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Chairman's Statement 主席報告

Facing the globally uncertain economic climate, Symphony Holdings Limited ("Symphony" or "Company", together with its subsidiaries, "Group") experienced another difficult year 2008 as expected. The revenue of the Group in 2008 was up by 10.9% to HKD2,050.6 million, in which HKD1,947.4 million and HKD99.0 million were contributed by contract manufacturing and branding business wholly-owned by the Company respectively. The remaining balance of HKD4.1 million was contributed by rental and other income. In addition to the significant adverse global financial effect, a material depreciation of the fair values of the Group's properties and the written-off of goodwill of factories had offset the increase in revenue during the year. Accordingly, total loss for the year was HKD229.7 million.

Symphony's contract manufacturing sector has continually over the past decade yielded positive contribution. Notwithstanding the fact that our major export markets in the United States and Europe continue to be hard hit by the global recession and the difficult operating environment, our manufacturing business recorded a 9.2% increase in sales in 2008. Rising raw material cost, the tightening of PRC labour and environmental legislations and the appreciation of Renminbi all led to a fall in the gross profit margin by 3.8% to 13.6%. To counteract the effect of rising operational cost in China, we relocated our production facilities to Vietnam where the weather and the labour supply are relatively more conducive to shoe manufacturing. Labour and utility costs are also more competitive in Vietnam. At the end of 2008, we had 9 production lines in Hai Phong and Tinh Hai Duong. The global economic downturn had wiped out a number of smaller scale PRC shoe manufacturers and we expect our manufacturing business will eventually benefit from this industry-wide capacity consolidation. To mitigate the effect of the fluctuation of raw material cost, the Company is taking steps to diversify our product variety so that we can cater for a wider range of customer base.

Our current brand portfolio includes Pony, Speedo, Berghaus, MANGO, Hagggar and AEE Italy.

Pony is a US heritage brand with over 40-year history. While the retail market of the United States continued to be adversely affected by the global financial downturn, the US management of Pony intends to focus on performance-inspired lifestyle products, developing global licensing opportunities and exploring new design collaboration opportunities. Ongoing efforts are aimed at cutting administrative cost and identifying new licensees worldwide to generate additional royalty income. In order to weather the global financial crisis and to ensure business efficacy, Pony China has also undertaken reorganization and cost reduction schemes.

面對反覆的環球經濟氣候，一如預期，新豐集團有限公司（「新豐」或「本公司」，連同其附屬公司統稱「本集團」）經歷另一個經營困難的2008年。於2008年，本集團營業額上升10.9%至2,050,584,000港元，當中，1,947,400,000港元及99,037,000港元分別由合約製造業務及本公司全資持有的品牌建立業務入賬，其餘4,147,000港元則為租金及其他收益。除了受嚴峻的環球金融逆境影響，本集團之物業的公平價值大幅貶值，及撇銷工廠商譽，均抵銷年內上升的營業額。因此，本年度虧損總額為229,691,000港元。

新豐的合約製造業務於過去一直為集團帶來正面收益，儘管我們的主要出口市場美國及歐洲持續受到環球經濟衰退及經營環境困難的衝擊，於2008年，本集團的製造業務仍然錄得9.2%的銷售增長，惟原材料價格上升、中國勞動及環境保護法例收緊、及人民幣升值，均導致毛利率下跌3.8%至13.6%。為抵禦中國不斷上升的經營成本，我們已逐步將生產線轉移至越南，當地天氣及勞動人口相對地有利於鞋履產品生產商，而越南的勞工及公用成本亦相對較具競爭力。至2008年底，我們於海防及海陽共設有9條生產線。環球經濟下滑令中國較小型的鞋類製造商倒閉，預期我們的製造業務會逐漸受惠於整個行業的重新整固。另外，為減低原材料成本波動的影響，本公司將多樣化我們的產品類別，以擴闊客源。

本公司現時的品牌組合包括Pony、Speedo、Berghaus、MANGO、Hagggar及愛意意大利。

Pony為一於美國有逾40年歷史的品牌。有見美國零售市場持續受環球經濟下滑所影響，Pony的美國管理層傾向集中開發從表現中獲得靈感的休閒產品、發展環球牌照發行商機、及發掘新設計合作機會。同時，亦致力減低行政成本，並於國際間尋找新商標許可使用者，藉以額外產生專利權稅收入。另外，為抵禦環球金融危機及確保營運效益，Pony中國亦正進行架構重整及成本監控計劃。

Chairman's Statement 主席報告

The sales of Speedo rocketed in 2008. The points of sale have expanded to 97 in mainland China and Taiwan with gross revenue up to RMB20.1 million. Apart from highly innovative swimwear Michael Phelps wore to win 8 gold medals at the Beijing Olympic, Speedo is adding other sports and leisure garments to its product line. We expect continued growth in sales this year and the number of directly managed and franchised stores will increase to 120 in 2009.

Berghaus is a top mountaineering and outdoor gears brand. Symphony was appointed the sole distributor and licensee for Berghaus in China for 18 years. We are launching Berghaus in mainland China this summer. Ten directly managed stores are planned initially to kick start in 2009.

Symphony became one of the franchisees of MANGO in China in 2008. MANGO is an internationally renowned women's fashion originated in Spain. It is a brand widely recognized and is welcome in the PRC. As an initial step, the Group has set up its MANGO stores in Beijing and Shanghai at the end of 2008 and early 2009. Further shops are planned to open in strategic locations in China in this year.

Haggar, a respected brand of men's apparel in the United States, in which Symphony has invested as a minority shareholder. In 2008, various reorganization and cost-cutting measures have been adopted in Haggar. Aggressive cuts in SG&A had been implemented and non-profitable business units had been closed down. Efforts have been made to focus on core competence and streamline operations. It is in the process of turning around and is expected to generate positive EBITDA and improve profitability in 2009. Symphony's share of loss in Haggar in 2008 amounted to HKD39.8 million. The arbitration claim for the termination of license by a former Canadian licensee had been settled during the year.

Symphony shared a minority interest in AEE Italy, a top ladies fashion footwear in China. It is poised to take strides in providing fashion minded female consumers with the latest fashion shoes and accessories at an affordable price. Notwithstanding the global financial turmoil, the gross profit margin of AEE Italy has slightly dropped during the year.

In early 2009, Symphony has partnered Toyota Tsusho Corporation, a member of the Toyota Motor Group, for the distribution and retailing of certain affordable luxury apparel and accessories brands originating from Japan, Europe and the United States. It is expected to open the first flagship store in Hong Kong this summer. China market and internet stores are also in the pipeline.

於2008年，Speedo的銷售迅速上升，營業總額達20,078,000元人民幣，於中國及台灣共有97個銷售點。除菲爾普斯於北京奧運勇奪8面金牌時所穿著的高科技革新游泳服裝外，Speedo正為其產品線加入其他運動及休閒服飾。我們預期，本年度Speedo的銷售額會持續上升，而2009年，直接管理及特許經營店鋪的數量將會合共增至120間。

Berghaus為一享負盛名的爬山及戶外用品品牌，新獲委任為其於中國的獨家分銷及商標許可使用商，為期18年。我們會於本年夏季將品牌積極投入中國大陸市場。於2009年，計劃首先開立10間直接管理店鋪。

新豐於2008年成為MANGO於中國的其中一個特許經營商。MANGO為一源自西班牙的女性時尚服飾品牌，於中國有廣泛認受性及廣受歡迎。作為起步，本集團已於2008年底及2009年初於北京及上海開立店鋪。本年度，將計劃於中國策略性地區開設更多店鋪。

Haggar為一於美國受認同的男士服裝品牌，新豐以少數股東權益投資於Haggar。於2008年，Haggar已實行各種重整及成本監控方案，積極施行進取的削減開支措施，當中包括銷售、總務與行政三方面，並淘汰無利可圖的業務分部，以集中其競爭優勢的根本源泉及效率化其營運。Haggar的業務正在扭轉，預期於2009年，扣除利息、稅項、折舊及攤銷前盈利可達至正數，並可改善盈利狀況。於2008年，新豐所佔Haggar虧損為39,806,000港元。年內，由前加拿大商標許可使用商就有關終止商標許可使用協議所提呈的索賠仲裁已解決。

新豐於愛意意大利佔少數股東權益。愛意意大利為一於中國的高級女裝鞋履品牌，主要以可負擔的價格為有時裝觸覺的女性消費者提供最新款的時尚鞋履及配件。儘管受環球金融衝擊影響，愛意意大利年內的毛利率輕微下調。

於2009年初，新豐與豐田通商株式會社（Toyota Motor Corporation的成員公司）合作，以可負擔的奢華為賣點，分銷及零售若干分別來自日本、歐洲及美國的服飾品牌。預期於香港的第一間旗艦店將於本年夏季開幕，亦有計劃擴展中國市場及網上零售商店。

Chairman's Statement 主席報告

In the midst of the worldwide financial crisis in 2008, we have slowed down the acquisition of land in China for the development of mega shopping malls and entertainment complexes to complement our brand retailing business. Symphony's proven track record in brand building and continued experience in retail portfolio development provided a solid foundation for us to enter into the outlet mall industry in the PRC. We continue to closely monitor the progress of event before a final decision is made.

Meanwhile, Symphony is acutely aware of the continuing slowdown of the global economy and has taken appropriate measures to remain focused on our core manufacturing business to weather the raging trials facing the world, while devoting efforts and resources to turnaround the businesses. Symphony endeavours to reduce the operating cost and improve cost effectiveness of our branding business model. Based on our solid cash flow foundation and with our net cash position, the Company is financially sound to favour from any investment opportunities made available during this economic condition to provide synergistic value to its current operation. We remain cautiously optimistic that Symphony will ultimately benefit from new growth opportunities when the global economic recession has bottomed out.

Chan Ting Chuen
Chairman

Hong Kong, 6 April 2009

鑒於2008年正處於環球金融危機，我們亦已減慢於中國收購土地以配合品牌零售業務而發展大型購物商場及娛樂設施的進程，新豐於品牌建立的成就及零售組合發展的過往經驗，為我們提供穩固的基礎以進入中國的奧特萊斯行業。在作出進一步決定前，我們將繼續緊密監察事情進展。

與此同時，新豐強烈意識到環球經濟會持續衰退，並進行相應措施以維持專注於我們的核心製造業務，籍以抵禦嚴峻的試煉；同時，亦致力及投放資源以扭轉經營業務。此外，新豐正努力減低經營成本及改善我們的品牌建立經營模式以提升成本效益。基於我們穩建的流動資金基礎及持有的現金淨額，本公司健全的財政狀況有利於我們在此經濟環境抓緊任何投資機會，為現行的營運業務提供協同效應價值。我們對集團的業務維持樂觀審慎態度，並相信當環球經濟衰退自谷底反彈，新豐最終會受惠於新的發展機遇。

主席
陳庭川

香港 • 2009年4月6日

Operation Review 業績表現

2008 is a challenging year globally. In the face of the unprecedented difficult business conditions, the Company has suffered a loss of HKD229.7 million, which was attributable to the following factors:

- (1) the decrease in fair value of properties as a result of the revaluation and the loss in the fair value of the securities investment accounted for HKD44.0 million;
- (2) the written-off of goodwill of 2 PRC plants located in Dongguan and Fuzhou accounted for HKD57.5 million;
- (3) the losses of HKD101.4 million on account of weaker than expected Haggar and Pony performances due to adverse retail environment in the United States and the PRC; and
- (4) the remaining was due to increase in operating expenses and loss incurred by our wholly-owned brand operations in the PRC and Taiwan.

For the year ended 31 December 2008, other income of the Group was HKD38.9 million (2007: HKD79.9 million). The difference was due to a one-off written-off of unclaimed payables of HKD14.2 million, the decrease in the recovery of bad debt provision of HKD13.1 million and the remaining balance was resulted from a reduction of interest income received by the Group.

During the year, the distribution and selling expenses increased by 66.3% to HKD127.8 million (2007: HKD76.9 million). The surge was a result of the increase in labour and administrative cost arose out of the increase in points of sale for our retail business in the PRC and Taiwan, together with the additional commission paid to a new customer and that paid to a long term customer for its rising volume of sales orders for our manufacturing business.

During 2008, there was an exceptional cash of HKD62.2 million recorded in the Group's balance sheet which was credited from an early redemption by CALYON and The Hongkong and Shanghai Banking Corporation Limited of the Company's structured deposits. The cash has been used for the purchase of available-for-sale investments upon redemption.

As at 31 December 2008, trade and other receivables of the Company was HKD459.1 million (2007: HKD358.3 million) which was a consequence of an increase in seasonal shipment that took place in December 2008.

Moreover, at the end of 2008, the Company recorded bank balances and cash of HKD281.0 million (2007: HKD519.5 million). The difference was due to a rapid expansion of branding and retailing businesses in the PRC, dividend payment and the purchase of tax reserve certificates during the year.

2008年環球經濟充滿挑戰。面對前所未有的嚴峻經營情況，本公司錄得229,691,000港元的虧損，當中包括下列所示因素：

- (1) 重估物業的公平價值遞減，及股票投資公平價值虧損，合共44,048,000港元；
- (2) 撇銷2間位於中國東莞及福州的工廠的商譽共值57,477,000港元；
- (3) 由於美國及中國的零售環境轉弱，使Haggar及Pony的業績表現遠遜預期，錄得101,409,000港元的虧損；及
- (4) 其餘為經營開支上升及本公司全資持有的品牌營運在中國及台灣所錄得的虧損。

於截至2008年12月31日止年度，本集團其他收入為38,853,000港元(2007：79,942,000港元)，其他收入下降乃由於一次性撇銷共14,237,000港元的無人申索應付賬款、回撥呆壞賬撥備減少13,080,000港元，而其餘則為本集團少收的利息收入。

於年內，分銷及銷售成本上升66.3%至127,843,000港元(2007：76,852,000港元)。此增加乃鑒於我們發展中國及台灣的零售業務而增加開立銷售點數量所帶來的員工及行政成本上升，同時，付予一製造業務新客戶的額外佣金，及另一長期客戶由於訂單增加而須向其付出的額外佣金，均令分銷及銷售成本增加。

於2008年，由於東方匯理銀行及香港上海匯豐銀行有限公司提早歸屬本公司的結構性存款，故於本集團的資產負債表錄得62,240,000港元的非經常性現金。在歸屬之後，本公司已將該非經常性現金購買可供銷售的投資。

因2008年12月時所產生的季節性付運增長，故於2008年12月31日，本公司貿易及其他應收賬款上升至459,061,000港元(2007：358,317,000港元)。

除此以外，於2008年年底，本公司錄得銀行結餘及現金280,963,000港元(2007：519,494,000港元)。該差異乃由於年內本集團於中國的品牌建立及零售業務快速增長、派發股息、及購買儲稅券。

Operation Review 業績表現

In 2008, the largest markets for the Group were North America and Europe. Sales to North America comprised 49.6% (2007: 55.9%) and orders to Europe comprised 31.6% (2007: 23.6%) of the total sales and the remaining 18.8% (2007: 20.5%) was shared between Asia, Africa, Australia, Latin America and the Middle East.

PRODUCTION FACILITIES

The Group has an aggregate number of 37 production lines, of which 6 are in Panyu, 8 are in Zhongshan, 8 are in Dongguan, 6 are in Fuzhou, and a further 9 are in Vietnam.

STORES NETWORK

As at 31 December 2008, the Group had directly managed and franchised stores in mainland China and Taiwan for the retail and wholesale of 3 globally renowned brands. Below is a breakdown by geographical location and store type:

Speedo

Mainland China	中國大陸
Taiwan	台灣

Pony

Mainland China	中國大陸
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MANGO

Mainland China	中國大陸
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於2008年，本集團最大市場為北美及歐洲，銷售額分別佔總營業額的49.6% (2007: 55.9%) 及31.6% (2007: 23.6%)，其餘18.8% (2007: 20.5%) 由亞洲、非洲、澳洲、拉丁美洲及中東攤分。

生產設施

本集團共設有37條生產線，其中6條位於番禺、8條位於中山、8條位於東莞、6條位於福州及9條位於越南。

店鋪網絡

於2008年12月31日，本集團於中國大陸及台灣有直接管理店鋪與特許經營店鋪，以零售及分銷3個環球知名品牌。按地域和店鋪類型劃分的分佈如下：

Directly managed stores 直接管理店鋪	Franchised stores 特許經營店鋪
55	34
8	-
24	44
1	-

CUSTOMER RELATIONSHIP MAINTENANCE AND RESEARCH AND DEVELOPMENT

Our extensive experience and working knowledge on the manufacturing process, production materials and procurement allows us to work closely with our customers to achieve quality and efficiency and produce cost-effective products. Our dynamic brands development team provides their expertise and foresighted advice to our customers on the retail and wholesale market in mainland China. The maintenance of close relationship with our customers has built an in-depth understanding of their needs so that we are capable of anticipating and resolving their problems expeditiously and effectively. Our research and development team improves products design to maximize their comfort, endurance and functionality, and where necessary, introduces new technology to enhance their market appeal. Our value-added contributions enable us to maintain our long-term partnership with our customers.

LIQUIDITY AND CAPITAL RESOURCES

As at 31 December 2008, the Group had bank balances and cash of HKD281.0 million (2007: HKD519.5 million). The Group was offered banking facilities amounting to HKD117.5 million (2007: HKD155.6 million), none of which had been utilized, indicating a zero gearing ratio on the basis of total borrowings over shareholders' fund. The banking facilities were secured by corporate guarantees from the Company and its certain subsidiaries. There is currently no charge on the Group's assets.

HUMAN RESOURCES

As at 31 December 2008, there are approximately 20,000 employees in total for the Group. Employee cost (excluding directors' emoluments) amounted to approximately HKD430.7 million (2007: HKD374.8 million).

In addition to competitive remuneration packages, discretionary bonuses and employee options are awarded to eligible staff of the Group based on their performance and individual merits.

維護顧客關係及研究與開發

本集團對生產過程、製造原料及採購的廣泛經驗與工作知識，讓我們與客戶緊密合作，以提供高質素，高效率及有生產成本效益的產品。而本集團富活力的品牌建立團隊為中國零售及分銷客戶提供專業及有遠見的意見。我們與客戶的緊密關係能有助深入了解客戶所需，故能有效預料客戶所面對的問題，並能迅速及有效地協助他們尋找解決方案。本集團的研究及開發隊伍能幫助客戶改良其等的產品設計，藉以大大提升產品的舒適度、耐用性及功能性，更於有需要時引進新技術以提升產品的市場吸引力。能為客戶提供增值效益，使本集團成為客戶的長期伙伴。

流動資金及資本來源

於2008年12月31日，本集團的銀行結餘及現金為280,963,000港元(2007: 519,494,000港元)；而銀行為本集團提供的融資額達117,500,000港元(2007: 155,600,000港元)。概無任何融資額已被動用，顯示按借貸總額對股東資金比例計算的資產負債比率為零。銀行融資乃以本公司及其若干附屬公司作企業擔保，目前，概無任何本集團資產已被押記。

人力資源

於2008年12月31日，本集團的僱員總數約為20,000人。僱員成本(不包括董事袍金)約為430,725,000港元(2007: 374,750,000港元)。

除享有具競爭力的薪酬外，本集團合資格員工亦可依據其等的個人表現獲發酌情花紅及僱員購股權。

Board of Directors 董事會

EXECUTIVE DIRECTORS

Chan Ting Chuen, aged 61, Chairman (Appointed on 9 March 2009)

Mr. Chan Ting Chuen joined the Group in 1997. He graduated with a Bachelor degree in civil engineering from the University of Hong Kong. Mr. Chan is also a director of each of Royal Pacific Limited, First Dynamic International Limited ("First Dynamic") and Well Success Investment Limited ("Well Success"), all of which are deemed or direct substantial shareholders of the Company under the Securities and Futures Ordinance ("SFO").

Sze Sun Sun Tony, aged 57, Deputy Chairman and Managing Director (Appointed on 1 February 2005 and re-elected on 25 June 2007)

Mr. Sze Sun Sun Tony joined the Group in 1997. He has over 28 years of experience in investment and property development in Hong Kong, mainland China and the overseas markets. Mr. Sze is also a director of each of Alexon International Limited, First Dynamic and Well Success. All of the three companies are deemed or direct substantial shareholders of the Company under the SFO.

Chang Tsung Yuan, aged 61, Deputy Chairman (Appointed on 1 February 2005 and re-elected on 25 June 2007)

Mr. Chang Tsung Yuan joined the Group at its inception in 1990 and is the founder of the manufacturing business of the Group. Mr. Chang is a substantial shareholder of Well Success, which is the major shareholder of the Company. Accordingly, he indirectly holds 48.83% interests in the Company. He is the President of the manufacturing division of the Group. Mr. Chang has over 30 years of experience and knowledge in the footwear manufacturing industry.

Chan Lu Min, aged 55, (Appointed on 28 June 2002 and re-elected on 12 June 2008)

Mr. Chan Lu Min graduated from the Chung Hsing University in Taiwan and possesses 29 years of experience in finance and accounting. Mr. Chan is also an executive director of Yue Yuen Industrial (Holdings) Limited ("Yue Yuen") (HKSE: 00551), a company engaged in shoes manufacturing that is listed on The Stock Exchange of Hong Kong Limited ("Exchange"). Yue Yuen is deemed a substantial shareholder of the Company under the SFO.

執行董事

陳庭川 61歲，主席(於2009年3月9日獲委任)

陳庭川先生於1997年加入本集團。他持有香港大學土木工程學士學位。陳先生同時分別為Royal Pacific Limited、First Dynamic International Limited(「First Dynamic」)及Well Success Investment Limited(「Well Success」)的董事，按證券及期貨交易條例(「證券及期貨條例」)的定義，該等公司被視為或直接為本公司的主要股東。

施新新 57歲，副主席及董事總經理(於2005年2月1日獲委任，並於2007年6月25日獲重選連任)

施新新先生於1997年加入本集團。施先生於香港、中國及海外投資及物業發展市場具有逾28年經驗。施先生亦分別為Alexon International Limited、First Dynamic及Well Success的董事，按證券及期貨條例的定義，該等公司被視為或直接為本公司的主要股東。

張聰淵 61歲，副主席(於2005年2月1日獲委任，並於2007年6月25日獲重選連任)

張聰淵先生於1990年本集團啓業時加入本集團，為本公司的創辦人。張先生為本公司的主要股東Well Success的主要股東，因此，其間接持有本公司48.83%權益。張先生為本公司鞋類生產部及其附屬公司的總裁，並於鞋履製造業具有逾30年經驗及知識。

詹陸銘 55歲(於2002年6月28日獲委任，並於2008年6月12日獲重選連任)

詹陸銘先生畢業於台灣國立中興大學，並擁有29年財務會計經驗。現為從事鞋類製造，並於香港聯合交易所有限公司(「聯交所」)上市的裕元工業(集團)有限公司(股票代號：00551)(「裕元」)的執行董事，按證券及期貨交易條例的定義，該公司被視為本公司的主要股東。

Board of Directors 董事會

Ho Ting Seng, aged 61, (Appointed on 7 April 2006 and re-elected on 12 June 2008)

Dr. Ho Ting Seng graduated from the University of Malaya and holds both his Master and Doctor of Philosophy degrees from the University of Pennsylvania, United States of America. He previously worked as the first Chief Economist of Worldwide Operations at the Federal Express Corporation. Afterwards, he ran his own consultancy business specializing in multi-model logistics network design to support direct sourcing and distribution activities of manufacturer clients in China and Asia.

NON-EXECUTIVE DIRECTOR

Mr. Li I Nan, aged 67, (Appointed on 28 June 2002 and re-elected on 12 June 2008)

Mr. Li I Nan has many years of experience in the footwear business including sourcing and wholesale operations. He is an executive director of Yue Yuen, a company engaged in shoes manufacturing that is listed on the Exchange. Yue Yuen is deemed a substantial shareholder of the Company under the SFO. Mr. Li holds a Bachelor and a Master of Arts degrees from National Chengchi University in Taiwan and the University of Southern California respectively. Mr. Li is also a member of the audit committee of the Company ("Audit Committee").

何挺 61歲(於2006年4月7日獲委任，並於2008年6月12日獲重選連任)

何挺博士畢業於馬來亞大學，並持有美國賓夕凡尼亞大學碩士及博士學位。何博士曾任Federal Express Corporation首位全球營運首席經濟師；其後更經營個人顧問業務，為中國及亞洲生產商提供支援直接採購及分銷活動的跨模式物流網絡設計工作。

非執行董事

李義男 67歲(於2002年6月28日獲委任，並於2008年6月12日獲重選連任)

李義男先生從事鞋類製造業多年，當中包括採購及批發業務。李先生現為從事鞋類製造，並於聯交所上市的裕元的執行董事，按證券及期貨交易條例的定義，該公司被視為本公司的主要股東。李先生分別獲台灣國立政治大學及美國南加州大學頒授文學士及文學碩士銜。李先生同時為本公司審核委員會成員(「審核委員會」)。

Board of Directors 董事會

INDEPENDENT NON-EXECUTIVE DIRECTORS

Cheng Kar Shing, aged 56, (Appointed on 4 June 1997 and re-elected on 24 May 2006)

Mr. Cheng Kar Shing holds a Master degree in engineering from the University of California in Los Angeles, United States. Mr. Cheng has been a director of New World Hotels (Holdings) Limited since 1984 and a director of New World Development Company Limited ("New World Development") since 1994. New World Development is a company listed on the Exchange (HKSE: 00017). He is also an executive director of New World China Land Limited, a company listed on the Exchange (HKSE: 00917) and an independent non-executive director of King Fook Holdings Limited (HKSE: 00280). Mr. Cheng is also a member of each of the Audit Committee and the remuneration committee of the Company ("Remuneration Committee").

Feng Lei Ming, aged 51, (Appointed on 12 May 2003 and re-elected on 24 May 2006)

Mr. Feng Lei Ming graduated with an MBA in finance from the University of Memphis, Tennessee, United States of America. Mr. Feng has over 10 years of experience in the Hong Kong securities industry and is a registered responsible officer of various regulated activities with the Securities and Futures Commission of Hong Kong. He is currently the President of Taiwan Securities (HK) Co., Hong Kong and TSC Capital Limited. He was responsible for sales planning at National Electric Appliance Corp. and A.C. Nielsen in Taiwan before he started to work in Hong Kong in 1994. Mr. Feng is also a member of each of the Audit Committee and the chairman of the Remuneration Committee.

Mr. Ho Shing Chak, aged 49, (Appointed on 30 December 2004 and re-elected on 25 June 2007)

Mr. Ho Shing Chak is a certified public accountant in Hong Kong. He graduated from the Chinese University of Hong Kong with a Bachelor degree in business administration and holds a Bachelor of Laws degree from the Peking University. He previously worked for a reputable international accounting firm and is currently running his own business. Mr. Ho is a fellow member of the Association of Chartered Certified Accountants and is also an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Ho is also the chairman of the Audit Committee and a member of the Remuneration Committee.

獨立非執行董事

鄭家成 56歲(於1997年6月4日獲委任，並於2006年5月24日獲重選連任)

鄭家成先生持有美國加州大學洛杉磯分校工程碩士學位。自1984年起，鄭先生一直出任新世界酒店(集團)有限公司董事一職，並自1994年起兼任於聯交所上市的新世界發展有限公司(股票代號：00017)的董事。同時，鄭先生亦為於聯交所上市的新世界中國地產有限公司(股票代號：00917)的執行董事及景福集團有限公司(股票代號：00280)的獨立非執行董事。鄭先生亦為審核委員會及本公司薪酬福利委員會(「薪酬福利委員會」)成員。

馮雷明 51歲(於2003年5月12日獲委任，並於2006年5月24日獲重選連任)

馮雷明先生畢業於美國田納西州孟斐斯大學，並持有工商管理財務碩士學位。馮先生於香港證券業擁有逾10年經驗，為一香港證券及期貨事務監察委員會多項規管活動的註冊負責人員。馮先生現任台証證券(香港)有限公司及台新資本有限公司總裁。於1994年赴香港工作以前，馮先生於台灣的國際電化商品及A.C.尼爾森負責企劃行銷的工作。馮先生亦為審核委員會成員及薪酬福利委員會主席。

何成澤 49歲(於2004年12月30日獲委任，並於2007年6月25日獲重選連任)

何成澤先生為香港執業會計師，持有香港中文大學工商管理學士學位，以及北京大學法學士學位。何先生曾於一間知名會計師行工作，現時經營個人業務。何先生為英國特許公認會計師公會資深會員，亦為香港會計師公會會員。何先生亦為審核委員會主席及薪酬福利委員會成員。

The directors of Symphony Holdings Limited ("Symphony" or "Company", together with its subsidiaries "Group") ("Directors") have pleasure in presenting the annual report ("Annual Report") and its audited consolidated financial statements for the year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are manufacturing and trading of footwear, trading, retailing and distribution of licensed products, property investment and investments holding. The activities of its principal subsidiaries and jointly controlled entities are set out in Notes 38 and 20 respectively to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2008 are set out in the consolidated income statement on page 32 of the Annual Report.

No interim dividend was declared or paid during the year. As a final dividend for the year ended 31 December 2008, the directors recommended the payment of HKD0.01 per share to the shareholders whose names appear on the register of members of the Company on Wednesday, 3 June 2009 ("Shareholders"). The total amount of final dividend payable is approximately HKD17.4 million, and the remaining loss of HKD243.9 million will be retained for the year.

PROPERTY, PLANT AND EQUIPMENT

The Group's buildings and freehold land were revalued at 31 December 2008. The revaluation resulted in a deficit of approximately HKD2.6 million which was charged directly to the properties revaluation reserve.

Details of movements during the year in property, plant and equipment of the Group are set out in Note 13 to the consolidated financial statements.

新澧集團有限公司(「新澧」或「本公司」)·連同其附屬公司統稱「本集團」董事(「董事」)欣然呈報截至2008年12月31日止年度的周年報告(「年報」)及經審核綜合財務報表。

主營業務

本公司為一間投資控股公司。本集團核心業務包括鞋履產品製造及貿易；商標產品貿易、零售及分銷；物業投資及投資控股。本公司主要附屬公司及共同控制實體的業務已分別載於本綜合財務報表附註38及20。

業績及撥款

本集團截至2008年12月31日止年度的業績已載於本年報第32頁的綜合損益表。

於年內並無宣派或派付中期股息。於截至2008年12月31日止年度，董事建議派付期末股息每股0.01港元予於2009年6月3日星期三所有名列本公司股東登記冊的本公司股東(「股東」)，期末股息總額約為17,440,000港元，而留存本年度的剩餘虧損為243,949,000港元。

物業、廠房及設備

於2008年12月31日，本集團的樓宇及永久業權土地已獲重新估值，重新估值錄得重估虧損約2,605,000港元，並直接於物業重估儲備中扣除。

年內，本集團的物業、廠房及設備的資料及其他調撥已載於本綜合財務報表附註13。

Directors' Report 董事報告

INVESTMENT PROPERTIES

As at 31 December 2008, the investment properties of the Group were fair valued by an independent firm of professional property valuers on an open market value basis. The net decrease in fair value of approximately HKD32,050,000 was charged directly to the consolidated income statement.

Details of movements in the investment properties of the Group during the year are set out in Note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in Note 29 to the consolidated financial statements.

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2008, the reserves of the Company available for distribution to the Shareholders were as follows:

Share premium	股份溢價
Contributed surplus	已分派盈餘
Share options reserve	購股權儲備
Retained profits	留存溢利

投資物業

於2008年12月31日，本集團的投資物業已由一間獨立專業物業估值師公司按公開市場價值準則進行公平價值重估。物業重估後錄得公平價值減少淨額約32,050,000港元，並已直接計入本綜合損益表。

於本年度，本集團的投資物業變動詳情已載於本綜合財務報表附註14。

股本

年內，本公司股本變動詳情已載於本綜合財務報表附註29。

於本年度，概無本公司或其任何附屬公司已購買、出售或贖回任何本公司已上市股份。

本公司可分派儲備

於2008年12月31日，本公司可分派予股東的儲備如下：

	2008	2007
	HKD'000	HKD'000
	千港元	千港元
	364,638	364,638
	63,561	63,561
	14,137	15,343
	70,598	58,791
	512,934	502,333

Under the Companies Act 1981 of Bermuda (as amended), the balances in the Company's contributed surplus and share premium accounts are also available for distribution. However, a company cannot declare or pay a dividend, or make a distribution out of contributed surplus and share premium if:

- (a) the company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realizable value of the assets of the Company would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

DIRECTORS

The Directors during the year and up to the date of this Annual Report were:

EXECUTIVE DIRECTOR

Mr. Chan Ting Chuen (Chairman) (appointed on 9 March 2009)
Mr. Sze Sun Sun Tony (Deputy Chairman & Managing Director)
Mr. Chang Tsung Yuan (Deputy Chairman)
Mr. Li Kwok Lung Alfred Ronald (Chairman)
(resigned on 23 January 2009)
Mr. Chan Lu Min
Dr. Ho Ting Seng
Mr. Ku Edward Yu Sun (deceased on 30 March 2009)

NON-EXECUTIVE DIRECTOR

Mr. Li I Nan

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Cheng Kar Shing
Mr. Feng Lei Ming
Mr. Ho Shing Chak

In accordance with the Bye-laws of the Company, Mr. Chang Tsung Yuan, Mr. Cheng Kar Shing and Mr. Feng Lei Ming retire and, being eligible to, offer themselves for re-election at the forthcoming annual general meeting.

No Director has a service contract which is not determinable by the Group within 1 year without payment of compensation, other than statutory compensation.

按百慕達1981公司法(經修訂),本公司的已分派盈餘及股份溢價賬戶結餘均可供分派。惟在下列情況下,公司將不能夠公佈或派付股息、或以實繳盈餘或股份溢價進行分配:

- (a) 公司不能夠或於派付股息後將不能夠償還已到期的債務;或
- (b) 公司資產的可變現價值低於其負債及已發行股本與股份溢價賬戶的總和。

董事

於本年度及截至本報告日止,董事為:

執行董事

陳庭川先生(主席)(於2009年3月9日獲委任)
施新新先生(副主席及董事總經理)
張聰淵先生(副主席)
李國麟先生(主席)
(於2009年1月23日辭任)
詹陸銘先生
何挺博士
顧渝生先生(於2009年3月30日辭世)

非執行董事

李義男先生

獨立非執行董事

鄭家成先生
馮雷明先生
何成澤先生

根據本公司組織章程細則,張聰淵先生,鄭家成先生及馮雷明先生將輪值告退,並符合資格於應屆股東周年大會予以重選連任。

概無董事與本集團訂立於1年後屆滿或僱主不得於1年內於毋須作出賠償(法定賠償除外)下將其終止的任何服務合約。

Directors' Report 董事報告

SHARE OPTIONS

Particulars of the Company's share option scheme adopted on 22 October 2001 ("2001 Scheme") are set out in note 30 to the consolidated financial statements.

On 2 August 2006, the Company granted 166,050,000 share options to eligible participants at an exercise price of HKD1.032 pursuant to the 2001 Scheme.

During the financial year ended 31 December 2008, none of the outstanding share options was exercised and 6,700,000 share options were lapsed. As at 31 December 2008, the aggregate number of share options outstanding was 78,510,000.

The following table discloses the outstanding share options of the Company as at 31 December 2008:

購股權

本公司於2001年10月22日所採納之購股權計劃(「2001計劃」)的詳情已載於本綜合財務報表附註30。

於2006年8月2日，本公司按2001計劃授出166,050,000股購股權予合資格參與者，每股行使價為1.032港元。

於截至2008年12月31日止財政年度，概無已授出而尚未行使的購股權已獲行使，而6,700,000股購股權已失效。於2008年12月31日，已授出而尚未行使的購股權總數為78,510,000股。

於2008年12月31日，本公司已授出而尚未行使的購股權權益披露如下表：

		Date of grant 授出日期 (dd.mm.yyyy) (日.月.年)	Exercise price per share 每股行使價 (HKD) (港元)	Number of outstanding share options as at 31.12.2008 於2008年12月31日 已授出而尚未行使的 購股權數量
Category I: Directors				
第1類：董事				
Chan Lu Min	詹陸銘	02.08.2006	1.032	5,000,000
Cheng Kar Shing	鄭家成	02.08.2006	1.032	500,000
Feng Lei Ming	馮雷明	02.08.2006	1.032	600,000
Ho Shing Chak	何成澤	02.08.2006	1.032	500,000
Ho Ting Seng	何挺	02.08.2006	1.032	4,000,000
Ku Edward Yu Sun	顧渝生	02.08.2006	1.032	16,500,000
Li I Nan	李義男	02.08.2006	1.032	16,500,000
				43,600,000
Category II: Employees				
第2類：僱員				
Employees	僱員	02.08.2006	1.032	33,910,000
Category III: Consultants				
第3類：顧問				
Consultant	顧問	02.08.2006	1.032	1,000,000

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2008, the interests and short positions of the Directors and the chief executives and their associates of the Company in the shares, underlying shares and debentures of the Company and its associated corporations as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited ("Exchange") pursuant to The Model Code for Securities Transactions by Directors of listed Issuers ("Model Code"), were as follows:

LONG POSITIONS

Ordinary shares of HKD0.25 each of the Company

董事和主要行政人員的權益及於股份與相關股份的短倉

根據證券及期貨交易條例第352條規定備存的登記冊所載，或根據香港聯合交易所有限公司（「聯交所」）上市公司董事進行證券交易的標準守則（「標準守則」）通知本公司及聯交所，於2008年12月31日，本公司董事及主要行政人員及其等關聯人士於本公司或其聯營公司的股份、相關股份及債券的權益或淡倉的載列如下：

長倉

本公司股面值0.25港元的普通股

Name 董事	Notes 附註	Number of issued ordinary shares held by 直接所持已發行股份數量				Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比		
		spouse and/or children		controlled corporation 控股企業	discretionary trust 全權信託	Total 總額		
		beneficial owner 受益人	under 18 配偶及/或 18歲以下子女					
Chan Ting Chuen	陳庭川	1	5,000,000	-	-	885,285,730	890,285,730	51.05%
Chang Tsung Yuan	張聰淵	1	6,000,000	-	-	-	6,000,000	0.34%
Li Kwok Lung Alfred Ronald	李國麟	2	12,260,000	400,000	11,799,886	-	24,459,886	1.40%
Sze Sun Sun Tony	施新新	1	-	-	851,685,958	-	851,685,958	48.83%

Notes:

1. As at 31 December 2008, Well Success Investment Limited ("Well Success") was directly interested in 851,685,958 shares of the Company. First Dynamic International Limited ("First Dynamic") held more than one-third of the issued share capital of Well Success.

As at 31 December 2008, Royal Pacific Limited ("Royal Pacific") had a direct interest in 33,599,772 shares of the Company and held more than one-third of the issued share capital of First Dynamic. Royal Pacific was wholly-owned by TC Chan Family Holdings Limited ("TCCFHL"), which in turn was wholly-owned by TC Chan Management (PTC) Limited ("TCCM(PTC)L"), which is a trustee of a discretionary trust. Ultimately, Royal Pacific was held by a discretionary trust, of which Mr. Chan Ting Chuen ("Mr. Chan") was the founder, and Mr. Chan together with his family members were the discretionary beneficiaries.

附註：

1. 於2008年12月31日，Well Success直接持有本公司851,685,958股權益。First Dynamic持有Well Success逾三分一的已發行股本。

於2008年12月31日，Royal Pacific Limited（「Royal Pacific」）直接持有本公司33,599,772股權益，並持有First Dynamic逾三分之一已發行股本。Royal Pacific由TC Chan Family Holdings Limited（「TCCFHL」）全資擁有，TCCFHL則由TC Chan Management (PTC) Limited（「TCCM(PTC)L」）全資擁有，TCCM(PTC)L為一全權信託的信託人，而Royal Pacific最終是由一全權信託持有，陳庭川先生（「陳先生」）及其家庭成員為該信託的全權信託受益人，陳先生同時為該全權信託的成立人。

Directors' Report 董事報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (CONTINUED)

LONG POSITIONS (CONTINUED)

Alexon International Limited ("Alexon") held more than one-third of the issued share capital of First Dynamic. Mr. Sze Sun Sun Tony ("Mr. Sze") was interested in the entire issued share capital of Alexon and was therefore deemed to be interested in 851,685,958 shares of the Company.

Mr. Chang Tsung Yuan was a substantial shareholder of Well Success, in which he held 20% of its issued share capital.

2. Ever Growing Assets Limited ("Ever Growing") was directly interested in 11,799,886 shares of the Company. Mr. Li Kwok Lung Alfred Ronald held the entire issued share capital of Ever Growing and was therefore deemed to be interested in 11,799,886 shares of the Company.

Save as disclosed above and in the section "Share Options", none of the Directors, chief executives or their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 31 December 2008.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in the section "Share Options", at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance, to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事和主要行政人員的權益及於股份與相關股份的短倉(續)

長倉(續)

Alexon International Limited (「Alexon」) 持有First Dynamic逾三分之一已行發股本。施新先生持有Alexon全部已發行股本權益，故被視為持有本公司851,685,958股權益。

張聰淵先生為Well Success的主要股東，持有Well Success已發行股本20%權益。

2. Ever Growing Assets Limited (「Ever Growing」) 直接持有本公司11,799,886股權益。李國麟先生持有Ever Growing全部已發行股本權益，故被視為持有本公司11,799,886股權益。

除上文及「購股權」分段所披露外，於2008年12月31日，本公司概無任何董事、主要行政人員或其等關聯人士於本公司或其任何聯營企業的股份、相關股份或債券持有任何權益或淡倉。

購買股份或債券的安排

除上文「購股權」中披露以外，於本年度任何時間內，本公司或其任何附屬公司概無參與任何安排以使董事藉購入本公司或任何其他法人團體的股份或債券而獲得利益。

董事於重要合約的權益

於本年底或本年度任何時間內，概無本公司董事於本公司或其任何附屬公司所訂立的重要合約中直接或間接獲得重大利益。

SUBSTANTIAL SHAREHOLDERS

The register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, as at 31 December 2008, the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company.

(1) LONG POSITIONS

Ordinary shares of HKD0.25 each of the Company

Shareholder 股東	Notes 附註	Capacity 資格	Number of issued ordinary shares held by 所持已發行普通股		Total interests 總權益	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
			direct interests 直接權益	deemed interests 被視為持有 權益		
Well Success	1	Beneficial owner 受益人	851,685,958	-	851,685,958	48.83%
First Dynamic	1	Interest of controlled corporation 受控法人團體	-	851,685,958	851,685,958	48.83%
Alexon	1	Interest of controlled corporation 受控法人團體	-	851,685,958	851,685,958	48.83%
Mr. Sze 施先生	3	Beneficial owner 受益人	-	851,685,958	851,685,958	48.83%
Lau Yuk Wah ("Madam Lau") 劉玉華 (「劉女士」)	3	Spouse 配偶	-	851,685,958	851,685,958	48.83%
Royal Pacific	1	Beneficial owner and interest of controlled corporation 受益人及受控法人團體	33,599,772	851,685,958	885,285,730	50.76%
TCCFHL	4	Interest of controlled corporation 受控法人團體	-	885,285,730	885,285,730	50.76%

主要股東

根據證券及期貨交易條例第336條規定本公司備存的主要股東登記冊所載，公司獲悉股東於2008年12月31日持有的本公司已發行股本之相關權益及淡倉如下：

(1) 長倉

本公司每股0.25港元的普通股

Directors' Report 董事報告

SUBSTANTIAL SHAREHOLDERS (CONTINUED)

主要股東(續)

(1) LONG POSITIONS (CONTINUED)

(1) 長倉(續)

Shareholder 股東	Notes 附註	Capacity 資格	Number of issued ordinary shares held by 所持已發行普通股		Total interests 總權益	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
			direct interests 直接權益	deemed interests 被視為持有 權益		
TCCM(PTC)L	4	Trustee 信託人	-	885,285,730	885,285,730	50.76%
Mr. Chan 陳先生	4	Beneficial owner, founder and beneficiary of trust 受益人、信託成立人與受益人	5,000,000	885,285,730	890,285,730	51.05%
Ng Shuk Fong ("Madam Ng") 吳淑芳(「吳女士」)	4	Spouse and beneficiary of trust 配偶及信託受益人	-	890,285,730	890,285,730	51.05%
Frensham Investments Limited ("Frensham")	2	Beneficial owner and interest of controlled corporation 受益人及受控法人團體	83,999,430	851,685,958	935,685,388	53.65%
Pou Yuen Industrial (Holdings) Limited ("Pou Yuen") 寶元工業(集團)有限公司 (「寶元」)	2	Interest of controlled corporation 受控法人團體	-	935,685,388	935,685,388	53.65%
Yue Yuen Industrial Limited ("Yue Yuen Industrial") 裕元工業有限公司 (「裕元工業」)	2	Interest of controlled corporation 受控法人團體	-	935,685,388	935,685,388	53.65%
Pou Hing Industrial Company Limited ("Pou Hing")	2	Interest of controlled corporation 受控法人團體	-	935,685,388	935,685,388	53.65%

Directors' Report 董事報告

SUBSTANTIAL SHAREHOLDERS (CONTINUED)

主要股東(續)

(1) LONG POSITIONS (CONTINUED)

(1) 長倉(續)

Shareholder 股東	Notes 附註	Capacity 資格	Number of issued ordinary shares held by 所持已發行普通股		Total interests 總權益	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
			direct interests 直接權益	deemed interests 被視為持有 權益		
Yue Yuen 裕元	2	Interest of controlled corporation 受控法人團體	-	935,685,388	935,685,388	53.65%
Wealthplus Holdings Limited ("Wealthplus")	2	Interest of controlled corporation 受控法人團體	-	935,685,388	935,685,388	53.65%
Pou Chen Corporation ("Pou Chen") 寶成工業(集團)有限公司 (「寶成」)	2	Interest of controlled corporation 受控法人團體	-	935,685,388	935,685,388	53.65%
Deccan Value Advisors L.P.	5	Investment Manager 投資經理	-	88,830,000	88,830,000	5.09%
Deccan Value Advisors LLC	5	Interest of controlled corporation 受控法人團體	-	88,830,000	88,830,000	5.09%
Bodas Vinit ("Mr. Bodas") (「Bodas 先生」)	5	Interest of controlled corporation 受控法人團體	-	88,830,000	88,830,000	5.09%
Bodas Uma Vinit ("Madam Bodas") (「Bodas 女士」)	5	Spouse 配偶	-	88,830,000	88,830,000	5.09%
Shah Capital Management		Beneficial owner 受益人	89,638,000	-	89,638,000	5.14%
UBS AG		Beneficial owner 受益人	90,190,000	-	90,190,000	5.17%

Directors' Report 董事報告

SUBSTANTIAL SHAREHOLDERS (CONTINUED)

(1) LONG POSITIONS (CONTINUED)

Notes:

1. As at 31 December 2008, Well Success was directly interested in 851,685,958 shares of the Company. First Dynamic held more than one-third of the issued share capital of Well Success. Each of Royal Pacific and Alexon held more than one-third of the issued share capital of First Dynamic. Accordingly, First Dynamic, Royal Pacific and Alexon were deemed to be interested in 851,685,958 shares of the Company.
2. As at 31 December 2008, Frensham had a direct interest in 83,999,430 shares of the Company and held more than one-third of the issued share capital of Well Success and was therefore deemed to be interested in 851,685,958 shares of the Company (see Note 1). Frensham was a wholly-owned subsidiary of Pou Yuen which in turn was a wholly-owned subsidiary of Yue Yuen Industrial. Yue Yuen Industrial was a wholly-owned subsidiary of Pou Hing which in turn was a wholly-owned subsidiary of Yue Yuen. Wealthplus, a wholly-owned subsidiary of Pou Chen, held over 35% interests in Yue Yuen. Accordingly, Frensham, Pou Yuen, Yue Yuen Industrial, Pou Hing, Yue Yuen, Wealthplus and Pou Chen were or deemed to be interested in 935,685,388 shares of the Company.
3. Madam Lau is the wife of Mr. Sze, a director of the Company. As at 31 December 2008, Mr. Sze was interested in the entire issued share capital of Alexon, therefore he was deemed to be interested in 851,685,958 shares of the Company (see Note 1). Accordingly, Madam Lau was deemed to be interested in a total of 851,685,958 shares of the Company.
4. Madam Ng is the wife of Mr. Chan, a director of the Company. Royal Pacific is wholly-owned by TCCFHL, which in turn is wholly-owned by TCCM(PTC)L, which is a trustee of a discretionary trust. Ultimately, Royal Pacific was held by a discretionary trust, of which Mr. Chan and his family members were the discretionary beneficiaries and Mr. Chan was the founder. As at 31 December 2008, Royal Pacific was directly interested in 33,599,772 shares and was deemed to be interested in 851,685,958 shares of the Company (see Note 1), therefore both Mr. Chan and Madam Ng were deemed to be interested in 885,285,730 shares of the Company. Furthermore, Mr. Chan was directly interested in 5,000,000 shares of the Company. Accordingly, Madam Ng was deemed to be interested in a total of 890,285,730 shares of the Company.

主要股東(續)

(1) 長倉(續)

附註：

1. 於2008年12月31日，Well Success直接持有本公司851,685,958股權益。First Dynamic持有Well Success逾三分一的已發行股本。Royal Pacific及Alexon分別持有First Dynamic逾三分一已發行股本。因此，First Dynamic、Royal Pacific及Alexon均被視為持有本公司851,685,958股權益。
2. 於2008年12月31日，Frensham直接持有本公司83,999,430股權益，並持有Well Success逾三分一已發行股本，故被視為持有本公司851,685,958股權益（見附註1）。Frensham為寶元的全資附屬公司，而寶元為裕元工業的全資附屬公司。裕元工業為Pou Hing的全資附屬公司，Pou Hing為裕元的全資附屬公司。Wealthplus為寶成的全資附屬公司，持有裕元逾35%權益。因此，寶元、裕元工業、Pou Hing、裕元、Wealthplus及寶成均持有或被視為持有本公司935,685,388股權益。
3. 劉女士為本公司董事施先生的妻子。於2008年12月31日，施先生持有Alexon全部已發行股本，故被視為持有本公司851,685,958股權益（見附註1）。因此，劉女士被視為持有本公司共851,685,958股權益。
4. 吳女士為本公司董事陳先生的妻子。Royal Pacific由TCCFHL全資擁有，TCCFHL則由TCCM(PTC)L全資擁有，TCCM(PTC)L同時為一全權信託的信託人，而Royal Pacific最終是由一全權信託持有，陳先生及其家庭成員為該信託的全權信託受益人。陳先生亦為該全權信託的成立人。於2008年12月31日，Royal Pacific直接持有本公司33,599,772股權益，並被視為持有本公司851,685,958股權益（見附註1），故陳先生及吳女士被視為持有本公司885,285,730股權益。另，陳先生直接持有本公司5,000,000股權益，因此，吳女士被視為合共持有本公司890,285,730股權益。

SUBSTANTIAL SHAREHOLDERS (CONTINUED)

(1) LONG POSITIONS (CONTINUED)

Notes: (continued)

- As at 31 December 2008, Deccan Value Advisors L.P. was the investment manager of entities holding in aggregate 88,830,000 shares of the Company and was thus deemed to be interested in 88,830,000 shares of the Company. Deccan Value Advisors LLC was a general partner of Deccan Value Advisors L.P. and as a result was deemed to be interested in 88,830,000 shares of the Company. Deccan Value Advisors LLC or its directors are accustomed to act in accordance with the instructions or directions of Mr. Bodas. Madam Bodas is the wife of Mr. Bodas. Accordingly, each of Mr. Bodas and Madam Bodas was deemed to be interested in 88,830,000 shares of the Company.

(2) SHORT POSITIONS

The Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31 December 2008.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales attributable to the Group's largest and top 5 customers comprised approximately 31% and 78% of the total sales of the Group respectively.

The aggregate purchases during the year attributable to the Group's 5 largest suppliers were less than 12% of the Group's total purchases.

None of the Directors, their associates or any shareholders of the Company who, to the knowledge of the Directors, owned more than 5% of the Company's issued share capital, had any interests in the share capital of the 5 largest customers of the Group.

主要股東(續)

(1) 長倉(續)

附註：(續)

- 於2008年12月31日，Deccan L.P. 為持有本公司合共88,830,000股權益的若干實體的投資經理，因此，Deccan L.P. 被視為持有本公司88,830,000股權益。Deccan LLC為Deccan L.P. 的一般合伙人，故被視為持有本公司88,830,000股權益。Deccan LLC或其董事乃慣於依Bodas先生的命令或指揮行事，而Bodas女士為Bodas先生的妻子，因此，Bodas先生及Bodas女士分別被視為持有本公司88,830,000股權益。

(2) 短倉

於2008年12月31日，本公司概無獲悉本公司已發行股本中的任何其他相關權益或淡倉。

委任獨立非執行董事

根據聯交所證券上市規則(「上市規則」)第3.13條規定，本公司已向各本公司獨立非執行董事(「獨立非執行董事」)收取年度確認書，以確定其獨立性。本公司相信所有獨立非執行董事均為獨立人士。

主要客戶及供應商

於年內，本集團的最大客戶及首5個最大客戶的銷售總額分別約佔本集團銷售總額的31%和78%。

於年內，本集團向首5個最大供應商的採購總額合共少於本集團採購總額的12%。

按董事所知悉，概無持有本公司已發行股本逾5%權益的董事、其關聯人士或任何股東於本集團的首5個最大客戶中持有任何股本權益。

Directors' Report 董事報告

DONATIONS

During the year, the Group made charitable and other donations amounting to approximately HKD33,000 (2007: HKD88,000).

EMOLUMENT POLICY

The Group's employee emolument policy is set up by the board of Directors of the Company ("Board") on a basis of merit, qualification and competence of the Group's employees.

The emoluments of the Directors are decided by the Board, as authorized by shareholders at the annual general meeting, having regard to the operating results of the Company, individual performance and prevailing market conditions.

The Remuneration Committee was set up in December 2005, advising the Board on the emoluments of the Directors and senior management. The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme is set out in note 30 to the financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-laws of the Company, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained sufficient public float throughout the year ended 31 December 2008.

CORPORATE GOVERNANCE

The Company's corporate governance principles and practices are set out in the corporate governance report on pages 24 to 29 of this Annual Report.

捐款

於本年度，本集團作出的慈善及其他捐款合共約33,000港元(2007：88,000港元)。

薪酬政策

本集團的僱員薪酬政策乃由本公司董事會(「董事會」)按本集團員工的貢獻、資歷及能力而釐訂。

本公司董事的薪酬乃由股東於股東周年大會授權董事會按本公司經營業績、其等個人表現及現行市場情況而釐訂。

薪酬福利委員會於2005年12月成立，負責就有關董事及高級管理層的薪酬向董事會作出建議。本公司已採納一購股權計劃作為對董事及合資格僱員的獎勵措施，計劃詳情已載於本綜合財務報表附註30。

優先購股權

本公司組織章程細則、或百慕達法律均無刊載有關優先購股權條文，以規定本公司須按比例向現有股東提呈發售新股。

充足公眾持股量

截至2008年12月31日止年度，本公司一直維持充足公眾持股量。

企業管治

本公司公司的企業管治原則及實務已載於本年報第24至29頁的企業管治報告中。

Directors' Report 董事報告

AUDITOR

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

On behalf of the Board

Chan Ting Chuen
Chairman

Hong Kong, 6 April 2009

核數師

在應屆股東周年大會上將提呈決議案聘任德勤•關黃陳方會計師核數師為本公司核數師。

代表董事會

主席
陳庭川

香港 • 2009年4月6日

Corporate Governance Report 企業管治報告

Symphony Holdings Limited ("Symphony" or "Company", together with its subsidiaries "Group") recognizes the value and importance of achieving high standard of corporate governance, aiming at providing sufficient transparency, quality of disclosure as well as effective risk control to investors.

The Company has adopted and complied with the Code on Corporate Governance Practices ("CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Exchange") ("Listing Rules") throughout the year ended 31 December 2008, only with deviations from code provision A.4.1 of the CG Code.

Under code provision A.4.1, non-executive directors should be appointed for a specific term and are subject to re-election. Directors of the Company ("Directors") (including non-executive Directors) were not appointed for a specific term but are subject to retirement by rotation and re-election at annual general meetings in accordance with Bye-law 87 of the Bye-law of the Company. Each Director is effectively appointed under an average term of three years.

BOARD OF DIRECTORS

The primary role of the board of Directors of the Company ("Board") is to protect and enhance long-term shareholders' value. It focuses on the Group's overall strategic policy, monitors performance and offers proper supervision for effective management. As at 31 December 2008, the Board consisted of 11 Directors (including the Chairman of the Board), amongst which 7 are executive Directors and 4 are Non-executive Directors of whom 3 are independent.

The posts of Chairman and Managing Director (being defined as Chief Executive Officer in the CG Code) are held separately by Mr. Li Kwok Lung Alfred Ronald (Mr. Chan Ting Chuen with effect from 9 March 2009) and Mr. Sze Sun Sun Tony respectively. The Chairman of the Board provides leadership and management of the Board. On the other hand, the Managing Director focuses on managing the day-to-day operation of the business of the Group. This segregation of roles ensures the reinforcement of their independence, accountability and responsibility.

The Board has delegated the authority and responsibility for implementing business strategy and managing day-to-day administration and operations of the Group's business to the Managing Director and the senior management. While allowing management with substantial autonomy to run and to develop the business, the delegated functions and work tasks are periodically reviewed by the Board.

新豐集團有限公司(「新豐」或「本公司」，連同其附屬公司統稱「本集團」)承認貫徹良好企業管治的價值和其重要性，旨在為投資者提供足夠的透明度、披露品質及有效的風險監控。

本公司於截至2008年12月31日止財政年度內一直遵守上市規則附錄14所載的企業管治常規守則(「企業管治常規守則」)，惟企業管治常規守則第A.4.1條則除外。

根據企業管治常規守則第A.4.1條規定，委任非執行董事須列明指定任期，並須重選連任。本公司董事(「董事」)(包括非執行董事)並無指定任期，惟現行本公司組織章程細則第87條訂明，董事須於股東周年大會上輪值告退及重選，每名董事的有效任期平均為3年。

董事會

本公司董事會(「董事會」)的基本角色乃保障及提高長遠的股東價值，其主要負責制定本集團的全面策略方針、監察本集團表現及為管理層提供有效合適的監督。於2008年12月31日，董事會由11名董事組成(包括董事會主席)，當中7名為執行董事，餘下4名則為非執行董事，其中3名乃獨立非執行董事。

主席和董事總經理(企業管治常規守則定義為首席執行官)分別由李國麟先生(2009年3月9日以後為陳庭川先生)及施新新先生擔任。董事會主席負責領導及管理董事會；另一方面，董事總經理主要負責管理本集團的日常營運。兩個明確劃分的不同職位可加強其等的獨立性、認受性及可靠性。

董事會已將本集團的業務策略的執行、日常管理及營運權力及職責交由董事總經理及高級管理層負責。於營運及業務發展方面，管理層獲授予重大的自主權，董事會定期對該等授權及工作任務進行檢討。

Corporate Governance Report 企業管治報告

The independent non-executive Directors of the Company ("INEDs") came from diverse business and professional backgrounds, bringing in valuable expertise and experience that promotes the best interests of the Group and its shareholders. The Company has received, from each of the INEDs, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all INEDs are independent.

All Directors have full, timely and direct access to the services and advice from the Company Secretary of the Company.

As at the date of this annual report, the Board consists the following members:

MEMBERS OF THE BOARD

Executive Director

Mr. Chan Ting Chuen (*Chairman*)

Mr. Sze Sun Sun Tony (*Deputy Chairman & Managing Director*)

Mr. Chang Tsung Yuan (*Deputy Chairman*)

Mr. Chan Lu Min

Dr. Ho Ting Seng

Non-executive Director

Mr. Li I Nan

Independent Non-executive Director

Mr. Cheng Kar Shing

Mr. Feng Lei Ming

Mr. Ho Shing Chak

本公司獨立非執行董事(「獨立非執行董事」)乃來自不同行業及專業背景，憑藉其等的寶貴專業知識及經驗，為本集團及所有股東帶來最佳利益。本公司已獲各獨立非執行董事根據上市規則第3.13條規定就其等的獨立性發出的確認函，故相信其等均為獨立人士。

全體董事均可全面、即時及直接向本公司的公司秘書取得意見及協助。

於本年報發行日，董事會由下列成員組成：

董事會成員

執行董事

陳庭川先生(*主席*)

施新新先生(*副主席及董事總經理*)

張聰淵先生(*副主席*)

詹陸銘先生

何挺博士

非執行董事

李義男先生

獨立非執行董事

鄭家成先生

馮雷明先生

何成澤先生

Corporate Governance Report 企業管治報告

REMUNERATION COMMITTEE

The remuneration committee of the Company ("**Remuneration Committee**") was set up for the purpose of advising the Board on and reviewing the remuneration policy and its structure for Directors and senior management. The Remuneration Committee assesses performance and approves the terms of the service contracts (if any) of executive Directors.

MEMBERS OF THE REMUNERATION COMMITTEE

Mr. Feng Lei Ming (*Chairman*)

Mr. Cheng Kar Shing

Mr. Ho Shing Chak

Remuneration package is performance-based and the recommended remuneration package comprises salaries, bonuses and share incentive scheme. During the year under review, the Remuneration Committee considered that the packages of the executive Directors were fair and reasonable, taking into account business performance, market practices and competitive market conditions. Non-executive Directors are compensated with the aim to fairly represent their efforts and time dedicated to the Board.

AUDIT COMMITTEE

The audit committee of the Company ("**Audit Committee**") was established with specific written terms of reference ("**Terms of Reference**"). The Terms of Reference is currently under review to be in line with the latest reform of the Listing Rules with effect from 1 January 2009. The Audit Committee oversees the audit process and provides an independent review of the effectiveness of the financial reporting process and the internal control.

MEMBERS OF THE AUDIT COMMITTEE

Mr. Ho Shing Chak (*Chairman*)

Mr. Cheng Kar Shing

Mr. Feng Lei Ming

Mr. Li I Nan

The Audit Committee is provided with sufficient resources to discharge its responsibilities. For the year ended 31 December 2008, the Audit Committee reviewed with external auditor, internal auditors and senior management the annual results of the Group as well as the accounting principles and practices being adopted, internal control and financial reporting matters. Our Financial Controller, senior management, internal auditors and the external auditors attended the meetings to respond to any queries raised by Audit Committee.

薪酬福利委員會

本公司薪酬福利委員會(「**薪酬福利委員會**」)的成立，旨在向董事會建議及檢討董事與高級管理層的薪酬政策及其結構。薪酬福利委員會亦會評估執行董事的表現及批核其等的服務合約年期(倘有)。

薪酬福利委員會成員

馮雷明先生(主席)

鄭家成先生

何成澤先生

薪酬待遇乃按個別人士的表現而釐定，建議的薪酬待遇包括工資、花紅及購股權計劃。於本回顧年度，薪酬福利委員會考慮到公司業績表現、市場慣例及市場競爭情況，認為執行董事的福利待遇乃公平及合理的。非執行董事的酬金旨在合理地反映其等在董事會所付出的貢獻及時間。

審核委員會

本公司審核委員會(「**審核委員會**」)書面制定其職權範圍(「**職權範圍**」)。職權範圍現正進行檢討，以確保其與於2009年1月1日生效的新修訂上市規則為一致的。審核委員會主要負責監管審核程序，並對財務報告程序及內部監控的成效提供獨立檢討。

審核委員會成員

何成澤先生(主席)

鄭家成先生

馮雷明先生

李義男先生

審核委員會已獲提供足夠資源以履行其職責。截至2008年12月31日止年度，審核委員會已連同外聘核數師、內部審核師和本公司的高級管理層審閱本集團的全年業績及其所採納的會計原則及慣例，並已討論內部監控及財務報告事宜。本集團的財務總監、高級管理層、內部審核師及外聘核數師均有參與會議以回應審核委員會的提問。

Corporate Governance Report 企業管治報告

BOARD/COMMITTEES MEETINGS AND MINUTES

During the year under review, the Board conducted 8 meetings. Management provided appropriate and sufficient information to the Directors and Board members in a timely manner to keep them abreast of the latest developments of the Company to discharge their responsibilities. The attendance of individual members of the Board and other Board Committees meetings during the financial year ended 31 December 2008 is set out in the table below:

Directors 董事		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬福利委員會
Executive Directors	執行董事			
Chang Ting Chuen	陳庭川	7/8	–	–
Sze Sun Sun Tony	施新新	8/8	–	–
Chang Tsung Yuan	張聰淵	5/8	–	–
Li Kwok Lung Alfred Ronald	李國麟	6/8	–	–
Chan Lu Min	詹陸銘	5/8	–	–
Ho Ting Seng	何挺	8/8	–	–
Ku Edward Yu Sun	顧渝生	6/8	–	–
Non-executive Directors	非執行董事			
Li I Nan	李義男	5/8	2/2	–
Independent Non-executive Directors	獨立非執行董事			
Cheng Kar Shing	鄭家成	5/8	1/2	1/2
Feng Lei Ming	馮雷明	5/8	2/2	2/2
Ho Shing Chak	何成澤	5/8	2/2	2/2

Minutes of the Board meetings and Board Committees meetings have been recorded in sufficient detail. Draft and final versions of minutes of the Board and other Board Committees are sent to all Directors or Committees members for comments and records within a reasonable time after the meeting.

董事會／委員會會議及會議紀錄

於本回顧年度，董事會共召開8次會議。管理層已及時向董事及董事會成員提供正確及充足資料，使其等能掌握本公司的最新發展以履行其得的職責。截至2008年12月31日止財政年度，各董事會及其他董事委員會的成員的會議出席紀錄如下表：

董事會及董事會委員會的會議已備充份詳細紀錄，會議紀錄的草稿及最終版本均已於會議後的合理時間內送交所有董事或委員會成員傳閱、評論及存檔。

Corporate Governance Report 企業管治報告

NOMINATION OF DIRECTORS

The Company has not established a nomination committee but shall regularly review and consider whether such committee is required. All appointments, resignations and removals of Directors and its succession plan are subject to the approval of the Board.

Under the Bye-laws, one-third of the Directors (including INEDs) must retire, becoming eligible for re-election at each annual general meeting. This year, Mr. Chang Tsung Yuan, Mr. Cheng Kar Shing and Mr. Feng Lei Ming shall retire at the forthcoming annual general meeting and all being eligible to offer themselves for re-election. Details of their biography are set out in the circular to shareholders.

On 23 January 2009, Mr. Li Kwok Lung Alfred Ronald resigned from his offices as the chairman of the Board and the Director. On 30 March 2009, Mr. Ku Edward Yu Sun passed away. Currently, the Board has 2 casual vacancies. The Board shall consider appointing the successors to replace the two casual vacancies if appropriate.

As at 31 December 2008, none of the Directors has a service contract with the Company or any members of the Group that will not expire or is not determinable by the employer within 1 year without payment of compensation (other than statutory compensation).

AUDITORS' REMUNERATION

A summary of remuneration paid to the external auditor of the Company, Messrs. Deloitte Touche Tohmatsu, for audit services and non-audit services for the financial years ended 31 December 2008 and 2007 is as follows:

NATURE OF SERVICES	服務性質
Audit services	審核服務
Other services	非審核服務

2008	2007
HKD'000	HKD'000
千港元	千港元

2,154	2,023
1,414	489

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, each of them confirmed his compliance with the required standard set out in the Model Code for the financial year ended 31 December 2008.

董事提名

本公司並無成立提名委員會，惟將定期檢討及考慮是否需要成立該委員會。所有董事的委任、辭任與免職事宜及其繼任人的政策，均須由董事會批准。

根據組織章程細則，三分一董事(包括獨立非執行董事)必須輪值告退，並於每年股東周年大會準予重選。本年度，張聰淵先生、鄭家成先生及馮雷明先生將會於應屆股東周年大會輪值告退，惟均符合資格準予重選連任。其等的履歷已載於本公司派發予股東的通函內。

於2009年1月23日，李國麟先生辭任董事會主席及董事職務；於2009年3月30日，顧渝生先生辭世，現時董事會出現兩個臨時空缺。董事會將考慮委任其等的繼任人以填補該等空缺(倘合適)。

於2008年12月31日，概無任何董事與本公司或本集團任何成員公司存在或擬訂立於1年後屆滿或僱主不得於1年內於毋須作出賠償(法定賠償除外)下將其終止的任何服務合約。

核數師酬金

截至2008年及2007年12月31日止的財政年度，付予本公司獨立核數師德勤•關黃陳方會計師行所提供的審核服務及非審核服務的酬金綜合如下：

2008	2007
HKD'000	HKD'000
千港元	千港元
2,154	2,023
1,414	489

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載列的上市公司董事進行證券交易的標準守則(「標準守則」)。經全體董事具體查詢後，各董事已其於截至2008年12月31日止財政年度一直遵從標準守則所載的標準要求。

Corporate Governance Report 企業管治報告

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for overseeing the preparation of the financial statements of the Company for the year ended 31 December 2008 which give a true and fair view of the state of financial affairs of the Company.

The Directors are responsible for keeping proper accounting records, for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors have reviewed the soundness, adequacy and application of accounting, financial and other controls and promoting effective control in the Group.

SHAREHOLDERS' COMMUNICATION

The Board recognizes the significance of maintaining an effective two-way communication with its stakeholders. Designated management meets with research analysts and institutional investors on an on-going basis and provides them with the latest and comprehensive information about the corporate developments of the Group. In addition, the Company utilizes its website (www.symphonyholdings.com) as a channel to provide updated information in a timely manner in order to strengthen the communication with its stakeholders.

SHAREHOLDERS' RIGHTS

Shareholders may convene a special general meeting in the following manner:

Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition.

PUBLIC FLOAT

The Company has maintained sufficient public float at over 40% throughout the year ended 31 December 2008.

董事對財務報表的責任

董事須負責監管截至2008年12月31日止年度本公司的財務報表的制定乃真實並合理地反映本公司的財務狀況事宜。

董事負責維持合適的會計紀錄，以保障本公司資產並採取合理步驟以防止及偵查欺騙與其他違規行為。

董事已審閱本集團會計、財務及其他監控之採納的穩建性、足夠性及運用性，並促使本集團實施有效監控。

股東通訊

本集團承認與其利益相關者維持雙向溝通的重要性，並會指派管理人員定期與研究分析師及企業投資者會面，向其等提供本集團的最新消息及企業發展的全面資訊。除此以外，本公司利用其網址 www.symphonyholdings.com 作為平台，即時提供本集團最新資訊，以加強與其利益相關者的溝通。

股東權益

股東可依以下途徑召開特別股東大會：

於寄存正式要求當日，持有本公司逾十分一附有於本公司股東大會表決權的本公司已繳足股本的股東，可向董事會或本公司秘書提交本人簽署之書面要求（須列明目的），要求召開股東特別大會。

公眾持股量

截至2008年12月31日止年度內，本公司一直維持逾40%的充足公眾持股量。

Independent Auditor's Report 獨立核數師報告

Deloitte. 德勤

TO THE MEMBERS OF SYMPHONY HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Symphony Holdings Limited ("Company") and its subsidiaries (collectively referred to as "Group") set out on pages 32 to 112, which comprise the consolidated balance sheet as at 31 December 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

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

致新豐集團有限公司股東
(於百慕達註冊成立的有限公司)

本核數師行已完成審核新豐集團有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)載於第32頁至第112頁的綜合財務報表。此綜合財務報表包括2008年12月31日的綜合資產負債表，與截至該日止年度的綜合損益表、綜合權益變動表及綜合現金流量表，以及主要會計政策及其他附註解釋。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的香港財務報告準則及香港《公司條例》的披露要求而編製及真實並公平地呈列此等綜合財務報表。這責任包括設計、實施及維護有關編製及真實而公平地呈列綜合財務報表相關的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策，及按情況作出合理的會計估計。

核數師的責任

本核數師的責任乃根據我們的審核，對此等綜合財務報表提出意見，並按照《百慕達公司法例》第90條向全體股東報告，除此之外，本報告並無其他目的。本核數師不會就本報告的內容向任何其他人士承擔任何義務或接受任何責任。本核數師已根據香港會計師公會頒報的香港審計準則進行審核。該準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表並不存在任何重大陳述錯誤。

Independent Auditor's Report 獨立核數師報告

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

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

OPINION

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

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong, 6 April 2009

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選用的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤的陳述風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報綜合財務報表相關的內部監控，以設計對當時情況恰當的審核程序，但並非對該公司的內部監控效能發表意見。審核亦包括評價董事所採納的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

本核數師相信，我們已獲取充足及適當的會計憑證為我們的審核意見提供基礎。

意見

本核數師認為，此綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團於2008年12月31日的事務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港《公司條例》的披露要求妥為編製。

德勤•關黃陳方會計師行
執業會計師
香港•2009年4月6日

Consolidated Income Statement 綜合損益表

For the year ended 31 December 截至12月31日止年度

		Notes 附註	2008 HKD'000 千港元	2007 HKD'000 千港元
Revenue	營業額	7	2,050,584	1,849,207
Cost of sales	銷售成本		(1,768,865)	(1,531,487)
Gross profit	毛利		281,719	317,720
Other income	其他收入		38,853	79,942
Distribution and selling expenses	分銷及銷售開支		(127,843)	(76,852)
Administrative expenses	行政開支		(231,266)	(184,707)
Other expenses	其他開支		(3,360)	(3,392)
(Decrease) Increase in fair value of investment properties	投資物業公平價值 (減少)增加		(32,050)	38,255
Gain on disposal of subsidiaries	出售附屬公司盈餘	31	13,586	-
Impairment loss on goodwill	商譽減值虧損		(57,477)	-
(Loss) Gain on fair value changes of held-for-trading investments	持作買賣投資公平價值 變動的(虧損)盈餘		(11,998)	7,177
Share of results of jointly controlled entities	佔共同控制實體業績		(101,409)	(62,259)
Gain on disposal of available-for-sale investments	出售可供銷售投資的盈餘		-	368
(Loss) Profit before tax	除稅前(虧損)溢利		(231,245)	116,252
Taxation	稅項	8	1,554	(18,216)
(Loss) Profit for the year	年度(虧損)溢利	9	(229,691)	98,036
Attributable to:	應佔：			
Equity holders of the Company	本公司權益持有人		(226,508)	94,929
Minority interests	少數股東權益		(3,183)	3,107
			(229,691)	98,036
Dividends recognized as distribution during the year	年內被認可分派的 股息	11	38,369	164,072
(Loss) Earnings per share	每股(虧損)盈利	12		
Basic (HK cents)	基本(港仙)		(12.99)	5.58
Diluted (HK cents)	攤薄(港仙)		N/A 不適用	5.57

Consolidated Balance Sheet 綜合資產負債表

At 31 December 於12月31日

		Notes	2008 HKD'000 千港元	2007 HKD'000 千港元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	282,741	260,660
Investment properties	投資物業	14	112,450	144,500
Prepaid lease payments	預付租賃款項	15	50,203	48,155
Deposit paid for acquisition of a property	購置一物業 已付訂金	16	-	9,200
Goodwill	商譽	17	-	57,477
Interests in jointly controlled entities	共同控制實體權益	20	206,021	249,195
Available-for-sale investments	可供銷售投資	21	54,366	23,085
Structured deposits	結構性存款	22	-	62,240
Deferred tax assets	遞延稅務資產	28	10,085	11,326
Club debentures	會所債券		2,003	2,003
			717,869	867,841
Current assets	流動資產			
Inventories	存貨	23	269,148	277,719
Amounts due from jointly controlled entities	應收共同控制 實體款項	20	50,692	32,710
Trade and other receivables	貿易及其他應收賬款	24	459,061	358,317
Prepaid lease payments	預付租賃款項	15	1,301	1,206
Tax recoverable	應退稅項		9,714	-
Held-for-trading investments	持作買賣投資	25	4,055	428
Bank balances and cash	銀行結餘及現金	26	280,963	519,494
			1,074,934	1,189,874
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	27	395,027	421,041
Amounts due to jointly controlled entities	應付共同控制 實體款項	20	28,006	8,792
Tax payable	應付稅項		55,641	53,419
			478,674	483,252
Net current assets	流動資產淨值		596,260	706,622
Total assets less current liabilities	資產總值減流動負債		1,314,129	1,574,463

Consolidated Balance Sheet 綜合資產負債表

At 31 December 於12月31日

		Notes 附註	2008 HKD'000 千港元	2007 HKD'000 千港元
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅務負債	28	9,925	18,425
Net assets	資產淨值		1,304,204	1,556,038
Capital and reserves	股本及儲備			
Share capital	股本	29	436,011	436,011
Reserves	儲備		835,362	1,084,657
Equity attributable to equity holders of the Company	本公司股本持有人應佔權益		1,271,373	1,520,668
Minority interests	少數股東權益		32,831	35,370
			1,304,204	1,556,038

The financial statements on pages 32 to 112 were approved and authorized for issue by the Board on 6 April 2009 and are signed on its behalf by:

載於第32至112頁的財務報表乃由董事會於2009年4月6日批核及授權刊發，並由下列董事代表簽署：

Sze Sun Sun Tony
施新新

Chan Ting Chuen
陳庭川

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2008 截至2008年12月31日止

		Attributable to equity holders of the Company 本公司權益持有人應佔								
		Share capital	Share premium	Properties revaluation reserve	Investments revaluation reserve	Translation reserve	Share options reserve	Accumulated profits	Minority interests	Total
		股本	股份溢價	物業重估儲備	投資重估儲備	匯兌儲備	購股權儲備	累計溢利	少數股東權益	總計
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'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
THE GROUP	本集團									
At 1 January 2007	於2007年1月1日	416,176	288,308	4,551	-	21,535	29,900	720,398	1,480,868	37,711
Surplus arising on revaluation of buildings	重估樓宇所產生的盈餘	-	-	12,631	-	-	-	-	12,631	-
Gain on fair value changes of available-for-sale investments	可供銷售投資的公平價值變更的收益	-	-	-	943	-	-	-	943	-
Deferred tax liability arising on revaluation of buildings	重估樓宇價值所產生的遞延稅務負債	-	-	(1,857)	-	-	-	-	(1,857)	-
Exchange differences arising on translation of foreign operations	海外業務所產生的匯兌差異	-	-	152	-	13,124	-	-	13,276	534
Share of reserves of jointly controlled entities	佔共同控制實體儲備	-	-	-	-	2,047	25	-	2,072	-
Net income recognized directly in equity	直接於股本確認的收入淨額	-	-	10,926	943	15,171	25	-	27,065	534
Profit for the year	年度溢利	-	-	-	-	-	-	94,929	94,929	3,107
Total recognized income and expense for the year	年度已確認的收入及開支總額	-	-	10,926	943	15,171	25	94,929	121,994	3,641
Acquisition of additional interest from minority interest	收購額外的少數股東權益	-	-	-	-	-	-	-	-	(5,982)
Exercise of share options	行使購股權	19,835	76,330	-	-	-	(14,287)	-	81,878	-
Lapse of share options	失效購股權	-	-	-	-	-	(270)	270	-	-
Dividends paid (Note 11)	已付股息(附註11)	-	-	-	-	-	-	(164,072)	(164,072)	-
At 31 December 2007	於2007年12月31日	436,011	364,638	15,477	943	36,706	15,368	651,525	1,520,668	35,370
Deficit arising on revaluation of buildings	重估物業所產生的虧損	-	-	(2,605)	-	-	-	-	(2,605)	-
Loss on fair value changes of available-for-sale investments	可供銷售投資的公平價值變更的虧損	-	-	-	(6,899)	-	-	-	(6,899)	-
Effect of changes in tax rates	稅率變更的影響	-	-	253	-	-	-	-	253	-
Deferred tax asset arising on revaluation of buildings	重估樓宇價值所產生的遞延稅務資產	-	-	640	-	-	-	-	640	-
Exchange differences arising on translation of foreign operations	海外業務所產生的匯兌差異	-	-	901	-	26,400	-	-	27,301	644
Share of reserves of jointly controlled entities	佔共同控制實體儲備	-	-	-	-	(3,083)	(25)	-	(3,108)	-
Net income/expense recognized directly in equity	直接於股本確認的收入/開支淨額	-	-	(811)	(6,899)	23,317	(25)	-	15,582	644
Loss for the year	年度虧損	-	-	-	-	-	-	(226,508)	(226,508)	(3,183)
Total recognized income and expense for the year	年度已確認的收入及開支總額	-	-	(811)	(6,899)	23,317	(25)	(226,508)	(210,926)	(2,539)
Lapse of share options	失效的購股權	-	-	-	-	-	(1,206)	1,206	-	-
Dividends paid (Note 11)	已付股息(附註11)	-	-	-	-	-	-	(38,369)	(38,369)	-
At 31 December 2008	於2008年12月31日	436,011	364,638	14,666	(5,956)	60,023	14,137	387,854	1,271,373	32,831

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 截至12月31日止

	Notes 附註	2008 HKD'000 千港元	2007 HKD'000 千港元
OPERATING ACTIVITIES	經營活動		
(Loss) Profit before tax	除稅前(虧損)溢利	(231,245)	116,252
Adjustments for:	調整:		
Interest income	利息收入	(11,784)	(27,344)
Dividends from equity investments	證券投資股息收入	(2,293)	(1,189)
Impairment loss on goodwill	商譽減值虧損	57,477	-
Share of results of jointly controlled entities	佔共同控制實體業績	101,409	62,259
Depreciation and amortization of property, plant and equipment	物業、廠房及設備折舊與攤銷	40,354	39,305
Amortization of prepaid lease payments	預付租賃付款攤銷	1,301	1,206
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備(收益)虧損	(66)	5
Gain on disposal of available-for-sale investments	出售可供銷售投資收益	-	(368)
Gain on disposal of subsidiaries	出售附屬公司收益	(13,586)	-
Decrease (increase) in fair value of investment properties	投資物業公平價值減少(增加)	32,050	(38,255)
Recovery of allowance for bad and doubtful debts	呆壞賬撥備回撥	(2,850)	(15,930)
Allowance for inventories	存貨備抵	2,114	4,714
Unclaimed payables written-off	撇銷無人申索的應付賬款	-	(14,237)
Operating cash flow before movements in working capital	營運資金變更前的經營現金流	(27,119)	126,418
Decrease (increase) in inventories	存貨減少(增加)	22,447	(35,873)
Increase in amounts due from jointly controlled entities	應付共同控制實體金額增加	(17,982)	(30,631)
Increase in trade and other receivables	貿易及其他應收賬款增加	(88,929)	(36,439)
Decrease in held-for-trading investments	持作買賣投資減少	1,373	(428)
Decrease in trade and other payables	貿易及其他應付賬款減少	(32,744)	(10,489)
Cash (used in) generated from operations	(用於)來自經營業務的現金	(142,954)	12,558
Purchase of tax reserve certificates	購買儲稅券	(9,714)	-
Overseas tax paid	已付海外稅項	(3,079)	(1,981)
Hong Kong Profits Tax refunded (paid)	退還(已付)香港利得稅	377	(2,459)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(用於)來自經營活動的現金淨額	(155,370)	8,118

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 截至12月31日止

	Notes 附註	2008 HKD'000 千港元	2007 HKD'000 千港元
INVESTING ACTIVITIES	投資活動		
Purchase of investment properties	購買投資物業	(87,222)	(13,185)
Purchases of property, plant and equipment	購買物業、廠房及設備	(51,329)	(23,986)
Increase in available-for-sale investments	增加可供銷售投資	(38,180)	-
Loan to a jointly controlled entity	貸款予一共同控制實體	(34,713)	(28,062)
Advance to jointly controlled entities	墊款予共同控制實體	(26,630)	-
Increase in prepaid lease payments	增加預付租賃款項	(1,944)	-
Proceeds from disposal of subsidiaries	出售附屬公司的收益	96,000	-
Decrease in structured deposits	減少結構性存款	62,240	-
Interest received	已收利息	11,784	27,344
Dividends received from equity investments	已收證券投資股息	2,293	1,189
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的收益	1,616	30
Increase in deposit paid for acquisition of investment property	購買投資物業已付定金增加	-	(8,711)
Acquisition of additional interest from minority interest	收購額外少數股東權益	-	(5,982)
Purchase of club debentures	購買會所債券	-	(2,003)
Proceeds from disposal of available-for-sale investments	出售可供銷售投資的收益	-	8,232
NET CASH USED IN INVESTING ACTIVITIES	用於投資活動的現金淨額	(66,085)	(45,134)
FINANCING ACTIVITIES	融資活動		
Dividends paid	已付股息	(38,369)	(164,072)
Advance from a jointly controlled entity	由一共同控制實體墊款	19,214	8,291
Proceeds from issue of shares	發行股份收益	-	81,878
NET CASH USED IN FINANCING ACTIVITIES	用於融資活動的現金淨額	(19,155)	(73,903)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(240,610)	(110,919)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	承前現金及現金等價物結餘	519,494	627,706
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率變更的影響	2,079	2,707
CASH AND CASH EQUIVALENTS CARRIED FORWARD represented by bank balances and cash	結轉現金及現金等價物結餘即銀行結餘及現金	280,963	519,494

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

1. GENERAL

Symphony Holdings Limited ("Symphony" or "Company", together with its subsidiaries "Group") was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited ("Exchange"). The parent and the ultimate holding company is Well Success Investment Limited ("Well Success"), a company incorporated in the British Virgin Islands. The address of the registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and the principal place of business of the Company is at the 10th Floor of Island Place Tower, 510 King's Road, North Point, Hong Kong.

The functional currency of the Company is United States dollars ("USD"). The consolidated financial statements are presented in Hong Kong dollars ("HKD") for the convenience of the shareholders, as the Company is listed in Hong Kong.

The principal activities of the Group are manufacturing and trading of footwear, trading, retailing and distribution of licensed products, property investment and investment holding. The principal activities of its principal subsidiaries are set out in Note 38.

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

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

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

The adoption 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.

1. 一般資料

新灃集團有限公司(「新灃」或「本公司」，連同其附屬公司統稱「本集團」)於百慕達註冊成立為獲豁免有限責任公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。母公司及最終控股公司為於英屬處女群島註冊成立的Well Success Investment Limited(「Well Success」)。本公司註冊辦事處為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda，其主要營業地點位於香港北角英皇道510號港運大廈10樓。

本公司的應用貨幣為美元(「美元」)。由於本公司於香港上市，為方便股東，本綜合財務報表以港元(「港元」)呈列，並等同本公司的應用貨幣。

本集團的主要業務為鞋履產品製造及貿易，商標產品貿易、零售及分銷，物業投資及投資控股，而其主要附屬公司的業務活動已載於附註38。

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已採納下列由香港會計師公會(「香港會計師公會」)頒佈並已生效的修訂本及詮釋(「新香港財務報告準則」)。

香港會計準則第39號及香港財務報告準則第7號(修訂本)	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：集團及庫存股分交易
香港(國際財務報告詮釋委員會)–詮釋第12號	服務經營權安排
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—界定利益資產的限制、最低融資要求及其等的相互影響

採納新香港財務報告準則概無對本集團現行或過往會計期間已制定及呈列的業績及財務狀況造成重大影響，因此，並無以往期間需要進行調整。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

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

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

HKFRSs (Amendments)	Improvements to HKFRSs ¹
HKAS 1 (Revised)	Presentation of Financial Statements ²
HKAS 23 (Revised)	Borrowing Costs ²
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ³
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ²
HKAS 39 (Amendment)	Eligible hedged items ³
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate ²
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ²
HKFRS 3 (Revised)	Business Combinations ³
HKFRS 7 (Amendment)	Improvement Disclosures about Financial Instruments ²
HKFRS 8	Operating Segments ²
HK(IFRIC) – Int 9 & HKAS 39 (Amendments)	Embedded Derivatives ⁴
HK(IFRIC) – Int 13	Customer Loyalty Programmes ⁵
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate ²
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation ⁶
HK(IFRIC) – Int 17	Distribution of Non-cash Assets to Owners ³
HK(IFRIC) – Int 18	Transfers of Assets from Customers ⁷

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團並無提早採納下列已頒布惟尚未生效的新訂及經修訂準則、修訂本或詮釋。

香港財務報告準則 (修訂本)	香港財務報告準則之改進 ¹
香港會計準則第1號 (經修訂)	財務報表的呈列 ²
香港會計準則第23號 (經修訂)	借貸成本 ²
香港會計準則第27號 (經修訂)	綜合及獨立財務報表 ³
香港會計準則第32號及1號 (修訂本)	可沽售金融工具及清盤時產生的責任 ²
香港會計準則第39號 (修訂本)	合資格對沖項目 ³
香港財務報告準則第1號及香港會計準則第27號 (修訂本)	於附屬公司、共同控制實體或聯營公司的投資成本 ²
香港財務報告準則第2號 (修訂本)	歸屬條件及註銷 ²
香港財務報告準則第3號 (經修訂)	業務合併 ³
香港財務報告準則第7號 (修訂本)	金融工具披露之改進 ²
香港財務報告準則第8號	經營分類 ²
香港(國際財務報告詮釋委員會)–詮釋第9號及香港會計準則第39號 (修訂本)	嵌入衍生工具 ⁴
香港(國際財務報告詮釋委員會)–詮釋第13號	客戶忠誠計劃 ⁵
香港(國際財務報告詮釋委員會)–詮釋第15號	興建房地產協議 ²
香港(國際財務報告詮釋委員會)–詮釋第16號	海外業務投資淨額對沖 ⁶
香港(國際財務報告詮釋委員會)–詮釋第17號	向持有人分派非現金資產 ³
香港(國際財務報告詮釋委員會)–詮釋第18號	自客戶轉移資產 ⁷

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

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

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

The application of HKFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2010. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary. The directors of the Company ("**Directors**") anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

- ¹ 於2009年1月1日或以後開始的年度期間生效，惟香港財務報告準則第5號，則於2009年7月1日或以後開始的年度期間生效。
- ² 於2009年1月1日或以後開始的年度期間生效。
- ³ 於2009年7月1日或以後開始的年度期間生效。
- ⁴ 於2009年6月30日或以後完結的年度期間生效。
- ⁵ 於2008年7月1日或以後開始的年度期間生效。
- ⁶ 於2008年10月1日或以後開始的年度期間生效。
- ⁷ 於2009年7月1日或以後的轉讓生效。

採納香港財務報告準則第3號(經修訂)有可能影響收購日自2010年1月1日或以後開始的首個年度報告期間業務合併會計呈列；而香港會計準則第27號(經修訂)將會影響本集團於一附屬公司持有權的變更的會計處理方法。本公司董事(「**董事**」)預期，採納此等新訂及經修訂準則、修訂本或詮釋將不會對本集團的業績及財務狀況造成重大影響。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

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

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

BASIS OF CONSOLIDATION

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

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

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

3. 主要會計政策

本綜合財務報表乃根據歷史成本而編製，惟若干物業及金融工具則以其重估價值或公平價值而計量，於下列會計政策中說明。

本綜合財務報表乃按照香港會計師公會頒佈的香港財務報告準則而編製；此外，本綜合財務報表包括依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」）與香港《公司條例》所適用的披露要求。

綜合基準

本綜合財務報表合併本公司及本公司控制實體（其附屬公司）的財務報表。控制權乃指當本公司有權力控制一實體的財務及營運政策，並從其活動中獲得利益。

於年內購置或出售的附屬公司業績已於收購生效日或截至出售生效日止（倘適用）於本綜合損益表內列賬。

倘有需要，附屬公司的財務報表會作出調整，以切合本集團其他成員所採納的會計政策。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF CONSOLIDATION (CONTINUED)

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

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

BUSINESS COMBINATIONS

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

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

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

3. 主要會計政策 (續)

綜合基準 (續)

所有集團內部交易、結餘、收入及開支已於綜合賬目時對銷。

於綜合附屬公司的資產淨值中的少數股東權益與本集團的權益已被分開呈列。於資產淨值中的少數股東權益包括於原業務合併日期的該等權益金額及自合併日以來少數股東應佔權益變動。少數股東應佔虧損超越附屬公司股本中的少數股東權益會計入本集團的權益內，惟倘少數股東受具約束力的責任所規限並有能力作出額外投資以彌補該虧損則除外。

業務合併

收購業務乃以收購法入賬。收購成本的計量，乃按於交易日所獲資產的公平價值總額、所產生或承擔的負債，及本集團所發行的股本工具以換取被併購者的控制權，加上任何業務合併直接應佔的成本。被併購者符合香港財務報告準則第3號業務合併所列準則的可識別資產、負債及或然負債均於收購日按其公平價值確認。

收購產生的商譽會被確認為資產，並初步以成本計量，乃為業務合併成本超越本集團於該業務的已確認可辦認資產、負債及或然負債的公平價值淨值的權益的額外價值。倘於重新評定後，本集團於被併購者的可辦認資產、負債及或然負債的公平價值淨值的權益超越業務合併的成本，則該超出金額會即時於損益賬中確認。

被併購者的少數股東權益初步按少數股東權益於已確認資產、負債及或然負債的公平價值淨值的比例計量。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ACQUISITION OF ADDITIONAL INTERESTS IN SUBSIDIARIES

Additional interests in subsidiaries are measured at the aggregate of the carrying amounts of identified assets and liabilities of the subsidiaries and any excess of the consideration over the net assets acquired are accounted for as goodwill. Any excess of the net assets acquired over the consideration is recognized immediately in profit or loss.

GOODWILL

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

Capitalized goodwill arising on an acquisition of a business is presented separately in the consolidated balance sheet.

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

On subsequent disposal of the relevant cash-generating unit, the attributable amount of goodwill capitalized is included in the determination of the amount of profit or loss on disposal.

3. 主要會計政策 (續)

購買附屬公司額外股權

附屬公司額外股權乃以該附屬公司可識別資產及負債的賬面總值及任何收購代價超出所收購的資產淨值的金額而計量，會被視為商譽。任何收購資產淨值超出代價的金額會即時於損益內確認。

商譽

收購業務所產生的商譽，乃指於收購日收購成本超越本集團於相關業務的可辨認資產、負債及或然負債的公平價值的權益。商譽乃以成本扣減任何累計減值虧損列賬。

收購一業務所產生的已資本化商譽已於綜合資產負債表內分開呈列。

為進行減值測試，收購所產生的商譽已被分配至各個相關現金產生單位，或現金產生單位組別，並預期可受惠於收購的協同效應。已獲分配商譽的現金產生單位會於每年及凡單位有可能出現減值現象時進行減值測試。於一財政年度因收購所產生的商譽，已獲分配商譽的現金產生單位會於該財政年度終結前進行減值測試。當現金產生單位的可收回金額少於該單位的賬面值，則減值虧損會被分配，以首先減少已分配至該單位的任何商譽的賬面值，其後以單位各資產的賬面值為基準按比例分配至該單位的其他資產。商譽的任何減值虧損乃直接於綜合損益表內予以確認。商譽的減值虧損於繼後期間不予回撥。

日後出售相關現金產生單位時，已資本化的商譽應佔金額已包含於出售時計入釐定損益的金額內。

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For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS IN AN ASSOCIATE

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

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

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

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

3. 主要會計政策(續)

聯營公司投資

聯營公司乃指投資者對其具有重大影響力，但並非附屬公司或合營公司權益。

聯營公司的業績、資產及負債乃以權益會計法併入此等綜合財務報表。根據權益法，聯營公司投資乃按成本於綜合資產負債表中列賬，收購後的本集團應佔賬項變動均按聯營公司資產淨值扣減任何已辨認的減值虧損作出調整。當本集團應佔一聯營公司虧損相等於或超越其於該聯營公司的權益(包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司的投資淨額的一部分)，則本集團會停止確認分佔其的進一步虧損。額外應佔的虧損會被撥備，而負債僅以本集團已產生的法定或推定責任或代表該聯營公司作出付款為限獲確認。

任何本集團應佔已識別資產、負債及或然負債的公平價值淨值超越收購成本的部分，經評定後，會即時於損益確認。

當有一集團實體與本集團一聯營公司進行交易，則損益會以本集團於相關聯營公司中的權益為限而撇銷。

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For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

JOINT VENTURES

Jointly controlled entities

Joint venture arrangements which involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

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

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

When a group entity transacts with a jointly controlled entity of the Group, profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity.

3. 主要會計政策 (續)

合營企業

共同控制實體

合資經營安排倘涉及成立一獨立實體而合營各方共同擁有該實體的經濟活動控制權，該實體則被視為共同控制實體。

共同控制實體的業績及資產與負債會以權益會計法併入綜合財務報表。根據權益法，共同控制實體投資乃以成本於綜合資產負債表中列賬，並就收購後本集團應佔共同控制實體的變動扣除任何已辦認的減值虧損作出調整。當本集團應佔一共同控制實體的虧損相等於或超越其於該共同控制實體的權益(包括任何長期權益，而該長期權益實質上構成本集團於該共同控制實體的投資淨額的一部分)，則本集團會停止確認其應佔的進一步虧損。額外應佔的虧損會被撥備，而負債僅以本集團已產生的法定或推定責任或代表該共同控制實體作出付款為限被確認。

任何本集團應佔已識別資產、負債及或然負債公平價值淨值超越收購成本，經評定後，會即時於損益確認。

當有一集團實體與本集團一共同控制實體進行交易，則損益以本集團於該共同控制實體中的權益為限撇銷。

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For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION

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

Revenue from sales of goods is recognized when goods are delivered and title has passed.

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.

Rental income, including rental invoiced in advance from properties let under operating leases, is recognized on a straight-line basis over the period of the relevant lease.

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

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes are stated at cost or fair value less subsequent depreciation and impairment losses.

Buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and any subsequent accumulated impairment losses. Freehold land is stated at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the balance sheet date.

3. 主要會計政策(續)

收益確認

收益乃按已收或應收代價的公平價值計量，並代表於一般業務過程中出售商品的應收款項，扣減折扣及相關銷售稅項。

商品銷售收益於商品交付及產權轉移時予以確認。

金融資產所產生的利息收入乃參考未償還本金及所適用的實際利率按時間基準計算，實際利率是將金融資產在預計年期內的估計未來現金收入貼現至該資產賬面淨值的利率。

根據經營租賃出租物業的租金收入(包括預先發出租單)按相關租賃期以直線法確認。

投資所產生的股息收入會於股東收取付款的權利獲確立時予以確認。

物業、廠房及設備

物業、廠房及設備包括持作生產或供應商品或服務用途或作行政用途的樓宇，乃以成本或公平價值減去繼後的折舊及減值虧損而計量。

持作生產或供應商品或服務用途或作行政用途的樓宇，於綜合資產負債表中以其重估價值入賬，即重估價值當天的公平價值扣減任何繼後累計折舊及任何繼後累計減值虧損。永久業權土地以重估價值，即重估價值當天的公平價值扣減任何繼後累計減值虧損而入賬。價值重估須在符合各項相關規則下進行，以使其賬面值不會與於結算日使用的公平價值釐定者存在重大差異。

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For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Any revaluation increase arising on revaluation of freehold land and buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized as an expense, in which case the increase is credited to the consolidated income statement to the extent of the decrease previously charged. A decrease in net carrying amount arising on revaluation of an asset is dealt with as an expense to the extent that it exceeds the balance, if any, on the revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus is transferred to accumulated profits.

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

If an item of property, plant and equipment becomes an investment property because its use has changed as evidenced by an end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognized in property revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to accumulated profits.

An item of property, plant and equipment is derecognized 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 de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognized.

3. 主要會計政策 (續)

物業、廠房及設備 (續)

任何重估永久業權土地及樓宇價值所產生的重估增值會計入重估儲備，除非該增值用於抵銷相同資產於過往的重估減值而獲確認為開支，則該增值將計入綜合損益表，惟金額以先前扣除的減值為限。資產重估所產生的賬面淨值減值，若超越過往重估該資產有關的重估儲備的結餘(如有)，則按其超出的結餘作開支扣減。於日後出售或報廢重估資產，其應佔重估盈餘會撥入累計溢利。

折舊乃用以撇銷物業、廠房及設備項目的成本或公平價值，按其估計可使用年期及考慮其估計剩餘價值以直線法計量。

倘因項目擁有人的佔用期完結而改變物業使用目的，使物業、廠房及設備成為一項投資物業，該項目的賬面值與其公平價值的任何差異會在轉移日於物業重估儲備中確認。往後出售或收回該資產，相關的重估儲備將會直接轉移至累計溢利。

物業、廠房及設備項目於出售時或預期繼續使用該資產將不會產生任何未來經濟效益時會被取消確認。取消確認該資產所產生的任何收益或虧損(按該項目出售收益淨額及其賬面值的差額計算)會於該取消確認項目的年度計入綜合損益表。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENT PROPERTIES

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

An investment property is derecognized 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 de-recognized.

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 recognized 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 recognized as an expense on a straight-line basis over the lease term.

The Group as lessee

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

3. 主要會計政策(續)

投資物業

於首次確認時，投資物業乃以成本計量，包括任何直接應佔開支。首次確認以後，投資物業會以公平價值模式按其公平價值計量。投資物業公平價值變動所產生的收益或虧損會在其產生期間計入損益。

當出售或永久停止使用投資物業或預期不會從出售該項物業中獲得未來經濟收益時，該項投資物業不再獲確認。不再確認該資產所產生的任何收益或虧損(按出售所得款項淨額與該資產的賬面值的差額計算)會於不再確認該資產的年度計入綜合損益表。

租賃

當租賃條款將所涉及擁有權的絕大部分風險及回報轉移予承租人時，租賃會被分類為財務租賃，其他的租賃均被分類為經營租賃。

本集團作為出租人

經營租賃的租金收入乃按相關租約期以直線法於綜合損益表確認。於協商及安排一項經營租賃時所作的首次直接成本乃計入租賃資產的賬面值，並按租賃期以直線基準確認為開支。

本集團作為承租人

經營租賃的應付租金乃按相關租賃期以直線基準計入損益，作為訂立一項經營租賃的獎勵的已收及應收利益會以直線基準按租約期確認作租金開支減少。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LEASING (CONTINUED)

Leasehold land and building

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire contract is generally treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases.

FOREIGN CURRENCIES

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

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

3. 主要會計政策 (續)

租賃 (續)

租賃土地及樓宇

土地及樓宇租賃項內的土地及樓宇應視乎租賃類別用途而個別考慮，除非租賃付款不能可靠地分配為土地及樓宇部分，則整份協議一般會被視為財務租賃，並計入物業、廠房及設備。倘該租賃付款能可靠地分配，土地租賃權益會計入經營租賃，惟僅限於租賃付款可以可靠地分配的情況下。

外幣

於編製各個別集團實體的財務報表時，以該實體的功能貨幣以外的貨幣(外幣)進行交易均會按交易日期所適用現行匯率換算為其功能貨幣(即該實體經營的主要經濟環境的貨幣)記賬。於各結算日，以外幣定值的貨幣項目均按結算日現行匯率重新換算。按公平價值以外幣定值的非貨幣項目乃以公平價值釐定當日現行匯率重新換算。以外幣的歷史成本價值計量的非貨幣項目則毋須重新換算。

於結算及換算貨幣項目時產生的匯兌差異，均在其等產生期間已於損益中確認。以公平價值定值的非貨幣項目經重新換算後產生的匯兌差異在該期間於損益入賬，惟直接確認於股本的非貨幣項目重新換算所產生的損益差額則除外；在此情況下，該匯兌差異亦直接於股本確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FOREIGN CURRENCIES (CONTINUED)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HKD) 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 recognized as a separate component of equity (translation reserve). Such exchange differences are recognized in profit or loss in the period in which the foreign operation is disposed of.

RETIREMENT BENEFITS COSTS

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

TAXATION

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

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

3. 主要會計政策(續)

外幣(續)

為呈列綜合財務報表，本集團的海外經營業務的資產及負債乃按結算日的現行匯率換算為本集團的呈列貨幣(即港元)，而其收入及開支乃按年度的平均匯率進行換算，除非匯率於該期間內出現大幅波動，於此情況下，則採用於交易日現行匯率。產生的匯兌差異(如有)乃被確認為股本的獨立成分(匯兌儲備)。該等匯兌差異乃於出售海外業務期間於損益內確認。

退休福利成本

當僱員已為公司提供服務並符合獲得供款資格，付款予國家管理退休福利計劃及強制性公積金計劃會計入開支。

稅項

所得稅開支乃指現行應付稅項及遞延稅務總額。

現行應付稅項乃基於本年度應課稅溢利計算。應課稅溢利與綜合損益表中所報告的溢利有所差異，乃由於應課稅溢利不包括在其他年度應課稅或可扣稅的收入及開支，亦不包括從未課稅及扣稅的項目。本集團的本期稅項負債乃按結算日已實行或實質上已實行的稅率計算。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

TAXATION (CONTINUED)

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

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, 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 realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

CLUB DEBENTURES

Club debentures are stated at cost less any subsequent accumulated impairment loss.

3. 主要會計政策 (續)

稅項 (續)

遞延稅務乃就綜合財務報表的資產及負債賬面值與計算應課稅溢利所用的相應稅基的差異而確認，並以資產負債表負債法處理。遞延稅務負債一般會就所有應課稅的臨時差異確認，而遞延稅務資產則於可能出現應課稅溢利時以抵銷可扣稅的臨時差異時提撥。於一項交易中，因商譽或因業務合併以外原因初次確認的其他資產及負債而引致該等既不影響應課稅溢利亦不影響會計溢利的臨時差異，該等資產及負債則不會獲確認。

於附屬公司及聯營公司的投資及於合營企業的權益而產生的應課稅暫時性差額，均予確認遞延稅務負債，除非本集團可控制暫時性差額的回撥，而該等暫時性差額很有可能不會在可見的未來回撥。

遞延稅務資產的賬面值於每個結算日檢討，並在沒可能有足夠應課稅溢利以恢復全部或部分資產時作調減。

遞延稅務乃按預期於償還負債或變現資產的期間以稅率計算。遞延稅務會計入或扣除損益，惟當遞延稅務與直接由股本扣除或計入股本的項目有關的情況下，遞延稅務亦會於股本中處理。

會所債券

會所債券乃以成本扣減任何繼後累計減值虧損而計量。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVENTORIES

Inventories are stated at the lower of cost and net realizable value. Cost is calculated using the weighted average method.

IMPAIRMENT LOSSES OF TANGIBLE ASSETS

At each balance sheet date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as revaluation decrease under that standard.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

FINANCIAL INSTRUMENTS

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

3. 主要會計政策(續)

存貨

存貨乃按成本及可變現淨值的較低者列賬，成本則按加權平均法而釐定。

有形資產的減值虧損

於結算日，本集團檢討其有形資產的賬面值，以決定該等資產有否減值虧損跡象。倘一資產的可收回價值估計低於其賬面值時，該資產的賬面值會被減少至其可收回價值。減值虧損須即時確認為支出，除非相關資產根據另一準則以重估值列賬，則其減值虧損可依該準則以重估減值入賬。

倘減值虧損於日後回撥，該資產的賬面值可調高至其重新釐定的可收回價值，惟該增加的賬面值不可高於該資產於過往年度確定未有減值虧損前的賬面值。回撥的減值虧損即時被確認為收入，除非有關資產按其他準則以重估值列賬，其回撥減值虧損可依該準則以重估增值入賬。

金融工具

金融資產及金融負債乃當一集團實體成為該工具合同條文的訂約方時在綜合資產負債表中獲確認。金融資產及金融負債以公平價值初步計量。其應佔的收購或發行金融資產及金融負債的直接交易成本(透過損益以公平價值列賬的金融資產及金融負債則除外)乃於首次確認時加入金融資產或金融負債的公平價值或自金融資產或金融負債的公平價值中扣除(倘適用)。收購透過損益以公平價值列賬的金融資產或金融負債的直接應佔交易成本會即時於損益確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets

The Group's financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognized and derecognized 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.

Effective interest method

The effective interest method is a method of calculating the amortized 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 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.

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

3. 主要會計政策 (續)

金融工具 (續)

金融資產

本集團的金融資產被分為以下三個類別的其中一個類別，包括透過損益按公平價值計量的金融資產(「**透過損益按公平價值計量的金融資產**」)、貸款與應收賬款及可供銷售金融資產。所有定期購買或出售的金融資產乃按交易日的基準予以確認及取消確認。定期購買或出售乃指金融資產的購買或出售，並要求按市場規則或慣例所設定的時限內付運資產。

實際利率法

實際利率法用以計量一金融資產於相關期間的攤銷成本及分配利息收入的方法。實際利率乃指透過金融資產的預計年期或(倘適用)在較短期間內實際貼現預計未來現金收入(包括構成的實際利率、交易成本及其他溢價或折讓的一部分的所有已付及已收取的費用)的利率。

該等被指定為透過損益按公平價值計量的金融資產(其利息收入於收益或虧損淨額中列賬)以外的債務工具的利息收入，乃以實際利率基準予以確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets (continued)

Financial assets at fair value through profit or loss

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

A financial asset is classified as held-for-trading if:

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

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

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

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

透過損益按公平價值計量的金融資產

透過損益按公平價值計量的金融資產分為兩個細分類，包括持作買賣的金融資產及該等會於首次確認時被指定為透過損益按公平價值計量的金融資產。

金融資產會被分類為持作買賣，倘：

- 主要的收購目的是於近期內將其出售；或
- 其為本集團共同管理的金融工具的已識別的資產組合的一部分，並於近期錄得實質短期完成獲利的模式；或
- 其為一衍生工具並未指定及有效成為對沖工具。

持作買賣的金融資產以外的金融資產可能於首次確認時被指定為透過損益按公平價值計量的金融資產，倘：

- 該指定可消除或相當大程度上減低計量或確認時可能出現的不一致；或
- 根據本集團已備檔的風險管理或投資策略，及內部提供的分組資料按其基準構成一組金融資產或金融負債或兩者相備的金融資產，並以公平價值基準管理及評估表現；或
- 構成一項，包含一個或多個嵌入的衍生工具的合約的部分，並且香港會計準則第39號允許整份合併合約指定為透過損益以公平價值入賬的金融資產。

在首次確認後的每個結算日，透過損益按公平價值計量的金融資產會以公平價值計量，其公平價值變更會於其產生期間直接於損益確認，於損益確認的收益及虧損淨額包括該金融資產所產生的任何股息或利息收入。

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For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including amount due from jointly controlled entities, trade and other receivables and bank balances and cash) are carried at amortized cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are not classified as financial assets at FVTPL and loans and receivables.

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

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

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收賬款

貸款及應收賬款為非衍生金融資產，附有固定的或有付款限期，該付款並無在交投活躍的市場中報價。於首次確認後的每個結算日，貸款及應收賬款（包括應收共同控制實體賬款、貿易及其他應收賬款以及銀行結餘與現金）均按實際利率法計算以已攤銷成本，扣減任何已識別的減值虧損入賬（請參閱以下金融資產的減值虧損會計政策）。

可供銷售金融資產

可供銷售金融資產為並無分類為透過損益按公平價值計量的金融資產以及貸款與應收賬款的非衍生工具。

於首次確認後的每個結算日，可供銷售金融資產以公平價值計量。公平價值的變動會於股本中確認，直至該金融資產被出售或決定被減值時，過往於股本獲確認的累計收益或虧損會自股本中剔除，並於損益賬確認（請參閱以下金融資產減值虧損的會計政策）。

並無在交投活躍的市場中報價且其公平價值不能可靠計量的可供銷售股本投資，以及與該等無報價的股本工具相聯繫、且須通過交付該等股本工具進行結算的衍生工具，於初始確認的每個結算日，以成本扣減任何已識別減值虧損計量（請參閱以下金融資產減值虧損的會計政策）。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets (continued)

Impairment of financial assets

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

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

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

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

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

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值

不包括透過損益按公平價值計量的金融資產的金融資產於每個結算日會被評估減值跡象。當有客觀證據顯示由於一項或多項於首次確認該金融資產後發生的事件，導致該金融資產的預計未來現金流已受影響，則金融資產會被減值。

可供銷售股本投資的公平價值出現重大或長期減值至低於其成本，會被視為減值的客觀證據。

所有其他金融資產的客觀減值證據應包括：

- 發行人或對方的重大財務困難；或
- 未能履行或拖欠利息或本金的付款責任；或
- 借款人有可能申請破產或財務重組。

對於以攤銷成本列賬的金融資產，當有實質證據顯示資產已減值時，減值虧損在損益賬中確認，並按該資產賬面值及按原先實際利率折讓的估計未來現金流量的現值差額計量。

對於以成本價入賬的金融資產，減值虧損按該資產賬面值及與按相似金融資產的現行市場回報率折讓的估計未來現金流量現值的貼現值而計量。有關減值虧損不會在其後期間撥回。

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For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets (continued)

Impairment of financial assets (continued)

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

For financial assets measured at amortized 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 recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognized directly in equity. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Financial liabilities and equity

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

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

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

除了貿易應收賬款的賬面值會透過一個撥備賬進行減值外，所有金融資產的賬面值直接進行減值虧損。撥備賬內賬面值的變更在損益中確認。當貿易應收賬款被認為未能收回，將於撥備賬內註銷。以往被撇銷賬款倘於其後收回會在損益中入賬。

對於以攤銷成本作賬面值計量的金融資產，倘於其後期間，其減值虧損遞減而該等遞減可實質地聯繫至一項在減值虧損確認後發生事項，較早前確認的減值虧損會在損益賬回撥，惟減值虧損回撥當日資產賬面值不得超過倘減值虧損未被確認的應有攤銷成本。

可供銷售股本投資的減值虧損不會在其後期間於損益中回撥。任何在減值虧損後增加的公平價值會直接在股本確認。對於可供銷售債務投資，倘其公平價值增加可實質地聯繫至一項在減值虧損確認後發生事項，該等減值虧損在其後會被撥回。

金融負債及股本

集團實體發行的金融負債及股本工具乃根據合同安排的性質與金融負債及股本工具的定義而分類。

股本工具乃指證明於扣減所有其負債後的該組資產的剩餘權益的任何合同。

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For the year ended 31 December 2008 截至2008年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

Financial liabilities and equity (continued)

Effective interest method

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

Interest expense is recognized on an effective interest basis.

Financial liabilities

Financial liabilities (including trade and other payables and amount due to jointly controlled entities) are subsequently measured at amortized 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.

De-recognition

Financial assets are de-recognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss. If the Group retains substantially all the risks and rewards of ownership of a transferred asset, the Group continues to recognize the financial asset and recognise a collateralized borrowing for proceeds received.

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

3. 主要會計政策(續)

金融工具(續)

金融負債及股本(續)

實際利率法

實際利率法用以計量一金融負債的攤銷成本及分配利息開支於相關期間的方法。實際利率乃指透過金融負債的預計年期或(倘適用)較短期間實際貼現預計未來現金付款的利率。

利息開支乃按實際利率基準予以確認。

金融負債

金融負債(包括應付貿易及其他應付賬款以及應付共同控制實體款項)乃隨後採用實際利率法按已攤銷成本計量。

股本工具

本公司發行的股本工具乃按已收收益扣減直接發行成本記賬。

取消確認

倘從資產收取現金流的權利已屆滿，或金融資產已轉讓及本集團已將其於金融資產擁有權的絕大部分風險及回報轉移，則金融資產將被取消確認。於取消確認金融資產時，資產賬面值與已收或應收代價及已直接於權益確認的累計損益的總和差額，將於損益中予以確認。倘本集團保留一個已轉讓資產絕大部分風險及回報，本集團可繼續確認金融資產及就所收取款項確認有擔保借貸。

至於金融負債，倘於有關合約訂明的特定責任獲解除、取消或屆滿，即取消確認。取消確認的金融負債賬面值與已付或應付代價的差額乃於損益賬中予以確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SHARE-BASED PAYMENT TRANSACTIONS

Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognized as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share options reserve).

At the time when the share options are exercised, the amount previously recognized in share option reserve will be transferred to share premium. When share options are forfeited, i.e. share options lapse as a result of resignation of employees, after the vesting date or are still not exercised at the expiry date, the amount previously recognized in share option reserve will be transferred to accumulated profits.

Share options granted to consultants

Share options issued in exchange for services are measured at the fair values of the services received, unless that fair value cannot be reliably measured, in which case the services received are measured by reference to the fair value of the share options granted. The fair values of the services received are recognized as expenses with a corresponding increase in equity (share options reserve), when the counterparties render services, unless the services qualify for recognition as assets.

3. 主要會計政策 (續)

以股份支付的交易

授予僱員的購股權

倘於購股權授出日即時歸屬，則參考購股權授出日的購股權的公平價值而獲得的服務的公平價值將悉數確認為開支，並在股本權益(購股權儲備)中作出相應增加。

當購股權被行使時，以前已被確認的購股權儲備將會被轉移至股本溢價中。倘購股權於歸屬日以後被沒收(即因僱員辭任而導致的購股權失效)，或於到期日仍未行使，則以往已獲確認於購股權儲備的金額將會轉移至累計溢利。

授予顧問的購股權

發行購股權以換取服務乃按已獲服務的公平價值計量，除非公平價值不能可靠地計量，則此等服務會參考授出購股權日的公平價值而計量。當對方提供服務(除非該等服務符合資格以資產方式確認)，則該等服務的公平價值會確認為開支，並在股本權益(購股權儲備)中作出相應增加。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

ESTIMATED IMPAIRMENT OF GOODWILL

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. The Group recognized a full impairment loss of approximately HKD57,477,000 during the year. Details of the recoverable amount calculation are disclosed in Note 18.

5. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of equity attributable to equity holders of the Company, comprising issued share capital and various reserves.

The Directors review the capital structure regularly. As part of this review, the Directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

4. 估計不穩定因素的主要來源

對於將來的的主要假設及結算日的估計不穩定因素的其他主要來源(涉及導致下個財政年度的資產及負債的賬面值出現大幅調整的重大風險)的討論如下:

商譽的估計減值

決定商譽需要減值與否乃需要被分配商譽的現金產生單位的估計可使用價值。計量可使用價值乃需要本集團估計由該現金產生單位的預期未來現金流量及一個合適的貼現率以計算其現值。倘實際未來現金流量少於預期，則可能產生重大減值虧損。本集團於年內悉數確認減值虧損約57,477,000港元。計算可收回金額的明細於附註18中披露。

5. 資金風險管理

本集團管理其資本以保證本集團的實體可以持續經營，並優化負債及股權的平衡以最佳化利益相關者回報。本集團所有政策相比往年並無變更。

本集團的資本架構包括本公司權益持有人應佔權益(包括已發行股本及各項儲備)。

董事定期審閱資本架構。作為審閱的一部分，董事會考慮與各類別資本相關的資本成本及風險。根據董事的推薦意見，本集團將通過支付股息、發行新股及購回股份以及發行新債務或贖回現有債務，平衡其整體資本架構。

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6. FINANCIAL INSTRUMENTS

(A) CATEGORIES OF FINANCIAL INSTRUMENTS

FINANCIAL ASSETS	金融資產
Fair value through profit or loss	透過損益按公平價值計量
– held-for-trading investment	– 持作買賣的投資
– structured deposits	– 結構性存款
Loans and receivables (including bank balances and cash)	貸款及應收賬款 (包括銀行結餘 及現金)
Available-for-sale financial assets	可供銷售的 金融資產
FINANCIAL LIABILITIES	金融負債
Amortized cost	已攤銷成本

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include available-for-sale investments, amounts due from/to jointly controlled entities, trade and other receivables, held-for-trading investments, bank balances and cash, trade and other payables. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

6. 金融工具

(A) 金融工具的類別

	2008	2007
	HKD'000	HKD'000
	千港元	千港元
金融資產		
透過損益按公平價值計量		
– 持作買賣的投資	4,055	428
– 結構性存款	-	62,240
貸款及應收賬款 (包括銀行結餘 及現金)	749,501	872,771
可供銷售的 金融資產	54,366	23,085
金融負債		
已攤銷成本	299,067	318,796

(B) 金融風險管理目標及政策

本集團的主要金融工具包括可供銷售投資、應收及應付共同控制實體款項、貿易及其他應收賬款、持作買賣投資、銀行結餘及現金、貿易及其他應付賬款。以上金融工具的詳情載於相關附註。與此等金融工具相關的風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。減輕此等風險的政策已載列於下文。管理層透過管理及監控此等風險，確保可及時有效地採取適當措施。

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6. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk

(i) Currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which expose the Group to foreign currency risk.

At the balance sheet date, the carrying amounts of the Group's monetary assets and monetary liabilities that were denominated in a currency (i.e. HKD) other than the functional currency (i.e. USD) of the relevant group entities were as follows:

HKD 港元

Sensitivity analysis

The Group is mainly exposed to the fluctuation in USD/HKD exchange rate. However, the foreign currency risk is not significant as HKD is pegged to USD.

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate bank deposits and loan to a jointly controlled entity. The Directors consider the Group's exposure to fair value interest rate risk is not significant as interest bearing bank deposits and loan to a jointly controlled entity are within short maturity periods.

The Group is also exposed to cash flow interest rate risk in relation to variable-rate structured deposits and bank deposits. It is the Group's policy to keep its deposits at floating rate of interests so as to minimize the fair value interest rate risk.

6. 金融工具(續)

(B) 金融風險管理目標及政策(續)

市場風險

(i) 貨幣風險

本集團的若干附屬公司的銷售及購買乃以外幣結算，令本集團承受外幣風險。

於結算日，本集團以相關集團實體的功能貨幣(即美元)以外的貨幣(即港元)結算的貨幣資產及貨幣負債的賬面值如下：

Liabilities		Assets	
負債		資產	
2008	2007	2008	2007
HKD'000	HKD'000	HKD'000	HKD'000
千港元	千港元	千港元	千港元
20,107	40,582	19,145	86,511

敏感度分析

本集團主要承受美元/港元匯率波動風險。然而，由於港元跟美元掛鈎，故外幣風險並不顯著。

(ii) 利率風險

本集團就定息銀行存款及貸款予一共同控制實體而承擔公平價值利率風險。董事認為，由於計息銀行存款及貸款予一共同控制實體均為短期性，故本集團承擔的公平價值利率風險並不顯著。

本集團亦因可變利率結構性存款及銀行存款而面對現金流量利率風險。本集團的政策乃就其存款採用浮動利率以減低公平價值利率風險。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

6. FINANCIAL INSTRUMENTS (CONTINUED)

(8) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

Market risk (continued)

(ii) Interest rate risk (continued)

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of HIBOR and LIBOR arising from the Group's HKD denominated bank deposits and USD denominated structured deposits respectively.

Sensitivity analysis

The sensitivity analyzes below have been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance sheet date. The analysis is prepared assuming these financial instruments outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31 December 2008 would increase/decrease by approximately HKD863,000 (2007: increase/decrease by HKD729,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate structured deposits and bank deposits.

6. 金融工具(續)

(8) 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

本集團的現金流量風險主要集中在香港銀行同業拆息利率及倫敦銀行同業拆息利率的波動，該等風險乃來自本集團分別以港元結算銀行存款及以美元結算的結構性存款。

敏感度分析

以下敏感度分析主要基於在結算日，衍生工具及非衍生工具的利率風險承擔。於結算日，本分析假設該等未兌現的金融工具於全年均未兌現。本集團內部向主要管理人員匯報利率風險會採納50基點上升及下跌為基準，此亦代表管理層對利率的合理可能變動的評估。

倘利率上升／下降50基點，及其他所有可變因數維持不變，則本集團截至2008年12月31日止年度的溢利將會增加／減少約863,000港元(2007：增加／減少729,000港元)。此乃主要由本集團來自可變利率結構性存款及銀行存款所產生利率風險所致。

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For the year ended 31 December 2008 截至2008年12月31日止年度

6. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

Market risk (continued)

(iii) Other price risk

The Group is exposed to other price risk through its investments in both equity and debt securities. The Group's other price risk is mainly concentrated on equity instruments operating in footwear manufacturing industry sector quoted in the Exchange and debt instruments operating in insurance and banking services listed outside Hong Kong. In addition, the Group has appointed a special team to monitor the other price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

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

If the prices of the respective listed equity and debt instruments had been 5% higher:

- loss for the year ended 31 December 2008 decrease by approximately HKD169,000 (2007: profit for the year increase by HKD18,000) as a result of the changes in fair value of held-for-trading investments; and
- investment valuation reserve would increase approximately by HKD1,794,000 (2007: increase approximately HKD230,000) for the Group as a result of the changes in fair value of available-for-sale investments.

6. 金融工具(續)

(B) 金融風險管理目標及政策(續)

市場風險(續)

(iii) 其他價格風險

本集團的股本及債務證券投資使其承擔其他價格風險。本集團的其他價格風險主要集中於在聯交所上市鞋履製造經營行業公司的股本工具及在香港以外地區上市的經營保險及銀行服務業公司的債務工具。除此以外，本集團委派一專責隊伍，以監控其他價格風險，並於其產生時考慮對沖此風險承擔。

敏感度分析

以下敏感度分析主要基於在報告日所承擔的股本價格風險。

倘相關上市股本及債務工具價格上升5%：

- 鑒於持作買賣投資的公平價值變動，截至2008年12月31日止年度虧損下跌約169,000港元(2007：年度溢利上升18,000港元)；及
- 鑒於可供銷售投資的公平價值變動，本集團投資重估儲備上升約1,794,000港元(2007：上升約230,000港元)。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

6. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

Market risk (continued)

(iii) Other price risk (continued)

Sensitivity analysis (continued)

If the prices of the respective listed equity and debt instruments had been 5% lower:

- loss for the year ended 31 December 2008 increase by approximately HKD169,000 (2007: profit for the year decrease by HKD18,000) as a result of the changes in fair value of held-for-trading investments; and
- investment valuation reserve would decrease approximately by HKD7,750,000 (2007: only investment valuation reserve decrease approximately HKD230,000) for the Group as a result of the changes in fair value of available-for-sale investments, which will be charged to consolidated income statement, increasing the loss for the year of the same amount.

The Group's sensitivity to available-for-sale investments and held-for-trading investments has changed significantly from the prior year.

6. 金融工具(續)

(B) 金融風險管理目標及政策(續)

市場風險(續)

(iii) 其他價格風險(續)

敏感度分析(續)

倘相關上市股本及債務工具價格下跌5%:

- 鑒於持作買賣投資的公平價值變動，截至2008年12月31日止年度虧損上升約169,000港元(2007: 年度溢利下跌18,000港元); 及
- 鑒於可供銷售投資的公平價值變動，本集團投資重估儲備將下跌約7,750,000港元(2007: 投資重估儲備僅下跌約230,000港元)，該款項將於綜合損益表內扣除，導致年度虧損按相等金額增加。

對比往年，本集團對可供銷售投資及持作買賣投資的敏感度已重大改變。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

6. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

Credit risk

As at 31 December 2008, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheet.

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

At 31 December 2008, the credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

At 31 December 2008, the Group had concentration of credit risk in relation to bank balances as 89% (2007: 82%) of balances are placed with 5 banks (2007: 5 banks).

The Group also had concentration of credit risk in relation to trade receivables as 29% (2007: 33%) and 81% (2007: 74%) of the Group's total trade receivables were due from its largest customer and the five largest customer respectively. The credit risk in relation to these receivables is limited because they are multinational corporations with well established brand names and market positioning.

6. 金融工具(續)

(B) 金融風險管理目標及政策(續)

信貸風險

於2008年12月31日，倘交易對手未能就各類已確認的金融資產履行責任，則本集團所承擔且會對本集團造成財務損失的信貸風險最高為綜合資產負債表所列該等資產的賬面值。

為將信貸風險減至最低，本集團的管理層已指派一隊人員負責釐定信貸限額、信貸批核及其他監控程序，以確保採取跟進行動以收回過期貸款。除此以外，本集團亦會於每個結算日檢討各項貿易債項的可收回金額，以確保已就無法收回的金額作出足夠的減值虧損。就此而言，董事認為本集團的信貸風險已大幅減少。

於2008年12月31日，由於交易對手為獲得國際信貸評級機構給予高信貸評級的銀行，故流動資金的信貸風險有限。

於2008年12月31日，本集團承受銀行結餘集中的信貸風險，原因在於89% (2007: 82%) 的銀行結餘分別存放於5家銀行(2007: 5家銀行)。

本集團亦承受貿易應收賬款集中的信貸風險，因本集團最大客戶及5大客戶的應收貿易賬款分別佔本集團應收貿易賬款總額的29% (2007: 33%) 及81% (2007: 74%)。由於其等均為知名品牌及市場定位極具規模的跨國企業，該等應收賬款的信貸風險有限。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

6. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

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

Liquidity and interest risk tables

2008	2008
NON-DERIVATIVE FINANCIAL LIABILITIES	非衍生金融負債
Trade and other payables	貿易及其他應付賬款
Amounts due to jointly controlled entities	應付共同控制實體款項

2007	2007
NON-DERIVATIVE FINANCIAL LIABILITIES	非衍生金融負債
Trade and other payables	貿易及其他應付賬款
Amounts due to jointly controlled entities	應付共同控制實體款項

6. 金融工具(續)

(B) 金融風險管理目標及政策(續)

流動資金風險

於管理流動資金風險方面，本集團監控及維持本集團管理層認為足夠為經營提供資金及減輕現金流波動影響的現金及現金等價物水平。

下表詳述本集團的非衍生金融負債尚餘合約年期，乃基於金融負債的未貼現現金流量及按本集團須最早償付的日期而載列，本表格包括現金流的本金及利息。

流動資金及利率風險表

	Less than 1 month 少於 1個月 HKD'000 千港元	1-3 months 1至 3個月 HKD'000 千港元	Carrying amount at		
			Total undiscounted cash flows 未貼現現 金流總額 HKD'000 千港元	31.12.2008 於2008年 12月31日 的賬面值 HKD'000 千港元	
	187,920	83,141	271,061	271,061	
	28,006	-	28,006	28,006	
	215,926	83,141	299,067	299,067	
	Less than 1 month 少於 1個月 HKD'000 千港元	1-3 months 1至 3個月 HKD'000 千港元	3 months to 1 year 3個月 至1年 HKD'000 千港元	Carrying amount at	
				Total undiscounted cash flows 未貼現現 金流總額 HKD'000 千港元	31.12.2007 於2007年 12月31日 的賬面值 HKD'000 千港元
	171,958	111,514	26,532	310,004	310,004
	8,792	-	-	8,792	8,792
	180,750	111,514	26,532	318,796	318,796

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

6. FINANCIAL INSTRUMENTS (CONTINUED)

(c) FAIR VALUE

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

- the fair values of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and
- the fair values 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 input.

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

7. BUSINESS AND GEOGRAPHICAL SEGMENTS

BUSINESS SEGMENTS

No business segment analysis is presented as less than 10% of the Group's revenue and contribution to results are contributed by activities other than the manufacture and sales of footwear products.

GEOGRAPHICAL SEGMENTS

An analysis of the Group's revenue and contribution to segment results, assets and liabilities by geographical markets based on location of customers, irrespective of the origin of the goods, is presented below:

6. 金融工具(續)

(c) 公平價值

金融資產及金融負債的公平價值乃按下列因素決定：

- 附有一般規則及條件並於活躍流動市場交易的金融資產的公平價值乃參考市場開列的買入價及賣出價而釐定；及
- 其他金融資產及金融負債的公平價值乃按普遍採納的定價模式按貼現現金流分析為基準依現行市場可觀察的交易的價格或費率而釐定。

董事認為，於綜合財務報表按攤銷成本入賬的金融資產及金融負債的賬面值與其等的公平價值相若。

7. 業務及地區分部

業務分部

由於鞋履產品製造及營銷以外的業務對本集團營業額及業績貢獻均不足10%，故並無業務分部分析呈列。

地區分部

根據顧客所在地，本集團營業額及對分部業績、資產及負債按市場地區（不論貨品的來源地）的貢獻分析呈列如下：

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

7. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

7. 業務及地區分部 (續)

GEOGRAPHICAL SEGMENTS (CONTINUED)

地區分部 (續)

2008

2008

		United States of America	Canada	Europe	Asia	Australia	Others	Consolidated
		美國	加拿大	歐洲	亞洲	澳洲	其他	綜合
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
REVENUE	營業額							
External sales	對外銷售	924,335	93,572	646,941	252,655	22,276	110,805	2,050,584
RESULTS	業績							
Segment results	分部業績	44,213	4,476	30,945	15,327	1,065	5,300	101,326
Unallocated income	未分配收入							40,125
Impairment loss on goodwill	商譽減值虧損							(57,477)
Unallocated expenses	未分配開支							(213,810)
Share of results of jointly controlled entities	佔共同控制實體業績							(101,409)
Loss before tax	除稅前虧損							(231,245)
Taxation	稅項							1,554
Loss for the year	年度虧損							(229,691)
ASSETS	資產							
Segment assets	分部資產	328,253	33,230	229,743	89,724	7,911	39,348	728,209
Interests in jointly controlled entities	佔共同控制實體權益							206,021
Deferred tax assets	遞延稅務資產							10,085
Tax recoverable	應退稅項							9,714
Unallocated corporate assets	未分配企業資產							838,774
Consolidated total assets	綜合資產總值							1,792,803
LIABILITIES	負債							
Segment liabilities	分部負債	178,065	18,026	124,628	48,672	4,291	21,345	395,027
Tax payable	應付稅項							55,641
Deferred tax liabilities	遞延稅務負債							9,925
Unallocated corporate liabilities	未分配企業負債							28,006
Consolidated total liabilities	綜合負債總值							488,599
OTHER INFORMATION	其他資料							
Allowance for inventories	存貨備抵	953	96	667	261	23	114	2,114
Reversal of allowance for bad and doubtful debts	呆壞賬撥備回撥	(1,285)	(130)	(899)	(351)	(31)	(154)	(2,850)

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

7. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

GEOGRAPHICAL SEGMENTS (CONTINUED)

Segment assets consist of inventories, trade receivables and other operating assets. Segment liabilities comprise certain trade payables. Property, plant and equipment and prepaid lease payments are not directly attributable to individual customer and cannot be allocated to the segments on a reasonable basis.

2007

		United States of America	Canada	Europe	Asia	Australia	Others	Consolidated
		美國	加拿大	歐洲	亞洲	澳洲	其他	綜合
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
REVENUE	營業額							
External sales	對外銷售	939,056	95,357	436,629	225,894	27,216	125,055	1,849,207
RESULTS	業績							
Segment results	分部業績	123,101	12,500	57,238	31,060	3,568	16,392	243,859
Unallocated income	未分配收入							87,249
Unallocated expenses	未分配開支							(152,597)
Share of results of jointly controlled entities	佔共同控制實體業績							(62,259)
Profit before tax	除稅前溢利							116,252
Taxation	稅項							(18,216)
Profit for the year	年度溢利							98,036
ASSETS	資產							
Segment assets	分部資產	322,988	32,798	150,179	77,696	9,361	43,014	636,036
Interests in jointly controlled entities	佔共同控制實體權益							249,195
Deferred tax assets	遞延稅務資產							11,326
Unallocated corporate assets	未分配企業資產							1,161,158
Consolidated total assets	綜合資產總值							2,057,715
LIABILITIES	負債							
Segment liabilities	分部負債	213,811	21,712	99,415	51,433	6,197	28,473	421,041
Tax payable	應付稅項							53,419
Deferred tax liabilities	遞延稅務負債							18,425
Unallocated corporate liabilities	未分配企業負債							8,792
Consolidated total liabilities	綜合負債總值							501,677
OTHER INFORMATION	其他資料							
Allowance for inventories	存貨備抵	2,394	243	1,113	576	70	318	4,714
Reversal of allowance for bad and doubtful debts	呆壞賬撥備回撥	(8,089)	(821)	(3,761)	(1,946)	(234)	(1,079)	(15,930)
Unclaimed payables written-off	撤銷無人申索的應付賬款	-	-	-	(14,237)	-	-	(14,237)

7. 業務及地區分部 (續)

地區分部 (續)

分部資產包括存貨、貿易應收賬款及其他經營資產。分部負債包含若干貿易應付賬款。物業、廠房及設備與預付租賃款項並不是由個別客戶直接分佔，故不能合理地分配予各分部。

2007

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7. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

GEOGRAPHICAL SEGMENTS (CONTINUED)

Segment assets consist of inventories, trade receivables and other operating assets. Segment liabilities comprise certain trade payables. Property, plant and equipment and prepaid lease payments are not directly attributable to individual customer and cannot be allocated to the segments on a reasonable basis.

The following table is an analysis of the carrying amount of segment assets and capital additions, analyzed by the geographical area in which the assets are located:

Hong Kong	香港
The People's Republic of China ("PRC")	中華人民共和國 (「中國」)
Others	其他

7. 業務及地區分部 (續)

地區分部 (續)

分部資產包括存貨、貿易應收賬款及其他營運資產。分部負債包含若干貿易應付賬款。物業、廠房及設備與預付租賃款項並不是由個別客戶直接分佔，故不能合理地分配予各分部。

下表呈列分部資產的賬面值及資本添置，按資產所在地區的分析：

Carrying amount of segment assets		Capital additions	
分部資產賬面值		資本添置	
2008	2007	2008	2007
HKD'000	HKD'000	HKD'000	HKD'000
千港元	千港元	千港元	千港元
454,613	343,923	103,806	15,989
266,123	287,699	37,823	15,910
7,473	4,414	8,066	5,272
728,209	636,036	149,695	37,171

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8. TAXATION

8. 稅項

		2008 HKD'000 千港元	2007 HKD'000 千港元
Current tax:	本年稅項：		
Hong Kong	香港		
– current year	– 本年度	37	911
– under(over)provision in prior years	– 過往年度不足(超額)撥備	412	(2)
Other jurisdictions	其他司法區域		
– current year	– 本年度	4,670	6,655
– (over)underprovision in prior years	– 過往年度(超額)不足撥備	(307)	28
		4,812	7,592
Deferred tax (Note 28)	遞延稅項(附註28)：		
– current year	– 本年度	(6,366)	10,624
Taxation attributable to the Company and its subsidiaries	本公司及其附屬公司應佔稅項	(1,554)	18,216

HONG KONG TAX

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

In March 2008, the Inland Revenue Department ("IRD") issued protective profits tax assessments, for an aggregate additional tax of approximately HKD15.4 million, relating to the year of assessment 2001/2002, that is, for the financial year ended 31 December 2001, against certain wholly-owned subsidiaries of the Company.

The Group has lodged objections with IRD against the protective assessments. IRD has agreed to hold over the tax claimed subject to the subsidiaries' purchase of tax reserve certificates ("TRCs") of approximately HKD9,714,000. These TRCs were purchased by the subsidiaries. As at 31 December 2008, no provision is considered necessary in respect of the amount of HKD9,714,000 included in tax recoverable.

香港稅項

於2008年6月26日，香港立法會通過2008年收入條例，自2008/2009課稅年度起，企業利得稅率由17.5%減為16.5%。因此，香港利得稅乃按年內估計應課稅溢利依稅率16.5%(2007：17.5%)計算。

於2008年3月，稅務局(「稅務局」)發出一份保障性所得稅評稅，有關本公司若干全資擁有附屬公司於2001/2002年度，截至2001年12月31日財政年度止的稅務評核，額外評稅總額約為15,400,000港元。

本集團已就該保障性評稅向稅務局提呈反對。稅務局同意緩繳所徵收的全數稅款，惟該等附屬公司須就該等課稅年度購買等值9,714,000港元的儲稅券(「該儲稅券」)，該等附屬公司已購買該儲稅券。於2008年12月31日，無須考慮為此作出撥備。

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For the year ended 31 December 2008 截至2008年12月31日止年度

8. TAXATION (CONTINUED)

HONG KONG TAX (CONTINUED)

Directors believe no provision for Hong Kong Profits Tax in respect of protective assessments is necessary. In addition, the inquiries from IRD are still at a fact-finding stage and IRD has not yet expressed any formal opinion on the potential tax liability, if any. The potential tax liability, if any, cannot be readily ascertained at this stage.

In March 2009, the IRD issued protective profits tax assessments, for an aggregate additional tax of approximately HKD27.7 million, relating to the year of assessment of 2002/2003, that is, for the financial year ended 31 December 2002, against certain wholly-owned subsidiaries of the Company.

Directors believe that no profits tax is payable by the Group in respect of the concerned subsidiaries and no provision for Hong Kong profits tax in respect of the protective assessments is considered necessary. The Group intends to lodge objections with the IRD against the protective assessments.

PRC TAX

For the year ended 31 December 2007, the tax status for certain subsidiaries of the Group operating in the PRC, including Zhongshan Jingmei Footwear Industry & Commerce Co Limited 中山精美鞋業有限公司 ("Zhongshan Jingmei"), Fuqing Grand Galatica Footwear Co. Ltd. 福清宏太鞋業有限公司 ("Fuqing Grand Galatica"), Guangzhou Panyu Xingtai Footwear Industry & Commerce Co. Ltd. 廣州番禺興泰鞋業有限公司 ("Panyu Xingtai") and Zhongshan Huali Footwear Industry & Commerce Co Ltd. 中山華利企業有限公司 ("Zhongshan Huali"), are as follows:

- Zhongshan Jingmei and Zhongshan Huali were exempted from PRC income tax.
- Tax relief for Fuqing Grand Galatica had expired in 2006 and the concessionary tax rate for 2007 was 7.5%.
- Tax relief for Panyu Xingtai had expired in 2005 and the concessionary tax rate for 2007 was 12.0%.

8. 稅項 (續)

香港稅項 (續)

董事相信本集團無須對該保障性評稅為香港利得稅進行撥備。另外，稅務局的查詢仍在搜證階段，稅務局並未發表任何潛在稅務負債(倘有)的正式意見。於現階段，該潛在稅務負債(倘有)未能準確確定。

於2009年3月，稅務局發出一份保障性所得稅評稅，有關本公司若干全資擁有附屬公司於2002/2003年度，截至2002年12月31日止財政年度的稅務評核，額外評稅總額約為27,700,000港元。

董事認為，本集團相關附屬公司並無應付利得稅，亦無須按相關保障性所得稅評估而考慮作出香港利得稅撥備。本集團傾向向稅務局正式提出反對該保障性所得稅評估。

中國稅項

於截至2007年12月31日止年度，本集團若干於中國經營的附屬公司的稅務狀況，包括中山精美鞋業有限公司(「中山精美」)、福清宏太鞋業有限公司(「福清宏太」)、廣州番禺興泰鞋業有限公司(「番禺興泰」)及中山華利企業有限公司(「中山華利」)如下：

- 中山精美及中山華利獲豁免中國所得稅；
- 福清宏太的稅務減免已於2006年屆滿，而2007年的優惠稅率為7.5%；
- 番禺興泰的稅務減免已於2005年屆滿，而2007年的優惠稅率為12.0%。

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For the year ended 31 December 2008 截至2008年12月31日止年度

8. TAXATION (CONTINUED)

PRC TAX (CONTINUED)

On 16 March 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax ("New Law") by Order No. 63 of the President of PRC. On 6 December 2007, the State Council of the PRC issued Implementation Regulations of the New Law ("Implementation Regulations"). The New Law and Implementation Regulations will change the tax rate to 25.0% for certain subsidiaries from 1 January 2008 onwards. According to the Circular of the State Council on the Implementation of Transitional Preferential Policies for Enterprise Income Tax (Guofa [2007] No. 39), certain tax exemption and deduction for the PRC Foreign Enterprise Income Tax ("FEIT") is still applicable until the end of the five-year transitional period under the New Law.

For the year ended 31 December 2008, the tax status of each of the above companies under the New Law and the Implementation Regulations are as follows:

- Zhongshan Jingmei and Zhongshan Huali continued to enjoy the preferential tax treatment (12.5% tax rate, i.e. 50% of the applicable tax rate of 25.0%) for the years from 2008 to 2010. Thereafter, the tax rate will step up to 25.0% from 2011 onwards;
- Fuqing Grand Galatica continued to enjoy the preferential tax treatment, i.e., 9.0% (50% of the applicable tax rate of 18.0%) for the year 2008 and 10.0% (50% of the applicable tax rate of 20.0%) for the year 2009. Thereafter, the tax rate will step up to 22.0%, 24.0%, 25.0% from 2009 to 2011 respectively;
- The preferential tax treatment for Panyu Xingtai was cancelled starting from 2008. Accordingly, the applicable tax rate was 25.0%.

Other PRC subsidiaries not subject to the tax exemption and deduction for the FEIT that is still applicable until the end of the five-year transitional period under the New Law a tax rate of 25.0% will be applicable pursuant to the New Law and Implementation Regulations.

8. 稅項 (續)

中國稅項 (續)

於2007年3月16日，中國頒佈中國企業所得稅法(主席令第63號)(「新稅法」)；於2007年12月6日，中國國務院發表新稅法實施條例(「實施條例」)。根據新稅法及實施條例，自2008年1月1日起，若干附屬公司被徵收的稅率變更為25.0%，根據國務院有關實施企業所得稅過渡優惠政策的通知(國發[2007]第39號)，若干中國外國企業所得稅(「外企所得稅」)的若干稅務豁免及寬減仍然有效，直至新稅法的5年過渡期完結為止。

於截至2008年12月31日止年度，按新稅法及實施條例，上述各公司的稅務狀況概述如下：

- 自2008年至2010年，中山精美及中山華利繼續享有稅務優惠待遇(稅率為12.5%，即所適用稅率25.0%的50.0%)；期後，自2011年起，稅率會增至25.0%；
- 福清宏太繼續享有稅務優惠待遇，2008年度為9.0%(即所適用稅率18.0%的50.0%)，而2009年度為10.0%(即所適用稅率20.0%的50.0%)；期後，自2009至2011年，稅率會分別增至22.0%、24.0%及25.0%；
- 番禺興泰的稅務優惠待遇已於2008年屆滿，因此，所適用稅率為25.0%。

其他於中國的附屬公司並無稅務豁免，而根據新稅法及實施條例，外企所得稅減免將依新稅法於過渡期間第5年止仍然生效，稅率為25.0%。

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For the year ended 31 December 2008 截至2008年12月31日止年度

8. TAXATION (CONTINUED)

VIETNAM TAX

Stateway Vietnam Footwear Co. Ltd (“Stateway Vietnam”) was entitled to an exemption from enterprise income tax for 4 years starting with the first profit-making year. For the following nine years, Stateway Vietnam would be entitled to a further tax preferential tax treatment in the form of a 50.0% reduction in the applicable tax rate in Vietnam.

OTHERS

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

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

(Loss) Profit before tax	除稅前（虧損）溢利		
Tax at Hong Kong Profits	依香港利得稅稅率16.5%計算稅項		
Tax rate of 16.5% (2007: 17.5%)	(2007: 17.5%)	(38,155)	20,344
Tax effect of expenses not deductible for tax purpose	不獲扣減稅項的開支之稅務影響	13,661	5,588
Tax effect of income not taxable for tax purpose	無須課稅的收入之稅務影響	(5,082)	(9,547)
Tax effect of share of results of jointly controlled entities	佔共同控制實體業績之稅務影響	16,732	10,895
Underprovision in respect of prior year	過往年度不足撥備	105	26
Tax effect of tax losses not recognized	未確認稅務虧損之稅務影響	11,409	2,145
Effect of tax exemptions granted to certain subsidiaries	授予若干附屬公司之稅務豁免影響	(2,237)	(11,605)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法區域經營的附屬公司不同稅率之影響	875	370
Decrease in opening deferred tax liability resulting from a decrease in applicable tax rate	所適用稅率減少所產生的遞延稅務負債期初結餘減少	(209)	-
Deferred taxation on withholding tax arising on undistributed profits in PRC subsidiaries	中國附屬公司未分配盈利所產生的預扣稅遞延稅項	1,347	-
Taxation for the year	本年度稅項	(1,554)	18,216

In addition to the amount credited to the consolidated income statement, deferred tax relating to the revaluation of the Group's properties was charged or credited directly to equity (see Note 28).

8. 稅項（續）

越南

邦威（越南）企業有限公司（「邦威越南」）獲4年稅務豁免，並自首個錄得盈利年度開始至隨後9年，邦威越南將可享有優惠稅務待遇，可獲減免50.0%越南當時所適用稅率。

其他

其他司法區域所產生的稅項，乃依相關司法區域的現行稅率計算。

本年度稅項開支與綜合損益表除稅前（虧損）溢利的對賬如下：

	2008 HKD'000 千港元	2007 HKD'000 千港元
(Loss) Profit before tax	(231,245)	116,252
Tax at Hong Kong Profits		
Tax rate of 16.5% (2007: 17.5%)	(38,155)	20,344
Tax effect of expenses not deductible for tax purpose	13,661	5,588
Tax effect of income not taxable for tax purpose	(5,082)	(9,547)
Tax effect of share of results of jointly controlled entities	16,732	10,895
Underprovision in respect of prior year	105	26
Tax effect of tax losses not recognized	11,409	2,145
Effect of tax exemptions granted to certain subsidiaries	(2,237)	(11,605)
Effect of different tax rates of subsidiaries operating in other jurisdictions	875	370
Decrease in opening deferred tax liability resulting from a decrease in applicable tax rate	(209)	-
Deferred taxation on withholding tax arising on undistributed profits in PRC subsidiaries	1,347	-
Taxation for the year	(1,554)	18,216

除計入綜合資產負債表的金額，遞延稅務乃指直接於股本中扣除或計入的本集團物業重估值（見附註28）。

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For the year ended 31 December 2008 截至2008年12月31日止年度

9. (LOSS) PROFIT FOR THE YEAR

9. 年度(虧損)溢利

		2008 HKD'000 千港元	2007 HKD'000 千港元
(Loss) Profit for the year has been arrived at after charging:	本年度(虧損)溢利已扣除下列各項：		
Directors' emoluments (Note 10)	董事袍金	8,214	7,361
Other staff costs	其他僱員成本	430,725	374,750
Retirement benefits schemes contributions, excluding Directors	退休福利計劃供款，不包括董事	16,177	13,593
		455,116	395,704
Auditors' remuneration	核數師酬金	2,565	2,399
Allowance for inventories	存貨備抵	2,114	4,714
Amortization of prepaid lease payments	預付租賃款項攤銷	1,301	1,206
Cost of inventories recognized as expense	確認為開支的存貨成本	1,768,865	1,531,487
Depreciation	折舊	40,354	39,305
Exchange losses	匯兌虧損	12,263	6,479
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	-	5
Research and development costs (included in administrative expenses)	研究及開發成本(包括行政開支)	38,282	32,615
and after crediting as other income:	及已計入為其他收入：		
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的盈餘	66	-
Reversal of allowance for bad and doubtful debts	呆壞賬撥備回撥	2,850	15,930
Dividends from equity investments	資本性投資的股息	2,293	1,189
Exchange gains	匯兌收益	1,974	4,210
Gross rental income from investment properties	投資物業的租金收入總額	4,147	2,206
Less: direct operating expenses from investment properties that generated rental income during the year	減：於本年度產生租金收入的投資物業直接經營開支	(1,084)	(591)
		3,063	1,615
Interest income from:	利息收入：		
Bank deposits	銀行存款	7,680	26,143
Structured deposits	結構性存款	398	345
Available for sale investments	可供銷售的投資	194	168
Trade debtors (Note)	貿易債務人(附註)	49	150
Loans to a jointly controlled entity	貸款予一共同控制實體	3,463	538
Unclaimed payables written-off	撇銷無人申索的應付賬項	-	14,237

Note: Interest was charged to trade debtors with extended credit terms.

附註：貿易債務人的利息收費附有可申延賬條款。

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10. DIRECTORS' EMOLUMENTS AND EMPLOYEES' EMOLUMENTS

A. DIRECTORS' EMOLUMENTS

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

		Chan	Chang	Cheng	Feng	Ho	Ho	Ku	Li	Lung	Sze	Total	
		Chan	Chang	Cheng	Feng	Ho	Ho	Ku	Li	Lung	Sze	Total	
		Ting	Tsung	Kar	Lei	Shing	Ting	Edward	I	Alfred	Sun Sun	Total	
		Lu Min	Chuen	Yuan	Shing	Ming	Chak	Seng	Yu Sun	Nan	Ronald	Tony	Total
		詹陸銘	陳庭川	張聰淵	鄭家成	馮雷明	何成澤	何挺	顧淪生	李義男	李國麟	施新新	總金額
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
2008													
Fees	費用	-	-	-	96	96	96	-	-	96	720	-	1,104
Other emoluments	其他袍金												
Salaries and other benefits	薪金及其他福利	120	1,200	1,473	-	-	-	1,080	120	-	-	2,016	6,009
Bonus (Note)	花紅 (附註)	-	200	200	-	-	-	150	-	-	-	336	886
Contributions to retirement benefits schemes	退休福利計劃供款	-	60	-	-	-	-	54	-	-	-	101	215
Total emoluments	袍金總額	120	1,460	1,673	96	96	96	1,284	120	96	720	2,453	8,214
2007													
Fees	費用	-	-	-	96	96	96	-	-	96	720	-	1,104
Other emoluments	其他袍金												
Salaries and other benefits	薪金及其他福利	120	464	1,432	-	-	-	720	120	-	-	2,016	4,872
Bonus (Note)	花紅 (附註)	-	-	400	-	-	-	160	-	-	-	672	1,232
Contributions to retirement benefits schemes	退休福利計劃供款	-	20	-	-	-	-	32	-	-	-	101	153
Total emoluments	袍金總額	120	484	1,832	96	96	96	912	120	96	720	2,789	7,361

Note: The bonus is based on the performance of individuals and the entity.

No director waived any emoluments for the year ended 31 December 2008.

10. 董事袍金及僱員薪酬

A. 董事袍金

已付或應付11名(2007: 11名)董事的袍金如下:

		Chan	Chang	Cheng	Feng	Ho	Ho	Ku	Li	Lung	Sze	Total	
		Chan	Chang	Cheng	Feng	Ho	Ho	Ku	Li	Lung	Sze	Total	
		Ting	Tsung	Kar	Lei	Shing	Ting	Edward	I	Alfred	Sun Sun	Total	
		Lu Min	Chuen	Yuan	Shing	Ming	Chak	Seng	Yu Sun	Nan	Ronald	Tony	Total
		詹陸銘	陳庭川	張聰淵	鄭家成	馮雷明	何成澤	何挺	顧淪生	李義男	李國麟	施新新	總金額
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元

2008													
Fees	費用	-	-	-	96	96	96	-	-	96	720	-	1,104
Other emoluments	其他袍金												
Salaries and other benefits	薪金及其他福利	120	1,200	1,473	-	-	-	1,080	120	-	-	2,016	6,009
Bonus (Note)	花紅 (附註)	-	200	200	-	-	-	150	-	-	-	336	886
Contributions to retirement benefits schemes	退休福利計劃供款	-	60	-	-	-	-	54	-	-	-	101	215
Total emoluments	袍金總額	120	1,460	1,673	96	96	96	1,284	120	96	720	2,453	8,214

2007													
Fees	費用	-	-	-	96	96	96	-	-	96	720	-	1,104
Other emoluments	其他袍金												
Salaries and other benefits	薪金及其他福利	120	464	1,432	-	-	-	720	120	-	-	2,016	4,872
Bonus (Note)	花紅 (附註)	-	-	400	-	-	-	160	-	-	-	672	1,232
Contributions to retirement benefits schemes	退休福利計劃供款	-	20	-	-	-	-	32	-	-	-	101	153
Total emoluments	袍金總額	120	484	1,832	96	96	96	912	120	96	720	2,789	7,361

附註: 花紅按個別人士及公司的表現而發放。

截至2008年12月31日止年度, 概無董事放棄任何酬金。

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For the year ended 31 December 2008 截至2008年12月31日止年度

10. DIRECTORS' EMOLUMENTS AND EMPLOYEES' EMOLUMENTS (CONTINUED)

B. EMPLOYEES' EMOLUMENTS

During the year ended 31 December 2008, the 5 highest paid individuals included 3 (2007: 3) Directors whose emoluments are disclosed in (A) above. The emoluments of the remaining 2 (2007: 2) individuals are as follows:

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

Their emoluments were within the following bands:

Nil to HKD1,000,000	0至1,000,000港元
HKD1,000,001 to HKD1,500,000	1,000,001港元至1,500,000港元

11. DIVIDENDS

2007 final dividend of HKD0.0220 per share	已付2007年期末股息每股0.0220港元
(2007: 2006 final dividend of HKD0.0613 per share) paid	(2007: 2006年期末股息每股0.0613港元)
2007 interim dividend of HKD0.0328 per share paid	已付2007年中期股息每股0.0328港元

No interim dividend was paid or declared in respect of 2008. For the year ended 2008, a final dividend of HKD0.0100 per share (2007: HKD0.0220 per share) has been proposed by the Directors and is subject to the approval by the shareholders of the Company in a general meeting.

10. 董事袍金及僱員薪酬(續)

B. 僱員薪酬

截至2008年12月31日止年度，本公司最高薪酬的5名人士包括3名董事(2007年：3名)，其等的薪酬已於上文(A)披露。其餘2名(2007年：2名)人士的薪酬如下：

2008 HKD'000 千港元	2007 HKD'000 千港元
2,577	1,655
65	53
2,642	1,708

其等的薪酬乃在下列範圍內：

2008 No. of employees 僱員人數	2007 No. of employees 僱員人數
-	2
2	-

11. 股息

2008 HKD'000 千港元	2007 HKD'000 千港元
38,369	106,867
-	57,205
38,369	164,072

2008年並無宣派或派付中期股息。截至2008年止年度，董事擬派付期末股息每股0.0100港元(2007：每股0.0220港元)，惟須待本公司股東於股東周年大會批准。

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12. (LOSS) EARNINGS PER SHARE

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

(LOSS) EARNINGS (HKD)	(虧損)盈利(港元)
(Loss) Profit for the year attributable to equity holders of the Company for the purposes of basic and diluted (loss) earnings per share	藉以計算每股基本及經攤薄(虧損)盈利的本公司權益持有人應佔年度(虧損)溢利
NUMBER OF SHARES	股份數量
Weighted average number of ordinary shares for the purposes of basic (loss) earnings per share	藉以計算每股(虧損)盈利的普通股數量的加權平均數
Effect of dilutive potential ordinary shares issuable under the Company's share option scheme	按本公司購股權計劃所發行的普通股的潛在攤薄影響
Weighted average number of ordinary shares for the purpose of diluted (loss) earnings per share	藉以計算已攤薄每股(虧損)盈利的普通股數量的加權平均數

No diluted loss per share has been presented for 2008 because the exercise of the Company's outstanding share options has an anti-dilutive effect.

12. 每股(虧損)盈利

本公司普通股權益持有人應佔基本及經攤薄的每股(虧損)盈利乃依下列數據計算：

2008	2007
(226,508,000)	94,929,000
1,744,044,773	1,700,558,971
-	3,874,676
1,744,044,773	1,704,433,647

鑒於行使本公司已發行而尚未行使的購股權會造成反攤薄效應，故2008年並無經攤薄每股虧損被呈列。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Freehold land 永久業 權土地 HKD'000 千港元	Buildings 樓宇 HKD'000 千港元	Leasehold improve- ments 租賃物業 裝修 HKD'000 千港元	Plant and machinery 廠房及 設備 HKD'000 千港元	Furniture, fixtures and equipment 傢俱、 裝置及 設備 HKD'000 千港元	Motor vehicles 汽車 HKD'000 千港元	Total 總金額 HKD'000 千港元
COST OR VALUATION	成本或估值							
At 1 January 2007	於2007年1月1日	5,860	104,667	56,942	203,022	23,785	14,482	408,758
Exchange realignment	匯兌重列	14	4,324	1,981	8,031	518	525	15,393
Additions	添置	-	-	3,598	16,495	3,397	496	23,986
Surplus arising on revaluation	重估產生的盈餘	-	7,634	-	-	-	-	7,634
Disposals	出售	-	-	-	(59)	(156)	(136)	(351)
Transfer to investment properties	轉列至投資 物業	-	(2,684)	-	-	-	-	(2,684)
At 31 December 2007	於2007年12月31日	5,874	113,941	62,521	227,489	27,544	15,367	452,736
Exchange realignment	匯兌重列	(69)	6,821	3,359	13,550	947	807	25,415
Additions	添置	-	14,428	10,295	22,791	2,568	1,247	51,329
Deficit arising on revaluation	重估產生的虧絀	-	(13,808)	-	-	-	-	(13,808)
Disposals	出售	-	-	(425)	(1,643)	(253)	(2,686)	(5,007)
At 31 December 2008	於2008年12月31日	5,805	121,382	75,750	262,187	30,806	14,735	510,665
Comprising:	包含：							
At cost	成本	-	-	75,750	262,187	30,806	14,735	383,478
At valuation-2008	估值 - 2008年	5,805	121,382	-	-	-	-	127,187
		5,805	121,382	75,750	262,187	30,806	14,735	510,665
DEPRECIATION AND AMORTIZATION	折舊與攤銷							
At 1 January 2007	於2007年1月1日	-	587	42,739	87,652	12,115	9,434	152,527
Exchange realignment	匯兌重列	-	1	1,570	3,262	359	365	5,557
Provided for the year	年度準備	-	8,410	2,751	22,901	3,579	1,664	39,305
Write back on revaluation	重估後回撥	-	(4,997)	-	-	-	-	(4,997)
Eliminated on disposals	出售時抵銷	-	-	-	(38)	(155)	(123)	(316)
At 31 December 2007	於2007年12月31日	-	4,001	47,060	113,777	15,898	11,340	192,076
Exchange realignment	匯兌重列	-	254	2,492	6,190	635	583	10,154
Provided for the year	年度準備	-	6,948	5,078	23,421	3,741	1,166	40,354
Write back on revaluation	重估後回撥	-	(11,203)	-	-	-	-	(11,203)
Eliminated on disposals	出售時抵銷	-	-	(373)	(1,368)	(246)	(1,470)	(3,457)
At 31 December 2008	於2008年12月31日	-	-	54,257	142,020	20,028	11,619	227,924
CARRYING VALUE	賬面值							
At 31 December 2008	於2008年12月31日	5,805	121,382	21,493	120,167	10,778	3,116	282,741
At 31 December 2007	於2007年12月31日	5,874	109,940	15,461	113,712	11,646	4,027	260,660

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13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The above items of property, plant and equipment are depreciated, after taking into account their estimated residual value, on a straight-line basis at the following rates per annum:

Freehold land	Nil
Buildings	2%-5%
Leasehold improvements	9%-45%
Plant and machinery	9%-45%
Furniture, fixtures and equipment	9%-20%
Motor vehicles	16%-20%

The buildings of Group located in the PRC and Hong Kong were revalued on 31 December 2008 by Liaoning Huaqing Real Estate Evaluation Co., Ltd ("**Liaoning Huaqing**") and Prudential Surveyors International Limited ("**Prudential**") respectively, independent firms of professional property valuers, Chartered Surveyors. The freehold land and building of the Group located in Taiwan was revalued as of the same date by Chia-Tai Real Estate Appraisals ("**Chia-Tai**"), an independent firm of property valuer, Chartered Surveyor. Prudential, Liaoning Huaqing and Chia-Tai are not connected with Group. The revaluation of freehold land and buildings resulted in a deficit of approximately HKD2,605,000 (2007: a surplus of approximately of HKD12,631,000) which was charged (2007: credited) directly to the properties revaluation reserve.

The valuations above adopted a direct comparison approach with reference to market comparable sales evidences available in the market.

If the freehold land and buildings had not been revalued, they would have been included in these consolidated financial statements at historical cost and carrying amounts less accumulated depreciation of approximately HKD5,805,000 and HKD109,245,000 (2007: HKD5,874,000 and HKD88,010,000) respectively.

13. 物業、廠房及設備(續)

以上物業、廠房及設備的項目乃根據其等預計剩餘價值按下列年率以直線法折舊：

永久業權土地	零
樓宇	2%-5%
租賃物業裝修	9%-45%
廠房及設備	9%-45%
傢俱、裝置及設備	9%-20%
汽車	16%-20%

於2008年12月31日，本集團位於中國及香港的樓宇已分別由獨立專業物業估價師及特許測量師遼寧華清房地產評估有限公司(「**遼寧華清**」)及測建行有限公司(「**測建行**」)進行重估。本集團在台灣的永久業權土地及樓宇於同日由一獨立專業物業估價師及特許測量師佳泰不動產估價師事務所(「**佳泰**」)進行重估。測建行、遼寧華清及佳泰與本集團並無關連。永久業權土地及樓宇的重估導致虧絀約2,605,000港元(2007：盈餘約12,631,000港元)，並已直接扣除(2007：計入)物業重估儲備。

上述估值乃以直接對比法並參考市場類似物業的實際成交價而釐定。

倘永久業權土地及樓宇並無重新估值，其等將分別以歷史成本及賬面值扣減累計折舊約5,805,000港元及109,245,000港元(2007：5,874,000港元及88,010,000港元)計入綜合財務報表。

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14. INVESTMENT PROPERTIES

14. 投資物業

		HKD'000 千港元
FAIR VALUE	公平價值	
At 1 January 2007	於2007年1月1日	80,000
Additions	添置	13,185
Transfer from property, plant and equipment	轉列自物業、 廠房及設備	2,684
Transfer from prepaid lease payments	轉列自預付租賃 款項	10,376
Increase in fair value recognized in the consolidated income statement	於綜合損益表 確認的公平價值 增加	38,255
At 31 December 2007	於2007年12月31日	144,500
Additions	添置	96,422
Disposal of subsidiaries	出售附屬公司	(96,422)
Decrease in fair value recognized in the consolidated income statement	於綜合損益表 確認的公平價值 減少	(32,050)
At 31 December 2008	於2008年12月31日	112,450

All of the Group's leasehold interests in land and building 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.

The fair value of the Group's investment properties at 31 December 2008 and 2007 were arrived at on the basis of valuations carried out on that date by Prudential. The valuations were arrived with reference to market comparable sales evidences available in the market and where appropriate on the basis of capitalization of net income provided by management to Prudential.

As at 31 December 2008 and 2007, a large portion of the investment properties were rented out under operating leases. Details of operating lease arrangements are set out in Note 32.

本集團按經營租賃作租金收入或資本增值用途的所有土地及樓宇的租賃權益，乃以公平價值模式計量，並被分類及列為投資物業。

於2008年及2007年12月31日，本集團投資物業的公平價值乃由測建行按進行重估當日的基準計量。此項估值乃參考市場類似物業的可比較銷售而釐定，倘合適，亦會按管理層提供予測建行的資本化淨收入計量。

於2008年及2007年12月31日，大部分投資物業已按經營租賃出租。經營租賃安排詳情已載於附註32。

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For the year ended 31 December 2008 截至2008年12月31日止年度

14. INVESTMENT PROPERTIES (CONTINUED)

The carrying value of investment properties shown above comprises:

Land in Hong Kong: 位於香港的土地：
 Long-term lease 長期租賃
 Medium-term lease 中期租賃

14. 投資物業(續)

上述投資物業的賬面值包括：

2008 HKD'000 千港元	2007 HKD'000 千港元
4,950	5,600
107,500	138,900
112,450	144,500

15. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise:

Leasehold land in Hong Kong: 位於香港的租賃土地：
 Held under medium-term lease 以中期租賃持有
 Leasehold land outside Hong Kong: 位於香港以外的租賃土地：
 Held under medium-term lease 以中期租賃持有

Analyzed for reporting purposes as: 分析作報告用途：

Non-current assets 非流動資產
 Current assets 流動資產

15. 預付租賃款項

本集團的預付租賃款項包括：

2008 HKD'000 千港元	2007 HKD'000 千港元
29,720	30,504
21,784	18,857
51,504	49,361
50,203	48,155
1,301	1,206
51,504	49,361

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16. DEPOSIT PAID FOR ACQUISITION OF A PROPERTY

At 31 December 2007, a deposit was paid by the Group in connection with the acquisition of a property in Hong Kong. The acquisition was completed during the year.

16. 購買一物業的已付訂金

於2007年12月31日，本集團已為在香港收購的物業支付訂金。該收購已於年內完成。

17. GOODWILL

17. 商譽

		HKD'000 千港元
COST	成本	
At 1 January 2007, 31 December 2007 and 2008	於2007年1月1日、 2007年及2008年12月31日	<u>57,477</u>
IMPAIRMENT	減值	
At 1 January 2007 and 2008	於2007年及2008年1月1日	-
Impairment loss recognized in the year	年內確認的 減值虧損	<u>57,477</u>
At 31 December 2008	於2008年12月31日	<u>57,477</u>
CARRYING AMOUNT	賬面值	
At 31 December 2008	於2008年12月31日	<u>-</u>
At 31 December 2007	於2007年12月31日	<u>57,477</u>

Particulars regarding impairment testing on goodwill are disclosed in Note 18.

有關商譽的減值測試詳情已於附註18中披露。

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18. IMPAIRMENT TESTING ON GOODWILL

As explained in Note 7, less than 10% of the Group's turnover and contribution to results are contributed by activities other than the manufacture and sales of footwear products. For the purposes of impairment testing, goodwill set out in Note 17 is attributed to two cash generating units ("CGUs"). The carrying amounts of goodwill as at 31 December 2008 and 2007 allocated to these units are as follows:

Misto Worldwide Limited
Nice Well Holdings Limited

The basis of the recoverable amounts of the above CGUs and their major underlying assumptions are the same and are summarized below:

The recoverable amounts of the CGUs have been determined based on value in use calculations. That value in use calculations use cash flow projections based on financial budgets approved by management covering a five-year period, and a discount rate of 12% (2007: 12%). Both subsidiaries' cash flows are extrapolated without application of any growth rate. Another key assumption for the value in use calculations is the budgeted gross margin, which is determined based on the units' past performance and management's expectations for the market development.

Based on the above value in use calculations, it was determined that the carrying amount of the goodwill was no longer recoverable and accordingly, the Group recognized a full impairment loss of approximately HKD57,477,000 during the year (2007: Nil).

18. 商譽的減值測試

如附註7說明，鞋履產品製造及營銷以外的業務對本集團的營業額及銷售業績貢獻不足10%。為進行減值測試，截於附註17的商譽分估為2個現金產生單位（「現金產生單位」）。於2008年及2007年12月31日，被分配於此等單位的商譽賬面值載列如下：

	2008	2007
	HKD'000	HKD'000
	千港元	千港元
Misto Worldwide Limited	-	55,109
Nice Well Holdings Limited	-	2,368
	-	57,477

上述現金產生單位的可收回價值基準與其等的主要潛在設定為一致的，並概述如下：

現金產生單位可收回價值乃基於其使用中價值計量。此使用中價值的計量乃按由管理層已審批的5年財務預算的現金流量預測及以折扣率12% (2007: 12%) 計算。該兩間附屬公司的現金流量推算並無計入任何增長率。另一項對使用中價值的主要假設為預算毛利，此乃基於單位過往業績表現及管理層對市場發展的預期而釐定。

根據上述的使用中價值的計量，商譽的賬面值被釐定為不再可收回。因此，本集團年內悉數確認減值虧損約57,477,000港元 (2007: 零)。

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19. INVESTMENT IN AN ASSOCIATE

19. 投資於一聯營公司

		2008 HKD'000 千港元	2007 HKD'000 千港元
Cost of investment in an associate (unlisted)	於一聯營公司的投資成本（非上市）	26	26
Share of post-acquisition losses	分佔收購後虧損	(26)	(26)
		-	-

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

於2008年及2007年12月31日，本集團持有下述聯營公司權益：

Entity 公司	Form of business structure 經營架構	Place of incorporation/ operation 註冊／營運地點	Class of share held 持有股份類別	Proportion of nominal value of issued capital held by the Group 本集團持有的已發行股本面值的百分比	Principal activity 主要活動
Global Hero Group Limited 世雄集團有限公司	Incorporated 企業	British Virgin Islands 英屬處女群島	Ordinary 普通股	33.46%	Dormant 閑置

20. INTERESTS IN JOINTLY CONTROLLED ENTITIES

20. 共同控制實體權益

		2008 HKD'000 千港元	2007 HKD'000 千港元
Cost of unlisted investments in jointly controlled entities (Note i)	共同控制實體非上市投資的成本（註i）	205,553	178,923
Shareholders' loan to a jointly controlled entity (Note ii)	股東貸款予一共同控制實體（註ii）	62,775	28,062
Share of post-acquisition net (losses) profits	佔收購後（虧損）溢利淨額	(61,964)	39,445
Share of other post-acquisition reserves	佔其他收購後儲備	(343)	2,765
		206,021	249,195

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20. INTERESTS IN JOINTLY CONTROLLED ENTITIES (CONTINUED)

At 31 December 2008 and 2007, the Group had interests in the following jointly controlled entities:

Jointly controlled entity 共同控制實體	Form of business structure 經營架構	Place of incorporation and operation 註冊及營運地點	Class of share held 持有股份類別	Proportion of nominal value of issued capital indirectly held by the Group 本集團持有的已發行股本面值的百分比		Principal business activities 主要經營活動
				2008	2007	
Smart Shine Industries Limited ("Smart Shine") (「Smart Shine」)	Incorporated 企業	British Virgin Islands 英屬處女群島	Ordinary 普通股	50%	50%	Investment holding and footwear trading 投資控股及鞋履貿易
Grand Wealth Group Limited	Incorporated 企業	British Virgin Islands 英屬處女群島	Ordinary 普通股	50% (note iii) (附註iii)	50%	Investment holding and men's apparel marketing and trading 投資控股及男士服裝貿易營銷和貿易
			Preferred 優先股	18% (note iii) (附註iii)	18%	
China Ocean Resources Limited ("China Ocean") (「China Ocean」)	Incorporated 企業	British Virgin Islands 英屬處女群島	Ordinary 普通股	50%	50%	Investment holding and licensing of trade mark and footwear trading 投資控股、商標授權及鞋履貿易

Notes:

- During the year ended 31 December 2007, one of the jointly controlled entities, China Ocean, was transferred to Smart Shine in exchange for the equity interest of 18.8% of Full Pearl International Limited ("Full Pearl"), which was formerly under Smart Shine. Full Pearl was subsequently classified as available-for-sales investments.
- The shareholders' loan was unsecured and interest-bearing at 8% per annum, and denominated in USD, being foreign currency of the Group entity.
- The preferred shares shall have the same right and privileges to income as the ordinary shares in the proportion of 99:1.

於2008年及2007年12月31日，本集團持有以下共同控制實體權益：

Principal business activities 主要經營活動	Proportion of nominal value of issued capital indirectly held by the Group 本集團持有的已發行股本面值的百分比	
	2008	2007
Investment holding and footwear trading 投資控股及鞋履貿易	50%	50%
Investment holding and men's apparel marketing and trading 投資控股及男士服裝貿易營銷和貿易	50% (note iii) (附註iii)	50%
	18% (note iii) (附註iii)	18%
Investment holding and licensing of trade mark and footwear trading 投資控股、商標授權及鞋履貿易	50%	50%

註：

- 截至2007年12月31日止年度，一共同控制實體 China Ocean 已轉至 Smart Shine 以換取富珍國際有限公司（「富珍國際」）18.8% 的股本權益，該權益過去是由 Smart Shine 持有。富珍國際於其後歸類為可供銷售投資。
- 股東貸款並無抵押，年利率為8%，並以美元（本集團實體的外幣）計值。
- 優先股將按99:1的比例擁有跟普通股等同的收入權利及特權。

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For the year ended 31 December 2008 截至2008年12月31日止年度

20. INTERESTS IN JOINTLY CONTROLLED ENTITIES (CONTINUED)

The amounts due from/to jointly controlled entities are unsecured, interest-free and repayable on demand.

The carrying amounts of the Group's foreign currency (i.e. HKD and Renminbi ("RMB")) denominated amount due from/to jointly controlled entities at the reporting date are as follows:

		Amounts due from		Amounts due to	
		2008	2007	2008	2007
		HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元
HKD	港元	-	537	393	2,876
RMB	人民幣	8,208	-	17,045	-

The summarized financial information in respect of the Group's attributable interest in its jointly controlled entities which are accounted for using the equity method is set out below:

		2008	2007
		HKD'000	HKD'000
		千港元	千港元
Current assets	流動資產	87,328	189,212
Non-current assets	非流動資產	257,352	210,866
Current liabilities	流動負債	(74,485)	(122,222)
Non-current liabilities	非流動負債	(126,949)	(56,723)
Income	收入	70,176	72,758
Expenses	開支	(171,585)	(135,017)

20. 共同控制實體權益(續)

應收／應付共同控制實體的款項為無抵押，免息，並須於要求償還時償還。

於報告日，本集團以外幣(即港元及人民幣(「人民幣」))結算的應收／應付共同控制實體款項的賬面值如下：

本集團於共同控制實體的應佔權益以權益法入賬的財務資料概述如下：

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For the year ended 31 December 2008 截至2008年12月31日止年度

21. AVAILABLE-FOR-SALE INVESTMENTS

21. 可供銷售投資

		2008 HKD'000 千港元	2007 HKD'000 千港元
Listed investments:	上市投資：		
- Equity securities listed in Hong Kong	- 於香港上市的股本證券	22	19
- Equity securities listed outside Hong Kong	- 於香港以外地區上市的股本證券	775	2,493
- Debentures listed outside Hong Kong with fixed interest ranging from 7.200% to 8.375% and maturity dates on 28 March 2013, 15 April 2013, 15 June 2013 and 15 December 2049	- 於香港以外地區上市的債券，附有固定利率7.200%至8.375%，其到期日為2013年3月28日、2013年4月15日、2013年6月15日及2049年12月15日		
		35,089	2,093
Unlisted equity securities	非上市股本證券：	35,886	4,605
		18,480	18,480
Total	總金額	54,366	23,085

As at 31 December 2008, all listed investments were stated at fair value. Fair values were determined by reference to market bid prices quoted in relevant stock exchanges.

The unlisted equity securities above is the Group's investment in Full Pearl, a company incorporated in the British Virgin Islands, whose subsidiary is engaged in retailing business in the PRC. The investment represents a shareholding of 18.8% in the ordinary shares of Full Pearl and is measured at cost less impairment at each balance sheet date because the range of reasonable fair value estimates is so significant that the Directors are of the opinion that their fair values cannot be measured reliably.

於2008年12月31日，所有上市投資均以公平價值呈列。公平價值乃參考相關交易所的買盤報價而釐定。

上述非上市股本證券乃為本集團於富珍國際的投資，其為一間於英屬處女群島註冊成立的公司，其附屬公司於中國從事零售業務。該投資指持有富珍國際普通股18.8%權益，並按於每個結算日成本扣除減值而計量。因預測合理公平價值範圍距離太廣，故董事認為其等的公平價值未能可靠地計量。

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22. STRUCTURED DEPOSITS

As at 31 December 2007, the Group held two bank structured deposits denominated in USD, the major terms of the structured deposits were as follows:

Principal amount (USD)

本金(美元)

Maturity date

到期日

(dd.mm.yyyy)

(日.月.年)

22. 結構性存款

於2007年12月31日，本集團持有2項以美元計值的結構性銀行存款，結構性存款的主要條款如下：

Applicable Interest rate

適用利率

5,000,000

17.05.2009

7.56% per annum for the first year and thereafter, the preceding interest rate plus 2% to 5% per annum minus 6 months LIBOR
首年年利率為7.56%，其後年利率則按前述利率加年利率2%至5%不等減6個月倫敦銀行同業拆息

3,000,000

15.12.2009

8.38% per annum for the first half year and thereafter, the maximum of 1.5% and the preceding interest rate plus 2% to 6% per annum minus 6 months LIBOR
首半年年利率為8.38%，其後年利率則按1.5%及前述利率加年利率2%至6%不等減6個月倫敦銀行同業拆息，以較高者為準

The structured deposits were a hybrid instrument containing a debt host contract and embedded derivative instruments in which the interest income was determined based on the changes in LIBOR. The structured deposits also contained an early redemption option by the issuer. As such, the hybrid instrument was designated at fair value through profit or loss.

此結構性存款屬混合性工具，包括一項債務主體合約及嵌入式衍生工具，利息收入乃按倫敦銀行同業拆息的變動而釐定。該結構性存款亦附帶發行人可提早購回的選擇權。因此，該混合式工具乃指定透過損益賬以公平價值入賬。

The fair value of the USD5,000,000 structured deposit was determined based on a professional valuation carried out by an independent valuer using discounted cash flow method based on applicable interest rate obtained from the market at the balance sheet date.

5,000,000美元結構性存款的公平價值乃基於一獨立估價師的專業估值，按結算日市場適用利率以現金流貼現法而計量。

The USD3,000,000 structured deposit was measured at fair value based on the valuation provided by the banks.

3,000,000美元結構性存款按銀行提供的估值以公平價值計量。

The issuer had the right to call these structured deposits at principal amount plus accrued interest at any time before the maturity dates. The structured deposits were early redeemed in full during the year.

發行人有權於到期日前任何時間按本金加應計利息贖回該等結構性存款。結構性存款已於年內悉數提早贖回。

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For the year ended 31 December 2008 截至2008年12月31日止年度

23. INVENTORIES

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品

23. 存貨

	2008	2007
	HKD'000	HKD'000
	千港元	千港元
	74,614	82,253
	68,369	59,308
	126,165	136,158
	269,148	277,719

24. TRADE AND OTHER RECEIVABLES

Trade receivables	貿易應收賬款
Less: allowance for doubtful debts	扣減：呆賬撥備
Other receivables, prepayment and deposits	其他應收賬款、預付款項及訂金
Total trade and other receivables	貿易及其他應收賬款總額

24. 貿易及其他應收賬款

	2008	2007
	HKD'000	HKD'000
	千港元	千港元
	320,160	278,209
	(6,220)	(9,070)
	313,940	269,139
	145,121	89,178
	459,061	358,317

The Group allows an average credit period ranging from 60 to 90 days to its trade customers. The following is an aged analysis of trade receivables net of allowance for doubtful debts at the reporting date:

本集團為其貿易客戶提供為期60日至90日不等的平均信貸期。於報告日，貿易應收賬款扣減呆賬撥備的賬齡分析如下：

0 to 30 days	0至30天
31 to 60 days	31至60天
61 to 90 days	61至90天
Over 90 days	逾90天

	2008	2007
	HKD'000	HKD'000
	千港元	千港元
	242,559	154,927
	58,416	71,142
	3,807	22,393
	9,158	20,677
	313,940	269,139

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scores attributed to customers are reviewed twice a year. 80% of the trade receivables that are neither past due nor impaired have the best credit score attributable under the external credit scoring system used by the Group.

於接受新顧客訂單前，本集團會採納一獨立信譽分數系統以估量該準客戶誠信素質，並釐定該客戶的信貸限額。客戶的信貸額及分數會每年進行2次檢討，按本集團所採納的獨立信譽分數系統數據，擁有最高信譽分數的客戶，其等的貿易應收賬款的80%均並無逾期或亦無減值。

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For the year ended 31 December 2008 截至2008年12月31日止年度

24. TRADE AND OTHER RECEIVABLES (CONTINUED)

Included in the Group's trade receivables balance are debtors with an aggregate carrying amount of approximately HKD9,158,000 (2007: HKD20,677,000) which were past due but for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The average age of these receivables is 120 days (2007: 120 days).

Ageing of trade receivables which are past due but not impaired

Over 90 days 逾90天

Movement in the allowance for doubtful debts

Balance at beginning of the year 年初結餘
 Impairment losses recognized 已於應收賬確認的
 on receivables 減值虧損
 Impairment losses reversed 減值虧損回撥

Balance at end of the year 年底結餘

At the balance sheet date, the carrying amounts of the Group's trade and other receivables that were denominated in a currency (i.e. HKD) other than the functional currency of the relevant group entities were as follows:

HKD 港元

24. 貿易及其他應收賬款(續)

本集團的貿易應收賬款結餘包括賬面總值約9,158,000港元(2007: 20,677,000港元)的應收賬款，該等賬款為已逾期，惟本集團並無預備減值虧損。本集團概無在此等結餘持有任何抵押品。此等應收賬款的平均賬齡為120天(2007: 120天)。

並無減值的逾期貿易應收賬款的賬齡

2008	2007
HKD'000	HKD'000
千港元	千港元
9,158	20,677

呆賬撥備變動

2008	2007
HKD'000	HKD'000
千港元	千港元
9,070	25,000
1,450	50
(4,300)	(15,980)
6,220	9,070

於結算日，本集團以相關集團實體功能貨幣外的貨幣(即港元)結算的貿易及其他應收款項的賬面值如下：

2008	2007
HKD'000	HKD'000
千港元	千港元
9,715	9,598

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For the year ended 31 December 2008 截至2008年12月31日止年度

25. HELD-FOR-TRADING INVESTMENTS

HELD-FOR-TRADING INVESTMENTS AT MARKET VALUE INCLUDE:	按市值計算的 持作買賣投資包括：
Listed equity securities in Hong Kong	於香港上市的 股本證券

25. 持作買賣投資

2008	2007
HKD'000	HKD'000
千港元	千港元

4,055	428
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26. BANK BALANCES AND CASH

The bank balances carried interest at prevailing market rates ranging from 0.36% to 1.15% (2007: 0.72% to 2.25%) during the year. The time deposits carried fixed interest rates ranging from 0.05% to 2.99% (2007: 3.07% to 5.16%).

At the balance sheet date, the carrying amounts of the Group's bank balances and cash that were denominated in a currency (i.e. HKD) other than the functional currency (i.e. USD) of the relevant group entities were as follows:

HKD	港元
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26. 銀行結餘及現金

年內，銀行結餘按現行市場利率介乎0.36%至1.15%不等(2007：0.72%至2.25%)計息。定期存款按固定利率0.05%至2.99%不等(2007：3.07%至5.16%)計息。

於結算日，本集團以相關集團實體功能貨幣(即美元)以外的貨幣(即港元)計值的銀行結餘及現金的賬面值如下：

2008	2007
HKD'000	HKD'000
千港元	千港元

5,448	76,377
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27. TRADE AND OTHER PAYABLES

Trade payables	貿易應付賬款
Other payables, temporary receipt and accruals	其他應付賬款、 臨時收款及應計賬款

The following is an aged analysis of trade payables at the balance sheet date:

0 to 30 days	0至30天
31 to 60 days	31至60天
61 to 90 days	61至90天
Over 90 days	逾90天

The average credit period on purchases of goods is 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

At the balance sheet date, the carrying amounts of the Group's trade and other payables that were denominated in a currency (i.e. HKD) other than the functional currency (i.e. USD) of the relevant group entities were as follows:

HKD	港元
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27. 貿易及其他應付賬款

THE GROUP 本集團

2008	2007
HKD'000	HKD'000
千港元	千港元

237,381	255,618
157,646	165,423
395,027	421,041

於結算日，貿易應付賬款的賬齡分析如下：

2008	2007
HKD'000	HKD'000
千港元	千港元

84,484	113,830
83,394	85,577
30,457	25,029
39,046	31,182
237,381	255,618

購貨的平均信貸期為90天，本集團已制定財務風險管理政策以確保所有應付賬款均於信貸期限內結算。

於結算日，本集團以相關集團實體的功能貨幣（即美元）以外的貨幣（即港元）計值的貿易及其他應付賬款的賬面值如下：

2008	2007
HKD'000	HKD'000
千港元	千港元

19,714	37,706
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28. DEFERRED TAX

The following table shows the major deferred tax liabilities and assets recognized by the Group and movements thereon during the current and prior years:

		Revaluation of buildings 樓宇 重估價值 HKD'000 千港元	Accelerated tax depreciation 加速 稅項折舊 HKD'000 千港元	Allowance for bad and doubtful debts 呆壞賬 撥備 HKD'000 千港元	Undistributed earning of PRC's subsidiaries from January, 2008 自2008年1月 起中國附屬 公司未分派盈利 HKD'000 千港元	Unrealized profit on inventories 未實現 的存貨溢利 HKD'000 千港元	Tax losses 稅項 虧損 HKD'000 千港元	Total 總額 HKD'000 千港元
At 1 January 2007	於2007年1月1日	1,565	7,159	(3,561)	-	(146)	(10,399)	(5,382)
Charge (credit) to income	扣減自(計入)收入	-	7,844	2,422	-	(162)	520	10,624
Charge to equity for the year	年內在權益中扣除	1,857	-	-	-	-	-	1,857
At 31 December 2007	於2007年12月31日	3,422	15,003	(1,139)	-	(308)	(9,879)	7,099
Effect of changes in tax rate	稅率變動的影響							
(Credit) charge to income	(計入)扣減自收入	-	(857)	65	-	18	565	(209)
Effect of changes in tax rates	稅率變動的影響							
charge to equity	於權益扣除	(253)	-	-	-	-	-	(253)
(Credit) charge to income	(計入)扣減自收入	-	(8,097)	522	1,347	71	-	(6,157)
Credit to equity for the year	年內計入權益	(640)	-	-	-	-	-	(640)
At 31 December 2008	於2008年12月31日	2,529	6,049	(552)	1,347	(219)	(9,314)	(160)

A deferred tax of approximately HKD1,347,000 has been provided in the consolidated financial statements in respect of the undistributed profits earned by the Group's PRC subsidiaries starting from 1 January 2008 attributable to the Group under the New Law that are subject to withholding tax upon the distribution of such profits to the shareholders outside the PRC.

At 31 December 2008, the Group had unused tax losses of approximately HKD161,627,000 (2007: HKD92,481,000) available to offset against future profits. A deferred tax asset has been recognized in respect of such losses to the extent of approximately HKD56,446,000 (2007: HKD56,448,000). No deferred tax asset has been recognized in respect of the remaining unused tax losses of approximately HKD105,181,000 (2007: HKD36,033,000) due to the unpredictability of future profit streams. All the tax losses may be carried forward indefinitely except for those arising from the PRC which may be carried forward for 5 years.

28. 遞延稅務

本集團已確認的主要遞延稅務負債及資產，及其等於本年度及以往年度的變動情況如下表：

根據新稅法，本集團就本集團應佔中國附屬公司自2008年1月1日起賺取的未分派溢利於綜合財務報表提撥遞延稅項撥備約1,347,000港元，該等溢利於向中國以外地區股東作出分派時須繳納預扣稅。

於2008年12月31日，本集團有未動用稅項虧損約161,627,000港元(2007: 92,481,000港元)可供抵銷未來溢利。此外，已就該等虧損確認遞延稅務資產約56,446,000港元(2007: 56,448,000港元)。由於不可預期未來的盈利趨勢，並無就剩餘未動用稅務虧損約105,181,000港元(2007: 36,033,000港元)確認遞延稅務資產。所有稅項虧損可無限期結轉，惟來自中國並可結轉5年的稅項虧損則除外。

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28. DEFERRED TAX (CONTINUED)

The following table is the analysis of the deferred tax balances for financial reporting purposes:

Deferred tax assets	遞延稅務資產
Deferred tax liabilities	遞延稅務負債

28. 遞延稅務(續)

就財務申報而言，遞延稅務結餘分析如下表：

	2008 HKD'000 千港元	2007 HKD'000 千港元
	(10,085)	(11,326)
	9,925	18,425
	<u>(160)</u>	<u>7,099</u>

29. SHARE CAPITAL

Authorized: At 1 January 2007 and 31 December 2008, at HKD0.25 each	法定股本： 於2007年1月1日及 2008年12月31日， 每股面值0.25港元
Issued and fully paid: At 1 January 2007 at HKD0.25 each	已發行及繳足股本： 於2007年1月1日，每股 面值0.25港元
Exercise of share options	行使購股權
At 31 December 2007 and 2008, at HKD0.25 each	於2007年及2008年12月31日， 每股面值0.25港元

29. 股本

Number of shares 股份數目	Amount 金額 HKD'000 千港元
8,000,000,000	2,000,000
1,664,704,773	416,176
79,340,000	19,835
1,744,044,773	436,011

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For the year ended 31 December 2008 截至2008年12月31日止年度

30. SHARE OPTION SCHEME

Pursuant to the share option scheme of the Company adopted on 22 October 2001 ("2001 Scheme"), the Company operates the 2001 Scheme for the purpose of providing eligible participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole. All Directors, full-time employees and any other persons who, at the sole discretion of the Board, have contributed or will contribute to the Group are eligible to participate in the 2001 Scheme.

Shares which may be issued upon exercise of all options to be granted under the 2001 Scheme or any other share option scheme adopted by the Company must not in aggregate exceed 10% of the shares of the Company in issue on the date of adoption.

The Company may renew this 10% limit with shareholders' approval provided that each such renewal may not exceed 10% of the shares in the Company in issue as at the date of the shareholders' approval.

The total number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2001 Scheme or any other share option scheme adopted by the Company must not exceed 30% of the shares in issue from time to time.

Unless approved by shareholders of the Company, the total number of shares of the Company issued and to be issued upon the exercise of the options granted to each participant (including both exercised and unexercised options) under the 2001 Scheme or any other share option schemes adopted by the Company in any 12-month period must not exceed 1% of the shares of the Company in issue.

30. 購股權計劃

根據本公司於2001年10月22日採納的購股權計劃(「2001計劃」)，本公司採用2001計劃旨在提供機會予合資格參與者取得本公司的產權權益，並鼓勵參與者以本公司及其股東的整體利益為依歸，致力提高本公司及其股份的價值。所有董事、全職僱員可按董事會酌情認為曾經或將會對本集團作出供獻的任何其他人士均合乎資格參與2001計劃。

因行使按2001計劃或任何其他本公司已採納的購股權計劃而獲授的所有購股權後可能發行的股份總數將不能夠超越本公司於採納當日已發行股份10%。

倘獲得股東批准，本公司可能更新此10%的限額，惟按此更新而獲授權發行的股份總數將不能夠超越本公司於股東批准當日已發行股份的10%。

因行使所有按2001計劃或任何其他本公司採納的購股權計劃而授予惟尚未行使的購股權而可能發行的本公司股份總數，將不能夠超逾本公司不時已發行股份的30%。

除非獲本公司股東批准，於任何12個月期間，本公司因行使按2001計劃或任何其他本公司採納的購股權計劃而授予各參與者的購股權(包括已行使及尚未行使的購股權)，其已發行及將予發行的股份總數均不可超逾本公司已發行股份的1%。

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30. SHARE OPTION SCHEME (CONTINUED)

The period within which the options must be exercised will be specified by the Company at the time of grant. This period must expire no later than 10 years from the date of grant of the options. At the time of grant of the options, the Company may specify a minimum period for which an option must be held before it can be exercised. The offer of a grant of share options may be accepted within 14 days from the date on which the letter containing the offer is delivered to that participant and the amount payable on acceptance of an option is HKD1.00.

The subscription price for the shares of the Company to be issued upon exercise of the options shall be no less than the higher of (i) the closing price of the shares of the Company as stated in the daily quotation sheets issued by the Exchange on the date of grant; (ii) the average closing price of the shares of the Company as stated in the daily quotation sheets issued by the Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a share of the Company on the date of grant. The subscription price will be established by the Board at the time the option is offered to the participants.

No options may be granted under the 2001 Scheme after the date of the tenth anniversary of the adoption of the 2001 Scheme.

30. 購股權計劃(續)

購股權必須行使的期間會由本公司在授出當日指定。此期限必須由授出購股權當日起10年內屆滿。於授出購股權時，本公司可能會訂明購股權的最短持有期限，待期限屆滿後方能夠行使。有關授出購股權的授予建議，參與者可於載有有關授權建議的函件的寄發日起14天內接受該建議，而每次接納此購股權建議的應付款項為1.00港元。

本公司按行使購股權而將發行的股份認購價將不會低於(以較高者為準)(i)於授出購股權當日載列於聯交所每日發行的報價表的本公司股份收市價；(ii)於緊接授出購股權前的5個工作天載列於聯交所每日發行的報價表的本公司股份平均收市價；及(iii)於授出購股權當日本公司股份的面值。認購價將由董事會於建議授出購股權予參與者當日確定。

於採納2001計劃起計10週年日後，概無購股權可按2001計劃而授出。

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For the year ended 31 December 2008 截至2008年12月31日止年度

30. SHARE OPTION SCHEME (CONTINUED)

On 2 August 2006, the Company granted 166,050,000 share options to eligible participants at an exercise price of HKD1.032 pursuant to the 2001 Scheme. The following table discloses the details of the options held by directors, employees and a consultant and movements in such holding during the year ended 31 December 2008:

Name 名稱	Date of grant 授出日期 (dd.mm.yyyy) (日.月.年)	Exercisable period 行使期限 (dd.mm.yyyy) (日.月.年)
Category I: 類別 I: Directors 董事	02.08.2006	01.09.2006 – 31.08.2009
Category II: 類別 II: Employees 僱員	02.08.2006	01.09.2006 – 31.08.2009
Category III: 類別 III: Consultant 顧問	02.08.2006	01.09.2006 – 31.08.2009

The consultant rendered consultancy service with regard to the setting up and management of PRC operations of the Group. The Group granted share options to him for recognizing his service similar to those rendered by other employees.

30. 購股權計劃 (續)

於2006年8月2日，本公司根據2001計劃以每股行使價1.032港元授出166,050,000份購股權予合資格參予者。下表披露於截至2008年12月31日止年度，董事、僱員及一名顧問所持的購股權及其變動：

Exercise price 每股行使價 (HKD) (港元)	Number of share options 購股權數量		
	Outstanding at 1.1.2008 於2008年 1月1日 尚未行使	Lapsed during the year 於年內 失效	Outstanding at 31.12.2008 於2008年 12月31日 尚未行使
1.032	43,600,000	-	43,600,000
1.032	40,610,000	(6,700,000)	33,910,000
1.032	1,000,000	-	1,000,000
	85,210,000	(6,700,000)	78,510,000

該顧問就成立及管理本集團於中國的營運提供顧問服務。本集團向其授出購股權乃認同其提供的服務與其他僱員相若。

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For the year ended 31 December 2008 截至2008年12月31日止年度

30. SHARE OPTION SCHEME (CONTINUED)

The following table discloses the details of the 2001 Scheme held by the Directors, employees and a consultant and movements in such holdings during the year ended 31 December 2007:

30. 購股權計劃(續)

下表披露截至2007年12月31日止年度由董事、僱員及一名顧問所持有2001計劃的購股權詳情及其變動：

Name 名稱	Date of grant 授出日期 (dd.mm.yyyy) (日.月.年)	Exercisable period 行使期限 (dd.mm.yyyy) (日.月.年)	Exercise price per share 每股行使價 (HKD) (港元)	Number of share options 購股權數量				
				Outstanding at 1.1.2007 於2007年 1月1日 尚未行使	Exercised during the year 於年內 行使	Lapsed during the year 於年內 失效	Outstanding at 31.12.2007 於2007年 12月31日 尚未行使	
Category I: Directors	類別 I: 董事	02.08.2006	01.09.2006 – 31.08.2009	1.032	97,600,000	(54,000,000)	-	43,600,000
Category II: Employees	類別 II: 僱員	02.08.2006	01.09.2006 – 31.08.2009	1.032	67,450,000	(25,340,000)	(1,500,000)	40,610,000
Category III: Consultant	類別 III: 顧問	02.08.2006	01.09.2006 – 31.08.2009	1.032	1,000,000	-	-	1,000,000
					166,050,000	(79,340,000)	(1,500,000)	85,210,000

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For the year ended 31 December 2008 截至2008年12月31日止年度

31. DISPOSAL OF SUBSIDIARIES

On 29 October 2008, the Group disposed of the entire issued share capital of a subsidiary, Bright Boom Holdings Limited ("Bright Boom"), an investment holding company. Bright Boom owned the entire issued share capital in Keenson Asia Limited ("Keenson"), which was principally engaged in property holding. The net assets of Bright Boom together with Keenson at the date of disposal were as follows:

NET ASSETS DISPOSED OF	已出售資產淨值
Investment properties	投資物業
Other receivables	其他應收賬款
Other payables	其他應付賬款
Gain on disposal	出售收益
Total consideration	總代價
Satisfied by:	按以下方式支付：
Cash	現金
Deferred consideration (Note i)	遞延代價 (註i)
Share consideration (Note ii)	股份代價 (註ii)
Cash inflow arising from disposal:	出售產生的現金流量：
Cash consideration	現金代價

Notes:

- i. The deferred consideration included in other receivables will be settled by cash by the purchaser on or before 30 April 2009.
- ii. The share consideration included in held-for-trading investments represents 4,000,000 shares of Bel Global Resources Holdings Limited, a company listed on the Exchange, at HKD1.25 per share at the acquisition date.

31. 出售附屬公司

於2008年10月29日，本公司出售一主要從事投資控股的附屬公司Bright Boom Holdings Limited (「Bright Boom」)的全部已發行股本。Bright Boom持有建新亞洲有限公司(「建新」)的全部已發行股本，建新主要從事物業持有。Bright Boom及建新於出售日期的資產淨值如下：

**29 October
2008
2008年
10月29日
HKD'000
千港元**

96,422
1,030
(1,038)
96,414
13,586
110,000
96,000
9,000
5,000
110,000
96,000

註：

- i. 列入其他應收賬款的遞延代價將由買方在2009年4月30日或之前以現金支付。
- ii. 列入持作買賣投資的股份代價指於收購日期4,000,000股百營環球資源控股有限公司(於聯交所上市的公司)的股份，每股作價1.25港元。

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For the year ended 31 December 2008 截至2008年12月31日止年度

32. OPERATING LEASE COMMITMENTS

THE GROUP AS LESSEE

The Group made the following minimum lease payments during the year as follows:

Operating lease rentals in respect of: 有關以下項目的經營租賃租金：

Minimum lease payments:	最低租賃款項：
- plants	- 廠房
- retail shops	- 零售商舖
Contingent rentals	或然租金

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

Within one year	首年內
In the second to fifth year inclusive	次年至第五年（包括首尾兩年）

Operating lease payments represent rental payable by the Group for certain of its plants and retail shops. Leases are negotiated for lease terms of 1 to 5 years.

The above lease commitments represent basic rents only and do not include contingent rents payable in respect of certain retail shops leased by the Group. In general, these contingent rents are calculated with reference to the relevant retail shops' turnover using pre-determined formulae. It is not possible to estimate in advance the amount of such contingent rent payable.

32. 經營租賃承擔

本集團為承租人

本集團於年內作出以下最低租賃款項：

2008	2007
HKD'000	HKD'000
千港元	千港元
32,086	28,682
1,086	19
4,053	314
37,225	29,015

於結算日，本集團承擔支付被歸類為不可取消的經營租賃的廠房及零售商舖的未來最低租賃款項，其到期日的分析如下：

2008	2007
HKD'000	HKD'000
千港元	千港元
38,447	18,207
71,897	17,880
110,344	36,087

經營租賃款項乃指本集團應付其若干廠房及零售商舖的租金。租約經協商定為1至5年不等。

上述租賃承擔僅指基本租金，但不包括本集團租賃的若干零售商舖的應付或然租金。一般而言，該等或然租金乃參考相關零售商舖的營業額使用預先釐定的程式計算，事先估計應付有關或然租金的金額並不可行。

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32. OPERATING LEASE COMMITMENTS (CONTINUED)

THE GROUP AS LESSOR

Property rental income earned during the year was approximately HKD4,147,000 (2007: HKD2,206,000). All of the Group's investment properties are held for rental purposes. The investment properties held for rental purposes have committed tenants for the next years.

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

Within one year	於首年
In the second to fifth year inclusive	次年至第5年 (包括首尾兩年)

32. 經營租賃承擔 (續)

本集團為出租人

於年內，所獲物業出租收入約為4,147,000港元(2007：2,206,000港元)。本集團的所有投資物業乃持作租賃用途。於未來數年，持作租賃用途的投資物業已有訂約租戶。

於結算日，本集團跟租戶訂立未來最低租賃款項合約如下：

2008 HKD'000 千港元	2007 HKD'000 千港元
4,893	1,701
8,438	—
13,331	1,701

33. CAPITAL COMMITMENT

As at 31 December 2008, capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements amounted to approximately HKD958,000 (2007 acquisition of property, plant and equipment and investment properties: HKD82,830,000).

33. 資本承擔

於2008年12月31日，已訂約但未於綜合財務報表內撥備的購置物業、廠房及設備的資本開支約為958,000港元(2007年購置物業、廠房及設備以及投資物業：82,830,000港元)。

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34. RETIREMENT BENEFITS SCHEME

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all its qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% or HKD1,000 in maximum of relevant payroll costs to the MPF Scheme, which contribution is matched by employees.

The Company's subsidiaries in the PRC are members of the state-managed retirement benefits scheme operated by the government of the PRC. The retirement scheme contributions, which are based on a certain percentage of the salaries of the relevant subsidiaries' employees, are charged to the consolidated income statement in the period to which they relate and represent the amount of contributions payable by these subsidiaries to the scheme.

The Group also participates in defined contribution retirement schemes organized by the relevant local government authorities in other jurisdictions where the Group operates. Certain employees of the Group eligible for participating in the retirement schemes are entitled to retirement benefits from the schemes. The Group is required to make contributions to the retirement schemes up to time of retirement of the eligible employees, excluding those employees who resigned before their retirements, at a percentage that is specified by the local governments.

34. 退休福利計劃

本集團為所有於香港的合資格僱員執行一項強制性公積金計劃(「強積金計劃」)。強積金計劃的資產與本集團的資產分開管理，並由信託人控制的基金持有。本集團會將相關的工資成本的5%或最高1,000港元作為強積金計劃供款，而僱員亦須繳納相等的供款。

本公司於中國的附屬公司為中國政府經營的國家管理退休福利計劃成員。此退休計劃供款乃按相關附屬公司僱員的工資的若干百分比計量，並於有關期內將此等附屬公司的應付退休計劃供款計入綜合損益表。

本集團亦參與本集團經營業務的其他司法權區的相關政府部門的界定供款退休計劃。本集團符合資格參加退休計劃的僱員有權享有該等計劃的退休福利。本集團須按當地政府規定的百分比率向該等退休計劃作出供款，直至合資格僱員退休為止，不包括於退休前辭任的有關僱員。

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35. RELATED PARTY DISCLOSURES

(A) RELATED PARTY TRANSACTIONS

During the year, the Group entered into the following transactions with its jointly controlled entities:

NATURE OF TRANSACTIONS	交易性質
Sales	銷售
Advertising charge	廣告費用
Purchase of property, plant and equipment	購置物業、廠房及設備
Interest income	利息收入
Management fee income	管理費收入
Royalty fee charge	專利權使用費

(B) COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of the Directors and other members of key management during the year was as follows:

Short-term benefits	短期福利
Post-employment benefits	終止僱用後福利

The remuneration of the Directors and the key executives is determined by the Directors having regard to the performance of the individuals and market trends.

35. 關連人士披露

(A) 關連人士交易

於年內，本集團與其共同控制實體進行以下交易：

	2008 HKD'000 千港元	2007 HKD'000 千港元
Sales	100,984	51,163
Advertising charge	-	(1,964)
Purchase of property, plant and equipment	-	(67)
Interest income	3,463	538
Management fee income	2,090	772
Royalty fee charge	(803)	(1,609)

(B) 主要管理人員報酬

於年內，董事及其他主要管理人員的薪酬如下：

	2008 HKD'000 千港元	2007 HKD'000 千港元
Short-term benefits	14,370	11,951
Post-employment benefits	456	325
	14,826	12,276

董事及主要管理人員的薪酬乃由董事按個別表現及市場趨勢而釐定。

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For the year ended 31 December 2008 截至2008年12月31日止年度

36. SUMMARIZED BALANCE SHEET OF THE COMPANY

The following is the summarized balance sheet of the Company as at 31 December 2008:

		2008 HKD'000 千港元	2007 HKD'000 千港元
Investments in subsidiaries	於附屬公司的投資	988	988
Other receivables	其他應收賬款	721	2,147
Amounts due from subsidiaries	應收附屬公司款項	1,228,125	583,294
Bank balances and cash	銀行結餘及現金	97,418	374,859
		1,327,252	961,288
Other payables	其他應付賬款	556	409
Amounts due to subsidiaries	應付附屬公司款項	377,751	22,535
		378,307	22,944
		948,945	938,344
Capital and reserves	股本及儲備		
Share capital	股本	436,011	436,011
Reserves (Note)	儲備 (註)	512,934	502,333
		948,945	938,344

Note: 註:

RESERVES 儲備

		Share premium 股份溢價 HKD'000 千港元	Contributed surplus 實繳盈餘 HKD'000 千港元	Share options reserve 購股權儲備 HKD'000 千港元	Retained profits 留存溢利 HKD'000 千港元	Total 總金額 HKD'000 千港元
At 1 January 2007	於2007年1月1日	288,308	63,561	29,900	137,703	519,472
Profit for the year	年度溢利	-	-	-	84,890	84,890
Dividends paid	已付股息	-	-	-	(164,072)	(164,072)
Exercises of share options	行使購股權	76,330	-	(14,557)	270	62,043
At 31 December 2007	於2007年12月31日	364,638	63,561	15,343	58,791	502,333
Profit for the year	年度溢利	-	-	-	48,970	48,970
Dividends paid	已付股息	-	-	-	(38,369)	(38,369)
Lapse of share options	購股權失效	-	-	(1,206)	1,206	-
At 31 December 2008	於2008年12月31日	364,638	63,561	14,137	70,598	512,934

36. 本公司資產負債表概覽

本公司於2008年12月31日的資產負債表概覽如下：

	2008 HKD'000 千港元	2007 HKD'000 千港元
Investments in subsidiaries	988	988
Other receivables	721	2,147
Amounts due from subsidiaries	1,228,125	583,294
Bank balances and cash	97,418	374,859
	1,327,252	961,288
Other payables	556	409
Amounts due to subsidiaries	377,751	22,535
	378,307	22,944
	948,945	938,344
Capital and reserves		
Share capital	436,011	436,011
Reserves (Note)	512,934	502,333
	948,945	938,344

Note: 註:

RESERVES 儲備

		Share premium 股份溢價 HKD'000 千港元	Contributed surplus 實繳盈餘 HKD'000 千港元	Share options reserve 購股權儲備 HKD'000 千港元	Retained profits 留存溢利 HKD'000 千港元	Total 總金額 HKD'000 千港元
At 1 January 2007	於2007年1月1日	288,308	63,561	29,900	137,703	519,472
Profit for the year	年度溢利	-	-	-	84,890	84,890
Dividends paid	已付股息	-	-	-	(164,072)	(164,072)
Exercises of share options	行使購股權	76,330	-	(14,557)	270	62,043
At 31 December 2007	於2007年12月31日	364,638	63,561	15,343	58,791	502,333
Profit for the year	年度溢利	-	-	-	48,970	48,970
Dividends paid	已付股息	-	-	-	(38,369)	(38,369)
Lapse of share options	購股權失效	-	-	(1,206)	1,206	-
At 31 December 2008	於2008年12月31日	364,638	63,561	14,137	70,598	512,934

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

36. SUMMARIZED BALANCE SHEET OF THE COMPANY (CONTINUED)

The contributed surplus of the Company represents the excess of the fair value of the shares of the acquired subsidiaries and the nominal amount of the Company's shares issued for the acquisition at the time of the group reorganisation on 9 February 1995.

37. POST BALANCE SHEET EVENTS

The Group has the following subsequent events:

1. On 30 January 2009, Team China International Limited, a wholly-owned subsidiary of the Company, entered into a joint venture agreement with Toyota Tsusho Corporation for the establishment of a joint venture company relating to the distribution and retailing in the Greater China region of well-known brands of apparels mainly originated from Japan, Europe and the United States of America. The Group's total contribution to the joint venture company would amount to HKD42,000,000;
2. On 23 January 2009, Mr. Li Kwok Lung Alfred Ronald ("Mr. Li"), former chairman and executive Director, tendered his resignation. At its own discretion, the Board resolved to make a payment of HKD12.8 million to Mr. Li at the Group's discretion subsequent to his resignation.

36. 本公司資產負債表概覽(續)

本公司的實繳盈餘乃為所收購的附屬公司股份的公平價值，超過於1995年2月9日集團架構重組時，本公司因收購該附屬公司而發行的股份之面值。

37. 結算日後事件

本集團有下列結算日後事項：

1. 於2009年1月30日，本公司全資附屬公司Team China International Limited與豐田通商株式會社訂立合營公司協議，以成立合營公司，負責在大中華區分銷及零售主要源自日本、歐洲及美國的知名品牌服裝。本集團向合營公司的注資總額將為42,000,000港元；
2. 於2009年1月23日，前任主席兼執行董事李國麟先生(「李先生」)呈辭。董事會酌情決議，本集團酌情在其辭任後向李先生支付12,800,000港元。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 31 December 2008 and 2007 are as follows:

38. 主要附屬公司資料

於2008年及2007年12月31日，本公司的主要附屬公司詳情如下：

Subsidiaries 附屬公司	Place of incorporation/ registration and operation 註冊成立/ 登記及 經營地點	Paid up issued/ registered share capital 已發行/ 繳足及 登記股本	Proportion of nominal value of issued/ registered capital held by the Company 本公司持有的 已發行/登記 的股票面值比率				Principal activities 主要活動
			2008		2007		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Canray Int'l Limited	British Virgin Islands 英屬處女群島	Ordinary USD1 普通股 1 美元	-	100%	-	100%	Footwear trading 鞋履貿易
Cashmaster Profits Limited	British Virgin Islands 英屬處女群島	Ordinary USD1 普通股 1 美元	-	100%	-	100%	Footwear trading 鞋履貿易
Chi Yuen Developments Limited 資源發展有限公司	British Virgin Islands/ PRC 英屬處女群島/ 中國	Ordinary USD1 普通股 1 美元	-	100%	-	100%	Footwear manufacturing 鞋履製造
Cosmo Group Holdings Limited	British Virgin Islands 英屬處女群島	Ordinary USD10,000 普通股 10,000 美元	100%	-	100%	-	Investment holding 投資控股
Continuance Enterprises Limited	British Virgin Islands 英屬處女群島	Ordinary USD1 普通股 1 美元	-	100%	-	100%	Footwear trading 鞋履貿易
Panyu Xingtaiy 番禺興泰	PRC (Co-operative joint venture) 中國 (合營企業)	Registered capital RMB68,260,876 註冊資本 68,260,876 元 人民幣	-	92.78%	-	92.78%	Footwear manufacturing 鞋履製造

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

38. 主要附屬公司資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and operation 註冊成立/ 登記及 經營地點	Paid up issued/ registered share capital 已發行/ 繳足及 登記股本	Proportion of nominal value of issued/ registered capital held by the Company 本公司持有的 已發行/登記 的股票面值比率				Principal activities 主要活動
			2008		2007		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Fuqing Grand Galatica 福清宏太	PRC (Wholly foreign owned enterprise) 中國 (外商獨資企業)	Registered capital USD700,000 註冊資本 700,000 美元	-	100%	-	100%	Footwear manufacturing 鞋履製造
Holey Trading Limited 益寶貿易有限公司	Hong Kong 香港	Ordinary HKD2 普通股 2 港元	-	100%	-	100%	Footwear trading 鞋履貿易
Liang Shing Industries Limited 良興實業有限公司	Hong Kong 香港	Ordinary HKD72,000 Non-voting deferred (Note) HKD1,428,000 普通股 72,000 港元 未具投票權的 遞延股(附註) 1,428,000 港元	-	100%	-	100%	Provision of management services 提供管理服務
Liang Shing Industries (HK) Limited 良興實業(香港)有限公司	Hong Kong 香港	Ordinary HKD10,000 普通股 10,000 港元	-	100%	-	100%	Footwear marketing and trading 鞋履營銷及貿易
Lucky Port Trading Limited	Hong Kong 香港	Ordinary USD2 普通股 2 美元	-	100%	-	100%	Footwear marketing and trading 鞋履營銷及貿易

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

38. 主要附屬公司資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and operation 註冊成立/ 登記及 經營地點	Paid up issued/ registered share capital 已發行/ 繳足及 登記股本	Proportion of nominal value of issued/ registered capital held by the Company 本公司持有的 已發行/登記 的股票面值比率				Principal activities 主要活動
			2008		2007		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Misto Worldwide Limited	British Virgin Islands 英屬處女群島	Ordinary USD1 普通股 1 美元	-	100%	-	100%	Investment holding 投資控股
Nice Well	British Virgin Islands 英屬處女群島	Ordinary USD50,000 普通股 50,000 美元	-	80%	-	80%	Footwear trading 鞋履貿易
Power Plus Limited	British Virgin Islands 英屬處女群島	Ordinary USD1 普通股 1 美元	-	100%	-	100%	Investment holding 投資控股
Stateway Enterprises Limited 邦威企業有限公司	British Virgin Islands 英屬處女群島	Ordinary USD1 普通股 1 美元	-	100%	-	100%	Footwear Trading 鞋履貿易
Symphony Resources Limited 新豐資源有限公司	Hong Kong 香港	Ordinary HKD2 普通股 2 港元	-	100%	-	100%	Trading of footwear, apparel, swimming wear and accessories 鞋履、成衣、 游泳服裝及 配件貿易
Takson Asia Limited 得協有限公司	Hong Kong 香港	Ordinary HKD10,000 普通股 10,000 港元	-	100%	-	100%	Footwear purchasing 鞋履採購

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

38. 主要附屬公司資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and operation 註冊成立/ 登記及 經營地點	Paid up issued/ registered share capital 已發行/ 繳足及 登記股本	Proportion of nominal value of issued/ registered capital held by the Company 本公司持有的 已發行/登記 的股票面值比率				Principal activities 主要活動
			2008		2007		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Uprise Group Limited 佳昇集團有限公司	British Virgin Islands 英屬處女群島	Ordinary USD50,000 普通股 50,000美元	-	80%	-	80%	Footwear manufacturing 鞋履製造
Zenith Billion Trading Limited 峰億貿易有限公司	Hong Kong 香港	Ordinary HKD2 普通股2港元	-	100%	-	100%	Footwear trading 鞋履貿易
Zhongshan Jingmei 中山精美	PRC (Wholly foreign owned enterprise) 中國 (外商獨資企業)	Registered capital USD21,500,000 註冊資本 21,500,000美元	-	100%	-	100%	Footwear manufacturing 鞋履製造
Zhongshan Huali 中山華利	PRC (Wholly foreign owned enterprise) 中國 (外商獨資企業)	Registered capital USD2,500,000 註冊資本 2,500,000美元	-	100%	-	100%	Footwear manufacturing 鞋履製造
Stateway Vietnam Footwear Co. Ltd. 邦威(越南)企業有限公司	Vietnam (Wholly foreign owned enterprise) 越南 (外商獨資企業)	Registered capital VND119,989,391,000 註冊資本 119,989,391,000 越南盾	-	100%	-	100%	Footwear manufacturing 鞋履製造

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2008 截至2008年12月31日止年度

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

38. 主要附屬公司資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and operation 註冊成立/ 登記及 經營地點	Paid up issued/ registered share capital 已發行/ 繳足及 登記股本	Proportion of nominal value of issued/ registered capital held by the Company 本公司持有的 已發行/登記 的股票面值比率				Principal activities 主要活動
			2008		2007		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
南寧駿豐服飾有限公司	PRC (Wholly foreign owned enterprise) 中國 (外商獨資企業)	Registered capital RMB35,728,529 註冊資本 35,728,529元 人民幣	-	100%	-	100%	Trading, retailing and distribution of apparel, swimming wear and accessories 鞋履、成衣、 游泳服裝及 配件貿易、零售 與分銷

Note: The holders of the non-voting deferred shares are not entitled to vote, are not entitled to any dividend and are, on a winding-up, only entitled out of the surplus assets of the Company, to a return of the capital after a total sum of HKD100,000,000,000,000 has been distributed to the holders of the ordinary shares of the Company.

None of the subsidiaries had issued any debt security at the end of the year or at any time during the year.

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

註：無投票權的遞延股持有人並無付予投票權力，亦不會享有任何股息派發，並於清盤時，只可在已配發100,000,000,000,000港元予本公司的普通股持有人後，方可獲分配本公司的剩餘資產。

於本結算日或本年度任何時間內，概無附屬公司已發行債務股份。

董事認為，以上表列的本公司附屬公司為主要影響本集團業績及資產的公司。董事認為倘提供其他附屬公司的詳細資料會導致附屬公司資料部分過於冗長。

Financial Summary 財務摘要

		Year ended 31 December 截至 12 月 31 日止				
		2004	2005	2006	2007	2008
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元	千港元
RESULTS	業績					
Revenue	營業額	1,447,851	1,852,511	1,861,604	1,849,207	2,050,584
Profit (Loss) before tax	除稅前盈利 (虧損)	187,582	257,635	222,172	116,252	(231,245)
Taxation	稅項	(16,807)	(21,888)	(7,444)	(18,216)	1,554
Profit (Loss) for the year	年度溢利 (虧損)	170,775	235,747	214,728	98,036	(229,691)
Attributable to:	應佔:					
Equity holders of the Company	本公司權益持有人	163,760	215,950	207,287	94,929	(226,508)
Minority interests	少數股東權益	7,015	19,797	7,441	3,107	(3,183)
		170,775	235,747	214,728	98,036	(229,691)
		As at 31 December 於 12 月 31 日				
		2004	2005	2006	2007	2008
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元	千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	1,411,275	1,915,451	2,023,750	2,057,715	1,792,803
Total liabilities	負債總值	(470,073)	(480,290)	(505,171)	(501,677)	(488,599)
		941,202	1,435,161	1,518,579	1,556,038	1,304,204
Equity attributable to equity holders of the Company	本公司股本持有人應佔權益	914,729	1,404,891	1,480,868	1,520,668	1,271,373
Minority interests	少數股東權益	26,473	30,270	37,711	35,370	32,831
		941,202	1,435,161	1,518,579	1,556,038	1,304,204

Particulars of Major Properties 主要物業資料

(A) PROPERTIES HELD AS PROPERTY, PLANT AND EQUIPMENT

(A) 分類為物業、廠房及設備的物業

Name/location 名稱／地點		Lease term 租賃期	Gross floor area 總面積 (sq.ft.) (平方尺)	Use 用途	Effective % held 有效持有 比率 (%)
Unit Nos. 1 to 10 on the 10/F of Island Place Tower, Island Place, No. 510 King's Road, North Point, Hong Kong	香港 北角 英皇道510號 港運大廈 10樓 1至10號單位	Medium 中期	20,090	Commercial 商業	100
Unit 16-3, Lane 73, Rau Ping Road, Tsyh Torng, Yun Lin Hsien, Taiwan, R.O.C.	中華民國台灣 雲林縣 荊桐鄉 鏡平路 73巷16之3	Long 長期	43,446	Industrial land 工業用地	100
Land and factory complex at Zhangjiabian Village, Huoju Development Zone, Zhangshan City, Guangdong Province, the People's Republic of China	中華人民共和國 廣東省中山市 火炬開發區 張家邊 土地及廠房	Medium 中期	2,019,511	Factory and Staff quarters 工廠及員工宿舍	100
Unit 3, Flat 113 to 114, 123 to 124, No. 21-1, Wenyi Road Shenhe District, Shenyang	中華人民共和國 瀋陽市 瀋河區文藝路 21-1號一層1-1-3、 1-1-4及二層1-2-3、 1-2-4商品房	Medium 中期	11,214	Commercial 商業	100

Particulars of Major Properties 主要物業資料

(B) PROPERTIES HELD AS INVESTMENT PROPERTIES

(B) 分類為投資物業的物業

Name/location 名稱/地點		Lease term 租賃期	Gross floor area 總面積 (sq.ft.) (平方尺)	Use 用途	Effective % held 有效持有 比率 (%)
Unit Nos. 1 to 10 on the 3/F of Island Place Tower, No. 510 King's Road, North Point, Hong Kong	香港 北角 英皇道510號 港運大廈3樓 1至10號單位	Medium 中期	20,090	Commercial 商業	100
Flat E on 8/F, One Island Place, No. 51 Tanner Road, North Point, Hong Kong	香港 北角 丹拿道51號 港運城1座 8樓E室	Medium 中期	975	Residential 住宅	100
Flat G on 18/F, One Island Place, No. 51 Tanner Road, North Point, Hong Kong	香港 北角 丹拿道51號 港運城1座 18樓G室	Medium 中期	1,013	Residential 住宅	100
Flat E on 11/F, Two Island Place, No. 55 Tanner Road, North Point, Hong Kong	香港 北角 丹拿道55號 港運城2座 11樓E室	Medium 中期	975	Residential 住宅	100
Flat D, 8/F, Three Island Place, No. 61 Tanner Road, North Point, Hong Kong	香港 北角 丹拿道61號 港運城3座 8樓D室	Medium 中期	597	Residential 住宅	100
Flat No. 702, 7/F, Block B, Healthy Gardens, No. 560 King's Road, North Point, Hong Kong	香港 北角 英皇道560號 健威花園B座 7樓702室	Medium 中期	514	Residential 住宅	100
Portion B on 5/F, No. 32 Hung To Road, Kwun Tong, Kowloon Hong Kong	香港 九龍 觀塘 鴻圖道32號 5樓B部	Medium 中期	4,462	Industrial 工業	100
Unit C, 2/F, Hop Ming Factory Building, No. 8 On Yip Street, Chai Wan, Hong Kong	香港 柴灣 安業街8號 合明工廠大廈 2樓C單位	Long 長期	4,864	Industrial 工業	100

Information to Stakeholders 利益相關者資訊

SHAREHOLDERS' MEETING

Details of the Annual General Meeting are set out in the Notice of Annual General Meeting to be sent to Shareholders together with a proxy form on or before 30 April 2009.

Date: Wednesday, 10 June 2009
Time: 9.30 a.m.
Venue: 10th Floor, Island Place Tower, 510 King's Road
North Point, Hong Kong

DIVIDEND

Final dividend: HKD0.01 per ordinary share
Book close period: Thursday, 4 June 2009 to
Friday, 5 June 2009
Payment date for final dividend: on or about Thursday, 2 July 2009

CLOSURE OF REGISTER OF MEMBERS

In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at the 26th Floor of Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4.30 p.m. on Wednesday, 3 June 2009.

ANNUAL REPORT

The Annual Report containing financial statements and notes to the financial statements for the year ended 31 December 2008 is published on both the websites of the Company (www.symphonyholdings.com) and the Exchange (www.hkex.com.hk).

REGISTERED OFFICE

Address: Clarendon House, 2 Church Street
Hamilton HM11 Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Address: 10th Floor, Island Place Tower, 510 King's Road
North Point, Hong Kong
Email: info@symphonyholdings.com

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Name: The Bank of Bermuda Limited
Address: 6 Front Street
Hamilton HM11 Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Name: Tricor Tengis Limited
Address: 26th Floor, Tesbury Centre, 28 Queen's Road East
Wanchai, Hong Kong
Telephone: (852) 29801333
Facsimile: (852) 28108185

STOCK CODE

Exchange: 01223

股東大會

股東周年大會有關詳情連同代表委任表格載於2009年4月30日或以前寄發予股東的股東周年大會通告內。

日期: 2009年6月10日星期三
時間: 上午9時30分
地點: 香港北角英皇道510號
港運大廈10樓

股息

期末股息: 每普通股0.01港元
暫停過戶期限: 2009年6月4日星期四至
2009年6月5日星期五
期末股息派付日期: 約於2009年7月2日星期四

暫停辦理股份過戶登記

股東如欲獲派付期末股息, 最遲須於2009年6月3日星期三下午4時30分以前, 將所有過戶文件及相關股票一併交回本公司的股份過戶登記處香港分處卓佳登捷時有限公司, 地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

年報

載有截至2008年12月31日止年度的本公司財務報表及財務報表附註的年報, 分別以英文及中文編製, 已於本公司網頁(www.symphonyholdings.com)及聯交所網頁(www.hkex.com.hk)刊載。

註冊辦事處

地址: Clarendon House, 2 Church Street
Hamilton HM11 Bermuda

總辦事處及香港主要營業地點

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港運大廈10樓
電郵: info@symphonyholdings.com

主要股份過戶登記處

名稱: The Bank of Bermuda Limited
地址: 6 Front Street
Hamilton HM11 Bermuda

股份過戶登記處香港分處

名稱: 卓佳登捷時有限公司
地址: 香港灣仔皇后大道東28號
金鐘匯中心26樓
電話: (852) 29801333
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股份代號

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