



2008
Annual Report 年報



CHINA STAR INVESTMENT HOLDINGS LIMITED
中國星投資有限公司*

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 00764)

* For identification purpose only 僅供識別

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Corporate Information 公司資料

BOARD OF DIRECTORS

Executive directors

Mr. Heung Wah Keung (*Chairman*)
Ms. Chen Ming Yin, Tiffany (*Vice Chairman*)

Independent non-executive directors

Mr. Tang Chak Lam, Gilbert
Mr. Ho Wai Chi, Paul
Mr. Lien Wai Hung

COMPANY SECRETARY

Mr. Chan Kin Wah, Billy

MEMBERS OF AUDIT COMMITTEE

Mr. Tang Chak Lam, Gilbert
Mr. Ho Wai Chi, Paul
Mr. Lien Wai Hung

MEMBERS OF REMUNERATION COMMITTEE

Ms. Chen Ming Yin, Tiffany
Mr. Tang Chak Lam, Gilbert
Mr. Lien Wai Hung

MEMBERS OF NOMINATION COMMITTEE

Mr. Heung Wah Keung
Mr. Tang Chak Lam, Gilbert
Mr. Lien Wai Hung

MEMBERS OF FINANCE COMMITTEE

Mr. Heung Wah Keung
Mr. Ho Wai Chi, Paul

AUTHORISED REPRESENTATIVES

Mr. Heung Wah Keung
Ms. Chen Ming Yin, Tiffany

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

董事會

執行董事

向華強先生 (*主席*)
陳明英女士 (*副主席*)

獨立非執行董事

鄧澤林先生
何偉志先生
連偉雄先生

公司秘書

陳健華先生

審核委員會成員

鄧澤林先生
何偉志先生
連偉雄先生

薪酬委員會成員

陳明英女士
鄧澤林先生
連偉雄先生

提名委員會成員

向華強先生
鄧澤林先生
連偉雄先生

財務委員會成員

向華強先生
何偉志先生

授權代表

向華強先生
陳明英女士

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 3408
34/F, Shun Tak Centre, West Tower
168-200 Connaught Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

The Bank of Bermuda Limited
Bank of Bermuda Building
6 Front Street
Hamilton HM11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

AUDITORS

HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants

PRINCIPAL BANKERS

Hang Seng Bank Limited
Bank of China (Hong Kong) Limited
Seng Heng Bank Limited
Hang Seng Bank (China) Limited

STOCK CODE

764

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股份過戶登記總處

The Bank of Bermuda Limited
Bank of Bermuda Building
6 Front Street
Hamilton HM11
Bermuda

香港股份過戶登記分處

卓佳標準有限公司
證券登記服務處
香港
灣仔
皇后大道東 28 號
金鐘匯中心 26 樓

核數師

國衛會計師事務所
英國特許會計師
香港執業會計師

主要往來銀行

恒生銀行有限公司
中國銀行(香港)有限公司
誠興銀行有限公司
恒生銀行(中國)有限公司

股份代號

764

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Chairman's Statement

主席報告

To our Shareholders

In the second half of 2008, the economy was seriously hurt by the global financial crisis. Our performance was severely affected by the downturn in the Mainland China property market and the operating environments which led to a significant impairment loss of HK\$216,392,000 in investment properties and goodwill recognised in the current year.

Following the completion of its renovation, Shama Luxe Chang An commenced operations in late June 2008 and achieved an occupancy rate of 43.90% in August 2008. After the Beijing Olympics, the serviced apartment sector in Beijing has recorded an increase in vacancy rate and a decrease in monthly rental per square meter. Obviously, the serviced apartment sector was severely affected by the global financial crisis and its corrupted demand. On 26 November 2008, we realise our investment in Shama Luxe Chang An by entering into a conditional sale and purchase agreement with Golife Concepts Holdings Limited ("Golife"), a company listed on the GEM board of The Stock Exchange of Hong Kong Limited, for disposing the investment at a consideration of HK\$211,466,310 (subject to adjustment). The disposal has a strategic meaning to us as we retain an indirect interest in Shama Luxe Chang An through our 20.36% interest in the issued share capital of Golife and become the single largest shareholder of Golife. The disposal also provides us with an opportunity to restructure our business, concentrate our resources on the newly expanded provision of management services business and reduce our gearing ratio.

致股東

於二零零八年下半年，全球金融危機嚴重打擊經濟。本集團之表現因中國內地物業市場及經營環境轉差而受重大影響，導致於本年度錄得投資物業及商譽減值虧損216,392,000港元。

於翻新完成後，莎瑪•長安於二零零八年六月底開業，於二零零八年八月之入住率為43.90%。於北京奧運後，北京服務式公寓行業錄得空置率增加及每平方米月租下降。顯然，服務式公寓行業受全球金融危機及需求下降嚴重影響。於二零零八年十一月二十六日，本集團透過與寶利福控股有限公司（「寶利福」，一間於香港聯合交易所有限公司創業板上市之公司）訂立有條件買賣協議，以211,466,310港元（可予調整）之代價出售投資，變現於莎瑪•長安之投資。由於本集團透過於寶利福已發行股本之20.36%權益而保留於莎瑪•長安之間接權益及成為寶利福之單一最大股東，故出售對本集團具有策略性意義。出售亦為本集團提供機會重組業務、將資源集中於新擴充之提供管理服務業務及降低本集團之負債比率。

The acquisition of Rich Daily Group Limited (“Rich Daily”), a company providing management services to the concierge departments of gaming promoters in Macau, was completed on 28 August 2008. To protect our interest, we have obtained a service fee income guarantee from the vendor. If the actual service fee income received and/or receivable is less than the guaranteed services fee income, then the initial consideration shall be adjusted pursuant to the terms of the acquisition agreement. Although Rich Daily experienced a decrease in its service fee income in September 2008, no further decrease in the monthly service fee income has been noticed. The newly expanded business has generated a stable cash inflow to the Group and has a positive impact on the Group's profitability.

Following the outbreak of global financial crisis, banks tighten lending policy and global economy slows down. To cope with volatility occurs in the crisis, we undertook various fund raising exercises to raise additional capital totalling HK\$84,880,000 for the Group during the last quarter of 2008 and the first quarter of 2009.

Although the global financial crisis has severely hit the economy, we believe that the crisis presents us an opportunity to invest at attractive prices. In the coming year, we will proactively seek possible diversified investments of the Group to broaden our earnings base.

Finally, I would like to thank our board of directors, shareholders and other stakeholders for their continued support and our staff for contributing their energy and skills this past year.

Heung Wah Keung
Chairman

Hong Kong, 23 April 2009

收購 Rich Daily Group Limited (「Rich Daily」) 於二零零八年八月二十八日完成，Rich Daily 為一間向澳門博彩推廣員禮賓部提供管理服務之公司。為保障本集團之權益，本集團已取得賣方之服務費收入保證。倘已收及／應收實際服務費收入少於保證服務費收入，則須根據收購協議之條款調整初步代價。儘管 Rich Daily 於二零零八年九月錄得服務費收入減少，惟每月服務費收入於其後並無進一步減少。新擴充之業務已為本集團帶來穩定之現金流入，並對本集團之盈利能力具正面作用。

全球金融危機爆發後，銀行收緊貸款政策，全球經濟放緩。為應付危機中出現之波動，本集團進行多項集資活動，於二零零八年最後一季及二零零九年首季為本集團籌集合共 84,880,000 港元之額外資金。

儘管全球金融危機嚴重打擊經濟，惟本集團相信，危機為本集團帶來價格吸引之投資機會。來年，本集團將積極尋找本集團之多元化投資機會以擴大盈利基礎。

最後，本人謹此對本集團董事會、股東及其他人士之鼎力支持致以衷心謝意，並感謝各員工在過往一年內所作努力及貢獻。

主席
向華強

香港，二零零九年四月二十三日

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

On 26 November 2008, the Group entered into a conditional sale and purchase agreement relating to the sale of the entire issued share capital of Shinhan-Golden Faith International Development Limited (“Shinhan-Golden”) and World East Investments Limited (“World East”) to Mega Shell Services Limited (“Mega Shell”), a wholly-owned subsidiary of Golife Concepts Holdings Limited (“Golife”), at a consideration of HK\$211,466,310 (subject to adjustment). The major assets of Shinhan-Golden and World East are their interests in the registered capital of 北京莎瑪房地產開發有限公司 (“Beijing Shama”). The principal activity of Beijing Shama is property investment. As a result, the assets and liabilities of Shinhan-Golden and World East and their subsidiaries, namely Beijing Shama, Beijing Jianguo Real Estate Development Co., Limited and 上海昇平文化發展有限公司 (“Shanghai Shengping”) (collectively the “Disposal Group”), are re-classified as assets and liabilities of disposal group classified as held for sale in the consolidated balance sheet at 31 December 2008. The results of the Disposal Group are presented separately as discontinued operations in the consolidated income statement for the year ended 31 December 2008.

Loss from continuing and discontinued operations for the year ended 31 December 2008 amounted to HK\$224,508,000, whereas a profit of HK\$25,694,000 was recorded in 2007. The deterioration was mainly attributable to the increase in impairment loss recognised in respect of goodwill of HK\$104,519,000 in the current year and the recognition of the one-off gain of HK\$106,956,000 arising from bank loan interest waived in 2007.

財務回顧

於二零零八年十一月二十六日，本集團訂立有條件買賣協議，內容有關向 Mega Shell Services Limited (「Mega Shell」，寶利福控股有限公司(「寶利福」)之全資附屬公司) 出售 Shinhan-Golden Faith International Development Limited (「Shinhan-Golden」) 及 World East Investments Limited (「World East」) 全部已發行股本，代價為 211,466,310 港元(可予調整)。Shinhan-Golden 及 World East 之主要資產為其於北京莎瑪房地產開發有限公司(「北京莎瑪」)之註冊資本。北京莎瑪之主要業務為物業投資。因此，於二零零八年十二月三十一日之綜合資產負債表中，Shinhan-Golden 及 World East，以及其附屬公司北京莎瑪、Beijing Jianguo Real Estate Development Co., Limited 及上海昇平文化發展有限公司(「上海昇平」)(統稱「出售集團」)之資產及負債乃分類為持作出售之出售組別資產及負債。於截至二零零八年十二月三十一日止年度之綜合收益表中，出售集團之業績乃分開呈列為已終止經營業務。

截至二零零八年十二月三十一日止年度持續經營及已終止經營業務之虧損為 224,508,000 港元，而於二零零七年則錄得溢利 25,694,000 港元。情況轉差乃主要由於本年度就商譽確認減值虧損增加 104,519,000 港元，以及確認獲於二零零七年獲豁免之銀行貸款利息所產生之一次性收益 106,956,000 港元。

Results of continuing operations

The turnover for continuing operations increased from HK\$7,722,000 in the year ended 31 December 2007 to HK\$19,253,000 in the year ended 31 December 2008. Of the total turnover, HK\$2,000,000 was generated from sub-licensing of film rights, HK\$18,215,000 was generated from provision of management services and a loss of HK\$962,000 was incurred by sales of financial assets. The loss from continuing operations deteriorated from HK\$44,749,000 in the year ended 31 December 2007 to HK\$96,736,000 in the year ended 31 December 2008. Such deterioration was mainly attributable to the recognition of impairment loss in respect of goodwill of HK\$101,965,000, which was partly offset by the increase in gross profit of HK\$11,038,000, the decrease in administrative expenses of HK\$28,931,000 and a tax credit of HK\$13,854,000.

Cost of sales for the year ended 31 December 2008 amounted to HK\$493,000, which was wholly related to provision of management services. The gross profit margin for provision of management services was 97%. The gross profit margin for sub-licensing of film rights was 100% as the cost of film library had been fully amortised and/or impaired in previous years.

Other revenue decreased from HK\$2,922,000 in the year ended 31 December 2007 to HK\$2,427,000 in the year ended 31 December 2008. The decrease was mainly attributed to the decrease in interest income on bank deposits resulted from the decrease in the average monthly balance of the Group's cash and cash equivalents as explained below.

持續經營業務之業績

持續經營業務之營業額由截至二零零七年十二月三十一日止年度之7,722,000港元增加至截至二零零八年十二月三十一日19,253,000港元。總營業額之2,000,000港元乃由轉授電影發行權產生、18,215,000港元乃由提供管理服務產生，而962,000港元之虧損則由銷售金融資產所產生。持續經營業務之虧損由截至二零零七年十二月三十一日止年度之44,749,000港元轉差至截至二零零八年十二月三十一日止年度之96,736,000港元。情況轉差乃主要因就商譽確認減值虧損101,965,000港元所致，該虧損由毛利增加11,038,000港元及行政開支減少28,931,000港元及稅項抵免13,854,000港元所部份抵銷。

截至二零零八年十二月三十一日止年度之銷售成本為493,000港元，均由提供管理服務所產生。提供管理服務之毛利率為97%。由於電影庫成本已於以往年度完全攤銷及／或減值，故轉授電影發行權之毛利率為100%。

其他收益由截至二零零七年十二月三十一日止年度之2,922,000港元減少至截至二零零八年十二月三十一日止年度之2,427,000港元。有關減少乃主要由於下文所述本集團之現金及現金等價物平均每月結餘減少，引致銀行存款利息收入減少所致。

Management Discussion and Analysis

管理層討論及分析

At the end of financial year 2008, the directors reassessed the recoverable amount of the cash-generating unit allocated to the goodwill arising from the acquisition of Rich Daily Group Limited (“Rich Daily”) with reference to the valuation performed by the independent professional valuers. In the light of the downturn in Macau’s VIP gaming, the directors determined that the goodwill should be fully impaired and recognised an impairment loss of HK\$101,965,000 in the year ended 31 December 2008.

Administrative expenses (net of depreciation, impairment loss and loss on disposal of property, plant and equipment) amounted to HK\$25,768,000 for the year ended 31 December 2008, a 53% decrease from HK\$54,818,000 as compared to the correspondence figure for the previous year. The decrease was mainly attributable to the decreases in share-based payment expenses of HK\$28,674,000 and consultancy fee of HK\$2,541,000, which were partly offset by the surcharge of HK\$3,637,000 paid to Inland Revenue Department in relation to the compromise settlement on the Group’s offshore income claim.

Finance costs for the year ended 31 December 2008 amounted to HK\$3,350,000, representing the imputed interest expense on the convertible notes in an aggregate principal amount of HK\$144,000,000 issued in August 2008 for the acquisition of Rich Daily.

During the year ended 31 December 2008, the Group reached a compromise settlement with Inland Revenue Department in settling a tax dispute over the offshore sub-licensing income claim for an amount of HK\$12,021,000, which included a surcharge of HK\$3,637,000. As a tax provision of HK\$22,238,000 had been made in previous years, a tax credit of HK\$13,854,000 was recognised.

於二零零八年財政年度結束時，董事參考由獨立專業估值師進行之估值，重新評估因收購Rich Daily Group Limited (「Rich Daily」) 產生被分配至商譽之現金產生單位之可收回金額。鑑於澳門貴賓博彩放緩，董事釐定，於二零零八年十二月三十一日止年度應對商譽作出全數減值，並確認減值虧損101,965,000港元。

截至二零零八年十二月三十一日止年度，行政開支(扣除折舊、減值虧損及出售物業、廠房及設備之虧損)為25,768,000港元，較去年之相應數字54,818,000港元減少53%。減少乃主要由於股份形式支付之開支減少28,674,000港元及顧問費減少2,541,000港元所致，部份由就協商解決本集團離岸收入申索而支付予稅務局之附加費3,637,000港元所抵銷。

截至二零零八年十二月三十一日止年度之融資費用為3,350,000港元，乃就收購Rich Daily而於二零零八年八月發行本金總額144,000,000港元之可換股票據之估算利息開支。

截至二零零八年十二月三十一日止年度，本集團與稅務局協議解決離岸轉授收入申索12,021,000港元之稅務爭議，當中包括3,637,000港元之附加費。由於已於去年作出稅項撥備22,238,000港元，故稅項抵免13,854,000港元已獲確認。

Results of discontinued operations

The turnover generated from property investment for the year ended 31 December 2008 amounted to HK\$20,826,000, a 614% increase from HK\$2,917,000 for the previous year. The significant increase was attributable to the commencement of operations of Beijing Shama in late June 2008. The loss for property investment amounted to HK\$127,772,000 in the year ended 31 December 2008, whereas a profit of HK\$70,443,000 was recorded in 2007. The deterioration was attributable to the recognition of decrease in fair value of investment properties of HK\$74,045,000 and impairment loss in respect of goodwill of HK\$40,382,000 in 2008, whereas the one-off gain of HK\$106,956,000 arising from bank loan interest waived was recognised in 2007.

Cost of sales increased from HK\$858,000 in the year ended 31 December 2007 to HK\$7,176,000 in the year ended 31 December 2008. The gross profit margin for property investment dropped from 71% in the year ended 31 December 2007 to 66% in the year ended 31 December 2008. The drop in gross profit margin was due to the increase in overhead of Beijing Shama following its soft opening in late June 2008.

Other revenue increased from HK\$283,000 in the year ended 31 December 2007 to HK\$1,257,000 in the year ended 31 December 2008. The increase was mainly attributed to the increase in interest income on bank deposits resulted from the increase in the average monthly bank balances of Beijing Shama.

Other income for the year ended 31 December 2007 amounted to HK\$106,956,000 representing the one-off gain arising from bank loan interest waived by China Merchants Bank.

已終止經營業務之業績

截至二零零八年十二月三十一日止年度，物業投資所產生之營業額為20,826,000港元，較去年之2,917,000港元增加614%。大幅增加乃由於二零零八年六月底展開北京莎瑪之業務所致。截至二零零八年十二月三十一日止年度之物業投資虧損為127,772,000港元，而二零零七年則為溢利70,443,000港元。轉差乃由於於二零零八年確認投資物業公平值減少74,045,000港元及商譽減值虧損40,382,000港元所致，而於二零零七年則確認獲豁免銀行貸款利息之一次性收益106,956,000港元。

銷售成本由截至二零零七年十二月三十一日止年度之858,000港元增加至截至二零零八年十二月三十一日止年度之7,176,000港元。物業投資之毛利率由截至二零零七年十二月三十一日止年度之71%下降至截至二零零八年十二月三十一日止年度之66%。毛利率下降乃由於北京莎瑪於二零零八年六月底試營業之間接開支增加所致。

其他收益由截至二零零七年十二月三十一日止年度之283,000港元增加至截至二零零八年十二月三十一日止年度之1,257,000港元。增加乃主要由於北京莎瑪之平均每月銀行結餘增加，引致銀行存款利息收入增加所致。

截至二零零七年十二月三十一日止年度之其他收入為106,956,000港元，指獲招商銀行豁免之銀行貸款利息產生之一次性收益。

Management Discussion and Analysis 管理層討論及分析

In the light of the downturn in the Mainland China's property market, the Group recognised a decrease in fair value of investment properties of HK\$74,045,000 in the year ended 31 December 2008 with reference to the valuation performed by the independent qualified professional valuers valuing the investment properties at HK\$906,960,000 at 31 December 2008.

At the end of financial year 2008, the directors reassessed the recoverable amount of the cash-generating unit allocated to the goodwill arising from the acquisition of Shinhan-Golden with reference to the valuation performed by the independent professional valuers. In the light of the downturn in the Mainland China's property market, the directors determined that the goodwill should be fully impaired and an impairment loss of HK\$40,382,000 was recognised in the year ended 31 December 2008.

Administrative expenses (net of depreciation) increased from HK\$11,635,000 in the year ended 31 December 2007 to HK\$20,835,000 in the year ended 31 December 2008. The increase was mainly attributable to the commencement of operations of Beijing Shama in the second half of 2008.

Finance costs for the year ended 31 December 2008 amounted to HK\$25,289,000, a 30% increase as compared to HK\$19,494,000 in the year ended 31 December 2007. The increase was attributable to the increase in the average monthly balances of the RMB bank loan for the payment of renovation costs in respect of the investment properties.

A tax credit of HK\$22,214,000 was arisen from the transfer of deferred tax to income statement in relation to the recognition of the decrease in fair value of investment properties in the year ended 31 December 2008.

鑑於中國內地物業市場衰退，本集團經參考由獨立合資格專業估值師於二零零八年十二月三十一日對投資物業進行之估值906,960,000港元，於截至二零零八年十二月三十一日止年度確認投資物業公平值減少74,045,000港元。

於二零零八年財政年度結束時，董事參考由獨立專業估值師進行之估值，重新評估因收購Shinhan-Golden產生被分配至商譽之現金產生單位之可收回金額。鑑於中國內地物業市場衰退，董事釐定，於截至二零零八年十二月三十一日止年度應對商譽作出全數減值，並確認減值虧損40,382,000港元。

行政開支(扣除折舊)由截至二零零七年十二月三十一日止年度之11,635,000港元增加至截至二零零八年十二月三十一日止年度之20,835,000港元。增加乃主要由於北京莎瑪於二零零八年下半年開始營業所致。

截至二零零八年十二月三十一日止年度之融資費用為25,289,000港元，較截至二零零七年十二月三十一日止年度之19,494,000港元增加30%。增加乃由於就投資物業支付翻新費用以致人民幣銀行貸款每月平均結餘增加所致。

稅項抵免22,214,000港元乃就於截至二零零八年十二月三十一日止年度確認投資物業公平值減少而將遞延稅項轉撥至收益表所產生。

Liquidity and financial resources

During the year ended 31 December 2008, the Group mainly funded its operations through a combination of equity attributable to the Company's equity holders, bank borrowings and convertible notes. Equity attributable to the Company's equity holders at 31 December 2008 amounted to HK\$894,423,000 (2007: HK\$1,046,080,000).

At 31 December 2008, the cash and cash equivalents of the Group amounted to HK\$7,218,000 (2007: HK\$531,396,000). The decrease in cash and cash equivalents of the Group was mainly attributable to the cash payment of HK\$360,000,000 to Well Will Investment Limited ("Well Will") for the acquisition of Rich Daily and the cash and cash equivalents balances of HK\$82,152,000 were re-classified as assets of disposal group classified as held for sale in the consolidated balance sheet.

At 31 December 2008, the total borrowings of the Group amounted to HK\$106,403,000 (2007: HK\$329,719,000), comprising the advance of HK\$600,000 made by China Star Entertainment Limited ("China Star") which is unsecured, interest-free and has no fixed terms of repayment; and the liability component of the convertible notes with an aggregate principal amount of HK\$144,000,000 issued to Well Will of HK\$105,803,000 which are unsecured, interest bearing at 5% per annum and maturing on 28 August 2018. The gearing ratio calculated as a percentage of total borrowings over equity attributable to the Company's equity holders was 12% (2007: 32%). The improvement in gearing ratio was attributed to the re-classification of bank borrowings as liabilities of disposal group classified as held for sale in the consolidated balance sheet.

流動資金及財務資源

截至二零零八年十二月三十一日止年度，本集團主要透過本公司之股權持有人應佔權益、銀行借貸及可換股票據，為其營運提供資金。於二零零八年十二月三十一日，本公司股權持有人應佔權益為894,423,000港元(二零零七年：1,046,080,000港元)。

於二零零八年十二月三十一日，本集團之現金及現金等價物為7,218,000港元(二零零七年：531,396,000港元)。本集團之現金及現金等價物減少，主要由於就收購Rich Daily向Well Will Investment Limited(「Well Will」)支付現金360,000,000港元，以及現金及現金等價物結餘82,152,000港元於綜合資產負債表重新分類為分類為持作出售之出售組別資產所致。

於二零零八年十二月三十一日，本集團之借貸總額為106,403,000港元(二零零七年：329,719,000港元)，包括由中國星集團有限公司(「中國星」)作出之墊款600,000港元，乃無抵押、免息及無固定還款期；以及向Well Will發行本金額144,000,000港元之可換股票據其負債部份為105,803,000港元，乃無抵押、按年利率5%計息及於二零一八年八月二十八日到期。按借貸總額除以本公司股權持有人應佔股權百分比計算之負債比率為12%(二零零七年：32%)。負債比率改善乃由於於綜合資產負債表中將銀行借貸重新分類為持作出售之出售組別負債所致。

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At 31 December 2008, the bank borrowings of Beijing Shama amounted to HK\$319,418,000 (2007: HK\$329,018,000), representing the RMB bank loan which is secured by certain of the investment properties with a fair value of HK\$853,835,000, the bank deposits of HK\$23,470,000 and a corporate guarantee given by the Company, interest bearing at 110% of the interest rate prescribed by the People's Bank of China for loan period of five years and repayable within three years.

Net current assets and current ratio

At 31 December 2008, the Group's net current assets and current ratio were HK\$602,720,000 (2007: HK\$491,885,000) and 2.30 (2007: 5.19) respectively.

Capital structure

To reduce the overall transaction and handling costs for dealing in the Company's shares and allow the Company to declare dividends to its shareholders at an earlier opportunity, the directors proposed the following changes to the capital of the Company (the "Capital Reorganisation") on 19 March 2008:

- (a) the consolidation of every ten issued and unissued existing shares of HK\$0.10 each in the share capital of the Company into one share of HK\$1.00;
- (b) immediately after completion of the share consolidation in (a) above, the reduction of the nominal value of all issued and issued shares of HK\$1.00 each in the share capital of the Company from HK\$1.00 each to HK\$0.01 each; and

於二零零八年十二月三十一日，北京莎瑪之銀行借貸為319,418,000港元(二零零七年：329,018,000港元)，指由公平值853,835,000港元之若干投資物業作抵押之人民幣銀行貸款、銀行存款23,470,000港元，以及本公司作出之公司擔保，按中國人民銀行規定之五年貸款利率之110%計息及須於三年內償還。

流動資產淨值及流動比率

於二零零八年十二月三十一日，本集團之流動資產淨值及流動比率分別為602,720,000港元(二零零七年：491,885,000港元)及2.30(二零零七年：5.19)。

資本結構

為減少就處理本公司股份之整體交易及處理成本，並讓本公司可較早向股東宣派股息，董事於二零零八年三月十九日建議對本公司資本作出下列改動(「股本重組」)：

- (a) 將本公司股本中每十股每股面值0.10港元之已發行及未發行現有股份合併為一股面值1.00港元之股份；
- (b) 於緊隨上文(a)之股份合併完成後，將本公司股本中每股面值1.00港元之所有已發行及未發行股份之面值由每股1.00港元削減至每股0.01港元；及

(c) the cancellation of the entire amount of HK\$813,058,000 standing to the credit of the share premium account of the Company at 31 December 2007 by transferring such credit amount to the contributed surplus account of the Company and the application of HK\$518,374,000 in the contributed surplus account to set off against the accumulated losses of the Company of HK\$518,374,000 at 31 December 2006.

The Capital Reorganisation was approved by the shareholders on 30 April 2008 and became effective on 2 May 2008.

In April 2008, the Company issued 10,009 new shares of HK\$0.10 each at an exercise price of HK\$0.1146 per share pursuant to the exercise of share options granted to an employee.

On 4 November 2008, the Company entered into a placing agreement with Kingston Securities Limited (“Kingston”). Pursuant to the placing agreement, the Company has conditionally agreed to place through Kingston, on a best effort basis, a maximum of 500,000,000 new shares of HK\$0.01 each by a maximum of five tranches to independent investors at a placing price, which must not be lower than 85% or more of the average closing prices of the shares quoted on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in the last 30 consecutive trading days up to and including the date on which the placing price was fixed for such tranche and should not be less than HK\$0.05 per share. The placing agreement was approved by the shareholders on 19 December 2008. The first tranche of placing of 200,000,000 new shares at a placing price of HK\$0.102 per share was completed on 11 February 2009 and the second tranche of placing of 300,000,000 new shares at a placing price of HK\$0.091 per share was completed on 2 March 2009. The net proceeds from the placing of 500,000,000 new shares amounted to HK\$46,720,000.

(c) 註銷本公司於二零零七年十二月三十一日之股份溢價賬之全部進賬金額813,058,000港元，方式為將有關進賬金額轉撥至本公司之實繳盈餘賬，並應用實繳盈餘賬之518,374,000港元以抵銷本集團於二零零六年十二月三十一日之累計虧損518,374,000港元。

股本重組於二零零八年四月三十日獲股東批准，並於二零零八年五月二日生效。

於二零零八年四月，本公司根據行使授予僱員之購股權，按行使價每股0.1146港元發行10,009股每股面值0.10港元之新股份。

於二零零八年十一月四日，本集團與金利豐證券有限公司(「金利豐」)訂立配售協議。根據配售協議，本公司已有條件同意透過金利豐按盡力基準分最多五批按配售價向獨立投資者配售最多500,000,000股每股面值0.01港元之新股份，而配售價不得低於截至釐定該批配售價日期(包括該日)止最後30個連續交易日於聯交所所報平均收市價85%或以上及不得低於每股配售股份0.05港元。配售協議於二零零八年十二月十九日獲股東批准。按配售價每股0.102港元之首批配售200,000,000股新股份於二零零九年二月十一日完成，而按配售價每股0.091港元之第二批配售300,000,000股新股份已於二零零九年三月二日完成。配售500,000,000股新股份之所得款項淨額達46,720,000港元。

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On 29 December 2008, the Company, Classical Statue Limited (“CSL”), a substantial shareholder of the Company, and Kingston entered into a top-up placing agreement relating to the placing of 39,000,000 existing shares of HK\$0.01 each held by CSL to not fewer than six placees at a placing price of HK\$0.102 per share and the top-up subscription of 39,000,000 new shares by CSL at a subscription price of HK\$0.102 per new share. The top-up placing was completed on 9 January 2009 and raised HK\$3,820,000 (net of expenses) to the Group.

Material acquisitions and disposals of subsidiaries and associated companies

On 29 May 2008, the Group acquired the remaining 3.3% interest in the registered capital of Beijing Shama from Beijing Urban Development Group Co. Ltd. at a net consideration of RMB84,000 (or HK\$95,000), after deducting an amount of RMB4,150,000 (or HK\$4,705,000) paid to Beijing Urban Development Group Co. Ltd. by the ex-owner in 1997. The directors believe that the acquisition of the remaining 3.3% interest provides the Group with a better protection on its interest in Beijing Shama and a greater flexibility in managing Beijing Shama.

On 29 August 2008, the Group acquired the entire issued share capital of Rich Daily from Well Will at an initial consideration of HK\$504,000,000 (subject to adjustment). The initial consideration was settled by paying HK\$360,000,000 in cash and issuing of convertible notes in an aggregate principle amount of HK\$144,000,000, with an initial conversion price of HK\$1.60 per conversion share. Rich Daily is a management services provider to the concierge departments of gaming promoters in Macau. The monthly service fee earned by Rich Daily is calculated at 0.03% of the monthly rolling turnover generated by the gaming promoters.

於二零零八年十二月二十九日，本公司、本公司之主要股東Classical Statue Limited (「CSL」)與金利豐訂立先舊後新配售協議，內容有關按配售價每股0.102港元向不少於六名承配人配售39,000,000股由CSL持有之每股面值0.01港元之現有股份，以及由CSL按每股新股份0.102港元之認購價先舊後新認購39,000,000股新股份。先舊後新配售於二零零九年一月九日完成，並為本集團籌得3,820,000港元(扣除開支前)。

附屬公司及聯營公司之主要收購及出售

於二零零八年五月二十九日，本集團從北京城市開發集團有限責任公司收購北京莎瑪註冊資本餘下3.3%的權益，在扣除前業主於一九九七年向北京城市開發集團有限責任公司支付的人民幣4,150,000元(相等於4,705,000港元)之款項後，淨代價為人民幣84,000元(或95,000港元)。董事相信，收購餘下3.3%之權益能更好地保護本集團於北京莎瑪之權益，且為管理北京莎瑪提供更大靈活性。

於二零零八年八月二十九日，本集團向Well Will收購Rich Daily之全部已發行股本，初步代價為504,000,000港元(可予調整)。初步代價乃透過支付360,000,000港元現金及發行本金總額144,000,000港元，初始轉換價為每股轉換股份1.60港元之可換股票據支付。Rich Daily為向澳門博彩推廣員提供禮賓部之管理服務供應商。Rich Daily賺取之每月服務費乃按博彩推廣員產生之每月累計營業額之0.03%計算。

On 26 November 2008, the Group entered into a conditional sale and purchase agreement relating to the sale of the entire issued share capital of Shinhan-Golden and World East to Mega Shell at a consideration of HK\$211,466,310 (subject to adjustment). On 8 April 2009, the conditional sale and purchase agreement was completed. The adjusted consideration of HK\$212,731,827 was settled in the following manner (i) the cash payment of HK\$6,847,230, (ii) the issue of 11,769,194 new shares in Golife (adjusted for the capital reorganisation of Golife as completed on 6 April 2009) credited as fully paid at an issue price of HK\$0.50 per share, (iii) the issue of a promissory note of HK\$100,000,000 by Golife and (iv) the issue of a convertible bond of HK\$100,000,000 with an initial conversion price of HK\$0.50 per conversion share (subject to adjustment) by Golife. Upon completion of the sale and purchase agreement, the Group holds 20.36% interest in the issued share capital of Golife and Golife is treated as an associated company of the Group for financial reporting purposes. Golife is a company listed on the GEM Board of the Stock Exchange.

Charges on assets

At 31 December 2008, certain of the investment properties with a fair value of HK\$853,835,000 and the bank deposits of HK\$23,470,000 have been pledged to a bank to secure the RMB bank loan granted to Beijing Shama.

於二零零八年十一月二十六日，本集團訂立有條件買賣協議，內容有關向 Mega Shell 出售 Shinhan-Golden 及 World East 全部已發行股本，代價為 211,466,310 港元(可予調整)。於二零零九年四月八日，有條件買賣協議已獲完成。212,731,827 港元之經調整代價乃以下列方式支付：(i) 現金款項 6,847,230 港元、(ii) 按發行價每股 0.50 港元發行 11,769,194 股寶利福新股份(就寶利福於二零零九年四月六日完成之股本重組調整)，入賬列作繳足、(iii) 由寶利福發行 100,000,000 港元之承付票據及 (iv) 由寶利福按初步發行價每股轉換股份 0.50 港元(可予調整)發行 100,000,000 港元之可換股債券。於買賣協議完成時，本集團持有寶利福已發行股本 20.36% 權益，而就財務報告而言，寶利福被視為本集團之聯營公司。寶利福為於聯交所創業板上市之公司。

資產抵押

於二零零八年十二月三十一日，公平值為 853,835,000 港元之若干投資物業及銀行存款 23,470,000 港元已抵押予一間銀行，以擔保授予北京莎瑪之人民幣銀行貸款。

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Material commitments

At 31 December 2008, the Group had the following material commitments:

- (a) capital expenditures of HK\$10,408,000 in respect of the renovation works of the investment properties contracted for but not provided in the consolidated financial statements;
- (b) a commitment in respect of acquiring the registered capital of Shanghai Shengping from its owners at a price determined by the valuers in Mainland China when the laws in Mainland China allow foreign investors to own more than 51% interest in the registered capital of Shanghai Shengping; and
- (c) an unused revolving facility of up to HK\$200,000,000 granted to Best Season Holdings Corp. ("Best Season").

Exchange risk and hedging

As the majority of the Group's transactions, assets and liabilities are denominated in Hong Kong dollars and Renminbi, the exchange risk of the Group is considered to be minimal. Accordingly, no financial instruments for hedging purposes have been used by the Group.

Contingent liabilities

At 31 December 2008, the Group had no material contingent liabilities (2007: nil).

重大承擔

於二零零八年十二月三十一日，本集團有下列重大承擔：

- (a) 就已訂約但未於綜合財務報表撥備之投資物業翻新工作作出之資本承擔 10,408,000 港元；
- (b) 有關當中國大陸法例容許海外投資者擁有上海昇平註冊資本 51% 以上之權益時向其擁有人收購上海昇平之註冊資本之承擔(價格將由中國內地之估師釐定)；及
- (c) 授予 Best Season Holdings Corp. (「Best Season」) 未動用循環貸款達 200,000,000 港元。

外匯風險及對沖

由於本集團大部份交易、資產及負債均以港元及人民幣為單位，故本集團之外匯風險極低。因此，本集團並無使用任何金融工具作對沖用途。

或然負債

於二零零八年十二月三十一日，本集團並無重大或然負債(二零零七年：無)。

Employees and remuneration policy

At 31 December 2008, the headcount of the Group was 118 (continuing operations: 22; discontinued operations: 96). Staff costs (including directors' remuneration) for continuing and discontinued operations amounted to HK\$9,574,000 and HK\$4,615,000 respectively in the year ended 31 December 2008. Employees are remunerated according to their performance and work experience. In addition to basic salaries, provident fund and discretionary bonus, staff benefits include medical scheme and share options.

OPERATIONS REVIEW

Continuing operations

During the year ended 31 December 2008, the Hong Kong films market remained sluggish and the demand for Hong Kong made-movies in Mainland China, one of the major markets for Hong Kong made-movies, remained weak. The number of films produced by local producers had decreased. As a result, the Group was not able to secure quality films at reasonable prices for distribution. However, the Group has concluded an agreement to sell its film library at HK\$2,000,000.

As volatility in equity market remained high in the first three quarters of 2008, the Group carried out a minimal trading in financial assets during the year. Following the outbreak of the global financial crisis, the Group sold all of its financial assets in order to reduce equity price risk.

僱員及薪酬政策

於二零零八年十二月三十一日，本集團之僱員人數為118人(持續經營業務：22人；已終止經營業務：96人)。截至二零零八年十二月三十一日止年度，持續經營及已終止經營業務之員工成本(包括董事酬金)分別為9,574,000港元及4,615,000港元。僱員薪金乃按其表現及工作經驗釐定。除基本薪金及退休福利計劃以外，員工福利亦包括醫療計劃及購股權。

業務回顧

持續經營業務

截至二零零八年十二月三十一日止年度，香港電影市場仍然看淡，中國內地(港產電影之主要市場之一)對港產電影需求仍然疲弱。本地製作公司製作之電影數目減少。因此，本集團無法按合理之價格獲取高質量電影予以發行。然而，本集團已經訂立一項協議，以2,000,000港元出售其電影庫。

由於股市於二零零八年首三季之波動性仍較高，本集團於年內極少進行金融資產買賣。於全球金融危機爆發後，本集團出售其全部金融資產以減低股票價格風險。

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The Group acquired the entire issued share of Rich Daily at an initial consideration of HK\$504,000,000 (subject to adjustment) on 29 August 2008. Rich Daily is a management services provider to the concierge departments of gaming promoters. The monthly service fee earned by Rich Daily is calculated at 0.03% of the monthly rolling turnover generated by the gaming promoters. Following the completion of the acquisition, Rich Daily generates a constant monthly cashflow to the Group. Although Rich Daily experienced a drop in its services fee income in September 2008 resulted from the outbreak of global financial crisis, the monthly service fee income has remained fairly stable in the fourth quarter of 2008. The directors believe that the newly expanded management service business provides the Group with a stable source of revenue and improves the Group's profitability.

Best Season has been established to invest in, manage and conduct branding for real estate and/or related properties in Macau. Due to the downturn in Macau's property market in the second half of 2008 and the concentration on the Group's resources on newly expanded business, the business development of Best Season has temporarily been suspended. As a result, no contribution was made from Best Season in the year ended 31 December 2008.

On 23 December 2008, the Group terminated the proposed acquisition of the entire interest in the issued share capital of Exceptional Gain Profits Limited and a sale loan from China Star as the proposed acquisition had been hinged on the release of security given by China Star relating to Kingsway Hotel Limited to be replaced by security given by the Company. Both the Company and China Star had determined not to keep their shareholders and investors lingering on the status of the proposed acquisition or the proposed disposal, as the case may be, as it has been more than one year since the announcement of the proposed acquisition or the proposed disposal, as the case may be.

於二零零八年八月二十九日，本集團以初步代價504,000,000港元(可予調整)收購Rich Daily之全部已發行股份。Rich Daily為向博彩推廣員禮賓部之管理服務供應商。Rich Daily賺取之每月服務費乃按博彩推廣員產生之每月累計營業額之0.03%計算。於收購完成後，Rich Daily為本集團產生穩定之每月現金流量。儘管Rich Daily因全球金融危機而於二零零八年九月錄得服務費收入下跌，惟每月服務費收入於二零零八年第四季維持相對穩定。董事相信新擴展之管理服務業務為本集團提供穩定收益來源，並改善本集團之盈利能力。

Best Season成立以為澳門之房地產及／或相關物業進行投資、管理及建立品牌形象。由於澳門物業市場於二零零八年下半年衰退，以及本集團將資源投放至新擴展業務，故Best Season之業務發展已經暫停。因此，Best Season於截至二零零八年十二月三十一日止年度並無作出貢獻。

於二零零八年十二月二十三日，本集團終止建議向中國星收購Exceptional Gain Profits Limited之全部已發行股本權益及銷售貸款，原因為建議收購乃取決於解除中國星就Kingsway Hotel Limited提供之抵押而由本公司提供之抵押代替。由於此情況自公佈建議收購事項或建議出售事項(視情況而定)起已持續一年多，故本公司及中國星已決定不再讓其股東及投資者受建議收購事項或建議出售事項(視情況而定)之狀況拖延。

Discontinued operations

The soft opening of the Disposal Group's investment properties, namely Shama Luxe Chang An, commenced in late June 2008. During the year ended 31 December 2008, rental income of HK\$16,033,000 was generated from short-term leasing in the "Olympic Month – August 2008". The occupancy of Shama Luxe Chang An was 16% during the second half of 2008. The unsatisfactory occupancy was a direct result of weak leasing demand in the second half of 2008. The weakened demand for serviced apartment in Beijing primarily resulted from the negative impact of the global financial crisis which caused a cut in the number of expatriates staff stationed in Beijing by many multinational companies. Beijing Shama is working with the management company to formulate plans to improve the occupancy and the cost structure of Shama Luxe Chang An.

FUTURE PROSPECTS

Given the recent global financial crisis and the depressed state of global economy, the directors forecast a tough 2009 and a persist downturn in global economy for a long period of time. As such, the Directors believe the best strategies for the Group are to (i) restructure its business, (ii) enable the Group to concentrate its resources on provision of management services business, and (iii) improve the Group's gearing ratio. On the other hand, the Group is seeking investment opportunities with attractive prices to diversify its businesses and broaden its revenue base.

已終止經營業務

出售集團之投資物業莎瑪 • 長安於二零零八年六月底開始試營業。截至二零零八年十二月三十一日止年度，租金收入16,033,000港元乃於「奧運月 — 二零零八年八月」租期租約所產生。莎瑪 • 長安於二零零八年下半年之入住率為16%。入住率欠佳乃直接由於二零零八年下半年租賃需求疲弱所致。由於全球金融危機之負面影響，導致眾多跨國公司削減駐北京之海外員工人數，引致北京酒店式公寓需求疲弱。北京莎瑪現正與管理公司合作，以制定計劃改善入住率及莎瑪 • 長安之成本架構。

未來前景

由於近期全球金融危機及全球經濟衰退，董事預期二零零九年之環境仍然嚴峻，全球經濟將於長時間維持衰退。因此，董事相信本集團之最佳策略為(i)重組其業務、(ii)使本集團集中資源提供管理服務業務，及(iii)改善本集團之負債比率。另一方面，本集團正尋求具吸引力價格之投資機會以多元化其業務及擴大其收益基礎。

Management Discussion and Analysis

管理層討論及分析

SUBSEQUENT EVENTS

Subsequent to the year-end date, the Group has entered into the following transactions:

- (a) On 16 February 2009, the Company and Kingston entered into an underwriting agreement in relation to the open offer of not less than 217,093,498 new shares and not more than 367,093,498 new shares at a subscription price of HK\$0.10 per share on the basis of one new share for every two existing shares held by qualifying shareholders on 9 March 2009. The open offer was completed on 30 March 2009 and raised HK\$34,339,000 (net of expenses) to the Group.
- (b) On 20 February 2009, the directors proposed to reorganise the capital of the Company (the “Proposed Capital Reorganisation”) in the following manner:
 - (i) share consolidation — that every ten existing issued shares of HK\$0.01 each be consolidated into one consolidated issued share of HK\$0.10 (each a “Consolidated Shares”); and
 - (ii) capital reduction — that (i) the total number of the Consolidated Shares in the issued share capital of the Company following the share consolidation be rounded down to a whole a number by cancelling the fractional Consolidated Shares arising from the share consolidation; (ii) the paid-up capital of each Consolidated Share be reduced from HK\$0.10 to HK\$0.01 by cancelling HK\$0.09 so as to form a new share of HK\$0.01; and (iii) the amount of credit arising from capital reduction be credited to the contributed surplus account of the Company.

The directors also proposed to change the board lot size for trading in the Company’s shares from 5,000 shares to 2,000 shares upon the Proposed Capital Reorganisation becoming effective.

結算日後事項

於結算日後，本集團已訂立下列交易：

- (a) 於二零零九年二月十六日，本集團與金利豐訂立包銷協議，內容有關按認購價每股股份0.10港元公開發售不少於217,093,498股新股份及不多於367,093,498股新股份，基準為於二零零九年三月九日合資格股東每持有兩股現有股份獲發一股新股份。公開發售於二零零九年三月三十日完成，為本集團籌集34,339,000港元(扣除開支前)。
- (b) 於二零零九年二月二十日，董事建議以下列方式重組本集團之股本(「建議股本重組」):
 - (i) 股份合併 — 將每十股每股面值0.01港元之現有已發行股份合併為一股面值0.10港元之合併已發行股份(各為「合併股份」); 及
 - (ii) 股本削減 — (i)透過註銷股份合併所產生之零碎合併股份，將股份合併後本公司已發行股本中之合併股份總數調低至整數; (ii)透過註銷0.09港元，將每股合併股份之繳足股本由0.10港元削減至0.01港元，以組成0.01港元之新股份; 及 (iii)將股本銷減所產生之進賬計入本公司之實繳盈餘賬。

董事亦建議於建議股本重組後將本公司股份之每手買賣單位由5,000股股份更改為2,000股股份。

Management Discussion and Analysis

管理層討論及分析

The Proposed Capital Reorganisation was approved by the shareholders at a special general meeting of the Company held on 22 April 2009 and became effective on 23 April 2009.

- (c) On 11 March 2009, the Company entered into a loan agreement with China Star. Pursuant to the loan agreement, the Company has conditionally agreed to make available a loan facility of up to HK\$200,000,000 to China Star. Each of the advances made to China Star under the loan facility carries an interest to be accrued at the prime rate per annum as quoted by HSBC. The drawdown of each advance is subject the conditions, among others, that the Company has sufficient fund available to make the advance. Please refer to the Company's circular dated 30 March 2009 for further details of the loan agreement.

The loan agreement was approved by the independent shareholders at another special general meeting of the Company held on 22 April 2009.

- (d) On 18 March 2009, Rich Joy Investments Limited, a wholly-owned subsidiary of the Company, and Best Season entered into a deed of termination to terminate the revolving facility of up to HK\$200,000,000 granted to Best Season.
- (e) On 8 April 2009, the conditional sale and purchase agreement dated 26 November 2008 entered into between the Group, Mega Shell and Golife relating to the disposal of the entire issued share capital of Shinhan-Golden and World East was completed.
- (f) On 23 April 2009, Riche (BVI) Limited, a wholly-owned subsidiary of the Company, gave an irrevocable undertaking in favour of Golife and Kingston relating to the subscription of 94,153,552 offer shares at a subscription price of HK\$0.10 per offer share pursuant to an open offer of Golife on basis of eight offer shares for every one existing share held on the record date. The total subscription price for the offer shares is HK\$9,415,355, which will be financed by the internal resources of the Group.

建議股本重組獲股東本公司於二零零九年四月二十二日舉行之股東週年大會上批准，並於二零零九年四月二十三日生效。

- (c) 於二零零九年三月十一日，本公司與中國星訂立貸款協議。根據貸款協議，本公司已有條件同意向中國星提供最多達200,000,000港元之貸款融資。根據貸款協議向中國星提供之每項墊款按滙豐銀行所報之最優惠年利率累算利息。每項墊款之提取受條件所限，其中包括本公司具備有充足資金可用作出墊款。有關貸款協議之進一步詳情，請參閱本公司日期為二零零九年三月三十日之通函。

貸款協議獲獨立股東於本公司於二零零九年四月二十二日舉行之另一股東特別大會上批准。

- (d) 於二零零九年三月十八日，本公司之全資附屬公司富樂投資有限公司與Best Season訂立終止契據，以終止授予Best Season最多200,000,000港元之循環融資。
- (e) 於二零零九年四月八日，本集團與Mega Shell及寶利福就出售Shinhan-Golden及World East之全部已發行股本而於二零零八年十一月二十六日訂立有條件買賣協議完成。
- (f) 於二零零九年四月二十三日，本公司之全資附屬公司Riche (BVI) Limited就根據按於記錄日期每持有一股現有股份獲發八股發售股份之基準進行之寶利福公開發售，按每股發售股份0.10港元之認購價認購94,153,552股發售股份，向寶利福及金利豐作出不可撤回承諾。發售股份之認購價總額為9,415,355港元，將由本集團之內部資源撥付。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The board of directors of the Company (the “Board”) is committed to maintaining high standards of corporate governance, in line with the principles of the code provisions of the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

In the opinion of the Board, the Company had complied with the Code throughout the year ended 31 December 2008, except that the non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election pursuant to the Company’s bye-laws.

The Board periodically reviews and improves the corporate governance practices and standards of the Company with a view to continuously improve the Company’s corporate governance practices by assessing their effectiveness with evolving standards to meet changing circumstances and needs.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules for securities transactions by the directors of the Company. All the members of the Board have confirmed that they have complied with the required standard as set out in the Model Code throughout the year ended 31 December 2008.

FINANCIAL REPORTING

The Board is responsible for presenting a balanced, clear and comprehensible assessment of the Company’s annual and interim reports, price-sensitive announcements and other financial disclosure required under the Listing Rules.

企業管治常規

本公司董事會(「董事會」)致力維持良好之企業管治水平，符合香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「守則」)之守則條文之原則。

董事會認為，本公司於截至二零零八年十二月三十一日止年度內一直遵守守則，惟本公司非執行董事之委任並無指定任期，且須根據本公司之公司細則輪值告退及膺選連任。

董事會定期審閱及改善本公司之企業管治常規及標準，通過不斷演變以迎合不斷改變之情況及需要之守則，來評估其有效性，從而不斷改善本公司之企業管治常規。

董事證券交易

本公司已就本公司董事進行證券交易採納上市規則附錄十所載之上市公司董事進行證券交易的標準守則(「標準守則」)。全體董事會成員已確認，彼等於截至二零零八年十二月三十一日止年度內一直遵守標準守則所載之所訂標準。

財務報告

董事會負責對本公司年度及中期報告、股價敏感公佈及上市規則規定之其他財務披露事項作出持平、清晰及易明之評估。

FINANCIAL REPORTING (Continued)

The directors acknowledge that it is their responsibilities for preparation of the financial statements of the Group and ensure that the financial statements are in accordance with statutory requirements and applicable accounting standards. The directors also ensure that the timely publication of the financial statements of the Group.

The directors confirm that, to the best of their knowledge, information and belief, having made all enquires, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the external auditors of the Company, HLB Hodgson Impey Cheng, about their reporting responsibilities on the financial statements of the Company is set out in the Independent Auditors' Report on pages 49 to 51.

BOARD OF DIRECTORS

The Board is responsible for the leadership and control of the Company and oversees the Group's businesses, strategic direction and financial performance. The management is delegated the authority and responsibility by the Board for the management of the Group under the leadership of the Vice Chairman. In addition, the Board has also delegated various responsibilities to the four committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the Finance Committee, to assist the Board in discharging its duties and to oversee particular aspects of the Group's activities.

財務報告(續)

董事確認編製本集團財務報表乃彼等之責任，並確保財務報表遵守法律規定及適用會計準則。董事亦確保適時刊發本集團之財務報表。

董事經作出一切合理查詢後確認，就彼等所知、所得資料及所信，彼等並不知悉任何有關可能對本公司持續經營能力造成重大質疑之重大不明朗因素。

本公司外聘核數師國衛會計師事務所對彼等對本公司財務報表之申報責任發出之聲明載於第49至51頁之獨立核數師報告內。

董事會

董事會負責領導及控制本公司，並監督本集團之業務、策略性方向及財務表現。董事會已授予管理層權力及責任在副主席之領導下管理本集團。此外，董事會亦將不同責任授予四個委員會(審核委員會、薪酬委員會、提名委員會及財務委員會)，以協助董事會履行其職責及監督本集團活動之特定範疇。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (Continued)

Decisions on important matters are specifically reserved to the Board while decisions on the Group's general operations are delegated to the management. Important matters include those affecting the Group's strategic policies, major investment and funding decisions and major commitments relating to the Group's operations.

The day-to-day management of the Group is delegated to the Vice Chairman and the management. This delegation of authority includes responsibility for developing and formulating business plans and budgets of the Group for the Board's approval, operating the Group's businesses within the parameters set by the Board, keeping the Board informed of material developments of the Group's businesses, identifying and managing operation and other risk and implementing the policies and processes approved by the Board.

The composition of the Board reflects the necessary balance skills and experience desirable for effective leadership of the Company and independence in decision-making.

The Board currently comprises two executive directors, namely Mr. Heung Wah Keung and Ms. Chen Ming Yin, Tiffany; and three independent non-executive directors, namely Mr. Tang Chak Lam, Gilbert, Mr. Ho Wai Chi, Paul and Mr. Lien Wai Hung. The biographies of the directors are set out under the section headed "Profiles of Directors and Senior Management" on pages 46 to 48.

There is no relationship between members of the Board except that Mr. Heung Wah Keung, the Chairman, is the husband of Ms. Chen Ming Yin, Tiffany, the Vice Chairman.

During the year ended 31 December 2008, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

董事會(續)

重要事宜之決策特定由董事會作出，而本集團一般營運之決策則交由管理層作出。重要事宜包括對本集團之策略性政策、主要投資及融資，以及對其他有關本集團營運主要承擔構成影響之事宜。

副主席及管理層獲授權負責本集團之日常管理。該等授權包括負責發展及制定本集團之業務計劃及預算以供董事會批准、在董事會定下之範圍內經營本集團業務、向董事會提供本集團業務重大發展之最新資料、確定及管理營運及其他風險，並實行董事會批准之政策及程序。

董事會之組成反映其有效領導本公司及保持決策獨立性而具備適當所需均衡技巧及經驗。

董事會現由兩名執行董事向華強先生及陳明英女士及三名獨立非執行董事鄧澤林先生、何偉志先生及連偉雄先生組成。董事之履歷詳情載於第46至48頁之「董事及高級管理人員履歷」一節內。

除主席向華強先生為本公司副主席陳明英女士之丈夫外，各董事間概無任何關係。

於截至二零零八年十二月三十一日止年度內，董事會一宜遵守上市規則有關委任最少三名獨立非執行董事而最少一名獨立非執行董事具備適當專業資格或會計或相關財務管理專長之規定。

BOARD OF DIRECTORS (Continued)

The Company has received from each of the independent non-executive directors an annual written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

During the year ended 31 December 2008, four full regular board meetings were held and the attendance of each director is set out below:

Name of director	董事姓名	Number of meetings attended 出席會議次數	Attendance rate 出席率
Mr. Heung Wah Keung	向華強先生	4/4	100%
Ms. Chen Ming Yin, Tiffany	陳明英女士	4/4	100%
Mr. Tang Chak Lam, Gilbert	鄧澤林先生	4/4	100%
Mr. Ho Wai Chi, Paul	何偉志先生	4/4	100%
Mr. Lien Wai Hung	連偉雄先生	4/4	100%

CHAIRMAN AND VICE CHAIRMAN

The Chairman of the Board is responsible for the leadership and effective running of the Board, while the Vice Chairman, taking the role of chief executive officer, is responsible for recommending policy and strategic directions for Board approval, implementing the strategies and policies adopted by the Board, and conducting the day-to-day management of the Group.

For ensuring the balance of power and authority, the division of responsibilities between the Chairman of the Board and the Vice Chairman are clearly defined and have been set out in writing which was approved by the Board on 31 August 2005.

董事會(續)

本公司已收到各獨立非執行董事根據上市規則第3.13條之規定所發出有關其獨立性之年度確認書。本公司認為全體獨立非執行董事均具獨立性。

於截至二零零八年十二月三十一日止年度內已舉行四次全體董事會會議，而各董事之個別出席紀錄載列如下：

主席與副主席

董事會主席負責領導董事會有效運作，而副主席(擔任行政總裁)則負責就政策及策略性方向提出建議以供董事會批准；及實行董事會所採納之策略及政策，並負責本集團之日常管理。

為確保權力和授權平衡，董事會主席及副主席之角色已清楚區分，並已載於董事會於二零零五年八月三十一日批准之書面文件。

TERMS OF NON-EXECUTIVE DIRECTORS

Code provision A.4.1 of the Code requires that non-executive directors should be appointed for a specific term, subject to re-election. The term of office for non-executive directors is subject to retirement from office by rotation and is eligible for re-election in accordance with the provisions of the Company's bye-laws. At each annual general meeting, one-third of the directors for the time being, (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation. As such, the Company considers that such provisions are sufficient to meet the underlying objective of this code provision.

BOARD COMMITTEES

The Board has established four committees with clearly defined written terms of reference. The main roles and responsibilities of these committees, including all authorities delegated to them by the Board, as set out in the terms of reference, are published on the Company's website, www.chinastar.com. The independent views and recommendations of the four committees ensure proper control of the Group and the continual achievement of the high corporate governance standards expected of a listed company. The chairman of each committee reports the outcome of the committee's meetings to the Board for further discussions and approvals.

The majority of the members of each board committees are independent non-executive directors. The board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

非執行董事之任期

守則之守則條文 A.4.1 規定，非執行董事之委任應有指定任期，並須接受重新選舉。非執行董事須根據本公司之公司細則規定輪值告退及膺選連任。於各股東週年大會上，當時董事之三分之一（或倘人數並非三之倍數，則為最接近但不超過三分之一之數）須輪值告退。因此，本公司認為該等規定足以符合此守則條文之相關目標。

董事委員會

董事會已成立以書面具體列明職權範圍之四個委員會。該等委員會之主要職責及責任（包括所有獲董事會授予之權力）載於職權範圍內，刊登於本公司網站 www.chinastar.com。四個委員會之獨立觀點及建議確保妥善控制本集團及持續達致預期上市公司應有之高企業管治水平。各委員會之主席向董事會報告委員會會議之結果，以供進一步討論及批准。

各董事委員會之大部分成員為獨立非執行董事。董事委員會提供充足資源以履行彼等之責任，並應合理要求，可在適當情況下尋求獨立專業意見，費用由本公司承擔。

BOARD COMMITTEES (Continued)

Remuneration Committee

The Remuneration Committee comprises two independent non-executive directors, namely Mr. Tang Chak Lam, Gilbert and Mr. Lien Wai Hung, and one executive director, namely Ms. Chen Ming Yin, Tiffany. Ms. Chen Ming Yin, Tiffany is the chairman of the Remuneration Committee.

The Remuneration Committee is responsible for making recommendations to the Board on the Company's remuneration policy and structure of directors and senior management. The Remuneration Committee is also responsible for establishing a formal and transparent procedure for developing policy on such remuneration policy and structure to ensure that no director or any of his/her associates will involve in deciding his/her own remuneration.

In determining any specific package for directors, the Remuneration Committee takes into account factors such as salaries paid by comparable companies, time commitment, responsibilities of the directors, employment conditions elsewhere in the Group and whether any part of the remuneration package should be performance-based.

During the year ended 31 December 2008, the Remuneration Committee met once to review the remuneration packages of the directors and senior management. All the committee members attended the meeting.

The work performed by the Remuneration Committee for the year ended 31 December 2008 is summarised as follows:

- (a) review of the Company's policy and structure for all remuneration of the directors and senior management;
- (b) consideration of the remunerations for all the directors and senior management; and
- (c) review of the level of fees for the directors.

董事委員會(續)

薪酬委員會

薪酬委員會由兩名獨立非執行董事鄧澤林先生及連偉雄先生以及一名執行董事陳明英女士組成。陳明英女士為薪酬委員會主席。

薪酬委員會負責就本公司董事及本集團高級管理人員之所有薪酬政策及架構向董事會提出建議。薪酬委員會亦負責就有關薪酬政策及架構建立正式及具透明度之制訂政策程序，以確保並無董事或其任何聯繫人士將參與決定其本身之薪酬。

於釐訂任何董事特定待遇時，薪酬委員會已考慮可資比較公司所付薪金、董事所付出之時間及責任、本集團其他部門之僱用條件及是否薪酬待遇之某部份須依表現計算等因素。

於截至二零零八年十二月三十一日止年度內，薪酬委員會已舉行一次會議，以檢討董事及高級管理層之薪酬待遇。全體委員會成員均已出席會議。

截至二零零八年十二月三十一日止年度，薪酬委員會進行之工作概述如下：

- (a) 檢討本公司有關董事及高級管理層所有薪酬之政策及架構；
- (b) 釐定所有董事及高級管理層之薪酬；及
- (c) 檢討董事之袍金水平。

BOARD COMMITTEES (Continued)

Nomination Committee

The Nomination Committee comprises one executive director, namely Mr. Heung Wah Keung and two independent non-executive directors, namely Mr. Tang Chak Lam, Gilbert and Mr. Lien Wai Hung. Mr. Heung Wah Keung is the chairman of the Nomination Committee.

The main function of the Nomination Committee is to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes, identify individuals suitable and qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships and assess the independence of independent non-executive directors. In addition, the Nomination Committee makes recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors in particular, the Chairman and the Vice Chairman.

During the year ended 31 December 2008, the Nomination Committee met once to review the structure, size and composition of the Board. All the committee members attended the meeting.

Finance Committee

The Finance Committee comprises one executive director, namely Mr. Heung Wah Keung, and one independent non-executive director, namely Mr. Ho Wai Chi, Paul. Mr. Heung Wah Keung is the chairman of the Finance Committee.

董事委員會(續)

提名委員會

提名委員會由一名執行董事向華強先生及兩名獨立非執行董事鄧澤林先生及連偉雄先生組成。向華強先生為提名委員會主席。

提名委員會之主要職能為定期檢討董事會之架構、規模及組成(包括技能、知識及經驗)，並就任何擬作出之變動向董事會提出建議、確定合適及合資格成為董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會提出建議，以及評估獨立非執行董事之獨立性。此外，提名委員會就有關董事委任或重新委任及董事(尤其是主席及副主席)繼任計劃事宜向董事會提出建議。

於截至二零零八年十二月三十一日止年度內，提名委員會已舉行一次會議，以檢討董事會之架構、規模及組成。全體委員會成員均已出席會議。

財務委員會

財務委員會由一名執行董事向華強先生及一名獨立非執行董事何偉志先生組成。向華強先生為財務委員會主席。

BOARD COMMITTEES (Continued)

Finance Committee (Continued)

The main function of the Finance Committee is to review and approve banking facilities and financial instruments to be granted or issued by the Company for the Group's needs, the provision of corporate guarantees by the Company for its subsidiaries and associates, financial assistance of the Company and the provision of financing to third parties.

During the year ended 31 December 2008, no Finance Committee meeting was held.

Audit Committee

The Audit Committee comprises three independent non-executive directors, namely Mr. Tang Chak Lam, Gilbert, Mr. Ho Wai Chi, Paul and Mr. Lien Wai Hung. Mr. Tang Chak Lam, Gilbert is the chairman of the Audit Committee.

The main function of the Audit Committee is to assist the Board to oversee the financial reporting system, risk management and internal control procedures and the external audit function. The Audit Committee reviews the interim and annual reports before submission to the Board for approval. The Audit Committee annually assesses the appointment of the external auditors, taking into account the quality and rigor of the audit, the quality of the audit service provided, the auditing firm's quality control procedures, relationships between the external auditors and the Company, and the independence of the external auditors.

董事委員會(續)

財務委員會(續)

財務委員會之主要職能為檢討及批准本公司就本集團需要將授出或發行之銀行融資及金融工具、本公司為其附屬公司及聯營公司提供之公司擔保、本公司之財政資助以及向第三方提供融資。

於截至二零零八年十二月三十一日止年度內，財務委員會並無舉行會議。

審核委員會

審核委員會由三名獨立非執行董事鄧澤林先生、何偉志先生及連偉雄先生組成。鄧澤林先生為審核委員會主席。

審核委員會之主要職責為協助董事會監督財務報告制度、風險管理及內部監控程式及內部及外部審核職能。審核委員會在提交董事會批准前審閱中期報告及年報。審核委員會每年評估外聘核數師之委聘、考慮核數師行之品質控制程式、核數師行提供服務之質素、核數師行之品質控制程序、外聘核數師與本公司之間之關係及外聘核數師之獨立性。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

During the year ended 31 December 2008, two Audit Committee meetings were held and the individual attendance of each member is set out below:

Name of member	成員姓名	Number of meeting attended 出席會議次數	Attendance rate 出席率
Mr. Tang Chak Lam, Gilbert	鄧澤林先生	2/2	100%
Mr. Ho Wai Chi, Paul	何偉志先生	2/2	100%
Mr. Lien Wai Hung	連偉雄先生	2/2	100%

The Audit Committee has reviewed the accounting principles and policies adopted by the Company and discussed with management the internal controls and financial reporting matters. To monitor the integrity of the financial statements of the Company, the Audit Committee had reviewed the unaudited interim results and audited annual results for 2008 and was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure had been made.

At the meeting held on 20 April 2009, the Audit Committee had concluded that it was satisfied with its review of the audit fee, process and effectiveness, independence and objectivity of HLB Hodgson Impey Cheng. The Audit Committee has therefore recommended to the Board that HLB Hodgson Impey Cheng be re-appointed as the Company's external auditors at the annual general meeting in 2009.

董事委員會(續)

審核委員會(續)

於截至二零零八年十二月三十一日止年度內已舉行兩次審核委員會會議，而各成員之個別出席紀錄載列如下：

審核委員會已審閱本公司所採納之會計原則及政策，並與管理層討論內部監控及財務報告事宜。為監察本公司財務報表之完整性，審核委員會已審閱二零零八年未經審核中期業績及經審核年度業績，並認為該等業績乃遵照適用會計原則及規定編製，並已作出足夠披露。

於二零零九年四月二十日舉行之會議上，審核委員會確認信納對國衛會計師事務所之核數費用、程序及有效性，獨立性及客觀性進行之檢討。審核委員會因此向董事會建議於二零零九年股東週年大會上續聘國衛會計師事務所為本公司之外聘核數師。

INDEPENDENT AUDITORS' REMUNERATION

During the year, the Company engaged HLB Hodgson Impey Cheng to perform audit services and non-audit services and incurred audit services fees of HK\$710,000 and non-audit services fees of HK\$938,000.

INTERNAL CONTROLS

The Board is responsible for overseeing the Group's internal control system and to ensure that a sound and effective internal control system is maintained. The Board is responsible for approving and reviewing internal control policy while the responsibility of day-to-day management of operational risks and implementation of mitigation measures lies with the management. As the internal control system is designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure, and to achieve the business objectives of the Group. Accordingly, it can only provide reasonable assurance but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

Key control procedures of the Group's internal control system are as follows:

- Segregation of duties and functions of the respective operational departments of the Group
- Monitoring the strategic plan and performance
- Designing an effective accounting and information system
- Controlling price-sensitive information

獨立核數師酬金

年內，本公司委聘國衛會計師事務所進行核數服務，以及非核數服務，並產生核數服務費710,000港元及非核數服務費938,000港元。

內部監控

董事會負責監督本集團之內部監控系統，並確保維持一個健全及有效之內部監控系統。董事會負責批准及審閱內部監控政策，管理層則負責經營風險之日常管理並實施舒緩措施。由於內部監控系統旨在將本集團之風險管理於某一可接受之風險範圍內（而非杜絕失誤之風險），並達至本集團之業務目標，故對於管理及財務信息及記錄之重大錯誤陳述，或財務損失及欺詐，內部監控系統僅可提供合理保障而非絕對保障。

本集團內部監控系統之主要控制程序如下：

- 區分本集團各經營部門之職責及職能
- 監察策略方案及表現
- 設計一套有效之會計及資訊系統
- 控制股價敏感之資料

INTERNAL CONTROLS *(Continued)*

The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes updating the internal control manual when there are changes to business environment or regulatory guidelines.

The Group has conducted an annual review of the effectiveness of its internal control system covering all material controls, including financial, operational and compliance as well as risk management. Besides the Group has also engaged HLB Hodgson Impey Cheng Consultants Limited (the “Consultant”) to conduct review and make recommendations for the improvement and strengthening of the internal control system.

The review by the Consultant is conducted with reference to the principles outlined in Internal Control and Risk Management – A Basic Framework issued by the Hong Kong Institute of Certified Public Accountants. The assessment covers the major internal controls and measures, including financial, operational and compliance as well as risk management. Any material non-compliance or failures in internal controls maintained by the Group’s management and relevant recommendations for improvements are reported to the Audit Committee.

Based on the assessments made by the Consultant, the Audit Committee and the Board considered that the key areas of the Group’s internal control system are reasonably implemented with room for improvement. The Group shall use its best endeavour to implement the recommendations made by the Consultant in order to further improve the internal control system.

內部監控(續)

董事會已確立持續程序，以確定、評估及管理本集團所面對之重大風險，該程序包括當營商環境或規例指引變更時，更新內部監控系統。

管理層每年對其內部監控系統之有效性進行檢討，涵蓋包括財務、營運及合規之所有重大監管及風險管理。此外，本集團亦聘請國衛顧問有限公司(「顧問」)進行內部監控檢討、提出建議以改善及強化內部監控系統。

顧問所進行之檢討乃參考香港會計師公會頒佈之「內部監控與風險管理 — 基本架構」所概述之原則進行。評估涵蓋主要內部監控及措施，包括財務、經營、合規、及風險管理。任何重大不合規事宜或內部監控失效由本集團管理層記錄及有關改進建議則向審核委員會報告。

根據顧問所作之評估，審核委員會及董事會認為本集團內部監控系統之主要環節均已合理落實，並有改進空間。本集團須竭力落實顧問所作之建議，以進一步改善內部監控系統。

COMMUNICATION WITH SHAREHOLDERS

The Company reports to its shareholders twice a year. Interim and annual results are announced to keep shareholders informed of the Group's performance and operations. The general meetings of the Company provide a forum for communication between the shareholders and the Board. All shareholders are encouraged to attend the annual general meeting to discuss the progress of the Group's business. The Chairman of the Board and/or the Vice Chairman, as well as chairman of the Audit Committee, Remuneration Committee, Nomination Committee and Finance Committee, or in their absence, other members of the respective committees, and where applicable, the independent Board Committee, are available to answer questions at the shareholders' meeting. Separate resolutions are proposed at shareholders' meeting on each substantial issue, including the re-election of directors. Our corporate website which contains corporate information, interim and annual reports, announcements and circulars issued by the Company, enables the Company's shareholders to access information on the Group on a timely basis.

與股東之溝通

本公司每年向其股東報告兩次，公佈中期報告及年報以便股東得悉本集團表現及營運之資料。本公司股東大會提供一個股東與董事會溝通之平台。本公司鼓勵全體股東出席股東週年大會以討論本集團業務之進度。董事會主席及／或副主席，以及審核委員會、薪酬委員會、提名委員會及財務委員會之主席或(在彼等缺席之情況下)各委員會之其他成員及獨立董事委員會(如適用)將於股東大會上解答提問。本公司將於股東大會上就各重大事宜(包括重選董事)提呈獨立決議案。本公司之公司網站載有公司資料、中期報告及年報、本公司刊發之公佈及通函，使本公司股東可及時獲得本集團資料。

Report of the Directors

董事會報告

The directors present their annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2008.

CHANGE OF NAME

Pursuant to a special resolution passed at the special general meeting held on 30 April 2008, the name of the Company was changed from Riche Multi-Media Holdings Limited to China Star Investment Holdings Limited with effect from 25 June 2008.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 34 to the consolidated financial statements.

RESULTS AND APPROPRIATION

The results of the Group for the year ended 31 December 2008 are set out in the consolidated income statement on page 52.

The directors do not recommend the payment of a final dividend for the year ended 31 December 2008 (2007: nil). No interim dividend was paid during the year (2007: nil).

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years ended 31 December 2008 is set out on page 172.

SHARE CAPITAL AND SHARE OPTIONS

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

董事會欣然呈報本集團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。

更改名稱

根據於二零零八年四月三十日舉行之股東特別大會上通過之特別決議案，本公司之名稱由 Riche Multi-Media Holdings Limited 改為 China Star Investment Holdings Limited，由二零零八年六月二十五日起生效。

主要業務

本公司為投資控股公司。其附屬公司之主要業務載於綜合財務報表附註 34。

業績及分派

本集團截至二零零八年十二月三十一日止年度之業績載於第 52 頁之綜合收益表。

董事會不建議派發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)。年內並無派發中期股息(二零零七年：無)。

五年財務概要

本集團截至二零零八年十二月三十一日止最近五個財政年度之業績、資產及負債概要載於第 172 頁。

股本及購股權

年內本公司股本變動詳情載於綜合財務報表附註 26。

SHARE CAPITAL AND SHARE OPTIONS

(Continued)

Particulars of the Company's share options schemes and details of movements during the year in the share options of the Company are set out in note 40 to the consolidated financial statements.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

RESERVES

Details of movements during the year in the reserves of the Group and of the Company are set out in the consolidated statement of changes in equity on page 56 and in note 27 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES

At 31 December 2008, the Company had no reserves available for distribution.

PROPERTY, PLANT AND EQUIPMENT

Details of movements during the year in the property, plant and equipment of the Group are set out in note 16 to the consolidated financial statements.

INVESTMENT PROPERTIES

Details of movements during the year in the investment properties of the Group are set out in note 17 to the consolidated financial statements.

股本及購股權(續)

本公司購股權計劃資料及年內本公司購股權變動詳情載於綜合財務報表附註40。

買賣及贖回本公司之上市證券

於截至二零零八年十二月三十一日止年度內，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

儲備

年內本集團及本公司儲備變動之詳情分別載於第56頁之綜合股本變動表及綜合財務報表附註27。

可分派儲備

於二零零八年十二月三十一日，本公司並無可分派儲備。

物業、廠房及設備

年內本集團物業、廠房及設備之變動詳情載於綜合財務報表附註16。

投資物業

年內本集團投資物業之變動詳情載於綜合財務報表附註17。

Report of the Directors

董事會報告

BANK LOAN

Particulars of bank loan of the Group at 31 December 2008 are set out in note 28 to the consolidated financial statements.

CONVERTIBLE NOTES

Particulars of convertible notes issued by the Company during the year are set out in note 29 to the consolidated financial statements.

DIRECTORS

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

Executive directors:

Mr. Heung Wah Keung (*Chairman*)
Ms. Chen Ming Yin, Tiffany (*Vice Chairman*)

Independent non-executive directors:

Mr. Tang Chak Lam, Gilbert
Mr. Ho Wai Chi, Paul
Mr. Lien Wai Hung

In accordance with the Company's bye-laws, Mr. Heung Wah Keung and Mr. Tang Chak Lam, Gilbert shall retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Biographical details of the directors are set out under the section headed "Profiles of Directors and Senior Management" on pages 46 to 48.

DIRECTORS' SERVICE CONTRACTS

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

銀行貸款

於二零零八年十二月三十一日之本集團銀行貸款資料載於綜合財務報表附註28。

可換股票據

本公司於年內發行之可換股票據詳情載於綜合財務報表附註29。

董事

年內及截至本報告日期之本公司董事如下：

執行董事：

向華強先生(主席)
陳明英女士(副主席)

獨立非執行董事：

鄧澤林先生
何偉志先生
連偉雄先生

根據本公司之公司細則，向華強先生及鄧澤林先生將於應屆股東週年大會上輪值告退，惟符合資格膺選連任。

董事之履歷詳情載於第46至48頁之「董事及高級管理人員履歷」一節內。

董事之服務合約

擬於應屆股東週年大會上膺選連任之董事概無訂有本集團於一年內不付賠償(法定賠償除外)則不可終止之服務合約。

CONFIRMATION OF INDEPENDENCE

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

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 December 2008, the interests of certain directors of the Company and their associates in the shares and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Long positions – ordinary shares of HK\$0.01 each of the Company

Directors	Note	Capacity	Interest in shares	Percentage of the issued share capital of the Company
名稱	附註	身份	股份權益	佔本公司已發行股本百分比
Mr. Heung Wah Keung 向華強先生	1	Interest of controlled corporation 受控制公司之權益	19,360,612	9.92%
Ms. Chen Ming Yin, Tiffany 陳明英女士	1	Interest of controlled corporation 受控制公司之權益	19,360,612	9.92%

確認獨立性

本公司已收到各獨立非執行董事根據香港聯合交易所有限公司證券上市規則(「上市規則」)第3.13條之規定所發出有關其獨立性之年度確認書。本公司認為全體獨立非執行董事均具獨立性。

董事於股份及相關股份之權益

於二零零八年十二月三十一日，按本公司根據證券及期貨條例(「證券及期貨條例」)第352條存置之登記冊所記錄，或按本公司及香港聯合交易所有限公司根據上市公司董事進行證券交易的標準守則所獲通知，本公司若干董事及其聯繫人士於本公司及其相聯法團(定義見證券及期貨條例第XV部)之股份及相關股份中擁有之權益如下：

好倉 — 本公司每股面值0.01港元之普通股

Report of the Directors

董事會報告

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

Long positions – ordinary shares of HK\$0.01 each of the Company (Continued)

Note:

- 19,360,612 shares are beneficially owned by Classical Statue Limited, which is a wholly-owned subsidiary of Glenstone Investments Limited. Glenstone Investments Limited is owned as to 60% by Porterstone Limited and as to 40% by Mr. Heung Wah Keung. Porterstone Limited is wholly owned by Ms. Chen Ming Yin, Tiffany.

Other than the holdings disclosed above, none of the directors of the Company and their associates had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations at 31 December 2008.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries a party to any arrangements 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.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a director 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.

董事於股份及相關股份之權益(續)

好倉 — 本公司每股面值0.01港元之普通股(續)

附註：

- 19,360,612股股份由Classical Statue Limited實益擁有，該公司為Glenstone Investments Limited之全資附屬公司。Glenstone Investments Limited由Porterstone Limited及向華強先生分別擁有60%及40%。Porterstone Limited由陳明英女士全資擁有。

除上文所披露之持股外，於二零零八年十二月三十一日，概無本公司董事及其聯繫人士於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

購買股份或債券之安排

於年內任何時間，本公司或其任何附屬公司概無參與任何安排，致使本公司董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

董事於重大合約之權益

於年終或年內任何時間，概無本公司或其任何附屬公司訂立而本公司董事直接或間接於其中擁有重大權益之重大合約仍然生效。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2008, the following directors of the Company had interests in the following businesses (apart from the Company's businesses) conducted through the company named below, its subsidiaries, associated companies or other investment forms which are to compete or likely to compete, either directly or indirectly, with the principal businesses of the Company conducted during the year:

董事於競爭業務之權益

於截至二零零八年十二月三十一日止年度內，本公司以下董事於以下透過下列公司、其附屬公司、聯營公司或其他投資形式進行而直接或間接與本公司於年內進行之主要業務構成或可能構成競爭之業務(本公司業務除外)中擁有權益：

Name of director 董事姓名	Name of company 公司名稱	Nature of interest 權益性質	Nature of competing business 競爭業務性質
Mr. Heung Wah Keung 向華強先生	China Star Entertainment Limited ("China Star") 中國星集團有限公司 ("中國星")	a. Chairman 主席 b. Shareholder (interested in 21.21% in China Star) 股東(於中國星擁有21.21%權益)	Film distribution 電影發行
Ms. Chen Ming Yin, Tiffany 陳明英女士	China Star 中國星	a. Vice Chairman 副主席 b. Shareholder (interested in 21.21% in China Star) 股東(於中國星擁有21.21%權益)	Film distribution 電影發行
Mr. Ho Wai Chi, Paul 何偉志先生	China Star 中國星	Independent non-executive director 獨立非執行董事	Film distribution 電影發行

CONNECTED TRANSACTIONS

(a) On 28 February 2008, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to further extend the long-stop date in the conditional sale and purchase agreement dated 1 August 2007 (the "S&P Agreement") relating to the acquisition of the entire issued share capital of Exceptional Gain Profits Limited and a sale loan by Legend Rich Limited from China Star from 28 February 2008 to 31 March 2008.

關連交易

(a) 於二零零八年二月二十八日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將於二零零七年八月一日就收購 Exceptional Gain Profits Limited 之全部已發行股本及中國星向 Legend Rich Limited 作出之銷售貸款而訂立之有條件買賣協議(「買賣協議」)之最後期限由二零零八年二月二十八日進一步延長至二零零八年三月三十日。

CONNECTED TRANSACTIONS (Continued)

- (b) On 31 March 2008, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to further extend the long-stop date in the S&P Agreement from 31 March 2008 to 30 May 2008.
- (c) On 29 May 2008, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to further extend the long-stop date in the S&P Agreement from 30 May 2008 to 31 July 2008.
- (d) On 31 July 2008, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to further extend the long-stop date in the S&P Agreement from 31 July 2008 to 31 October 2008.
- (e) On 31 October 2008, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to further extend the long-stop date in the S&P Agreement from 31 October 2008 to 31 January 2009.
- (f) On 23 December 2008, the Group and China Star entered into a deed of termination pursuant to which the parties mutually agreed to terminate the S&P Agreement.

關連交易(續)

- (b) 於二零零八年三月三十一日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將買賣協議之最後期限由二零零八年三月三十一日進一步延長至二零零八年五月三十日。
- (c) 於二零零八年五月二十九日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將買賣協議之最後期限由二零零八年五月三十日進一步延長至二零零八年七月三十一日。
- (d) 於二零零八年七月三十一日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將買賣協議之最後期限由二零零八年七月三十一日進一步延長至二零零八年十月三十一日。
- (e) 於二零零八年十月三十一日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將買賣協議之最後期限由二零零八年十月三十一日進一步延長至二零零九年一月三十一日。
- (f) 於二零零八年十二月二十三日，本集團與中國星訂立終止契據，據此，訂約方互相同意終止買賣協議。

SUBSTANTIAL SHAREHOLDERS

At 31 December 2008, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of relevant interests in the issued share capital of the Company:

Long positions — ordinary shares of HK\$0.01 each of the Company

主要股東

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條存置之主要股東登記冊顯示，下列股東已知會本公司擁有本公司已發行股本之有關權益：

好倉 — 本公司每股面值0.01港元之普通股

Name	Notes	Capacity	Interest in shares	Interest in underlying shares	Total interest	Percentage of the issued share capital of the Company
名稱	附註	身份	股份權益	相關股份權益	總權益	佔本公司已發行股本百分比
Classical Statue Limited	1	Beneficial owner 實益擁有人	19,360,612	—	19,360,612	9.92%
Glenstone Investments Limited	1	Interest of controlled corporation 受控制公司之權益	19,360,612	—	19,360,612	9.92%
Porterstone Limited	1	Interest of controlled corporation 受控制公司之權益	19,360,612	—	19,360,612	9.92%
Mr. Heung Wah Keung 向華強先生	1	Interest of controlled corporation 受控制公司之權益	19,360,612	—	19,360,612	9.92%
Ms. Chen Ming Yin, Tiffany 陳明英女士	1	Interest of controlled corporation 受控制公司之權益	19,360,612	—	19,360,612	9.92%
Kingston Securities Limited 金利豐證券有限公司	2	Other 其他	39,000,000	—	39,000,000	14.13%
Ms. Chu Yuet Wah 李月華女士	2	Interest of controlled corporation 受控制公司之權益	39,000,000	—	39,000,000	14.13%

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS (Continued)

主要股東(續)

Long positions — ordinary shares of HK\$0.01 each of the Company (Continued)

好倉 — 本公司每股面值0.01港元之普通股(續)

Name	Notes	Capacity	Interest in shares	Interest in underlying shares	Total interest	Percentage of the issued share capital of the Company
名稱	附註	身份	股份權益	相關股份權益	總權益	佔本公司已發行股本百分比
Ms. Ma Siu Fong 馬少芳女士	2	Interest of controlled corporation 受控制公司之權益	39,000,000	—	39,000,000	14.13%
Northbay Investments Holdings Limited	3	Beneficial owner 實益擁有人	12,941,217	—	12,941,217	9.95%
Asia Vest Partners VII Limited	3	Interest of controlled corporation 受控制公司之權益	12,941,217	—	12,941,217	9.95%
Asia Vest Partners X Limited	3	Interest of controlled corporation 受控制公司之權益	12,941,217	—	12,941,217	9.95%
Asia Vest Partners Limited	3	Interest of controlled corporation 受控制公司之權益	12,941,217	—	12,941,217	9.95%
Mr. Andrew Nan Sherrill 南國熙先生	3	Interest of controlled corporation 受控制公司之權益	12,941,217	—	12,941,217	9.95%
Well Will Investment Limited		Beneficial owner 實益擁有人	—	90,000,000	90,000,000	46.11%
Mr. Ng Cheuk Fai 吳卓徽先生		Interest of controlled corporation 受控制公司之權益	—	90,000,000	90,000,000	46.11%

SUBSTANTIAL SHAREHOLDERS (Continued)

Long positions — ordinary shares of HK\$0.01 each of the Company (Continued)

Notes:

1. Classical Statue Limited is a wholly-owned subsidiary of Glenstone Investments Limited. Glenstone Investments Limited is owned as to 60% by Porterstone Limited and as to 40% by Mr. Heung Wah Keung. Porterstone Limited is wholly owned by Ms. Chen Ming Yin, Tiffany.
2. Kingston Securities Limited is interested in 39,000,000 shares by virtue of its capacity as the placing agent in relation to a top-up placing as announced by the Company on 29 December 2008. 51% and 49% of shareholding of Kingston Securities Limited are respectively owned by Ms. Chu Yuet Wah and Ms. Ma Siu Fong. Ms. Chu Yuet Wah and Ms. Ma Siu Fong are deemed to be interested in the 39,000,000 shares.
3. 12,941,217 shares are beneficially owned by Northbay Investments Holdings Limited. 35.5% and 64.8% of the shareholding of Northbay Investments Holdings Limited are respectively owned by Asia Vest Partners VII Limited and Asia Vest Partners X Limited, and both of them are indirectly wholly-owned by Mr. Andrew Nan Sherrill through Asia Vest Partners Limited.

Other than as disclosed above, the Company had not been notified of any other relevant interests or short positions in the issued share capital of the Company at 31 December 2008.

MANAGEMENT CONTRACT

The Group has a management services contract with 尚明居物業管理(上海)有限公司 (“Shama”) in respect of the Group’s investment properties in Beijing, the People’s Republic of China for a period of ten years, with an option for Shama to extend another two “five-year period”, starting from the date of handover of the investment properties to Shama for management.

主要股東(續)

好倉 — 本公司每股面值0.01港元之普通股(續)

附註：

1. Classical Statue Limited 為 Glenstone Investments Limited 之全資附屬公司。Glenstone Investments Limited 由 Porterstone Limited 及向華強先生分別擁有 60% 及 40%。Porterstone Limited 由陳明英女士全資擁有。
2. 金利豐證券有限公司因身為本公司於二零零八年十二月二十九日所公佈先舊後新配售之配售代理而於 39,000,000 股股份中擁有權益。金利豐證券有限公司股權之 51% 及 49% 分別由李月華女士及馬少芳女士擁有。李月華女士及馬少芳女士被視為於 39,000,000 股股份中擁有權益。
3. 12,941,217 股股份由 Northbay Investments Holdings Limited 實益擁有。Northbay Investments Holdings Limited 股權之 35.5% 及 64.8% 分別由 Asia Vest Partners VII Limited 及 Asia Vest Partners X Limited 擁有，而該兩間公司則由南國熙先生透過 Asia Vest Partners Limited 間接全資擁有。

除上文所披露者外，本公司並無獲知會於二零零八年十二月三十一日擁有本公司已發行股本之任何其他有關權益或淡倉。

管理合約

本集團已就本集團位於中華人民共和國北京之投資物業與尚明居物業管理(上海)有限公司(「莎瑪」)訂有管理服務合約，為期十年，莎瑪可選擇自將投資物業交付予莎瑪管理日期起延長另外兩個「五年期間」。

Report of the Directors

董事會報告

RETIREMENT BENEFITS SCHEME

Details of the Group's retirement benefits scheme are set out in note 41 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

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

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

Details of the compliance by the Company with the Code on Corporate Governance Practices are set out on pages 22 to 33.

SUFFICIENCY OF PUBLIC FLOAT

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

MAJOR CUSTOMERS AND SUPPLIERS

During the year, sales generated from the Group's five largest customers accounted for 100% of the total sales and there was not supplier to the Group.

SUBSEQUENT EVENTS

Details of the significant subsequent events are set out in note 45 to the consolidated financial statements.

退休福利計劃

本集團之退休福利計劃詳情載於綜合財務報表附註41。

優先認購權

本公司之公司細則或百慕達法例並無有關優先認購權之規定，使本公司須按比例向現有股東發售新股份。

遵守企業管治常規守則

本公司遵守企業管治常規守則情況之詳情載於第22至33頁。

足夠公眾持股量

於截至二零零八年十二月三十一日止年度內，本公司一直維持足夠公眾持股量。

主要客戶及供應商

年內，本集團五大客戶產生之銷售額佔總銷售額100%，本集團並無供應商。

結算日後事項

重大結算日後事項之詳情載於綜合財務報表附註45。

INDEPENDENT AUDITORS

The consolidated financial statements for the year ended 31 December 2008 have been audited by HLB Hodgson Impey Cheng who retire and, being eligible, offer themselves for re-appointment.

On Behalf of the Board

Heung Wah Keung

Chairman

Hong Kong, 23 April 2009

獨立核數師

截至二零零八年十二月三十一日止年度之綜合財務報表已由國衛會計師事務所審核，該核數師將退任，惟符合資格並願續聘連任。

代表董事會

主席

向華強

香港，二零零九年四月二十三日

Profiles of Directors and Senior Management

董事及高級管理人員履歷

EXECUTIVE DIRECTORS

Mr. Heung Wah Keung, aged 61, is the Chairman of the Company. He is responsible for the development of the overall strategic planning of the Group and liaising with various government authorities in the People's Republic of China. His wife, Ms. Chen Ming Yin, Tiffany, is the Vice Chairman of the Company. He joined the Company in August 2001. Mr. Heung has over 20 years of experience in the entertainment and multi-media industries. He is the founder of Win's Entertainment Limited and One Hundred Years of Film Company Limited. Mr. Heung is also the chairman of China Star Entertainment Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited, and the vice chairman of the Hong Kong Kowloon and New Territories Motion Picture Industry Association Limited.

Ms. Chen Ming Yin, Tiffany, aged 52, is the Vice Chairman of the Company. She is responsible for the overall management of the Group. Ms. Chen is the wife of Mr. Heung Wah Keung. She joined the Company in August 2001. She has over 15 years of experience in the entertainment and multi-media industries. She has produced a number of blockbuster films for Win's Entertainment Limited and One Hundred Years of Film Company Limited. Ms. Chen is the vice chairman of China Star Entertainment Limited. In 2003, she was selected as one of 2003 Women in Entertainment – International Power by The Hollywood Reporter.

執行董事

向華強先生，現年61歲，為本公司之主席，負責本集團整體策略計劃發展及與中華人民共和國各政府機關進行溝通聯繫。其妻陳明英女士為本公司之副主席。向先生於二零零一年八月加入本公司，擁有超過20年娛樂及多媒體事業之經驗。向先生為永盛娛樂有限公司及一百年電影有限公司之創辦人，並身兼中國星集團有限公司(香港聯合交易所有限公司主板上市公司)之主席及香港影業協會有限公司之副會長。

陳明英女士，現年52歲，為本公司之副主席，負責本集團之整體管理。陳女士為向華強先生之妻子，於二零零一年八月加入本公司，擁有超過15年娛樂及多媒體事業之經驗。彼並曾為永盛娛樂有限公司及一百年電影有限公司監製多部電影。陳女士為中國星集團有限公司之副主席，並於二零零三年獲The Hollywood Reporter雜誌選為二零零三年於娛樂界最具國際影響力之女性之一。

Profiles of Directors and Senior Management 董事及高級管理人員履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tang Chak Lam, Gilbert, aged 58, is a practicing solicitor in Hong Kong since 1987 and is a senior partner of Messrs. Gilbert Tang & Co.. He joined the Company in February 2002. He was a director of Pok Oi Hospital in 1993 and a member of the Kowloon West Advisory Committee of Hong Kong Bank Foundation District Community Programme between July 1991 and November 1995. Mr. Tang holds a Bachelor of Law Degree from the University of Buckingham in the United Kingdom, and a Diploma in Chinese Law from the University of East Asia in Macau.

Mr. Ho Wai Chi, Paul, aged 58, is the sole proprietor of Paul W. C. Ho & Company, Certified Public Accountants (Practising), and is an associate of the Institute of Chartered Accountants in England and Wales, United Kingdom and a fellow of the Hong Kong Institute of Certified Public Accountants. Mr. Ho joined the Company in September 2004.

Mr. Lien Wai Hung, aged 45, is a practicing solicitor in Hong Kong since 1997 and is a partner of Messrs. Leung & Lien, a firm of solicitors in Hong Kong. He graduated from the University of East London with a LLB Degree in the United Kingdom. Mr. Lien joined the Company in April 2005.

獨立非執行董事

鄧澤林先生，現年58歲，自一九八七年起為香港執業律師，並為鄧澤林廖國華律師行之高級合夥人。鄧先生於二零零二年二月加入本公司，曾於一九九三年出任博愛醫院總理，並於一九九一年七月至一九九五年十一月期間出任滙豐銀行慈善基金社區發展計劃九龍西區諮詢委員會委員。鄧先生持有英國白金漢大學之法律學士學位及澳門東亞大學之中國法律文憑。

何偉志先生，現年58歲，為執業會計師何偉志會計師行之獨資擁有人，亦為英國英格蘭及威爾斯特許會計師公會之會員及香港會計師公會之資深會員。何先生於二零零四年九月加入本公司。

連偉雄先生，現年45歲，自一九九七年起為香港執業律師，並為香港之律師事務所梁心端連偉雄律師事務所之合夥人。連先生於英國東倫敦大學畢業，取得法律文學士學位。連先生於二零零五年四月加入本公司。

Profiles of Directors and Senior Management

董事及高級管理人員履歷

SENIOR MANAGEMENT

Mr. Chan Kin Wah, Billy, aged 46, is the company secretary and the Chief Financial Officer of the Company. Prior to joining the Company in September 2003, he worked in the accounting, finance and taxation field for over 15 years and has over ten years of working experience in Hong Kong listed companies. He is an associate member of the Hong Kong Institute of Certified Public Accountants, a CPA member of CPA Australia and a non-practicing member of the Chinese Institute of Certified Public Accountants. He holds a Bachelor of Administration Degree from the University of Ottawa in Canada and a Master of Commerce Degree in Professional Accounting from the University of New South Wales in Australia.

高級管理人員

陳健華先生，現年46歲，為本公司之公司秘書及財務總監。二零零三年九月加入本公司前，陳先生於會計、財務及稅務行業工作超過15年，並於香港之上市公司累積超過10年之工作經驗。陳先生為香港會計師公會之會員、澳洲會計師公會之高級會員及中國註冊會計師協會之非執業會員。陳先生持有加拿大渥太華大學之工商管理學士學位及澳洲新南威爾斯大學之專業會計商學碩士學位。



國衛會計師事務所
Hodgson Impey Cheng

Chartered Accountants
Certified Public Accountants

**TO THE SHAREHOLDERS OF
CHINA STAR INVESTMENT HOLDINGS LIMITED
(FORMERLY KNOWN AS RICHE MULTI-MEDIA
HOLDINGS LIMITED)**

(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of China Star Investment Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 52 to 171 which comprise the consolidated and company balance sheets as at 31 December 2008 and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

**DIRECTORS' RESPONSIBILITY FOR THE
FINANCIAL STATEMENTS**

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

31/F, Gloucester Tower 香港
The Landmark 中環
11 Pedder Street 畢打街11號
Central 置地廣場
Hong Kong 告羅士打大廈31樓

致中國星投資有限公司
(前稱豐采多媒體集團有限公司)
股東

(於百慕達註冊成立之有限公司)

吾等已審核第52至171頁所載之中國星投資有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，包括於二零零八年十二月三十一日的綜合資產負債表及公司資產負債表，及截至該日止年度的綜合收益表、綜合股本變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事編製財務報表之責任

貴公司董事須遵照香港會計師公會頒佈的香港財務報告準則以及香港公司條例的披露規定，負責編製及真實公平地呈列該等綜合財務報表。該責任包括設計、實施及維持與編製及真實公平地呈列綜合財務報表有關之內部監控，以確保其並無重大錯誤陳述(不論由欺詐或錯誤引起)；選擇及應用適當會計政策；並在不同情況下作出合理之會計估算。

Independent Auditors' Report

獨立核數師報告

AUDITORS' RESPONSIBILITY

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

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

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

核數師之責任

吾等負責根據吾等之審核結果對該等綜合財務報表發表意見。本報告謹按照一九八一年百慕達公司法第90條而僅向閣下作出，並不作其他用途。吾等不會就本報告內容向任何其他人士負責或承擔任何責任。

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

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

Independent Auditors' Report

獨立核數師報告

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

OPINION

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

HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants

Hong Kong, 23 April 2009

吾等相信，就提出審核意見而言，吾等所獲審核憑證屬充分恰當。

意見

吾等認為，根據香港財務報告準則，該等綜合財務報表真實公平地反映了 貴集團及 貴公司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量，並已按照香港公司條例的披露要求妥為編製。

國衛會計師事務所
英國特許會計師
香港執業會計師

香港，二零零九年四月二十三日

Consolidated Income Statement

綜合收益表

For the 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 (Restated) (重列)
Continuing operations	持續經營業務			
Turnover	營業額	7	19,253	7,722
Cost of sales	銷售成本		(493)	—
Gross profit	毛利		18,760	7,722
Other revenue and other income	其他收益及其他收入	8	2,427	2,922
Impairment loss recognised in respect of goodwill	已確認商譽減值虧損		(101,965)	—
Administrative expenses	行政開支		(26,462)	(55,393)
Loss from operations	經營虧損	9	(107,240)	(44,749)
Finance costs	融資費用	10	(3,350)	—
Loss before taxation	除稅前虧損		(110,590)	(44,749)
Taxation	稅項	13	13,854	—
Loss for the year from continuing operations	來自持續經營業務之本年度虧損		(96,736)	(44,749)
Discontinued operations	已終止經營業務			
(Loss)/profit for the year from discontinued operations	來自已終止經營業務之本年度(虧損)/溢利	25	(127,772)	70,443
(Loss)/profit for the year	本年度(虧損)/溢利		(224,508)	25,694
(Loss)/profit attributable to equity holders of the Company	本公司股權持有人應佔(虧損)/溢利		(224,508)	25,694
(Loss)/earnings per share attributable to equity holders of the Company during the year — basic and diluted	年內本公司股權持有人應佔每股(虧損)/盈利 — 基本及攤薄			
From continuing operations	來自持續經營業務	14	HK(49.56) cents港仙	HK(43.47) cents港仙
From discontinued operations	來自已終止經營業務	14	HK(65.46) cents港仙	HK68.43 cents港仙
From continuing and discontinued operations	來自持續經營及已終止經營業務	14	HK(115.02) cents港仙	HK24.96 cents港仙

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

		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
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	2,155	6,000
Investment properties	投資物業	17	—	887,450
Goodwill	商譽	18	—	39,456
Intangible assets	無形資產	19	456,857	—
Club membership	會所會籍		172	172
			459,184	933,078
Current assets	流動資產			
Inventories	存貨	20	—	32,783
Trade receivables	貿易應收款項	21	6,839	1,245
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	22	1,627	31,830
Tax prepayments	預付稅項	23	—	12,120
Cash and cash equivalents	現金及現金等價物	24	7,218	531,396
			15,684	609,374
Assets of disposal group classified as held for sale	分類為持作出售之出售組別資產	25	1,049,412	—
			1,065,096	609,374
Total assets	資產總值		1,524,280	1,542,452
EQUITY	股權			
Capital and reserves attributable to equity holders of the Company	本公司股權持有人應佔股本及儲備			
Share capital	股本	26	1,952	195,186
Reserves	儲備		892,471	850,894
			894,423	1,046,080
Minority interests	少數股東權益		—	3,896
Total equity	股權總額		894,423	1,049,976

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

		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
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Secured bank loan — due after one year	有抵押銀行貸款 — 於一年後到期	28	—	301,485
Convertible notes	可換股票據	29	105,803	—
Deferred taxation	遞延稅項	30	61,678	73,502
			167,481	374,987
Current liabilities	流動負債			
Accruals and other payables	應計費用及其他應付款項	31	32,956	19,245
Receipts in advance and deposits received	預收款項及已收按金	32	477	47,041
Amounts due to related companies	應付關連公司款項	33	600	701
Secured bank loan — due within one year	有抵押銀行貸款 — 於一年內到期	28	—	27,533
Tax payable	應付稅項		731	22,969
			34,764	117,489
Liabilities of disposal group classified as held for sale	分類為持作出售之出售組別負債	25	427,612	—
			462,376	117,489
Total liabilities	負債總額		629,857	492,476
Total equity and liabilities	股權及負債總額		1,524,280	1,542,452
Net current assets	流動資產淨值		602,720	491,885
Total assets less current liabilities	資產總值減流動負債		1,061,904	1,424,963

The financial statements were approved and authorised for issue by the board of directors on 23 April 2009 and signed on its behalf by:

財務報表已於二零零九年四月二十三日經董事會批准及授權刊發，並由下列代表簽署：

Heung Wah Keung
向華強
Director
董事

Chen Ming Yin, Tiffany
陳明英
Director
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

		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
ASSETS	資產			
Non-current asset	非流動資產			
Interests in subsidiaries	附屬公司權益	34	366,305	4,873
Current assets	流動資產			
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	22	—	2,250
Cash and cash equivalents	現金及現金等價物	24	278	489,538
			278	491,788
Total assets	資產總值		366,583	496,661
EQUITY	股權			
Capital and reserves attributable to equity holders of the Company	本公司股權持有人應佔股本及儲備			
Share capital	股本	26	1,952	195,186
Reserves	儲備	27	214,983	262,946
Total equity	股權總額		216,935	458,132
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Convertible notes	可換股票據	29	105,803	—
Deferred taxation	遞延稅項	30	6,855	—
			112,658	—
Current liabilities	流動負債			
Accruals and other payables	應計費用及其他應付款項	31	1,080	943
Amounts due to subsidiaries	應付附屬公司款項	34	35,910	37,586
			36,990	38,529
Total liabilities	負債總額		149,648	38,529
Total equity and liabilities	股權及負債總額		366,583	496,661
Net current (liabilities)/assets	流動(負債)/資產淨額		(36,712)	453,259
Total assets less current liabilities	資產總值減流動負債		329,593	458,132

The financial statements were approved and authorised for issue by the board of directors on 23 April 2009 and signed on its behalf by:

Heung Wah Keung
向華強
Director
董事

財務報表已於二零零九年四月二十三日經董事會批准及授權刊發，並由下列代表簽署：

Chen Ming Yin, Tiffany
陳明英
Director
董事

Consolidated Statement of Changes in Equity

綜合股本變動表

For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

Attributable to equity holders of the Company
本公司股東持有人應佔

		Share capital	Share premium	Capital reserve	Contributed surplus	Special reserve	Share-based	Convertible	Exchange reserve	(Accumulated losses)/	Sub-total	Minority interests	Total
							payment reserve	notes reserve		Retained profits			
		股本	股份溢價	資本儲備	實繳盈餘	特別儲備	以股份形式 支付儲備	可換股票據儲備	兌換儲備	(累計虧損)/ 保留溢利	小計	少數股東權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(note a) (附註a)	(note b) (附註b)	(note c) (附註c)							
At 1 January 2007	於二零零七年一月一日	64,843	380,626	19,844	80,103	(19,955)	-	-	7,201	(133,026)	399,636	3,896	403,532
Issuance of new shares	發行新股份	127,103	416,604	-	-	-	-	-	-	-	543,707	-	543,707
Share-based payment expenses	以股份形式支付之開支	-	-	-	-	-	32,282	-	-	-	32,282	-	32,282
Exercise of share options	行使購股權	3,240	15,828	-	-	-	(3,840)	-	-	-	15,228	-	15,228
Exchange difference arising from translation of investments in foreign subsidiaries	折算海外附屬公司投資產生之匯兌差額	-	-	-	-	-	-	-	29,533	-	29,533	-	29,533
Net profit for the year	本年度純利	-	-	-	-	-	-	-	-	25,694	25,694	-	25,694
At 31 December 2007 and 1 January 2008	於二零零七年十二月三十一日及二零零八年一月一日	195,186	813,058	19,844	80,103	(19,955)	28,442	-	36,734	(107,332)	1,046,080	3,896	1,049,976
Capital reorganisation (note 26)	股本重組(附註26)												
- capital reduction	- 股本削減	(193,235)	-	-	193,235	-	-	-	-	-	-	-	-
- share premium cancellation	- 註銷股份溢價	-	(813,058)	-	813,058	-	-	-	-	-	-	-	-
- set-off accumulated losses against contributed surplus	- 從實繳盈餘中撇銷累計虧損	-	-	-	(518,374)	-	-	-	-	518,374	-	-	-
Exercise of share options	行使購股權	1	-	-	-	-	-	-	-	-	1	-	1
Share-based payment expenses	以股份形式支付之開支	-	-	-	-	-	3,608	-	-	-	3,608	-	3,608
Acquisition of remaining interest in a subsidiary	收購一間附屬公司之剩餘權益	-	-	-	-	-	-	-	-	-	-	(3,896)	(3,896)
Issuance of convertible notes	發行可換股票據												
- equity component	- 股權部分	-	-	-	-	-	-	41,547	-	-	41,547	-	41,547
Deferred tax recognised	已確認之遞延稅項	-	-	-	-	-	-	(6,855)	-	-	(6,855)	-	(6,855)
Exchange difference arising from translation of investments in foreign subsidiaries	折算海外附屬公司投資產生之匯兌差額	-	-	-	-	-	-	-	34,550	-	34,550	-	34,550
Net loss for the year	本年度虧損淨額	-	-	-	-	-	-	-	-	(224,508)	(224,508)	-	(224,508)
At 31 December 2008	於二零零八年十二月三十一日	1,952	-	19,844	568,022	(19,955)	32,050	34,692	71,284	186,534	894,423	-	894,423

Notes:

- (a) The capital reserve of the Group represents the difference of the share capital and share premium of the subsidiaries and the nominal value of the 880 shares issued by Riche (BVI) Limited (formerly known as Ocean Shores (BVI) Limited) prior to the allotment of 120 shares to Classical Statue Limited and the amount arising from issue of share by a subsidiary.
- (b) The contributed surplus account of the Group represents the net amount transferred from the share capital, share premium account and to the retained profits/accumulated losses account pursuant to the special resolution passed at the special general meetings held on 22 August 2003 and 30 April 2008.
- (c) The special reserve of the Group represents the difference between the fair value and the contracted value of consideration in respect of the acquisition of Shinhan-Golden Faith International Development Limited during the year ended 31 December 2006.

附註：

- (a) 本集團資本儲備乃指附屬公司之股本及股份溢價與向Classical Statue Limited配發120股股份前Riche (BVI) Limited (前稱Ocean Shores (BVI) Limited) 所發行之880股股份之面值及因附屬公司發行股份所產生之款項差額。
- (b) 本集團之實繳盈餘賬指根據於二零零三年八月二十二日及二零零八年四月三十日舉行之股東特別大會上通過之特別決議案自股本、股份溢價賬轉撥至保留溢利/累計虧損賬之淨額。
- (c) 本集團之特別儲備乃指有關於截至二零零六年十二月三十一日止年度內收購Shinhan-Golden Faith International Development Limited之代價之公平值及合約價值之間的差額。

Consolidated Cash Flow Statement

綜合現金流量表

For the 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
OPERATING ACTIVITIES	經營活動		
Loss before taxation from continuing operations	來自持續經營業務之除稅前虧損	(110,590)	(44,749)
(Loss)/profit before taxation from discontinued operations	來自已終止經營業務之除稅前(虧損)/溢利	(149,986)	83,599
(Loss)/profit before taxation	除稅前(虧損)/溢利	(260,576)	38,850
<i>Adjustments for:</i>	<i>調整：</i>		
Interest income	利息收入	(3,639)	(2,990)
Dividend income	股息收入	—	(78)
Waiver of secured bank loan interest	豁免有抵押銀行貸款利息	—	(106,956)
Fair value changes on investment properties	投資物業之公平值變動	74,045	(43,853)
Finance costs	融資費用	28,639	19,494
Depreciation of property, plant and equipment	物業、廠房及設備折舊	5,033	1,158
Impairment loss recognised in respect of goodwill	已確認商譽減值虧損	142,347	37,828
Impairment loss recognised in respect of trade receivables	已確認貿易應收款項減值虧損	—	9
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	3	3
Share-based payment expenses	以股份形式支付之開支	3,608	32,282
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(10,540)	(24,253)
Decrease in inventories	存貨減少	3,814	12,371
Increase in trade receivables	貿易應收款項增加	(5,806)	(318)
Decrease/(increase) in deposits, prepayments and other receivables	按金、預付款項及其他應收款項減少/(增加)	20,505	(12,576)
Increase/(decrease) in accruals and other payables	應計費用及其他應付款項增加/(減少)	27,672	(963)
Decrease in receipts in advance	預收款項減少	(7,094)	(13,857)
(Decrease)/increase in amounts due to related companies	應付關連公司款項(減少)/增加	(101)	95
Cash generated from/(used in) operations	營運所產生/(所用)現金	28,450	(39,501)
Tax refund/(paid)	退回/(已付)稅項	3,736	(4,671)
Net cash generated from/(used in) operating activities	經營活動所產生/(所用)之現金淨額	32,186	(44,172)

Consolidated Cash Flow Statement

綜合現金流量表

For the 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
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	3,639	2,990
Dividend income	股息收入	—	78
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	—	220
Effect from acquisition of interests in subsidiaries	收購附屬公司之權益之影響	(364,821)	—
Additions of investment properties	投資物業添置	(42,202)	(116,960)
Purchase of property, plant and equipment	購買物業、廠房及設備	(22,397)	(4,908)
Net cash used in investing activities	投資活動所用之現金淨額	(425,781)	(118,580)
FINANCING ACTIVITIES	融資活動		
Interest paid	已付利息	(25,289)	(19,494)
Issuance of new shares and exercise of share options	發行新股份及行使購股權	1	562,775
Repayment of secured bank loan	償還有抵押銀行貸款	(28,602)	5,359
New secured bank loan raised	新增有抵押銀行貸款	—	65,922
Net cash (used in)/generated from financing activities	融資活動(所用)/所產生之現金淨額	(53,890)	614,562
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(447,485)	451,810
Effect of foreign exchange rate changes	外匯兌換率之影響	5,459	16,446
Cash and cash equivalents at beginning of year	年初之現金及現金等價物	531,396	63,140
Cash and cash equivalents at end of year	年終之現金及現金等價物	89,370	531,396
Analysis of the balances of cash and cash equivalents	現金及現金等價物結存分析		
Included in cash and cash equivalents per the consolidated balance sheet	計入綜合資產負債表所載之現金及現金等價物	24	7,218
Included in assets of disposal group classified as held for sale	計入分類為持作出售之出售組別資產	25	82,152
		89,370	531,396

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL INFORMATION

The Company was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company’s principal activity is investment holding and the principal activities of its subsidiaries are set out in note 34 to the consolidated financial statements.

The consolidated financial statements are presented in thousands of units of Hong Kong Dollars (HK\$’000), which is the same as the functional currency of the Company.

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

In the current year, the Group has applied, for the first time, a number of new and revised standards, amendments and interpretations (the “new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) that are relevant to its operations and effective for accounting periods beginning on 1 January 2008. A summary of the new HKFRSs is set out as below:

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

1. 一般資料

本公司為於百慕達註冊成立之受豁免有限公司，而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地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司之主要業務為投資控股，而其附屬公司之主要業務載於綜合財務報表附註34。

綜合財務報表以千港元(千港元)呈列，港元亦為本公司之功能貨幣。

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度，本集團首次應用多項香港會計師公會(「香港會計師公會」)頒佈之新訂及經修訂準則、修訂本及詮釋(「新香港財務報告準則」)，此等新香港財務報告準則與本集團業務相關，並於二零零八年一月一日或其後開始之會計期間生效。新香港財務報告準則之概要載列如下：

香港會計準則第39號及 香港財務報告準則 第7號(修訂本)	金融資產之重新分類
香港(國際財務報告詮釋 委員會) – 詮釋第11號	香港財務報告準則第2號 — 集團及庫存股份交易
香港(國際財務報告詮釋 委員會) – 詮釋第12號	服務特許權安排
香港(國際財務報告詮釋 委員會) – 詮釋第14號	香港會計準則第19號 — 界定福利資產之限制、 最低撥款規定及兩者之 相互關係

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

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

The adoption of the new HKFRSs had no material effect on how the results and financial position of the Group for the current or prior accounting periods have been prepared and presented.

3. IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

HKFRS (Amendments)	Improvements to HKFRSs ¹
HKAS 1 (Revised)	Presentation of Financial Statements ²
HKAS 23 (Revised)	Borrowing Costs ²
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ³
HKAS 32 and HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ²
HKAS 39 (Amendment)	Eligible Hedged Items ³
HKFRS 1 and HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate ²
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards ³
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ²
HKFRS 3 (Revised)	Business Combinations ³
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments ²
HKFRS 8	Operating Segments ²
HK(IFRIC) — Int 9 and HKAS 39 (Amendments)	Embedded Derivatives ⁴

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

採納新香港財務報告準則並無對本會計期間或過往會計期間之本集團業績及財務狀況之編製及呈列方式構成重大影響。

3. 已頒佈但尚未生效香港財務報告準則之影響

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂準則、修訂本或詮釋。

香港財務報告準則 (修訂本)	香港財務報告準則之改進 ¹
香港會計準則第1號 (經修訂)	呈列財務報表 ²
香港會計準則第23號 (經修訂)	借貸成本 ²
香港會計準則第27號 (經修訂)	綜合及獨立財務報表 ³
香港會計準則第32號及 香港會計準則第1號 (修訂本)	可沽售金融工具及 於清盤時產生之責任 ²
香港會計準則第39號 (修訂本)	合資格對沖項目 ³
香港財務報告準則第1號 及香港會計準則第27號 (修訂本)	於附屬公司、共同控制實體 或聯營公司之投資成本 ²
香港財務報告準則第1號 (經修訂)	首次採納香港財務 報告準則 ³
香港財務報告準則第2號 (修訂本)	歸屬條件及註銷 ²
香港財務報告準則第3號 (經修訂)	業務合併 ³
香港財務報告準則第7號 (修訂本)	金融工具披露之改進 ²
香港財務報告準則第8號	營運分部 ²
香港(國際財務報告詮釋 委員會) — 詮釋第9號 及香港會計準則第39號 (修訂本)	內含衍生工具 ⁴

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

3. IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

HK(IFRIC) – Int 13	Customer Loyalty Programmes ⁵
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate ²
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation ⁶
HK(IFRIC) – Int 17	Distributions of Non-Cash Assets to Owners ³
HK(IFRIC) – Int 18	Transfers of Assets from Customers ⁷

¹ Effective for annual periods beginning on or after 1 January 2009 except for the amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009

² Effective for annual periods beginning on or after 1 January 2009

³ Effective for annual periods beginning on or after 1 July 2009

⁴ Effective for annual periods beginning on or after 30 June 2009

⁵ Effective for annual periods beginning on or after 1 July 2008

⁶ Effective for annual periods beginning on or after 1 October 2008

⁷ Effective for transfers on or after 1 July 2009

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

3. 已頒佈但尚未生效香港財務報告準則之影響(續)

香港(國際財務報告詮釋委員會) – 詮釋第13號	客戶忠誠計劃 ⁵
香港(國際財務報告詮釋委員會) – 詮釋第15號	建設房地產協議 ²
香港(國際財務報告詮釋委員會) – 詮釋第16號	海外業務投資淨額對沖 ⁶
香港(國際財務報告詮釋委員會) – 詮釋第17號	向擁有人分派非現金資產 ³
香港(國際財務報告詮釋委員會) – 詮釋第18號	來自客戶之資產轉讓 ⁷

¹ 於二零零九年一月一日或其後開始之年度期間生效，惟香港財務報告準則第5號修訂本於二零零九年七月一日或其後開始之年度期間生效

² 於二零零九年一月一日或其後開始之年度期間生效

³ 於二零零九年七月一日或其後開始之年度期間生效

⁴ 於二零零九年六月三十日或其後開始之年度期間生效

⁵ 於二零零八年七月一日或其後開始之年度期間生效

⁶ 於二零零八年十月一日或其後開始之年度期間生效

⁷ 適用於二零零九年七月一日或其後進行之轉讓

採納香港會計準則第1號(經修訂)可能會導致綜合財務報表之主要報表呈列方式有所改變。應用香港財務報告準則第3號(經修訂)可能會影響其收購日期為二零零九年七月一日或其後開始之首個年度報告期開始日期或其後之業務合併會計處理。香港會計準則第27號(經修訂)將影響母公司於附屬公司擁有權益變動之會計處理。本公司董事預期，應用其他新訂及經修訂準則、修訂本或詮釋將不會對本集團之業績及財務狀況構成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”), and Interpretations (“Ints”) issued by the HKICPA and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements included applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under historical cost convention except for certain financial assets at fair value through profit or loss and investment properties which are carried at fair value. The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies.

Assets of disposal group classified as held for sale are stated at the lower of carrying amounts and fair values less costs to sell. The accounting policy of note 4(y) to the consolidated financial statements has mentioned the amendments and classification.

4. 主要會計政策概要

編製該等綜合財務報表時應用之主要會計政策載列如下。除另有指明外，該等政策於呈列之所有年度獲貫徹應用。

(a) 編製基準

綜合財務報表乃根據香港會計師公會頒佈之所有適用香港財務報告準則(當中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(「詮釋」))及香港公認會計原則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例規定之適用披露事項。

綜合財務報表乃根據歷史成本慣例編製，惟以公平值入賬之按公平值計入損益表之若干金融資產及投資物業除外。編製符合香港財務報告準則之綜合財務報表須使用若干關鍵會計估計，管理層亦有必要在應用本公司之會計政策過程中作出判斷。

持作出售之出售組別資產乃按賬面值與公平值減銷售成本之較低者列賬。綜合財務報表附註4(y)之會計政策已提及修訂及分類。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

The Group's books and records are maintained in Hong Kong Dollars ("HK\$") as the directors of the Company control and monitor the results and financial position of the Group in HK\$.

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December each year.

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

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

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

4. 主要會計政策概要(續)

(a) 編製基準(續)

由於本公司董事以港元(「港元」)監控及監察本集團之業績及財務狀況，故本集團之賬冊及紀錄以港元設置。

(b) 綜合基準

綜合財務報表包括本公司及其附屬公司截至每年十二月三十一日之財務報表。

年內所收購或出售附屬公司之業績均自收購生效日期起或截至出售生效日期(視乎情況而定)計入綜合收益表。

所有集團間交易、結餘、收入及開支均於綜合賬目時撇銷。

綜合附屬公司之資產淨值中之少數股東權益乃與本集團所佔之權益分開呈列。資產淨值中之少數股權包括該等權益於原有業務合併日期之金額及少數股東自合併日期以來所佔股權之變動。適用於少數股東之虧損超出於附屬公司股權之少數股東權益之數額將在本集團之權益中作出分配，惟倘少數股東具約束力之責任及能夠作出額外投資以彌補虧損則除外。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Business combination

The acquisition of a business is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under *HKFRS 3 Business Combinations* are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with *HKFRS 5 Non-Current Assets Held for Sale and Discontinued Operations*, which are recognised and measured at fair value less costs to sell.

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

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

4. 主要會計政策概要(續)

(c) 業務合併

收購業務乃以購買會計法入賬。收購成本按交換日期本集團所獲資產、所產生或所承擔負債及本集團就交換被收購公司控制權而發行之股本工具各項之公平值總和，加上業務合併之任何直接應佔成本計量。符合香港財務報告準則第3號業務合併確認條件之被收購公司可識別資產、負債及或然負債乃按其於收購日期之公平值確認，惟根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務分類為持作出售之非流動資產(或出售組別)，則按公平值減銷售成本確認及計量。

收購所產生之商譽乃確認為資產，並初步按成本計量，即業務合併之成本超逾本集團於已確認可識別資產、負債及或然負債公平淨值權益之數額。倘於重新評估後，本集團於被收購公司之可識別資產、負債及或然負債公平淨值權益超逾業務合併之成本，則超出部分即時於綜合收益表內確認。

少數股東於被收購公司之權益初步按少數股東於已確認資產、負債及或然負債公平淨值比例計量。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Revenue recognition

Revenue from distribution of films is recognised when video products or master materials of films are delivered to customers and the title has passed.

Revenue from sub-licensing of film rights is recognised upon delivery of master materials of films to customers.

Revenue from sales of financial assets at fair value through profit or loss is recognised when sale and purchase contracts became unconditional.

Rental income, including rentals invoiced in advance, from properties under operating lease is recognised on a straight-line basis over the period of the respective leases.

Service fee income is recognised when the services are rendered.

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

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

4. 主要會計政策概要(續)

(d) 收益確認

發行電影所得收益於影視產品或電影母帶材料付運予客戶及所有權轉移時入賬。

轉授電影發行權所得收益在將電影母帶材料付運予客戶時入賬。

出售按公平值計入損益表之金融資產所得收益乃於買賣合約成為無條件時入賬。

租金收入(包括在經營租約下之物業提早發出之發票之租金)以直線法按各自之租約年期入賬。

服務費收入於提供服務時入賬。

投資之股息收入乃於股東可獲派息之權利確立時入賬。

利息收入乃根據尚未償還本金額及適用利率按時間比例入賬。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Impairment of assets

Internal and external sources of information are reviewed at each balance sheet date to determine whether there is any indication of impairment of assets, or whether there is any indication that an impairment loss previously recognised no longer exists or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the consolidated income statement in the year in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant policy for that revalued asset.

(i) Calculation of recoverable amount

The recoverable amount of an asset is the higher of its net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of any asset and from its disposal at the end of its useful life. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of asset that generates cash inflows independently (i.e. a cash-generating unit).

4. 主要會計政策概要(續)

(e) 資產減值

於每個結算日，均會審閱內在及外來資料來源，以確定是否有任何跡象顯示資產出現減值，或是否有任何跡象顯示早前已確認之減值虧損已不再存在或可能已經減少。倘存在任何該等跡象，則會估計資產之可收回金額。每當資產之賬面值超過其可收回金額時，均會確認減值虧損。減值虧損於產生年度自綜合收益表扣除，惟倘有關資產按重估價值入賬，則根據該重估資產之相關會計政策將減值虧損入賬。

(i) 計算可收回金額

資產之可收回金額為其淨售價與使用價值兩者中之較高者。淨售價為於公平磋商交易中銷售資產所得之金額，而使用價值則為預期將因持續使用任何資產或自於其可使用年期結束時將其出售所產生之估計未來現金流量之現值。倘資產並無產生在很大程度上獨立於其他資產之現金流入，則可收回金額乃就能獨立產生現金流入之最小組別資產(即現金產生單位)而釐定。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Impairment of assets (Continued)

(ii) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount. An impairment loss of goodwill is reversed only if the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates the reversal effect of that specific event.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the consolidated income statement in the year in which the reversals are recognised.

(f) Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit is the profit for the year, determined in accordance with the rules established by the taxation authorities, upon which income taxes are payable.

4. 主要會計政策概要(續)

(e) 資產減值(續)

(ii) 減值虧損撥回

就商譽以外之資產而言，倘用以釐定可收回金額之估計發生變化，則會將減值虧損撥回。商譽之減值虧損僅於虧損乃因性質特殊且預期不會再次發生之特定外來事件所引致，而可收回金額之增加與該特定事件之影響有關，方予撥回。

減值虧損撥回限於倘並無於過往年度確認減值虧損而原應釐定之資產賬面值。減值虧損撥回乃於確認撥回之年度計入綜合收益表。

(f) 稅項

所得稅支出指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利為於應付所得稅時根據稅務機關制定之規則釐定之本年度溢利。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Taxation (Continued)

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

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

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

4. 主要會計政策概要(續)

(f) 稅項(續)

遞延稅項為就財務報表中資產及負債之賬面值及計算應課稅溢利所用相應稅基間之差額而須支付或收回之稅項，並採用資產負債表負債法處理。遞延稅項負債通常會就所有應課稅暫時差額確認，而遞延稅項資產乃按可能出現可利用暫時差額扣稅之應課稅溢利時提撥。若於一項交易中，因商譽(或負商譽)或因業務合併以外原因初步確認其他資產及負債而引致之暫時差額既不影響應課稅溢利，亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項負債乃按因附屬公司及聯營公司投資而引致之應課稅暫時差額而確認，惟若本集團可控制暫時差額撥回而暫時差額有可能將於可見將來不會撥回之情況除外。

遞延稅項資產之賬面值於每個結算日作檢討，並於沒可能有足夠應課稅溢利收回全部或部份資產時作調減。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Taxation (Continued)

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

(g) Property, plant and equipment

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

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment has been put into operation, such as repairs and maintenance, is normally charged to the consolidated income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

4. 主要會計政策概要(續)

(f) 稅項(續)

遞延稅項乃按預期於負債清償或資產變現之期間之適用稅率計算。遞延稅項於綜合收益表中扣除或計入收益表，惟倘遞延稅項直接在股權中扣除或計入股權之情況(在此情況下遞延稅項亦會於股權中處理)除外。

(g) 物業、廠房及設備

物業、廠房及設備乃按成本減累計折舊及累計減值虧損列賬。

一項資產之成本包括其購買價及任何將資產運往擬定用途之工作環境及地點之直接應佔成本。於物業、廠房及設備投入生產後所引致之支出，如維修及保養等，一般均會於支出該等費用期間從綜合收益表內扣除。倘若可清楚顯示支出已致使預期因使用物業、廠房及設備而獲取之日後經濟利益增加，該支出則會資本化，列作該項資產之額外成本。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Property, plant and equipment (Continued)

Depreciation is provided to write off the cost of property, plant and equipment, using the straight-line method, over their estimated useful lives. The principal annual rates are as follows:

Leasehold improvements	33.3%
Office equipment	20%
Motor vehicles	20%
Furniture and fixtures	15%

The gain or loss arising from disposal of property, plant and equipment is determined as the difference between the net sale proceeds and the carrying amount of the relevant asset and is recognised in the consolidated income statement in the year the asset is derecognised.

(h) Investment properties

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains or losses arising from changes in the fair values of investment properties are included in the consolidated income statement in the year in which they arise.

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

4. 主要會計政策概要(續)

(g) 物業、廠房及設備(續)

折舊乃按物業、廠房及設備之估計可使用年期以直線法計提撥備，以撇銷其成本。主要年利率如下：

租賃物業裝修	33.3%
辦公室設備	20%
汽車	20%
傢俬及裝置	15%

出售物業、廠房及設備之盈虧乃按出售所得款項淨額與有關資產賬面值之差額而釐定，並於該資產解除確認之年度在綜合收益表內確認。

(h) 投資物業

投資物業於初步確認時，以成本計量(包括任何直接應佔開支)。初步確認後，投資物業以公平值模式計量。投資物業公平值變動所產生之盈虧於產生年度計入綜合收益表內。

於出售後成當投資物業永久停止使用或預期不會從出售該項投資物業中獲得任何未來經濟利益時，即解除確認投資物業。解除確認投資物業所產生之任何盈虧(按銷售所得款項淨額與該資產之賬面值兩者之差額計算)，於該資產解除確認之年度計入綜合收益表內。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Investments in subsidiaries

A subsidiary is an enterprise controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. In the Company's balance sheet, investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(j) Goodwill

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

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the consolidated balance sheet. Capitalised goodwill arising on an acquisition of an associate is included in the cost of the investment of the relevant associate.

4. 主要會計政策概要(續)

(i) 附屬公司投資

附屬公司是一家由本公司控制之企業。倘本公司有權直接或間接監管某企業之財務及營運政策，以從其業務中取得利益，則屬擁有控制權。在本公司之資產負債表中，附屬公司投資乃按成本扣除減值虧損撥備入賬。附屬公司之業績乃由本公司按已收及應收股息基準入賬。

(j) 商譽

收購附屬公司或聯營公司產生之商譽指收購成本超逾本集團於收購當日應佔有關附屬公司或聯營公司之可識別資產、負債及或然負債公平值權益之數額。該等商譽按成本減任何累計減值虧損列賬。

收購附屬公司產生之撥充資本商譽於綜合資產負債表獨立呈列。收購聯營公司產生之撥充資本商譽計入有關聯營公司之投資成本。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Goodwill (Continued)

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

On subsequent disposal of a subsidiary or an associate, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

4. 主要會計政策概要(續)

(j) 商譽(續)

就減值檢測而言，收購產生之商譽會分配至預期可自收購之協同效益收益之各相關現金產生單位或各組現金產生單位組別。經分配商譽之現金產生單位會每年及於有跡象顯示該單位可能出現減值時進行減值檢測。就於一個財政年度進行收購所產生之商譽而言，經分配商譽之現金產生之單位會於該財政年度完結前進行減值檢測。倘現金產生單位之可收回金額低於其賬面值，則減值虧損會先用作減低任何分配至該單位之商譽之賬面值，其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。商譽之任何減值虧損將直接於綜合收益表確認。商譽減值虧損不會於往後期間撥回。

於其後出售附屬公司或聯營公司時，釐定出售盈虧時會計入撥充資本之商譽應佔金額。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Intangible assets (other than goodwill)

Intangible assets acquired separately are recognised initially at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less any accumulated amortisation and any accumulated impairment losses. Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of intangible assets with finite useful lives is charged to consolidated income statement on a straight-line basis over the assets' estimated useful lives from the date when they are available for use.

Both the period and method of amortisation are reviewed annually.

(l) Inventories

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

Inventories on stock of properties, which are held for trading, are stated at the lower of cost and net realisable value. Net realisable value is determined by reference to sale proceeds received after the balance sheet date less selling expenses, or by management estimates based on the prevailing market conditions.

4. 主要會計政策概要(續)

(k) 無形資產(商譽除外)

分開購入之無形資產初步按成本確認。於初步確認後，具有限可使用年期之無形資產按成本減任何累計攤銷及任何累計減值虧損列賬。內部產生商譽及品牌之開支於產生期間確認為開支。

具有限可使用年期之無形資產攤銷由資產可供使用日期起按資產估計可使用年期以直線法自綜合收益表扣除。

攤銷期間及方法均會每年檢討。

(l) 存貨

製成品存貨按成本及可變現淨值之較低者列賬。成本採用先入先出法計算。

持作買賣之物業存貨按成本及可變現淨值之較低者列賬。可變現淨值乃經參考收取之銷售所得款項於結算日後減銷售開支釐定，或由管理層根據當時之市況作出估計。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Financial instruments

The Group classifies its investment in securities in the following categories depends on the purpose of such investment were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

(i) Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables included loan receivables, convertible notes receivables and trade receivables.

4. 主要會計政策概要(續)

(m) 金融工具

本集團將其之證券投資分類為以下類別，分類視乎收購投資之目的而定。管理層在初步確認時釐定其投資之分類，並於每個報告日期重新評估有關指定分類。

(i) 按公平值計入損益表之金融資產

倘收購之主要目的為在短期內出售或尚須按管理層指定，則金融資產會撥歸此類別。倘此類別之資產乃持作買賣或預期將於結算日起12個月內變現，則分類為流動資產。

(ii) 貸款及應收款項

貸款及應收款項為非衍生金融資產，具有固定或可決定金額，且並無在交投活躍之市場上報價。於本集團直接向債務人提供金錢、貨品或服務而無意買賣應收款項時，則產生貸款及應收款項。彼等計入流動資產內，惟不包括到期日為結算日後逾12個月者之款項(此等貸款及應收款項列作非流動資產)。貸款及應收款項包括應收貸款、應收可換股票據及貿易應收款項。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Financial instruments (Continued)

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the investments. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risk and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are included in the consolidated income statement in the year in which they arise. Unrealised gains and losses arising from changes in the fair value of non-monetary

4. 主要會計政策概要(續)

(m) 金融工具(續)

(iii) 可供出售之金融資產

可供出售之金融資產指獲指定該類別或並無分類為任何其他類別之非衍生工具。除非管理層擬於結算日後12個月內出售投資，否則該等資產乃列作非流動資產。

投資之買賣於交易日(指本集團承諾買賣該等投資之日)確認。所有非按公平值計入損益表之金融資產之投資則按公平值加交易成本作初步確認。當從投資收取現金流量之權利屆滿或已轉讓，而本集團已將全部擁有權風險及回報大致轉讓時，投資將解除確認。可供出售之金融資產及按公平值計入損益表之金融資產其後按公平值列賬。貸款及應收款項及持有至到期日之投資按實際利率法以攤銷成本列賬。由於「按公平值計入損益表之金融資產」之公平值出現變動而導致之已變現及未變現盈虧於產生盈虧之年度列入綜合收益表。由於非貨幣證券公平值變動而導致之未變現盈虧乃分

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Financial instruments (Continued)

securities classified as available-for-sale financial assets are recognised in equity. When securities classified as available-for-sale financial assets are sold or impaired, the accumulated fair value adjustments are included in the consolidated income statement as gains or losses from investments in securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes the fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale financial assets, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the consolidated income statement – is removed from equity and recognised in the consolidated income statement. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement.

4. 主要會計政策概要(續)

(m) 金融工具(續)

類為可供出售並於股權中確認。當分類為可供出售之金融資產之證券獲出售或出現減值時，累計公平值調整乃列入綜合收益表成為投資證券之收益或虧損。

報價投資之公平值乃根據當時實盤價計算。倘金融資產(及非上市證券)之市場並不活躍，則本集團利用估值方法設定公平值。有關估值方法包括採用最近之公平磋商交易、參考大致相同之其他工具、採用折現現金流量分析及已調整以反映發行人個別情況之購股權價格模型。

本集團於每個結算日評估是否有客觀證據顯示一項金融資產或一組金融資產出現減值。於股本證券獲分類為可供出售之金融資產之情況下，在釐定證券是否出現減值時，會考慮證券公平值有否大幅或長期下跌至低於其成本。倘可供出售之金融資產存在任何該等證據，則累計虧損(按收購成本與現行公平值之差額，減該項金融資產以往於綜合收益表確認之任何減值虧損計算)會自股權中剔除並於綜合收益表中確認。就股本工具於綜合收益表確認之減值虧損並無於綜合收益表撥回。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the consolidated income statement.

(o) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated balance sheet.

4. 主要會計政策概要(續)

(n) 貿易及其他應收款項

貿易及其他應收款項初步以公平值確認，其後則利用實際利率法按攤銷成本除減值撥備計量。倘有客觀證據顯示本集團將無法按應收款項之原有條款收回所有款項，即就貿易及其他應收款項設定減值撥備。撥備金額為資產賬面值與按實際利率折現之估計未來現金流量之現值兩者之差額。撥備金額於綜合收益表確認。

(o) 現金及現金等價物

現金及現金等價物包括手頭現金、銀行通知存款、原到期日為三個月或以下之其他短期高流動性投資，以及銀行透支。銀行透支在綜合資產負債表之流動負債內借貸中列示。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Borrowings

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

(q) Leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the Group. Assets held under finance leases are capitalised at the lower of fair values or the present value of the minimum lease payments. The corresponding liability to the lessor, net of interest charges, is included in the consolidated balance sheet as a finance lease obligation. Finance costs 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.

All other leases are classified as operating leases and the annual rentals are charged to the consolidated income statement on a straight-line basis over the relevant lease term.

4. 主要會計政策概要(續)

(p) 借貸

借貸初步按公平值並扣除產生之交易成本確認。交易成本為收購、發行或出售某項金融資產或金融負債直接所佔之新增成本，包括支付予代理人、顧問、經紀及交易商之費用及佣金、監管機關及證券交易所之徵費，以及過戶及印花稅。借貸其後按攤銷成本列賬，所得款項(扣除交易成本)與贖回價值兩者之任何差額採用實際利率法於借貸期間內在綜合收益表確認。

(q) 租約

凡於租期內資產擁有權之絕大部份風險及回報轉移往本集團之租約，均列作融資租約。根據融資租約持有之資產按最低租金之公平值或現值(以較低者為準)撥充資本。向出租人履行之有關責任(已扣除有關利息支出)於綜合資產負債表內列作融資租約承擔。融資費用將按有關租期自綜合收益表扣除，以定期定額扣除出每個會計期間之承擔餘額。

所有其他租約均列作經營租約，而年度租金以直線法按有關租期自綜合收益表扣除。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Translation of foreign currencies

(i) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Hong Kong Dollars.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Translation differences on non-monetary items, such as equity instruments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Transaction difference on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

4. 主要會計政策概要(續)

(r) 外幣兌換

(i) 功能及呈列貨幣

列入本集團綜合財務報表之項目均以實體主要經營所在經濟環境之貨幣(功能貨幣)計量。財務報表以港元呈列。

(ii) 交易及結餘

外幣業務以交易發生當日之匯率折算為功能貨幣。因上述交易結算及按年終匯率換算以外幣計值之貨幣資產及負債而產生之匯兌損益，均於綜合收益表確認，惟當在股權內遞延為合資格現金流量對沖或合資格投資淨額對沖時除外。

非貨幣項目(如按公平值計入損益表之股本工具)之匯兌差額均呈報為公平值盈虧之一部分。非貨幣項目(如分類為可供銷售金融資產之股權)之匯兌差額均於股權內計入公平值儲備。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Translation of foreign currencies (Continued)

(iii) Group companies

The results and financial positions of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (c) all resulting exchange differences are recognised as a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

4. 主要會計政策概要(續)

(r) 外幣兌換(續)

(iii) 集團公司

所有功能貨幣與呈列貨幣不同之集團實體(全部均無嚴重通脹經濟體系之貨幣)之業績及財務狀況均以下列方法換算為呈列貨幣：

- (a) 於各結算日，在各資產負債表所列之資產及負債均按該結算日之收市匯率換算；
- (b) 各收益表所列之收入及開支均按平均匯率換算(除非該平均匯率不足以合理地估計交易當日通行匯率之累計影響，如屬此情況，收入及開支則於交易當日換算)；及
- (c) 所有因此而產生之匯兌差額會分開確認為股權之個別組成部份。

收購海外實體所產生之商譽及公平值調整當作該海外實體之資產及負債處理，並按收市匯率換算。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Employee benefits

(i) Bonuses

The Group recognises a liability for bonuses when there is a contractual obligation and the amount can be estimated reliably.

(ii) Retirement benefit obligations

The Group operates the Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds.

Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% to 10% of the employees' relevant income, with the employees' contributions subject to a cap of monthly relevant income of HK\$20,000. The Group's contributions to the MPF Scheme are expensed as incurred. 5% of relevant income vests immediately upon the completion of service in the relevant service period, while the remaining portion vests in accordance with the MPF Scheme's vesting scales. Where employees leave the MPF Scheme prior to the full vesting of the employer's contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

4. 主要會計政策概要(續)

(s) 僱員福利

(i) 花紅

本集團於有合約責任及金額能夠可靠地估計時就花紅確認負債。

(ii) 退休福利責任

本集團為根據香港強制性公積金計劃條例安排所有按香港僱傭條例聘用之僱員參與強制性公積金計劃(「強積金計劃」)。強積金計劃為定額供款計劃，其資產由獨立信託管理基金持有。

根據強積金計劃，僱主及其僱員均須按僱員相關收入之5%至10%向計劃作出供款，而僱員供款以每月相關收入20,000港元為上限。本集團向強積金計劃作出之供款於產生時支銷。相關收入之5%於相關服務期間服務完成時即時歸屬僱員，而其餘部份乃根據計劃之應享比例歸屬僱員。倘僱員於僱主供款全數歸屬前退出強積金計劃，沒收之供款金額將用作扣減本集團之應付供款。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Employee benefits (Continued)

(iii) Share-based compensation

The fair value of the employee services received in exchange for the grant of the share options and restricted share awards is recognised as an expense in the consolidated income statement.

The total amount to be expensed over the vesting period is determined with reference to the fair value of the share options and restricted share awards granted. At each balance sheet date, the Company revises its estimates of the number of share options that are expected to become exercisable and the number of restricted share awards that become vested. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement, and a corresponding adjustment to equity in the consolidated balance sheet will be made over the remaining vesting periods.

The proceeds received, net of any directly attributable transaction costs, are credited to share capital and share premium accounts when the share options are exercised and when the restricted share awards are vested.

(t) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

4. 主要會計政策概要(續)

(s) 僱員福利(續)

(iii) 以股份形式支付之薪酬

授予購股權及有限制股份獎勵所換取之僱員服務之公平值於綜合收益表確認為支出。

於歸屬期內列作支出之總金額乃參照已授予之購股權及有限制股份獎勵之公平值釐定。於每個結算日，本公司會修訂其估計預期可予以行使之購股權數目及預期可予歸屬之有限制股份獎勵數目，並於綜合收益表內確認修訂原估計數字(如有)之影響及在餘下歸屬期間對綜合資產負債表之股權作相應調整。

當購股權獲行使時及有限制股份獎勵已歸屬時，所收取之款項於扣除任何直接應佔之交易成本後計入股本及股份溢價內。

(t) 借貸成本

建造任何合資格資產所產生之借貸成本於須完成及預備資產作擬定用途期間內撥充資本。其他借貸成本列作開支。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Contingent liabilities and contingent assets

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

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

4. 主要會計政策概要(續)

(u) 或然負債及或然資產

或然負債乃因過往事件而可能產生之責任，而其存在與否僅由不屬本集團全然掌握之一件或以上未確定未來事件之發生或不發生所確定。或然負債亦可以是因過往未確認事件而產生之現有責任，而由於不大可能導致經濟資源流失，又或者責任金額不能可靠地計量而未予以確認。或然負債雖未予確認，惟於財務報表附註披露。倘外流可能性發生變動，以致有可能流失時，則確認為撥備。

或然資產乃指因過往事件而可能獲得之資產，其存在僅可視乎將來發生或不發生一件或以上非本集團所能完全控制之不確定之未來事件予以確定。或然資產雖未予確認，惟當一項經濟收益流入成為可能時於財務報表附註披露。當流入可確定時，則確認資產。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influences. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(w) Financial guarantees issued and provisions

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") 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.

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within creditors and accruals. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in the consolidated income statement on initial recognition of any deferred income.

4. 主要會計政策概要(續)

(v) 關連人士交易

倘一方有能力直接或間接控制另一方，或於作出財務及營運決定時發揮重大影響力，則雙方被視為有關連。倘彼等受共同控制或共同重大影響，則亦被視為有關連。倘資源或責任於關連人士間轉移，則該項交易被視為關連人士交易。

(w) 已發出之財務擔保

財務擔保是指擔保受益人(「持有人」)要求發行人(即擔保人)支付指定金額，以賠償持有人因指定負債人未能按債務工具條款依期還款所造成的損失之合約。

倘本集團發出財務擔保，該擔保的公平值(即交易價格，除非該公平值能確實地估計)最初確認為應付賬款及應計賬款內的遞延收入。倘在發行該擔保時收取或可收取代價，該代價則根據適用於該類資產的本集團政策而予確認。倘有關代價尚未收取或應予收取，於最初確認任何遞延收入時，即時開支於綜合收益表內確認。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Financial guarantees issued and provisions (Continued)

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

(x) Segment reporting

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

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

4. 主要會計政策概要(續)

(w) 已發出之財務擔保(續)

當本集團具有一項因過往事件導致之當前責任，且很有可能本集團被要求履行該項責任時，即確認撥備。撥備乃依據董事於結算日對履行該項責任所需開支之最佳估計，若影響重大則將金額折現為現值。

(x) 分部報告

分部為按本集團所從事提供產品或服務(業務分部)或在某一特定經濟環境內提供產品或服務(地區分部)之可區別部分，而各分部所承擔之風險及回報均有所不同。

根據本集團之內部財務報告制度，本集團已就編製該等財務報表而選擇業務分部資料作為主要呈報方式，而地區分部資料則作為次要呈報方式。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Segment reporting (Continued)

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intragroup transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise income and expenses of the Group which cannot be reasonably allocated to a specific business segment. The interest benefit of the capital of the Group is also included as unallocated income.

4. 主要會計政策概要(續)

(x) 分部報告(續)

分部收入、開支、業績、資產及負債包括直接撥歸該分部之項目以及可按合理比例分配至該分部之項目。分部收入、開支、資產及負債乃於綜合賬目過程中，撇除集團內公司間結餘及集團內公司間交易前釐定，屬同一分部之集團內公司間結餘及集團實體之間進行之交易則除外。分部間定價乃按與其他外部各方相若之條款釐定。

分部資本開支為於期內收購預期可使用超過一個期間之分部資產(包括有形及無形)而產生之總成本。

未分配項目主要包括無法合理分配至指定業務分部之本集團收入及開支。本集團之資本利息利益亦計作未分配收入。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Disposal groups classified as held for sale and discontinued operations

(i) Disposal groups classified as held for sale

A disposal group is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the disposal group is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

Immediately before classification as held for sale, the measurement of all individual assets and liabilities in a disposal group is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the disposal group, is recognised at the lower of its carrying amount and fair value less costs to sell.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in the consolidated income statement. As long as a disposal group is classified as held for sale, the non-current asset is not depreciated or amortised.

4. 主要會計政策概要(續)

(y) 分類為持作出售之出售組別及已終止經營業務

(i) 分類為持作出售之出售組別

倘出售組別之賬面值很有可能是通過銷售交易而非通過持續使用收回及出售組別可按現況出售，則出售組別分類為持作出售。出售組別是指在一次交易中一併出售之一組資產，以及與該等資產直接相關並於交易中轉出之一組負債。

緊接分類為持作出售前，出售組別中所有資產及負債之計量與分類前所採用之會計政策保持一致。初步分類為持作出售後直至出售完畢，出售組別按其賬面值及公平值減銷售成本之較低者確認。

初步分類為持作出售及其後重新計量而產生之減值虧損均於綜合收益表內確認。出售組別分類為持作出售期間，非流動資產均不予折舊或攤銷。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Disposal groups classified as held for sale and discontinued operations (Continued)

(ii) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operation, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale (as referred to in (i) above), if earlier. It also occurs when the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented on the face of the consolidated income statement, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

4. 主要會計政策概要(續)

(y) 分類為持作出售之出售組別及已終止經營業務(續)

(ii) 已終止經營業務

已終止經營業務乃本集團業務其中一部分，其業務及現金流量可明顯地與本集團餘下業務區分，指營運業務或地區範圍之重要獨立一環，或為出售營運業務或地區範圍重要獨立一環之單方面協調計劃之一部分，或屬於專為轉售而收購之附屬公司。

於出售後或當業務符合持作出售(如上文(i)所述)之準則(倘較早)時，即可分類為已終止經營業務，亦可於該業務被放棄時產生。

倘某項業務分類為已終止經營，則於綜合收益表單獨列示，包括：

- 已終止經營業務之除稅後損益；及
- 按公平值減銷售成本後所得金額進行計量所確認之除稅後盈虧，或於出售時對構成已終止經營業務之資產或出售組別所確認之除稅後盈虧。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of goodwill and intangible assets

The Group performs annual tests on whether there has been impairment of goodwill and intangible assets in accordance with the accounting policy stated in notes 4(j) and 4(k) to the consolidated financial statements respectively. The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations. Information about the assumptions and the risk factors on impairment of goodwill and intangible assets is stated in notes 18 and 19 to the consolidated financial statements respectively.

5. 關鍵會計估計及判斷

估算及判斷會被持續評估，並根據過往經驗及其他因素進行評估，包括在有關情況下相信為合理之對未來事件之預測。

本集團對未來作出估計及假設。所得之會計估計如其定義，很少會與其實際結果相同。很大機會導致下個財政年度之資產與負債之賬面值作出重大調整之估計及假設討論如下。

(a) 商譽及無形資產減值

本集團分別按照綜合財務報表附註4(j)及4(k)所載之會計政策每年對商譽及無形資產是否出現任何減值進行測試。現金產生單位之可收回金額乃按使用價值計算。該等計算須採用管理層就日後業務營運及除稅前折現率所作之估計及假設，以及其他計算使用價值時所作之假設。有關商譽及無形資產減值之假設及風險因素之資料分別載於綜合財務報表附註18及19。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Trade debtors

The aged debt profile of trade debtors is reviewed on a regular basis to ensure that the trade debtor balances are collectible and follow up actions are promptly carried out if the agreed credit periods have been exceeded. However, from time to time, the Group may experience delays in collection. Where recoverability of trade debtor balances is called into doubts, specific provisions for impairments are made based on credit status of the customers, the aged analysis of the trade receivable balances and write-off history. Certain receivables may be initially identified as collectible, yet subsequently become uncollectible and result in a subsequent write-off of the related receivables to the consolidated income statement. Changes in the collectibility of trade receivables for which provisions are not made could affect our results of operations.

(c) Useful lives of property, plant and equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment in order to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the assets are acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands or service output of the assets. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid.

5. 關鍵會計估計及判斷(續)

(b) 貿易應收賬款

本集團定期檢討貿易應收賬款之賬齡，以確保可收回貿易應收賬款餘額，並可於協定信貸期逾期後即時採取跟進行動。然而，本集團收賬不時會出現延誤。倘貿易應收賬款餘額之可收回機會存疑，則本集團會根據客戶之信貸狀況、貿易應收賬款餘額之賬齡分析及撇賬紀錄，作出特別減值撥備。若干應收款項可初步確認為可收回，惟其後可能無法收回而須於綜合收益表內撇銷相關應收款項。倘未有為收回機會出現變化之貿易應收賬款作出撥備，則可能會對營運業績構成影響。

(c) 物業、廠房及設備之可使用年期

本集團根據香港會計準則第16號估計物業、廠房及設施之可使用年期，從而判斷所須記賬之折舊費用金額。本集團於購入資產時，根據過往經驗、資產之預期使用量、損耗程度，以及技術會否因市場需求或資產之服務產量有變而變成過時，估計其可使用年期。本集團亦會於每年作出檢討，以判斷對資產可使用年期作出之假設是否仍然合理。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(d) Estimate of fair values of investment properties

As described in note 17 to the consolidated financial statements, the investment properties were revalued at the balance sheet date on market value basis by reference to an independent professional valuation. Such valuation was based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the judgement, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions at each balance sheet date.

(e) Income taxes

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

5. 關鍵會計估計及判斷(續)

(d) 投資物業之公平值估計

如綜合財務報表附註17所述，投資物業已根據獨立專業估值於結算日按其市值基準重新估值。有關估值乃根據若干假設進行，故當中仍有不明確因素且或會與實際結果有重大差異。在作出判斷時，本集團考慮類似物業當時活躍市場之現行價格資料及採用主要根據每個結算日市況所作出之假設。

(e) 所得稅

本集團須於多個司法權區繳納所得稅。釐定所得稅全球撥備時須作出重大判斷。於日常業務過程中，不少交易及計算之最終稅務釐定均不確定。本集團按對該等額外稅項會否到期支付之估計，就預計稅務審核問題確認負債。倘該等事宜之最終稅務後果與初步記錄之金額不同，則該等差額將影響作出該釐定期間之所得稅及遞延稅項撥備。

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6. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into five operating divisions, namely distribution, sub-licensing, sales of financial assets, property investment and provision of management services. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

- (i) Distribution
發行
- (ii) Sub-licensing
轉授發行權
- (iii) Sales of financial assets
銷售金融資產
- (iv) Property investment
物業投資
- (v) Provision of management services
提供管理服務

6. 業務分部及地區分部

業務分部

就管理而言，本集團現時分為發行、轉授發行權、銷售金融資產、物業投資及提供管理服務五個營運部門。本集團乃根據該等部門呈報其主要分部資料。

主要業務如下：

- Distribution of films
發行電影
- Sub-licensing of film rights
轉授電影發行權
- Sales of financial assets at fair value through profit or loss
銷售按公平值計入損益表之金融資產
- Leasing of rental properties
租賃出租之物業
- Provision of management services to concierge department of gaming promoters appointed by Macau casinos
向澳門賭場委任之博彩推廣員禮賓部提供管理服務

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綜合財務報表附註

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

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

Segment information about these businesses for the years ended 31 December 2008 and 2007 is presented below.

Consolidated income statement for the year ended 31 December 2008

6. 業務分部及地區分部(續)

業務分部(續)

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該等業務之分部資料呈列如下。

截至二零零八年十二月三十一日止年度之綜合收益表

		Continuing operations 持續經營業務					Discontinued operations 已終止經營業務		Consolidated 綜合 HK\$'000 千港元
		Distribution 發行 HK\$'000 千港元	Sub-licensing 轉授發行權 HK\$'000 千港元	Sales of financial assets 銷售金融資產 HK\$'000 千港元	Provision of management services 提供管理服務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	
Turnover	營業額	-	2,000	(962)	18,215	-	19,253	20,826	40,079
Segment results before impairment loss recognised in respect of goodwill	未計已確認商譽減值虧損之分部業績	-	2,000	(962)	17,722	-	18,760	(60,395)	(41,635)
Impairment loss recognised in respect of goodwill	已確認商譽減值虧損	-	-	-	(101,965)	-	(101,965)	(40,382)	(142,347)
Segment results	分部業績	-	2,000	(962)	(84,243)	-	(83,205)	(100,777)	(183,982)
Unallocated corporate income	未分配集團收入						2,427	1,257	3,684
Unallocated corporate expenses	未分配集團開支						(26,462)	(25,177)	(51,639)
Loss from operations	經營虧損						(107,240)	(124,697)	(231,937)
Finance costs	融資費用						(3,350)	(25,289)	(28,639)
Loss before taxation	除稅前虧損						(110,590)	(149,986)	(260,576)
Taxation	稅項						13,854	22,214	36,068
Loss for the year	本年度虧損						(96,736)	(127,772)	(224,508)

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For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

6. 業務分部及地區分部(續)

Business segments (Continued)

業務分部(續)

Consolidated balance sheet at 31 December 2008

於二零零八年十二月三十一日之綜合資產負債表

		Continuing operations 持續經營業務					Discontinued operations 已終止經營業務		Consolidated 綜合
		Distribution 發行 HK\$'000 千港元	Sub-licensing 轉授發行權 HK\$'000 千港元	Sales of financial assets 銷售金融資產 HK\$'000 千港元	Provision of management services 提供管理服務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	
Assets	資產								
Segment assets	分部資產	9,559	2,019	–	461,301	1,989	474,868	1,049,412	1,524,280
Liabilities	負債								
Segment liabilities	分部負債	(722)	–	–	(54,823)	(146,700)	(202,245)	(427,612)	(629,857)

Other segment information for the year ended 31 December 2008

截至二零零八年十二月三十一日止年度之其他分部資料

		Continuing operations 持續經營業務					Discontinued operations 已終止經營業務		Consolidated 綜合
		Distribution 發行 HK\$'000 千港元	Sub-licensing 轉授發行權 HK\$'000 千港元	Sales of financial assets 銷售金融資產 HK\$'000 千港元	Provision of management services 提供管理服務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	
Capital expenditures	資本開支	864	–	–	–	376	1,240	63,359	64,599
Depreciation	折舊	566	–	–	–	125	691	4,342	5,033
Impairment loss recognised	已確認減值虧損	–	–	–	101,965	–	101,965	40,382	142,347

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

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

Consolidated income statement for the year ended 31 December 2007 (Restated)

6. 業務分部及地區分部(續)

業務分部(續)

截至二零零七年十二月三十一日止年度之綜合收益表(重列)

		Continuing operations 持續經營業務					Discontinued operations 已終止經營業務		Consolidated 綜合
		Distribution 發行 HK\$'000 千港元	Sub- licensing 轉授發行權 HK\$'000 千港元	Sales of financial assets 銷售金融資產 HK\$'000 千港元	Provision of management services 提供管理服務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	
Turnover	營業額	-	-	7,722	-	-	7,722	2,917	10,639
Segment results before impairment loss recognised in respect of goodwill	未計已確認商譽減值虧損 之分部業績	-	-	7,722	-	-	7,722	45,912	53,634
Impairment loss recognised in respect of goodwill	已確認商譽減值虧損	-	-	-	-	-	-	(37,828)	(37,828)
Segment results	分部業績	-	-	7,722	-	-	7,722	8,084	15,806
Unallocated corporate income	未分配集團收入						2,922	107,239	110,161
Unallocated corporate expenses	未分配集團開支						(55,393)	(12,230)	(67,623)
(Loss)/profit from operations	經營(虧損)/溢利						(44,749)	103,093	58,344
Finance costs	融資費用						-	(19,494)	(19,494)
(Loss)/profit before taxation	除稅前(虧損)/溢利						(44,749)	83,599	38,850
Taxation	稅項						-	(13,156)	(13,156)
(Loss)/profit for the year	本年度(虧損)/溢利						(44,749)	70,443	25,694

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For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

6. 業務分部及地區分部(續)

Business segments (Continued)

業務分部(續)

Consolidated balance sheet at 31 December 2007 (Restated)

於二零零七年十二月三十一日之綜合資產負債表(重列)

		Continuing operations 持續經營業務					Discontinued operations 已終止經營業務		Consolidated 綜合
		Distribution 發行	Sub- licensing 轉授發行權	Sales of financial assets 銷售金融資產	Provision of management services 提供管理服務	Unallocated 未分配	Total 總計	Property investment 物業投資	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Assets	資產								
Segment assets	分部資產	5,185	—	—	—	504,731	509,916	1,032,536	1,542,452
Liabilities	負債								
Segment liabilities	分部負債	(718)	(2,026)	—	—	(30,909)	(33,653)	(458,823)	(492,476)

Other segment information for the year ended 31 December 2007 (Restated)

截至二零零七年十二月三十一日止年度之其他分部資料(重列)

		Continuing operations 持續經營業務					Discontinued operations 已終止經營業務		Consolidated 綜合
		Distribution 發行	Sub- licensing 轉授發行權	Sales of financial assets 銷售金融資產	Provision of management services 提供管理服務	Unallocated 未分配	Total 總計	Property investment 物業投資	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Capital expenditures	資本開支	5	—	—	—	6	11	121,856	121,867
Depreciation	折舊	563	—	—	—	—	563	595	1,158
Impairment loss recognised	已確認減值虧損	—	—	—	—	—	—	37,828	37,828

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Geographical segments

The Group mainly operates in Hong Kong, Macau and The People's Republic of China (the "PRC"). The following table provides an analysis of the Group's turnover and segment results by geographical market, irrespective of the origin of goods and services.

6. 業務分部及地區分部(續)

地區分部

本集團主要業務位於香港、澳門及中華人民共和國(「中國」)。下表為本集團按地區市場劃分之營業額及分部業績(不論貨品及服務來源地)之分析。

		Turnover 營業額		Segment results 分部業績	
		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)	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)
Continuing operations	持續經營業務				
Hong Kong	香港	1,038	7,722	1,038	7,722
Macau	澳門	18,215	—	(84,243)	—
Discontinued operations	已終止經營 業務				
The PRC	中國	20,826	2,917	(100,777)	8,084
		40,079	10,639	(183,982)	15,806

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綜合財務報表附註

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截至二零零八年十二月三十一日止年度

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

6. 業務分部及地區分部(續)

Geographical segments (Continued)

地區分部(續)

The following is an analysis of the segment assets, segment liabilities, capital expenditures and depreciation, by geographical area in which the assets and liabilities located:

以下為按資產及負債所在地區分析之分部資產、分部負債、資本開支及折舊分析：

		Segment assets		Segment liabilities		Capital expenditures		Depreciation	
		分部資產		分部負債		資本開支		折舊	
		2008	2007	2008	2007	2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年	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	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
			(Restated)		(Restated)		(Restated)		(Restated)
			(重列)		(重列)		(重列)		(重列)
Continuing operations	持續經營業務								
Hong Kong	香港	13,548	509,916	147,422	31,627	1,240	11	691	563
Macau	澳門	461,320	—	54,823	2,026	—	—	—	—
Discontinued operations	已終止經營業務								
The PRC	中國	1,049,412	1,032,536	427,612	458,823	63,359	121,856	4,342	595
		1,524,280	1,542,452	629,857	492,476	64,599	121,867	5,033	1,158

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綜合財務報表附註

For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

7. TURNOVER

7. 營業額

		Continuing operations 持續經營業務		Discontinued operations 已終止經營業務		Consolidated 綜合	
		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)	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)	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)
Sub-licensing of film rights	轉授電影發行權	2,000	—	—	—	2,000	—
Sales of financial assets at fair value through profit or loss, net (note)	銷售按公平值計入損益表之金融資產，淨額 (附註)	(962)	7,722	—	—	(962)	7,722
Rental income	租金收入	—	—	20,826	2,917	20,826	2,917
Service fee income	服務費收入	18,215	—	—	—	18,215	—
		19,253	7,722	20,826	2,917	40,079	10,639

Note:

The Group's proceeds from the sales of financial assets at fair value through profit or loss and the corresponding carrying amounts together with the transaction costs were separated into "Turnover" and "Cost of sales" respectively, in prior year's consolidated income statement. During the current year, the Group changed its presentation, as in the opinion of the directors of the Company, it is more appropriate to present the gains or losses from the sales of financial assets at fair value through profit or loss in "Turnover" on a net basis.

An analysis of financial assets at fair value through profit or loss is as follows:

附註：

於過往年度之綜合收益表，本集團將分開呈列銷售按公平值計入損益表之金融資產之所得款項及相應賬面值連同交易成本為「營業額」及「銷售成本」。由於董事認為按淨額基準於「營業額」呈列出售按公平值計入損益表之金融資產所產生之盈虧更為適當，故本集團於本年度更改其呈列方式。

按公平值計入損益表之金融資產之分析如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (Restated) (重列)
Sales of financial assets at fair value through profit or loss	銷售按公平值計入損益表之金融資產	2,627	35,822
Cost of financial assets at fair value through profit or loss	按公平值計入損益表之金融資產之成本	(3,589)	(28,100)
		(962)	7,722

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綜合財務報表附註

For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

7. TURNOVER (Continued)

Note: (Continued)

To conform with the current year's presentation, the carrying amounts of financial assets at fair value through profit or loss disposed of together with the transaction costs for the year ended 31 December 2007 of HK\$28,100,000 have been offset against turnover, resulting in the decreases in turnover and cost of sales for that year by the same amount. These changes do not have any impact on the results of the Group in respect of the prior years.

7. 營業額(續)

附註：(續)

為符合本年度之呈列方式，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表之金融資產賬面值連同交易成本合共28,100,000港元已抵銷營業額，導致該年度之營業額及銷售成本減少相同金額。該等變動對本集團於過往年度之業績並無任何影響。

8. OTHER REVENUE AND OTHER INCOME

8. 其他收益及其他收入

		Continuing operations 持續經營業務		Discontinued operations 已終止經營業務		Consolidated 綜合	
		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)	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)	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Other revenue	其他收益						
Dividend income from financial assets at fair value through profit or loss	按公平值計入損益表之金融資產之股息收入	-	78	-	-	-	78
Interest income on bank deposits	銀行存款之利息收入	2,427	2,836	1,212	154	3,639	2,990
Sundry income	雜項收入	-	8	45	129	45	137
		2,427	2,922	1,257	283	3,684	3,205
Other income	其他收入						
Waiver of secured bank loan interest	豁免有抵押銀行貸款利息	-	-	-	106,956	-	106,956

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綜合財務報表附註

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截至二零零八年十二月三十一日止年度

9. (LOSS)/PROFIT FROM OPERATIONS

(Loss)/profit from operations has been arrived after charging:

9. 經營溢利／(虧損)

經營(虧損)／溢利已扣除下列各項：

	Continuing operations 持續經營業務		Discontinued operations 已終止經營業務		Consolidated 綜合	
	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)	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)	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Auditors' remuneration 核數師酬金	600	600	—	—	600	600
Depreciation of property, plant and equipment 物業、廠房及設備折舊	691	563	4,342	595	5,033	1,158
Impairment loss recognised in respect of trade receivables 已確認貿易應收款項減值虧損	—	9	—	—	—	9
Loss on disposal of property, plant and equipment 出售物業、廠房及設備之虧損	3	3	—	—	3	3
Share-based payment expenses in respect of consultancy services 就顧問服務以股份形式支付之開支	985	6,370	—	—	985	6,370
Operating lease rentals in respect of rented premises 租賃物業之經營租約租金	1,640	2,186	174	129	1,814	2,315
Staff costs including directors' remuneration 員工成本(包括董事酬金)						
— Salaries 薪金	6,808	6,787	4,615	1,562	11,423	8,349
— Contributions to retirement benefits scheme 退休福利計劃供款	143	114	—	—	143	114
— Share-based payment expenses 以股份形式支付之開支	2,623	25,912	—	—	2,623	25,912
	9,574	32,813	4,615	1,562	14,189	34,375

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截至二零零八年十二月三十一日止年度

10. FINANCE COSTS

10. 融資費用

	Continuing operations		Discontinued operations		Consolidated	
	2008	2007	2008	2007	2008	2007
	二零零八年	二零零七年	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	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
		(Restated)		(Restated)		(Restated)
		(重列)		(重列)		(重列)
Interest expense on secured bank loan wholly repayable within five years						
須於五年內悉數償還之有抵押銀行貸款利息開支	-	-	25,289	19,494	25,289	19,494
Imputed interest expense on convertible notes	3,350	-	-	-	3,350	-
可換股票據估算利息						
	3,350	-	25,289	19,494	28,639	19,494

11. DIRECTORS' EMOLUMENTS

11. 董事酬金

The board of directors of the Company is currently composed of two executive directors and three independent non-executive directors.

本公司董事會現由兩名執行董事及三名獨立非執行董事組成。

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11. DIRECTORS' EMOLUMENTS (Continued)

The aggregate amount of emoluments payable to the directors of the Company during the year was HK\$360,000 (2007: HK\$360,000). The remuneration of each director for the years ended 31 December 2008 and 2007 is as below:—

11. 董事酬金(續)

年內應付予本公司董事之酬金總額為360,000港元(二零零七年:360,000港元)。截至二零零八年及二零零七年十二月三十一日止年度,每名董事之薪酬如下:

Name of director	董事姓名	Fees		Salaries and bonuses		Contributions to retirement benefits scheme		Share-based payment expenses		Total	
		袍金	薪金及花紅	退休福利計劃供款	以股份形式支付之開支	總計					
		2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	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	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Mr. Heung Wah Keung	向華強先生	-	-	-	-	-	-	-	-	-	-
Ms. Chen Ming Yin, Tiffany	陳明英女士	-	-	-	-	-	-	-	-	-	-
Mr. Tang Chak Lam, Gilbert	鄧澤林先生	120	120	-	-	-	-	-	-	120	120
Mr. Ho Wai Chi, Paul	何偉志先生	120	120	-	-	-	-	-	-	120	120
Mr. Lien Wai Hung	連偉雄先生	120	120	-	-	-	-	-	-	120	120
		360	360	-	-	-	-	-	-	360	360

During the year, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

年內,本集團並無向董事支付任何酬金,作為加入本集團之獎勵或離職補償。概無董事於年內放棄任何酬金。

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12. FIVE HIGHEST PAID INDIVIDUALS

The emoluments paid to the five highest paid individuals of the Group during the year were as follow:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Salaries and other allowances	薪金及其他津貼	4,699	4,773
Contributions to retirement benefits scheme	退休福利計劃供款	48	48
Share-based payment expenses	以股份形式支付之開支	376	7,289
		5,123	12,110

None of the five highest paid individuals of the Group was a director of the Company (2007: nil).

年內已付予本集團五名最高薪人士之酬金如下：

本集團五名最高薪人士中並無本公司之董事(二零零七年：無)。

Their emoluments were within the following bands:

彼等之酬金介乎以下範圍：

		Number of employees 僱員人數	
		2008 二零零八年	2007 二零零七年
Nil – HK\$1,000,000	零至1,000,000港元	3	—
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	1	—
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	—	1
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	1	3
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	—	—
HK\$3,000,001 – HK\$3,500,000	3,000,001港元至3,500,000港元	—	—
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至4,000,000港元	—	1

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13. TAXATION

13. 稅項

		Continuing operations 持續經營業務		Discontinued operations 已終止經營業務		Consolidated 綜合	
		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)	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)	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Current tax credit	本期稅項抵免	(13,854)	—	—	—	(13,854)	—
Deferred taxation (note 30)	遞延稅項(附註30)	—	—	(22,214)	13,156	(22,214)	13,156
		(13,854)	—	(22,214)	13,156	(36,068)	13,156

No provision for Hong Kong Profits Tax, the PRC Corporate Income Tax or Macao Complementary Profits Tax has been made for the year ended 31 December 2008 (2007: nil) as the Group either has no estimated assessable profits or its estimated assessable profits are wholly absorbed by the estimated tax losses brought forward.

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which includes reduction in corporate profits tax rate by 1% to 16.5% effective from the year of assessment 2008/2009. Accordingly, Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits of certain subsidiaries in Hong Kong for the year ended 31 December 2008 (2007: 17.5%).

由於本集團概無估計應課稅溢利或其估計應課稅溢利已由承前估計稅務虧損全部抵銷，故截至二零零八年十二月三十一日止年度並無就香港利得稅、中國企業所得稅及澳門補充利得稅作出撥備(二零零七年：無)。

於二零零八年六月二十六日，香港立法會通過二零零八年收入條例草案，據此，由二零零八／二零零九課稅年度起，企業利得稅率調低1%至16.5%。因此，截至二零零八年十二月三十一日止年度，香港利得稅乃就香港若干附屬公司之估計應課稅溢利按16.5%計算(二零零七年：17.5%)。

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13. TAXATION (Continued)

On 16 March 2007, the PRC promulgated the Law of the People's Republic of China on Enterprise Income Tax by Order No. 63 of the President of the PRC, which will change the tax rate from 33% to 25% for certain subsidiaries from 1 January 2008. Deferred tax balance has been adjusted to reflect the tax rates that are expected to apply to respective years when the asset is realised or the liability is settled.

An objection was lodged by Ocean Shores Licensing Limited ("OSLL"), a wholly-owned subsidiary of the Company, against the estimated assessments for the years of assessment from 1994/1995 to 2000/2001 in relation to the offshore claims of sub-licensing income. Provision for taxation of HK\$22,238,000 had been made in the Company's 2007 audited consolidated financial statements. In February 2008, OSLL reached a compromise settlement on the estimated assessments with the Inland Revenue Department for settling the estimated tax liabilities in an aggregate amount of HK\$12,021,000, which included a surcharge of HK\$3,637,000. Therefore, a tax credit of HK\$13,854,000 was recognised for the year ended 31 December 2008.

13. 稅項(續)

於二零零七年三月十六日，中國以中國主席令第63號頒佈中華人民共和國企業所得稅法，自二零零八年一月一日起將若干附屬公司之稅率由33%改為25%。遞延稅項結餘已作調整，以反映預期應用於有關變現資產或清償負債年度之稅率。

本公司之全資附屬公司Ocean Shores Licensing Limited(「OSLL」)就轉授發行權收入之離岸申索，針對一九九四／一九九五至二零零零／二零零一課稅年度之估計評稅提出反對。本公司已於二零零七年度經審核綜合財務報表中作出22,238,000港元之稅項撥備。於二零零八年二月，OSLL與稅務局協商解決估計評稅，以結清合共12,021,000港元之未償還稅款，當中包括3,637,000港元之附加費。因此，於截至二零零八年十二月三十一日止年度已確認13,854,000港元之稅務抵免。

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13. TAXATION (Continued)

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

13. 稅項(續)

本年度稅項可與綜合收益表內之除稅前(虧損)/溢利對賬如下:

	Continuing operations 持續經營業務				Discontinued operations 已終止經營業務				Consolidated 綜合			
	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)		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)		2008 二零零八年 HK\$'000 千港元		2007 二零零七年 HK\$'000 千港元	
	% 百分比	% 百分比	% 百分比	% 百分比	% 百分比	% 百分比	% 百分比	% 百分比	% 百分比	% 百分比	% 百分比	
(Loss)/profit before taxation	(110,590)		(44,749)		(149,986)		83,599		(260,576)		38,850	
Taxation at income tax rate of 16.5% (2007: 17.5%)	(18,246)	16.5	(7,831)	17.5	(24,747)	16.5	14,630	17.5	(42,993)	16.5	6,799	17.5
Effect of different tax rates of subsidiaries operating in other jurisdictions	(819)	0.7	9	(0.1)	(9,294)	6.2	11,935	14.3	(10,113)	3.9	11,944	30.7
Tax effect of income that is not taxable in determining taxable profits	(2,229)	2.0	(187)	0.4	(200)	0.1	(9,622)	(11.5)	(2,429)	0.9	(9,809)	(25.2)
Utilisation of tax losses previously not recognised	-	-	-	-	-	-	(17,700)	(21.2)	-	-	(17,700)	(45.5)
Tax effect of expenses that are not deductible in determining taxable profits	17,684	(16.0)	5,996	(13.3)	7,379	(4.9)	624	0.7	25,063	(9.7)	6,620	17.0
Tax losses not yet recognised	3,610	(3.2)	2,013	(4.5)	26,862	(17.9)	133	0.2	30,472	(11.7)	2,146	5.5
Tax refund	(13,854)	12.5	-	-	-	-	-	-	(13,854)	5.3	-	-
Deferred tax (credit)/charge	-	-	-	-	(22,214)	14.8	13,156	15.7	(22,214)	8.6	13,156	33.9
Taxation (credit)/charge for the year	(13,854)	12.5	-	-	(22,214)	14.8	13,156	15.7	(36,068)	13.8	13,156	33.9

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14. (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share is based on the (loss)/profit attributable to equity holders of the Company for the years ended 31 December 2008 and 2007 and the weighted average number of ordinary shares in issue during these years.

The calculation of basic and diluted (loss)/earnings per share is based on the following data:

14. 每股(虧損)/盈利

每股基本(虧損)/盈利乃按截至二零零八年及二零零七年十二月三十一日止年度本公司股權持有人應佔(虧損)/溢利及該等年度內已發行之普通股加權平均數計算。

每股基本及攤薄(虧損)/盈利乃根據下列數據計算:

		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)
(Loss)/profit for the year attributable to equity holders of the Company			
	本公司股權持有人應佔本年度(虧損)/溢利		
From continuing operations	來自持續經營業務	(96,736)	(44,749)
From discontinued operations	來自已終止經營業務	(127,772)	70,443
From continuing and discontinued operations	來自持續經營及已終止經營業務	(224,508)	25,694
Number of ordinary shares			
	普通股數目		
Weighted average number of ordinary shares in issue during the year	年內已發行普通股加權平均數	195,187	102,941

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14. (LOSS)/EARNINGS PER SHARE (Continued)

The weighted average number of ordinary shares in issue for the purposes of basic and diluted (loss)/earnings per share has been adjusted to take into the effect of the share consolidations that became effective on 21 May 2007 and 2 May 2008. Details of the share consolidations are set out in note 26 to the consolidated financial statements.

Diluted (loss)/earnings per share for the years ended 31 December 2008 and 2007 were the same as the basic (loss)/earnings per share. The Company's outstanding share options and convertible notes were not included in the calculation of diluted (loss)/earnings per share because the effects of the conversion of the Company's outstanding share options and convertible notes were anti-dilutive.

15. DIVIDEND

The directors of the Company do not recommend the payment of any dividend for the year ended 31 December 2008 (2007: nil).

14. 每股(虧損)/盈利(續)

於計算每股基本及攤薄(虧損)/盈利時所用之已發行普通股加權平均數已作出調整，以計入於二零零七年五月二十一日及二零零八年五月二日生效之股份合併之影響。股份合併之詳情載於綜合財務報表附註26。

截至二零零八年及二零零七年十二月三十一日止年度之每股攤薄(虧損)/盈利與每股基本(虧損)/盈利相同。由於兌換本公司之未行使購股權及可換股票據具有反攤薄作用，故計算每股攤薄(虧損)/盈利時並無包括本公司之未行使購股權及可換股票據。

15. 股息

本公司董事並不建議派發截至二零零八年十二月三十一日止年度之任何股息(二零零七年：無)。

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

The Group

本集團

		Leasehold improvements 租賃物業裝修 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	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本					
At 1 January 2007	於二零零七年一月一日	2,381	761	1,633	1,098	5,873
Additions	添置	—	4,907	—	—	4,907
Disposals	出售	—	(562)	(376)	—	(938)
Exchange alignments	匯兌調整	—	8	—	—	8
At 31 December 2007 and 1 January 2008	於二零零七年十二月 三十一日及二零零八年 一月一日	2,381	5,114	1,257	1,098	9,850
Additions	添置	1,074	20,510	813	—	22,397
Disposals	出售	—	(2)	—	(5)	(7)
Exchange alignments	匯兌調整	—	290	—	—	290
Transfer to assets of disposal group classified as held for sale (note 25)	轉撥至分類為持作出售之 出售組別資產(附註25)	(709)	(25,752)	—	—	(26,461)
At 31 December 2008	於二零零八年 十二月三十一日	2,746	160	2,070	1,093	6,069
Accumulated depreciation	累計折舊					
At 1 January 2007	於二零零七年一月一日	1,307	477	956	665	3,405
Charged for the year	本年度費用	358	608	127	65	1,158
Elimination on disposals	出售時對銷	—	(423)	(292)	—	(715)
Exchange alignments	匯兌調整	—	2	—	—	2
At 31 December 2007 and 1 January 2008	於二零零七年十二月 三十一日及二零零八年 一月一日	1,665	664	791	730	3,850
Charged for the year	本年度費用	439	4,283	256	55	5,033
Elimination on disposals	出售時對銷	—	(1)	—	(3)	(4)
Exchange alignments	匯兌調整	—	75	—	—	75
Transfer to assets of disposal group classified as held for sale (note 25)	轉撥至分類為持作出售之 出售組別資產(附註25)	(79)	(4,961)	—	—	(5,040)
At 31 December 2008	於二零零八年 十二月三十一日	2,025	60	1,047	782	3,914
Net book value	賬面淨值					
At 31 December 2008	於二零零八年 十二月三十一日	721	100	1,023	311	2,155
At 31 December 2007	於二零零七年 十二月三十一日	716	4,450	466	368	6,000

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17. INVESTMENT PROPERTIES

17. 投資物業

The Group

本集團

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At 1 January	於一月一日	887,450	678,000
Additions	添置	36,495	101,347
Transfer from inventories	轉撥自存貨	5,707	15,613
Fair value changes recognised in the consolidated income statement	綜合收益表中已確認之 公平值變動	(74,045)	43,853
Exchange alignment	匯兌調整	51,353	48,637
Transfer to assets of disposal group classified as held for sale (note 25)	轉撥至分類為持作出售之 出售組別資產(附註25)	(906,960)	—
At 31 December	於十二月三十一日	—	887,450

The fair values of the Group's investment properties as at 31 December 2008 and 2007 have been arrived at on the basis of the valuations carried out on these dates by Grant Sherman Appraisal Limited and DTZ Debenham Tie Leung Limited respectively. Grant Sherman Appraisal Limited and DTZ Debenham Tie Leung Limited, both are independent firms of professional valuers not connected with the Group, are members of the Hong Kong Institute of Valuers and have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

本集團投資物業於二零零八年及二零零七年十二月三十一日之公平值，乃分別由中證評估有限公司及戴德梁行有限公司於該等日期進行估值。中證評估有限公司及戴德梁行有限公司均為與本集團概無關連之獨立專業估值師行，並為香港測量師公會會員，具有適當資歷，並曾於近期為相關地點的同類物業作出估值。

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17. INVESTMENT PROPERTIES (Continued)

The fair value of investment properties shown above comprise:

The Group

Outside Hong Kong, held on:	香港以外地區，按下列方式持有：
Long-term leases	長期租約

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

At 31 December 2008, the investment properties of the Group were located in the PRC and re-classified as assets of disposal group classified as held for sale. Certain of investment properties with a fair value of approximately HK\$853,835,000 have been pledged to secure banking facilities granted to the Group (2007: HK\$ 852,081,000).

17. 投資物業(續)

上述投資物業之公平值包括：

本集團

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
	—	887,450

本集團所有按經營租約以賺取租金或為資產增值為目的所持有之物業權益採用公平值模式計算，並分類為投資物業入賬。

於二零零八年十二月三十一日，本集團之投資物業均於中國，並重新分類為分類為持作出售之出售組別資產。若干公平值約853,835,000港元之投資物業已抵押以取得授予本集團之銀行融資(二零零七年：852,081,000港元)。

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18. GOODWILL

18. 商譽

		The Group 本集團 HK\$'000 千港元
Cost	成本	
At 1 January 2007, 31 December 2007 and 1 January 2008	於二零零七年一月一日、二零零七年十二月三十一日及二零零八年一月一日	117,412
Acquisition of subsidiaries (notes a and b)	收購附屬公司(附註a及b)	102,891
At 31 December 2008	於二零零八年十二月三十一日	220,303
Accumulated impairment	累計減值	
At 1 January 2007	於二零零七年一月一日	40,128
Impairment loss recognised	已確認減值虧損	37,828
At 31 December 2007 and 1 January 2008	於二零零七年十二月三十一日及二零零八年一月一日	77,956
Impairment loss recognised	已確認減值虧損	142,347
At 31 December 2008	於二零零八年十二月三十一日	220,303
Carrying amounts	賬面值	
At 31 December 2008	於二零零八年十二月三十一日	—
At 31 December 2007	於二零零七年十二月三十一日	39,456

Notes:

- (a) On 29 May 2008, the Group further acquired 3.3% of the registered capital of 北京莎瑪房地產開發有限公司 ("Beijing Shama"). The total cash consideration of the acquisition was approximately HK\$4,824,000. As a result, a goodwill of approximately HK\$926,000 was arisen from this acquisition.
- (b) On 29 August 2008, the Group acquired a 100% of the issued share capital of Rich Daily Group Limited ("Rich Daily"). The total consideration of the acquisition at fair value was approximately HK\$504,000,000, which was settled by cash and issuance of convertible notes (note 35). As a result, a goodwill of approximately HK\$101,965,000 was arisen from the acquisition of Rich Daily.

附註：

- (a) 於二零零八年五月二十九日，本集團進一步收購北京莎瑪房地產開發有限公司(「北京莎瑪」)註冊資本之3.3%。收購之總現金代價約為4,824,000港元。因此，此次收購產生商譽約926,000港元。
- (b) 於二零零八年八月二十九日，本集團收購Rich Daily Group Limited(「Rich Daily」)已發行股本之100%。按公平值計算，收購之總代價約為504,000,000港元，以現金及發行可換股票據之方式支付(附註35)。因此，收購Rich Daily產生商譽約101,965,000港元。

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18. GOODWILL (Continued)

Notes: (Continued)

- (c) Goodwill arising from the acquisitions of Shinhan-Golden Faith International Development Limited ("Shinhan-Golden") and its subsidiaries and Rich Daily has been allocated to the business segments of property investment and provision of management services respectively, which are the cash-generating units ("CGUs").
- (d) The recoverable amounts of the CGUs are determined from value-in-use calculations. One of the key assumptions for the value-in-use calculations is the discount rates. Discount rates of 16.03% per annum (2007: 15.43% per annum) for property investment and 17.68% per annum (2007: N/A) for provision of management services were applied in the value-in-use models which use cash flow projections based on the financial forecasts approved by the directors of the Company. The valuers estimate discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risk specific to the CGUs.

Impairment of goodwill

During the years ended 31 December 2008 and 2007, the directors of the Company reassessed the recoverable amounts of the CGUs with reference to the valuations performed by Grant Sherman Appraisal Limited, an independent firm of professional valuers, and determined that the impairment losses in respect of goodwill of approximately HK\$142,347,000 and HK\$37,828,000 were recognised respectively.

18. 商譽(續)

附註(續)：

- (c) 因收購Shinhan-Golden Faith International Development Limited (「Shinhan-Golden」)及其附屬公司及Rich Daily而產生之商譽已分別獲分配至物業投資及提供管理服務之業務分部，該等分部為現金產生單位(「現金產生單位」)。
- (d) 現金產生單位之可收回金額乃按使用價值計算而定。使用價值計算之其中一項主要假設為折現率。應用在使用價值模式之折現率為就物業投資而言每年16.03% (二零零七年：每年15.43%)及就提供管理服務而言每年17.68% (二零零七年：不適用)，採用依據本公司董事批准之財務預測作出之現金流量預測。估值師以稅前折現率估計折現率，除稅前折現率反映金額之時間價值及現金產生單位之特定風險之市場評估。

商譽減值

於截至二零零八年及二零零七年十二月三十一日止年度內，在參照獨立專業估值師行中證評估有限公司進行之估值後，本公司董事已重新評審現金產生單位之可收回金額，並釐定商譽之減值虧損分別約142,347,000港元及37,828,000港元已獲確認。

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19. INTANGIBLE ASSETS

19. 無形資產

		The Group 本集團 HK\$'000 千港元
Cost	成本	
At 1 January 2007, 31 December 2007 and 1 January 2008	於二零零七年一月一日、 二零零七年十二月三十一日及 二零零八年一月一日	—
Acquisition of a subsidiary (note 35)	收購一間附屬公司(附註35)	456,857
At 31 December 2008	於二零零八年十二月三十一日	456,857
Accumulated amortisation	累計攤銷	
At 1 January 2007, 31 December 2007, 1 January 2008 and 31 December 2008	於二零零七年一月一日、 二零零七年十二月三十一日、 二零零八年一月一日及 二零零八年十二月三十一日	—
Carrying amounts	賬面值	
At 31 December 2008	於二零零八年十二月三十一日	456,857
At 31 December 2007	於二零零七年十二月三十一日	—

The intangible assets represent the carrying amounts of services agreements held by Rich Daily. The intangible assets have indefinite useful lives and no amortisation been made.

無形資產指 Rich Daily 所持有服務協議之賬面值。無形資產具有無限可使用年期，亦無作出攤銷。

The directors of the Company reassessed the recoverable amounts of the services agreements with reference to the valuation performed by Grant Sherman Appraisal Limited, an independent firm of professional valuers, and determined that no impairment loss is recognised.

在參照獨立專業估值師行中證評估有限公司進行之估值後，本公司董事已重新評審服務協議之可收回金額，並釐定並無減值虧損已獲確認。

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19. INTANGIBLE ASSETS (Continued)

The recoverable amounts of the services agreements were assessed by reference to value-in-use calculation. A discount rate of 17.68% per annum was applied in the value-in-use model which uses cash flow projections based on financial forecasts approved by the directors of the Company covering a ten-year period. There are a number of assumptions and estimates involved for the preparation of the cash flow projections for the period covered by the forecast. Key assumptions include gross margin and growth rate which are determined by the management of the Group based on its expectation for market development. The discount rates used are pre-tax and reflect specific risks relating to the industry.

20. INVENTORIES

All inventories were carried at cost during the years.

Properties held for sale solely comprised of certain units of apartments held by Beijing Shama of which sale and purchase agreements were entered into and full considerations have been received by Beijing Shama in respect of these units of apartments (note 32). However, the transfers of legal titles of these units of apartments have not yet been completed at the date of approval of the financial statements.

19. 無形資產(續)

服務協議之可收回金額是參照使用價值計算方式評估。應用在使用價值模式之折現率為每年17.68%，採用依據本公司董事批准之財務預測作出之現金流量預測，所涵蓋之期間為十年。編製預測所涵蓋期間之現金流量預測涉及多項假設及估計。主要假設包括毛利率及增長率，該等數字是由本集團管理層根據其預期市場的發展而釐定。所用折現率是除稅前，且反映與行業有關之特定風險。

20. 存貨

所有存貨均於年內按成本列賬。

僅持作出售之物業包括由北京莎瑪所持有之若干公寓單位，北京莎瑪已就該等公寓單位訂立買賣協議並已收取全部代價(附註32)。然而，轉讓該等公寓單位之法定所有權尚未於批准該等財務報表之日完成。

The Group 本集團

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Properties held for sale 持作出售之物業	—	32,783

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20. INVENTORIES (Continued)

At 31 December 2008, properties held for sale of the Group were re-classified as assets of disposal group classified as held for sale (note 25).

20. 存貨(續)

於二零零八年十二月三十一日，本集團之持作出售物業重新分類為分類為持作出售之出售組別資產(附註25)。

21. TRADE RECEIVABLES

21. 貿易應收款項

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
0-30 days	零至30日	4,443	215
31-60 days	31至60日	—	429
61-90 days	61至90日	—	107
Over 90 days	90日以上	2,396	503
		6,839	1,254
Less: Impairment loss recognised in respect of trade receivables	減：已確認貿易應收款項減值虧損	—	(9)
		6,839	1,245

Notes:

- (a) The following is an aged analysis of the trade receivables net of impairment loss at the balance sheet dates:

附註：

- (a) 於結算日，貿易應收款項扣除減值虧損後之賬齡分析如下：

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
0-30 days	零至30日	4,443	213
31-60 days	31至60日	—	424
61-90 days	61至90日	—	106
Over 90 days	90日以上	2,396	502
		6,839	1,245

The Group allows an average credit period of 90 days to its customers.

本集團給予客戶平均90日之信貸期。

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21. TRADE RECEIVABLES (Continued)

Notes: (Continued)

- (b) Aging of trade receivables which are past due but not impaired are as follows:

0-30 days	零至30日
31-60 days	31至60日
61-90 days	61至90日
Over 90 days	90日以上

At 31 December 2008, trade receivables of approximately HK\$2,396,000 (2007: HK\$502,000) were past due but not impaired. The Group is in negotiation with those customers for settlement of these debts. The directors of the Company are of the opinion that no impairment is necessary in respect of these balances as there had not been a significant change in credit quality on these balances.

- (c) Aging of impaired trade receivables:

0-30 days
31-60 days
61-90 days
Over 90 days

- (d) The carrying amounts of trade receivables approximate to their fair values.

21. 貿易應收款項(續)

附註:(續)

- (b) 已逾期但未減值貿易應收款項之賬齡:

The Group 本集團

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
—	—
—	—
—	—
2,396	502
2,396	502

於二零零八年十二月三十一日，貿易應收款項約2,396,000港元(二零零七年：502,000港元)為已逾期但未減值。本集團正在與該等客戶就清償該等債項進行磋商。本公司董事認為由於該等結餘之信貸質素並無出現重大變動，故毋須就該等結餘作出減值撥備。

- (c) 已減值貿易應收款項之賬齡:

The Group 本集團

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
—	2
—	5
—	1
—	1
—	9

- (d) 貿易應收款項之賬面值與其公平值相若。

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22. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

22. 按金、預付款項及其他應收款項

		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
Deposits	按金	827	2,529	—	1,350
Prepayments	預付款項	15	25,207	—	550
Other receivables	其他應收款項	785	4,094	—	350
		1,627	31,830	—	2,250

The carrying amounts of the deposits, prepayments and other receivables approximate to their fair values.

按金、預付款項及其他應收款項之賬面值與其公平值相若。

23. TAX PREPAYMENTS

23. 預付稅項

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Tax reserve certificates	儲稅券	—	3,055
Tax paid in advance	預付稅項	—	9,065
		—	12,120

Tax reserve certificates borne interest rates ranged from 2.33% to 2.68% per annum for the year ended 31 December 2007.

截至二零零七年十二月三十一日止年度儲稅券以年利率介乎2.33厘至2.68厘計息。

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24. CASH AND CASH EQUIVALENTS

(a) Balance sheet

		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
Deposits with banks and other financial institutions	銀行及其他金融機構存款	—	463,391	—	463,391
Cash and bank balances	現金及銀行結餘	7,218	68,005	278	26,147
Cash and cash equivalents	現金及現金等價物	7,218	531,396	278	489,538

The effective interest rates of deposits with banks and other financial institutions for the year ended 31 December 2008 ranged from 0.5% to 3.5% per annum (2007: 2.2% to 4.3% per annum).

截至二零零八年十二月三十一日止年度，銀行及其他金融機構存款之實際年利率介乎0.5厘至3.5厘(二零零七年：年利率2.2厘至4.3厘)。

(b) Cash and cash equivalents at the end of the financial years as shown in the consolidated cash flow statement can be reconciled to the related items in the consolidated balance sheet as follows:

(b) 綜合現金流量表所示於財政年度結算日之現金及現金等價物可與綜合資產負債表之有關項目對賬如下：

		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
Cash and cash equivalents	現金及現金等價物				
Included in cash and cash equivalents as per consolidated balance sheet	計入綜合資產負債表所列之現金及現金等價物	7,218	531,396	278	489,538
Included in assets of disposal group classified as held for sale (note 25)	計入分類為持作出售之出售組別資產(附註25)	82,152	—	—	—
		89,370	531,396	278	489,538

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24. CASH AND CASH EQUIVALENTS

(Continued)

(c) The carrying amounts of cash and bank balances are denominated in the following currencies:

24. 現金及現金等價物(續)

(c) 現金及銀行結餘之賬面值以下列貨幣為單位：

		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
Renminbi	人民幣	82,136	39,119	—	—
United States of America Dollars	美元	36	36	—	—
Hong Kong Dollars	港元	7,198	492,241	278	489,538
		89,370	531,396	278	489,538

The conversion of Renminbi denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC Government.

以人民幣為單位之結餘兌換為外幣須遵照中國政府頒佈之外匯管制規則及規例。

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25. ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS

On 26 November 2008, Riche (BVI) Limited (“Riche”), a wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement (the “Agreement”) with Mega Shell Services Limited (“Mega Shell”), a wholly-owned subsidiary of Golife Concepts Holdings Limited (“Golife”), relating to the sale of the entire issued share capital of Shinhan-Golden and World East Investments Limited, both of them are wholly-owned subsidiaries of the Company, to Mega Shell at a consideration of HK\$211,466,310 (subject to adjustment). Pursuant to the Agreement, the consideration would be settled by Mega Shell in the following manner: (a) HK\$5,581,713 (subject to adjustment) to be paid in cash; (b) HK\$5,884,597 by procuring Golife to allot and issue 11,769,194 new shares in Golife (adjusted for the capital reorganisation of Golife as completed on 6 April 2009) credited as fully paid at an issue price of HK\$0.50 per share; (c) HK\$100,000,000 by procuring Golife to issue a convertible bond; and (d) HK\$100,000,000 by procuring Golife to issue a promissory note.

The Agreement was approved by the shareholders at the special general meeting of the Company held on 12 February 2009 and completed on 8 April 2009.

25. 分類為持作出售之出售組別資產及負債以及已終止經營業務

於二零零八年十一月二十六日，本公司之全資附屬公司Riche (BVI) Limited (「Riche」)與寶利福控股有限公司(「寶利福」)之全資附屬公司Mega Shell Services Limited (「Mega Shell」)訂立有條件買賣協議(「協議」)，內容有關向Mega Shell出售本公司之全資附屬公司Shinhan-Golden及World East Investments Limited之全部已發行股本，代價為211,466,310港元(可予調整)。根據協議，代價將由Mega Shell按下列方式支付：(a) 5,581,713港元(可予調整)將以現金支付；(b) 5,884,597港元透過促使寶利福每股0.50港元之發行價配發及發行11,769,194股入賬列作繳足之寶利福新股份(就寶利福於二零零九年四月六日完成之股本重組作出調整)支付；(c) 100,000,000港元透過促使寶利福發行可換股債券支付；及(d) 100,000,000港元透過促使寶利福發行承付票支付。

協議已於本公司於二零零九年二月十二日舉行之股東特別大會上獲股東批准，並於二零零九年四月八日完成。

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25. ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

25. 分類為持作出售之出售組別資產及負債以及已終止經營業務(續)

Assets of disposal group classified as held for sale

分類為持作出售之出售組別資產

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	21,421	—
Investment properties	投資物業	906,960	—
Inventories	存貨	28,969	—
Trade receivables	貿易應收款項	212	—
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	9,698	—
Cash and cash equivalents	現金及現金等價物	82,152	—
		1,049,412	—

Liabilities of disposal group classified as held for sale

分類為持作出售之出售組別負債

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Accruals and other payables	應計費用及其他應付款項	13,961	—
Receipts in advance	預收款項	39,470	—
Secured bank loan	有抵押銀行貸款	319,418	—
Deferred taxation	遞延稅項	54,763	—
		427,612	—

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25. ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

25. 分類為持作出售之出售組別資產及負債以及已終止經營業務(續)

Analysis of the results of discontinued operations

已終止經營業務之業績分析

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Turnover	營業額	20,826	2,917
Cost of sales	銷售成本	(7,176)	(858)
Gross profit	毛利	13,650	2,059
Other revenue	其他收益	1,257	283
Other income	其他收入	—	106,956
Fair value changes on investment properties	投資物業之公平值變動	(74,045)	43,853
Impairment loss recognised in respect of goodwill	已確認商譽減值虧損	(40,382)	(37,828)
Administrative expenses	行政開支	(25,177)	(12,230)
(Loss)/profit from discontinued operations	來自己終止經營業務之(虧損)/溢利	(124,697)	103,093
Finance costs	融資費用	(25,289)	(19,494)
(Loss)/profit before taxation from discontinued operations	來自己終止經營業務之除稅前(虧損)/溢利	(149,986)	83,599
Taxation	稅項	22,214	(13,156)
(Loss)/profit for the year from discontinued operations	來自己終止經營業務之本年度(虧損)/溢利	(127,772)	70,443

Analysis of the cash flows from discontinued operations

已終止經營業務之現金流量分析

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Operating cash flows	經營現金流量	160,660	218,036
Investing cash flows	投資現金流量	(63,073)	(121,857)
Financing cash flows	融資現金流量	(53,891)	51,787
		43,696	147,966

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26. SHARE CAPITAL

Movements in the share capital of the Company during the years were as follows:

26. 股本

本公司年內之股本變動如下：

		Number of shares		Share capital	
		股份數目		股本	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		'000	'000	HK\$'000	HK\$'000
		千股	千股	千港元	千港元
Ordinary shares of HK\$0.01 each (2007: HK\$0.10 each)	每股面值0.01港元(二零零七年:每股面值0.10港元)之普通股				
<i>Authorised:</i>	<i>法定:</i>				
At 1 January	於一月一日	6,000,000	20,000,000	600,000	200,000
Share consolidation (note a)	股份合併(附註a)	—	(18,000,000)	—	—
Increase in authorised share capital (note b)	增加法定股本(附註b)	—	4,000,000	—	400,000
Capital reorganisation	股本重組				
— share consolidation (note c (i))	— 股份合併(附註c (i))	(5,400,000)	—	—	—
— capital reduction (note c (ii))	— 股本削減(附註c (ii))	—	—	(594,000)	—
Increase in authorised share capital (note d)	增加法定股本(附註d)	1,400,000	—	14,000	—
At 31 December	於十二月三十一日	2,000,000	6,000,000	20,000	600,000
Issued and fully paid:	已發行及繳足:				
At 1 January	於一月一日	1,951,860	6,484,340	195,186	64,843
Share consolidation (note a)	股份合併(附註a)	—	(7,294,680)	—	—
Capital reorganisation	股本重組				
— share consolidation (note c (i))	— 股份合併(附註c (i))	(1,756,683)	—	—	—
— capital reduction (note c (ii))	— 股本削減(附註c (ii))	—	—	(193,235)	—
Issuance of new shares (note e)	發行新股份(附註e)	—	1,296,860	—	12,969
Exercise of share options (note f)	行使購股權(附註f)	—	324,000	—	3,240
Issuance of new shares (note g)	發行新股份(附註g)	—	155,620	—	15,562
Issuance of new shares (note h)	發行新股份(附註h)	—	162,100	—	16,210
Issuance of new shares (note i)	發行新股份(附註i)	—	173,000	—	17,300
Issuance of new shares (note j)	發行新股份(附註j)	—	650,620	—	65,062
Exercise of share options (note k)	行使購股權(附註k)	10	—	1	—
At 31 December	於十二月三十一日	195,187	1,951,860	1,952	195,186

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26. SHARE CAPITAL (Continued)

Notes:

- (a) On 18 May 2007, the shareholders approved the share consolidation on the basis of every ten shares of HK\$0.01 each in the issued and unissued share capital of the Company into one share of HK\$0.10 each in the issued and unissued share capital of the Company. The share consolidation became effective on 21 May 2007.
- (b) On 11 December 2007, the shareholders approved the increase in the authorised share capital of the Company from HK\$200,000,000, divided into 2,000,000,000 shares of HK\$0.10 each, to HK\$600,000,000, divided into 6,000,000,000 shares of HK\$0.10 each, by the creation of an additional 4,000,000,000 new shares of HK\$0.10 each.
- (c) On 30 April 2008, the shareholders approved the following changes to the capital of the Company (the "Capital Reorganisation"):
 - (i) the share consolidation on the basis of every ten issued and unissued shares of HK\$0.10 each in the share capital of the Company into one share of HK\$1.00 each in the share capital of the Company;
 - (ii) immediate after completion of the share consolidation in (i) above, the reduction of the nominal value of all issued and unissued shares of HK\$1.00 each in the share capital of the Company from HK\$1.00 each to HK\$0.01 each; and
 - (iii) the cancellation of the entire amount of HK\$813,058,000 standing to the credit of the share premium account of the Company at 31 December 2007 by transferring such credit amount to the contributed surplus account of the Company and the application of HK\$518,374,000 in the contributed surplus account to set off against the accumulated losses of the Company of HK\$518,374,000 at 31 December 2006 entirely.

The Capital Reorganisation became effective on 2 May 2008.

26. 股本(續)

附註：

- (a) 於二零零七年五月十八日，股東批准股份合併，基準為將每十股本公司已發行及未發行股本中每股面值0.01港元之股份合併為一股本公司已發行及未發行股本中每股面值0.10港元之股份。股份合併於二零零七年五月二十一日生效。
- (b) 於二零零七年十二月十一日，股東批准透過增設4,000,000,000股每股面值0.10港元之新股份，將本公司之法定股本由200,000,000港元(分為2,000,000,000股每股面值0.10港元之股份)增加至600,000,000港元(分為6,000,000,000股每股面值0.10港元之股份)。
- (c) 於二零零八年四月三十日，股東批准以下本公司股本變動(「股本重組」):
 - (i) 股份合併，基準為本公司股本中每十股每股面值0.10港元之已發行及未發行股份合併為一股本公司股本中每股面值1.00港元之股份；
 - (ii) 緊隨上述(i)之股份合併完成後，將本公司股本中每股面值1.00港元之所有已發行及未發行股份之面值由每股1.00港元削減至每股0.01港元；及
 - (iii) 註銷本公司於二零零七年十二月三十一日之股份溢價賬全部進賬金額813,058,000港元，方式為將該進賬金額轉撥至本公司之實繳盈餘賬，並應用實繳盈餘賬中之518,374,000港元以完全抵銷本公司於二零零六年十二月三十一日之累計虧損518,374,000港元。

股本重組於二零零八年五月二日生效。

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26. SHARE CAPITAL (Continued)

Notes: (Continued)

- (d) On 19 December 2008, the shareholders approved the increase in the authorised share capital of the Company from HK\$6,000,000, divided into 600,000,000 shares of HK\$0.01 each, to HK\$20,000,000, divided into 2,000,000,000 shares of HK\$0.01 each, by the creation of an additional 1,400,000,000 new shares of HK\$0.01 each.
- (e) On 30 March 2007, 1,296,860,000 new shares of HK\$0.01 each were allotted and issued to Classical Statute Limited ("CSL"), a substantial shareholder of the Company, at a price of HK\$0.04 per share pursuant to the placing and subscription agreements dated 19 March 2007. The net proceeds of approximately HK\$50,500,000 were intended to be used for financing possible diversified investment of the Group and general working capital of the Group.
- (f) On 17 May 2007, the Company allotted and issued 324,000,000 new shares of HK\$0.01 each pursuant to the exercise of share options granted to the Group's employees. The exercise price was HK\$0.047 per share.
- (g) On 31 May 2007, 155,620,000 new shares of HK\$0.10 each were allotted and issued at a price of HK\$0.55 per share. The net proceeds of approximately HK\$83,300,000 were intended to be used for investment in other relevant business opportunities that may arise in the future and for general working capital of the Group.
- (h) On 11 July 2007, 162,100,000 new shares of HK\$0.10 each were allotted and issued at a price of HK\$0.50 per share by way of placing of new shares under general mandate. The net proceeds of approximately HK\$78,900,000 were intended to be used for expansion of the Group's property investment business.
- (i) On 7 August 2007, 173,000,000 new share of HK\$0.10 each were allotted and issued at a price of HK\$0.83 per share by way of top-up placing. The net proceeds of approximately HK\$139,800,000 were intended to be used for expansion of the Group's property investment business.

26. 股本(續)

附註：(續)

- (d) 於二零零八年十二月十九日，股東批准透過增設1,400,000,000股每股面值0.01港元之新股份，將本公司之法定股本由6,000,000港元(分為600,000,000股每股面值0.01港元之股份)增加至20,000,000港元(分為2,000,000,000股每股面值0.01港元之股份)。
- (e) 於二零零七年三月三十日，根據於二零零七年三月十九日訂立之配售及認購協議，按每股0.04港元之價格向本公司之主要股東Classical Statute Limited(「CSL」)配發及發行1,296,860,000股每股面值0.01港元之新股份。所得款項淨額約50,500,000港元擬用作撥付本集團可能之多元化投資及用作本集團之一般營運資金。
- (f) 於二零零七年五月十七日，本公司因授予本集團僱員之購股權獲行使而配發及發行324,000,000股每股面值0.01港元之新股份。行使價為每股0.047港元。
- (g) 於二零零七年五月三十一日，按每股0.55港元之價格配發及發行155,620,000股每股面值0.10港元之新股份。所得款項淨額約83,300,000港元擬作投資於其他將來可能出現之有關商機及本集團之一般營運資金。
- (h) 於二零零七年七月十一日，根據一般授權以配售新股份之方式按每股0.50港元之價格配發及發行162,100,000股每股面值0.10港元之新股份。所得款項淨額約78,900,000港元擬用作擴充本集團之物業投資業務。
- (i) 於二零零七年八月七日，以先舊後新配售之方式按每股0.83港元之價格配發及發行173,000,000股每股面值0.10港元之新股份。所得款項淨額約139,800,000港元擬用作擴充本集團之物業投資業務。

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26. SHARE CAPITAL (Continued)

Notes: (Continued)

- (j) On 18 December 2007, 650,619,987 new shares of HK\$0.10 were issued at a price of HK\$0.30 per share by way of open offer to the qualifying shareholders on the basis of one offer share for every two existing shares. The net proceeds of approximately HK\$189,000,000 were intended to be used for the proposed acquisition of a 100% equity interest in Modern Vision (Asia) Limited as disclosed in the Company's announcement dated 23 July 2007 and circular dated 5 November 2007 and general working capital of the Group.
- (k) On 8 April 2008, the Company allotted and issued 10,009 new shares of HK\$0.10 each pursuant to the exercise of share options granted to an employee of the Group. The exercise price was HK\$0.1146 per share.

26. 股本(續)

附註：(續)

- (j) 於二零零七年十二月十八日，以公開發售之方式按每股0.30港元之價格向合資格股東發行650,619,987股每股面值0.10港元之新股份，基準為每兩股現有股份獲發一股發售股份。所得款項淨額約189,000,000港元擬用作本公司於二零零七年七月二十三日刊發之公佈及二零零七年十一月五日刊發之通函所披露建議收購Modern Vision (Asia) Limited之100%股本權益以及用作本集團之一般營運資金。
- (k) 於二零零八年四月八日，本公司因授予本集團僱員之購股權獲行使而配發及發行10,009股每股面值0.10港元之新股份。行使價為每股0.1146港元。

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27. RESERVES

27. 儲備

The Company

本公司

		Share premium	Contributed surplus	Share-based payment reserve	Convertible notes reserve	Accumulated losses	Total
		股份溢價 HK\$'000 千港元	實繳盈餘 HK\$'000 千港元 (note) (附註)	以股份形式 支付儲備 HK\$'000 千港元	可換股票據 儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2007	於二零零七年 一月一日	380,626	163,456	—	—	(518,374)	25,708
Issuance of new shares	發行新股份	416,604	—	—	—	—	416,604
Share-based payment expenses	以股份形式 支付之開支	—	—	32,282	—	—	32,282
Exercise of share options	行使購股權	15,828	—	(3,840)	—	—	11,988
Net loss for the year	本年度虧損淨額	—	—	—	—	(223,636)	(223,636)
At 31 December 2007 and 1 January 2008	於二零零七年 十二月三十一日及 二零零八年 一月一日	813,058	163,456	28,442	—	(742,010)	262,946
Capital reorganisation (note 26)	股本重組(附註26)						
— capital reduction	— 股本削減	—	193,235	—	—	—	193,235
— share premium cancellation	— 註銷股份溢價 取消	(813,058)	813,058	—	—	—	—
— set-off accumulated losses against contributed surplus	— 從實繳盈餘中撇 銷累計虧損	—	(518,374)	—	—	518,374	—
Share-based payment expenses	以股份形式 支付之開支	—	—	3,608	—	—	3,608
Issuance of convertible notes — equity component	發行可換股票據 — 股權部分	—	—	—	41,547	—	41,547
Deferred tax recognised	已確認之遞延稅項	—	—	—	(6,855)	—	(6,855)
Net loss for the year	本年度虧損淨額	—	—	—	—	(279,498)	(279,498)
At 31 December 2008	於二零零八年 十二月三十一日	—	651,375	32,050	34,692	(503,134)	214,983

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27. RESERVES (Continued)

Note:

The contributed surplus account of the Company represents the difference between the underlying net assets of the subsidiaries acquired by the Company as at the date of the group reorganisation and the nominal amount of the Company's share capital issued as consideration for the acquisition as well as the net amount transferred from the share capital, share premium account and to accumulated losses account pursuant to a special resolution passed at the special general meetings held on 22 August 2003 and 30 April 2008.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus, if:

- (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

27. 儲備(續)

附註：

根據於二零零三年八月二十二日及二零零八年四月三十日舉行之股東特別大會上通過之特別決議案，本公司之實繳盈餘賬指本公司所收購之附屬公司於集團重組日期之相關資產淨值與本公司作為收購代價之所發行股本之面值及自股本、股份溢價賬轉撥至累計虧損賬之淨額之差額。

根據百慕達一九八一年公司法(經修訂)，本公司之實繳盈餘賬可予分派。惟倘出現下列情況，則本公司不得宣派或派付股息或在實繳盈餘中作出分派：

- (i) 本公司現時或於分派後無法償還其到期負債；或
- (ii) 本公司資產可變現價值降低於其負債、已發行股本及股份溢價賬之總和。

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28. SECURED BANK LOAN

28. 有抵押銀行貸款

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Secured bank loan	有抵押銀行貸款	—	329,018
The maturity of the secured bank loan is as follows:	上述有抵押銀行貸款之到期日期如下：		
Within one year	一年內	—	27,533
Between one and two years	一至兩年	—	64,308
Between two and five years	兩年至五年	—	237,177
Over five years	五年以上	—	—
		—	329,018
Less: Amount due within one year shown under current liabilities	減：列於流動負債中之於一年內到期之款項	—	(27,533)
		—	301,485

The secured bank loan is denominated in Renminbi.

The secured bank loan bears interest at rates ranging from 6.53% to 8.14% per annum for the year ended 31 December 2008 (2007: 6.16% to 7.35% per annum). The secured bank loan is secured by certain of the Group's investment properties in the PRC with fair value of approximately HK\$53,835,000 (2007: HK\$52,081,000) and the Group's bank deposits of approximately HK\$23,470,000 (2007: HK\$16,832,000). The carrying amount of the secured bank loan approximates to its fair value, which has been re-classified as liabilities of disposal group classified as held for sale as referred to note 25 to the consolidated financial statements.

有抵押銀行貸款乃以人民幣列值。

截至二零零八年十二月三十一日止年度，有抵押銀行貸款按年利率6.53厘至8.14厘（二零零七年：年利率6.16厘至7.35厘）計息。有抵押銀行貸款乃以公平值約為853,835,000港元（二零零七年：852,081,000港元）之若干本集團中國投資物業及本集團銀行存款約23,470,000港元（二零零七年：16,832,000港元）擔保。有抵押銀行貸款之賬面值與其公平值相若。有抵押銀行貸款已重新分類為綜合財務報表附註25所述分類為持作出售之出售組別負債。

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29. CONVERTIBLE NOTES

On 29 August 2008, the Company issued two convertible notes with a principal amount of HK\$72,000,000 each to Well Will Investment Limited. Each of the convertible notes bears interest at a rate of 5% per annum and carries a right to convert the principal amount into shares of HK\$0.01 each in the share capital of the Company at an initial conversion price of HK\$1.60 per share (subject to adjustment). The effective interest rate of the liability component of each of the convertible notes is 9.75% per annum.

The movement of the liability component of the convertible notes during the year ended 31 December 2008 is as follows:

29. 可換股票據

於二零零八年八月二十九日，本公司向 Well Will Investment Limited 發行兩份本金額 72,000,000 港元之可換股票據。可換股票據各自按年利率 5 厘計息，並附帶權利可按初步兌換價每股 1.60 港元（可予調整）將本金額兌換為本公司股本中每股面值 0.01 港元之股份。可換股票據各自負債部分之實際利率為年利率 9.75 厘。

可換股票據負債部分於截至二零零八年十二月三十一日止年度內之變動如下：

		The Group and the Company 本集團及本公司	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At 1 January	於一月一日	—	—
Proceeds of issue	發行所得款項	144,000	—
Equity component	股權部分	(41,547)	—
Liability component at the date of issue	於發行日期之負債部分	102,453	—
Imputed interest expense for the year	本年度之估算利息開支	3,350	—
At 31 December	於十二月三十一日	105,803	—

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30. DEFERRED TAXATION

The followings are the major deferred tax liabilities and assets recognised and movements thereon:

The Group

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Estimated tax losses 估計稅務虧損 HK\$'000 千港元	Revaluation of investment properties 投資物業重估 HK\$'000 千港元	Convertible notes 可換股票據 HK\$'000 千港元	Intangible assets 無形資產 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	254	(254)	56,317	—	—	56,317
Exchange alignment	匯兌調整	—	—	4,029	—	—	4,029
Charged to consolidated income statement	自綜合收益表扣除	—	—	13,156	—	—	13,156
At 31 December 2007 and 1 January 2007	於二零零七年十二月三十一日及二零零七年一月一日	254	(254)	73,502	—	—	73,502
Acquisition of a subsidiary (note 35)	收購一間附屬公司 (附註35)	—	—	—	—	54,823	54,823
Issuance of convertible notes	發行可換股票據	—	—	—	6,855	—	6,855
Exchange alignment	匯兌調整	—	—	3,475	—	—	3,475
Credit to consolidated income statement	計入綜合收益表	—	—	(22,214)	—	—	(22,214)
Transfer to liabilities of disposal group classified as held for sale (note 25)	轉撥至分類為持作出售之出售組別負債 (附註25)	—	—	(54,763)	—	—	(54,763)
At 31 December 2008	於二零零八年十二月三十一日	254	(254)	—	6,855	54,823	61,678

The Company

本公司

					Convertible notes 可換股票據 HK\$'000 千港元
At 1 January 2007, 31 December 2007 and 1 January 2008	於二零零七年一月一日、二零零七年十二月三十一日及二零零八年一月一日				—
Issuance of convertible notes	發行可換股票據				6,855
At 31 December 2008	於二零零八年十二月三十一日				6,855

30. 遞延稅項

以下為主要已確認遞延稅項負債及資產及有關變動：

本集團

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30. DEFERRED TAXATION (Continued)

The Group

At 31 December 2008, the Group had unused estimated tax losses of approximately HK\$205,791,000 (2007: HK\$21,112,000) available for offsetting against future taxable profits. A deferred tax asset of approximately HK\$254,000 (2007: HK\$254,000) has been recognised. No deferred tax asset has been recognised in respect of the remaining balance of approximately HK\$37,557,000 (2007: HK\$6,778,000) due to the unpredictability of future profit streams.

30. 遞延稅項(續)

本集團

於二零零八年十二月三十一日，本集團有約205,791,000港元(二零零七年：21,112,000港元)之未動用估計稅務虧損可供抵銷日後應課稅溢利。約254,000港元(二零零七年：254,000港元)之遞延稅項資產已獲確認。由於未能預計日後之溢利，故並無就餘額約37,557,000港元(二零零七年：6,778,000港元)確認遞延稅項資產。

31. ACCRUALS AND OTHER PAYABLES

31. 應計費用及其他應付款項

		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
Accruals	應計費用	6,571	5,646	1,080	943
Other payables	其他應付款項	26,385	6,769	—	—
Tax payables	應付稅項	—	6,830	—	—
		32,956	19,245	1,080	943

The tax payables represented the provision for land appreciation tax on certain units of apartments sold by Beijing Shama prior to 2003 (note 20). According to the PRC Tax law and regulation, 30% of land appreciation tax was accrued in the consolidated financial statements.

應付稅項指北京莎瑪於二零零三年前銷售之若干公寓單位之土地增值稅撥備(附註20)。根據中國稅務法例及法規，在綜合財務報表中已計入30%土地增值稅。

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31. ACCRUALS AND OTHER PAYABLES

(Continued)

At 31 December 2008, tax payables have been re-classified as liabilities of disposal group classified as held for sale as referred to note 25 to the consolidated financial statements.

The carrying amounts of accruals and other payables approximate to their fair values.

32. RECEIPTS IN ADVANCE AND DEPOSITS RECEIVED

Receipts in advance represented the full amount of considerations received from sales of certain units of apartment, details of which are set out in note 20 to the consolidated financial statements. Since the transfer of legal titles of these units of apartments have not yet been completed at the date of the approval of the financial statements, no revenue could be recognised for the year and the total amount was recorded as receipts in advance, which has been re-classified as liabilities of disposal group classified as held for sale as referred to note 25 to the consolidated financial statements.

31. 應計費用及其他應付款項(續)

於二零零八年十二月三十一日，應付稅項已重新分類為綜合財務報表附註25所述分類為持作出售之出售組別負債。

應計費用及其他應付款項之賬面值與其公平值相若。

32. 預收款項及已收按金

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Receipts in advance	預收款項	—	46,557
Trade deposits received	已收貿易按金	477	484
		477	47,041

預收款項指銷售若干公寓單位收取之全數代價，有關詳情載於綜合財務報表附註20。由於在批准本財務報表日期，該等公寓單位之法定所有權仍未完成轉讓，故本年度未能確認收益，且全部款項均記錄為預收款項，並已重新分類為綜合財務報表附註25所述分類為持作出售之出售組別負債。

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33. AMOUNTS DUE TO RELATED COMPANIES

33. 應付關連公司款項

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
China Star Entertainment Limited ("China Star") and its subsidiaries (the "China Star Group")	中國星集團有限公司 (「中國星」)及其附屬公司 (「中國星集團」)	600	701

The amounts due to the China Star Group are unsecured, non-interest bearing and have no fixed terms of repayment.

應付中國星集團款項為無抵押、免息及無固定還款期。

34. INTERESTS IN SUBSIDIARIES

34. 附屬公司權益

		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
Unlisted shares, at cost	非上市股份，按成本	83,553	83,553
Impairment losses recognised	已確認減值虧損	(83,553)	(83,553)
		—	—
Amounts due from subsidiaries	應收附屬公司款項	1,339,161	709,207
Impairment losses recognised	已確認減值虧損	(972,856)	(704,334)
		366,305	4,873

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34. INTERESTS IN SUBSIDIARIES (Continued)

The carrying amounts of the interests in subsidiaries are reduced to their recoverable amounts which are determined by reference to the estimation of future cash flows expected to be generated from the respective subsidiaries.

The amounts due to subsidiaries are unsecured, interest-free and repayable on demand. The carrying amounts of amounts due to subsidiaries at 31 December 2008 approximate to their fair values.

The amounts due from subsidiaries are unsecured, interest-free and have no fixed repayment terms. In the opinion of the directors of the Company, the carrying amounts of the amounts due from subsidiaries at 31 December 2008 approximate to their fair values.

Details of the Company's subsidiaries at 31 December 2008 are set out as follows:

34. 附屬公司權益(續)

附屬公司權益之賬面值獲調減至其可收回金額，有關可收回金額乃參考預期將從各附屬公司所產生之估計未來現金流量予以釐定。

應付附屬公司款項為無抵押、免息及須於要求時償還。於二零零八年十二月三十一日應付附屬公司款項之賬面值與其公平值相若。

應收附屬公司款項為無抵押、免息及無固定還款期。本公司董事認為，於二零零八年十二月三十一日，應收附屬公司款項之賬面值與其公平值相若。

本公司之附屬公司於二零零八年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Country/place of incorporation 註冊成立 國家/地點	Particulars of issued share capital/ registered capital		Principal activities 主要業務
		已發行股本/ 註冊資本詳情		
Beijing Jianguo Real Estate Development Co., Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股面值1美元之普通股		Dormant 暫無營業
Best Season Holdings Corp.	British Virgin Islands 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元 之普通股		Dormant 暫無營業

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34. INTERESTS IN SUBSIDIARIES (Continued)

34. 附屬公司權益(續)

Name of subsidiary 附屬公司名稱	Country/place of incorporation 註冊成立 國家/地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Principal activities 主要業務
Bluelagoon Investment Holdings Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1 股面值 1 美元之普通股	Investment holding, sales of financial assets, distribution of films and sub-licensing of film rights in the PRC 投資控股、銷售金融資產、於中國發行電影及轉授電影發行權
Dragon Leader Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1 股面值 1 美元之普通股	Investment holding 投資控股
Gainful Fortune Limited	British Virgin Islands 英屬處女群島	160,000,100 ordinary shares of HK\$1 each 160,000,100 股每股面值 1 港元之普通股	Holding of film rights 持有電影發行權
Legend Rich Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1 股面值 1 美元之普通股	Investment holding 投資控股
Ocean Shores Licensing Limited	British Virgin Islands 英屬處女群島	10,000 ordinary shares of US\$1 each 10,000 股每股面值 1 美元之普通股	Holding of film rights outside Hong Kong 於香港以外地區持有電影發行權
Rich Joy Investments Limited 富樂投資有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2 股每股面值 1 港元之普通股	Dormant 暫無營業
Riche Advertising Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1 股面值 1 美元之普通股	Sales of financial assets 銷售金融資產

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34. INTERESTS IN SUBSIDIARIES (Continued)

34. 附屬公司權益(續)

Name of subsidiary 附屬公司名稱	Country/place of incorporation 註冊成立 國家/地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Principal activities 主要業務
Riche (BVI) Limited	British Virgin Islands 英屬處女群島	1,000 ordinary shares of US\$1 each 1,000 股每股面值 1 美元 之普通股	Investment holding in Hong Kong 於香港投資控股
Riche Distribution Limited 豐采發行有限公司	Hong Kong 香港	1,000,000 ordinary shares of HK\$1 each 1,000,000 股每股面值 1 港元之普通股	Sub-licensing of film rights in Hong Kong and sales of financial assets 於香港轉授電影發行權及 銷售金融資產
Riche International (Macao Commercial Offshore) Limited 豐采國際(澳門離岸商業服務)有 限公司	Macau 澳門	1 share of MOP100,000 1 股面值澳門幣 100,000 元之股份	Distribution of films and sub-licensing of film rights in the PRC 於中國發行電影及轉授電 影發行權
Riche Multi-Media Limited 豐采多媒體有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2 股每股面值 1 港元之普 通股	Distribution of films and other video features in the PRC 於中國發行電影及其他影 視特輯
Riche Pictures Limited 豐采影畫有限公司	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1 股面值 1 美元之普通股	Investment holding in Hong Kong 於香港投資控股
Riche Video Limited 豐采錄影有限公司	Hong Kong 香港	10 ordinary shares of HK\$100 each 20,000 non-voting deferred shares of HK\$100 each* 10 股每股面值 100 港元 之普通股 20,000 股每股面值 100 港元之無投票權遞延 股份*	Distribution of video products in Hong Kong 於香港發行影視產品

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34. INTERESTS IN SUBSIDIARIES (Continued)

34. 附屬公司權益(續)

Name of subsidiary 附屬公司名稱	Country/place of incorporation 註冊成立 國家/地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Principal activities 主要業務
Rich Daily Group Limited	British Virgin Islands 英屬處女群島	100 ordinary share of US\$1 each 100股每股面值1美元 之普通股	Provision of management services 提供管理服務
Shinhan-Golden Faith International Development Limited	British Virgin Islands 英屬處女群島	10,000,000 ordinary shares of US\$1 each 10,000,000股每股面值 1美元之普通股	Investment holding in the PRC 於中國投資控股
Stable Income Limited 堅益有限公司	Hong Kong 香港	1,000,000 ordinary shares of HK\$1 each 1,000,000股每股面值1 港元之普通股	Travel business 旅遊業務
World East Investments Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股面值1美元之普通股	Distribution of films and sub-licensing of film rights in the PRC through a PRC agent 透過中國代理商於中國發 行電影及轉授電影發行 權
北京莎瑪房地產開發有限公司 (formerly known as "Beijing Jianguo Real Estate Development Co. Ltd" 前稱 「北京建國房地產開發有限 公司」)	the PRC 中國	Registered capital of US\$15,000,000 註冊資本 15,000,000美元	Property investment in the PRC 於中國投資物業

* The non-voting deferred shares, which are not held by the Group, carry practically no rights to dividends nor to receive notice of nor to attend or vote at any general meeting of Riche Video Limited nor to participate in any distribution on winding up.

The Company directly holds the interest in Riche (BVI) Limited. All other subsidiaries are indirectly held by the Company.

* 該等無投票權遞延股份實際並無權利分享股息、接收任何豐采錄影有限公司股東大會之通告、出席該等大會或在會上投票之權利，在清盤時亦不可享有任何分派。

本公司直接持有 Riche (BVI) Limited 之權益。所有其他附屬公司均由本公司間接持有。

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34. INTERESTS IN SUBSIDIARIES (Continued)

All of the subsidiaries are wholly-owned by the Company, except Best Season Holdings Corp. which was 75% owned by the Group.

None of the subsidiaries had any debt securities outstanding at the end of the year, or at any time during the year.

35. ACQUISITION OF A SUBSIDIARY

On 29 August 2008, the Group acquired the entire issued share capital of Rich Daily at an initial consideration of HK\$504,000,000, which was satisfied by the Group by paying HK\$360,000,000 in cash and issuance of convertible notes in an aggregate principal amount of HK\$144,000,000. The amount of goodwill arising from the acquisition was approximately HK\$101,965,000.

34. 附屬公司權益(續)

所有附屬公司均由本公司全資擁有，惟 Best Season Holdings Corp. 由本集團擁有 75%。

各附屬公司於年終時或本年度任何時間均無任何尚未贖回之債務證券。

35. 收購一間附屬公司

於二零零八年八月二十九日，本集團收購 Rich Daily 之全部已發行股本，初步代價為 504,000,000 港元，由本集團以現金支付 360,000,000 港元，以及發行本金總額 144,000,000 港元之可換股票據支付。因收購而產生之商譽約為 101,965,000 港元。

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35. ACQUISITION OF A SUBSIDIARY

(Continued)

Rich Daily entered into three services agreements with three gaming promoters in Macau for the provision of management services to their concierge departments. The service fee income is calculated at 0.03% of the rolling turnover generated by the gaming promoters.

35. 收購一間附屬公司(續)

Rich Daily與三名澳門博彩推廣員就向其禮賓部提供管理服務訂立三份服務協議。服務費收入乃按博彩推廣員所產生累計營業額之0.03%計算。

		Acquiree's carrying amount before combination 合併前被收購 公司賬面值 HK\$'000 千港元	Fair value adjustment 公平值調整 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Intangible assets (note)	無形資產(附註)	—	456,857	456,857
Cash and bank balances	現金及銀行結餘	1	—	1
Deferred taxation	遞延稅項	—	(54,823)	(54,823)
Net assets acquired	所收購資產淨值	1	402,034	402,035
Goodwill	商譽			101,965
				504,000
Fair value of purchase consideration settled by:	以下列方式支付購買代價之公平值：			
Cash	現金			360,000
Issuance of convertible notes (note)	發行可換股票據(附註)			144,000
				504,000
Net cash flow from acquisition of a subsidiary:	收購一間附屬公司之現金流量淨額：			
Cash paid	已付現金			(360,000)
Cash and bank balances acquired	所收購現金及銀行結餘			1
				(359,999)

Note:

The fair values of the intangible assets and the convertible notes were determined based on the valuations performed by Grant Sherman Appraisal Limited, an independent firm of professional valuers and not connected with the Group, as at the date of acquisition.

附註：

無形資產及可換股票據之公平值乃按與本集團概無關連之獨立專業估值師行中證評估有限公司於收購日期進行之估值釐定。

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35. ACQUISITION OF A SUBSIDIARY

(Continued)

Details of the acquisition were disclosed in the Company's circular dated 30 May 2008.

During the year ended 31 December 2008, Rich Daily contributed a profit of approximately HK\$18,215,000 to the Group since the date of acquisition. If the acquisition had been completed on 1 January 2008, turnover for the year ended 31 December 2008 would have been HK\$18,215,000 and profit for the year ended 31 December 2008 would have been HK\$18,215,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of turnover and results of the Group actually would have been achieved had the acquisition been completed on 1 January 2008, nor is it intended to be a projection of future results.

36. COMMITMENTS

(a) Lease commitments

As lessee

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		The Group 本集團	
		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	845	1,856
In the second to fifth year inclusive	第二至五年內 (包括首尾 兩年)	473	341
		1,318	2,197

Operating lease payments represented rentals payable by the Group for its office premises. Leases are mainly negotiated for an average term of two years and rentals are fixed for an average of two years.

35. 收購一間附屬公司(續)

收購之詳情於本公司於二零零八年五月三十日刊發之通函中披露。

於截至二零零八年十二月三十一日止年度內，Rich Daily自收購日期以來為本集團帶來溢利約18,215,000港元。倘收購已於二零零八年一月一日完成，則截至二零零八年十二月三十一日止年度之營業額將為18,215,000港元，而截至二零零八年十二月三十一日止年度之溢利將為18,215,000港元。備考資料僅供說明，且不一定反映本集團在收購於二零零八年一月一日完成之情況下應實際達致之營業額及業績，亦不擬作為未來業績預測。

36. 承擔

(a) 租賃承擔

作為承租人

於結算日，本集團根據於下列期限到期之租賃物業不可撤銷經營租約之日後最低租金承擔如下：

經營租金指本集團辦公室物業應付之租金。租約主要就平均兩年租期磋商，而租金平均兩年固定不變。

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36. COMMITMENTS (Continued)

(a) Lease commitments (Continued)

As lessor

At the balance sheet date, the Group had contracted with tenants for future minimum lease payments under non-cancellable operating leases in respect of the Group's investment properties, which fall due as follows:

36. 承擔(續)

(a) 租賃承擔(續)

作為出租人

於結算日，本集團根據與租戶訂約於下列期限到期之本集團投資物業不可撤銷經營租約之日後最低租金如下：

		The Group 本集團	
		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	4,492	—

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36. COMMITMENTS (Continued)

(b) Other commitments

- (i) At the balance sheet date, the Group had capital commitments contracted but not provided for in the consolidated financial statements:

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Acquisition of a 100% interest in the issued share capital of Exceptional Gain Profits Limited and a sale loan	收購 Exceptional Gain Profits Limited 已發行股本之 100% 權益及銷售貸款	—	447,000
Acquisition of a 3.3% interest in the registered capital of Beijing Shama	收購北京莎瑪註冊資本之 3.3% 權益	—	4,538
Renovation works in respect of the investment properties	有關投資物業之裝修工程	10,408	28,750

- (ii) Pursuant to the undertaking letters issued by the owners of 上海昇平文化發展有限公司 during the year ended 31 December 2003, they will transfer their ownership in the registered capital of 上海昇平文化發展有限公司 to the Group at a price to be determined by the valuers in the PRC when the laws in the PRC allow foreign investors to own more than 51% in the registered capital of 上海昇平文化發展有限公司.

36. 承擔(續)

(b) 其他承擔

- (i) 於結算日，本集團擁有已訂約但未於綜合財務報表作出撥備之資本承擔：

- (ii) 根據上海昇平文化發展有限公司之擁有人於截至二零零三年十二月三十一日止年度內發出之承諾書，倘中國法例容許外國投資者擁有上海昇平文化發展有限公司註冊資本超過 51% 之權益，則彼等將按中國估值師釐定之價格轉讓其於上海昇平文化發展有限公司註冊資本之擁有權予本集團。

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36. COMMITMENTS (Continued)

(b) Other commitments (Continued)

- (iii) Pursuant to a facility agreement dated 11 May 2007 entered into between Rich Joy Investments Limited, a wholly-owned subsidiary of the Company, and Best Season Holdings Corp. ("Best Season"), a 75% owned subsidiary of the Group, Rich Joy Investments Limited has agreed to grant Best Season a revolving facility of up to HK\$200,000,000 for the purpose of its business and working capital requirements. At the balance sheet date, Best Season had not drawn down the facility.

37. CONTINGENCIES

At 31 December 2008, the Group has neither material contingent assets nor liabilities.

38. BANKING FACILITIES

The Group's secured bank loan of approximately HK\$319,418,000 (2007: HK\$329,018,000) at 31 December 2008 were secured by:

- (a) a legal charge over certain of the Group's investment properties with the fair value of approximately HK\$853,835,000 (2007: HK\$852,081,000);
- (b) a legal charge over the Group's bank deposits with balance of approximately HK\$23,470,000 (2007: HK\$16,832,000); and
- (c) a corporate guarantee provided by the Company.

36. 承擔(續)

(b) 其他承擔(續)

- (iii) 根據富樂投資有限公司(本公司之全資附屬公司)與Best Season Holdings Corp. (「Best Season」, 本集團擁有75%之附屬公司)於二零零七年五月十一日訂立之融資協議, 富樂投資有限公司已同意就其業務及營運資金所需向Best Season授出循環融資最多200,000,000港元。於結算日, Best Season並無提取融資。

37. 或然事項

於二零零八年十二月三十一日, 本集團並無重大或然資產或負債。

38. 銀行融資

於二零零八年十二月三十一日, 本集團之有抵押銀行貸款約319,418,000港元(二零零七年: 329,018,000港元)乃以下各項作抵押:

- (a) 本集團公平值約853,835,000港元(二零零七年: 852,081,000港元)之若干投資物業之法定押記;
- (b) 本集團銀行存款結存約23,470,000港元(二零零七年: 16,832,000港元)之法定押記; 及
- (c) 由本公司提供之公司擔保。

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39. LITIGATIONS

At 31 December 2008 and up to the date of approval of these consolidated financial statements, the Group was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance known to the directors of the Company to be pending or threatened against any member of the Group.

40. SHARE - BASED PAYMENT TRANSACTIONS

The Company's share option scheme (the "Option Scheme"), was adopted on 21 January 2002 to replace the share option scheme adopted on 19 January 2000, and will expire on 20 January 2012. The purpose of the Option Scheme is to enable the board of directors of the Company to grant share options to selected eligible persons as incentives or rewards for their contribution or potential contribution to the Group.

Under the Option Scheme, the board of directors of the Company may grant share options to the following eligible persons:

- (a) any director or proposed director, employee or proposed employee of, or any individual for the time being seconded to work for, any member of the Group or any controlling shareholder or any company controlled by a controlling shareholder.
- (b) any holder of any securities issued by any member of the Group or any controlling shareholder or any company controlled by a controlling shareholder.

39. 訴訟

於二零零八年十二月三十一日及截至本綜合財務報表獲批准日期，本集團並無涉及任何重要訴訟或仲裁，而就本公司董事所知，本集團任何成員公司概無待決或面臨重要訴訟或申索。

40. 以股份形式支付之交易

本公司於二零零二年一月二十一日採納購股權計劃（「購股權計劃」），以取代於二零零零年一月十九日採納之購股權計劃，並將於二零一二年一月二十日屆滿。購股權計劃旨在讓本公司董事會可向選定合資格人士授出購股權作為彼等對本集團之貢獻或潛在貢獻之獎勵或回報。

根據購股權計劃，本公司董事會可向以下合資格人士授出購股權：

- (a) 本集團之任何成員公司或任何控權股東或任何由控權股東控制之公司之任何董事或候任董事、僱員或候任僱員，或任何當時臨時調派之人士。
- (b) 持有本集團之任何成員公司或任何控權股東或任何由控權股東控制之公司所發行任何證券之人士。

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40. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

- (c) any business or joint venture partner, contractor, agent or representative of,
 - (i) any person of entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to;
 - (ii) any supplier, producer or licensor of films, television programmes, video features, goods or services to;
 - (iii) any customer, licensee (including any sub-licensee) or distributor of films, television programmes, video features, goods or services of; or
 - (iv) any landlord or tenant (including any subtenant) of, any member of the Group or any controlling shareholder or a company controlled by a controlling shareholder.

40. 以股份形式支付之交易(續)

- (c) 本集團之任何成員公司或任何控權股東或任何由控權股東控制之公司
 - (i) 獲提供研究、開發或其他技術支援或任何顧問、諮詢、專業或其他服務之公司之任何人士；
 - (ii) 獲提供電影、電視節目、影視產品、貨物或服務之任何供應商、製片商或授權人；
 - (iii) 獲提供電影、電視節目、影視產品、貨物或服務之任何客戶、受權人(包括任何轉授受權人)或發行商；或
 - (iv) 任何業主或租戶(包括任何分租租戶)，之任何業務或合營夥伴、承包商、代理人或代表。

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40. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

The maximum number of shares which may be issued upon exercise of all share options to be granted by the Company under the Option Scheme and any other share option schemes of the Company must not exceed 10% of the Company's shares in issue as at the date of approval of the Option Scheme. Such limit may be refreshed by shareholders in general meeting from time to time. The maximum number of shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Options Scheme and any other share option schemes of the Company must not exceed 30% of the Company's shares in issue from time to time.

The maximum number of shares issued or to be issued upon exercise of share options granted under the Option Scheme and any share option schemes of the Company to any eligible person in any 12 months period shall not exceed 1% of the Company's shares in issue. Any further grant in excess of such limit must be separately approved by shareholders with such eligible person and his associates abstaining from voting.

Any grant of share options to a director, chief executive or substantial shareholder of the Company (or any of their associates) must be approved by independent non-executive directors. In addition, any grant of share options to a substantial shareholder or an independent non-executive directors of the Company (or any of their associates) in excess of 0.1% of the Company's shares in issue and having an aggregate value in excess of HK\$5,000,000 in any 12 months period, is required to be approved by shareholders in general meeting in accordance with the Listing Rules.

40. 以股份形式支付之交易(續)

因行使本公司根據購股權計劃及本公司任何其他購股權計劃將予授出之所有購股權而可予發行之最高股份數目，不得超過批准購股權計劃當日本公司已發行股份10%。該限額可由本公司於股東大會上不時更新。因行使根據購股權計劃及本公司任何其他購股權計劃授出之所有未行使而有待行使之購股權而可予發行之最高股份數目，不得超過不時之本公司已發行股份30%。

於任何12個月期間內因行使根據購股權計劃及本公司任何其他購股權計劃授出之購股權而向任何合資格人士發行或將予發行之最高股份數目，不得超過本公司已發行股份1%。進一步授出超過該限額之購股權須經股東另行批准，而該合資格人士及其聯繫人士須放棄投票。

向本公司董事、主要行政人員或主要股東(或彼等之任何聯繫人士)授出任何購股權必須經獨立非執行董事批准。此外，於任何12個月期間內向本公司主要股東或獨立非執行董事(或彼等之任何聯繫人士)授出超過本公司已發行股份0.1%而總值超過5,000,000港元之購股權，須根據上市規則於股東大會上經股東批准。

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40. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

An offer of the grant of share options must be accepted within 30 days inclusive of the day on which such offer is made, with a payment of HK\$1 by the grantee to the Company. The exercise period of the share options granted is determinable by the board of directors, but in any event shall not exceed ten years from the date of grant.

The exercise price of share options is determined by the board of directors provided that it shall be at least the highest of:

- (a) the Stock Exchange closing price of the Company's share on the date of grant, which must be a business day; and
- (b) the average Stock Exchange closing price of the Company's share for the five business days immediately preceding the date of grant, provided that the exercise price per share shall in no event be less than the nominal value of the Company's share.

40. 以股份形式支付之交易(續)

授出購股權建議必須於作出該建議之日(包括該日)起計30日內由承授人向本公司支付1港元接納。已授出購股權之行使期由董事會釐定，惟無論如何不得超過授出日期起計十年。

購股權行使價由董事會釐定，惟必須至少為下列之最高者：

- (a) 本公司股份於授出日期(必須為營業日)之聯交所收市價；及
- (b) 本公司股份於緊接授出日期前五個營業日之平均聯交所收市價，惟每股行使價無論如何不得低於本公司股份之面值。

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40. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

40. 以股份形式支付之交易(續)

The following table discloses movements of the Company's share options during the year:

下表披露年內本公司購股權之變動：

Category of participants	Date of grant	Exercise period (note a)	Exercise price per share before completion of the Capital Reorganisation	Exercise price per share after completion of the Capital Reorganisation (note b)	Outstanding at 1.1.2008	Granted during 2008	Exercised during 2008	Adjustment for the Capital Reorganisation (note c)	Outstanding at 31.12.2008 (note b)
參與者類別	授出日期	行使期 (附註a)	股本重組完成前之每股行使價	股本重組完成後之每股行使價 (附註b)	於二零零八年一月一日尚未行使	於二零零八年授出	於二零零八年行使	就股本重組作出調整 (附註c)	於二零零八年十二月三十一日尚未行使 (附註b)
Employees 僱員	8.3.2002	8.3.2002 – 7.3.2012	HK\$2.615港元	HK\$26.150港元	18,893,258	–	–	(17,003,932)	1,889,326
Employees 僱員	13.12.2004	13.12.2004 – 12.12.2014	HK\$1.951港元	HK\$19.510港元	27,415,112	–	–	(24,673,601)	2,741,511
Employees and consultants 僱員及顧問	22.3.2007	22.3.2007 – 21.3.2017	HK\$0.473港元	HK\$4.730港元	15,035,056	–	–	(13,531,550)	1,503,506
Employees and consultants 僱員及顧問	31.5.2007	31.5.2007 – 30.5.2017	HK\$0.704港元	HK\$7.040港元	78,684,455	–	–	(70,816,009)	7,868,446
Employees and consultants 僱員及顧問	11.7.2007	11.7.2007 – 10.7.2009	HK\$0.634港元	HK\$6.340港元	97,983,415	–	–	(88,185,073)	9,798,342
Employees and consultants 僱員及顧問	20.3.2008	20.3.2008 – 19.3.2010	HK\$0.115港元	HK\$1.146港元	–	127,440,000	(10,009)	(114,686,992)	12,742,999
					238,011,296	127,440,000	(10,009)	(328,897,157)	36,544,130
Exercisable at the end of the year 於年終可行使									36,544,130

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40. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

Notes:

- (a) The exercise period commenced on the date of grant.
- (b) The exercise prices per share and the number of share options have been adjusted for the Capital Reorganisation that became effective on 2 May 2008 (note 26).
- (c) The closing price of the Company's share on 2 April 2008, the date on which the share options were exercised, was HK\$1.06 (adjusted for the Capital Reorganisation). The weighted average closing price of the Company's shares immediately before the date on which the share options were exercised was HK\$1.044 (adjusted for the Capital Reorganisation).

The fair values of the share options granted during the years ended 31 December 2008 and 2007 were HK\$3,608,000 and HK\$32,282,000 respectively which had been expensed as share-based payment expenses during the years.

40. 以股份形式支付之交易(續)

附註：

- (a) 行使期於授出日期開始。
- (b) 每股行使價及購股權數目已按於二零零八年五月二日生效之股本重組作出調整(附註26)。
- (c) 本公司股份於二零零八年四月二日(購股權獲行使當日)之收市價為1.06港元(就股本重組作出調整)。緊接購股權獲行使當日前，本公司股份之加權平均收市價為1.044港元(就股本重組作出調整)。

截至二零零八年及二零零七年十二月三十一日止年度授出之購股權之公平值分別為3,608,000港元及32,282,000港元，已於年內列作以股份形式支付之開支。

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40. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

The fair value of the share options granted on 20 March 2008 was measured, using a binominal option pricing model, by Grant Sherman Appraisals Limited, an independent firm of professional valuers. The following table lists the inputs to the model used:

Option life	購股權年期
Grant date share price	授出日期股價
Exercise price	行使價
Expected volatility (%)	預期波幅 (%)
Expected lives of share options	購股權預期年期
Dividend yield (%)	股息率 (%)
Risk-free interest rate	無風險利率

The expected lives of share options are based on the historical data over the past five years and are not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

40. 以股份形式支付之交易(續)

於二零零八年三月二十日授出之購股權之公平值乃於授出日期由獨立專業估值師行中證評估有限公司採用二項式期權定價模式計量。下表列示輸入所用模式之資料：

20 March 2008
二零零八年三月二十日
2 years
2年
HK\$1.00
1.00港元
HK\$1.146
1.146港元
95.35%
2 years
2年
0%
5.752%

購股權預期年期乃按過去五年之歷史數據計算，不一定表示可能出現之行使模式。預期波幅反映歷史波幅表示未來趨勢之假設，亦不一定是實際結果。

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40. SHARE - BASED PAYMENT TRANSACTIONS (Continued)

No other feature of the share options granted was incorporated into the measurement of fair value.

At 31 December 2008, the Company had 36,544,130 share options outstanding under the Option Scheme (2007: 238,011,296), representing 18.72% (2007: 12.19%) of the existing issued share capital of the Company.

41. RETIREMENT BENEFITS SCHEMES

With effect from 1 December 2000, the Group has set up a defined contribution retirement scheme, the Mandatory Provident Fund Scheme (the "MPF Scheme"), for all the eligible employees of the Group. The Group did not provide retirement benefits for its employees prior to set up of the MPF Scheme.

Under the MPF Scheme, the employees are required to contribute 5% of their monthly salaries up to a maximum of HK\$1,000 per employee and they can choose to make additional contributions. The employer's monthly contributions are calculated at 5% of each employee's monthly salaries up to a maximum of HK\$1,000 (the "Mandatory Contribution"). The employees are entitled to 100% of the employer's Mandatory Contribution upon their retirement at the age of 65 years old, death or total incapacity.

40. 以股份形式支付之交易(續)

概無其他已授出購股權之特點在計量公平值時計算在內。

於二零零八年十二月三十一日，本公司有36,544,130份根據購股權計劃授出之尚未行使購股權(二零零七年：238,011,296份)，佔本公司現已發行股本18.72%(二零零七年：12.19%)。

41. 退休福利計劃

自二零零零年十二月一日起，本集團為所有合資格僱員設立一項定額供款退休計劃——強制性公積金計劃(「強積金計劃」)。於設立強積金計劃前，本集團並無為僱員提供任何退休福利。

根據強積金計劃，僱員均須按其月薪5%(最多以每僱員1,000港元為限)作出供款，並可選擇作出額外供款。僱主每月之供款乃按各僱員月薪5%(最多以1,000港元為限)計算(「強制性供款」)。僱員可於65歲退休、逝世或完全失去工作能力時全數獲得僱主之強制性供款。

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42. MATERIAL RELATED PARTY TRANSACTIONS

(a) Save as disclosed elsewhere in these consolidated financial statements, the Group entered into the following material related party transactions during the years ended 31 December 2008 and 2007:

(i) During the year, the Group entered into the following transactions with the China Star Group:

42. 重大關連人士交易

(a) 除本綜合財務報表其他地方所披露者外，於截至二零零八年及二零零七年十二月三十一日止年度內，本集團進行下列重大關連人士交易：

(i) 年內，本集團與中國星集團進行下列交易：

Name of company 公司名稱	Nature of transaction 交易性質	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Paid or payable to:	向以下公司已付或應付賬款：		
1. China Star 中國星	Salaries 薪金	(1,260)	(1,300)
2. China Star 中國星	Amount due by the Group 本集團應付款項	(600)	(700)
3. China Star Laser Disc Company Limited 中國星鐳射影碟有限公司	Amount due by the Group 本集團應付款項	—	(1)

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42. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

(ii) On 1 August 2007, the Group entered into a conditional sale and purchase agreement with China Star pursuant to which the Group would acquire a 100% interest in the issued share capital of Exceptional Gain Profits Limited, a wholly-owned subsidiary of China Star, and a sale loan at a consideration of HK\$447,000,000. The consideration would be satisfied by the issue of a convertible note by the Company. The major asset of Exceptional Gain Profits is its 50% interest in Kingsway Hotel Limited. The consideration was determined after arm's length commercial negotiations and with reference to an independent property valuation conducted by DTZ Debenham Tie Leung Limited on an open market basis valuing Kingsway Hotel at approximately HK\$894,000,000 at 31 July 2007. The transaction was approved by the independent shareholders at the special general meeting of the Company held on 31 December 2007.

(iii) On 31 December 2007, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to extend the long-stop date in the conditional sale and purchase agreement dated 1 August 2007 from 31 December 2007 to 28 February 2008.

42. 重大關連人士交易(續)

(a) (續)

(ii) 於二零零七年八月一日，本集團與中國星訂立有條件買賣協議，據此，本集團將收購Exceptional Gain Profits Limited(中國星之全資附屬公司)已發行股本之100%權益及銷售貸款，代價為447,000,000港元。代價將以本公司發行可換股票據支付。Exceptional Gain Profits之主要資產為其於Kingsway Hotel Limited之50%權益。代價乃經過公平商業磋商並參考由戴德梁行有限公司按公開市場基準進行之獨立物業估值(評定金域酒店於二零零七年七月三十一日之價值約為894,000,000港元)後釐定。該交易已於本公司於二零零七年十二月三十一日舉行之股東特別大會上獲獨立股東批准。

(iii) 於二零零七年十二月三十一日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將於二零零七年八月一日訂立之有條件買賣協議之最後期限由二零零七年十二月三十一日延長至二零零八年二月二十八日。

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42. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

- (iv) On 28 February 2008, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to further extend the long-stop date in the conditional sale and purchase agreement dated 1 August 2007 from 28 February 2008 to 31 March 2008.
- (v) On 31 March 2008, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to further extend the long-stop date in the conditional sale and purchase agreement dated 1 August 2007 from 31 March 2008 to 30 May 2008.
- (vi) On 29 May 2008, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to further extend the long-stop date in the conditional sale and purchase agreement dated 1 August 2007 from 30 May 2008 to 31 July 2008.
- (vii) On 31 July 2008, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to further extend the long-stop date in the conditional sale and purchase agreement dated 1 August 2007 from 31 July 2008 to 31 October 2008.
- (viii) On 31 October 2008, the Group and China Star entered into a deed of variation pursuant to which the parties mutually agreed to further extend the long-stop date in the conditional sale and purchase agreement dated 1 August 2007 from 31 October 2008 to 31 January 2009.

42. 重大關連人士交易(續)

(a) (續)

- (iv) 於二零零八年二月二十八日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將於二零零七年八月一日訂立之有條件買賣協議之最後期限由二零零八年二月二十八日進一步延長至二零零八年三月三十一日。
- (v) 於二零零八年三月三十一日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將於二零零七年八月一日訂立之有條件買賣協議之最後期限由二零零八年三月三十日進一步延長至二零零八年五月三十日。
- (vi) 於二零零八年五月二十九日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將於二零零七年八月一日訂立之有條件買賣協議之最後期限由二零零八年五月三十日進一步延長至二零零八年七月三十一日。
- (vii) 於二零零八年七月三十一日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將於二零零七年八月一日訂立之有條件買賣協議之最後期限由二零零八年七月三十一日進一步延長至二零零八年十月三十一日。
- (viii) 於二零零八年十月三十一日，本集團與中國星訂立修訂契據，據此，訂約方互相同意將於二零零七年八月一日訂立之有條件買賣協議之最後期限由二零零八年十月三十一日進一步延長至二零零九年一月三十一日。

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42. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

(ix) On 23 December 2008, the Group entered into a deed of termination with China Star to terminate the conditional sale and purchase agreement dated 1 August 2007.

(b) Save as disclosed elsewhere in these consolidated financial statements, the Group entered into the following material related party transactions with Ms. Chen Ming Yin, Tiffany, a director of the Company, during the year ended 31 December 2007:

(i) On 19 July 2007, the Group entered into a conditional sale and purchase agreement with Ms. Chen Ming Yin, Tiffany pursuant to which the Group would acquire a 100% interest in the issued share capital of Modern Vision (Asia) Limited at a consideration of HK\$684,000,000 (subject to adjustment). The major asset of Modern Vision (Asia) Limited is its indirect 50% interest in a lot of land with the area of 4,669 square meters located in the Nam Van Lakes Zone, Macau. The consideration was determined between the Group and Ms. Chen Ming Yin, Tiffany on a "willing buyer – willing seller" basis. The transaction was not approved by the independent shareholders at the special general meeting of the Company held on 21 November 2007.

(ii) On 5 November 2007, Ms. Chen Ming Yin, Tiffany granted an unsecured and interest-free loan of HK\$45,000,000 to the Company. The Company repaid the loan on 27 November 2007.

42. 重大關連人士交易(續)

(a) (續)

(ix) 於二零零八年十二月二十三日，本集團與中國星訂立終止契據，以終止於二零零七年八月一日訂立之有條件買賣協議。

(b) 除本綜合財務報表其他部分所披露者外，於截至二零零七年十二月三十一日止年度內，本集團與本公司董事陳明英女士進行以下重大關連人士交易：

(i) 於二零零七年七月十九日，本集團與陳明英女士訂立有條件買賣協議，據此，本集團將收購 Modern Vision (Asia) Limited 已發行股本之 100% 權益，代價為 684,000,000 港元(可予調整)。Modern Vision (Asia) Limited 之主要資產為其於一幅位於澳門南灣湖畔地區面積 4,669 平方米之土地之 50% 間接權益。代價乃經本集團與陳明英女士以「自願買賣雙方」之基準釐定。該交易於本公司於二零零七年十一月二十一日舉行之股東特別大會上不獲獨立股東批准。

(ii) 於二零零七年十一月五日，陳明英女士向本公司授出無抵押免息貸款 45,000,000 港元。本公司已於二零零七年十一月二十七日償還貸款。

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42. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

- (c) Compensation for key management personnel

Remuneration for key management personnel, including amount paid to the directors of the Company and certain of the highest paid employees, as disclosed in notes 11 and 12 to the consolidated financial statements, is as follows:

42. 重大關連人士交易(續)

- (c) 主要管理人員薪酬

主要管理人員薪酬(包括綜合財務報表附註11及12所披露支付予本公司董事及若干最高薪僱員之金額)如下:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Salaries	薪金	4,080	3,875
Contributions to retirement benefits scheme	退休福利計劃供款	24	24
Share-based payment expenses	以股份形式支付之開支	349	4,345
		4,453	8,244

43. PLEDGE OF ASSETS

At 31 December 2008, the Group has pledged certain of its investment properties with fair value of HK\$853,835,000 (2007: HK\$852,081,000) and its bank deposits of approximately HK\$23,470,000 (2007: HK\$16,832,000) which were held by Beijing Shama to secure the bank secured bank loan amounted to HK\$319,418,000 (2007: HK\$329,018,000).

43. 資產抵押

於二零零八年十二月三十一日，本集團已抵押其由北京莎瑪持有公平值為853,835,000港元(二零零七年：852,081,000港元)之若干投資物業及約23,470,000港元(二零零七年：16,832,000港元)之銀行存款，以作為獲取有抵押銀行貸款319,418,000港元(二零零七年：329,018,000港元)之擔保。

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44. FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk — foreign currency risk, credit risk, liquidity risk and cash flow and fair value interest-rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(i) Market risk— Foreign currency risk

The Group operates in Hong Kong, the PRC and Macau and is exposed to foreign currency risk arising from various currency exposures, primarily with respect to Renminbi. The Group does not hedge foreign currency translation risk because translation gains or losses do not affect the project company's cash flow or the Group's annual results.

44. 財務風險管理

(a) 財務風險因素

本集團之活動承受多種財務風險：市場風險 — 外匯風險、信貸風險、流動資金風險及現金流量及公平值利率風險。本集團之整體風險管理計劃專注於財務市場之難預測性，務求盡量減低對本集團財務表現之潛在不利影響。

(i) 市場風險 — 外匯風險

本集團於香港、中國及澳門經營，並須承受由不同貨幣產生之外匯風險，主要與人民幣有關。由於匯兌盈虧並無影響本公司之現金流量或本集團之年度業績，故本集團並無對沖外匯風險。

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44. FINANCIAL RISK MANAGEMENT

(Continued)

(a) Financial risk factors (Continued)

(i) Market risk— Foreign currency risk (Continued)

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant, of the Company's profit/(loss) before taxation (due to changes in the fair value of monetary assets and liabilities).

		Increase/ (decrease) in Renminbi rate 人民幣匯率 上升/(下跌) %	Increase/ (decrease) in profit/ (loss) before taxation 除稅前 溢利/(虧損) 增加/(減少) HK\$'000 千港元
2008	二零零八年		
If Renminbi weakens against Hong Kong Dollar	倘人民幣兌港元貶值	5	4,107
If Renminbi strengthens against Hong Kong Dollar	倘人民幣兌港元升值	(5)	(4,107)
2007	二零零七年		
If Renminbi weakens against Hong Kong Dollar	倘人民幣兌港元貶值	5	1,957
If Renminbi strengthens against Hong Kong Dollar	倘人民幣兌港元升值	(5)	(1,957)

44. 財務風險管理(續)

(a) 財務風險因素(續)

(i) 市場風險 — 外匯風險(續)

敏感度分析

下表呈示假設所有其他變數維持不變，本公司除稅前溢利/(虧損)對外幣匯率(由於貨幣資產及負債公平值變動)出現合理可能變動之敏感度。

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44. FINANCIAL RISK MANAGEMENT

(Continued)

(a) Financial risk factors (Continued)

(ii) Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that distribution of films and sub-licensing of film rights to customers with an appropriate credit history.

The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of the each financial asset, including trade and other receivables, as reported in the consolidated balance sheet.

(iii) Liquidity risk

The Group manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due.

The Group closely monitors its exposure to liquidity risk by reviewing the cash position report monthly. It analyses efficiency of fund management appropriately on the drawdown of bank loans and appoint dedicated personnel to ensure loans are serviced on a timely and accurate basis.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

44. 財務風險管理(續)

(a) 財務風險因素(續)

(ii) 信貸風險

本集團並無重大信貸集中風險。本集團現行之政策乃為確保向具有妥善信貸紀錄之客戶發行電影及轉授電影發行權。

本集團承受之信貸風險自對手方違約而產生，最高風險相等於綜合資產負債表所報各金融資產(包括貿易及其他應收款項)之賬面值。

(iii) 流動資金風險

本集團透過確保充足流動現金結存履行到期付款責任，以管理其流動資金風險。

本集團透過每月檢討現金狀況報告密切監察其承受之流動資金風險。該報告適當地分析銀行貸款提款之資金管理之效率，以及委任專責人員以確保貸款及時及準確支付。

下表詳列本集團就其非衍生金融負債之餘下合約到期日。該表已根據按本集團被要求支付之最早日期之金融負債未折現現金流量而編製。該表包括利息及本金現金流量。

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44. FINANCIAL RISK MANAGEMENT

(Continued)

(a) Financial risk factors (Continued)

(iii) Liquidity risk (Continued)

		Less than 1 month	1 to 3 months	3 months to 1 year 三個月 至一年	1 to 5 years	Over 5 years	Total
		少於一個月 HK\$'000 千港元	一至三個月 HK\$'000 千港元	三個月 至一年 HK\$'000 千港元	一至五年 HK\$'000 千港元	五年以上 HK\$'000 千港元	總計 HK\$'000 千港元
2008	二零零八年						
Continuing operations	持續經營業務						
Accruals and other payables	應計費用及其他應付款項	32,956	—	—	—	—	32,956
Receipts in advance	預收款項	477	—	—	—	—	477
Discontinued operations	已終止經營業務						
Accruals and other payables	應計費用及其他應付款項	13,961	—	—	—	—	13,961
Receipts in advance	預收款項	39,470	—	—	—	—	39,470
Secured bank loan	有抵押銀行貸款	—	17,526	17,006	284,886	—	319,418
		86,864	17,526	17,006	284,886	—	406,282
		Less than 1 month	1 to 3 months	3 months to 1 year 三個月 至一年	1 to 5 years	Over 5 years	Total
		少於一個月 HK\$'000 千港元	一至三個月 HK\$'000 千港元	三個月 至一年 HK\$'000 千港元	一至五年 HK\$'000 千港元	五年以上 HK\$'000 千港元	總計 HK\$'000 千港元
2007	二零零七年						
Accruals and other payables	應計費用及其他應付款項	19,245	—	—	—	—	19,245
Receipts in advance	預收款項	47,041	—	—	—	—	47,041
Secured bank loan	有抵押銀行貸款	738	10,718	16,077	301,485	—	329,018
		67,024	10,718	16,077	301,485	—	395,304

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截至二零零八年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT

(Continued)

(a) Financial risk factors (Continued)

(iv) Cash flow and fair value interest rate risk

The Group's cash flow interest-rate risk arises from bank borrowings. The Group's fair value interest-rate risk mainly arises from fixed-rate short-term bank deposits. The Group currently does not have an interest-rate hedging policy. However, the management monitors interest-rate exposure and will consider hedging significant interest-rate exposure should need arises.

Sensitivity analysis

The sensitivity analysis below presents the effects on the Group's post-tax profit or loss for the year (as a result of change in interest expense on floating rate borrowings). For floating-rate borrowings, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. The sensitivity to interest rate used is considered reasonable given the market forecasts available at the balance sheet date and under the economic environments in which the Group operates, with all other variables held constant.

44. 財務風險管理(續)

(a) 財務風險因素(續)

(iv) 現金流量及公平值利率風險

本集團之現金流量利率風險來自銀行借貸。本集團之公平值利率風險主要來自定息短期銀行存款。本集團現時並無任何利率對沖政策。然而，管理層會監控利率風險，並將考慮於需要時對沖重大利率風險。

敏感度分析

下列敏感性分析呈列對本集團之本年度除稅後溢利或虧損之影響(由於浮息借貸之利息支出變動)。就浮息借貸而言，該分析乃假設於結算日之未償還負債於全年內尚未償還而編製。鑑於假設所有其他變數維持不變，於結算日所得市場預測及在本集團經營所在經濟環境下，所用利率敏感度被視為合理。

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Hong Kong dollars	港元		
If interest rate was 2% (2007: 2%) higher	倘利率上升2% (二零零七年:2%)		
Post-tax profit or loss for the year	本年度除稅後溢利或虧損	(492)	(527)
If interest rate was 2% (2007: 2%) lower	倘利率下跌2% (二零零七年:2%)		
Post-tax profit or loss for the year	本年度除稅後虧損	492	527

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綜合財務報表附註

For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT

(Continued)

(b) Fair value estimation

The carrying amounts of the Group's financial assets, including cash and cash equivalents, trade receivables, deposits, prepayments and other receivables, and financial liabilities, including accruals, other payables and amounts due to related companies, approximate to their fair values due to their short maturities. The face values less any credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate to their fair values.

The fair values of financial liabilities for disclosure purposes are estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

In assessing the fair value of financial instruments traded in active markets (such as financial assets at fair value through profit or loss) is based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets held by the Group are the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods, such as estimated discounted value of future cash flows, and makes assumptions that are based on market conditions existing at each balance sheet date.

The carrying values of the current financial assets and current financial liabilities approximate to their fair values.

44. 財務風險管理(續)

(b) 公平值估計

本集團金融資產(包括現金及現金等價物、貿易應收款項、按金、預付款項及其他應收款項)及金融負債(包括應計費用、其他應付款項及應付關連公司款項)之賬面值因其於短期內到期，故與其公平值相若。到期日為少於一年之金融資產及負債之面值減任何信貸調整乃假設為與其公平值相若。

供披露之金融負債公平值乃按本集團同類金融工具現時之市場利率折現未來合約現金流量而估計。

在評估於交投活躍市場上買賣之金融工具(如按公平值計入損益表之金融資產)之公平值時，乃按於結算日之市場報價計算。用於本集團持有之金融資產之市場報價乃現時之買入價。

並無於交投活躍市場上買賣之金融工具之公平值乃採用估值法釐定。本集團採用估計未來現金流量之折現價值等多種方法，並根據於各結算日存在之市況作出假設。

流動金融資產及流動金融負債之賬面值與其公平值相若。

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綜合財務報表附註

For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT

(Continued)

(c) Capital risk management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern, maintains a strong credit rating and healthy ratios in order to support its business and enhance shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or raise and repay debts. The Group's capital management objectives, policies or processes were unchanged during the years 2008 and 2007.

The Company monitors capital using gearing ratio, which is the Group's total borrowings over equity attributable to equity holders of the Company. The gearing ratios as at 31 December 2008 and 2007 were as follows:

44. 財務風險管理(續)

(c) 資本風險管理

本集團管理資本之主要目標為保障本集團持續經營之能力，維持強大信貸評級及穩健比率以支持其業務及提升股東價值。

本集團管理其資本結構並根據經濟情況變動作出調整。為維持或調整資本結構，本集團可調整向股東派發之股息、向股東退還資本、發行新股份或籌集及償還債項。於二零零八年及二零零七年，本集團之資本管理目標、政策或程序維持不變。

本公司採用負債比率(即本集團總借貸除以本公司股權持有人應佔股權)監察資本。於二零零八年及二零零七年十二月三十一日之負債比率如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Amounts due to related companies	應付關連公司款項	600	701
Convertible notes	可換股票據	105,803	—
Secured bank loan	有抵押銀行貸款	—	329,018
Total borrowings	總借貸	106,403	329,719
Equity attributable to equity holders of the Company	本公司股權持有人應佔股權	894,423	1,046,080
Gearing ratio	負債比率	11.9%	31.5%

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For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

45. SUBSEQUENT EVENTS

- (a) On 4 November 2008, the Company entered into a placing agreement with Kingston Securities Limited (“Kingston”). Pursuant to which, the Company had conditionally agreed to place through Kingston, on a best effort basis, a maximum of 500,000,000 new shares of HK\$0.01 each in the share capital of the Company by a maximum of 5 tranches to independent investors at a placing price, which must not be lower than 85% or more of the average closing prices of the shares quoted on the Stock Exchange in the last 30 consecutive trading days up to and including the date on which the placing price is fixed for such tranche and should not be less than HK\$0.05 per new share. The placing agreement was approved by the shareholders on 19 December 2008. The first tranche of placing of 200,000,000 new shares at a placing price of HK\$0.102 per new share was completed on 11 February 2009 and the second tranche of placing of 300,000,000 new shares at a placing price of HK\$0.091 per new share was completed on 2 March 2009. The net proceeds raised from the placing of 500,000,000 new shares amounted to HK\$46,720,000.
- (b) On 29 December 2008, the Company, CSL and Kingston entered into top-up placing agreement. Pursuant to the top-up placing agreement, CSL had agreed to place, through Kingston on a fully underwritten basis, an aggregate of 39,000,000 existing shares of HK\$0.01 each in the share capital of the Company to not less than six places at a price of HK\$0.102 per share and had conditionally agreed to subscribe for an aggregate of 39,000,000 new shares at a subscription price of HK\$0.102 per new share. The top-up placing was completed on 9 January 2009 and the net proceeds from the top-up placing amounted to HK\$3,820,000.

45. 結算日後事項

- (a) 於二零零八年十一月四日，本公司與金利豐證券有限公司（「金利豐」）訂立配售協議，據此，本公司已有條件同意透過金利豐按盡力基準分最多5批按配售價向獨立投資者配售最多500,000,000股本公司股本中每股面值0.01港元之新股份。配售價不得低於截至釐定該批配售價日期（包括該日）止最後30個連續交易日於聯交所報平均股份收市價85%或以上及不得低於每股新股份0.05港元。配售協議已於二零零八年十二月十九日獲股東批准。按每股新股份0.102港元之配售價配售200,000,000股新股份之第一批配售事項已於二零零九年二月十一日完成，而按每股新股份0.091港元之配售價配售300,000,000股新股份之第二批配售事項已於二零零九年三月二日完成。配售500,000,000股新股份籌集之所得款項淨額為46,720,000港元。
- (b) 於二零零八年十二月二十九日，本公司、CSL及金利豐訂立先舊後新配售協議。根據先舊後新配售協議，CSL已同意透過金利豐按全數包銷基準按每股股份0.102港元之價格向不少於六名承配人配售合共39,000,000股本公司股本中每股面值0.01港元之現有股份，並已有條件同意按每股新股份0.102港元之認購格認購合共39,000,000股新股份。先舊後新配售事項已於二零零九年一月九日完成，而先舊後新配售事項之所得款項淨額為3,820,000港元。

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For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

45. SUBSEQUENT EVENTS (Continued)

- (c) On 16 February 2009, the Company and Kingston entered into the underwriting agreement in relation to a proposed open offer of not less than 217,093,498 new shares of HK\$0.01 each in the share capital of the Company and not more than 367,093,498 new shares at a subscription price of HK\$0.10 per new share on the basis of one new share for every two existing shares held by qualifying shareholders on 9 March 2009. The open offer was completed on 30 March 2009 and the net proceeds from the open offer amounted to HK\$34,339,000.
- (d) On 20 February 2009, the directors of the Company proposed to reorganise the capital of the Company (the “Proposed Capital Reorganisation”) in the following manner:
 - (i) share consolidation — that every ten existing issued shares of HK\$0.01 each be consolidated into one consolidated issued share of HK\$0.10 (the “Consolidated Shares”); and

45. 結算日後事項(續)

- (c) 於二零零九年二月十六日，本公司與金利豐訂立包銷協議，內容有關建議按合資格股東於二零零九年三月九日每持有兩股現有股份獲發一股本公司股本中每股面值0.01港元之新股份之基準，透過公開發售按每股新股份0.10港元之認購價發行不少於217,093,498股新股份及不多於367,093,498股新股份。公開發售已於二零零九年三月三十日完成，而公開發售之所得款項淨額為34,339,000港元。
- (d) 於二零零九年二月二十日，本公司董事建議按以下方式重組本公司股本(「建議股本重組」):
 - (i) 股份合併 — 將每十股每股面值0.01港元之現已發行股份合併為一股面值0.10港元之合併已發行股份(「合併股份」); 及

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綜合財務報表附註

For the year ended 31 December 2008
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45. SUBSEQUENT EVENTS (Continued)

(d) (Continued)

- (ii) capital reduction — that (i) the total number of the Consolidated Shares in the issued share capital of the Company be rounded down to a whole number by cancelling the fractional Consolidated Shares arising from the share consolidation; (ii) the paid-up capital of each Consolidated Share be reduced from HK\$0.10 to HK\$0.01 by cancelling HK\$0.09 so as to form a new share of HK\$0.01; and (iii) the amount of credit arising from the capital reduction be credited to the contributed surplus account of the Company.

The directors also proposed to change the board lot size for trading in the Company's shares from 5,000 shares to 2,000 shares upon the Proposed Capital Reorganisation becoming effective.

The Proposed Capital Reorganisation was approved by the shareholders at a special general meeting of the Company held on 22 April 2009 and became effective on 23 April 2009.

45. 結算日後事項(續)

(d) (續)

- (ii) 股本削減 — (i) 透過註銷股份合併所產生之零碎合併股份，將本公司已發行股本中之合併股份總數調低至整數；(ii) 透過註銷0.09港元，將每股合併股份之繳足股本由0.10港元削減至0.01港元，以組成一股0.01港元之新股份；及(iii) 將股本削減所產生之進賬金額計入本公司之實繳盈餘賬。

董事亦建議於建議股本重組生效後，將買賣本公司股份之每手買賣單位由5,000股股份更改為2,000股股份。

建議股本重組已於本公司於二零零九年四月二十二日舉行之股東特別大會上獲股東批准，並於二零零九年四月二十三日生效。

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綜合財務報表附註

For the year ended 31 December 2008

截至二零零八年十二月三十一日止年度

45. SUBSEQUENT EVENTS (Continued)

- (e) On 11 March 2009, the Company entered into the loan agreement with China Star. Pursuant to the loan agreement, the Company has conditionally agreed to make a loan facility of up to HK\$200,000,000 to China Star. Each of the advances made to China Star under the loan facility carries an interest to be accrued at the prime rate per annum as quoted by HSBC. The drawdown of each advance is subject the conditions, among others, that the Company has sufficient fund available to make the advance. Please refer to the Company's circular dated 30 March 2009 for further details of the loan agreement.

The loan agreement was approved by the independent shareholders at another special general meeting of the Company held on 22 April 2009.

- (f) On 18 March 2009, Rich Joy Investments Limited and Best Season entered into a deed of termination to terminate the revolving facility of up to HK\$200,000,000 granted to Best Season.
- (g) On 8 April 2009, the conditional sale and purchase agreement dated 26 November 2008 relating to the disposal of Shinhan-Golden and World East by Riche to Mega Shell was completed. Upon completion of the conditional sale and purchase agreement, the Group holds 20.36% interest in the issued share capital of Golife.

45. 結算日後事項(續)

- (e) 於二零零九年三月十一日，本公司與中國星訂立貸款協議。根據貸款協議，本公司已有條件同意向中國星提供最多達200,000,000港元之貸款融資。根據貸款融資向中國星作出之各筆墊款按滙豐所報最優惠利率累算利息。提取各筆墊款附帶條件，(其中包括)本公司有足夠資金作出墊款。有關貸款協議之進一步詳情，請參閱本公司於二零零九年三月三十日刊發之通函。

貸款協議已於本公司於二零零九年四月二十二日舉行之另一次股東特別大會上獲獨立股東批准。

- (f) 於二零零九年三月十八日，Rich Joy Investments Limited及Best Season訂立終止契據，終止授予Best Season之循環融資最多200,000,000港元。
- (g) 於二零零九年四月八日，於二零零八年十一月二十六日就Riche向Mega Shell出售Shinhan-Golden及World East訂立之有條件買賣協議完成。於有條件買賣協議完成後，本集團於寶利福之已發行股本持有20.36%權益。

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綜合財務報表附註

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截至二零零八年十二月三十一日止年度

45. SUBSEQUENT EVENTS (Continued)

- (h) On 23 April 2009, Riche gave an irrevocable undertaking in favour of Golife and Kingston relating to the subscription of 94,153,552 offer shares at a subscription price of HK\$0.10 per offer share pursuant to an open offer of Golife on basis of eight offer shares for every one existing share held on the record date. The total subscription price for the offer shares is HK\$9,415,355, which will be financed by the internal resources of the Group.

46. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 23 April 2009.

45. 結算日後事項(續)

- (h) 於二零零九年四月二十三日，Riche向寶利福及金利豐作出不可撤回承諾，涉及根據寶利福公開發售按於記錄日期每持有一股現有股份獲發八股發售股份之基準，按每股發售股份0.10港元之認購價認購94,153,552股發售股份。發售股份之總認購價為9,415,355港元，將以本集團之內部資源撥付。

46. 批准財務報表

財務報表已於二零零九年四月二十三日經董事會批准及授權刊發。

Five-Year Financial Summary

五年財務概要

		For the years 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)
Results	業績					
Turnover	營業額	19,253	7,722	9,375	17,965	42,144
Loss from operations	經營虧損	(107,240)	(44,749)	(11,484)	(29,324)	(267,730)
Finance costs	融資費用	(3,350)	-	(9,615)	(340)	(340)
Loss before taxation	除稅前虧損	(110,590)	(44,749)	(21,099)	(29,664)	(268,070)
Taxation credit/(charge)	稅項抵免/(支出)	13,854	-	(195)	-	(277)
Loss for the year from continuing operation	來自持續經營業務之本年度虧損	(96,736)	(44,749)	-	-	-
(Loss)/profit for the year from discontinued operation	來自已終止經營業務之本年度(虧損)/溢利	(127,772)	70,443	-	-	-
Net (loss)/profit for the year	本年度(虧損)/溢利淨額	(224,508)	25,694	(21,294)	(29,664)	(268,347)
Dividends	股息	-	-	-	-	-

ASSETS AND LIABILITIES

資產及負債

		At 31 December 於十二月三十一日				
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Total assets	資產總值	1,524,280	1,542,452	922,228	235,227	132,881
Total liabilities	負債總額	(629,857)	(492,476)	(518,696)	(67,617)	(64,310)
Shareholders' funds	股東資金	894,423	1,049,976	403,532	167,610	68,571

CHINA STAR INVESTMENT HOLDINGS LIMITED
中國星投資有限公司

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)
(Stock Code 股份代號 : 00764)

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