



CHI CHEUNG INVESTMENT COMPANY, LIMITED  
至祥置業有限公司

Stock Code 股份代號 : 112

Annual Report **2008** 年年報

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## Corporate Information

### DIRECTORS

#### *Executive Directors:*

Matthew Cheong, Veng-va (*Chairman*)

Teresa Poon, Mun-chie (*Chief Executive Officer*)

#### *Independent Non-executive Directors:*

Lai, Yun-hung

Mok, Hon-sang

Wong, Tik-tung

### AUDIT COMMITTEE

Wong, Tik-tung (*Chairman*)

Lai, Yun-hung

Mok, Hon-sang

### REMUNERATION COMMITTEE

Wong, Tik-tung (*Chairman*)

Lai, Yun-hung

Mok, Hon-sang

### COMPANY SECRETARY

Lam, Kwong-wai

### SOLICITORS

Sit, Fung, Kwong & Shum

### AUDITORS

HLB Hodgson Impey Cheng

*Chartered Accountants*

*Certified Public Accountants*

31st Floor, Gloucester Tower

The Landmark

11 Pedder Street

Central, Hong Kong

## 公司資料

### 董事

#### *執行董事:*

昌榮華 (主席)

潘敏慈 (行政總裁)

#### *獨立非執行董事:*

賴恩雄

莫漢生

汪滌東

### 審核委員會

汪滌東 (主席)

賴恩雄

莫漢生

### 薪酬委員會

汪滌東 (主席)

賴恩雄

莫漢生

### 公司秘書

林光蔚

### 律師

薛馮鄭岑律師行

### 核數師

國衛會計師事務所

英國特許會計師

香港執業會計師

香港中環

畢打街11號

置地廣場

告羅士打大廈31樓

## Corporate Information

## 公司資料

### PRINCIPAL BANKERS

Chong Hing Bank Limited  
Standard Chartered Bank (Hong Kong) Limited

### 主要往來銀行

創興銀行有限公司  
渣打銀行(香港)有限公司

### REGISTERED OFFICE

26th Floor, MassMutual Tower  
38 Gloucester Road  
Wanchai, Hong Kong

### 註冊辦事處

香港灣仔  
告士打道38號  
美國萬通大廈26樓

### REGISTRAR AND TRANSFER OFFICE

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

### 股份過戶登記處

卓佳秘書商務有限公司  
香港  
皇后大道東28號  
金鐘匯中心26樓

### WEBSITE

<http://www.chicheung.com>

### 網址

<http://www.chicheung.com>

### STOCK CODE

112

### 股份代號

112

### BOARD LOT

2,000 Shares

### 買賣單位

2,000股

### INVESTOR RELATIONS

For enquiries relating to investor relations, please contact:

Investor Relations Manager

Tel: (852) 2866 6999

Fax: (852) 2866 2822

(852) 2866 2833

E-mail: [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com)

### 投資者關係

有關投資者關係之查詢，請聯絡：

投資者關係經理

電話：(852) 2866 6999

傳真：(852) 2866 2822

(852) 2866 2833

電郵： [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com)

## Profiles of Directors and Senior Executive

## 董事及高級行政人員簡介

### EXECUTIVE DIRECTORS

**Mr. Matthew CHEONG, Veng-va**, aged 50, has been an Executive Director and the Chairman of the Company since March 2006. Mr. Cheong is a chartered engineer. He holds a Bachelor Degree of Science from the University of Toronto, Canada, a Master Degree of Science in Automation Systems and Management and a Doctorate Degree of Engineering both from the City University of Hong Kong. He is also a member of The Hong Kong Institution of Engineers, The Royal Institute of Measurement and Control and The British Computer Society. Mr. Cheong is responsible for the general operations of the Company including information technology, corporate communications, human resources and administration. He has over 23 years of experience in the management and operations. Apart from aforesaid directorship, Mr. Cheong did not hold any directorship in other listed public companies in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Cheong does not hold any positions with the Company or its subsidiaries and is not connected and has no relationship with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract entered into between the Company and Mr. Cheong. His length of service is specified and governed by the Articles of Association of the Company under which he should not hold office for a continuous period in excess of 3 years, or past the third annual general meeting, following his appointment or re-election as a Director, whichever is longer, without submitting himself for re-election at the annual general meeting and he is eligible for re-election as a Director pursuant to the Company's Articles of Association. He does not receive any remuneration for holding the office as the Executive Director and the Chairman of the Company.

**Ms. Teresa POON, Mun-chie**, aged 38, has been an Executive Director and the Chief Executive Officer of the Company since March 2006. Ms. Poon holds a Bachelor Degree of Arts in Architectural Studies and a Master Degree of Architecture from The University of Hong Kong. She is a member of The Hong Kong Institute of Architects. Ms. Poon is a registered architect in Hong Kong and an authorized person under the List of Architects of the Building Authority. She has over 13 years of experience in the management and development of property projects. Apart from aforesaid directorship, Ms. Poon did not hold any directorship in other listed public companies in Hong Kong or overseas in the last three years.

### 執行董事

**昌榮華先生**，50歲，自二零零六年三月起為本公司之執行董事及主席。昌先生為特許工程師。彼持有加拿大多倫多大學理學士學位及香港城市大學自動化系統及管理學碩士學位及工程學博士學位。彼並為香港工程師學會、英國皇家特許計量及控制學會及英國電腦學會會員。昌先生負責本公司一般營運事宜，包括資訊科技、企業傳訊、人力資源及行政管理。彼在企業管理及營運方面累積逾二十三年經驗。除上述董事職務外，昌先生於過去三年內在香港或海外並無擔任任何其他上市公眾公司之董事職務。

除上文所披露者外，昌先生並無擔任本公司或其附屬公司任何職位，且與本公司任何董事、高級管理人員或主要或控股股東概無關連。

本公司與昌先生並無訂立任何服務合約。彼之委任期按本公司之組織章程細則規定而特定。據此，在未獲股東週年大會上膺選連任之情況下，彼出任董事職位之持續期間不得超過三年或在彼之任命或重選連任為董事後超逾三次股東週年大會（兩者以較長期為準），而彼按本公司之組織章程細則符合資格候選連任為董事。彼並無因出任本公司之執行董事及主席而收取任何酬金。

**潘敏慈小姐**，38歲，自二零零六年三月起為本公司之執行董事及行政總裁。潘小姐持有香港大學建築學文學士學位及建築系碩士學位。彼為香港建築師學會會員。潘小姐為香港註冊建築師及建築事務監督認可之建築師名單內之認可人士。彼在物業項目管理及發展方面累積逾十三年經驗。除上述董事職務外，潘小姐於過去三年內在香港或海外並無擔任任何其他上市公眾公司之董事職務。

## Profiles of Directors and Senior Executive

## 董事及高級行政人員簡介

### EXECUTIVE DIRECTORS (cont'd)

Save as disclosed above, Ms. Poon does not hold any positions with the Company or its subsidiaries and is not connected and has no relationship with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract entered into between the Company and Ms. Poon. Her length of service is specified and governed by the Articles of Association of the Company under which she should not hold office for a continuous period in excess of 3 years, or past the third annual general meeting, following her appointment or re-election as a Director, whichever is longer, without submitting herself for re-election at the annual general meeting and she is eligible for re-election as a Director pursuant to the Company's Articles of Association. She does not receive any remuneration for holding the office as the Executive Director and the Chief Executive Officer of the Company.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. LAI, Yun-hung**, aged 57, has been an Independent Non-executive Director and a member of the audit committee and remuneration committee of the Company since December 2006. Mr. Lai is a partner of Lai & Wong, Certified Public Accountants. He has over 29 years of working experience in audit and tax advice in audit firms, with exposure in listed and unlisted companies engaging in various industries including banks, financial institutions, manufacturing and trading companies, travel agencies and solicitors' firms. Mr. Lai is an associate member of The Institute of Chartered Accountants in England and Wales, a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and of the Hong Kong Institute of Certified Public Accountants respectively. He is also an independent non-executive director of Lung Cheong International Holdings Limited, a company whose shares are listed on The Stock Exchange of Hong Kong Limited. Apart from aforesaid directorships, Mr. Lai did not hold any directorship in other listed public companies in Hong Kong or overseas in the past three years.

Save as disclosed above, Mr. Lai does not hold any positions with the Company or its subsidiaries and is not connected and has no relationship with any directors, senior management or substantial or controlling shareholders of the Company.

### 執行董事 (續)

除上文所披露者外，潘小姐並無擔任本公司或其附屬公司任何職位，且與本公司任何董事、高級管理人員或主要或控股股東概無關連。

本公司與潘小姐並無訂立任何服務合約。彼之委任期按本公司之組織章程細則規定而特定。據此，在未獲股東週年大會上膺選連任之情況下，彼出任董事職位之持續期間不得超過三年或在彼之任命或重選連任為董事後超逾三次股東週年大會（兩者以較長期為準），而彼按本公司之組織章程細則符合資格候選連任為董事。彼並無因出任本公司之執行董事及行政總裁而收取任何酬金。

### 獨立非執行董事

**賴恩雄先生**，57歲，自二零零六年十二月起為本公司之獨立非執行董事、審核委員會及薪酬委員會成員。賴先生為執業會計師行賴恩雄、黃恩敬會計師行之合夥人。彼於核數公司審核及稅務意見工作中累積逾二十九年經驗，具有各行各業之上市及非上市公司（包括銀行、金融機構、製造及貿易公司、旅行社及律師行）之工作經驗。賴先生分別為英格蘭及威爾斯特許會計師公會會員、英國特許公認會計師公會資深會員及香港會計師公會資深會員。彼亦為龍昌國際控股有限公司之獨立非執行董事，該公司之股份於香港聯交所有限公司上市。除上述董事職務外，賴先生於過去三年內在港或海外並無擔任任何其他上市公眾公司之董事職務。

除上文所披露者外，賴先生並無擔任本公司或其附屬公司任何職位，且與本公司任何董事、高級管理人員或主要或控股股東概無關連。

## Profiles of Directors and Senior Executive

## 董事及高級行政人員簡介

### INDEPENDENT NON-EXECUTIVE DIRECTORS (cont'd)

There is no service contract entered into between the Company and Mr. Lai. His length of service is specified and governed by the Articles of Association of the Company under which he should not hold office for a continuous period in excess of 3 years, or past the third annual general meeting, following his appointment or re-election as a Director, whichever is longer, without submitting himself for re-election at the annual general meeting, and he is eligible for re-election as a Director pursuant to the Company's Articles of Association. Mr. Lai is not entitled to any other emoluments for holding office as Independent Non-executive Director except for his entitlement of an annual remuneration of HK\$160,000 determined by the board of directors in May 2008 with reference to the prevailing market condition.

**Mr. MOK, Hon-sang**, aged 60, has been an Independent Non-executive Director and a member of the audit committee of the Company since September 2004 and a member of the remuneration committee of the Company since June 2005. Mr. Mok is the managing director of Cafe Royce Limited. Mr. Mok has engaged in retailing, financing and property investment and development for over 29 years. Apart from aforesaid directorship, Mr. Mok did not hold any directorship in other listed public companies in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Mok does not hold any positions with the Company or its subsidiaries and is not connected and has no relationship with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract entered into between the Company and Mr. Mok. His length of service is specified and governed by the Articles of Association of the Company under which he should not hold office for a continuous period in excess of 3 years, or past the third annual general meeting, following his appointment or re-election as a Director, whichever is longer, without submitting himself for re-election at the annual general meeting, and he is eligible for re-election as a Director pursuant to the Company's Articles of Association. Mr. Mok is not entitled to any other emoluments for holding office as Independent Non-executive Director except for his entitlement of an annual remuneration of HK\$160,000 determined by the board of directors in May 2008 with reference to the prevailing market condition.

### 獨立非執行董事（續）

本公司與賴先生並無訂立任何服務合約。彼之委任期按本公司之組織章程細則規定而特定。據此，在未獲股東週年大會上膺選連任之情況下，彼出任董事職位之持續期間不得超過三年或在彼之任命或重選連任為董事後超逾三次股東週年大會（兩者以較長期為準），而彼按本公司之組織章程細則符合資格候選連任為董事。賴先生每年享有由董事會於二零零八年五月按當時市況而釐定之160,000港元之酬金外，並無就擔任獨立非執行董事而享有任何其他酬金。

**莫漢生先生**，60歲，自二零零四年九月起為本公司之獨立非執行董事及審核委員會成員，並於二零零五年六月起為本公司之薪酬委員會成員。莫先生為萊斯咖啡有限公司之董事總經理。莫先生從事零售、財務以及物業投資及發展逾二十九年。除上述董事職務外，莫先生於過去三年內在香或海外並無擔任任何其他上市公司之董事職務。

除上文所披露者外，莫先生並無擔任本公司或其附屬公司任何職位，且與本公司任何董事、高級管理人員或主要或控股股東概無關連。

本公司與莫先生並無訂立任何服務合約。彼之委任期按本公司之組織章程細則規定而特定。據此，在未獲股東週年大會上膺選連任之情況下，彼出任董事職位之持續期間不得超過三年或在彼之任命或重選連任為董事後超逾三次股東週年大會（兩者以較長期為準），而彼按本公司之組織章程細則符合資格候選連任為董事。莫先生每年享有由董事會於二零零八年五月按當時市況而釐定之160,000港元之酬金外，並無就擔任獨立非執行董事而享有任何其他酬金。

## Profiles of Directors and Senior Executive

## 董事及高級行政人員簡介

### INDEPENDENT NON-EXECUTIVE DIRECTORS (cont'd)

**Mr. WONG, Tik-tung**, aged 52, has been an Independent Non-executive Director and the chairman of the audit committee of the Company since September 2004 and the chairman of the remuneration committee of the Company since June 2005. Mr. Wong is the executive director, chief financial officer and member of the remuneration committee of Wo Kee Hong (Holdings) Limited, whose shares are listed on The Stock Exchange of Hong Kong Limited. Mr. Wong is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and an associate member of the Hong Kong Institute of Certified Public Accountants. Apart from aforesaid directorships, Mr. Wong did not hold any directorship in other listed public companies in Hong Kong or overseas in the past three years.

Save as disclosed above, Mr. Wong does not hold any positions with the Company or its subsidiaries and is not connected and has no relationship with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract entered into between the Company and Mr. Wong. His length of service is specified and governed by the Articles of Association of the Company under which he should not hold office for a continuous period in excess of 3 years, or past the third annual general meeting, following his appointment or re-election as a Director, whichever is longer, without submitting himself for re-election at the annual general meeting, and he is eligible for re-election as a Director pursuant to the Company's Articles of Association. Mr. Wong is not entitled to any other emoluments for holding office as Independent Non-executive Director except for his entitlement of an annual remuneration of HK\$160,000 determined by the board of directors in May 2008 with reference to the prevailing market condition.

### SENIOR EXECUTIVE

**Mr. LAM, Kwong-wai**, aged 53, joined the Company in 2000 and is the Group Financial Controller and Company Secretary of the Company, Chinese Estates Holdings Limited (the holding company of the Company) and G-Prop (Holdings) Limited (a fellow subsidiary of the Company). Mr. Lam is a qualified accountant and holds a Master Degree in Business Administration from the University of Warwick, United Kingdom. He also acts as a director for all subsidiaries of the Company. Mr. Lam has over 31 years of experience in auditing, finance and accounting.

### 獨立非執行董事 (續)

汪滌東先生，52歲，自二零零四年九月起為本公司之獨立非執行董事及審核委員會主席，並於二零零五年六月起為本公司之薪酬委員會主席。汪先生為和記行（集團）有限公司之執行董事、財務總監及薪酬委員會之成員，該公司之股份於香港聯交所有限公司上市。汪先生為英國特許公認會計師公會資深會員及香港會計師公會會員。除上述董事職務外，汪先生於過去三年內在香或海外並無擔任任何其他上市公眾公司之董事職務。

除上文所披露者外，汪先生並無擔任本公司或其附屬公司任何職位，且與本公司任何董事、高級管理人員或主要或控股股東概無關連。

本公司與汪先生並無訂立任何服務合約。彼之委任期按本公司之組織章程細則規定而特定。據此，在未獲股東週年大會上膺選連任之情況下，彼出任董事職位之持續期間不得超過三年或在彼之任命或重選連任為董事後超逾三次股東週年大會（兩者以較長期為準），而彼按本公司之組織章程細則符合資格候選連任為董事。汪先生每年享有由董事會於二零零八年五月按當時市況而釐定之160,000港元之酬金外，並無就擔任獨立非執行董事而享有任何其他酬金。

### 高級行政人員

林光蔚先生，53歲，於二零零零年加入本公司，現任本公司、Chinese Estates Holdings Limited（本公司之母公司）及金匡企業有限公司（本公司之同系附屬公司）之集團財務總監及公司秘書。林先生為專業會計師，持有英國華威大學工商管理碩士學位。彼亦擔任本公司所有附屬公司之董事。林先生在核數、財務及會計方面累積逾三十一年經驗。



## Chairman's Statement

I am pleased to present the results of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2008 (the "Year") to the shareholders.

### RESULTS

Profit attributable to equity holders of the Company for the Year was HK\$116.7 million (2007: HK\$107.7 million). Earnings per share for the Year recorded at HK34.44 cents (2007: HK31.78 cents).

### DIVIDENDS

The Board of Directors has proposed a final dividend of HK one cent per share in respect of the Year (2007: Nil). Subject to approval of the shareholders at the forthcoming annual general meeting to be held on 27th May, 2009, the proposed final dividend will be paid on or about 26th June, 2009 to shareholders as registered at the close of business on 27th May, 2009.

### CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from 25th May, 2009 to 27th May, 2009, both days inclusive. For the purpose of ascertaining the members' entitlement to the attendance of the forthcoming annual general meeting of the Company and to the final dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, namely Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on 22nd May, 2009.

## 主席報告書

本人欣然向股東呈報本公司及其附屬公司（「本集團」）截至二零零八年十二月三十一日止年度（「本年度」）之業績。

### 業績

本公司股本持有人於本年度之應佔溢利為116,700,000港元（二零零七年：107,700,000港元）。本年度每股盈利為34.44港仙（二零零七年：31.78港仙）。

### 股息

董事會建議派發本年度之末期股息每股一港仙（二零零七年：零），待股東於二零零九年五月二十七日舉行之股東週年大會批准後，建議之末期股息將約於二零零九年六月二十六日或前後派發予於二零零九年五月二十七日營業時間結束時已登記之股東。

### 暫停辦理股東登記手續

本公司將自二零零九年五月二十五日起至二零零九年五月二十七日止（包括首尾兩天在內）暫停辦理股東登記手續。為確定股東出席本公司應屆股東週年大會及獲派建議末期股息的資格，所有股份過戶文件連同有關股票必須於二零零九年五月二十二日下午四時三十分前交回本公司的香港股份過戶登記處卓佳秘書商務有限公司，地址為香港皇后大道東28號金鐘匯中心26樓。

## Chairman's Statement

## 主席報告書

### BUSINESS REVIEW

#### *Disposal of interests in shares and loans to certain subsidiaries and associated companies*

The Company underwent a substantial change during the Year. On 17th January, 2008, the Company entered into a sale and purchase agreement with Chinese Estates Holdings Limited ("Chinese Estates") to dispose of interests in shares and loans to certain subsidiaries and associated companies (the "Transaction"). The Transaction, which constituted a very substantial disposal and connected transaction for the Company under the Listing Rules, was approved by the independent shareholders at an extraordinary general meeting of the Company held on 13th May, 2008. As a result of the Transaction, the interests on principal properties held by those subsidiaries and associated companies were indirectly disposed of to Chinese Estates under the Transaction on 30th September, 2008. The properties were as follows:—

1. Unit B on the 3rd Floor, No. 1 South Lane, Western District, Hong Kong;
2. Various portions of No. 1 Hung To Road, Kwun Tong, Kowloon;
3. The whole of 3rd Floor and the adjacent Flat Roof and the whole of 8th Floor, Inter-Continental Plaza, No. 94 Granville Road, Tsim Sha Tsui, Kowloon;
4. Shop Nos. 14 and 16 on Ground Floor and the Cinema, Tuen Mun Centre, Nos. 2-8 Wo Ping Path, Nos. 7-35 Yan Ching Street, Tuen Mun, New Territories;
5. 9/24 equal and undivided shares of and in Lot Nos. 2, 4, 7, 8 and 9 in Demarcation District No. 464, So Shi Tau, Clear Water Bay, New Territories;
6. Unit 5, 10th Floor, Hing Wai Centre, No. 7 Tin Wan Praya Road, Aberdeen, Hong Kong;
7. No. 34 Hill Road, Western District, Hong Kong; and
8. Units A603, A604, B601, B603, B1201, B2101, B2201 and B2301, Jin Yuan Shi Jie Zhong Xin, No. 1166 Zhongshan Main Road, Jiangan District, Wuhan City, Hubei Province, the PRC.

### 業務回顧

#### *出售若干附屬及聯營公司之股份及對彼等之貸款*

本年內，本公司經歷重大改變。本公司與 Chinese Estates Holdings Limited (「華置」) 於二零零八年一月十七日簽訂一份有條件買賣協議，以出售若干附屬及聯營公司之股份及對彼等之貸款(「該交易」)。根據上市規則，該交易構成本公司一項非常重大出售事項及關連交易，於二零零八年五月十三日舉行之本公司股東特別大會上，該交易獲得獨立股東通過。根據該交易，由該等附屬及聯營公司所持有之主要物業之權益亦間接地於二零零八年九月三十日出售予華置。該等物業如下：—

1. 香港西區南里1號3樓B室；
2. 九龍觀塘鴻圖道1號若干單位；
3. 九龍尖沙咀加連威老道94號明輝中心3樓全層及相連平台及8樓全層；
4. 新界屯門和平徑2-8號仁政街7-35號屯門中心大廈地下14號及16號商舖及戲院；
5. 新界清水灣鎖匙頭丈量約份第464號地段2、4、7、8及9號之24份不可分割等份之9份；
6. 香港香港仔田灣海傍道7號興偉中心10樓5室；
7. 香港西區山道34號；及
8. 中國湖北省武漢市江岸區中山大道1166號金源世界中心 A603、A604、B601、B603、B1201、B2101、B2201、及B2301號單位。

## Chairman's Statement

### BUSINESS REVIEW (cont'd)

The aforesaid properties were disclosed in the circular to the shareholders dated 25th April, 2008 concerning the Transaction.

The consideration received from the Chinese Estates group of companies for the Transaction was some HK\$531.8 million. The profit arisen from the Transaction was about HK\$3.9 million.

Upon completion of the Transaction, the real property currently retained by the Company is certain unsold units and carparking spaces of Gemstar Tower in Hunghom. During the Year, the Group disposed of 10 godown units in Gemstar Tower. As at 31st December, 2008, the Group held 6 godown units on various floors with a total gross floor area of approximately 31,128 square feet and 50 carparking spaces.

### Securities Investment and Finance

During the Year, the Company had been diversifying its business activities to securities investment and finance, such as investment in various long term floating rate notes and fixed rate notes. The aggregate principal amount of the floating and fixed rate notes are US\$12 million.

In light of the sudden unexpected global financial tsunami and the volatility of the stock market, the Company considered that it was an extremely difficult time to carry out investment, even with the abundant cash in hands. At that time, no suitable projects or investment opportunities to utilize the excess idle cash could be identified. Coupled with the shrinking interest returns, in order to secure a more reasonably profitable but secured return other than keeping the idle cash as bank deposits, the Company determined to provide a short term three-year revolving facility of up to HK\$900 million to Longman Limited, a subsidiary company of Chinese Estates, with Chinese Estates acting as a guarantor for repayment of the loan. The loan had been approved by the independent shareholders of the Company at an extraordinary general meeting held on 12th December, 2008. As at 31st December, 2008, a total sum of HK\$843 million had been borrowed by Longman Limited at the interest rate of HIBOR plus 1% per annum. The loan is repayable on demand upon serving not less than one month's prior notice to Longman Limited.

## 主席報告書

### 業務回顧 (續)

上述物業已於日期為二零零八年四月二十五日致股東之通函中披露。

從華置集團就該交易所收取之代價約為531,800,000港元。由該交易所產生之利潤約3,900,000港元。

在該交易完成後，本公司現時保留之物業為紅磡駿昇中心若干尚未出售之單位及停車位。本年內，本集團出售駿昇中心10個貨倉單位。於二零零八年十二月三十一日，本集團持有於多個樓層共6個貨倉單位，總樓面面積約為31,128平方呎，並持有50個停車位。

### 證券投資及融資

本年內，本公司拓展業務至證券投資及融資，如投資於若干長期浮息票據及定息票據。浮息及定息票據之本金總面額為12,000,000美元。

鑑於突如其來之環球金融海嘯以及股市之波動，本公司認為儘管有充裕之現金，在此困難時期亦難作出投資。當時，本公司未能物色能善用閒置現金之合適業務項目或投資機會，加上利息收入大減，為了取得較將閒置現金撥作銀行存款更為合理而穩健之回報，本公司決定提供900,000,000港元為期三年之短期循環貸款予華置之附屬公司Longman Limited，而華置則為償還貸款作為擔保人。該項貸款已於二零零八年十二月十二日之股東特別大會上取得本公司之獨立股東批准。於二零零八年十二月三十一日，Longman Limited已借取合共843,000,000港元，年利率為香港銀行同業拆息加1厘。在給予Longman Limited不少於一個月之通知後，本公司可以要求即時償還該項貸款。

## Chairman's Statement

## 主席報告書

### PROSPECTS

It is a hard time for the Company and every enterprise in Hong Kong upon the sudden attack by the global financial tsunami. The Company cannot avoid from the adverse impact of the global financial tsunami and it is not a good time to carry out substantial progressive investment. The era of zero interest rate has arrived and keeping the abundant cash with banks for deposits purpose cannot generate a reasonably expected return to the Company. With the loan to Chinese Estates group of companies, the Company, however, has secured a reliable source of income from its holding company. With the abundant cash in hands, the Company can await a suitable but secured investment in the long run. Facing the unprecedented challenge in this adverse global economic environment, the Company will strive to maintain a flexible but prudent investment business strategy in the near future.

### APPRECIATION

I would like to take this opportunity to thank the shareholders of their continuing support. I also thank my fellow directors and staff members for their dedication and hard work.

On behalf of the Board

**Matthew Cheong, Veng-va**

*Chairman*

Hong Kong, 6th March, 2009

### 展望

受到突如其來環球金融海嘯之衝擊，本公司及香港之每一企業均處於困難時期。本公司亦未能倖免於環球金融海嘯之不利影響，而現時並非良好時機作出重大進取之投資。零息時代已經來臨，而將充裕之現金作銀行存款用並不能為本公司帶來合理預期之回報。但是，本公司在提供華置集團之貸款後，卻可從母公司取得穩健之收入來源。由於手上有充裕之現金，本公司於長遠來說可等候適當而穩健之投資。面對前所未有的嚴峻環球經濟環境之挑戰下，本公司於不久將來將致力於維持有彈性而穩妥之投資業務策略。

### 致謝

本人謹藉此機會對股東一直以來的鼎力支持及全體董事和員工竭誠為本集團效力深表謝意。

代表董事會

主席

昌榮華

香港，二零零九年三月六日

## Financial Operation Review

### RESULTS

Turnover for the Year increased to HK\$143.1 million (2007: HK\$70.0 million). Gross profit for the Year jumped to HK\$102.7 million (2007: HK\$44.7 million). The improved performance was primarily due to disposals of certain godown units in Gemstar Tower during the Year. Profit attributable to equity holders of the Company for the Year was HK\$116.7 million compared to HK\$107.7 million in last year.

The property development and sales of properties segment remained the key revenue contributor during the Year under review with turnover recorded at HK\$138.3 million (2007: HK\$67.3 million). For property leasing, rental income for the Year amounted to HK\$2.8 million (2007: HK\$2.7 million).

Decrease in fair value changes on investment properties for the Year amounted to HK\$3.1 million as compared to an increase of HK\$5.1 million in the preceding year. Included in current year results were loss on disposals of investment properties of HK\$1.8 million (2007: gain of HK\$0.1 million).

Share of results of associates for the Year amounted to HK\$27.3 million (2007: HK\$62.5 million), down 56.4% from last year. This result reflected decrease in the fair value gain on investment properties held by the associates. The Group shared from the associates a gain on fair value changes on investment properties of HK\$12.3 million after offset of deferred tax impact of HK\$2.4 million (2007: HK\$52.0 million after offset of deferred tax impact of HK\$11.0 million). During the Year, the Group shared gain on disposals of investment properties from an associate of HK\$2.1 million (2007: HK\$1.2 million).

Earnings per share for the Year recorded at HK34.44 cents (2007: HK31.78 cents).

## 財務經營回顧

### 業績

本年度之營業額增加至143,100,000港元(二零零七年: 70,000,000港元)。本年度之毛利躍升至102,700,000港元(二零零七年: 44,700,000港元)。業績改善之主要原因為年內出售駿昇中心若干貨倉單位。本公司股本持有人於本年度之應佔溢利為116,700,000港元,而去年為107,700,000港元。

於回顧年度,物業發展及物業銷售分類仍為收益之主要來源,其營業額為138,300,000港元(二零零七年: 67,300,000港元)。至於物業租賃,本年度之租金收入為2,800,000港元(二零零七年: 2,700,000港元)。

本年度投資物業之公平值變動減少3,100,000港元,而去年則增加5,100,000港元。本年度業績包括出售投資物業之虧損1,800,000港元(二零零七年: 收益100,000港元)。

本年度之應佔聯營公司業績為27,300,000港元(二零零七年: 62,500,000港元),較去年下跌56.4%,反映聯營公司所持有投資物業之公平值收益有所減少。本集團分佔聯營公司投資物業之公平值變動之收益為12,300,000港元,已抵銷2,400,000港元之遞延稅項影響(二零零七年: 52,000,000港元,已抵銷11,000,000港元之遞延稅項影響)。於本年度,本集團分佔聯營公司出售投資物業之收益為2,100,000港元(二零零七年: 1,200,000港元)。

本年度之每股盈利為34.44港仙(二零零七年: 31.78港仙)。

## Financial Operation Review

## 財務經營回顧

### NET ASSET VALUE

As at 31st December, 2008, the Group's net assets attributable to equity holders of the Company amounted to HK\$984.7 million, representing an increase of HK\$115.6 million or 13.3% compared to HK\$869.1 million in preceding year. The increase was due to profit retained for the Year. Net assets value per share to equity holders of the Company was HK\$2.91 (2007: HK\$2.57).

During the Year, the Group disposed of substantial principal properties (except Gemstar Tower) held by the subsidiaries and associated companies to Chinese Estates group in amount of HK\$531.8 million and certain units in Gemstar Tower.

### SECURITIES INVESTMENT AND FINANCE

During the Year, the Group acquired various long term floating rate notes and fixed rate notes (the "FRN") in principal amount of US\$12.0 million and made a short term three-year revolving loan to Chinese Estates group of HK\$843.0 million. As at 31st December, 2008, the carrying amount of the FRN amounted to HK\$89.0 million and the loan amounted to HK\$843.0 million representing 8.9% and 84.5% of the total assets of the Group at the Year end respectively.

### DEBT AND GEARING

The Group did not have any bank borrowings (2007: Nil). The majority of the Group's income for the Year was denominated in Hong Kong dollars and no hedging for non-Hong Kong dollars assets or investments have been made during the Year.

### FOREIGN EXCHANGE RISK EXPOSURE

As at 31st December, 2008, the majority of the Group's investments, assets and liabilities were either denominated in Hong Kong dollars or United States dollars. The Group considered its exposure to foreign exchange risk was not significant, therefore, no hedging was made for such exposures.

### 資產淨值

於二零零八年十二月三十一日，本公司股本持有人應佔本集團之資產淨值達984,700,000港元，較去年之869,100,000港元增加115,600,000港元，增幅為13.3%。增加乃由於本年度保留之溢利所致。本公司股本持有人應佔之每股資產淨值為2.91港元（二零零七年：2.57港元）。

於本年度，本集團向華置集團出售附屬公司及聯營公司所持有價值531,800,000港元之大部分主要物業（駿昇中心除外）及駿昇中心之若干單位。

### 證券投資及融資

於本年度，本集團購入本金額合共12,000,000美元之若干長期浮息票據及定息票據（「計息票據」），並向華置集團提供一筆三年期短期循環貸款843,000,000港元。於二零零八年十二月三十一日，計息票據之賬面金額為89,000,000港元，而貸款金額為843,000,000港元，分別相當於本集團於年結日之資產總值之8.9%及84.5%。

### 債務及資本負債

本集團並無任何銀行借貸（二零零七年：無）。本集團於本年度之收入主要以港元計算，故於本年度並無就非港元資產或投資進行對沖。

### 外匯風險

於二零零八年十二月三十一日，本集團之投資、資產及負債主要以港元或美元計算。本集團認為所承受之外匯風險並不重大，故並無就有關風險進行對沖。

## Financial Operation Review

### PLEDGE OF ASSETS

As at 31st December, 2008, no assets were pledged by the Group to secure any banking facilities and the Group did not have any obligations under banking facility documentation.

### CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31st December, 2008.

### FINANCIAL AND INTEREST INCOME/EXPENSES

Interest income for the Year decreased to HK\$12.9 million (2007: HK\$14.0 million) which included an imputed interest income of HK\$0.7 million (2007: HK\$0.9 million). No imputed interest expense relating to interest-free loan from the minority shareholder was recorded during the Year (2007: HK\$0.1 million).

### REMUNERATION POLICIES AND SHARE OPTION SCHEME

As at 31st December, 2008, the Group employed a total of 11 staff. Employees were remunerated on the basis of their performance, experience and prevailing industry practice. Remuneration packages comprised salary and year-end discretionary bonus based on market conditions and individual performance. The Directors continued to review employees' contributions and to provide them with necessary incentives and flexibility for their better commitment and performance.

No share option scheme was adopted for the Year.

### PROPERTY VALUATION

A property valuation has been carried out by Norton Appraisals Limited, independent qualified professional surveyors, in respect of the Group's investment properties held as at 31st December, 2008 and that valuation was used in preparing this year's financial statements. The Group's investment properties were valued at HK\$35.2 million, the decrease in fair value of approximately HK\$3.1 million was debited to the income statement for the Year. The Group also shared an increase in fair value on investment properties of the associates of HK\$12.3 million (net of deferred tax impact of HK\$2.4 million). Non-investment properties were stated at cost less impairment, if any, in the financial statement.

## 財務經營回顧

### 資產抵押

於二零零八年十二月三十一日，本集團並無將任何資產抵押以取得銀行信貸，而本集團概無任何根據銀行信貸文件須履行之責任。

### 或然負債

於二零零八年十二月三十一日，本集團並無任何重大或然負債。

### 財務及利息收入／支出

本年度之利息收入減少至12,900,000港元（二零零七年：14,000,000港元），該金額包括一項名義利息收入700,000港元（二零零七年：900,000港元）。本年度概無就少數股東之免息貸款錄得任何名義利息開支（二零零七年：100,000港元）。

### 酬金政策及購股權計劃

於二零零八年十二月三十一日，本集團共僱用11名職員。僱員按其表現、經驗及現時行業慣例獲得酬金。酬金（包括薪金及年終酌情花紅）乃根據市況及個人表現釐定。董事持續檢討僱員之貢獻及向彼等提供所需之獎勵及彈性，使其更投入工作及有更佳表現。

本年度並無採納任何購股權計劃。

### 物業估值

獨立合資格專業測計師行普敦國際評估有限公司已就本集團於二零零八年十二月三十一日持有之投資物業進行物業估值，有關估值乃用以編製本年度之財務報表。本集團投資物業之估值為35,200,000港元，公平值之減少約為3,100,000港元，並已列入本年度之收益表中。本集團亦分佔聯營公司投資物業12,300,000港元之公平值增加（已扣除2,400,000港元之遞延稅項影響）。非投資物業以成本扣除減值（如有）列於財務報表中。

## Corporate Governance Report

## 企業管治報告書

### OBJECTIVE

The Board of Directors (the “Directors” or the “Board”) of the Company together with its subsidiaries (the “Group”) is committed to maintaining high standards of corporate governance so as to ensure better transparency and protection of shareholders’ interest in general. The Board endeavours to ensure effective self-regulatory practices, to maintain sound internal control system and to absorb high calibre members to the Board.

The purpose of this Corporate Governance Report is to present to shareholders how the Company has applied the principles in the Code on Corporate Governance Practices (the “CG Code”) under Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) throughout the year ended 31st December, 2008 (the “Year”).

### ADOPTED CODES

Since 2005, the Company has adopted the code provisions and certain recommended best practices set out in the CG Code to enhance corporate governance in the interests of the Company and its shareholders.

The Company has also adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules as a code of conduct regarding securities transactions by directors. In addition, the Company has a separate written code of conduct on terms no less exacting than the Model Code for the relevant employees of the Company who are likely to be in possession of unpublished price-sensitive information in respect of their dealings in the securities of the Company (the “Employees’ Code”).

### BOARD OF DIRECTORS

#### Structure

The Board currently comprises two Executive Directors and three Independent Non-executive Directors (the “INED(s)"). The INEDs represent more than one-third members of the Board. The Directors’ biographies are available on the Company’s website. There is no relationship among members of the Board and in particular, between the chairman and the chief executive officer. The INEDs are highly experienced professionals and businessmen with a broad range of expertise and experience in accounting, finance and business management and two of them have appropriate professional qualification as required by the Stock Exchange.

### 理念

本公司（連同其附屬公司，「本集團」）董事會（「董事」或「董事會」）銳意維持高度企業管治，以確保運作更具透明度及全面保障股東利益。董事會致力確保制訂有效之自我監管常規，以維持良好之內部監控制度及吸納卓越之成員加入董事會。

本企業管治報告書是向股東呈示本公司於截至二零零八年十二月三十一日止年度（「本年度」）如何應用香港聯合交易所有限公司（「聯交所」）頒布之聯交所證券上市規則（「上市規則」）附錄十四《企業管治常規守則》（「企管守則」）之原則。

### 採納之守則

自二零零五年起，本公司已採納載於企管守則之守則條文及若干建議最佳常規，以提高企業管治對本公司及其股東之利益。

本公司亦已採納上市規則附錄十《上市發行人董事進行證券交易的標準守則》（「標準守則」）作為董事進行證券交易之操守準則。另外，本公司亦已就可能擁有未公布的股價敏感資料之相關僱員，制訂不遜於標準守則之書面操守守則，作為彼等進行本公司證券交易之指引（「員工守則」）。

### 董事會

#### 架構

董事會目前由兩位執行董事及三位獨立非執行董事（「獨立非執行董事」）組成。獨立非執行董事之人數超過董事會成員總數之三分之一。董事簡歷可於本公司網頁瀏覽。董事會成員之間，尤其主席與行政總裁之間，並無關係。獨立非執行董事為極富經驗之專業人士及商界人士，在會計、金融及商業管理具備豐富專業知識及經驗，其中二人更具備聯交所規定之相關專業資格。



## Corporate Governance Report

## 企業管治報告書

### BOARD OF DIRECTORS (cont'd)

#### Structure (cont'd)

The Board is responsible for directing and supervising the Company's affairs. Each Director acts in good faith for the best interest of the Company. The Directors are collectively and individually responsible to the Company for the manner in which the affairs of the Company are managed, controlled and operated. They had devoted sufficient time and attention to the Company's affairs during the Year.

All the Directors, including the INEDs, must retire by rotation at least once every three years, and no director shall hold office for a continuous period in excess of 3 years, or past the third annual general meeting, following the Director's appointment or re-election, whichever is longer, without submitting himself/herself for re-election at the annual general meeting, under the articles of association of the Company. As such, the term of office of each Director has been specified under the Company's articles of association.

#### Assistance to Directors in Decision Making

Throughout their period in office, the Directors have been informed of the Group's business, the competitive and regulatory environments in which it operates and other changes affecting the Group and the industry it operates in as a whole. They have also been advised on appointment of their legal and other duties and obligations as directors of a listed company and updated on changes to the legal and governance requirements of the Group and upon themselves as the Directors.

The Directors are given access to the secretary of the Company (the "Company Secretary") or independent professionals for advice at the Company's expense, when they deem it is necessary in order for them to carry out their responsibilities from time to time.

To enhance the Directors' consciousness on the importance of the directors' duties under common law and to comply with the requirement of the Companies Ordinance (Cap. 32, Laws of Hong Kong), a "Non-statutory Guidelines on Directors' Duties" in which the general principles a director should follow in the performance of his/her functions and exercise of his/her powers was distributed to the Directors.

### 董事會 (續)

#### 架構 (續)

董事會負責領導及監督本公司事務。每位董事應以本公司之最佳利益為前題，以誠信態度履行職責。董事知悉彼等在管理、控制及經營本公司事務上，共同及個別向本公司負責。年內，彼等已付出足夠時間及專注力以處理本公司事務。

根據本公司組織章程細則，所有董事（包括獨立非執行董事）須每三年最少告退一次，且規定董事在末於股東週年大會上膺選連任之情況下，出任董事職位之持續期間不得超過三年或獲委任或重選連任後超逾三次股東週年大會（兩者以較長期間為準）。因此，董事之任期按本公司組織章程細則而特定。

#### 給予董事決策之協助

本公司於董事在任期間，向彼等匯報有關本集團業務、經營所在地之競爭及規管環境，以及整體上影響本集團及其經營行業之其他變動的資料。彼等亦就委任為上市公司董事之法定及其他職能以及職責提供意見，並於彼等成為董事後更新有關本集團之法定及監管規定之變動。

董事可不時視乎履行其職責所需而尋求公司秘書（「公司秘書」）或獨立專業人士之意見，費用概由本公司承擔。

為提高董事對普通法下董事職責重要性之意識及遵守公司條例（香港法例第32章）之要求，一份載有董事於執行職能及行使權力時應遵守之一般原則之「有關董事責任之非法定指引」已分發予董事。

## Corporate Governance Report

## 企業管治報告書

### BOARD OF DIRECTORS (cont'd)

#### Conduct of Meetings

The Directors are consulted and properly briefed for matters to be included in the meeting agenda. The Board is supplied with relevant information as well as reports relating to operational and financial performance of the Group before each regular Board meeting. At least 14 days' notice of a regular Board meeting is given to all Directors to provide them the opportunity to attend. Board papers are dispatched to all Directors at least 3 days before the meeting to ensure that they have sufficient time to review the same and will be adequately prepared for the meeting. Senior management is invited to the meeting to address the Board members' queries. This enables the Board to have pertinent data and insight for a comprehensive and informed evaluation as part of the Board's decision-making purpose.

The Chairman has delegated the responsibility to the Company Secretary for drawing up and approving the meeting agenda for each Board meeting, taking into account of any matters proposed by the other Directors for inclusion in the agenda.

The proceedings of the Board at its meetings are generally monitored by the Chairman who ensures that sufficient time is allocated for discussion and consideration of each item on the agenda. Equal opportunities are given to the Directors to express their views and concerns.

Each Director has to declare his/her interest and to abstain from voting on any board resolution in which he/she or any of his/her associates has a material interest pursuant to the Company's Articles of Association and the Companies Ordinance (Cap. 32, Laws of Hong Kong).

All Directors have full access to the advice and services of the Company Secretary to ensure the Board's procedures, rules and regulations are followed. Draft and final versions of minutes of each Board meeting in sufficient details are sent to the Directors for comments and records within reasonable time after the meeting is held. The minutes of Board meetings and meetings of the Board committees are kept by the Company Secretary, which are open for inspection by the Directors on reasonable notice.

### 董事會 (續)

#### 會議之舉行

董事可獲諮詢及簡報會議議程內所載之事宜，並於每次定期董事會會議前獲發有關本集團營運及財務表現之相關資料及報告。定期董事會會議通知於開會前最少十四日送交全體董事，供其選擇是否出席會議。董事會文件於會議舉行前最少三日發給全體董事，以確保彼等具備足夠時間審閱該文件，並為會議作好充份準備。高級管理層成員獲邀與會，解答董事會成員之提問。此舉令董事會在作出全面而知情之評估時，具有中肯之數據及認知，有助董事會作出決策。

主席已委派公司秘書負責在考慮各董事建議之議程後，編撰及批核每次董事會會議之議程。

董事會之議事程序一般由主席主持，以確保分配充裕之時間作出討論及考慮議程內之各個項目。各董事均獲平等機會表達意見及其關注事宜。

根據本公司之組織章程細則及公司條例（香港法例第32章），每位董事均須申報其權益，並就其本身或其任何聯繫人士擁有重大權益之任何董事決議案放棄投票。

全體董事有權全面尋求公司秘書之意見及服務，以確保遵守董事會程序、規則及規例。詳盡之各董事會會議記錄之草稿及定稿將於舉行會議後之合理時間內，送交董事提供意見及記錄。董事會會議及董事委員會會議之記錄由公司秘書存置，並可由董事發出合理通知下供其查閱。

## Corporate Governance Report

## 企業管治報告書

### BOARD OF DIRECTORS (cont'd)

#### Conduct of Meetings (cont'd)

Six Board meetings were held on 11th January, 6th March, 26th June, 5th August, 20th November and 25th November for the Year. The Company Secretary, Qualified Accountant and the Company's senior management had attended the Board meetings to report matters arising from corporate governance, risk management, statutory compliance, accounting, finance and business. The individual attendance of each Director at the Board meetings held during the Year is as follows:

Directors	No. of Board meetings attended/held (Percentage of attendance in total)
<u>Executive Directors</u>	
Mr. Matthew Cheong, Veng-va ( <i>Chairman</i> )	6/6 (100%)
Ms. Teresa Poon, Mun-chie ( <i>Chief Executive Officer</i> )	6/6 (100%)
<u>Independent Non-executive Directors</u>	
Mr. Lai, Yun-hung	6/6 (100%)
Mr. Mok, Hon-sang	6/6 (100%)
Mr. Wong, Tik-tung	6/6 (100%)

#### Works Performed

During the Year, besides attending the Board meetings to consider and make decision on corporate governance, risk management, statutory compliance, accounting, finance and business matters, the Directors had brought independent opinion and judgement on Company's strategy, performance and standards of conduct; had taken the lead where potential conflicts of interests arose; had served on Board committees; had ensured that the Board maintained high standards of financial and other mandatory reporting; and had provided adequate checks and balance to safeguard the interests of shareholders in general and the Company as a whole.

During the Year, the INEDs had actively participated in the Board meetings, brought independent judgement and given their comments to the information or reports submitted to the meetings. The INEDs constituting the members of the independent board committees also considered the very substantial disposal and connected transactions of the Company during the Year.

### 董事會 (續)

#### 會議之舉行 (續)

董事會於本年度一月十一日、三月六日、六月二十六日、八月五日、十一月二十日及十一月二十五日舉行共六次董事會會議。公司秘書、合資格會計師及本公司高級管理層均已出席董事會會議，匯報企業管治、風險管理、法規遵守、會計、財務及業務相關之事宜。年內，各董事於董事會會議之出席率如下：

董事	出席／舉行 董事會 會議數目 (總出席率)
<u>執行董事</u>	
昌榮華先生 ( <i>主席</i> )	6/6 (100%)
潘敏慈小姐 ( <i>行政總裁</i> )	6/6 (100%)
<u>獨立非執行董事</u>	
賴恩雄先生	6/6 (100%)
莫漢生先生	6/6 (100%)
汪滌東先生	6/6 (100%)

#### 履行之工作

年內，除了出席董事會會議以考慮及決定企業管治、風險管理、法規遵守、會計、財務及業務事宜，董事對本公司之策略、表現及守則標準作出獨立意見及判斷；在有潛在利益衝突時發揮領導作用；出任董事委員會委員；確保董事會維持高水平之財務及其他強制申報準則；以及提供足夠審查及平衡以保障全體股東與本公司整體利益。

年內，獨立非執行董事積極參與董事會會議，就會議事項作出獨立判斷及在提呈於會議上之資料或報告發表意見。獨立非執行董事亦組成獨立董事委員會成員，以考慮本公司年內之非常重大出售事項及關連交易。

## Corporate Governance Report

## 企業管治報告書

### BOARD OF DIRECTORS (cont'd)

#### Works Performed (cont'd)

Besides attending the Board or committee meetings, in order to make timely decision and have effective implementation of the Company's policy and practice, the Board had also adopted written resolutions signed by all directors to make decision on corporate affairs from time to time.

#### Directors' Confirmations

The Company has received, from each INED, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the INEDs are independent.

Besides, having made specific enquiry of all Directors and the relevant employees, all Directors confirmed that they had complied with the required standard set out in the Model Code and the relevant employees had complied with the Employees' Code regarding securities transaction throughout the Year.

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and Chief Executive Officer (the "CEO") are separate and not performed by the same individual. Mr. Matthew Cheong, Veng-va is the Chairman with responsibility for overseeing the function of the Board, formulating overall strategies and policies of the Company. Ms. Teresa Poon, Mun-chie is the CEO with responsibility for the overall business and operation of the Group. This segregation is clearly established and set out in writing to ensure a clear distinction between the Chairman's responsibility to manage the Board and the CEO's responsibility to manage the Group's business.

### BOARD COMMITTEES

The Board has established Audit Committee and Remuneration Committee with defined roles and terms of reference.

#### Audit Committee

##### Structure

The Audit Committee has been established since December 2000 with the role to assist the Board in establishing formal and transparent arrangements for considering how it will apply the financial reporting and internal control principles and for maintaining an appropriate relationship with the Company's auditors (the "Independent Auditors"). It acts in an advisory capacity and makes recommendations to the Board.

### 董事會 (續)

#### 履行之工作 (續)

除了出席董事會或委員會會議，為了能及時作出決定及有效實施本公司之政策及實務，董事會亦不時採納全體董事書面決議書為公司事務作出決定。

#### 董事之確認

本公司已接獲各獨立非執行董事之年度確認書，確認彼等符合上市規則第3.13條所載有關獨立性之規定。本公司認為全體獨立非執行董事均為獨立人士。

此外，本公司在向所有董事及有關僱員作出具體查詢後，所有董事確認彼等於年內一直遵守標準守則載列的所需標準，以及有關僱員於年內就進行證券交易一直遵守員工守則。

### 主席及行政總裁

主席及行政總裁（「行政總裁」）之角色須予分開，且不得由同一個人擔任。昌榮華先生為主席，負責監督董事會職能、制訂本公司整體策略及政策；潘敏慈小姐為行政總裁，負責監督本集團之整體業務及運作。主席及行政總裁職能分配已清楚以書面訂立，以清楚劃分主席負責管理董事會，而行政總裁負責管理本集團業務。

### 董事委員會

董事會已成立審核委員會及薪酬委員會，並界定其角色及職權範圍。

#### 審核委員會

##### 架構

審核委員會於二零零零年十二月成立，其角色為協助董事會建立正式及具透明度之安排，讓董事會考慮如何應用財務匯報及內部監控原則，以及如何與本公司核數師（「獨立核數師」）維持恰當的關係。審核委員會具有顧問職能，並向董事會提供意見。

## Corporate Governance Report

## 企業管治報告書

### BOARD COMMITTEES (cont'd)

#### Audit Committee (cont'd)

##### Structure (cont'd)

All the Audit Committee members possess diversified industry experience. The chairman has appropriate professional qualification, accounting or related financial management expertise as required by the Listing Rules. The Audit Committee comprises all the INEDs, namely:

Mr. Wong, Tik-tung (*Chairman*)  
Mr. Lai, Yun-hung  
Mr. Mok, Hon-sang

##### Function

The Audit Committee's terms of reference can be found on the Group's website.

The major duties of the Audit Committee are summarised below:

- i) to make recommendations to the Board on the appointment, re-appointment and removal of the Company's Independent Auditors, review and monitor their independence and objectivity as well as the effectiveness of the audit process;
- ii) to monitor the integrity of the interim and annual consolidated financial statements, reports and accounts and quarterly reports of the Company, and to review any significant financial reporting judgements contained in them; and
- iii) to review and ensure the effectiveness of the Company's financial controls, internal control and risk management systems.

##### Conduct of Meetings

The Audit Committee shall meet at least twice each year. The Company prepares and delivers an information memorandum that includes all relevant information about the meetings to the Audit Committee members at least 3 days prior to such meetings. During the Year, the Audit Committee members reviewed the information memorandum with due care and discussed with the Company's Qualified Accountant, the Company Secretary and other senior management (if necessary) during the meetings.

### 董事委員會 (續)

#### 審核委員會 (續)

##### 架構 (續)

審核委員會全體成員，具備多元化的業務經驗。主席具備了上市規則規定之相關專業資格、會計或相關財務管理專業知識。審核委員會由全體獨立非執行董事組成，彼等為：

汪滌東先生 (主席)  
賴恩雄先生  
莫漢生先生

##### 職能

有關審核委員會之職權範圍，可瀏覽本集團網頁。

審核委員會之主要職責概述如下：

- i) 就委任、重新委任及罷免本公司獨立核數師向董事會提供推薦意見、審核及監控彼等之獨立性及客觀性，以及審核程序之有效性；
- ii) 監察本公司中期及全年綜合財務報表、報告和賬目及季度報告之真實性，以及審閱上述各項所載之任何重大財務報告之判斷；及
- iii) 審閱及確保本公司財務監控、內部監控及風險管理系統之有效性。

##### 會議之舉行

審核委員會每年須最少開會兩次。本公司編製及派發資料備忘錄，內容包括會議時所需之所有資料，於審核委員會開會前最少三日提交予審核委員會成員。年內，審核委員會成員謹慎地審閱資料備忘錄，並於會議上與本公司合資格會計師、公司秘書及其他高級管理層成員（如有需要）討論。

## Corporate Governance Report

## 企業管治報告書

### BOARD COMMITTEES (cont'd)

#### Audit Committee (cont'd)

##### Conduct of Meetings (cont'd)

During the Year, the Audit Committee held 3 meetings on 4th March, 1st August and 25th November, 2008 respectively with the presence of the Company's senior management. The Audit Committee members met and discussed with the Independent Auditors without the presence of the Company's senior management in one of the said three meetings. Minutes drafted by the Company Secretary were circulated to the Audit Committee members for comments within a reasonable time after each meeting. Executed minutes were kept by the Company Secretary and copies of the minutes were sent to the Audit Committee members for records.

Individual attendance of each committee member at the meetings is as follows:

Members	No. of meetings attended/held (Percentage of attendance in total)
Mr. Wong, Tik-tung ( <i>Chairman</i> )	3/3 (100%)
Mr. Lai, Yun-hung	3/3 (100%)
Mr. Mok, Hon-sang	3/3 (100%)

##### Works Performed

The works performed by the members of Audit Committee in the Year are summarized below:

- i) reviewed and considered the Group accounts and financial statements for the year ended 31st December, 2007, and interim and quarterly accounts for 2008;
- ii) reviewed and discussed with the Independent Auditors in respect of the audit fee for the year 2008; the terms of the engagement letters; the nature, scope of audit and reporting obligations for the Year;
- iii) reviewed and assessed the adequacy and effectiveness of the Group's financial controls, internal control and risk management systems;

### 董事委員會 (續)

#### 審核委員會 (續)

##### 會議之舉行 (續)

年內，審核委員會分別於二零零八年三月四日、八月一日及十一月二十五日舉行共三次會議，而本公司的高級管理層成員均有出席。審核委員會成員在本公司的高級管理層成員缺席之情況下曾經在前述之三次會議中一次與獨立核數師會晤進行討論。公司秘書草擬的會議記錄已於每次會議後一段合理時間內交予審核委員會成員傳閱及給予意見。公司秘書已經存置全部會議記錄，有關副本亦已送交審核委員會成員以作記錄。

各委員會成員於該等會議之出席率如下：

成員	出席／舉行 會議數目 (總出席率)
汪滌東先生 (主席)	3/3 (100%)
賴恩雄先生	3/3 (100%)
莫漢生先生	3/3 (100%)

##### 履行之工作

審核委員會成員於本年度履行之工作概述如下：

- i) 審閱及省覽本集團截至二零零七年十二月三十一日止年度之賬目及財務報表，以及二零零八年之中期及季度賬目；
- ii) 與獨立核數師審閱及討論二零零八年核數費用；本年度委聘書之條款；核數之性質、範圍及申報責任；
- iii) 審閱及評估本集團之財務監控、內部監控及風險管理系統是否足夠及有效；

## Corporate Governance Report

## 企業管治報告書

### BOARD COMMITTEES (cont'd)

#### Audit Committee (cont'd)

#### Works Performed (cont'd)

- iv) reviewed the corporate governance practices and monitored the progress of compliance of the Code;
- v) prepared and submitted to the Board an Audit Committee Report detailing the works performed by the Audit Committee during the Year, presented its findings and made recommendations for consideration by the Board; and
- vi) considered ad hoc important transactions such as the very substantial disposal and connected transactions of the Company and their financial implication in their capacity as members of the independent board committee.

On 4th March, 2009, the Audit Committee reviewed the Group accounts and draft financial statements for the Year.

#### Amendment of Terms of Reference

As a result of implementation of certain amendments to the Listing Rules effective on 1st January, 2009, the terms of reference of the Audit Committee have been amended by deleting any reference to the qualified accountant as it is no longer necessary to have qualified accountant for a listed company in Hong Kong. Instead, the terms of reference now requires the Audit Committee to discuss on the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget. The Audit Committee assists the Board to have effective internal controls for proper financial reporting, adequate accounting systems and appropriate human resources to fulfill its continuing financial reporting obligations.

### 董事委員會 (續)

#### 審核委員會 (續)

#### 履行之工作 (續)

- iv) 檢討企業管治常規及監控遵循守則之進度;
- v) 編製並向董事會呈交審核委員會報告，當中詳列審核委員會於年內已履行之工作，以及呈交其審核結果及向董事會提供建議以作考慮；及
- vi) 以獨立董事委員會之身份，考慮特別重要交易，如本公司之非常重大出售事項及關連交易及其財務影響。

於二零零九年三月四日，審核委員會已審閱本集團本年度之賬目及財務報表之草稿。

#### 職權範圍之修改

由於上市規則之若干修訂已於二零零九年一月一日實施，上市公司再無必須設立合資格會計師一職，審核委員會之職權範圍已省去合資格會計師之任何相關部份。取而代之，該職權範圍現要求審核委員會，討論資源是否足夠，本公司會計及財務匯報職能之資源、員工之資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足。審核委員會協助董事會使具備有效之內部監控系統作合適之財務報告、充足之會計系統及適當之人力資源以履行持續之財務報告責任。

## Corporate Governance Report

## 企業管治報告書

### BOARD COMMITTEES (cont'd)

#### Remuneration Committee

##### Structure

The Remuneration Committee has been established since June 2005 with the role to assist the Board in reviewing and determining the framework or broad policy for remuneration packages of the Directors and senior management, overseeing any major changes in employee benefit structures and considering other topics as defined by the Board.

The Remuneration Committee comprises all the INEDs, namely:

Mr. Wong, Tik-tung (*Chairman*)  
Mr. Lai, Yun-hung  
Mr. Mok, Hon-sang

##### Function

The principal responsibilities of the Remuneration Committee are as follows:

- i) setting, reviewing and recommending to the Board for approving the Group's overall remuneration policy and strategy;
- ii) setting, reviewing and approving performance-based remuneration and individual remuneration packages for the Executive Directors and senior management including terms and conditions of employment as well as compensation payable due to loss or termination of office, and dismissal or removal for misconduct; and
- iii) recommending to the Board of the remuneration of Non-executive Directors.

The Remuneration Committee's terms of reference can be found on the Group's website.

The Remuneration Committee would consult the Chairman and/or the CEO about its proposals on remuneration of other Executive Directors and seek internal and external professional advices if considered necessary.

### 董事委員會 (續)

#### 薪酬委員會

##### 架構

薪酬委員會於二零零五年六月成立，其角色為協助董事會檢討及釐定董事及高級管理層之薪酬待遇或具體政策，監督僱員福利架構之任何重大變動，以及考慮董事會釐定之其他事項。

薪酬委員會由全體獨立非執行董事組成，彼等為：

汪滌東先生 (主席)  
賴恩雄先生  
莫漢生先生

##### 職能

薪酬委員會之主要職責如下：

- i) 制訂、檢討及建議董事會批准本集團之整體薪酬政策及策略；
- ii) 制訂、檢討及批准以表現為考慮基礎之薪酬，以及執行董事及高級管理層之個別薪酬待遇，包括僱傭條款及條件，以及因離職或終止受僱及因行為不當而遭解僱或罷免所產生需支付之賠償；及
- iii) 就非執行董事之薪酬向董事會提供意見。

有關薪酬委員會之職權範圍，可瀏覽本集團網頁。

薪酬委員會須就其他執行董事之薪酬建議諮詢主席及／或行政總裁，並在認為有需要時尋求內部及外界專業意見。



## Corporate Governance Report

## 企業管治報告書

### BOARD COMMITTEES (cont'd)

#### Remuneration Committee (cont'd)

##### Conduct of Meeting

The Remuneration Committee held a meeting on 4th March, 2008 to discuss and ratify the payment of discretionary bonus for the year ended 31st December, 2007 to employees of the Company.

Individual attendance of each committee member at the meeting is as follows:

Members	No. of meetings attended/held (Percentage of attendance in total)
Mr. Wong, Tik-tung ( <i>Chairman</i> )	1/1 (100%)
Mr. Lai, Yun-hung	1/1 (100%)
Mr. Mok, Hon-sang	1/1 (100%)

The INEDs are not entitled to any other emoluments for holding office as the INEDs except for their entitlement of an annual remuneration of HK\$160,000 determined by the Board subject to annual review with reference to the prevailing market condition. No share option scheme is adopted by the Company during the Year.

#### Nomination Committee

No Nomination Committee is established in view of the current business requirement of the Company. Currently, the Board is responsible for reviewing its composition, identifying and selecting suitable Board members, assessing independence of the INEDs, considering appointment or re-appointment of the Directors and succession planning for the Directors. The Board shall exercise its power under Article 92 of the Articles of Association of the Company to appoint any person as a director either to fill as casual vacancy or as an addition to the Board whenever the business of the Company requires.

### 董事委員會 (續)

#### 薪酬委員會 (續)

##### 會議之舉行

於二零零八年三月四日，薪酬委員會舉行會議，以討論並追認無條件發放於二零零七年十二月三十一日年度之年終花紅予本公司僱員。

各委員會成員於該會議之出席率如下：

成員	出席／舉行 會議數目 (總出席率)
汪滌東先生 (主席)	1/1 (100%)
賴恩雄先生	1/1 (100%)
莫漢生先生	1/1 (100%)

獨立非執行董事除每年享有160,000港元之酬金外，並無就擔任獨立非執行董事收取任何其他酬金。有關薪金須由董事會參考當時市況而每年作出檢討。年內，本公司並無採納任何購股權計劃。

#### 提名委員會

鑑於本公司之現時業務現狀，本公司並無成立提名委員會。目前，董事會負責檢討其組成、物色及甄選合適之董事會成員，評估獨立非執行董事之獨立性，考慮委任或重新委任董事，以及制訂董事之接任安排。董事會將按本公司之業務需要，根據本公司組織章程細則第92條行使其權力，委任任何人士填補董事空缺或作為新增董事會成員。

## Corporate Governance Report

## 企業管治報告書

### MANAGEMENT FUNCTIONS

The Executive Directors have defined clear directions on powers of management and delegate daily management and administration functions to the management. The functions reserved to the Board and those delegated to the senior management are reviewed from time to time. The Company would formalize the division of responsibility between the Board and the management when the operational requirement of the Group justifies such division.

### INDEPENDENT AUDITORS

Messrs. HLB Hodgson Impey Cheng ("HLB") were appointed as the Independent Auditors on 15th November, 2006 to fill the casual vacancy caused by the resignation of Messrs. Deloitte Touche Tohmatsu.

HLB were re-appointed as the Independent Auditors by shareholders at the 2008 annual general meeting of the Company. In order to maintain the independence and objectivity of the Independent Auditors (which for these purposes include any entity under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally), they will not be engaged for non-audit work unless it has been pre-approved by the Audit Committee.

Independent Auditors were engaged on an ad hoc basis to supply non-audit service such as the appointment of reporting accountants for the very substantial disposal and connected transaction during the Year. The fundamental policy is to ensure that the engagement of the Independent Auditors for non-audit service will not harm their independence or cause any bias on audit works for the preparation of financial statements of the Company. During the Year, the fee for engaging Independent Auditors to carry out reporting accountants works on very substantial disposal and connected transaction amounted to HK\$380,000.

At the annual general meeting held on 15th May, 2008, HLB were re-appointed by the shareholders as the Independent Auditors of the Company at a fee to be agreed with the Board. The Audit Committee reviewed the terms of engagement letter of Independent Auditors in late November, 2008 and agreed with HLB the audit fees for auditing the financial statements of the Group for the Year at HK\$230,000.

It is recommended that HLB shall be re-appointed as the Independent Auditors for the financial year 2009 at a fee to be agreed with the Board.

### 管理層職能

執行董事就管理層的權力，給予清晰的指引，並指派管理層處理日常管理及行政職能。董事會所保留與委派予高級管理層之職能乃不時予以檢討。倘本集團之規模發展至須劃分董事會與管理層之職責時，本公司將制訂該等職責劃分。

### 獨立核數師

國衛會計師事務所（「國衛」）於二零零六年十一月十五日被聘任為獨立核數師以填補因德勤·關黃陳方會計師行辭任之臨時空缺。

國衛已獲股東於本公司二零零八年股東週年大會上續聘為獨立核數師。為保持獨立核數師之獨立性及客觀性（就此而言包括與核數師行共同控制擁有或管理之任何實體，或合理或知情第三方在接獲一切相關資格後合理認為在國家或國際方面屬核數師行一部份之任何實體），其將不會受聘進行非核數工作，除非已獲審核委員會事先批准。

獨立核數師於特別情況下提供非審核之服務，如被聘任為申報會計師以處理年內之非常重大出售事項及關連交易。本公司之基本政策乃確保獨立核數師對非審核服務之參與不會損害其獨立性或導致編製本公司財務報表時構成審核偏頗。年內，聘任獨立核數師為申報會計師以處理非常重大出售事項及關連交易之費用為380,000港元。

於二零零八年五月十五日舉行之股東週年大會上，國衛獲重選為本公司之獨立核數師，費用有待與董事會商討。審核委員會於二零零八年十一月下旬檢討獨立核數師之聘書之條款，並與國衛商定審核本年度本集團財務報表之審核費用為230,000港元。

茲建議續聘國衛為本公司二零零九年財政年度之獨立核數師，費用有待與董事會磋商。

## Corporate Governance Report

### FINANCIAL REPORTING

The Company aims to present a clear, balanced and understandable assessment of its financial position and prospects. Financial results are announced as early as possible, with interim report and annual report as well as other price-sensitive announcements and financial disclosures published as required under the Listing Rules.

The management provides explanation, information and progress update to the Board for it to make an informed assessment of the financial and other issues put before the Board for approval and consideration.

Throughout the Year, the Directors had selected appropriate accounting policies and applied them consistently. The Directors acknowledge their responsibilities for preparing the financial accounts of the Group which give a true and fair view and are in accordance with generally accepted accounting standards published by the Hong Kong Institute of Certified Public Accountants. A statement by the Independent Auditors about their reporting responsibilities for the Year is set out in this annual report.

The Independent Auditors did not report for the Year that there were any material uncertainties relating to events or conditions that might cast significant doubt upon the Company's ability to continue as a going concern.

### INTERNAL CONTROL

#### Scope of Works

The Board recognizes its responsibility for establishment, maintenance and review of the internal control system that provides reasonable assurance on the reliability and integrity of financial and operational information, effective and efficient operations, safeguarding of assets and compliance with laws and regulations. The internal control system is designed to manage rather than eliminate all risks of failure while its goal is to provide reasonable, not absolute, assurance regarding the achievement of organizational objectives. The Audit Committee is responsible to assist the Board for the annual review of the effectiveness of the internal control system of the Group.

## 企業管治報告書

### 財務報告

本公司旨在對其財務狀況及前景作出清晰、平衡及可理解評估之呈報。財務業績以盡早發布為基礎，而中期報告及年報，連同其他股價敏感資料公布及財務披露則根據上市規則之規定而公布。

管理層向董事會提供解釋、資料及最新進度，讓董事會就財務及其他事項於提交董事會審批及考慮前，可作出知情評估。

於年內，董事已選取合適之會計政策並貫徹應用。董事確認彼等之責任為編製本集團之財務賬目，賬目須真實而公平，並根據香港會計師公會公布而普遍被採用之會計準則。獨立核數師就彼等於本年度之報告責任所發出之聲明已載於本年報內。

獨立核數師並無就本年度有關任何重大涉及可能對本集團持續經營能力存疑之事件或狀況之重大不確定因素作出報告。

### 內部監控

#### 工作範疇

董事會確認其責任為制訂、維持及檢討內部監控制度，使它能就財務及營運資料之可靠性及完整性、營運效率及效能、資產保障以及法例及法規遵守方面提供合理之確定。內部監控制度乃為管理（而非完全消除）失責風險而設，旨在為達至機構目標而提供合理（而非絕對）確定。審核委員會負責協助董事會對本集團內部監控制度進行年度檢討及效用評估。

## Corporate Governance Report

## 企業管治報告書

### INTERNAL CONTROL (cont'd)

#### Scope of Works (cont'd)

With respect to procedures and internal control for handling and dissemination of price-sensitive information, the Company is aware of its obligations under the Listing Rules and the overriding principle that information which is expected to be price-sensitive should be announced promptly after it becomes known to and/or is the subject of a decision by the Directors or senior management of the Company, and conducts its affairs with close regard to the "Guide on disclosure of price-sensitive information" issued by the Stock Exchange in 2002.

To ensure sufficient resources provided to the Audit Committee, information and assessment of financial and internal controls, risk management systems were sent to the Audit Committee members. Internal control procedures of the Group had been commented by the committee members during the Year.

#### Audit Committee's Review

The Audit Committee had reviewed the financial control, internal control and risk management systems of the Company for the Year. It considered the internal control systems effective and adequate as they allowed the Board to monitor the Group's overall financial position and to provide reasonable assurance that assets are safeguarded against unauthorized use or material financial misstatement; transactions were executed in accordance with management's authorization; and the accounting records were reliable for preparing financial information used within the business or for publication and reflecting accountability for assets and liabilities. Further reviews will be conducted on the request of any Audit Committee member, the Group Financial Controller, Company Secretary, or the Directors.

The Audit Committee considered that the careful management of risk as a key management activity and concluded that the business risks, which could be strategic, operational, reputation-related or financial, should be understood and visible. The Board acknowledges the areas of concern and would devote to in-depth study with senior management in each situation about the level of acceptable risk and controls.

### 內部監控 (續)

#### 工作範疇 (續)

就處理及公布股價敏感資料之程序及內部監控方面，本公司知悉根據上市規則之責任，並知悉當董事或本公司高級管理層得悉股價敏感資料及／或彼將根據該等資料作出業務決定時，預期屬股價敏感資料須即時公布之優先原則。本公司須嚴格按照聯交所於二零零二年頒布之「股價敏感資料披露指引」處理其事務。

為確保審核委員會獲得足夠資源，財務及內部監控、風險管理系統之資料及評估已送交審核委員會成員。年內，本集團內部監控程序已由委員會成員批閱。

#### 審核委員會之審閱

審核委員會已審閱本公司本年度之財務監控、內部監控及風險管理系統。審核委員會認為內部監控系統屬有效及足以讓董事會監察本集團之整體財務狀況及可合理確定資產不會被未授權使用或虛報重大財務資料；交易乃根據管理層之授權簽立；及會計記錄能可靠地編製供業務內使用或作刊發之財務資料，並反映資產及負債之可表述性。在任何審核委員會成員、集團財務總監、公司秘書或董事要求之情況下，可進行額外審閱。

審核委員會認為審慎之風險管理為主要管理活動，並認為業務風險，可能涉及策略、營運、聲譽或財務，須為明確及清晰。董事會明瞭所關注之範圍，並與高級管理層致力對各項情況之可承受風險水平及監控進行深入研究。

## Corporate Governance Report

## 企業管治報告書

### INTERNAL CONTROL (cont'd)

#### Audit Committee's Review (cont'd)

The Audit Committee and the Board considered that the Company had complied with the code provisions on internal control during the Year, and the internal control system is effective and adequate, as

- a framework of prudent and effective controls has been established to enable risks to be identified, evaluated and managed; and
- periodic review of the system of the internal control is carried out by the Audit Committee to ensure the effectiveness of such control.

#### Internal Audit Function

The Company has established an Internal Audit function with the key tasks as below:

- to review all aspects of the Group's activities and internal controls with unrestricted right of access and direct access to any level of management as considered necessary;
- to conduct comprehensive audits of the practices and procedures, income and expenditures, and internal controls of all business units of the Group on a regular basis; and
- to conduct special reviews and investigations of areas of concern identified by management for corrective actions.

### SHAREHOLDERS' RIGHTS

The Company is committed to safeguard shareholders' and the Company's interests as a whole and encourages shareholders to attend general meetings of the shareholders to participate in the important decisions of the Company for which the shareholders' approval is required under the Listing Rules and the Companies Ordinance. The Company regards general meetings of the shareholders as an important event as it provides an important opportunity for direct communication between the Board and the shareholders. The Directors, including the INEDs were available to answer questions at the annual general meeting held in May 2008 and the extraordinary general meetings held in May and December 2008. The Chairman of the Audit Committee and Remuneration Committee, the Independent Auditors and the Chairman of the independent board committee were also available at the general meetings to address shareholders' queries.

### 內部監控 (續)

#### 審核委員會之審閱 (續)

審核委員會及董事會認為本公司已於年內遵守內部監控之守則條文，而內部監控系統為足夠且有效，因為：

- 已設立審慎且有效監控之架構，以確保能識別、評估及管理風險；及
- 審核委員會定期審閱內部監控系統，以確保有關監控之有效性。

#### 內部稽核職能

本公司已制訂之內部稽核職能主要工作如下：

- 檢討本集團各方面之活動及內部監控，及在認為必須之情況下具備無限制及直接接觸任何管理階層之權利；
- 定期對本集團之所有業務單位進行全面之常規及程序、收支及內部監控審核；及
- 就管理層認定之範疇進行特殊檢討及調查，以作出修正行動。

### 股東權利

本公司銳意保障股東及本公司之整體利益，並鼓勵彼等出席股東大會，以參與上市規則及公司條例要求股東批准之重要決策。鑑於股東大會為董事會與股東直接溝通之主要機會，故本公司視股東大會為一項重要事項。董事（包括獨立非執行董事）均已出席二零零八年五月舉行之股東週年大會及二零零八年五月及十二月舉行之股東特別大會並回答提問。審核委員會和薪酬委員會主席、獨立核數師及獨立董事委員會主席亦已出席股東大會並解答股東提問。

## Corporate Governance Report

## 企業管治報告書

### SHAREHOLDERS' RIGHTS (cont'd)

Procedures for and the rights of shareholders to demand a poll under the articles of association of the Company were disclosed in all the Company's circulars to shareholders in April and November 2008, in compliance with the requirements about voting by poll as specified in the Listing Rules. Separate resolutions for each substantially separate issue were proposed by the chairman at the annual general meeting held in 2008. The level of proxies lodged on each resolution, and the balance for and against the resolution, after it had been dealt with on a show of hands were indicated by the chairman at the annual general meeting. Also, the chairman, at the commencement of the shareholders' general meetings, explained the procedures for demanding a poll by shareholders before putting a resolution to the vote on a show of hands, and the detailed procedures for conducting a poll and then prepared to answer any questions from shareholders whenever voting by way of a poll was required. The results of the poll at the general meetings were made public by means of public announcements.

With the implementation of certain amendments to the Listing Rules effective on 1st January, 2009, the voting at all general meetings of the listed company should be conducted by poll. It is believed that the voting by poll can fully reflect the proprietary rights of the shareholders and is a fairer method of determination for the shareholders than voting on a show of hands.

Statutory announcements, financial and other information of the Group are made available on the Company's website, which is regularly updated.

Shareholders may put their enquires to the Board and also put forward proposals at general meetings by way of a written notice addressed to the Company Secretary at the registered office of the Company.

### INVESTOR RELATIONS

Accountability and transparency are indispensable for ensuring good corporate governance and, in this regard, timely communication with the shareholders, including institutional investors, is crucial. The Company considers good investor relations as a key part of its operations and continues to promote investor relations and enhances communications with the investors.

### 股東權利(續)

本公司之組織章程細則內有關以投票方式表決之程序及權利，已根據上市規則訂明投票方式表決之規定，載列於本公司於二零零八年四月及十一月寄發予股東之所有通函內。涉及各項重大個別事項之個別決議案，已由會議主席於二零零八年股東週年大會上提呈。經舉手表決後，提交各決議案之受委代表數目及投票贊成及反對決議案之比例，已由會議主席於股東週年大會上宣布。此外，會議主席於該股東大會開始時，已解釋於提呈決議案以舉手方式表決前，股東可要求以投票方式表決之程序，以及進行投票表決時之詳細程序，並在提出要求以投票方式表決時解答股東之任何提問。股東大會上以投票表決結果已以公布形式作出。

在上市規則之若干修訂於二零零九年一月一日實施後，所有股東會議之表決方式必須以投票方式進行。以投票方式表決相信更能全面反映股東之財產權利，且作為股東表決之辦法，將較舉手表決更為公平。

本集團之法定公布、財務及其他資料可於本公司網頁瀏覽，並定期更新。

股東可向董事會作出提問，並以書面通知方式致本公司註冊辦事處向公司秘書提交於股東大會提呈之建議。

### 投資者關係

問責制及透明度乃確保良好企業管治之不二法門。就此，與股東（包括機構投資者）定時溝通更屬不可或缺之部份。本公司認為良好投資者關係乃其運作之主要部份，並持續推廣投資者關係及加強與投資者之溝通。

## Corporate Governance Report

## 企業管治報告書

### INVESTOR RELATIONS (cont'd)

The Company maintains a corporate website ([www.chicheung.com](http://www.chicheung.com)) to make the corporate information available on the internet to facilitate its communication with shareholders and to provide important information to the investing public on corporate governance structure, policies and systems, profiles of the Directors and senior management as well as terms of reference of Board committees.

The Company welcomes suggestions from investors and shareholders, and invites them to share their views and suggestions by contacting the investor relations team at [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com).

### CONCLUSION

The Company believes that corporate governance principles and practices are essential to the business communities. Ongoing effort will be put to review its corporate governance practices from time to time so as to accommodate the changing circumstances. The Company will try its best to maintain, strengthen and improve the standard and quality of its corporate governance.

In conclusion, the Board considered that the Company had applied the principles of the Code and complied with the code provisions and certain recommended best practices set out in the Code throughout the Year.

### 投資者關係 (續)

本公司設有公司網頁([www.chicheung.com](http://www.chicheung.com))，使股東可透過互聯網取得公司資料，加強與股東之溝通，並讓公眾投資者了解企業管治架構、政策及制度、董事及高級管理層簡介，以及董事委員會之職權範圍。

本公司歡迎投資者及股東向我們提出意見，並誠邀彼等聯絡投資者關係部，分享彼等之意見及建議。投資者關係部之電郵為 [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com)。

### 總結

本公司相信企業管治原則及常規對商業社會而言至關重要，故本公司亦將持續不時檢討其企業管治常規，以符合多變之情況。本公司將致力維持、加強及改善其企業管治標準及質素。

總括而言，董事會認為本公司於全年內已應用守則原則，並遵守載於守則條文及若干建議最佳常規。

## Directors' Report

The directors of the Company (the "Directors" or the "Board") present to the shareholders their report together with the audited financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2008 (the "Year").

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities and other particulars of its principal subsidiaries as at 31st December, 2008 are set out in note 42 to the financial statements.

### RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated income statement on page 43.

No interim dividend was declared for the Year (2007: Nil). The Board resolved to recommend the payment of a final dividend of HK one cent per share for the Year (2007: Nil).

### SEGMENT INFORMATION

An analysis of the Group's turnover and contribution to profit for the Year by its principal activities is set out in note 7 to the financial statements.

### FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 110.

### INVESTMENT PROPERTIES

Movements in the investment properties during the Year are set out in note 18 to the financial statements.

### PROPERTY, PLANT AND EQUIPMENT

Movements in the property, plant and equipment during the Year are set out in note 19 to the financial statements.

### SIGNIFICANT CHANGE IN FIXED ASSETS

Details of significant change in fixed assets of the subsidiaries during the Year are set out in the "Business Review" of the "Chairman's Statement" on pages 9 to 10.

## 董事會報告書

本公司董事（「董事」）或（「董事會」）謹向股東提呈董事會報告連同本公司及其附屬公司（「本集團」）截至二零零八年十二月三十一日止年度（「本年度」）之經審核財務報表。

### 主要業務

本公司為投資控股公司，其主要附屬公司於二零零八年十二月三十一日之主要業務及其他資料載於財務報表附註42。

### 業績及分配

本集團於本年度之業績載於第43頁之綜合收益表。

本年度並無宣派中期股息（二零零七年：無）。董事會議決建議派發本年度之末期股息每股一港仙（二零零七年：無）。

### 分類資料

本集團按主要業務劃分之本年度營業額及溢利分析載於財務報表附註7。

### 財務概要

本集團過往五個財政年度之業績、資產與負債概要載於第110頁內。

### 投資物業

投資物業於年內之變動載於財務報表附註18。

### 物業、廠房及設備

物業、廠房及設備於年內之變動載於財務報表附註19。

### 重大固定資產變動

年內附屬公司固定資產變動之詳情載於第9至10頁之「主席報告書」內之「業務回顧」。



## Directors' Report

### PROPERTY INTERESTS HELD FOR DEVELOPMENT

Movements in the property interests held for development during the Year are set out in note 20 to the financial statements.

### PREPAID LEASE PAYMENTS

Movements in the prepaid lease payments during the Year are set out in note 21 to the financial statements.

### PRINCIPAL PROPERTIES

Details of the principal properties of the Group at 31st December, 2008 are set out on pages 111 to 112.

### SHARE CAPITAL

Movements in the share capital of the Company during the Year are set out in note 36 to the financial statements.

### RESERVES

Movements in the reserves of the Group and the Company during the Year are set out on page 46 and in note 37 to the financial statements respectively.

The Company's reserves available for distribution to shareholders as at 31st December, 2008 amounted to HK\$95,789,000 (2007: Nil).

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

### CHARITABLE DONATIONS

During the Year, no charitable donations had been made by the Group (2007: Nil).

## 董事會報告書

### 持作發展之物業權益

持作發展之物業權益於年內之變動載於財務報表附註20。

### 預付租賃款項

預付租賃款項於年內之變動載於財務報表附註21。

### 主要物業

本集團於二零零八年十二月三十一日之主要物業詳情載於第111至112頁內。

### 股本

本公司之股本於年內之變動載於財務報表附註36。

### 儲備

本集團及本公司之儲備於年內之變動情況分別載於第46頁及財務報表附註37。

於二零零八年十二月三十一日，本公司可供分派之儲備為95,789,000港元（二零零七年：無）。

### 購買、出售或贖回上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 慈善捐款

年內，本集團概無作出慈善捐款（二零零七年：無）。

## Directors' Report

## 董事會報告書

### MAJOR SUPPLIERS AND CUSTOMERS

The aggregate purchases attributable to the Group's five largest suppliers amounted to less than 30% of the Group's total purchases for the Year.

The aggregate turnover attributable to the Group's largest customer and five largest customers accounted for 18% and 64% of the Group's total turnover for the Year.

None of the Directors, their associates, or any shareholders of the Company (which to the knowledge of the Directors owned more than 5% of the Company's issued shares) had a beneficial interests in any of the Group's five largest suppliers and customers.

### DIRECTORS

The Directors during the Year and up to the date of this report are:

#### Executive Directors:

Mr. Matthew Cheong, Veng-va (*Chairman*)  
Ms. Teresa Poon, Mun-chie (*Chief Executive Officer*)

#### Independent Non-executive Directors:

Mr. Lai, Yun-hung  
Mr. Mok, Hon-sang  
Mr. Wong, Tik-tung

In accordance with Article 101 of the Company's Articles of Association, Mr. Matthew Cheong, Veng-va and Mr. Lai, Yun-hung will retire and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

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

### 主要供應商及客戶

本年度本集團累計之五大供應商應佔之購貨總額佔本集團購貨總額少於30%。

本年度本集團累計之最大客戶及五大客戶應佔之營業總額分別佔本集團營業總額之18%及64%。

董事、彼等之聯繫人士或本公司任何股東（據董事所知擁有本公司已發行股份逾5%者）概無擁有本集團任何五大供應商或客戶之實益權益。

### 董事

於年內及直至本報告日期止，董事為：

#### 執行董事：

昌榮華先生（主席）  
潘敏慈小姐（行政總裁）

#### 獨立非執行董事：

賴恩雄先生  
莫漢生先生  
汪滌東先生

根據本公司組織章程細則第101條之規定，昌榮華先生及賴恩雄先生將告退，惟彼等願於即將舉行之股東週年大會上膺選連任。

擬於即將舉行之股東週年大會上膺選連任之董事概無訂立本集團不可於一年內毋須支付賠償（法定賠償除外）而終止之服務合約。

## Directors' Report

## 董事會報告書

### DIRECTORS' AND CHIEF EXECUTIVE(S)' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As at 31st December, 2008, none of the Directors or chief executive(s) of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register kept by the Company under 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") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). During the Year, none of the Directors or chief executive(s) of the Company, nor their spouses or children under the age of 18 years, were granted or had exercised any right to subscribe for any securities of the Company or its associated corporations.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY

As at 31st December, 2008, so far as are known to any Director or chief executive of the Company, the following parties (other than a Director or chief executive of the Company) were recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified to the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:

### 董事及最高行政人員於本公司及相關法團之證券權益

於二零零八年十二月三十一日，董事或本公司最高行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部所指的相聯法團）之股份、相關股份或債券中擁有根據證券及期貨條例第352條置存之登記冊所載錄或根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）所載《上市發行人董事進行證券交易的標準守則》（「標準守則」）須知會本公司及聯交所之任何權益或淡倉。年內，董事或本公司最高行政人員以及彼等之配偶或十八歲以下子女概無獲授予或已行使任何可認購本公司及其相關法團任何證券之權利。

### 主要股東於本公司之證券權益

據董事及本公司最高行政人員所知悉，於二零零八年十二月三十一日，本公司根據證券及期貨條例第336條須置存之登記冊所載錄或另行知會本公司，直接或間接擁有或被視為擁有本公司已發行股本5%或以上權益之人士（董事或本公司最高行政人員除外）如下：

Name 名稱	Number of Shares (ordinary share) 股份數目（普通股）	Capacity 身份	Percentage of Issued Share Capital 已發行 股本百分比
Billion Up Limited	209,931,186 (Note 1) (附註1)	Beneficial owner 實益擁有人	61.96%
Lucky Years Ltd.	209,931,186 (Note 1) (附註1)	Interests in controlled corporation 於受控制公司之權益	61.96%

## Directors' Report

## 董事會報告書

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY (cont'd)

## 主要股東於本公司之證券權益 (續)

Name 名稱	Number of Shares (ordinary share) 股份數目 (普通股)	Capacity 身份	Percentage of Issued Share Capital 已發行 股本百分比
Chinese Estates Holdings Limited	209,931,186 (Note 1) (附註1)	Interests in controlled corporation 於受控制公司之權益	61.96%
Mr. Joseph Lau, Luen-hung 劉鑾雄先生	209,931,186 (Note 2) (附註2)	Interests in controlled corporation 於受控制公司之權益	61.96%
Global King (PTC) Ltd.	209,931,186 (Note 3) (附註3)	Trustee 信託人	61.96%
GZ Trust Corporation	209,931,186 (Note 3) (附註3)	Trustee and beneficiary of a trust 信託人及一項信託之受益人	61.96%
Mr. Li Ka-shing 李嘉誠先生	20,827,142 (Notes 4 & 5) (附註4及5)	Founder of discretionary trusts and interests of controlled corporations 酌情信託之創立人及受控制公司之權益	6.15%
Li Ka-Shing Unity Trustcorp Limited	20,827,142 (Notes 4 & 5) (附註4及5)	Trustee and beneficiary of a trust 信託人及一項信託之受益人	6.15%
Li Ka-Shing Unity Trustee Corporation Limited	20,827,142 (Notes 4 & 5) (附註4及5)	Trustee and beneficiary of a trust 信託人及一項信託之受益人	6.15%

## Directors' Report

## 董事會報告書

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY (cont'd)

## 主要股東於本公司之證券權益 (續)

Name 名稱	Number of Shares (ordinary share) 股份數目 (普通股)	Capacity 身份	Percentage of Issued Share Capital 已發行 股本百分比
Li Ka-Shing Unity Trustee Company Limited	20,827,142 (Notes 4 & 5) (附註4及5)	Trustee 信託人	6.15%
Cheung Kong (Holdings) Limited 長江實業(集團)有限公司	20,827,142 (Notes 4 & 5) (附註4及5)	Interests of controlled corporations 受控制公司之權益	6.15%
Hutchison Whampoa Limited 和記黃埔有限公司	20,827,142 (Note 4) (附註4)	Interests of controlled corporations 受控制公司之權益	6.15%
Hutchison International Limited 和記企業有限公司	20,827,142 (Note 4) (附註4)	Interests of a controlled corporation 一間受控制公司之權益	6.15%
Primetek Holdings Limited	20,827,142 (Note 4) (附註4)	Beneficial owner 實益擁有人	6.15%

## Notes:

1. Billion Up Limited is a wholly-owned subsidiary of Lucky Years Ltd., which in turn is a wholly-owned subsidiary of Chinese Estates Holdings Limited ("Chinese Estates"). By virtue of the SFO, Lucky Years Ltd. and Chinese Estates were deemed to be interested in the 209,931,186 shares of the Company held by Billion Up Limited.
2. Mr. Joseph Lau, Luen-hung, by virtue of his approximately 68.08% interests in the issued share capital of Chinese Estates, was deemed to be interested in the same interests stated against Chinese Estates under the SFO.

## 附註:

1. Billion Up Limited為 Lucky Years Ltd.之全資附屬公司，而後者為Chinese Estates Holdings Limited (「華置」)之全資附屬公司。根據證券及期貨條例，Lucky Years Ltd.及華置均被視為擁有 Billion Up Limited 持有之209,931,186股本公司股份之權益。
2. 根據證券及期貨條例，劉鑾雄先生於華置已發行股本中擁有約68.08%權益，因此被視為擁有華置所擁有之相同權益。

## Directors' Report

## 董事會報告書

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY (cont'd)

Notes: (cont'd)

- GZ Trust Corporation as trustee of a discretionary trust held units in a unit trust of which Global King (PTC) Ltd. is the trustee. Global King (PTC) Ltd. is entitled to exercise more than one-third of the voting power at the general meetings of Chinese Estates. Accordingly, Global King (PTC) Ltd. and GZ Trust Corporation were deemed to be interested in the same interests stated against Chinese Estates by virtue of the SFO.
- Primetek Holdings Limited ("Primetek") is a wholly-owned subsidiary of Hutchison International Limited ("HIL"), which in turn is a wholly-owned subsidiary of Hutchison Whampoa Limited ("HWL"). By virtue of the SFO, HWL and HIL were deemed to be interested in the 20,827,142 shares of the Company held by Primetek.
- Li Ka-Shing Unity Holdings Limited, of which each of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard is interested in one-third of the entire issued share capital, owns the entire issued share capital of Li Ka-Shing Unity Trustee Company Limited ("TUT1"). TUT1 as trustee of The Li Ka-Shing Unity Trust ("UT1"), together with certain companies which TUT1 as trustee of UT1 is entitled to exercise or control the exercise of more than one-third of the voting power at their general meetings, hold more than one-third of the issued share capital of Cheung Kong (Holdings) Limited ("CKH"). Subsidiaries of CKH are entitled to exercise or control the exercise of more than one-third of the voting power at the general meetings of HWL.

In addition, Li Ka-Shing Unity Holdings Limited also owns the entire issued share capital of Li Ka-Shing Unity Trustee Corporation Limited ("TDT1") as trustee of The Li Ka-Shing Unity Discretionary Trust ("DT1") and Li Ka-Shing Unity Trustcorp Limited ("TDT2") as trustee of another discretionary trust ("DT2"). Each of TDT1 and TDT2 holds units in the UT1.

By virtue of the SFO, Mr. Li Ka-shing, being the settlor of DT1 and DT2 may be regarded as a founder of DT1 and DT2 and for the purpose of the SFO, each of Mr. Li Ka-shing, TDT1, TDT2, TUT1 and CKH was deemed to be interested in the 20,827,142 shares of the Company held by Primetek.

All the interests stated above represent long positions. As at 31st December, 2008, no short positions were recorded in the register kept by the Company under section 336 of the SFO.

### 主要股東於本公司之證券權益 (續)

附註: (續)

- GZ Trust Corporation (作為一項酌情信託之信託人) 持有一項以 Global King (PTC) Ltd. 為信託人之單位信託基金之單位。Global King (PTC) Ltd. 有權於華置之股東大會上行使三分之一以上之投票權。因此, 根據證券及期貨條例, Global King (PTC) Ltd. 及 GZ Trust Corporation 被視為擁有華置所擁有之相同權益。
- Primetek Holdings Limited (「Primetek」) 為和記企業有限公司 (「和記企業」) 之全資附屬公司, 而後者為和記黃埔有限公司 (「和黃」) 之全資附屬公司。根據證券及期貨條例, 和黃及和記企業被視為擁有 Primetek 持有之 20,827,142 股本公司股份之權益。
- 由李嘉誠先生、李澤鉅先生及李澤楷先生各自擁有全部已發行股本之三分之一權益之 Li Ka-Shing Unity Holdings Limited, 擁有 Li Ka-Shing Unity Trustee Company Limited (「TUT1」) 之全部已發行股本。TUT1 以 The Li Ka-Shing Unity Trust (「UT1」) 信託人之身份, 連同若干公司 (TUT1 以 UT1 信託人之身份有權在其股東大會上行使或控制行使三分之一以上之投票權之公司) 合共持有長江實業 (集團) 有限公司 (「長實」) 三分之一以上之已發行股本。長實之附屬公司有權在和黃之股東大會上行使或控制行使三分之一以上之投票權。

此外, Li Ka-Shing Unity Holdings Limited 亦擁有 Li Ka-Shing Unity Trustee Corporation Limited (「TDT1」) (The Li Ka-Shing Unity Discretionary Trust (「DT1」) 之信託人) 及 Li Ka-Shing Unity Trustcorp Limited (「TDT2」) (另一酌情信託 (「DT2」) 之信託人) 之全部已發行股本。TDT1 及 TDT2 各持有 UT1 之單位。

根據證券及期貨條例, 李嘉誠先生身為 DT1 及 DT2 之財產授予人, 可被視為 DT1 及 DT2 之創立人; 李嘉誠先生、TDT1、TDT2、TUT1 及長實就證券及期貨條例而言個別被視為擁有 Primetek 持有之 20,827,142 股本公司股份之權益。

上述所有權益均為好倉。於二零零八年十二月三十一日, 本公司按證券及期貨條例第 336 條置存之登記冊所載概無任何淡倉。

## Directors' Report

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

There were no arrangements to which the Company, its ultimate holding company, or any of its ultimate holding company's subsidiaries was a party to enable the Directors to acquire benefit by means of the acquisition of shares in, or debentures of, the Company or any other body corporate during the Year.

### DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed in the "Connected Transactions" as mentioned below, there were no contracts of significance in relation to the Company's business, to which the Company or any of the Company's subsidiaries was a party, subsisting at the end of the Year or at any time during the Year, and in which a Director had, whether directly or indirectly, a material interest, nor there were any other contracts of significance in relation to the Company's business between the Company or any of the Company's subsidiaries and a controlling shareholder or any of its subsidiaries.

### CONNECTED TRANSACTIONS

In January, 2008, the Company entered into a conditional sale and purchase agreement with Chinese Estates, a substantial shareholder under the Listing Rules, and its wholly-owned subsidiary to dispose of shares in and loans to certain subsidiaries and associated companies of the Company in the final consideration of some HK\$531.8 million (the "Sale Transaction").

In November, 2008, the Company as lender made a conditional loan agreement with Longman Limited ("Longman") a wholly-owned subsidiary of Chinese Estates as borrower, granting a three-year revolving facility of up to HK\$900 million, with Chinese Estates acting as guarantor for repayment of the loan (the "Loan Transaction").

The Sale Transaction constituted a very substantial disposal and connected transaction of the Company whereas the Loan Transaction constituted a continuing connected transaction of the Company. Both transactions were approved by the independent shareholders of the Company at the extraordinary general meetings held on 13th May, 2008 and 12th December, 2008 respectively.

## 董事會報告書

### 購買股份或債券之安排

本公司、其最終控股公司或其最終控股公司之任何附屬公司概無於本年度內作出任何安排，以使董事可藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

### 董事及控權股東於合約之權益

除以下「關連交易」所述者外，本公司或本公司之任何附屬公司概無於年結時或本年度內任何時間訂立與本公司業務有關之重大合約而董事於其中直接或間接擁有重大權益，亦概無與控權股東或其任何附屬公司訂立與本公司業務有關之重大合約。

### 關連交易

於二零零八年一月，本公司與華置（按上市規則乃一主要股東）及其全資附屬公司簽訂一份有條件買賣協議，以出售若干附屬及聯營公司之股份及對彼等之貸款，最終代價約為531,800,000港元（「出售交易」）。

於二零零八年十一月，本公司作為貸方與華置之全資附屬公司Longman Limited（「Longman」）作為借方簽訂一份有條件貸款協議，提供最高900,000,000港元為期三年之循環貸款，而華置則為償還貸款作為擔保人（「貸款交易」）。

出售交易構成本公司一項非常重大出售及關連交易，而貸款交易則構成本公司一項持續關連交易。兩項交易分別於二零零八年五月十三日及二零零八年十二月十二日由本公司之獨立股東批准。

## Directors' Report

## 董事會報告書

### CONNECTED TRANSACTIONS (cont'd)

As at 31st December, 2008, a total sum of HK\$843 million had been drawn by Longman.

Having reviewed the Loan Transaction, the Independent Non-executive Directors of the Company, pursuant to Rule 14A.37 of the Listing Rules on the requirement to carry out annual review on the continuing connected transactions, confirmed that the Loan Transaction, notwithstanding that it was not made in the ordinary and usual course of business of the Company, was made on normal commercial terms and in accordance with the relevant loan agreement governing on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

Pursuant to Rule 14A.38 of the Listing Rules, the auditors of the Company confirmed that the Loan Transaction:

- (1) had received the approval of the Board;
- (2) had been entered into in accordance with the relevant agreement governing the Loan Transaction; and
- (3) had not exceeded the cap disclosed in the previous announcement made on 4th November, 2008.

Save as mentioned above, there were no other discloseable non-exempted connected transactions or non-exempted continuing connected transactions under the Listing Rules.

Related party transactions, inclusive of those also constituting the connected transaction or continuing connected transaction, entered into by the Group for the year ended 31st December, 2008 are disclosed in note 41 to the financial statements.

To the extent of the related party transactions as disclosed in note 41 to the financial statements constituted connected transaction or continuing connected transaction, the Company had complied with the relevant requirements under Chapter 14A of the Listing Rules during the Year.

### DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at 31st December, 2008, none of the Directors were interested in any business, which competed or was likely to compete, either directly or indirectly, with the Company's businesses.

### 關連交易 (續)

於二零零八年十二月三十一日，Longman已借取合共843,000,000港元。

在檢討該貸款交易後，本公司之獨立非執行董事，根據上市規則第14A.37條就持續關連交易進行週年檢討之規定，確認儘管該交易並非本公司之日常業務，該交易是按照一般商業條款，並根據該交易的協議條款進行，交易之條款屬公平及合理，且符合本公司股東之整體利益。

本公司核數師已就上市規則第14A.38條確認該貸款交易：

- (1) 已經由董事會批准；
- (2) 乃根據貸款交易之有關協議條款進行；及
- (3) 並無超逾先前於二零零八年十一月四日公告披露之上限。

除上文所述外，根據上市規則，並無其他不獲豁免關連交易或不獲豁免持續關連交易須作出披露。

截至二零零八年十二月三十一日止，由本集團進行之關連人士交易，內含關連交易及持續關連交易，已於財務報表附註41披露。

就財務報表附註41所披露之關連人士交易倘構成根據上市規則所界定之關連交易及持續關連交易，本公司已於本年度內遵守上市規則第14A章的有關規定。

### 董事於競爭性業務之權益

於二零零八年十二月三十一日，董事概無於與本公司業務直接或間接構成競爭或可能構成競爭之任何業務中擁有權益。



## Directors' Report

### RETIREMENT BENEFIT SCHEMES

The Group operates two defined contribution retirement benefit schemes. Particular of these retirement benefit schemes are set out in note 40 to the financial statements.

### ADVANCES TO AN ENTITY

As at 31st December, 2008, pursuant to Rule 13.20 of the Listing Rules, the Group had made advances of HK\$843 million at HIBOR plus 1% per annum to Longman, a wholly-owned subsidiary of Chinese Estates, the holding company of the Company. The loan had been granted for the capital expenditure and general working capital of Chinese Estates and its subsidiaries. The loan is a three-year revolving facility, with Chinese Estates acting as the guarantor, but is unsecured, and repayable on demand with maturity date on 3rd November, 2011.

### AUDIT COMMITTEE

The Audit Committee comprised Independent Non-executive Directors of the Company and the annual results of the Group for the Year had been reviewed by the Audit Committee.

### PUBLIC FLOAT

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

### AUDITORS

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Messrs. HLB Hodgson Impey Cheng, who will retire at the conclusion of the forthcoming annual general meeting, and being eligible, will offer themselves for re-appointment, as auditors of the Company.

On behalf of the Board  
**Matthew Cheong, Veng-va**  
*Chairman*

Hong Kong, 6th March, 2009

## 董事會報告書

### 退休福利計劃

本集團設有兩項定額供款退休福利計劃。退休福利計劃之詳情載於財務報表附註40。

### 墊付實體款項

於二零零八年十二月三十一日，根據上市規則第13.20條，本集團向控股公司華置之全資附屬公司Longman提供年利率以香港銀行同業拆息加一厘計息之墊款為843,000,000港元。該貸款乃供華置及其附屬公司用作資本開支及作為一般營運資金用途。該貸款乃三年期循環貸款，並由華置為擔保人，但無抵押而須於通知時償還，其特定到期日為二零一一年十一月三日。

### 審核委員會

審核委員會乃由本公司獨立非執行董事組成，而本集團之本年度業績已由審核委員會審閱。

### 公眾持股量

根據本公司所得悉的公開資料及董事所知悉，本公司於本年度內及截至本報告書日已按上市規則規定維持指定數額的公眾持股量。

### 核數師

本公司即將舉行之股東週年大會上將提呈一項決議案，國衛會計師事務所於即將舉行之股東週年大會結束時將任滿告退，並符合資格及願獲續聘為本公司核數師。

代表董事會  
 主席  
**昌榮華**

香港，二零零九年三月六日

## Independent Auditors' Report

## 獨立核數師報告書



Chartered Accountants  
Certified Public Accountants

**TO THE SHAREHOLDERS OF**  
**CHI CHEUNG INVESTMENT COMPANY, LIMITED**  
*(incorporated in Hong Kong with limited liability)*

We have audited the consolidated financial statements of Chi Cheung Investment Company, Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 43 to 109, which comprise the consolidated and company balance sheets as at 31st 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 consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of the report.

31/F, Gloucester Tower  
The Landmark  
11 Pedder Street  
Central  
Hong Kong

致至祥置業有限公司股東

*(於香港註冊成立之有限公司)*

吾等已審核第43頁至第109頁所載至祥置業有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。綜合財務報表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收益表、綜合股本權益變動報表及綜合現金流量表，以及主要會計政策概要及其他說明附註。

### 董事編製財務報表之責任

貴公司董事須遵照香港會計師公會頒布之香港財務報告準則以及香港公司條例之規定，負責編製並真實公平地呈列此等綜合財務報表。此責任包括設計、實行及維持與編製並真實公平地呈列綜合財務報表有關之內部監控，以確保其並無重大錯誤陳述(不論其由欺詐或錯誤引起)；選擇及採用適當會計政策；並在不同情況下作出合理之會計估算。

### 核數師之責任

吾等負責根據吾等之審核結果對綜合財務報表發表意見。本報告謹按照香港公司條例第141條而僅向閣下編製，並不作其他用途。吾等不會就報告內容而向任何其他人士負責或承擔責任。

## Independent Auditors' Report

## 獨立核數師報告書

### AUDITORS' RESPONSIBILITY (cont'd)

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

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

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

### OPINION

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

#### **HLB Hodgson Impey Cheng**

*Chartered Accountants*

*Certified Public Accountants*

Hong Kong, 6th March, 2009

### 核數師之責任 (續)

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

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

吾等相信，就提出審核意見而言，吾等所獲審核憑證屬充分及恰當。

### 意見

吾等認為，根據香港財務報告準則，綜合財務報表真實公平地反映 貴公司及 貴集團於二零零八年十二月三十一日之財務狀況以及 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妥為編製。

#### **國衛會計師事務所**

*英國特許會計師*

*香港執業會計師*

香港，二零零九年三月六日

## Consolidated Income Statement

For the year ended 31st December, 2008

## 綜合收益表

截至二零零八年十二月三十一日止年度

		Notes	2008 HK\$'000 千港元	2007 HK\$'000 千港元
		附註		
Turnover	營業額	8	<b>143,087</b>	69,974
Cost of sales	銷售成本		<b>(40,437)</b>	(25,239)
Gross profit	毛利		<b>102,650</b>	44,735
Other revenue	其他收益	8	<b>10,209</b>	13,371
Other income	其他收入		<b>719</b>	951
Administrative expenses	行政開支		<b>(6,429)</b>	(5,887)
Other operating expenses	其他經營開支		<b>-</b>	(6,517)
(Loss)/gain on disposals of investment properties	出售投資物業之(虧損) /收益		<b>(1,777)</b>	86
Fair value changes on investment properties	投資物業之公平值變動	18	<b>(3,050)</b>	5,061
Finance cost	財務費用	9	<b>-</b>	(61)
Impairment loss recognised in respect of advances to associates	就墊付聯營公司款項 確認之減值虧損	23(b)	<b>(970)</b>	(573)
Write-back of allowance for amounts due from former associates	前聯營公司欠款準備之 撥回金額		<b>256</b>	1,720
Gain on disposal of subsidiaries	出售附屬公司之收益	12	<b>3,905</b>	-
Share of results of associates	應佔聯營公司業績	10	<b>27,262</b>	62,509
Profit before taxation	稅前溢利	11	<b>132,775</b>	115,395
Taxation	稅項	13	<b>(16,089)</b>	(7,805)
Profit for the year	本年度溢利		<b>116,686</b>	107,590
Attributable to:	下列應佔:			
Equity holders of the Company	本公司股本持有人		<b>116,686</b>	107,651
Minority interest	少數股東權益		<b>-</b>	(61)
			<b>116,686</b>	107,590
Dividends	股息	16	<b>3,388</b>	-
Earnings per share	每股盈利			
Basic and diluted	基本及攤薄	17	<b>34.44 cents 仙</b>	31.78 cents 仙

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

隨附附註為本財務報表之一部份。

## Consolidated Balance Sheet

As at 31st December, 2008

## 綜合資產負債表

於二零零八年十二月三十一日

	Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
<b>Non-current assets</b>			
Investment properties	18	35,200	57,450
Property, plant and equipment	19	-	186
Prepaid lease payments	21	-	9,633
Interests in associates	23(a)	-	390,951
Advances to associates	23(b)	-	93,391
Available-for-sale financial assets	24	89,008	270
		<b>124,208</b>	551,881
<b>Current assets</b>			
Properties held for sale	25	18,576	56,304
Debtors, deposits and prepayments	26	2,031	1,871
Loan to a fellow subsidiary	27	843,000	-
Advance to a fellow subsidiary	28	21	-
Advance to the ultimate holding company	29	-	695
Taxation recoverable		-	3
Cash and cash equivalents	30	9,688	274,224
		<b>873,316</b>	333,097
<b>Current liabilities</b>			
Creditors and accruals	31	1,898	6,148
Deposits received		188	2,837
Taxation payable		9,828	5,906
Advances from fellow subsidiaries	32	127	-
Loan from minority shareholder	34	-	1,084
		<b>12,041</b>	15,975
<b>Net current assets</b>		<b>861,275</b>	317,122
<b>Total assets less current liabilities</b>		<b>985,483</b>	869,003
<b>Non-current liabilities</b>			
Deferred taxation liabilities	35	744	964
<b>Total assets and liabilities</b>		<b>984,739</b>	868,039
<b>Equity</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	36	3,388	3,388
Reserves		981,351	865,735
<b>Equity attributable to equity holders of the Company</b>		<b>984,739</b>	869,123
<b>Minority interest</b>		-	(1,084)
<b>Total equity</b>		<b>984,739</b>	868,039

Approved and authorised for issue by the Board of Directors on 6th March, 2009 and signed on its behalf by:

經由董事會於二零零九年三月六日批准及授權發布，並由下列代表簽署：

**Matthew Cheong, Veng-va**  
Director

**昌榮華**  
董事

**Teresa Poon, Mun-chie**  
Director

**潘敏慈**  
董事

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

隨附附註為本財務報表之一部份。

**Balance Sheet**

As at 31st December, 2008

**資產負債表**

於二零零八年十二月三十一日

			<b>2008</b>	2007
	Notes		<b>HK\$'000</b>	HK\$'000
	附註		千港元	千港元
<b>Non-current assets</b>		<b>非流動資產</b>		
Interests in subsidiaries		附屬公司權益	22	184,104
Advances to subsidiaries		墊付附屬公司款項	22	172,650
Advance to an associate		墊付聯營公司款項	23(b)	9,500
			<b>297,391</b>	366,254
<b>Current assets</b>		<b>流動資產</b>		
Deposits and prepayments		按金及預付款項	26	1,755
Loan to a fellow subsidiary		借予同系附屬公司貸款	27	-
Advance to a fellow subsidiary		墊付同系附屬公司款項	28	-
Advance to the ultimate holding company		墊付最終控股公司款項	29	695
Cash and cash equivalents		現金及現金等同項目	30	272,308
			<b>849,678</b>	274,758
<b>Current liabilities</b>		<b>流動負債</b>		
Creditors and accruals		應付賬項及應計費用	31	2,397
Advances from fellow subsidiaries		同系附屬公司墊款	32	-
			<b>456</b>	2,397
<b>Net current assets</b>		<b>流動資產淨值</b>	<b>849,222</b>	272,361
<b>Total assets less current liabilities</b>		<b>資產總額減流動負債</b>	<b>1,146,613</b>	638,615
<b>Non-current liability</b>		<b>非流動負債</b>		
Advance from a subsidiary		附屬公司墊款	33	34,116
<b>Total assets and liabilities</b>		<b>資產及負債總額</b>	<b>615,056</b>	604,499
<b>Equity</b>		<b>權益</b>		
<b>Capital and reserves attributable to equity holders of the Company</b>		<b>本公司股本持有人應佔股本及儲備</b>		
Share capital		股本	36	3,388
Reserves		儲備	37	601,111
<b>Total equity</b>		<b>權益總額</b>	<b>615,056</b>	604,499

Approved and authorised for issue by the Board of Directors on 6th March, 2009 and signed on its behalf by:

經由董事會於二零零九年三月六日批准及授權發布，並由下列代表簽署：

**Matthew Cheong, Veng-va**  
Director

昌榮華  
董事

**Teresa Poon, Mun-chie**  
Director

潘敏慈  
董事

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

隨附附註為本財務報表之一部份。

# Consolidated Statement of Changes in Equity 綜合股本權益變動報表

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

		Equity attributable to equity holders of the Company 本公司股本持有人應佔權益								
		Share capital	Share premium	Contribution from shareholders	Exchange reserve	Securities investment reserve	Retained profits	Total	Minority interest	Total equity
		股本	股份溢價	股東注資	匯兌儲備	證券投資儲備	保留溢利	總計	少數股東權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>The Group</b>	<b>本集團</b>									
At 1st January, 2007	於二零零七年一月一日	3,388	495,160	104,225	-	-	158,690	761,463	(1,023)	760,440
Exchange difference on translation of foreign operations	換算海外業務之匯兌差額	-	-	-	9	-	-	9	-	9
Profit for the year and total recognised income for the year	本年度溢利及本年度確認之總收入	-	-	-	-	-	107,651	107,651	(61)	107,590
At 31st December, 2007 and 1st 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	3,388	495,160	104,225	9	-	266,341	869,123	(1,084)	868,039
Exchange difference on translation of foreign operations	換算海外業務之匯兌差額	-	-	-	(9)	-	-	(9)	-	(9)
Release upon completion of disposal of subsidiaries (Note)	於出售附屬公司時解除 (附註)	-	-	(83,506)	-	-	83,506	-	1,084	1,084
Fair value changes on available-for-sale financial assets	可供出售金融資產之公平值變動	-	-	-	-	(1,061)	-	(1,061)	-	(1,061)
Profit for the year and total recognised income for the year	本年度溢利及本年度確認之總收入	-	-	-	-	-	116,686	116,686	-	116,686
<b>At 31st December, 2008</b>	<b>於二零零八年十二月三十一日</b>	<b>3,388</b>	<b>495,160</b>	<b>20,719</b>	<b>-</b>	<b>(1,061)</b>	<b>466,533</b>	<b>984,739</b>	<b>-</b>	<b>984,739</b>

Note:

Contribution from shareholders represents the excess of the fair value of the net assets acquired from Chinese Estates Holdings Limited ("Chinese Estates") over the consideration paid in relation to the asset transaction completed on 7th November, 2003. During the year, the Group had disposed of certain subsidiaries. Respective amount included in the contribution from shareholders was therefore released upon completion of disposal of subsidiaries to retained profits. For details, please refer to Note 12 to the financial statements.

附註：

股東注資指有關於二零零三年十一月七日完成的資產交易中，向Chinese Estates Holdings Limited (「華置」)收購之資產淨值的公平值超出所付代價之金額。於年內，本集團已出售若干附屬公司。因此，相關股東注資金額已於出售附屬公司完成時解除至保留溢利。有關詳情，請參閱財務報表附註12。

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

隨附附註為本財務報表之一部分。

## Consolidated Cash Flow Statement

For the year ended 31st 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

	Notes	2008 HK\$'000 千港元	2007 HK\$'000 千港元
	附註		
<b>Operating activities</b>			
Profit before taxation		<b>132,775</b>	115,395
<i>Adjustments for:</i>			
Share of results of associates		<b>(27,262)</b>	(62,509)
Interest income		<b>(12,532)</b>	(14,052)
Finance cost		-	61
Depreciation		<b>14</b>	19
Amortisation of prepaid lease payments		<b>25</b>	33
Impairment loss recognised in respect of advances to associates		<b>970</b>	573
Write-back of allowance for amounts due from former associates		<b>(256)</b>	(1,720)
Fair value changes on investment properties		<b>3,050</b>	(5,061)
Loss/(gain) on disposals of investment properties		<b>1,777</b>	(86)
Gain on disposal of subsidiaries		<b>(3,905)</b>	-
Net exchange loss		<b>347</b>	-
<b>Operating cash flows before movements in working capital</b>		<b>95,003</b>	32,653
Decrease in properties held for sale		<b>37,728</b>	22,179
Decrease/(increase) in debtors, deposits and prepayments		<b>531</b>	(1,071)
Decrease in creditors and accruals		<b>(3,876)</b>	(2,738)
Decrease in deposits received		<b>(2,618)</b>	(1,308)
Cash generated from operating activities		<b>126,768</b>	49,715
Hong Kong Profits Tax paid		<b>(11,489)</b>	(4,068)
Overseas tax (paid)/refunded		<b>(787)</b>	96
<b>Net cash generated from operating activities</b>		<b>114,492</b>	45,743
<b>Investing activities</b>			
Net proceeds from disposals of investment properties		<b>4,823</b>	9,416
Net proceeds from disposal of subsidiaries		<b>527,736</b>	-
Purchase of available-for-sale financial assets		<b>(90,201)</b>	-
Interest received		<b>9,126</b>	8,877
Deposit received from disposal of a property		-	2,550
Dividend received from an associate		<b>1,510</b>	710
Repayment from associates		<b>9,906</b>	17,994
Repayment from former associates		<b>256</b>	1,720
Loan to a fellow subsidiary		<b>(843,000)</b>	-
<b>Net cash (used in)/generated from investing activities</b>		<b>(379,844)</b>	41,267



**Consolidated Cash Flow Statement**

For the year ended 31st 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

	Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
<b>Financing activities</b>	<b>融資活動</b>		
Decrease/(increase) in advance to the ultimate holding company	墊付最終控股公司款項 減少／(增加)	<b>695</b>	(695)
Net advances from fellow subsidiaries	同系附屬公司墊款淨額	<b>106</b>	—
<b>Net cash generated from/(used in) financing activities</b>	<b>融資活動所得／(所用)現金淨額</b>	<b>801</b>	(695)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>現金及現金等同項目之(減少)／增加淨額</b>	<b>(264,551)</b>	86,315
Effect on foreign exchange rate changes	外幣匯率變動之影響	<b>15</b>	9
<b>Cash and cash equivalents at beginning of the year</b>	<b>年初之現金及現金等同項目</b>	<b>274,224</b>	187,900
<b>Cash and cash equivalents at end of the year</b>	<b>年終之現金及現金等同項目</b>	<b>9,688</b>	274,224
<b>Analysis of the balances of cash and cash equivalents</b>	<b>現金及現金等同項目結餘分析</b>		
Cash and cash equivalents	現金及現金等同項目	<b>9,688</b>	274,224

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

隨附附註為本財務報表之一部份。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 1. GENERAL INFORMATION

The Company is a public listed company incorporated in Hong Kong with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its ultimate holding company is Chinese Estates Holdings Limited ("Chinese Estates"), a company incorporated in Bermuda with its securities listed on the Stock Exchange. The address of the registered office of the Company is disclosed in the "Corporate Information" section to the annual report.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Group and all values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

The principal activities of the Company and its subsidiaries are engaged in property investment and development, securities investments and finance. The principal activities and other particulars of its principal subsidiaries are set out in Note 42 to the financial statements.

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

In the current year, the Company and its subsidiaries (the "Group") has applied, for the first time, the following amendments and interpretations (the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are effective for the Group's financial year beginning on 1st January, 2008. The new HKFRSs adopted by the Group in the financial statements are set out as follows:

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

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 1. 一般資料

本公司為一間在香港註冊成立而其股份在香港聯合交易所有限公司（「聯交所」）上市之公眾有限公司。其最終控股公司為於百慕達註冊成立，其證券在聯交所上市之Chinese Estates Holdings Limited（「華置」）。本公司之註冊辦事處地址已於本年報「公司資料」一節中披露。

港元為本集團之功能貨幣，除另有說明外，本綜合財務報表以港元呈報，所有價值均四捨五入至最接近之千位數（千港元）。

本公司與其附屬公司之主要業務為物業投資及發展、證券投資及財務。其主要附屬公司之主要業務及其他資料載於財務報表附註42。

### 2. 應用新訂及經修訂香港財務報告準則

於本年度，本公司及其附屬公司（「本集團」）首次應用香港會計師公會（「香港會計師公會」）頒布並於二零零八年一月一日開始之本集團財政年度生效之多項修訂及詮釋（「新香港財務報告準則」）。本集團於財務報表內採納之新香港財務報告準則載列如下：

香港會計準則第39號 及香港財務報告準則第7號（修訂本）	將金融資產重新分類
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—集團及庫務 股票交易
香港（國際財務報告 詮釋委員會） — 詮釋第12號	服務專營權安排
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—界定利益資產 之限制、最低資金 要求及其相互影響

## Notes to the Financial Statements

For the year ended 31st December, 2008

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

HKFRS 8, "Operating Segments", was early adopted by the Group in the current year. HKFRS 8 replaces HKAS 14, "Segment Reporting". The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented. In addition, the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker.

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

The Group has not early adopted the following new HKFRSs that have been issued but are not yet effective. The Group is in the process of assessing the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs will have a significant impact on how its results of operations and financial position are prepared and presented. These new HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 2. 應用新訂及經修訂香港財務報告準則 (續)

本集團於本年度提早採納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號取代香港會計準則第14號「分部報告」。該項新準則規定採納「管理法」，據此，分類資料之呈列基準與內部報告所用之呈列基準相同。採納此項準則導致所呈列之可報告分類數目增加。此外，分類之報告方式更符合向主要經營決策人提供之內部報告方式。

應用新香港財務報告準則不會對本會計期間或過往會計期間之業績與財務狀況之編製及呈列方式構成重大影響，故無須作出前期調整。

本集團並未提早採納下列已頒布但尚未生效之新香港財務報告準則。本集團現正評估該等新香港財務報告準則之潛在影響，惟仍未能釐定該等新香港財務報告準則會否對其經營業績及財務狀況之編製及呈列方式構成重大影響。該等新香港財務報告準則可能於未來導致業績及財務狀況之編製及呈列方式有變。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

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

HKFRSs (Amendments)	Improvements to HKFRSs <sup>1</sup>
HKAS 1 (Revised)	Presentation of Financial Statements <sup>2</sup>
HKAS 23 (Revised)	Borrowing Costs <sup>2</sup>
HKAS 27 (Revised)	Consolidated and Separate Financial Statements <sup>3</sup>
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation <sup>2</sup>
HKAS 39 (Amendment)	Eligible Hedged Items <sup>3</sup>
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate <sup>2</sup>
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations <sup>2</sup>
HKFRS 3 (Revised)	Business Combinations <sup>3</sup>
HK(IFRIC) – Int 13	Customer Loyalty Programmes <sup>4</sup>
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate <sup>2</sup>
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation <sup>5</sup>
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners <sup>3</sup>
HK(IFRIC) – Int 18	Transfers of Assets from Customers <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1st January, 2009 except for the amendments to HKFRS 5, effective for annual periods beginning on or after 1st July, 2009.

<sup>2</sup> Effective for annual periods beginning on or after 1st January, 2009.

<sup>3</sup> Effective for annual periods beginning on or after 1st July, 2009.

<sup>4</sup> Effective for annual periods beginning on or after 1st July, 2008.

<sup>5</sup> Effective for annual periods beginning on or after 1st October, 2008.

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July, 2009.

### 2. 應用新訂及經修訂香港財務報告準則(續)

香港財務報告準則 (修訂本)	香港財務報告準則之改進 <sup>1</sup>
香港會計準則第1號 (經修訂)	財務報表呈列 <sup>2</sup>
香港會計準則第23號 (經修訂)	借貸成本 <sup>2</sup>
香港會計準則第27號 (經修訂)	綜合及獨立財務報表 <sup>3</sup>
香港會計準則第32號及第1號 (修訂本)	可沽售金融工具及清盤產生之責任 <sup>2</sup>
香港會計準則第39號 (修訂本)	合資格對沖項目 <sup>3</sup>
香港財務報告準則第1號及香港會計準則第27號 (修訂本)	附屬公司、共同控制實體或聯營公司之投資成本 <sup>2</sup>
香港財務報告準則第2號 (修訂本)	歸屬條件及註銷 <sup>2</sup>
香港財務報告準則第3號 (經修訂)	業務合併 <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>2</sup>
香港 (國際財務報告詮釋委員會) – 詮釋第16號	對沖海外業務之淨投資 <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>3</sup>
香港 (國際財務報告詮釋委員會) – 詮釋第18號	來自客戶之資產轉讓 <sup>3</sup>

<sup>1</sup> 於二零零九年一月一日或之後開始之年度期間生效，惟香港財務報告準則第5號之修訂本則於二零零九年七月一日或之後開始之年度期間生效。

<sup>2</sup> 於二零零九年一月一日或之後開始之年度期間生效。

<sup>3</sup> 於二零零九年七月一日或之後開始之年度期間生效。

<sup>4</sup> 於二零零八年七月一日或之後開始之年度期間生效。

<sup>5</sup> 於二零零八年十月一日或之後開始之年度期間生效。

應用香港財務報告準則第3號 (經修訂) 可能影響收購日期為二零零九年七月一日或之後開始之首個年度報告期間開始當天或之後之業務合併之會計方法。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 3. SIGNIFICANT ACCOUNTING POLICIES

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

The financial statements have been prepared in accordance HKFRSs, which is a collective term that includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards, and Interpretations issued by the HKICPA, accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance and applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules").

#### (a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved where the Company has the power to govern the financial and operating policies of the subsidiaries so as to obtain benefits from their activities.

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

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

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

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. 主要會計政策

財務報表乃按歷史成本法編製，惟若干金融資產、金融負債及投資物業如下文所載會計政策所述按其公平值計算。

財務報表乃根據香港財務報告準則，包括所有由香港會計師公會頒布之適用香港財務報告準則、香港會計準則及詮釋、香港公認會計原則、香港公司條例及聯交所證券上市規則（「上市規則」）之適用披露規定編製。

#### (a) 綜合賬目基準

綜合財務報表包括本公司及其附屬公司之財務報表。擁有控制權指本公司有權監管附屬公司之財務及營運政策，從而在其營運活動中取得利益。

年內收購或出售之附屬公司業績，乃由實際收購日期起或直至實際出售日期止（按適當情況）計入綜合收益表內。

所有集團內公司間之交易、結餘、收入及支出均於綜合賬目中對銷。

綜合附屬公司資產淨值內之少數股東權益與本集團於其中之權益分開呈列。少數股東權益包括在原業務合併日期之有關權益數額，以及自合併日期起計少數股東應佔之股權變動。適用於少數股東之虧損超出於附屬公司股權之少數股東權益之數額將與本集團之權益作出分配，惟少數股東具約束力責任及可以其他投資補足虧損者除外。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (b) Investments in subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

In the Company's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted by the Company on the basis of dividend received and receivable.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

#### (c) Interests in associates

An associate is an entity which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in equity of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

### 3. 主要會計政策 (續)

#### (b) 附屬公司投資

附屬公司乃本集團有權監管其財務及營運政策之所有實體，通常擁有其過半數投票權之股權。在評估本集團是否控制另一實體時，會考慮是否存在即時可行使或轉換之潛在投票權及其作用。

在本公司之資產負債表中，於附屬公司之投資乃以成本減除減值虧損撥備列賬。附屬公司之業績由本公司按已收及應收股息基準列賬。

本集團採用收購會計法為本集團所收購之附屬公司列賬。收購成本為於交易當日所獲資產、所發行之股本工具及所產生或承擔之負債之公平值，加上收購事項直接應佔之成本。在業務合併過程中所收購之可識別資產、所承擔之負債及或然負債，均於收購當日按其公平值初步計算（不論任何少數股東權益之款額）。收購成本超出本集團應佔所收購之可識別淨資產之公平值之差額乃記錄為商譽。倘收購成本低於所收購附屬公司淨資產之公平值，則有關差額將直接於綜合收益表內確認。

#### (c) 聯營公司權益

聯營公司為本集團擁有重大影響力而非附屬公司或合營公司權益之實體。重大影響力指有權參與投資公司之財務及營運政策決定，但非對該等政策擁有控制權或共同控制權。

聯營公司之業績及資產與負債利用權益會計法計入此等綜合財務報表。根據權益法，聯營公司投資以成本在綜合資產負債表內列賬，並經收購後本集團應佔聯營公司損益及權益變動而調整，須減除個別投資之價值減值後列賬。聯營公司之虧損若超過本集團於該聯營公司之權益（包括任何長期權益，此在實質上構成本集團於聯營公司內淨投資之一部份）僅以本集團已產生之法定或推定責任或代表該聯營公司支付之款項為限予以確認。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (c) *Interests in associates (cont'd)*

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

Investments in associates are included in the Company's balance sheet at cost, less any identified impairment loss. The results of the associates are accounted for by the Company on the basis of dividends received and receivable during the year.

#### (d) *Investment properties*

Investment property, which is property held to earn rentals and/or for capital appreciation, is stated at its fair value at the balance sheet date. Gains or losses arising from changes in the fair value of investment properties are included in consolidated income statement for the year in which they arise.

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

#### (e) *Property, plant and equipment*

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

Depreciation is charged so as to write off the cost of property, plant and equipment over their estimated useful lives, using the straight-line method.

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

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. 主要會計政策 (續)

#### (c) *聯營公司權益 (續)*

倘一集團實體與本集團之聯營公司進行交易，則按本集團於有關聯營公司所佔之權益為限撇銷盈虧。

聯營公司投資按成本減去任何已辨識減值虧損計入本公司資產負債表。本公司於年內按已收及應收股息為基準計入聯營公司之業績。

#### (d) *投資物業*

持作賺取租金及／或作資本增值物業之投資物業，於結算日按公平值列賬。投資物業因公平值之變動所產生之盈虧，於產生之年度內計入綜合收益表。

當投資物業出售，或永不再使用有關投資物業，且預期出售時將不會產生未來經濟利益時不再確認入賬。不再確認資產所產生之盈虧（按出售所得款項淨額與資產之賬面金額兩者間之差額計算），乃於不再確認該項目之年度內計入綜合收益表。

#### (e) *物業、廠房及設備*

物業、廠房及設備按成本減累計折舊以及任何累計減值虧損列賬。

物業、廠房及設備之折舊，乃按其估計可使用年期以直線法撇銷成本。

當物業、廠房及設備項目出售，或預期繼續使用有關資產時將不會產生未來經濟利益時不再確認入賬。不再確認資產所產生之盈虧（按銷售所得款項淨額與項目之賬面金額兩者間之差額計算），乃於不再確認該項目之年度內計入收益表。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (f) *Property interests held for development*

Property interests held for development represent a right to develop properties on a piece of land upon payment of a final amount or land acquired pending any definite intention, and are carried at cost, less any identified impairment losses.

#### (g) *Properties held for sale*

Completed properties held for sale remaining unsold at the balance sheet date are stated at the lower of cost and net realisable value.

Net realisable value is determined by reference to sale proceeds received after the balance sheet date less selling expenses, or by management estimates based on the prevailing market conditions.

#### (h) *Leasing*

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

##### *The Group as lessor*

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

##### *The Group as lessee*

Rental payable under operating leases is charged to the consolidated income statement on a straight-line basis over the term of the relevant lease. Benefit received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expenses over the lease term on a straight-line basis.

### 3. 主要會計政策 (續)

#### (f) *持作發展之物業權益*

持作發展之物業權益指於支付最後款項後在土地上發展物業之權利或已購入而未有任具具體意向之土地，乃按成本扣除任何可辨認減值虧損列賬。

#### (g) *持作出售物業*

可持作出售惟於結算日仍未售出的已落成物業按成本與可變現淨值兩者中之較低者入賬。

可變現淨值參考於結算日後收取之出售所得款項減出售之開支計算，或根據管理層按當時市況作出之估計釐定。

#### (h) *租約*

凡租約條款規定將租賃資產擁有權之絕大部份風險及利益轉移至承租人之租約均列為財務租約。所有其他租約均分類為營業租約。

##### *本集團為出租人*

營業租約之租金收入會以直線法按有關租約年期在綜合收益表確認。磋商及安排營業租約時產生之初步直接成本會加入租賃資產之賬面金額，並以直線法按租約年期確認為開支。

##### *本集團為承租人*

根據營業租約應付之租金會以直線法按有關租約年期在綜合收益表中扣除。作為訂立營業租約獎勵之已收及應收利益乃以直線法按有關租約年期確認減少租金支出。



## Notes to the Financial Statements

For the year ended 31st December, 2008

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (i) Cash and cash equivalents

Cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, 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.

#### (j) Revenue recognition

Revenue from properties held for sale is recognised on the execution of a binding sales agreement. Payments received from the purchasers prior to this stage are recorded as deposits received on sales of properties and are grouped under current liabilities.

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

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

#### (k) Foreign currencies

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

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. 主要會計政策 (續)

#### (i) 現金及現金等同項目

現金等同項目包括銀行存款及現金、存放於銀行及其他金融機構之活期存款及購入後一般在三個月內可予兌現及可隨時轉換為已知數額現金且價值變動風險較少之短期高度流動性投資，減須應要求償還並構成本集團現金管理之組成部份之銀行透支。

#### (j) 收入確認

持作出售物業之收入在執行具約束力之銷售協議時方予確認入賬。於上述階段前從買家收取之款項乃列作銷售物業之已收按金，並計入流動負債內。

營業租約項下物業之租金收入於有關租賃期內以直線法攤銷確認。

金融資產之利息收入乃就本金結餘按適用利率及時間比例計算，適用利率為將金融資產於預期年期內之未來現金收款準確貼現至賬面淨值之利率。

#### (k) 外幣

在編製個別集團實體的財務報表時，以實體功能貨幣以外之貨幣（外幣）進行之交易按交易日通用之匯率以其功能貨幣（即該實體經營之主要經濟環境之貨幣）記錄。於各結算日，以外幣列值之貨幣項目以結算日通用之匯率重新換算。以外幣列值並按公平值列賬之非貨幣項目以釐定公平值當日通用之匯率重新換算。以外幣列值並以歷史成本計算之非貨幣項目不會重新換算。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (k) Foreign currencies (cont'd)

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

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

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the balance sheet date. Exchange differences arising are recognised in the exchange reserve.

#### (l) Retirement benefit costs

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

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. 主要會計政策 (續)

#### (k) 外幣 (續)

結算貨幣項目及重新換算貨幣項目時產生之匯兌差額於產生之期間在收益表中確認，惟因貨幣項目而產生並構成本集團之海外業務淨投資一部份之匯兌差額則於綜合財務報表中之股本確認。重新換算按公平值列賬之非貨幣項目產生之匯兌差額計入期內之收益表中，惟重新換算非貨幣項目產生之差額有關之損益直接於股本確認，在此情況下，匯兌差額亦會直接於股本中確認。

就綜合財務報表之呈報而言，本集團海外業務之資產及負債按結算日之匯率換算為本公司之呈列貨幣（即港元），而收支則按該年度之平均匯率換算。倘期內匯率大幅波動，則使用交易日之匯率換算。產生之匯兌差額（如有）確認為股本之獨立部份（匯兌儲備）。該等匯兌差額於出售海外業務期間在綜合收益表內確認。

收購海外業務產生之已收購可識別資產商譽及公平值調整，被視為該海外業務之資產及負債，並按結算日適用之匯率換算。由此產生之匯兌差額於匯兌儲備確認。

#### (l) 退休福利成本

界定供款退休福利計劃之供款於僱員提供服務以有權取得供款時確認為開支。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (m) Financial instruments

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

#### Financial assets

The Group's and the Company's financial assets are classified into loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted are set out 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. At each balance sheet date subsequent to initial recognition, loans and receivables (including debtors, deposits and prepayments, loan to a fellow subsidiary, advances to a fellow subsidiary and the ultimate holding company and cash and cash equivalents) are carried at amortised cost using the effective interest method, less any identified impairment losses.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. 主要會計政策 (續)

#### (m) 金融工具

當本集團之實體及本公司成為工具合約條文之一方，則於資產負債表內確認金融資產及金融負債。金融資產及金融負債初步按公平值計算。收購或發行金融資產及金融負債直接應佔之交易成本（以公平值計算且以公平值計入損益之金融資產及金融負債除外）乃於初步確認時加入金融資產或金融負債（如適用）之公平值，或從金融資產或金融負債之公平值扣除。收購以公平值計量且以公平值計入損益之金融資產或金融負債直接應佔之交易成本，即時於收益表中確認。

#### 金融資產

本集團及本公司之金融資產分類為貸款及應收款項以及可供出售金融資產。所有正常買賣之金融資產按交易日之基準確認及不予確認。正常買賣之金融資產是指按照市場規定或慣例須在一段期間內進行資產交付之金融資產買賣。所採納之會計政策載列如下。

#### 貸款及應收款項

貸款及應收款項為並未於交投活躍之市場內報價而附帶固定或可議定付款之非衍生金融資產。於初步確認後之每個結算日，貸款及應收款項（包括應收賬款、按金及預付款項、借予同系附屬公司貸款、墊付同系附屬公司及最終控股公司款項及現金及現金等同項目）使用實際利息法按經攤銷成本減任何可識別減值虧損列賬。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (m) Financial instruments (cont'd)

##### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories under HKAS 39. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, except for impairment losses and foreign exchange gains and losses which are recognised in income statement, until the financial asset is derecognised, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in the income statement.

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

##### Impairment of financial assets

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

For financial assets, other than available-for-sale equity investment, objective evidence of impairment could include:

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

### 3. 主要會計政策 (續)

#### (m) 金融工具 (續)

##### 可供出售金融資產

可供出售金融資產為根據香港會計準則第39號指定或並無分類為任何其他分類之非衍生工具。於初步確認後之各個結算日，可供出售金融資產按公平值計算。除因減值虧損及匯兌收益或虧損在收益表中外，公平值變動於權益確認，直至該金融資產不再確認入賬；屆時，以往於權益確認之累計收益或虧損會於權益扣除，並於收益表確認。

使用實際利息法計算之利息於收益表確認。實際利息法為計算金融資產攤銷成本及於有關期間內分配利息收入之方法。實際利率為將金融資產於預計年期或（如適用）較短期間內之估計未來現金收款（包括構成實際利率之一切已付或已收費用及數額、交易成本及其他溢價或折讓）準確貼現之利率。

##### 金融資產減值

金融資產於每個結算日進行有關減值現象之評估。當於初步確認金融資產後發生一項或多項事件，導致有客觀證據顯示金融資產之估計未來現金流量已受到影響，則金融資產已經減值。

就可供出售股本投資以外的金融資產而言，減值客觀證據可包括：

- 發行人或對手方出現嚴重財困；或
- 無力支付或拖欠利息或本金額；或
- 借款人有可能破產或進行財務重組。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (m) Financial instruments (cont'd)

##### Impairment of financial assets (cont'd)

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

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

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in income statement. When a trade receivable is considered uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to income statement.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and observable changes in national or local economic conditions that correlate with default on receivables.

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

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. 主要會計政策 (續)

#### (m) 金融工具 (續)

##### 金融資產減值 (續)

就按攤銷成本列賬之金融資產而言，當資產有客觀證據顯示出現減值，則會於收益表確認減值虧損。減值虧損以資產之賬面金額與按原實際利率折現其估計未來現金流量之現值兩者之差額計算。

就按攤銷成本計量之金融資產而言，倘減值虧損之金額於確認後之期間有所減少，而有關減少可以客觀地與確認減值虧損後發生之一項事件有關，之前已確認之減值虧損可透過收益表予以撥回，但撥回以減值日期資產之賬面金額為限，不得超過該項資產原未確認減值時之已攤銷成本。

除應收貿易賬項外，所有金融資產之賬面金額會直接扣除其減值虧損。應收貿易賬項之賬面金額會利用撥備賬進行扣減。撥備賬之賬面金額的變動於收益表確認。當應收貿易賬項被視為不可收回，則會撇銷撥備賬。倘之前已撇銷之款項於其後收回，則會計入收益表。

就應收貿易賬項等若干類別之金融資產而言，被評為不會個別減值之資產其後會彙集評估減值。一組應收賬項之減值客觀證據可包括本集團過往之收款經驗，以及與無力支付應收賬項有關之國家或地方之經濟環境之明顯轉變。

就可供出售債務投資而言，任何減值虧損應於收益表確認，而倘投資之公平值增加可能客觀地涉及確認減值虧損後發生之事件，則減值虧損可於其後撥回。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (m) Financial instruments (cont'd)

##### Financial liabilities and equity

Financial liabilities and equity instruments issued by an entity of the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

The Group's financial liabilities are classified into other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

##### Other financial liabilities

Other financial liabilities including creditors and accruals, deposits received, advances from fellow subsidiaries and loan from minority shareholder are subsequently measured of amortised cost, using the effective interest method.

##### Equity instruments

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

#### (n) Taxation

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

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

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. 主要會計政策 (續)

#### (m) 金融工具 (續)

##### 金融負債及股本

本集團實體發行之金融負債及股本工具乃根據所訂立合約安排之內容及金融負債與股本工具之定義予以分類。股本工具為可證明於本集團資產經扣除其所有負債後之餘額權益之任何合約。

本集團之金融負債分類為其他金融負債，而就金融負債及股本工具所採納之會計政策載列如下。

##### 其他金融負債

其他金融負債 (包括應付賬款及應計費用、已收按金、同系附屬公司墊款及少數股東貸款) 均於其後使用實際利息法按攤銷成本計算。

##### 股本工具

本公司發行之股本工具按已收所得款項扣除直接發行成本入賬。

#### (n) 稅項

所得稅支出指當期應付稅項及遞延稅項。

當期應付稅項按年度應課稅溢利計算。應課稅溢利與收益表所報稅前溢利不同，此乃由於其不包括在其他年度應課稅或可扣減之收入或支出項目，亦不包括收益表內永不課稅或扣減之項目。本集團有關當期稅項之負債按結算日已實施或大致實施之稅率計算。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (n) Taxation (cont'd)

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

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

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

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

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. 主要會計政策 (續)

#### (n) 稅項 (續)

遞延稅項為預期就財務報表內資產及負債賬面金額與用於計算應課稅溢利之相應稅基兩者之差異而應付或可收回之稅項，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅暫時差異確認，而遞延稅項資產則限於可能於日後取得應課稅溢利，並可用以抵銷可扣減暫時差異時確認。若暫時差異乃因商譽（或負商譽）或一項既不影響應課稅溢利亦不影響會計溢利之交易（業務合併除外）中初步確認其他資產及負債而引致，則不會確認該等稅項資產及負債。

遞延稅項負債乃就附屬公司及聯營公司投資產生之應課稅暫時差異而確認，惟倘本集團能夠控制該等暫時差異之回轉及該等暫時差異預料不會在可見將來回轉則屬例外。

遞延稅項資產之賬面金額於每個結算日均作檢討，並在不大可能再有足夠應課稅溢利收回全部或部份稅項資產時減少。

遞延稅項乃按預期於負債償還或資產變現期間之適用稅率計算。遞延稅項會扣自或計入收益表，惟有關直接扣自或計入股本之項目，則有關之遞延稅項亦會於股本中處理。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (o) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals, and post-employment benefit plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

#### (p) Borrowings

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

#### (q) Impairment losses

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

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

### 3. 主要會計政策 (續)

#### (o) 關連人士交易

倘一方有能力直接或間接控制另一方或在財務及營運決策方面對另一方行使重大影響，則雙方被視為關連。倘雙方均受共同控制或受到共同重大影響，則雙方亦被視為關連。關連人士可以是個人（即主要管理人員、重要股東及／或與彼等關係密切之家族成員）或其他實體，並且包括受到本集團之關連人士重大影響之實體（該等人士為個人及以本集團或為本集團關連人士之任何實體之僱員為受益人而設之離職後福利計劃）。

倘一項交易涉及關連人士進行資源或責任轉移，則該項交易被視為關連人士交易。

#### (p) 借款

借款初步按公平值扣除所產生之交易成本確認。交易成本為直接與收購、發行或出售金融資產或金融負債有關之增加成本，包括支付予代理、顧問、經紀及交易商之費用及佣金，監管機關及證券交易所之徵費，以及轉讓稅項及稅收。借款其後按攤銷成本列賬，所得款項（扣除交易成本）與贖回價值兩者間之任何差額，使用實際利息法於借款期間內在收益表中確認。

#### (q) 減值虧損

每結算日，本集團會檢討其有形及無形資產之賬面金額，以釐定該等資產有否出現減值虧損之現象。倘估計資產之可收回金額將低於其賬面金額，則將該資產之賬面金額減至其可收回金額。減值虧損則即時確認為開支。

倘減值虧損其後撥回，則有關資產之賬面金額會增至其經修訂估計可收回之金額，惟已增加之賬面金額不得超過假設有關資產於過往年度並無確認減值虧損而釐定之賬面金額。減值虧損撥回將即時確認為收入。



## Notes to the Financial Statements

For the year ended 31st December, 2008

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (r) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligations.

#### (s) Contingent liabilities and assets

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

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

#### (t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

#### (u) Prepaid lease payments

Payment for obtaining land use rights accounted for as prepaid lease payments and are charged to consolidated income statement on a straight-line basis over the lease terms.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 3. 主要會計政策 (續)

#### (r) 撥備

當本集團因過往事件而須承擔現有法律或推定責任，且大有可能需要資源流出以應付有關債務時，則確認為撥備，且有關債務所涉及數額必須能可靠地估計。撥備於每結算日檢討，並調整以反映現時之最佳估計。如資金之時值影響重大，撥備之金額為預期須用以償付債務之支出之現值。

#### (s) 或然負債及或然資產

或然負債乃一項因過往事件產生之有可能承擔，而該等過往事件之存在僅可由一項或多項並非由本集團全權控制之日後不明朗事件之存在與否確定。其亦可為一項因不大可能需要耗用經濟資源或承擔之金額未能可靠地計算而未有確認之過往事件產生之現有承擔。或然負債未有予以確認，惟已於財務報表附註中披露。倘耗用經濟資源之可能性出現變動致使有可能需耗用經濟資源，則或然負債將確認為撥備。

或然資產乃一項因過往事件產生之有可能資產，而該等過往事件之存在僅可由一項或多項並非由本集團全權控制之日後不明朗事件之存在與否確定。或然資產不會在財務報表確認，但於可能出現經濟利益流入時於財務報表附註中予以披露。當流入獲實質確定時將對資產確認。

#### (t) 分類報告

經營分部乃一種報告形式，與提供予主要營運決策人士之內部報告的形式一致。主要營運決策人士被視為作出決策之指導委員會，負責將資源分配至各經營分部及評核各經營分部之表現。

#### (u) 預付租賃款項

為取得土地使用權而支付之款項列作預付租賃款項，按直線法在租約期內自綜合收益表扣除。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the application of the Group's accounting policies, which are described in Note 3 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

#### Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

#### Impairment of assets

The Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 4. 關鍵會計估計及判斷

管理層於應用本集團之會計政策（見財務報表附註3之描述）時，須對無法依循其他途徑得知之資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設以過往經驗及被視為相關之其他因素為依據。實際結果可能有別於相關估計。

管理層會不斷審閱各項估計及相關假設。如果會計估計之修訂只是影響某一期間，其影響便會在該期間確認；如果修訂對當前及未來期間均有影響，則在作出修訂之期間及未來期間確認。

#### 所得稅

本集團須繳納若干司法權區之所得稅。在釐定全球所得稅撥備時須作出重大判斷。在日常業務過程中，大部份交易及計算之最終稅務決定均不明朗。本集團根據附加稅項會否到期之估計來確認預計稅項審核事宜之負債。倘此等事宜之最終稅務結果有別於初步錄得之金額，有關差額將對作出決定期間之所得稅及遞延稅項撥備構成影響。

#### 資產減值

本集團每年進行資產減值測試，並利用須作出若干假設及估計之使用價值計算法，釐定資產或現金產生單位之可收回金額。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (cont'd)

#### **Investment properties**

As described in Note 18 to the financial statements, investment properties are stated at fair value based on the valuation performed by independent professional surveyors. In determining the fair value, the surveyors have based on method of valuation which involves certain estimates. In relying on the valuation report, the management has exercised their judgment and is satisfied that the method of valuation is reflective of the current market conditions. Should there are changes in assumptions due to change of market conditions, the fair value of the investment properties will change in future.

### 5. FINANCIAL INSTRUMENTS

#### **(a) Fair value of financial instruments**

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

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as inputs.

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

#### **(b) Financial risk management**

The Group's major financial instruments include available-for-sale financial assets, debtors, deposits and prepayments, loan to a fellow subsidiary, and cash and cash equivalents. Details of these financial instruments are disclosed in respective notes. The risk associated with these financial instruments and the policies on how to mitigate these are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 4. 關鍵會計估計及判斷 (續)

#### **投資物業**

誠如財務報表附註18所述，投資物業是以獨立專業測計師評定之公平值入賬。測計師於決定公平值時乃根據包含若干估計之估值方法進行，管理層於信賴估值報告時已作出了判斷及認同該估值方法乃反映市場現況。如市場現況導致假設有任何變動，投資物業之公平值可能於未來變動。

### 5. 金融工具

#### **(a) 金融工具之公平值**

金融資產及金融負債之公平值按下列各項釐定：

- 具標準條款及條件並於活躍流通市場買賣之金融資產及金融負債之公平值，乃分別參考市場所報之買賣價釐定；及
- 其他金融資產及金融負債之公平值，乃按照公認定價模型，根據以可觀察現行市場交易之價格或比率為輸入值之貼現現金流量分析釐定。

本公司董事認為，於財務報表按攤銷成本列賬之金融資產及金融負債的賬面金額與其公平值相若。

#### **(b) 財務風險管理**

本集團之主要金融工具包括可供出售金融資產、應收賬項、按金及預付款項、借予同系附屬公司貸款及現金及現金等同項目。此等金融工具之詳情於各個相關附註內披露。與此等金融工具相關之風險及如何減低有關風險之政策載列如下。管理層管理及監察此等風險，以確保適時有效地推行適當措施。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 5. FINANCIAL INSTRUMENTS (cont'd)

#### (b) Financial risk management (cont'd)

##### Market risks

##### (i) Currency risk

The majority of the Group's monetary assets and monetary liabilities by value and the rental income are denominated in Hong Kong dollars ("HK\$"), except the available-for-sales financial assets are denominated in United States dollars ("USD"). The Group currently does not have a foreign currency hedging policy in respect of foreign current assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

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

Assets	資產	2008 HK\$'000 千港元	2007 HK\$'000 千港元
USD	美元	90,801	2
RMB	人民幣	-	216

##### (ii) Interest rate risk

The Group and the Company have no interest rate risk arises from bank borrowings.

The Group and the Company have interest-bearing assets including advances to associates, available-for-sale financial assets, loan to a fellow subsidiary and cash and cash equivalents, details of which have been disclosed in Notes 23(b), 24, 27, and 30 to the financial statements.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 5. 金融工具 (續)

#### (b) 財務風險管理 (續)

##### 市場風險

##### (i) 貨幣風險

本集團以價值及租金收入劃分之貨幣資產及貨幣負債大部分以港元(「港元」)計值，惟可供出售金融資產以美元(「美元」)計值。本集團目前並無就海外流動資產及負債採納任何外幣對沖政策。本集團將密切監察其外幣風險，並於有需要時考慮對沖重大外幣風險。

本集團以外幣計值之貨幣資產及貨幣負債於報告日期之賬面值如下：

	2008 HK\$'000 千港元	2007 HK\$'000 千港元
USD	90,801	2
RMB	-	216

##### (ii) 利率風險

本集團及本公司並無因銀行借款產生利率風險。

本集團及本公司擁有的計息資產包括墊付聯營公司計息款項、可供出售金融資產、借予同系附屬公司貸款以及現金及現金等同項目(詳情已於財務報表附註23(b)、24、27及30內披露)。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 5. FINANCIAL INSTRUMENTS (cont'd)

#### (b) Financial risk management (cont'd)

##### Market risks (cont'd)

##### (ii) Interest rate risk (cont'd)

The Group and the Company analyses its interest rate exposure on a dynamic basis. Its advances to associates, available-for-sale financial assets, loan to a fellow subsidiary and cash and cash equivalents were carried at fixed and variable rates. As such, the impact of the increase or decrease in Hong Kong Interbank Offered Rates ("HIBOR") and The London Interbank Offered Rates ("LIBOR") would have an effect on interest income arising from available-for-sale financial assets, loan to a fellow subsidiary, cash and cash equivalents for the Group and the Company.

The Group's and the Company's interest rate risk is mainly concentrated on the fluctuation of interest income arising from the Group's United States dollar denominated available-for-sale financial assets and Hong Kong dollar denominated loan to a fellow subsidiary, cash and cash equivalents.

##### Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for interest-bearing available-for-sale financial assets, loan to a fellow subsidiary and cash and cash equivalents at the balance sheet date. The analysis is prepared assuming the amount of financial assets held at the balance sheet date was held for the whole year. A 50 basis points increase or decrease in interest rate is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's and the Company's:

- profit for the year ended 31st December, 2008 would increase/decrease by HK\$4,710,000 (2007: increase/decrease by HK\$1,693,000). This is mainly attributable to the Group's exposure to interest rates on its variable rates; and
- other equity reserves would not decrease/increase (2007: Nil).

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 5. 金融工具 (續)

#### (b) 財務風險管理 (續)

##### 市場風險 (續)

##### (ii) 利率風險 (續)

本集團及本公司按動態基準分析其利率風險。其墊付聯營公司款項，可供出售金融資產、借予同系附屬公司貸款以及現金及現金等同項目均以固定及浮動利率計息。因此，香港銀行同業拆息（「香港銀行同業拆息」）及倫敦銀行同業拆息（「倫敦銀行同業拆息」）之上升或下降將對本集團及本公司之來自可供出售金融資產、借予同系附屬公司貸款、現金及現金等同項目之利息收入產生影響。

本集團及本公司之利率風險主要集中於來自本集團以美元計值之可供出售金融資產及以港元計值之借予同系附屬公司貸款、現金及現金等同項目之利息收入波動。

##### 敏感度分析

下文敏感度分析乃根據於結算日可供出售金融資產、借予同系附屬公司貸款以及現金及現金等同項目之利率釐定。分析乃假設於結算日所持之金融資產於整個年度持有而編製。最優惠利率上升或下降50個基點，代表管理層對利率合理可能變動之評估。

倘利率上升／下降50個基點及所有其他可變數不變，則本集團及本公司：

- 截至二零零八年十二月三十一日止年度之溢利將會增加／減少4,710,000港元（二零零七年：增加／減少1,693,000港元）。此主要涉及本集團之浮息利率風險；及
- 其他股本儲備不會減少／增加（二零零七年：無）。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 5. FINANCIAL INSTRUMENTS (cont'd)

#### (b) Financial risk management (cont'd)

##### Market risks (cont'd)

##### (ii) Interest rate risk (cont'd)

##### Sensitivity analysis (cont'd)

The Group's sensitivity to interest rates has increased during the current year mainly due to the increase in available-for-sale financial assets and loan to a fellow subsidiary held.

##### (iii) Price risk

The Group's investments classified as available-for-sale financial assets which are measured at fair value at each balance sheet date and expose the Group to price risk. The Group's price risk is concentrated on securities investments operating in banking and insurance industry. The management manages this exposure by maintaining a portfolio of investments with different risk profiles.

##### Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to price risk at the reporting date:

If the securities price had been 5% higher/lower and all other variables were held constant, the Group's:

- profit for the year ended 31st December, 2008 would not increase/decrease (2007: Nil).
- other equity reserve for the year ended 31st December, 2008 would increase/decrease by approximately HK\$4,450,000 (2007: Nil).

The Group's sensitivity to price risk has increased during the year mainly due to the increase in available-for-sale financial assets held.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 5. 金融工具 (續)

#### (b) 財務風險管理 (續)

##### 市場風險 (續)

##### (ii) 利率風險 (續)

##### 敏感度分析 (續)

年內，由於所持可供出售金融資產及借予同系附屬公司貸款增加，本集團之利率敏感度有所上升。

##### (iii) 價格風險

本集團之投資會分類為可供出售金融資產（於各結算日按公平值計量），並使本集團承受價格風險。本集團之價格風險主要涉及有關銀行業及保險業之證券投資。管理層透過維持不同風險程度之投資組合管理有關風險。

##### 敏感度分析

下文敏感度分析乃根據於報告日期之價格風險釐定：

倘證券價格上升／下跌5%，而所有其他可變數不變，則本集團：

- 截至二零零八年十二月三十一日止年度之溢利不會有所增加／減少（二零零七年：無）。
- 截至二零零八年十二月三十一日止年度之其他權益儲備將增加／減少約4,450,000港元（二零零七年：無）。

年內，由於所持之可供出售金融資產增加，故本集團之價格風險敏感度亦有所增加。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 5. FINANCIAL INSTRUMENTS (cont'd)

#### (b) Financial risk management (cont'd)

##### *Credit risk*

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31st December, 2008 in relation to each class of recognised financial assets are the carrying amount of those assets as stated in the consolidated balance sheet. The Group's and the Company's time deposits are deposited with banks of high credit quality in Hong Kong.

The Company and its principal subsidiaries made transactions with counterparties with acceptable credit quality in conformance to the Group treasury policies to minimise credit exposure. Acceptable credit ratings from reputable credit rating agencies and scrutiny of financials for non-rated counterparties are two important criteria in the selection of counterparties. The credit quality of counterparties will be closely monitored over the life of the transaction. The Group reviews its financial counterparties periodically in order to reduce credit risk concentrations relative to the underlying size and credit strength of each counterparties.

In an attempt to forestall adverse market movement, the Group also monitors potential exposures to each financial institution counterparties.

The Group's exposure to credit risk arises from default of the counterparties, with a maximum exposure equals to the carrying amount of the each financial asset as reported on the consolidated balance sheet.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 5. 金融工具 (續)

#### (b) 財務風險管理 (續)

##### *信貸風險*

本集團就倘交易對手未能履行其於二零零八年十二月三十一日有關各類已確認金融資產之責任所面對最大信貸風險為綜合資產負債表所述該等金融資產之賬面金額。本集團及本公司之定期存款存於香港高信貸質素之銀行。

本公司及其主要附屬公司均與符合集團庫務政策所訂信貸評級良好的機構進行交易與財務有關的交易，以盡量降低信貸風險。揀選交易方的兩項重要原則，是由有信譽的信貸評級機構發出可接受的信貸評級，以及對沒有評級的交易方進行財務評審。本集團會在整個交易期內密切監察交易方的信貸質素。此外，本集團會定期為與其交易的財務機構進行評審，以減低過度集中信貸的風險。

為不利的市場變動預先作準備，本集團為每間金融機構交易方檢測潛在的風險。

本集團的信貸風險乃來自交易方的違約，最高等於綜合資產負債表所列各相關金融資產的賬面金額。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 5. FINANCIAL INSTRUMENTS (cont'd)

#### (b) Financial risk management (cont'd)

##### Liquidity risk

The Group manages liquidity risk by regularly monitoring current and expected liquidity requirements and ensuring sufficient liquid cash and intended credit lines of funding from major financial institutions to meet the Group's liquidity requirements in the short and long terms. The liquidity risk is under continuous monitoring by management. Management will raise or refinance bank borrowings whenever necessary.

As at the balance sheet date, the Group does not have significant exposure to liquidity risk.

### 6. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to ensure that entities in the Group will be able to continue as a going concern while maximising the returns to shareholders through the optimisation of the debt and equity balance.

The directors of the Company review the capital structure regularly. As part of this review, the directors of the Company consider the cost of capital and other sources of funds other than issuance of shares, including borrowings from related parties. Based on the recommendation of the directors of the Company, the Group will balance its overall capital structure through raising or repayment of borrowings.

Consistent with others in the industry, the Group monitors its capital structure on the basis of the gearing ratio. The debt-to-equity ratio is calculated as total borrowing divided by total equity. During the year ended 31st December, 2007 and 31st December, 2008, the Group's gearing ratio was undefined because the Group does not have any borrowings as at 31st December, 2007 and 31st December, 2008.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 5. 金融工具 (續)

#### (b) 財務風險管理 (續)

##### 流動資金風險

本集團管理流動資金風險之方法為定期監察現時及預測之流動資金需要，並確保具備足夠流動現金及取得計劃來自主要金融機構之融資，以應付本集團之短期及長期流動資金需要。

於結算日，本集團並無重大之流動資金風險。

### 6. 資本風險管理

本集團資本管理的首要目標，為確保本集團之實體具備持續經營之能力，並透過維持適當的負債及權益結算，爭取最大的股東回報。

本公司董事定期檢討資本結構。作為檢討一部分，本公司董事會考慮股本及其他資金來源（不包括股份發行）之成本，包括關連人士之借貸。根據本公司董事之建議，本集團將透過籌集或償還借貸以平衡其整體資本結構。

本集團運用資本負債比率監察其資本結構，此舉與行業其他業者貫徹一致。債務權益比率乃按借貸總額除以權益總額計算。於截至二零零七年十二月三十一日及二零零八年十二月三十一日止年度，由於本集團於二零零七年十二月三十一日及二零零八年十二月三十一日並無任何借貸，故並無界定資本負債比率。



## Notes to the Financial Statements

For the year ended 31st December, 2008

### 7. SEGMENT INFORMATION

The accounting policies of the operating segments are the same as those described in the principal accounting policies. The Group evaluates performance on the basis of profit or loss from operations after tax expenses but not including the major non-cash items. The major non-cash items are fair value changes on investment properties together with their respective deferred tax expense, write-back of allowance for amounts due from former associates and share of results of associates. No intersegment turnover is accounted for as the intersegment turnover is mainly the interest income and management fee income for administrative purposes.

The Group's measurement methods used to determine reported segment profit or loss remain unchanged from 2007.

The Group's reportable segments are strategic business units that operate different activities. They are managed separately because each business has different market and requires different marketing strategies.

Management has determined the operating segments based on the revenue nature of the Group.

The management considers the business from product perspective. The Group currently has three reportable segments – property development, property leasing and securities investments and finance.

Principal activities are as follows:

Property development	–	Property development and sales of properties
Property leasing	–	Property rental
Securities investments and finance	–	Securities investments and finance activities

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 7. 分類資料

經營分類之會計政策與主要會計政策所描述者相同。本集團會以除稅開支後之經營溢利或虧損評估表現，惟不包括主要非現金項目。主要非現金項目乃投資物業之公平值變動連同其相關遞延稅項開支、涉及前聯營公司款項之撥備撥回及應佔聯營公司業績。由於分類間之營業額主要為利息收入及涉及行政之管理費收入，故並無將分類間之營業額入賬。

自二零零七年，本集團釐定呈報分類溢利或虧損之計量方法並無改變。

本集團之可報告分類乃經營不同活動之策略性業務單位，且基於各項業務有不同市場及需要不同營銷策略，因此會分開管理。

管理層決定根據本集團之收益性質劃分各經營分類。

管理層從產品角度考慮業務之性質。本集團現有三個可報告之經營分類分別為一物業發展及物業銷售、物業租賃以及證券投資及融資業務。

主要業務活動如下：

物業發展	–	物業發展及物業銷售
物業租賃	–	物業租賃
證券投資及融資	–	證券投資及融資業務

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For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 7. SEGMENT INFORMATION (cont'd)

Segment information about these businesses is presented below:

For the year ended 31st December, 2008

### 7. 分類資料 (續)

該等業務之分類資料如下：

截至二零零八年十二月三十一日止年度

		Property development	Property leasing	Securities investments and finance	Consolidated
		物業發展	物業租賃	證券投資 及融資	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Segment turnover	分類營業額				
Revenue from external customers	來自外部客戶之收益	<b>138,312</b>	<b>2,753</b>	<b>2,022</b>	<b>143,087</b>
Segment margin	分類利潤	<b>99,413</b>	<b>1,215</b>	<b>2,022</b>	<b>102,650</b>
Interest income	利息收入	-	<b>2,444</b>	<b>8,481</b>	<b>10,925</b>
Amortisation of prepaid lease payments	預付租賃款項攤銷	<b>(10)</b>	-	-	<b>(10)</b>
Fair value changes on investment properties	投資物業之公平值變動	-	<b>(3,050)</b>	-	<b>(3,050)</b>
Loss on disposals of investment properties	出售投資物業之虧損	<b>(1,357)</b>	<b>(420)</b>	-	<b>(1,777)</b>
Impairment loss recognised in respect of advances to associates	就墊付聯營公司款項確認之減值虧損	-	<b>(970)</b>	-	<b>(970)</b>
Write-back of allowance for amounts due from former associates	前聯營公司欠款準備之撥回金額	-	<b>256</b>	-	<b>256</b>
Share of results of associates	應佔聯營公司業績	-	<b>27,262</b>	-	<b>27,262</b>
Segment results for reportable segments	可報告分類之分類業績	<b>98,046</b>	<b>26,737</b>	<b>10,503</b>	<b>135,286</b>
Segment assets for reportable segments	可報告分類之分類資產	<b>18,576</b>	<b>35,287</b>	<b>933,938</b>	<b>987,801</b>
Segment assets for reportable segments include:	可報告分類之分類資產包括：				
Additions to non-current assets (other than financial instruments and deferred tax assets)	添置非流動資產(金融工具及遞延稅項資產除外)	-	-	-	-
Segment liabilities for reportable segments	可報告分類之分類負債	<b>1,394</b>	<b>313</b>	<b>50</b>	<b>1,757</b>

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For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 7. SEGMENT INFORMATION (cont'd)

For the year ended 31st December, 2007

### 7. 分類資料 (續)

截至二零零七年十二月三十一日止年度

		Property development	Property leasing	Securities investments and finance 證券投資 及融資	Consolidated
		物業發展 HK\$'000 千港元	物業租賃 HK\$'000 千港元	HK\$'000 千港元	綜合 HK\$'000 千港元
Segment turnover	分類營業額				
Revenue from external customers	來自外部客戶之收益	67,256	2,718	–	69,974
Segment margin	分類利潤	44,652	83	–	44,735
Interest income	利息收入	–	5,047	8,991	14,038
Amortisation of prepaid lease payments	預付租賃款項攤銷	(13)	–	–	(13)
Fair value changes on investment properties	投資物業之公平值變動	600	4,461	–	5,061
Gain on disposal of investment properties	出售投資物業之收益	86	–	–	86
Impairment loss recognised in respect of advances to associates	就墊付聯營公司款項確認之減值虧損	–	(573)	–	(573)
Write-back of allowance for amounts due from former associates	前聯營公司欠款準備之撥回金額	1,347	373	–	1,720
Share of results of associates	應佔聯營公司業績	–	62,509	–	62,509
Segment results for reportable segments	可報告分類之分類業績	46,672	71,900	8,991	127,563
Segment assets for reportable segments	可報告分類之分類資產	65,740	541,897	701	608,338
Segment assets for reportable segments include:	可報告分類之分類資產包括:				
Additions to non-current assets (other than financial instruments and deferred tax assets)	添置非流動資產(金融工具及遞延稅項資產除外)	–	–	–	–
Segment liabilities for reportable segments	可報告分類之分類負債	6,539	806	–	7,345

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 7. SEGMENT INFORMATION (cont'd)

A reconciliation of segment results for reportable segments to profit for the year is provided as follows:

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Segment results for reportable segments	可報告分類之分類業績	<b>135,286</b>	127,563
Amortisation of prepaid lease payments	預付租賃款項攤銷	<b>(15)</b>	(20)
Depreciation	折舊	<b>(14)</b>	(19)
Unallocated corporate income	未分攤之公司收入	<b>3,908</b>	284
Unallocated corporate expenses	未分攤之公司開支	<b>(22,479)</b>	(20,218)
		<hr/> <b>116,686</b> <hr/>	<hr/> 107,590 <hr/>
Profit for the year	本年度溢利	<b>116,686</b>	107,590

A reconciliation of segment assets for reportable segments to consolidated total assets is provided as follows:

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Segment assets for reportable segments	可報告分類之分類資產	<b>987,801</b>	608,338
Unallocated corporate assets	未分攤之公司資產	<b>9,723</b>	276,640
		<hr/> <b>997,524</b> <hr/>	<hr/> 884,978 <hr/>
Consolidated total assets	綜合資產總額	<b>997,524</b>	884,978

A reconciliation of segment liabilities for reportable segments to consolidated total liabilities is provided as follows:

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Segment liabilities for reportable segments	可報告分類之分類負債	<b>1,757</b>	7,345
Unallocated corporate liabilities	未分攤之公司負債	<b>11,028</b>	9,594
		<hr/> <b>12,785</b> <hr/>	<hr/> 16,939 <hr/>
Consolidated total liabilities	綜合負債總額	<b>12,785</b>	16,939

可報告分類之分類業績與本年度溢利之對賬如下：

可報告分類之分類資產與綜合資產總額之對賬如下：

可報告分類之分類負債與綜合負債總額之對賬如下：

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 7. SEGMENT INFORMATION (cont'd)

Revenue from external customers is from sales of properties, rental income from properties holding and interest income earned from securities investments and finance.

The breakdown of the revenue from all external customers is as follows:

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Property rental income	物業租金收入	<b>2,753</b>	2,718
Sales of properties held for sale	持作出售物業銷售	<b>138,312</b>	67,256
Interest income from available-for-sale financial assets	可供出售金融資產之利息收入	<b>1,607</b>	—
Loan interest income from a fellow subsidiary	來自同系附屬公司之貸款利息收入	<b>415</b>	—
		<b>143,087</b>	69,974

### 8. TURNOVER AND OTHER REVENUE

Turnover represents the aggregate amounts received and receivable, analysed as follows:

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Turnover	營業額		
Property rental income	物業租金收入	<b>2,753</b>	2,718
Sales of properties held for sale	持作出售物業銷售	<b>138,312</b>	67,256
Interest income from available-for-sale financial assets	可供出售金融資產之利息收入	<b>1,607</b>	—
Loan interest income from a fellow subsidiary	來自同系附屬公司之貸款利息收入	<b>415</b>	—
		<b>143,087</b>	69,974
Other revenue	其他收益		
Interest income from bank deposits	銀行存款利息收入	<b>8,481</b>	8,991
Interest income on advances to associates	墊付聯營公司款項之利息收入	<b>1,725</b>	4,105
Sundry income	雜項收入	<b>3</b>	275
		<b>10,209</b>	13,371

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 7. 分類資料 (續)

來自外部客戶之收益源自物業銷售、持有物業之租金收入以及證券投資及融資業務所賺取之利息收入。

來自所有外部客戶之收益明細如下：

	<b>2008</b>	2007
	<b>HK\$'000</b>	HK\$'000
	千港元	千港元
物業租金收入	<b>2,753</b>	2,718
持作出售物業銷售	<b>138,312</b>	67,256
可供出售金融資產之利息收入	<b>1,607</b>	—
來自同系附屬公司之貸款利息收入	<b>415</b>	—
	<b>143,087</b>	69,974

### 8. 營業額及其他收益

營業額指已收及應收之合計金額，分析如下：

	<b>2008</b>	2007
	<b>HK\$'000</b>	HK\$'000
	千港元	千港元
營業額		
物業租金收入	<b>2,753</b>	2,718
持作出售物業銷售	<b>138,312</b>	67,256
可供出售金融資產之利息收入	<b>1,607</b>	—
來自同系附屬公司之貸款利息收入	<b>415</b>	—
	<b>143,087</b>	69,974
其他收益		
銀行存款利息收入	<b>8,481</b>	8,991
墊付聯營公司款項之利息收入	<b>1,725</b>	4,105
雜項收入	<b>3</b>	275
	<b>10,209</b>	13,371

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 9. FINANCE COST

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Imputed interest expense relating to interest-free loan from a minority shareholder	少數股東提供之免息貸款名義利息開支	-	61

### 10. SHARE OF RESULTS OF ASSOCIATES

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Operating income	經營收入	<b>10,933</b>	11,519
Gain on disposals of properties	出售物業之收益	<b>2,104</b>	1,176
Fair value changes on investment properties	投資物業之公平值變動	<b>14,773</b>	63,025
Less: deferred tax arising from fair value changes on investment properties	減：投資物業之公平值變動所產生之遞延稅項	<b>(2,437)</b>	(11,030)
		<b>12,336</b>	51,995
Current tax	年內稅項	<b>(2,978)</b>	(2,522)
Deferred tax attributable to a change in tax rate	稅率變動應佔之遞延稅項	<b>3,935</b>	-
Other deferred tax	其他遞延稅項	<b>932</b>	341
		<b>27,262</b>	62,509

### 9. 財務費用

### 10. 應佔聯營公司業績

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## 財務報表附註

截至二零零八年十二月三十一日止年度

### 11. PROFIT BEFORE TAXATION

### 11. 稅前溢利

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Profit before taxation is stated after charging:	稅前溢利已扣除：		
Auditors' remuneration	核數師酬金	<b>255</b>	417
Depreciation	折舊	<b>14</b>	19
Amortisation of prepaid lease payments	預付租賃款項攤銷	<b>25</b>	33
Exchange loss	匯兌虧損	<b>355</b>	–
Staff costs (excluding directors' remuneration)	員工成本（不包括董事酬金）		
– salaries and allowances	– 薪金及津貼	<b>3,539</b>	3,126
– retirement benefit costs	– 退休福利成本	<b>171</b>	152
		<b>2,753</b>	2,718
and after crediting:	並已計入：		
Imputed interest income relating to interest-free advance to an associate	墊付聯營公司免息款項之名義利息收入	<b>719</b>	942
Exchange gain	匯兌收益	–	9
		<b>(1,269)</b>	(356)
Gross rental income from properties	物業之租金收入總額	<b>2,753</b>	2,718
Less: direct operating expenses from properties that generated rental income during the year	減：年內產生租金收入之物業直接經營開支	<b>(269)</b>	(356)
direct operating expenses from properties that did not generate rental income during the year	年內並無產生租金收入之物業直接經營開支	<b>(1,269)</b>	(2,279)
		<b>1,215</b>	83

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 12. GAIN ON DISPOSAL OF SUBSIDIARIES

On 17th January, 2008, the Group entered into a conditional sale and purchase agreement with Victory Gain Holdings Limited ("Victory Gain"), a wholly-owned subsidiary of Chinese Estates, under which the Group has agreed to sell and Victory Gain has agreed to purchase (i) the entire share capital of each of Moregift Investments Limited, New Hong Kong Inc., Paperkit International Limited, Pinball International Limited, Star Glory Limited, Florta (B.V.I.) Limited, Grade World Investment Limited, Hackney Investments Limited, Paton (B.V.I.) Limited, Perfect Country Limited, Reeden Limited, Shing Ping Development Ltd., King Chance Limited (formerly known as Evergo China Group Limited), Comford Tower Limited, Country Homes Limited, Country Honour Limited, Dynamic Master Limited, E-Trade.Com Limited, Farnell Venture Inc., First Castle Limited, Jade Mountain Limited, Jinline Investments Ltd., Kinloch Investments Corp. and Sanewing Investments Limited (which, together with their respective subsidiaries and associated companies, are collectively referred to as the "Target Companies") and (ii) all sums due by the Target Companies (excluding those whose shares of which shall not be sold directly or indirectly to Victory Gain at the date of completion (the "Excluded Companies") to the other members of the Group (excluding the Target Companies but including the Excluded Companies) for the consideration under the disposal agreement settled by Victory Gain in cash. For further details, please refer to the Company's circular dated 25th April, 2008. The disposal of subsidiaries was completed on 30th September, 2008 in a final consideration of HK\$531.8 million.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 12. 出售附屬公司之收益

於二零零八年一月十七日，本集團與勝得控股有限公司（「勝得」），華置之全資附屬公司，訂立一份有條件買賣協議，據此，本集團同意出售而勝得同意購入(i) Moregift Investments Limited、New Hong Kong Inc.、Paperkit International Limited、Pinball International Limited、Star Glory Limited、Florta (B.V.I.) Limited、加世投資有限公司、Hackney Investments Limited、Paton (B.V.I.) Limited、Perfect Country Limited、悅平有限公司、昇平發展有限公司、建申有限公司（前稱愛美高中國控股有限公司）、Comford Tower Limited、Country Homes Limited、國賢有限公司、Dynamic Master Limited、E-Trade.Com Limited、Farnell Venture Inc.、First Castle Limited、Jade Mountain Limited、Jinline Investments Ltd.、健諾投資有限公司及先榮投資有限公司（連同此等公司各自之附屬公司及聯營公司統稱為「目標公司」）各自之全部股本及(ii)目標公司（不包括股份不會於完成當日直接或間接售予勝得之公司（「除外公司」））結欠本集團其他成員公司（不包括目標公司但包括除外公司）之所有款項，出售協議之代價由勝得以現金支付。其他詳情，請參閱本公司於二零零八年四月二十五日發出之通函。該等附屬公司已於二零零八年九月三十日完成出售，最終代價為531,800,000港元。



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## 財務報表附註

截至二零零八年十二月三十一日止年度

### 12. GAIN ON DISPOSAL OF SUBSIDIARIES (cont'd)

The net assets of the Target Companies at the date of disposal were as follows:

### 12. 出售附屬公司之收益 (續)

於出售日目標公司之淨資產值如下：

		HK\$'000 千港元
Investment properties	投資物業	12,600
Property, plant and equipment	物業、廠房及設備	172
Property interests held for development	持作發展之物業權益	-
Prepaid lease payments	預付租賃款項	9,608
Interests in associates	聯營公司權益	416,702
Advances to associates	墊付聯營公司款項	84,960
Available-for-sale financial asset	可供出售金融資產	270
Debtors, deposits and prepayments	應收賬項、按金及預付款項	53
Taxation recoverable	可收回稅項	10
Cash and cash equivalents	現金及現金等同項目	1,632
Creditors and accruals	應付賬項及應計費用	(374)
Deposits received	已收按金	(31)
Taxation payable	應付稅項	(71)
Deferred tax liabilities	遞延稅項負債	(68)
		525,463
Expenses incurred for the disposal	出售產生之開支	2,400
Gain on disposal of subsidiaries	出售附屬公司之收益	3,905
		531,768
Total consideration	總代價	531,768
		531,768
		HK\$'000 千港元
Net cash inflow arising on disposal	出售所產生之淨現金流入	
Cash consideration	現金代價	531,768
Expenses incurred for the disposal	出售產生之開支	(2,400)
Cash and cash equivalents disposed of	所出售之現金及現金等同項目	(1,632)
		527,736

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 13. TAXATION

The charge (credit) comprises:

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Current tax	年內稅項		
Hong Kong	香港	<b>15,532</b>	8,172
The PRC	中國	<b>766</b>	(96)
Overprovision in prior years – Hong Kong	過往年度超額撥備 – 香港	<b>(57)</b>	–
		<b>16,241</b>	8,076
Deferred tax (Note 35)	遞延稅項 (附註35)		
Current year	年內	<b>(103)</b>	(271)
Attributable to a change in tax rate	稅率變動應佔	<b>(49)</b>	–
		<b>(152)</b>	(271)
		<b>16,089</b>	7,805

Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) on the estimated assessable profits. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

### 13. 稅項

稅項支出 (撥入) 指:

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Current tax	年內稅項		
Hong Kong	香港	<b>15,532</b>	8,172
The PRC	中國	<b>766</b>	(96)
Overprovision in prior years – Hong Kong	過往年度超額撥備 – 香港	<b>(57)</b>	–
		<b>16,241</b>	8,076
Deferred tax (Note 35)	遞延稅項 (附註35)		
Current year	年內	<b>(103)</b>	(271)
Attributable to a change in tax rate	稅率變動應佔	<b>(49)</b>	–
		<b>(152)</b>	(271)
		<b>16,089</b>	7,805

香港利得稅乃按本年度之估計應課稅溢利按稅率16.5% (二零零七年: 17.5%) 計算。其他司法權區所產生之稅項乃按有關司法權區之適用稅率計算。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 13. TAXATION (cont'd)

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

### 13. 稅項 (續)

本年度稅項支出與收益表之稅前溢利對賬如下：

		2008		2007	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Profit before taxation	稅前溢利	<b>132,775</b>		115,395	
Tax at domestic profits tax rate	按本地利得稅稅率 計算之稅項	<b>21,908</b>	<b>16.5</b>	20,194	17.5
Tax effect of different tax rates of subsidiaries operating in the PRC	在中國經營之附屬公司 適用之不同稅率之 稅務影響	<b>766</b>	<b>0.6</b>	(96)	(0.1)
Tax effect of share of results of associates	應佔聯營公司業績之 稅務影響	<b>(4,498)</b>	<b>(3.4)</b>	(10,939)	(9.5)
Tax effect of expenses not deductible in determining profits tax	計算利得稅時不可扣 減支出之稅務影響	<b>1,527</b>	<b>1.2</b>	1,837	1.6
Tax effect of income not taxable in determining profits tax	計算利得稅時毋須課稅 收入之稅務影響	<b>(3,587)</b>	<b>(2.7)</b>	(2,726)	(2.4)
Tax effect of utilisation of unrecognised tax losses from prior periods	動用過往期間未確認稅項 虧損之稅務影響	<b>(426)</b>	<b>(0.3)</b>	(2)	-
Tax effect of tax depreciation	稅項折舊之稅務影響	<b>(106)</b>	<b>(0.1)</b>	(26)	-
Tax effect of unrecognised tax losses	未確認稅項虧損之 稅務影響	<b>611</b>	<b>0.5</b>	(617)	(0.5)
Tax effect of over provision in prior year	過往年度超額撥備之 稅務影響	<b>(57)</b>	<b>(0.1)</b>	-	-
Decrease in deferred tax liabilities resulting from a change in tax rate	因稅率變動之遞延 負債減少	<b>(49)</b>	<b>(0.1)</b>	-	-
Others	其他	-	-	180	0.2
Tax charge at the Group's effective rate for the year	本年度按本集團實際稅 率計算之稅項支出	<b>16,089</b>	<b>12.1</b>	7,805	6.8

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 14. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

For the year ended 31st December, 2008, net profit of HK\$10,557,000 (2007: net profit of HK\$9,741,000) has been dealt with in the financial statements of the Company.

### 14. 本公司權益持有人應佔溢利

截至二零零八年十二月三十一日止年度，於本公司財務報表內處理之純利為10,557,000港元（二零零七年：純利為9,741,000港元）。

### 15. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

#### (a) Directors' emoluments

The emoluments, pension and compensation arrangements paid or payable to the directors and past directors for their services on the Company were as follows:

### 15. 董事及僱員之酬金

#### (a) 董事酬金

就董事及前任董事向本公司提供服務而已付或應付彼等之酬金、退休金及補償安排如下：

		2008			2007		
		Salaries and other			Salaries and other		
		Fee	emolument	Total	Fee	emolument	Total
		薪金及袍金	其他酬金	總計	薪金及袍金	其他酬金	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Executive Directors	執行董事						
Mr. Matthew Cheong, Veng-va	昌榮華先生	-	-	-	-	-	-
Ms. Teresa Poon, Mun-chie	潘敏慈小姐	-	-	-	-	-	-
Independent Non-executive Directors	獨立非執行董事						
Mr. Lai, Yun-hung	賴恩雄先生	160	-	160	140	-	140
Mr. Mok, Hon-sang	莫漢生先生	160	-	160	140	-	140
Mr. Wong, Tik-tung	汪濼東先生	160	-	160	140	-	140
		<b>480</b>	<b>-</b>	<b>480</b>	420	-	420

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 15. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (cont'd)

#### (b) Employees' emoluments

During the year, no director of the Company was included in the five highest paid individuals of the Group (2007: nil) whose emoluments are set out above. The emoluments payable to the five highest paid individuals (2007: five individuals) were as follows:

Salaries and other benefits	薪金及其他福利
Retirement benefit schemes contributions	退休福利計劃供款

The emoluments of individual employees were all less than HK\$1,000,000.

### 16. DIVIDENDS

Subsequent to the balance sheet date, the final dividend of HK1 cent (2007: Nil) per share has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting.

### 17. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit attributable to the ordinary equity holders of the Company of HK\$116,686,000 (2007: HK\$107,651,000) and the weighted average number of 338,765,987 (2007: 338,765,987) ordinary shares in issue during the year.

For the years ended 31st December, 2008 and 31st December, 2007, diluted earnings per share is the same as the basic earnings per share as there were no diluting events during these years.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 15. 董事及僱員之酬金 (續)

#### (b) 僱員酬金

年內，本公司董事全非本集團五名最高薪酬人士（二零零七年：無），其酬金詳情載於上文。應付五名最高薪酬人士之酬金（二零零七年：五名）如下：

2008 HK\$'000 千港元	2007 HK\$'000 千港元
2,227	1,911
103	90
<b>2,330</b>	<b>2,001</b>

個別僱員之酬金全部低於1,000,000港元。

### 16. 股息

於結算日後，本公司董事建議派付末期股息每股一港仙（二零零七年：零），有待股東於應屆股東週年大會上批准。

### 17. 每股盈利

每股基本盈利乃根據本公司普通股股本持有人應佔溢利116,686,000港元（二零零七年：107,651,000港元）及年內已發行普通股之加權平均數338,765,987股（二零零七年：338,765,987股）計算。

截至二零零八年十二月三十一日及二零零七年十二月三十一日止年度，由於年內並無攤薄事項，每股攤薄盈利與每股基本盈利相同。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 18. INVESTMENT PROPERTIES

### 18. 投資物業

		HK\$'000 千港元
<b>The Group</b>	<b>本集團</b>	
<b>Fair value</b>	<b>公平值</b>	
At 1st January, 2007	於二零零七年一月一日	63,400
Disposals	出售	(11,011)
Fair value changes recognised in income statement	收益表確認之公平值變動	<u>5,061</u>
At 31st December, 2007 and 1st 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	57,450
Disposals	出售	(6,600)
Disposal of subsidiaries (Note 12)	出售附屬公司(附註12)	(12,600)
Fair value changes recognised in income statement	於收益表確認之公平值變動	<u>(3,050)</u>
<b>At 31st December, 2008</b>	<b>於二零零八年十二月三十一日</b>	<b><u>35,200</u></b>

The fair value of the Group's investment properties at 31st December, 2008 has been arrived at on the basis of valuation carried out on that date by Norton Appraisals Limited ("Norton Appraisals"), independent qualified professional surveyors not connected with the Group. Norton Appraisals has appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. The valuation, which conformed to The Hong Kong Institute of Surveyors Valuation Standards on Properties (1st Edition 2005) published by the Hong Kong Institute of Surveyors, was based on open market value basis.

本集團投資物業於二零零八年十二月三十一日之公平值按一家與本集團無關之獨立合資格專業測計師行普敦國際評估有限公司(「普敦國際評估」)於該日進行之估值為基準而計算。普敦國際評估對於相關地點之同類型物業估值具有適合資格及近期之估值經驗。該項估值乃遵守香港測量師學會所頒布的物業估值準則(二零零五年第一版)，並按公開市值基準進行重估。

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

本集團根據營業租約持有以賺取租金或作資本增值用途之物業權益全部利用公平值模式計算，並已分類及入賬列作投資物業。

The carrying amounts of investment properties shown above comprise:

上述投資物業之賬面金額包括：

		<b>2008</b> <b>HK\$'000</b> 千港元	2007 HK\$'000 千港元
Properties in Hong Kong held under:	於香港按以下租約持有之物業：		
Long lease	長期租約	-	4,350
Medium-term lease	中期租約	<b>35,200</b>	53,100
		<b><u>35,200</u></b>	<u>57,450</u>

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 19. PROPERTY, PLANT AND EQUIPMENT

### 19. 物業、廠房及設備

		<b>Buildings</b>	<b>Furniture, fixtures and equipment</b>	<b>Total</b>
		樓宇	傢俬、 裝置及設備	總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
<b>The Group</b>	<b>本集團</b>			
<b>Cost</b>	<b>成本值</b>			
At 1st January, 2007,	於二零零七年一月一日、			
31st December, 2007 and	二零零七年十二月三十一日及			
1st January, 2008	二零零八年一月一日	882	1,121	2,003
Disposal of subsidiaries (Note 12)	出售附屬公司(附註12)	(882)	(4)	(886)
		-	1,117	1,117
At 31st December, 2008	於二零零八年十二月三十一日			
<b>Depreciation and amortisation</b>	<b>折舊及攤銷</b>			
At 1st January, 2007	於二零零七年一月一日	679	1,119	1,798
Charge for the year	本年度扣除	19	-	19
		698	1,119	1,817
At 31st December, 2007 and	於二零零七年十二月三十一日及			
1st January, 2008	二零零八年一月一日	698	1,119	1,817
Charge for the year	本年度扣除	14	-	14
Disposal of subsidiaries (Note 12)	出售附屬公司(附註12)	(712)	(2)	(714)
		-	1,117	1,117
At 31st December, 2008	於二零零八年十二月三十一日			
<b>Carrying amounts</b>	<b>賬面值</b>			
<b>At 31st December, 2008</b>	<b>於二零零八年十二月三十一日</b>	-	-	-
		184	2	186
At 31st December, 2007	於二零零七年十二月三十一日			

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 19. PROPERTY, PLANT AND EQUIPMENT (cont'd)

### 19. 物業、廠房及設備 (續)

		<b>Furniture, fixtures and equipment</b>
		傢俬、 裝置及設備
		HK\$'000
		千港元
<b>The Company</b>	<b>本公司</b>	
<b>Cost</b>	<b>成本值</b>	
At 1st January, 2007, 31st December, 2007, 1st January, 2008 and 31st December, 2008	於二零零七年一月一日、 二零零七年十二月三十一日、 二零零八年一月一日及 二零零八年十二月三十一日	<u>1,117</u>
<b>Depreciation</b>	<b>折舊</b>	
At 1st January, 2007, 31st December, 2007, 1st January, 2008 and 31st December, 2008	於二零零七年一月一日、 二零零七年十二月三十一日、 二零零八年一月一日及 二零零八年十二月三十一日	<u>1,117</u>
<b>Carrying amounts</b>	<b>賬面值</b>	
<b>At 31st December, 2008</b>	於二零零八年十二月三十一日	<u><u>-</u></u>
At 31st December, 2007	於二零零七年十二月三十一日	<u><u>-</u></u>

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

上述物業、廠房及設備項目以直線法按下列年率計算折舊：

Type	Basis	種類	基準
Buildings	Over the shorter of the unexpired period of the land lease and 20 years	樓宇	土地租賃尚餘年期及二十年(以較短者為準)
Furniture, fixtures and equipment	10%	傢俬、裝置及設備	10%



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For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 20. PROPERTY INTERESTS HELD FOR DEVELOPMENT

### 20. 持作發展之物業權益

		HK\$'000 千港元
<b>The Group</b>	<b>本集團</b>	
<b>Cost</b>	<b>成本值</b>	
At 1st January, 2007, 31st December, 2007, and 1st January, 2008	於二零零七年一月一日、 二零零七年十二月三十一日及 二零零八年一月一日	183,381
Disposal of subsidiaries (Note 12)	出售附屬公司(附註12)	<u>(183,381)</u>
At 31st December, 2008	於二零零八年十二月三十一日	<u>-</u>
<b>Impairment</b>	<b>減值</b>	
At 1st January, 2007, 31st December, 2007 and 1st January, 2008	於二零零七年一月一日、 二零零七年十二月三十一日及 二零零八年一月一日	183,381
Disposal of subsidiaries (Note 12)	出售附屬公司(附註12)	<u>(183,381)</u>
At 31st December, 2008	於二零零八年十二月三十一日	<u>-</u>
<b>Carrying amounts</b>	<b>賬面值</b>	
<b>At 31st December, 2008</b>	於二零零八年十二月三十一日	<u>-</u>
At 31st December, 2007	於二零零七年十二月三十一日	<u>-</u>

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 20. PROPERTY INTERESTS HELD FOR DEVELOPMENT (cont'd)

Note:

The Group through a wholly-owned subsidiary ("SPV") has a property interest held for development in Chenghai Royal Garden (the "Development Project"). The site with an area of approximately 466,662 sq.m. (5,023,150 sq.ft) (the "Land") is situated at the estuary of Xinjin River, Longhu District, Shantou, Guangdong Province, the People's Republic of China (the "PRC"). Pursuant to a Contract for Pre-registration of Grant of State-owned Land Use Rights dated 5th August, 1992 (the "Contract"), SPV has been granted a pre-registered land use rights of the Land by Shantou City Chenghai District Planning and State-owned Land Resources Bureau (the "Chenghai Bureau"). The carrying amount of the Development Project as recorded by the Group (the "Carrying Amount") is approximately HK\$183.4 million (equivalent to RMB195.1 million). Included in the Carrying Amount is a payment of approximately HK\$49.8 million (equivalent to RMB53 million) to the Chenghai Bureau under the Contract (the "Amount Paid"). After submitting the application for the land requisition to the Chenghai Bureau and upon the land use rights of the Land being granted, SPV has to make a final payment of approximately HK\$23.4 million (equivalent to RMB24.9 million) (the "Final Payment"). The deadline of the application for the land requisition was 4th August, 1993 which had been extended four times at the request of SPV to 16th July, 2004 (the "Deadline"). The Group believed that SPV had the following entitlements or options under the Contract: (i) proceeds to apply for the land requisition of the Land on or before the Deadline and settle the Final Payment; (ii) applies for an extension of the Deadline; or (iii) terminates the Contract and claim for a refund of approximately HK\$46.2 million (equivalent to RMB49.1 million), being the Amount Paid (the "Amount Claimed").

The Group considered that it was not the suitable time to proceed with the land requisition and determined to request an extension of time. SPV therefore delivered a letter dated 19th April, 2004 to the Chenghai Bureau to request an extension of the Deadline but the Chenghai Bureau refused to accept the letter and advised that such request should be diverted to Shantou City Longhu District Planning and State-owned Land Resources Bureau (the "Longhu Bureau") and their supervisory bureau, Shantou City Planning and State-owned Land Resources Bureau (the "Shantou Bureau"), since the authority and administrative power over the Land had already been transferred to the Longhu Bureau by that time. SPV then delivered letters of the same request to the Longhu Bureau and the Shantou Bureau. Both bureaus however insisted that they would not consider the request either and advised SPV to go back to the Chenghai Bureau for resolving the matter. Given the insistence of the three bureaus in refusing SPV's request of extension, SPV sought advices and assistance from Shantou Governmental authorities, but to no avail.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 20. 持作發展之物業權益 (續)

附註：

本集團透過一全資附屬公司（「SPV」）於澄海海麗花園（「發展項目」）擁有物業發展權益。該地盤面積約為466,662平方米（5,023,150平方呎）（「該土地」），位於中華人民共和國（「中國」）廣東省汕頭市龍湖區新津河口。根據一九九二年八月五日訂立之國有土地使用權預約合同（「該合同」），SPV獲汕頭市澄海區規劃與國土資源局（「澄海當局」）就發展項目授予該土地的預約土地使用權。本集團錄得發展項目之賬面值（「賬面值」）約為183,400,000港元（等同人民幣195,100,000元）。在賬面值中，約49,800,000港元（等同人民幣53,000,000元）之款項已付予澄海當局（「已付金額」）。向澄海當局遞交徵地申請後並獲授予該土地的土地使用權時，SPV須支付約23,400,000港元（等同人民幣24,900,000元）之最後付款（「最後付款」）。徵地申請的最後限期曾為一九九三年八月四日，後應SPV之要求，四度延期至二零零四年七月十六日（「該限期」）。本集團根據該合同，認為SPV擁有下列權益或購股權：(i)在該限期屆滿或以前進行土地的徵地申請及清付最後付款；(ii)申請延長該限期；或(iii)終止該合同及要求退還已付金額其中約46,200,000港元（等同人民幣49,100,000元）作為索償金額（「索償金額」）。

本集團認為現時並非適當時候進行徵地，並決定申請延長限期。SPV因此於二零零四年四月十九日向澄海當局發出函件，要求延長該限期。但澄海當局拒絕接受函件，並建議這要求應向汕頭市龍湖區規劃與國土資源局（「龍湖當局」）及其上級機構汕頭市規劃與國土資源局（「汕頭當局」）提出，因為其時土地管理及行政權已被轉移至龍湖當局。SPV接著分別向龍湖當局及汕頭當局提出相同要求。然而，兩局堅持不會考慮該要求，並建議SPV轉返澄海當局尋求解決。面對三局堅拒接納SPV之延期要求，SPV遂向汕頭政府部門尋求建議及協助，但沒有實效。

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 20. PROPERTY INTERESTS HELD FOR DEVELOPMENT (cont'd)

Note: (cont'd)

In early July 2004, the Deadline became imminent and having considered that (i) extension of the Deadline was unlikely in view of the unexpected and undesirable replies from the bureaus; and (ii) the slowdown of luxury residential market in Shantou, the Group decided not to proceed with the application for the land requisition and instead terminated the Contract and requested the Chenghai Bureau to refund the Amount Claimed.

Between July 2004 and February 2005, SPV issued four letters of demand to the Chenghai Bureau to notify the termination of the Contract and requested for a refund of the Amount Claimed. SPV received three reply letters by which the Chenghai Bureau denied its obligations for the refund on the allegation that the pre-registration relationship between the parties under the Contract still existed. The Chenghai Bureau suggested the following three alternatives for SPV's consideration:

1. SPV proceeds to apply for land requisition of the Land and settle the Final Payment pursuant to the Contract despite of the Deadline; or
2. SPV applies for a portion of the Land with an area equivalent to the Amount Paid; or
3. The Chenghai Bureau, upon the application from SPV for the termination of the Contract, refunds the Amount Paid without interest after the Land is successfully sold to third parties by the Chenghai Bureau.

Based on the opinion from a legal firm in the PRC, which has taken into consideration the recent PRC policy for the granting of land issued by the Ministry of Land Resources, the Group was in doubt as to whether the Chenghai Bureau could effect any of the above alternatives. Further, if SPV accepted any alternative as suggested, then SPV would be deemed to have waived its right in the Amount Claimed.

The Group, after considered the further advice from the legal firm, decided not to accept any of the above alternatives as suggested and initiated legal action against the Chenghai Bureau for its entitlements under the Contract including but not limited to the Amount Claimed.

Having considered the uncertainty in the recoverability of the Amount Claimed and any other entitlements under the Contract, the Group made a full provision for an impairment loss of HK\$183,381,000 in the financial statements for the year ended 31st December, 2004.

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 20. 持作發展之物業權益 (續)

附註：(續)

於二零零四年七月初，該限期已臨近，並考慮到(i)基於以上當局的意外及不理想回應，申請延長該限期難以達致，以及(ii)汕頭豪宅市場的冷卻，本集團決定不進行徵地，並終止該合同及要求澄海當局退還索償金額。

於二零零四年七月及二零零五年二月間，SPV發出四封函件，通知澄海當局該合同的終止並要求退還索償金額。SPV收到三封回函，澄海當局於信函中否認其退還款項責任，聲稱雙方在該合同下的預約關係仍然存在。澄海當局提供三個選擇，供SPV考慮：

1. 不管該限期，SPV按該合同進行該土地的徵地申請並清付最後付款；或
2. 根據已付金額，SPV申請該土地中等量面積；或
3. 按SPV終止該合同的申請，澄海當局在成功售出該土地予第三者後，不計利息退還已付金額。

根據一中國律師事務所之意見（該律師事務所已了解國土資源部最近頒發的土地出讓政策），本集團質疑澄海當局能否履行上述任何一項選擇。此外，假如SPV接受以上任何選擇，SPV將被視為放棄對索償金額的權利。

考慮律師事務所進一步的意見後，本集團決定不接受澄海當局建議的以上任何選擇，並已採取法律行動控告澄海當局，以取回該合同授予之權利（包括但不限於索償金額）。

因考慮到追討索償金額及該合同授予之其他權利涉及的不明朗情況，本集團於截至二零零四年十二月三十一日止年度之財務報表作出183,381,000港元之全數減值虧損撥備。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 20. PROPERTY INTERESTS HELD FOR DEVELOPMENT (cont'd)

Note: (cont'd)

On 19th April, 2005, SPV commenced legal proceedings by issuing a Writ of Summons against the Chenghai Bureau. SPV requested Shantou City Intermediate People's Court (the "Intermediate Court") for the following issues in particular: (1) Examine the validity of the Contract; (2) Terminate the Contract; and (3) Order the Chenghai Bureau to refund the land cost of RMB53 million with interest to SPV. On 27th December, 2005, the Intermediate Court notified SPV that the trial period had been extended for six months and the trial would be expected to be adjudicated by the end of June 2006.

On 28th December, 2006, the Intermediate Court made the judgment in favour of SPV as follows: (1) The Contract and other related agreements and correspondence are null and void; (2) the Chenghai Bureau shall refund SPV the pre-payment in the sum of RMB53 million and interest accrued from 28th April, 2005 to the date of settlement within 10 days from the effective date of the judgment; and (3) the Chenghai Bureau shall be liable for the court fees in sum of RMB285,020 and pay the same to SPV directly.

On 23rd January, 2007, the Chenghai Bureau submitted an application of appeal to the High People's Court of Guangdong Province (the "High Court") and SPV also sent out a reply to the High Court on 13th February, 2007.

On 27th June, 2007, High Court accepted the application of appeal by the Chenghai Bureau and made the judgment as follows: (1) The judgment made by the Intermediate Court on 28th December, 2006 was revoked; (2) The case is remitted to the Intermediate Court for rehearing. On 22nd August, 2007, the Intermediate Court accepted for rehearing the case within six months.

On 18th February, 2008, the Intermediate Court notified SPV that the trial period had been extended for six months to August 2008.

On 12th August, 2008, the Intermediate Court issued the civil ruling of dismissing SPV's civil claim. On 2nd September, 2008, SPV submitted all legal documents in relation to the application of the appeal to the High Court.

On 30th September, 2008, the Development Project was disposed of through disposal of subsidiaries. For details, please refer to Note 12 to the financial statements.

### 20. 持作發展之物業權益 (續)

附註：(續)

於二零零五年四月十九日，SPV向澄海當局發出傳訊令狀展開法律程序。SPV要求汕頭市中級人民法院（「中級法院」）特別就下列事件採取行動：(1)查核該合同是否有效；(2)終止該合約；及(3)命令澄海當局向SPV退回土地成本人民幣53,000,000元連同利息。於二零零五年十二月二十七日，中級法院知會SPV該審訊期被延長六個月，且預期將於二零零六年六月底裁決。

於二零零六年十二月二十八日，中級法院判處SPV勝訴：(1)該合同及其他相關協議及文件失效及作廢；(2)澄海當局須向SPV退還合共人民幣53,000,000元的預付款項，連同由二零零五年四月二十八日至裁決生效日期起計10日內還款當日之累計利息；及(3)澄海當局須支付堂費合共人民幣285,020元，並直接向SPV支付相同款額。

於二零零七年一月二十三日，澄海當局向廣東省高級人民法院（「高級法院」）提交上訴申請，而SPV亦已於二零零七年二月十三日向高級法院提交回應。

於二零零七年六月二十七日，高級法院接受澄海當局之上訴申請並作出如下裁決：(1)撤銷中級法院於二零零六年十二月二十八日作出之裁決；(2)案件被發還予中級法院重審。於二零零七年八月二十二日，中級法院受理案件之重審，並於六個月內審理。

於二零零八年二月十八日，中級法院知會SPV審訊期被延長六個月至二零零八年八月。

於二零零八年八月十二日，中級法院下達民事裁定書並駁回SPV之民事索償。於二零零八年九月二日，SPV遞交有關向高級法院申請上訴的一切法律文件。

於二零零八年九月三十日，該發展項目於出售附屬公司時出售。有關詳情，請參閱財務報表附註12。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

## 21. PREPAID LEASE PAYMENTS

## 21. 預付租賃款項

		HK\$'000	
		千港元	
<b>The Group</b>	<b>本集團</b>		
<b>Cost</b>	<b>成本值</b>		
At 1st January, 2007, 31st December, 2007 and 1st January, 2008	於二零零七年一月一日、二零零七年十二月三十一日及二零零八年一月一日	12,958	
Disposal of subsidiaries (Note 12)	出售附屬公司(附註12)	(12,958)	
At 31st December, 2008	於二零零八年十二月三十一日	-	
<b>Depreciation and amortisation</b>	<b>折舊及攤銷</b>		
At 1st January, 2007	於二零零七年一月一日	3,292	
Charge for the year	本年度扣除	33	
At 31st December, 2007 and 1st 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	3,325	
Charge for the year	本年度扣除	25	
Disposal of subsidiaries (Note 12)	出售附屬公司(附註12)	(3,350)	
At 31st December, 2008	於二零零八年十二月三十一日	-	
<b>Carrying amounts</b>	<b>賬面值</b>		
<b>At 31st December, 2008</b>	<b>於二零零八年十二月三十一日</b>	<b>-</b>	
At 31st December, 2007	於二零零七年十二月三十一日	9,633	
		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
The Group's non-current prepaid lease payments shown above comprise:	本集團上文所示非流動預付租賃款項包括:		
Leasehold land in Hong Kong:	於香港之租賃土地:		
Long lease	長期租約	-	9,433
Medium-term lease	中期租約	-	200
		-	9,633

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 22. INTERESTS IN SUBSIDIARIES/ADVANCES TO SUBSIDIARIES

### 22. 附屬公司權益／墊付附屬公司款項

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
<b>The Company</b>	<b>本公司</b>		
Unlisted shares, at cost	非上市股份，成本值	<b>181,679</b>	192,070
Capital contribution	注資	-	5,888
Less: impairment loss recognised in respect of the investments in subsidiaries	減：就附屬公司投資確認之減值虧損	-	(13,854)
		<b>181,679</b>	184,104
Advances to subsidiaries	墊付附屬公司款項	<b>117,111</b>	635,648
Less: impairment loss recognised in respect of the advances to subsidiaries	減：就墊付附屬公司款項確認之減值虧損	<b>(1,399)</b>	(462,998)
		<b>115,712</b>	172,650

Capital contribution represents imputed interest on interest-free advances to subsidiaries.

注資指墊付附屬公司免息款項所計之名義利息。

The advances to subsidiaries, net of allowances are unsecured. Included in the balance as at 31st December, 2008, the amount of HK\$115,460,000 is interest-bearing (2007: HK\$120,894,000). In the opinion of the directors of the Company, the Company will not demand repayment within one year from the balance sheet date and are therefore considered as non-current. The directors of the Company estimate the investment costs and the advances by discounting their future cash flow at the prevailing market borrowing rate and consider impairment loss should be provided as at the balance sheet date at the amount mentioned above. The directors of the Company consider that the carrying amounts of advances to subsidiaries approximate to their fair values.

墊付附屬公司款項（扣除準備）為無抵押。於二零零八年十二月三十一日之結存中，包括一筆為數115,460,000港元（二零零七年：120,894,000港元）之計息款項。本公司董事認為，本公司將不會要求於結算日後一年內還款，因此被視為非流動。本公司董事按當時市場借貸利率折現未來現金流量而估計投資成本及墊款，並認為就上述款項應於結算日作出減值虧損撥備。本公司董事認為，墊付附屬公司款項之賬面金額與其公平值相若。

Particulars of the Group's principal subsidiaries at 31st December, 2008 are set out in Note 42 to the financial statements.

本集團主要附屬公司於二零零八年十二月三十一日之詳情載於財務報表附註42。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

## 23. INTERESTS IN ASSOCIATES/ADVANCES TO ASSOCIATES

## 23. 聯營公司權益／墊付聯營公司款項

		The Group		The Company	
		本集團		本公司	
		2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>(a) Interests in associates</b>	<b>(a) 聯營公司權益</b>				
Cost of investments in associates	聯營公司投資成本				
– Unlisted in Hong Kong	– 香港非上市公司	-	103,252	-	-
Share of post-acquisition profits, net of dividends received (Note i)	所佔收購後溢利、扣除已收股息 (附註i)	-	287,699	-	-
		-	390,951	-	-
<b>(b) Advances to associates</b>	<b>(b) 墊付聯營公司款項</b>				
Interest-bearing advances to associates (Note ii)	墊付聯營公司計息款項 (附註ii)	-	76,206	-	9,500
Interest-free advances to associates, net of allowances	墊付聯營公司免息款項 (扣除準備)	-	48,909	-	-
		-	125,115	-	9,500
Less: impairment loss recognised (Note iii)	減：已確認之減值虧損 (附註iii)	-	(31,724)	-	-
		-	93,391	-	9,500

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 23. INTERESTS IN ASSOCIATES/ADVANCES TO ASSOCIATES (cont'd)

Notes:

- (i) During the year, the Group recognised an interest in the fair value gain on the investment properties of the associates of approximately HK\$12.3 million (net of deferred tax impact of approximately HK\$2.4 million). The fair value of the investment properties of the associates were revalued on the basis of a valuation carried out by Norton Appraisals. Details are set out in Note 10 to the financial statements. The Group's interests in the investment properties of the associates were disposed of through disposal of subsidiaries which was completed on 30th September, 2008. For details, please refer to the Note 12 to the financial statements.
- (ii) As at 31st December 2007, except for an amount of HK\$9,500,000 which bears interest at 6.75%, the remaining balance of interest-bearing advance to an associate bore interest at Prime Rate minus 2.75%. The advances were unsecured and the Group would not demand repayment within one year from the balance sheet date and were therefore considered as non-current. The directors of the Company consider that the carrying amounts of advances to associates approximate to their fair values. The advances to associates were disposed of through disposal of subsidiaries which was completed on 30th September, 2008.
- (iii) The movements in provision for impairment loss recognised, which represents the difference between the carrying amount of the advances to associates and the expected proceeds, are as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
At 1st January	於一月一日	31,724	83,810
Impairment loss recognised during the year	年內確認之減值虧損	970	573
Disposal of subsidiaries	出售附屬公司	(32,694)	-
Advances to associates written off	撤銷墊付聯營公司款項	-	(52,659)
At 31st December	於十二月三十一日	-	31,724

- (iv) During the year ended 31st December, 2008, the Group has received HK\$256,000 (2007: HK\$1,720,000) in respect of advances to former associates, for which the Group has provided full impairment losses in previous years. The impairment losses provided before were reversed accordingly.

### 23. 聯營公司權益／墊付聯營公司款項 (續)

附註：

- (i) 年內，本集團確認於聯營公司投資物業之公平值收益之權益約12,300,000港元（扣除遞延稅項影響約2,400,000港元）。聯營公司投資物業之公平值已根據普敦國際評估進行之估值重估。有關詳情載於財務報表附註10。本集團於聯營公司投資物業之權益已因於二零零八年九月三十日完成出售附屬公司而出售。有關詳情，請參閱財務報表附註12。
- (ii) 於二零零七年十二月三十一日，除一筆9,500,000港元之款項按6.75厘計息外，墊付聯營公司計息款項之餘款按最優惠利率減2.75厘計算。墊款為無抵押，且本集團將不會於結算日起一年內要求還款，因此被視為非流動。本公司董事認為墊付聯營公司款項之賬面金額與其公平值相若。墊付聯營公司款項已因於二零零八年九月三十日完成出售附屬公司而出售。
- (iii) 確認之減值虧損（指墊付聯營公司款項之賬面金額與預期所得款項之差額）撥備變動如下：

- (iv) 截至二零零八年十二月三十一日止年內，本集團已收回墊付前聯營公司款項256,000港元（二零零七年：1,720,000港元）。本集團於往年已就該款項作出全數減值虧損撥備，並已相應地撥回已撥備之減值虧損。



## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 23. INTERESTS IN ASSOCIATES/ADVANCES TO ASSOCIATES (cont'd)

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

### 23. 聯營公司權益／墊付聯營公司款項(續)

本集團聯營公司之財務資料概述如下：

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Total assets	資產總額	-	1,598,306
Total liabilities	負債總額	-	(551,197)
Net assets	資產淨值	-	1,047,109
Group's share of net assets of associates	本集團應佔聯營公司資產淨值	-	390,951
Turnover	營業額	<b>45,230</b>	58,845
Profit for the period/year (Note)	本期間／本年度溢利(附註)	<b>77,562</b>	178,324
Group's share of results of associates for the year (Note 10)	本集團應佔本年度聯營公司之業績(附註10)	<b>27,262</b>	62,509

Note:

All of the Group's associates were disposed of through disposal of subsidiaries which was completed on 30th September, 2008. For details, please refer to the Note 12 to the financial statements.

附註：

本集團所有聯營公司已透過於二零零八年九月三十日完成出售附屬公司之形式出售。有關詳情，請參閱財務報表附註12。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 24. AVAILABLE-FOR-SALE FINANCIAL ASSETS

### 24. 可供出售金融資產

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
<b>The Group</b>	<b>本集團</b>		
Club debenture	會籍債券	-	270
Debt securities	債務證券	<b>89,008</b>	-
		<b>89,008</b>	270
<b>Analysis for reporting purposes as:</b>	<b>作報告用途之分析:</b>		
Non-current assets	非流動資產	<b>89,008</b>	270
Available-for-sale financial assets held as at the balance sheet date comprise of:	於結算日可供出售金融資產包括:		
Club debenture	會籍債券	-	270
Floating rate notes	浮息票據	<b>18,922</b>	-
Fixed rate notes	定息票據	<b>70,086</b>	-
		<b>89,008</b>	270

#### Notes:

- i. The floating and fixed rate notes are unlisted securities and carry floating interest at LIBOR plus 0.23% to 0.25% per annum or fixed interest at 4.75% to 7.00% per annum, payable quarterly or half-yearly.
- ii. The floating and fixed rate notes carry effective interest rate ranging from 5.25% to 7.32% per annum.
- iii. These floating and fixed rate notes will mature from February 2011 to March 2016.
- iv. The available-for-sale financial assets are not either past due or impaired.
- v. Fair value of the floating and fixed rate notes has been determined based on the quoted market bid prices available on the industry group.

#### 附註:

- i. 浮息及定息票據為非上市證券，並按浮動年利率倫敦銀行同業拆息加0.23厘至0.25厘或固定年利率4.75厘至7.00厘計息，每季或每半年支付一次。
- ii. 浮息及定息票據之實際年利率介乎5.25厘至7.32厘。
- iii. 浮息及定息票據之到期日為二零一一年二月至二零一六年三月。
- iv. 可供出售金融資產既未逾期或減值。
- v. 浮息及定息票據之公平值乃根據行業內市場買入價釐定。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 25. PROPERTIES HELD FOR SALE

<b>The Group</b>	<b>本集團</b>
At 1st January	於一月一日
Disposals	出售
At 31st December	於十二月三十一日

At 31st December, 2008, the directors of the Company reviewed the carrying amounts of the properties held for sale with reference to current market situation and the estimated selling price of the properties held for sale provided by Norton Appraisals. No impairment loss was made by reference to the recoverable amount of the properties held for sale (2007: Nil).

### 26. DEBTORS, DEPOSITS AND PREPAYMENTS

#### The Group and the Company

The directors of the Company consider that the carrying amounts of the Group's and the Company's debtors, deposits and prepayments approximate to their fair values.

#### The Group

There was no trade debtors included in debtors, deposits and prepayments as at 31st December, 2008 (31st December, 2007: HK\$2,000).

The following is the aged analysis of trade debtors, net of impairment, at the balance sheet date:

Within 30 days	三十日內
----------------	------

As at 31st December, 2008, none of the Group's trade debtors are past due but not impaired (2007: HK\$2,000). The Group does not hold any collateral over these balances.

### 25. 持作出售物業

<b>2008</b>	2007
<b>HK\$'000</b>	HK\$'000
千港元	千港元

<b>56,304</b>	78,483
<b>(37,728)</b>	(22,179)

<b>18,576</b>	56,304
---------------	--------

於二零零八年十二月三十一日，本公司董事已參照現行市況及普敦國際評估提供之持作出售物業估計售價審閱持作出售物業之賬面金額。參照持作出售物業之可收回金額並無作出減值虧損（二零零七年：無）。

### 26. 應收賬項、按金及預付款項

#### 本集團及本公司

本公司董事認為本集團及本公司之應收賬項、按金及預付款項之賬面金額與其公平值相若。

#### 本集團

於二零零八年十二月三十一日，應收賬項、按金及預付款項內並無包括應收貿易賬項（二零零七年十二月三十一日：2,000港元）。

於結算日，應收貿易賬項（扣除減值）之賬齡分析如下：

<b>2008</b>	2007
<b>HK\$'000</b>	HK\$'000
千港元	千港元

-	2
---	---

於二零零八年十二月三十一日，本集團之應收貿易賬項並無已到期而未作出減值（二零零七年：2,000港元）。本集團並未對該等結餘作出任何抵押。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 27. LOAN TO A FELLOW SUBSIDIARY

#### The Group and the Company

On 4th November, 2008, the Company, as lender, has entered into a loan agreement (the "Loan Agreement") with Longman Limited ("Longman"), as borrower, and Chinese Estates, as guarantor.

In accordance with the Loan Agreement, the Company would provide a three-year revolving facility of up to HK\$900 million to Longman. The Company is entitled, by giving not less than one month's (or such shorter period as Longman may agree) prior notice to Longman, to demand full or partial repayment of the amount outstanding. Longman shall also repay the aggregate principal amount outstanding under the facility, all accrued interest thereon and all other amount payable under the Loan Agreement on the date falling three years from the date of the Loan Agreement. Longman may at any time without penalty or any other charges repay the whole or any part of the amount outstanding under the facility (if in part, being a minimum amount of HK\$100,000 and an integral multiple of HK\$100,000), provided that Longman shall have given to the Company not less than 14 days' (or such shorter period as the Company may agree) prior written notice of its intention to make such repayment, specifying the amount to be repaid and the proposed date of such repayment. Any amount so repaid by Longman shall first be applied towards the repayment of interest accrued up to the date of repayment and the balance shall be applied towards repayment of the principal amount outstanding under the facility. The loan to Longman carries an interest rate of HIBOR plus 1% per annum.

For further details, please refer to the Company's circular dated 25th November, 2008.

Particulars of loan to a fellow subsidiary are as follows:

Name of fellow subsidiary 同系附屬公司名稱	Highest balance during the year 年內最高結餘		
	HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Longman Limited	843,000	<b>843,000</b>	—

The directors of the Company consider that the loan to a fellow subsidiary approximates to its fair value.

### 27. 借予同系附屬公司貸款

#### 本集團及本公司

於二零零八年十一月四日，本公司（作為貸方）、Longman Limited（「Longman」，作為借方）及華置（作為擔保人）訂立一份貸款協議（「貸款協議」）。

根據貸款協議，本公司將向Longman提供一筆最多900,000,000港元之三年期循環貸款融資。本公司有權向Longman發出不少於一個月（或Longman可能同意之較短時間）事先通知，要求償還全部或部分未償還款項。Longman亦須於貸款協議訂立日期起計滿三年之日償還根據貸款融資尚未償還之本金總額、其所有應計利息及所有其他貸款協議項下之應付款項。Longman可隨時全數或部分償還根據貸款融資尚未償還之款項（如為部分償還，最低金額為100,000港元，或100,000港元之完整倍數），而毋須支付罰款或任何其他費用，惟Longman須就作出相關還款之意向向本公司發出不少於14日（或本公司可能同意之較短時間）之事先書面通知，列明償還金額及有關建議還款日期。Longman據此償還之任何款項將首先用作償還截至還款日期之應計利息，餘款將用作償還貸款融資下之未償還本金。借予Longman之貸款之年利率為香港銀行同業拆息加1厘。

其他詳情，請參閱本公司於二零零八年十一月二十五日之通函。

借予同系附屬公司貸款詳情如下：

本公司董事認為借予同系附屬公司貸款之賬面金額與其公平值相若。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 28. ADVANCE TO A FELLOW SUBSIDIARY

#### The Group and the Company

Name of fellow subsidiary 同系附屬公司名稱	Highest balance during the year 年內最高結餘		
	HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
G-Prop (Holdings) Limited 金匡企業有限公司	21	21	—

The advance to a fellow subsidiary is unsecured, interest-free and repayable on demand. The directors of the Company consider the carrying amount of the Group's and the Company's advance to a fellow subsidiary approximates to its fair value.

The Group and the Company do not hold collateral over the balance.

### 29. ADVANCE TO THE ULTIMATE HOLDING COMPANY

#### The Group and the Company

Name of ultimate holding company 最終控股公司名稱	Highest balance during the year 年內最高結餘		
	HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Chinese Estates Holdings Limited	695	—	695

The advance to the ultimate holding company is unsecured, interest-free and repayable on demand. The directors of the Company consider the carrying amount of the Group's and the Company's advance to the ultimate holding company approximates to its fair value.

The Group and the Company do not hold collateral over the balance.

### 28. 墊付同系附屬公司款項

#### 本集團及本公司

該墊付同系附屬公司款項為無抵押，免息及按  
要求時償還。本公司董事認為本集團及本公司  
之墊付同系附屬公司款項之賬面金額與其公平  
值相若。

本集團及本公司並無對結餘作出抵押。

### 29. 墊付最終控股公司款項

#### 本集團及本公司

該墊付最終控股公司款項為無抵押，免息及按  
要求時償還。本公司董事認為本集團及本公司  
之墊付最終控股公司款項之賬面金額與其公平  
值相若。

本集團及本公司並無對結餘作出抵押。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 30. CASH AND CASH EQUIVALENTS

		The Group 本集團		The Company 本公司	
		2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Cash at banks and on hand	銀行存款及現金	707	2,424	228	508
Time deposits	定期存款	8,981	271,800	6,000	271,800
		<b>9,688</b>	274,224	<b>6,228</b>	272,308

The time deposits of the Group and the Company had maturity within 3 months and carry interests at prevailing market deposit rates.

The directors of the Company consider that the carrying amounts of the Group's and the Company's cash and cash equivalents approximate to their fair values.

The Group and the Company do not hold collateral over the balance.

### 31. CREDITORS AND ACCRUALS

#### The Group and the Company

There were no trade payables included in creditors and accruals as at 31st December, 2008 and 2007. The directors of the Company consider that the carrying amounts of the Group's and the Company's creditors and accruals approximate to their fair values.

### 32. ADVANCES FROM FELLOW SUBSIDIARIES

#### The Group and the Company

The advances from fellow subsidiaries are unsecured, interest-free and repayable on demand. The directors of the Company consider the carrying amount of the Group's and the Company's advances from fellow subsidiaries approximates to their fair value.

### 33. ADVANCE FROM A SUBSIDIARY

#### The Company

The advance from a subsidiary is unsecured, interest-free and will not demand for repayment within one year from the balance sheet date and therefore shown as non-current. The directors of the Company consider the carrying amount of the Company's advance from a subsidiary approximates to its fair value.

### 30. 現金及現金等同項目

本集團及本公司之定期存款於三個月內到期，並按當時市場存款利率計息。

本公司董事認為本集團及本公司之現金及現金等同項目之賬面金額與其公平值相若。

本集團及本公司並無對結餘作出抵押。

### 31. 應付賬項及應計費用

#### 本集團及本公司

於二零零八年及二零零七年十二月三十一日，應付賬項及應計費用並無包括應付貿易賬項。本公司董事認為本集團及本公司之應付賬項及應計費用之賬面金額與其公平值相若。

### 32. 同系附屬公司墊款

#### 本集團及本公司

該同系附屬公司墊款為無抵押、免息及按要求時償還。本公司董事認為墊付同系附屬公司款項之賬面金額與其公平值相若。

### 33. 附屬公司墊款

#### 本公司

該附屬公司墊款為無抵押、免息及不會於結算日起一年內要求償還，因此列為非流動。本公司董事認為附屬公司墊款之賬面金額與其公平值相若。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 34. LOAN FROM MINORITY SHAREHOLDER

#### The Group

The loan is unsecured, interest-free and repayable on demand. The directors of the Company consider that the carrying amount of the loan from minority shareholder approximates to its fair value.

### 35. DEFERRED TAXATION LIABILITIES

#### The Group

The followings are the major deferred taxation (liabilities) and assets recognised by the Group and movements thereon during the current and prior reporting years:

### 34. 少數股東貸款

#### 本集團

該貸款為無抵押、免息及按要求時償還。本公司董事認為少數股東貸款之賬面金額與其公平值相若。

### 35. 遞延稅項負債

#### 本集團

以下為本集團於本個及過往申報年度確認之主要遞延稅項(負債)與資產及其變動:

		Revaluation of investment properties 投資物業重估 HK\$'000 千港元	Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1st January, 2007	於二零零七年一月一日	(1,254)	19	-	(1,235)
Credit (charge) to the income statement for the year (Note 13)	撥入(扣自)本年度 收益表(附註13)	147	(4)	128	271
At 31st December, 2007 and 1st 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	(1,107)	15	128	(964)
Credit (charge) to the income statement for the year (Note 13)	撥入(扣自)本年度 收益表(附註13)	220	(3)	(114)	103
Effect on change of tax rate (Note 13)	稅率變動之影響 (附註13)	50	(1)	-	49
Disposal of subsidiaries (Note 12)	出售附屬公司(附註12)	82	-	(14)	68
<b>At 31st December, 2008</b>	<b>於二零零八年 十二月三十一日</b>	<b>(755)</b>	<b>11</b>	<b>-</b>	<b>(744)</b>

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 35. DEFERRED TAXATION LIABILITIES (cont'd)

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

		<b>2008</b>	2007
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Deferred taxation assets	遞延稅項資產	<b>11</b>	143
Deferred taxation liabilities	遞延稅項負債	<b>(755)</b>	(1,107)
		<b>(744)</b>	(964)

At the balance sheet date, the Group had not recognised deferred taxation assets in respect of tax losses of HK\$2,340,000 (2007: HK\$197,813,000) due to the unpredictability of future profit streams. The unrecognised tax losses may be carried forward indefinitely.

### 36. SHARE CAPITAL

		<b>Number</b>	<b>Share capital</b>
		of shares	股本
		股份數目	HK\$'000
			千港元
<b>The Group and the Company</b>	<b>本集團及本公司</b>		
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
Authorised:	法定：		
At 1st January, 2007, 31st December, 2007, 1st January, 2008 and 31st December, 2008	於二零零七年一月一日、 二零零七年十二月三十一日、 二零零八年一月一日及 二零零八年十二月三十一日	50,000,000,000	500,000
Issued and fully paid:	已發行及繳足：		
At 1st January, 2007, 31st December, 2007, 1st January, 2008 and 31st December, 2008	於二零零七年一月一日、 二零零七年十二月三十一日、 二零零八年一月一日及 二零零八年十二月三十一日	338,765,987	3,388

### 35. 遞延稅項負債 (續)

就資產負債表之呈列而言，若干遞延稅項資產及(負債)已經抵銷。作財務申報用途之遞延稅項結餘分析如下：

於結算日，由於難以預測未來溢利多寡，本集團無就稅項虧損2,340,000港元(二零零七年：197,813,000港元)確認遞延稅項資產。未確認之稅項虧損可無限期予以結轉。

### 36. 股本



## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 37. RESERVES

#### The 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.

#### The Company

### 37. 儲備

#### 本集團

本集團於本年度及過往年度之儲備金額及其變動於綜合股本權益變動報表呈列。

#### 本公司

		Contribution from shareholders	Share premium	Accumulated losses/ retained profit 累計虧損/ 保留溢利	Total 總計
		股東注資 HK\$'000 千港元	股份溢價 HK\$'000 千港元	保留溢利 HK\$'000 千港元	總計 HK\$'000 千港元
At 1st January, 2007	於二零零七年一月一日	117,054	495,160	(20,844)	591,370
Profit for the year	本年度溢利	—	—	9,741	9,741
At 31st December, 2007 and 1st 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	117,054	495,160	(11,103)	601,111
Profit for the year	本年度溢利	—	—	10,557	10,557
Release upon completion of disposal of subsidiaries	於出售附屬公司時解除	(96,335)	—	96,335	—
<b>At 31st December, 2008</b>	<b>於二零零八年 十二月三十一日</b>	<b>20,719</b>	<b>495,160</b>	<b>95,789</b>	<b>611,668</b>

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 38. OPERATING LEASE COMMITMENTS

#### The Group as lessee

Minimum lease payments under operating leases in respect of office premises during the year

於年內有關辦公室物業之  
營業租約最低租金

- 83

At the balance sheet date, the Group did not have any outstanding commitments under non-cancellable operating leases.

於結算日，本集團並沒有不可取消營業租約之未償還承擔。

#### The Group as lessor

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

Within one year

一年內

- 329

### 39. CAPITAL COMMITMENTS

At the balance sheet date, the Group had the following capital commitment:

Contracted but not provided for (Note)

已訂約但未撥備(附註)

- 10,300

As at 31st December, 2008, the Group and the Company did not have any material capital commitments.

於二零零八年十二月三十一日，本集團及本公司並無重大資本承擔。

Note:

The acquisition of 50% shareholding in and shareholder's loan due from Canaria Holding Limited and the loan due from Earn Elite Development Limited was terminated after 31st January, 2008 as the vendor and debt vendor could not fulfil the conditions precedent by 31st January, 2008. For details, please refer to the Company's announcement dated 1st February, 2008. The initial deposit paid was refunded on 6th February, 2008.

附註：

由於賣方及債務賣方未能於二零零八年一月三十一日前履行先決條件，該項收購Canaria Holding Limited之50%股權及其應付股東貸款，以及盈才發展有限公司之應付貸款已於二零零八年一月三十一日後被終止。有關詳情，請參閱本公司於二零零八年二月一日之公布。已付之初步按金已於二零零八年二月六日退還。

### 38. 營業租約承擔

#### 本集團作為承租人

2008	2007
HK\$'000	HK\$'000
千港元	千港元
-	83

於結算日，本集團並沒有不可取消營業租約之未償還承擔。

#### 本集團作為出租人

於結算日，本集團已就下列日後最低租金與租戶訂約：

2008	2007
HK\$'000	HK\$'000
千港元	千港元
-	329

### 39. 資本承擔

於結算日，本集團擁有下列資本承擔：

2008	2007
HK\$'000	HK\$'000
千港元	千港元
-	10,300

## Notes to the Financial Statements

For the year ended 31st December, 2008

### 40. RETIREMENT BENEFIT SCHEMES

The Group operates two retirement benefit schemes:

- (i) the provident fund scheme as defined in the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the laws of Hong Kong (the "MPF Scheme"); and
- (ii) the provident fund scheme as defined in the Occupational Retirement Schemes Ordinance, Chapter 426 of the laws of Hong Kong (the "Top-up Scheme").

Both the MPF Scheme and the Top-up Scheme were defined contribution schemes and the assets of both schemes were managed by their respective trustees accordingly.

The MPF Scheme was available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions were made by the Group at 5% based on the staff's relevant income. The statutory maximum level of relevant income for contribution purpose is HK\$20,000 per month. Staff members were entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefit was required by law to be preserved until the retirement age of 65. Forfeited contributions of MPF Scheme cannot be used by the Group to offset the existing level of contributions.

The Top-up Scheme was available to those employees with basic salary over HK\$20,000 and/or years of service over 5. Contributions to the Top-up Scheme were made by the Group at 5%, 7.5% or 10% of staff's basic salary (depending on the length of service) less the Group's mandatory contribution under the MPF Scheme. Staff members were entitled to 100% of the Group's contributions together with accrued returns after completing 10 years of service or more, or attaining the retirement age, or were entitled at a reduced scale between 30% to 90% of the Group's contributions after completing a period of service of at least 3 years but less than 10 years. The Top-up Scheme allowed any forfeited contributions (made by the Group for any staff member who subsequently left the Top-up Scheme prior to vesting fully in such contributions) to be used by the Group to offset the current level of contributions of the Group.

The Group's cost for the MPF Scheme and Top-up Scheme charged to consolidated income statement for the year amounted to HK\$171,000 (2007: HK\$152,000).

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 40. 退休福利計劃

本集團設有兩項退休福利計劃：

- (i) 香港法例第485章強積金計劃條例下界定之公積金計劃（「強積金計劃」）；及
- (ii) 香港法例第426章職業退休計劃條例下界定之公積金計劃（「補足計劃」）。

強積金計劃及補足計劃均為定額供款計劃，該兩項計劃之資產均相應由各自之受託人管理。

強積金計劃可供所有18至64歲受僱於香港最少60日之本集團僱員參加。本集團根據僱員之有關入息作出5%之供款。就供款而言，有關法定入息水平上限為每月20,000港元。不論其於本集團之服務年期，僱員均可取得100%本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡65歲方可領取。本集團不可動用強積金計劃下之已沒收供款，以抵銷現有之供款水平。

補足計劃可供基本薪金超過20,000港元及／或年資超過五年之僱員參加。本集團乃根據僱員之基本薪金按其服務年期，作出5%、7.5%或10%之補足計劃供款，並減去本集團根據強積金計劃作出之強制性供款。僱員服務滿10年或以上或到退休年齡時可取得100%本集團供款連同應計回報，而服務年期滿3年但不足10年之僱員則可按遞減比例取得30%至90%本集團供款。補足計劃容許本集團將任何已沒收供款（即本集團就任何於可獲得全部供款前退出補足計劃之僱員而作出之供款）用以抵銷本集團現有之供款水平。

本集團於年內就強積金計劃及補足計劃於綜合收益表扣除之費用為171,000港元（二零零七年：152,000港元）。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 41. RELATED PARTY TRANSACTIONS

Save as disclosed in elsewhere in the financial statements, during the year ended 31st December, 2008, the Group had entered into the following related party transactions:

- (i) On 17th January, 2008, the Group entered into a conditional sales and purchase agreement with Victory Gain, a wholly-owned subsidiary of Chinese Estates, under which the Group has agreed to sell and Victory Gain has agreed to purchase (a) the entire share capital of each of Moregift Investments Limited, New Hong Kong Inc., Paperkit International Limited, Pinball International Limited, Star Glory Limited, Florta (B.V.I.) Limited, Grade World Investment Limited, Hackney Investments Limited, Paton (B.V.I.) Limited, Perfect Country Limited, Reeden Limited, Shing Ping Development Ltd., King Chance Limited (formerly known as Evergo China Group Limited), Comford Tower Limited, Country Homes Limited, Country Honour Limited, Dynamic Master Limited, E-Trade.Com Limited, Farnell Venture Inc., First Castle Limited, Jade Mountain Limited, Jinline Investments Ltd., Kinloch Investments Corp. and Sanewing Investments Limited (which, together with their respective subsidiaries and associated companies, are collectively referred to as the "Target Companies"); and (b) all sums due by the Target Companies (excluding those whose shares of which shall not be sold directly or indirectly to Victory Gain at the date of completion (the "Excluded Companies")) to the other members of the Group (excluding the Target Companies but including the Excluded Companies) for the consideration under the disposal agreement settled by Victory Gain in cash. For further details, please refer to the Company's circular dated 25th April, 2008. The disposal of subsidiaries was completed on 30th September, 2008 in a final consideration of HK\$531.8 million.

On 4th November, 2008, the Company, as lender, has entered into a loan agreement with Longman, as borrower, and Chinese Estates, as guarantor. For further details, please refer to Note 27 to the financial statements.

### 41. 關連人士交易

除財務報表其他地方披露外，截至二零零八年十二月三十一日止年內，本集團曾與關連人士進行下列交易：

- (i) 於二零零八年一月十七日，本集團與勝得，華置之全資附屬公司，訂立一份有條件買賣協議，據此，本集團同意出售而勝得同意購入(a) Moregift Investments Limited、New Hong Kong Inc.、Paperkit International Limited、Pinball International Limited、Star Glory Limited、Florta (B.V.I.) Limited、加世投資有限公司、Hackney Investments Limited、Paton (B.V.I.) Limited、Perfect Country Limited、悅平有限公司、昇平發展有限公司、建申有限公司(前稱愛美高中國控股有限公司)、Comford Tower Limited、Country Homes Limited、國賢有限公司、Dynamic Master Limited、E-Trade.Com Limited、Farnell Venture Inc.、First Castle Limited、Jade Mountain Limited、Jinline Investments Ltd.、健諾投資有限公司及先榮投資有限公司(連同此等公司各自之附屬公司及聯營公司統稱為「目標公司」)各自之全部股本及(b)目標公司(不包括股份不會於完成當日直接或間接售予勝得之公司(「除外公司」))結欠本集團其他成員公司(不包括目標公司但包括除外公司)之所有款項，出售協議之代價由勝得以現金支付。其他詳情，請參閱本公司於二零零八年四月二十五日發出之通函。該等附屬公司已於二零零八年九月三十日完成出售，最終代價為531,800,000港元。

於二零零八年十一月四日，本公司(作為貸方)、Longman(作為借方)及華置(作為擔保人)訂立一份貸款協議。其他詳情，請參閱財務報表附註27。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 41. RELATED PARTY TRANSACTIONS (cont'd)

- (ii) The Group had entered into transactions with related parties which, in the opinion of the directors of the Company, were carried out in normal commercial terms and in the ordinary course of the Group's business as shown below.

During the year, the Group had the following material transactions with related parties:

Rental paid to a fellow subsidiary (Note a)	支付予同系附屬公司之租金 (附註a)
Interest income on advances to associates (Note b)	墊付聯營公司款項之利息收入 (附註b)
Imputed interest income relating to interest-free advance to an associate	墊付聯營公司免息款項之 名義利息收入
Interest income on loan to a fellow subsidiary (Note b)	來自同系附屬公司之 貸款利息收入(附註b)

Notes:

- (a) Rental was paid to Chinese Estates, Limited, a wholly-owned subsidiary of Chinese Estates, for the lease of office premises. The lease was entered into in the ordinary course of business with reference to market rates and was terminated on 30th September, 2008.
- (b) Interest was charged on outstanding balance during the year.

Details of the balances with related parties as at the balance sheet date are set out in Notes 23, 27, 28, 29 and 32.

Key management personnel remuneration

Remuneration for key management personnel is disclosed in Note 15(a) to the financial statements.

### 41. 關連人士交易(續)

- (ii) 本集團曾與關連人士訂立下列交易，而本公司董事認為有關交易乃於本集團日常業務過程中按正常商業條款進行。

年內，本集團曾與關連人士進行下列主要交易：

<b>2008</b>	2007
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>94</b>	83
<b>1,725</b>	4,105
<b>719</b>	942
<b>415</b>	—
<b>2,953</b>	5,130

附註：

- (a) 為租用辦公室而支付予華置之全資附屬公司華人置業有限公司之租金。該租賃是參考市場價格於日常業務過程中訂立，並已於二零零八年九月三十日終止。
- (b) 利息根據年內尚欠結餘計算。

於結算日，與關連人士之結餘詳情載於附註23，27，28，29及32。

主要管理人員酬金

主要管理人員之酬金於財務報表附註15(a)披露。

## Notes to the Financial Statements

For the year ended 31st December, 2008

## 財務報表附註

截至二零零八年十二月三十一日止年度

### 42. PARTICULARS OF SUBSIDIARIES

As at 31st December, 2008, the Company has direct and indirect interest in the following subsidiaries which are all private limited companies.

Name of subsidiaries 附屬公司名稱	Place of incorporation or operation 註冊成立或經營地點	Class of share 股份類別	Fully paid share capital 繳足股本	Proportion of nominal value of paid-up capital held by the Company 本公司所持繳足股本面值之百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Chi Cheung Management Services Limited 至祥管理服務有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	100%	–	Dormant 暫無營業
Chi Cheung (Nominees) Limited	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	100%	–	Securities investment 證券投資
Jumbo Legend Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$2 2美元	100%	–	Investment holding 投資控股
View Success Investments Limited 景亨投資有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Property investment and trading 物業投資及買賣

None of the subsidiaries had any loan capital subsisting at the end of the year or at anytime during the year.

於二零零八年十二月三十一日，本公司直接及間接擁有下列附屬公司之權益，而該等附屬公司均為私人有限公司。

概無任何附屬公司於年結時或年內任何時間存在任何借貸股本。

### 43. POST BALANCE SHEET EVENT

No significant events have been taken place subsequent to the balance sheet date.

### 43. 結算日後事項

在結算日後並無重大事項發生。

### 44. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

### 44. 比較數字

若干比較數字已經重列，以符合本年度之呈列方式。

### 45. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 6th March, 2009.

### 45. 授權刊發財務報表

董事會已於二零零九年三月六日批准及授權刊發財務報表。



## Schedule of Principal Properties

## 主要物業附表

A. INVESTMENT PROPERTIES  
投資物業

Location 地點	Lot Number 地段編號	Approx. gross floor area (square feet) 總樓面積約數 (平方呎)	Usage 用途	Category of the lease term 租期類別	Group's interest 集團所佔權益
Gemstar Tower Unit C (including storeroom thereof) on 13th Floor and the Roof together with 50 car parking spaces on 1st to 3rd Floors No. 23 Man Lok Street Hung Hom, Kowloon Hong Kong 駿昇中心 香港九龍紅磡 民樂街23號 13樓C室(包括儲物室) 及天台與1樓至3樓 50個車位	Certain parts or shares of and in Hung Hom Inland Lot No. 545 紅磡內地段545號 之若干部份或份額	4,850 <sup>#</sup>	Godown 貨倉	Medium 中期	100%

# Exclusive of the area of all car parking spaces and the Roof.  
不包括所有車位及天台之面積。



## Schedule of Principal Properties

## 主要物業附表

B. PROPERTIES HELD FOR SALE  
持作出售物業

Location 地點	Lot Number 地段編號	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Group's interest 集團 所佔權益
Gemstar Tower Units E and F* on 16th Floor, Unit C on 17th Floor, Units A and C on 18th Floor No. 23 Man Lok Street, Hung Hom, Kowloon, Hong Kong 駿昇中心 香港九龍紅磡 民樂街23號 16樓E及F*單位、17樓C單位及 18樓A及C單位	Certain parts or shares of and in Hung Hom Inland Lot No. 545 紅磡內地段545號 之若干部份或份額	26,278	Godown 貨倉	100%

\* Unit F on 16th Floor will be completely disposed of in mid March 2009.  
16樓F單位將於二零零九年三月中完成出售。

