

Willie International Holdings Limited 威利國際控股有限公司

(Incorporated in Hong Kong with limited liability)
(於香港註冊成立之有限公司)

Listed Since 1972 *Stock Code: 273*
自1972年上市 股份代號: 273

2008
ANNUAL REPORT
年 報

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Corporate Information

公司資料

DIRECTORS

Executive Directors

Chuang Yueheng, Henry (*Chairman*)

King Phillip (*Managing Director*)

Wong Ying Seung, Asiong

Wang Lin

Independent Non-Executive Directors

Lin Wai Yi

Liu Jian

Shum Ming Choy (resigned with effect from 22 April 2009)

Wen Louis (appointed with effect from 22 April 2009)

Yau Yan Ming, Raymond

AUDIT COMMITTEE

Shum Ming Choy (*Chairman*)

(resigned with effect from 22 April 2009)

Lin Wai Yi

Wen Louis (*Chairman*)

(appointed with effect from 22 April 2009)

Yau Yan Ming, Raymond

REMUNERATION COMMITTEE

Wong Ying Seung, Asiong (*Chairman*)

Yau Yan Ming, Raymond

Wen Louis (appointed with effect from 22 April 2009)

Shum Ming Choy (resigned with effect from 22 April 2009)

QUALIFIED ACCOUNTANT

Ho Wai Chu

COMPANY SECRETARY

Chan Mee Sze

董事

執行董事

莊友衡 (主席)

金紫耀 (董事總經理)

王迎祥

王林

獨立非執行董事

連慧儀

劉劍

岑明才 (於二零零九年四月二十二日辭任)

溫耒 (於二零零九年四月二十二日獲委任)

邱恩明

審核委員會

岑明才 (主席)

(於二零零九年四月二十二日辭任)

連慧儀

溫耒 (主席)

(於二零零九年四月二十二日獲委任)

邱恩明

薪酬委員會

王迎祥 (主席)

邱恩明

溫耒 (於二零零九年四月二十二日獲委任)

岑明才 (於二零零九年四月二十二日辭任)

合資格會計師

何慧珠

公司秘書

陳美思

AUDITOR

Mazars CPA Limited
Certified Public Accountants
34/F, The Lee Gardens
33 Hysan Avenue
Causeway Bay
Hong Kong

REGISTERED AND PRINCIPAL OFFICE

32/F, China United Centre
28 Marble Road
North Point
Hong Kong

PRINCIPAL BANKERS

Chong Hing Bank Limited
Industrial and Commercial Bank of China (Asia) Limited
The Bank of East Asia Limited
The Hongkong and Shanghai Banking Corporation Limited

SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Transfer Office
Shops 1712-1716,
17/F, Hopewell Centre
183 Queen's Road East
Hong Kong

Investor Communication Centre

Rooms 1806-1807,
18/F, Hopewell Centre
183 Queen's Road East
Hong Kong

INTERNET ADDRESS

<http://www.willie273.com>
<http://www.irasia.com/listco/hk/willie/index.htm>

核數師

馬賽會計師事務所有限公司
香港執業會計師
香港
銅鑼灣
希慎道33號
利園廣場34樓

註冊及主要辦事處

香港
北角
馬寶道28號
華匯中心32樓

主要往來銀行

創興銀行有限公司
中國工商銀行(亞洲)有限公司
東亞銀行有限公司
香港上海滙豐銀行有限公司

股份註冊及過戶處

香港中央證券登記有限公司
過戶處
香港
皇后大道東183號
合和中心17樓
1712-1716號舖

投資者通訊中心

香港
皇后大道東183號
合和中心18樓
1806-1807室

網址

<http://www.willie273.com>
<http://www.irasia.com/listco/hk/willie/index.htm>

Financial Highlights

財務概要

TURNOVER SUMMARY

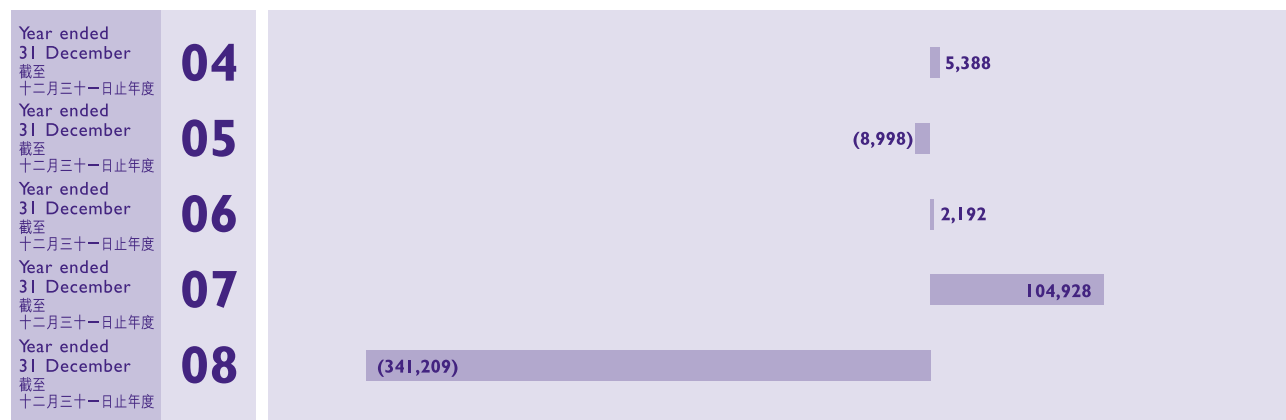
營業額摘要

(In HK\$'000)

(千港元)

(restated)

(重列)

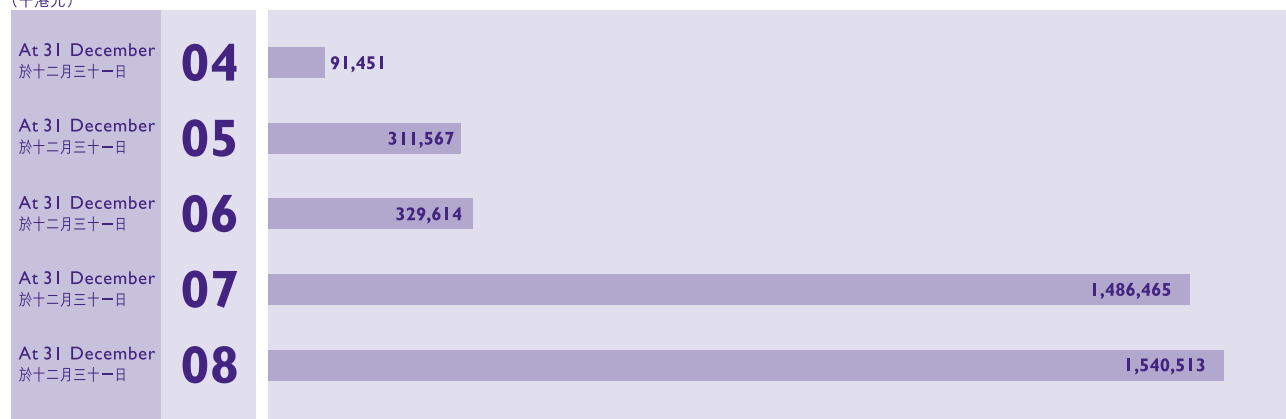


NET ASSETS SUMMARY

淨資產值摘要

(In HK\$'000)

(千港元)



Notice of Annual General Meeting

股東週年大會通告

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Willie International Holdings Limited (the "Company") will be held at 30/F, China United Centre, 28 Marble Road, North Point, Hong Kong on Tuesday, 2 June 2009 at 9:00 a.m. for the purpose of transacting the following business:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditor of the Company for the year ended 31 December 2008.
2. To re-elect Mr. Wen Louis and the retiring directors, Mr. Chuang Yueheng, Henry, Mr. Wong Ying Seung, Asiong and Mr. Wang Lin as directors of the Company and to authorise the board of directors of the Company to fix their remuneration.
3. To re-appoint Mazars CPA Limited as auditor of the Company and to authorise the board of directors of the Company to fix their remuneration.

As special businesses, to consider and if thought fit, pass with or without modification the following resolutions as ordinary resolutions:

4. **"THAT:**

- (A) subject to paragraph (C) below, the exercise by the directors of the Company (the "Directors") during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (B) the Directors be and are authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers during or after the end of the Relevant Period;

茲通告威利國際控股有限公司(「本公司」)謹訂於二零零九年六月二日(星期二)上午九時正假座香港北角馬寶道28號華匯中心30樓舉行股東週年大會以討論下列事項：

普通決議案

1. 省覽及考慮本公司截至二零零八年十二月三十一日止年度的經審核綜合財務報表及董事會與核數師的報告。
2. 重選溫耒先生以及退任董事莊友衡先生、王迎祥先生及王林先生為本公司董事及授權本公司董事會釐定其酬金。
3. 續聘馬賽會計師事務所有限公司為本公司核數師並授權本公司董事會釐定其酬金。

以特別事項方式考慮並酌情通過下列普通決議案(無論有否修訂)：

4. **「動議：**

- (A) 在下文(C)段的規限下，一般及無條件批准本公司董事(「董事」)於有關期間(定義見下文)行使本公司一切權力以配發、發行及處理本公司股本中的額外股份，並作出或授予可能須行使上述權力的要約、協議及購股權(包括可轉換為本公司股份的認股權證、債券及公司債券)；
- (B) 授權董事於有關期間作出或授予可能須於有關期間內或完結後行使上述權力的要約、協議及購股權(包括可轉換為本公司股份的認股權證、債券及公司債券)；

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- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (A) and (B), otherwise than (i) a Rights Issue (as hereafter defined) or (ii) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities issued by the Company which carry rights to subscribe for or are convertible into shares of the Company or (iii) an issues of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to the employees of the Company and/or any of its subsidiaries or any other eligible person(s) of shares or right to acquire shares of the Company or (iv) an issue of shares as scrip dividend pursuant to the Articles of Association, from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly; and
- (D) for the purposes of this resolution:
- “Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company or any applicable law of Hong Kong to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.
- (C) 董事根據(A)及(B)段的批准配發或有條件或無條件同意配發(不論是否依據購股權或其他方式)的股本總面值，除因：(i)供股(定義見下文)；或(ii)根據本公司發行附有權利認購或轉換為本公司股份的任何現有認股權證、債券、公司債券、票據或其他證券的條款，行使認購權或轉換權；或(iii)根據當時所採納的任何購股權計劃或類似安排，向本公司及／或其任何附屬公司的僱員或任何其他合資格人士授出或發行股份或可認購本公司股份的權利；或(iv)根據本公司的章程細則不時發行股份以代替股息的情況外，不得超過本決議案獲通過當日本公司已發行股本總面值的20%，而上述批准應以此為限；及
- (D) 就本決議案而言：
- 「有關期間」指本決議案通過當日起至下列三項中最早發生者止的期間：
- (i) 本公司下屆股東週年大會結束時；
 - (ii) 本公司的章程大綱及章程細則或香港任何適用法例規定本公司必須舉行下屆股東週年大會的期限終止時；及
 - (iii) 本公司股東在股東大會上通過普通決議案撤銷或修訂本決議案的授權時。

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“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

5. “THAT:

- (A) subject to paragraph (C) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to purchase securities in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, and that the exercise by the Directors of all powers of the Company to purchase such securities are subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its securities at a price determined by the Directors;
- (C) the aggregate nominal amount of securities in the capital of the Company purchased or agreed conditionally or unconditionally to be purchased by the Company pursuant to the approval in paragraph (A) during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly; and

「供股」指於董事指定的期間內，向於指定記錄日期名列股東名冊的股份持有人，按彼等當時的持股比例發售股份（惟董事有權就零碎股份或根據任何有關司法權區的法例的任何限制或責任或任何認可監管機構或任何證券交易所的規定，作出其認為必須或權宜的豁免或其他安排）。

5. 「動議：

- (A) 在下文(C)段的規限下，一般及無條件批准董事於有關期間（定義見下文）行使本公司一切權力，以在香港聯合交易所有限公司（「聯交所」）或本公司證券可能上市及經證券及期貨事務監察委員會及聯交所就此認可的任何其他證券交易所購買本公司股本中的證券，而董事行使本公司一切權力購買有關證券必須根據所有適用法例進行；
- (B) (A)段的批准須計入給予董事的任何其他授權，並授權董事於有關期間代表本公司，促使本公司按董事釐定的價格購買其證券；
- (C) 本公司於有關期間根據(A)段的批准購買或同意有條件或無條件購買本公司股本中的證券總面值，不得超過通過本決議案當日本公司已發行股本總面值的10%，而上述批准須以此為限；及

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(D) for the purposes of this resolution:

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company or any applicable law of Hong Kong to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

6. “**THAT** conditional upon the passing of the ordinary resolution no. 4 and 5 above, the aggregate nominal amount of the shares in the capital of the Company which are purchased by the Company pursuant to and in accordance with the said resolution no. 5 shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with the ordinary resolution no. 4 above, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution.”

(D) 就本決議案而言：

「有關期間」指本決議案通過當日起至下列三項中最早發生者止的期間：

- (i) 本公司下屆股東週年大會結束時；
- (ii) 本公司的章程大綱及章程細則或香港任何適用法例規定本公司須舉行下屆股東週年大會的期限終止時；及
- (iii) 本公司股東在股東大會上通過普通決議案撤銷或修訂本決議案的授權時。」

6. 「**動議**待上文第4及第5項普通決議案獲通過後，本公司按照及根據上述第5項決議案購買本公司股本中的股份總面值，須計入董事按照及根據上文第4項普通決議案而可能配發或有條件或無條件同意配發的本公司股本總面值，惟所計入的數額不得超過通過本決議案當日本公司已發行股本總面值的10%。」

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7. “**THAT** the existing scheme mandate limit in respect of the granting of options to subscribe for shares in the Company under the share option scheme adopted by the Company on 20 November 2002 (the “Share Option Scheme”) be refreshed and renewed provided that the total number of shares of the Company which may be allotted and issued pursuant to the grant or exercise of the options under the Share Option Scheme (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme), shall not exceed 10% of the shares of the Company in issue as at the date of passing this resolution (the “Refreshed Limit”) and that the Directors be and are hereby authorised, subject to compliance with the Rules Governing the Listing of Securities on the Stock Exchange, to grant options under the Share Option Scheme up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options.”
7. 「**動議**根據本公司於二零零二年十一月二十日採納的購股權計劃(「購股權計劃」)授出購股權認購本公司股份的現有計劃授權限額予以更新及重續，惟根據購股權計劃授出或行使購股權(不包括根據購股權計劃之前授出、尚未行使、註銷、失效或已行使的購股權)而可能配發及發行的本公司股份總數，不得超過於通過本決議案當日已發行的本公司股份的10%(「經更新限額」)，而董事謹此獲授權，在符合聯交所證券上市規則的情況下，根據購股權計劃授出最多達經更新限額的購股權，並行使本公司一切權力根據該等購股權的行使配發、發行及處理本公司股份。」

By order of the Board

Willie International Holdings Limited

Chan Mee Sze

Company Secretary

Hong Kong, 29 April 2009

Registered Office and Head Office:

32/F, China United Centre

28 Marble Road

North Point

Hong Kong

As at the date of this notice, the Board comprises four executive Directors, namely, Mr. Chuang Yueheng, Henry, Mr. King Phillip, Mr. Wong Ying Seung, Asiong and Mr. Wang Lin and four independent non-executive Directors, namely, Ms. Lin Wai Yi, Mr. Liu Jian, Mr. Wen Louis and Mr. Yau Yan Ming, Raymond.

承董事會命

威利國際控股有限公司

公司秘書

陳美思

香港，二零零九年四月二十九日

註冊辦事處及總辦事處：

香港

北角

馬寶道28號

華匯中心32樓

於本通告日期，董事會由四名執行董事(莊友衡先生、金紫耀先生、王迎祥先生及王林先生)及四名獨立非執行董事(連慧儀女士、劉劍先生、溫耒先生及邱恩明先生)組成。

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Notes:

1. A form of proxy to be used for the meeting is enclosed.
2. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of him. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.
3. To be valid, the instrument appointing a proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Rooms 1806-1807, 18/F, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
5. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.

附註：

1. 隨函奉附大會的代表委任表格。
2. 任何有權出席大會及在會上投票的本公司股東，均有權委任其他人士為其代表，代其出席股東大會及在會上投票。股東可親身或委派代表投票。委任代表毋須為本公司股東。一名股東可委任一名以上委任代表出席同一股東會議。
3. 代表委任表格必須由委任人或獲委任人書面正式授權的代理人簽署；如委任人屬法人團體，則須加蓋印鑑，或由公司負責人或獲正式授權的代理人親筆簽署，方為有效。
4. 代表委任表格連同經簽署的授權書或其他授權文件（如有）或經由公證人簽署證明的該等授權書或授權文件副本，須於名列代表委任表格人士擬投票之大會或其任何續會（視情況而定）指定舉行時間48小時前，送達本公司的股份登記及過戶處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心18樓1806-1807室，方為有效，否則代表委任表格則屬無效。
5. 倘屬任何股份的聯名登記持有人，則任何一名持有人均可親身或委派代表代其在大會上就有關股份投票，猶如彼乃有關股份的唯一擁有人，惟倘超過一名該等聯名持有人親自或委派代表代其出席大會，則出席大會的持有人中，只有在股東名冊內排名首位的持有人有權就有關股份投票。

THE YEAR IN REVIEW

Last year in the 2007 annual report of the Company, I mentioned of an “unprecedented turbulence in the financial markets” in the second half of the year (2007), and unfortunately it continued through 2008 and into 2009. As the year progressed, a series of problems appeared within many of the world's top financial institutions. This led to a dysfunctional credit market which almost became non-functional. By the end of the year, housing prices and stock prices started tumbling, which in turn produced a paralyzing fear and a freefall in business activities. The slowing business activities together with declining consumer spending led to even greater fear — an unending spiral which feeds on itself.

There is however a gleam of hope. We have witnessed oil price which soaring to over US\$160 per barrel only to drop to below US\$50 per barrel as a result of falling demand. The downward spiral has also spurred various governments to take massive actions by pumping billions of dollars into their respective economies. At the date hereof, to say that we have “seen the worst” may be premature but we are seeing some signs of stabilisation in the financial markets.

China which hosted the 2008 Olympic Games, presented us with an unforgettable opening ceremony and during the same year marked its first spacewalk as astronaut Zhai Zhigang floated in space for 13 minutes, has not been immune to the global financial tsunami. Both China's exports and imports have fallen substantially and with more than 15% (or 20 million) of nations migrant workers losing their jobs. Premier Wen Jiabao has promised that “the government stood ready to unveil additional stimulus measures should the current €460 billion package of tax cuts and infrastructure spending prove insufficient to raising growth to about 8 percent” and that “the country could be the first to recover from the global financial crisis”.

Hong Kong has seen its share of financial crisis in the past, but our people has always stood up to the challenge and we have always looked obstacles in the face and overcome them. As premier Wen stated “with the central government ... firmly support the work of HKSAR and with joint efforts, Hong Kong people could turn present difficulties into opportunities... and achieve sustainable development” and indeed, we have already seen mainland investments in the local housing markets, businesses, and infrastructures.

回顧年度

本人去年在本公司的二零零七年年報中提及該年度(二零零七年)下半年「金融市場前所未有的動蕩」，遺憾的是此形勢於二零零八年仍然持續，更延續至二零零九年。隨時間的推移，全球眾多頂尖金融機構出現一系列問題，導致信貸市場運轉不靈，幾近停頓。至年底，房價及股價開始暴跌，致使業務活動出現癱瘓恐慌而直線下降。業務活動放緩加上消費者開支減少導致恐慌不斷加劇。

然而，尚存一線希望。本公司親歷油價猛漲至每桶超過160美元，惟僅因需求持續下降才回落至每桶50美元的水平。價格急跌亦迫使各地政府採取大量措施，向本身各自的經濟體系投入數十億元。截至本報告日期，有關本公司已「經歷最低潮」的說法可能言之過早，惟有跡象顯示金融市場已漸趨穩定。

中國主辦二零零八奧運會，展現了難忘的開幕儀式，同年中國首位太空行走宇航員翟志剛在太空漂浮13分鐘，惟中國仍未幸免於全球金融風暴。中國的進出口嚴重下滑，全國逾15% (或20,000,000名) 農民工失業。溫家寶總理承諾「倘現時4,600億歐元的減稅及基建開支等方案未能將增長率提升至約8%的水平，則政府將隨時啟動其他刺激措施。中國可能是最快自全球金融危機復蘇的國家。」

香港曾經歷金融危機，惟全民一直勇於面對挑戰，屢屢克服各種障礙。溫總理指出「中央政府…鼎力支持香港特別行政區，在我們的共同努力下，香港人民能轉危為機…實現可持續發展」。實際上，本地房地產市場、業務及基建一直獲得內地企業投資。

Chairman's Statement

主席報告

During the year, we took a conservative approach in implementing our strategies. Despite all the investment proposals we received, we did not invest in any long term projects. The Company strengthened its income base through the acquisitions and the subsequent lease of investment properties. We made several acquisitions within our current location of China United Centre, including Room 2201 to 2203 and Room 2205 to 2209, the entire of 29th, 30th, 31st and 32nd Floor. Except for the 29th Floor which was purchased by cash, all the considerations were satisfied by the issuance of convertible notes or consideration shares of the Company. In September 2008, the Company acquired an income producing commercial building in Guangzhou through the issuance of shares of the Company. The Company also acquired the entire interests in a yacht and certain marine facilities for cash consideration in order to generate rental income by the leasing of the yacht and marine facilities on time sharing basis.

In addition to the recent acquisitions stated above, the Company also holds a portfolio of investment properties from prior years' purchases, money lending, investment grade art objects, and collectable paintings. In the midst of the financial tsunami and faced with great global uncertainties ahead, we have taken a very conservative approach in evaluating and assessing the fair value of the portfolio and have reduced the asset value by approximately HK\$215 million accordingly. Having done that, we like to point that we continue to have a positive outlook for the economy and believe that the portfolios could return to profit when the economy recovers.

The Company has invested in the stocks of listed companies in Singapore, USA, and Hong Kong as well as derivative contracts tied to stocks of USA and Hong Kong. As a result of the global financial tsunami, the investment portfolio has suffered both realised and unrealised losses of approximately HK\$384 million and HK\$166 million respectively. At 31 December 2008, the outstanding exposure to derivative contracts amounted to approximately HK\$12 million. The Directors will continue to monitor the investment portfolio and take appropriate actions as necessary.

年內，本公司實施策略時態度保守。儘管本公司接獲不少投資提案，惟並無投資任何長期項目。本公司透過收購及於其後租賃投資物業鞏固自身之收入基礎。本公司購入現址華匯中心多個單位，包括2201至2203室及2205至2209室、29樓、30樓、31樓及32樓整層。除第29樓以現金支付代價外，全部代價均以本公司發行之可換股票據或代價股份之方式支付。於二零零八年九月，本公司通過發行本公司股份取得廣州市一幢可錄得收入之商業樓宇。本公司亦以現金代價購買一艘遊艇及若干水上設施之全部權益，以透過按時計費租賃遊艇及若干水上設施賺取租賃收入。

除上述近期收購外，本公司亦持有多項於往年購買的投資物業、放債、投資高級藝術品及珍藏畫等。身處金融風暴之中，面對當前全球經濟不穩，本公司採用相當保守的方法評估該投資組合的公平值，並將資產值相應調減約215,000,000港元。因此，本公司認為經濟前景仍然樂觀，並相信當經濟復蘇時，該等投資組合會轉虧為盈。

本公司已投資新加坡、美國及香港上市公司之證券以及美國及香港證券的相關衍生合約。在全球金融風暴的影響下，該投資組合分別錄得已變現及未變現虧損約384,000,000港元及166,000,000港元。於二零零八年十二月三十一日，衍生合約的未兌風險數額約為12,000,000港元。各董事將繼續監控該投資組合，並於必要時採取適當措施。

We have proceeded with the harvest of lumber for our forestry project. Most of our lumber is destined to be used for crates and furniture. Due to the slowdown in economy, harvest of lumber has been kept to a minimum. Since the project is managed by a third party on a profit sharing basis without cost to the Company, although the amount of lumber harvested did not reach a breakeven amount, the Company is not expected to suffer any loss. The Company has appointed an independent appraiser to assess the market value of the forestry project at the balance sheet date, no impairment is considered necessary. The lumber will be harvested in greater quantities once the economy begins to pick up.

FINAL RESULTS

As already mentioned in our profit warning announcement dated 12 March 2009, the continued deterioration in the equity market caused by the global economic and financial tsunami has adversely and significantly affected the Group's operating results for the year ended 31 December 2008 which recorded a net loss of approximately HK\$798 million as compared to a net loss of approximately HK\$198 million in last year. The huge increase in net loss for the year was mainly due to the net realised and unrealised loss on investments at fair value through profit or loss of approximately HK\$550 million (2007: approximately HK\$225 million), impairment losses on certain assets of approximately HK\$26 million (2007: Nil), net losses arising from changes in fair value of investment properties of approximately HK\$48 million (2007: net gains of approximately HK\$41 million), allowance for doubtful debts of approximately HK\$103 million (2007: HK\$14 million), bad debts of approximately HK\$52 million (2007: Nil) and deferred tax charge of approximately HK\$11 million (2007: Nil). Accordingly, basic loss per share for the year was HK\$5.09 (2007 (restated): HK\$7.75).

DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2008 (2007: Nil).

本公司之林業項目已開始伐木工作，其大部分木材指定用於條板箱及傢俱。在經濟衰退的影響下，伐木數量控制在最低水平。由於該項目由一名第三方按分佔溢利的方式管理，本公司毋須耗費成本，故此儘管所伐木材數量未達收支平衡之水平，惟本公司預期不會錄得任何虧損。本公司已委任獨立估值師評估林業項目於結算日的市值，毋須計入任何減值。一旦經濟開始復蘇，砍伐的木材數額亦會增加。

全年業績

按本公司於二零零九年三月十二日刊發的盈利警告公告所述，全球經濟及金融海嘯導致證券市場持續惡化，對本集團截至二零零八年十二月三十一日止年度的經營業績嚴重不利，結果錄得虧損淨額約798,000,000港元，而去年的虧損淨額約為198,000,000港元。年度虧損淨額大幅增加主要是由於按公平值計入損益之投資之已變現及未變現虧損淨額約為550,000,000港元（二零零七年：約225,000,000港元）、若干資產減值虧損約26,000,000港元（二零零七年：無）、投資物業之公平值變動所產生虧損淨額約48,000,000港元（二零零七年：收益淨額約41,000,000港元）、呆壞賬撥備約103,000,000港元（二零零七年：14,000,000港元）、壞賬約52,000,000港元（二零零七年：無）及遞延稅項支出約11,000,000港元（二零零七年：無）。因此，年內每股基本虧損為5.09港元（二零零七年（重列）：7.75港元）。

股息

董事會不建議派付截至二零零八年十二月三十一日止年度之末期股息（二零零七年：無）。

FINANCIAL REVIEW

Liquidity and Capital Resources

During the year, the Company had completed one share placement for 303,580,000 new shares at HK\$0.17 each and two rights issues resulting in the issuance of 1,517,931,298 rights shares on an one for one basis at HK\$0.22 each in January 2008 and 1,749,721,295 rights shares on the basis of five rights shares for every two adjusted shares held at a subscription price of HK\$0.15 per rights share in August 2008, raising a total additional capital (before issue expenses) of approximately HK\$52 million and an aggregate sum of approximately HK\$596 million respectively. Furthermore, the Company has issued an aggregate of 960 million new shares and the 3-year non-interest bearing convertible notes at an aggregate principal amount of approximately HK\$86.9 million to satisfy the acquisition cost of approximately HK\$219 million for various investment properties in Hong Kong and the PRC. Further details are disclosed in the section headed "Material Acquisitions".

During the year, apart from additions through acquisition of subsidiaries, the Group invested approximately HK\$38 million and HK\$21 million in property, plant and equipment and other investment in artworks respectively. It also invested approximately HK\$86 million in other investment properties located in Hong Kong. These capital expenditures were mostly financed from internal resources and partly from bank borrowings.

At 31 December 2008, the Group's total equity amounted to approximately HK\$1,541 million (2007: approximately HK\$1,486 million) and the Group had net current assets of approximately HK\$754 million including cash and cash equivalents of approximately HK\$167 million (2007: approximately HK\$1,048 million including cash and cash equivalents of approximately HK\$304 million). The Group continued to maintain a single-digit gearing ratio of 8.2% (2007: 2.5%), which is computed on the basis of net borrowings to total equity, and current ratio of 13.3 times (2007: 6.8 times).

財務回顧

流動資金及資本資源

年內，本公司完成一次股份配售（按每股0.17港元的價格配售303,580,000股新股）及兩次供股（於二零零八年一月按一供一基準以每股0.22港元發行1,517,931,298股供股股份及於二零零八年八月按每持有兩股經調整股份可獲發五股供股股份的基準以每股供股股份0.15港元的認購價發行1,749,721,295股供股股份），分別獲得約52,000,000港元及合共約596,000,000港元（未扣除發行開支）之額外資本總額。此外，本公司發行合共960,000,000股新股及本金總額約86,900,000港元之三年期無息可換股票據，用作支付收購香港及中國多項投資物業的成本價約219,000,000港元。詳情於「重大收購」一節內進一步披露。

年內，除透過收購附屬公司的添置外，本集團分別向物業、廠房及設備與有關藝術品的其他投資投入約38,000,000港元及21,000,000港元，並對香港的其他投資物業投入約86,000,000港元。該等資本開支大部分以內部資金撥付，部分來自銀行借貸。

於二零零八年十二月三十一日，本集團之總權益約為1,541,000,000港元（二零零七年：約1,486,000,000港元），而本集團之淨流動資產約為754,000,000港元，其中包括現金及現金等值約167,000,000港元（二零零七年：約1,048,000,000港元，包括現金及現金等值約304,000,000港元）。本集團維持單位數的資本負債比率8.2%（二零零七年：2.5%）（按借款淨額對總權益計算）及流動比率13.3倍（二零零七年：6.8倍）。

In December 2008, the Group obtained additional secured loan of HK\$40 million from banks. During the year ended 31 December 2008, the Group repaid approximately HK\$23 million secured bank loan and HK\$150 million unsecured other loans. At 31 December 2008, the Group had secured bank borrowings of approximately HK\$293 million (2007: bank and other borrowings of approximately HK\$342 million) of which 8.3%, 8.5%, 23.6% and 59.6% (2007: 47.1%, 3.3%, 10.7% and 38.9% respectively) are repayable within one year, in the second year, between the third and fifth years and over five years respectively. The Group's bank borrowings carrying interest rates were calculated with reference to prime rate and HIBOR and denominated in Hong Kong dollars. The Group did not have any financial instruments used for hedging purpose.

As most of the Group's transactions and bank balances were denominated in Hong Kong dollars, the Group's exposure to foreign exchange rate was minimal.

Capital Reorganisation

On 4 August 2008, a special resolution for approving the capital reorganisation, which involved capital reduction and share consolidation of five reduced shares into one adjusted shares was passed at an extraordinary general meeting of the Company. Consequently, the issued share capital of the Company was reduced from HK\$349,944,259.50 to HK\$69,988,851.90 divided into 699,888,519 adjusted shares and a total credit of approximately HK\$279,955,407.60 arisen as a result of such capital reduction, which in its entirety, was credited to the share premium account of the Company.

On 4 December 2008, a special resolution was passed at an extraordinary general meeting of the Company to approve another capital reorganisation, which involved the capital reduction and share consolidation of ten reduced shares into one adjusted share. As a result, the issued share capital of the Company was reduced from HK\$389,960,981 to approximately HK\$38,996,098.10 divided into 389,960,981 adjusted shares, giving rise to a total credit of approximately HK\$350,964,882.90, which in its entirety, be credited to the share premium account of the Company.

於二零零八年十二月，本集團自銀行獲得額外有抵押貸款40,000,000港元。截至二零零八年十二月三十一日止年度，本集團償還約23,000,000港元的有抵押銀行貸款及150,000,000港元的無抵押其他貸款。於二零零八年十二月三十一日，本集團的有抵押銀行借款約為293,000,000港元（二零零七年：銀行及其他借款約342,000,000港元），其中8.3%、8.5%、23.6%及59.6%（二零零七年：47.1%、3.3%、10.7%及38.9%）分別須於一年內、第二年、第三至第五年內及五年後償還。本集團之計息銀行借款利率乃參照最優惠利率及香港銀行同業拆息計息，並以港元計值。本集團並無任何用作對沖之金融工具。

由於本集團大部分交易及銀行結餘均以港元計值，故本集團之匯兌風險極低。

資本重組

於二零零八年八月四日，本公司股東特別大會通過特別決議案批准資本重組，包括資本削減及將五股經削減股份合併為一股經調整股份。據此，本公司已發行股本由349,944,259.50港元削減至69,988,851.90港元，分為699,888,519股經調整股份，撥回全部合共約279,955,407.60港元於本公司之股份溢價賬內。

於二零零八年十二月四日，本公司股東特別大會通過特別決議案，批准另一項資本重組，包括資本削減及將十股經削減股份合併為一股經調整股份。為此，本公司已發行股本由389,960,981港元削減至約38,996,098.10港元，分為389,960,981股經調整股份，撥回全部合共約350,964,882.90港元於本公司之股份溢價賬內。

Chairman's Statement

主席報告

Issuance and Termination of Convertible Notes

In May 2008, the Group entered into three sales and purchase agreements to acquire three companies for the entire of 30th to 32nd Floor of China United Centre at North Point, Hong Kong and the considerations of which were satisfied by the issuance of the 3-year non-interest bearing convertible notes at an aggregate principal amount of approximately HK\$86.9 million. In October 2008, an ordinary resolution was passed at an extraordinary general meeting of the Company to terminate such convertible notes in consideration of an issue of 650,000,000 ordinary shares of the Company in order to reduce the liabilities of the Company and in turn to improve the financial position of the Company.

MATERIAL ACQUISITIONS

During the year, the Group acquired various commercial investment properties and certain assets in Hong Kong and PRC to strengthen its income base by generating a stable source of rental income. In April 2008, the Group acquired the entire interest in Allied Well Development Limited for the principal assets of its subsidiary, being Room 2201 to 2203 and Room 2205 to 2209 on 22nd Floor of China United Centre, 28 Marble Road, North Point, Hong Kong, at a consideration of HK\$20,160,000 which was satisfied by the issuance and allotment of 160,000,000 consideration shares of the Company.

In May 2008, the Group entered into three sales and purchase agreements to acquire the entire interests in Glamorous Investments Limited, Best Inspire Limited and Bright Majestic Limited for the principal assets of their subsidiaries, being the entire of 30th, 31st and 32nd Floors of China United Centre, 28 Marble Road, North Point, Hong Kong, at the aggregate consideration of approximately HK\$86.9 million which was satisfied by the issue of the 3-year non-interest bearing convertible notes. Nevertheless, in order to reduce the liabilities of the Company, the Company subsequently terminated these convertible notes in the consideration of an issue and allotment of 650,000,000 settlement shares of the Company at an issue price of HK\$0.14 per share in November 2008.

發行及終止可換股票據

於二零零八年五月，本集團簽訂三份買賣協議收購三間公司，以取得位於香港北角之華匯中心30至32樓整層，代價為發行本金總額約86,900,000港元之三年期無息可換股票據。於二零零八年十月，本公司於股東特別大會通過普通決議案終止該等可換股票據，代價為發行650,000,000股本公司普通股，以減少本公司負債，從而改善本公司的財務狀況。

重大收購

年內，本集團在香港及中國收購多項商業投資物業及若干資產，以獲取穩定租金來源，鞏固自身之收入基礎。於二零零八年四月，本集團收購聯惠發展有限公司之全部權益，其附屬公司之主要資產為持有香港北角馬寶道28號華匯中心22樓2201至2203室及2205至2209室，代價為20,160,000港元，由本公司發行及配發160,000,000股代價股份支付。

於二零零八年五月，本集團訂立三項買賣協議，收購 Glamorous Investments Limited、Best Inspire Limited及 Bright Majestic Limited之全部權益，其附屬公司之主要資產為持有香港北角馬寶道28號華匯中心30樓、31樓及32樓整層之全部權益，總代價約為86,900,000港元，透過發行三年期無息可換股票據支付。然而，為減少本公司負債，本公司其後終止該等可換股票據，代價為於二零零八年十一月以每股0.14港元之發行價發行及配發650,000,000股本公司償債股份。

In September 2008, the Group acquired the entire interest in Jet Star Industries Limited for its principal asset, being a 20-storey commercial building, namely Jifu Plaza, situated at No. 103 Shibapu Road, Liwan District, Guangzhou City, Guangdong Province, PRC at the consideration of HK\$112,000,000 which was satisfied by the issue and allotment of 800,000,000 consideration shares of the Company. In the same month, the Company also announced to acquire the entire of 29th Floor of China United Centre, 28 Marble Road, North Point, Hong Kong at the cash consideration of HK\$58,880,000 which was partly financed from internal resources and partly from bank borrowings.

During the year ended 31 December 2008, the Group also acquired the entire interest in Uprite Limited for a yacht and certain marine facilities at the cash consideration of HK\$94,000,000 which was financed by internal resources.

PLEDGE OF ASSETS

At 31 December 2008, certain assets of the Group with an aggregate carrying value of approximately HK\$636 million (2007: approximately HK\$344 million) have been pledged to banks to secure banking facilities granted to the Group.

CAPITAL COMMITMENTS

At 31 December 2008, the Group had capital commitments in respect of acquisition of property, plant and equipment and investment properties contracted for but not provided in the consolidated financial statements amounting to approximately HK\$36 million (2007: approximately HK\$58 million).

CONTINGENT LIABILITIES

At the balance sheet date, the Company had provided corporate guarantees for banking facilities amounting to HK\$296,488,000 (2007: HK\$216,920,000) granted to its subsidiaries, which were utilised to the extent of HK\$250,951,000 (2007: HK\$191,648,000). The directors assessed the overall exposure of the corporate guarantees granted by the Company and considered that the fair value of such corporate guarantees is immaterial to the financial statements of the Company.

於二零零八年九月，本集團收購捷勝實業有限公司之全部權益，其主要資產為持有位於中國廣東省廣州市荔灣區十八甫路103號之一幢20層商業大廈，名為集富大廈，代價為112,000,000港元，由本公司發行及配發800,000,000股代價股份支付。同月，本公司亦宣佈，以現金代價58,880,000港元收購香港北角馬寶道28號華匯中心29樓整層物業，代價部分以內部資金撥付，部分來自銀行借貸。

於截至二零零八年十二月三十一日止年度內，本集團亦以現金代價94,000,000港元收購Uprite Limited之全部權益，其持有一艘遊艇及若干水上設施，代價以內部資金撥付。

資產抵押

於二零零八年十二月三十一日，本集團賬面總值約636,000,000港元(二零零七年：約344,000,000港元)之若干資產已抵押予銀行作本集團所獲銀行信貸之擔保。

資本承擔

於二零零八年十二月三十一日，本集團綜合財務報表內有關購置物業、廠房及設備與投資物業之已訂約但未撥備之資本承擔約為36,000,000港元(二零零七年：約58,000,000港元)。

或然負債

於結算日，本公司已就其附屬公司取得銀行融資額296,488,000港元(二零零七年：216,920,000港元)而提供公司擔保，其中已動用之融資額為250,951,000港元(二零零七年：191,648,000港元)。董事評估本公司授出之公司擔保之整體風險，並認為該等公司擔保之公平值於本公司之財務報表屬輕微。

Chairman's Statement

主席報告

EMPLOYEES

At 31 December 2008, the Group employed a total of 31 employees (2007: 27 employees). The Group remunerates its employees based on their performance, working experience and prevailing market standards. Employee benefits include a medical insurance coverage, a mandatory provident fund and a share option scheme.

PROSPECT

Previously I mentioned, that we have "seen the worst" of the financial tsunami may be premature but we remain positive that the local economy and stock market will survive. As premier Wen said " ... Hong Kong people could turn present difficulties into opportunities... and achieve sustainable development". More than ever, we are faced with a tight credit market, we are faced with global uncertainties and talks of "financial reform", and we are faced with a very dynamic investment environment. The Company is strong in asset and will take a conservative approach to investment opportunities as they may arise.

APPRECIATION

We would like to take this opportunity to thank the shareholders of the Company for their continuing support and we also thank our dedicated staff for their contributions to the success of the Group.

By order of the Board

Chuang Yueheng, Henry

Chairman

20 April 2009

僱員

於二零零八年十二月三十一日，本集團共聘用31名(二零零七年：27名)僱員。本集團根據僱員之表現、工作經驗及當時之市場標準釐定僱員酬金。員工福利包括醫療保險、強制性公積金及購股權計劃。

展望

如本人先前所述，有關本公司已經歷金融風暴「最低潮」的說法可能言之過早，惟本公司仍樂觀認為本地經濟及股票市場將會復蘇。正如溫總理所言「...香港人民能轉危為機...並實現可持續發展」。我們面對的緊縮信貸市場、全球經濟動蕩及有關「金融改革」的言論以及相當活躍的投資環境是前所未有的。本公司資產雄厚，將採取保守方法把握適時出現的投資機遇。

致謝

董事會謹此感謝本公司列位股東一直以來之支持，亦感謝本公司員工為本集團成功所作出之奉獻。

承董事會命

主席

莊友衡

二零零九年四月二十日

EXECUTIVE DIRECTORS

Mr. Chuang Yueheng, Henry, aged 53, was appointed as the Chairman of the Company in 2002. He holds Masters degrees in Petroleum Engineering and in Business Administration from the University of Southern California in the United States of America. In 2007, Dubna University of Russia awarded Mr. Chuang an Honorary Doctorate degree in Petroleum Engineering in recognition of his achievements in the field of petroleum engineering. He has over 16 years of experience in corporate finance and development.

Mr. King Phillip, aged 38, was appointed as the Managing Director of the Company in 2005. He holds a Master's degree in Business Administration from the University of San Francisco in the United States of America. He has over 19 years of experience in real estate investment, management and development.

Mr. Wong Ying Seung, Asiong, aged 58, was appointed as the Director of the Company in 2002. He holds a Bachelor's degree in Chemical Engineering from the University of London in the United Kingdom. He has over 29 years of experience in banking and investment.

Mr. Wang Lin, aged 54, was appointed as the Director of the Company in 2006. He studied Electronics from the Yunnan Radio and TV University. He is an Economist by profession with over 31 years of experience in accounting and finance.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Lin Wai Yi, aged 45, was appointed as the Director of the Company in 2005. She holds Bachelor's, Master's and Doctorate degrees all in Chinese Laws from the Beijing University in the People's Republic of China. She has been a practising solicitor in Hong Kong since 1994 and has been registered as a solicitor in England and Wales since 1996. She is the founder of Messrs. Deca Lin & Partners.

Mr. Liu Jian, aged 40, was appointed as the Director of the Company in 2006. He holds a Bachelor's degree in Electrical Engineering from the Fudan University, Shanghai in the People's Republic of China as well as a Master's degree in Chinese Law from the Jilin University in the People's Republic of China. He is a Senior Economist by profession and has over 16 years of experience in corporate finance and investment banking. Mr. Liu is the Vice President of the Century Securities Company Limited and the Chairman of Beijing National Net Union Hi-tech Company Limited in Beijing.

執行董事

莊友衡先生，現年53歲，於二零零二年獲委任為本公司主席。彼持有美國南加州大學石油工程學碩士學位及工商管理碩士學位。二零零七年，俄羅斯杜布納大學向莊先生頒授石油工程學榮譽博士學位，表揚其於石油工程領域之成就。彼於企業財務及發展工作方面積逾十六年經驗。

金紫耀先生，現年38歲，於二零零五年獲委任為本公司董事總經理。彼持有美國三藩市大學工商管理碩士學位，於房地產投資、管理及開發業務方面積逾十九年經驗。

王迎祥先生，現年58歲，於二零零二年獲委任為本公司董事。彼持有英國倫敦大學化學工程學士學位，於銀行及投資工作方面積逾二十九年經驗。

王林先生，現年54歲，於二零零六年獲委任為本公司董事。彼於雲南廣播電視大學修讀電子學。彼為經濟師，於會計及財務方面積逾三十一年之豐富經驗。

獨立非執行董事

連慧儀女士，現年45歲，於二零零五年獲委任為本公司董事。彼於中華人民共和國北京大學取得中國法律學士、碩士及博士學位。彼自一九九四年起為香港之執業律師，自一九九六年起為英格蘭及威爾斯之註冊律師。彼為連慧儀律師事務所之創辦人。

劉劍先生，現年40歲，於二零零六年獲委任為本公司董事。彼持有中華人民共和國上海復旦大學電機工程學士學位及中華人民共和國吉林大學中國法律碩士學位。彼現職高級經濟師，於企業融資及投資銀行業務積逾十六年經驗。彼現為位於北京之世紀證券有限責任公司副總裁及北京國網聯盟科技股份有限公司主席。

Biographies of Directors

董事簡歷

Mr. Wen Louis, aged 74, was appointed as the Director of the Company in 2009. He holds a Bachelor's degree in Engineering from the City University of New York. He has an extensive experience in engineering, marketing and advertising in the United States where he held senior positions in J. Walter Thompson Co. and Dow Jones International Marketing Services for a number of years. He is an executive director of Forefront Group Limited, a company listed on The Stock Exchange of Hong Kong Limited.

Mr. Yau Yan Ming, Raymond, aged 40, was appointed as the Director of the Company in 2006. He holds a Master's degree in Science majoring in Japanese business studies and Bachelor's degree in Business Administration majoring in accounting in the United States of America. He is a Certified Public Accountant both in Hong Kong and in the United States of America. He is also an associate member of Hong Kong Institute of Certified Public Accountants and American Institute of Certified Public Accountants. He has over 11 years of working experience in areas of auditing, accounting, taxation, company secretarial, corporate finance and financial management. He is an executive director of iMerchants Limited and an independent non-executive director of Grandtop International Holdings Limited, both are publicly listed company in Hong Kong.

溫秉先生，現年74歲，於二零零九年獲委任為本公司董事。彼持有City University of New York工程學學士學位，曾在美國智威湯遜公司及Dow Jones International Marketing Services出任要職多年，具備工程、市場推廣及廣告推銷方面之豐富經驗。彼現為福方集團有限公司(一間於香港聯合交易所有限公司上市之公司)之執行董事。

邱恩明先生，現年40歲，於二零零六年獲委任為本公司董事。彼持有美國理學碩士學位(主修日本商業研究)及工商管理學士學位(主修會計)。彼為香港及美國註冊會計師，亦為香港會計師公會及美國會計師公會會員。彼於審核、會計、稅務、公司秘書、企業財務及財務管理方面累積逾十一年經驗，亦分別為香港上市公司菱控有限公司及泓鋒國際控股有限公司之執行董事及獨立非執行董事。

The Board of Directors submits their annual report together with the audited consolidated financial statements for the year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The Company and its subsidiaries (the "Group"), is principally engaged in the business of property investment, investment in securities trading, money lending, investment holding and acquiring, exploring and developing natural resources. Details of the principal activities and other particulars of the Company's subsidiaries are set out in note 16 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2008 are set out in the consolidated income statement on page 38.

The Board of Directors does not recommend the payment of a dividend.

DONATIONS

During the year, the Group made charitable donations amounting to HK\$290,000.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 26 to the consolidated financial statements.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on pages 122 and 123.

INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

Details of significant changes in the investment properties and property, plant and equipment of the Group during the year are set out in notes 14 and 15 respectively to the consolidated financial statements.

Particulars of the major properties of the Group as at 31 December 2008 are set out on pages 124 to 128.

董事會謹此提呈截至二零零八年十二月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司及其附屬公司(「本集團」)主要從事物業投資、證券買賣投資、貸款、投資控股以及收購、勘探及開發天然資源。有關本公司附屬公司的主要業務之詳情及其他資料，載於綜合財務報表附註16。

業績及股息

本集團截至二零零八年十二月三十一日止年度之業績載於第38頁之綜合收益表內。

董事會不建議派付股息。

捐獻

年內，本集團作出為數290,000港元慈善捐獻。

儲備

本集團及本公司於年內之儲備變動載於綜合財務報表附註26。

財務摘要

本集團於過去五個財政年度之業績與資產及負債摘要載於第122及123頁。

投資物業與物業、廠房及設備

本集團之投資物業與物業、廠房及設備於年內之重大變動詳情分別載於綜合財務報表附註14及15。

本集團於二零零八年十二月三十一日之主要物業詳情載於第124至128頁。

Directors' Report

董事會報告

BORROWINGS

Details of the interest-bearing borrowings of the Group are set out in note 22 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 25 to the consolidated financial statements.

SHARE OPTIONS

Details of the share option scheme of the Company are set out in note 27 to the consolidated financial statements. During the year, no share options were granted and exercised under the share option scheme of the Company. As at 31 December 2008, there was no outstanding share option.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year ended 31 December 2008, the Company purchased a total of 5 ordinary shares of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate consideration of HK\$0.202 and the details are set out below:

Date		Number of shares	Price per share	Aggregate consideration
日期		repurchased		paid (excluding expenses)
		購回股份數目	每股價格	已付總代價 (不包括開支)
27 June 2008	二零零八年六月二十七日	1	HK\$0.042 港元	HK\$0.042 港元
24 November 2008	二零零八年十一月二十四日	4	HK\$0.040 港元	HK\$0.160 港元
		5		HK\$0.202 港元

The repurchased shares were cancelled and the issued share capital of the Company was diminished by the nominal value thereof.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year.

借款

有關本集團之計息借款詳情載於綜合財務報表附註22。

股本

本公司於年內之股本變動詳情載於綜合財務報表附註25。

購股權

本公司購股權計劃之詳情載於綜合財務報表附註27。根據本公司購股權計劃，年內概無授出及行使任何購股權。於二零零八年十二月三十一日，並無尚未行使之購股權。

購買、出售或贖回證券

於截至二零零八年十二月三十一日止年度，本公司於香港聯合交易所有限公司（「聯交所」）以總代價0.202港元購回合共5股本公司股本中每股面值0.10港元之普通股，詳情如下：

購回股份已註銷，而本公司已發行股本亦已按相等於所註銷購回股份之面值削減。

除上文所披露者外，年內，本公司及其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

OPTIONS OR SIMILAR RIGHTS

Movements in share option scheme and convertible notes during the year ended 31 December 2008 are set out in notes 27 and 24 to the consolidated financial statements respectively. The Company or any of its subsidiaries has no outstanding options or similar rights as at 31 December 2008.

WARRANTS

The outstanding warrants and the adjustments of which are set out in note 26 to the consolidated financial statements. During the year, no warrant was exercised by the warrant holders.

DIRECTORS

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

Executive Directors

Chuang Yueheng, Henry

King Phillip

Lo Kan Sun (*resigned with effect from 23 April 2008*)

Wong Ying Seung, Asiong

Wang Lin

Independent Non-executive Directors

Nakajima Toshiharu (*resigned with effect from 23 April 2008*)

Lin Wai Yi

Liu Jian

Shum Ming Choy

Yau Yan Ming, Raymond

Alternate Director

Lee Kwan Ching (*ceased to be alternate director to Lo Kan Sun with effect from 23 April 2008 and ceased to be an alternate director to Wong Ying Seung, Asiong with effect from 17 November 2008*)

In accordance with Article 120 of the Articles of Association of the Company, Mr. Chuang Yueheng, Henry, Mr. Wong Ying Seung, Asiong and Mr. Wang Lin retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

購股權或類似權利

截至二零零八年十二月三十一日止年度之購股權計劃及可換股票據之變動已分別載於綜合財務報表附註27及24。本公司或其任何附屬公司於二零零八年十二月三十一日並無尚未行使之購股權或類似權利。

認股權證

尚未行使之認股權證及其調整已載於綜合財務報表附註26。年內，認股權證持有人並無行使任何認股權證。

董事

於年內及截至本報告日期止，本公司之董事名單如下：

執行董事

莊友衡

金紫耀

盧更新 (*於二零零八年四月二十三日起辭任生效*)

王迎祥

王林

獨立非執行董事

中島敏晴 (*於二零零八年四月二十三日起辭任生效*)

連慧儀

劉劍

岑明才

邱恩明

替任董事

李群貞 (*於二零零八年四月二十三日起生效不再擔任盧更新之替任董事一職及於二零零八年十一月十七日起生效不再擔任王迎祥之替任董事一職*)

根據本公司之組織章程細則第120條，莊友衡先生、王迎祥先生及王林先生將於應屆股東週年大會上輪流告退，惟合乎資格膺選連任。

Directors' Report

董事會報告

The term of office of each independent non-executive Director is for a period of three years but subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association of the Company. The Directors proposed for re-election at the forthcoming annual general meeting do not have service contracts which are not determinable by the Company within one year without payment of compensation other than statutory compensation.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2008, the interests and short positions of the directors and chief executive of the Company in shares, underlying shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:-

Long positions in ordinary shares and underlying shares of the Company as at 31 December 2008:

Name of director 董事名稱	Nature of interest 權益性質	Number of ordinary shares held 所持普通股數目	Approximate percentage of shareholding 股權概約百分比
Chuang Yueheng, Henry 莊友衡	Beneficial interest 實益權益	23,353,440	5.99%

At no time during the year was the Company, any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

各獨立非執行董事之任期為三年，惟須根據本公司之組織章程細則於股東大會上輪流告退及膺選連任。於應屆股東週年大會上獲提名膺選連任之董事，並無與本公司訂立可於一年內終止而毋須補償(法定補償除外)之服務合約。

董事於股份及相關股份之權益及淡倉

於二零零八年十二月三十一日，本公司董事及主要行政人員於本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有須於本公司根據證券及期貨條例第352條存置之登記冊記錄或根據上市發行人之董事進行證券交易之標準守則(「標準守則」)須知會本公司及聯交所之權益及淡倉如下：

於二零零八年十二月三十一日，於本公司普通股及相關股份之好倉如下：

本公司、其任何控股公司、附屬公司或同系附屬公司概無於年內任何時間訂立任何安排，致使本公司董事透過收購本公司或任何其他法人團體之股份或債券而獲取利益。

DIRECTORS' INTERESTS IN CONTRACTS

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

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2008, the following interests and short positions of 5% or more of the issued share capital and underlying shares of the Company (other than a director or chief executive of the Company) were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Name 董事名稱	Nature of interest 權益性質	Number of ordinary shares held 所持普通股數目	Approximate percentage of shareholding 股權概約百分比
Heritage International Holdings Limited ("Heritage") 漢基控股有限公司(「漢基」)	Interest of controlled corporation 受控法團權益	38,002,000	9.75%
Mascotte Holdings Limited 馬斯葛集團有限公司	Beneficial interest 實益權益	33,000,000	8.46%
Radford Capital Investment Limited ("Radford") 萊福資本投資有限公司(「萊福」)	Interest of controlled corporation 受控法團權益	20,343,014	5.22%

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

董事於合約之權益

截至本年度或於年內任何時間，概無任何本公司、其控股公司或附屬公司參與訂立而本公司董事於其中直接或間接擁有重大權益之重大合約。

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零零八年十二月三十一日，本公司根據證券及期貨條例第336條所存置之權益登記冊記錄顯示以下公司於本公司已發行股本及相關股份中擁有5%或以上之權益及淡倉：

除上文所披露者外，於二零零八年十二月三十一日，概無任何人士(本公司董事除外，其權益已載於本報告)於本公司股份或相關股份中擁有須根據證券及期貨條例第336條記錄之權益或淡倉。

Directors' Report

董事會報告

RETIREMENT SCHEME

The Group provides a defined contribution retirement scheme under the Mandatory Provident Fund Scheme (the "Scheme") in Hong Kong to all staff. Under the Scheme, employer and employees are each required to make contributions to the scheme at 5% of the employees' relevant income.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2008, excluding the net losses from the sale of investments at fair value through profit or loss, the percentages of the Group's turnover attributable to its largest customer and five largest customers were 13% and 36% respectively.

Heritage, one of the substantial shareholders of the Company, and its subsidiaries (collectively referred to as "Heritage Group") is one of the five largest customers of the Group referred to above. During the year, Radford, one of the substantial shareholders of the Company (owned more than 5% of the Company's issued share capital as at 31 December 2008) had interests in Heritage of less than 10% issued share capital of Heritage. In the opinion of the directors, transactions with Heritage Group were carried out on terms no less favourable than terms with independent third parties.

As the Group had no significant purchases during the year, the information on major suppliers is not presented.

Save as aforementioned, at no time during the year did a director, an associate of a director or a shareholder of the Company (which to the knowledge of the directors of the Company owned more than 5% of the Company's issued share capital) have any material interest in any of the Group's five largest customers.

MANAGEMENT CONTRACTS

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

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company, or the laws of Hong Kong, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

退休計劃

本集團根據香港強制性公積金計劃(「計劃」)為所有僱員提供一項界定供款退休計劃。根據該計劃，僱主及僱員各自須按僱員有關收入之5%向計劃供款。

主要客戶及供應商

截至二零零八年十二月三十一日止年度，除出售按公平值計入損益之投資所得虧損淨額外，最大客戶及五大客戶所佔本集團營業額之百分比分別為13%及36%。

漢基(本公司一名主要股東)及其附屬公司(合稱「漢基集團」)乃本集團上述五大客戶之一。年內，萊福(本公司一名主要股東，於二零零八年十二月三十一日擁有本公司逾5%已發行股本)於年內持有漢基已發行股本中擁有少於10%的權益。董事認為，與漢基集團進行之交易所依據之條款不遜於與獨立第三方之條款。

由於本集團年內並無重大採購，故並無呈列主要供應商的資料。

除上文所披露者外，於年內任何時間，本公司董事、彼等各自之聯繫人士及股東(據本公司董事所知擁有本公司已發行股本超過5%)並無於本集團五大客戶擁有任何重大權益。

管理合約

年內並無訂立或存在任何有關本公司整體業務或任何重要部分之管理及行政合約。

優先認股權

本公司組織章程細則或香港法例並無有關優先認股權之規定，致使本公司須按比例向現有股東發售新股。

SUFFICIENCY OF PUBLIC FLOAT

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

AUDITOR

The consolidated financial statements of the Company for the year ended 31 December 2006 were audited by Messrs. Moores Rowland Mazars, while those for the years ended 31 December 2007 and 2008 were audited by Mazars CPA Limited, Certified Public Accountants. A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Mazars CPA Limited as auditor of the Company.

On behalf of the Board

Willie International Holdings Limited

King Phillip

Managing Director

Hong Kong, 20 April 2009

足夠公眾持股量

截至二零零八年十二月三十一日止年度，本公司維持足夠公眾持股量。

核數師

本公司截至二零零六年十二月三十一日止年度之綜合財務報表由摩斯倫•馬賽會計師事務所審核，而截至二零零七年及二零零八年十二月三十一日止年度之財務報表則由馬賽會計師事務所有限公司(香港執業會計師)審核。本公司將於應屆股東週年大會上提呈一項決議案，續聘馬賽會計師事務所有限公司為本公司之核數師。

代表董事會

威利國際控股有限公司

董事總經理

金紫耀

香港，二零零九年四月二十日

Corporate Governance Report

企業管治報告

CODE ON CORPORATE GOVERNANCE PRACTICES

The Board of Directors (the "Board") of the Company is committed to maintain high standards of corporate governance, integrity and to ensure transparent and adequate levels of disclosure. The Company has complied with all Code Provisions set out in Appendix 14 Code on Corporate Governance Practices (the "Code") of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the financial year ended 31 December 2008.

The Board will continue to review and recommend such steps as appropriate in a timely manner in order to comply with the requirements of the Code.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has complied with the requirements for directors' securities transactions stated in the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") in Appendix 10 of the Listing Rules. All Directors of the Company have confirmed that they have complied with the requirements as set out in the Model Code for the year ended 31 December 2008.

BOARD OF DIRECTORS AND BOARD MEETING

The Board is comprised of eight members as at the date of this report and their positions are as follows:

Executive Directors

Chuang Yueheng, Henry (*Chairman*)

King Phillip (*Managing Director*)

Wong Ying Seung, Asiong

Wang Lin

Independent Non-executive Directors

Lin Wai Yi

Liu Jian

Shum Ming Choy

Yau Yan Ming, Raymond

企業管治常規守則

本公司董事會(「董事會」)致力為本公司維持高水平之企業管治及誠實公正，確保高透明度及有充足的披露。於截至二零零八年十二月三十一日止年度，本公司一直遵守香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)之企業管治常規守則(「守則」)附錄十四所載之所有守則條文之規定。

董事會將繼續適時檢討及建議合適之步驟，以符合守則之規定。

董事之證券交易

本公司一直遵守上市規則附錄十「上市發行人董事進行證券交易之標準守則」(「標準守則」)所述董事進行證券交易之規定。本公司全體董事確認，彼等於截至二零零八年十二月三十一日止年度一直遵守標準守則所載規定。

董事會及董事會會議

截至本報告日期，董事會由八名成員組成，彼等擔任之職位如下：

執行董事

莊友衡(主席)

金紫耀(董事總經理)

王迎祥

王林

獨立非執行董事

連慧儀

劉劍

岑明才

邱恩明

The Board is responsible for overseeing the overall business strategy, management planning and control of the Company. The management is responsible for day-to-day management of the Company and its subsidiaries (collectively the “Group”). Each Director has accumulated sufficient and valuable experience to carry out their duties in an efficient and effective manner. Details of the backgrounds and qualifications of the Directors are set out in the section headed “Biographies of Directors” on pages 19 and 20 of the annual report for the year ended 31 December 2008 (the “Annual Report”). None of the members of the Board have, in any respect, relation to each other in any circumstances.

All Directors of the Company have acted in good faith for the best interests of the Company and the stakeholders of the Company. Other than the statutory duties imposed on each of them, all of the Directors have exercised due care in monitoring the corporate matters of the Company and have provided grave concern, sufficient time and attention to all the significant issues and affairs of the Group.

For the sake of transparency and independency of the management of the Company, duties of the Chairman and the Managing Director of the Company are segregated and not executed by the same individual. The Chairman is responsible for the management of the Board and external corporate communication. The Managing Director is responsible for the day-to-day operation, among other matters, the implementation of overall strategy of the Company.

The independent non-executive Directors were appointed by reference to their respective qualification and experience to ensure that they are competent to perform their duties and to protect the interest of the stakeholders. The independent non-executive Directors were appointed with specific written terms by the Company and they are subject to retirement by rotation at least once every three years. The Company has received annual confirmation of independence from the independent non-executive Directors in accordance with Rule 3.13 of the Listing Rules. The Board assessed and concluded that all the independent non-executive Directors are independent under the definition of the Listing Rules.

董事會負責監督本公司整體業務策略、管理規劃及監控。管理層負責本公司及其附屬公司（合稱「本集團」）的日常管理。董事均經驗豐富及稱職，足以有效履行本身職責。有關董事背景及資格之詳情，載於截至二零零八年十二月三十一日止年度之年報（「年報」）第19及20頁「董事簡歷」一節。董事會成員之間於任何情況下概無任何關係。

本公司全體董事均真誠行事，為本公司及本公司股東謀求最佳利益。除須承擔之法定義務外，全體董事均嚴謹監督本公司之事務，並付出充足的時間及精力，密切關注本集團各項重大事項及事務。

為提高本公司管理之透明度及獨立性，本公司主席及董事總經理之職責已作區分，並非由同一人士兼任。主席負責管理董事會及對外企業通訊，而董事總經理則負責日常營運，其中包括執行本公司之整體策略。

獨立非執行董事均參照其各自之資格及經驗予以委任，以確保彼等有能力履行職務，同時保障股東利益。獨立非執行董事均由本公司按特定書面條款委任，而彼等須至少每三年輪席退任一次。本公司已接獲該等獨立非執行董事根據上市規則第3.13條發出之年度獨立性確認書。董事會已評估彼等之獨立性，並確定全體獨立非執行董事均屬上市規則所界定之獨立人士。

Corporate Governance Report

企業管治報告

The Board held twelve full board meetings in 2008. Details of the attendance of the Board members are as follows:

Executive Directors	Attendance	執行董事	出席率
Chuang Yueheng, Henry	5/12	莊友衡	5/12
King Phillip	12/12	金紫耀	12/12
Lo Kan Sun (resigned with effect from 23 April 2008)	1/12	盧更新(於二零零八年四月二十三日 起辭任生效)	1/12
Wong Ying Seung, Asiong	12/12	王迎祥	12/12
Wang Lin	11/12	王林	11/12
Independent Non-executive Directors		獨立非執行董事	
Nakajima Toshiharu (resigned with effect from 23 April 2008)	1/12	中島敏晴(於二零零八年 四月二十三日起辭任生效)	1/12
Lin Wai Yi	12/12	連慧儀	12/12
Liu Jian	8/12	劉劍	8/12
Shum Ming Choy	12/12	岑明才	12/12
Yau Yan Ming, Raymond	12/12	邱恩明	12/12

Save for the above board meetings held in 2008, meetings of the Directors were held to discuss and transact other special businesses. The Board members are provided with appropriate and sufficient information in a timely manner to keep abreast of the Group's latest developments. All businesses transacted at the board meetings are properly documented and recorded.

TRAINING FOR DIRECTORS

Each newly appointed Director receives a comprehensive and formal induction to ensure that he/she has an appropriate understanding of (i) the businesses and operations of the Group; (ii) his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements; (iii) the Compliance Manual of the Company and; (iv) the Model Code.

董事會於二零零八年舉行了十二次全體董事大會。董事會成員之出席詳情如下：

除上述於二零零八年舉行之董事會會議外，董事會亦舉行會議討論及處理其他特殊事項。本公司會及時向董事會成員提供適當且充足之資料，使彼等了解本集團之最新發展情況。所有於董事會會議審議的事項均已妥善存檔及記錄。

董事培訓

每名獲委任之新董事均獲提供全面、正式之入職介紹，以確保其可適當掌握(i)本集團之業務及營運；(ii)根據上市規則及相關法規須履行之職務及責任；(iii)本公司之守規手冊；及(iv)標準守則。

REMUNERATION COMMITTEE

The remuneration committee of the Company (the "Remuneration Committee") was formed in June 2005. The Company formulated written terms of reference for the Remuneration Committee and the adopted terms of reference is in compliance with the Code Provision B.1.3.

The primary duties of the Remuneration Committee, among others, are (i) to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and; (ii) to review the special remuneration packages of all executive Directors by reference to the corporate goals and objectives resolved by the Board from time to time. During the year, the Remuneration Committee had reviewed the remuneration package for the Directors, senior management and general staff of the Group.

As at the date of this report, the Remuneration Committee is comprised of two independent non-executive Directors and one executive Director, namely:

Wong Ying Seung, Asiong (*Chairman*)
Shum Ming Choy
Yau Yan Ming, Raymond

The Remuneration Committee held two meetings in 2008. Details of the attendance of the Remuneration Committee meeting are set out below:

Committee members	Attendance	委員會成員	出席率
Wong Ying Seung, Asiong	2/2	王迎祥	2/2
Nakajima Toshiharu (resigned with effect from 23 April 2008)	0/2	中島敏晴 (於二零零八年四月二十三日 起辭任生效)	0/2
Shum Ming Choy (appointed with effect from 23 April 2008)	1/2	岑明才 (於二零零八年四月二十三日 起委任生效)	1/2
Yau Yan Ming, Raymond	2/2	邱恩明	2/2

薪酬委員會

本公司之薪酬委員會(「薪酬委員會」)於二零零五年六月組成。本公司已就薪酬委員會制訂書面職權範圍，且所採納之職權範圍符合守則條文B.1.3.之規定。

薪酬委員會之主要職務包括(i)就本公司對董事及高級管理層之所有薪酬政策及架構向董事會提供建議及；(ii)參考董事會不時決定之公司目標及目的檢討所有執行董事之特別薪酬方案。年內，薪酬委員會已檢討本集團董事、高級管理層及一般職員之薪酬待遇。

於本報告日期，薪酬委員會由兩名獨立非執行董事及一名執行董事組成，包括：

王迎祥 (主席)
岑明才
邱恩明

薪酬委員會於二零零八年舉行了兩次會議。薪酬委員會會議出席詳情如下：

NOMINATION OF DIRECTORS

The Company does not have a nomination committee. The Board is empowered under the Company's Articles of Association to appoint any person as a Director either to fill a casual vacancy or as an additional member of the Board. Candidates to be selected and recommended are those who are experienced, competent and able to fulfill the fiduciary duties and duties of skill, care and diligence to a standard required for listed companies' Directors. By convention, a proposal for the appointment of a new Director with detailed information of his/her educational and professional qualifications and the relevant working experience is submitted to the Board for decision making. The Board believes that it has sufficient measures to evaluate the proposed appointment and to conclude their decision objectively. A board meeting was held to approve the resignations of Mr. Lo Kan Sun and Mr. Nakajima Toshiharu respectively and there was no recommendation for the appointment of director during the year.

At every annual general meeting, one-third of the Directors are subject to retirement by rotation, provided that every Director shall be subject to retirement at least once every three years.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") was established in January 2003 and written terms of reference were formulated. The primary duties of the Audit Committee, among others, are:-

- (i) to communicate with the management of the Company from time to time;
- (ii) to review the accounting principles and practices adopted by the Company;
- (iii) to review the effectiveness of its internal control systems; and
- (iv) to review the interim and annual results of the Group.

The Audit Committee is comprised of three independent non-executive Directors members, namely:

Shum Ming Choy (*Chairman*)

Nakajima Toshiharu (resigned with effect from 23 April 2008)

Lin Wai Yi

Yau Yan Ming, Raymond

董事之提名

本公司並無提名委員會。本公司組織章程細則授權董事會委任任何人士出任董事，以填補董事會之臨時空缺或作為新增成員。獲甄選及推薦之候選人均為具有豐富經驗及才幹之人士，且能按照上市公司董事所須達到之標準，履行誠信責任及應有技能、謹慎和勤勉行事之責任。按照慣例，委任新董事之建議連同其學歷、專業資格及相關工作經驗之詳細資料將呈交予董事會，以作決定。董事會認為評估委任建議及確保客觀決定之措施充分。本公司已召開董事會會議，分別批准盧更新先生及中島敏晴先生辭任，年內並無委任董事的建議。

於每屆股東週年大會上，三分之一董事須輪席退任，而每位董事須至少每三年退任一次。

審核委員會

本公司之審核委員會（「審核委員會」）於二零零三年一月成立，有關該委員會之書面職權範圍亦已制訂。審核委員會之主要職務包括：

- (i) 不時與本公司管理層溝通；
- (ii) 審閱本公司採納之會計原則及常規；
- (iii) 檢討內部監控系統之效能；及
- (iv) 審閱本集團之中期及年度業績。

審核委員會由三名獨立非執行董事成員組成，包括：

岑明才（主席）

中島敏晴（於二零零八年四月二十三日
起辭任生效）

連慧儀

邱恩明

During the year ended 31 December 2008, the Audit Committee met two times with the external auditor and representatives of the management of the Company. The attendance records of each Audit Committee member in 2008 are set out below:-

Committee members	Attendance	委員會成員	出席率
Nakajima Toshiharu (resigned with effect from 23 April 2008)	0/2	中島敏晴 (於二零零八年四月二十三日起 辭任生效)	0/2
Lin Wai Yi	2/2	連慧儀	2/2
Shum Ming Choy	2/2	岑明才	2/2
Yau Yan Ming, Raymond	2/2	邱恩明	2/2

The Audit Committee reviewed the Company's unaudited interim results for the six months ended 30 June 2008 and audited annual results for the financial year ended 31 December 2008 with the conclusion that the preparations of such results have been complied with the applicable accounting standards.

EXTERNAL AUDITOR

The Audit Committee is responsible for considering the appointment of the external auditor and reviewing any non-audit services performed by the external auditor. During the year, the remuneration of HK\$1,258,000 and HK\$561,000 were paid and payable to the Company's auditor, Mazars CPA Limited for the provision of audit services and for the non-audit related services (including tax services and review of interim report and financial information) to the Group respectively.

INTERNAL CONTROLS

It is the responsibility of the Board to ensure that the Group maintains a sound and effective system of internal controls. The Company has formulated and adopted a Compliance Manual and Accounting Procedures to enhance better internal control and such Compliance Manual and Accounting Procedures would be reviewed by the Company from time to time. The Company has also implemented practical and effective control systems with reporting lines, reporting responsibilities and proper procedures. The Board, through the Audit Committee, assesses the effectiveness of the Group's internal control system which covers all material controls, including financial, operational and compliance control.

於截至二零零八年十二月三十一日止年度內，審核委員會與外聘核數師及本公司管理層代表共舉行兩次會議。二零零八年各審核委員會成員之會議出席紀錄載列如下：

審核委員會已審閱本公司截至二零零八年六月三十日止六個月之未經審核中期業績及截至二零零八年十二月三十一日止財政年度之經審核年度業績，並認為該等業績之編製符合適用之會計準則。

外聘核數師

審核委員會負責審議外聘核數師之任命及檢討外聘核數師提供之任何非核數服務。年內，本公司向本公司核數師馬賽會計師事務所有限公司已付1,258,000港元及應付561,000港元，分別作為彼等為本集團提供核數服務及非核數相關服務(包括稅務服務及審閱中期報告及財務資料)之酬金。

內部監控

董事會負責確保本集團之內部監控系統可靠有效。本公司設立並採納守規手冊及會計程序以提升內部監控，並將不時檢討該等守規手冊及會計程序。本公司亦就匯報方法、匯報責任及合規程序實施可行有效之監控系統。董事會透過審核委員會評估本集團內部監控系統之效能，評估範圍涵蓋所有重要監控方面，包括財務、營運及守規監控。

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR ACCOUNTS

The Directors acknowledge their responsibilities for the preparation of the financial statements of the Group and believe that the statements which give a true and fair view of the state of the Group's affairs and of its results. The responsibilities of the Directors and Auditor are set out on pages 36 and 37 of this Annual Report. The Board has adopted appropriate accounting policies and made proper estimates for the preparation of financial statements. With the assistance of the Qualified Accountant of the Company, the directors ensure timely publication of financial statements of the Group.

GOING CONCERN

The directors confirm that, to the best of their knowledge, information and belief and having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cause significant doubt upon the Company's ability to continue as a going concern. The Board therefore continues to adopt the going concern approach in preparing the financial statements for the financial year of 2008.

COMMUNICATIONS WITH SHAREHOLDERS

The Company has established the following channels to communicate with shareholders:

- (i) corporate information is made available on its own website (<http://www.willie273.com>);
- (ii) company announcements are made through the Stock Exchange and its own website; and
- (iii) printed corporate communication such as annual report, interim report, circular and listing documents are sent to the shareholders.

Individual resolution has been proposed by the Chairman in the general meetings for each substantial issue. At the general meetings of the Company, the Chairman of the Company and/or the members of the Board were available to answer questions raised by the shareholders.

董事及核數師對賬目之責任

董事確認須負責編製本集團之財務報表，以真實公平反映本集團之財務狀況及業績。董事及核數師之責任載於本年報第36及37頁。董事會已採用合適之會計政策並為編製財務報表作出合適之估計。在本公司合資格會計師之協助下，董事確保本集團及時刊發財務報表。

持續經營

董事確認，據彼等作出一切合理查詢後所知、所悉及所信，並無任何可嚴重影響本公司持續經營能力之若干事件或情況相關的重大不確定因素。因此，董事會仍然採用持續經營基準編製二零零八年財政年度之財務報表。

與股東之溝通

本公司以下列方法與股東溝通：

- (i) 於本公司網站(<http://www.willie273.com>)公佈企業資料；
- (ii) 透過聯交所及其本公司網站發佈公司公告；及
- (iii) 向股東發送年報、中期報告、通函及上市文件等企業通訊印刷本。

在股東大會上，主席已就每項重大事宜提出個別決議案。本公司主席及／或董事會成員出席股東大會並回答股東提問。

VOTING BY POLL

The procedures for voting by poll and the rights of the shareholders to demand a poll in accordance with the Article 81 of the Articles of Association of the Company was announced to the shareholders at the general meeting and published in the relevant circular. The results of the poll were published on the websites of the Company and the Stock Exchange.

On behalf of the Board
Willie International Holdings Limited
King Phillip
Managing Director

Hong Kong, 20 April 2009

以投票方式表決

本公司根據本公司組織章程細則第81條，已於股東大會及透過刊發有關通函告知股東以投票方式表決之程序以及股東要求以投票方式表決之權利。投票結果已於本公司及聯交所網站公佈。

代表董事會
威利國際控股有限公司
董事總經理
金紫耀

香港，二零零九年四月二十日

Independent Auditor's Report

獨立核數師報告



MAZARS CPA LIMITED

馬賽會計師事務所有限公司

34th Floor, The Lee Gardens,

33 Hysan Avenue, Causeway Bay, Hong Kong

香港銅鑼灣希慎道33號利園廣場34樓

To the members of

Willie International Holdings Limited

(Incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Willie International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 38 to 121, which comprise the consolidated and the Company's balance sheets as at 31 December 2008, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

致威利國際控股有限公司股東

(於香港註冊成立之有限公司)

吾等已審核載於第38頁至第121頁之威利國際控股有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)綜合財務報表，當中包括於二零零八年十二月三十一日之綜合資產負債表及貴公司之資產負債表、截至該日止年度之綜合收益表、綜合權益變動表及綜合現金流轉表，以及主要會計政策概要及其他解釋附註。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例編製及真實公平地呈列該等綜合財務報表。此項責任包括設計、實施及維護與編製及真實公平地呈列綜合財務報表有關之內部監控，以使綜合財務報表不存在不論因欺詐或錯誤而導致之重大錯誤陳述，選擇和應用適當之會計政策，及按情況作出合理之會計估計。

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the 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 Company and 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 Hong Kong Companies Ordinance.

Mazars CPA Limited

Certified Public Accountants

Hong Kong, 20 April 2009

Fung Shiu Hang

Practising Certificate number: P04793

核數師之責任

吾等之責任乃根據吾等之審核，對該等綜合財務報表發表意見。吾等之報告乃遵照香港公司條例第141條僅向閣下作出，且並無其他目的。吾等不會就本報告內容向任何其他人士負責或承擔責任。吾等按照由香港會計師公會頒佈之香港核數準則進行審核。該等準則要求吾等遵守道德規範，並規劃及執行審核，以合理保證綜合財務報表不存在重大錯誤陳述。

審核涉及執程序以獲取綜合財務報表所載數額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估綜合財務報表是否因欺詐或錯誤而存在重大錯誤陳述之風險。在作出該等風險評估時，核數師考慮與公司編製及真實公平地呈列綜合財務報表相關之內部監控，以設計適當於有關情況之審核程序，但並非為對公司之內部監控效能發表意見。審核亦包括評價所採用之會計政策是否合適，及董事作出之會計估計是否合理，以及評價綜合財務報表之整體呈列方式。

吾等相信吾等獲取之審核憑證充足及適當為吾等之審核意見提供基礎。

意見

吾等認為，綜合財務報表已遵照香港財務報告準則真實公平地反映貴公司及貴集團於二零零八年十二月三十一日之財務狀況及貴集團截至該日止年度之虧損及現金流轉，並已按照香港公司條例妥為編製。

馬賽會計師事務所有限公司

香港執業會計師

香港，二零零九年四月二十日

馮兆恆

執業證書編號：P04793

Consolidated Income Statement

綜合收益表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

			2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)
		Notes 附註		
Turnover	營業額	5	(341,209)	104,928
Other income	其他收入	6	4,952	8,682
Depreciation and amortisation expense	折舊及攤銷支出		(15,294)	(4,373)
Employee benefits expense	僱員福利支出		(11,286)	(13,353)
Other operating expenses	其他經營支出		(201,817)	(32,193)
Gain on disposal of interest in a subsidiary	出售一間附屬公司權益之收益	30	545	—
Loss on disposal of interests in associates	出售聯營公司權益之虧損		—	(20,853)
Net unrealised losses on investments held for trading	持作買賣投資之未變現虧損淨額		(144,341)	(307,732)
Net unrealised losses on investments designated as at fair value upon initial recognition	於首次確認時指定為按公平值列賬之投資之未變現虧損淨額		(21,344)	—
Profit on deemed disposal of interest in an associate	視作出售一間聯營公司權益之溢利		—	21,087
Share of profit of associates	應佔聯營公司之溢利		—	10,347
Net (losses) gains arising from changes in fair value of investment properties	投資物業公平值變動產生之(虧損)收益淨額	14	(47,845)	40,695
Finance costs	融資成本	8	(9,106)	(4,817)
Loss before taxation	除稅前虧損	9	(786,745)	(197,582)
Taxation	稅項	11	(11,083)	—
Loss for the year	年內虧損	12	(797,828)	(197,582)
Loss attributable to equity holders	權益持有人應佔虧損		(797,828)	(197,582)
Loss per share – Basic	每股虧損 – 基本	13	HK\$(5.09) 港元	HK\$(7.75) 港元

Consolidated Balance Sheet

綜合資產負債表

At 31 December 2008 於二零零八年十二月三十一日

			2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
		Notes 附註		
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Investment properties	投資物業	14	609,814	326,500
Property, plant and equipment	物業、廠房及設備	15	194,961	35,049
Intangible assets	無形資產	17	131,879	134,626
Other investments	其他投資	18	123,521	113,965
Prepayments for acquisition of investment properties	購買投資物業預付款項		5,304	8,656
Loans receivable	應收貸款	20	15,720	—
			1,081,199	618,796
Current assets	流動資產			
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	19	369,232	537,370
Loans receivable	應收貸款	20	234,238	335,637
Other receivables	其他應收款項		44,396	52,160
Cash and cash equivalents	現金及現金等值		167,057	304,355
			814,923	1,229,522
Current liabilities	流動負債			
Financial liabilities at fair value through profit or loss	按公平值計入損益之財務負債	19	12,270	6,915
Other payables	其他應付款項	21	23,242	13,290
Tax payables	應付稅款		1,237	—
Current portion of interest-bearing borrowings	計息借款之即期部分	22	24,384	160,992
			61,133	181,197
Net current assets	淨流動資產		753,790	1,048,325
Total assets less current liabilities	總資產扣除流動負債		1,834,989	1,667,121

Consolidated Balance Sheet

綜合資產負債表

At 31 December 2008 於二零零八年十二月三十一日

			2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
		Notes 附註		
Non-current liabilities	非流動負債			
Long-term interest-bearing borrowings	長期計息借款	22	269,037	180,656
Deferred tax liabilities	遞延稅項負債	23	25,439	—
			294,476	180,656
NET ASSETS	淨資產		1,540,513	1,486,465
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	25	38,996	151,793
Reserves	儲備	26	1,501,517	1,334,672
TOTAL EQUITY	總權益		1,540,513	1,486,465

Approved and authorised for issue by the Board of Directors on 20 April 2009

由董事會於二零零九年四月二十日批准及授權刊載

King Phillip

Director

金紫耀

董事

Wong Ying Seung, Asiong

Director

王迎祥

董事

Balance Sheet

資產負債表

At 31 December 2008 於二零零八年十二月三十一日

			2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
		Notes 附註		
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Interests in subsidiaries	附屬公司權益	16	1,490,862	1,255,428
Current assets	流動資產			
Other receivables	其他應收款項		32	25
Cash and cash equivalents	現金及現金等值		59,605	286,355
			59,637	286,380
Current liabilities	流動負債			
Other payables	其他應付款項		630	2,626
Due to a subsidiary	欠一間附屬公司款項	16	9,518	9,518
			10,148	12,144
Net current assets	淨流動資產		49,489	274,236
NET ASSETS	淨資產		1,540,351	1,529,664
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	25	38,996	151,793
Reserves	儲備	26	1,501,355	1,377,871
TOTAL EQUITY	總權益		1,540,351	1,529,664

Approved and authorised for issue by the Board of Directors on 20 April 2009

由董事會於二零零九年四月二十日批准及授權刊載

King Phillip

Director

金紫耀

董事

Wong Ying Seung, Asiong

Director

王迎祥

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Opening balance – Total equity at 1 January	年初結餘 – 於一月一日之總權益	1,486,465	329,614
Exchange movement recognised during the year	年內確認之匯兌變動	(790)	—
Capital reserve realised upon disposal of an associate	出售一間聯營公司之變現資本儲備	—	(8,198)
Total expenses recognised directly in equity	確認支出總額直接計入權益	(790)	(8,198)
Loss for the year	年內虧損	(797,828)	(197,582)
Total recognised expenses	已確認支出總額	(798,618)	(205,780)
Placement of new shares, net of expenses	配售新股，已扣除開支	50,301	699,315
Rights issues, net of expenses	供股，已扣除開支	580,001	—
Issue of consideration shares, net of expenses	發行代價股份，已扣除開支	131,840	—
Issue of warrants, net of expenses	發行認股權證，已扣除開支	—	72,278
Issue of shares upon termination of convertible notes, net of expenses	就終止可換股票據而發行股份，已扣除開支	90,974	—
Issue of shares under share option scheme	根據購股權計劃發行股份	—	246,888
Issue of shares on conversion of convertible notes, net of expenses	就轉換可換股票據而發行股份，已扣除開支	—	341,250
Equity-settled share-based payment	以股權結算之股份付款	—	5,656
Capital reorganisations, net of expenses	資本重組，已扣除開支	(450)	(2,756)
Closing balance – Total equity at 31 December	年終結餘 – 於十二月三十一日之總權益	1,540,513	1,486,465

Consolidated Cash Flow Statement

綜合現金流轉表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

	Notes 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
OPERATING ACTIVITIES			
經營業務			
Loss before taxation		(786,745)	(197,582)
Depreciation and amortisation expense		15,294	4,373
Finance costs		9,106	4,817
Net losses (gains) arising from changes in fair value of investment properties		47,845	(40,695)
Interest income on bank and other institutions		(1,599)	(7,452)
Loss on disposal of property, plant and equipment		254	—
Profit on deemed disposal of interest in an associate		—	(21,087)
Loss on disposal of interests in associates		—	20,853
Equity-settled share-based payment		—	5,656
Share of profit of associates		—	(10,347)
Impairment loss on property, plant and equipment		14,824	—
Impairment losses on other investments		11,575	—
Discount on acquisition of subsidiaries	29	(326)	(74)
Gain on disposal of interest in a subsidiary		(545)	—
Net unrealised losses on investments held for trading		144,341	307,732
Net unrealised losses on investments designated as at fair value upon initial recognition		21,344	—
Allowance for doubtful debts		103,268	14,000
Bad debts		51,932	—
Loss on termination of convertible notes		818	—
Changes in working capital:	營運資金變動：		
Loans receivable	應收貸款	(69,521)	(246,108)
Other receivables	其他應收款項	39,630	(38,328)
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	9,566	(719,369)
Other payables	其他應付款項	(761)	5,111
Cash used in operations	經營所用現金	(389,700)	(918,500)
Tax paid	已繳稅項	(31)	—
Interest income received from bank and other institutions	已收銀行及其他機構之利息收入	1,599	7,452
Net cash used in operating activities	用於經營業務之現金淨額	(388,132)	(911,048)

Consolidated Cash Flow Statement

綜合現金流轉表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

	Notes 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
INVESTING ACTIVITIES	投資業務		
Purchase of property, plant and equipment	購買物業、廠房及設備	(37,875)	(13,586)
Purchase of investment properties	購買投資物業	(82,767)	(143,705)
Prepayments for acquisition of investment properties	購買投資物業之預付款項	—	(8,656)
Purchase of other investments	購買其他投資	(21,131)	(113,965)
Acquisition of subsidiaries, net of cash acquired	收購附屬公司，已扣除所購入之現金	29 (95,503)	(266,009)
Proceeds from disposal of investment properties	出售投資物業之所得款項	—	2,700
Proceeds from disposal of interests in associates	出售聯營公司權益之所得款項	—	100,501
Proceed from disposal of a subsidiary	出售一間附屬公司之所得款項	30 54	—
Costs of issue and termination of convertible notes	發行及終止可換股票據之成本	(107)	—
Net cash used in investing activities	用於投資業務之現金淨額	(237,329)	(442,720)
FINANCING ACTIVITIES	融資活動		
Placement of new shares, net of expenses	配售新股，已扣除開支	50,301	699,315
Issue of shares under share option scheme	根據購股權計劃發行股份	—	246,888
Issue of shares on conversion of convertible notes, net of expenses	就轉換可換股票據而發行股份，已扣除開支	—	341,250
Rights issues, net of expenses	供股，已扣除開支	580,001	—
New bank loans raised	新造銀行貸款	40,000	173,048
New other loan raised	新造其他貸款	—	150,000
Repayment of bank loans	償還銀行貸款	(23,416)	(20,870)
Repayment of other loans	償還其他貸款	(150,000)	(5,000)
Interests paid on bank and other borrowings	支付銀行及其他借款之利息	(7,483)	(4,908)
Capital reorganisations, net of expenses	資本重組，已扣除開支	(450)	(2,756)
Issue of warrants, net of expenses	發行認股權證，已扣除開支	—	72,278
Net cash generated from financing activities	來自融資活動之現金淨額	488,953	1,649,245
Net (decrease) increase in cash and cash equivalents	現金及現金等值之（減少）增加淨額	(136,508)	295,477
Cash and cash equivalents at beginning of year	年初之現金及現金等值	304,355	8,878
Effect of foreign exchange rate changes	匯率變動之影響	(790)	—
Cash and cash equivalents at end of year	年終之現金及現金等值	167,057	304,355

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

I. GENERAL INFORMATION

Willie International Holdings Limited (the "Company") is a public company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office and the principal place of business of the Company are disclosed in the corporate information of this annual report. The principal activities of the Group are described in note 5 to the consolidated financial statements.

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

2. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"), which collective term includes all applicable individual HKFRS, Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. In addition, the consolidated financial statements also include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2007 consolidated financial statements. The adoption of the new/revised HKFRSs that are effective from the current year has had no significant effects on the Group's results and financial position for the current and prior years. A summary of the principal accounting policies adopted by the Group is set out below.

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for investment properties, financial assets and financial liabilities at fair value through profit or loss, which are measured at fair value as explained in the principal accounting policies set out below.

1. 一般事項

威利國際控股有限公司(「本公司」)為於香港註冊成立之公眾公司，其股份在香港聯合交易所有限公司(「聯交所」)上市。本公司之註冊辦事處及主要營業地點的地址於本年報之公司資料中披露。本集團之主要業務載於綜合財務報表附註5。

綜合財務報表以本公司功能貨幣港元呈列。

2. 主要會計政策

編製基準

此等綜合財務報表根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)(包括所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例編製。此外，綜合財務報表亦包括聯交所證券上市規則(「上市規則」)規定的相關披露。

編製此等綜合財務報表所採用之會計政策與編製二零零七年綜合財務報表所採用者一致。採納自本年度起生效的新訂或經修訂香港財務報告準則對本集團本年度及過往年度的業績及財務狀況並無重大影響。本集團採納的主要會計政策概要載列如下。

計量基準

除投資物業、按公平值計入損益之財務資產及財務負債按下文所載主要會計政策按公平值入賬外，此等綜合財務報表按歷史成本法編製。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Basis of consolidation

These consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries as at 31 December each year. The financial statements of its subsidiaries are prepared for the same reporting year and using consistent accounting policies as the Company.

All intra-group balances, transactions, incomes and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceased.

Business combination

Business combination represents transaction which combines two or more separate businesses into one reporting entity. Business combinations are classified into business combinations involving entities under common control and business combinations not involving entities under common control.

Business combinations involving entities under common control

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The absorbing party is the entity that obtains control of the other entities participating in the combination at the combination date, and the other entities participating in the combination are the parties being absorbed. The combination date is the date on which the absorbing party effectively obtains control of the parties being absorbed.

Assets and liabilities obtained by absorbing party in the business combination are recognised at their carrying amounts at the combination date as recorded by the party being absorbed.

Any costs directly attributable to the combination are recognised as expenses when incurred by the absorbing party.

2. 主要會計政策 (續)

綜合基準

此等綜合財務報表包括本公司及其所有附屬公司於每年十二月三十一日之財務報表。其附屬公司之財務報表均按與本公司相同之報告年度及一致之會計政策編製。

所有集團內公司間之結餘、交易與集團內公司間交易所產生的收支及損益均全數抵銷。附屬公司業績自本集團取得控制權當日起綜合入賬，直至本集團不再擁有控制權當日為止。

業務合併

業務合併指將兩個或多個獨立業務合併為一個呈報實體的交易。業務合併分為受共同控制實體之業務合併及並非受共同控制實體之業務合併。

受共同控制實體之業務合併

受共同控制實體之業務合併指合併實體在業務合併前後均受同一方或多方共同最終控制，且控制並非暫時性。在合併日取得其他參與合併實體控制權之一方為收購方，參與合併之其他實體為被收購方。合併日為收購方實際取得被收購方控制權之日期。

收購方於業務合併中所獲資產及負債按將被收購方合併入賬當日的賬面值確認。

收購方於合併直接應佔成本產生時確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Business combinations not involving entities under common control

A business combination not involving entities under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the business combination. The acquirer is the entity that obtains control of the other entities participating in the combination at the acquisition date, and the other entities participating in the combination are the acquirees. The acquisition date is the date on which the acquirer effectively obtains control of the acquiree.

The cost of acquisition is measured as the aggregate of the fair values of the assets given, liabilities incurred or assumed, equity instruments issued by the acquirer at the acquisition date, and all the costs incurred directly attributable to the acquisition, in exchange for control of the acquiree.

The acquiree's identifiable assets, liabilities and contingent liabilities are recognised at their fair values at the acquisition date.

Where the cost of a business combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill. Where the cost of a business combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer reassesses the measurement of the fair values of the acquiree's identifiable net assets, liabilities and contingent liabilities and the measurement of the cost of combinations. If after that reassessment, the cost of combination is still less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the remaining difference is recognised in the profit or loss for the current period.

Subsidiaries

A subsidiary is an entity in which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's balance sheet, investments in subsidiaries are stated at cost less accumulated impairment losses. The carrying amount of the investments is reduced to its recoverable amount on an individual basis. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

2. 主要會計政策 (續)

並非受共同控制實體之業務合併

並非受共同控制實體之業務合併指參與合併之實體在業務合併前後並非全部受同一方或多方共同最終控制。在收購日取得其他參與合併實體控制權之一方為收購方，參與合併之其他實體為被收購方。收購日為收購方實際取得被收購方控制權之日期。

收購成本為收購日收購方為取得被收購方之控制權而付出之資產、涉及或承擔之負債與發行之權益工具之公平值，以及收購所涉一切直接相關費用。

被收購方之可識別資產、負債及或然負債按收購日的公平值確認。

業務合併的成本超出收購方所佔被收購方可識別淨資產公平值的差額確認為商譽。倘業務合併的成本低於收購方所佔被收購方可識別淨資產公平值，則收購方須重新計算被收購方可識別淨資產、負債及或然負債之公平值以及合併成本，如之後發現合併成本仍低於收購方所佔被收購方可識別淨資產公平值，則餘下的差額會於當期損益確認。

附屬公司

附屬公司乃本集團有權監督其財務及經營政策，以從其業務取得利益之公司。

本公司之資產負債表內，於附屬公司之投資按成本減累計減值虧損列賬。投資賬面值按個別投資項目撇減至可收回金額，而附屬公司之業績則由本公司按已收及應收股息列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Goodwill

Goodwill represents the excess of the cost of an acquisition over the Group's share of the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiaries. Goodwill on acquisitions of subsidiaries is recognised as a separate asset. Goodwill on acquisitions of associates or jointly controlled entities is included in interests in associates or jointly controlled entities. Goodwill is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment testing and determination of gain or loss on disposal, goodwill is allocated to cash generating units. An impairment loss on goodwill is not reversed.

Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of the acquisition of businesses at the date of acquisition, after reassessment, is recognised immediately in the consolidated income statement.

Intangible assets

Intangible assets that are acquired by the Group are stated in the consolidated balance sheet at cost less accumulated amortisation (where the estimated useful life is finite) and accumulated impairment losses.

Amortisation of intangible assets with finite useful lives is charged to the consolidated income statement on a straight-line basis over the assets' estimated useful lives which are determined by the period over which it is expected to bring economic benefits to the Group. The intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives of 49.5 years.

The Group reviews the estimated useful lives and amortisation method for these intangible assets annually and makes adjustment when necessary.

2. 主要會計政策 (續)

商譽

商譽指收購成本高出本集團所佔被收購附屬公司可識別之資產、負債及或然負債公平值之差額。收購附屬公司之商譽確認為獨立資產。收購聯營公司或共同控制實體之商譽則計入聯營公司或共同控制實體之權益。商譽按成本減累計減值虧損列賬。每年對商譽進行減值測試，倘發生事件或情況轉變顯示賬面值可能減值，則須更頻密進行減值測試。為方便減值測試或釐定出售盈虧，商譽會分配至現金產生單位。商譽減值虧損不會撥回。

本集團於收購日所佔被收購公司可識別資產、負債及或然負債公平淨值超逾業務收購成本之差額，經重估後，即時於綜合收益表確認。

無形資產

本集團所收購無形資產按成本減累計攤銷(倘估計可用年期有限)及累計減值虧損於綜合資產負債表列賬。

可用年期屬有限的無形資產之攤銷按資產估計可用年期以直線法計入綜合收益表，而估計可用年期即有關資產預期可為本集團帶來經濟利益之時間。可用年期屬有限之無形資產自可供使用當日起按估計可用年期49.5年攤銷。

本集團每年檢討該等無形資產之估計可用年期及攤銷方法，並於需要時作出調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Investment properties

Investment properties are land and/or building that are held by owner or lessee under finance lease, to earn rental income and/or for capital appreciation. These include properties held for a currently undetermined future use and properties that are held under operating lease, which satisfy the definition of investment property and carry at fair value.

Investment properties are stated at fair value at the balance sheet date. Any gain or loss arising from a change in fair value is recognised in the consolidated income statement. The fair value of investment property is based on a valuation by an independent valuer who holds a recognised professional qualification and has recent experience in the location and category of property being valued.

Other investments

Other investments are stated at cost less accumulated impairment losses.

Property, plant and equipment

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

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated income statement during the year in which they are incurred.

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

2. 主要會計政策 (續)

投資物業

投資物業乃業主或承租人根據融資租約為收取租金收入及／或資本增值而持有之土地及／或樓宇，包括現時持有但未決定日後用途以及根據經營租約持有且符合投資物業定義並按公平值列賬的物業。

投資物業按結算日的公平值入賬。公平值變動產生之盈虧於綜合收益表確認。投資物業之公平值乃根據持有認可專業資格及在所估值物業地區及類別擁有近期經驗之獨立估值師之估值計算。

其他投資

其他投資按成本減累計減值虧損列賬。

物業、廠房及設備

物業、廠房及設備按成本減累計折舊及累計減值虧損列賬。

物業、廠房及設備項目之成本包括購買價及使資產可投入運作及運至現址作擬定用途之任何直接應佔費用。其後成本僅在與該項目有關之未來經濟利益有可能流入本集團，而該項目之成本能可靠地計量時，才計入資產之賬面值或確認為獨立資產。所有其他維修及保養費用在產生之年度於綜合收益表扣除。

物業、廠房及設備項目於出售或預期持續使用該等資產不會產生未來經濟利益時終止確認。終止確認資產產生的盈虧(按出售所得款項淨額與該項目賬面值之差額計算)於終止確認年度計入綜合收益表。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Property, plant and equipment (Cont'd)

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method, at the following rates per annum:

Leasehold land	Over the unexpired term of lease
Buildings	4%
Leasehold improvements	10% - 20%
Furniture and fixtures	10% - 20%
Office equipment	33 $\frac{1}{3}$ %
Motor vehicles	25%
Yacht	10%

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis. A financial asset is derecognised when the Group's contractual rights to future cash flows from the financial asset expire or when the Group transfers the contractual rights to future cash flows to a third party. A financial liability is derecognised only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

2. 主要會計政策 (續)

物業、廠房及設備 (續)

物業、廠房及設備之折舊於可供使用當日起計之估計可用年限並計及其估計剩餘價值後按以下折舊年率以直線法撇銷其成本減累計減值虧損撥備：

租約土地	按餘下租約期
樓宇	4%
租約物業裝修	10%-20%
傢俬及裝置	10%-20%
辦公室設備	33 $\frac{1}{3}$ %
汽車	25%
遊艇	10%

金融工具

倘本集團成為工具合約條款之一方，則財務資產及財務負債將按貿易日之基準確認。財務資產於本集團自財務資產獲取未來現金流量之合約權利終止或於本集團將該合約權利轉讓予第三方時終止確認，而財務負債則僅於負債清償時(即相關合約訂明之責任解除、取消或到期時)方終止確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets or financial liabilities at fair value through profit or loss

Financial assets or financial liabilities at fair value through profit or loss include financial assets held for trading and financial assets or financial liabilities designated upon initial recognition as at fair value through profit or loss. They are carried at fair value, with any resultant gain and loss recognised in profit or loss.

Financial assets are classified as held for trading if they are (i) acquired principally for the purpose of selling in the near future; (ii) part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or (iii) derivatives that are not designated and effective hedging instruments.

Financial assets or financial liabilities are designated at initial recognition as at fair value through profit or loss if (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on a different basis; or (ii) they are part of a group of financial assets and/or financial liabilities that are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) they contain embedded derivatives that would need to be separately recorded.

Loans and receivables

Loans and receivables including other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition, over the year to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in the consolidated income statement.

2. 主要會計政策 (續)

金融工具 (續)

按公平值計入損益之財務資產或財務負債

按公平值計入損益之財務資產或財務負債包括持作買賣之財務資產以及於初步確認時指定為按公平值計入損益之財務資產或財務負債。該等財務資產或負債按公平值列賬，並於損益中確認所產生之任何收益或虧損。

倘財務資產(i)被收購之主要目的為於不久將來出售；(ii)為本集團集中管理之可識別金融工具組合之一部分，並已於近期形成短期獲利之實際模式；或(iii)並非指定為有效對沖工具之衍生工具，則分類為持作買賣。

財務資產或財務負債倘符合以下條件，可於首次確認時指定為按公平值計入損益：(i)該指定抵銷或大幅減少按不同基準計量資產或負債或確認其損益所產生之不一致處理結果；或(ii)有關財務資產或財務負債為一組根據明文訂立之風險管理策略管理，並按公平值基準評估表現之財務資產及／或財務負債組合之一部分；或(iii)有關財務資產或財務負債包含須單獨列示之嵌入式衍生工具。

貸款及應收款項

貸款及應收款項(包括其他應收款項)為具固定或可釐定付款金額之非衍生財務資產，其於活躍市場並無報價且無持作買賣用途。其以實際利息法按攤銷成本計算，惟倘應收款項為免息貸款且無任何固定償還期或折現影響並不重大，則應收款項乃按成本扣除減值虧損列賬。所計算之攤銷成本已包括直至到期日止之年度內，收購時之任何折讓或溢價。在終止確認、減值時或於攤銷過程中產生之盈虧均於綜合收益表確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Impairment of financial assets

At each balance sheet date, the Group assesses whether there is objective evidence that financial assets, other than those at fair value through profit or loss, are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. Such impairment loss is reversed in subsequent periods through consolidated income statement when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities

The Group's financial liabilities include other payables, derivatives financial instruments and interest-bearing borrowings. All financial liabilities except for derivatives financial instruments are recognised initially at their fair value and subsequently measured at amortised cost, using effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer of the contract to make specified payments to reimburse the holder of the contract for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee contract is initially recognised as deferred income within trade and other payable at fair value, where such information is available, otherwise, it is recognised at consideration received and receivable. Subsequently, it is measured at the higher of the amount initially recognised, less accumulated amortisation, and the amount of the provision, if any, that is required to settle the commitment at the balance sheet date.

2. 主要會計政策 (續)

金融工具 (續)

財務資產減值

於各結算日，本集團評估是否有客觀證據顯示財務資產(按公平值計入損益之財務資產除外)出現減值。按攤銷成本列賬之財務資產減值虧損乃按資產賬面值與以財務資產原實際利率折現之估計未來現金流量現值兩者之差額計量。倘資產可收回金額之增加可與確認減值後發生之事件客觀相連，則該減值虧損可於隨後期間透過綜合收益表撥回，惟該資產於撥回減值當日之賬面值不得超逾其在該減值並未獲確認情況下之攤銷成本。

財務負債

本集團之財務負債包括其他應付款項、衍生金融工具及計息借款。除衍生金融工具以外之所有財務負債均按其公平值初步確認，其後使用實際利率法按攤銷成本計量，惟倘折現之影響不甚重大，則按成本列賬。

財務擔保合約

財務擔保合約為合約發行人須因指定債務人未能按照債務工具條款支付到期款項以致合約持有人蒙受損失時，向合約持有人償付指定款項之合約。財務擔保合約最初按公平值於貿易及其他應付款項中確認為遞延收入，倘能取得有關資料，則按已收及應收代價確認，其後則按最初確認之金額減累計攤銷或結算日須結算承擔的撥備金額(如有)兩者之較高者計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Convertible notes

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the balance sheet, net of issue costs. On the issue of the convertible notes, the fair value of the liability component is determined using a market rate for an equivalent non-convertible notes; and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity, net of issue costs. The value of the conversion option is not changed in subsequent years.

Issue costs are apportioned between the liability and equity components of the convertible notes based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

Cash equivalents

For the purpose of consolidated cash flow statement, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue and costs, if applicable, can be measured reliably and on the following bases.

Net income from the sales of investments at fair value through profit or loss is recognised on the transaction date when the relevant sale and purchase contract is entered into.

Interest income from financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Rental income under operating leases is recognised when the properties are let out and on the straight-line basis over the lease terms.

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

2. 主要會計政策 (續)

可換股票據

可換股票據中顯示負債特徵之部分，於扣除發行成本後在資產負債表確認為負債。發行可換股票據時，負債部分之公平值採用非可換股票據等值項目之市場比率釐定；而該金額按攤銷成本基準入賬列作非流動負債，直至在兌換或贖回時註銷為止。

所得款項餘額將分配至換股權，於扣除發行成本後在股東權益內確認入賬。換股權之價值在其後年度保持不變。

發行成本根據所得款項於工具首次確認時分配至負債及權益部分的款額撥入可換股票據的負債部分及權益部分。

現金等值

在綜合現金流轉表，現金等值指可隨時兌換為已知數額現金，且價值變化風險極小的短期高流動投資。

收入確認

收入乃於經濟利益可能流向本集團，而收入與成本（如適用）能可靠計量時按以下基準確認。

銷售按公平值計入損益之投資所得收入淨額於交易日訂立有關買賣合約時確認。

財務資產之利息收入經參考未償還本金及按適用實際利率以時間基準累計。

根據經營租約之租金收入於有關物業租出時按租約期以直線法確認。

投資之股息收入於本集團確立收取股息之權利時確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Foreign currencies translation

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

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

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in Hong Kong dollars using exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (translation reserve). Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

2. 主要會計政策 (續)

外幣換算

編製個別集團公司的財務報表時，以公司功能貨幣以外貨幣(外幣)進行的交易按交易日之匯率換算成相關功能貨幣(即該公司經營之主要經濟環境的貨幣)入賬。於各結算日，以外幣計值的貨幣項目以結算日之匯率重新換算。以外幣計值並按公平值列賬的非貨幣項目以釐定公平值當日之匯率重新換算。以外幣計值並以歷史成本計量的非貨幣項目不會重新換算。

結算貨幣項目及換算貨幣項目時產生的匯兌差額於產生期間在損益確認。重新換算按公平值列賬的非貨幣項目所產生的匯兌差額計入期內損益，惟由於有關重新換算非貨幣項目所產生差額之收益及虧損直接於股本權益確認，故相關匯兌差額亦會直接於股本權益中確認。

為呈列綜合財務報表，本集團境外業務的資產及負債均以結算日之匯率換算為港元。收入及開支項目以期內平均匯率換算，倘期內匯率大幅波動則以交易日之匯率換算。所產生的匯兌差額(如有)確認為股本權益的獨立部分(匯兌儲備)。該匯兌差額於出售該境外業務期間在損益確認。

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綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Impairment of non-financial assets

At each balance sheet date, the Group reviews internal and external sources of information to determine whether the carrying amounts of its property, plant and equipment, intangible assets, other investments and investments in subsidiaries have suffered an impairment loss or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs to sell and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, except where the relevant asset is carried at valuation in which case the impairment loss is treated as a revaluation decrease.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income immediately, except where the relevant asset is carried at valuation, in which case the reversal of impairment loss is treated as a revaluation increase.

2. 主要會計政策 (續)

非財務資產減值

於各結算日，本集團檢討內部及外間資訊，以釐定其物業、廠房及設備、無形資產、其他投資及於附屬公司之投資之賬面值是否有任何減值虧損跡象或先前確認之減值虧損已不再存在或已減少。倘有關跡象存在，本集團將根據該資產之公平值減銷售成本或使用價值(以較高者為準)評估其可收回金額。倘無法估算個別資產之可收回金額，本集團則估算能獨立產生現金流量之最小資產組合(即一個產生現金收益單位)之可收回金額。

倘估計資產或一個產生現金收益單位之可收回金額低於其賬面值，則該項資產之賬面值或產生現金收益單位將調低至其可收回金額。減值虧損即時確認為開支，惟倘有關資產按估值列賬，則減值虧損視為重估減少。

減值虧損撥回之金額不得超逾該資產或產生現金收益單位在過往年度並無確認減值虧損時之賬面值。減值虧損撥回即時確認為收入，惟倘有關資產按估值列賬，則減值虧損撥回視為重估增加。

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綜合財務報表附註

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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Borrowing costs

Borrowing costs are recognised as an expense when incurred.

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.

As lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

As lessee

Assets held under finance leases are recognised as assets of the Group at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as finance lease obligation. Finance charges, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the consolidated income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Rentals payable under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the relevant lease.

Employee benefits

Defined contribution plans

The obligations for contributions to defined contribution retirement scheme are recognised as an expense in the consolidated income statement as incurred and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. The assets of the scheme are held separately from those of the Group in an independent administered fund.

2. 主要會計政策 (續)

借貸成本

借貸成本於產生時確認為開支。

租約

凡租約條款將擁有權絕大部分風險及回報轉交承租人之租約，均分類為融資租約。所有其他租約則分類為經營租約。

作為出租人

根據融資租約應收承租人款項按本集團於該等租賃之投資淨額入賬列為應收款項。融資租約收入分配至有關會計期間，以反映本集團租賃投資淨額之固定定期回報率。

作為承租人

根據融資租約所持資產按租賃資產公平值或最低融資款項現值之較低者確認為本集團資產。出租人之相應負債作為融資租約負債計入資產負債表。財務費用指租賃承擔總額與所收購資產公平值間的差額，於相關租約期自綜合收益表扣除，以於各會計期間按固定比率支付負債餘額。

根據經營租約之應付租金於有關租約期內按直線法自綜合收益表扣除。

僱員福利

界定供款計劃

向界定供款退休計劃供款之責任於產生時在綜合收益表確認為開支。因僱員在取得全數供款前退出該計劃而沒收供款可用作減少供款。計劃之資產與本集團之資產分開持有並存放於獨立管理基金。

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綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Long service payment

The Group's net obligation in respect of long service payment under the Employment Ordinance is the amounts of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and discounted to its present value and after deducting the fair value of any related assets, including those retirement scheme benefit.

Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax liabilities or assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or liability is settled, based on the tax rates and the tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

No deferred tax is provided for temporary differences arising from goodwill, the initial recognition of assets or liabilities in a transaction other than a business combination and that affecting neither accounting nor taxable profits, and investment in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

Related parties

A party is related to the Group if

- (a) directly, or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Group; or has an interest in the Group that gives it significant influence over the Group; or has joint control over the Group;

2. 主要會計政策 (續)

長期服務金

本集團根據僱員條例之長期服務金負債淨額為僱員因本期或過往期間之服務所得之未來利益款項。該負債按預計單位信託法計算，並於扣除任何相關資產(包括退休計劃福利)之公平值後折現至現值。

稅項

現時利得稅開支根據年內業績經毋須課稅或減免項目調整後釐定。稅項按結算日已生效或實質生效之稅率計算。

遞延稅項根據負債法按結算日資產及負債之稅基與其載於綜合財務報表之賬面值兩者之所有暫時差額撥備。收回資產或清償負債時，遞延稅項負債或資產按有關期間預期生效之稅率計算，並根據於結算日已生效或實質生效之稅率及稅務法例釐定。倘未來可能有應課稅溢利抵銷可動用之可扣稅暫時差額、稅項虧損及抵免，則確認遞延稅項資產。

概無就源自商譽、首次確認非業務合併交易中不會影響會計及應課稅溢利的資產或負債以及應不會於可見未來撥回之附屬公司投資所產生暫時差額作出遞延稅項撥備。

關連人士

任何一方如屬以下情況，即視為本集團之關連人士：

- (a) 該方直接或間接透過一間或多間中介公司控制本集團、受本集團控制或與本集團受共同控制；或於本集團擁有權益，並可藉該權益對本集團行使重大影響力；或共同控制本集團；

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2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

- (b) the party is an associate of the Group;
- (c) the party is a joint venture in which the Group is a venturer;
- (d) the party is a member of the key management personnel of the Group or its parent;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing services or investments (business segment), or in providing services or investments within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, tax balances, corporate and financing expenses.

In respect of geographical segment reporting, turnover is based on the location of investment trading, financial and rental services provided, total assets and capital expenditure are based on where the assets are located.

2. 主要會計政策 (續)

- (b) 該方為本集團之聯營公司；
- (c) 該方為本集團之合營公司，而本集團為其中一名合營者；
- (d) 該方為本集團或其母公司之主要管理層成員；
- (e) 該方為(a)或(d)項所述任何人士之近親；
- (f) 該方為一間公司，直接或間接受(d)或(e)所述任何人士控制或共同控制，或(d)或(e)所述任何人士直接或間接對該公司有重大影響力或擁有重大投票權；或
- (g) 該方為終止僱傭後福利計劃，乃為本集團或屬於其關連人士之任何實體之僱員福利而設。

分類報告

分類指本集團內從事提供服務或投資(業務分類)，或在特定經濟環境內提供服務或投資(地區分類)之可分辨部分，而各分類所承受之風險及獲得之回報並不相同。

未分配項目主要包括財務及公司資產、計息貸款、借貸、稅項結餘、公司及融資支出。

地區分類報告之營業額根據投資貿易、所提供融資及租賃服務之地點呈列，總資產及資本開支根據資產所在地呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

3. FUTURE CHANGES IN HKFRS

At the date of authorisation of these consolidated financial statements, the HKICPA has issued a number of new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted. The directors anticipate that the adoption of these new/revised HKFRSs in the future periods will have no material impact on the results of the Group.

HKAS 1 (Revised)
香港會計準則第1號(經修訂)

HKAS 23 (Revised)
香港會計準則第23號(經修訂)

HKAS 27 (Revised)
香港會計準則第27號(經修訂)

HKAS 32 and HKAS 1 (Amendments)
香港會計準則第32號及香港會計準則第1號(修訂本)

HKAS 39 (Amendments)
香港會計準則第39號(修訂本)

HKFRS 1 and HKAS 27 (Amendments)
香港財務報告準則第1號及香港會計準則第27號(修訂本)

HKFRS 2 (Amendments)
香港財務報告準則第2號(修訂本)

HKFRS 3 (Revised)
香港財務報告準則第3號(經修訂)

HKFRS 7 (Amendments)
香港財務報告準則第7號(修訂本)

HKFRS 8
香港財務報告準則第8號

HK(IFRIC) – Int 15
香港(國際財務報告詮釋委員會) – 詮釋第15號

HK(IFRIC) – Int 17
香港(國際財務報告詮釋委員會) – 詮釋第17號

HKFRSs (Amendments)
香港財務報告準則(修訂本)

Presentation of Financial Statements¹
財務報表之呈列¹

Borrowing Costs¹
借貸成本¹

Consolidated and Separate Financial Statements²
綜合及獨立財務報表²

Puttable Financial Instruments and Obligations Arising on Liquidations¹
可沽售金融工具及清盤時產生的責任¹

Eligible Hedged Items²
合資格對沖項目²

Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate¹
於附屬公司、共同控制實體或聯營公司之投資成本¹

Share-based Payment – Vesting Conditions and Cancellations¹
以股份為基礎之付款 – 歸屬條件及註銷¹

Business Combinations²
業務合併²

Improving Disclosures about Financial Instruments¹
金融工具之披露改善¹

Operating Segments¹
營運分部¹

Agreements for the Construction of Real Estate¹
房地產建築協議¹

Distributions of non-cash Assets to Owners²
向擁有人分派非現金資產²

Improvements to HKFRS³
香港財務報告準則之改進³

3. 香港財務報告準則之未來變動

於此等綜合財務報表授權日期，本集團並無提早採納香港會計師公會已頒佈但於本年度尚未生效之若干新訂／經修訂香港財務報告準則。董事預期於未來期間採納該等新訂／經修訂香港財務報告準則對本集團業績不會有重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

3. FUTURE CHANGES IN HKFRS (Cont'd)

- ¹ Effective for annual periods beginning on or after 1 January 2009
- ² Effective for annual periods beginning on or after 1 July 2009
- ³ Effective for annual periods beginning on or after 1 January 2009 except for the amendments to HKFRS 5 which are effective for annual periods beginning on or after 1 July 2009

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Fair value estimation

The Group uses the discounted cash flows valuation method to determine the carrying amount of loans receivable at the balance sheet date. This valuation requires the Group to make estimates about expected cash flows and discount rates, and hence they are subject to uncertainty.

Impairment of investments

The Company assesses annually if interests in subsidiaries have suffered any impairment in accordance with HKAS 36 and follow the guidance of HKAS 39 in determining whether amounts due from those entities are impaired. Details of the approach are stated in the respective accounting policies. The assessment requires an estimation of future cash flows, including expected dividends, from the assets and the selection of appropriate discount rates. Future changes in financial performance and position of these entities would affect the estimation of impairment loss and cause the adjustments of their carrying amounts.

Allowance for bad and doubtful debts

The provisioning policy for bad and doubtful debts of the Group is based on the evaluation by management of the collectability of the loans receivable. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including assessing the current creditworthiness and the past collection history of each borrower. If the financial conditions of these borrowers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance will be required.

3. 香港財務報告準則之未來變動 (續)

- ¹ 於二零零九年一月一日或之後開始之年度期間生效
- ² 於二零零九年七月一日或之後開始之年度期間生效
- ³ 於二零零九年一月一日或之後開始之年度期間生效，惟香港財務報告準則第5號之修訂本於二零零九年七月一日或之後開始之年度期間生效

4. 關鍵會計判斷及估計不確定因素之主要來源

公平值估計

本集團使用折現現金流量估值法釐定結算日之應收貸款賬面值。該估值要求本集團估計預期現金流量及折現率，因此存在不確定因素。

投資減值

本公司按香港會計準則第36號每年評估於附屬公司之權益有否減值，並按香港會計準則第39號之指引釐定應收該等公司之金額有否減值。方法詳情載於各會計政策。該項評估須估計資產之未來現金流量(包括預期股息)及選用恰當折現率。該等公司財務表現及狀況之未來變動會影響減值虧損估計，以致須調整其賬面值。

呆壞賬撥備

本集團之呆壞賬撥備政策乃基於管理層對應收貸款之可收回程度評估。評估該等應收款項之最終變現能力(包括評估各借款人當前借貸能力及過往還款紀錄)時須作出大量判斷。倘若該等借款人之財務狀況惡化，令其還款能力減弱，則須計提額外撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

5. TURNOVER

Turnover recognised from the principal activities of the Group during the year including investment holding, trading of investments, property investment and provision of financial services are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)
Net (losses) gains from the sale of investments at fair value through profit or loss (Note)	出售按公平值計入損益之投資之(虧損)收益淨額(附註)	(384,030)	82,816
Interest income from loans receivable	應收貸款之利息收入	29,032	18,188
Dividend income from listed investments	上市投資之股息收入	3,153	3,399
Rental income	租金收入	10,636	525
		(341,209)	104,928

Note:

The Group's proceeds from the sale of investments at fair value through profit or loss and the corresponding carrying amount were separated into "Turnover" and "Cost of investments held for trading sold" respectively, in the prior year's consolidated income statement. During the current year, the Group changed its presentation, as in the opinion of the directors, it is more appropriate to present the losses or gains from the sale of investments at fair value through profit or loss in "Turnover" on a net basis.

The effect of this change in presentation was to decrease turnover and cost of investments held for trading sold for the year ended 31 December 2008 by HK\$902,573,000, representing the carrying amount of investments at fair value through profit or loss disposed of during the year.

To conform with the current year's presentation, the carrying amount of investments at fair value through profit or loss disposed of for the year ended 31 December 2007 of HK\$1,343,948,000 has been offset against turnover, resulting in a decrease in turnover and cost of investments held for trading sold for that year by the same amount. This has resulted in no change in the results of the Group in respect of the current and prior years.

5. 營業額

本集團於年內經營主要業務(包括投資控股、買賣投資、物業投資及提供金融服務)所確認之營業額如下:

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)
Net (losses) gains from the sale of investments at fair value through profit or loss (Note)	(384,030)	82,816
Interest income from loans receivable	29,032	18,188
Dividend income from listed investments	3,153	3,399
Rental income	10,636	525
	(341,209)	104,928

附註:

本集團出售按公平值計入損益之投資所得款項及相應賬面值分別獨立計入過往年度綜合收益表之「營業額」及「已售持作買賣投資成本」。本集團於本年度更改呈列方式，原因是董事認為於「營業額」以淨額呈列出售按公平值計入損益之投資虧損或收益更為恰當。

該呈列方式變更使截至二零零八年十二月三十一日止年度之營業額及已售持作買賣投資成本減少902,573,000港元，即年內所出售按公平值計入損益之投資之賬面值。

為與本年度呈列方式一致，截至二零零七年十二月三十一日止年度所出售按公平值計入損益之投資之賬面值1,343,948,000港元已與營業額抵銷，導致該年之營業額及已售持作買賣投資成本等額減少，但並無改變本集團於本年度及過往年度之業績。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

6. OTHER INCOME

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)
Bank interest income	銀行利息收入	1,110	6,920
Other interest income	其他利息收入	489	532
Others	其他	3,353	1,230
		4,952	8,682

7. SEGMENT INFORMATION

In accordance with the Group's internal financial reporting, the Group has determined that business segment is its primary reporting format and geographical segment is its secondary reporting format as the Group's assets were located in Hong Kong and the Mainland China ("PRC") for the years ended 31 December 2008 and 2007.

Business segments

Business segments of the Group comprise the following:

Trading of investments	:	Purchase and sale of securities and provision of securities services
買賣投資	:	買賣證券及提供證券服務
Provision of financial services	:	Provision of loan financing services
提供金融服務	:	提供貸款融資服務
Property investment	:	Holding properties for rental and capital appreciation
物業投資	:	為賺取租金及資本增值而持有物業
Investment holding	:	Holding investments for dividend and investment income and capital appreciation
投資控股	:	為賺取股息、投資收入及資本增值而持有投資

6. 其他收入

7. 分類資料

根據本集團內部財務申報，由於本集團截至二零零八年及二零零七年十二月三十一日止年度之資產均位於香港及中國大陸（「中國」），故本集團決定以業務分類作為主要報告形式，並以地區分類作為次要報告形式。

業務分類

本集團之業務分類包括下列各項：

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

7. SEGMENT INFORMATION (Cont'd)

Business segments (Cont'd)

The following tables show segment information for the years ended 31 December 2008 and 2007.

Year ended 31 December 2008

		Trading of investments 買賣投資 HK\$'000 千港元	Provision of financial services 提供 金融服務 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Investment holding 投資控股 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分類收入						
Turnover	營業額	(380,877)	29,032	10,636	—	—	(341,209)
Other income	其他收入	2,239	1,432	203	1,078	—	4,952
Total revenue	收入總額	(378,638)	30,464	10,839	1,078	—	(336,257)
Segment results	分類業績	(543,431)	(123,807)	(58,923)	(8,868)	(16,756)	(751,785)
Gain on disposal of interest in a subsidiary	出售一間附屬 公司權益之收益	—	—	—	545	—	545
Impairment losses on other investments	其他投資 減值虧損	—	—	—	(11,575)	—	(11,575)
Impairment loss on property, plant and equipment	物業、廠房及 設備減值虧損	—	—	(14,824)	—	—	(14,824)
Finance costs	融資成本	—	—	—	—	(9,106)	(9,106)
Loss before taxation	除稅前虧損						(786,745)
Taxation	稅項	—	—	(11,083)	—	—	(11,083)
Loss for the year	年內虧損						(797,828)

7. 分類資料 (續)

業務分類 (續)

下表載列截至二零零八年及二零零七年十二月三十一日止年度之分類資料。

截至二零零八年十二月三十一日止年度

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

7. SEGMENT INFORMATION (Cont'd)

Business segments (Cont'd)

Year ended 31 December 2007

		Trading of investments 買賣投資 HK\$'000 千港元 (restated) (重列)	Provision of financial services 提供 金融服務 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元 (restated) (重列)	Investment holding 投資控股 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元 (restated) (重列)
Segment revenue	分類收入						
Turnover	營業額	86,366	17,867	525	170	—	104,928
Other income	其他收入	532	840	4	7,296	10	8,682
Total revenue	收入總額	86,898	18,707	529	7,466	10	113,610
Segment results	分類業績	(221,307)	1,764	37,267	(6,848)	(14,222)	(203,346)
Loss on disposal of interests in associates	出售聯營公司 權益之虧損	—	—	—	(20,853)	—	(20,853)
Profit on deemed disposal of interest in an associate	視作出售一間聯營 公司權益之溢利	—	—	—	21,087	—	21,087
Share of profit of associates	應佔聯營公司溢利	9,165	1,110	—	72	—	10,347
Finance costs	融資成本	—	—	—	—	(4,817)	(4,817)
Loss before taxation	除稅前虧損						(197,582)
Taxation	稅項	—	—	—	—	—	—
Loss for the year	年內虧損						(197,582)

7. 分類資料 (續)

業務分類 (續)

截至二零零七年十二月三十一日止年度

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

7. SEGMENT INFORMATION (Cont'd)

Business segments (Cont'd)

Assets and liabilities as at 31 December 2008

7. 分類資料 (續)

業務分類 (續)

於二零零八年十二月三十一日之資產及負債

		Trading of investments 買賣投資 HK\$'000 千港元	Provision of financial services 提供 金融服務 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Investment holding 投資控股 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產					
Segment assets	分類資產	383,870	348,974	831,296	320,735	1,884,875
Unallocated assets	未分配資產	—	—	—	—	11,247
Total assets	總資產					1,896,122
Liabilities	負債					
Segment liabilities	分類負債	19,132	7,509	298,016	27,825	352,482
Unallocated liabilities	未分配負債	—	—	—	—	3,127
Total liabilities	總負債					355,609

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

7. SEGMENT INFORMATION (Cont'd)

Business segments (Cont'd)

Assets and liabilities as at 31 December 2007

		Trading of investments 買賣投資 HK\$'000 千港元	Provision of financial services 提供 金融服務 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Investment holding 投資控股 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產					
Segment assets	分類資產	581,115	335,756	352,411	553,856	1,823,138
Unallocated assets	未分配資產	—	—	—	—	25,180
Total assets	總資產					1,848,318
Liabilities	負債					
Segment liabilities	分類負債	14,308	—	165,383	164,998	344,689
Unallocated liabilities	未分配負債	—	—	—	—	17,164
Total liabilities	總負債					361,853

7. 分類資料 (續)

業務分類 (續)

於二零零七年十二月三十一日之資產及負債

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

7. SEGMENT INFORMATION (Cont'd)

Business segments (Cont'd)

Other segment information for the year ended 31 December 2008

7. 分類資料 (續)

業務分類 (續)

截至二零零八年十二月三十一日止年度
之其他分類資料

		Trading of investments 買賣投資 HK\$'000 千港元	Provision of financial services 提供 金融服務 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Investment holding 投資控股 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Capital expenditure	資本開支	—	—	511,462	21,131	7,234	539,827
Amortisation expense	攤銷支出	—	—	—	2,747	—	2,747
Depreciation expense	折舊支出	—	—	11,989	—	558	12,547
Net losses arising from changes in fair value of investment properties	投資物業 公平值 變動之 虧損淨額	—	—	47,845	—	—	47,845
Allowance for doubtful debts	呆壞賬撥備	—	103,268	—	—	—	103,268
Bad debts	壞賬	—	51,932	—	—	—	51,932

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

7. SEGMENT INFORMATION (Cont'd)

Business segments (Cont'd)

Other segment information for the year ended 31 December 2007

		Trading of	Provision of	Property	Investment	Unallocated	Total
		investments	financial	investment	holding		
		買賣投資	提供	物業投資	投資控股	未分配	總計
		HK\$'000	金融服務	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Capital expenditure	資本開支	—	—	293,516	249,965	2,860	546,341
Amortisation expense	攤銷支出	—	—	—	1,374	—	1,374
Depreciation expense	折舊支出	—	—	2,586	—	413	2,999
Net gains arising	投資物業						
from changes	公平值						
in fair value of	變動之收益						
investment properties	淨額	—	—	(40,695)	—	—	(40,695)
Allowance for doubtful debts	呆壞賬撥備	—	14,000	—	—	—	14,000

7. 分類資料 (續)

業務分類 (續)

截至二零零七年十二月三十一日止年度
之其他分類資料

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綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

7. SEGMENT INFORMATION (Cont'd)

Geographical segments

The Group's investment properties are principally located in Hong Kong and PRC. Trading of investments, investment holding and provision of financial services are carried out in Hong Kong.

The following table provides an analysis of the Group's turnover by geographical market, irrespective of the origin of the investments services:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)
Hong Kong	香港	(342,075)	104,928
PRC	中國	866	—
		(341,209)	104,928

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

		Carrying amount of segment assets 分類資產賬面值		Additions to property, plant and equipment 添置物業、廠房及設備		Additions to investment properties 添置投資物業	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Hong Kong	香港	1,629,535	1,688,512	162,490	15,071	237,542	281,305
PRC	中國	255,340	134,626	47	—	118,617	—
		1,884,875	1,823,138	162,537	15,071	356,159	281,305

7. 分類資料 (續)

地區分類

本集團之投資物業主要位於香港及中國。買賣投資、投資控股及提供金融服務均於香港進行。

下表為本集團營業額按地區市場劃分的分析，不計及投資服務的起源地：

下表為按資產所在地區劃分的分類資產賬面值、添置物業、廠房及設備以及投資物業分析：

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8. FINANCE COSTS

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Interests on:	利息：		
Bank and other borrowings wholly repayable within five years	五年內全部償還之銀行及其他借款	696	279
Bank and other borrowings wholly repayable over five years	五年後全部償還之銀行及其他借款	6,787	4,538
Convertible notes	可換股票據	1,623	—
		9,106	4,817

8. 融資成本

9. LOSS BEFORE TAXATION

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
This is stated after charging:	經扣除下列項目：		
Auditor's remuneration	核數師酬金	1,468	1,372
Contributions to MPF Scheme	強積金計劃供款	309	236
Depreciation of property, plant and equipment	物業、廠房及設備折舊	12,547	2,999
Amortisation of intangible assets	無形資產攤銷	2,747	1,374
Operating lease charges on:	經營租約費用：		
Equipment	設備	68	93
Office premises	辦公室物業	759	1,362
Equity-settled share-based payment	以股權結算之股份付款	—	5,656
Allowance for doubtful debts	呆壞賬撥備	103,268	14,000
Bad debts	壞賬	51,932	—
Loss on termination of convertible notes	終止可換股票據虧損	818	—
Impairment losses on other investments included in other operating expenses	已計入其他經營支出的其他投資減值虧損	11,575	—
Impairment loss on property, plant and equipment included in other operating expenses	已計入其他經營支出的物業、廠房及設備減值虧損	14,824	—

9. 除稅前虧損

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綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

10. DIRECTORS' AND HIGHEST PAID EMPLOYEES' EMOLUMENTS

Directors' emoluments

The aggregate amount of emoluments received or receivable by the Company's directors are as follows:

2008

		Directors' fees	Salaries, allowances and benefits in kind	Retirement scheme contributions	Long service payment	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Executive directors	執行董事					
Chuang Yueheng, Henry	莊友衡	—	2,400	12	—	2,412
Lo Kan Sun (resigned on 23 April 2008)	盧更新 (於二零零八年 四月二十三日辭任)	—	280	3	298	581
King Phillip	金紫耀	—	540	12	—	552
Wong Ying Seung, Asiong	王迎祥	—	900	12	—	912
Wang Lin	王林	—	240	12	—	252
Independent non-executive directors	獨立非執行董事					
Lin Wai Yi	連慧儀	120	—	—	—	120
Liu Jian	劉劍	120	—	—	—	120
Nakajima, Toshiharu (resigned on 23 April 2008)	中島敏晴 (於二零零八年 四月二十三日辭任)	8	—	—	—	8
Shum Ming Choy (resigned on 22 April 2009)	岑明才 (於二零零九年 四月二十二日辭任)	120	—	—	—	120
Yau Yan Ming, Raymond	邱恩明	120	—	—	—	120
		488	4,360	51	298	5,197

10. 董事及最高薪僱員酬金

董事酬金

本公司董事已收或應收之酬金總額如下：

二零零八年

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10. DIRECTORS' AND HIGHEST PAID EMPLOYEES' EMOLUMENTS (Cont'd)

Directors' emoluments (Cont'd)

2007

Executive directors

Chuang Yueheng, Henry
Lo Kan Sun
King Phillip
Wong Ying Seung, Asiong
Wang Lin

執行董事

莊友衡
盧更新
金紫耀
王迎祥
王林

Independent non-executive directors

Lin Wai Yi
Liu Jian
Miu Frank H. (resigned on
27 March 2007)
Nakajima, Toshiharu
Shum Ming Choy
Yau Yan Ming, Raymond

獨立非執行董事

連慧儀
劉劍
繆希 (於二零零七年
三月二十七日辭任)
中島敏晴
岑明才
邱恩明

Directors' fees 董事袍金	Salaries, allowances and benefits in kind 薪金、津貼及實物利益	Retirement scheme contributions 退休計劃供款	Total 總計
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元

—	2,400	12	2,412
—	855	12	867
—	600	12	612
—	618	12	630
—	240	12	252
120	—	—	120
120	—	—	120
30	—	—	30
24	—	—	24
120	—	—	120
120	—	—	120
534	4,713	60	5,307

10. 董事及最高薪僱員酬金 (續)

董事酬金 (續)

二零零七年

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Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

10. DIRECTORS' AND HIGHEST PAID EMPLOYEES' EMOLUMENTS (Cont'd)

Highest paid employees' emoluments

The five highest paid employees of the Group during the year included four (2007: four) directors, details of whose emoluments are set out above. The emoluments of the remaining one (2007: one) highest paid employee is as follows:

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	532	568
Retirement scheme contributions	退休計劃供款	11	12
		543	580
		2008	2007
		二零零八年	二零零七年
Nil to HK\$1,000,000	零至 1,000,000 港元	1	1

10. 董事及最高薪僱員酬金 (續)

最高薪僱員酬金

本集團年內五名最高薪僱員包括四名(二零零七年：四名)董事，彼等之酬金詳情載於上文。餘下一名(二零零七年：一名)最高薪僱員之酬金如下：

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綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

II. TAXATION

No provision for Hong Kong Profits Tax has been made as the individual companies comprising the Group have no estimated assessable profits derived from Hong Kong for both years.

The income tax provision in respect of operations in the PRC is calculated at the applicable tax rates on the estimated assessable profits for the year based on existing legislation, interpretations and practices in respect thereof.

11. 稅項

由於本集團旗下個別公司這兩年並無於香港取得估計應課稅溢利，故並未就香港利得稅作出撥備。

中國業務相關所得稅撥備乃根據相關現行法律、詮釋及慣例就年內估計應課稅溢利按適用稅率計算。

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Current tax	即期稅項		
PRC Enterprise Income Tax	中國企業所得稅	199	—
Deferred taxation	遞延稅項		
Origination of temporary differences	暫時性差額來源	24,284	—
Changes in tax rate	稅率變動	(629)	—
Benefit of tax losses recognised	已確認稅項虧損收益	(12,771)	—
		10,884	—
Total tax charge for the year	年內稅項開支總額	11,083	—

Deferred tax recognised in the consolidated income statement

已於綜合收益表確認之遞延稅項

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Types of temporary differences:	暫時性差額類別：		
Depreciation allowances	折舊撥備	9,888	—
Fair value adjustments	公平值調整	5,587	—
Business combination	業務合併	8,848	—
Tax losses	稅項虧損	(12,771)	—
Others	其他	(668)	—
		10,884	—

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

II. TAXATION (Cont'd)

Reconciliation of tax expense

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Loss before taxation	除稅前虧損	(786,745)	(197,582)
Income tax at applicable tax rate of 16.5% (2007:17.5%)	按 16.5% 之適用稅率計算之所得稅 (二零零七年 : 17.5%)	(129,813)	(34,577)
Non-deductible expenses	不可扣除支出	34,307	276
Tax exempt revenue	稅項豁免收入	(1,168)	(9,027)
Unrecognised tax losses	未確認稅項虧損	98,938	47,280
Unrecognised temporary differences	未確認暫時性差額	(1,326)	(1,997)
Utilisation of previously unrecognised tax losses	動用早前未確認之稅項虧損	(461)	(39)
Recognition of previously unrecognised deferred tax assets	確認早前未確認之遞延稅項資產	(3,155)	—
Recognition of previously unrecognised deferred tax liabilities	確認早前未確認之遞延稅項負債	14,027	—
Effect of different tax rates of a subsidiary operating in other jurisdictions	一間於其他司法權區經營之附屬公司的不同稅率影響	437	—
Effect of change in tax rates	稅率變動影響	(629)	—
Effect on share of profit of associates	分佔聯營公司溢利之影響	—	(1,852)
Others	其他	(74)	(64)
		11,083	—

The applicable tax rate is the Hong Kong profits tax rate of 16.5% (2007: 17.5%).

適用稅率為香港利得稅之16.5% (二零零七年 : 17.5%)。

12. LOSS FOR THE YEAR

Of the Group's loss for the year of HK\$797,828,000 (2007: HK\$197,582,000), a loss of HK\$841,979,000 (2007: HK\$72,258,000) has been dealt with in the financial statements of the Company.

12. 年內虧損

本集團年內之虧損為797,828,000港元 (二零零七年 : 197,582,000港元)，其中841,979,000港元 (二零零七年 : 72,258,000港元)之虧損已於本公司財務報表中處理。

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Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

13. LOSS PER SHARE

The calculation of the basic loss per share for the year of 2008 is based on the loss for the year of HK\$797,828,000 (2007: HK\$197,582,000) and the weighted average number of 156,831,038 ordinary shares (2007 (restated): 25,498,857 ordinary shares) in issue during the year.

No diluted loss per share is presented for the year of 2008 as the potential ordinary shares under the warrants have anti-dilutive effect. No diluted loss per share is presented for the year of 2007 as the potential ordinary shares under the convertible notes, warrants and share options have anti-dilutive effect.

Both the weighted average number of ordinary shares adopted in the calculation of the basic and diluted loss per share for the year of 2008 and 2007 have been adjusted to reflect the impact of the share consolidations and rights issues effected during the years.

14. INVESTMENT PROPERTIES

Fair value	公平值		
At beginning of year	於年初	326,500	7,200
Additions	添置	86,119	143,705
Additions – acquisition of subsidiaries (note 29)	添置 – 收購附屬公司 (附註 29)	270,040	137,600
Transfer to property, plant and equipment (note 15)	轉撥至物業、廠房及設備 (附註 15)	(25,000)	—
Disposals	出售	—	(2,700)
Net changes in fair value	公平值變動淨額	(47,845)	40,695
At balance sheet date	於結算日	609,814	326,500

13. 每股虧損

二零零八年之每股基本虧損乃按本年度之虧損797,828,000港元(二零零七年: 197,582,000港元)及年內已發行普通股之加權平均數156,831,038股(二零零七年(重列): 25,498,857股普通股)計算。

由於認股權證之潛在普通股具有反攤薄作用，故並無呈列二零零八年之每股攤薄虧損。由於可換股票據、認股權證及購股權之潛在普通股具反攤薄作用，故並無呈列二零零七年之每股攤薄虧損。

計算二零零八年及二零零七年每股基本及攤薄虧損時採用之普通股加權平均數均已調整，以反映於年內進行之股份合併及供股之影響。

14. 投資物業

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of year	326,500	7,200
Additions	86,119	143,705
Additions – acquisition of subsidiaries (note 29)	270,040	137,600
Transfer to property, plant and equipment (note 15)	(25,000)	—
Disposals	—	(2,700)
Net changes in fair value	(47,845)	40,695
At balance sheet date	609,814	326,500

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14. INVESTMENT PROPERTIES (Cont'd)

The carrying value of investment properties held by the Group at the balance sheet date comprised:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Land in Hong Kong:	位於香港之土地：		
Long lease	長期租約	317,850	140,500
Medium-term lease	中期租約	176,000	186,000
		493,850	326,500
Land in PRC:	位於中國之土地：		
Medium-term lease	中期租約	115,964	—
		609,814	326,500

The Group's investment properties as at the balance sheet date have been revaluated by an independent qualified professional valuer, Roma Appraisals Limited, on the market value basis.

The investment properties are currently or expected to be leased to third parties under operating leases, further summary details of which are included in note 31.

Further particulars of the Group's investment properties are included in pages 124 to 127.

14. 投資物業 (續)

於結算日，本集團持有之投資物業之賬面值包括：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Land in Hong Kong:	位於香港之土地：		
Long lease	長期租約	317,850	140,500
Medium-term lease	中期租約	176,000	186,000
		493,850	326,500
Land in PRC:	位於中國之土地：		
Medium-term lease	中期租約	115,964	—
		609,814	326,500

本集團於結算日之投資物業由獨立合資格專業估值師羅馬國際評估有限公司按市值基準重新估值。

投資物業現時或預期將根據經營租約租予第三方，其他詳情概述於附註31。

本集團投資物業的其他詳情載於第124至第127頁。

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Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Leasehold land and buildings 租約 土地及樓宇 HK\$'000 千港元	Leasehold improve- ments 租約 物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬 及裝修 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Yacht 遊艇 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Reconciliation of carrying amount – year ended 31 December 2007	賬面金額對賬 – 截至 二零零七年十二月 三十一日止年度							
At beginning of year	於年初	20,531	1,314	894	238	—	—	22,977
Additions	添置	—	3,455	1,730	220	8,181	—	13,586
Additions – acquisition of subsidiaries	添置 – 收購附屬公司	—	—	1,485	—	—	—	1,485
Depreciation	折舊	(659)	(412)	(718)	(189)	(1,021)	—	(2,999)
At balance sheet date	於結算日	19,872	4,357	3,391	269	7,160	—	35,049
Reconciliation of carrying amount – year ended 31 December 2008	賬面金額對賬 – 截至 二零零八年十二月 三十一日止年度							
At beginning of year	於年初	19,872	4,357	3,391	269	7,160	—	35,049
Additions	添置	—	23,605	5,062	2,793	6,410	5	37,875
Additions – acquisition of subsidiaries (note 29)	添置 – 收購附屬公司 (附註 29)	29,800	29	328	3,303	—	91,202	124,662
Transfer from investment properties (note 14)	轉撥自投資 物業 (附註 14)	25,000	—	—	—	—	—	25,000
Disposals	出售	—	(254)	—	—	—	—	(254)
Depreciation	折舊	(1,755)	(1,109)	(1,260)	(605)	(3,435)	(4,383)	(12,547)
Impairment loss	減值虧損	—	—	—	—	—	(14,824)	(14,824)
At balance sheet date	於結算日	72,917	26,628	7,521	5,760	10,135	72,000	194,961

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

15. 物業、廠房及設備 (續)

		Leasehold land and buildings 租約 土地及樓宇 HK\$'000 千港元	Leasehold improve- ments 租約 物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬 及裝修 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Yacht 遊艇 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2008	於二零零八年 一月一日							
Cost	成本	25,758	10,032	4,948	2,304	8,181	—	51,223
Accumulated depreciation and impairment losses	累計折舊及 減值虧損	(5,886)	(5,675)	(1,557)	(2,035)	(1,021)	—	(16,174)
		19,872	4,357	3,391	269	7,160	—	35,049
At 31 December 2008	於二零零八年 十二月三十一日							
Cost	成本	80,558	28,661	10,338	8,400	14,588	91,207	233,752
Accumulated depreciation and impairment losses	累計折舊及 減值虧損	(7,641)	(2,033)	(2,817)	(2,640)	(4,453)	(19,207)	(38,791)
		72,917	26,628	7,521	5,760	10,135	72,000	194,961

The leasehold land and buildings with a net book value of HK\$43,713,000 (2007: HK\$19,872,000) and HK\$29,204,000 (2007: Nil) at the balance sheet date are held by the Group under medium-term and long-term lease respectively in Hong Kong.

於結算日，本集團按中期租約及長期租約於香港持有之租約土地及樓宇之賬面淨值分別為43,713,000港元(二零零七年：19,872,000港元)及29,204,000港元(二零零七年：無)。

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16. INTERESTS IN SUBSIDIARIES

16. 附屬公司權益

		The Company 本公司	
		2008 二零零八年	2007 二零零七年
		HK\$'000 千港元	HK\$'000 千港元
Unlisted shares, at cost	非上市股份，以成本計	1,226,612	776,612
Due from subsidiaries	附屬公司欠款	1,382,021	760,819
		2,608,633	1,537,431
Impairment losses	減值虧損	(1,117,771)	(282,003)
		1,490,862	1,255,428

The amounts due from subsidiaries and amount due to a subsidiary are unsecured, interest-free and have no fixed repayment term. The carrying amount of the amounts due approximates their fair value.

附屬公司欠款及欠一間附屬公司款項為無抵押、免息及無固定還款期。欠款之賬面值與公平值相若。

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16. INTERESTS IN SUBSIDIARIES (Cont'd)

In the opinion of the directors, a complete list of the particulars of all subsidiaries will be of excessive length and therefore the table below lists the principal subsidiaries at the balance sheet date which materially affect the result or assets of the Group.

16. 附屬公司權益 (續)

董事認為，完整呈列所有附屬公司之詳情將會過於冗長，因此下表僅呈列於結算日對本集團業績或資產有重大影響之主要附屬公司。

Name of subsidiary 附屬公司名稱	Place of incorporation and operations 註冊成立及經營地點	Particulars of issued ordinary and paid up capital 已發行普通及繳足股本之詳情 (Note) (附註)	Proportion of nominal value of issued capital held by the Company 本公司持有已發行之股本面值之比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Allied Loyal International Investments Limited	British Virgin Islands 英屬處女群島	50,000 shares of no par value 50,000 股無面值之股份 US\$50,000 50,000 美元	—	100	Investment holding 投資控股
Apex Novel Limited	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1 股每股面值 1 美元之股份	—	100	Property investment 物業投資
Bestford Properties Limited	Hong Kong 香港	100 shares of HK\$1 each 100 股每股面值 1 港元之股份	—	100	Property holding 物業持有
Bright Majestic Limited	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1 股每股面值 1 美元之股份	—	100	Property investment 物業投資
Clear Point Limited	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1 股每股面值 1 美元之股份	—	100	Property investment 物業投資
Cordoba Homes Limited 歌德豪宅有限公司	British Virgin Islands 英屬處女群島	450,078,008 shares of HK\$1 each 450,078,008 股每股 面值 1 港元之股份	100	—	Investment holding 投資控股
China United International Administrative Services Limited 互聯國際服務有限公司	Hong Kong 香港	53,000 shares of HK\$100 each 53,000 股每股面值 100 港元之股份	100	—	Provision of administrative services 提供行政服務

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16. INTERESTS IN SUBSIDIARIES (Cont'd)

16. 附屬公司權益 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation and operations 註冊成立及經營地點	Particulars of issued ordinary and paid up capital 已發行普通及繳足股本之詳情 (Note) (附註)	Proportion of nominal value of issued capital held by the Company 本公司持有已發行股本面值之比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Earn Best Investments Limited	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1 股每股面值 1 美元之股份	—	100	Property investment 物業投資
Glamorous Investments Limited	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1 股每股面值 1 美元之股份	—	100	Investment holding 投資控股
Hostbest Limited	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1 股每股面值 1 美元之股份	—	100	Property investment 物業投資
International Stamps & Coins Exchange Gallery Limited 國際郵票錢幣交易中心有限公司	Hong Kong 香港	20,200 shares of HK\$1 each 20,200 股每股 面值 1 港元之股份	—	100	Property investment 物業投資
Jet Star Industries Limited 捷勝實業有限公司	Hong Kong 香港	1,000 shares of HK\$1 each 1,000 股每股 面值 1 港元之股份	—	100	Property investment 物業投資
Longtop Enterprises Limited 長泰企業有限公司	Hong Kong 香港	1 share of HK\$1 each 1 股每股面值 1 港元之股份	—	100	Property investment 物業投資
Million Regal Investment Limited 萬奧投資有限公司	Hong Kong 香港	1,000 shares of HK\$1 each 1,000 股每股 面值 1 港元之股份	—	100	Property investment 物業投資
Pearl Decade Limited	British Virgin Islands 英屬處女群島	9,615,386 shares of US\$1 each 9,615,386 股每股 面值 1 美元之股份	—	100	Trading of investments 買賣投資

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16. INTERESTS IN SUBSIDIARIES (Cont'd)

16. 附屬公司權益 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation and operations 註冊成立及經營地點	Particulars of issued ordinary and paid up capital 已發行普通及繳足股本之詳情 (Note) (附註)	Proportion of nominal value of issued capital held by the Company 本公司持有已發行之股本面值之比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Portstar Investments Limited 港星投資有限公司	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1股每股面值1美元之股份	—	100	Property investment 物業投資
Radford Portfolio Management Limited 恆盛資產管理有限公司	Hong Kong 香港	10,000 shares of HK\$1 each 10,000股每股面值1港元之股份	—	100	Property holding 物業持有
Startech Business Limited	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1股每股面值1美元之股份	—	100	Property investment 物業投資
Silver Target Limited	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1股每股面值1美元之股份	—	100	Property investment 物業投資
Uprite Limited	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1股每股面值1美元之股份	—	100	Yacht owning 擁有遊艇
Wealth Champion Limited	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1股每股面值1美元之股份	—	100	Property holding and investment 物業持有及投資
Wealth Elegant Investments Limited 雅裕投資有限公司	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1股每股面值1美元之股份	—	100	Property investment 物業投資
Wellhand Limited	Hong Kong 香港	2 shares of HK\$1 each 2股每股面值1港元之股份	—	100	Property investment 物業投資
Willie Financing Limited 威利財務有限公司	Hong Kong 香港	1 share of HK\$1 each 1股每股面值1港元之股份	100	—	Money lending 放債

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16. INTERESTS IN SUBSIDIARIES (Cont'd)

16. 附屬公司權益 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation and operations 註冊成立及經營地點	Particulars of issued ordinary and paid up capital 已發行普通及繳足股本之詳情 (Note) (附註)	Proportion of nominal value of issued capital held by the Company 本公司持有已發行股本面值之比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Willie Resources Incorporated 威利資源企業公司	Cayman Islands 開曼群島	4,951,408,325 shares of HK\$0.10 each 4,951,408,325股每股面值0.10港元之股份	100	—	Investment holding 投資控股
Winsy Investments Limited 穎施投資有限公司	British Virgin Islands 英屬處女群島	1 share of US\$1 each 1股每股面值1美元之股份	—	100	Property investment 物業投資
Wiseteam Assets Limited	British Virgin Islands 英屬處女群島	100 shares of US\$1 each 100股每股面值1美元之股份	—	100	Property investment 物業投資

All of the above subsidiaries operate principally in Hong Kong except for Jet Star Industries Limited which operates principally in the PRC.

除捷勝實業有限公司主要在中國經營外，上述所有附屬公司均主要在香港經營。

Note: No loan capital has been issued by any of the subsidiaries.

附註：附屬公司概無發行任何借貸資本。

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17. INTANGIBLE ASSETS

17. 無形資產

		Total 總計 HK\$'000 千港元
Reconciliation of carrying amount – year ended 31 December 2007	賬面金額對賬 – 截至二零零七年十二月三十一日止年度	
At beginning of year	於年初	—
Additions	添置	136,000
Amortisation	攤銷	(1,374)
At balance sheet date	於結算日	134,626
Reconciliation of carrying amount – year ended 31 December 2008	賬面金額對賬 – 截至二零零八年十二月三十一日止年度	
At beginning of year	於年初	134,626
Amortisation	攤銷	(2,747)
At balance sheet date	於結算日	131,879
At 1 January 2008	於二零零八年一月一日	
Costs	成本	136,000
Accumulated amortisation	累計攤銷	(1,374)
		134,626
At 31 December 2008	於二零零八年十二月三十一日	
Costs	成本	136,000
Accumulated amortisation	累計攤銷	(4,121)
		131,879

The intangible assets represents the rights to (i) obtain the 50% of forestry land use rights and forestry trees entitlement of three forestry sites in Simao District, Puer City, Yunnan Province, the PRC and (ii) share 50% of distributable profits of these forests.

The forestry land use rights and forestry trees entitlement of these three forestry trees sites are 50 years from 24 January 2007 to 23 January 2057.

該無形資產指公司有權(i)取得中國雲南省普洱市思茅區三片森林之50%林地使用權及林木所有權；與(ii)享有該等森林之50%可供分配溢利。

該三片森林之林地使用權及林木所有權為期50年，自二零零七年一月二十四日至二零五七年一月二十三日。

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18. OTHER INVESTMENTS

18. 其他投資

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At cost	以成本計		
At beginning of year	於年初	113,965	—
Additions	添置	21,131	113,965
Impairment losses	減值虧損	(11,575)	—
At balance sheet date	於結算日	123,521	113,965

Other investments represent rare precious stone and artwork acquired by the Group for long-term investment purposes.

其他投資指本集團視為長期投資目而收購之稀有寶石及藝術品。

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19. FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Analysis of financial assets at fair value through profit or loss:

		Notes	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
		附註		
Investments held for trading	持作買賣投資			
Equity securities	股本證券			
Listed in Hong Kong	於香港上市		293,065	520,530
Listed overseas	於海外上市		12,613	16,840
		(a)	305,678	537,370
Investments designated as at fair value upon initial recognition	於首次確認時指定為按公平值列賬之投資			
Unlisted derivative financial instruments	非上市衍生金融工具	(b)	9,612	—
Unlisted convertible bonds	非上市可換股債券	(c)	53,942	—
			63,554	—
			369,232	537,370

Analysis of financial liabilities at fair value through profit or loss:

Investments held for trading	持作買賣投資			
Unlisted derivative financial instruments	非上市衍生金融工具	(b)	12,270	6,915

Notes:

- (a) The fair value of listed equity securities is based on quoted market prices in active markets at the balance sheet date.
- (b) The fair value of unlisted derivative financial instruments is measured by reference to open market value at the balance sheet date provided by a securities broker.
- (c) The fair value of unlisted convertible bonds at the balance sheet date has been measured by an independent qualified professional valuer, Roma Appraisals Limited, based on reliable estimates of prices obtained in actual market transactions.

19. 按公平值計入損益之財務資產／負債

按公平值計入損益之財務資產之分析：

		Notes	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
		附註		
Investments held for trading	持作買賣投資			
Unlisted derivative financial instruments	非上市衍生金融工具	(b)	12,270	6,915

附註：

- (a) 上市股本證券之公平值乃根據於結算日活躍市場之報價計算。
- (b) 非上市衍生金融工具之公平值乃根據一間證券經紀行所提供於結算日之公開市值計算。
- (c) 於結算日，非上市可換股債券之公平值乃由一間獨立合資格專業估值師，羅馬國際評估有限公司，按實際市場交易之可靠估計價格計算。

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20. LOANS RECEIVABLE

Loans granted to borrowers are repayable according to repayment schedules.

The balance comprises loans receivable from:

		Notes	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Third parties	第三方	(a)	367,226	349,637
Allowance for doubtful debts	呆壞賬撥備	(b)	(117,268)	(14,000)
			249,958	335,637
Less: Balances due within one year included in current assets	減：一年內到期列入 流動資產之結餘		(234,238)	(335,637)
Non-current portion	非流動部分		15,720	—

			2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Short term loans, net of provision	短期貸款，扣除撥備		230,781	335,637
Instalment loans	分期貸款		19,177	—
			249,958	335,637

20. 應收貸款

批予借入人之貸款乃按指定還款時間表償還。結餘包括以下之應收貸款：

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20. LOANS RECEIVABLE (Cont'd)

Notes:

(a) At the balance sheet date, loans receivable (1) carry effective interest rates ranging from prime rate to 8% per annum (2007: from prime rate to prime rate plus 5%); (2) include loan balance of HK\$8,000,000 which is past due for three months (2007: Nil); (3) include loan balances of HK\$359,226,000 (2007: HK\$349,637,000) which are within the respective maturity dates and (4) an aggregate amount of HK\$153,635,000 are secured by collaterals or under personal guarantee (2007: are not secured by any collaterals).

(b) The movement in the allowance for doubtful debts is as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of year	於年初	14,000	—
Increase in allowance	撥備增加	103,268	14,000
At balance sheet date	於結算日	117,268	14,000

The directors assessed the collectability of loans receivable at the balance sheet date individually with reference to borrowers' past collection history and current creditworthiness. An amount of HK\$117,268,000 (2007: HK\$14,000,000) in respect of nine loans was determined to be impaired as a result of the assessment. In the directors' opinion, there was no indication of deterioration in the collectability of the remaining amount of HK\$249,958,000 and thus no additional allowance was considered necessary.

21. OTHER PAYABLES

Included in other payables is an amount of HK\$6,774,000 (2007: HK\$7,393,000) payable to a securities broker of which the settlement term is two days after trade date.

20. 應收貸款 (續)

附註：

(a) 於結算日，應收貸款(1)之實際利率介乎最優惠利率至年利率8厘(二零零七年：最優惠利率至最優惠利率加5厘)；(2)包括已過期三個月的貸款結餘8,000,000港元(二零零七年：無)；(3)包括於各自償還到期日內的貸款結餘359,226,000港元(二零零七年：349,637,000港元)；及(4)合共153,635,000港元以抵押品作擔保或由個人擔保(二零零七年：無任何抵押品擔保)。

(b) 呆壞賬撥備變動如下：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of year	14,000	—
Increase in allowance	103,268	14,000
At balance sheet date	117,268	14,000

董事於結算日參照借款人之過往還款紀錄及目前信譽，按個別情況評估應收貸款之可收回程度。評估發現與九筆貸款相關之款額117,268,000港元(二零零七年：14,000,000港元)須減值。董事認為，其餘款額249,958,000港元之可收回性並無惡化跡象，因此毋須考慮計提額外撥備。

21. 其他應付款項

其他應付款項包括一筆為數6,774,000港元(二零零七年：7,393,000港元)之應付證券經紀款項，該款項之還款期為交易日起計兩天內。

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22. INTEREST-BEARING BORROWINGS

22. 計息借款

		The Group		The Company	
		本集團		本公司	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Secured bank loans (Note a)	有抵押銀行貸款 (附註 a)	293,421	191,648	—	—
Unsecured other loan (Note a & b)	無抵押其他貸款 (附註 a 及 b)	—	150,000	—	—
		293,421	341,648	—	—

Maturity of the above borrowings is as follows:

上述借款之償還期如下：

		The Group		The Company	
		本集團		本公司	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Within one year	一年內	24,384	160,992	—	—
In the second year	第二年	24,776	11,356	—	—
In the third year	第三年	25,180	11,735	—	—
In the fourth year	第四年	23,097	12,131	—	—
In the fifth year	第五年	21,026	12,545	—	—
Over five years	五年以上	174,958	132,889	—	—
		269,037	180,656	—	—
		293,421	341,648	—	—

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22. INTEREST-BEARING BORROWINGS (Cont'd)

Notes:

- (a) Bank loans are variable rate borrowings which carry interest rates ranging from prime rate minus 3.15% to prime rate or at HIBOR plus 2% for the year of 2008 (2007: prime rate minus 3.15% to prime rate minus 0.5%).

Other loan has one month loan period and interest rates at 5% for the year of 2007.

- (b) Movements in other loans are as follows:

22. 計息借款 (續)

附註：

- (a) 銀行貸款為浮息借款，於二零零八年之利息介乎最優惠利率減3.15厘至最優惠利率或香港銀行同業拆息加2厘（二零零七年：最優惠利率減3.15厘至最優惠利率減半厘）。

其他貸款於二零零七年之貸款期為一個月，利率為5厘。

- (b) 其他貸款變動如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of year	於年初	150,000	5,000	—	5,000
Additions	新增	—	150,000	—	—
Repayment	償還	(150,000)	(5,000)	—	(5,000)
At balance sheet date	於結算日	—	150,000	—	—

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23. DEFERRED TAXATION

The movement for the year in the Group's net deferred tax liabilities is as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of year	於年初	—	—
Acquisition of subsidiaries	收購附屬公司	14,555	—
Charge to the consolidated income statement	計入綜合收益表	10,884	—
At balance sheet date	於結算日	25,439	—

Recognised deferred tax assets and liabilities at the balance sheet date represent the following:

		Assets 資產		Liabilities 負債	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Depreciation allowances	折舊撥備	846	—	(10,734)	—
Fair value adjustments	公平值調整	—	—	(5,587)	—
Business combinations	業務合併	—	—	(22,572)	—
Tax losses	稅項虧損	12,771	—	—	—
Others	其他	—	—	(163)	—
Deferred tax assets (liabilities)	遞延稅項資產 (負債)	13,617	—	(39,056)	—
Offsetting	抵銷	(13,617)	—	13,617	—
Net deferred tax liabilities	遞延負債淨額	—	—	(25,439)	—

23. 遞延稅項

年內本集團遞延稅項負債淨額變動如下：

於結算日確認的遞延稅項資產及負債如下：

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23. DEFERRED TAXATION (Cont'd)

Unrecognised deferred tax assets arising from

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Deductible temporary differences	可扣稅暫時性差額	10,821	1,568
Tax losses	稅項虧損	1,044,220	467,804
At balance sheet date	於結算日	1,055,041	469,372

24. CONVERTIBLE NOTES

On 19 May 2008, the Company entered into agreements with third parties pursuant to which convertible notes with a principal amount of approximately HK\$86,882,000 (the "Convertible Notes") were issued on 7 July 2008 for the acquisition of 100% interest in and the shareholders' loan to Glamorous Investments Limited, Best Inspire Limited and Bright Majestic Limited at an aggregate consideration of approximately HK\$86,882,000. The Convertible Notes are non-interest bearing with maturity date on 6 July 2011. The initial conversion price was HK\$0.11 per share which was adjusted to HK\$0.298 with effective from 5 August 2008.

The Company would repay the holder of the Convertible Notes on the maturity date of the outstanding principal amount of Convertible Notes. In addition, the holder of the Convertible Notes shall has the right to convert the outstanding principal amount of each Convertible Notes in whole or in part into shares of the Company at any time from issue date until a date falling seven days prior to (and excluding) maturity date.

23. 遞延稅項 (續)

未確認遞延稅項資產來自：

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Deductible temporary differences	可扣稅暫時性差額	10,821	1,568
Tax losses	稅項虧損	1,044,220	467,804
At balance sheet date	於結算日	1,055,041	469,372

24. 可換股票據

於二零零八年五月十九日，本公司與第三方訂立協議，於二零零八年七月七日發行本金額約86,882,000港元的可換股票據（「可換股票據」），用以收購總代價約86,882,000港元的Glamorous Investments Limited、Best Inspire Limited及Bright Majestic Limited全部權益及貸予該等公司的股東貸款。無息可換股票據到期日為二零一一年七月六日。初步換股價為每股股份0.11港元，自二零零八年八月五日起調整至每股0.298港元。

本公司將於到期日償還可換股票據的未償還本金數額予可換股票據持有人。此外，可換股票據持有人有權隨時自發行日期起至到期日前七日（不包括到期日）內將可換股票據的未償還本金數額全部或部分轉換為本公司股份。

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24. CONVERTIBLE NOTES (Cont'd)

The Company shall have the right to redeem the whole or part of the outstanding Convertible Notes at any time after first anniversary of the issue date subject to the redemption premium at 10% on the aggregate principal redemption amount to be paid by the Company.

The Convertible Notes contain liability component, equity component (i.e. conversion option) and early redemption option derivative. The early redemption option derivative is not closely related to the host contract as the early redemption amount is not close to the amortised cost of the liability on the redemption date. Early redemption option derivative is measured at fair value with change in fair value recognised in profit or loss.

On 11 September 2008, the Company and the holder of the Convertible Notes entered into a termination deed to terminate the Convertible Notes and the holder of the Convertible Notes accepted the issuance of 650,000,000 ordinary shares at HK\$0.14 per share by the Company as full and final settlement of the Company's obligations under the Convertible Notes.

(a) Valuation of liability component

At the date of issue, the liability component was recognised at fair value. The fair value of liability component was calculated based on the present value of the initial recognition contractually determined stream of future cash flows discounted at the required yield, which was determined with reference to the average yield of other non-convertible notes with similar credit rating, structure and investment characteristics. In subsequent periods, the liability component is carried at amortised cost using the effective interest method. The effective interest rate of the liability component is 19.09% per annum.

24. 可換股票據 (續)

本公司有權自發行日起計第一週年終止後隨時贖回全部或部分未償還可換股票據，惟須按本公司應付贖回本金總額加10%的贖回溢價贖回。

可換股票據包括負債部分、權益部分(即換股權)及提前贖回期權衍生工具。由於提早贖回金額與贖回日之負債攤銷成本並無密切關係，故提前贖回期權衍生工具與主合同亦無密切關係。提前贖回期權衍生工具以公平值計量，其公平值變動於損益確認。

於二零零八年九月十一日，本公司與可換股票據之持有人訂立終止契約終止可換股票據，可換股票據持有人並接受本公司以每股股份0.14港元發行650,000,000股普通股，全數清償本公司用作於可換股票據之責任。

(a) 負債部分之估值

於發行日期，負債部分按公平值確認。負債部分之公平值乃基於初次確認時合約所釐定未來現金流量按規定收益率折現的現值計算，而所規定的收益率則參考具有類似信貸評級、結構及投資特徵的其他非可換股票據的平均收益率釐定。往後期間，負債部分採用實際利息法按攤銷成本入賬。負債部分的實際年利率為19.09%。

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24. CONVERTIBLE NOTES (Cont'd)

(b) Valuation of early redemption option derivative

Binomial model is used for valuation of early redemption option derivative. The following table lists the key inputs into the model used on the date of issuance and termination:

		Date of issuance 發行日期	Date of termination 終止日期
Stock price	股價	HK\$0.05 港元	HK\$0.131 港元
Expected volatility	預測波幅	78%	82%
Expected dividend yield	預測股息率	0%	0%
Risk free rate	無風險利率	2.908%	2.155%

The movement of the Convertible Notes for the year is set out below:

Group and Company

		Liability component 負債部分 HK\$'000 千港元	Equity component 權益部分 HK\$'000 千港元	Derivative component 衍生工具部分 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2008	於二零零八年一月一日	—	—	—	—
Upon issuance	發行時	51,519	38,246	(2,883)	86,882
Less: Direct costs	減：直接成本	(81)	—	—	(81)
		51,438	38,246	(2,883)	86,801
Effective interest expenses included in finance costs	計入融資成本之 實際利息開支	1,623	—	—	1,623
Change in fair value	公平值變動	—	—	1,758	1,758
		53,061	38,246	(1,125)	90,182
Termination	終止	(53,061)	(38,246)	1,125	(90,182)
At 31 December 2008	於二零零八年 十二月三十一日	—	—	—	—

24. 可換股票據 (續)

(b) 提前贖回期權衍生工具

提前贖回期權衍生工具之估值採用二項式模式計算。下表呈列於發行及終止日期用於該模式之數據：

本年度可換股票據之變動如下：

本集團及本公司

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Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

25. SHARE CAPITAL

25. 股本

		Notes 附註	Number of ordinary shares 普通股之數目	Nominal value 面值 HK\$'000 千港元
Authorised ordinary shares of HK\$0.10 each:	每股面值 0.10 港元之 法定普通股：			
At 1 January 2007	於二零零七年一月一日		20,000,000,000	2,000,000
Increase during the year	年內增加		30,000,000,000	3,000,000
Capital reorganisation	資本重組		(45,000,000,000)	(4,500,000)
At 31 December 2007	於二零零七年十二月三十一日		5,000,000,000	500,000
Increase during the year	年內增加	(d)	45,000,000,000	4,500,000
First Capital Reorganisation	首次資本重組	(e)(iv)	(40,000,000,000)	(4,000,000)
Second Capital Reorganisation	第二次資本重組	(h)(iv)	(9,000,000,000)	(900,000)
At 31 December 2008	於二零零八年十二月三十一日		1,000,000,000	100,000

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25. SHARE CAPITAL (Cont'd)

25. 股本 (續)

	Notes 附註	Number of ordinary shares in issue 已發行 普通股數目	Issued capital 已發行股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Issued and fully paid ordinary shares of HK\$0.10 each:	每股面值 0.10 港元之已發行及繳足法定普通股：				
At 1 January 2007	於二零零七年一月一日	3,506,494,988	350,649	291,267	641,916
Placement of new shares, net of expenses	配售新股，已扣除開支	6,154,218,000	615,422	83,893	699,315
Issue of shares under share option scheme	根據購股權計劃發行股份	2,018,600,000	201,860	53,999	255,859
Issue of shares on conversion of convertible notes	就轉換可換股票據而發行股份	3,500,000,000	350,000	—	350,000
Repurchase of share	購回股份	(8)	—	—	—
Capital reorganisation, net of expenses	資本重組，已扣除開支	(13,661,381,682)	(1,366,138)	1,363,382	(2,756)
Expenses relating to the issue and conversion of convertible notes	發行及轉換可換股票據產生之開支	—	—	(8,750)	(8,750)
At 31 December 2007	於二零零七年十二月三十一日	1,517,931,298	151,793	1,783,791	1,935,584
Rights issue, net of expenses	供股，已扣除開支	(a) 1,517,931,298	151,793	173,360	325,153
Placement of new shares, net of expenses	配售新股，已扣除開支	(b) 303,580,000	30,358	19,943	50,301
Issue of consideration shares, net of expenses	發行代價股份，已扣除開支	(c) 160,000,000	16,000	4,086	20,086
Repurchase of shares, net of expenses	購回股份，已扣除開支	(e)(i) (1)	—	—	—
First Capital Reorganisation, net of expenses	首次資本重組，已扣除開支	(e)(v) (2,799,554,076)	(279,955)	279,718	(237)
Rights issue, net of expenses	供股，已扣除開支	(e)(vi) 1,749,721,295	174,972	79,876	254,848
Issue of consideration shares, net of expenses	發行代價股份，已扣除開支	(f) 800,000,000	80,000	31,754	111,754
Issue of shares upon termination of convertible notes, net of expenses	就終止可換股票據而發行股份，已扣除開支	(g) 650,000,000	65,000	25,974	90,974
Repurchase of shares, net of expenses	購回股份，已扣除開支	(h)(i) (4)	—	—	—
Second Capital Reorganisation, net of expenses	第二次資本重組，已扣除開支	(h)(v) (3,509,648,829)	(350,965)	350,752	(213)
At 31 December 2008	於二零零八年十二月三十一日	389,960,981	38,996	2,749,254	2,788,250

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25. SHARE CAPITAL (Cont'd)

Notes:

- (a) Pursuant to the ordinary resolutions passed at the extraordinary general meeting of the Company held on 28 December 2007, rights shares of 1,517,931,298 on the basis of 1 rights share for every adjusted share held at a price of HK\$0.22 each were issued and allotted to successful applicants on 29 January 2008.
- (b) On 21 February 2008, the Company allotted and issued 303,580,000 ordinary shares of HK\$0.10 each for cash to independent investors at a price of HK\$0.17 per share.
- (c) On 14 April 2008, the Group entered into an agreement with a third party to acquire 100% interest in Allied Well Development Limited ("Allied Well") at a consideration of HK\$20,160,000 which was satisfied by the issue and allotment of 160,000,000 ordinary shares of HK\$0.10 each of the Company at HK\$0.126 per share. The fair value of the shares issued was based on the closing price as quoted on the Stock Exchange on the date of agreement.
- (d) Pursuant to the ordinary resolution passed at the annual general meeting of the Company on 30 May 2008, the authorised share capital of the Company was increased to HK\$5,000,000,000 by the creation of an additional 45,000,000,000 ordinary shares of HK\$0.10 each.

25. 股本 (續)

附註：

- (a) 根據二零零七年十二月二十八日本公司股東特別大會通過之普通決議案，按每持有一股經調整股份獲發1股供股股份之基準，以每股股份0.22港元之價格於二零零八年一月二十九日向成功申請人發行及配發1,517,931,298股供股股份。
- (b) 二零零八年二月二十一日，本公司按每股0.17港元之價格向獨立投資者現金配發及發行303,580,000股每股面值0.10港元之普通股。
- (c) 二零零八年四月十四日，本集團與一名第三方訂立協議以代價20,160,000港元收購聯惠發展有限公司(「聯惠」)的全部權益，該代價將以每股0.126港元之價格發行及配發160,000,000股每股面值0.10港元之普通股支付。所發行股份公平值基於協議日期聯交所的收市價而定。
- (d) 根據二零零八年五月三十日於本公司股東週年大會通過之普通決議案，透過額外增設45,000,000,000股每股面值0.10港元之普通股，將本公司之法定股本增至5,000,000,000港元。

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25. SHARE CAPITAL (Cont'd)

Notes: (Cont'd)

- (e) At the extraordinary general meeting of the Company held on 4 August 2008, the resolutions approving the share consolidation and the capital reduction of the Company (the "First Capital Reorganisation") and the rights issue were duly passed and the First Capital Reorganisation had become effective from the close of business on 4 August 2008. The effects of the First Capital Reorganisation and the rights issue are as follows:
- (i) Prior to the effective date of the First Capital Reorganisation, the Company purchased 1 ordinary share of HK\$0.10 from the market pursuant to the powers granted to the directors under the repurchase mandate for the purpose of rounding down the then 3,499,442,596 issued shares to 3,499,442,595 issued shares so as to facilitate the First Capital Reorganisation.
 - (ii) Under the capital reduction, the authorised capital of the Company was reduced from HK\$5,000,000,000 divided into 50,000,000,000 shares of HK\$0.10 each to HK\$1,000,000,000 divided into 50,000,000,000 reduced shares of HK\$0.02 each and the reduction be effected by way of the cancellation of HK\$0.08 of the paid up capital on each issued share of HK\$0.10 and by reducing the nominal value of each authorised and issued share from HK\$0.10 to HK\$0.02 per reduced share.
 - (iii) Under the share consolidation, every 5 reduced issued and unissued shares of HK\$0.02 each was consolidated into 1 adjusted issued and unissued consolidated share of HK\$0.10 each.

25. 股本 (續)

附註：(續)

- (e) 於二零零八年八月四日舉行之本公司股東特別大會上，批准本公司股份合併及資本削減（「首次資本重組」）及供股之決議案已獲正式通過，而首次資本重組已自二零零八年八月四日營業時間結束後生效。首次資本重組及供股之影響如下：
- (i) 於首次資本重組生效日期前，為達致首次資本重組，本公司根據購回授權授予董事之權力，自市場回購1股面值0.10港元之普通股，以將當時之3,499,442,596股已發行股份下調至3,499,442,595股。
 - (ii) 根據資本削減，本公司之法定股本由5,000,000,000港元（分為50,000,000,000股每股面值0.10港元之股份）削減至1,000,000,000港元（分為50,000,000,000股每股面值0.02港元之經削減股份），進行削減股本之方式為就各面值0.10港元之已發行股份之繳足股本註銷0.08港元，及將各法定及已發行股份之面值由每股股份0.10港元削減至每股經削減股份0.02港元。
 - (iii) 根據股份合併，每5股每股面值0.02港元之經削減已發行及未發行股份合併為1股每股面值0.10港元之經調整已發行及未發行合併股份。

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25. SHARE CAPITAL (Cont'd)

Notes: (Cont'd)

(e) (Cont'd)

(iv) As the result of the First Capital Reorganisation, the number of authorised ordinary shares of the Company was reduced from HK\$5,000,000,000 divided into 50,000,000,000 shares of HK\$0.10 each to HK\$1,000,000,000 divided into 10,000,000,000 adjusted shares of HK\$0.10 each while the issued and paid up capital of the Company was reduced from HK\$349,944,259.50 divided into 3,499,442,595 shares of HK\$0.10 each to HK\$69,988,851.90 divided into 699,888,519 adjusted shares of HK\$0.10 each.

(v) An amount of HK\$279,955,000 arising from the capital reduction, after the deduction of expenses related to the First Capital Reorganisation amounting to HK\$237,000, was credited to the share premium account of the Company.

(vi) 1,749,721,295 rights shares on the basis of 5 rights shares for every 2 adjusted shares held at a price of HK\$0.15 per rights share were issued and allotted to successful applicants on 27 August 2008.

(f) On 8 September 2008, the Group entered into an agreement with a third party to acquire 100% interests in Jet Star Industries Limited ("Jet Star") at a consideration of HK\$112,000,000 which was satisfied by the issue and allotment of 800,000,000 ordinary shares of HK\$0.10 each of the Company at HK\$0.14 per share. The fair value of the shares issued was based on the closing price as quoted on the Stock Exchange on the date of agreement.

25. 股本 (續)

附註：(續)

(e) (續)

(iv) 首次資本重組後，本公司之法定普通股由5,000,000,000港元(分為50,000,000,000股每股面值0.10港元之股份)削減至1,000,000,000港元(分為10,000,000,000股每股面值0.10港元之經調整股份)，而本公司之已發行及繳足股本由349,944,259.50港元(分為3,499,442,595股每股面值0.10港元之股份)削減至69,988,851.90港元(分為699,888,519股每股面值0.10港元之經調整股份)。

(v) 因資本削減而產生之279,955,000港元數額(已扣除237,000港元之首次資本重組開支)已計入本公司之股份溢價賬。

(vi) 於二零零八年八月二十七日，按每持有2股經調整股份獲發5股供股股份之基準，以每股供股股份0.15港元之價格向成功申請人發行及配發1,749,721,295股供股股份。

(f) 於二零零八年九月八日，本集團與一名第三方訂立協議以代價112,000,000港元收購捷勝實業有限公司(「捷勝」)全部權益，將按每股0.14港元發行及配發800,000,000股每股面值0.10港元之本公司普通股的方式支付。所發行股份公平值基於協議日期聯交所的收市價而定。

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Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

25. SHARE CAPITAL (Cont'd)

Notes: (Cont'd)

- (g) At the extraordinary general meeting of the Company held on 16 October 2008, a resolution was passed for the termination of the convertible notes in the aggregate principal amount of approximately HK\$86,882,000, in consideration of an issue of 650,000,000 ordinary shares of HK\$0.10 each of the Company at HK\$0.14 per share which were issued and allotted on 21 November 2008.
- (h) At the extraordinary general meeting of the Company held on 4 December 2008, a special resolution in respect of the share consolidation and the capital reduction of the Company (the "Second Capital Reorganisation") were approved by the shareholders. The effects of the Second Capital Reorganisation were as follows:
- (i) Prior to the effective date of the Second Capital Reorganisation, the Company purchased 4 ordinary shares of HK\$0.10 each from the market pursuant to the powers granted to the directors under the repurchase mandate for the purpose of rounding down the then 3,899,609,814 issued shares to 3,899,609,810 issued shares so as to facilitate the Second Capital Reorganisation.
- (ii) Under the capital reduction, the authorised capital of the Company was reduced from HK\$1,000,000,000 divided into 10,000,000,000 shares of HK\$0.10 each to HK\$100,000,000 divided into 10,000,000,000 reduced shares of HK\$0.01 each and the reduction be effected by way of cancellation of HK\$0.09 of the paid up capital on each issued share of HK\$0.10 and by reducing the nominal value of each authorised and issued share from HK\$0.10 to HK\$0.01 per reduced share.
- (iii) Under the share consolidation, every 10 reduced issued and unissued shares of HK\$0.01 each was consolidated into 1 adjusted issued and unissued consolidated share of HK\$0.10 each.

25. 股本 (續)

附註：(續)

- (g) 於二零零八年十月十六日舉行的本公司股東特別大會通過一項決議案，終止總本金額約86,882,000港元之可換股票據，代價為於二零零八年十一月二十一日按每股0.14港元發行及配發650,000,000股每股面值0.10港元之本公司普通股。
- (h) 在本公司於二零零八年十二月四日舉行之股東特別大會上，股東批准關於本公司股份合併及資本削減(「第二次資本重組」)之特別決議案。第二次資本重組之影響載列如下：
- (i) 於第二次資本重組生效日期前，為達致第二次資本重組，本公司根據購回授權授予董事之權力，自市場回購4股每股面值0.10港元之普通股，以將當時之3,899,609,814股已發行股份下調至3,899,609,810股。
- (ii) 根據資本削減，本公司之法定股本由1,000,000,000港元(分為10,000,000,000股每股面值0.10港元之股份)削減至100,000,000港元(分為10,000,000,000股每股面值0.01港元之經削減股份)，進行削減股本之方式為就各面值0.10港元之已發行股份之繳足股本註銷0.09港元，及將各法定及已發行之股份之面值由每股股份0.10港元削減至每股經削減股份0.01港元。
- (iii) 根據股份合併，每10股每股面值0.01港元之經削減已發行及未發行股份合併為1股每股面值0.10港元之經調整已發行及未發行合併股份。

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Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

25. SHARE CAPITAL (Cont'd)

Notes: (Cont'd)

(h) (Cont'd)

- (iv) As a result of the Second Capital Reorganisation, the authorised capital of the Company was reduced from HK\$1,000,000,000 divided into 10,000,000,000 shares of HK\$0.10 each to HK\$100,000,000 divided into 1,000,000,000 adjusted shares of HK\$0.10 each while the issued and paid up capital of the Company was reduced from HK\$389,960,981 divided into 3,899,609,810 shares of HK\$0.10 each to HK\$38,996,098.10 divided into 389,960,981 adjusted shares of HK\$0.10 each.

- (v) An amount of HK\$350,965,000 arising from the capital reduction, after the deduction of expenses related to the Second Capital Reorganisation amounting to HK\$213,000, was credited to the share premium account of the Company.

All these shares issued during the year rank pari passu in all respects with the then existing shares.

25. 股本 (續)

附註：(續)

(h) (續)

- (iv) 第二資本重組後，本公司之法定股本由1,000,000,000港元（分為10,000,000,000股每股面值0.10港元之股份）削減至100,000,000港元（分為1,000,000,000股每股面值0.10港元之經調整股份），而本公司之已發行及繳足股本由389,960,981港元（分為3,899,609,810股每股面值0.10港元之股份）削減至38,996,098.10港元（分為389,960,981股每股面值0.10港元之經調整股份）。

- (v) 因資本削減而產生之350,965,000港元數額（已扣除213,000港元之第二次資本重組開支）已計入本公司之股份溢價賬。

年內發行之所有股份與當時之已有股份在各方面享有同等權益。

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Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

26. RESERVES Group

26. 儲備 本集團

		Share premium 股份溢價 HK\$'000 千港元 (Note a) (附註a)	Capital reserve 資本儲備 HK\$'000 千港元	Convertible notes equity reserve 可換股票據 權益儲備 HK\$'000 千港元	Share option reserve 購股權 儲備 HK\$'000 千港元	Warrant reserve 認股權證 儲備 HK\$'000 千港元 (Note b) (附註b)	Translation reserve 匯兌儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2007	於二零零七年一月一日	291,267	18,273	—	3,315	—	—	(333,890)	(21,035)
Equity-settled share-based payment	以股權結算之 股份付款	—	—	—	5,656	—	—	—	5,656
Issue of shares under share option scheme	根據購股權計劃 發行股份	53,999	—	—	(8,971)	—	—	—	45,028
Placement of new shares, net of expenses	配售新股， 已扣除 開支	83,893	—	—	—	—	—	—	83,893
Issue of warrants, net of expenses	發行認股權證， 已扣除開支	—	—	—	—	72,278	—	—	72,278
Capital reorganisation, net of expenses	資本重組， 已扣除開支	1,363,382	—	—	—	—	—	—	1,363,382
Realised on disposal of an associate	出售一間聯營公司時 已變現	—	(8,198)	—	—	—	—	—	(8,198)
Expenses relating to the issue and conversion of convertible notes	發行及轉換可 換股票據 產生之開支	(8,750)	—	—	—	—	—	—	(8,750)
Loss for the year	年內虧損	—	—	—	—	—	—	(197,582)	(197,582)
At 31 December 2007	於二零零七年 十二月三十一日	1,783,791	10,075	—	—	72,278	—	(531,472)	1,334,672

Notes to the Consolidated Financial Statements

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Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

26. RESERVES (Cont'd)

Group

26. 儲備 (續)

本集團

	Notes 附註	Share premium 股份溢價 HK\$'000 千港元 (Note a) (附註 a)	Capital reserve 資本儲備 HK\$'000 千港元	Convertible equity reserve 可換股票據 權益儲備 HK\$'000 千港元	Share option reserve 購股權 儲備 HK\$'000 千港元	Warrant reserve 認股權證 儲備 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2008	於二零零八年一月一日	1,783,791	10,075	—	—	72,278	—	(531,472)	1,334,672
Rights issues, net of expenses	供股，已扣除開支 25(a) & (e)(vi)	253,236	—	—	—	—	—	—	253,236
Placement of new shares, net of expenses	配售新股， 已扣除開支 25(b)	19,943	—	—	—	—	—	—	19,943
Issue of consideration shares net of expenses	發行代價股份， 已扣除開支 25(c) & (f)	35,840	—	—	—	—	—	—	35,840
Issue of shares upon termination of convertible notes, net of expenses	就終止可換股票據而 發行股份， 已扣除開支 25(g)	25,974	—	—	—	—	—	—	25,974
Issue of convertible notes, net of expenses	發行可換股票據， 已扣除開支 24	—	—	38,246	—	—	—	—	38,246
Termination of convertible notes	終止可換股票據 24	—	—	(38,246)	—	—	—	—	(38,246)
Capital reorganisations, net of expenses	資本重組， 已扣除開支 25(e)(v) & (h)(v)	630,470	—	—	—	—	—	—	630,470
Exchange movement recognised during the year	年內確認之 匯兌變動	—	—	—	—	—	(790)	—	(790)
Loss for the year	年內虧損	—	—	—	—	—	—	(797,828)	(797,828)
At 31 December 2008	於二零零八年十二月三十一日	2,749,254	10,075	—	—	72,278	(790)	(1,329,300)	1,501,517

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Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

26. RESERVES (Cont'd) Company

26. 儲備 (續) 本公司

		Share premium 股份溢價 HK\$'000 千港元 (Note a) (附註a)	Share option reserve 購股權儲備 HK\$'000 千港元	Convertible notes equity reserve 可換股票據 權益儲備 HK\$'000 千港元	Warrant reserve 認股權證 儲備 HK\$'000 千港元 (Note b) (附註b)	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2007	於二零零七年 一月一日	291,267	3,315	—	—	(405,940)	(111,358)
Equity-settled share- based payment	以股權結算之 股份付款	—	5,656	—	—	—	5,656
Issue of shares under share option scheme	根據購股權計劃 發行股份	53,999	(8,971)	—	—	—	45,028
Placement of new shares, net of expenses	配售新股， 已扣除開支	83,893	—	—	—	—	83,893
Issue of warrants, net of expenses	發行認股權證， 已扣除開支	—	—	—	72,278	—	72,278
Expenses relating to the issue and conversion of convertible notes	發行及轉換可 換股票據 產生 之開支	(8,750)	—	—	—	—	(8,750)
Capital reorganisation, net of expenses	資本重組， 已扣除開支	1,363,382	—	—	—	—	1,363,382
Loss for the year	年內虧損	—	—	—	—	(72,258)	(72,258)
At 31 December 2007	於二零零七年 十二月三十一日	1,783,791	—	—	72,278	(478,198)	1,377,871

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Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

26. RESERVES (Cont'd) Company (Cont'd)

26. 儲備 (續) 本公司 (續)

	Notes 附註	Share premium 股份溢價 HK\$'000 千港元 (Note a) (附註a)	Share option reserve 購股權儲備 HK\$'000 千港元	Convertible equity reserve 可換股票據 權益儲備 HK\$'000 千港元	Warrant reserve 認股權證 儲備 HK\$'000 千港元 (Note b) (附註b)	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2008	於二零零八年 一月一日	1,783,791	—	—	72,278	(478,198)	1,377,871
Rights issues, net of expenses	供股， 已扣除開支 25(a) & (e)(vi)	253,236	—	—	—	—	253,236
Placement of new shares, net of expenses	配售新股， 已扣除 開支 25(b)	19,943	—	—	—	—	19,943
Issue of consideration shares, net of expenses	發行代價 股份， 已扣除開支 25(c) & (f)	35,840	—	—	—	—	35,840
Issue of shares upon termination of convertible notes, net of expenses	就終止可換 股票據而 發行股份， 已扣除開支 25(g)	25,974	—	—	—	—	25,974
Issue of convertible notes, net of expenses	發行可換 股票據， 已扣除開支 24	—	—	38,246	—	—	38,246
Termination of convertible notes	終止可換 股票據 24	—	—	(38,246)	—	—	(38,246)
Capital reorganisations, net of expenses	資本重組， 已扣除開支 25(e)(v) & (h)(v)	630,470	—	—	—	—	630,470
Loss for the year	年內虧損	—	—	—	—	(841,979)	(841,979)
At 31 December 2008	於二零零八年 十二月三十一日	2,749,254	—	—	72,278	(1,320,177)	1,501,355

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Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

26. RESERVES (Cont'd)

Notes:

- (a) The application of the Company's share premium account is governed by Section 48B of the Hong Kong Companies Ordinance.
- (b) Pursuant to the warrants instrument executed by the Company on 11 October 2007, the Company issued 3,000,000,000 listed warrants conferring rights to subscribe in aggregate for 3,000,000,000 ordinary shares of the Company at the subscription price of HK\$0.10 each, which was subsequently adjusted to 6,000,000 ordinary shares of the Company at an adjusted subscription price of HK\$18.20 each as a result of the exercises of rights issues and capital reorganisations in the year of 2007 and 2008. The warrants were lapsed on 14 April 2009.

During the year, no warrant was exercised by the warrant holders.

- (c) At the balance sheet date, the Company has no reserves available for distribution to the shareholders.

27. SHARE OPTION SCHEME

Pursuant to the Group Reorganisation during 2002, a share option scheme ("New Scheme") of the Company was approved on 20 November 2002 by the shareholders of the Company and became effective on 3 January 2003. The New Scheme is valid and effective for a period of ten years. The board of directors of the Company may grant options to eligible employees including directors of the Company and its subsidiaries and any other persons including consultants, advisors, agents, customers, suppliers, etc. to subscribe for shares in the Company. The purpose of the New Scheme is to provide incentives to award the participants who have made contributions to the Group.

The total number of shares in respect of which options may be granted under the New Scheme is not permitted to exceed 30% of the shares of the Company in issue from time to time, without prior approval from the Company's shareholders. The number of shares in respect of which options may be granted to any individual in any 12 months period is not permitted to exceed 1% of the shares of the Company in issue from time to time, without prior approval from the Company's shareholders. Options granted to any director, chief executive or substantial shareholder of the Company or any of their respective associates in excess of 0.1% of the Company's share capital in issue and having an aggregate value in excess of HK\$5,000,000 must be subject to prior approval by the Company's shareholders.

26. 儲備 (續)

附註：

- (a) 本公司股份溢價賬之運用受香港公司條例第48B條規管。
- (b) 根據本公司於二零零七年十月十一日簽署之認股權證文據，本公司已發行3,000,000,000份賦予權利可按認購價每股0.10港元認購合共3,000,000,000股本公司普通股的上市認購權證，由於二零零七年及二零零八年行使供股權及資本重組，故調整至可按認購價每股18.20港元認購本公司6,000,000股普通股。該等認股權證於二零零九年四月十四日失效。

年內，認股權證持有人並無行使任何認股權證。

- (c) 於結算日，本公司並無可供分派予股東之儲備。

27. 購股權計劃

根據於二零零二年進行之集團重組，本公司股東已於二零零二年十一月二十日批准一項購股權計劃（「新計劃」），並於二零零三年一月三日生效。新計劃於十年內有效。本公司董事會可授出購股權予合資格僱員（包括本公司及其附屬公司之董事）及任何其他人士（包括諮詢人、顧問、代理人、客戶、供應商等），以認購本公司股份。新計劃旨在獎勵對本集團作出貢獻之參與者。

未經本公司股東事先批准，根據新計劃授出之購股權所涉及之股份總數不得超過本公司不時已發行股份之30%，且於任何十二個月期間內授予任何個人之購股權所涉及之股份數目不得超過本公司不時已發行股份之1%。倘授予本公司任何董事、主要行政人員或主要股東或彼等各自之任何聯繫人士之購股權所涉及之股份數目超過本公司已發行股本之0.1%，且總價值超過5,000,000港元，則必須經本公司股東事先批准。

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Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

27. SHARE OPTION SCHEME (Cont'd)

An amount of HK\$1 is payable on the grant of an option. Options may be exercised no later than ten years from the date of grant of the share option or the expiry date of the New Scheme, if earlier. The exercise price is determined by the directors of the Company, and will not be less than the highest of the closing price of the Company's shares on the date of grant, the average closing price of the shares for the five business days immediately preceding the date of grant and the nominal value of the shares on the date of grant.

No share option has been granted and exercised during the year or outstanding at the balance sheet date.

28. MAJOR NON-CASH TRANSACTIONS

- (a) As detailed in note 25(c) to the consolidated financial statements, the Group's acquisition of 100% equity interest in Allied Well at a consideration of HK\$20,160,000 was satisfied by the issuance of 160,000,000 new ordinary shares of the Company at HK\$0.126 per share on 28 April 2008.
- (b) As detailed in note 25(f) to the consolidated financial statements, the Group's acquisition of 100% equity interest in Jet Star at a consideration of HK\$112,000,000 was satisfied by the issuance of 800,000,000 new ordinary shares of the Company at HK\$0.14 per share on 28 October 2008.
- (c) As detailed in note 25(g) to the consolidated financial statements, 650,000,000 new ordinary shares of the Company were issued as full and final settlement for the termination of Convertible Notes on 11 September 2008.

27. 購股權計劃 (續)

每獲授1份購股權須支付1港元。購股權可自購股權授出日期或新計劃之終止日期(以較早者為準)起十年內行使。行使價由本公司董事釐定，須不低於本公司股份於授出日期之收市價、股份於緊接授出日期前五個交易日之平均收市價及股份於授出日期之面值三者中之較高者。

年內並無授出及行使購股權，結算日亦無尚未行使之購股權。

28. 主要非現金交易

- (a) 按綜合財務報表附註25(c)所詳述，於二零零八年四月二十八日，本集團收購聯惠之全部權益，代價為20,160,000港元，以每股0.126港元發行160,000,000股本公司新普通股之方式支付。
- (b) 按綜合財務報表附註25(f)所詳述，於二零零八年十月二十八日，本集團收購捷勝之全部權益，代價為112,000,000港元，每股0.14港元發行800,000,000股本公司新普通股之方式支付。
- (c) 按綜合財務報表附註25(g)所詳述，於二零零八年九月十一日發行650,000,000股本公司新普通股，乃作為終止可換股票據之全面及最終清算。

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29. ACQUISITION OF SUBSIDIARIES

During the year, the Group acquired the entire equity interests in the following companies.

29. 收購附屬公司

年內，本集團收購以下公司之全部股本權益。

Acquisition date 收購日期	Name of acquired companies 所收購公司名稱	Place of incorporation 註冊成立之地點	Principal activities 主要業務	Purchase consideration 收購代價 Notes 附註
28 April 2008 二零零八年 四月二十八日	Allied Well Development Limited (with its subsidiary, Hostbest Limited) 聯惠發展有限公司 (及其附屬公司 Hostbest Limited)	British Virgin Islands 英屬處女群島	Investment holding and property investment 投資控股及 物業投資	25(c)
3 June 2008 二零零八年六月三日	Uprite Limited	British Virgin Islands 英屬處女群島	Yacht owning 擁有遊艇	(a)
7 July 2008 二零零八年七月七日	Glamorous Investments Limited (with its subsidiary 及其附屬公司， Wiseteam Assets Limited)	British Virgin Islands 英屬處女群島	Investment holding and property investment 投資控股及 物業投資	24
7 July 2008 二零零八年七月七日	Best Inspire Limited (with its subsidiary 及其附屬公司， Silver Target Limited)	British Virgin Islands 英屬處女群島	Investment holding and property investment 投資控股及 物業投資	24
7 July 2008 二零零八年七月七日	Bright Majestic Limited (with its subsidiary 及其附屬公司， Wealth Champion Limited)	British Virgin Islands 英屬處女群島	Property investment 物業投資	24
27 August 2008 二零零八年八月 二十七日	The Lost & Found Store Limited	Hong Kong 香港	Property investment 物業投資	(b)
28 October 2008 二零零八年 十月二十八日	Jet Star Industries Limited 捷勝實業有限公司	Hong Kong 香港	Property investment 物業投資	25(f)
18 November 2008 二零零八年 十一月十八日	Fast Speed International Limited 迅必國際有限公司	British Virgin Islands 英屬處女群島	Investment holding 投資控股	(c)

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29. ACQUISITION OF SUBSIDIARIES (Cont'd)

Notes:

- (a) On 30 April 2008, the Group entered into an agreement with a third party to acquire 100% interest in Uprite Limited at a consideration of HK\$94,000,000 which was satisfied by cash.
- (b) On 27 August 2008, the Group entered into an agreement with a third party to acquire 100% interest in The Lost & Found Store Limited at a consideration of HK\$450,000 which was satisfied by cash.
- (c) On 18 November 2008, the Group entered into an agreement with a third party to acquire 100% interest in Fast Speed International Limited at a consideration of HK\$1,030,000 which was satisfied by cash.

29. 收購附屬公司 (續)

附註:

- (a) 於二零零八年四月三十日，本集團與第三方訂立協議，收購Uprite Limited之全部權益，代價為94,000,000港元，以現金撥付。
- (b) 於二零零八年八月二十七日，本集團與第三方訂立協議，收購The Lost & Found Store Limited之全部權益，代價為450,000港元，以現金撥付。
- (c) 於二零零八年十一月十八日，本集團與第三方訂立協議，收購迅必國際有限公司之全部權益，代價為1,030,000港元，以現金撥付。

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29. ACQUISITION OF SUBSIDIARIES (Cont'd)

The aggregate fair value of the identifiable assets and liabilities of the acquired subsidiaries as at the dates of acquisition and their carrying value determined in accordance with HKFRS immediately before combination are as follows:

		Carrying value	Fair value
		賬面值	公平值
		HK\$'000	HK\$'000
		千港元	千港元
Investment properties	投資物業	268,636	270,040
Property, plant and equipment	物業、廠房及設備	121,118	124,662
Other receivables	其他應收款項	31,866	31,866
Cash and cash equivalents	現金及現金等值	297	297
Other payables	其他應付款項	(203,942)	(11,204)
Tax payables	應付稅款	(827)	(1,069)
Deferred tax liabilities	遞延稅項負債	(14,571)	(14,555)
Interest-bearing borrowings	計息借款	(85,189)	(85,189)
		117,388	314,848
Discount on acquisition	收購之折扣		(326)
Total consideration	總代價		314,522
Satisfied by:	以下列方式支付：		
Cash	現金		95,480
Issue of shares (Note 25(c) and (f))	發行股份（附註 25(c)及(f)）		132,160
Issue of convertible notes (Note 24)	發行可換股票據（附註 24）		86,882
			314,522

29. 收購附屬公司（續）

緊接合併前，按香港財務報告準則釐定所收購附屬公司可識別資產及負債於收購日之公平值總額及其賬面值如下：

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29. ACQUISITION OF SUBSIDIARIES (Cont'd)

		Fair value 公平值 HK\$'000 千港元
Cash consideration	現金代價	(95,480)
Shares consideration expenses	股份代價開支	(320)
Net cash acquired from the subsidiaries	收購附屬公司之現金淨額	297
Net cash outflow	現金流出淨值	(95,503)

Since the acquisition, the acquired subsidiaries made no significant contribution to the revenue and results of the Group.

If the acquisition of subsidiaries effected during the year had been taken place at the beginning of the year, the turnover and loss attributable to the Group would have been HK\$13,551,000 and HK\$23,071,000 respectively.

29. 收購附屬公司 (續)

自收購以來，所收購附屬公司並未對本集團之收入及業績作出重大貢獻。

如年內收購附屬公司在年初已進行，則本集團應佔之營業額及虧損將分別為13,551,000港元及23,071,000港元。

30. DISPOSAL OF A SUBSIDIARY

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Net liabilities disposed of:	已出售之負債淨額：		
Other payables	其他應付款項	(491)	—
Gain on disposal of a subsidiary	出售一間附屬公司之收益	545	—
Total consideration	總代價	54	—
Satisfied by cash	以現金支付	54	—

Analysis of net inflow of cash and cash equivalents in respect of disposal of a subsidiary is as follows:

30. 出售一間附屬公司

有關出售一間附屬公司之現金及現金等值流入淨額分析如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cash consideration	現金代價	54	—

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31. COMMITMENTS

Capital expenditure commitments

At the balance sheet date, the Group had the following capital commitments:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Contracted but not provided, net of deposit paid in the consolidated financial statements	已訂約但未於綜合財務報表計提撥備並扣除已付按金	36,310	58,306

Commitments under operating leases – the Group as lessee

At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating leases in respect of office premises and equipment, which are payable as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	79	466
In the second to fifth years inclusive	第二年至第五年（包括首尾兩年）	95	178
		174	644

Commitments under operating leases – the Group as lessor

At the balance sheet date, the future aggregate minimum rental receivables under non-cancellable operating leases are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	16,838	285
In the second to fifth years inclusive	第二年至第五年（包括首尾兩年）	5,058	—
		21,896	285

31. 承擔

資本開支承擔

於結算日，本集團有以下資本承擔：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Contracted but not provided, net of deposit paid in the consolidated financial statements	36,310	58,306

經營租約承擔 – 本集團作為承租人

於結算日，本集團就有關辦公室物業及設備之不可撤銷經營租約的應付未來最低租金總額如下：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	79	466
In the second to fifth years inclusive	95	178
	174	644

經營租約承擔 – 本集團作為出租人

於結算日，根據不可撤銷經營租約應收未來最低租金總額如下：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	16,838	285
In the second to fifth years inclusive	5,058	—
	21,896	285

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32. CONTINGENT LIABILITIES

At the balance sheet date, the Company had provided corporate guarantees for banking facilities amounting to HK\$296,488,000 (2007: HK\$216,920,000) granted to its subsidiaries, which were utilised to the extent of HK\$250,951,000 (2007: HK\$191,648,000). The directors assessed the overall exposure of the corporate guarantees granted by the Company and considered that the fair value of such corporate guarantees is immaterial to the financial statements of the Company.

33. PLEDGE OF ASSETS

At the balance sheet date, certain assets of the Group with the following carrying values have been pledged to secure general banking facilities granted to the Group:

32. 或然負債

於結算日，本公司已就其附屬公司所取得之銀行融資296,488,000港元(二零零七年：216,920,000港元)提供公司擔保，其中已動用融資為250,951,000港元(二零零七年：191,648,000港元)。董事評估本公司授出之公司擔保之整體風險，認為該等公司擔保之公平值於本公司之財務報表屬輕微。

33. 資產抵押

於結算日，本集團賬面值如下之若干資產已作為批予本集團之一般銀行融資之抵押：

		2008 二零零八年	2007 二零零七年
		HK\$'000 千港元	HK\$'000 千港元
Leasehold land and buildings	租約土地及樓宇	72,917	19,872
Investment properties	投資物業	491,050	324,000
Yacht	遊艇	72,000	—
		635,967	343,872

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34. RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in these consolidated financial statements, the following related party transactions were entered into by the Group during the year:

- (a) Properties of the Group with net book value of HK\$43,713,000 (2007: HK\$19,872,000) are occupied by a brother of a director of the Company for free.
- (b) Compensation of key management personnel

The remuneration of executive directors and other members of key management during the year is as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	4,360	4,713
Long service payment	長期服務金	298	—
Contributions to MPF Scheme	強積金計劃供款	51	60
		4,709	4,773

The remuneration of directors and key management is reviewed by the Remuneration Committee having regard to the performance of individuals and market trends.

- (c) During the year, a personal guarantee of HK\$20,000,000 (2007: Nil) was provided by a brother of a director of the Company for a banking facility granted to a subsidiary of the Company.

34. 關連人士交易

除此等綜合財務報表所披露者外，本集團於年內進行之關連人士交易如下：

- (a) 本集團賬面淨值為43,713,000港元(二零零七年：19,872,000港元)之物業由本公司一名董事之胞兄免費佔用。
- (b) 主要管理層人員之薪酬

年內，執行董事及其他主要管理層成員之酬金如下：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Salaries, allowances and benefits in kind	4,360	4,713
Long service payment	298	—
Contributions to MPF Scheme	51	60
	4,709	4,773

董事及主要管理層之酬金由薪酬委員會參考個別人員之表現及市場趨勢作出檢討。

- (c) 年內，本公司一名董事之胞兄為本公司附屬公司所獲授銀行融資提供個人擔保20,000,000港元(二零零七年：無)。

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35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise of interest-bearing bank and other loans, cash and short-term deposits. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations. The Group has various other financial instruments such as loans receivable, other receivables and payables, and financial assets and liabilities at fair value through profit or loss, which arise directly from its business activities.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, equity price risk, credit risk and liquidity risk. The Group does not have any written risk management policies and guidelines except for loans receivable. However, the board of directors generally adopts conservative strategies on its risk management and limit the Group's exposure to these risks to a minimum. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's cash and short-term deposits, interest-bearing bank and other borrowings and loans receivable. The Group does not use derivative financial instruments to hedge its interest rate risk.

At the balance sheet date, if interest rates had been 150 basis points higher or lower while all other variables were held constant, the Group's net loss would increase or decrease by approximately HK\$736,000 and HK\$3,450,000 respectively (2007: approximately HK\$2,664,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for all financial instruments in existence at that date. The 150 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual balance sheet date. The analysis is performed on the same basis for 2007.

35. 財務風險管理目標及政策

本集團之主要金融工具(衍生工具除外)包括計息銀行及其他借款、現金及短期存款。該等金融工具之主要用途乃為本集團之業務籌集融資。本集團有各種其他金融工具，如直接自其業務產生之應收貸款、其他應收款項及應付款項以及按公平值計入損益之財務資產及負債。

本集團金融工具所產生之主要風險為利率風險、外幣風險、股本價格風險、信貸風險及流動資金風險。除與應收貸款相關者外，本集團並無任何明文之風險管理政策及指引。然而，董事會一般就其風險管理採取保守策略，並將本集團所承擔之風險限制在最低水平。董事會檢討及同意管理上述各種風險之相關政策，各風險之概要如下。

利率風險

本集團因利率變動而承擔之市場風險主要與其現金及短期存款、計息銀行及其他借款以及應收貸款有關。本集團並未使用衍生金融工具對沖其利率風險。

於結算日，倘利率上升或下降150個基點而其他所有變量維持不變，本集團之淨虧損將分別增加或減少約736,000港元及3,450,000港元(二零零七年：均約為2,664,000港元)。

上述敏感度分析之釐定乃假設利率變動於結算日發生，並已將該變動套用於該日存在之所有金融工具所產生之利率風險。增加或減少150個基點指管理層評估利率於直至下一年度結算日期間之合理可能變動。分析乃按二零零七年之相同基準進行。

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35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Cont'd)

Foreign currency risk

The Group is exposed to foreign currency risk because of securities investments listed outside Hong Kong, derivatives financial instruments and other receivables from a broker, which are denominated in foreign currencies, principally the US dollar. Management considers that the Group has limited exposure to foreign currency risk since such financial instruments are not significant at the balance sheet date.

Equity price risk

The Group is exposed to equity price risk arising from trading of listed securities and unlisted convertible bonds classified as investments held for trading and investments designated as at fair value upon initial recognition in the consolidated balance sheet. The sensitivity analysis has been determined based on the exposure to equity price risk.

At the balance sheet date, if the quoted market prices of the trading securities had been 15% higher or lower while all other variables were held constant, the Group's net loss would decrease or increase by approximately HK\$53,943,000 (2007: approximately HK\$80,605,000) as a result of changes in fair value of investments. The Group's sensitivity to equity price has changed significantly from the prior year.

The sensitivity analysis has been determined assuming that the reasonably possible changes in the stock market index or other relevant risk variables had occurred at the balance sheet date and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the Group's investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, that none of the Group's securities investments would be considered impaired as a result of a reasonably possible decrease in the relevant stock market index or other relevant risk variables, and that all other variables remain constant. The stated changes represent management's assessment of reasonably possible changes in the relevant stock market index or the relevant risk variables over the period until the next annual balance sheet date. The analysis is performed on the same basis for 2007.

35. 財務風險管理目標及政策 (續)

外幣風險

本集團因持有以外幣(主要為美元)計值之香港境外上市證券投資、衍生金融工具及其他應收證券經紀款項而承擔外幣風險。鑒於該等金融工具於結算日並非重大，管理層認為本集團承擔之外幣風險有限。

股本價格風險

本集團之股本價格風險乃來自在綜合資產負債表內已分類為持作買賣投資及首次確認時指定為按公平值列賬之投資之上市證券及非上市可換股債券買賣。敏感度分析乃基於所承擔之股本價格風險釐定。

於結算日，倘買賣證券之市場報價上升或下降15%而其他所有變量維持不變，本集團之淨虧損將因投資之公平值變動而分別減少或增加約53,943,000港元(二零零七年：約80,605,000港元)。本集團之股本價格敏感度較過往年度有重大變動。

敏感度分析之釐定乃假設股市指數或其他相關風險變量之合理可能變動於結算日已經發生，並已將該變動套用於該日存在之股本價格風險，同時假設本集團投資項目之公平值會根據與相關股市指數或相關風險變量之歷史關聯性而變化，並假設本集團之證券投資不會因相關股市指數或其他相關風險變量之合理可能下跌而被視為已減值，亦假設所有其他變量維持不變。所列示之變動指管理層評估相關股市指數或其他相關風險變量於直至下一年度結算日期間之合理可能變動。分析乃按二零零七年之相同基準進行。

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35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

(Cont'd)

Credit risk

The Group's credit risk is primarily attributable to loans receivable. The carrying amount of these balances substantially represent the Group's maximum exposure to credit risk at the balance sheet date.

Management has money lending policies in place and the exposure to the credit risk is monitored on an ongoing basis. The Group provides financial services only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to borrow money are subject to credit verification procedures.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each borrower. The default risk of the industry and country in which borrowers operate also has an influence on credit risk but to a lesser extent. At the balance sheet date, the Group had a concentration of credit risk as 36% (2007: 57%) of the total loans receivable was due from the Group's five largest borrowers.

The Group has limited credit risk with its money deposited in financial institutions and brokers, which are leading and reputable and are assessed as having low credit risk. The Group has not had any significant loss arising from non-performance by these parties in the past and management does not expect so in the future.

35. 財務風險管理目標及政策 (續)

信貸風險

本集團信貸風險主要來自應收貸款。該等結餘之賬面值主要指本集團於結算日所承擔之最大信貸風險。

管理層已實施借貸政策，並不斷監察承受信貸風險之程度。本集團僅為獲認可且信譽良好之第三方提供財務服務。本集團之政策規定，有意與本集團進行借貸業務之所有客戶均須通過信用核實程序。

本集團承受信貸風險之程度主要因各借款人之特性而異。借款人所從事行業及所在國家出現拖欠風險亦影響信貸風險，但程度較微。於結算日，本集團應收其五大借款人之貸款總額之信貸風險集中度為36% (二零零七年：57%)。

本集團將其款項存放於領先、知名及信貸風險低之金融機構及證券經紀，故所承擔之信貸風險有限。本集團過往並無因該等人士不履行合約而蒙受任何重大損失，而管理層預期未來本集團亦不會因此蒙受重大損失。

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

(Cont'd)

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank and other borrowings. The Group closely monitors its exposure to liquidity risk by reviewing the cash position report daily. It analyses efficiency of fund management. The maturity profile of the Group's financial liabilities at the balance sheet date based on contractual undiscounted payments are summarised below:

		On demand	Less than 3 months	3-12 months	2-5 years	Over 5 years	Total
		按要求	少於3個月	3至12個月	2至5年	5年以上	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Year ended	截至二零零八年						
31 December 2008	十二月三十一日止年度						
Interest-bearing borrowings	計息借款	—	5,409	26,902	119,382	197,623	349,316
Derivative financial instruments	衍生金融工具						
– Securities derivatives	– 證券衍生工具	—	14,903	12,444	—	—	27,347
Other payables	其他應付款項	14,768	6,974	1,500	—	—	23,242
Tax payables	應付稅款	—	—	1,237	—	—	1,237
		14,768	27,286	42,083	119,382	197,623	401,142

35. 財務風險管理目標及政策 (續)

流動資金風險

本集團之目標為透過利用銀行及其他借款，在資金延續性與靈活性之間保持平衡。本集團每日審閱現金狀況報告，密切監控流動資金風險。本集團會分析資金管理效益。於結算日，本集團財務負債按合約未折現應付款項計算之到期情況概述如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

(Cont'd)

Liquidity risk (Cont'd)

		On demand 按要求 HK\$'000 千港元	Less than 3 months 少於3個月 HK\$'000 千港元	3-12 months 3至12個月 HK\$'000 千港元	2-5 years 2至5年 HK\$'000 千港元	Over 5 years 5年以上 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended	截至二零零七年						
31 December 2007	十二月三十一日 止年度						
Interest-bearing borrowings	計息借款	—	153,212	15,588	73,972	160,644	403,416
Derivative financial instruments	衍生金融工具						
– Securities derivatives	– 證券衍生工具	—	15,313	61,818	—	—	77,131
– Forward foreign exchange contracts	– 遠期外匯合約						
Cash outflow	現金流出	—	2,281	2,787	—	—	5,068
Cash inflow	現金流入	—	(2,370)	(2,896)	—	—	(5,266)
Other payables	其他應付款項	3,638	9,652	—	—	—	13,290
		3,638	178,088	77,297	73,972	160,644	493,639

35. 財務風險管理目標及政策 (續)

流動資金風險 (續)

Notes to the Consolidated Financial Statements

綜合財務報表附註

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

(Cont'd)

Capital management

The objectives of the Group's capital management are to safeguard the entity's ability to continue as a going concern and to provide returns for shareholders. The Group manages its capital structure and makes adjustments, including payment of dividend to shareholders, return capital to shareholders or issue new shares or sell assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended 31 December 2008 and 2007.

The Group monitors capital on the basis of gearing ratio, which is net debt divided by total equity. The Group's policy is to maintain a stable gearing ratio. The gearing ratios at the balance sheet date were as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interest-bearing borrowings	計息借款	293,421	341,648
Less: Cash and cash equivalents	減：現金及現金等值	(167,057)	(304,355)
Net debt	負債淨額	126,364	37,293
Total equity	總權益	1,540,513	1,486,465
Gearing ratio	資產負債比率	8.2%	2.5%

36. COMPARATIVE FIGURES

Certain comparative figures regarding the turnover and other income in the consolidated income statement, have been reclassified to conform with the current year's presentation.

35. 財務風險管理目標及政策 (續)

資本管理

本集團資本管理之目標為保障實體之持續經營能力及為股東提供回報。本集團管理及調整其資本架構，包括向股東派息、向股東回報股本或發行新股或出售資產以減少負債。於截至二零零八年及二零零七年十二月三十一日止年度，有關目標、政策及程序概無變動。

本集團依據資產負債比率(即負債淨額除以權益總額)監察資本情況。本集團之政策為維持穩健之資產負債比率。於結算日之資產負債比率載列如下：

36. 比較數字

為符合本年度的呈列方式，綜合收益表中有關營業額及其他收入之若干比較數字已重新分類。

Summary of Financial Information

財務資料摘要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements and reclassified as appropriate, is set out below.

以下為本集團於過去五個財政年度之業績及資產負債摘要，此乃摘錄自經審核綜合財務報表並經適當重新分類。

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)	2006 二零零六年 HK\$'000 千港元 (restated) (重列)	2005 二零零五年 HK\$'000 千港元 (restated) (重列)	2004 二零零四年 HK\$'000 千港元 (restated) (重列)
Turnover	營業額	(341,209)	104,928	2,192	(8,998)	5,388
Loss before taxation	除稅前虧損	(786,745)	(197,582)	(114,761)	(131,715)	(336,868)
Taxation	稅項	(11,083)	—	—	—	—
Loss for the year	年內虧損	(797,828)	(197,582)	(114,761)	(131,715)	(336,868)

Summary of Financial Information

財務資料摘要

ASSETS AND LIABILITIES

資產及負債

		2008	2007	2006	2005	2004
		二零零八年	二零零七年	二零零六年	二零零五年	二零零四年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Investment properties	投資物業	609,814	326,500	7,200	9,650	11,930
Property, plant and equipment	物業、廠房及設備	194,961	35,049	22,977	22,391	39,177
Intangible assets	無形資產	131,879	134,626	—	—	—
Interests in associates	聯營公司權益	—	—	98,118	238,549	181,113
Other financial asset	其他財務資產	—	—	—	7,143	—
Other investments	其他投資	123,521	113,965	—	—	—
Prepayments for acquisition of investment properties	收購投資物業預付款項	5,304	8,656	—	—	—
Loans receivable	應收貸款	15,720	—	—	—	—
Current assets	流動資產	814,923	1,229,522	232,856	66,464	53,715
Current liabilities	流動負債	(61,133)	(181,197)	(15,749)	(18,860)	(171,033)
		1,834,989	1,667,121	345,402	325,337	114,902
Equity holders' funds	權益持有人資金	1,540,513	1,486,465	329,614	311,567	91,451
Long term interest-bearing borrowings	長期計息借款	269,037	180,656	15,788	13,770	23,451
Deferred tax liabilities	遞延稅項負債	25,439	—	—	—	—
		1,834,989	1,667,121	345,402	325,337	114,902

Particulars of Properties Held by the Group

本集團持有之物業詳情

(A) INVESTMENT PROPERTIES

(A) 投資物業

Description 詳細地址	Use 用途	Lease term 租期
Jifu Plaza, No. 103 Shibapu Road, Liwan District, Guangzhou City, Guangdong Province, The People's Republic of China 中華人民共和國 廣東省 廣州市 荔灣區 十八甫路 103 號 集富大廈	Commercial 商業	Medium term 中期
Unit 1 (also known as House No. A), Sunshine Villa, No. 48 Mount Kellett Road, The Peak, Hong Kong 香港山頂 加列山道 48 號 陽光花園 1 單位 (亦稱 A 別墅)	Residential 住宅	Medium term 中期
House No. 6 Somerset Path, 8 Kam Tsin South Road, The Royal Oaks, Sheung Shui, New Territories 新界上水 御林皇府 金錢南路 8 號 森麻實徑 6 號屋	Residential 住宅	Medium term 中期

Particulars of Properties Held by the Group 本集團持有之物業詳情

(A) INVESTMENT PROPERTIES (Cont'd)

(A) 投資物業 (續)

Description 詳細地址	Use 用途	Lease term 租期
36B, Tower 8, Bel-Air on the Peak, and Car Parking Space L5 - 152, Island South, Hong Kong 香港港島南區 貝沙灣南灣 8 座 36B 室及 停車位 L5-152	Residential 住宅	Medium term 中期
All car parking spaces on 2nd Floor, 3rd Floor and 5th floor, China United Centre, No. 28 Marble Road, North Point, Hong Kong 香港北角 馬寶道 28 號 華匯中心 2 樓、3 樓及 5 樓所有停車位	Car park 停車位	Long term 長期
Room 2201-2203 & Room 2205-2209, 22nd Floor, China United Centre, 28 Marble Road, North Point, Hong Kong 香港北角 馬寶道 28 號 華匯中心 22 樓 2201-2203 室及 2205-2209 室	Commercial 商業	Long term 長期
26th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong 香港北角 馬寶道 28 號 華匯中心 26 樓	Commercial 商業	Long term 長期
29th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong 香港北角 馬寶道 28 號 華匯中心 29 樓	Commercial 商業	Long term 長期

Particulars of Properties Held by the Group

本集團持有之物業詳情

(A) INVESTMENT PROPERTIES (Cont'd)

(A) 投資物業 (續)

Description 詳細地址	Use 用途	Lease term 租期
30th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong 香港北角 馬寶道 28 號 華匯中心 30 樓	Commercial 商業	Long term 長期
31st Floor, China United Centre, 28 Marble Road, North Point, Hong Kong 香港北角 馬寶道 28 號 華匯中心 31 樓	Commercial 商業	Long term 長期
Room 3203, 32nd Floor, China United Centre, 28 Marble Road, North Point, Hong Kong 香港北角 馬寶道 28 號 華匯中心 32 樓 3203 室	Commercial 商業	Long term 長期

Particulars of Properties Held by the Group

本集團持有之物業詳情

(A) INVESTMENT PROPERTIES (Cont'd)

(A) 投資物業 (續)

Description 詳細地址	Use 用途	Lease term 租期
Flat A on 15th and 16th Floors and car parking space No. 1 on ground floor; Formwell Garden, Nos. 46-48 Blue Pool Road, Hong Kong 香港 藍塘道 46 至 48 號 豐和苑 15 及 16 樓 A 室及 地下 1 號停車位	Residential 住宅	Long term 長期
Flat C8, 26th Floor, Block C, Elizabeth House, Nos. 250-254 Gloucester Road, Causeway Bay, Hong Kong 香港 銅鑼灣告士打道 250-254 號 伊利莎伯大廈 C 座 26 樓 C8 室	Residential 住宅	Long term 長期
Unit A on 2nd Floor and car parking space No.31 on lower ground floor; Hatton Place, No. 1A Po Shan Road, Hong Kong 香港 寶珊道 1A 號 杏彤苑 2 樓 A 單位及地下低層 31 號停車位	Residential 住宅	Long term 長期

Particulars of Properties Held by the Group

本集團持有之物業詳情

(B) LEASEHOLD LAND AND BUILDINGS

(B) 租約土地及樓宇

Description 詳細地址	Use 用途	Lease term 租期
Duplex flat A on 21st and 22nd Floor together with a portion of roof thereabove and car parking space No. 33, Royalton, No. 118 Pok Fu Lam Road, Pok Fu Lam, Hong Kong 香港薄扶林 薄扶林道 118 號 豪峰 21 樓及 22 樓複式單位 A 室連同其上部分天台及 33 號停車位	Residential 住宅	Medium term 中期
Flat B on 22nd Floor together with a portion of roof thereabove and car parking space No.22, Royalton, 118 Pok Fu Lam Road, Pok Fu Lam, Hong Kong 香港薄扶林 薄扶林道 118 號 豪峰 22 樓 B 室連同其上部分天台及 22 號停車位	Residential 住宅	Medium term 中期
Room 3201 & 3202, 32nd Floor, China United Centre, 28 Marble Road, North Point, Hong Kong 香港北角 馬寶道 28 號 華匯中心 32 樓 3201 及 3202 室	Commercial 商業	Long term 長期