, and a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He has been with the Group for over 30 years. He is a medical doctor in private practice in Hong Kong.

**Mr. Vincent CHOW Wing Shing**, BBS, MBE, JP, aged 62, is an Executive Director of the Company, the Group General Manager and a director of a number of subsidiaries within the Group. He is the son of Dr. CHOW Kwen Lim, the Group's Chairman. Mr. CHOW has been with the Group for over 22 years, having been the Group General Manager since 1998. He is the Treasurer of the Council of the City University of Hong Kong, where he is also the Chairman of the Board of Management of the Community College of City University. Mr. CHOW serves as the vice-chairman of the Committee on Performing Arts under the Home Affairs Bureau, and he is on the Investigation Panel A of the Hong Kong Institute of Certified Public Accountants. He is a member of the Shunde People's Political Consultative Committee.

**Dr. Gerald CHOW King Sing**, DDS, MBA, MPA (HARVARD), aged 52, is an Executive Director of the Company. He is a member of the Nomination Committee of the Company and a director of a number of subsidiaries within the Group. He has joined the Group for over 20 years. Dr. CHOW is the elder brother of Mr. Winston CHOW Wun Sing and the cousin of Mr. Vincent CHOW Wing Shing. He is a dental surgeon in private practice in Hong Kong. Dr. CHOW is a voting member of the Po Leung Kuk Advisory Board.

## 董事會及高級管理人員

**周君令先生**，八十五歲，本公司之非執行董事、本集團名譽董事長及本集團內多家附屬公司之董事。周君令先生為周君廉博士之兄。彼為本集團創辦人之一，於一九七三年至一九八六年出任本集團總經理及於一九七三年至一九九零年出任本集團主席，自一九九零年退任主席後出任本集團名譽董事長。彼於企業管理方面富有豐富經驗。

**周君廉博士**，BBS，MBE，太平紳士，DSSc (Hon)，八十二歲，本公司之執行董事、本集團主席及本集團內多家附屬公司之董事。彼為周君令先生之弟及本集團總經理周永成先生之父。周博士於一九八六年至一九九七年出任本集團總經理，自一九九零年起出任本集團主席。彼為本集團創辦人之一，經營珠寶業務超過六十年。彼於一九九八年獲香港中文大學授予榮譽社會科學博士名銜，現任上海復旦大學名譽教授、順德職業技術學校校董，並為中國廣州市、佛山市、長樂市、蘭州市及敦煌市榮譽市民。

**陳炳勳醫生**，MB，BS，DMRT，FHKCR，FHKAM (Radiology)，七十五歲，本公司之獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員。彼已加入本集團服務超過三十年，彼為香港私人執業醫生。

**周永成先生**，BBS，MBE，太平紳士，六十二歲，本公司之執行董事、本集團總經理及本集團內多家附屬公司之董事。彼為本集團主席周君廉博士之子。周先生在本集團服務超過廿二年，自一九九八年起出任本集團總經理。彼現任香港城市大學校董會司庫、城市大學專上學院管理委員會主席、民政事務局屬下表演藝術委員會副主席及香港會計師公會調查小組A組成員。彼為中國人民政治協商會佛山市順德區委員。

**周敬成醫生**，DDS，MBA，MPA (HARVARD)，五十二歲，本公司之執行董事、提名委員會成員及本集團內多家附屬公司之董事。彼已加入本集團服務超過二十年。周醫生為周允成先生之兄及周永成先生之堂弟。周醫生為香港私人執業牙科醫生。彼現任保良局諮詢委員會遴選委員。

## BOARD OF DIRECTORS AND SENIOR MANAGEMENT

**Mr. Stephen TING Leung Huel**, MH, FCCA, FCPA (Practising), FTIHK, ACA, FHKIoD, aged 55, was an Independent Non-executive Director and the Secretary of the Company until September 2004. He was re-designated as a Non-executive Director of the Company on 28 September 2004. Mr. TING is a member of the Audit Committee and Remuneration Committee of the Company. He is an independent non-executive director of seven other listed companies in Hong Kong, namely Tong Ren Tang Technologies Co., Ltd., Tongda Group Holdings Limited, Minmetals Resources Limited, JLF Investment Company Limited, Computer And Technologies Holdings Limited, Texhong Textile Group Limited and Dongyue Group Limited. He is a member of the 9th and 10th Chinese People's Political Consultative Conference, Fujian. Mr. TING is an accountant in public practice and has more than 30 years of experience in this field. Currently, he is the Managing Partner of Ting Ho Kwan & Chan, Certified Public Accountants.

**Mr. CHUNG Pui Lam**, SBS, OBE, JP, LL.B (Hons) (Lond.) A.C.I. Arb, aged 68, is a Non-executive Director of the Company, and a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He was appointed as an Independent Non-executive Director of the Company on 26 June 1995 and re-designated as a Non-executive Director in September 2004. Mr. CHUNG is a solicitor in practice. Apart from being a China-appointed Attesting Officer, he also holds key posts in various organizations. He serves as a member on several advisory committees of the Government of the Hong Kong Special Administrative Region, and is also an independent non-executive director of two other listed companies in Hong Kong, namely S E A Holdings Limited and Datronix Holdings Limited.

**Mr. Winston CHOW Wun Sing**, aged 51, is an Executive Director of the Company, the Group Deputy General Manager and a director of a number of subsidiaries within the Group. Mr. CHOW has been with the Group since 1984 (except 1988 to 1992) and has become the Group Deputy General Manager since 1995. Mr. CHOW is the younger brother of Dr. Gerald CHOW King Sing and the cousin of Mr. Vincent CHOW Wing Shing. He has experience in real estate in Canada. Mr. CHOW's key responsibilities include the marketing of the Group's jewellery business in Greater China. He also acts as the Vice-Chairman of the Diamond Federation of Hong Kong, China Limited, Governing Council Member of the Quality Tourism Services Association, a member of the Advisory Committee on Travel Agents, a member of the Jewellery Industry Training Advisory Committee of the Education Bureau, a Sector/Subject Specialist of the Hong Kong Council for Accreditation of Academic and Vocational Qualifications and an Executive Committee member of The Hong Kong Retail Management Association. Mr. CHOW is a member of the Guangzhou Municipal Tianhe District People's Political Consultative Committee.

## 董事會及高級管理人員

**丁良輝先生**，MH·FCCA·FCPA (Practising)·FTIHK·ACA·FHKIoD，五十五歲，曾為本公司之獨立非執行董事及公司秘書，任期至二零零四年九月，彼於二零零四年九月二十八日調任為本公司之非執行董事。丁先生現為本公司審核委員會及薪酬委員會成員，亦為其他七家香港上市公司之獨立非執行董事，分別為北京同仁堂科技發展股份有限公司、通達集團控股有限公司、五礦資源有限公司、金六福投資有限公司、科聯系統集團有限公司、天虹紡織集團有限公司及東岳集團有限公司。彼為中國人民政治協商會議第九及第十屆福建省委員會委員。丁先生為執業會計師，在會計界有超過三十年經驗。彼現任丁何關陳會計師行執行合夥人。

**鍾沛林先生**，SBS·OBE·太平紳士·LL.B (Hons) (Lond.) A.C.I. Arb，六十八歲，本公司之非執行董事、審核委員會、薪酬委員會及提名委員會成員。彼於一九九五年六月二十六日獲委任為本公司之獨立非執行董事，並於二零零四年九月調任為本公司之非執行董事。鍾先生為執業律師，除為中國司法部委託公證人外，亦在多個團體擔任要職，現任香港特別行政區政府多個諮詢委員會委員，亦為其他兩家香港上市公司之獨立非執行董事，分別為爪哇控股有限公司及連達科技控股有限公司。

**周允成先生**，五十一歲，本公司之執行董事、本集團副總經理及本集團內多家附屬公司之董事。周先生自一九八四年起（一九八八年至一九九二年除外）服務本集團，自一九九五年起出任本集團副總經理。周先生為周敬成醫生之弟及周永成先生之堂弟。彼曾於加拿大從事地產業。周先生專責統籌本集團於大中華珠寶業務之市場事務。彼現時亦擔任香港鑽石總會有限公司副主席、優質旅遊服務協會執行委員會委員、旅行代理商諮詢委員會委員、教育局珠寶行業培訓諮詢委員會委員、香港學術及職業資歷評審局行業／學科專家及香港零售管理協會執委會成員。周先生現任中國人民政治協商會廣州市天河區委員。

## BOARD OF DIRECTORS AND SENIOR MANAGEMENT

## 董事會及高級管理人員

**Mr. LEE Ka Lun**, FCCA, CPA, aged 54, is an Independent Non-executive Director of the Company, and the chairman of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He was appointed as an Independent Non-executive Director of the Company on 28 September 2004. Mr. LEE is an accountant by profession and has over 25 years experience in banking and auditing. He was the Regional Deputy Chief Executive of Lloyds TSB Bank plc, Hong Kong Branch and Regional Director – Finance and Operation of Lloyds TSB's operations in Asia for over 15 years and has extensive experience on corporate banking, private banking, treasury, operations, IT developments and general management. He is also a responsible officer approved by the Securities and Futures Commission and serves as an independent director of three other listed companies in Hong Kong, namely Denway Motors Limited (being chairman of the audit committee), Guangzhou Investment Company Limited and REXLot Holdings Limited.

**Mr. LO King Man**, FRSA, FHKU, UFHKPU, FHKAPA, JP, MBE, BBS, aged 71, is an Independent Non-executive Director, a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He was appointed as an Independent Non-executive Director of the Company on 28 September 2004. Following a career in higher education management, Mr. LO held an appointment as Director of the Hong Kong Academy for Performing Arts during 1993 to 2004 and is currently the Principal of the Canton International Summer Music Academy established by the Guangdong Government. His public service included vice-chairmanship of the former Urban Council and membership of the Hong Kong Special Administrative Region Basic Law Consultative Committee, Examination Authority, Broadcasting Authority, Vocational Training Council and Arts Development Council. He has served on governing boards of numerous educational and cultural organizations. He is an independent non-executive director of another listed company in Hong Kong – Sing Lee Software (Group) Limited.

**Ms. Susan MAK Wei Yee**, FCCA, CPA, aged 52, is the Company Secretary of the Company and the General Manager for Chow Sang Sang Securities Limited. Ms. MAK joined the Group in 2001 and has over 30 years of experience in accounting, banking and finance. Ms. MAK is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

**Mr. Theodore TAM Shing Chi**, CPA (Aust.), CPA, MBA, aged 50, is the Group's Chief Financial Officer. Mr. TAM joined the Group in 2009 and has over 25 years of experience in finance, accounting and management. Mr. TAM is a member of the Hong Kong Institute of Certified Public Accountants, and the CPA Australia. He holds a Master Degree in Business Administration from the Melbourne University, Australia. Mr. TAM's experiences covered a variety of industries including auditing, business advisory services with one of the Big Four accounting firms in Hong Kong as well as the Regional Chief Financial Officer of one of the top three marketing communication services companies in Asia Pacific.

**李家麟先生**，FCCA，CPA，五十四歲，本公司之獨立非執行董事、審核委員會、薪酬委員會及提名委員會主席。彼於二零零四年九月二十八日獲委任為本公司之獨立非執行董事。李先生為專業會計師，在銀行及審計界服務超過廿五年。彼曾出任萊斯銀行香港分行區域副行政總裁及亞洲區域財務及營運董事超過十五年，具豐富企業銀行、私人銀行、財務、營運、資訊科技發展及管理經驗。彼現時亦為證券及期貨事務監察委員會核准之負責人員。彼現任其他三家香港上市公司之獨立董事，分別為駿威汽車有限公司(彼為審核委員會主席)、越秀投資有限公司及御泰中彩控股有限公司。

**盧景文先生**，FRSA，FHKU，UFHKPU，FHKAPA，太平紳士，MBE，BBS，七十一歲，本公司之獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員。彼於二零零四年九月二十八日獲委任為本公司之獨立非執行董事。彼歷任多家大專學院高級行政職位，於一九九三年至二零零四年期間出任香港演藝學院校長，現任廣東省政府創辦之中國廣東國際音樂夏令營校長。彼曾獲委任多項公職，包括前市政局副主席、香港特別行政區基本法諮詢委員會、考試及評核局、廣播事務管理局、職業訓練局及藝術發展局委員，亦出任多家大專學府及文化機構之董事會成員。彼為另一家香港上市公司 – 新利軟件(集團)股份有限公司之獨立非執行董事。

**麥惠怡女士**，FCCA，CPA，五十二歲，本公司之公司秘書及周生生證券有限公司之總經理。麥女士於二零零一年加入本集團，彼於會計、銀行及財務方面擁有超過三十年經驗。麥女士為香港會計師公會及英國特許公認會計師公會之會員。

**譚承志先生**，CPA (Aust.)，CPA，MBA，五十歲，本集團首席財務長。譚先生於二零零九年加入本集團，於財務、會計及管理方面擁有超過廿五年經驗。譚先生為香港會計師公會及澳洲會計師公會之會員。彼持有澳洲墨爾本大學工商管理碩士學位。譚先生工作經驗涵蓋不同行業，當中包括於香港一家四大會計師事務所提供審計及商業諮詢服務，以及出任亞太區其中一家三大市場傳訊服務公司之區域首席財務長。



## BOARD OF DIRECTORS AND SENIOR MANAGEMENT

**Mr. LAU Hak Bun**, aged 56, is the Group's Director of Sales Operations. Mr. LAU has been with the Group for over 35 years. He is well-experienced in sales management. Apart from managing the sales operations in Hong Kong and Macau, Mr. LAU is also responsible for the Group's operation in Mainland China. He serves as the executive committees of several trade associations as the Group's representative.

**Ms. Emily LI Yin Ming**, aged 49, is the Group's Brand General Manager for "Chow Sang Sang", overseeing the development of branding, new business and marketing. Prior to joining the Company in 2005, Ms. LI was the Managing Director of her own jewellery marketing company, providing consultancy services to international renowned jewellery organizations. Before Ms. LI became an entrepreneur in 2003, she was with the World Gold Council for 10 years playing a key role in gold jewellery market development for East Asia. Ms. LI was awarded the "China 100 Outstanding Women Entrepreneur" in 2007.

**Ms. Carol WONG May Chun**, aged 45, is the Group's Brand Director for "Emphasis Jewellery". Ms. WONG joined the Group in 2004 and is responsible for Emphasis Jewellery's total branding, including product development, marketing, as well as channel development and management. Prior to joining the Group, Ms. WONG held key posts in various internationally-renowned fashion and accessories companies and has extensive experience in brand management and marketing, with major focus on developing Asia Pacific markets.

## 董事會及高級管理人員

**劉克斌先生**，五十六歲，本集團業務營運總監。劉先生加入本集團服務超過三十五年，對於銷售管理擁有豐富經驗。除管理香港及澳門銷售業務外，彼亦負責本集團之中國內地業務。劉先生以集團代表身份出任多個商會委員會之會員。

**李彥明小姐**，四十九歲，本集團「周生生」品牌之品牌總經理，負責此品牌業務及市場事務之整體發展。於二零零五年加入本公司前，李小姐為自資珠寶市場推廣公司之常務董事，為國際著名珠寶機構提供顧問服務。李小姐於二零零三年成為企業家前，曾於世界黃金協會任職十年，於東亞地區黃金珠寶市場發展擔當重要角色。李小姐於二零零七年榮獲「中國百名傑出女企業家」獎項。

**黃美真小姐**，四十五歲，本集團「點睛品」品牌之品牌總監。黃小姐於二零零四年加入本集團，負責點睛品之全面品牌管理，包括產品開發、市場事務以及銷售渠道發展及管理。於加入本集團前，黃小姐於多家國際著名時裝及配飾品牌公司擔任高級管理要職，具豐富品牌管理及推廣經驗，主力負責拓展亞太區市場。

### The Group's Results

The worldwide economic downturn that started to spread in the third quarter of 2008 sent commodity prices tumbling from peaks reached earlier in the year. The price of gold, which shot past US\$1,000 per ounce in March, bounced down to the US\$700 level in November. Platinum price took a dive from above US\$2,200 in March to below US\$900 in October.

The price of polished diamonds made a steady climb to peak in August and then retreated. Compared to January 2008, the price of finer and larger goods went up as much as 150% but by the end of the year was only 50% higher. More basic goods went up by 25% but finished the year flat; the pattern for other goods fell in between.

Turnover of diamond jewellery went off its rising track of the first half. Consumers, becoming more cautious in spending and lured by the drop in the price of the metals, tended to favour gold and platinum. In the last quarter they stocked up on bridal jewellery and gifts as the next lunar year of the Ox was deemed auspicious for weddings.

The stock market in Hong Kong continued its decline, with the Hang Seng Index ending the year down 48% from 2007. The daily average market turnover for the whole year went down by 18%, but the shrinkage was markedly worse in the 4th quarter. The results of the Group's brokerage reflected this impact.

For 2008, the Group achieved a total turnover of HK\$9,882 million. Although the turnover for jewellery retail managed a 30% increase over 2007, higher costs, lower profit contribution from securities trading and other factors caused a 9% drop in profits attributable to shareholders to HK\$471 million.

### Overview of the Group's Business

With no material change from prior years, the Group's major business is jewellery retail in Hong Kong, Mainland China, Taiwan and Macau ("Greater China"), conducted by Chow Sang Sang Jewellery Company Limited together with some of its fellow subsidiaries. Chow Sang Sang Securities Limited and Chow Sang Sang Futures Limited are the operators of the Group's brokerage business. Precious metals wholesale is the business of World Commercial Sales Company Limited.

At the close of 2008, the jewellery retail network consisted of 120 shops under the name "Chow Sang Sang" in the Mainland and 37 shops in Hong Kong. In addition, under the name "Emphasis Jewellery" there were 10 shops in Hong Kong (3 of which were shops within Chow Sang Sang shops), 21 in Taiwan and 2 in Macau. Chow Sang Sang owns and operates the jewellery store under the name "Midtown Jewelry" in Hong Kong Disneyland.

### 本集團業績

從二零零八年第三季開始，環球經濟步入衰退，商品價格從年初高位暴跌。黃金價格在三月急升超越每安士一仟美元，但在十一月已回落至七佰美元水平。鉑金價格由三月高於二仟二百美元下滑至十月低於九佰美元。

已打磨成品鑽價格逐步攀升，至八月的高峰後開始回落。與二零零八年一月相比，較優質及較大的成品鑽價格曾上升150%，但年底時升幅縮窄至50%；普通成品鑽價格曾上升25%，但年底時已回復年初水平；其他成品鑽的價格升幅則在兩者之間。

鑽石飾品營業額不能持續上半年升勢。消費者消費態度趨變審慎。受到貴金屬價格下跌吸引，消費喜好傾向黃鉑金飾品。加上接著的農曆牛年被認為適宜嫁娶，故此不少消費者在最後一季開始購備婚嫁用的飾品及禮品。

香港證券市場表現持續向下。年底時恒生指數較二零零七年下跌48%。全年每日平均市場成交額下跌18%，第四季尤其明顯轉差。集團經紀業務亦反映市況，業績大受影響。

本集團二零零八年度營業額達九十八億多港元。雖然珠寶零售營業額較二零零七年增加30%，但受成本增加、證券業務利潤減少及其他因素影響，股東應佔溢利下跌9%至四億七仟多萬港元。

### 集團業務綜觀

誠如過往年度，本集團之主要業務乃由周生生珠寶金行有限公司及其部分同系附屬公司於香港、中國內地、台灣及澳門（「大中華」）經營珠寶零售。本集團之證券及期貨經紀業務由周生生證券有限公司及周生生期貨有限公司經營。貴金屬批發業務由世界批發行有限公司經營。

於二零零八年年底，以「周生生」品牌經營的珠寶零售網絡由內地一百二十家分店及香港三十七家分店組成。此外，以「點睛品」品牌經營的分店在香港有十家（其中三家設於周生生分店內），台灣有廿一家及澳門有兩家。周生生於香港迪士尼樂園之分店，以「小鎮珠寶店」經營。

### Overview of the Group's Business (continued)

The marketing strategy of the network is to offer a wide range of product types to different segments of consumers. The mainstay is gem-set and gold jewellery. The designs are distinguished by branding, such as Diamond in Motion (diamond jewellery whose feature is diamonds on moving mountings reflecting light), Platinum with Love and Pt Loving Hearts (jewellery featuring branded diamonds). Product differentiation in another dimension is achieved by the licensing of territorial rights for intellectual properties such as Hello Kitty and Disney characters, to be used as themes for design and marketing of products.

Such brands as Stefan Hafner, Marco Bicego, Calgaro, Versace and Regalo from Italy and Japan are selected for their individuality, their products' harmony and synergy within our framework. In Hong Kong and the Mainland, selected shops carry Rolex and Tudor watches as official agents.

Emphasis Jewellery aims to offer an intimate shopping experience to discerning clients whose focus is on distinctiveness and taste. This small network of shops has its own brand-management and product team, which adheres to Group-wide policies of quality in product and service. Despite its smaller trading volume, it has a following of customers from the Mainland and many Chow Sang Sang customers in Hong Kong regularly shop in Emphasis Jewellery as well.

To feed its jewellery manufacturing pipeline, the Group needs a substantial input of polished diamonds. About one third of the needed amount comes from rough diamonds that the Group bought and polished to its specifications. The other two-thirds are either bought from suppliers of polished diamonds or procured in the form of ready-made jewellery from their manufacturers. The Group buys rough diamonds from the Diamond Trading Company in London, as well as other sources. Diamonds marketed under the exclusive brand "Love Diamond" are produced from the rough so purchased.

The jewellery operation generates large trading volumes of gold and platinum as raw material. The metals are bought in the form of ingots as feedstock for jewellery manufacturing. Old jewellery, bought from retail customers at the shops, are processed along with other scraps and then sold wholesale to refiners. World Commercial Sales Company Limited handles this metal trading, offering the same services to outside metal users as well. The business is conducted in Hong Kong on a high-volume, low-margin and minimized-risk model.

Chow Sang Sang Securities Limited and Chow Sang Sang Futures Limited are run as "boutique" brokerages aiming at retail customers with personalized professional services. The brokerages offer trading at 8 offices in Hong Kong, assisted by a highly efficient Internet platform. As small independent brokerages, the strategy is to concentrate on personal service, sound internal control and good risk management.

### 集團業務綜觀(續)

本集團的市場策略為提供多元化產品予不同客層。主體產品為珠寶鑲嵌飾品及黃金飾品。獨有品牌如Diamond in Motion(以獨特鑲嵌方法使飾品上的鑽石可多向度搖動,令產品更光芒閃耀)、Platinum with Love及Pt Loving Hearts(以自家品牌鑽石鑲製之珠寶)等產品突顯自家設計特色。另一方面,本集團取得Hello Kitty及迪士尼人物等知識產權的地區代理權,以供主題設計及推廣產品,令產品更多元化。

從意大利及日本引入具獨有特色的品牌首飾如Stefan Hafner、Marco Bicego、Calgaro、Versace及Regalo,與本公司產品組合配搭產生協同效應。部分香港及內地分店為勞力士及帝舵錶的特約經銷商。

點睛品專注為眼光獨到及追求卓越品味的顧客提供貼心的購物體驗。此小規模分店網絡由獨立的 brand 管理及產品隊伍以集團一貫的產品及服務質素經營。雖然營業規模較小,但點睛品除受內地顧客支持外,不少香港周生生顧客也是點睛品的常客。

為配合珠寶飾品生產及供應,本集團需要購入大量已打磨成品鑽。當中約三分之一製品來自本集團購入鑽石毛坯後打磨的成品鑽,其餘三分之二則購自鑽石供應商,或從首飾製造商購入現貨。本集團從倫敦國際鑽石商貿公司及其他供應商採購鑽石毛坯。本集團獨家品牌鑽石「Love Diamond」就是以自購之鑽石毛坯打磨而成。

珠寶業務營運產生大量黃金及鉑金原材料交易。集團購入金塊用以製造珠寶。從分店回收顧客的舊金,連同其他零碎金屬一併處理後,以批發模式售予化鍊商。世界批發行有限公司除處理上述集團金屬買賣業務外,亦為其他金屬用家提供服務。此香港業務以營業額高、風險低及利潤低模式經營。

周生生證券有限公司及周生生期貨有限公司以「精品店」經紀服務形式營運,向零售客戶提供貼身的專業服務。香港的服務透過八個營業辦事處及一個高效率的互聯網交易平台提供。作為小型獨立的經紀,經營策略為集中提供個人服務,保持有效的內部管控及穩健的風險管理。

## MANAGEMENT DISCUSSION AND ANALYSIS

### Jewellery Retail

#### *Hong Kong & Macau*

Turnover increased by 25% to HK\$3,777 million, accounting for 70% of the total turnover in jewellery retail across Greater China.

Although the buoyant atmosphere of 2007 continued into the first half of 2008, as the economic alarms went off in the second half the pace of growth began to slacken, with high-priced gem-set jewellery impacted the most. Visitors from the Mainland, however, managed to take up the slack left by local consumers. Increase in the sale of gold and platinum jewellery also offset some of the decline.

In 2008 the “mega-store” in Mongkok went into full swing, complementing the shops in Canton Road and Causeway Bay as centres of attraction for shoppers from the Mainland. Another mega-store opened in Park Lane in north Tsimshatsui. After a period of absence from Central, Chow Sang Sang returned in style in December, with a two-storey shop in Queen’s Road.

Two years ago we adopted a strategy to redeploy resources in recognition of the important contribution to sales and profits from Mainland tourists. With the establishment of these mega-stores and the closure of five other shops, the implementation is now completed. These stores play a major role as icons that make so strong an impression on visitors that they would recognize the Chow Sang Sang stores in their home territories.

During the year a successful bid was made for a shop space on the main shopping floor airside of Terminal 1 of the Hong Kong International Airport. The old airside shop and the one in the Arrival Hall were closed upon the expiration of their leases. The Airport is being served by the landside shop in Terminal 2 as well as the new airside shop which opened in March 2009.

In terms of turnover Emphasis Jewellery achieved a growth rate of 10%. It opened a store-in-store at the Park Lane Chow Sang Sang. When its own Central store came up for lease renewal the new rent was deemed to be too high, and we chose to set up a store-in-store in the new Central Chow Sang Sang instead.

In 2008, Chow Sang Sang and Emphasis Jewellery continued to garner awards for their branding as well as the quality of service, of which some were adjudicated by expert panels while others were voted by consumers. For the second time in as many years Ming Pao Daily, in conjunction with the Department of Marketing of the Chinese University of Hong Kong, again awarded us their honours. For five years running awards have been received from the Guangzhou Daily. Four sales staff from Chow Sang Sang and one from Emphasis Jewellery were named as Outstanding Salespersons in the fortieth round of the competition organized by the Hong Kong Management Association.

## 管理層討論及分析

### 珠寶零售

#### *香港及澳門*

營業額增加25%至三十七億七千多萬港元，佔大中華珠寶零售總營業額70%。

二零零七年之暢旺市況持續至二零零八年上半年，但下半年經濟衰退警號響起，增長步伐開始放緩，高價珠寶鑲嵌飾品的銷售亦大受影響。然而，內地旅客的消費大大抵銷本地消費的疲弱，黃白金飾品銷售增長亦彌補部分高價珠寶鑲嵌飾品銷售的下跌。

位於旺角的旗艦店於二零零八年全面投入服務，與廣東道及銅鑼灣的分店鼎足而立，成為內地旅客之購物焦點。另一家旗艦店亦於尖沙咀北柏麗大道開業。周生生分店遷離中環數載後，也於十二月在皇后大道開設一家佔兩樓層及具時尚特色的分店。

本集團確知內地旅客對銷售及利潤之重要貢獻，從兩年前起已修訂策略調整資源分配。在建立各旗艦店及結束五家分店後，調整已大致完成。旗艦店在集團形象方面扮演重要角色，讓旅客留下深刻印象，令他們回到內地後亦能識別當地的周生生分店。

年內集團成功投得位於香港國際機場一號客運大樓離港禁區內主要購物層的一個舖位。離港禁區舊有分店及位於入境大堂之分店已於租約期滿後結業。機場目前由位於二號客運大樓禁區外之分店及於二零零九年三月開業的離港禁區內分店提供服務。

點睛品營業額增長10%。點睛品於柏麗大道周生生內開設一家店中店，而中環分店租約期滿後，由於續租租金太高，集團決定在中環周生生新店內開設一家店中店。

今年周生生及點睛品繼續在品牌行銷及服務質素上數度獲獎，評定分別由專家小組，或消費者投票決定。周生生在明報及香港中文大學市場學系合辦的活動中已連續第二年獲嘉許；亦連續第五年獲廣州日報頒發獎項。周生生四位營業代表及點睛品一位營業代表在香港管理專業協會主辦的「第40屆傑出推銷員選舉」中獲選為「傑出推銷員」。

## MANAGEMENT DISCUSSION AND ANALYSIS

### Jewellery Retail (continued)

#### *Hong Kong & Macau (continued)*

Rental expenses for the year increased by HK\$53 million, the hike being driven by the kicking in of the leases for the new mega-stores as well as escalations on existing leases.

Capital expenditure, incurred on the fitting-out of stores as well as realignment of back offices, amounted to HK\$44 million.

#### *Mainland China*

The contribution to turnover from the stores in the Mainland rose 47% to HK\$1,504 million, which amounted to 28% of the total turnover in jewellery retail. In 2007 their share was 25%, in 2006 18%.

Same-store growth in turnover was 27%. The cities Beijing, Shanghai, Guangzhou, Xian and Fuzhou continued to lead the roster of cities with the best performing shops.

During the year 17 shops were added, including one mega-store situated in the Village, Sanlitun, Beijing, bringing the total at the end of year to 120.

Although turnover of gem-set jewellery increased by 19%, as a percentage of total turnover it lost ground to gold. In the second half of 2008 the gloomy economic outlook dampened consumer interest in gem-set jewellery. Instead they turned to gold and platinum jewellery as the prices of the metals plummeted.

Capital expenditure during the year reached HK\$52 million, with the fitting out of new shops taking up the bulk of the spending. The mega-store in Beijing was relatively more expensive, because of its large floor area and its status as the first flagship store in the Mainland.

#### *Taiwan*

Turnover for the year amounted to HK\$78 million, representing 2% of the total for jewellery retail.

During the year a shift in merchandising strategy brought about an increase in sales of gem-set jewellery, which improved the gross profit margin. At the end of the year there were 21 shops, two more than the prior year.

There had been little progress in the turning round of the economy by the new government, whose job could only be more difficult in the global crisis. Consumer sentiments remained weak as the public was preoccupied by the political polarization which was intensified by the corruption trials.

## 管理層討論及分析

### 珠寶零售(續)

#### *香港及澳門(續)*

本年度之租金開支增加五仟三佰萬港元，主要為新旗艦店租金支出，及現有租約租金上升所致。

資本性開支為四仟四佰萬港元，用作店舖裝修及重整後勤辦公室之用。

#### *中國內地*

內地分店對集團營業額的貢獻上升47%至約十五億港元，佔珠寶零售總營業額28%。二零零七年度之佔比為25%，二零零六年度為18%。

同店營業額增長為27%。北京、上海、廣州、西安及福州眾城市之分店表現出色，繼續成為最佳表現之分店。

年內共有十七家分店開業，包括一家於北京三里屯Village的旗艦店，令年底分店數目增至一百二十家。

雖然珠寶鑲嵌飾品的營業額增加19%，但整體營業額佔比卻遜於黃金飾品。二零零八年下半年的經濟陰霾降低消費者對珠寶鑲嵌飾品的興趣，而黃鉑金價格下跌令消費者轉購黃鉑金飾品。

年內資本性開支達五仟二佰萬港元，大部分用作新店裝修之用。由於北京旗艦店面積廣，且為內地首家旗艦店，故資本投放較多。

#### *台灣*

全年營業額為七仟八佰萬港元，相等於珠寶零售總營業額2%。

年內，貨品策略的調整增加珠寶鑲嵌飾品的銷售及改善毛利率。於年底共有廿一家分店，較上年度增加兩家。

新政府執政後經濟並無顯著改善，在全球危機中將更難改善經濟。大眾關注貪污舞弊案引起的政治對立狀況。市面消費意欲仍然疲弱。

## MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Wholesale of Precious Metals

Turnover for the year increased by 22% to HK\$4,357 million. Operating profits remained steady at HK\$13 million.

There had been dramatic ups and downs in the prices of gold and platinum during the year. In weight terms trading in gold went up 20% and platinum down 37%.

The business continues to be run on a low-margin, risk-controlled model.

### Securities and Futures Broking

The Hang Seng Index peaked at 31,958 in October 2007 but by the end of 2008 it was at 14,387. Daily average market turnover went down 18% from 2007.

Turnover for Chow Sang Sang Securities Limited retreated by 48% to HK\$32 billion. Financing for clients was facilitated in 30 Initial Public Offerings ("IPOs") as compared to 82 in 2007. Even with so few IPOs, demand for financing from retail investors was halved.

Commission income dropped to HK\$70 million, yielding operating profits of HK\$27 million, a 74% decrease from 2007.

### Investments

#### *Properties*

The Group holds properties mainly for its own use as offices, jewellery shops and factory premises. For investment properties, rental income amounted to HK\$10 million, less than 1% of the Group's overall turnover.

#### *Shares in Hong Kong Exchanges and Clearing Limited*

Shares in Hong Kong Exchanges and Clearing Limited ("HKEC"), received as a distribution from the merger of the stock and futures exchanges in 2000, are being held by the Group as available-for-sale investments. As at 1 January 2008 and 31 December 2008, the Group held 4,953,500 shares of HKEC and the unrealized gain on the holding amounted to HK\$364 million (2007: HK\$1,093 million). There is no plan to dispose of part or all the shares.

### 貴金屬批發

全年營業額上升22%至四十三億五千多萬港元。經營溢利一仟三百萬港元，保持穩定。

年內黃金及鉑金價格出現急劇的起跌。以交易量計算，黃金上升20%，鉑金則下跌37%。

此項業務繼續以低利潤及風險受監控的模式營運。

### 證券及期貨經紀

恒生指數於二零零七年十月攀至最高峰的31,958點，但二零零八年年底已回落至14,387點。市場每天平均成交額較二零零七年減少18%。

周生生證券有限公司成交額縮減48%至三百二十億港元。二零零七年向客戶提供首次公開招股融資的借貸共八十二項，本年只有三十項。雖然首次公開招股項目銳減，散戶投資者對融資的需求只減半。

佣金收入下跌至七仟萬港元，經營溢利為二仟七百萬港元，較二零零七年減少74%。

### 投資

#### *物業*

本集團持有之物業大部分自用為辦公室、珠寶店及廠房。投資物業帶來之租金收入約為一仟萬港元，佔本集團總營業額少於1%。

#### *香港交易及結算所有限公司股份*

於二零零零年證券及期貨交易所合併而獲分配之香港交易及結算所有限公司(「港交所」)股份，本集團持有作可供出售投資。於二零零八年一月一日及二零零八年十二月三十一日，本集團持有四百九十五萬三千五百股港交所股份，未變現收益為三億六仟四百萬港元(二零零七年：十億九仟三百萬港元)。本集團並無計劃出售此等股份之部分或全部。

### Finance

#### *Financial Position and Liquidity*

The Group centralizes funding for all its operations through the corporate treasury based in Hong Kong, which is also given the management of the Group's gold and foreign exchange holdings. This policy achieves better control of treasury operations and lower average cost of funds. As at 31 December 2008, the Group had cash and cash equivalents of HK\$145 million, and total undrawn bank loans and other credit facilities of approximately HK\$1,178 million. The Group generates strong recurring cashflow from its jewellery business.

As far as possible banking facilities are obtained on an unsecured basis. Total borrowing as at 31 December 2008 amounted to HK\$389 million. Expressing this as a percentage of total shareholder's equity of HK\$3,207 million, it means that the Group has a low gearing ratio of 12%. As at 31 December 2008, the current ratio stood at a healthy level of 3. Most of the cash is deposited with leading banks in either HK dollar or Renminbi ("RMB").

The Group is aware that reliance on short-term loans exposes the Group to the risk of shortage of facilities. The Group mitigates the risk by establishing good working relationships with a multitude of lending banks. Conversion into longer-term loans will be seriously considered when the money market condition turns more favourable.

#### *Foreign Exchange Risk Management*

The Group considers its foreign currency exposure insignificant. The Group has exposure in RMB, New Taiwan dollar, Euro and Japanese Yen. Currency risks are managed by partly financing non-Hong Kong dollar assets with loans denominated in the relevant currency. As at 31 December 2008, total foreign currency borrowing excluding RMB amounted to approximately HK\$16 million (2007: HK\$8 million). RMB borrowings at year end amounted to RMB256 million (2007: RMB219 million) and are used for the operations in Mainland China. Most of the Group's assets and liabilities, revenues and expenses are denominated in HK dollar, RMB and US dollar.

#### *Charge on Assets*

As at 31 December 2008, certain items of properties of the Group with a net carrying value of HK\$135 million (2007: HK\$155 million), and listed equity investments of HK\$74 million (2007: HK\$221 million) were pledged to secure banking facilities granted to certain subsidiaries of the Company.

### 財務

#### *財務狀況及流動資金*

本集團營運資金集中由香港總公司財政部門統籌，該部門亦負責管理本集團持有之黃金及外匯。此政策可更有效監控各項營運現金流，減低平均融資成本。於二零零八年十二月三十一日，本集團之現金及等同現金為一億四千五百萬港元，未動用之銀行及其他信貸額約為十一億七千多萬港元。本集團珠寶業務提供龐大的經常性現金流。

本集團政策盡量以無抵押方式取得銀行融資，並維持低資本負債比率。於二零零八年十二月三十一日，總借貸為三億八千九百萬港元，以此比對股東權益三十二億港元計，資本負債比率為12%。於二零零八年十二月三十一日，流動比率維持在3的健康水平。大部分現金以港元或人民幣存於具領導地位的銀行。

本集團明瞭依靠短期借貸會增加集團融資短缺的風險。為減低風險，本集團與眾多提供融資的銀行建立良好伙伴關係。當資金市場情況轉為有利時，集團會審慎考慮增加較長期借貸。

#### *外匯風險管理*

本集團外匯風險不高。風險主要來自人民幣、新台幣、歐羅及日元。集團管理外匯風險方法是以外幣債務為手上同幣資產融資。於二零零八年十二月三十一日，不計人民幣之外幣借款約為一仟六百萬港元(二零零七年：八百萬港元)。於年底，人民幣借款為二億五千六百萬元人民幣(二零零七年：二億一仟九百萬元人民幣)，用於營運中國內地業務。本集團大部分資產及負債、收入及支出以港元、人民幣及美元結算。

#### *資產抵押*

於二零零八年十二月三十一日，本集團以賬面淨值一億三千五百萬港元(二零零七年：一億五千五百萬港元)的若干物業及七仟四百萬港元(二零零七年：二億二仟一佰萬港元)的上市股份投資作為本公司若干附屬公司取得銀行信貸之抵押。

## MANAGEMENT DISCUSSION AND ANALYSIS

### Human Resources

At the end of 2008 the Group had 3,594 employees, 61% of whom were in Mainland China. More than 97% of the staff were employed in jewellery retail and manufacture.

Aside from basic salary, employees are rewarded with performance-based bonuses. Fringe benefits such as paid vacation leave, insurance are commensurate with local practices and legal requirements. Individual performance is assessed annually within a uniform framework, which is applied to all territories and is based on openness and objectiveness. It is the Group's policy to abide with best practice principles, to hire the most suitable person for the job with competitive emoluments and to motivate staff with incentives and positive reinforcement.

The Group conducts training both in Hong Kong and in the Mainland, using in-house and external resources as appropriate. Programmes are offered on a variety of subjects, falling mainly into the categories of sales skills and management technique, and pitched at different levels of prior experience and expertise.

### Outlook

Little need be added to the plethora of commentary and forecast on the economic downturn. Suffice it to say that in light of the widespread perceived reduction in wealth and rising unemployment, the Group has taken defensive measures.

Since the last quarter of 2008, purchase of polished diamond has been trimmed down in order to control the inventory. The intake of rough diamonds likewise has been reduced. In the months ahead, all types of inventory will be closely monitored and kept to the lowest level that is commensurate with sales.

The mix of merchandise has been adjusted to reflect the changing patterns of spending by consumers in the economic gloom: more lower priced items of gem-set jewellery are being offered, as are choices in gold and platinum jewellery.

The reconfiguring of the store network in Hong Kong has been completed, and no expansion is envisaged in the territory. Save for a long-awaited refitting out of the Main Store at 229 Nathan Road, there would be no major capital works during 2009. For Macau and Taiwan, there are also no additional stores being planned.

In Beijing, the store in Sanlitun, in an iconic "brand tower", was officially opened in February. Attended by our business partners from different parts of the country and from overseas, the ceremony, but more so the store itself, made a strong impression on guests and media alike. The event made a strong and clear statement of Chow Sang Sang's positioning and direction.

## 管理層討論及分析

### 人力資源

於二零零八年年底，本集團共有三仟五百九十四位僱員，其中61%為內地員工。超過97%員工受僱於珠寶零售及製造業務。

除基本薪酬外，員工可獲按表現為分發基準之花紅。附加福利如有薪年假及保險等，乃依照每地價例及法規要求提供。各地區員工的個人表現每年按集團訂定的統一標準進行評核，這套標準以開放及客觀的原則訂定。本集團一貫以業內典範為標準，用最具有競爭力的薪酬待遇聘請適合的人材，並以獎勵及正面方式推動員工士氣。

本集團以內部及外界資源在香港及內地提供適當的培訓。培訓課程包括不同項目，主要為銷售及管理技巧，並針對員工不同程度的經驗和專長製訂培訓內容。

### 展望

有關經濟衰退的評論及預測已充斥每一角落，面對普羅大眾財富減少及失業率上升的情況，集團已啟動相應措施。

集團從二零零八年第四季為控制存貨量，開始減少購入已打磨成品鑽；鑽石毛坯的採購量亦相應降低。未來數月，集團將密切監控所有貨品的存量，於顧及銷售的同時，將之降至可行的最低水平。

集團已調整銷售產品組合以配合消費者因經濟前景黯淡而改變的消費模式：推出更多售價較低的珠寶鑲嵌飾品，及提供更多黃金及鉑金飾品以供選擇。

集團已完成重整香港的銷售網絡，暫無擴充計劃。除了籌劃已久重裝位於彌敦道二二九號總行的工程外，二零零九年並無其他重大重裝工程。集團亦無計劃在澳門及台灣增設新店。

以形象鮮明「品牌大樓」為標誌的北京三里屯分店，已於二月正式開幕。開幕儀式獲得內地各區及海外商業伙伴一同參與，此項儀式及該店的設計讓嘉賓及媒體留下深刻印象。這次活動清晰確立了周生生的定位及發展方向。



## MANAGEMENT DISCUSSION AND ANALYSIS

### Outlook (continued)

In other cities like Shanghai, Harbin and Chengdu, more new stores are on the drawing board. We believe that being able to expand our network in the Mainland sends out an important message of our commitment and staying power to consumers.

It may be a time to “go back to the basics” after the excesses of the mid-decade years, but there is still opportunity for rational and judicious expansion. The Group is mindful that in the near term sales will be harder to make, banking facilities may become scarce, and that it is absolutely necessary to control expenditure and to husband resources to continue building up the retail network on the Mainland.

## 管理層討論及分析

### 展望(續)

集團計劃在其他城市如上海、哈爾濱及成都增設新店。集團相信，持續擴充內地銷售網絡已向消費者傳遞集團對發展內地業務之承諾及決心的重要訊息。

經過過去五年的不斷增長，現在或許是「回到基本」鞏固業務的時候，但集團仍會抓緊機會，作合理而明智的擴展。短期內面對銷售困難及銀行可能收緊借貸的挑戰，必須控制支出及有效運用資源，以維持拓展內地零售網絡。

## REPORT OF THE DIRECTORS

The Directors present their report and the audited financial statements of the Company and the Group for the year ended 31 December 2008.

### Principal Activities

The Group's principal activities remained unchanged during the year and consisted of the manufacture and retail of jewellery, wholesale of precious metals, and securities, futures and commodities broking.

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

### Results and Dividends

The Group's profit for the year ended 31 December 2008 and the state of affairs of the Company and the Group as at that date are set out in the financial statements on pages 33 to 114.

An interim dividend of HK8.0 cents per ordinary share was paid on 25 September 2008. The Directors recommend the payment of a final dividend of HK23.0 cents per ordinary share in respect of the year to shareholders whose names appear on the register of members on 2 June 2009. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the equity section of the balance sheet.

### Summary Financial Information

A summary of the published results for the year and of the assets, liabilities and minority interests of the Group as at 31 December 2008 and for the last seven financial years, as extracted from the audited financial statements and reclassified as appropriate, is set out below. This summary does not form part of the audited financial statements.

## 董事會報告

董事會謹此呈交截至二零零八年十二月三十一日止年度之報告及本公司與本集團之經審核財務報告。

### 主要業務

年內本集團之主要業務維持不變，包括珠寶製造及零售、貴金屬批發及證券、期貨及商品經紀。

本公司之主要業務為投資控股。附屬公司之主要業務詳載於財務報告附註18。

### 業績及股息

本集團截至二零零八年十二月三十一日止年度之溢利及本公司與本集團於該日之財政狀況載於財務報告第33至114頁內。

本公司於二零零八年九月二十五日派發中期股息每普通股8.0港仙。董事建議派發本年度末期股息每普通股23.0港仙予名列於二零零九年六月二日股東名冊上之股東。此項建議已納入財務報告中資產負債表內權益項下作保留溢利之分配。

### 財務資料摘要

下列為本集團截至二零零八年十二月三十一日及過去七個財政年度之已公布業績、資產、負債及少數股東權益之摘要，該等資料摘錄自經審核之財務報告，並已適當地重新分類。此摘要不構成經審核財務報告之一部分。

## Summary Financial Information (continued)

## 財務資料摘要(續)

Results 業績		Year ended 31 December 截至十二月三十一日止年度							
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元	2003 HK\$'000 千港元	2002 HK\$'000 千港元	2001 HK\$'000 千港元
Turnover	營業額								
Jewellery retail	珠寶零售	5,359,129	4,119,165	2,785,254	2,380,503	2,247,058	1,820,295	1,850,771	1,791,673
Other businesses	其他業務	4,522,376	3,754,418	4,196,226	3,380,151	4,770,033	4,508,114	2,966,788	2,894,557
		<b>9,881,505</b>	<b>7,873,583</b>	<b>6,981,480</b>	<b>5,760,654</b>	<b>7,017,091</b>	<b>6,328,409</b>	<b>4,817,559</b>	<b>4,686,230</b>
Operating profit	經營溢利	595,241	644,660	366,696	216,892	238,544	151,786	80,661	8,084
Share of profits and losses of associates	應佔聯營公司溢利及虧損	(420)	773	1,200	165	2,317	410	143	670
Profit before tax	除稅前溢利	594,821	645,433	367,896	217,057	240,861	152,196	80,804	8,754
Tax	稅項	(112,036)	(110,851)	(61,395)	(26,670)	(37,200)	(35,593)	(18,805)	(5,080)
Profit for the year	本年度溢利	<b>482,785</b>	<b>534,582</b>	<b>306,501</b>	<b>190,387</b>	<b>203,661</b>	<b>116,603</b>	<b>61,999</b>	<b>3,674</b>
Attributable to:	應佔溢利:								
Shareholders of the Company	本公司股東	470,791	516,278	296,838	187,330	200,888	115,655	62,251	3,690
Minority interests	少數股東權益	11,994	18,304	9,663	3,057	2,773	948	(252)	(16)
		<b>482,785</b>	<b>534,582</b>	<b>306,501</b>	<b>190,387</b>	<b>203,661</b>	<b>116,603</b>	<b>61,999</b>	<b>3,674</b>
<b>Assets, Liabilities and Minority Interests</b>		<b>As at 31 December</b>							
資產、負債及少數股東權益		於十二月三十一日							
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元	2003 HK\$'000 千港元	2002 HK\$'000 千港元	2001 HK\$'000 千港元
Total assets	總資產	4,464,843	5,086,561	3,600,101	2,666,365	2,616,514	2,364,341	2,151,295	2,026,756
Total liabilities	總負債	(1,205,696)	(1,395,864)	(997,974)	(540,306)	(636,911)	(503,228)	(447,382)	(351,232)
Minority interests	少數股東權益	(52,303)	(56,428)	(44,486)	(33,600)	(18,799)	(16,582)	(13,519)	(8,492)
		<b>3,206,844</b>	<b>3,634,269</b>	<b>2,557,641</b>	<b>2,092,459</b>	<b>1,960,804</b>	<b>1,844,531</b>	<b>1,690,394</b>	<b>1,667,032</b>

## REPORT OF THE DIRECTORS

### Charitable Contributions

During the year, the Group made charitable contributions totalling HK\$2,832,000.

### Property, Plant and Equipment and Investment Properties

Details of movements in the property, plant and equipment and investment properties of the Group during the year are set out in notes 14 and 15 to the financial statements, respectively. Further details of the Group's properties are set out on pages 115 and 116 of this annual report.

### Share Capital

There were no movements in either the Company's authorized or issued share capital during the year.

### Pre-emptive Rights

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

### Purchase, Redemption or Sale of Listed Securities of the Company

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

### Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 31(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

### Distributable Reserves

As at 31 December 2008, the Company's reserves available for distribution, calculated in accordance with the provisions of the Bermuda Companies Act 1981, amounted to HK\$1,232,486,000, of which HK\$138,442,000 has been proposed as a final dividend for the year.

### Major Customers and Suppliers

In the year under review, sales to the Group's five largest customers accounted for less than 30% of the total sales for the year. Purchases from the Group's five largest suppliers accounted for 36% of the total purchases for the year and purchases from the largest supplier included therein accounted for 9%.

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

## 董事會報告

### 慈善捐款

年內本集團之慈善捐款共2,832,000港元。

### 物業、機器及設備及投資物業

年內本集團之物業、機器及設備及投資物業之變動詳情分別載於財務報告附註14及15。本集團物業之進一步詳情載於本年報第115及116頁內。

### 股本

年內本公司之法定或已發行股本並無變動。

### 優先購股權

本公司附例或百慕達法例並無規定本公司必須向現有股東按持股比例提呈新股之優先購股權之條款。

### 購買、贖回或出售本公司之上市證券

年內本公司或其任何附屬公司概無購買、贖回或出售任何本公司之上市證券。

### 儲備

年內本公司及本集團之儲備變動詳情分別載於財務報告附註31(b)及綜合權益變動表內。

### 可分派儲備

於二零零八年十二月三十一日，本公司根據百慕達一九八一年公司法條文計算之可分派儲備達1,232,486,000港元，其中138,442,000港元擬派發為本年度之末期股息。

### 主要客戶及供應商

於本回顧年度，本集團五大客戶所佔銷售額佔全年總銷售額少於30%。本集團五大供應商所佔採購額佔全年總採購額36%，當中包括最大供應商所佔採購額達9%。

本公司各董事或其任何聯繫人士或任何股東(就董事所深知，擁有本公司已發行股本5%以上)概無擁有本集團五大供應商之任何實益權益。

## REPORT OF THE DIRECTORS

### Directors

The Directors of the Company during the year were:

#### *Executive Directors:*

Dr. CHOW Kwen Lim  
Mr. Vincent CHOW Wing Shing  
Dr. Gerald CHOW King Sing  
Mr. Winston CHOW Wun Sing

#### *Non-executive Directors:*

Mr. CHOW Kwen Ling  
Dr. CHAN Bing Fun\*  
Mr. Stephen TING Leung Huel  
Mr. CHUNG Pui Lam  
Mr. LEE Ka Lun\*  
Mr. LO King Man\*

\* *Independent Non-executive Directors*

In accordance with the Company's bye-laws, Dr. CHOW Kwen Lim, Mr. Vincent CHOW Wing Shing, Dr. CHAN Bing Fun and Mr. CHUNG Pui Lam will retire by rotation at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election.

### Directors' and Senior Management's Biographies

Biographical details of the Directors and senior management of the Company up to the date of this report are set out on pages 4 to 7 of this annual report.

### Directors' Service Contracts

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

### Directors' Interests in Contracts

Save as detailed in note 36 to the financial statements, no Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

## 董事會報告

### 董事

年內本公司之董事如下：

#### *執行董事：*

周君廉博士  
周永成先生  
周敬成醫生  
周允成先生

#### *非執行董事：*

周君令先生  
陳炳勳醫生\*  
丁良輝先生  
鍾沛林先生  
李家麟先生\*  
盧景文先生\*

\* *獨立非執行董事*

根據本公司附例，周君廉博士、周永成先生、陳炳勳醫生及鍾沛林先生將於即將舉行之股東週年大會上輪席退任，四位均願膺選連任。

### 董事及高級管理人員履歷

本公司董事及高級管理人員截至本報告日之履歷詳情載於本年報第4至7頁內。

### 董事之服務合約

於即將舉行之股東週年大會上建議連任之董事，其與本公司訂立之服務合約概可於一年內為本公司終止，本公司就此無須支付法定賠償以外之補償。

### 董事於合約之權益

年內，除財務報告附註36所詳述外，各董事概無於本公司或其任何附屬公司所訂立任何對本集團業務重要之合約中直接或間接擁有重大權益。

**Directors' Interests in Shares**

As at 31 December 2008, the interests of the Directors in the issued share capital of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

**Long positions:**

Name of Directors	Number of shares held 持股數目					Total	Percentage of the Company's issued share capital 佔本公司 已發行股本 百分比
	Personal interest	Family interest	Corporate interest	Trustee interest			
董事姓名	個人權益	家屬權益	公司權益	信託人權益	總數		
Mr. CHOW Kwen Ling 周君令先生	-	-	53,909,932 <sup>(1)</sup>	-	53,909,932	8.96	
Dr. CHOW Kwen Lim 周君康博士	-	-	-	137,591,595 <sup>(2)</sup>	137,591,595	22.86	
Dr. CHAN Bing Fun 陳炳勳醫生	1,320,000	-	-	-	1,320,000	0.22	
Mr. Vincent CHOW Wing Shing 周永成先生	-	-	-	137,591,595 <sup>(2)</sup>	137,591,595	22.86	
Dr. Gerald CHOW King Sing 周敬成醫生	19,711,680	70,398 <sup>(3)</sup>	21,000,000 <sup>(3)</sup>	42,000,000 <sup>(3)</sup>	82,782,078	13.75	
Mr. Winston CHOW Wun Sing 周允成先生	7,681,104	52,800 <sup>(3)</sup>	-	74,616,000 <sup>(3)</sup>	82,349,904	13.68	

Please refer to the explanatory notes in the section headed "Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares".

**董事於股份之權益**

於二零零八年十二月三十一日，按《證券及期貨條例》第352條本公司須予保存之名冊內所記錄，或根據上市公司董事進行證券交易的標準守則（「標準守則」）必須向本公司及香港聯合交易所有限公司（「聯交所」）具報之權益，各董事於本公司或其相聯法團（定義見《證券及期貨條例》第XV部）已發行股本中之權益如下：

**好倉：**

請參考「主要股東及其他人士於股份及相關股份之權益」一節之附註解釋。

Save as disclosed above, as at 31 December 2008, none of the Directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文披露外，於二零零八年十二月三十一日，各董事概無於本公司或其任何相聯法團股份、相關股份或債券中擁有根據《證券及期貨條例》第352條規定須予以記錄或根據標準守則必須向本公司及聯交所具報之權益或淡倉。

**Directors' Rights to Acquire Shares or Debentures**

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

**董事購買股份或債券之權利**

本公司於年內任何時間概無授予任何董事或其各自之配偶或年幼子女可購入本公司股份或債券而獲益之權利；或由彼等行使任何該等權利；或由本公司或其任何附屬公司安排致令董事可於任何其他法人團體獲得該等權利。

**Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares**

As at 31 December 2008, the interests of those persons in the issued share capital of the Company as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

**Long positions:**

Name	Capacity	Number of shares held	Percentage of the Company's issued share capital
名稱	身份	持股數目	佔本公司已發行股本百分比
Everwin Company Limited	Beneficial Owner 實益持有人	120,000,000 <sup>(2)</sup>	19.94
Happy Inc.	Beneficial Owner 實益持有人	66,000,000	10.96
Happy Family Limited 快樂家庭有限公司	Beneficial Owner 實益持有人	53,609,932 <sup>(1)</sup>	8.91
Top Fit Investments Limited	Beneficial Owner 實益持有人	42,000,000 <sup>(3)</sup>	6.98
Value Partners Limited	Investment Manager 投資管理人	41,750,000 <sup>(4)</sup>	6.93
CWS Holdings Limited	Beneficial Owner 實益持有人	32,616,000 <sup>(3)</sup>	5.42

*Notes:*

- (1) 53,909,932 shares in the Company were held by Happy Family Limited, in which Mr. CHOW Kwen Ling and his spouse owned 40% of the equity interest. Mr. CHOW Kwen Ling and his spouse were deemed to have interests in the 53,909,932 shares in the Company. The difference in the number of shares reported by Mr. CHOW Kwen Ling and Happy Family Limited, being 300,000 shares, was due to the acquisition of the said shares by Happy Family Limited not constituting a whole number percentage change of interest and therefore was not subject to notification under the SFO.
- (2) 137,591,595 shares in the Company were held by a discretionary trust of which Dr. CHOW Kwen Lim and Mr. Vincent CHOW Wing Shing were among the beneficiaries. The trustee of the trust was Cititrust (Cayman) Limited, which held the interests in the Company through the following companies:

*Name of companies*  
公司名稱

Everwin Company Limited  
Golden Court Limited

*No. of shares held*  
持股數目

120,000,000  
17,591,595

Accordingly, Cititrust (Cayman) Limited was deemed to have interest in the 137,591,595 shares. Dr. CHOW Kwen Lim and Mr. Vincent CHOW Wing Shing, and their respective spouse, were deemed to have interests in the 137,591,595 shares in the Company.

**主要股東及其他人士於股份及相關股份之權益**

於二零零八年十二月三十一日，根據《證券及期貨條例》第336條，本公司須予保存之權益名冊記錄內擁有本公司已發行股本人士之權益如下：

**好倉：**

Number of shares held	Percentage of the Company's issued share capital
持股數目	佔本公司已發行股本百分比
120,000,000 <sup>(2)</sup>	19.94
66,000,000	10.96
53,609,932 <sup>(1)</sup>	8.91
42,000,000 <sup>(3)</sup>	6.98
41,750,000 <sup>(4)</sup>	6.93
32,616,000 <sup>(3)</sup>	5.42

*附註：*

- (1) 快樂家庭有限公司擁有本公司53,909,932股股份，周君令先生及其配偶合共擁有快樂家庭有限公司40%之股本權益。周君令先生及其配偶被視為擁有本公司53,909,932股股份權益。周君令先生與快樂家庭有限公司所呈報之股份數目相差300,000股，乃由於快樂家庭有限公司購入該等股份時，並不構成權益整數百分比變動，故根據《證券及期貨條例》，無須作出具報。
- (2) 一項全權信託擁有本公司137,591,595股股份，周君廉博士及周永成先生為其中受益人。Cititrust (Cayman) Limited為該信託之信託人，其透過下列公司擁有本公司之權益：

因此，Cititrust (Cayman) Limited被視為擁有137,591,595股股份權益。周君廉博士及周永成先生以及彼等各自之配偶均被視為擁有本公司137,591,595股股份權益。

**Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares (continued)**

- (3) 70,398 shares and 52,800 shares in the Company were held by the respective spouse of Dr. Gerald CHOW King Sing and Mr. Winston CHOW Wun Sing.

21,000,000 shares in the Company were held by Speed Star Holdings Limited, a company beneficially owned by Dr. Gerald CHOW King Sing and his spouse.

42,000,000 shares in the Company were held by Top Fit Investments Limited, a company beneficially owned by a discretionary trust of which Dr. Gerald CHOW King Sing and Mr. Winston CHOW Wun Sing were the beneficiaries. The trustee of the trust was HSBC Trustee (Cook Islands) Limited and, accordingly, it was deemed to have interests in the 42,000,000 shares in the Company.

32,616,000 shares in the Company were held by CWS Holdings Limited, a company beneficially owned by a discretionary trust of which Mr. Winston CHOW Wun Sing is the founder and one of the beneficiaries. The trustee of the trust was UBS TC (Jersey) Ltd. and, accordingly, it was deemed to have interest in the 32,616,000 shares in the Company.

Accordingly, Dr. Gerald CHOW King Sing and his spouse were deemed to have interests in the 63,070,398 shares and 82,711,680 shares in the Company, respectively. Mr. Winston CHOW Wun Sing and his spouse were deemed to have interests in the 74,668,800 shares and 82,297,104 shares in the Company, respectively.

- (4) 41,750,000 shares in the Company were held by a discretionary trust of which Mr. CHEAH Cheng Hye is the founder. The trustee of the trust was Hang Seng Bank Trustee International Limited ("HSB"), which held the interests in the Company through its indirect control over Value Partners Limited.

Value Partners Limited is 100% controlled by Value Partners Group Limited ("VPGL"), which in turn is a 35.65%-controlled company of Cheah Capital Management Limited ("CCML"). CCML is 100% controlled by Cheah Company Limited ("CCL"), which in turn is a 100%-controlled company of HSB.

Accordingly, Mr. CHEAH Cheng Hye, his spouse, HSB, VPGL, CCML and CCL were interested in the 41,750,000 shares in the Company.

Save as disclosed above, as at 31 December 2008, no person, other than the Directors of the Company whose interests are set out in the section "Directors' Interests in Shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

**主要股東及其他人士於股份及相關股份之權益(續)**

- (3) 周敬成醫生及周允成先生各自之配偶分別擁有本公司70,398股及52,800股股份。

Speed Star Holdings Limited擁有本公司21,000,000股股份，該公司由周敬成醫生及其配偶實益擁有。

Top Fit Investments Limited擁有本公司42,000,000股股份，該公司由一項全權信託實益擁有，周敬成醫生及周允成先生為該信託之受益人。HSBC Trustee (Cook Islands) Limited為該信託之信託人，因此被視為擁有本公司42,000,000股股份權益。

CWS Holdings Limited擁有本公司32,616,000股股份，該公司由一項全權信託實益擁有，周允成先生為該信託之成立人及其中一名受益人。UBS TC (Jersey) Ltd.為該信託之信託人，因此被視為擁有本公司32,616,000股股份權益。

因此，周敬成醫生及其配偶分別被視為擁有本公司63,070,398股及82,711,680股股份權益。周允成先生及其配偶分別被視為擁有本公司74,668,800股及82,297,104股股份權益。

- (4) 一項全權信託擁有本公司41,750,000股股份，謝清海先生為該信託之成立人。Hang Seng Bank Trustee International Limited (「HSB」)為該信託之信託人，透過間接控制Value Partners Limited擁有本公司之權益。

Value Partners Limited由Value Partners Group Limited (「VPGL」)全權控制，VPGL則為Cheah Capital Management Limited (「CCML」)擁有35.65%控制權之公司。CCML由Cheah Company Limited (「CCL」)全權控制，而CCL則為HSB全權控制之公司。

因此，謝清海先生、其配偶、HSB、VPGL、CCML及CCL被視為擁有本公司41,750,000股股份權益。

除上文披露外，於二零零八年十二月三十一日，除以上「董事於股份之權益」一節所載擁有權益之本公司董事外，並無其他人士於本公司股份或相關股份中登記持有根據《證券及期貨條例》第336條須予記錄之權益或淡倉。



### Connected Transactions

Connected transactions, which also constitute continuing connected transactions as defined in Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange, undertaken by the Group during the year are set out in note 36 to the financial statements.

The Independent Non-executive Directors have reviewed and confirmed that the relevant continuing connected transactions had been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and
- (iii) in accordance with the relevant agreements governing the transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company have reviewed the continuing connected transactions during the year as set out in note 36(a)(ii) and (iii) to the financial statements and confirmed that these transactions:

- (i) were approved by the Board of Directors of the Company;
- (ii) where applicable, were in accordance with the pricing policies of the Company;
- (iii) had been entered into in accordance with the relevant agreements governing the transactions\*<sup>1</sup>; and
- (iv) have not exceeded the caps or revised cap stated in the relevant announcements.

\* The transactions were reviewed on a sample basis by virtue of the vast numbers of transactions pertaining to the related agreements thereto.

### Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float throughout the year and up to the date of this report.

### Auditors

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

**CHOW Kwen Lim**  
Chairman

Hong Kong  
31 March 2009

### 關連交易

年內本集團所進行之關連交易及按聯交所證券上市規則第十四A章定義而構成之持續關連交易，載於財務報告附註36。

獨立非執行董事已審閱及確認有關持續關連交易：

- (i) 為本集團之日常業務；
- (ii) 按照一般商業條款，或對本集團而言不遜於獨立第三者可取得或提供之條款；及
- (iii) 按有關協議條款進行交易，而交易條款屬公平及合理，並且符合本公司股東之整體利益。

本公司之核數師已審閱載於財務報告附註36(a)(ii)及(iii)之年內持續關連交易，並確認此等交易：

- (i) 已獲本公司董事會批准；
- (ii) 如適用，符合本公司之價格政策；
- (iii) 乃按有關交易之協議條款進行\*<sup>1</sup>；及
- (iv) 並無超逾相關公告內所述之上限或經修訂上限。

\* 由於就相關協議之交易數量龐大，故交易乃按抽樣基準進行審閱。

### 足夠公眾持股量

本公司根據公開資料及就董事所知，於年內及截至本報告日，本公司一直維持足夠公眾持股量。

### 核數師

安永會計師事務所任滿退任，有關膺聘其續任本公司核數師之決議案將於即將舉行之股東週年大會上提呈。

承董事會命

主席  
周君廉

香港  
二零零九年三月三十一日

### Corporate Governance Practices

The Group recognizes the importance of transparency and accountability to stakeholders and believes that good corporate governance is essential. The Board will continually review and enhance its corporate governance practices to ensure that they meet stakeholders' expectation and comply with relevant standards.

The Company has complied with the Code on Corporate Governance Practices as set out in the Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") for the financial year ended 31 December 2008.

### The Board

#### *Board composition*

The Board comprises four Executive Directors ("ED"), three Non-executive Directors ("NED") and three Independent Non-executive Directors ("INED").

#### *Chairman and Group General Manager*

The Chairman ensures the Board functions properly, with good corporate governance practices and procedures, and the Group General Manager leads the management in the daily operation of the Group. For the year under review, Dr. CHOW Kwen Lim and Mr. Vincent CHOW Wing Shing continued to hold the positions as the Group's Chairman and Group General Manager, respectively.

#### *Independence of Directors*

Save for the family relationships disclosed in the biographical details set out on pages 4 to 6 of this annual report, the Directors do not have material financial, business or other relationships with one another.

The Company has received from each INED written annual confirmation of their independence as required under the Listing Rules and therefore considers all INEDs to be independent.

#### *Re-election of Directors*

All Directors are subject to re-election by shareholders at the annual general meeting ("AGM") at least once every three years on a rotational basis. All NEDs and INEDs are appointed for specific terms of three years.

Four Directors, namely Dr. CHOW Kwen Lim, Mr. Vincent CHOW Wing Shing, Dr. CHAN Bing Fun and Mr. CHUNG Pui Lam will retire at the conclusion of the forthcoming AGM and all of them are eligible for re-election. Details of these Directors who are seeking re-election at the forthcoming AGM are set out in the shareholders' circular dated 23 April 2009.

### 企業管治常規

本集團確認透明度及問責對各界相關人士之重要性，並相信具備良好企業管治是必要的。董事會將繼續檢討及提升其企業管治常規，以確保符合各界相關人士之期望及遵守有關標準。

於截至二零零八年十二月三十一日止財政年度內，本公司已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。

### 董事會

#### *董事會組成*

董事會由四名執行董事、三名非執行董事及三名獨立非執行董事組成。

#### *主席及集團總經理*

主席確保董事會依循良好企業管治常規及程序履行職能；而集團總經理則領導管理層處理本集團之日常業務運作。於本回顧年度，周君廉博士及周永成先生分別繼續出任本集團之主席及集團總經理。

#### *董事獨立性*

除本年報第4至6頁所載履歷所披露之親屬關係外，董事之間概無重大財務、業務或其他關係。

本公司已收到各獨立非執行董事根據上市規則規定就其獨立性發出之年度確認書，因此確認所有獨立非執行董事均為獨立。

#### *董事重選*

所有董事均須最少每隔三年於股東週年大會上輪席退任，並由股東重選。所有非執行董事及獨立非執行董事之任期均為三年。

四名董事將於即將舉行之股東週年大會結束時退任，分別為周君廉博士、周永成先生、陳炳勳醫生及鍾沛林先生，彼等均符合資格膺選連任。此等於即將舉行之股東週年大會上尋求重選之董事之資料，載於二零零九年四月廿三日刊發之股東通函內。

### The Board (continued)

#### *Directors' liability insurance*

Appropriate liability insurance, the coverage of which is reviewed annually, has been arranged to indemnify the Directors' risk exposure arising out of corporate activities.

#### *Securities transactions*

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as the Company's code of conduct regarding Directors' securities transactions. Directors are reminded on a regular basis of their obligations under the Model Code.

Upon specific enquiries, all Directors confirmed their compliance with the required standard as set out in the Model Code for the year ended 31 December 2008.

Employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with written internal guidelines on no less exacting terms than the Model Code.

### Roles and Responsibilities of the Board

The Board assumes responsibility for leadership and control of the Group. It determines the overall strategic direction and management objectives, oversees significant operational and financial matters and ensures a framework of risk controls is in place.

The Company has provided to each Director a Directors' Manual, which includes the statutory obligations, duties and responsibilities for being a director. The Directors' Manual is updated from time to time to reflect the latest developments in those areas.

Internal guidelines with continuing updates in areas on the Company's and the Directors' obligations under the Listing Rules, and the latest development or material changes on ordinances, rules or regulations are provided to Directors from time to time.

The Board has delegated day-to-day operations to management, who is responsible for implementing the Group's business strategies and managing the daily business operations under the leadership of the Group General Manager and the Group Deputy General Manager, who are both EDs.

### 董事會(續)

#### *董事責任保險*

本公司已為董事購買適當責任保險，為彼等因集團業務而面對之風險提供賠償保障，而承保範圍會每年審閱。

#### *證券交易*

本公司已採納上市規則附錄十所載之上市公司董事進行證券交易的標準守則(「標準守則」)，作為本公司董事進行證券交易之行為守則。董事均定期獲提醒彼等根據標準守則須履行之責任。

經作出具體諮詢後，全體董事確認截至二零零八年十二月三十一日止年度彼等均遵守標準守則所載之規定標準。

可能擁有本集團尚未公布之股價敏感資料之員工，亦需遵守一套書面內部指引，其條款不比標準守則寬鬆。

### 董事會角色及責任

董事會負責領導及管控本集團。其釐定整體策略性方向、管理目標及監督重大運作及財務事宜，並確保本集團具備風險管控架構。

本公司已向各董事提供董事手冊，當中載有作為董事之法定責任、職務及職責。董事手冊會持續更新，以反映相關部分之最新資料。

載有本公司及董事根據上市規則之責任，以及條例、規則或法規之最新發展或重大變動之持續更新內部指引均不時予以編製並提供予董事。

董事會將日常運作授權予管理層負責，管理層在均為執行董事之集團總經理及集團副總經理領導下，負責執行本集團之業務策略及管理日常業務運作。

### Roles and Responsibilities of the Board (continued)

#### Management support

All Directors were kept informed on a timely basis of major changes that may have affected the Group's businesses. Comprehensive Board papers are prepared and distributed quarterly to Directors to keep them informed.

Directors have free access to management for additional information, as and when required and may solicit independent professional advice at the Company's expenses.

### Board Committees

The Board is supported by three committees, namely Audit Committee, Remuneration Committee and Nomination Committee.

#### Audit Committee

Its principal role is to monitor the integrity of the Group's financial statements, oversee the Group's financial reporting systems, internal control procedures and the relationship with the external auditors. Its members possess appropriate professional qualifications, accounting or management expertise as required under the Listing Rules.

In 2008, the Committee's review included the Group's accounting principles and practices, the development in accounting standards and the associated impacts on the Group, the risk management issues, the compliance and financial reporting matters, and the effectiveness of the Group's internal control system. The Committee discussed the above matters, where appropriate, with management and the external auditors.

#### Remuneration Committee

Its responsibilities include reviewing and making recommendations to the Board for approval on the remuneration policies and packages for Directors and senior management.

The remuneration of Directors consists of a basic annual fee with additional payments for serving on Committees. It is not set on an individual basis. EDs receive additional pay packages by virtue of their positions in management.

During the year, the Committee met twice to review the salaries of senior management, staff bonus scheme, as well as Directors' fee for the period October 2008 to September 2009.

#### Nomination Committee

Its responsibilities include periodic review of the constituency of the Board and make recommendations to the Board on the appointment of directors. Its aim is to ensure that the Board is appropriately constituted with a balance of knowledge, skills and experience. There was no nomination of directors during the year.

### 董事會角色及責任(續)

#### 管理層支援

所有董事均會適時獲知會可能影響本集團業務之重大變動。本公司每季度均編製及向各董事提供詳盡之董事會文件，以使彼等獲提供有關資料。

董事可隨時接觸管理層以取得額外資料，亦可尋求獨立專業意見，費用由本公司承擔。

### 董事委員會

董事會由三個委員會支援，分別為審核委員會、薪酬委員會及提名委員會。

#### 審核委員會

其主要角色為監察本集團財務報告完整性、監督本集團財務匯報制度、內部管控制程序及與外聘核數師之關係。委員會成員具備上市規則規定之合適專業資格、會計或管理專長。

於二零零八年，委員會已審閱本集團之會計原則及慣例、會計準則發展及對本集團之相關影響、風險管理事項、法規遵守及財務報告事宜，以及本集團內部管控制之有效性。委員會已適當地與管理層及外聘核數師討論上述事宜。

#### 薪酬委員會

其職責包括審閱董事及高級管理人員之薪酬政策及待遇組合，以及作出建議待董事會批核。

董事薪酬包括基本年度袍金及出任委員會成員之額外酬金，薪酬並非以個別董事釐定。執行董事會按彼等在管理層之職位而獲取額外薪酬待遇。

年內，委員會舉行兩次會議以審閱高級管理人員薪金、員工花紅計劃，以及二零零八年十月至二零零九年九月期間之董事袍金。

#### 提名委員會

其職責包括定期檢討董事會之組成，並就委任董事向董事會作出建議。委員會確保董事會能恰當地組合並擁有均衡知識技能及經驗。年內並無董事提名。

**Board and Committees meetings**

The attendance of individual Directors in Board and Committees meetings held in 2008 is set out below.

**董事會及委員會會議**

個別董事於二零零八年舉行之董事會及委員會會議之出席率載列如下。

Directors 董事		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
<b>No. of meetings held during the year</b>	<b>年內舉行會議次數</b>	4	2	2	0
<b>Executive Directors:</b>	<b>執行董事：</b>				
Dr. CHOW Kwen Lim <i>Chairman</i>	周君廉博士 <i>主席</i>	4/4	–	–	–
Mr. Vincent CHOW Wing Shing <i>Group General Manager</i>	周永成先生 <i>集團總經理</i>	4/4	–	–	–
Dr. Gerald CHOW King Sing	周敬成醫生	3/4	–	–	N/A
Mr. Winston CHOW Wun Sing <i>Group Deputy General Manager</i>	周允成先生 <i>集團副總經理</i>	4/4	–	–	–
<b>Non-executive Directors:</b>	<b>非執行董事：</b>				
Mr. CHOW Kwen Ling <i>Honorary Chairman</i>	周君令先生 <i>名譽董事長</i>	3/4	–	–	–
Mr. Stephen TING Leung Huel	丁良輝先生	4/4	2/2	2/2	–
Mr. CHUNG Pui Lam	鍾沛林先生	4/4	2/2	2/2	N/A
<b>Independent Non-executive Directors:</b>	<b>獨立非執行董事：</b>				
Mr. LEE Ka Lun <i>Chairman of the three Committees</i>	李家麟先生 <i>三個委員會之主席</i>	4/4	2/2	2/2	N/A
Dr. CHAN Bing Fun	陳炳勳醫生	4/4	2/2	2/2	N/A
Mr. LO King Man	盧景文先生	3/4	1/2	2/2	N/A
<b>Average attendance rate</b>	<b>平均出席率</b>	92.5%	90%	100%	N/A
<b>Date of meetings</b>	<b>會議日期</b>	04/02/2008 28/03/2008 10/07/2008 28/08/2008	26/03/2008 21/08/2008	26/03/2008 21/07/2008	N/A

– The Director is not a member  
N/A Not applicable

– 董事並非成員  
N/A 不適用

Directors who are considered having conflict of interests or material interests in proposed transactions or contemplated issues are required to abstain from voting on the relevant resolution.

若董事於擬進行交易或事項中存有利益衝突或擁有重大權益，其須就相關決議案放棄投票。

**Financial Reporting***Directors' responsibilities*

The Board of Directors, through its Audit Committee, oversees the preparation of the Group's financial statements, and after examination and approval, publishes them.

**財務匯報***董事責任*

董事會透過審核委員會監督本集團編製之財務報告，並於審閱及批准後刊發。

**Financial Reporting (continued)***External auditors*

The reporting responsibilities of the Group's independent external auditors, Ernst & Young, on the Group's financial statements are set out in the Independent Auditors' Report on pages 31 and 32 of this annual report.

The Board is satisfied with the audit fees, process and effectiveness of Ernst & Young and has recommended their reappointment as the Company's external auditors at the forthcoming AGM. The services provided by Ernst & Young and the associated fees thereof for 2008 were as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Audit	審計	2,457	2,432
Taxation	稅務	433	422
Others	其他	84	66
		<b>2,974</b>	<b>2,920</b>

**Internal Control**

The Board is responsible for ensuring that adequate internal controls are in place to safeguard the Group's assets and manage risks. Policies and procedures are designed for providing reasonable assurance against material misstatement or loss and managing risks of failure in operational systems and achievement of the Group's objectives.

*Major internal controls currently in place within the Group included the following:*

- An Internal Audit team, under the supervision of the Audit Committee, conducts regular audits of different aspects of the operations
- All inventory movements are properly recorded and reconciled, and verification and cross-checking with source documents procedures are in place
- Policies are set to cover the integrity of trading practices, safekeeping of customer assets, and credit control for the securities, futures and commodities broking business and wholesale of precious metals
- Major or material connected transactions of the Company require pre-approval of INEDs
- Business plans are prepared annually. Income and expenditure are subject to regular budgetary review
- Information access is managed on a need-to-know basis. Guidelines and procedures are in place to protect private information and to ensure the integrity of communication systems

**財務匯報(續)***外聘核數師*

本集團之獨立外聘核數師安永會計師事務所對本集團財務報告之申報責任載於本年報第31及32頁之獨立核數師報告內。

董事會信納安永會計師事務所之審計費用、審計過程及其有效性，並建議於即將舉行之股東週年大會上續聘其出任本公司之外聘核數師。安永會計師事務所於二零零八年提供之服務及其相關費用如下：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Audit	審計	2,457	2,432
Taxation	稅務	433	422
Others	其他	84	66
		<b>2,974</b>	<b>2,920</b>

**內部管控**

董事會負責確保本集團有足夠內部管控，以保障本集團資產及管理風險。政策及程序乃為重大誤報或損失提供合理保障，並管理運作系統失靈及無法達成本集團目標之風險而設計。

本集團現有之主要內部管控包括以下各項：

- 系統稽核團隊在審核委員會監察下對業務運作定期進行各方面審核
- 所有存貨流動均妥善記錄及核對，亦訂有程序與原始文件核證及對證
- 證券、期貨及商品經紀業務及貴金屬批發業務均有政策管理交易之完整性、妥善保管客戶資產及信貸控制
- 本公司主要或重大關連交易必須獲得獨立非執行董事預先批准
- 每年編製業務計劃。收入及開支受控於定期預算檢討
- 查閱資訊乃按應知方知基準管理。已製訂指引及程序以保護私人資料及確保溝通系統之完整性

### Internal Control (continued)

The Board and the Audit Committee have reviewed the Group's internal control system for the year ended 31 December 2008, with reference to the internal audit reports and the representations made by management and concluded that adequate and effective internal controls are being maintained. There were no significant areas of concern identified during the year.

### Corporate Communication

#### *Investor communication*

Aside from annual reports and interim reports, the Group disseminates timely information on its Internet websites, to investors and consumers alike.

Management also attended meetings with financial analysts and fund managers from time to time. These meetings allowed the management to maintain close contact with investors which facilitate their understanding of the Group's strategies and operations.

#### *Internal communication*

The Group's staff members are linked by intranet for prompt sharing of information. Regular meetings of staff members from Hong Kong, Mainland China and Taiwan are held to share and discuss issues on achieving the Group's strategic objectives, actual operational practices, local rules and regulations and compliance practices.

### Corporate and Social Responsibilities

#### *Business ethics*

The Group is committed to a high standard of business ethics and integrity. Code of conduct defining the employees' ethical standards and the Group's non-discriminatory employment practices have been adopted and guidelines are posted in the Company's intranet for ease of access by all staff.

#### *Employees*

The Group recognizes that human capital is a key asset. Therefore, the Group places emphasis on development and retention of staff and commits to offer a healthy and safe working environment to employees. Guidelines on enhancing safety consciousness are in place for compliance and reference by employees. Various training programmes, organized internally or by external organizations, are provided to relevant employees.

### 內部管治(續)

董事會及審核委員會已檢閱截至二零零八年十二月三十一日止年度本集團之內部管治系統，經參考系統稽核部提交之報告以及管理層作出之陳述後，確認現有足夠及有效內部管治。年內並無發現重大須關注事項。

### 企業傳訊

#### *投資者傳訊*

除年報及中期報告外，本集團亦定時於其網站發布消息，供投資者及客戶參閱。

管理層亦不時與財務分析員及基金經理舉行會議。此等會議令管理層與投資者保持密切聯繫，協助彼等了解本集團之策略及運作。

#### *內部傳訊*

本集團之員工透過內聯網互相連繫，以即時共用資料。香港、中國內地及台灣之同事會參與定期舉行之會議，以分享及討論達成集團策略性目標、實際經營慣例、每地規則及法規，以及遵守法規慣例等事宜。

### 企業及社會責任

#### *商業道德*

本集團致力維持高水平之商業道德及誠信。本集團已採納一套行為準則，當中列明員工道德標準及本集團採納之反歧視僱傭慣例。指引已登載於本公司內聯網，以供全體員工取閱。

#### *員工*

本集團明白人力資源是重要資產。因此，本集團十分著重員工發展及保留，並致力為員工提供健康及安全工作環境。本集團訂有提升安全意識指引，讓員工遵守及參考。集團向有關員工提供各種內部或外來機構舉辦之培訓計劃。

### Corporate and Social Responsibilities (continued)

#### *Environmental protection*

The Group's commitment statement together with a comprehensive list of tips on environmental protection, are posted on the Company's intranet for easy access and reference by all staff. Employees are encouraged to minimize use of paper and electricity, recycling of paper and toner cartridges, designing packaging made of biodegradable material with residual use in the hands of consumers.

#### *Contributions to the community*

In addition to those reported in the Interim Report 2008, the Group made further supports to the community. A sponsorship was given to the Hong Kong Repertory Theatre to bring its production "Deling and Cixi" to the National Grand Theatre in Beijing. Scholarships were given to City University of Hong Kong and the Hong Kong Academy for Performing Arts.

The Group also provides support to other social activities organized by educational, cultural and charitable organizations in Hong Kong and Mainland China mainly in the form of sponsorship during the year.

### 企業及社會責任(續)

#### *環境保護*

本集團之承諾聲明連同有關環境保護提示的詳盡列表，已載於本公司內聯網，讓全體員工取閱及參考。本集團鼓勵僱員減少用紙及用電、循環再用紙張及碳粉匣、以可分解物料及可令顧客再用設計之包裝。

#### *貢獻社會*

除二零零八年中報所載者外，本集團對社區作出進一步支持。集團贊助香港話劇團，令其劇目《德齡與慈禧》於北京國家大劇院上演；並向香港城市大學及香港演藝學院提供獎學金。

年內，本集團亦主要透過提供贊助向香港及中國內地教育、文化及慈善機構舉辦之社區活動提供支持。





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**To the shareholders of  
Chow Sang Sang Holdings International Limited**  
(Incorporated in Bermuda with limited liability)

We have audited the financial statements of Chow Sang Sang Holdings International Limited set out on pages 33 to 114, 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 financial statements**

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

**Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

**致周生生集團國際有限公司  
(於百慕達註冊成立之有限公司)  
列位股東**

本核數師已審核列載於第33至114頁周生生集團國際有限公司之財務報告，此等財務報告包括於二零零八年十二月三十一日之綜合及公司資產負債表、截至該日止年度之綜合損益賬、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

**董事就財務報告須承擔之責任**

貴公司董事須負責按照香港會計師公會頒布之香港財務報告準則及香港公司條例之披露規定編製及真實而公平地列報此等財務報告。此責任包括設計、實施及保持與編製及真實而公平地列報財務報告相關之內部管控，以使財務報告不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和採用適當之會計政策；及按情況作出合理之會計估計。

**核數師之責任**

本核數師之責任是根據本核數師審核工作的結果，對此等財務報告提出意見。本核數師報告按照百慕達一九八一年公司法第90條的規定，僅向整體股東作出，除此以外，不可作其他用途。本核數師概不就本報告之內容，對任何其他人士負責或承擔法律責任。

本核數師已根據香港會計師公會頒布之香港審核準則進行審核。該等準則要求本核數師遵守道德規範，並規劃及執行審核，以合理確定財務報告是否不存有任何重大錯誤陳述。

**Auditors' responsibility (continued)**

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

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

**Opinion**

In our opinion, the 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 disclosure requirements of the Hong Kong Companies Ordinance.

**Ernst & Young**

Certified Public Accountants

Hong Kong  
31 March 2009

**核數師之責任(續)**

審核涉及執行程序以獲取有關財務報告所載金額及披露資料之審核憑證。所選定的程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致財務報告存有重大錯誤陳述的風險。在評估該等風險時，核數師會考慮與該公司編製及真實而公平地列報財務報告相關之內部管控，以設計適當的審核程序，但並非為對公司之內部管控之有效性發表意見。審核亦包括評估董事所採用之會計政策之合適性及所作出的會計估計之合理性，以及評估財務報告之整體列報方式。

本核數師相信，我們所獲得之審核憑證是充足和適當地為我們之審核意見提供基礎。

**意見**

本核數師認為，財務報告已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零零八年十二月三十一日之財政狀況及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定而適當編製。

執業會計師  
安永會計師事務所

香港  
二零零九年三月三十一日

## CONSOLIDATED INCOME STATEMENT

Year ended 31 December 2008

## 綜合損益賬

截至二零零八年十二月三十一日止年度

		Note	2008 HK\$'000 千港元	2007 HK\$'000 千港元
		附註		
<b>TURNOVER</b>	<b>營業額</b>	5		
Jewellery retail	珠寶零售		5,359,129	4,119,165
Other businesses	其他業務		4,522,376	3,754,418
			<b>9,881,505</b>	7,873,583
Cost of sales	銷售成本		<b>(8,319,364)</b>	(6,472,603)
Gross profit	毛利		1,562,141	1,400,980
Other income	其他收入		82,741	108,647
Selling and distribution costs	銷售及分銷費用		(819,449)	(641,688)
Administrative expenses	行政費用		(218,947)	(189,314)
Other gains, net	其他收益·淨值		11,660	5,399
Finance costs	財務費用	7	(22,905)	(39,364)
Share of profits and losses of associates	應佔聯營公司溢利及虧損		(420)	773
<b>PROFIT BEFORE TAX</b>	<b>除稅前溢利</b>	6	594,821	645,433
Tax	稅項	10	(112,036)	(110,851)
<b>PROFIT FOR THE YEAR</b>	<b>年內溢利</b>		<b>482,785</b>	534,582
Attributable to:	應佔溢利:			
Shareholders of the Company	本公司股東	11	470,791	516,278
Minority interests	少數股東權益		11,994	18,304
			<b>482,785</b>	534,582
<b>DIVIDENDS</b>	<b>股息</b>	12		
Interim	中期		48,154	48,154
Proposed final	擬派末期		138,442	156,499
			<b>186,596</b>	204,653
<b>EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY</b>	<b>本公司股東應佔每股盈利</b>	13		
Basic	基本		<b>78.2 cents 仙</b>	85.8 cents 仙

## CONSOLIDATED BALANCE SHEET

As at 31 December 2008

## 綜合資產負債表

於二零零八年十二月三十一日

		Note	2008 HK\$'000 千港元	2007 HK\$'000 千港元
		附註		
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機器及設備	14	<b>389,938</b>	356,903
Investment properties	投資物業	15	<b>117,597</b>	126,950
Intangible assets	無形資產	16	<b>271</b>	271
Other assets	其他資產	17	<b>74,890</b>	51,341
Interests in associates	於聯營公司權益	19	<b>10,900</b>	11,457
Available-for-sale investments	可供出售投資	20	<b>378,084</b>	1,111,922
Deposits paid for purchase of items of property, plant and equipment	購買物業、機器及設備項目之已付按金		<b>53,824</b>	–
Deferred tax assets	遞延稅項資產	29	<b>1,323</b>	2,267
Total non-current assets	總非流動資產		<b>1,026,827</b>	1,661,111
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	21	<b>2,528,754</b>	2,092,366
Accounts receivable	應收賬款	22	<b>212,352</b>	211,880
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款	22	<b>134,848</b>	395,856
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	23	<b>73,858</b>	55,260
Investments at fair value through profit or loss	按公平價值訂定盈虧之投資	24	<b>5,820</b>	13,479
Derivative financial instruments	衍生金融工具	27	<b>2,759</b>	4,982
Tax recoverable	可收回稅項		<b>9,109</b>	420
Cash held on behalf of clients	代客戶持有現金	25	<b>325,399</b>	386,666
Cash and cash equivalents	現金及等同現金	25	<b>145,117</b>	264,541
Total current assets	總流動資產		<b>3,438,016</b>	3,425,450
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Accounts payable	應付賬款	26	<b>70,023</b>	118,062
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	26	<b>381,942</b>	614,080
Other payables and accruals	其他應付賬款及應計項目		<b>225,749</b>	253,141
Derivative financial instruments	衍生金融工具	27	<b>2,769</b>	9,451
Interest-bearing bank borrowings	計息銀行貸款	28	<b>389,099</b>	286,229
Tax payable	應付稅項		<b>78,641</b>	57,974
Total current liabilities	總流動負債		<b>1,148,223</b>	1,338,937
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>2,289,793</b>	2,086,513
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>3,316,620</b>	3,747,624
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Deferred tax liabilities	遞延稅項負債	29	<b>57,473</b>	56,927
<b>Net assets</b>	<b>資產淨值</b>		<b>3,259,147</b>	3,690,697

**CONSOLIDATED BALANCE SHEET**

As at 31 December 2008

**綜合資產負債表**

於二零零八年十二月三十一日

		Note	2008 HK\$'000 千港元	2007 HK\$'000 千港元
		附註		
<b>EQUITY</b>	<b>權益</b>			
Equity attributable to shareholders of the Company	本公司股東應佔權益			
Issued capital	已發行股本	30	<b>150,480</b>	150,480
Reserves	儲備	31(a)	<b>2,917,922</b>	3,327,290
Proposed final dividend	擬派末期股息	12	<b>138,442</b>	156,499
			<b>3,206,844</b>	3,634,269
Minority interests	少數股東權益		<b>52,303</b>	56,428
<b>Total equity</b>	<b>總權益</b>		<b>3,259,147</b>	<b>3,690,697</b>

**CHOW Kwen Lim**  
Director

**周君廉**  
董事

**Vincent CHOW Wing Shing**  
Director

**周永成**  
董事

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2008

		Attributable to shareholders of the Company			
		Issued capital	Share premium	Leasehold land and buildings revaluation reserve	Investment revaluation reserve
	Note	已發行股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	租賃土地及 樓宇重估儲備 HK\$'000 千港元	投資 重估儲備 HK\$'000 千港元
	附註				
At 1 January 2007	於二零零七年一月一日	150,480	99,724	339,471	432,776
<b>Change in equity for 2007</b>	<b>二零零七年權益變動</b>				
Changes in fair value of available-for-sale investments	可供出售投資公平價值 變動	-	-	-	671,942
Exchange realignment	滙兌調整	-	-	-	-
Total income recognized directly as change in equity	直接確認為權益變動之 總收入	-	-	-	671,942
Profit for the year	年內溢利	-	-	-	-
<b>Total income for the year</b>	<b>年內總收入</b>	-	-	-	671,942
Acquisition of minority interests	收購少數股東權益	-	-	-	-
Final 2006 dividend declared	已宣派二零零六年 末期股息	-	-	-	-
Interim 2007 dividend	二零零七年中期股息	12	-	-	-
Proposed final 2007 dividend	擬派二零零七年末期 股息	12	-	-	-
At 31 December 2007	於二零零七年十二月 三十一日	150,480	99,724*	339,471*	1,104,718*

\* These reserve accounts comprise the consolidated reserves of HK\$3,327,290,000 in the consolidated balance sheet.

## 綜合權益變動表

截至二零零八年十二月三十一日止年度

### 本公司股東應佔

Difference arising from acquisition of minority interests 收購少數股東權益產生之差額 HK\$'000 千港元	Exchange fluctuation reserve 外匯變動儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Proposed final dividend 擬派末期股息 HK\$'000 千港元	Total 合計 HK\$'000 千港元	Minority interests 少數股東權益 HK\$'000 千港元	Total equity 總權益 HK\$'000 千港元
-	19,589	1,419,294	96,307	2,557,641	44,486	2,602,127
-	-	-	-	671,942	-	671,942
-	27,972	-	-	27,972	3,230	31,202
-	27,972	-	-	699,914	3,230	703,144
-	-	516,278	-	516,278	18,304	534,582
-	27,972	516,278	-	1,216,192	21,534	1,237,726
4,897	-	-	-	4,897	(9,592)	(4,695)
-	-	-	(96,307)	(96,307)	-	(96,307)
-	-	(48,154)	-	(48,154)	-	(48,154)
-	-	(156,499)	156,499	-	-	-
<b>4,897*</b>	<b>47,561*</b>	<b>1,730,919*</b>	<b>156,499</b>	<b>3,634,269</b>	<b>56,428</b>	<b>3,690,697</b>

\* 此等儲備賬目組成綜合資產負債表之綜合儲備3,327,290,000港元。

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2008

		Attributable to shareholders of the Company			
		Issued capital	Share premium	Leasehold land and buildings revaluation reserve	Investment revaluation reserve
	Note	已發行股本	股份溢價	租賃土地及樓宇重估儲備	投資重估儲備
	附註	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2008	於二零零八年一月一日	150,480	99,724	339,471	1,104,718
<b>Change in equity for 2008</b>	<b>二零零八年權益變動</b>				
Changes in fair value of available-for-sale investments	可供出售投資公平價值變動	-	-	-	(731,514)
Deferred tax arising from change in statutory tax rate	法定稅率變動產生之遞延稅項	-	-	2,833	-
Release upon disposal of a property	出售一項物業時撥回	-	-	(9,376)	-
Exchange realignment	滙兌調整	-	-	-	-
Total income and expense recognized directly as change in equity	直接確認為權益變動之總收入及開支	-	-	(6,543)	(731,514)
Profit for the year	年內溢利	-	-	-	-
<b>Total income and expense for the year</b>	<b>年內總收入及開支</b>	-	-	(6,543)	(731,514)
Dividend paid to a minority shareholder	已付一名少數股東股息	-	-	-	-
Final 2007 dividend declared	已宣派二零零七年末期股息	-	-	-	-
Interim 2008 dividend	二零零八年中期股息	12	-	-	-
Proposed final 2008 dividend	擬派二零零八年末期股息	12	-	-	-
At 31 December 2008	於二零零八年十二月三十一日	150,480	99,724*	332,928*	373,204*

\* These reserve accounts comprise the consolidated reserves of HK\$2,917,922,000 in the consolidated balance sheet.



## 綜合權益變動表

截至二零零八年十二月三十一日止年度

### 本公司股東應佔

Difference arising from acquisition of minority interests 收購少數股東權益產生之差額 HK\$'000 千港元	Exchange fluctuation reserve 外匯變動儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Proposed final dividend 擬派末期股息 HK\$'000 千港元	Total 合計 HK\$'000 千港元	Minority interests 少數股東權益 HK\$'000 千港元	Total equity 總權益 HK\$'000 千港元
4,897	47,561	1,730,919	156,499	3,634,269	56,428	3,690,697
-	-	-	-	(731,514)	-	(731,514)
-	-	-	-	2,833	-	2,833
-	-	9,376	-	-	-	-
-	35,118	-	-	35,118	2,478	37,596
-	35,118	9,376	-	(693,563)	2,478	(691,085)
-	-	470,791	-	470,791	11,994	482,785
-	35,118	480,167	-	(222,772)	14,472	(208,300)
-	-	-	-	-	(18,597)	(18,597)
-	-	-	(156,499)	(156,499)	-	(156,499)
-	-	(48,154)	-	(48,154)	-	(48,154)
-	-	(138,442)	138,442	-	-	-
<b>4,897*</b>	<b>82,679*</b>	<b>2,024,490*</b>	<b>138,442</b>	<b>3,206,844</b>	<b>52,303</b>	<b>3,259,147</b>

\* 此等儲備賬目組成綜合資產負債表之綜合儲備2,917,922,000港元。

## CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2008

## 綜合現金流量表

截至二零零八年十二月三十一日止年度

	Note 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>594,821</b>	645,433
Adjustments for:			
Finance costs	7	<b>22,905</b>	39,364
Share of profits and losses of associates		<b>420</b>	(773)
Interest income	6	<b>(15,953)</b>	(58,619)
Dividend income from listed investments	6	<b>(29,439)</b>	(15,026)
Dividend income from unlisted investments	6	<b>(533)</b>	(640)
Net loss/(gain) on disposal of items of property, plant and equipment	6	<b>(23,955)</b>	2,895
Gain on disposal of an intangible asset	6	-	(451)
Loss/(gain) on disposal of investments at fair value through profit or loss	6	<b>45</b>	(2,664)
Net loss on disposal of derivative financial instruments	6	<b>8,679</b>	3,032
Net fair value loss/(gain) on investment properties	6	<b>6,019</b>	(9,900)
Net fair value loss/(gain) on investments at fair value through profit or loss	6	<b>7,476</b>	(1,371)
Net fair value loss/(gain) on derivative financial instruments			
- transactions not qualifying as hedges	6	<b>(2,633)</b>	6,323
Depreciation	6	<b>65,867</b>	49,477
Impairment/(reversal of impairment) of receivables arising from securities and futures broking, net	6	<b>3,569</b>	(166)
Reversal of impairment of accounts receivable	6	<b>(22)</b>	-
Write-down of inventories to net realizable value	6	<b>18,854</b>	571
		<b>656,120</b>	657,485
Increase in inventories		<b>(435,546)</b>	(509,614)
Decrease/(increase) in accounts receivable		<b>3,119</b>	(108,324)
Decrease/(increase) in receivables arising from securities and futures broking		<b>257,439</b>	(142,301)
Increase in prepayments, deposits and other receivables		<b>(19,479)</b>	(5,957)
Decrease in investments at fair value through profit or loss		<b>138</b>	2,802
Decrease/(increase) in cash held on behalf of clients		<b>61,267</b>	(21,087)
Increase/(decrease) in accounts payable		<b>(45,400)</b>	6,998
Increase/(decrease) in payables arising from securities and futures broking		<b>(232,138)</b>	104,286
Increase in derivative financial instruments		<b>(8,679)</b>	(3,032)
Increase/(decrease) in other payables and accruals		<b>(25,711)</b>	97,379
Cash generated from operations		<b>211,130</b>	78,635
Interest received		<b>15,803</b>	58,109
Interest paid		<b>(893)</b>	(27,509)
Hong Kong profits tax paid		<b>(45,132)</b>	(67,570)
Elsewhere taxes paid		<b>(50,617)</b>	(18,619)
Net cash inflow from operating activities		<b>130,291</b>	23,046

## CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2008

## 綜合現金流量表

截至二零零八年十二月三十一日止年度

	Note 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Net cash inflow from operating activities	經營業務之現金流入淨額	<b>130,291</b>	23,046
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動之現金流量</b>		
Interest received	已收利息	28	355
Purchases of items of property, plant and equipment	購買物業、機器及設備項目	<b>(104,188)</b>	(65,214)
Proceeds from disposal of items of property, plant and equipment	出售物業、機器及設備項目 所得款項	<b>35,829</b>	34
Proceeds from disposal of an intangible asset	出售一項無形資產所得款項	–	500
Increase in other assets	其他資產之增加	<b>(23,549)</b>	(8,108)
Deposits paid for purchase of items of property, plant and equipment	購買物業、機器及設備項目之 已付按金	<b>(53,824)</b>	–
Proceeds from disposal of available-for-sale investments	出售可供出售投資所得款項	<b>2,324</b>	7,723
Acquisition of minority interests	收購少數股東權益	–	(4,695)
Dividends received from associates	已收聯營公司股息	<b>380</b>	252
Dividends received from listed investments	已收上市投資股息	<b>29,439</b>	15,026
Dividends received from unlisted investments	已收非上市投資股息	<b>533</b>	640
Net cash outflow from investing activities	投資活動之現金流出淨額	<b>(113,028)</b>	(53,487)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動之現金流量</b>		
New bank loans	新增銀行貸款	<b>3,132,527</b>	941,022
Repayment of bank loans	償還銀行貸款	<b>(3,056,296)</b>	(781,385)
Interest paid	已付利息	<b>(20,355)</b>	(11,038)
Dividends paid	已付股息	<b>(204,653)</b>	(144,461)
Dividend paid to a minority shareholder	已付一名少數股東股息	<b>(18,597)</b>	–
Net cash inflow/(outflow) from financing activities	融資活動之現金 流入/(流出)淨額	<b>(167,374)</b>	4,138
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及等同現金之 減少淨額</b>	<b>(150,111)</b>	(26,303)
Cash and cash equivalents at beginning of year	於年初之現金及等同現金	<b>264,541</b>	284,882
Effect of foreign exchange rate changes, net	外幣匯率變動影響，淨值	<b>4,048</b>	5,962
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>於年終之現金及等同現金</b>	<b>118,478</b>	264,541
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及等同現金結存分析</b>		
Cash and bank balances	現金及銀行存款	25 <b>144,654</b>	212,899
Non-pledged time deposits with original maturity of less than three months when acquired	存放時到期日少於三個月之 無抵押定期存款	25 <b>463</b>	51,642
Bank overdrafts – unsecured	銀行透支 – 無抵押	28 <b>(26,639)</b>	–
		<b>118,478</b>	264,541

**BALANCE SHEET**

As at 31 December 2008

**資產負債表**

於二零零八年十二月三十一日

		Note	2008 HK\$'000 千港元	2007 HK\$'000 千港元
		附註		
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Interests in subsidiaries	於附屬公司權益	18	<b>1,484,696</b>	1,583,783
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	23	<b>145</b>	338
Cash and cash equivalents	現金及等同現金	25	<b>1,327</b>	1,000
Total current assets	總流動資產		<b>1,472</b>	1,338
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Other payables and accruals	其他應付賬款及應計項目		<b>3,345</b>	3,495
Tax payable	應付稅項		<b>133</b>	–
Total current liabilities	總流動負債		<b>3,478</b>	3,495
<b>NET CURRENT LIABILITIES</b>	<b>流動負債淨值</b>		<b>(2,006)</b>	(2,157)
<b>Net assets</b>	<b>資產淨值</b>		<b>1,482,690</b>	1,581,626
<b>EQUITY</b>	<b>權益</b>			
Issued capital	已發行股本	30	<b>150,480</b>	150,480
Reserves	儲備	31(b)	<b>1,193,768</b>	1,274,647
Proposed final dividend	擬派末期股息	12	<b>138,442</b>	156,499
<b>Total equity</b>	<b>總權益</b>		<b>1,482,690</b>	1,581,626

**CHOW Kwen Lim**  
Director

**周君廉**  
董事

**Vincent CHOW Wing Shing**  
Director

**周永成**  
董事

**1. Corporate information**

Chow Sang Sang Holdings International Limited is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, Church Street, Hamilton HM 11, Bermuda.

During the year, the Group was involved in the following principal activities:

- manufacture and retail of jewellery
- wholesale of precious metals
- securities, futures and commodities broking

**2.1 Basis of preparation**

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, certain buildings, derivative financial instruments, debt securities and certain equity investments, which have been measured at fair value as further explained in note 2.4 to the financial statements. These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

**Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2008. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All income, expenses and unrealized gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries. An acquisition of minority interests is accounted for using the entity concept method whereby the difference between the consideration and the book value of the share of the net assets acquired is recognized as an equity transaction.

**2.2 Impact of new and revised Hong Kong Financial Reporting Standards**

The Group has adopted the following new interpretations and amendments to HKFRSs for the first time for the current year's financial statements.

HKAS 39 and HKFRS 7 Amendments	Amendments to HKAS 39 <i>Financial Instruments: Recognition and Measurement</i> and HKFRS 7 <i>Financial Instruments: Disclosures – Reclassification of Financial Assets</i>
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**1. 公司資料**

周生生集團國際有限公司乃於百慕達註冊成立之有限公司。本公司之註冊辦事處位於Clarendon House, Church Street, Hamilton HM 11, Bermuda。

年內本集團從事之主要業務如下：

- 珠寶製造及零售
- 貴金屬批發
- 證券、期貨及商品經紀

**2.1 編製基準**

本財務報告乃按照香港會計師公會頒布之香港財務報告準則(包括所有香港財務報告準則、香港會計準則及詮釋)、香港普遍採納之會計原則及香港公司條例之披露規定而編製。除本財務報告附註2.4之進一步解釋，以公平價值計量之投資物業、若干樓宇、衍生金融工具、債務證券及若干股份投資外，本報告乃按歷史成本價例編製。除另有指明者外，本財務報告所有價值均調整至最接近千元列報。

**綜合基準**

本綜合財務報告包括本公司及其附屬公司(統稱「本集團」)截至二零零八年十二月三十一日止年度之財務報告。任何可能存在之不同會計政策已作出調整以使其一致。附屬公司之業績自其收購日期，即本集團取得其控制權之日期計入，並一直計入至有關控制權終止之日期止。本集團內部交易產生之所有收入、開支及未變現收益及虧損及公司間結餘於綜合賬目內全數對銷。

少數股東權益為外間股東於本公司附屬公司之業績及淨資產權益，並非由本集團持有。收購少數股東權益乃以實體概念方法入賬，而代價與應佔所收購淨資產之賬面值之差額確認為權益交易。

**2.2 新訂及經修訂香港財務報告準則之影響**

本集團本年度之財務報告首次採納下列香港財務報告準則之新詮釋及修訂。

香港會計準則第39號修訂本及香港財務報告準則第7號修訂本	香港會計準則第39號之修訂金融工具：確認及計量及香港財務報告準則第7號之修訂金融工具：披露 – 財務資產之重新分類
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## 2.2 Impact of new and revised Hong Kong Financial Reporting Standards (continued)

HK(IFRIC)-Int 11	<i>HKFRS 2 – Group and Treasury Share Transactions</i>
HK(IFRIC)-Int 12	<i>Service Concession Arrangements</i>
HK(IFRIC)-Int 14	<i>HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>

The adoption of these new interpretations and amendments has had no financial effect on these financial statements and there have been no significant changes to the accounting policies applied in these financial statements.

## 2.3 Impact of issued but not yet effective Hong Kong Financial Reporting Standards

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of HKFRSs</i> and HKAS 27 <i>Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i> <sup>1</sup>
HKFRS 2 Amendments	Amendments to HKFRS 2 <i>Share-based Payment – Vesting Conditions and Cancellations</i> <sup>1</sup>
HKFRS 3 (Revised)	<i>Business Combinations</i> <sup>2</sup>
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments</i> <sup>1</sup>
HKFRS 8	<i>Operating Segments</i> <sup>1</sup>
HKAS 1 (Revised)	<i>Presentation of Financial Statements</i> <sup>1</sup>
HKAS 23 (Revised)	<i>Borrowing Costs</i> <sup>1</sup>
HKAS 27 (Revised)	<i>Consolidated and Separate Financial Statements</i> <sup>2</sup>
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation</i> and HKAS 1 <i>Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation</i> <sup>1</sup>
HKAS 39 Amendment	Amendment to HKAS 39 <i>Financial Instruments: Recognition and Measurement – Eligible Hedged Items</i> <sup>2</sup>

## 2.2 新訂及經修訂香港財務報告準則之影響 (續)

香港(國際財務報告詮釋委員會) – 詮釋第 11 號	香港財務報告準則第 2 號 – 集團及庫存股份交易
香港(國際財務報告詮釋委員會) – 詮釋第 12 號	特許權服務安排
香港(國際財務報告詮釋委員會) – 詮釋第 14 號	香港會計準則第 19 號 – 界定福利資產之限制、最低資金需求及兩者之相互關係

採納此等新詮釋及修訂對本財務報告並無財務影響，亦不重大改變應用於本財務報告之會計政策。

## 2.3 已頒布但未生效香港財務報告準則之影響

本集團尚未於本財務報告採用以下已頒布但未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第 1 號修訂本及香港會計準則第 27 號修訂本	香港財務報告準則第 1 號之修訂首次採納香港財務報告準則及香港會計準則第 27 號之修訂綜合及獨立財務報告 – 於附屬公司、共同控制實體或聯營公司之投資成本 <sup>1</sup>
香港財務報告準則第 2 號修訂本	香港財務報告準則第 2 號之修訂以股份為基礎之支付 – 歸屬條件及取消 <sup>1</sup>
香港財務報告準則第 3 號(經修訂)	商業合併 <sup>2</sup>
香港財務報告準則第 7 號修訂本	香港財務報告準則第 7 號之修訂金融工具：披露 – 改進金融工具之披露 <sup>1</sup>
香港財務報告準則第 8 號	經營分部 <sup>1</sup>
香港會計準則第 1 號(經修訂)	財務報告之呈報 <sup>1</sup>
香港會計準則第 23 號(經修訂)	貸款成本 <sup>1</sup>
香港會計準則第 27 號(經修訂)	綜合及獨立財務報告 <sup>2</sup>
香港會計準則第 32 號修訂本及香港會計準則第 1 號修訂本	香港會計準則第 32 號之修訂金融工具：呈報及香港會計準則第 1 號之修訂財務報告之呈報 – 可認沽金融工具及清盤時產生之責任 <sup>1</sup>
香港會計準則第 39 號修訂本	香港會計準則第 39 號之修訂金融工具：確認及計量 – 合資格對沖項目 <sup>2</sup>

## 2.3 Impact of issued but not yet effective Hong Kong Financial Reporting Standards (continued)

HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 <i>Reassessment of Embedded Derivatives</i> and HKAS 39 <i>Financial Instruments: Recognition and Measurement – Embedded Derivatives</i> <sup>3</sup>
HK(IFRIC)-Int 13	<i>Customer Loyalty Programmes</i> <sup>4</sup>
HK(IFRIC)-Int 15	<i>Agreements for the Construction of Real Estate</i> <sup>1</sup>
HK(IFRIC)-Int 16	<i>Hedges of a Net Investment in a Foreign Operation</i> <sup>5</sup>
HK(IFRIC)-Int 17	<i>Distribution of Non-cash Assets to Owners</i> <sup>2</sup>
HK(IFRIC)-Int 18	<i>Transfers of Assets from Customers</i> <sup>6</sup>

Apart from the above, the HKICPA has issued *Improvements to HKFRSs\** which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording. Except for the amendment to HKFRS 5 which is effective for annual periods on or after 1 July 2009, other amendments are effective for annual periods beginning on or after 1 January 2009 although there are separate transitional provisions for each standard.

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2009
- <sup>2</sup> Effective for annual periods beginning on or after 1 July 2009
- <sup>3</sup> Effective for annual periods ending on or after 30 June 2009
- <sup>4</sup> Effective for annual periods beginning on or after 1 July 2008
- <sup>5</sup> Effective for annual periods beginning on or after 1 October 2008
- <sup>6</sup> Effective for transfers of assets from customers received on or after 1 July 2009
- \* *Improvements to HKFRSs* contains amendments to HKFRS 5, HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.

## 2.3 已頒布但未生效香港財務報告準則之影響 (續)

香港(國際財務報告詮釋委員會) – 詮釋第9號修訂本及香港會計準則第39號修訂本	香港(國際財務報告詮釋委員會) – 詮釋第9號之修訂重新評估嵌入式衍生工具及香港會計準則第39號之修訂金融工具：確認及計量 – 嵌入式衍生工具 <sup>3</sup>
香港(國際財務報告詮釋委員會) – 詮釋第13號	客戶忠誠計劃 <sup>4</sup>
香港(國際財務報告詮釋委員會) – 詮釋第15號	房地產建築協議 <sup>1</sup>
香港(國際財務報告詮釋委員會) – 詮釋第16號	海外業務淨投資之對沖 <sup>5</sup>
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 <sup>2</sup>
香港(國際財務報告詮釋委員會) – 詮釋第18號	自客戶轉讓資產 <sup>6</sup>

除上述外，香港會計師公會已頒布香港財務報告準則的修改\*，當中修訂若干香港財務報告準則，主要旨在消除不一致條文及澄清字句。除香港財務報告準則第5號之修訂將於二零零九年七月一日或以後開始之會計年度生效外，其他修訂於二零零九年一月一日或以後開始之會計年度生效，惟各項準則均有個別過渡條文。

- <sup>1</sup> 於二零零九年一月一日或以後開始之會計年度生效
- <sup>2</sup> 於二零零九年七月一日或以後開始之會計年度生效
- <sup>3</sup> 於二零零九年六月三十日或以後結束之會計年度生效
- <sup>4</sup> 於二零零八年七月一日或以後開始之會計年度生效
- <sup>5</sup> 於二零零八年十月一日或以後開始之會計年度生效
- <sup>6</sup> 於二零零九年七月一日或以後收到之客戶資產轉讓起生效
- \* 香港財務報告準則的修改包括對香港財務報告準則第5號、香港財務報告準則第7號、香港會計準則第1號、香港會計準則第8號、香港會計準則第10號、香港會計準則第16號、香港會計準則第18號、香港會計準則第19號、香港會計準則第20號、香港會計準則第23號、香港會計準則第27號、香港會計準則第28號、香港會計準則第29號、香港會計準則第31號、香港會計準則第34號、香港會計準則第36號、香港會計準則第38號、香港會計準則第39號、香港會計準則第40號及香港會計準則第41號之修訂。

### 2.3 Impact of issued but not yet effective Hong Kong Financial Reporting Standards (continued)

Among the above new and revised HKFRSs, the following may be relevant to the Group's operations and financial statements upon becoming effective:

- (a) HKFRS 1 and HKAS 27 Amendments "Amendments to HKFRS 1 *First-time Adoption of HKFRSs* and HKAS 27 *Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*"

The HKAS 27 Amendment requires all dividends from subsidiaries, associates or jointly-controlled entities to be recognized in the income statement in the separate financial statements. The amendment is applied prospectively only. The Group expects to adopt the HKAS 27 Amendment from 1 January 2009. As the Group is not a first-time adopter of HKFRSs, the HKFRS 1 Amendment is not applicable to the Group.

- (b) HKFRS 3 (Revised) "*Business Combinations*" and HKAS 27 (Revised) "*Consolidated and Separate Financial Statements*"

The revised HKFRS 3 introduces a number of changes in the accounting for business combinations that will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results.

The revised HKAS 27 requires that a change in the ownership interest of a subsidiary without loss of control is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the revised standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments were made to HKAS 7 *Statement of Cash Flows*, HKAS 12 *Income Taxes*, HKAS 21 *The Effects of Changes in Foreign Exchange Rates*, HKAS 28 *Investments in Associates* and HKAS 31 *Interests in Joint Ventures*.

The Group expects to adopt HKFRS 3 (Revised) and HKAS 27 (Revised) from 1 January 2010. The changes introduced by these revised standards must be applied prospectively and will affect future acquisitions, loss of control and transactions with minority interests.

### 2.3 已頒布但未生效香港財務報告準則之影響 (續)

以上新訂及經修訂香港財務報告準則中，下列香港財務報告準則於生效後可能與本集團業務及財務報告有關：

- (a) 香港財務報告準則第1號修訂本及香港會計準則第27號修訂本「香港財務報告準則第1號之修訂首次採納香港財務報告準則及香港會計準則第27號之修訂綜合及獨立財務報告 – 於附屬公司、共同控制實體或聯營公司之投資成本」

香港會計準則第27號修訂本規定附屬公司、聯營公司或共同控制實體之全部股息均於獨立財務報告之損益賬內確認。此修訂僅於未來適用。本集團預期自二零零九年一月一日起採納香港會計準則第27號修訂本。由於本集團並非首次採納香港財務報告準則，因此香港財務報告準則第1號不適用於本集團。

- (b) 香港財務報告準則第3號(經修訂)「商業合併」及香港會計準則第27號(經修訂)「綜合及獨立財務報告」

經修訂之香港財務報告準則第3號加入數項與商業合併會計處理之改變，該等改變將影響收購期間所確認之商譽金額、所呈報之業績，以及於未來呈報之業績。

經修訂之香港會計準則第27號規定在不喪失控制權的一家附屬公司之擁有權益變動列作權益交易。因此，該變動將不會對商譽構成任何影響，亦不會產生盈虧。此外，經修訂準則更改附屬公司所產生之虧損以及喪失附屬公司控制權之會計處理。其他後續修訂乃針對香港會計準則第7號現金流量表、香港會計準則第12號所得稅、香港會計準則第21號匯率變動之影響、香港會計準則第28號於聯營公司之投資及香港會計準則第31號於合營公司之權益。

本集團預期自二零一零年一月一日起採納香港財務報告準則第3號(經修訂)及香港會計準則第27號(經修訂)。該等經修訂準則引入之變動必須於未來期間應用，並將影響日後收購、喪失控制權及與少數股東權益之交易。



### 2.3 Impact of issued but not yet effective Hong Kong Financial Reporting Standards (continued)

(c) HKFRS 8 “Operating Segments”

HKFRS 8, which will replace HKAS 14 *Segment Reporting*, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group’s major customers. The Group expects to adopt HKFRS 8 from 1 January 2009.

(d) HKAS 1 (Revised) “Presentation of Financial Statements”

The revised HKAS 1 introduces changes in the presentation and disclosures of financial statements. The revised standard separates owner and non-owner changes in equity. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, this standard introduces the statement of comprehensive income, with all items of income and expense recognized in profit or loss, together with all other items of recognized income and expense recognized directly in equity, either in one single statement, or in two linked statements. The Group expects to adopt HKAS 1 (Revised) from 1 January 2009.

(e) HK(IFRIC)-Int 13 “Customer Loyalty Programmes”

This interpretation requires customer loyalty award credits to be accounted for as a separate component of the sales transaction in which they are granted. The consideration received in the sales transaction is allocated between the loyalty award credits and the other components of the sale. The amount allocated to the loyalty award credits is determined by reference to their fair value and is deferred until the awards are redeemed or the liability is otherwise extinguished.

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application but is not yet in a position to state whether these new and revised HKFRSs would have a significant impact on its results of operations and financial position.

### 2.3 已頒布但未生效香港財務報告準則之影響 (續)

(c) 香港財務報告準則第8號「經營分部」

香港財務報告準則第8號將取代香港會計準則第14號*分部呈報*，其具體說明實體應如何報告有關其經營分部資料，並以實體之主要營運決策人可用作分配資源至有關分部及評估其表現之組成部分之資料為依據。該準則亦規定披露有關分部所提供之產品及服務之資料、本集團經營所在地區及本集團來自主要客戶之收益。本集團預期於二零零九年一月一日起採納香港財務報告準則第8號。

(d) 香港會計準則第1號(經修訂)「財務報告之呈報」

經修訂之香港會計準則第1號加入數項與呈報及披露財務報告之改變。該經修訂準則區分擁有人及非擁有人權益變動。權益變動表僅將包括與擁有人進行之交易詳情，而所有非擁有人權益變動會獨立呈報。此外，此準則引入全面收益表，可選擇於單一報表或兩份相連報表中呈報於損益確認之所有收支項目，連同所有其他直接於權益確認之已確認收支。本集團預期自二零零九年一月一日起採納香港會計準則第1號(經修訂)。

(e) 香港(國際財務報告詮釋委員會) – 詮釋第13號「客戶忠誠計劃」

此詮釋規定，作為銷售交易一部分之授予客戶應得忠誠獎勵須入賬列為銷售交易之獨立部分。銷售交易所收代價須在應得忠誠獎勵與銷售之其他部分之間分配。分配至應得忠誠獎勵之金額乃經參考公平價值釐定並予以遞延，直至該獎勵獲贖回或該負債另行撇銷為止。

本集團正在評估初次應用此等新訂及經修訂香港財務報告準則之影響，惟尚未能確定此等新訂及經修訂香港財務報告準則會否對經營業績及財務狀況構成重大影響。

## 2.4 Summary of significant accounting policies

### Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities. The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

### Joint ventures

A joint venture is an entity set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture and the basis on which the assets are to be realized upon its dissolution. The profits and losses from the joint venture's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

A joint venture is treated as:

- (a) a subsidiary, if the Group has unilateral control, directly or indirectly, over the joint venture;
- (b) a jointly-controlled entity, if the Group does not have unilateral control, but has joint control, directly or indirectly, over the joint venture;
- (c) an associate, if the Group does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture's registered capital and is in a position to exercise significant influence over the joint venture; or
- (d) an equity investment accounted for in accordance with HKAS 39, if the Group holds, directly or indirectly, less than 20% of the joint venture's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture.

### Associates

An associate is an entity, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. Unrealized gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates, except where unrealized losses provide evidence of an impairment of the asset transferred. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

## 2.4 主要會計政策概要

### 附屬公司

附屬公司乃本公司直接或間接控制其財政及營運政策之實體，以便從其業務中獲益。附屬公司之業績已包括在本公司損益賬內之已收及應收股息。本公司於附屬公司之權益按成本減去任何減值虧損列賬。

### 合營公司

合營公司為按合約安排成立之實體，由此本集團及其他訂約方承擔一經濟活動。該合營公司乃本集團及其他訂約方擁有權益之獨立經營實體。

合營各方訂立之合營公司協議訂明合營各方之出資額、合營期限以及於合營公司解散時將予變現資產之基準。合營公司之經營損益及任何盈餘資產由合營各方按彼等各自之出資額比例或按合營公司協議之條款進行分配。

合營公司會被視為：

- (a) 附屬公司，如本集團對合營公司直接或間接擁有單方面之控制權；
- (b) 共同控制實體，如本集團對合營公司並無單方面控制權，但直接或間接擁有共同控制權；
- (c) 聯營公司，如本集團並無單方面或共同之控制權，但直接或間接持有一般不少於20%之合營公司註冊資本及對其有重大影響力；或
- (d) 按照香港會計準則第39號處理之股份投資，如本集團直接或間接持有不足20%之合營公司註冊資本，且對合營公司沒有共同控制權，及對其沒有重大影響力。

### 聯營公司

聯營公司乃除附屬公司或共同控制實體外，本集團長期持有其一般不少於20%之股份投票權，及對其有重大影響力之實體。

本集團於聯營公司之權益以權益會計法按本集團應佔淨資產減任何減值虧損於綜合資產負債表列賬。本集團所佔聯營公司購入後之業績及儲備已分別計入綜合損益賬及綜合儲備內。本集團與其聯營公司之間之交易所產生之未變現收益及虧損以本集團於聯營公司之權益為限予以撇銷，惟倘有證據顯示未變現虧損為已轉讓出現減值之資產則除外。任何可能存在之不同會計政策已作出調整以使其一致。

## 2.4 Summary of significant accounting policies (continued)

### Goodwill

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

#### *Goodwill previously eliminated against consolidated retained profits*

Prior to the adoption of the HKICPA's Statement of Standard Accounting Practice 30 *Business Combinations* in 2001, goodwill arising on acquisition was eliminated against consolidated retained profits in the year of acquisition. On the adoption of HKFRS 3, such goodwill remains eliminated against consolidated retained profits and is not recognized in the income statement when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

### Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets, investment properties and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises in those expense categories consistent with the function of the impaired asset, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognized impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortization) had no impairment loss been recognized for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

## 2.4 主要會計政策概要(續)

### 商譽

收購附屬公司產生之商譽乃商業合併成本超逾於收購當日本集團權益應佔所收購被收購公司可辨認資產、負債及或然負債之淨公平價值金額。

#### *過往自綜合保留溢利撇銷之商譽*

於二零零一年採納香港會計師公會之會計實務準則第30號商業合併前，因收購產生之商譽須於收購年度自綜合保留溢利撇銷。在採納香港財務報告準則第3號後，該等商譽繼續自綜合保留溢利撇銷，及不會於與商譽有關之全部或部分業務出售或與商譽有關之現金產生單位減值時於損益賬中確認。

### 商譽以外之非財務資產減值

倘若有跡象顯示出現減值或須就資產進行年度減值測試(不包括存貨、遞延稅項資產、財務資產、投資物業及商譽)，則估計資產之可收回金額。資產之可收回金額為資產或現金產生單位之使用價值與公平價值減銷售成本之較高者，並就個別資產而釐定，除非有關資產並無產生在頗大程度上獨立於其他資產或資產組別產生之現金流入，在此情況下，可收回金額就資產所屬之現金產生單位而釐定。

如資產之賬面值超逾其可收回金額時，減值虧損方予確認。於評估使用價值時，估計日後現金流量按反映現時市場評估之貨幣時間價值及資產特定風險之稅前折現率折現至現值。除非該資產以重估金額列賬，減值虧損方根據有關會計政策就該重估資產處理，否則任何減值虧損於產生當期之損益賬內與減值資產性質一致之支出類別中扣除。

於每個報告日均會評估是否有任何跡象顯示過往年度確認之減值虧損不再存在或可能已經減少。倘存有任何該等跡象，便估計可收回金額。除商譽外，僅於釐定該資產之可收回金額之估計出現變動時，於先前已確認之減值虧損方可撥回，惟倘若於以往年度該資產並無任何確認減值虧損，則對比經折舊／攤銷之賬面值，高出金額不得撥回。除非該資產以重估金額列賬，減值虧損之撥回方根據有關會計政策就該重估資產處理，否則任何減值虧損之撥回於產生當期計入損益賬內。

**2.4 Summary of significant accounting policies (continued)****Related parties**

A party is considered to be related to the Group if:

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is an associate;
- (c) the party is a jointly-controlled entity;
- (d) the party is a member of the key management personnel of the Group;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

**Property, plant and equipment and depreciation**

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalized as an additional cost of that asset or as a replacement.

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land and buildings	Over the shorter of the lease terms and 2.5%
Plant and machinery	10% to 30%
Leasehold improvements, furniture, fixtures and equipment	10% to 33%
Motor vehicles	30%

**2.4 主要會計政策概要(續)****關連人士**

在下列情況下，有關人士將視為與本集團有關連：

- (a) 有關人士透過一名或多名中介人，直接或間接：(i) 控制本集團，或受本集團控制，或與本集團受相同控制；(ii) 於本集團擁有一定權益可對本集團行使重大影響；或(iii) 可共同控制本集團；
- (b) 有關人士為一聯繫人士；
- (c) 有關人士為一共同控制實體；
- (d) 有關人士為本集團之主要管理人員；
- (e) 有關人士為(a)或(d)項所述之任何人士之直系家屬；
- (f) 有關人士乃(d)或(e)項所述人士直接或間接控制、共同控制或受其重大影響，或擁有重大投票權之實體；或
- (g) 有關人士乃為本集團或與本集團有關連的任何實體的僱員利益而設的受僱後福利計劃。

**物業、機器及設備及折舊**

物業、機器及設備按成本或估值減累計折舊及任何減值虧損後列賬。物業、機器及設備項目成本包括購入價及使資產處於擬定用途之運作狀況及地點之任何直接應佔成本。物業、機器及設備項目投入運作後所產生之支出，如維修及保養，一般於產生該筆支出期間從損益賬中扣除。倘若清楚顯示該筆支出已致使日後運用該物業、機器及設備項目所預期取得之未來經濟利益增加，以及倘若該項目之成本能可靠地計量時，則該筆支出會資本化作為該資產之額外成本或作重置。

折舊以直線法計算，按每項物業、機器及設備項目之估計可使用年期撇銷其成本或估值至其剩餘價值。就此而言，所使用之主要年度折舊率如下：

租賃土地及樓宇	按租賃年期與2.5%兩者較低者
機器及設備	10%至30%
租賃物業裝修、傢俬、裝置及設備	10%至33%
汽車	30%

**2.4 Summary of significant accounting policies (continued)****Property, plant and equipment and depreciation (continued)**

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each balance sheet date.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in the income statement in the year the asset is derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset.

The transitional provisions set out in paragraph 80A of HKAS 16 *Property, Plant and Equipment* have been adopted for property, plant and equipment stated at valuation. As a result, those assets stated at revalued amounts based on revaluations which were reflected in the financial statements for the year ended 31 December 1993 have not been revalued by class at the balance sheet date. On disposal of a revalued asset, the relevant portion of the leasehold land and buildings revaluation reserve realized in respect of the previous valuations is transferred to retained profits as a movement in reserves.

For a transfer from owner-occupied properties to investment properties, the related revaluation surplus is retained in the leasehold land and building revaluation reserve and remains there until the subsequent disposal or retirement of the property, whereby that time the revaluation surplus is transferred to retained profits.

**Investment properties**

Investment properties are interests in leasehold land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognized in the income statement in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties, the deemed cost of property for subsequent accounting is its fair value at the date of change in use.

**2.4 主要會計政策概要(續)****物業、機器及設備及折舊(續)**

倘若物業、機器及設備項目之組件可使用年期有所不同，該項目之成本或估值按合理基準予以分配各組件，而每組件個別計算折舊。

剩餘價值、可使用年期及折舊方法於每個結算日檢核及作適當調整。

物業、機器及設備項目於出售或估計其使用或出售不再產生未來經濟利益時，不再確認入賬。任何出售或棄用之盈虧以出售時所得款項淨額及有關資產賬面值之差額計算，並於不再確認資產之年度在損益賬內確認。

按估值列賬之物業、機器及設備已採納香港會計準則第16號物業、機器及設備第80A段所載之過渡條款。因此，該等按截至一九九三年十二月三十一日止年度財務報告所述重估以重估金額列賬之資產，於結算日並無按其類別再作重估。出售經重估之資產時，就過往估值而需予變現之相關租賃土地及樓宇重估儲備部分，由儲備撥往保留溢利內，作為儲備之變動。

自用物業轉撥為投資物業，有關重估盈餘保留於租賃土地及樓宇重估儲備中，直至該物業日後出售或棄用，屆時重估盈餘撥往保留溢利。

**投資物業**

投資物業指持作賺取租金收入及/或獲得資本增值之租賃土地及樓宇權益，包括符合投資物業定義屬經營租約之租賃物業權益，其非用作生產或提供貨品或服務或行政用途，或於日常業務過程中出售。該等物業初次按成本計量，包括交易成本。於初次確認後，投資物業按公平價值列賬，以反映於結算日之市場狀況。

投資物業公平價值變動所產生之盈虧計入產生年度之損益賬。

任何棄用或出售投資物業之盈虧在棄用或出售當年之損益賬中確認。

由投資物業轉撥為自用物業之物業用作日後會計處理之視作成本為其於更改用途當日之公平價值。

**2.4 Summary of significant accounting policies (continued)****Intangible assets (other than goodwill)**

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each balance sheet date.

The Group's intangible assets, representing eligibility rights to trade on or through The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Futures Exchange Limited (the "Futures Exchange"), have indefinite useful lives and are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortized. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net sales proceeds and the carrying amount of the relevant asset and are recognized in the income statement when the asset is derecognized.

**Other assets**

Other assets held on a long term basis are stated at amortized cost using the effective interest method less any impairment losses.

**Investments and other financial assets**

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets, as appropriate. When financial assets are recognized initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The Group assesses whether a contract contains an embedded derivative when the Group first becomes a party to it and assesses whether an embedded derivative is required to be separated from the host contract when the analysis shows that the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each balance sheet date.

All regular way purchases and sales of financial assets are recognized on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

**2.4 主要會計政策概要(續)****無形資產(商譽除外)**

無形資產之可使用年期乃評估為有限或無限。具有有限年期之無形資產按可使用經濟年期攤銷，並於該無形資產出現減值跡象時作評估減值。具有有限可使用年期之無形資產之攤銷年期及攤銷方法須至少於每個結算日作檢核。

本集團之無形資產乃可於或透過香港聯合交易所有限公司(「聯交所」)及香港期貨交易所有限公司(「期交所」)進行交易之權利，具無限可使用年期並於每年按個別或於現金產生單位檢核作減值測試。該等無形資產並不予以攤銷。具無限年期之無形資產之可使用年期於每年作評估，以釐定無限可使用年期之評估是否持續可靠。如否定，則可使用年期之評估自此由按無限年期更改為按有限年期計量。

不再確認無形資產所產生盈虧按出售所得款項淨額與有關資產賬面值差額計算，並於不再確認該資產時在損益賬內確認。

**其他資產**

長期持有之其他資產乃以實質利息法計算攤銷成本減去任何減值虧損入賬。

**投資及其他財務資產**

香港會計準則第39號界定財務資產適當地分類為按公平價值訂定盈虧之投資、貸款及應收賬款或可供出售財務資產。財務資產於初步確認時按公平價值計量，而當財務資產並非按公平價值訂定盈虧之投資，則按公平價值加直接應佔交易成本計量。

本集團於首次成為合約訂約方時即考慮該合約是否含有嵌入式衍生工具，而於有分析顯示嵌入式衍生工具之經濟特性及風險與主合約者並無密切關係，則會評估嵌入式衍生工具是否須與主合約分開處理。僅於合約條款大幅修改合約所需之現金流量時方進行重新評估。

本集團於初次確認後將其財務資產分類，並於許可及適當情況下，於每個結算日重新考慮此分類。

正常情況下購入及出售之財務資產於交易日確認，即本集團承諾購入或出售該資產之日期。正常情況下購入或出售乃於規例或市場慣例一般設定之期間內交付購入或出售財務資產。

## 2.4 Summary of significant accounting policies (continued)

### Investments and other financial assets (continued)

#### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognized in the income statement. The net fair value gain or loss recognized in the income statement does not include any dividends on these financial assets, which are recognized in accordance with the policy set out for "Revenue recognition" below.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortized cost using the effective interest method less any allowance for impairment. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in the income statement when the loans and receivables are derecognized or impaired, as well as through the amortization process.

#### Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets in listed and unlisted equity or debt securities that are designated as available for sale or are not classified in any of the other two categories. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized as a separate component of equity until the investment is derecognized or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement. Interest and dividends earned are reported as interest income and dividend income, respectively and are recognized in the income statement as "Other income" in accordance with the policies set out for "Revenue recognition" below. Losses arising from the impairment of such investments are recognized in the income statement as "Impairment losses on available-for-sale financial assets" and are transferred from the investment revaluation reserve.

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating the fair value, such securities are stated at cost less any impairment losses.

#### Fair value

The fair value of investments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business at the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and other valuation models.

## 2.4 主要會計政策概要(續)

### 投資及其他財務資產(續)

#### 按公平價值訂定盈虧之財務資產

按公平價值訂定盈虧之財務資產包括持作買賣之財務資產。為於近期內作出售用途而購入之財務資產，均列為持作買賣。除非已列作有效對沖工具，否則衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣。持作買賣投資之收益或虧損於損益賬確認。於損益賬確認之公平價值盈虧並不包括該等財務資產之任何股息，該等股息根據下文「收入確認」所載之政策確認。

#### 貸款及應收賬款

貸款及應收賬款乃附有固定或可釐定付款金額而沒有在活躍市場中報價之非衍生財務資產。該等資產其後以實質利息法計算攤銷成本減任何減值撥備後入賬。攤銷成本乃於計入任何收購之折讓或溢價後計算，並包括組成實質利率之費用及交易成本。收益及虧損乃於不再確認貸款及應收賬款或其減值時透過攤銷程序在損益賬確認。

#### 可供出售財務資產

可供出售財務資產乃於上市及非上市股份或債務證券之可供出售之非衍生財務資產，或未被列入其他兩類之財務資產。初始確認後，可供出售財務資產以公平價值計量，其盈虧乃計入權益之獨立部分，直至該項投資不再確認或被判斷須減值，屆時過往於權益內呈報之累計盈虧將計入損益賬。所賺取之利息及股息，分別呈報為利息收入及股息收入，並根據下文「收入確認」所載之政策於損益賬確認為「其他收入」。該等投資減值所產生之虧損於損益賬確認為「可供出售財務資產之減值虧損」，並轉撥自投資重估儲備。

當因(a)有關投資之合理公平價值估計之變化範圍很大；或(b)於該範圍內之各估計數之概率無法合理評估及應用，而未能可靠計算非上市股份證券之公平價值時，有關證券均按成本減去任何減值虧損列賬。

#### 公平價值

在有序金融市場交易活躍之投資之公平價值乃參考結算日營業時間結束時所報之市場買入價而釐定。倘若無活躍市場之投資，其公平價值則以估價方法釐定。估價方法包括使用近期公平市場交易、參照本質大致相同之其他金融工具之現行市場價值、折現現金流量分析及其他估值模式。

## 2.4 Summary of significant accounting policies (continued)

**Impairment of financial assets**

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

*Assets carried at amortized cost*

If there is objective evidence that an impairment loss on loans and receivables carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognized in the income statement. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Group.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognized in the income statement, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

In relation to accounts and other receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor and significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice/agreement. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognized when they are assessed as uncollectible.

*Assets carried at cost*

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

## 2.4 主要會計政策概要(續)

**財務資產減值**

本集團於每個結算日評估是否存在客觀證據顯示一項或一組財務資產出現減值。

*按攤銷成本入賬資產*

倘有客觀證據顯示按攤銷成本入賬之貸款及應收賬款出現減值虧損，則減值虧損按該資產賬面值與其原實質利率(即初次確認時計算之實質利率)折現之估計未來現金流量(不包括尚未產生之未來信貸虧損)現值之差額計算。減值虧損直接減少或通過使用備抵賬戶減少該資產之賬面金額。減值虧損於損益賬確認。當並無實際預期可於未來收回及所有抵押品已被變現或轉移至本集團時，貸款及應收賬款連同任何有關撥備會被撇銷。

倘其後減值虧損金額減少，且此減少客觀上與確認減值以後發生之事項有關，則以往確認之減值虧損將透過調整備抵賬戶撥回。其後任何減值虧損撥回於損益賬內確認，惟有關資產之賬面值不得超過撥回當日之攤銷成本。

就應收賬款及其他應收賬款而言，減值撥備乃於有客觀證據(如債務人可能無力償債或面臨重大財政困難及因科技、市況、經濟或法律環境出現重大變動而對債務人構成不利影響)顯示本集團將無法根據票據/協議之原有條款收回所有款項時作出。應收賬款之賬面值乃透過使用備抵賬戶減少。已減值債款於被評估為不可收回時不再確認。

*按成本入賬之資產*

因公平價值未能可靠計量而不按公平價值入賬之無報價股份工具倘有客觀證據顯示其出現減值虧損，則該虧損金額為資產賬面值與按當時市場相類似財務資產之回報率折現之估計未來現金流量現值兩者之差額。此等資產之減值虧損不可撥回。



**2.4 Summary of significant accounting policies (continued)****Impairment of financial assets (continued)***Available-for-sale financial assets*

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortization) and its current fair value, less any impairment loss previously recognized in the income statement, is transferred from equity to the income statement. A provision for impairment is made for an available-for-sale equity investment when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement. In addition, the Group evaluates other factors, such as the share price volatility. Impairment losses on equity instruments classified as available for sale are not reversed through the income statement.

Impairment losses on debt instruments are reversed through the income statement, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognized in the income statement.

**Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

**2.4 主要會計政策概要(續)****財務資產減值(續)***可供出售財務資產*

倘可供出售資產出現減值，則其成本(扣除任何本金及攤銷)與當時公平價值之差額，再扣減以往於損益賬確認之任何減值虧損之金額，自權益撥至損益賬。當可供出售股份投資之公平價值出現重大或持續性下跌至低於其成本，或倘有其他客觀證據顯示出現減值，則會對其作出減值撥備。釐定「重大」或「持續性」之定義須作出判斷。此外，本集團亦會評估股價波動等其他因素。已分類作可供出售之權益工具之減值虧損不可於損益賬撥回。

倘就債務工具減值虧損於損益賬確認後出現可客觀計量之公平價值增加，則其減值虧損可於損益賬撥回。

**不再確認財務資產**

財務資產(或如適用，財務資產其中一部分或一組類似之財務資產其中一部分)在下列情況下不再確認：

- 自該資產收取現金流量之權利已屆滿；
- 本集團保留收取來自該資產現金流量之權利，惟已根據「轉遞」安排就向第三者承擔責任全數支付款項並無重大延誤；或
- 本集團已轉讓其來自該資產收取現金流量之權利，並(a)已轉讓該資產之大部分風險及回報，或(b)無轉讓或保留該資產之大部分風險及回報，惟已轉讓該資產之控制權。

倘若本集團已轉讓其自資產收取現金流量之權利，在並無轉讓或保留資產之大部分風險及回報，亦無轉讓資產之控制權之情況下，則該資產按本集團繼續參與該資產之程度確認。倘以擔保已轉讓資產之方式作為繼續參與，乃按資產之原賬面值與本集團可能需要支付之最高代價兩者之較低者計量。

倘若繼續參與以已轉讓資產之書面及/或購買選擇權(包括以現金支付選擇權或類似條文)方式進行，則本集團繼續參與之程度為本集團可能購回已轉讓資產之金額，惟按資產公平價值計量之書面認沽權證(包括以現金支付選擇權或類似條文)除外，在此情況下，本集團繼續參與之程度被限制於已轉讓資產公平價值與選擇權行使價兩者之較低者。

**2.4 Summary of significant accounting policies (continued)****Financial liabilities at amortized cost (including interest-bearing bank borrowings)**

Financial liabilities are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortized cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognized within "Finance costs" in the income statement.

Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the amortization process.

**Financial guarantee contracts**

Financial guarantee contracts in the scope of HKAS 39 are accounted for as financial liabilities. A financial guarantee contract is recognized initially at its fair value less transaction costs that are directly attributable to the acquisition or issue of the financial guarantee contract, except when such contract is recognized at fair value through profit or loss. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the balance sheet date; and (ii) the amount initially recognized less, when appropriate, cumulative amortization recognized in accordance with HKAS 18 *Revenue*.

**Derecognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognized in the income statement.

**Derivative financial instruments and hedging**

The Group uses derivative financial instruments such as forward currency contracts and bullion contracts to hedge certain of its risks associated with foreign currency and bullion price fluctuations. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to the income statement.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of bullion contracts is calculated by reference to the quoted market bullion prices at the close of business at the balance sheet date.

**2.4 主要會計政策概要(續)****按攤銷成本入賬之財務負債(包括計息銀行貸款)**

財務負債初次按公平價值減直接應佔交易成本列賬，其後以實質利息法計算攤銷成本計量，惟倘折現之影響不大，則按成本列賬。相關利息開支於損益賬確認為「財務費用」。

收益及虧損乃於不再確認負債時及透過攤銷過程在損益賬確認。

**財務擔保合約**

香港會計準則第39號界定財務擔保合約以財務負債處理。財務擔保合約初次按其公平價值減收購或發行財務擔保合約直接應佔之交易成本確認，惟當有關合約確認為按公平價值訂定盈虧則除外。於初次確認後，本集團按(i)於結算日就履行現有責任所需開支所作之最佳估計數額；及(ii)初次確認之數額，於適當時扣除根據香港會計準則第18號收益所確認累計攤銷，兩者之較高者計量財務擔保合約。

**不再確認財務負債**

財務負債於負債之責任已解除或註銷或屆滿時不再確認。

當現有財務負債為同一貸款人以大致上不同條款之負債取代時，或現有負債之條款有重大修改時，此等取代或修改會被視為不再確認為原有負債及確認為一項新負債，而有關賬面值之差異乃於損益賬確認。

**衍生金融工具及對沖**

本集團使用遠期外幣合約及貴金屬合約等衍生金融工具對沖其有關外幣及貴金屬價格波動之風險。該等衍生金融工具初次按訂立衍生合約當日之公平價值確認，其後再按公平價值重新計量。當衍生工具在公平價值為正數時以資產列賬，為負數時以負債列賬。

不符合作對沖會計處理之衍生工具，其公平價值變動所產生之任何收益或虧損乃直接計入損益賬。

遠期外幣合約之公平價值經參考到期狀況相若合約之當時遠期匯率計量。貴金屬合約之公平價值經參考於結算日營業時間結束時之貴金屬市場報價計算。

**2.4 Summary of significant accounting policies (continued)****Inventories**

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of production overheads. Net realizable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

**Cash and cash equivalents**

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheets, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

**Provisions**

A provision is recognized when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognized for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

**Income tax**

Income tax comprises current and deferred tax. Income tax is recognized in the income statement, or in equity if it relates to items that are recognized in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

**2.4 主要會計政策概要(續)****存貨**

存貨乃按成本與可變現淨值兩者中之較低者列賬。成本乃按先進先出法計算及(倘為在製品及製成品)包括直接原料、直接工資及適當比例之生產費用。可變現淨值是根據估計售價扣除直至完成及出售所需之任何估計成本計算。

**現金及等同現金**

就綜合現金流量表而言，現金及等同現金包括流動現金及活期存款及一般於購入後三個月內到期，可隨時轉換為已知金額現金及承受價值改變風險不大之短期高流動性投資，扣除須按要償還之銀行透支，為本集團現金管理之組成部分。

就資產負債表而言，現金及等同現金包括流動現金及銀行存款(包括定期存款)，均無使用限制。

**撥備**

倘因過往事件而產生現時責任(法律或推定)，且將來極可能需要付出資源以應付有關責任時，則確認為撥備，惟所涉及責任數額必須能可靠地估計。

當折現之影響屬重大時，就撥備而確認之數額乃預期於日後解決該責任所需開支於結算日之現值。因時間流逝而導致折現之現值增加數額計入損益賬之財務費用。

**所得稅**

所得稅包括本期及遞延稅項。所得稅於損益賬確認，或如該項所得稅與於相同或不同期間直接於權益確認之項目有關，則於權益直接確認。

本期及過往期間之本期稅項資產及負債乃按預期可自稅務機關收回或繳付之金額計算。

於結算日之資產及負債之稅基與其在財務報告賬面值之間所有暫時性差異，須按負債法計提遞延稅項撥備。

## 2.4 Summary of significant accounting policies (continued)

## Income tax (continued)

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilized, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Conversely, previously unrecognized deferred tax assets are reassessed at each balance sheet date and are recognized to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 2.4 主要會計政策概要(續)

## 所得稅(續)

除下述外，所有應課稅暫時性差異均確認為遞延稅項負債：

- 倘若由商譽或於一項非商業合併交易之中初次確認資產或負債所產生之遞延稅項負債，而在交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 對涉及附屬公司及聯營公司投資之應課稅暫時性差異而言，倘若撥回暫時性差異之時間可以控制，以及暫時性差異不大可能在可見將來撥回。

除下述外，所有可於稅務上扣除之暫時性差異、承前未用稅項撥回及未用稅項虧損，如日後有可能出現應課稅溢利，可用作抵銷該等可扣除暫時性差異、承前未用稅項撥回及未用稅項虧損，均確認為遞延稅項資產：

- 倘若由於在非商業合併之交易中初次確認資產或負債所產生之有關可扣除暫時性差異之遞延稅項資產，而在交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 對涉及附屬公司及聯營公司投資之可扣除暫時性差異而言，只在暫時性差異有可能在可見將來撥回，以及日後可用該等暫時性差異抵銷可能出現之應課稅溢利，才確認遞延稅項資產。

遞延稅項資產之賬面值於每個結算日予以審閱，倘不再可能有足夠應課稅溢利用作抵銷相關遞延稅項資產之全部或部分，則減少遞延稅項資產賬面值。相反，過往不予確認之遞延稅項資產於每個結算日予以審閱，如可能有足夠應課稅溢利用作抵銷相關遞延稅項資產之全部或部分時，則予以確認。

遞延稅項資產及負債以預期適用於變現資產或償還負債之當期稅率計量，按於結算日已經生效或大致上已經生效之稅率(及稅法)為基準。

倘現有可依法執行權利，容許本期稅項資產抵銷本期稅項負債，而該遞延稅項涉及同一應課稅實體及同一稅務機關，則遞延稅項資產及遞延稅項負債予以對銷。

**2.4 Summary of significant accounting policies (continued)****Revenue recognition**

Revenue is recognized when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from the rendering of services, in the period in which such services are provided;
- (c) commissions and brokerage income on dealings in securities and futures contracts, on the transaction dates when the relevant contract notes are executed;
- (d) rental income, on a time proportion basis over the lease terms;
- (e) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset;
- (f) dividend income, when the shareholders' right to receive payment has been established; and
- (g) income from the sale of investments at fair value through profit or loss and available-for-sale investments, on the transaction dates when the relevant contract notes are executed.

**Employee benefits***Paid leave carried forward*

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilized by the respective employees in the following year. An accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward.

*Pension schemes and other retirement benefits*

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance in Hong Kong for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' relevant income and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

**2.4 主要會計政策概要(續)****收入確認**

當本集團可能有經濟收益並能作出可靠計算，收入按下列基準予以確認：

- (a) 銷售貨品方面，當擁有權之主要風險及回報轉予買家，即本集團對已售貨品已無一般擁有權應有之管理參與權及有效管轄權；
- (b) 提供服務方面，於提供服務期內；
- (c) 證券及期貨合約交易之佣金及經紀收入，於有關合約執行之交易日期；
- (d) 租金收入，按租賃期時間比例基準；
- (e) 利息收入，採用實質利息法，按應計基準，以有關利率在有關金融工具之預計年內折現估計未來現金收入至有關財務資產之賬面淨值；
- (f) 股息收入，當股東收取股息權利確立；及
- (g) 出售按公平價值訂定盈虧之投資及可供出售投資收入，於有關合約執行之交易日期。

**僱員福利***結轉有薪假期*

本集團根據僱傭合約按曆年基準向其僱員提供有薪年假。在若干情況下，各僱員於結算日尚未享用之假期准予結轉至下個年度使用。於結算日，按僱員於年內所得有薪假期之預計未來成本已當作一項應計費用並予以結轉。

*退休金計劃及其他退休福利*

本集團根據香港的強制性公積金計劃條例實施一項界定供款強制性公積金退休福利計劃(「強積金計劃」)，供所有合資格參與強積金計劃之僱員參與。供款按僱員有關入息之某一百分比提撥，並於根據強積金計劃規定需要支付時自損益賬扣除。強積金計劃資產乃與本集團資產分開，由獨立管理基金持有。根據強積金計劃規定，本集團作出之僱主供款利益全數歸屬於僱員，至於本集團作出之僱主自願性供款則除外，當僱員在供款利益完全歸屬於僱員前離職，供款會退回本集團。

**2.4 Summary of significant accounting policies (continued)****Employee benefits (continued)***Pension schemes and other retirement benefits (continued)*

The employees of the Group's subsidiaries which operate in Mainland China and Taiwan are required to participate in central pension schemes operated by the respective local municipal governments. These subsidiaries are required to contribute 6% to 22% of their payroll costs to the central pension schemes. The contributions are charged to the income statement as they become payable in accordance with the rules of the respective central pension schemes.

**Operating leases**

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognized on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

**Dividends**

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognized as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum of association and Bye-Laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognized immediately as a liability when they are proposed and declared.

**Foreign currencies**

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

**2.4 主要會計政策概要(續)****僱員福利(續)***退休金計劃及其他退休福利(續)*

本集團於中國內地及台灣運作之附屬公司之僱員均須參加由當地市政府運作的中央退休金計劃。此等附屬公司須提撥薪金費用之6%至22%為中央退休金計劃供款，並根據中央退休金計劃規定須予供款時於損益賬扣除。

**經營租約**

倘若資產擁有權之全部回報及風險絕大部分保留於出租人之租約，以經營租約處理。倘若本集團為出租人時，本集團於經營租約下租出資產包括在非流動資產內，於經營租約下之應收租金以直線法按租期計入損益賬內。倘若本集團為承租人時，於經營租約下之應付租金以直線法按租期於損益賬扣除。

經營租約之預付土地租賃付款最初按成本列報，並於其後以直線法在租約年期確認。當租賃金額無法可靠地分配為土地部分及樓宇部分，全部租賃金額乃計入土地及樓宇成本，列作物業、機器及設備之融資租賃。

**股息**

董事建議派發之末期股息於資產負債表權益項下保留溢利作獨立分配列賬，直至此等股息獲股東於股東大會批准。當此等股息獲股東批准及宣派後始確認為負債。

中期股息乃同時予以建議派發及宣派，此乃本公司組織章程大綱及附例授予董事宣派中期股息之權力。因此，中期股息於建議派發及宣派時即確認為負債。

**外幣**

本財務報告乃以本公司之功能及呈報貨幣港元列報。本集團內每個實體均自行決定其功能貨幣，而每實體之財務報告所包含之項目均採用該功能貨幣計量。外幣結算交易最初以交易當日之功能貨幣匯率記錄。以外幣計算之貨幣資產及負債按結算日之功能貨幣匯率重新換算。全部差額計入損益賬。以外幣歷史成本計算之非貨幣項目按初次交易當日之匯率換算。以外幣公平價值計算之非貨幣項目按釐定公平價值當日之匯率換算。

**2.4 Summary of significant accounting policies (continued)****Foreign currencies (continued)**

The functional currencies of certain overseas subsidiaries and an associate are currencies other than the Hong Kong dollar. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the balance sheet date and their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are included in the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the income statement.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

**Borrowing costs**

Borrowing costs are recognized as expenses in the income statement in the period in which they are incurred.

**3. Significant accounting judgements and estimates**

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

**Judgements**

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements:

**(a) Operating lease commitments – Group as lessor**

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

**(b) Classification between investment properties and owner-occupied properties**

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

**2.4 主要會計政策概要(續)****外幣(續)**

若干海外附屬公司及聯營公司之功能貨幣為港元以外之貨幣。於結算日，此等實體之資產與負債按結算日之匯率換算為本公司之呈報貨幣，而損益賬則按年內之加權平均匯率換算為港元。換算產生之滙兌差額乃計入外滙變動儲備。出售海外實體時，有關該特定海外業務而已於權益確認之遞延累計款額於損益賬確認。

就綜合現金流量表而言，海外附屬公司之現金流量乃按現金流量當日之匯率換算為港元。年內海外附屬公司日常產生之現金流量乃按年內之加權平均匯率換算為港元。

**貸款成本**

貸款成本於產生期間在損益賬確認為開支。

**3. 主要會計判斷及估計**

管理層須就編製本集團之財務報告時對影響於報告日期之收入、開支、資產及負債呈報數額以及或然負債披露事項作出判斷、估計及假設。然而，此等判斷及估計之不確定性，可能引致日後須就受影響之資產或負債賬面值作出重大調整之後果。

**判斷**

應用本集團之會計政策時，除涉及估計之判斷外，管理層作出下列對財務報告已確認金額影響重大之判斷：

**(a) 經營租約承擔 – 本集團作為出租人**

本集團訂有與其投資物業組合有關之商業物業租約。本集團根據對該等安排之條款及條件作出之評估釐定，其保留該等根據經營租約租出之物業之所有重大風險及回報。

**(b) 投資物業與自用物業之分類**

本集團須判斷物業是否屬於投資物業，並就有關判斷制訂準則。投資物業乃持作收取租金或獲取資本升值或兩者之物業。因此，本集團考慮一物業是否大致獨立於本集團所持其他資產帶來現金流量。

## 3. Significant accounting judgements and estimates (continued)

## Judgements (continued)

(b) *Classification between investment properties and owner-occupied properties (continued)*

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

## Estimation uncertainty

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

(a) *Fair value of unlisted equity investment*

The unlisted equity investment has been valued by using valuation techniques including estimated discounted cash flows and based on information from a variety of sources, including the fair value of the underlying asset of the investment. The fair value of the unlisted equity investment stated at fair value as at 31 December 2008 was HK\$12,768,000 (2007: HK\$15,126,000) (note 20).

(b) *Estimation of impairment of receivables*

The Group determines the impairment of accounts receivable, receivables arising from securities and futures broking and other receivables based on objective evidence of impairment and historical loss experience of the respective individual balances of the counterparties. If the financial condition of its debtors was to deteriorate so that the actual impairment loss might be higher than expected, the Group would be required to revise the basis of making the allowance and its future results would be affected.

(c) *Estimation of realizability of deferred tax assets*

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in note 29 to the financial statements.

## 3. 主要會計判斷及估計(續)

## 判斷(續)

(b) *投資物業與自用物業之分類(續)*

某些物業一部分持作賺取租金或獲取資本升值，另一部分用作生產或供應貨品或服務或作行政用途。倘此等部分可獨立出售，本集團將該等部分個別入賬。倘該等部分不可獨立出售，惟用作生產或供應貨品或服務或作行政用途之部分不大，有關物業方可列作投資物業。

管理層已就個別物業作出判斷，以釐定有關配套設施是否重大至足以使該物業不符合列作投資物業之資格。

## 估計不明朗因素

於結算日就未來及其他主要估計不明朗因素所作之主要假設，很大機會引致須於下一個財政年度就資產及負債賬面值作出重大調整者論述如下。

(a) *非上市股份投資之公平價值*

非上市股份投資已採用包括估計折現現金流量等估值方法，並按照來自不同來源之資料進行估值，包括投資之相關資產之公平價值。於二零零八年十二月三十一日，按公平價值列賬之非上市股份投資之公平價值為12,768,000港元(二零零七年：15,126,000港元)(附註20)。

(b) *應收賬款減值之估計*

本集團根據減值客觀證據及交易對手各自結餘之過往虧損經驗釐定應收賬款、證券及期貨經紀產生之應收賬款及其他應收賬款之減值。倘其債務人之財政狀況轉差以致實際減值虧損可能較預期者為高，則本集團將須修訂撥備基準，而其未來業績將受到影響。

(c) *遞延稅項資產可變現性之估計*

所有未用稅項虧損，如日後可用作抵銷有可能出現之應課稅溢利，均確認為遞延稅項資產。釐定可確認之遞延稅項資產金額時，管理層須根據未來應課稅溢利之可能時間及水平以及未來稅務規劃策略作出重大判斷。詳情載於財務報告附註29。



**3. Significant accounting judgements and estimates (continued)****Estimation uncertainty (continued)**

- (d) *Impairment of non-financial assets (other than goodwill)*  
The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Indefinite life intangible assets are tested for impairment annually and at other times when such indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.
- (e) *Estimation of fair value of investment properties*  
Investment properties are carried in the balance sheet at their fair value. The fair value was based on a valuation on these properties conducted by an independent firm of professional valuers using property valuation techniques which involve making assumptions on certain market conditions. Favourable or unfavourable changes to these assumptions would result in changes in the fair value of the Group's investment properties and the corresponding adjustments to the gain or loss recognized in the income statement.
- (f) *Net realizable value of inventories*  
Net realizable value of inventories is based on estimated selling prices less any estimation costs to be incurred to completion and disposal. These estimates are based on the current market condition and the historical experience in selling goods of similar nature. It could change significantly as a result of change in market condition. The Group will reassess the estimation at each balance sheet date.

**4. Segment information**

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) manufacture and retail of jewellery;
- (b) wholesale of precious metals;
- (c) securities and futures broking; and
- (d) other businesses (including property and other investments).

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

**3. 主要會計判斷及估計(續)****估計不明朗因素(續)**

- (d) *非財務資產減值(商譽除外)*  
本集團於各報告日評估全部非財務資產是否存在任何減值跡象。具有無限年期之無形資產每年或出現減值跡象時進行減值測試。其他非財務資產於有跡象顯示賬面值可能不能收回時進行減值測試。於採用使用價值計算時，管理層預期須估計來自資產或現金產生單位之未來現金流量，及選擇適當折現率以計算該等現金流量之現值。
- (e) *投資物業之公平價值估計*  
投資物業按其公平價值於資產負債表列值。公平價值乃根據獨立專業測量師行採用物業估值方法(涉及對若干市場狀況作出假設)對該等物業進行之估值而計算。該等假設之有利或不利變動將導致本集團投資物業之公平價值出現變動及對損益賬確認之收益或虧損作出相應調整。
- (f) *存貨之可變現淨值*  
存貨之可變現淨值乃根據估計售價減去完成及出售時將產生之任何估計成本計算。此等估計乃以現時市況及類似性質貨品之過往銷售經驗為基準。可變現淨值可能因市況變動而出現重大變動。本集團將於各結算日重新評估該估計。

**4. 分部資料**

分部資料按以下兩部形式呈報：(i) 按業務分部為主要分部呈報基準；及(ii) 按地區分部為次要分部呈報基準。

本集團經營之業務架構及管理以各項業務之性質及所提供之產品及服務區分。本集團每項業務分部代表一策略性經營單位，其提供之產品及服務所承擔之風險及回報均有別於其他業務分部。業務分部概要如下：

- (a) 珠寶製造及零售；
- (b) 貴金屬批發；
- (c) 證券及期貨經紀；及
- (d) 其他業務(包括物業及其他投資)。

於確定本集團之地區分部時，收益乃按客戶所在地分配予各分部，而資產乃按資產所在地分配予各分部。

內部銷售及轉讓乃根據銷售予第三者之售價作為通用市價。

## 4. Segment information (continued)

## (a) Business segments

The following tables present revenue, profit and certain asset, liability and other segment information for the Group's business segments for the years ended 31 December 2008 and 2007.

## 4. 分部資料(續)

## (a) 業務分部

下表呈報本集團截至二零零八年及二零零七年十二月三十一日止年度之業務分部收益、溢利、若干資產、負債及其他分部資料。

		Manufacture and retail of jewellery 珠寶製造及 零售 HK\$'000 千港元	Wholesale of precious metals 貴金屬 批發 HK\$'000 千港元	Securities and futures broking 證券及 期貨經紀 HK\$'000 千港元	Other businesses 其他業務 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>2008</b>							
<b>Segment revenue</b>	<b>分部收益</b>						
Sales to external customers	銷售予外來客戶	5,359,129	4,356,706	70,401	95,269	-	9,881,505
Intersegment sales	內部銷售	426,660	477,028	-	2,564	(906,252)	-
Other income from external sources	其他外來收益	24,808	-	13,034	8,529	-	46,371
Other intersegment income	其他內部收益	2,471	-	-	160	(2,631)	-
Total	總收益	<u>5,813,068</u>	<u>4,833,734</u>	<u>83,435</u>	<u>106,522</u>	<u>(908,883)</u>	<u>9,927,876</u>
<b>Segment results</b>	<b>分部業績</b>	<u>545,313</u>	<u>13,403</u>	<u>26,607</u>	<u>4,964</u>	<u>-</u>	<u>590,287</u>
Interest income	利息收入						6,661
Dividend income	股息收入						29,709
Unallocated expenses	未分配費用						(9,608)
Finance costs	財務費用						(21,808)
Share of losses of associates	應佔聯營公司虧損						(420)
Profit before tax	除稅前溢利						594,821
Tax	稅項						(112,036)
Profit for the year	年內溢利						<u>482,785</u>
<b>Assets and liabilities</b>	<b>資產及負債</b>						
Segment assets	分部資產	<u>3,422,018</u>	<u>26,059</u>	<u>526,707</u>	<u>651,864</u>	<u>(581,534)</u>	<u>4,045,114</u>
Interests in associates	於聯營公司權益						10,900
Unallocated assets	未分配資產						408,829
Total assets	總資產						<u>4,464,843</u>
Segment liabilities	分部負債	<u>597,089</u>	<u>20,600</u>	<u>406,314</u>	<u>228,375</u>	<u>(581,534)</u>	<u>670,844</u>
Unallocated liabilities	未分配負債						534,852
Total liabilities	總負債						<u>1,205,696</u>

## 4. Segment information (continued)

## (a) Business segments (continued)

## 4. 分部資料(續)

## (a) 業務分部(續)

		Manufacture and retail of jewellery 珠寶製造及 零售 HK\$'000 千港元	Wholesale of precious metals 貴金屬 批發 HK\$'000 千港元	Securities and futures broking 證券及 期貨經紀 HK\$'000 千港元	Other businesses 其他業務 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
2007							
<b>Segment revenue</b>	<b>分部收益</b>						
Sales to external customers	銷售予外來客戶	4,119,165	3,566,770	131,619	56,029	–	7,873,583
Intersegment sales	內部銷售	243,936	247,697	–	1,718	(493,351)	–
Other income from external sources	其他外來收益	20,817	1	53,033	7,742	–	81,593
Other intersegment income	其他內部收益	2,954	–	–	130	(3,084)	–
Total	總收益	<u>4,386,872</u>	<u>3,814,468</u>	<u>184,652</u>	<u>65,619</u>	<u>(496,435)</u>	<u>7,955,176</u>
<b>Segment results</b>	<b>分部業績</b>	<u>500,311</u>	<u>13,859</u>	<u>102,921</u>	<u>19,817</u>	<u>–</u>	<u>636,908</u>
Interest income	利息收入						11,652
Dividend income	股息收入						15,402
Unallocated expenses	未分配費用						(8,646)
Finance costs	財務費用						(10,656)
Share of profits of associates	應佔聯營公司溢利						773
Profit before tax	除稅前溢利						645,433
Tax	稅項						(110,851)
Profit for the year	年內溢利						<u>534,582</u>
<b>Assets and liabilities</b>	<b>資產及負債</b>						
Segment assets	分部資產	<u>2,874,736</u>	<u>33,593</u>	<u>829,223</u>	<u>447,641</u>	<u>(255,055)</u>	<u>3,930,138</u>
Interests in associates	於聯營公司權益						11,457
Unallocated assets	未分配資產						1,144,966
Total assets	總資產						<u>5,086,561</u>
Segment liabilities	分部負債	<u>445,515</u>	<u>22,695</u>	<u>653,390</u>	<u>117,679</u>	<u>(255,055)</u>	<u>984,224</u>
Unallocated liabilities	未分配負債						411,640
Total liabilities	總負債						<u>1,395,864</u>

## 4. Segment information (continued)

## (a) Business segments (continued)

## 4. 分部資料(續)

## (a) 業務分部(續)

		Manufacture and retail of jewellery 珠寶製造及 零售 HK\$'000 千港元	Wholesale of precious metals 貴金屬 批發 HK\$'000 千港元	Securities and futures broking 證券及 期貨經紀 HK\$'000 千港元	Other businesses 其他業務 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
2008							
<b>Other segment information</b>	<b>其他分部資料</b>						
Depreciation	折舊	64,047	111	1,464	245	-	65,867
Net loss on disposal of derivative financial instruments	出售衍生金融工具 淨虧損	2,433	6,246	-	-	-	8,679
Net fair value loss on investment properties	投資物業之公平價值 淨虧損	-	-	-	6,019	-	6,019
Net fair value gain on derivative financial instruments	衍生金融工具之公平 價值淨收益	(2,164)	(469)	-	-	-	(2,633)
Net fair value loss on investments at fair value through profit or loss	按公平價值訂定盈虧之 投資的公平價值 淨虧損	-	-	7,476	-	-	7,476
Impairment of receivables arising from securities and futures broking, net	證券及期貨經紀產生之 應收賬款減值·淨值	-	-	3,569	-	-	3,569
Reversal of impairment of accounts receivable	應收賬款減值撥回	(22)	-	-	-	-	(22)
Write-down of inventories to net realizable value	撇銷存貨至可變現 淨值	18,816	38	-	-	-	18,854
Net loss/(gain) on disposal of items of property, plant and equipment	出售物業·機器及 設備項目之淨 虧損/(收益)	(23,959)	-	4	-	-	(23,955)
Capital expenditure	資本性開支	100,053	-	4,135	-	-	104,188

## 4. Segment information (continued)

## (a) Business segments (continued)

		Manufacture and retail of jewellery 珠寶製造及 零售 HK\$'000 千港元	Wholesale of precious metals 貴金屬 批發 HK\$'000 千港元	Securities and futures broking 證券及 期貨經紀 HK\$'000 千港元	Other businesses 其他業務 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
2007							
<b>Other segment information</b>	<b>其他分部資料</b>						
Depreciation	折舊	48,203	151	1,055	68	-	49,477
Net loss/(gain) on disposal of derivative financial instruments	出售衍生金融工具 淨虧損/(收益)	4,165	(1,133)	-	-	-	3,032
Net fair value gain on investment properties	投資物業之公平價值 淨收益	-	-	-	(9,900)	-	(9,900)
Net fair value loss on derivative financial instruments	衍生金融工具之公平 價值淨虧損	6,081	242	-	-	-	6,323
Net fair value gain on investments at fair value through profit or loss	按公平價值訂定盈虧之 投資的公平價值淨 收益	-	-	(1,371)	-	-	(1,371)
Reversal of impairment of receivables arising from securities and futures broking, net	證券及期貨經紀產生之 應收賬款減值撥回， 淨值	-	-	(166)	-	-	(166)
Reversal of impairment of accounts receivable	應收賬款減值撥回	-	-	-	-	-	-
Write-down of inventories to net realizable value	撇銷存貨至可變現 淨值	571	-	-	-	-	571
Net loss on disposal of items of property, plant and equipment	出售物業、機器及設備 項目之淨虧損	2,895	-	-	-	-	2,895
Capital expenditure	資本性開支	63,786	-	889	539	-	65,214

## 4. 分部資料(續)

## (a) 業務分部(續)

## 4. Segment information (continued)

## (b) Geographical segments

The following tables present revenue and certain asset and expenditure information for the Group's geographical segments for the years ended 31 December 2008 and 2007.

## 4. 分部資料(續)

## (b) 地區分部

下表呈報本集團截至二零零八年及二零零七年十二月三十一日止年度之地區分部收益、若干資產及開支資料。

		Hong Kong and Macau 香港及澳門 HK\$'000 千港元	Mainland China 中國內地 HK\$'000 千港元	Elsewhere 其他地區 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>2008</b>						
<b>Segment revenue</b>	<b>分部收益</b>					
Sales to external customers	銷售予外來客戶	<u>8,298,243</u>	<u>1,505,196</u>	<u>78,066</u>	<u>-</u>	<u>9,881,505</u>
<b>Other segment information</b>	<b>其他分部資料</b>					
Segment assets	分部資產	<u>2,794,863</u>	<u>1,317,842</u>	<u>103,547</u>	<u>(171,138)</u>	<u>4,045,114</u>
Interests in associates	於聯營公司權益					<u>10,900</u>
Unallocated assets	未分配資產					<u>408,829</u>
Total assets	總資產					<u>4,464,843</u>
Capital expenditure	資本性開支	<u>48,083</u>	<u>51,785</u>	<u>4,320</u>	<u>-</u>	<u>104,188</u>
		Hong Kong and Macau 香港及澳門 HK\$'000 千港元	Mainland China 中國內地 HK\$'000 千港元	Elsewhere 其他地區 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>2007</b>						
<b>Segment revenue</b>	<b>分部收益</b>					
Sales to external customers	銷售予外來客戶	<u>6,775,552</u>	<u>1,026,693</u>	<u>71,338</u>	<u>-</u>	<u>7,873,583</u>
<b>Other segment information</b>	<b>其他分部資料</b>					
Segment assets	分部資產	<u>2,994,912</u>	<u>1,017,561</u>	<u>84,832</u>	<u>(167,167)</u>	<u>3,930,138</u>
Interests in associates	於聯營公司權益					<u>11,457</u>
Unallocated assets	未分配資產					<u>1,144,966</u>
Total assets	總資產					<u>5,086,561</u>
Capital expenditure	資本性開支	<u>36,069</u>	<u>27,070</u>	<u>2,075</u>	<u>-</u>	<u>65,214</u>

**5. Turnover**

Turnover represents the net invoiced value of goods sold, after allowances for returns, trade discounts and value-added tax; commission on securities, futures and commodities broking and rental income earned during the year.

Revenue from the following activities has been included in turnover:

Sale of goods	貨品銷售
Commission on securities, futures and commodities broking	證券、期貨及商品經紀佣金收入
Gross rental income	總租金收入

**5. 營業額**

營業額指年內在撇除退回、交易折扣與增值稅後售出貨品之發票淨值；證券、期貨及商品經紀佣金收入及租金收入。

營業額包括以下業務之收益：

		Group 本集團	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
		<b>9,798,927</b>	7,732,317
		<b>72,798</b>	132,645
		<b>9,780</b>	8,621
		<b><u>9,881,505</u></b>	<b><u>7,873,583</u></b>

**6. Profit before tax**

The Group's profit before tax is arrived at after charging/(crediting):

Cost of inventories sold	銷貨成本		
Write-down of inventories to net realizable value*	撇銷存貨至可變現淨值*		
Depreciation	折舊	14	
Minimum lease payments under operating leases for leasehold land and buildings	租賃土地及樓宇經營租約最低租賃付款		
Auditors' remuneration	核數師酬金		
Employee benefit expense** (excluding Directors' remuneration (note 8)): Wages and salaries	僱員福利開支** (不包括董事酬金 (附註8)): 工資及薪金		
Pension scheme contributions	退休金計劃供款		
Less: Forfeited contributions	減: 已沒收供款		
Net pension scheme contributions	退休金計劃供款淨額		

**6. 除稅前溢利**

本集團之除稅前溢利已扣除/(計入)：

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
		<b>8,319,364</b>	6,472,603
		<b>18,854</b>	571
		<b>65,867</b>	49,477
		<b>220,012</b>	166,247
		<b>2,645</b>	2,567
		<b>417,001</b>	347,305
		<b>28,251</b>	20,108
		<b>(26)</b>	(102)
		<b><u>28,225</u></b>	<u>20,006</u>
		<b><u>445,226</u></b>	<u>367,311</u>

## 6. Profit before tax (continued)

Reversal of impairment of accounts receivable	應收賬款減值撥回		
Direct operating expenses arising on rental-earning investment properties	可收取租金之投資物業 直接經營開支		
Net loss/(gain) on disposal of items of property, plant and equipment***	出售物業、機器及設備項目 淨虧損/(收益)***		
Net loss on disposal of derivative financial instruments <sup>^</sup>	出售衍生金融工具淨虧損 <sup>^</sup>		
Net fair value loss/(gain) on derivative financial instruments – transactions not qualifying as hedges <sup>#</sup>	衍生金融工具之公平價值 淨虧損/(收益) – 不符合對沖定義之交易 <sup>#</sup>		
Interest income	利息收入		
Dividend income from listed investments	上市投資之股息收入		
Dividend income from unlisted investments	非上市投資之股息收入		
Impairment/(reversal of impairment) of receivables arising from securities and futures broking, net	證券及期貨經紀產生之 應收賬款減值 /(減值撥回), 淨值	22	
Foreign exchange differences, net	滙兌差額, 淨值		
Gain on disposal of an intangible asset <sup>#</sup>	出售一項無形資產收益 <sup>#</sup>		
Loss/(gain) on disposal of investments at fair value through profit or loss	出售按公平價值訂定盈虧之 投資虧損/(收益)		
Net fair value loss/(gain) on investment properties <sup>#</sup>	投資物業之公平價值 淨虧損/(收益) <sup>#</sup>	15	
Net fair value loss/(gain) on investments at fair value through profit or loss <sup>#</sup>	按公平價值訂定盈虧之投資的 公平價值淨虧損/(收益) <sup>#</sup>		

\* This balance is included in "Cost of sales" on the face of the consolidated income statement.

\*\* The employee benefit expense included an amount of HK\$2,000,000 (2007: HK\$1,740,000) paid to a Director's spouse as employee remuneration.

\*\*\* The net loss/(gain) on disposal of items of property, plant and equipment included a gain on disposal of a leasehold land and building of HK\$26,248,000 (2007: Nil), which is included in "Other gains, net" on the face of the consolidated income statement.

<sup>^</sup> The net loss on disposal of derivative financial instruments included a net loss on bullion contracts of HK\$12,511,000 (2007: HK\$8,943,000), which is included in "Cost of sales" on the face of the consolidated income statement.

<sup>#</sup> These balances are included in "Other gains, net" on the face of the consolidated income statement.

## 6. 除稅前溢利(續)

Note 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
	(22)	–
	1,377	1,091
	(23,955)	2,895
	8,679	3,032
	(2,633)	6,323
	(15,953)	(58,619)
	(29,439)	(15,026)
	(533)	(640)
	3,569	(166)
	(9,366)	(10,340)
	–	(451)
	45	(2,664)
	6,019	(9,900)
	7,476	(1,371)

\* 此結餘包含在綜合損益賬上「銷售成本」中。

\*\* 僱員福利開支包括支付予一名董事配偶作為僱員酬金之金額 2,000,000 港元(二零零七年: 1,740,000 港元)。

\*\*\* 出售物業、機器及設備項目淨虧損/(收益)包括出售租賃土地及樓宇之 26,248,000 港元收益(二零零七年: 零), 此金額包含在綜合損益賬上「其他收益, 淨值」中。

<sup>^</sup> 出售衍生金融工具淨虧損包括貴金屬合約之 12,511,000 港元淨虧損(二零零七年: 8,943,000 港元), 此金額包含在綜合損益賬上「銷售成本」中。

<sup>#</sup> 此等結餘包含在綜合損益賬上「其他收益, 淨值」中。



## 7. Finance costs

Interest on bank loans and overdrafts wholly repayable within five years	須於五年內全數償還之 銀行貸款及透支利息
Interest on other loans wholly repayable within five years	須於五年內全數償還之 其他貸款利息

## 7. 財務費用

Group 本集團	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
22,736	39,155
169	209
<b>22,905</b>	<b>39,364</b>

## 8. Directors' remuneration

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

## 8. 董事酬金

根據上市規則及香港公司條例第161條之規定，本年度之董事酬金披露如下：

Fees	袍金
Other emoluments:	其他酬金：
Salaries and allowances	薪金及津貼
Discretionary bonuses paid and payable	已付及應付酌情花紅
Pension scheme contributions	退休金計劃供款

Group 本集團	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
2,350	1,861
5,859	5,541
2,285	2,211
163	154
<b>8,307</b>	<b>7,906</b>
<b>10,657</b>	<b>9,767</b>

**8. Directors' remuneration (continued)**

An analysis of remuneration paid and payable to Directors during the year is as follows:

**8. 董事酬金(續)**

年內已付及應付予董事之酬金分析如下：

	Fees	Salaries and allowances	Discretionary bonuses paid and payable	Pension scheme contributions	Total
	袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	已付及應付 酌情花紅 HK\$'000 千港元	退休金 計劃供款 HK\$'000 千港元	合計 HK\$'000 千港元
<b>2008</b>					
<b>Executive Directors:</b>					
	<b>執行董事：</b>				
Dr. CHOW Kwen Lim	300	1,529	473	–	2,302
Mr. Vincent CHOW Wing Shing	200	2,005	924	100	3,229
Dr. Gerald CHOW King Sing	230	282	104	14	630
Mr. Winston CHOW Wun Sing	200	1,701	784	49	2,734
	<u>930</u>	<u>5,517</u>	<u>2,285</u>	<u>163</u>	<u>8,895</u>
<b>Non-executive Directors:</b>					
	<b>非執行董事：</b>				
Mr. CHOW Kwen Ling	200	342	–	–	542
Mr. Stephen TING Leung Huel	230	–	–	–	230
Mr. CHUNG Pui Lam	230	–	–	–	230
Dr. CHAN Bing Fun*	230	–	–	–	230
Mr. LEE Ka Lun*	300	–	–	–	300
Mr. LO King Man*	230	–	–	–	230
	<u>1,420</u>	<u>342</u>	<u>–</u>	<u>–</u>	<u>1,762</u>
	<u>2,350</u>	<u>5,859</u>	<u>2,285</u>	<u>163</u>	<u>10,657</u>

\* Independent Non-executive Directors

\* 獨立非執行董事

## 8. Directors' remuneration (continued)

## 8. 董事酬金(續)

	Fees	Salaries and allowances	Discretionary bonuses paid and payable	Pension scheme contributions	Total
	袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	已付及應付酌情花紅 HK\$'000 千港元	退休金計劃供款 HK\$'000 千港元	合計 HK\$'000 千港元
2007					
<b>Executive Directors:</b>					
<b>執行董事：</b>					
Dr. CHOW Kwen Lim	193	1,525	465	-	2,183
Mr. Vincent CHOW Wing Shing	170	1,839	891	92	2,992
Dr. Gerald CHOW King Sing	193	275	100	14	582
Mr. Winston CHOW Wun Sing	170	1,560	755	48	2,533
	<u>726</u>	<u>5,199</u>	<u>2,211</u>	<u>154</u>	<u>8,290</u>
<b>Non-executive Directors:</b>					
<b>非執行董事：</b>					
Mr. CHOW Kwen Ling	170	342	-	-	512
Mr. Stephen TING Leung Huel	193	-	-	-	193
Mr. CHUNG Pui Lam	193	-	-	-	193
Dr. CHAN Bing Fun*	193	-	-	-	193
Mr. LEE Ka Lun*	193	-	-	-	193
Mr. LO King Man*	193	-	-	-	193
	<u>1,135</u>	<u>342</u>	<u>-</u>	<u>-</u>	<u>1,477</u>
	<u>1,861</u>	<u>5,541</u>	<u>2,211</u>	<u>154</u>	<u>9,767</u>

\* Independent Non-executive Directors

\* 獨立非執行董事

There were no other emoluments payable to the Independent Non-executive Directors during the year (2007: Nil).

年內並無其他酬金應付予獨立非執行董事(二零零七年：零)。

There was no arrangement under which a Director waived or agreed to waive any remuneration during the year (2007: Nil).

年內董事並無訂立任何放棄或同意放棄任何酬金的安排(二零零七年：零)。

**9. Five highest paid employees**

The five highest paid employees of the Group during the year included three (2007: three) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining two (2007: two) non-director, highest paid employees for the year are as follows:

Salaries and allowances	薪金及津貼
Discretionary bonuses paid and payable	已付及應付酌情花紅
Pension scheme contributions	退休金計劃供款

The remuneration of the two non-director, highest paid employees fell within the following bands:

HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元
HK\$5,500,001 to HK\$6,000,000	5,500,001 港元至 6,000,000 港元

**10. Tax**

Hong Kong profits tax has been provided at the rate of 16.5% (2007: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. The lower Hong Kong profits tax rate is effective from the year of assessment 2008/2009, and so is applicable to the assessable profits arising in Hong Kong for the whole year ended 31 December 2008. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Current – Hong Kong Charge for the year	本期 – 香港 年內稅項	<b>64,301</b>	77,316
Underprovision/(overprovision) in prior years	過往年度撥備不足/(超額撥備)	<b>(79)</b>	113
Current – Elsewhere	本期 – 其他地區	<b>43,505</b>	32,278
Deferred (note 29)	遞延(附註29)	<b>4,309</b>	1,144
Total tax charge for the year	年內稅項總額	<b>112,036</b>	110,851

**9. 五名最高薪酬僱員**

本年度本集團五名最高薪酬僱員包括三名(二零零七年:三名)董事,其詳細酬金資料載於上述附註8。其餘兩名(二零零七年:兩名)最高薪酬非董事僱員詳細酬金資料如下:

<b>2008</b>	2007
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>3,450</b>	3,346
<b>2,765</b>	5,242
<b>172</b>	167
<b>6,387</b>	8,755

兩名最高薪酬非董事僱員酬金組別如下:

<b>Number of employees</b>	
僱員人數	
<b>2008</b>	2007
<b>1</b>	1
<b>1</b>	–
<b>–</b>	1
<b>2</b>	2

**10. 稅項**

香港利得稅乃按年內於香港產生之估計應課稅溢利以稅率16.5%(二零零七年:17.5%)撥備。減低之香港利得稅率自二零零八/二零零九課稅年度起生效,故適用於截至二零零八年十二月三十一日止全年於香港產生之應課稅溢利。其他地區應課稅溢利之稅項乃按本集團於各營運司法權區以當地現行法則、闡釋及慣例為基礎之通用稅率計算。

<b>Group</b>	
本集團	
<b>2008</b>	2007
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>64,301</b>	77,316
<b>(79)</b>	113
<b>43,505</b>	32,278
<b>4,309</b>	1,144
<b>112,036</b>	110,851

**10. Tax (continued)**

A reconciliation of the tax expense applicable to profit before tax using the statutory rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

		<b>Group</b> <b>本集團</b>	
		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Profit before tax	除稅前溢利	<b>594,821</b>	645,433
Tax at the Hong Kong statutory tax rate of 16.5% (2007: 17.5%)	按香港法定稅率 16.5% (二零零七年：17.5%) 計算稅項	<b>98,145</b>	112,951
Difference in tax rates applied for specific provinces or enacted by local authority	應用於特定省份或當地機關之稅率差異	<b>9,780</b>	1,053
Effect on opening deferred tax of decrease in rates	稅率減少對年初遞延稅項之影響	<b>(313)</b>	-
Adjustments in respect of current tax of previous years	就以往年度之稅項作本期調整	<b>(79)</b>	113
Profits and losses attributable to associates	應佔聯營公司溢利及虧損	<b>69</b>	(135)
Estimated income not subject to tax	無須繳稅之估計收入	<b>(15,138)</b>	(5,942)
Estimated expenses not deductible for tax	不可扣稅之估計支出	<b>10,184</b>	2,894
Effect of withholding tax at 5% or 10% on the distributable profits of the Group's subsidiaries established in the People's Republic of China	按本集團於中華人民共和國成立之附屬公司之可分派溢利 5% 或 10% 計算預提稅之影響	<b>6,781</b>	-
Tax losses utilized from previous periods	使用以往期間之稅項虧損	<b>(20)</b>	(1,094)
Estimated tax losses not recognized	尚未確認之估計稅項虧損	<b>2,627</b>	1,011
Tax charge at the Group's effective rate	按本集團實質稅率計算之稅項	<b>112,036</b>	110,851

The Group's share of tax credit attributable to associates amounting to HK\$108,000 (2007: tax charge of HK\$196,000) is included in "Share of profits and losses of associates" on the face of the consolidated income statement.

For companies operated in Mainland China, corporate taxes have been calculated on the estimated assessable profits for the year at rates ranging from 12.5% to 25% (2007: 12% to 33%).

**10. 稅項(續)**

下表是按本公司及其大部分附屬公司註冊成立所在司法權區之法定稅率計算並適用於除稅前溢利之稅項支出，以及按實質稅率計算之稅項支出進行對賬：

本集團應佔聯營公司稅項撥回為 108,000 港元(二零零七年：稅項撥備為 196,000 港元)，已包含在綜合損益賬上「應佔聯營公司溢利及虧損」中。

就於中國內地營運之公司而言，企業稅乃按年內之估計應課稅溢利按介乎 12.5% 至 25% 之稅率(二零零七年：介乎 12% 至 33%) 計算。

**11. Profit attributable to shareholders of the Company**

The consolidated profit attributable to shareholders of the Company for the year ended 31 December 2008 includes a profit of HK\$105,717,000 (2007: HK\$64,503,000) which has been dealt with in the financial statements of the Company (note 31(b)).

**12. Dividends**

Interim – HK8.0 cents (2007: HK8.0 cents) per ordinary share	中期 – 每普通股 8.0 港仙 (二零零七年：8.0 港仙)
Proposed final – HK23.0 cents (2007: HK26.0 cents) per ordinary share	擬派末期 – 每普通股 23.0 港仙 (二零零七年：26.0 港仙)

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

**13. Earnings per share attributable to shareholders of the Company**

The calculation of basic earnings per share is based on the profit for the year attributable to shareholders of the Company of HK\$470,791,000 (2007: HK\$516,278,000), and the weighted average number of 601,920,000 (2007: 601,920,000) ordinary shares in issue during the year.

Diluted earnings per share for the years ended 31 December 2008 and 2007 have not been presented as no diluting events existed during these years.

**11. 本公司股東應佔溢利**

截至二零零八年十二月三十一日止年度，本公司股東應佔綜合溢利包括本公司財務報告內之一項溢利 105,717,000 港元 (二零零七年：64,503,000 港元)(附註 31(b))。

**12. 股息**

2008 HK\$'000 千港元	2007 HK\$'000 千港元
48,154	48,154
<u>138,442</u>	<u>156,499</u>
<u><u>186,596</u></u>	<u><u>204,653</u></u>

擬派之年度末期股息須經本公司股東於即將舉行之股東週年大會上批准。

**13. 本公司股東應佔每股盈利**

每股基本盈利乃按年內本公司股東應佔溢利 470,791,000 港元 (二零零七年：516,278,000 港元) 及年內已發行加權平均股份 601,920,000 股 (二零零七年：601,920,000 股) 普通股計算。

由於此兩個年度並無攤薄事項，故並無呈報截至二零零八年及二零零七年十二月三十一日止年度之每股攤薄盈利。

## 14. Property, plant and equipment

## 14. 物業、機器及設備

Group  
本集團

		Leasehold land and buildings	Plant and machinery	Leasehold improvements, furniture, fixtures and equipment	Motor vehicles	Total
		租賃土地 及樓宇	機器 及設備	租賃物業 裝修、傢俬、 裝置及設備	汽車	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>As at 31 December 2008</b>	於二零零八年 十二月三十一日					
At 31 December 2007 and 1 January 2008:	於二零零七年 十二月三十一日及 二零零八年 一月一日：					
Cost or valuation	成本或估值	299,656	14,469	152,550	5,869	472,544
Accumulated depreciation	累計折舊	(48,329)	(5,894)	(58,924)	(2,494)	(115,641)
Net carrying amount	賬面淨值	<u>251,327</u>	<u>8,575</u>	<u>93,626</u>	<u>3,375</u>	<u>356,903</u>
At 1 January 2008, net of accumulated depreciation	於二零零八年 一月一日， 扣除累計折舊	251,327	8,575	93,626	3,375	356,903
Additions	添置	-	7,926	95,314	948	104,188
Transfer from investment properties (note 15)	轉撥自投資物業 (附註 15)	3,334	-	-	-	3,334
Disposals	出售	(9,511)	(157)	(2,176)	(30)	(11,874)
Depreciation provided during the year	年內折舊撥備	(10,794)	(3,888)	(50,016)	(1,169)	(65,867)
Exchange realignment	滙兌調整	162	181	2,764	147	3,254
At 31 December 2008, net of accumulated depreciation	於二零零八年 十二月三十一日， 扣除累計折舊	<u>234,518</u>	<u>12,637</u>	<u>139,512</u>	<u>3,271</u>	<u>389,938</u>
At 31 December 2008:	於二零零八年 十二月三十一日：					
Cost or valuation	成本或估值	291,898	19,644	225,786	5,593	542,921
Accumulated depreciation	累計折舊	(57,380)	(7,007)	(86,274)	(2,322)	(152,983)
Net carrying amount	賬面淨值	<u>234,518</u>	<u>12,637</u>	<u>139,512</u>	<u>3,271</u>	<u>389,938</u>

## 14. Property, plant and equipment (continued)

Group  
本集團

		Leasehold land and buildings	Plant and machinery	Leasehold improvements, furniture, fixtures and equipment	Motor vehicles	Total
		租賃土地 及樓宇 HK\$'000 千港元	機器 及設備 HK\$'000 千港元	租賃物業 裝修、傢俬、 裝置及設備 HK\$'000 千港元	汽車 HK\$'000 千港元	合計 HK\$'000 千港元
As at 31 December 2007	於二零零七年 十二月三十一日					
At 1 January 2007:	於二零零七年 一月一日:					
Cost or valuation	成本或估值	299,433	9,636	114,324	3,387	426,780
Accumulated depreciation	累計折舊	(37,408)	(3,548)	(43,077)	(1,713)	(85,746)
Net carrying amount	賬面淨值	<u>262,025</u>	<u>6,088</u>	<u>71,247</u>	<u>1,674</u>	<u>341,034</u>
At 1 January 2007, net of accumulated depreciation	於二零零七年 一月一日， 扣除累計折舊	262,025	6,088	71,247	1,674	341,034
Additions	添置	-	4,958	57,607	2,649	65,214
Disposals	出售	-	(90)	(2,642)	(197)	(2,929)
Depreciation provided during the year	年內折舊撥備	(10,879)	(2,608)	(35,126)	(864)	(49,477)
Exchange realignment	滙兌調整	181	227	2,540	113	3,061
At 31 December 2007, net of accumulated depreciation	於二零零七年 十二月三十一日， 扣除累計折舊	<u>251,327</u>	<u>8,575</u>	<u>93,626</u>	<u>3,375</u>	<u>356,903</u>
At 31 December 2007:	於二零零七年 十二月三十一日:					
Cost or valuation	成本或估值	299,656	14,469	152,550	5,869	472,544
Accumulated depreciation	累計折舊	(48,329)	(5,894)	(58,924)	(2,494)	(115,641)
Net carrying amount	賬面淨值	<u>251,327</u>	<u>8,575</u>	<u>93,626</u>	<u>3,375</u>	<u>356,903</u>

Certain of the Group's leasehold land and buildings were revalued on 31 December 1993 by Knight Frank & Kan, independent professionally qualified valuers. The leasehold land and buildings were revalued on an open market, existing use basis. Since 1995, no further revaluations of the Group's leasehold land and buildings have been carried out, as the Group has relied upon the exemption, provided under the transitional provisions of HKAS 16, from the requirement to carry out future revaluations of its property, plant and equipment which were stated at valuation at that time.

本集團若干租賃土地及樓宇於一九九三年十二月三十一日經獨立專業合資格測量師簡福飴測量行重估。該等租賃土地及樓宇根據現時用途按公開市值基準重估。本集團自一九九五年採納香港會計準則第16號之過渡條款賦予之豁免，無須對以當時估值列賬之物業、機器及設備進行未來重估，故並無為其租賃土地及樓宇再作重估。



**14. Property, plant and equipment (continued)**

Had these leasehold land and buildings been carried at historical cost less accumulated depreciation and impairment losses, their carrying amount would have been approximately HK\$38,651,000 (2007: HK\$42,739,000).

The Group's leasehold land and buildings included above are held under the following lease terms:

**14. 物業、機器及設備(續)**

倘若此等租賃土地及樓宇以歷史成本減累計折舊及減值虧損列賬，其賬面值約為38,651,000港元(二零零七年：42,739,000港元)。

本集團上述之租賃土地及樓宇按下列租期持有：

		Hong Kong 香港 HK\$'000 千港元	Elsewhere 其他地區 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>As at 31 December 2008</b>	<b>於二零零八年十二月三十一日</b>			
At cost:	按成本：			
Long term leases	長期租約	666	3,520	4,186
Medium term leases	中期租約	25,666	3,553	29,219
		<u>26,332</u>	<u>7,073</u>	<u>33,405</u>
At 1993 valuation:	按一九九三年估值：			
Long term leases	長期租約	78,757	–	78,757
Medium term leases	中期租約	179,736	–	179,736
		<u>258,493</u>	<u>–</u>	<u>258,493</u>
		<u><b>284,825</b></u>	<u><b>7,073</b></u>	<u><b>291,898</b></u>
		Hong Kong 香港 HK\$'000 千港元	Elsewhere 其他地區 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>As at 31 December 2007</b>	<b>於二零零七年十二月三十一日</b>			
At cost:	按成本：			
Long term leases	長期租約	666	3,311	3,977
Medium term leases	中期租約	25,666	219	25,885
		<u>26,332</u>	<u>3,530</u>	<u>29,862</u>
At 1993 valuation:	按一九九三年估值：			
Long term leases	長期租約	78,757	–	78,757
Medium term leases	中期租約	191,037	–	191,037
		<u>269,794</u>	<u>–</u>	<u>269,794</u>
		<u><b>296,126</b></u>	<u><b>3,530</b></u>	<u><b>299,656</b></u>

As at 31 December 2008, certain of the Group's leasehold land and buildings with an aggregate net carrying value of approximately HK\$70,200,000 (2007: HK\$83,893,000) were pledged to secure general banking facilities granted to the Group (note 28).

於二零零八年十二月三十一日，本集團以若干總賬面淨值約70,200,000港元(二零零七年：83,893,000港元)之租賃土地及樓宇作抵押，為本集團所獲一般銀行信貸作擔保(附註28)。

## 15. Investment properties

Carrying amount at 1 January	於一月一日之賬面值
Transfer to leasehold land and buildings	轉撥往租賃土地及樓宇
Net gain/(loss) from a fair value adjustment	公平價值調整之淨收益/(虧損)
Carrying amount at 31 December	於十二月三十一日之賬面值

The Group's investment properties are held under the following lease terms:

Long term leases:	長期租約：
Hong Kong	香港
Medium term leases:	中期租約：
Hong Kong	香港
Elsewhere	其他地區

The Group's investment properties were revalued on 31 December 2008 by DTZ Debenham Tie Leung Limited, independent professionally qualified valuers, at HK\$117,597,000 on an open market, existing use basis. The investment properties are leased to third parties under operating leases, further summary details of which are included in note 34(a) to the financial statements.

As at 31 December 2008, the Group's investment properties with an aggregate value of HK\$65,000,000 (2007: HK\$71,000,000) were pledged to secure general banking facilities granted to the Group (note 28).

## 15. 投資物業

Note 附註	Group 本集團	
	2008 HK\$'000 千港元	2007 HK\$'000 千港元
	126,950	117,050
14	(3,334)	–
6	(6,019)	9,900
	<u>117,597</u>	<u>126,950</u>

本集團之投資物業按下列租期持有：

	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Long term leases:		
Hong Kong	10,150	10,950
Medium term leases:		
Hong Kong	82,300	89,500
Elsewhere	25,147	26,500
	<u>117,597</u>	<u>126,950</u>

於二零零八年十二月三十一日，本集團之投資物業由獨立專業合資格測量師戴德梁行有限公司根據現時用途按公開市值基準重估為117,597,000港元。該等投資物業以經營租約租予第三者，其概要載於財務報告附註34(a)內。

於二零零八年十二月三十一日，本集團以總值65,000,000港元(二零零七年：71,000,000港元)之投資物業作抵押，為本集團所獲一般銀行信貸作擔保(附註28)。

## 16. Intangible assets

## Trading rights

Cost at 1 January, net of accumulated amortization	於一月一日之成本， 扣除累計攤銷
Disposal	出售
Cost at 31 December, net of accumulated amortization	於十二月三十一日之成本， 扣除累計攤銷
Cost (gross carrying amount)	成本(賬面總值)
Accumulated amortization	累計攤銷
At 31 December	於十二月三十一日

Upon the adoption of HKAS 38, trading rights are considered to have indefinite lives because they are expected to contribute to the net cash flows of the Group indefinitely, which are not amortized.

## 17. Other assets

Cost of membership for a seat at The Chinese Gold and Silver Exchange Society	金銀業貿易場 會籍成本
Deposits with the Stock Exchange:	於聯交所按金：
Compensation fund	賠償基金
Fidelity fund	互保基金
Stamp duty deposit	印花稅按金
Contributions in cash to the Central Clearing and Settlement System Guarantee Fund	於中央結算及交收系統保證基金之 現金供款
Admission fee paid to Hong Kong Securities Clearing Company Limited	香港中央結算有限公司之入會費用
Deposit with the HKFE Clearing Corporation Limited	於香港期貨結算有限公司之按金
Rental deposits*	租賃按金*

\* The rental deposits are related to office properties and retail shops leased by the Group (note 34(b)) and the majority of the terms of the lease arrangements are over one year. Included in this total is an aggregate amount of approximately HK\$11 million (2007: approximately HK\$10 million) relating to operating leases expiring within one year. The Directors are of the opinion that such deposits are of a long term nature on the basis that the related leases are expected to be renewed upon their respective expiry dates. Accordingly, the Directors consider it appropriate to classify such deposits as non-current assets.

## 16. 無形資產

	Group 本集團	
	2008 HK\$'000 千港元	2007 HK\$'000 千港元
	271	320
	-	(49)
	<u>271</u>	<u>271</u>
	<u>524</u>	<u>524</u>
	<u>(253)</u>	<u>(253)</u>
	<u>271</u>	<u>271</u>

採納香港會計準則第38號後，由於交易權預期為本集團無限期帶來現金流量淨額，故被視為擁有無限年期而不作攤銷。

## 17. 其他資產

	Group 本集團	
	2008 HK\$'000 千港元	2007 HK\$'000 千港元
	1,500	1,500
	250	250
	250	250
	250	250
	250	250
	250	300
	1,500	1,500
	<u>70,640</u>	<u>47,041</u>
	<u>74,890</u>	<u>51,341</u>

\* 此乃本集團之辦公室及零售店租約(附註34(b))之相關租賃按金，大部分租約為期超過一年，其中合共約有11,000,000港元(二零零七年：約10,000,000港元)屬一年內到期之經營租約。董事認為，按有關租約預期於各自到期時續約之基準，此等按金應屬長期性質。因此，董事認為宜將此等按金分類為非流動資產。

## 18. Interests in subsidiaries

		Company 本公司	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Unlisted shares/investments, at cost	非上市股份／投資，按成本	1,085,873	1,085,873
Due from subsidiaries	附屬公司欠款	398,823	497,910
		<b>1,484,696</b>	<b>1,583,783</b>

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

附屬公司欠款乃無抵押、免息及並無固定還款期。

Particulars of the subsidiaries are as follows:

附屬公司之詳情如下：

Name 名稱	Place of incorporation/ registration and operations 成立／註冊 及經營地點	Nominal value of issued ordinary share capital/ registered capital 已發行 普通股本／ 註冊股本面值	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Acclaim Holdings Limited 雅慶有限公司	British Virgin Islands 英屬維爾京群島	US\$600,000 600,000 美元	–	100	Investment holding 投資控股
Chow Sang Sang Bullion Dealers Limited 周生生金號有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000 港元	–	100	Bullion broking 貴金屬經紀
Chow Sang Sang (China) Company Limited*	People's Republic of China/ Mainland China 中華人民共和國／ 中國內地	HK\$300,000,000 300,000,000 港元	–	100	Sale of jewellery 珠寶銷售
Chow Sang Sang Commodities Limited 周生生商品有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000 港元	–	100	Dormant 暫無營業
Chow Sang Sang Corporate Gift Limited 周生生企業禮品有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000 港元	–	100	Sale of corporate gift products 企業禮品銷售
Chow Sang Sang Diamond (Shanghai) Co., Ltd.**	People's Republic of China/ Mainland China 中華人民共和國／ 中國內地	US\$5,000,000 5,000,000 美元	–	100	Diamond trading 鑽石買賣

## 18. Interests in subsidiaries (continued)

## 18. 於附屬公司權益(續)

Name 名稱	Place of incorporation/ registration and operations 成立／註冊 及經營地點	Nominal value of issued ordinary share capital/ registered capital 已發行 普通股本／ 註冊股本面值	Percentage of equity attributable to the Company 本公司所佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Chow Sang Sang Finance Limited 周生生財務有限公司	Hong Kong 香港	HK\$15,000,000 15,000,000 港元	–	100	Group financing 集團融資
Chow Sang Sang Futures Limited 周生生期貨有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000 港元	–	100	Commodity broking 商品經紀
Chow Sang Sang Holdings (BVI) Limited 周生生集團(英屬維爾京群島) 有限公司	British Virgin Islands 英屬維爾京群島	US\$50,000 50,000 美元	100	–	Investment holding 投資控股
Chow Sang Sang Holdings Limited 周生生集團有限公司	Hong Kong 香港	HK\$250 250 港元	–	100	Investment holding 投資控股
Chow Sang Sang Industrial (Fuzhou) Co., Ltd.** 周生生實業(福州)有限公司**	People's Republic of China/ Mainland China 中華人民共和國/ 中國內地	HK\$12,180,000 12,180,000 港元	–	100	Property investment 物業投資
Chow Sang Sang International (Shunde) Limited 周生生國際(順德)有限公司	Hong Kong/ Mainland China 香港／中國內地	HK\$2 2 港元	–	100	Property investment 物業投資
Chow Sang Sang Investments Limited 周生生投資有限公司	Hong Kong 香港	HK\$2,500,000 2,500,000 港元	–	100	Investment holding 投資控股
Chow Sang Sang Jewellery (China) Co. Ltd. 周生生珠寶金行(中國)有限公司	British Virgin Islands 英屬維爾京群島	US\$1 1 美元	–	100	Investment holding 投資控股
Chow Sang Sang Jewellery (China) Limited 周生生珠寶(中國)有限公司	Hong Kong 香港	HK\$1 1 港元	–	100	Investment holding 投資控股
Chow Sang Sang Jewellery Company Limited 周生生珠寶金行有限公司	Hong Kong 香港	HK\$30,000,000 30,000,000 港元	–	100	Manufacture and retail of jewellery 珠寶製造及零售

## 18. Interests in subsidiaries (continued)

## 18. 於附屬公司權益(續)

Name 名稱	Place of incorporation/ registration and operations 成立/註冊 及經營地點	Nominal value of issued ordinary share capital/ registered capital 已發行 普通股本/ 註冊股本面值	Percentage of equity attributable to the Company 本公司所佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Chow Sang Sang Jewellery (Foshan) Co., Ltd.** 周生生珠寶(佛山)有限公司**	People's Republic of China/ Mainland China 中華人民共和國/ 中國內地	HK\$120,166,800 120,166,800 港元	-	100	Manufacture and sale of jewellery 珠寶製造及銷售
Chow Sang Sang Jewellery Pte Ltd	Singapore 新加坡	SG\$2 2 坡元	-	100	Dormant 暫無營業
Chow Sang Sang Jewellery (Shaanxi) Co., Ltd.** 周生生珠寶金行(陝西) 有限公司**	People's Republic of China/ Mainland China 中華人民共和國/ 中國內地	HK\$21,400,000 21,400,000 港元	-	100	Manufacture and sale of jewellery 珠寶製造及銷售
Chow Sang Sang Jewellery (Shandong) Co., Ltd.*** 周生生珠寶(山東)有限公司***	People's Republic of China/ Mainland China 中華人民共和國/ 中國內地	RMB70,000,000 70,000,000 元人民幣	-	70	Manufacture and sale of jewellery 珠寶製造及銷售
Chow Sang Sang Jewellery (Shanghai) Co., Ltd.# 周生生珠寶(上海)有限公司#	People's Republic of China/ Mainland China 中華人民共和國/ 中國內地	US\$1,000,000 1,000,000 美元	-	61	Manufacture and sale of jewellery 珠寶製造及銷售
Chow Sang Sang Jewellery (Taiwan) Limited 周生生珠寶行股份有限公司	British Virgin Islands/ Taiwan 英屬維爾京群島/ 台灣	US\$50,000 50,000 美元	-	100	Sale of jewellery 珠寶銷售
Chow Sang Sang Manufacturing International Limited 周生生首飾廠國際有限公司	British Virgin Islands 英屬維爾京群島	US\$1 1 美元	-	100	Investment holding 投資控股
Chow Sang Sang Nominees Limited 周生生代理人有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000 港元	-	100	Provision of nominee services 提供代理服務
Chow Sang Sang Property Holdings N.V.	Netherlands Antilles/ Hong Kong 荷蘭安的列斯/香港	US\$30,000 30,000 美元	-	100	Property investment 物業投資

## 18. Interests in subsidiaries (continued)

## 18. 於附屬公司權益(續)

Name 名稱	Place of incorporation/ registration and operations 成立/註冊 及經營地點	Nominal value of issued ordinary share capital/ registered capital 已發行 普通股本/ 註冊股本面值	Percentage of equity attributable to the Company 本公司所佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Chow Sang Sang Properties Limited 周生生置業有限公司	Hong Kong 香港	HK\$10,000,000 10,000,000 港元	-	100	Property investment 物業投資
Chow Sang Sang Securities Limited 周生生證券有限公司	Hong Kong 香港	HK\$10,000,000 10,000,000 港元	-	100	Securities broking 證券經紀
Emphasis Jewellery Company Limited 點睛品珠寶有限公司	Macau 澳門	MOP25,000 25,000 澳門元	-	100	Retail of jewellery 珠寶零售
Fullink Developments Inc.	British Virgin Islands 英屬維爾京群島	US\$1 1 美元	-	100	Dormant 暫無營業
Tsin Chuk Kam Manufactory Ltd. 千足金製造廠有限公司	British Virgin Islands/ Mainland China 英屬維爾京群島/ 中國內地	US\$100,000 100,000 美元	-	100	Processing of jewellery 珠寶加工
World Commercial Sales Company Limited 世界批發行有限公司	Hong Kong 香港	HK\$2,500,000 2,500,000 港元	-	100	Wholesale of precious metals 貴金屬批發
338.Net Limited	Hong Kong 香港	HK\$2 2 港元	-	100	Provision of information technology services 提供資訊科技服務

\* The company was registered as a wholly-foreign-invested commercial enterprise under the law of the People's Republic of China.

\* 根據中華人民共和國法律註冊之全外商投資商業企業。

\*\* The companies were registered as wholly-foreign-owned enterprises under the law of the People's Republic of China.

\*\* 根據中華人民共和國法律註冊之全外商投資企業。

\*\*\* The company was registered as a sino-foreign equity joint venture enterprise under the law of the People's Republic of China.

\*\*\* 根據中華人民共和國法律註冊之中外合資合營公司。

# The company was registered as a sino-foreign equity joint venture enterprise under the law of the People's Republic of China and it was in the process of liquidation.

# 根據中華人民共和國法律註冊之中外合資合營公司，正在清盤中。

## 19. Interests in associates

Share of net assets 應佔淨資產  
Loan from an associate 欠聯營公司之貸款

The loan from an associate is unsecured, interest-free and has no fixed terms of repayment.

Particulars of the associates are as follows:

Name 名稱	Particulars of issued shares held/ registered capital 所持已發行股本/ 註冊股本詳情	Place of incorporation/ registration and operations 成立/註冊及 經營地點	Percentage of ownership interest attributable to the Group 本集團所佔 權益百分比		Principal activities 主要業務
			2008	2007	
Foo Sang Enterprises Company Limited 富生置業有限公司	Ordinary shares of HK\$100 each 每股面值100港元 之普通股	Hong Kong 香港	36.63	36.63	Property investment 物業投資
Qingdao Kang Hua Diamond Co., Ltd.* 青島康華鑽石有限公司*	RMB7,440,000 7,440,000元人民幣	People's Republic of China/ Mainland China 中華人民共和國/ 中國內地	32	32	Processing of diamonds 鑽石加工

The above companies are not audited by Ernst & Young Hong Kong or other member firm of the Ernst & Young global network.

\* The company was registered as a sino-foreign equity joint venture enterprise under the law of the People's Republic of China.

The above associates are indirectly held by the Company and have been accounted for using the equity method in these financial statements.

The following table illustrates the summarized financial information of the Group's associates:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Assets 資產		37,369	39,762
Liabilities 負債		(6,149)	(6,109)
Revenue 收益		16,044	18,127
Profit/(loss) after tax 除稅後溢利/(虧損)		(1,201)	2,221

## 19. 於聯營公司權益

	Group 本集團	
	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Share of net assets 應佔淨資產	11,028	11,585
Loan from an associate 欠聯營公司之貸款	(128)	(128)
	<b>10,900</b>	<b>11,457</b>

欠聯營公司之貸款乃無抵押、免息及並無固定還款期。

聯營公司之詳情如下：

Name 名稱	Particulars of issued shares held/ registered capital 所持已發行股本/ 註冊股本詳情	Place of incorporation/ registration and operations 成立/註冊及 經營地點	Percentage of ownership interest attributable to the Group 本集團所佔 權益百分比		Principal activities 主要業務
			2008	2007	
Foo Sang Enterprises Company Limited 富生置業有限公司	Ordinary shares of HK\$100 each 每股面值100港元 之普通股	Hong Kong 香港	36.63	36.63	Property investment 物業投資
Qingdao Kang Hua Diamond Co., Ltd.* 青島康華鑽石有限公司*	RMB7,440,000 7,440,000元人民幣	People's Republic of China/ Mainland China 中華人民共和國/ 中國內地	32	32	Processing of diamonds 鑽石加工

上述公司並非由香港安永會計師事務所或其他安永國際成員公司所審核。

\* 根據中華人民共和國法律註冊之中外合資合營公司。

上述聯營公司由本公司間接持有，在本財務報告以權益法會計處理。

下表呈列本集團聯營公司之財務資料概要：



## 20. Available-for-sale investments

Listed equity investments in Hong Kong, at market value*	香港上市股份投資，按市值*
Unlisted equity investment, at fair value	非上市股份投資，按公平價值
Unlisted equity investments, at cost	非上市股份投資，按成本
Unlisted debt security, at fair value	非上市債務證券，按公平價值

An analysis of the available-for-sale investments by issuer is as follows:	按發行人劃分之可供出售投資分析如下：
Equity investments:	股份投資：
Corporate entities	企業實體
Debt security:	債務證券：
Financial institutions	財務機構

During the year, the gross loss of the Group's available-for-sale investments recognized directly in equity amounted to HK\$731,514,000 (2007: gross gain of HK\$671,942,000).

The above investments consist of equity securities which have no fixed maturity date or coupon rate. The debt security in the prior year bore interest at rates of 4.3% to 6.0% per annum (effective interest rate: 5.2% per annum) and was fully redeemed during the year.

The fair values of listed equity investments are based on quoted market prices. The fair value of unlisted equity investment has been estimated using valuation techniques including a discounted cash flow analysis, and based on assumptions which make use of market parameters as supported by open market value, etc. The Directors believe that the estimated fair value resulting from the valuation technique is reasonable, and that it is the most appropriate value as at the balance sheet date.

As at 31 December 2008, unlisted equity investments with an aggregate carrying amount of HK\$739,000 (2007: HK\$739,000) were stated at cost because the range of reasonable fair value estimates is so significant that the Directors are of the opinion that their fair values cannot be measured reliably. The Group does not intend to dispose of them in the near future.

## 20. 可供出售投資

Group 本集團	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
<b>364,577</b>	1,093,733
<b>12,768</b>	15,126
<b>739</b>	739
<b>–</b>	2,324
<b>13,507</b>	18,189
<b>378,084</b>	1,111,922
<b>378,084</b>	1,109,598
<b>–</b>	2,324
<b>378,804</b>	1,111,922

年內，直接於權益確認之本集團可供出售投資總虧損為731,514,000港元(二零零七年：總收益671,942,000港元)。

上述投資包括並無固定到期日或票面息率之股份證券。上年度之債務證券按年利率4.3%至6.0%計息(實質利率：年利率5.2%)，並於年內全數贖回。

上市股份投資之公平價值乃根據市場報價計算。非上市股份投資之公平價值乃採用包括折現現金流量分析等估值方法估計，所作之假設乃使用透過由公開市值支持之市場參數等。董事相信就估值方式產生之估計公平價值屬合理，並為於結算日最適當之價值。

於二零零八年十二月三十一日，由於合理公平價值估計範圍太大，令董事認為無法可靠地計量其公平價值，故賬面總值739,000港元(二零零七年：739,000港元)之非上市股份投資乃按成本列賬。本集團並無意於可見未來出售該等投資。

**20. Available-for-sale investments (continued)**

As at 31 December 2008, the Group's listed equity investments with a carrying value of HK\$73,600,000 (2007: HK\$220,800,000) were pledged to secure general banking facilities granted to the Group (note 28).

\* On 6 March 2000, under the Schemes of Arrangements of the Stock Exchange and the Futures Exchange and pursuant to the Exchanges and Clearing Houses (Merger) Ordinance, the Group received 6,223,500 shares of HK\$1.00 each in Hong Kong Exchanges and Clearing Limited ("HKEC"), six exchange trading rights in the Stock Exchange and one exchange trading right in the Futures Exchange as a consideration for the cancellation of its six shares held in the Stock Exchange and one share held in the Futures Exchange. As at 1 January 2008 and 31 December 2008, the Group held 4,953,500 shares of HKEC. In the prior year, the Group disposed of one of the trading rights in the Stock Exchange, resulting a gain of HK\$451,000 (note 6).

**21. Inventories**

Goods held for sale 持作銷售之貨品

**22. Accounts receivable/Receivables arising from securities and futures broking****Jewellery retail**

The Group's sales are normally made on a cash basis. Credit card receivables from financial institutions in respect of retail sales are aged within one month. There are wholesale customers who have been given credit periods ranging from 15 to 45 days.

**Wholesale of diamonds**

The Group normally grants credit periods of up to 60 days to its trade customers.

**Wholesale of precious metals**

The Group's wholesale of precious metals is normally conducted on a cash basis.

**Securities and commodities broking**

Securities deals are settled two days after the trade date, and commodities deals are normally settled on a cash basis.

**20. 可供出售投資(續)**

於二零零八年十二月三十一日，本集團以上市股份投資賬面值73,600,000港元(二零零七年：220,800,000港元)作抵押，為本集團所獲一般銀行信貸作擔保(附註28)。

\* 於二零零零年三月六日，根據交易所及結算所(合併)條例之股份合併計劃，本集團取得香港交易及結算有限公司(「港交所」)6,223,500股每股面值1.00港元之股份及六個聯交所及一個期交所交易權，以取代原在聯交所持有之六股股份及在期交所持有之一股股份。於二零零八年一月一日及二零零八年十二月三十一日，本集團持有港交所4,953,500股股份。本集團於上年度出售其中一個聯交所交易權，獲得451,000港元之收益(附註6)。

**21. 存貨**

Group 本集團	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
<b>2,528,754</b>	<b>2,092,366</b>

**22. 應收賬款/證券及期貨經紀產生之應收賬款****珠寶零售**

本集團銷售一般以現金交易。就零售而來自財務機構之應收信用卡賬款之賬齡少於一個月。現有批發客戶獲提供十五至四十五日之除賬期。

**鑽石批發**

本集團一般向貿易客戶提供之除賬期最多為六十日。

**貴金屬批發**

本集團之貴金屬批發一般以現金交易。

**證券及商品經紀**

證券買賣於交易日後兩天結算，而商品買賣一般以現金結算。

## 22. Accounts receivable/Receivables arising from securities and futures broking (continued)

		Group 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Trade and credit card receivables	應收貿易及信用卡賬款	212,352	211,902
Impairment	減值	-	(22)
Accounts receivable	應收賬款	<u>212,352</u>	<u>211,880</u>
Receivables arising from securities and futures broking conducted in the ordinary course of business:	在日常業務中證券及期貨經紀產生之應收賬款：		
Cash clients	現金客戶	93,432	270,492
Clearing houses	結算所	5,632	8,446
Loans to margin clients	孖展客戶貸款	<u>39,461</u>	<u>117,026</u>
		138,525	395,964
Impairment	減值	<u>(3,677)</u>	<u>(108)</u>
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款	<u>134,848</u>	<u>395,856</u>
Total accounts receivable and receivables arising from securities and futures broking	應收賬款及證券及期貨經紀產生之應收賬款總額	<u><u>347,200</u></u>	<u><u>607,736</u></u>

Apart from the receivable balances arising from securities and futures broking, the remaining balances are non-interest-bearing.

除證券及期貨經紀產生之應收賬款結餘外，其他結餘均為免息。

The movements in provisions for impairment of accounts receivable and receivables arising from securities and futures broking are as follows:

應收賬款及證券及期貨經紀產生之應收賬款之減值撥備變動如下：

		Group 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Accounts receivable:	應收賬款：		
At 1 January	於一月一日	22	22
Impairment loss reversed (note 6)	已撥回減值虧損(附註6)	<u>(22)</u>	<u>-</u>
At 31 December	於十二月三十一日	<u>-</u>	<u>22</u>
Receivables arising from securities and futures broking:	證券及期貨經紀產生之應收賬款：		
At 1 January	於一月一日	108	274
Impairment losses recognized (note 6)	已確認減值虧損(附註6)	3,609	29
Impairment losses reversed (note 6)	已撥回減值虧損(附註6)	<u>(40)</u>	<u>(195)</u>
At 31 December	於十二月三十一日	<u><u>3,677</u></u>	<u><u>108</u></u>

**22. Accounts receivable/Receivables arising from securities and futures broking (continued)**

Included in the above provisions for impairment of accounts receivable and receivables arising from securities and futures broking is a provision for individually impaired receivables of nil (2007: HK\$22,000) and HK\$3,677,000 (2007: HK\$108,000) with carrying amounts of nil (2007: HK\$22,000) and HK\$3,677,000 (2007: HK\$108,000), respectively. Such provision was determined after taking into account the ageing of the respective account receivable balances, the creditworthiness of the debtors, their repayment history and their historical write-off experience. Such receivables are not expected to be recovered. The Group does not hold any collateral or other credit enhancements over these balances.

The ageing analysis of the accounts receivable and receivables arising from securities and futures broking not impaired as at the balance sheet date, based on the due date, is as follows:

Not yet due	未逾期
Within 30 days past due	逾期30日內
31 to 60 days past due	逾期31至60日
61 to 90 days past due	逾期61至90日
Over 90 days past due	逾期超過90日

Loans to margin clients*	孖展客戶貸款*
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\* Loans to margin clients are secured by the underlying pledged securities, repayable on demand and bear interest at commercial rates. No ageing analysis is disclosed as, in the opinion of the Directors, an ageing analysis is not relevant in view of the nature of the business of securities margin financing. As at 31 December 2008, the total market value of securities pledged as collateral in respect of the loans to margin clients was HK\$140,576,000 (2007: HK\$468,940,000).

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. 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. Except for loans to margin clients, the Group does not hold any collateral or other credit enhancements over these balances.

**22. 應收賬款／證券及期貨經紀產生之應收賬款(續)**

上述應收賬款及證券及期貨經紀產生之應收賬款減值撥備中分別包括個別已減值應收賬款撥備為零(二零零七年：22,000港元)及3,677,000港元(二零零七年：108,000港元)，其賬面值分別為零(二零零七年：22,000港元)及3,677,000港元(二零零七年：108,000港元)。有關撥備乃經考慮各項應收賬款結餘之賬齡、債務人之信譽、彼等之還款紀錄及過往撇銷紀錄後釐定。有關應收賬款預期將不能被收回。本集團並無就該等結餘持有任何抵押品或其他加強信貸措施。

於結算日，無須減值之應收賬款及證券及期貨經紀產生之應收賬款根據到期日之賬齡分析如下：

Group 本集團	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
239,081	378,159
64,176	96,973
2,042	13,657
92	1,623
<u>2,349</u>	<u>299</u>
307,740	490,711
<u>39,460</u>	<u>117,025</u>
<u><u>347,200</u></u>	<u><u>607,736</u></u>

\* 孖展客戶貸款以相關已抵押證券作抵押，須於要求時償還及按商業條款計息。鑑於證券孖展借貸業務性質，董事認為賬齡分析作用不大，故無披露賬齡分析。於二零零八年十二月三十一日，有關孖展客戶貸款以證券抵押作抵押品之總市值為140,576,000港元(二零零七年：468,940,000港元)。

未逾期及無減值之應收賬款為大量並無最近欠賬記錄之分散客戶。已逾期惟無減值之應收賬款為多名於本集團擁有良好信貸記錄之獨立客戶。根據過往經驗，本公司董事認為由於信貸質素並無重大轉變，且結餘仍然被視為可全數收回，故無須就該等結餘作出減值撥備。除孖展客戶貸款外，本集團並無就該等結餘持有任何抵押品或其他加強信貸措施。

## 23. Prepayments, deposits and other receivables

		Group 本集團		Company 本公司	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Prepayments	預付款項	56,014	36,300	145	242
Deposits	按金	11,382	11,717	-	-
Other receivables	其他應收賬款	6,462	7,243	-	96
		<b>73,858</b>	<b>55,260</b>	<b>145</b>	<b>338</b>

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

## 23. 預付款項、按金及其他應收賬款

上述資產概無逾期或已減值。包含在上述結餘之財務資產為近期並無不履約紀錄之應收賬款。

## 24. Investments at fair value through profit or loss

		Group 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Listed equity investments in Hong Kong, at market value	香港上市股份投資，按市值	5,820	13,479

The above equity investments as at 31 December 2008 were held for trading and issued by corporate entities.

於二零零八年十二月三十一日，上述股份投資乃持作買賣用途，並由企業實體發行。

## 25. Cash and cash equivalents/Cash held on behalf of clients

An analysis of cash and cash equivalents is as follows:

		Group 本集團		Company 本公司	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Cash and bank balances	現金及銀行存款	144,654	212,899	1,327	1,000
Non-pledged time deposits with original maturity of less than three months when acquired	存放時到期日少於三個月之無抵押定期存款	463	51,642	-	-
Cash and cash equivalents	現金及等同現金	<b>145,117</b>	<b>264,541</b>	<b>1,327</b>	<b>1,000</b>

## 25. 現金及等同現金/代客戶持有現金

現金及等同現金之分析如下：

## 25. Cash and cash equivalents/Cash held on behalf of clients (continued)

As at the balance sheet date, the cash and bank balances of the Group's subsidiaries operate in Mainland China denominated in Renminbi ("RMB") amounted to RMB48,871,000 (approximately HK\$55,508,000) (2007: RMB51,271,000 (approximately HK\$54,798,000)). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorized to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for seven days and earn interest at the respective time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

The Group maintains segregated trust accounts with licensed banks to hold securities and futures clients' monies arising from its normal course of business. The Group has classified the clients' monies as "Cash held on behalf of clients" under the current assets section of the consolidated balance sheet and recognized the corresponding accounts payable to the respective clients on the grounds that it is liable for any loss or misappropriation of the clients' monies. The Group is not allowed to use the clients' monies to settle its own obligations.

## 26. Accounts payable/Payables arising from securities and futures broking

Accounts payable	應付賬款	<b>70,023</b>	118,062
Payables arising from securities and futures broking conducted in the ordinary course of business:	在日常業務中證券及期貨經紀產生之應付賬款：		
Cash clients	現金客戶	<b>332,978</b>	576,581
Margin clients	孖展客戶	<b>48,964</b>	15,734
Clearing houses	結算所	-	21,765
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	<b>381,942</b>	614,080
Total accounts payable and payables arising from securities and futures broking	應付賬款及證券及期貨經紀產生之應付賬款總額	<b>451,965</b>	732,142

## 25. 現金及等同現金／代客戶持有現金(續)

於結算日，本集團在中國內地營運之附屬公司以人民幣為單位之現金及銀行存款為48,871,000元人民幣(約55,508,000港元)(二零零七年：51,271,000元人民幣(約54,798,000港元))。人民幣不能自由兌換為其他貨幣，然而，根據中國內地之外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為外幣。

銀行現金根據每日銀行存款利率按浮動利率賺取利息。定期存款之存款期為七日，並按定期存款利率賺取利息。銀行結餘存於信譽良好而近期並無不履約紀錄之銀行。

本集團於持牌銀行開設獨立信託賬戶，以存放證券及期貨客戶於日常業務產生之款項。本集團已將此等客戶款項分類為綜合資產負債表內流動資產項下之「代客戶持有現金」，並根據負上客戶款項之任何損失或挪用之責任而確認為應予相關客戶賬款。本集團不准使用客戶款項償還其本身之債務。

## 26. 應付賬款／證券及期貨經紀產生之應付賬款

		Group 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Accounts payable	應付賬款	<b>70,023</b>	118,062
Payables arising from securities and futures broking conducted in the ordinary course of business:	在日常業務中證券及期貨經紀產生之應付賬款：		
Cash clients	現金客戶	<b>332,978</b>	576,581
Margin clients	孖展客戶	<b>48,964</b>	15,734
Clearing houses	結算所	-	21,765
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	<b>381,942</b>	614,080
Total accounts payable and payables arising from securities and futures broking	應付賬款及證券及期貨經紀產生之應付賬款總額	<b>451,965</b>	732,142

## 26. Accounts payable/Payables arising from securities and futures broking (continued)

The ageing analysis of the accounts payable and payables arising from securities and futures broking as at the balance sheet date, based on the due date, is as follows:

Within 30 days (including amounts not yet due)	30 日內 (包括未到期金額)
31 to 60 days	31 至 60 日
Over 60 days	超過 60 日
Cash clients accounts payable <sup>#</sup>	應付現金客戶賬款 <sup>#</sup>
Margin clients accounts payable*	應付孖展客戶賬款*

<sup>#</sup> Included in the cash clients accounts payable arising from dealing in securities conducted in the ordinary course of business was an amount of approximately HK\$262,410,000 (2007: HK\$351,328,000) representing those clients' undrawn monies/excess deposits placed with the Group. As at 31 December 2008, the cash clients accounts payable included an amount of HK\$4,048,000 (2007: HK\$4,284,000) in respect of securities transactions undertaken for the accounts of certain Directors. The balances are repayable on demand and bear interest at commercial rates. No ageing analysis is disclosed as, in the opinion of the Directors, an ageing analysis is not meaningful in view of the nature of the business of dealing in securities.

\* The margin clients accounts payable are repayable on demand and bear interest at commercial rates. No ageing analysis is disclosed as, in the opinion of the Directors, an ageing analysis is not relevant in view of the nature of the business of securities margin financing.

## 27. Derivative financial instruments

<b>Assets</b>	<b>資產</b>
Forward currency contracts	遠期外幣合約
<b>Liabilities</b>	<b>負債</b>
Bullion contracts	貴金屬合約

The forward currency contracts and bullion contracts are stated at their fair values. The above transactions involving derivative financial instruments are conducted with financial institutions which obligations rated grade "A" or above.

## 26. 應付賬款／證券及期貨經紀產生之應付賬款(續)

於結算日，應付賬款及證券及期貨經紀產生之應付賬款根據到期日之賬齡分析如下：

		Group 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Within 30 days (including amounts not yet due)	30 日內 (包括未到期金額)	69,271	128,381
31 to 60 days	31 至 60 日	694	9,846
Over 60 days	超過 60 日	58	1,600
Cash clients accounts payable <sup>#</sup>	應付現金客戶賬款 <sup>#</sup>	70,023	139,827
Margin clients accounts payable*	應付孖展客戶賬款*	332,978	576,581
		48,964	15,734
		<b>451,965</b>	<b>732,142</b>

<sup>#</sup> 包括在日常業務中進行證券買賣產生之應付現金客戶賬款內約 262,410,000 港元 (二零零七年：351,328,000 港元) 為該等客戶存於本集團之未提取款項／額外繳付按金。於二零零八年十二月三十一日，應付現金客戶賬款包括為若干董事賬戶進行證券交易之款項 4,048,000 港元 (二零零七年：4,284,000 港元)。結餘須於要求時償還及按商業條款計息。鑑於證券買賣業務性質，董事認為賬齡分析意義不大，故無披露賬齡分析。

\* 應付孖展客戶賬款須於要求時償還及按商業條款計息。鑑於證券孖展借貸業務性質，董事認為賬齡分析作用不大，故無披露賬齡分析。

## 27. 衍生金融工具

		Group 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>		
Forward currency contracts	遠期外幣合約	2,759	4,982
<b>Liabilities</b>	<b>負債</b>		
Bullion contracts	貴金屬合約	2,769	9,451

遠期外幣合約及貴金屬合約按其公平價值列賬。上述涉及衍生金融工具之交易乃與信貸評級獲評定為「A」級或以上之金融機構進行。

**27. Derivative financial instruments (continued)**

As at 31 December 2008, the aggregate notional amount of the forward currency contracts was HK\$366,483,000 (2007: HK\$470,568,000) and the aggregate contractual amount of the bullion contracts was HK\$61,676,000 (2007: HK\$140,768,000).

The purpose of the above contracts entered into by the Group is to manage the Group's currency rate and bullion price exposures. Such contracts did not meet the criteria for hedge accounting.

**28. Interest-bearing bank borrowings**

Group  
本集團

		2008			2007		
		Contractual interest rate 合約利率 (%)	Maturity 到期日	HK\$'000 千港元	Contractual interest rate 合約利率 (%)	Maturity 到期日	HK\$'000 千港元
<b>Repayable within one year or on demand</b>	<b>一年內或按要求償還</b>						
Bank overdrafts – unsecured	銀行透支 – 無抵押	5.4	On demand 按要求	26,639	–	–	–
Bank loans – unsecured	銀行貸款 – 無抵押	1.0-6.4	2009	332,460	3.6-7.3	2008	286,229
Bank loans – secured	銀行貸款 – 有抵押	1.1-1.2	2009	30,000	–	–	–
				<b>389,099</b>			<b>286,229</b>

(a) As at 31 December 2008, the Group's banking facilities amounted to HK\$1,261,004,000 (2007: HK\$1,225,405,000), of which HK\$389,099,000 (2007: HK\$286,229,000) had been utilized as at the balance sheet date. Certain of the banking facilities amounting to HK\$435,000,000 (2007: HK\$478,000,000) are secured by certain assets of the Group as disclosed in notes 14, 15 and 20 to the financial statements.

(b) In the prior year, a corporate guarantee was given by a minority shareholder of a subsidiary of the Group in respect of an unsecured bank loan of RMB10,000,000 (approximately HK\$10,688,000). The corporate guarantee was released upon the repayment of the loan during the year.

The carrying amounts of the bank loans as at the balance sheet date are denominated in the following currencies:

		Group 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Hong Kong dollar	港元	82,000	45,000
Renminbi	人民幣	291,280	233,533
New Taiwan dollar	新台幣	15,819	7,696
		<b>389,099</b>	<b>286,229</b>

**27. 衍生金融工具(續)**

於二零零八年十二月三十一日，遠期外幣合約之名義數額總值為366,483,000港元(二零零七年：470,568,000港元)，而貴金屬合約之合約數額總值為61,676,000港元(二零零七年：140,768,000港元)。

本集團訂立上述合約旨在管理本集團之外幣匯率及貴金屬價格風險。該等合約並不符合對沖會計處理之條件。

**28. 計息銀行貸款**

		2008			2007		
		Contractual interest rate 合約利率 (%)	Maturity 到期日	HK\$'000 千港元	Contractual interest rate 合約利率 (%)	Maturity 到期日	HK\$'000 千港元
<b>Repayable within one year or on demand</b>	<b>一年內或按要求償還</b>						
Bank overdrafts – unsecured	銀行透支 – 無抵押	5.4	On demand 按要求	26,639	–	–	–
Bank loans – unsecured	銀行貸款 – 無抵押	1.0-6.4	2009	332,460	3.6-7.3	2008	286,229
Bank loans – secured	銀行貸款 – 有抵押	1.1-1.2	2009	30,000	–	–	–
				<b>389,099</b>			<b>286,229</b>

(a) 於二零零八年十二月三十一日，本集團之銀行信貸額為1,261,004,000港元(二零零七年：1,225,405,000港元)，其中389,099,000港元(二零零七年：286,229,000港元)於結算日已動用。若干銀行信貸額435,000,000港元(二零零七年：478,000,000港元)以本集團於財務報告附註14、15及20披露之若干資產作為抵押。

(b) 於上年度，本集團內一家附屬公司一名少數股東就無抵押銀行貸款10,000,000元人民幣(約10,688,000港元)作出公司擔保。公司擔保已於年內償還貸款後解除。

銀行貸款於結算日之賬面值以下列貨幣為單位：



## 29. Deferred tax

The movements in deferred tax liabilities and assets during the year are as follows:

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2008

## Deferred tax liabilities

## 遞延稅項負債

		Depreciation allowance in excess of related depreciation and revaluation of properties 折舊免稅額超過有關折舊及物業重估 HK\$'000 千港元	Withholding taxes 預提稅 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2008	於二零零八年一月一日	56,927	-	56,927
Deferred tax charged/(credited) to the income statement during the year, including a credit of HK\$422,000 due to the effect of a change in tax rate (note 10)	年內於損益賬扣除/(撥回)之遞延稅項(包括受稅率變動影響而撥回之422,000港元)(附註10)	(2,814)	6,193	3,379
Deferred tax credited to the leasehold land and buildings revaluation reserve during the year due to the effect of a change in tax rate	年內受稅率變動影響而於租賃土地及樓宇重估儲備撥回之遞延稅項	(2,833)	-	(2,833)
Gross deferred tax liabilities recognized in the consolidated balance sheet at 31 December 2008	於二零零八年十二月三十一日於綜合資產負債表確認之遞延稅項負債總額	<u>51,280</u>	<u>6,193</u>	<u>57,473</u>

2007

## Deferred tax liabilities

## 遞延稅項負債

		Depreciation allowance in excess of related depreciation and revaluation of properties 折舊免稅額超過有關折舊及物業重估 HK\$'000 千港元	Withholding taxes 預提稅 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2007	於二零零七年一月一日	56,378	-	56,378
Deferred tax charged to the income statement during the year (note 10)	年內於損益賬扣除之遞延稅項(附註10)	549	-	549
Gross deferred tax liabilities recognized in the consolidated balance sheet at 31 December 2007	於二零零七年十二月三十一日於綜合資產負債表確認之遞延稅項負債總額	<u>56,927</u>	<u>-</u>	<u>56,927</u>

## 29. 遞延稅項

年內遞延稅項負債及資產變動如下：

## 29. Deferred tax (continued)

## 29. 遞延稅項(續)

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2008

Deferred tax assets	遞延稅項資產	Decelerated tax depreciation	Losses available for offsetting against future taxable profits	Others	Total
		減速稅項折舊 HK\$'000 千港元	用作抵銷 未來應課稅 溢利之虧損 HK\$'000 千港元	其他 HK\$'000 千港元	合計 HK\$'000 千港元
At 1 January 2008	於二零零八年一月一日	1,764	137	366	2,267
Deferred tax credited/ (charged) to the income statement during the year, including a charge of HK\$109,000 due to the effect of a change in tax rate (note 10)	年內於損益賬撥回/ (扣除)之遞延稅項 (包括受稅率變動影響 而扣除之109,000港元) (附註10)	(951)	(137)	158	(930)
Exchange realignment	滙兌調整	-	-	(14)	(14)
Gross deferred tax assets recognized in the consolidated balance sheet at 31 December 2008	於二零零八年 十二月三十一日 於綜合資產負債表 確認之遞延稅項 資產總額	813	-	510	1,323

2007

Deferred tax assets	遞延稅項資產	Decelerated tax depreciation	Losses available for offsetting against future taxable profits	Others	Total
		減速稅項折舊 HK\$'000 千港元	用作抵銷 未來應課稅 溢利之虧損 HK\$'000 千港元	其他 HK\$'000 千港元	合計 HK\$'000 千港元
At 1 January 2007	於二零零七年一月一日	2,564	291	-	2,855
Deferred tax credited/ (charged) to the income statement during the year (note 10)	年內於損益賬撥回/ (扣除)之遞延稅項 (附註10)	(800)	(154)	359	(595)
Exchange realignment	滙兌調整	-	-	7	7
Gross deferred tax assets recognized in the consolidated balance sheet at 31 December 2007	於二零零七年 十二月三十一日 於綜合資產負債表 確認之遞延稅項 資產總額	1,764	137	366	2,267

**29. Deferred tax (continued)**

The Group has tax losses arising in Hong Kong and elsewhere (including Taiwan and Macau) of HK\$138,000 (2007: HK\$211,000) and HK\$32,969,000 (2007: HK\$30,272,000), respectively. The tax losses arising in Hong Kong are available indefinitely for offsetting against future taxable profits of the companies in which the tax losses arose, whilst those arising in Taiwan and Macau are available for a maximum period of five years and three years, respectively. Deferred tax assets have not been recognized in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is uncertain whether sufficient taxable profit will be available against which the tax losses can be utilized.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the People's Republic of China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. For the Group's subsidiaries established in the People's Republic of China, the applicable rate is 5% or 10%. The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries in respect of earnings generated from 1 January 2008.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

**30. Share capital**

Authorized:	法定:
1,000,000,000 ordinary shares of HK\$0.25 each	1,000,000,000股每股面值0.25港元之普通股
Issued and fully paid:	已發行及繳足:
601,920,000 ordinary shares of HK\$0.25 each	601,920,000股每股面值0.25港元之普通股

**29. 遞延稅項(續)**

本集團於香港及其他地區(包括台灣及澳門)產生之稅項虧損分別為138,000港元(二零零七年: 211,000港元)及32,969,000港元(二零零七年: 30,272,000港元)。於香港產生之稅項虧損可無限期用作抵銷該等產生稅項虧損公司之未來應課稅溢利, 而於台灣及澳門產生之稅項虧損之最長可用期限分別為五年及三年。由於此等虧損乃來自仍在虧損之附屬公司, 且未並能確定是否有足夠應課稅溢利可用作抵銷稅項虧損, 故並無就此等虧損確認遞延稅項資產。

根據中國企業所得稅法, 於中華人民共和國成立之外商投資企業向外國投資者宣派股息須按10%徵收預提稅。此規定由二零零八年一月一日起生效, 並適用於二零零七年十二月三十一日後之溢利。倘中國與外國投資者之司法權區有簽訂相關稅務協議, 則預提稅率或會較低。就本集團於中華人民共和國成立之附屬公司而言, 適用稅率為5%或10%。因此, 本集團有責任就該等附屬公司於二零零八年一月一日起產生之溢利所分派之股息繳付預提稅。

本公司向其股東派發之股息並無涉及所得稅。

**30. 股本**

2008 HK\$'000 千港元	2007 HK\$'000 千港元
<u>250,000</u>	<u>250,000</u>
<u>150,480</u>	<u>150,480</u>

## 31. Reserves

## (a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 36 to 39 of the financial statements.

The amount of goodwill arising on the acquisition of subsidiaries in prior years, which remains eliminated against the consolidated retained profits, amounted to HK\$4,832,000 (2007: HK\$4,832,000).

## (b) Company

		Note	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2007	於二零零七年一月一日		99,724	975,582	339,491	1,414,797
Profit for the year	年內溢利	11	-	-	64,503	64,503
Interim 2007 dividend	二零零七年中期股息	12	-	-	(48,154)	(48,154)
Proposed final 2007 dividend	擬派二零零七年末期股息	12	-	-	(156,499)	(156,499)
At 31 December 2007 and 1 January 2008	於二零零七年十二月三十一日及二零零八年一月一日		<b>99,724</b>	<b>975,582</b>	<b>199,341</b>	<b>1,274,647</b>
Profit for the year	年內溢利	11	-	-	105,717	105,717
Interim 2008 dividend	二零零八年中期股息	12	-	-	(48,154)	(48,154)
Proposed final 2008 dividend	擬派二零零八年末期股息	12	-	-	(138,442)	(138,442)
At 31 December 2008	於二零零八年十二月三十一日		<b>99,724</b>	<b>975,582</b>	<b>118,462</b>	<b>1,193,768</b>

The Company's contributed surplus arose in 1992 as a result of the Group's reorganization and represents the difference between the nominal value of the Company's shares allocated under the reorganization scheme and the then consolidated net asset value of the acquired subsidiaries.

Under the Bermuda Companies Act 1981, the contributed surplus is distributable to shareholders under certain circumstances.

## 31. 儲備

## (a) 本集團

本集團之儲備額及年內及以往年度之變動列載於財務報告第36至39頁之綜合權益變動表內。

以往年度因收購附屬公司產生之商譽並仍於綜合保留溢利撇銷之數值達4,832,000港元(二零零七年: 4,832,000港元)。

## (b) 本公司

		Note	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2007	於二零零七年一月一日		99,724	975,582	339,491	1,414,797
Profit for the year	年內溢利	11	-	-	64,503	64,503
Interim 2007 dividend	二零零七年中期股息	12	-	-	(48,154)	(48,154)
Proposed final 2007 dividend	擬派二零零七年末期股息	12	-	-	(156,499)	(156,499)
At 31 December 2007 and 1 January 2008	於二零零七年十二月三十一日及二零零八年一月一日		<b>99,724</b>	<b>975,582</b>	<b>199,341</b>	<b>1,274,647</b>
Profit for the year	年內溢利	11	-	-	105,717	105,717
Interim 2008 dividend	二零零八年中期股息	12	-	-	(48,154)	(48,154)
Proposed final 2008 dividend	擬派二零零八年末期股息	12	-	-	(138,442)	(138,442)
At 31 December 2008	於二零零八年十二月三十一日		<b>99,724</b>	<b>975,582</b>	<b>118,462</b>	<b>1,193,768</b>

本公司於一九九二年產生之繳入盈餘來自本集團重組，乃根據重組計劃配發之本公司股份面值與被收購附屬公司當時之綜合資產淨值之差額。

根據百慕達一九八一年公司法，在若干情況下，繳入盈餘可分派予股東。

## 32. Maturity profile of assets and liabilities

An analysis of the maturity profile of certain assets and liabilities of the Group analyzed by the remaining period as at the balance sheet date to the contractual maturity date, as disclosed pursuant to the Listing Rules, is as follows:

## 32. 資產及負債之到期情況

根據上市規則規定，本集團若干資產及負債按於結算日至合約到期日之尚餘期間之到期情況分析如下：

		No fixed terms of repayment/ Repayable on demand 無固定償還期/ 須按要求償還 HK\$'000 千港元	3 months or less 三個月或以下 HK\$'000 千港元	1 year or less but over 3 months 三個月以上至一年 HK\$'000 千港元	5 years or less but over 1 year 一年以上至五年 HK\$'000 千港元	After 5 years 五年以上 HK\$'000 千港元	Undated 無期限 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>As at 31 December 2008</b>	<b>於二零零八年十二月三十一日</b>							
<b>Assets</b>	<b>資產</b>							
Accounts receivable	應收賬款	40,956	171,396	-	-	-	-	212,352
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款	67,163	67,685	-	-	-	-	134,848
Derivative financial instruments	衍生金融工具	-	842	1,748	169	-	-	2,759
Cash held on behalf of clients	代客戶持有現金	95,399	230,000	-	-	-	-	325,399
Cash and cash equivalents	現金及等同現金	144,655	462	-	-	-	-	145,117
		<b>348,173</b>	<b>470,385</b>	<b>1,748</b>	<b>169</b>	<b>-</b>	<b>-</b>	<b>820,475</b>
<b>Liabilities</b>	<b>負債</b>							
Loan from an associate	欠聯營公司之貸款	128	-	-	-	-	-	128
Accounts payable	應付賬款	14,796	55,227	-	-	-	-	70,023
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	311,374	70,568	-	-	-	-	381,942
Financial liabilities included in other payables and accruals	包含在其他應付賬款及應計項目之財務負債	62,326	50,658	3,601	6,017	-	-	122,602
Derivative financial instruments	衍生金融工具	-	-	-	-	-	2,769	2,769
Interest-bearing bank borrowings	計息銀行貸款	26,639	339,744	22,716	-	-	-	389,099
		<b>415,263</b>	<b>516,197</b>	<b>26,317</b>	<b>6,017</b>	<b>-</b>	<b>2,769</b>	<b>966,563</b>

## 32. Maturity profile of assets and liabilities (continued)

## 32. 資產及負債之到期情況(續)

	No fixed terms of repayment/ Repayable on demand	3 months or less	1 year or less but over 3 months	5 years or less but over 1 year	After 5 years	Undated	Total
	無固定償還期/須按要求償還	三個月或以下	三個月以上至一年	一年以上至五年	五年以上	無期限	合計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>As at 31 December 2007</b>	<b>於二零零七年十二月三十一日</b>						
<b>Assets</b>	<b>資產</b>						
Unlisted debt security	-	-	-	2,324	-	-	2,324
Accounts receivable	21,102	190,778	-	-	-	-	211,880
Receivables arising from securities and futures broking	170,591	225,265	-	-	-	-	395,856
Derivative financial instruments	-	1,321	2,281	1,380	-	-	4,982
Cash held on behalf of clients	186,666	200,000	-	-	-	-	386,666
Cash and cash equivalents	212,899	51,642	-	-	-	-	264,541
	<u>591,258</u>	<u>669,006</u>	<u>2,281</u>	<u>3,704</u>	<u>-</u>	<u>-</u>	<u>1,266,249</u>
<b>Liabilities</b>	<b>負債</b>						
Loan from an associate	128	-	-	-	-	-	128
Accounts payable	-	118,062	-	-	-	-	118,062
Payables arising from securities and futures broking	367,062	247,018	-	-	-	-	614,080
Financial liabilities included in other payables and accruals	77,541	46,752	1,746	2,949	-	-	128,988
Derivative financial instruments	-	-	-	-	-	9,451	9,451
Interest-bearing bank borrowings	-	200,894	85,335	-	-	-	286,229
	<u>444,731</u>	<u>612,726</u>	<u>87,081</u>	<u>2,949</u>	<u>-</u>	<u>9,451</u>	<u>1,156,938</u>

## 33. Contingent liabilities

As at the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

	Group 本集團		Company 本公司	
	2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Guarantees for banking and other facilities of certain subsidiaries	-	-	706,600	403,891

為若干附屬公司之銀行及其他信貸擔保

(a) The Company has executed guarantees to banks for gold trading facilities granted to certain subsidiaries. The utilized amount of such facilities covered by the Company's guarantees which also represented the financial exposure of the Company as at 31 December 2008 was US\$41 million (approximately HK\$318 million) (2007: US\$22 million (approximately HK\$169 million)). The total amounts of such facilities covered by the Company's guarantees as at 31 December 2008 were US\$74 million (approximately HK\$574 million) and HK\$50 million (2007: US\$58 million (approximately HK\$454 million) and HK\$20 million).

(b) The Company has executed guarantees to banks for banking facilities granted to certain subsidiaries. The utilized amount of such facilities covered by the Company's guarantees which also represented the financial exposure of the Company as at the balance sheet date was HK\$389 million (2007: HK\$235 million). The total amount of such facilities covered by the Company's guarantees as at the balance sheet date was HK\$1,261 million (2007: HK\$1,174 million).

## 33. 或然負債

於結算日，並無於財務報告中撥備之或然負債如下：

(a) 本公司已就若干附屬公司獲授之黃金買賣信貸額向銀行簽立擔保。本公司擔保所涵蓋之該等信貸之已動用金額，亦即本公司於二零零八年十二月三十一日之財務風險，為41,000,000美元(約318,000,000港元)(二零零七年：22,000,000美元(約169,000,000港元))。於二零零八年十二月三十一日，本公司擔保所涵蓋之該等信貸總金額為74,000,000美元(約574,000,000港元)及50,000,000港元(二零零七年：58,000,000美元(約454,000,000港元)及20,000,000港元)。

(b) 本公司已就若干附屬公司獲授之銀行信貸額向銀行簽立擔保。本公司擔保所涵蓋之該等信貸之已動用金額，亦即本公司於結算日之財務風險，為389,000,000港元(二零零七年：235,000,000港元)。於結算日，本公司擔保所涵蓋之該等信貸總金額為1,261,000,000港元(二零零七年：1,174,000,000港元)。

**34. Operating lease arrangements****(a) As lessor**

The Group leases its investment properties (note 15) under operating lease arrangements, with leases negotiated for terms ranging from one to three years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

As at 31 December 2008, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	二至五年，首尾兩年包括在內

**(b) As lessee**

The Group leases certain of its office properties and retail shops under operating lease arrangements. Leases for these properties and shops are negotiated for terms ranging from one to ten years.

As at 31 December 2008, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	二至五年，首尾兩年包括在內
After five years	五年後

**35. Commitments**

In addition to the operating lease commitments detailed in note 34(b) above, the Group had the following capital commitments in respect of property, plant and equipment as at the balance sheet date:

Contracted, but not provided for	已簽訂，但未撥備
Authorized, but not contracted for	已批核，但未簽訂

**34. 經營租約承擔****(a) 出租人**

本集團以經營租約安排租出其投資物業(附註15)，經磋商訂定租期為一至三年。租約條款一般要求租客支付保證按金及根據普遍市場環境作定期租金調整。

於二零零八年十二月三十一日，本集團就與租客訂定不可撤銷之經營租約，按到期日，未來最低租賃應收賬款總額如下：

2008 HK\$'000 千港元	2007 HK\$'000 千港元
5,330	6,116
1,827	2,202
<b>7,157</b>	<b>8,318</b>

**(b) 承租人**

本集團以經營租約承租若干辦公室物業及零售店舖。此等物業及店舖租期經磋商訂定為期一至十年。

於二零零八年十二月三十一日，本集團就不可撤銷之經營租約，按到期日，未來最低租賃應付賬款總額如下：

2008 HK\$'000 千港元	2007 HK\$'000 千港元
268,201	187,841
421,475	311,954
24,709	38,437
<b>714,385</b>	<b>538,232</b>

**35. 承擔**

除上述附註34(b)詳載之經營租約承擔外，本集團於結算日有以下有關物業、機器及設備之資本承擔：

2008 HK\$'000 千港元	2007 HK\$'000 千港元
3,148	2,810
616	1,379
<b>3,764</b>	<b>4,189</b>



**36. Connected and related party transactions**

In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following material transactions with connected and/or related parties during the year:

**(a) Transactions with connected and/or related parties**

- (i) On 11 December 2007, a wholly-owned subsidiary of the Company renewed the sub-contracting agreement with Foshan Shunde Jinpeng Jewelry Co., Ltd. ("Jinpeng"), a company controlled by a former director of a subsidiary of the Company, for engaging Jinpeng to provide sub-contracting services for the year ended 31 December 2008. The sub-contracting fees were charged based on the product type, quantity and the level of difficulties of the manufacturing work involved and the prevailing market processing fees. The total processing fees paid to Jinpeng for the year amounted to HK\$2,500,000\* (2007: HK\$3,403,000).
- (ii) On 11 December 2007, a wholly-owned subsidiary of the Company renewed the sales agreement with Qingdao Jinghua Diamond & Jewellery Co., Ltd.\*\* ("Qingdao Jinghua") and Shanghai Jinghua Diamond & Jewellery Co., Ltd. ("Shanghai Jinghua") for selling rough diamonds and polished diamonds to Qingdao Jinghua and Shanghai Jinghua for the year ended 31 December 2008. Qingdao Jinghua and Shanghai Jinghua are the subsidiaries of Qingdao Jinghua Investment Management Co., Ltd., a 30% shareholder of a 70%-owned subsidiary of the Company. The selling prices were determined based on the category, quantity and the prevailing market price of the diamonds. The aggregate sales to Qingdao Jinghua and Shanghai Jinghua for the year amounted to HK\$39,243,000 (2007: HK\$4,328,000).
- (iii) On 11 December 2007, certain subsidiaries of the Company renewed the purchase agreement with Shanghai Jinghua for purchasing polished diamonds from Shanghai Jinghua for the year ended 31 December 2008. The purchase consideration was determined based on the category, quantity and the prevailing market price of the polished diamonds. The total purchases from Shanghai Jinghua for the year amounted to HK\$29,631,000 (2007: HK\$28,123,000).
- (iv) On 11 December 2007, a wholly-owned subsidiary of the Company renewed the polishing service agreement with Qingdao Jinghua for engaging Qingdao Jinghua to provide rough diamonds polishing services for the year ended 31 December 2008. The processing fees were charged according to an agreed price list which was determined with reference to market rates. The total processing fees paid to Qingdao Jinghua for the year amounted to HK\$105,000 (2007: HK\$1,861,000).

**36. 關連人士交易**

除已於本財務報告其他部分詳載之交易及結餘外，本集團於年內與關連人士進行以下重大交易：

**(a) 與關連人士進行之交易**

- (i) 於二零零七年十二月十一日，本公司一家全資附屬公司就委聘佛山市順德區金鵬珠寶首飾有限責任公司（「金鵬珠寶」）於截至二零零八年十二月三十一日止一年內提供分包服務續訂分包協議。金鵬珠寶乃一家由本公司一家附屬公司一名前董事所控制之公司。分包費用乃根據產品種類、數量、涉及製造工作之難度水平及當時加工費市價收取。年內向金鵬珠寶繳付之加工費總額為2,500,000港元\*（二零零七年：3,403,000港元）。
- (ii) 於二零零七年十二月十一日，本公司一家全資附屬公司就向青島京華飾品有限公司\*\*（「青島京華」）及上海京華飾品有限公司（「上海京華」）於截至二零零八年十二月三十一日止一年內銷售鑽石毛坯及打磨鑽石續訂銷售協議。青島京華及上海京華為青島京華投資管理有限公司之附屬公司，青島京華投資管理有限公司則為本公司一家持有70%股權之附屬公司之一名持有30%股權之股東。售價乃根據鑽石之類別、數量及當時市價釐定。年內銷售予青島京華及上海京華之總額為39,243,000港元（二零零七年：4,328,000港元）。
- (iii) 於二零零七年十二月十一日，本公司若干附屬公司就向上海京華於截至二零零八年十二月三十一日止一年內採購打磨鑽石續訂採購協議。採購代價乃根據打磨鑽石之類別、數量及當時市價釐定。年內向上海京華採購總額為29,631,000港元（二零零七年：28,123,000港元）。
- (iv) 於二零零七年十二月十一日，本公司一家全資附屬公司就委聘青島京華於截至二零零八年十二月三十一日止一年內提供鑽石毛坯打磨服務續訂打磨服務協議。加工費按協定之價格表收取，價格表內收費經參考市場價格後釐定。年內向青島京華繳付之加工費總額為105,000港元（二零零七年：1,861,000港元）。

## 36. Connected and related party transactions (continued)

## (a) Transactions with connected and/or related parties (continued)

- (v) On 1 April 2007, a wholly-owned subsidiary of the Company renewed the tenancy agreement with the respective spouse of Mr. CHOW Kwen Ling and Dr. CHOW Kwen Lim and the administrator of a late director of the Company for the lease of a retail shop for the two years ending 31 March 2009 with a monthly rental of HK\$173,000. The lease rentals were determined with reference to open market rentals. The total rental paid by the Group for the year amounted to HK\$2,070,000 (2007: HK\$2,040,000).
- (vi) A wholly-owned subsidiary of the Company renewed/entered into leases with related companies, in which certain Directors and their respective spouse have interests, for the lease of the Company's directors' quarters with an aggregate monthly rental of HK\$80,000 for the year ended 31 December 2008. The lease rentals were determined with reference to open market rentals. The total rentals paid by the Group for the year amounted to HK\$960,000 (2007: HK\$840,000).

All of the above related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

Payables to related parties:

Jinpeng	金鵬珠寶
Shanghai Jinghua	上海京華
Qingdao Jinghua	青島京華

The payables to related parties are unsecured, interest-free and payable within one month after billings.

\* Jinpeng is no longer a connected person of the Group commencing from 25 October 2008, the transaction amount presented was up to 24 October 2008.

\*\* Qingdao Jinghua is a former substantial shareholder holding a 24.86% shareholding of a 70%-owned subsidiary of the Company.

## 36. 關連人士交易(續)

## (a) 與關連人士進行之交易(續)

- (v) 於二零零七年四月一日，本公司一家全資附屬公司與周君令先生及周君廉博士各自之配偶及本公司一名已故董事之遺產執行人就於截至二零零九年三月三十一日止兩年內租予本集團零售店舖續訂租約，每月租金173,000港元。租金乃參考公開市值租金釐定。本集團於年內繳付租金總額為2,070,000港元(二零零七年：2,040,000港元)。
- (vi) 本公司一家全資附屬公司與若干董事及彼等之配偶持有權益之關連公司就於截至二零零八年十二月三十一日止年度內租予本公司董事宿舍續訂/訂立租約，每月租金總額為80,000港元。租金乃參考公開市值租金釐定。本集團於期內繳付租金總額為960,000港元(二零零七年：840,000港元)。

所有上述關連人士交易亦構成上市規則第十四A章所界定之持續關連交易。

應付關連人士賬款：

Group 本集團	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
-	323
244	7,741
11	156
<u>255</u>	<u>8,220</u>

應付關連人士賬款乃無抵押、免息及須於發單後一個月內付款。

\* 金鵬珠寶由二零零八年十月二十五日起不再為本集團之關連人士，上述披露之交易金額乃截至二零零八年十月二十四日。

\*\* 青島京華為本公司一家持有70%股權之附屬公司之前主要股東，其持有24.86%股權。

**36. Connected and related party transactions (continued)****(b) Guarantees for banking facilities for subsidiaries**

The Company and certain wholly-owned subsidiaries of the Company have provided corporate guarantees to banks for facilities granted to certain non-wholly-owned subsidiaries. The total amount of such facilities was approximately HK\$34,074,000 (2007: HK\$78,022,000) and the utilized amount was approximately HK\$34,074,000 (2007: HK\$70,006,000).

**(c) Remuneration of key management personnel of the Group**

The aggregate amount of remuneration paid to key management personnel during the year, including the amounts paid to the Company's Executive Directors, is as follows:

Fees	袍金
Salaries and allowances	薪金及津貼
Discretionary bonuses paid and payable	已付及應付酌情花紅
Pension scheme contributions	退休金計劃供款

Further details of Directors' emoluments are included in note 8 to the financial statements.

**36. 關連人士交易(續)****(b) 就附屬公司銀行信貸額提供之擔保**

本公司及本公司若干全資附屬公司已就授予若干非全資附屬公司之信貸額向銀行提供公司擔保。該等信貸之總額約為34,074,000港元(二零零七年：78,022,000港元)及已動用金額約為34,074,000港元(二零零七年：70,006,000港元)。

**(c) 本集團主要管理人員酬金**

年內，已付主要管理人員之酬金總額，包括已付本公司執行董事之金額，載列如下：

Group 本集團	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
930	726
17,017	13,018
8,577	9,534
726	545
<b>27,250</b>	<b>23,823</b>

董事酬金詳情載於財務報告附註8。

## 37. Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:

Group  
本集團

2008

## Financial assets

## 財務資產

		Financial assets at fair value through profit or loss – held for trading 按公平價值 訂定盈虧之 財務資產 – 持作買賣 HK\$'000 千港元	Loans and receivables	Available- for-sale financial assets	Total
			貸款及 應收賬款 HK\$'000 千港元	可供出售 財務資產 HK\$'000 千港元	合計 HK\$'000 千港元
Other assets	其他資產	–	74,890	–	74,890
Available-for-sale investments	可供出售投資	–	–	378,084	378,084
Accounts receivable	應收賬款	–	212,352	–	212,352
Receivables arising from securities and futures broking	證券及期貨經紀產生之 應收賬款	–	134,848	–	134,848
Financial assets included in prepayments, deposits and other receivables	包含在預付款項、按金 及其他應收賬款之 財務資產	–	17,844	–	17,844
Investments at fair value through profit or loss	按公平價值訂定盈虧之 投資	5,820	–	–	5,820
Derivative financial instruments	衍生金融工具	2,759	–	–	2,759
Cash held on behalf of clients	代客戶持有現金	–	325,399	–	325,399
Cash and cash equivalents	現金及等同現金	–	145,117	–	145,117
		<b>8,579</b>	<b>910,450</b>	<b>378,084</b>	<b>1,297,113</b>

## Financial liabilities

## 財務負債

		Financial liabilities at fair value through profit or loss – held for trading 按公平價值 訂定盈虧之 財務負債 – 持作買賣 HK\$'000 千港元	Financial liabilities at amortized cost	Total
			按攤銷 成本入賬之 財務負債 HK\$'000 千港元	合計 HK\$'000 千港元
Loan from an associate	欠聯營公司之貸款	–	128	128
Accounts payable	應付賬款	–	70,023	70,023
Payables arising from securities and futures broking	證券及期貨經紀產生之 應付賬款	–	381,942	381,942
Financial liabilities included in other payables and accruals	包含在其他應付賬款及 應計項目之財務負債	–	122,602	122,602
Derivative financial instruments	衍生金融工具	2,769	–	2,769
Interest-bearing bank borrowings	計息銀行貸款	–	389,099	389,099
		<b>2,769</b>	<b>963,794</b>	<b>966,563</b>

## 37. 按類別分類之金融工具

於結算日，各類別之金融工具賬面值如下：

## 37. Financial instruments by category (continued)

Group  
本集團

2007

## Financial assets

## 財務資產

		Financial assets at fair value through profit or loss - held for trading 按公平價值訂定盈虧之財務資產 - 持作買賣 HK\$'000 千港元	Loans and receivables 貸款及應收賬款 HK\$'000 千港元	Available-for-sale financial assets 可供出售財務資產 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Other assets	其他資產	-	51,341	-	51,341
Available-for-sale investments	可供出售投資	-	-	1,111,922	1,111,922
Accounts receivable	應收賬款	-	211,880	-	211,880
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款	-	395,856	-	395,856
Financial assets included in prepayments, deposits and other receivables	包含在預付款項、按金及其他應收賬款之財務資產	-	18,960	-	18,960
Investments at fair value through profit or loss	按公平價值訂定盈虧之投資	13,479	-	-	13,479
Derivative financial instruments	衍生金融工具	4,982	-	-	4,982
Cash held on behalf of clients	代客戶持有現金	-	386,666	-	386,666
Cash and cash equivalents	現金及等同現金	-	264,541	-	264,541
		<u>18,461</u>	<u>1,329,244</u>	<u>1,111,922</u>	<u>2,459,627</u>

## Financial liabilities

## 財務負債

		Financial liabilities at fair value through profit or loss - held for trading 按公平價值訂定盈虧之財務負債 - 持作買賣 HK\$'000 千港元	Financial liabilities at amortized cost 按攤銷成本入賬之財務負債 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Loan from an associate	欠聯營公司之貸款	-	128	128
Accounts payable	應付賬款	-	118,062	118,062
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	-	614,080	614,080
Financial liabilities included in other payables and accruals	包含在其他應付賬款及應計項目之財務負債	-	128,988	128,988
Derivative financial instruments	衍生金融工具	9,451	-	9,451
Interest-bearing bank borrowings	計息銀行貸款	-	286,229	286,229
		<u>9,451</u>	<u>1,147,487</u>	<u>1,156,938</u>

## 37. Financial instruments by category (continued)

## Company

本公司

## Financial assets

## 財務資產

Due from subsidiaries	應收附屬公司款項
Financial assets included in prepayments, deposits and other receivables	包含在預付款項、按金及其他應收 賬款之財務資產
Cash and cash equivalents	現金及等同現金

## Financial liabilities

## 財務負債

Financial liabilities included in other payables and accruals	包含在其他應付賬款及應計 項目之財務負債
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## 37. 按類別分類之金融工具(續)

## Loans and receivables

貸款及應收賬款

<b>2008</b>	2007
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>398,823</b>	497,910
-	96
<b>1,327</b>	1,000
<b>400,150</b>	499,006

## Financial liabilities at amortized cost

按攤銷成本入賬之財務負債

<b>2008</b>	2007
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>1,046</b>	-

**38. Financial risk management objectives and policies****(a) Financial risk factors**

The Group's principal financial instruments comprise bank borrowings, and cash and bank deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as accounts receivable and accounts payable, which arise directly from its operations.

The Group's overall risk management policies focus on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by management under the policies approved by the Board and it identifies, evaluates and monitors financial risks in close co-operation with the Group's operating units.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity securities price risk. The Board reviews and agrees policies for managing each of these risks and they are summarized below.

*Interest rate risk*

The Group is exposed to interest rate risk due to potential changes in interest rates of interest-bearing financial assets and liabilities. Interest-bearing financial assets are mainly loans to margin clients which are mostly short term in nature, whereas interest-bearing financial liabilities are primarily short-term bank borrowings with primarily floating interest rates which expose the Group to cash flow interest rate risk.

**38. 財務風險管理目標及政策****(a) 財務風險因素**

本集團之主要金融工具包括銀行貸款、現金及銀行存款。此等金融工具之主要用途乃為本集團之業務籌集資金。本集團有若干其他財務資產及負債，如直接自其業務產生之應收賬款及應付賬款。

本集團之整體風險管理政策針對金融市場之難以預測性，並尋求減低對本集團財務表現構成之潛在不利影響。風險管理乃由管理層根據董事會批核之政策進行，而管理層與本集團之營運單位緊密合作，以識別、評估及監察財務風險。

本集團金融工具所產生之主要風險為利率風險、外匯風險、信貸風險、流動資金風險及股份證券價格風險。董事會檢核並同意下文所概述管理各項此等風險之政策。

*利率風險*

本集團由於計息財務資產及負債之利率潛在變動而承受利率風險。計息財務資產主要為孖展客戶貸款，大部分屬短期性質，而計息財務負債主要為短期銀行貸款，主要按浮動利率計息，導致本集團承受現金流量利率風險。

**38. Financial risk management objectives and policies (continued)****(a) Financial risk factors (continued)***Interest rate risk (continued)*

For Hong Kong dollars floating-rate borrowings, assuming the amount of liability outstanding as at the balance sheet date was outstanding for the whole year, a 50 basis-point increase/decrease in interest rates at 31 December 2008 and 2007 would have decreased/increased the Group's profit before tax by HK\$410,000 and HK\$225,000, respectively. For Renminbi floating-rate borrowings, a 50 basis-point increase/decrease in interest rates at 31 December 2008 and 2007 would have decreased/increased the Group's profit before tax by HK\$1,456,000 and HK\$1,168,000, respectively. The sensitivity to interest rate used is considered reasonable, with all other variables held constant.

The Group's interest rate risk exposure also arises from margin financing and other lending activities. The Group has the legal capacity to quickly recall such loans or re-price its loans to an appropriate level. A 50 basis-point increase/decrease in interest rates at 31 December 2008 and 2007 would have increased/decreased the Group's profit before tax by HK\$305,000 and HK\$811,000, respectively. The analysis is prepared assuming the amount of assets carried as at the balance sheet date was carried for the whole year. The sensitivity to interest rate used is considered reasonable, with all other variables held constant.

The Group's policy is to obtain the most favourable interest rates available without increasing its foreign currency exposure.

*Foreign currency risk*

The Group has transactional currency exposures mainly arising from sales and purchases by operating units in currencies other than the units' functional currency. The Group uses foreign exchange forward contracts to manage certain of its foreign currency exposures on significant and recurring future commercial transactions mainly relating to its US dollar-denominated purchases. Hedging is only considered for firm commitments.

The Group's assets and liabilities are mainly denominated in Hong Kong dollars. Currency risks are managed by partly financing non-Hong Kong dollar assets with loans denominated in the relevant currency.

**38. 財務風險管理目標及政策(續)****(a) 財務風險因素(續)***利率風險(續)*

就港元浮動利率貸款而言，假設於結算日結欠之負債金額乃於整個年度結欠，利率於二零零八年及二零零七年十二月三十一日增加／減少50個基點，將分別減少／增加本集團除稅前溢利410,000港元及225,000港元。就人民幣浮動利率貸款而言，利率於二零零八年及二零零七年十二月三十一日增加／減少50個基點，將分別減少／增加本集團除稅前溢利1,456,000港元及1,168,000港元。在所有其他變數維持不變之情況下，本集團認為對所用利率之敏感度乃屬合理。

本集團之利率風險亦來自孖展借貸及其他貸款活動。本集團擁有法定能力要求即時收回有關貸款或重訂其貸款至適當水平。利率於二零零八年及二零零七年十二月三十一日增加／減少50個基點，將分別增加／減少本集團除稅前溢利305,000港元及811,000港元。此分析乃假設於結算日列賬之資產金額乃於整個年度列賬而達致。在所有其他變數維持不變之情況下，本集團認為對所用利率之敏感度乃屬合理。

本集團之政策乃在不增加其外匯風險之情況下爭取最有利之利率。

*外匯風險*

本集團之交易外幣風險主要來自業務單位以其功能貨幣以外之貨幣進行之買賣。本集團利用外匯遠期合約管理其重大及經常性未來商業交易之若干外幣風險，該等交易主要以美元為單位之採購。本集團僅就確定承擔進行對沖。

本集團之資產及負債主要以港元為單位。管理外幣風險之方法為以相關貨幣為單位之債務為部分非港元資產融資。



**38. Financial risk management objectives and policies (continued)****(a) Financial risk factors (continued)***Credit risk*

The accounts receivable and receivables arising from securities and futures broking represent the Group's major exposure to the credit risk arising from default of the counterparty, with a maximum exposure equal to the carrying amounts of these financial assets in the consolidated balance sheet. The Group has no significant concentrations of credit risk with respect to its jewellery retail business as it has a large number of diversified customers. For accounts receivable arising from the wholesale of diamonds and precious metals, the Group trades only with recognized and creditworthy third parties and bullion banks. The Group's margin clients accounts receivable arising from the ordinary course of business of dealing in securities are secured by the underlying pledged securities. The Group seeks to maintain strict control over its outstanding receivables and has its credit control policy to minimize the credit risk. In addition, all receivable balances are monitored on an ongoing basis and overdue balances are followed up by senior management. Accordingly, the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which mainly comprise cash and cash equivalents, an investment in an unlisted debt security, deposits and other receivables and derivative financial instruments, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Further quantitative data in respect of the Group's exposure to credit risk arising from accounts receivable and receivables arising from securities and futures broking are disclosed in note 22 to the financial statements.

**38. 財務風險管理目標及政策(續)****(a) 財務風險因素(續)***信貸風險*

應收賬款及證券及期貨經紀產生之應收賬款乃本集團由於交易對手不履約而產生之主要信貸風險，最高風險相等於綜合資產負債表中此等財務資產之賬面值。由於珠寶零售業務擁有大量分散客戶，故並無重大集中之信貸風險。就鑽石及貴金屬批發產生之應收賬款，本集團僅與獲確認及有信譽之第三者及金商進行交易。本集團自日常業務中證券買賣產生之應收孖展客戶賬款以有關證券作抵押。本集團對逾期應收賬款維持嚴格控制，並設有信貸控制政策以減低信貸風險。此外，所有應收賬款結餘均受持續監察，逾期結餘由高級管理人員跟進。因此，本集團之壞賬風險並不重大。

本集團其他財務資產，主要包括現金及等同現金、非上市債務證券投資、按金及其他應收賬款及衍生金融工具，其信貸風險產生自交易對手不履約，而最高風險相等於此等工具之賬面值。

本集團承受之信貸風險由應收賬款及證券及期貨經紀產生之應收賬款產生，有關信貸風險之進一步量化資料於財務報告附註22中披露。

## 38. Financial risk management objectives and policies (continued)

## (a) Financial risk factors (continued)

*Liquidity risk*

In the management of liquidity risk, the Group monitors and maintains level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuation in cash flows. The Group's treasury department's responsibility is to maintain a balance between continuity of funding and flexibility through the use of banking facilities in order to meet its liquidity requirements both in the short term and long term. The Group maintains significant flexibility to respond to opportunities and events by ensuring that committed credit lines are available. All debts of the Group as at 31 December 2008 would mature in less than one year.

The maturity profile of the Group's financial liabilities as at the balance sheet date, based on the contractual undiscounted payments, are disclosed in note 32 to the financial statements.

*Equity securities price risk*

Equity securities price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The fair values of these listed equity investments are affected by market forces and other factors. The Group is exposed to equity price risk arising from individual equity investments classified as available-for-sale investments (note 20) and trading equity investments (note 24) as at 31 December 2008. The Group's listed investments are listed on the Stock Exchange and are valued at quoted market prices as at the balance sheet date. The majority of the listed equity investments are held for non-trading purpose.

The market equity indices for the Stock Exchange, at the close of business of the nearest trading day in the year to the balance sheet date, and their respective highest and lowest points during the year were as follows:

	2008		2007	
	31 December 十二月三十一日	High/low 高/低	31 December 十二月三十一日	High/low 高/低
Hong Kong – Hang Seng Index 香港 – 恒生指數	14,387	27,854/ 10,676	27,812	31,958/ 18,659

## 38. 財務風險管理目標及政策(續)

## (a) 財務風險因素(續)

*流動資金風險*

在管理流動資金風險方面，本集團監控並維持現金及等同現金於管理人員認為足夠水平，為本集團運作提供資金及緩和現金流量波動之影響。本集團財政部門之責任為透過使用銀行信貸在資金之持續性及靈活性之間取得平衡，以配合其短期及長期流動資金需求。本集團透過確保擁有可動用之已承諾信貸額度，維持充裕靈活性以回應商機及事件。於二零零八年十二月三十一日，本集團所有債項到期日均少於一年。

於結算日，本集團按已訂約但未折現款項計算之財務負債之到期情況於財務報告附註32中披露。

*股份證券價格風險*

股份證券價格風險指股份證券之公平價值因股份指數水平及個別證券價值出現變動而下跌之風險。此等上市股份投資之公平價值受市場力量及其他因素影響。本集團因於二零零八年十二月三十一日被分類為可供出售投資(附註20)及買賣股份投資(附註24)之個別股份投資而承受股份價格風險。本集團之上市投資於聯交所上市，以結算日所報市價計值。大部分上市股份投資乃持作非買賣用途。

於本年度最接近結算日之交易日營業時間結束時，聯交所之市場股份指數及其各自於年內之最高及最低點數如下：

## 38. Financial risk management objectives and policies (continued)

## (a) Financial risk factors (continued)

*Equity securities price risk (continued)*

The following table demonstrates the sensitivity to every 10% change in the fair values of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts as at the balance sheet date. For the purpose of this analysis, for the available-for-sale equity investments the impact is deemed to be on the investment revaluation reserve and no account is given for factors such as impairment which might impact on the income statement.

		Carrying amount of equity investments 股份投資之賬面值 HK\$'000 千港元	Increase/decrease in profit before tax 除稅前溢利增加/減少 HK\$'000 千港元	Increase/decrease in equity 權益增加/減少 HK\$'000 千港元
<b>2008</b>				
Investments listed in Hong Kong	於香港上市之投資			
- Available-for-sale	- 可供出售	364,577	-	36,458
- Held-for-trading	- 持作買賣	5,820	582	-
Unlisted investments at fair value	按公平價值之非上市投資			
- Available-for-sale	- 可供出售	12,768	-	1,277
<b>2007</b>				
Investments listed in Hong Kong	於香港上市之投資			
- Available-for-sale	- 可供出售	1,093,733	-	109,373
- Held-for-trading	- 持作買賣	13,479	1,348	-
Unlisted investments at fair value	按公平價值之非上市投資			
- Available-for-sale	- 可供出售	15,126	-	1,513

## (b) Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain a healthy capital ratio in order to support its business and to enhance shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions and business strategies. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, raise and repay debts or issue new shares. The Group is not subject to any externally imposed capital requirements except for certain subsidiaries engaged in securities and futures dealing and broking, which are regulated entities under the Securities and Futures Commission of Hong Kong and subject to the respective minimum capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2008 and 2007.

## 38. 財務風險管理目標及政策(續)

## (a) 財務風險因素(續)

*股份證券價格風險(續)*

下表顯示按於結算日之賬面值計算，於所有其他變數不變及計入任何稅項影響前對股份投資公平價值每10%變動之敏感度。就本分析而言，對可供出售股份投資之有關影響被視為對投資重估儲備造成影響，且並無計及減值等可能影響損益賬之因素。

	Carrying amount of equity investments 股份投資之賬面值 HK\$'000 千港元	Increase/decrease in profit before tax 除稅前溢利增加/減少 HK\$'000 千港元	Increase/decrease in equity 權益增加/減少 HK\$'000 千港元
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## (b) 資本管理

本集團資本管理之主要目標為保障本集團持續經營業務之能力，並維持穩健之資本比率，以支持其業務及增加股東之價值。

本集團按經濟狀況及業務策略之變動管理其股本架構，並對其作出調整。為維持或調整股本架構，本集團可能調整向股東派付之股息、增加及償還債項或發行新股。除若干附屬公司從事證券及期貨買賣及經紀業務，而為根據香港證券及期貨事務監察委員會受規管實體，並須遵守各自最低資本規定外，本集團無須遵守任何外在實施之資本規定。截至二零零八年及二零零七年十二月三十一日止年度，本集團管理資本之目標、政策或程序並無作出變動。

**38. Financial risk management objectives and policies (continued)****(b) Capital management (continued)**

The Group monitors capital using a gearing ratio, which is total borrowings to total shareholders' equity. Total borrowings include interest-bearing bank borrowings. Total shareholders' equity comprises all components of equity attributable to shareholders of the Company. The Group's policy is to maintain the gearing ratio at a reasonable level. The gearing ratios as at the balance sheet dates were as follows:

Total borrowings	借貸總額
Total shareholders' equity	股東權益總額
Gearing ratio	資本負債比率

**39. Approval of the financial statements**

The financial statements were approved and authorized for issue by the Board of Directors on 31 March 2009.

**38. 財務風險管理目標及政策(續)****(b) 資本管理(續)**

本集團按資本負債比率(即借貸總額對比股東權益總額)監控資本。借貸總額包括計息銀行貸款。股東權益總額包括本公司股東應佔權益之所有部分。本集團之政策為將資本負債比率維持在合理水平。於結算日之資本負債比率如下：

		Group 本集團	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Total borrowings	借貸總額	<b>389,099</b>	286,229
Total shareholders' equity	股東權益總額	<b>3,206,844</b>	3,634,269
Gearing ratio	資本負債比率	<b>12.1%</b>	7.9%

**39. 財務報告之批核**

本財務報告於二零零九年三月三十一日經董事會批核及授權刊發。

## PARTICULARS OF PROPERTIES HELD

As at 31 December 2008

## 所持物業詳情

於二零零八年十二月三十一日

Description 摘要	Lot Number 地段號數	Use 用途	Gross Floor Area 建築面積	Type 種類	Lease Term 租期
			(Sq. ft. approx.) (大約平方呎)		
<b>Hong Kong</b> 香港					
# 229 Nathan Road, Kowloon 九龍彌敦道二二九號全幢	K.I.L. 6357	Rental/own use 出租/自用	31,225*	Commercial 商業	Medium 中
# G/F & M/F, 326-328 Castle Peak Road, Kowloon 九龍青山道三二六至三二八號地下連閣樓	N.K.I.L. 2507 & 2177	Rental/own use 出租/自用	2,790*	Commercial 商業	Medium 中
# G/F & 1/F, 99-101 Wuhu Street, Hunghom, Kowloon 九龍紅磡蕪湖街九十九至一零一號地下及一樓	H.H.I.L. 472, 471 & 447 s A	Own use 自用	2,345*	Commercial 商業	Medium 中
# Roof, G/F & 1/F, 432 Prince Edward Road West, Kowloon 九龍太子道西四三二號地下、一樓及天台	N.K.I.L. 2266 R.P.	Rental/own use 出租/自用	1,788*	Commercial 商業	Medium 中
Flat A, 11/F and Roof, 199 Nam Cheong Street, Kowloon 九龍南昌街一九九號十一樓A座連天台	N.K.I.L. 1230 s.A.R.P. & s.B.ss.2	Rental 出租	551*	Residential 住宅	Medium 中
2/F, Flats A & B, 3/F, 4/F, 5/F & Flat A 6/F, 231 Nathan Road, Kowloon 九龍彌敦道二三一號二樓、三樓A及B座、 四樓、五樓及六樓A座	K.I.L. 6642	Rental/own use 出租/自用	10,836*	Commercial 商業	Medium 中
Units A1, A2, A3, A4, A6, A8, A11, A13, 1/F & Unit A4, 8/F & Units A1, A3, A4, A5, A7, A9, 10/F, Block A, 489-491 Castle Peak Road, Kowloon 九龍青山道四八九至四九一號A座一樓 A1、A2、A3、A4、A6、A8、A11、A13室、 八樓A4室及十樓A1、A3、A4、A5、A7 及A9室	N.K.I.L. 3515 s C, D & F	Own use 自用	41,912	Industrial 工業	Medium 中
Car Ports No. 7 & 22 on G/F, Car Ports No. 26 & 57 in Basement, Ho On Mansion, 107-109 Austin Road, Kowloon 九龍柯士甸道一零七至一零九號好安樓地下 車位七及二十二號及地庫車位二十六及 五十七號	K.I.L. 10223	Own use 自用	N/A 不適用	Car park 車位	Long 長
Car Parking Space No. B162 in Basement, Balwin Court, 154-164 Argyle Street, Kowloon 九龍亞皆老街一五四至一六四號寶雲閣地庫 B162號車位	R.P. of K.I.L. 4208	Rental 出租	N/A 不適用	Car park 車位	Long 長
# G/F-3/F, 691-693 Nathan Road, Kowloon 九龍彌敦道六九一至六九三號地下至三樓	K.I.L. 2444 s.A.R.P. & 2444 R.P.	Rental/own use 出租/自用	9,890*	Commercial 商業	Long 長
# 85 Castle Peak Road, Yuen Long, New Territories 新界元朗青山公路八十五號全幢	Lot No. 3640 in D.D. 120	Own use 自用	3,255	Commercial 商業	Medium 中

## PARTICULARS OF PROPERTIES HELD

As at 31 December 2008

## 所持物業詳情

於二零零八年十二月三十一日

Description 摘要	Lot Number 地段號數	Use 用途	Gross Floor Area 建築面積	Type 種類	Lease Term 租期
			(Sq. ft. approx.) (大約平方呎)		
<b>Hong Kong</b> 香港					
# Shop B, G/F, 428-430 Prince Edward Road West, Kowloon 九龍太子道西四二八至四三零號地下B舖	N.K.I.L. 2268 R.P. & 2267 R.P.	Own use 自用	1,078*	Commercial 商業	Medium 中
# Shop B, G/F, 70-78 Kwong Fuk Road, Tai Po, New Territories 新界大埔廣福道七十至七十八號地下B舖	Tai Po Town Lot No. 28	Own use 自用	2,089*	Commercial 商業	Medium 中
Shop No. 305, G/F, Lok Hin Terrace, 350 Chai Wan Road, Hong Kong 香港柴灣道三五零號樂軒台地下三零五號舖	Chai Wan Inland Lot No. 149	Rental 出租	175*	Commercial 商業	Medium 中
<b>Mainland China</b> 中國內地					
Unit 501, Block 4, Meile Village, Rongshan Community Association, Ronggui Street Representative Office, Shunde District, Foshan City, Guangdong Province 廣東省佛山市順德區容桂街道辦事處容山居委會美樂村四座五零一至	N/A 不適用	Own use 自用	1,010	Residential 住宅	Long 長
East of Guangzhou Highway, Licun Management Zone, Licun District, Lunjiao Town, Shunde District, Foshan City, Guangdong Province 廣東省佛山市順德區倫教鎮荔村管理區廣珠路東側	N/A 不適用	Rental/own use 出租/自用	123,700	Industrial/ commercial 工業/商業	Medium 中
10-21-3 Zone, Luoxing Road, Mawei Free Trade Zone, Fuzhou, Fujian Province 福建省福州市馬尾保稅區羅星路10-21-3小區	N/A 不適用	Rental 出租	188,050	Industrial/ commercial 工業/商業	Medium 中
# Unit No. 1-1, Fuilihua Mansion, No. 150 Qinghui Road, Daliang Town, Shunde District, Foshan City, Guangdong Province 廣東省佛山市順德區大良鎮清暉路一五零號富麗華大廈一號之一	N/A 不適用	Own use 自用	1,906	Commercial 商業	Long 長

# Locations of branches  
分行地點

\* Saleable area  
可售賣面積



**Mixed Sources**

Product group from well-managed forests, controlled sources and recycled wood or fiber

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