THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Wang On Group Limited 宏安集團有限公司***, you should at once hand this circular together with the enclosed form of proxy to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or the transferee.

WANG ON GROUP LIMITED
宏安集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

MAJOR TRANSACTIONS

DISPOSAL OF 100% INTEREST IN SHINEY DAY INVESTMENTS LIMITED, ACQUISITION OF 100% INTEREST IN EVERLONG LIMITED AND THE SALE LOAN AND PROVISION OF FINANCIAL ASSISTANCE

Financial adviser to the Company

CIMB

CIMB-GK Securities (HK) Limited

A letter from the Board is set out on pages 6 to 16 of this circular.

A notice convening the SGM to be held at 11/F., Two Exchange Square, Central, Hong Kong on Monday, 23 March 2009 at 4:00 p.m. is set out on pages SGM-1 to SGM-3 of this circular. Whether or not you are able to attend the SGM in person, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish.

* *For identification purpose only*

6 March 2009

CONTENTS

In this circular, the following expressions shall, unless the context otherwise requires, have the following meanings:

"Acquisition"	acquisition of the Everlong Sale Share and the Sale Loan by the Group from the LeRoi Group pursuant to the Acquisition Agreement
"Acquisition Completion"	completion of the Acquisition Agreement
"Acquisition Agreement"	the conditional sale and purchase agreement dated 13 February 2009 entered into between Loyal Fame and Wang On Enterprises in respect of the Acquisition
"Active Day"	Active Day Investments Limited 興日投資有限公司, an investment holding company incorporated in the British Virgin Islands with limited liability and was indirectly wholly owned by the Company as at the Latest Practicable Date
"Affiliate"	means, in relation to a party, any company which is directly or indirectly controlled by, or under common control with, or in control of, a party; the term "control" means the ownership of fifty percent (50%) or more of the voting shares or the registered capital of a company, or the power to appoint or elect a majority of the directors or the power to direct the management of a company
"associate"	has the meaning given to it in the Listing Rules
"Board"	the board of the Directors
"Business Day"	means a day (other than a Saturday or Sunday) on which banks are open for general business in Hong Kong
"Century Choice"	Century Choice Limited 龍群有限公司, an investment holding company incorporated in Hong Kong with limited liability and was directly wholly owned by Shiney Day as at the Latest Practicable Date
"China Agri-Products"	China Agri-Products Exchange Limited 中國農產品交易有限公司*, a company incorporated in Bermuda with limited liability and whose shares are listed on the main board of the Stock Exchange (Stock Code: 0149)
"China Agri-Products Group"	China Agri-Products together with its subsidiaries

* *For identification purpose only*

"China Agri-Products SGM"	a special general meeting of China Agri-Products to be convened and held for the purpose of considering and, if thought fit, approving the Disposal Agreement and the transactions contemplated thereunder
"China Agri-Products Shareholder(s)"	the holder(s) of the ordinary share(s) of US$0.02 each in the issued share capital of China Agri-Products
"Companies Act"	the Companies Act 1981 of Bermuda
"Company"	Wang On Group Limited 宏安集團有限公司*, an exempted company incorporated in Bermuda with limited liability and whose shares are listed on the main board of the Stock Exchange (Stock Code: 1222)
"connected person(s)"	has the meaning given to it in the Listing Rules
"controlling shareholder(s)"	has the meaning given to it in the Listing Rules
"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of the Shiney Day Sale Share by the Group to the China Agri-Products Group pursuant to the Disposal Agreement
"Disposal Agreement"	the conditional sale and purchase agreement dated 12 February 2009 entered into between Active Day and Super Treasure in respect of the Disposal
"Disposal Completion"	completion of the Disposal Agreement
"Enlarged Group"	the Group immediately after the Acquisition Completion
"Everlong"	Everlong Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and was directly wholly owned by Loyal Fame as at the Latest Practicable Date
"Everlong Group"	Everlong together with its subsidiaries
"Everlong Sale Share"	one (1) share of US$1.00 each in the share capital of Everlong owned by Loyal Fame, representing the entire issued share capital of Everlong
"Existing Loan"	the amount advanced by Active Day to Shiney Day, which stood at approximately HK$238 million as at the Latest Practicable Date

* *For identification purpose only*

"Fully Wealth"	Fully Wealth Investment Limited 卓利投資有限公司, an investment holding company incorporated in Hong Kong with limited liability and was directly wholly owned by Shiney Day as at the Latest Practicable Date
"Group"	the Company together with its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Investment Properties"	the portfolio of Hong Kong investment properties held by the Everlong Group
"Land"	the land with a total site area of approximately 273,884 square metres located at 中國廣西壯族自治區玉林市二環北路南側 (South Wing, Er-Huan North Road, Yulin City, Guangxi Zhuang Autonomous Region, the PRC)# and owned by Yulin Hong-Jin
"Latest Practicable Date"	2 March 2009, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
"LeRoi"	LeRoi Holdings Limited 利來控股有限公司, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the main board of the Stock Exchange (Stock Code: 0221)
"LeRoi Group"	LeRoi together with its subsidiaries
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Loyal Fame"	Loyal Fame International Limited 忠譽國際有限公司, an investment holding company incorporated in the British Virgin Islands with limited liability and was directly wholly owned by LeRoi as at the Latest Practicable Date
"PRC"	the People's Republic of China, which for the purpose of this circular shall exclude Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC
"RMB"	Renminbi, the lawful currency of the PRC

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"Sale Loan"	the amount advanced by Loyal Fame to Everlong, which stood at approximately HK$81.9 million as at the Latest Practicable Date
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"SGM"	a special general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approving the Disposal, the Acquisition, the Financial Assistance and the transactions contemplated thereunder
"Share(s)"	the ordinary share(s) of HK$0.005 each in the issued share capital of the Company
"Shareholder(s)"	the holder(s) of the Shares
"Share Options"	the options granted by the Company to subscribe for Shares pursuant to the Share Option Scheme
"Share Option Scheme"	the share option scheme adopted by the Company on 3 May 2002
"Shiney Day"	Shiney Day Investments Limited, a company incorporated in the British Virgin Islands with limited liability and was directly wholly owned by Active Day as at the Latest Practicable Date
"Shiney Day Group"	Shiney Day and its subsidiaries
"Shiney Day Sale Share"	one (1) share of US$1.00 each in the share capital of Shiney Day owned by Active Day, representing the entire issued share capital of Shiney Day
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning given to it in the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
"substantial shareholder"	has the meaning given to it in the Listing Rules
"Super Treasure"	Super Treasure Holdings Limited 至寶控股有限公司, an investment holding company incorporated in the British Virgin Islands with limited liability and was directly wholly owned by China Agri-Products as at the Latest Practicable Date

"Wang On Enterprises"	Wang On Enterprises (BVI) Limited, a company incorporated in the British Virgin Islands with limited liability and was directly wholly owned by the Company as at the Latest Practicable Date
"WYT"	Wai Yuen Tong Medicine Holdings Limited 位元堂藥業控股有限公司*, an exempted company incorporated in Bermuda with limited liability and whose shares are listed on the main board of the Stock Exchange (Stock Code: 0897)
"Xuzhou Yuan Yang"	徐州源洋商貿發展有限公司 (Xuzhou Yuan Yang Trading Development Company Limited)#, a sino-foreign owned enterprise established under the laws of the PRC and was owned as to 51% by Fully Wealth as at the Latest Practicable Date
"Yulin Hong-Jin"	玉林宏進農副產品批發市場有限公司 (Yulin Hong-Jin Agricultural By-products Wholesale Marketplace Limited)#, a sino-foreign owned enterprise established under the laws of the PRC and was owned as to 65% by Century Choice as at the Latest Practicable Date
"%"	per cent.

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WANG ON GROUP LIMITED
宏安集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

Executive Directors:
Mr. Tang Ching Ho *(Chairman)*
Ms. Yau Yuk Yin *(Deputy Chairman)*
Mr. Chan Chun Hong, Thomas *(Managing Director)*

Independent non-executive Directors:
Dr. Lee Peng Fei, Allen, *CBE, BS, FHKIE, JP*
Mr. Wong Chun, Justein, *MBE, JP*
Mr. Siu Yim Kwan, Sidney, *S.B.St.J.*
Mr. Siu Kam Chau

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business in Hong Kong:
5/F., Wai Yuen Tong Medicine Building
9 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

6 March 2009

To the Shareholders and, for information only, the holders of the Share Options

Dear Sir or Madam,

MAJOR TRANSACTIONS

DISPOSAL OF 100% INTEREST IN SHINEY DAY INVESTMENTS LIMITED, ACQUISITION OF 100% INTEREST IN EVERLONG LIMITED AND THE SALE LOAN AND PROVISION OF FINANCIAL ASSISTANCE

INTRODUCTION

On 12 February 2009, Active Day and Super Treasure entered into the Disposal Agreement, pursuant to which Active Day has agreed to dispose of and Super Treasure has agreed to purchase the Shiney Day Sale Share, representing the entire issued share capital of Shiney Day, for a cash consideration of HK$150 million.

* *For identification purpose only*

Pursuant to the Disposal Agreement, upon the Disposal Completion, Active Day, as lender, and Shiney Day, as borrower, will enter into a loan agreement (the "**Loan Agreement**") pursuant to which Active Day agrees to continue to extend the Existing Loan to Shiney Day. Accordingly, the Existing Loan, representing an amount due to Active Day by Shiney Day, will constitute a provision of financial assistance (the "**Financial Assistance**") by Active Day to Shiney Day. The Existing Loan will be secured by the Corporate Guarantee (as defined below) granted by China Agri-Products in favour of Active Day.

On 13 February 2009, Loyal Fame and Wang On Enterprises entered into the Acquisition Agreement, pursuant to which Loyal Fame has agreed to dispose of and Wang On Enterprises has agreed to purchase the Everlong Sale Share, representing the entire issued share capital of Everlong, and the Sale Loan, for a cash consideration of HK$63.4 million.

Each of the Disposal, the Acquisition and the Financial Assistance constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to Shareholders' approval at the SGM.

As no Shareholder has an interest in any of the Disposal, the Acquisition and the Financial Assistance which is materially different from the other Shareholders, no Shareholder is required to abstain from voting on the resolutions to be proposed at the SGM to approve the Disposal, the Acquisition, the Financial Assistance and the transactions contemplated thereunder.

The purpose of this circular is to provide you with further details of the Disposal, the Acquisition and the Financial Assistance as required under the Listing Rules together with a notice convening the SGM to approve the Disposal, the Acquisition, the Financial Assistance and the transactions contemplated thereunder.

THE DISPOSAL AGREEMENT

1. Date

12 February 2009

2. Parties

(i) Active Day, as vendor; and

(ii) Super Treasure, as purchaser.

(collectively referred to as the "**Disposal Parties**" and each a "**Disposal Party**")

Each of Active Day and Super Treasure is principally engaged in investment holding.

As at the Latest Practicable Date, the Company indirectly wholly owned Active Day, and was also a substantial shareholder of WYT, holding 25.32% of its equity interest.

As at the Latest Practicable Date, WYT was a substantial shareholder of LeRoi holding 29.97% of its equity interest, which in turn indirectly held 28.49% of the equity interest in China Agri-Products, and which in turn directly wholly owned Super Treasure.

As at the Latest Practicable Date, Mr. Chan Chun Hong, Thomas, an executive Director, was also an executive director of each of WYT, LeRoi and China Agri-Products and Mr. Tang Ching Ho, an executive Director, was also an executive director of WYT. As at the Latest Practicable Date, Mr. Tang Ching Ho together with his associates held 10.65% of the equity interest in the Company.

Based on the foregoing and, having made all reasonable enquiries, to the best of the Directors' knowledge, information and belief, as at the Latest Practicable Date, (i) none of the connected persons of the Company had any shareholding interest in LeRoi or China Agri-Products, and (ii) Super Treasure and China Agri-Products were independent of and not connected with the Company and its connected persons.

3. Subject assets

The Shiney Day Sale Share, representing the entire issued share capital of Shiney Day. There is no restriction on the sale of the Shiney Day Sale Share by the China Agri-Products Group subsequent to the Disposal Completion.

4. Consideration

The consideration of HK$150 million for the Disposal was arrived at after arm's length negotiations between the Disposal Parties with reference to the unaudited net liabilities of the Shiney Day Group attributable to the Company of approximately HK$4 million as at 31 December 2008, and revaluation surplus of the Land and the developed and developing properties as at 31 January 2009, as valued by an independent valuer, attributable to Shiney Day of approximately HK$177 million.

The consideration for the Disposal represents a discount of approximately 13.30% to the unaudited net asset value of the Shiney Day Group as at 31 December 2008 after adjusted for the revaluation surplus attributable to Shiney Day as set out above.

Pursuant to the Disposal Agreement, the consideration shall be settled by cash in full immediately upon the Disposal Completion.

5. Conditions precedent

The Disposal Completion shall be conditional on the following conditions precedent being fulfilled:

(i) Super Treasure being satisfied as to its due diligence findings of the Shiney Day Group;

(ii) the Company having obtained the approval of the Shareholders at the SGM for the sale of the Shiney Day Sale Share in accordance with the Listing Rules and such approval not having been or proposed to be revoked; and

(iii) China Agri-Products having obtained the approval of the China Agri-Products Shareholders at the China Agri-Products SGM for the purchase of the Shiney Day Sale Share in accordance with the requirements of the Listing Rules and such approval not having been or proposed to be revoked.

Save and except for conditions (ii) and (iii) above, Super Treasure shall be entitled in its absolute discretion to waive condition (i) either in whole or in part.

In the event that the above conditions cannot be fulfilled by 31 March 2009 or such later date as the Disposal Parties may mutually agree in writing, the Disposal Agreement shall automatically terminate and neither the Disposal Parties nor any of their Affiliates shall have any claim of any nature whatsoever against the other Disposal Party (or any of its Affiliates) under the Disposal Agreement (save in respect of any rights and liabilities of the Disposal Parties which have accrued prior to termination).

THE FINANCIAL ASSISTANCE

The Existing Loan was advanced by the Group to Shiney Day from 2006 to 2008 (i) as registered capital of Yulin Hong-Jin and Xuzhou Yuan Yang; (ii) for the settlement of land premium of the Land; and (iii) as construction cost of the properties owned by Yulin Hong-Jin and Xuzhou Yuan Yang.

Pursuant to the Disposal Agreement, upon the Disposal Completion, Active Day, as lender, and Shiney Day, as borrower, will enter into the Loan Agreement pursuant to which Active Day agrees to continue to extend the Existing Loan to Shiney Day. Accordingly, the Existing Loan, representing an amount due to Active Day by Shiney Day, will constitute a provision of Financial Assistance by Active Day to Shiney Day.

The Existing Loan will be secured by a corporate guarantee (the "**Corporate Guarantee**") granted by China Agri-Products in favour of Active Day. Pursuant to the Corporate Guarantee to be entered into upon the Disposal Completion, China Agri-Products will unconditionally and irrevocably guarantee to Active Day the prompt performance by Shiney Day of all its obligations under or in connection with the Loan Agreement.

Pursuant to the Loan Agreement to be entered into, the Existing Loan will carry interest at 6% per annum, which was determined with reference to the prevailing market rate, payable monthly in arrears, and the principal amount will be due for full repayment on the date falling 18 months from the date of the Loan Agreement (the "**Final Repayment Date**"). Shiney Day may, by giving Active Day a notice in writing three (3) Business Days in advance, repay a portion or the full amount of the Existing Loan at any time prior to the Final Repayment Date without any premium or penalty.

THE ACQUISITION AGREEMENT

1. Date

13 February 2009

2. Parties

(i) Loyal Fame, as vendor; and

(ii) Wang On Enterprises, as purchaser.

(collectively referred to as the "**Acquisition Parties**" and each an "**Acquisition Party**")

Each of Loyal Fame and Wang On Enterprises is principally engaged in investment holding.

As at the Latest Practicable Date, the Company directly wholly owned Wang On Enterprises, and was also a substantial shareholder of WYT, holding 25.32% of its equity interest.

As at the Latest Practicable Date, WYT was a substantial shareholder of LeRoi holding 29.97% of its equity interest, which in turn directly wholly owned Loyal Fame, and which in turn directly wholly owned Everlong.

As at the Latest Practicable Date, Mr. Chan Chun Hong, Thomas, an executive Director, was also an executive director of each of WYT, LeRoi and China Agri-Products and Mr. Tang Ching Ho, an executive Director, was also an executive director of WYT. As at the Latest Practicable Date, Mr. Tang Ching Ho together with his associates held 10.65 % of the equity interest in the Company.

Based on the foregoing and, having made all reasonable enquires, to the best of the Directors' knowledge, information and belief, as at the Latest Practicable Date, (i) none of the connected persons of the Company had any shareholding interest in WYT or LeRoi, and (ii) Loyal Fame and LeRoi were independent of and not connected with the Company and its connected persons.

3. Subject assets

The Everlong Sale Share, representing the entire issued share capital of Everlong, and the Sale Loan. There is no restriction on the sale of the Everlong Sale Share by the Group subsequent to the Acquisition Completion.

4. Consideration

The consideration of HK$63.4 million for the Acquisition was arrived at after arm's length negotiations between the Acquisition Parties with reference to the unaudited consolidated net liabilities of the Everlong Group of approximately HK$3.5 million as at 31 December 2008, revaluation deficit of the Investment Properties of approximately HK$15 million as at 31 January 2009 as valued by an independent valuer, and the Sale Loan of approximately HK$81.9 million.

Pursuant to the Acquisition Agreement, the consideration shall be settled by cash in full upon the Acquisition Completion.

Wang On Enterprises will finance the payment of the consideration by internal resources.

5. Conditions precedent

The Acquisition Completion shall be conditional on the following conditions precedent being fulfilled:

(i) the Company having obtained the approval of the Shareholders at the SGM for the purchase of the Everlong Sale Share and the Sale Loan in accordance with the requirements of the Listing Rules and such approval not having been or proposed to be revoked; and

(ii) Wang On Enterprises being satisfied as to its due diligence findings of the Everlong Group.

Save and except for condition (i) above, Wang On Enterprises shall be entitled at its absolute discretion to waive condition (ii) either in whole or in part.

If any of the above conditions has not been fulfilled or waived by 31 March 2009 (or such later date as the Acquisition Parties may mutually agree in writing), the Acquisition Agreement shall automatically terminate and neither the Acquisition Party nor any of their Affiliates shall have any claim of any nature whatsoever against the other Acquisition Party (or any of its Affiliates) under the Acquisition Agreement (save in respect of any rights and liabilities of the Acquisition Parties which have accrued prior to termination).

INFORMATION ON THE SHINEY DAY GROUP

Shiney Day

As at the Latest Practicable Date, Shiney Day, which is principally engaged in investment holding, was an indirect wholly-owned subsidiary of the Company and, through Century Choice, held 65% of the issued share capital of Yulin Hong-Jin, and, through Fully Wealth, held 51% of the issued share capital of Xuzhou Yuan Yang. Both Yulin Hong-Jin and Xuzhou Yuan Yang are indirect subsidiaries of the Company and their financial results are consolidated into those of the Company.

Set out below is the financial information of the Shiney Day Group for the period from 10 July 2006 to 31 March 2007 and the year ended 31 March 2008, which are prepared in accordance with Hong Kong Financial Reporting Standards:

	Period from 10 July 2006 to 31 March 2007 *HK$'million* (audited)	**For the year ended 31 March 2008** *HK$'million* (audited)
Revenue	–	11.9
Net loss before taxation	(2.5)	(20.4)
Net loss after taxation	(2.5)	(20.4)

	As at 31 March	
	2007	**2008**
	HK$'million	*HK$'million*
	(audited)	(audited)
Total assets	22.0	291.7
Net assets/(liabilities)	(2.1)	40.1

Century Choice and Fully Wealth

Century Choice was incorporated in Hong Kong on 6 January 2006. Century Choice is an investment holding company established for incorporating and holding the 65% interest in Yulin Hong-Jin.

Fully Wealth was incorporated in Hong Kong on 28 June 2006. Fully Wealth is an investment holding company established for incorporating and holding the 51% interest in Xuzhou Yuan Yang.

Save for the holding of interest in Yulin Hong-Jin and Xuzhou Yuan Yang and the Existing Loan due to Shiney Day respectively, both Century Choice and Fully Wealth have no other material assets and liabilities.

Yulin Hong-Jin

Yulin Hong-Jin is a sino-foreign owned enterprise established under the laws of the PRC on 15 December 2006. Yulin Hong-Jin acquired the Land for the development of a large scale agricultural by-products wholesale market at a consideration of RMB76.3 million in 2007. Yulin Hong-Jin obtained the relevant land use right certificates in September 2007 and December 2007 respectively.

The Land has a total site area of approximately 273,884 square metres with a land use right term of 40 years. The total planned gross floor area ("**GFA**") to be developed on the Land is approximately 207,666 square metres of which the superstructure of approximately 68,352 square metres have been built with various two-storey market stalls and multi-storey godown by the end of 2008. The book value and market value of the Land and the developed and developing properties as at 31 January 2009, as valued by an independent valuer under the direct comparison approach, was approximately HK$195.7 million and HK$461 million respectively.

Xuzhou Yuan Yang

Xuzhou Yuan Yang is a sino-foreign owned enterprise established under the laws of the PRC on 21 July 2006. Xuzhou Yuan Yang is the owner of certain land and is principally engaged in the operation of an agricultural wholesale market in Xuzhou, Jiangsu Province, the PRC. The agricultural wholesale market consists of various single-storey market stalls and multi-storey godown with a total GFA of approximately 79,653 square metres. The market accommodates more than 850 operators and is a major wholesalemarket player of fruit and seafood supplies in Xuzhou. The aggregate book value and market value of the land and properties on which the market operates as at 31 January 2009, as valued by an independent valuer under the capitalisation approach, was approximately HK$180 million and HK$199 million respectively.

INFORMATION ON THE EVERLONG GROUP

As at the Latest Practicable Date, Everlong, which is principally engaged in investment holding, was an indirect wholly-owned subsidiary of LeRoi. Through its subsidiaries, Everlong beneficially owns the Investment Properties. Upon the Acquisition Completion, Everlong will become an indirect wholly-owned subsidiary of the Company.

The Investment Properties consist of 54 residential units located in Hong Kong and have an aggregate GFA of approximately 32,600 square feet. Market value of the Investment Properties as at 31 January 2009 as valued by an independent valuer was approximately HK$98 million. The Investment Properties are currently rented out to independent third parties.

Set out below is the financial information of the Everlong Group for the period from 28 December 2006 (being the date of incorporation) to 31 March 2007 and the year ended 31 March 2008 as extracted from Appendix II to this circular:

	Period from 28 December 2006 (date of incorporation) to 31 March 2007	**For the year ended 31 March 2008**
	HK$'million	*HK$'million*
	(audited)	(audited)
Turnover	–	1.7
Profit before taxation	0.1	1.8
Net profit after taxation	0.1	1.5

	As at 31 March	
	2007	**2008**
	HK$'million	*HK$'million*
	(audited)	(audited)
Total assets	12.0	75.7
Net assets	0.1	1.6

REASONS FOR AND BENEFITS OF THE DISPOSAL, THE ACQUISITION AND THE FINANCIAL ASSISTANCE

The Disposal

The Group is principally engaged in the development and management of agricultural by-products wholesaling business in the PRC and Hong Kong, management and sub-licensing of wet markets in the PRC and Hong Kong, property development, property investment and management and sub-licensing shopping centres in Hong Kong. It also has interests in the pharmaceutical business through its investments in WYT.

While the Directors are optimistic about the long term potential of the agricultural by-products wholesale market in Yulin and Xuzhou, they consider that the Disposal will allow the Group to realise its investment in Yulin Hong-Jin and Xuzhou Yuan Yang, to streamline its business, and to focus its resources for other projects and potential investments.

The Directors are of the view that the terms of the Disposal Agreement are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

The Acquisition

The Investment Properties consist of 54 residential units located in Hong Kong and have an aggregate GFA of approximately 32,600 square feet. The Investment Properties are currently rented out to independent third parties, yielding an annual rental income of approximately HK$9.5 million. The Group intends to continue leasing out the Investment Properties after the Acquisition Completion for rental income. The Directors believe in the long term prospect of residential properties in Hong Kong and consider that the Acquisition will strengthen the Group's recurring income base.

The Directors consider that the terms of the Acquisition Agreement are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

The Financial Assistance

As the Existing Loan under the Loan Agreement will generate interest income to the Company and is secured by the Corporate Guarantee, the Directors are of the view that the terms of the Financial Assistance are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

FINANCIAL EFFECTS ON THE GROUP

The Disposal

Upon the Disposal Completion, the Company expects to record a gain on disposal of approximately HK$154 million (before deduction of estimated and necessary expenses) calculated with reference to the book value of the Shiney Day Group. Shareholders should note that the actual gain on disposal to be recorded by the Company will depend on the net asset value of the Shiney Day Group as at the date of the Disposal Completion. The Company currently intends to apply the proceeds from the Disposal for acquisition of other potential investment targets and as general working capital. Upon the Disposal Completion, save for the Financial Assistance, the Company will cease to have any interest in Shiney Day, Yulin Hong-Jin and Xuzhou Yuan Yang.

Based on the management accounts of the Shiney Day Group as at 31 December 2008 and the consideration of HK$150 million for the Disposal, immediately upon the Disposal Completion, the Group's consolidated total assets will be decreased by approximately HK$265.6 million and the Group's consolidated total liabilities will be decreased by approximately HK$419.6 million.

The Acquisition

Upon the Acquisition Completion, Everlong will become an indirect wholly-owned subsidiary of the Company and thus its assets, liabilities and financial results will be consolidated into those of the Group. As noted from the unaudited pro forma financial information of the Enlarged Group as set out in the Appendix III to this circular, it is expected that both total assets and total liabilities of the Group will increase upon the Acquisition Completion. The Directors consider that there will be no significant impact on the earnings of the Group immediately upon the Acquisition Completion.

The Financial Assistance

The Directors consider that there will be no significant impact on the assets, liabilities and earnings of the Group as a result of the Financial Assistance.

VALUATION OF THE INVESTMENT PROPERTIES

The Company has engaged Vigers Appraisal & Consulting Limited to value the Investment Properties. Details of the valuation reports are set out in Appendix IV to this circular. Disclosure of the reconciliation of the net book value and the valuation as required under Rule 5.07 of the Listing Rules is set out below:

	Investment Properties *HK$'000*
Net book value of the Everlong Group's investment properties as at 30 September 2008 as set out in Appendix II to this circular	107,520
Add: Value of the investment properties acquired by the Everlong Group during 1 October 2008 to 31 January 2009	5,454
Less: Revaluation deficit	14,774
Valuation of the Investment Properties as at 31 January 2009	98,200

IMPLICATION UNDER THE LISTING RULES

Each of the Disposal, the Acquisition and the Financial Assistance constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to Shareholders' approval at the SGM.

As no Shareholder has an interest in any of the Disposal, the Acquisition and the Financial Assistance which is materially different from other Shareholders, no Shareholder is required to abstain from voting on the resolutions to be proposed at the SGM to approve the Disposal, the Acquisition, the Financial Assistance and the transactions contemplated thereunder.

THE SGM

Set out on pages SGM-1 to SGM-3 of this circular is a notice convening the SGM to be held at 11/F., Two Exchange Square, Central, Hong Kong on Monday, 23 March 2009 at 4:00 p.m. for the purpose of considering and, if thought fit, passing the resolutions to approve the Disposal, the Acquisition, the Financial Assistance and the transactions contemplated thereunder.

A form of proxy is herewith enclosed for use at the SGM. Whether or not you are able to attend the SGM in person, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by way of a poll. Accordingly, the resolutions to be considered and, if thought fit, passed at the SGM will be voted by way of a poll by the Shareholders.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms of the Disposal, the Acquisition and the Financial Assistance are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Directors recommend that the Shareholders vote in favour of the resolutions for approving the Disposal, the Acquisition, the Financial Assistance and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Wang On Group Limited
宏安集團有限公司*
Tang Ching Ho
Chairman

* *For identification purpose only*

1. FINANCIAL SUMMARY

The following is a summary of the audited financial results of the Group for each of the three years ended 31 March 2008 as extracted from the annual reports of the Company for which the auditors of the Company, Ernst & Young, Certified Public Accountants, expressed unqualified opinion.

Results

	For the year ended 31 March		
	2008	**2007**	**2006**
	HK$'000	*HK$'000*	*HK$'000*
Revenue	545,882	499,488	395,557
Gross profit	161,325	118,997	82,056
Profit before tax	122,577	96,432	82,063
Tax	(25,963)	(13,254)	(9,480)
Profit for the year			
Attributable to:			
Equity holders of the parent	96,089	83,170	72,554
Minority interests	525	8	29
	96,614	83,178	72,583
Dividends			
Additional final dividend for 2006	–	126	4,608
Interim	10,319	7,073	6,736
Proposed final	7,868	19,540	15,718
	18,187	26,739	27,062
Earnings per share attributable to ordinary equity holders of the parent			
Basic	HK1.55 cents	HK1.76 cents	HK1.56 cents
Diluted	HK1.43 cents	HK1.58 cents	HK1.49 cents

	As at 31 March		
	2008	**2007**	**2006**
Assets and liabilities			
Non-current assets	1,291,413	951,043	932,375
Current assets	740,561	783,171	564,949
Total assets	2,031,974	1,734,214	1,497,324
Current liabilities	582,055	531,899	400,035
Non-current liabilities	209,704	160,009	257,116
Total liabilities	791,759	691,908	657,151
Equity			
Equity attributable to equity holders of the parent	1,182,569	1,041,834	839,709
Minority interests	57,646	472	464
	1,240,215	1,042,306	840,173

2. AUDITED FINANCIAL STATEMENTS OF THE GROUP FOR THE TWO YEARS ENDED 31 MARCH 2008

Set out below are the audited financial statements of the Group for the two years ended 31 March 2008 which are published in the Company's annual report for the year ended 31 March 2008:

Consolidated Income Statement
Year ended 31 March 2008

	Notes	2008 HK$'000	2007 HK$'000
REVENUE	5	545,882	499,488
Cost of sales		(384,557)	(380,491)
Gross profit		161,325	118,997
Other income and gains	5	97,329	37,639
Selling and distribution costs		(10,548)	(12,536)
Administrative expenses		(104,427)	(70,684)
Other expenses		(45,222)	(1,806)
Finance costs	7	(14,906)	(13,828)
Gain on disposal of subsidiaries		–	2,524
Fair value gains on revaluation of investment properties, net	16	11,383	31,548
Share of profits and losses of associates		27,643	4,578
PROFIT BEFORE TAX	6	122,577	96,432
Tax	10	(25,963)	(13,254)
PROFIT FOR THE YEAR		96,614	83,178
Attributable to:			
Equity holders of the parent	11	96,089	83,170
Minority interests		525	8
		96,614	83,178
DIVIDENDS	12		
Additional final dividend for 2006		–	126
Interim		10,319	7,073
Proposed final		7,868	19,540
		18,187	26,739
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	13		
Basic		HK1.55 cents	HK1.76 cents
Diluted		HK1.43 cents	HK1.58 cents

Consolidated Balance Sheet
31 March 2008

	Notes	2008 HK$'000	2007 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	14	160,884	11,985
Prepaid land lease payments	15	177,902	–
Investment properties	16	555,199	315,143
Properties under development	17	–	247,869
Goodwill	18	7,820	2,319
Interests in associates	20	305,825	321,364
Held-to-maturity financial asset	22	1,943	–
Other intangible asset	23	24,240	30,300
Loans receivable	26	12,989	13,987
Rental deposits paid	26	4,595	5,343
Deposits for the acquisition of investment properties and associates		35,674	–
Deferred tax assets	35	4,342	2,733
Total non-current assets		1,291,413	951,043
CURRENT ASSETS			
Properties held for sale	24	27,885	1,455
Properties under development	17	288,405	222,811
Trade receivables	25	4,101	6,596
Prepayments, deposits and other receivables	26	43,190	38,958
Financial assets at fair value through profit or loss	27	45,278	46,767
Tax recoverable		883	–
Pledged deposits	28	–	78,000
Cash and cash equivalents	28	330,819	388,584
Total current assets		740,561	783,171
CURRENT LIABILITIES			
Trade payables	29	24,624	23,246
Other payables and accruals	30	128,423	21,095
Deposits received and receipts in advance		50,038	81,888
Derivative financial instruments	31	2,338	–
Interest-bearing bank loans	32	347,115	389,425
Provisions for onerous contracts	33	1,690	369
Tax payable		27,827	15,876
Total current liabilities		582,055	531,899
NET CURRENT ASSETS		158,506	251,272
TOTAL ASSETS LESS CURRENT LIABILITIES		1,449,919	1,202,315

	Notes	2008 HK$'000	2007 HK$'000
NON-CURRENT LIABILITIES			
Interest-bearing bank loans	*32*	199,118	108,799
Provisions for onerous contracts	*33*	1,960	–
Convertible notes	*34*	–	45,756
Deferred tax liabilities	*35*	8,626	5,454
Total non-current liabilities		209,704	160,009
Net assets		1,240,215	1,042,306
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital	*36*	32,051	29,418
Equity component of convertible notes	*34*	–	5,653
Reserves	*38(a)*	1,142,650	987,223
Proposed final dividend	*12*	7,868	19,540
		1,182,569	1,041,834
Minority interests		57,646	472
Total equity		1,240,215	1,042,306

Consolidated Statement of Changes in Equity

Year ended 31 March 2008

		Attributable to equity holders of the parent												
		Issued share capital	Share premium account	Contributed surplus	Equity component of convertible notes	Share option reserve	Exchange fluctuation reserve	Warrant reserve	Other reserve	Retained profits	Proposed final dividend	Total	Minority interests	Total equity
	Notes	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2006		22,454	422,291	106,329	6,077	–	–	–	–	266,840	15,718	839,709	464	840,173
Final 2006 dividend declared	*12*	–	–	–	–	–	–	–	–	(126)	(15,718)	(15,844)	–	(15,844)
		22,454	422,291	106,329	6,077	–	–	–	–	266,714	–	823,865	464	824,329
Exchange realignment recognised directly in equity		–	–	–	–	–	378	–	–	–	–	378	–	378
Profit for the year		–	–	–	–	–	–	–	–	83,170	–	83,170	8	83,178
Total income and expense for the year		–	–	–	–	–	378	–	–	83,170	–	83,548	8	83,556
Conversion of convertible notes	*34, 36*	180	3,822	–	(424)	–	–	–	–	–	–	3,578	–	3,578
Bonus issue	*36*	2,264	(2,264)	–	–	–	–	–	–	–	–	–	–	–
Repurchases of shares	*36*	(1,930)	(43,087)	–	–	–	–	–	–	–	–	(45,017)	–	(45,017)
Placements of shares	*36*	6,450	174,150	–	–	–	–	–	–	–	–	180,600	–	180,600
Share issue expenses	*36*	–	(5,300)	–	–	–	–	–	–	–	–	(5,300)	–	(5,300)
Equity-settled share option arrangements	*37*	–	–	–	–	7,633	–	–	–	–	–	7,633	–	7,633
Interim 2007 dividend	*12*	–	–	–	–	–	–	–	–	(7,073)	–	(7,073)	–	(7,073)
Proposed final 2007 dividend	*12*	–	–	–	–	–	–	–	–	(19,540)	19,540	–	–	–
At 31 March and 1 April 2007		29,418	549,612*	106,329*	5,653	7,633*	378*	–	–	323,271*	19,540	1,041,834	472	1,042,306
Final 2007 dividend declared		–	–	–	–	–	–	–	–	–	(19,540)	(19,540)	–	(19,540)
		29,418	549,612	106,329	5,653	7,633	378	–	–	323,271	–	1,022,294	472	1,022,766
Exchange realignment recognised directly in equity		–	–	–	–	–	22,789	–	–	–	–	22,789	4,056	26,845
Profit for the year		–	–	–	–	–	–	–	–	96,089	–	96,089	525	96,614
Total income and expenses for the year		–	–	–	–	–	22,789	–	–	96,089	–	118,878	4,581	123,459
Conversion of convertible notes	*34, 36*	2,640	49,712	–	(5,653)	–	–	–	–	–	–	46,699	–	46,699
Exercise of share options	*36*	896	7,798	–	–	–	–	–	–	–	–	8,694	–	8,694
Repurchases of shares	*36*	(903)	(20,603)	–	–	–	–	–	–	–	–	(21,506)	–	(21,506)
Share of changes in reserves of associates		–	–	–	–	–	–	–	13,425	–	–	13,425	–	13,425
Acquisition of a subsidiary	*39(b)*	–	–	–	–	–	–	–	–	–	–	–	24,402	24,402
Capital contribution from a minority shareholder of a subsidiary		–	–	–	–	–	–	–	–	–	–	–	28,191	28,191
Issuance of warrants	*36*	–	–	–	–	–	–	4,500	–	–	–	4,500	–	4,500
Share issue expenses	*36*	–	(160)	–	–	–	–	–	–	–	–	(160)	–	(160)
Equity-settled share option arrangements	*37*	–	–	–	–	64	–	–	–	–	–	64	–	64
Interim 2008 dividend	*12*	–	–	–	–	–	–	–	–	(10,319)	–	(10,319)	–	(10,319)
Proposed final 2008 dividend	*12*	–	–	–	–	–	–	–	–	(7,868)	7,868	–	–	–
At 31 March 2008		32,051	586,359*	106,329*	–	7,697*	23,167*	4,500*	13,425*	401,173*	7,868	1,182,569	57,646	1,240,215

* *These reserve accounts comprise the consolidated reserves of HK$1,142,650,000 (2007: HK$987,223,000) in the consolidated balance sheet.*

Consolidated Cash Flow Statement
Year ended 31 March 2008

	Notes	2008 HK$'000	2007 HK'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		122,577	96,432
Adjustments for:			
Finance costs	7	14,906	13,828
Share of profits and losses of associates		(27,643)	(4,578)
Fair value losses/(gains), net:			
Financial assets at fair value through profit or loss	5, 6	6,663	(489)
Derivative financial instruments	6	2,338	–
Interest income from unlisted investments	5	(1,195)	(2,436)
Interest income from loans receivable	5	(1,046)	(1,376)
Bank interest income	5	(8,189)	(7,116)
Dividend income from listed securities	5	(404)	(267)
Gain on disposal a land use right	5	(62,969)	–
Gain on disposal of subsidiaries	39(c)	–	(2,524)
Recognition of a deferred gain	5	(799)	(3,769)
Gain on disposal of financial assets at fair value through profit or loss, net	5	(11,522)	(4,120)
Gain on disposal of investment properties	5	–	(8,000)
Loss on partial/deemed disposal of an associate	6	4,855	–
Impairment of trade receivables	6	–	467
Depreciation	6	7,850	5,158
Amortisation of other intangible asset	6	6,060	–
Amortisation of prepaid land lease payments	6	712	–
Amount provided/(released) for onerous contracts, net	6	3,281	(1,566)
Loss/(gain) on disposal and write-off of items of property, plant and equipment	6	51	(163)
Impairment of a land use right	5, 6	9,700	–
Impairment of goodwill	6	11,558	–
Impairment of other receivables	6	70	–
Reversal of impairment on trade receivables	25	(244)	–
Written off of trade receivables	25	(216)	–
Fair value gains on revaluation of investment properties, net	16	(11,383)	(31,548)
Equity-settled share option expense	6	64	7,633
		65,075	55,566

	Notes	2008 HK$'000	2007 HK'000
Decrease in inventories		–	55
Decrease in properties held for sale		211,504	129,189
Increase in properties under development		(48,354)	(166,638)
Decrease in trade receivables, prepayments, deposits and other receivables		9,723	25,075
Increase in trade payables		1,378	23,136
Increase/(decrease) in other payables and accruals		75,032	(13,774)
Decrease in deposits received and receipts in advance		(31,876)	(2,091)
Cash generated from operations		282,482	50,518
Profits tax paid		(13,332)	(3,896)
Net cash inflow from operating activities		269,150	46,622
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		9,295	7,907
Dividend income from listed securities		404	267
Interest income from unlisted investments		1,195	2,436
Increase in amounts due from associates		(2,099)	–
Increase/(decrease) in amounts due to associates		(81)	814
Acquisition of a subsidiary	*39(b)*	3,044	–
Acquisition of a jointly-controlled entity	*21*	(12,285)	(64,560)
Investment in an associate		(43,756)	–
Proceeds from disposal of a land use right		240,000	–
Proceeds from disposal of subsidiaries	*39(c)*	–	16,830
Purchases of investment properties		(201,113)	(18,642)
Purchases of property, plant and equipment		(147,034)	(3,949)
Purchases of held-to-maturity financial asset		(1,943)	–
Purchases of financial assets at fair value through profit or loss		(83,942)	(51,556)
Proceeds from disposal of investment properties		–	93,600
Proceeds from disposal of items of property, plant and equipment		1,939	1,052
Receipt of government grant		2,217	–
Prepayment of land lease payments		(345,929)	–
Proceeds from disposal of financial assets at fair value through profit or loss		90,290	80,213

	Notes	2008 *HK$'000*	2007 *HK'000*
Proceeds from partial disposal of an associate		96,050	–
Addition to other intangible asset		–	(30,300)
Deposits paid for the acquisition of investment properties and associates		(35,674)	–
Decrease/(increase) in pledged deposits		78,000	(64,029)
Net cash outflow from investing activities		(351,422)	(29,917)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(22,339)	(20,798)
Dividends paid		(29,859)	(22,917)
Proceeds from issue of shares upon exercise of share options	*36*	8,694	–
Proceeds from placements of shares	*36*	–	180,600
Proceeds from issue of warrants	*36*	4,500	–
Capital contribution from a minority shareholder of a subsidiary		28,191	–
Share issue expenses	*36*	(160)	(5,300)
Repurchases of shares	*36*	(21,506)	(45,017)
Repayment of bank loans		(380,760)	(385,804)
New bank loans		428,769	373,500
Net cash inflow from financing activities		15,530	74,264
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(66,742)	90,969
Cash and cash equivalents at beginning of year		388,584	297,902
Effect of foreign exchange rate changes, net		8,977	(287)
CASH AND CASH EQUIVALENTS AT END OF YEAR		330,819	388,584
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	*28*	81,307	135,757
Non-pledged time deposits with original maturity of less than three months when acquired	*28*	249,512	252,827
		330,819	388,584

Balance Sheet
31 March 2008

	Notes	2008 HK$'000	2007 HK$'000
NON-CURRENT ASSETS			
Interests in subsidiaries	19	1,191,421	710,622
Interests in associates	20	2,089	192
Held-to-maturity financial asset	22	1,943	–
Total non-current assets		1,195,453	710,814
CURRENT ASSETS			
Prepayments, deposits and other receivables	26	980	758
Financial assets at fair value through profit or loss	27	14,471	36,927
Pledged deposits	28	–	78,000
Cash and cash equivalents	28	224,347	312,484
Total current assets		239,798	428,169
CURRENT LIABILITIES			
Other payables and accruals	30	69,644	739
Interest-bearing bank loans	32	133,275	137,000
Total current liabilities		202,919	137,739
NET CURRENT ASSETS		36,879	290,430
TOTAL ASSETS LESS CURRENT LIABILITIES		1,232,332	1,001,244
NON-CURRENT LIABILITIES			
Interest-bearing bank loans	32	117,975	29,750
Convertible notes	34	–	45,756
Total non-current liabilities		117,975	75,506
Net assets		1,114,357	925,738
EQUITY			
Issued capital	36	32,051	29,418
Equity component of convertible notes	34	–	5,653
Reserves	38(b)	1,082,306	890,667
Total equity		1,114,357	925,738

NOTES TO FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Wang On Group Limited (the "Company") is a limited liability company incorporated in Bermuda, and both its head office and principal place of business is located at 5th Floor, Wai Yuen Tong Medicine Building, 9 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.

During the year, the Company, its subsidiaries and its jointly-controlled entities (collectively referred to as the "Group") were involved in the following principal activities:

- property development
- property investment
- management and sub-licensing of Chinese wet markets, shopping centres and car parks
- operations and management of agricultural by-products wholesale markets

2.1 BASIS OF PREPARATION

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

Basis of consolidation

The consolidated financial statements include the financial statements of the Company, its subsidiaries and its jointly-controlled entities for the year ended 31 March 2008. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date such control ceases. The assets, liabilities, income and expenses of jointly-controlled entities are proportionally consolidated from the date on which joint control is established and obtained by the Group, and continue to be proportionally consolidated until the date such joint control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

The acquisition of a subsidiary during the year has been accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the identifiable assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries.

2.2 IMPACT OF NEW AND REVISED HKFRSs

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new and revised standards and interpretations has had no material effect on these financial statements.

HKFRS 7	Financial Instruments: Disclosures
HKAS 1 Amendment	Capital Disclosures
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment
HK(IFRIC)-Int 11	HKFRS 2 – Group and Treasury Share Transactions

The principal effects of adopting these new and revised HKFRSs are as follows:

(a) HKFRS 7 Financial Instruments: Disclosures

This standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments. The new disclosures are included throughout the financial statements. While there has been no effect on the financial position or results of operations of the Group, comparative information has been included/revised where appropriate.

(b) Amendment to HKAS 1 Presentation of Financial Statements – Capital Disclosures

This amendment requires the Group to make disclosures that enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital. These new disclosures are shown in note 44 to the financial statements.

(c) HK(IFRIC)-Int 8 Scope of HKFRS 2

This interpretation requires HKFRS 2 to be applied to any arrangement in which the Group cannot identify specifically some or all of the goods or services received, for which equity instruments are granted or liabilities (based on a value of the Group's equity instruments) are incurred by the Group for a consideration, and which appears to be less than the fair value of the equity instruments granted or liabilities incurred. As the Company has only issued equity instruments to the Group's employees in accordance with the Group's share option scheme, the interpretation has had no effect on these financial statements.

(d) HK(IFRIC)-Int 9 Reassessment of Embedded Derivatives

This interpretation requires that the date to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative is the date that the Group first becomes a party to the contract, with reassessment only if there is a change to the contract that significantly modifies the cash flows. As the Group's existing policy of accounting for derivatives complies with the requirements of the interpretation, the interpretation has had no material impact on the financial position or results of operations of the Group.

(e) HK(IFRIC)-Int 10 Interim Financial Reporting and Impairment

The Group has adopted this interpretation as of 1 April 2007, which requires that an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument classified as available for sale or a financial asset carried at cost is not subsequently reversed. As the Group had no impairment losses previously reversed in respect of such assets, the interpretation has had no impact on the financial position or results of operations of the Group.

(f) HK(IFRIC)-Int 11 HKFRS 2 – Group and Treasury Share Transactions

This interpretation requires arrangements whereby an employee is granted rights to the Group's equity instruments, to be accounted for as an equity-settled scheme, even if the Group acquires the instruments from another party, or the shareholders provide the equity instruments needed. This interpretation also addresses the accounting for share-based payment transactions involving two or more entities within the Group. As the Group's current policy for share-based payment transactions aligns with the requirements of the interpretation, the interpretation has had no effect on these financial statements.

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HKFRSs

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

HKFRS 2 Amendments	Share-based Payment – Vesting Conditions and Cancellations[1]
HKFRS 3 (Revised)	Business Combinations[4]
HKFRS 8	Operating Segments[1]
HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[4]
HKAS 32 and HKAS 1 Amendments	Puttable Financial Instruments and Obligations Arising on Liquidation[1]
HK(IFRIC)-Int 12	Service Concession Arrangements[3]
HK(IFRIC)-Int 13	Customer Loyalty Programmes[2]
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction[3]

[1] Effective for annual periods beginning on or after 1 January 2009
[2] Effective for annual periods beginning on or after 1 July 2008
[3] Effective for annual periods beginning on or after 1 January 2008
[4] Effective for annual periods beginning on or after 1 July 2009

HKFRS 2 has been amended to restrict the definition of "vesting condition" to a condition that includes an explicit or implicit requirement to provide services. Any other conditions are non-vesting conditions, which have to be taken into account to determine the fair value of the equity instruments granted. In the case that the award does not vest as the result of a failure to meet a non-vesting condition that is within the control of either the entity or the counterparty, this must be accounted for as a cancellation. The Group has not entered into share-based payment schemes with non-vesting conditions attached and, therefore, does not expect significant implications on its accounting for share-based payments.

HKFRS 3 has been revised to introduce a number of changes in the accounting for business combinations that will have impact on the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results.

HKAS 27 has been revised to require a change in the ownership interest of a subsidiary is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

The changes introduced by HKFRS 3 (revised) and HKAS 27 (revised) must be applied prospectively and will affect future acquisitions and transactions with minority interests.

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

HKAS 1 has been revised to introduce changes in presentation and disclosures of financial statements and does not change the recognition, measurement or disclosure of specific transactions and other events required by other HKFRSs.

HKAS 23 has been revised to require capitalisation of borrowing costs when such costs are directly attributable to the acquisition, construction or production of a qualifying asset. As the Group's current policy for borrowing costs aligns with the requirements of the revised standard, the revised standard is unlikely to have any financial impact on the Group.

HKAS 32 and HKAS 1 Amendments have been revised to require puttable financial instruments and instruments or components of instruments that impose on the entity an obligation to deliver to another party a pro rata rate of the share of the net assets of the entity only on liquidation to be classified as equity. The Group expects to adopt HKAS 32 and HKAS 1 Amendments from 1 April 2009.

HK(IFRIC)-Int 12 requires an operator under public-to-private service concession arrangements to recognise the consideration received or receivable in exchange for the construction services as a financial asset and/or an intangible asset, based on the terms of the contractual arrangements. HK(IFRIC)-Int 12 also addresses how an operator shall apply existing HKFRSs to account for the obligations and the rights arising from service concession arrangements by which a government or a public sector entity grants a contract for the construction of infrastructure used to provide public services and/or for the supply of public services. As the Group currently has no such arrangements, the interpretation is unlikely to have any financial impact on the Group.

HK(IFRIC)-lnt 13 requires that loyalty award credits granted to customers as part of a sales transaction are accounted for as a separate component of the sales transaction. The consideration received in the sales transaction is allocated between the loyalty award credits and the other components of the sale. The amount allocated to the loyalty award credits is determined by reference to their fair value and is deferred until the awards are redeemed or the liability is otherwise extinguished.

HK(IFRIC)-lnt 14 addresses how to assess the limit under HKAS 19 Employee Benefits, on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, in particular, when a minimum funding requirement exists.

As the Group currently has no customer loyalty award credits and defined benefit scheme, HK(IFRIC)-Int 13 and HK(IFRIC)-Int 14 are not applicable to the Group and therefore are unlikely to have any financial impact on the Group.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Joint ventures

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

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

A joint venture is treated as:

(a) a subsidiary, if the Group has unilateral control, directly or indirectly, over the joint venture;

(b) a jointly-controlled entity, if the Group does not have unilateral control, but has joint control, directly or indirectly, over the joint venture;

(c) an associate, if the Group does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture's registered capital and is in a position to exercise significant influence over the joint venture; or

(d) an equity investment accounted for in accordance with HKAS 39, if the Group holds, directly or indirectly, less than 20% of the joint venture's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture.

Jointly-controlled entities

A joint-controlled entity is a joint venture that is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's interests in its jointly-controlled entities are accounted for by proportionate consolidation, which involves recognising its share of the jointly-controlled entities' assets, liabilities, income and expenses with similar items in the consolidated financial statements on a line-by-line basis. Unrealised gains and losses resulting from transactions between the Group and its jointly-controlled entities are eliminated to the extent of the Group's interests in the jointly-controlled entities, except where unrealised losses provide evidence of an impairment of the asset transferred.

Gain or loss arising from assets contributed or sold by the Group to its jointly-controlled entities recognised in the consolidated income statement to the extent that such gain or loss is attributable to the interests of other venturers when significant risks and rewards of ownership of the assets have been passed to the jointly-controlled entities and the assets are retained by the jointly-controlled entities.

Associates

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

The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post- acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates, which was not previously eliminated or recognised in the consolidated reserves, is included as part of the Group's interests in associates.

The results of associates are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in associates are treated as non-current assets and are stated at cost less any impairment losses.

Deferred gain represents the unrealised profit resulting from downstream transactions with an associate eliminated to the extent of the Group's interest in that associate. Deferred gain is recognised in the consolidated balance sheet as part of the Group's interests in associates.

Goodwill

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

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset, initially measured at cost and subsequently at cost less any accumulated impairment losses. In the case of associates and jointly-controlled entities, goodwill is included in the carrying amount thereof, rather than as a separately identified asset on the consolidated balance sheet.

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Goodwill previously eliminated against consolidated reserves

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

Excess over the cost of business combinations

Any excess of the Group's interest in the net fair value of the acquirees' identifiable assets, liabilities and contingent liabilities over the cost of acquisition of subsidiaries and associates (previously referred to as negative goodwill), after reassessment, is recognised immediately in the income statement.

The excess for associates is included in the Group's share of the associates' profit or loss in the period in which the investments are acquired.

Impairment of non-financial assets other than goodwill

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

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

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

Intangible assets (other than goodwill)

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

Marketplace operating right

Purchased marketplace operating right is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of five years.

Related parties

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

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

(b) the party is an associate;

(c) the party is a jointly-controlled entity;

(d) the party is a member of the key management personnel of the Group or its parent;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

Property, plant and equipment and depreciation

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

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

Building	5%
Leasehold improvements	15% – 33% or over the lease term
Plant and machinery	15% – 50%
Furniture, fixtures and office equipment	15% – 50%
Motor vehicles	20%
Computer equipment	15% – 33%

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

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

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

Construction in progress represents an agricultural by-products wholesale market under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises land costs, the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment or investment properties when completed and ready for use.

Investment properties

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

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

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

Operating leases

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

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

Properties under development

Properties under development represent properties developed for sale and are stated at the lower of cost and net realisable value. Cost comprises prepaid land lease payments together with borrowing costs, professional fees and any other direct costs attributable to the development of the properties incurred during the development period.

Properties under development which have been pre-sold and/or are expected to be completed within 12 months from the balance sheet date are classified as current assets.

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Cost is determined by an apportionment of the total land and building costs attributable to unsold properties. Net realisable value is estimated by the directors based on the prevailing market prices, on an individual property basis.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

Investments and other financial assets

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

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

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

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

Financial assets at fair value through profit or loss

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

Financial assets may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; (ii) the assets are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial asset contains an embedded derivative that would need to be separately recorded.

Loans and receivables

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

Held to maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held to maturity when the Group has the positive intention and ability to hold to maturity. Held-to-maturity investments are subsequently measured at amortised cost less any allowance for impairment. Amortised cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. Gains and losses are recognised in the income statement when the investments are derecognised or impaired, as well as through the amortisation process.

Fair value

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

Impairment of financial assets

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

Assets carried at amortised cost

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

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

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

Assets carried at cost

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

Derecognition of financial assets

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

- the rights to receive cash flows from the asset have expired;

- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or

- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including trade and other payables and interest-bearing loans and borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within "finance costs" in the income statement.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

Financial guarantee contracts

Financial guarantee contracts in the scope of HKAS 39 are accounted for as financial liabilities. A financial guarantee contract is recognised initially at its fair value less transaction costs that are directly attributable to the acquisition or issue of the financial guarantee contract, except when such contract is recognised at fair value through profit or loss. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 Revenue.

Convertible notes

The component of convertible notes that exhibits characteristics of a liability is recognised as a liability in the balance sheet, net of transaction costs. On issuance of convertible notes, the fair value of the liability component is determined using a market rate for an equivalent non-convertible note; and this amount is carried as a long term liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity, net of transaction costs. The carrying amount of the conversion option is not remeasured in subsequent years.

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

Derecognition of financial liabilities

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

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

Derivative financial instruments

The Group uses derivative financial instruments such as equity accumulator contracts. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives are taken directly to the income statement.

The fair value of equity accumulator contracts is calculated by reference to equity prices of the underlying instruments.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

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

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

Provisions

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

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

Provision for onerous contracts represents provision for lease contracts for certain Hong Kong properties and projects where the unavoidable costs of meeting the obligations under the contracts exceed the economic benefits expected to be received under them. Provisions for onerous contracts are recognised based on the difference between the rental payments receivable by the Group and those unavoidable rental payments payable by the Group under the contracts, together with any compensation or penalties arising from the failure to fulfill the contracts, discounted to their present value as appropriate.

Income tax

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

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

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

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

- where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the income statement over the expected useful life of the relevant asset by equal annual instalments.

Revenue recognition

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

(a) rental and sub-licensing fee income, on a time proportion basis over the lease terms;

(b) from the provision of services, when the services are rendered;

(c) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;

(d) from the sale of properties, when the sale agreement becomes unconditional;

(e) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset;

(f) on the trading of securities, on the date when the transaction takes place; and

(g) dividend income, where the shareholders' right to receive payment has been established.

Employee benefits

Pension schemes

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

The employees of the Group's subsidiaries and jointly-controlled entities in Mainland China are required to participate in a central pension scheme (the "PRC Pension Scheme") operated by the local municipal government. The subsidiaries and jointly-controlled entities are required to contribute certain percentage of their payroll costs to the PRC Pension Scheme. The only obligation of the Group with respect to the PRC Pension Scheme is to pay the ongoing contributions under the PRC Pension Scheme. The contributions are charged to the income statement as they become payable in accordance with the rules of the PRC Pension Scheme.

Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 37 to the financial statements. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Dividends

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

Interim dividends are simultaneously proposed and declared, because by-law 140 of the Company's bye-laws grants the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

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

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

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

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

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

Judgement

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

Operating lease commitments – Group as lessor

The Group has entered into leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Estimation uncertainty

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

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 March 2008 was HK$7,820,000 (2007: HK$12,037,000). More details are given in note 18.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of properties under development

The Group assessed the recoverable amount of each property under development based on its value in use or net selling price, depending on the anticipated future plans for the property. Estimating the value in use of an asset involves estimating the future cash flows to be derived from continuing use of the asset and from its ultimate disposal and applying the appropriate discount rate to these future cash flows.

The carrying amount of properties under development at 31 March 2008 was HK$288,405,000 (2007: HK$470,680,000) (note 17).

Estimation of fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

(a) current prices in an active market for properties of a different nature, condition or location (or subject to different leases or other contracts), adjusted to reflect those differences;

(b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and

(c) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The principal assumptions for the Group's estimation of the fair value include those related to current market rents for similar properties in the same location and condition, appropriate discount rates, expected future market rents and future maintenance costs.

The carrying amount of investment properties at 31 March 2008 was HK$555,199,000 (2007: HK$315,143,000) (note 16).

Useful lives and impairment of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its items of property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of items of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and its competitor actions. Management will increase the depreciation charge where useful lives are less than previously estimates, or it will write off or write down technically obsolete assets that have been abandoned.

The carrying value of an item of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable in accordance with the accounting policy as disclosed in the relevant part of this section. The recoverable amount of an item of property, plant and equipment is calculated as the higher of its fair value less costs to sell and value in use, the calculations of which involve the use of estimates.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of deferred tax assets relating to recognised tax losses was HK$3,062,000 (2007: HK$2,733,000) as at 31 March 2008. Further details are contained in note 35 to the financial statements.

Allowance on trade and other receivables

The provision policy for doubtful debts of the Group is based on the ongoing evaluation of the collectibility and aged analysis of the outstanding receivables and on management's estimation. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the creditworthiness and the past collection history of each customer. If the financial conditions of the customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

PRC corporate income tax ("CIT")

The Group is subject to income taxes in the People's Republic of China (the "PRC"). As a result of the fact that certain matters relating to the income taxes have not been confirmed by the local tax bureau, objective estimate and judgement based on currently enacted tax laws, regulations and other related policies are required in determining the provision for income taxes to be made. Where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact on the income tax and tax provisions in the period in which the differences realise.

4. SEGMENT INFORMATION

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

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

(a) the property development segment engages in the development of properties;

(b) the property investment segment invests in industrial and commercial premises and residential units for rental income;

(c) the Chinese wet markets segment engages in the management and sub-licensing of Chinese wet markets;

(d) the shopping centres and car parks segment engages in the management and sub-licensing of shopping centres and car parks;

(e) the agricultural by-products wholesale markets segment engages in the operations and management of agricultural by-products wholesale markets; and

(f) the corporate and others segment comprises the Group's management service business. This segment also includes corporate income and expense items.

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

(a) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 March 2008 and 2007.

	Property development		Property investment		Chinese wet markets		Shopping centres and car parks		Agricultural by-products wholesale markets		Unallocated corporate and others		Eliminations		Consolidated	
	2008	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue:																
Sales to external customers	302,998	242,242	22,826	42,090	170,742	144,048	12,893	27,262	34,395	–	2,028	43,846	–	–	545,882	499,488
Intersegment sales	9,848	–	–	2,772	–	4,091	440	791	–	–	9,696	1,854	(19,984)	(9,508)	–	–
Other revenue	8	7	9,614	39,945	5,600	2,616	515	1,038	4,740	379	80,358	18,773	(2,553)	(1,975)	98,282	60,783
Total	312,854	242,249	32,440	84,807	176,342	150,755	13,848	29,091	39,135	379	92,082	64,473	(22,537)	(11,483)	644,164	560,271
Segment results	49,565	28,205	26,590	48,472	13,478	31,028	2,283	3,688	(583)	(9,309)	11,050	7,334	(2,973)	2,089	99,410	111,507
Unallocated expenses															–	(16,753)
Interest income															10,430	10,928
Finance costs															(14,906)	(13,828)
Share of profits and losses of associates															27,643	4,578
Profit before tax															122,577	96,432
Tax															(25,963)	(13,254)
Profit for the year															96,614	83,178

	Property development		Property investment		Chinese wet markets		Shopping centres and car parks		Agricultural by-products wholesale markets		Unallocated corporate and others		Eliminations		Consolidated	
	2008	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Assets and liabilities																
Segment assets	751,325	575,474	436,214	394,268	204,092	108,870	47,072	52,488	432,077	54,028	2,462,613	2,103,447	(2,611,586)	(1,878,458)	1,721,807	1,410,117
Interests in associates	–	–	–	–	–	–	–	–	–	–	305,825	321,364	–	–	305,825	321,364
Deferred tax assets	3,062	2,171	244	–	1,036	562	–	–	–	–	–	–	–	–	4,342	2,733
Total assets															2,031,974	1,734,214
Segment liabilities	570,813	317,630	292,567	222,581	203,920	131,183	15,030	17,649	352,326	68,651	1,386,003	1,247,362	(2,611,586)	(1,878,458)	209,073	126,598
Interest-bearing bank loans	150,650	242,050	94,904	88,528	–	896	–	–	49,429	–	251,250	166,750	–	–	546,233	498,224
Tax payable	9,433	7,173	949	478	845	3,667	210	2,026	2,079	–	14,311	2,532	–	–	27,827	15,876
Convertible notes	–	–	–	–	–	–	–	–	–	–	–	45,756	–	–	–	45,756
Deferred tax liabilities	–	–	8,593	5,454	–	–	–	–	–	–	33	–	–	–	8,626	5,454
Total liabilities															791,759	691,908
Other segment information:																
Depreciation and amortisation	796	4	12	12	6,734	3,693	11	491	6,669	6	840	952	–	–	15,062	5,158
Impairment losses recognised in the income statement	14,925	–	–	–	–	–	70	–	–	–	6,333	–	–	–	21,328	–
Capital expenditure	181,641	30	118,357	18,752	16,653	2,077	–	17	210,128	30,764	1,392	1,361	–	–	528,171	53,001

(b) Geographical segments

The following table presents revenue and certain asset and expenditure information for the Group's geographical segments for the year ended 31 March 2008 and 2007.

	Hong Kong		Mainland China		Eliminations		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue:								
Sales to external customers	496,331	494,673	49,551	4,815	–	–	545,882	499,488
Other segment information:								
Segment assets	3,775,697	3,544,096	867,863	68,576	(2,611,586)	(1,878,458)	2,031,974	1,734,214
Capital expenditure	135,886	51,656	392,285	1,345	–	–	528,171	53,001

5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents sub-licensing and management fee income received and receivable; the invoiced value of goods sold, after allowances for returns and trade discounts; the invoiced value of services rendered; the gross rental income received and receivable from investment properties and proceeds from the sale of properties during the year.

An analysis of revenue, other income and gains is as follows:

	Group	
	2008	2007
	HK$'000	*HK$'000*
Revenue		
Sub-licensing fee income	145,024	155,084
Property management fee income	16,609	16,228
Sale of goods	22,606	40,092
Rendering of services	3,781	3,752
Gross rental income	43,366	10,603
Sale of properties	314,496	273,729
	545,882	499,488
Other income		
Bank interest income	8,189	7,116
Interest income from unlisted investments	1,195	2,436
Interest income from loans receivable	1,046	1,376
Dividend income from listed securities	404	267
Management fee income	2,190	1,116
Others	5,757	4,481
	18,781	16,792

	Group 2008	2007
	HK$'000	*HK$'000*
Gains		
Gain on disposal of a land use right	62,969	–
Gain on disposal of financial assets at fair value through profit or loss, net	11,522	4,120
Fair value gains on financial assets at fair value through profit or loss, net	–	489
Exchange gains, net	3,242	4,306
Recognition of a deferred gain	799	3,769
Gain on disposal and write-off of items of property, plant and equipment	16	163
Gain on disposal of investment properties	–	8,000
	78,548	20,847
Other income and gains	97,329	37,639

6. PROFIT BEFORE TAX

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

		Group 2008	2007
	Notes	*HK$'000*	*HK$'000*
Auditors' remuneration		2,700	1,900
Cost of inventories sold		17,016	24,522
Cost of services provided		156,037	137,665
Cost of properties sold		211,504	218,304
Depreciation	*14*	8,290	5,158
Less: Government grants released#		(440)	–
		7,850	5,158
Minimum lease payments under operating leases for land and buildings		90,586	94,697
Amortisation of prepaid land lease payments	*15*	712	–
Amortisation of other intangible asset	*23*	6,060	–
Employee benefits expense (including directors' remuneration – *note 8*):			
Wages and salaries		61,920	53,907
Pension scheme contributions		2,992	1,642
Equity-settled share option expense		64	7,633
		64,976	63,182

		Group 2008	2007
	Notes	*HK$'000*	*HK$'000*
Fair value losses/(gains) net:			
Financial assets at fair value through profit or loss*		6,663	(489)
Derivative financial instruments*		2,338	–
Compensation paid to a minority shareholder of a subsidiary*		9,971	–
Impairment of trade receivables*	*25*	–	467
Impairment of goodwill*	*18*	11,558	–
Impairment of a land use right*	*15*	9,700	–
Impairment of other receivables*		70	–
Loss on disposal of items of property, plant and equipment*		67	–
Loss on partial/deemed disposal of an associate*		4,855	–
Amount provided/(released) for onerous contracts, net	*33*	3,281	(1,566)
Net rental income		(8,951)	(10,480)

* *The expenses are included in "Other expenses" on the face of the consolidated income statement.*

\# *Certain government grants have been received for renovating and upgrading certain Chinese wet markets operated by the Group's jointly-controlled entity in Shenzhen, the PRC. The government grants released have been deducted from the depreciation cost to which they relate. Government grants received for which related expenditure has not yet been undertaken are included in deferred income under other payables and accruals in the balance sheet. There are no unfulfilled conditions or contingencies relating to these grants.*

7. FINANCE COSTS

	Group 2008	2007
	HK$'000	*HK$'000*
Interest on convertible notes *(note 34)*	1,144	2,966
Interest on bank loans and overdrafts	24,490	21,682
Total interest expense on financial liabilities not at fair value through profit or loss	25,634	24,648
Less: Interest capitalised	(10,728)	(10,820)
	14,906	13,828

8. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Section 161 of the Hong Kong Companies Ordinance, is as follows:

	Group	
	2008	**2007**
	HK$'000	*HK$'000*
Fees	771	845
Other emoluments for executive directors:		
Salaries, allowances and benefits in kind	10,067	9,499
Performance related bonuses*	1,944	1,413
Employee share option benefits	12	–
Pension scheme contributions	84	81
	12,107	10,993
	12,878	11,838

* *Certain executive directors of the Company are entitled to bonus payments which are based on the performance of the Group.*

During the year, a director was granted share options, in respect of his services to the Group, under the share option scheme of the Company, further details of which are set out in note 37 to the financial statements. The fair value of such options which has been recognised in the income statement over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above director's remuneration disclosures.

Executive directors and independent non-executive directors

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Employee share option benefits	Pension scheme contributions	Total remuneration
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2008						
Executive directors:						
Mr. Tang Ching Ho	–	4,030	336	–	12	4,378
Ms. Yau Yuk Yin	–	4,094	240	–	12	4,346
Mr. Chan Chun Hong, Thomas	–	1,943	1,368	12	60	3,383
	–	10,067	1,944	12	84	12,107
Independent non-executive directors:						
Dr. Lee Pang Fei, Allen, *CBE, BS, FHKIE, JP*	297	–	–	–	–	297
Mr. Wong Chun, Justein, *MBE, JP*	217	–	–	–	–	217
Mr. Siu Yim Kwan, Sidney, *S.B.St.J.*	117	–	–	–	–	117
Mr. Siu Kam Chau	140	–	–	–	–	140
	771	–	–	–	–	771
	771	10,067	1,944	12	84	12,878

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Employee share option benefits	Pension scheme contributions	Total remuneration
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2007						
Executive directors:						
Mr. Tang Ching Ho	–	3,894	324	–	12	4,230
Ms. Yau Yuk Yin	–	4,029	232	–	12	4,273
Mr. Chan Chun Hong, Thomas	–	1,576	857	–	57	2,490
	–	9,499	1,413	–	81	10,993
Independent non-executive directors:						
Dr. Lee Pang Fei, Allen, *CBE, BS, FHKIE, JP*	313	–	–	–	–	313
Mr. Wong Chun, Justein, *MBE, JP*	240	–	–	–	–	240
Mr. Siu Yim Kwan, Sidney, *S.B.St.J.*	140	–	–	–	–	140
Mr. Siu Kam Chau	152	–	–	–	–	152
	845	–	–	–	–	845
	845	9,499	1,413	–	81	11,838

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

9. FIVE HIGHEST PAID EMPLOYEES

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

	Group	
	2008	**2007**
	HK$'000	*HK$'000*
Salaries and allowances	2,199	3,043
Performance related bonuses	333	224
Employee share option benefits	4	898
Pension scheme contributions	24	24
	2,560	4,189

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

	Number of employees	
	2008	**2007**
HK$1,000,001 to HK$1,500,000	2	–
HK$1,500,001 to HK$2,000,000	–	1
HK$2,000,001 to HK$2,500,000	–	1
	2	2

During the year, share options were granted to the non-director, highest paid employees, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 37 to the financial statements. The fair value of such options which has been recognised in the income statement over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above remuneration disclosures.

10. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (2007: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2008	**2007**
	HK$'000	*HK$'000*
Group:		
Current – Hong Kong		
Charge for the year	24,645	15,249
Overprovision in prior years	(1,297)	(2,243)
Current – PRC		
Charge for the year	1,052	137
Deferred *(note 35)*	1,563	111
Total tax charge for the year	25,963	13,254

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

	Group	
	2008	**2007**
	HK$'000	*HK$'000*
Profit before tax	122,577	96,432
Tax at the statutory tax rates of different jurisdictions	21,505	17,054
Lower tax rate for specific provinces or local authority	(997)	(207)
Adjustments in respect of current tax of previous periods	(1,297)	(2,243)
Profits and losses attributable to associates	(5,773)	(801)
Income not subject to tax	(3,240)	(5,005)
Expenses not deductible for tax	8,836	2,973
Tax losses utilised from previous periods	(3,930)	(2,605)
Tax losses not recognised	6,373	5,367
Others	4,486	(1,279)
Tax charge at the Group's effective rate	25,963	13,254

The share of tax attributable to associates amounting to HK$864,000 (2007: HK$361,000), is included in "Share of profits and losses of associates" on the face of the consolidated income statement.

11. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

The consolidated profit attributable to equity holders of the parent for the year ended 31 March 2008 includes a profit of HK$180,187,000 (2007: profit of HK$127,230,000) which has been dealt with in the financial statements of the Company (note 38(b)).

12. DIVIDENDS

	2008	**2007**
	HK$'000	*HK$'000*
Additional final dividend for 2006	–	126
Interim – HK0.16 cents (2007: HK0.15 cents) per ordinary share	10,319	7,073
Proposed final – HK0.10 cents (2007: HK0.33 cents) per ordinary share	7,868	19,540
	18,187	26,739

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

The dividend per ordinary share amounts for the prior year have been adjusted to reflect the bonus issue during that year and the subdivision of the Company's shares subsequent to the balance sheet date.

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the year, as adjusted to reflect the share subdivision during the year.

The calculation of diluted earnings per share is based on the profit for the year attributable to ordinary equity holders of the parent adjusted to reflect the interest on the convertible bonds, where applicable. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares, as adjusted for the share subdivision during the year.

The calculations of basic and diluted earnings per share amounts are based on:

	2008	**2007**
	HK$'000	*HK$'000*
Earnings		
Profit attributable to ordinary equity holders of the parent, used in basic earnings per share calculation	96,089	83,170
Interest on convertible notes	1,144	2,966
Profit for the purpose of diluted earnings per share calculation	97,233	86,136

	Number of shares	
	2008	**2007**
Shares		
Weighted average number of ordinary shares in issue during the year used in basic earnings per share calculation	6,205,325,115	4,728,929,492
Effect of dilution – weighted average number of ordinary shares:		
Convertible notes	219,278,689	541,288,970
Share options	398,588,922	175,381,903
	6,823,192,726	5,445,600,365

14. PROPERTY, PLANT AND EQUIPMENT

Group

	Building HK$'000	Leasehold improvements HK$'000	Plant and machinery HK$'000	Furniture, fixtures and office equipment HK$'000	Motor vehicles HK$'000	Computer equipment HK$'000	Construction in progress HK$'000	Total HK$'000
31 March 2008								
At 31 March 2007 and at 1 April 2007:								
Cost	–	48,415	364	32,811	1,658	2,891	–	86,139
Accumulated depreciation	–	(39,094)	(349)	(32,182)	(288)	(2,241)	–	(74,154)
Net carrying amount	–	9,321	15	629	1,370	650	–	11,985
At 1 April 2007, net of accumulated depreciation	–	9,321	15	629	1,370	650	–	11,985
Additions	–	15,966	289	833	1,971	548	126,268	145,875
Acquisition of a subsidiary *(note 39(b))*	505	–	10,388	15	163	–	898	11,969
Disposals and write-off	–	(1,860)	(46)	(77)	–	(7)	–	(1,990)
Depreciation provided during the year	(16)	(5,964)	(503)	(539)	(794)	(474)	–	(8,290)
Exchange realignment	37	424	760	12	36	–	66	1,335
At 31 March 2008, net of accumulated depreciation	526	17,887	10,903	873	2,746	717	127,232	160,884
At 31 March 2008:								
Cost	638	62,558	13,863	33,611	3,825	3,368	127,232	245,095
Accumulated depreciation	(112)	(44,671)	(2,960)	(32,738)	(1,079)	(2,651)	–	(84,211)
Net carrying amount	526	17,887	10,903	873	2,746	717	127,232	160,884

	Building	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment	Motor vehicles	Computer equipment	Construction in progress	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
31 March 2007								
At 31 March 2006 and at 1 April 2006:								
Cost	–	47,300	5,532	49,563	742	2,651	–	105,788
Accumulated depreciation	–	(41,366)	(4,422)	(48,912)	(631)	(1,695)	–	(97,026)
Net carrying amount	–	5,934	1,110	651	111	956	–	8,762
At 1 April 2006, net of accumulated depreciation	–	5,934	1,110	651	111	956	–	8,762
Additions	–	2,097	21	340	1,244	247	–	3,949
Acquisition of a jointly-controlled entity	–	4,906	–	345	193	–	–	5,444
Disposals and write-off	–	(38)	(762)	(51)	(38)	–	–	(889)
Disposals of subsidiaries *(note 39(c))*	–	(56)	(5)	(119)	–	–	–	(180)
Depreciation provided during the year	–	(3,571)	(349)	(542)	(143)	(553)	–	(5,158)
Exchange realignment	–	49	–	5	3	–	–	57
At 31 March 2007, net of accumulated depreciation	–	9,321	15	629	1,370	650	–	11,985
At 31 March 2007:								
Cost	–	48,415	364	32,811	1,658	2,891	–	86,139
Accumulated depreciation	–	(39,094)	(349)	(32,182)	(288)	(2,241)	–	(74,154)
Net carrying amount	–	9,321	15	629	1,370	650	–	11,985

The leasehold land with an aggregate carrying amount of HK$95,835,000 (2007: Nil) and included in the Group's construction in progress is held under medium term leases and situated in Mainland China.

15. PREPAID LAND LEASE PAYMENTS

Group

	2008	**2007**
	HK$'000	*HK$'000*
Carrying amount at 1 April	–	–
Additions	181,183	–
Transfer from properties under development *(note 17)*	3,422	–
Amortisation for the year	(712)	–
Impairment	(9,700)	–
Exchange realignment	6,298	–
Carrying amount at 31 March	180,491	–
Current portion included in prepayments, deposits and other receivables *(note 26)*	(2,589)	–
Non-current portion	177,902	–

The Group's leasehold land is situated in Hong Kong and Mainland China and is held under the following lease terms:

	2008	**2007**
	HK$'000	*HK$'000*
Long term leases:		
– Mainland China	176,908	–
Medium term leases:		
– Hong Kong	3,337	–
– Mainland China	246	–
	3,583	–
	180,491	–

16. INVESTMENT PROPERTIES GROUP

Group

	2008	2007
	HK$'000	*HK$'000*
Carrying amount at 1 April	315,143	297,500
Additions	201,113	18,752
Acquisition of a jointly-controlled entity	–	62,593
Acquisition of a subsidiary *(note 39(b))*	20,019	–
Disposals	–	(85,600)
Disposal of subsidiaries *(note 39(c))*	–	(10,200)
Net profit from a fair value adjustment *(Note)*	11,383	31,548
Exchange realignment	7,541	550
Carrying amount at 31 March	555,199	315,143

Note: Included in the net profit from a fair value adjustment is an adjustment to the revenue which amounted to HK$82,000 (2007: Nil) and was resulted from the incentive being granted during the year.

The Group's investment properties are situated in Hong Kong and Mainland China and are held under the following lease terms:

	2008	2007
	HK$'000	*HK$'000*
Long term leases:		
– Hong Kong	60,600	31,500
Medium term leases:		
– Hong Kong	319,300	220,500
– Mainland China	175,299	63,143
	494,599	283,643
	555,199	315,143

The investment properties of the Group were revalued on 31 March 2008 by Savills Valuation and Professional Services Limited, independent professionally qualified valuers, on an open market, existing use basis. The investment properties are leased to a director of the Company and third parties under operating leases, further details of which are included in notes 41 and 43 to the financial statements.

At 31 March 2008, the Group's investment properties with an aggregate carrying value of HK$348,900,000 (2007: HK$252,000,000) and certain rental income generated therefrom were pledged to secure the Group's general banking facilities, of which approximately HK$201,504,000 (2007: HK$89,424,000) had been utilised as at 31 March 2008 (note 32).

Further particulars of the Group's investment properties are included on pages 121 and 122.

17. PROPERTIES UNDER DEVELOPMENT

Group

	2008 *HK$'000*	2007 *HK$'000*
Carrying amount at 1 April	470,680	293,222
Additions (including development cost and capitalised interest)	59,081	177,458
Transfer to prepaid land lease payments *(note 15)*	(3,422)	–
Transfer to properties held for sale *(note 24)*	(237,934)	–
Carrying amount at 31 March	288,405	470,680
Less: Portion classified as current assets	(288,405)	(222,811)
Long term portion	–	247,869

At 31 March 2008, the Group's properties under development with an aggregate carrying value of HK$282,197,000 (2007: HK$449,670,000) were pledged to secure the Group's general banking facilities, of which approximately HK$150,650,000 (2007: HK$242,050,000) had been utilised as at 31 March 2008 (note 32).

Further particulars of the Group's properties under development are included on page 123.

18. GOODWILL

Group

	Goodwill arising on acquisition of subsidiaries *HK$'000*	Goodwill arising on acquisition of a jointly-controlled entity *HK$'000*	Total *HK$'000*	Goodwill arising on acquisition of associates *(Note 20)* *HK$'000*
Cost and net carrying amount:				
At 1 April 2006	4,987	–	4,987	9,718
Arising on acquisition of an interest in a jointly-controlled entity	–	1,376	1,376	–
Disposal of subsidiaries *(note 39(c))*	(4,044)	–	(4,044)	–
At 31 March 2007 and 1 April 2007	943	1,376	2,319	9,718
Arising on acquisition of a subsidiary *(note 39(b))*	11,444	–	11,444	–
Impairment during the year	(5,943)	–	(5,943)	(5,615)
Partial/deemed disposal of an associate	–	–	–	(4,103)
At 31 March 2008	6,444	1,376	7,820	–

The Group applied the transitional provisions of SSAP 30 that permitted goodwill and negative goodwill in respect of acquisitions which occurred prior to the adoption of the standard, to remain eliminated against consolidated reserves or credited to the capital reserve, respectively.

The amount of goodwill remaining in the consolidated reserves, arising from the acquisition of subsidiaries prior to the adoption of SSAP 30 in 2001, was HK$21,775,000 (2007: HK$21,775,000) as at 31 March 2008.

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to the following cash-generating units, which are reportable segments, for impairment testing:

- Property development cash-generating unit;
- Agricultural by-products wholesale markets cash-generating unit;
- A jointly-controlled entity – Shenzhen traditional wet markets cash-generating unit; and
- Associates – pharmaceutical products cash-generating unit.

The carrying amount of goodwill allocated to each of the cash-generating units is as follows:

	Property development		Agricultural by-products wholesale markets		Associates – pharmaceutical products		A jointly-controlled entity – Shenzhen traditional wet markets		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Carrying amount of goodwill	–	943	6,444	–	–	9,718	1,376	1,376	7,820	12,037

Property development cash-generating unit

The recoverable amount of the property development cash-generating unit has been determined based on a value in use calculation using cash flow projections based on financial budgets.

An impairment loss of HK$943,000 (2007: Nil) was recognised during the year due to the completion of respective property projects and management did not expect the relevant subsidiaries will further generate positive cashflow to the Group.

Agricultural by-products wholesale markets cash-generating unit

The recoverable amount of the agricultural by-products wholesale markets cash-generating unit has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to cash flow projections is 16%.

An impairment loss of HK$5,000,000 (2007: Nil) was recognised during the year due to higher than expected capital expenditure required to modernise the agricultural by-products wholesale markets of the relevant subsidiary.

A jointly-controlled entity – Shenzhen traditional wet markets cash-generating unit

The recoverable amount of the Shenzhen traditional wet markets cash-generating unit has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to cash flow projections is 16% (2007: 5%).

Associates – pharmaceutical products cash-generating unit

The recoverable amount of the pharmaceutical products cash-generating unit has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rates applied to cash flow projections range from 13% to 16% (2007: 11% to 15%) and cash flows beyond the five-year period are extrapolated using a zero growth rate (2007: zero), which do not exceed the estimated long term average growth rates of the relevant markets.

An impairment loss of HK$5,615,000 (2007: Nil) was recognised during the year due to the increase in market competition and operating expenses which affect adversely the future growth and profits of the Group's pharmaceutical products business.

Management has determined the budgeted gross margins based on past performance and its expectation for market development. The discount rates used are before tax and reflect specific risks relating to the relevant units.

19. INTERESTS IN SUBSIDIARIES

	Company	
	2008	**2007**
	HK$'000	*HK$'000*
Unlisted shares, at cost	71,000	71,000
Due from subsidiaries – *Note (i)*	1,441,026	1,047,377
Loans to subsidiaries – *Note (ii)*	20,529	80,481
Due to subsidiaries – *Note (i)*	(230,258)	(190,412)
	1,302,297	1,008,446
Impairment – *Note (iii)*	(110,876)	(297,824)
	1,191,421	710,622

Notes:

(i) The amounts are unsecured, interest-free and have no fixed terms of repayment. The carrying amounts of these amounts approximate to their fair values.

(ii) The amounts are unsecured and have no fixed terms of repayment. Except for loans to subsidiaries amounting to HK$15,878,000 (2007: HK$15,878,000) and Nil (2007: HK$48,657,000) which bear interest at 3% and 1.5%, respectively over the best lending rate per annum offered by banks, the balances are interest-free. The carrying amounts of the loans to subsidiaries approximate to their fair values.

(iii) The impairment relates primarily to amounts due from subsidiaries and loans to subsidiaries that had suffered losses for years or ceased operations. The reversal of impairment during the year was due to some of the relevant subsidiaries are expected by the management to generate positive cashflow and profit to the Group based on their current year's performance and latest budgets.

Particulars of the principal subsidiaries at the balance sheet date are as follows:

Name	Place of incorporation/ operations	Nominal value of issued/registered share capital	Percentage of equity attributable to the Company Direct	Indirect	Principal activities
Buildstart Investments Limited	British Virgin Islands/ Hong Kong	Ordinary US$1	–	100	Investment holding
Champford Investment Limited	Hong Kong	Ordinary HK$1	–	100	Property investment
Charter Golden Design & Contracting Limited	Hong Kong	Ordinary HK$2	–	100	Property development
China Coin Management Limited	Hong Kong	Ordinary HK$1,000	–	100	Property investment
Conway Consultants Limited	Hong Kong	Ordinary HK$1,400,000 Non-voting preference *(Note 2)* HK$600,000	–	70	Provision of medical consultation services
Denox Management Limited	Hong Kong	Ordinary HK$2	–	100	Management and sub-letting of properties
Easy Kingdom Limited	Hong Kong	Ordinary HK$2	–	100	Property investment
Extra Power Limited	Hong Kong	Ordinary HK$1	–	100	Money lending
Fulling Limited	Hong Kong	Ordinary HK$100	–	100	Money lending and securities investment
First World Investments Limited	Hong Kong	Ordinary HK$1	–	100	Property investment
Goodtech Management Limited	Hong Kong	Ordinary HK$2,800,100	–	100	Management of shopping centres
Grand Quality Development Limited	Hong Kong	Ordinary HK$2	–	100	Property investment
Hanwin Investment Limited	Hong Kong	Ordinary HK$1	–	100	Property investment
Info World Investment Limited	Hong Kong	Ordinary HK$1	–	100	Property investment
Join China Investment Limited	Hong Kong	Ordinary HK$2	–	100	Investment holding
Kartix Investment Limited	Hong Kong	Ordinary HK$1	–	100	Property development
King Channel Limited	Hong Kong	Ordinary HK$1	–	100	Property development
Kova Investments Limited	Hong Kong	Ordinary HK$1	–	100	Property investment
Lead Fortune Limited	Hong Kong	Ordinary HK$1,000	–	100	Property investment
Lica Parking Company Limited	Hong Kong	Ordinary HK$25,500,000	–	99	Management and sub-licensing of car parks

Name	Place of incorporation/ operations	Nominal value of issued/registered share capital	Percentage of equity attributable to the Company Direct	Indirect	Principal activities
Longable Limited	Hong Kong	Ordinary HK$1	–	100	Property investment
Mailful Investments Limited	British Virgin Islands/ Hong Kong	Ordinary US$1	–	100	Investment holding
Majorluck Limited	Hong Kong	Ordinary HK$10,000	–	100	Management and sub-licensing of Chinese wet markets
New Shiny Investment Limited	Hong Kong	Ordinary HK$1	–	100	Property investment
Poly Talent Investment Limited	Hong Kong	Ordinary HK$1	–	100	Property development
Richly Gold Limited	Hong Kong	Ordinary HK$2	–	100	Property investment
Rich Time Strategy Limited	British Virgin Islands/ Hong Kong	Ordinary US$1	–	100	Investment holding
Shiny World Investment Limited	Hong Kong	Ordinary HK$1	–	100	Property investment
Smart First Investment Limited	Hong Kong	Ordinary HK$1	–	100	Property investment
Suitbest Investments Limited	British Virgin Islands/ Hong Kong	Ordinary US$1	–	100	Investment holding
Ventix Investment Limited	Hong Kong	Ordinary HK$1	–	100	Property investment
Wang Hing Fruits and Wholesale Vegetables Limited	Hong Kong	Ordinary HK$1	–	100	Wholesale of agricultural products
Wang Hing Vegetables Wholesale Company Limited	Hong Kong	Ordinary HK$100	–	51	Wholesale of agricultural products
Wang On Agricultural Wholesale (HK) Limited	Hong Kong	Ordinary HK$1	–	100	Wholesale of agricultural products
Wang On Commercial Management Limited	British Virgin Islands/ Hong Kong	Ordinary US$2	–	100	Investment holding
Wang On Enterprises (BVI) Limited	British Virgin Islands/ Hong Kong	Ordinary US$1	100	–	Investment holding
Wang On Majorluck Limited	Hong Kong	Ordinary HK$1,000	–	100	Management and sub-licensing of Chinese wet markets

Name	Place of incorporation/ operations	Nominal value of issued/registered share capital	Percentage of equity attributable to the Company Direct	Indirect	Principal activities
Wang On Shopping Centre Management Limited	Hong Kong	Ordinary HK$2	–	100	Management and sub-licensing of shopping centres
WEH Investments Limited	Hong Kong	Ordinary HK$477 Non-voting deferred *(Note 3)* HK$1,262,523	–	100	Property investment
Willing Dental Consultants Limited	Hong Kong	Ordinary HK$100	–	100	Provision of dental consultation services
Xuzhou Yuan Yang Trading Development Company Limited	PRC	RMB61,220,000	–	51	Management and sub-licensing of agricultural by-products wholesale market
Yulin Hong-Jin Agricultural By-products Wholesale Marketplace Limited	PRC	RMB76,230,000	–	65	Management and sub-licensing of agricultural by-products wholesale market

Notes:

(1) The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

(2) The non-voting preference shares carry no voting rights but the holders have the right to receive an annual cash dividend equivalent to 30% of the audited net profit after tax. On the winding-up of the company, the holders rank in priority to the ordinary shareholders provided that the assets of the company available for distribution to its members shall be applied first towards arrears or accruals of the dividends.

(3) The non-voting deferred shares carry no voting rights or rights to dividends. On the winding-up of the company, the holders of non-voting deferred shares have a right to repayment in proportion to the amounts of all paid-up ordinary and deferred shares after the first HK$1,000,000,000,000 thereof has been distributed among the holders of the ordinary shares.

20. INTERESTS IN ASSOCIATES

	Group		Company	
	2008	2007	2008	2007
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Share of net assets	307,664	319,474	–	–
Deferred gains	(3,320)	(7,129)	–	–
Goodwill on acquisition *(note 18)*	–	9,718	–	–
	304,344	322,063	–	–
Due from associates – *Note (i)*	2,362	263	2,089	219
Due to associates – *Note (i)*	(878)	(959)	–	(27)
	305,828	321,367	2,089	192
Provision for impairment	(3)	(3)	–	–
	305,825	321,364	2,089	192
Market value of listed shares at 31 March – *Note (ii)*	98,161	212,105	N/A	N/A

Notes:

(i) The amounts are unsecured, interest-free and have no fixed terms of repayment. The carrying amounts of these amounts approximate to their fair values.

(ii) The market value of the listed shares of an associate, Wai Yuen Tong Medicine Holdings Limited ("WYTH"), held by the Group was approximately HK$106,697,000 at the date of approval of these financial statements.

Particulars of the principal associates at the balance sheet date are as follows:

Name	Particulars of issued shares/ registered capital	Place of incorporation/ operations	Percentage of ownership interest attributable to the Group 2008	2007	Principal activities
WYTH* *(Note 2)*	Ordinary shares of HK$0.01 each	Hong Kong	28.31	49	Production and sale of traditional Chinese and Western pharmaceutical health food products and property holding
Changzhou Ling Jia Tang Hong-Jin Logistic Development Company Limited	Paid-up capital of US$14,020,176	PRC	40	–	Agricultural by-products wholesale market

Notes:

(1) The above table lists the associates of the Group which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other associates would, in the opinion of the directors, result in particulars of excessive length.

(2) The financial statements of WYTH and its subsidiaries were not audited by Ernst & Young Hong Kong or other member firms of the Ernst & Young global network.

* *Listed on the Stock Exchange*

The following table illustrates the summarised financial information of the Group's associates extracted from their financial statements/management accounts:

	2008	**2007**
	HK$'000	*HK$'000*
Assets	1,375,285	792,911
Liabilities	(364,152)	(135,213)
Revenue	477,021	381,266
Profit	81,392	9,895

21. INTERESTS IN JOINTLY-CONTROLLED ENTITIES

Particulars of the jointly-controlled entities are as follows:

			Percentage of			
Name	**Paid-up registered capital/nominal value of issued share capital**	**Place of registration/ incorporation**	**Ownership interest**	**Voting power**	**Profit sharing**	**Principal activities**
Shenzhen Jimao Market Co., Limited	RMB31,225,000	PRC	50	50	50	Operations and management of traditional wet markets
Vast Time Limited	HK$1,000	Hong Kong	50	50	50	Investment holding
Fuzhou Wang On Property Development Co., Ltd.	RMB340,000,000	PRC	50	50	50	Property development

The amounts of the assets, liabilities, revenue and expenses of the Group's jointly-controlled entities attributable to the Group are as follows:

	2008 *HK$'000*	2007 *HK$'000*
Non-current assets	245,906	68,649
Current assets	11,267	2,098
Current liabilities	(6,054)	(5,485)
Net assets	251,119	65,262
Total revenue	16,844	3,476
Total expenses	(12,129)	(2,462)
Profit for the year	4,715	1,014

On 23 November 2007, the Group entered into an acquisition agreement with an independent third party for the acquisition of an 50% equity interest in Vast Time Limited ("Vast Time") at a consideration of RMB11,250,000 (equivalent to HK$12,285,000).

Vast Time and its subsidiary have not commenced any operations as at the date of acquisition saved for obtaining the right to acquire a parcel of land in Fuzhou, the PRC.

22. HELD-TO-MATURITY FINANCIAL ASSET

	Group and Company 2008 *HK$'000*	 2007 *HK$'000*
Unlisted debt investment, at amortised cost	1,943	–

23. OTHER INTANGIBLE ASSET

	Group Marketplace operating right 2008 *HK$'000*	 2007 *HK$'000*
Carrying amount at 1 April	30,300	–
Addition	–	30,300
Amortisation for the year	(6,060)	–
Carrying amount at 31 March	24,240	30,300

24. PROPERTIES HELD FOR SALE

	Group	
	2008	**2007**
	HK$'000	*HK$'000*
Carrying amount at 1 April	1,455	135,634
Transfer from properties under development *(note 17)*	237,934	–
Sale	(211,504)	(134,179)
Carrying amount at 31 March	27,885	1,455

At 31 March 2008, the Group's properties held for sale with an aggregate carrying value of HK$10,334,497 (2007: Nil) were pledged to secure the Group's general banking facilities of which approximately HK8,400,000 (2007: Nil) had been utilised as at 31 March 2008 (note 32).

Further particulars of the Group's properties held for sale are included on page 123.

25. TRADE RECEIVABLES

An aged analysis of the trade receivables as at the balance sheet date, based on the invoice date, is as follows:

	Group			
	2008		**2007**	
	HK$'000	*Percentage*	*HK$'000*	*Percentage*
Within 90 days	3,948	94	6,278	88
91 days to 180 days	165	4	441	6
Over 180 days	76	2	425	6
	4,189	100	7,144	100
Less: impairment	(88)		(548)	
	4,101		6,596	

The Group generally grants 15 to 30 days credit period to customers for its sub-leasing business. The Group generally does not grant any credit to customers of other businesses.

The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

The movements in provision for impairment of trade receivables are as follows:

	Group	
	2008	**2007**
	HK$'000	*HK$'000*
Balance at 1 April	548	636
Impairment losses reversed	(244)	–
Impairment losses recognised	–	467
Amount written off as uncollectible	(216)	(555)
Balance at 31 March	88	548

The above provision for impairment of trade receivables is related to individually impaired trade receivables, the customers of which were in financial difficulties and only a portion of the receivables is expected to be recovered. The Group does not hold any collateral or other credit enhancements over these balances.

The aged analysis of the trade receivables that are not considered to be impaired is as follows:

	Group	
	2008	**2007**
	HK$'000	*HK$'000*
Neither past due nor impaired	2,116	6,140
Less than 90 days past due	1,832	138
91 – 180 days past due	138	275
Over 180 days past due	15	43
	4,101	6,596

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there were no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

26. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Group		Company	
	2008	**2007**	**2008**	**2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Prepayments	7,600	3,336	771	430
Prepaid land lease payments *(note 15)*	2,589	–	–	–
Deposits	19,369	11,329	162	100
Other receivables	15,053	25,954	47	228
Loans receivable, secured	23,565	24,719	–	–
Loans receivable, unsecured	120	402	–	–
	68,296	65,740	980	758
Less: Impairment	(7,522)	(7,452)	–	–
	60,774	58,288	980	758
Less: Loans receivable classified as non-current assets	(12,989)	(13,987)	–	–
Rental deposits classified as non-current assets	(4,595)	(5,343)	–	–
	43,190	38,958	980	758

Included in the Group's deposits are amounts due from the Group's associate of HK$160,000 (2007: HK$Nil).

The Group's loans receivable are stated at amortised cost at effective interest rates ranging from 2% to 12% and the credit terms of which range from 4 months to 15 years. As the Group's loans receivable relate to a number of different borrowers, the directors are of the opinion that there is no concentration of credit risk over these loans receivable. The carrying amounts of the loans receivable approximate to their fair values.

As at 31 March 2008, certain loans receivable and other receivables are secured by contra deposits of HK$2,232,000 received by the Group and a retail shop located in Mongkok, Kowloon, Hong Kong.

Included in the above provision for impairment of other receivables and loans receivable are provision for individually impaired receivables of HK$7,522,000 (2007: HK$7,452,000) with an aggregate carrying amount of HK$9,833,000 (2007: HK$10,446,000). The individually impaired other receivables related to customers or debtors that were in financial difficulties and only portion secured by cash deposit received and property are expected to be recovered.

Other than the aforementioned impaired other receivables, none of the above assets is either past due or impaired. The financial assets included in the above balances relate to the receivables for which there was no recent history of default.

27. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group		Company	
	2008	**2007**	**2008**	**2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Listed equity investments, at fair value:				
Hong Kong	27,882	24,721	8,915	15,416
Elsewhere	9,819	5,868	5,556	5,333
Unlisted debt securities, at fair value	7,577	16,178	–	16,178
	45,278	46,767	14,471	36,927

The market values of the Group's and the Company's listed equity investments at the date of approval of these financial statements were approximately HK$31,742,000 and HK$12,934,000, respectively.

The effective interest rate of the unlisted debt securities was 6% (2007: 5% to 7%), and they mature in 20 years (2007: 4 to 10 years).

28. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	Group		Company	
	2008	**2007**	**2008**	**2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Cash and bank balances	81,307	135,757	6,129	86,457
Time deposits	249,512	330,827	218,218	304,027
	330,819	466,584	224,347	390,484
Less: Pledged time deposits	–	(78,000)	–	(78,000)
Cash and cash equivalents	330,819	388,584	224,347	312,484

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents and the pledged deposits approximate to their fair values.

29. TRADE PAYABLES

An aged analysis of the trade payables as at the balance sheet date, based on the invoice date, is as follows:

	Group	
	2008	**2007**
	HK$'000	*HK$'000*
Within 90 days	24,624	23,246

The trade payables are non-interest-bearing and have an average term of 30 days. The carrying amounts of the trade payables approximated to their fair values.

30. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2008	**2007**	**2008**	**2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Other payables *(Note)*	114,298	11,077	67,542	688
Accruals	14,125	10,018	2,102	51
	128,423	21,095	69,644	739

Note: Included in other payables was subscription monies of approximately HK$65,470,000 received for the Top-up Subscription discussed in note 36(e) to financial statements.

Other payables are non-interest-bearing and there are generally no credit terms. The carrying amounts of the other payables approximate to their fair values.

31. DERIVATIVE FINANCIAL INSTRUMENTS

	Group	
	2008	**2007**
	HK$'000	*HK$'000*
Stock accumulator contracts	2,338	–

32. INTEREST-BEARING BANK LOANS

Group	2008			2007		
	Contractual interest rate (%)	Maturity	HK$'000	Contractual interest rate (%)	Maturity	HK$'000
Current:						
Bank loans – secured	HIBOR+ (0.85 – 1.625)/ P – (2.25 – 3.15)	2009	244,240	HIBOR+ (0.91 – 1.625)	2008	364,425
Bank loans – unsecured	HIBOR+ (0.85 – 1.625)	2009	102,875	HIBOR+ (1.0 – 1.625)	2008	25,000
			347,115			389,425
Non-current:						
Bank loans – secured	HIBOR+ (0.85 – 1.0) P – (2.25 – 3.15)/	2009–2025	165,743	HIBOR+ (0.91-1.625)/ P – 2.25	2008–2025	108,799
Bank loans – unsecured	HIBOR+ (0.85 – 1.0)	2009–2022	33,375			–
			199,118			108,799
			546,233			498,224

Company	2008			2007		
	Contractual interest rate (%)	Maturity	HK$'000	Contractual interest rate (%)	Maturity	HK$'000
Current:						
Bank loans – secured	HIBOR+ (0.85 – 1.0)	2009	30,400	HIBOR+ (1.0 – 1.625)	2008	112,000
Bank loans – unsecured	HIBOR+ (0.85 – 1.625)	2009	102,875	HIBOR+ (1.3 – 1.425)	2008	25,000
			133,275			137,000
Non-current:						
Bank loans – secured	HIBOR+ (0.85 – 1.0)	2009–2023	84,600	HIBOR+ (1.0 – 1.625)	2008 – 2011	29,750
Bank loans – unsecured	HIBOR+ (0.85 – 1.0)	2009–2022	33,375			–
			117,975			29,750
			251,250			166,750

	Group		Company	
	2008	**2007**	**2008**	**2007**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Analysed into:				
Bank loans repayable:				
Within one year	347,115	389,425	133,275	137,000
In the second year	42,483	20,871	35,500	16,250
In the third to fifth years, inclusive	74,122	40,687	70,475	13,500
Beyond five years	82,513	47,241	12,000	–
	546,233	498,224	251,250	166,750

Notes:

(a) Certain bank loans of the Group and the Company are secured by the Group's investment properties and certain rental income generated therefrom (note 16), properties under development (note 17) and properties held for sale (note 24).

In addition, the Company has guaranteed certain of the Group's bank loans up to HK$577,371,000 (2007: HK$483,162,000) as at the balance sheet date.

(b) All bank loans of the Group and the Company bear interest at floating interest rates.

(c) The carrying amounts of the bank loans of the Group and of the Company approximate to their fair values.

33. PROVISIONS FOR ONEROUS CONTRACTS

	Group	
	2008	**2007**
	HK$'000	*HK$'000*
Carrying amount at 1 April	369	1,935
Additional provision/(write-back of provision)	3,650	(688)
Amount utilised during the year	(369)	(878)
Carrying amount at 31 March	3,650	369
Portion classified as current liabilities	(1,690)	(369)
Long term portion	1,960	–

34. CONVERTIBLE NOTES

	Group and Company	
	2008	**2007**
	HK$'000	*HK$'000*
Convertible notes	–	45,756

In 2005, the Company issued convertible notes with an aggregate principal amount of HK$61,440,000 through a placing agent to several independent third parties. The convertible notes provide the holders option rights to convert the principal amount into ordinary shares of HK$0.005 each of the Company on any business day prior to the maturity of the convertible notes at a conversion price of HK$0.0909 per share (as adjusted after the bonus issue of the Company in prior year and subdivision of shares during the year).

The principal amounts of the convertible notes bear interest at a rate of 1% per annum and the convertible notes will mature on the first day of a period of three years from the date of their issue.

All the convertible notes outstanding as at 1 April 2007 were converted into shares of the Company (note 36) during the year.

The fair value of the liability component was estimated at the issue date using an equivalent market interest rate for a similar note without a conversion option. The residual amount is assigned as the equity component and is included in shareholders' equity.

	Liability component of convertible notes	**Equity component of convertible notes**
	HK$'000	*HK$'000*
Balance at 1 April 2006	46,860	6,077
Interest expense *(note 7)*	2,966	–
Interest paid	(492)	–
Conversion of convertible notes	(3,578)	(424)
Balance at 31 March and 1 April 2007	45,756	5,653
Interest expense *(note 7)*	1,144	–
Interest paid	(201)	–
Conversion of convertible notes	(46,699)	(5,653)
Balance at 31 March 2008	–	–

35. DEFERRED TAX

The components of deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

Group

	Depreciation allowance in excess of related depreciation	Revaluation gain of investment properties	Total
	HK$'000	*HK$'000*	*HK$'000*
At 1 April 2006	798	2,374	3,172
Deferred tax charged to the income statement during the year *(note 10)*	335	1,947	2,282
At 31 March and 1 April 2007	1,133	4,321	5,454
Deferred tax charged to the income statement during the year *(note 10)*	388	2,784	3,172
Deferred tax liabilities at 31 March 2008	1,521	7,105	8,626

Deferred tax assets

Group

	Depreciation in excess of related depreciation allowance	Provision for onerous contracts	Revaluation loss of investment properties	Losses available for offset against future taxable profit	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2006	–	–	–	562	562
Deferred tax credited to the income statement during the year *(note 10)*	–	–	–	2,171	2,171
At 31 March and 1 April 2007	–	–	–	2,733	2,733
Deferred tax credited to the income statement during the year *(note 10)*	397	639	244	329	1,609
Deferred tax assets at 31 March 2008	397	639	244	3,062	4,342

The Group has tax losses arising in Hong Kong of approximately HK$61,524,000 (2007: HK$47,729,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time.

At 31 March 2008, there was no significant unrecognised deferred tax liability (2007: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries, associates or jointly-controlled entities as the Group has no liability to additional tax should such amounts be remitted.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

36. SHARE CAPITAL

Shares

	2008	**2007**
	HK$'000	*HK$'000*
Authorised:		
40,000,000,000 (2007: 2,000,000,000) ordinary shares of HK$0.005 (2007: HK$0.10) each	200,000	200,000
Issued and fully paid:		
6,410,233,640 (2007: 294,178,882) ordinary shares of HK$0.005 (2007: HK$0.10) each	32,051	29,418

During the year, the movements in share capital were as follows:

(a) The subscription rights attaching to 1,887,600 and 141,504,000 share options were exercised at the subscription prices of HK$0.97 and HK$0.0485, respectively, per share (note 37), resulting in the issue of 1,887,600 shares of HK$0.10 each and 141,504,000 shares of HK$0.005 each, respectively for a total consideration, before issue expenses, of HK$8,694,000.

(b) Pursuant to an ordinary resolution passed on 17 May 2007, the existing issued and unissued ordinary shares with the nominal value of HK$0.10 each in the share capital of the Company were subdivided into 20 ordinary shares with the nominal value of HK$0.005 each.

(c) During the year, the conversion rights attaching to the convertible notes issued by the Company with an aggregate nominal value of HK$48,000,000 were exercised at the conversion price of HK$0.0909 per share, resulting in the issue of 528,000,000 shares of HK$0.005 each.

(d) During the year, the Company repurchased its own shares on the Stock Exchange as follows:

Month/year	**Number of shares repurchased**	**Highest price paid per share**	**Lowest price paid per share**	**Aggregate price paid**
		HK$	*HK$*	*HK$'000*
Jan to Feb 2008	180,600,000	0.152	0.108	21,506

The repurchased shares were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares.

(e) On 26 March 2008, Accord Power Limited ("Accord Power"), a substantial shareholder of the Company which is wholly-owned by Trustcorp Limited in its capacity as the trustee of the Tang's Family Trust, entered into a Top-up Placing and Subscription Agreement with Kingston Securities Limited (the "Placing Agent") and the Company and pursuant to which, Accord Power agreed to place, through the Placing Agent, an aggregate of 900 million existing ordinary shares of the Company to certain private investors at a price of HK$0.075 each (the "Top-up Placing") and subscribe for an aggregate of 900 million new ordinary shares of the Company at a price of HK$0.075 each (the "Top-up Subscription").

The Top-up Placing and the Top-up Subscription were completed on 31 March 2008 and 2 April 2008, respectively, and the Group raised a total of HK$67,500,000 (before expenses) (note 45(a)).

(f) On 22 April 2008, the Company placed an aggregate of 460,000,000 new ordinary shares, through the Placing Agent, to certain private investors at a price of HK$0.075 per share, raising a total of HK$34,500,000 (before expenses) (note 45(b)).

A summary of the transactions during the year with reference to the above movements in the Company's issued ordinary share capital is as follows:

	Number of shares in issue	**Issued share capital**	**Share premium account**	**Total**
		HK$'000	*HK$'000*	*HK$'000*
At 1 April 2006	224,544,439	22,454	422,291	444,745
Conversion of convertible notes	1,800,000	180	3,822	4,002
Bonus issue	22,634,443	2,264	(2,264)	–
Repurchases of shares	(19,300,000)	(1,930)	(43,087)	(45,017)
Placements of shares	64,500,000	6,450	174,150	180,600
Share issue expenses	–	–	(5,300)	(5,300)
At 31 March and 1 April 2007	294,178,882	29,418	549,612	579,030
Exercise of share options *(a)*	143,391,600	896	7,798	8,694
Subdivision of shares *(b)*	5,625,263,158	–	–	–
Conversion of convertible notes *(c)*	528,000,000	2,640	49,712	52,352
Repurchases of shares *(d)*	(180,600,000)	(903)	(20,603)	(21,506)
Share issue expenses	–	–	(160)	(160)
At 31 March 2008	6,410,233,640	32,051	586,359	618,410

Share options

Details of the Company's share option scheme are set out in note 37 to the financial statements.

Warrants

On 15 May 2007, the Company entered into a warrant agreement (the "Warrant Agreement") with Lehman Brothers Commercial Corporation Asia Limited and pursuant to which the Company agreed to issue a total of 10 million warrants attaching the rights to subscribe for 10 million ordinary shares (before the share subdivision as discussed in note 36(b) above) of the Company for a total warrants' issue price of HK$4,500,000.

The Warrant Agreement was completed on 31 May 2007 and a total of 200 million warrants (adjusted for the effect of the share subdivision as discussed in note 36(b) above) attaching the rights to subscribe for 200 million ordinary shares of the Company were issued.

No warrants was exercised during the year and all the 200 million warrants were outstanding at 31 March 2008. The exercise in full of such warrants would, under the present capital structure of the Company, result in the issue of 200 million additional shares of HK$0.005 each.

37. SHARE OPTION SCHEME

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. On 3 May 2002, the Company approved a share option scheme (the "Scheme") under which eligible participants include any director or proposed director (whether executive or non-executive, including independent non-executive director), employee or proposed employee (whether full-time or part-time), secondee, any holder of securities issued by any member of the Group, any business or joint venture partner, contractor, agent or representative, any person or entity that provides research, development or other technology support or advisory, consultancy, professional or other services to the Group, any supplier, producer or licensor of goods or services to the Group, any customer, licensee (including any sub-licensee) or distributor of goods or services of the Group, or any landlord or tenant (including any sub-tenant) of the Group or any substantial shareholder or company controlled by a substantial shareholder, or any company controlled by one or more persons belonging to any of the above classes of participants. The Scheme became effective on 3 May 2002 and, unless otherwise terminated earlier by shareholders in a general meeting, will remain in force for a period of 10 years from that date.

Pursuant to the Scheme, the maximum number of share options that may be granted under the Scheme and any other share option schemes of the Company is an amount equivalent, upon their exercise, not in aggregate exceed 10% of the issued share capital of the Company from time to time, excluding any shares issued on the exercise of share options.

The maximum number of shares issuable under share options to each eligible participant (except for a substantial shareholder or an independent non-executive director or any of their respective associates) under the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of such limit must be separately approved by shareholders with such eligible participant and his associates abstaining from voting.

Share options granted to a director, chief executive or substantial shareholder of the Company (or any of their respective associates) must be approved by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the option). Where any grant of share options to a substantial shareholder or an independent non-executive director (or any of their respective associates) will result in the total number of shares issued and to be issued upon exercise of share options already granted and to be granted to such person under the Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant representing in aggregate over 0.1% of the shares in issue, and having an aggregate value, based on the closing price of the Company's shares at each date of grant, in excess of HK$5 million, such further grant of share options is required to be approved by shareholders in a general meeting in accordance with the Listing Rules. Any change in the terms of a share option granted to a substantial shareholder or an independent non-executive director (or any of their respective associates) is also required to be approved by shareholders.

An offer for the grant of share options must be accepted within 30 days from the date on which such offer was made. The amount payable by the grantee of a share option to the Company on acceptance of the offer of the grant is HK$1.00.

The option price per share payable on the exercise of an option is determined by the directors provided that it shall be at least the higher of (i) the closing price of the shares as stated in the daily quotation sheet issued by the Stock Exchange at the date of offer of grant (which is deemed to be the date of grant if the offer for the grant of a share option is accepted by the eligible person), which must be a business day; and (ii) the average closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer of grant, provided that the option price per share shall in no event be less than the nominal amount of one share.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The following share options were outstanding under the Scheme during the year:

	2008		2007	
	Weighted average exercise price	**Number of options**	**Weighted average exercise price**	**Number of options**
	HK$ per share	*'000*	*HK$*	*'000*
At 1 April	2.0502	32,547	1.0670	12,588
Adjustment arising from bonus issue	–	–	–	1,259
Adjustment arising from subdivision of shares	–	582,525	–	–
Granted during the year	0.1670	7,150	2.8500	18,700
Exercised during the year	0.0606	(143,392)	–	–
At 31 March	0.1237	478,830	2.0502	32,547

The exercise prices and exercise periods of the share options outstanding as at that balance sheet date are as follows:

2008

Number of options	**Exercise price***	**Exercise period**
'000	*HK$ per share*	
97,680	0.0485	12/11/2004 to 11/11/2014
374,000	0.1425	1/3/2007 to 28/2/2017
7,150	0.1670	2/1/2009 to 1/1/2013
478,830		

2007

Number of options	**Exercise price***	**Exercise period**
'000	*HK$ per share*	
13,847	0.9700	12/11/2004 to 11/11/2014
18,700	2.8500	1/3/2007 to 28/2/2017
32,547		

* *The exercise price of the share options is subject to adjustment in case of rights or bonus issues, or other similar changes in the Company's share capital.*

The fair value of the share options granted during the year was HK$467,000 (2007: HK$7,633,000) of which the Group recognised a share option expense of HK$64,000 (2006: HK$7,633,000) during the year ended 31 March 2008.

The fair value of equity-settled share options granted in the current year was estimated as at the date of grant, using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used for the year ended 31 March 2008:

	2008	**2007**
Expected dividend yield (%)	1.00	4.73
Expected volatility (%)	57.00	23.29
Risk-free interest rate (%)	2.60 – 3.10	4.00
Exit rate of employees (%)	–	15.00

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other feature of the options granted was incorporated into the measurement of fair value.

The 143,391,600 share options exercised during the year resulted in the issue of 143,391,600 ordinary shares of the Company and new share capital of HK$896,000 and share premium of HK$7,798,000 (before issue expenses), as further detailed in note 36 to the financial statements.

At the balance sheet date, the Company had 478,830,000 (2007: 32,546,800) share options outstanding under the Scheme. The exercise in full of these share options would, under the then capital structure of the Company, result in the issue of 478,830,000 (2007: 32,546,800) additional ordinary shares of the Company and additional share capital of HK$2,394,000 (2007: HK$3,255,000) and share premium of HK$56,832,000 (2007: HK$63,472,000) (before issue expenses).

At the date of approval of these financial statements, the Company had 584,982,964 share options available for issue under the Scheme which represented approximately 7.4% of the Company's shares in issue as at that date.

38. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 32 of the financial statements.

Certain amounts of goodwill arising on the acquisition of subsidiaries and associates in prior years remain eliminated against consolidated reserves, as explained in note 18 to the financial statements.

(b) Company

	Notes	Share premium account HK$'000	Contributed surplus *(Note)* HK$'000	Share option reserve HK$'000	warrant reserve HK$'000	Retained profits HK$'000	Proposed final dividend HK$'000	Total HK$'000
At 1 April 2006		422,291	121,364	–	–	92,027	15,718	651,400
Final 2006 dividend declared	12	–	–	–	–	(126)	(15,718)	(15,844)
Conversion of convertible notes	36	3,822	–	–	–	–	–	3,822
Bonus issue	36	(2,264)	–	–	–	–	–	(2,264)
Repurchases of shares	36	(43,087)	–	–	–	–	–	(43,087)
Placements of shares	36	174,150	–	–	–	–	–	174,150
Share issue expenses	36	(5,300)	–	–	–	–	–	(5,300)
Equity-settled share option arrangements	37	–	–	7,633	–	–	–	7,633
Profit for the year		–	–	–	–	127,230	–	127,230
Interim 2007 dividend	12	–	–	–	–	(7,073)	–	(7,073)
Proposed final 2007 dividend	12	–	–	–	–	(19,540)	19,540	–
At 31 March and 1 April 2007		549,612	121,364	7,633	–	192,518	19,540	890,667
Final 2007 dividend declared		–	–	–	–	–	(19,540)	(19,540)
Conversion of convertible notes	36	49,712	–	–	–	–	–	49,712
Issue of warrants	36	–	–	–	4,500	–	–	4,500
Exercise of share options	36	7,798	–	–	–	–	–	7,798
Repurchases of shares	36	(20,603)	–	–	–	–	–	(20,603)
Share issue expenses	36	(160)	–	–	–	–	–	(160)
Equity-settled share option arrangements	37	–	–	64	–	–	–	64
Profit for the year		–	–	–	–	180,187	–	180,187
Interim 2008 dividend	12	–	–	–	–	(10,319)	–	(10,319)
Proposed final 2008 dividend	12	–	–	–	–	(7,868)	7,868	–
At 31 March 2008		586,359	121,364	7,697	4,500	354,518	7,868	1,082,306

Note: The contributed surplus of the Company originally derived from the difference between the nominal value of the share capital and share premium of the subsidiaries acquired pursuant to the Group's reorganisation on 6 February 1995 and the par value of the Company's shares issued in exchange therefor. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is distributable to shareholders under certain circumstances.

39. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Major non-cash transaction

During the year, all the outstanding convertible notes with a face value of HK$48,000,000 (2007: HK$3,600,000) were converted into 528,000,000 (2007: 1,800,000) new shares of the Company.

(b) Acquisition of a subsidiary

Pursuant to the Shareholder Agreement dated 6 January 2007 entered into between the Group and the existing shareholders of Xuzhou Yuan Yang Trading Development Company Limited ("Xuzhou Yuan Yang"), the Group injected capital amounting to RMB35.7 million into Xuzhou Yuan Yang and obtained a 51% stake in the enlarged capital of Xuzhou Yuan Yang (the "Capital Injection"). Xuzhou Yuan Yang is principally engaged in the development, operation and management of an agricultural by-products wholesale market and related facilities, and rental of properties.

The Capital Injection was completed in August 2007 and Xuzhou Yuan Yang became a 51%-owned subsidiary of the Group.

The fair values of the identifiable assets and liabilities of Xuzhou Yuan Yang as at the date of acquisition and the corresponding carrying amounts immediately before the acquisition were as follows:

		2008	
		Fair value recognised on acquisition	**Carrying amount**
	Notes	*HK$'000*	*HK$'000*
Net assets acquired:			
Property, plant and equipment	*14*	11,969	11,776
Investment properties	*16*	20,019	19,678
Trade receivables		201	201
Other receivables		6,429	6,429
Cash and cash equivalents		39,886	39,886
Other payables and accruals		(28,704)	(28,704)
		49,800	49,266
Minority interests		(24,402)	
Goodwill on acquisition	*18*	11,444	
Satisfied by cash		36,842	

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary is as follows:

	2008
	HK$'000
Cash consideration	(36,842)
Cash and bank balances acquired	39,886
Net inflow of cash and cash equivalents in respect of the acquisition of a subsidiary	3,044

Since its acquisition, Xuzhou Yuan Yang contributed HK$11,913,000 to the Group's turnover and HK$4,091,000 to the consolidated profit for the year ended 31 March 2008.

There would have been no significant differences to the Group's consolidated profit for the year had the acquisition taken place at the beginning of the year.

(c) Disposal of subsidiaries

		2007
	Notes	*HK$'000*
Net assets disposed of:		
Property, plant and equipment	*14*	180
Investment properties	*16*	10,200
Inventories		10
Trade receivables		43
Deposits and other receivables		1,339
Cash and cash equivalents		1,978
Trade and other payables		(1,315)
Tax payable		(195)
Dividends payable		(633)
		11,607
Goodwill released on disposal	*18*	4,044
Gain on disposal of subsidiaries		2,524
		18,175
Satisfied by:		
Cash		18,200
Expenses incurred		(25)
		18,175

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

	2007
	HK$'000
Cash consideration	18,200
Dividends received	633
Expenses incurred	(25)
Cash and cash equivalents disposed of	(1,978)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	16,830

40. CONTINGENT LIABILITIES

At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

(a) Company

	2008	2007
	HK$'000	*HK$'000*
Guarantees given to financial institutions in connection with facilities granted to subsidiaries	577,371	483,162

(b) The Group has a contingent liability in respect of possible future long service payments to employees under the Hong Kong Employment Ordinance, with a maximum possible amount of HK$799,000 (2007: HK$714,000) as at 31 March 2008, as further explained under the heading "Employee benefits" in note 2.4 to the financial statements. The contingent liability has arisen because, at the balance sheet date, a number of current employees had achieved the required number of years of service to the Group in order to be eligible for long service payments under the Employment Ordinance if their employment is terminated under certain circumstances. A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group.

41. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases it investment properties (note 16), sub-leases Chinese wet markets, shopping centres and car parks under operating lease arrangements, with leases negotiated for terms ranging from three months to five years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rental adjustments according to the then prevailing market conditions.

At the balance sheet date, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	Group	
	2008	2007
	HK$'000	*HK$'000*
Within one year	95,137	64,937
In the second to fifth years, inclusive	13,791	88,835
After five years	1,660	12,430
	110,588	166,202

(b) As lessee

The Group leases certain Chinese wet markets, shopping centres, car parks and certain of its office properties under operating lease arrangements. Leases are negotiated for terms ranging from three months to seven years.

At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	Group	
	2008	**2007**
	HK$'000	*HK$'000*
Within one year	65,042	110,710
In the second to fifth years, inclusive	101,366	91,551
After five years	10,949	–
	177,357	202,261

42. COMMITMENTS

In addition to the operating lease commitments detailed in note 41(b) above, the Group had the following capital commitments at the balance sheet date:

	Group	
	2008	**2007**
	HK$'000	*HK$'000*
Contracted, but not provided for:		
Capital expenditure on property, plant and equipment	803	–
Capital expenditure for properties under development	10,856	31,693
Capital expenditure for construction of investment properties in Mainland China	53,643	–
Acquisition of investment properties	49,842	–
Investment in a subsidiary	–	39,190
Investment in an associate	18,787	–
Acquisition of a subsidiary	–	36,218
Acquisition of associates	63,470	–
	197,401	107,101

At the balance sheet date, the Company did not have any significant commitments.

43. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

(a) Transactions with related parties

	Notes	2008 HK$'000	2007 HK$'000
Rental income received from a director	*(i)*	802	600
Income from associates:	*(ii)*		
Management fee		996	996
Rental		1,657	1,044
Management fee income from companies that were significantly influenced by an executive director of the Company	*(ii)*	960	–
Rental expenses paid to an associate	*(ii)*	1,920	1,845

Notes:

(i) Certain investment properties of the Group were leased to a director at an agreed monthly rental range from HK$50,000 to HK$82,000 (2007: HK$50,000). The rental was determined with reference to the prevailing market rates.

(ii) The transactions were based on terms mutually agreed between the Group and the related parties.

(b) On 7 January 2008, the Group entered into an agreement (the "Land Disposal Agreement") with Joyful Leap Investments Limited ("Joyful"), a wholly-owned subsidiary of LeRoi Holdings Limited (an associate of WYTH and significantly influenced by an executive director of the Company), for the disposal of the entire equity interest in Brightest Investments Limited ("Brightest Investments"), a wholly-owned subsidiary of the Group, at an aggregate consideration of HK$240 million. Brightest Investments and its subsidiaries (collectively the "Disposal Group") are established by the Group solely for the purpose of acquiring a parcel of land in Dongguan (the "Dongguan Land") from the Dongguan Bureau of Land and Resources and have not commenced any operations other than matters in relation to obtaining the right to acquire the Dongguan Land.

The Land Disposal Agreement was completed on 10 January 2008 when the Disposal Group obtained the land use right certificate of the Dongguan Land.

(c) Details of the Group's balances with associates as at the balance sheet date are disclosed in note 20 to the financial statements.

(d) Compensation of key management personnel of the Group

	2008	2007
	HK$'000	*HK$'000*
Short term employment benefits	4,172	5,509
Post-employment benefits	75	82
	4,247	5,591

The above compensation of key management personnel excludes the directors' remuneration, details of which are set out in note 8 to the financial statements.

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise bank loans and overdrafts, convertible notes, and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below. The Group's accounting policies in relation to derivatives are set out in note 2.4 to the financial statements.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with a floating interest rate.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings). There is no material impact on other components of the Group's equity.

	Group	
	Increase/ (decrease) in basis points	Increase/ (decrease) in profit before tax
		HK$'000
2008		
Hong Kong dollar	100	(4,968)
Renminbi	100	(499)
Hong Kong dollar	(100)	4,968
Renminbi	(100)	499
2007		
Hong Kong dollar	100	(4,982)
Hong Kong dollar	(100)	4,982

Foreign currency risk

The Group has minimal transactional currency exposure arising from sales or purchases by operating units in currencies other than the units' functional currency, and hence it does not have any foreign currency hedging policies.

Part of the Group's turnover and operating expenses are denominated in Renminbi ("RMB"), which is currently not a freely convertible currency. The PRC Government imposes controls on the convertibility of RMB into foreign currencies and, in certain cases, the remittance of currency out of Mainland China. Shortages in the availability of foreign currencies may restrict the ability of the Group's PRC subsidiaries and jointly-controlled entities to remit sufficient foreign currencies to pay dividends or other amounts to the Group.

Under existing PRC foreign exchange regulations, payments of current account items, including dividends, trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from the State Administration for Foreign Exchange Bureau by complying with certain procedural requirements. However, approval from appropriate PRC governmental authorities is required where RMB is to be converted into a foreign currency and remitted out of Mainland China to pay capital account items, such as the repayment of bank loans denominated in foreign currencies.

Currently, the Group's PRC subsidiaries and jointly-controlled entities may purchase foreign exchange for settlement of current account transactions, including payment of dividends to the Company, without prior approval of the State Administration for Foreign Exchange Bureau. The Group's PRC subsidiaries and jointly-controlled entities may also retain foreign currencies in their current accounts to satisfy foreign currency liabilities or to pay dividends. Since foreign currency transactions on the capital account are still subject to limitations and require approval from the State Administration for Foreign Exchange Bureau, this could affect the Group's subsidiaries and jointly-controlled entities' ability to obtain required foreign exchange through debt or equity financing, including by means of loans or capital contributions from us.

There are limited hedging instruments available in the PRC to reduce the Group's exposure to exchange rate fluctuations between RMB and other currencies. To date, the Group has not entered into any hedging transactions in an effort to reduce the Group's exposure to foreign currency exchange risks. While the Group may decide to enter into hedging transactions in the future, the availability and effectiveness of these hedges may be limited and the Group may not be able to hedge the Group's exposure successfully, or at all.

The following table demonstrates the sensitivity at the balance sheet date to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities).

	Group	
	Increase/ (decrease) in basis points rate	Increase/ (decrease) in profit before tax
	%	*HK$'000*
2008		
If Euro strengthens against HK$	17.058	1,750
If Euro weakens against HK$	(17.058)	(1,750)
If HK$ strengthens against RMB	9.023	3,989
If HK$ weakens against RMB	(9.023)	(3,989)
2007		
If GBP strengthens against HK$	8.734	1,199
If GBP weakens against HK$	(8.734)	(1,199)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, available-for-sale financial assets, financial assets at fair value through profit or loss, amounts due from associates, other receivables and certain derivative instruments, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty and by industry sector. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's trade receivables are widely dispersed in different sectors and industries.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and other receivables are disclosed in notes 25 and 26 respectively, to the financial statements.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g. trade receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and convertible notes.

The maturity profile of the Group's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

	2008				
	Within 1 year or on demand	**1 to 2 years**	**3 to 5 years**	**Over 5 years**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Interest-bearing bank loans	358,552	48,224	83,327	93,621	583,724
Trade payables *(note 29)*	24,624	–	–	–	24,624
Other payables *(note 30)*	114,298	–	–	–	114,298
	497,474	48,224	83,327	93,621	722,646

	2007				
	Within 1 year or on demand	**1 to 2 years**	**3 to 5 years**	**Over 5 years**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Convertible notes	–	48,200	–	–	48,200
Interest-bearing bank loans	403,517	22,916	43,208	47,618	517,259
Trade payables *(note 29)*	23,246	–	–	–	23,246
Other payables *(note 30)*	11,077	–	–	–	11,077
	437,840	71,116	43,208	47,618	599,782

The maturity profile of the Company's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

	2008				
	Within 1 year or on demand	**1 to 2 years**	**3 to 5 years**	**Over 5 years**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Interest-bearing bank loans	138,342	39,157	75,419	17,503	270,421
Due to subsidiaries *(note 19)*	–	–	–	230,258	230,258
	138,342	39,157	75,419	247,761	500,679

	2007				
	Within 1 year or on demand	**1 to 2 years**	**3 to 5 years**	**Over 5 years**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Convertible notes	–	48,200	–	–	48,200
Interest-bearing bank loans	139,693	17,029	14,486	–	171,208
Due to subsidiaries *(note 19)*	–	–	–	190,412	190,412
	139,693	65,229	14,486	190,412	409,820

Equity price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from individual equity investments classified as trading equity investments (note 27) as at 31 March 2008. The Group's listed investments are listed on the Hong Kong, London, Paris, Tokyo and Singapore stock exchanges and are valued at quoted market prices at the balance sheet date.

The market equity indices for the following stock exchanges, at the close of business of the nearest trading day in the year to the balance sheet date, and their respective highest and lowest points during the year were as follows:

	31 March 2008	**High/low 2008**	**31 March 2007**	**High/low 2007**
Hong Kong – Hang Seng Index	22,849	31,650/19,904	19,801	20,951/15,205
London – FTSE 100	5,702	6,752/5,414	6,308	6,435/5,467
Paris – CAC 40 Index	4,707	6,168/4,417	5,634	5,772/4,565
Tokyo – Nikkei 225	12,526	18,297/11,691	17,288	18,300/14,046
Singapore – Straits Times Index	3,007	3,831/2,746	3,231	3,236/2,252

The following table demonstrates the sensitivity to a reasonably possible change in the fair values of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the balance sheet date.

	Carrying amount of equity investments	**Increase/ (decrease) in equity price**	**Increase/ (decrease) in profit before tax**
	HK$'000	*%*	*HK$'000*
2008			
Investments held-for-trading listed in:			
Hong Kong	27,882	54	15,140
Hong Kong	27,882	(54)	(15,140)
London	2,338	15	355
London	2,338	(15)	(355)
Paris	1,925	23	441
Paris	1,925	(23)	(441)
Singapore	5,556	22	1,203
Singapore	5,556	(22)	(1,203)

	Carrying amount of equity investments HK$'000	Increase/ (decrease) in equity price %	Increase/ (decrease) in profit before tax HK$'000
2007			
Investments held-for-trading listed in:			
Hong Kong	24,721	27	6,623
Hong Kong	24,721	(27)	(6,623)
London	2,243	10	229
London	2,243	(10)	(229)
Tokyo	536	14	74
Tokyo	536	(14)	(74)
Singapore	3,089	36	1,098
Singapore	3,089	(36)	(1,098)

Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise 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 or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2008 and 31 March 2007.

The Group monitors capital using a gearing ratio, which is net debt divided by the capital. The Group's policy is to maintain the gearing ratio not exceeding 40%. Net debt is calculated as a total of interest-bearing bank borrowings and liability component of convertible notes, less cash and cash equivalents (including pledged deposits). Capital includes equity attributable to equity holders of the parent (including the equity component of convertible notes). The gearing ratios as at the balance sheet dates were as follows:

	Group	
	2008	**2007**
	HK$'000	*HK$'000*
Interest-bearing bank borrowings *(note 32)*	546,233	498,224
Liability component of convertible notes *(note 34)*	–	45,756
Less: Cash and cash equivalents *(note 28)*	(330,819)	(466,584)
Net debt	215,414	77,396
Equity attributable to equity holders	1,182,569	1,041,834
Gearing ratio	18.2%	7.4%

45. POST BALANCE SHEET EVENTS

Subsequent to the balance sheet date, the Group had the following significant post balance sheet events:

(a) On 26 March 2008, Accord Power entered into a Top-up Placing and Subscription Agreement with the Placing Agent and the Company and pursuant to which Accord Power agreed to subscribe for an aggregate of 900 million new ordinary shares of the Company at a price of HK$0.075 each (the "Top-up Subscription").

The Top-up Subscription was completed on 2 April 2008 and the Company raised a total of HK$67,500,000 (before expenses) (note 36(e)).

(b) On 22 April 2008, the Company placed an aggregate of 460 million new ordinary shares, through the Placing Agent, to certain private investors at a price of HK$0.075 per share pursuant to the agreement entered into between the Company and the Placing Agent on 26 March 2008 and raised a total of HK$34.5 million (before expenses) (note 36(f)).

(c) On 7 May 2008, Rich Time Strategy Limited ("Rich Time"), an indirect wholly-owned subsidiary of the Company, entered into a Top-up Placing and Subscription Agreement with the Placing Agent and WYTH and pursuant to which, Rich Time agreed to place, through the Placing Agent, an aggregate of 335,004,000 existing ordinary shares of WYTH to certain private investors at a price of HK$0.165 each (the "WYTH Top-up Placing") and subscribe conditionally for an aggregate of 335,004,000 new ordinary shares of WYTH at a price of HK$0.165 each (the "WYTH Top-up Subscription").

The WYTH Top-up Placing and the WYTH Top-up Subscription were completed on 15 May 2008 and 19 May 2008, respectively. Upon completion of the WYTH Top-up Placing and WYTH Top-up Subscription, the Group's interests in WYTH were diluted from 28.31% to 23.59%.

46. COMPARATIVE AMOUNTS

As further explained in note 2.2 to the financial statements, due to the adoption of the new and revised HKFRSs during the current year, certain comparative amounts have been adjusted to conform with the current year's presentation and to show separately comparative amounts in respect of items disclosed for the first time in 2008.

47. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 15 July 2008.

3. WORKING CAPITAL

The Directors are satisfied after due and careful enquiry that after taking into account the existing banking and other borrowing facilities available and the existing cash and bank balances, the Enlarged Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of publication of this circular, in the absence of unforeseeable circumstances.

4. INDEBTEDNESS OF THE ENLARGED GROUP

As at the close of business on 31 January 2009, being the latest practicable date for the purpose of ascertaining information contained in this indebtedness statement prior to the printing of the circular, the Enlarged Group had outstanding bank loans of approximately HK$509,070,000 and all of which were secured by the Enlarged Group's investment properties and certain rental income generated therefrom, properties under development and properties held for sale.

Save as aforesaid and apart from intra-group liabilities and normal trade payables, as at the close of business on 31 January 2009, the Enlarged Group did not have any other debt securities issued and outstanding or authorized or otherwise created but unissued, any other term loans, any other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills) or acceptance credits or hire purchase commitments, any other mortgages and charges or any guarantees or material contingent liabilities.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group has embarked on various diversification projects since 2007. It achieved considerable progress in the past year in laying a more solid foundation for future growth by expanding its business to cover new areas, such as property investment and development and retailing. Looking forward, the Group will maintain its steady development and yet remain strategically focused on future expansion.

As a niche player focused on improving property rental returns in Hong Kong, the Group is well positioned to benefit from the growing opportunities in this sector. Having carried out a series of fund-raising activities, the Group has boosted its capital base which enhances its investment capability. The Group's liquidity and equity will be further enhanced and its business will be streamlined upon the Disposal Completion. The Group is optimistic about the growth prospects of the rental business of the investment properties in Hong Kong and expects the acquisition of the Investment Properties will strengthen the Group's recurring income base.

Despite the sluggish economic outlook, the Group remains strong on liquidity and will continue to search for attractive investment opportunities to ensure the Group's further long-term earnings.

1. FINANCIAL SUMMARY

The following is a summary of the financial information of the Everlong Group for the period from 28 December 2006 (date of incorporation) to 31 March 2007, the financial year ended 31 March 2008 and the six months ended 30 September 2008 (the "Relevant Periods") as extracted from the accountants' reports of Everlong, for which the auditors of Everlong, HLB Hodgson Impey Cheng, Chartered Accountant and Certified Public Accountants, expressed unqualified opinion.

Results

	Period from 28 December 2006 (date of incorporation) to 31 March	Year ended 31 March	Six months ended 30 September	
	2007	**2008**	**2007**	**2008**
	HK$'000	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Turnover	22	1,692	469	3,339
Gross profit	17	1,448	427	2,816
Profit/(loss) before taxation	101	1,815	578	(6,405)
Taxation	–	(330)	(39)	–
Profit/(loss) for the year/period	101	1,485	539	(6,405)
Profit/(loss) for the year/period attributable to:				
– Equity holders of Everlong	101	1,485	539	(6,405)
– Minority interest	–	–	–	–
	101	1,485	539	(6,405)

Assets and liabilities

	As at 31 March		As at 30 September
	2007	**2008**	**2008**
	HK$'000	*HK$'000*	*HK$'000*
Non-current assets	11,720	70,534	107,774
Current assets	244	5,198	4,335
Total assets	11,964	75,732	112,109
Current liabilities	11,863	73,816	85,020
Non-current liabilities	–	330	31,908
Total liabilities	11,863	74,146	116,928
Net assets/(liabilities)	101	1,586	(4,819)

2. ACCOUNTANTS' REPORT OF THE EVERLONG GROUP

The following is the text of a report, prepared for the sole purpose of incorporation in this circular, received from the independent reporting accountants, HLB Hodgson Impey Cheng, Chartered Accountants, Certified Public Accountants, Hong Kong.

HLB 國衛會計師事務所
Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants

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11 Pedder Street
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The Board of Directors
Wang On Group Limited
5/F., Wai Yuen Tong Medicine Building
9 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

Dear Sirs,

We set out below our report on the Financial Information of Everlong Limited ("Everlong") and its subsidiaries (collectively "the Everlong Group") for the period from 28 December 2006 (date of incorporation) to 31 March 2007, the year ended 31 March 2008 and the six months ended 30 September 2008 (collectively the "Relevant Periods") and comparative financial information of the Everlong Group for the six months ended 30 September 2007, prepared on the basis set out in Note 2 of Section I below, for inclusion in the circular of Wang On Group Limited dated 6 March 2009 in connection with the proposed disposal of 100% interest in Shiney Day Investments Limited, acquisition of 100% interest in Everlong and the sale loan and provision of financial assistance (the "Circular").

Everlong was incorporated in the British Virgin Islands with limited liability on 28 December 2006. On 10 February 2009, Everlong became the holding company of the companies now comprising the Everlong Group pursuant to the group reorganisation (the "Reorganisation") as set out in Note 1 of Section I. During the Relevant Periods, Everlong was principally engaged in investment holding. Details of the Everlong's interests in its subsidiaries as at the date of this report are set out in Note 16 of Section I below. The Everlong Group has adopted 31 March as its financial year end date.

No audited financial statements have been prepared for Everlong since the date of its incorporation as there is no statutory requirement for Everlong to prepare audited financial statements. The statutory financial statements or management accounts of the subsidiaries now comprising the Everlong Group were prepared in accordance with the relevant accounting principles applicable to these companies in their respective jurisdictions. Details of their statutory auditors during the Relevant Periods were set out in Note 16 of Section I below.

BASIS OF PREPARATION

For the purpose of this report, the directors of Everlong have prepared the combined management accounts (the "HKFRS Combined Management Accounts") of the Everlong Group for the Relevant Periods and the six months ended 30 September 2007 in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The Financial Information set out in this report, including the combined income statements, the combined statements of changes in equity and the combined cash flow statements of the Everlong Group for each of the Relevant Periods and the six months ended 30 September 2007 and the combined balance sheets of the Everlong Group as at 31 March 2007 and 2008 and 30 September 2008, together with the notes thereto (collectively the "Financial Information") have been prepared based on the HKFRS Combined Management Accounts and in accordance with the basis of preparation as set out in Note 2 of Section I below.

As at the date of this report, Everlong has direct and indirect interests in the subsidiaries as set out on page II-34 below.

RESPONSIBILITY OF THE DIRECTORS

The directors of Everlong are responsible for the preparation and the true and fair presentation of the Financial Information in accordance with HKFRSs issued by the HKICPA. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of Financial Information 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.

RESPONSIBILITY OF REPORTING ACCOUNTANTS

For the financial information for the period from 28 December 2006 (date of incorporation) to 31 March 2007, the year ended 31 March 2008 and the six months ended 30 September 2008, our responsibility is to express an opinion on the financial information based on our audit and to report our opinion to you. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA and carried out such additional procedures as we considered necessary in accordance with the Auditing Guideline 3.340 "Prospectuses and the Reporting Accountant" issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the reporting accountants' judgement, including the assessment of the risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation and true and fair presentation of the financial information 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 polices used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial information.

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

For the purpose of this report, we have reviewed the comparative financial information of the Everlong Group including the combined income statement, combined statement of changes in equity and combined cash flow statement for the six months ended 30 September 2007, together with the notes thereto (the "Unaudited Comparative Financial Information"), for which the directors of Everlong are responsible, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the financial information for the six months ended 30 September 2007.

OPINION AND REVIEW CONCLUSION

In our opinion, the Financial Information for the Relevant Periods, for the purpose of this report, gives a true and fair view of the state of affairs of Everlong and the combined state of affairs of the Everlong Group as at 31 March 2007 and 2008 and 30 September 2008 and of the combined results and cash flows of the Everlong Group for the year and periods then ended.

On the basis of our review which does not constitute an audit, for the purpose of this report, nothing has come to our attention that causes us to believe that the Unaudited Comparative Financial Information for the six months ended 30 September 2007 is not prepared, in all material respects, in accordance with Hong Kong Financial Reporting Standards.

I. FINANCIAL INFORMATION OF THE EVERLONG GROUP

Combined Income Statements

	Notes	Period from 28 December 2006 (date of incorporation) to 31 March 2007 HK$'000	Year ended 31 March 2008 HK$'000	Six months ended 30 September 2007 HK$'000 (Unaudited)	Six months ended 30 September 2008 HK$'000
Turnover	6	22	1,692	469	3,339
Cost of sales		(5)	(244)	(42)	(523)
Gross profit		17	1,448	427	2,816
Other revenue	6	4	96	60	155
Other income	7	26	–	–	–
Administrative expenses		(21)	(1,615)	(193)	(707)
Fair value changes on investment properties		75	1,886	284	(8,270)
Operating profit/(loss)	7	101	1,815	578	(6,006)
Finance costs	8	–	–	–	(399)
Profit/(loss) before taxation		101	1,815	578	(6,405)
Taxation	11	–	(330)	(39)	–
Profit/(loss) for the year/period		101	1,485	539	(6,405)
Profit/(loss) for the year/period attributable to:					
– Equity holders of Everlong		101	1,485	539	(6,405)
– Minority interest		–	–	–	–
		101	1,485	539	(6,405)

Combined Balance Sheets

	Notes	As at 31 March 2007 HK$'000	As at 31 March 2008 HK$'000	As at 30 September 2008 HK$'000
Non-current assets				
Property, plant and equipment	*14*	–	284	254
Investment properties	*15*	11,720	70,250	107,520
		11,720	70,534	107,774
Current assets				
Trade receivables	*17*	–	23	28
Prepayments, deposits and other receivables		170	3,836	1,083
Cash and bank balances		74	1,339	3,224
		244	5,198	4,335
Less: Current liabilities				
Accruals and other payables		(256)	(1,080)	(1,550)
Amount due to immediate holding company	*18*	(11,607)	(72,736)	(79,836)
Interest-bearing bank loans – due within one year	*19*	–	–	(3,634)
		(11,863)	(73,816)	(85,020)
Net current liabilities		(11,619)	(68,618)	(80,685)
Total assets less current liabilities		101	1,916	27,089
Less: Non-current liabilities				
Deferred taxation	*20*	–	(330)	(330)
Interest-bearing bank loans – due after one year	*19*	–	–	(31,578)
		–	(330)	(31,908)
Net assets/(liabilities)		101	1,586	(4,819)
Capital and reserves				
Share capital	*21*	–	–	–
Reserves	*22*	101	1,586	(4,819)
Total equity attributable to equity holders of Everlong		101	1,586	(4,819)

Balance Sheets

		As at 31 March		As at 30 September
		2007	2008	2008
	Notes	*HK$'000*	*HK$'000*	*HK$'000*
Non-current assets				
Investments in subsidiaries	*16*	–	–	–
Current assets				
Cash and bank balances		–	10	4
Less: Current liabilities				
Amount due to immediate holding company	*18*	(6)	(25)	(25)
Net current liabilities		(6)	(15)	(21)
Total assets less current liabilities		(6)	(15)	(21)
Net liabilities		(6)	(15)	(21)
Capital and reserves				
Share capital	*21*	–	–	–
Accumulated losses	*22*	(6)	(15)	(21)
Total equity attributable to equity holders of Everlong		(6)	(15)	(21)

Combined Statements of Changes in Equity

	Share capital	**Retained profits/ (Accumulated losses)**	**Total equity**
	HK$'000	*HK$'000*	*HK$'000*
Issue of shares	–	–	–
Profit for the period	–	101	101
At 31 March 2007 and 1 April 2007	–	101	101
Profit for the year	–	1,485	1,485
At 31 March 2008 and 1 April 2008	–	1,586	1,586
Loss for the period	–	(6,405)	(6,405)
At 30 September 2008	–	(4,819)	(4,819)

For the six months ended 30 September 2007 (unaudited)

	Share capital	**Retained profits**	**Total equity**
	HK$'000	*HK$'000*	*HK$'000*
At 1 April 2007	–	101	101
Profit for the period	–	539	539
At 30 September 2007	–	640	640

Combined Cash Flow Statements

	Period from 28 December 2006 (date of incorporation) to 31 March 2007	Year ended 31 March 2008	Six months ended 30 September 2007	2008
	HK$'000	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(loss) before taxation	101	1,815	578	(6,405)
Adjustments for:				
Depreciation	–	15	–	30
Negative goodwill	(26)	–	–	–
Interest income	–	(1)	–	–
Fair value changes on investment properties	(75)	(1,886)	(284)	8,270
Finance costs	–	–	–	399
Operating (loss)/profit before working capital changes	–	(57)	294	2,294
Increase in trade receivables	–	(23)	(14)	(5)
(Increase)/decrease in prepayments, deposits and other receivables	(127)	(3,666)	(1,940)	2,753
Increase in amount due to immediate holding company	11,607	61,129	12,470	7,100
Increase in accruals and other payables	164	824	54	470
Cash generated from operations	11,644	58,207	10,864	12,612
Interest paid	–	–	–	(399)
Net cash generated from operating activities	11,644	58,207	10,864	12,213
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	–	1	–	–
Purchases of property, plant and equipment	–	(299)	–	–
Purchase of investment properties	(1,105)	(56,644)	(10,566)	(45,540)
Acquisition of a subsidiary	(10,465)	–	–	–
Net cash used in investing activities	(11,570)	(56,942)	(10,566)	(45,540)

	Period from 28 December 2006 (date of incorporation) to 31 March 2007	Year ended 31 March 2008	Six months ended 30 September 2007	Six months ended 30 September 2008
	HK$'000	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
CASH FLOWS FROM FINANCING ACTIVITIES				
Received interest-bearing loans from bank	–	–	–	36,450
Repayment of interest-bearing bank loans	–	–	–	(1,238)
Net cash generated from investing activities	–	–	–	35,212
Net increase in cash and cash equivalents	74	1,265	298	1,885
Cash and cash equivalents at the beginning of the year/period	–	74	74	1,339
Cash and cash equivalents at the end of the year/period	74	1,339	372	3,224
Analysis of the balances of cash and cash equivalents				
Cash and bank balances	74	1,339	372	3,224

Notes to Financial Information

1. GENERAL INFORMATION

Everlong is a limited liability company incorporated in the British Virgin Islands. The registered office of the Company is located at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands. The Everlong Group is principally engaged in property investment (the "Relevant Business").

Prior to the Reorganisation (as defined below), the Relevant Business was carried out by the subsidiaries now comprising the Everlong Group (the "Relevant Subsidiaries") which are wholly-owned by Loyal Fame International Limited ("Loyal Fame"), the immediate holding company of Everlong. Both Everlong and Loyal Fame are wholly-owned subsidiaries of LeRoi Holdings Limited ("LeRoi"), the shares of which are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Pursuant to a group reorganisation of Everlong and Loyal Fame, Loyal Fame transferred its entire interests in the Relevant Subsidiaries to Everlong at an aggregate consideration of US$2 on 10 February 2009 (the "Reorganisation").

The principal place of business of Everlong is located at 5th floor, Wai Yuen Tong Medicine Building, 9 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.

The principal activity of Evelong is investment holding. The principal activities of its subsidiaries are set out in note 16 to the Financial Information.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Information have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and applicable disclosure provisions of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). These Financial Information are presented in Hong Kong dollars and all values are rounded to the nearest thousand ("HK$'000") except otherwise indicated.

A summary of significant accounting policies adopted by the Everlong Group in the preparation of the Financial Information is set out below:

Basis of preparation

The measurement basis used in the preparation of the Financial Information is historical cost convention except for investment properties which have been carried at fair value as explained below.

The Reorganisation involved companies under common control and Everlong and its subsidiaries resulting from the Reorganisation are regarded as a continuing group. Accordingly, this Financial Information has been prepared using the merger method of accounting as if Everlong had been the holding company of the Everlong Group from the beginning of the earliest period presented. The Financial Information presents the consolidated results, cash flows and financial position of the Everlong Group as if Everlong had been in existence throughout the Relevant Periods and the current structure had been in place as of the earliest period presented, or since the effective dates of incorporation of the companies where they were not existed at those dates.

The preparation of Financial Information in conformity with HKFRSs requires management to make judgments, estimates and assumption that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of HKFRSs that have significant effect on the Financial Information and estimates with a significant risk of material adjustments in the next year are discussed in *Note 3* to the Financial Information.

The Everlong Group incurred losses of approximately HK$6,405,000 for the period ended 30 September 2008. As at 30 September 2008, the Everlong Group incurred net liabilities of approximately HK$4,819,000. The Evelong Group's continuance in business as a going concern is dependent upon the success of the Everlong Group's future operations and the continuing financial support from its holding company. The Financial Information has been prepared on a going concern basis as the holding company have confirmed to provide continuing financial support to the Everlong Group to enable it to continue as a going concern and to settle its liabilities as and when they fall due.

Impact of new and revised HKFRSs

The Everlong Group has adopted, for the first time, the following new HKFRSs issued by the HKICPA, which are effective for the Everlong Group's financial period beginning on 1 April 2008. The adoption of these new and revised standards and interpretations had no material impact on these Financial Information.

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

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

Impact of new and revised HKFRSs not yet effective

		Effective for accounting period beginning on or after
HKAS 1 (Revised)	Presentation of Financial Statements	1 January 2009
HKAS 23 (Revised)	Borrowing Costs	1 January 2009
HKAS 27 (Revised)	Consolidated and Separate Financial Statements	1 July 2009
HKAS 32 and HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2009
HKAS 39 (Amendments)	Eligible hedged items	1 July 2009
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiaries, Jointly Controlled Entity or Associate	1 January 2009
HKFRS 2 (Amendments)	Share-based Payment – Vesting Conditions and Cancellations	1 January 2009
HKFRS 3 (Revised)	Business Combinations	1 July 2009
HKFRS 8	Operating Segments	1 January 2009
HK(IFRIC) – Int 13	Customer Loyalty Programmes	1 July 2008
HK(IFRIC) – Int 15	Arrangements for the Construction of Real Estate	1 January 2009
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation	1 October 2008
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners	1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs	1 January 2009 (except the amendments to HKFRS 5 – effective for annual periods beginning on or after 1 July 2009)

The management is in the process of making an assessment of the impact of these new standards, amendments and interpretations to existing standards. The directors of Everlong so far has concluded that the application of these new standards, amendments or interpretations will have no material impact on the results and the financial position of the Everlong Group.

Basis of combination

The Financial Information incorporates the financial statements of Everlong and its subsidiaries for the Relevant Periods. As explained in above, the acquisition of subsidiaries under common control has been accounted for using the merger method of accounting. The acquisition of all other subsidiaries during the Relevant Periods is accounted for using the purchase method of accounting.

The merger method of accounting involves incorporating the financial statement items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are combined using the existing book values. No amount is recognised in respect of goodwill or excess of acquirers' interest in the net fair value of acquirees' identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination.

The combined income statements include the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under common control, where this is a shorter period, regardless of the date of the common control combination.

The purchase method of accounting involves allocating the cost of a business combination to the fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of acquisition is measured at the aggregate fair value of the assets given and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

All significant intra-group transactions and balances have been eliminated on combination.

Minority interests represent the interests of outside shareholders not held by the Everlong Group in the results and net assets of the companies now comprising the Everlong Group. When the Everlong Group acquires minority interests of its subsidiaries, the difference between the amounts of consideration and carrying values of minority interests are recognised as a reserve movement.

Subsidiaries

A subsidiary is an entity whose financial and operating policies Everlong controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in Everlong's income statement to the extent of dividends received and receivable. Everlong's interests in subsidiaries are stated at cost less any impairment losses.

Impairment of non-financial assets (other than goodwill)

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

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill and certain financial assets is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such impairment loss is credited to the income statement in the period in which it arises.

Investment properties

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

Gain or loss arising from changes in fair values of investment properties are included in the income statement in the period in which they arise.

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

Property, plant and equipment

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

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

Leasehold improvements	Over the lease terms

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

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

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

Investments and other financial assets

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Everlong Group considers whether a contract contains an embedded derivative when the Everlong Group first becomes a party to it. The embedded derivatives are separated from the host contract which is not measured at fair value through profit or loss when the analysis shows that the economic characteristics and risks of embedded derivatives are not closely related to those of the host contract.

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

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less any identified impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Impairment of financial assets

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

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate, being the effective interest rate computed at initial recognition. The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement.

The Everlong Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

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

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Everlong Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Derecognition of financial assets

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

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

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

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

Financial liabilities at amortised cost

Financial liabilities including accruals and other payables, amounts due to fellow subsidiaries, amount due to immediate holding company and interest-bearing bank loan are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying value of the financial liability derecognised and the consideration paid is recognised in the income statement.

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

Cash and cash equivalents

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

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

Provisions and contingent liabilities

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

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefit is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Income tax

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

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

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

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

- where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

Revenue recognition

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

- Rental income, on a time proportion basis over the lease terms.

Employee benefits

Paid leave carried forward

The Everlong Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. No accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the period by the employees and carried forward as the amount is immaterial.

Retirement benefits scheme

The Everlong Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordnance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Everlong Group in an independently administered fund. The Everlong Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

Share options scheme

The Everlong Group's holding company, LeRoi, operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the operation of the group comprising LeRoi and its subsidiaries.

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve of the holding company within equity. The fair value is measured at grant date, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting periods, taking into account the probability that the options will vest.

During the vesting periods, the number of share options that is expected to vest is reviewed. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to achieving conditions that relate to the market price of the holding company's shares. The equity amount is recognised in the capital reserve of the holding company until either the option is exercised (when it is transferred to the share premium account of the holding company) or the option expires (when it is released directly to retained profits).

Borrowing costs

Borrowing costs are expensed in the income statement in the period in which they are incurred.

Related parties transactions

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

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

(b) the party is an associate;

(c) the party is a jointly-controlled entity;

(d) the party is a member of the key management personnel of the Everlong Group or its parent;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post-employment benefit plan for the benefit of the employees of the Everlong Group, or of any entity that is a related party of the Everlong Group.

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

Current assets and current liabilities

Current assets are expected to be realised within twelve months of the balance sheet date or in the normal course of the Everlong Group's operating cycle. Current liabilities are expected to be settled within twelve months of the balance sheet date or in the normal course of the Everlong Group's operating cycle.

Leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Everlong Group is the lessee, rentals payable under the operating leases net of any incentives received from the lessor are charged to the income statement on the straight-line basis over the lease terms.

Foreign currencies

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

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgment 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.

Critical accounting estimates and assumptions

The Everlong 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 in causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

Income tax

The Everlong Group is subject to income taxes in Hong Kong. Significant judgment is required in determining the 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 Everlong 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.

Fair value of investment properties

The best evidence of fair value is current prices in an active market for similar lease and other contracts. In the absence of such information, the Everlong Group determines the amount within a range of reasonable fair value estimates. In making its judgment, the Everlong Group considers information from a variety of sources including:

(i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;

(ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices, and

(iii) discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts, and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

If information on current or recent prices of investment properties is not available, the fair values of investment properties are determined using discounted cash flow valuation techniques. The Everlong Group uses assumptions that are mainly based on market conditions existing at each balance sheet date.

The principal assumptions underlying management's estimation of fair value are those related to: the receipt of contractual rentals; expected future market rentals; void periods; maintenance requirements; and appropriate discount rates. These valuations are regularly compared to actual market yield data, and actual transactions by the Everlong Group and those reported by the market.

The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

Impairment of property, plant and equipment

In accordance with HKAS 16, the Everlong 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 asset is 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 Everlong Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid. The Everlong Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND ESTIMATES

(a) Categories of financial instruments

	As at 31 March		As at 30 September
	2007	2008	2008
	HK$'000	*HK$'000*	*HK$'000*
Financial assets			
Loans and receivables (including cash and cash equivalents)	170	1,461	3,376
Financial liabilities			
Amortised cost	11,773	73,288	115,409

(b) Financial risk management objectives and policies

The main risk arising from the Everlong Group's financial instruments are market risk (including interest rate risk and foreign exchange risk), credit risk and liquidity risk. The management reviews and agrees policies for managing each of these risks and they are summarised below.

(i) Market risk

The Everlong Group's activities expose it primarily to the financial risks of changes in interest rates and foreign currency exchange rates.

Market risk exposures are measured by sensitivity analysis.

There has been no change to the Everlong Group's exposure to market risks or the manner in which it manages and measures the risk.

Interest rate risk management

For the period ended 30 September 2008, the Everlong Group's interest rate risk arises from long term interest-bearing bank loans. Borrowings issued at prevailing market rates expose the Everlong Group to cash flow interest rate risk. The Everlong Group did not enter into interest rate swap to hedge against its exposures to changes in fair values of the borrowings.

For the period/year ended 31 March 2007 and 2008, the Everlong Group considers that there is no significant cash flow interest rate risk as the Everlong Group does not have variable-rate borrowings.

The Everlong Group's exposures to interest rates on financial assets and financial liabilities are detailed in liquidity risk management section of this note.

Sensitivity analysis on interest rate risk management

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

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Everlong Group's loss for the period ended 30 September 2008 would increase/decrease by HK$2. This is mainly attributable to the Everlong Group's exposure to interest rates on its variable rate borrowings.

The Everlong Group's sensitivity to interest rates has increased during the period ended 30 September 2008 mainly due to the increase in variable-rate borrowings from bank.

Foreign exchange risk management

The Everlong Group has no transactional currency exposures. The Everlong Group's markets mainly located in Hong Kong and its sales and purchases are denominated primarily in Hong Kong dollars, which does not expose the Everlong Group to foreign currency risk. The Everlong Group does not have any formal hedging policy.

(ii) Credit risk

As at 31 March 2007, 2008 and 30 September 2008, the Everlong Group's maximum exposure to credit risk which will cause a financial loss to the Everlong Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the combined balance sheet.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings by international credit-rating agency.

Other than concentration of credit risk on liquid funds which are deposited with banks with high credit ratings, the Everlong Group does not have any other significant concentration of credit risk.

(iii) Liquidity risk

The Everlong Group's liquidity risk management includes diversifying the funding sources. Advances from holding company and interest-bearing bank loans during the Relevant Periods are the general source of funds to finance the operation of the Everlong Group. The Everlong Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

The following table details the Everlong Group's remaining contractual maturity for its financial assets and financial liabilities which are included in the maturity analysis provided internally to the key management personnel for the purpose of managing liquidity risk. For non-derivative financial assets, the tables have been drawn up based on the undiscounted contractual maturities of the financial assets including interests that will be earned on those assets except when the Everlong Group anticipates that the cash flow will occur in a different period. For non-derivative financial liabilities, the table reflects the undiscounted cash flows of financial liabilities based on the earliest date on which the Everlong Group can be required to pay. The tables include both interest and principal cash flows.

	Weighted average effective interest rate	Within 1 year	2 to 5 years	Over 5 years	Total undiscounted cash flows	Total carrying amount
	%	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March 2007						
Non-derivative financial assets						
Deposit and other receivables	–	96	–	–	96	96
Cash in bank	–	74	–	–	74	74
		170	–	–	170	170
Non-derivative financial liabilities						
Accruals and other payables	–	(166)	–	–	(166)	(166)
Amount due to immediate holding company	–	(11,607)	–	–	(11,607)	(11,607)
		(11,773)	–	–	(11,773)	(11,773)
		(11,603)	–	–	(11,603)	(11,603)
At 31 March 2008						
Non-derivative financial assets						
Trade receivables	–	23	–	–	23	23
Deposit and other receivables	–	99	–	–	99	99
Cash in bank	–	1,339	–	–	1,339	1,339
		1,461	–	–	1,461	1,461

	Weighted average effective interest rate	Within 1 year	2 to 5 years	Over 5 years	Total undiscounted cash flows	Total carrying amount
	%	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Non-derivative financial liabilities						
Accruals and other payables	–	(552)	–	–	(552)	(552)
Amount due to immediate holding company	–	(72,736)	–	–	(72,736)	(72,736)
		(73,288)	–	–	(73,288)	(73,288)
		(71,827)	–	–	(71,827)	(71,827)
At 30 September 2008						
Non-derivative financial assets						
Trade receivables	–	28	–	–	28	28
Deposit and other receivables	–	124	–	–	124	124
Cash in bank	–	3,224	–	–	3,224	3,224
		3,376	–	–	3,376	3,376
Non-derivative financial liabilities						
Accruals and other payables	–	(361)	–	–	(361)	(361)
Interest-bearing bank loans	2.8%	(3,634)	(14,646)	(16,932)	(35,212)	(35,212)
Amount due to immediate holding company	–	(79,836)	–	–	(79,836)	(79,836)
		(83,831)	(14,646)	(16,932)	(115,409)	(115,409)
		(80,455)	(14,646)	(16,932)	(112,033)	(112,033)

Fair value of financial instruments

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

(i) the fair value of financial assets and financial liabilities (including derivative instruments) with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and

(ii) the fair value of other financial assets and financial liabilities (including derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded in the combined financial statements approximate their fair values.

(c) Capital risk management

The Everlong Group manages its capital to ensure that the Everlong Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Everlong Group's overall strategy remains unchanged during the Relevant Periods.

The capital structure of the Everlong Group consists of debt (which includes borrowings), cash and cash equivalents and equity attributable to equity holders of Everlong, comprising issued share capital and reserves.

Gearing ratio

The directors review the capital structure regularly. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. During the Relevant Periods, Everlong's strategy was to reduce the gearing ratio. This ratio is calculated base on net debt and shareholders equity. Net debt is calculated as a total of interest-bearing bank loans less cash and cash equivalents. Capital includes total equity attributable to equity holders of Everlong.

The gearing ratios at 31 March 2007, 2008 and 30 September 2008 were as follows:

	At 31 March		**At 30 September**
	2007	**2008**	**2008**
	HK$'000	*HK$'000*	*HK$'000*
Total debt *(Note (i))*	–	–	35,212
Less: cash in bank	(74)	(1,339)	(3,224)
	(74)	(1,339)	31,988
Total equity attributable to equity holder of Everlong	101	1,586	(4,819)
Gearing ratio	N/A	N/A	(664%)

Note (i): Total debt comprises obligations under interest-bearing bank loans as detailed in Note 19.

5. SEGMENT INFORMATION

During the Relevant Periods, over 90% of the Everlong Group's revenue and assets were derived from the operation of property holding in Hong Kong and accordingly, no detailed analysis of the Everlong Group's business segment and geographical segment is disclosed.

6. TURNOVER AND OTHER REVENUE

Turnover represents rental income.

An analysis of the Everlong Group's turnover and other revenue is as follows:

	The Everlong Group			
	Period from 28 December 2006 (date of incorporation) to 31 March 2007	**Year ended 31 March 2008**	**Six months ended 30 September 2007**	**Six months ended 30 September 2008**
	HK$'000	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Turnover:				
Rental income	22	1,692	469	3,339
Other revenue:				
Sundry income	4	95	60	155
Interest income	–	1	–	–
	4	96	60	155
Total revenue	26	1,788	529	3,494

7. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	The Everlong Group			
	Period from 28 December 2006 (date of incorporation) to 31 March 2007	**Year ended 31 March 2008**	**Six months ended 30 September 2007**	**Six months ended 30 September 2008**
	HK$'000	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Depreciation of owned property, plant and equipment	–	15	–	30
Auditors' remuneration	1	12	6	57
Minimum lease payments under operating leases for land and buildings	–	67	–	96
Fair value loss in respect of investment properties *(Note 15)*	–	–	–	8,270
Bad debt written off	–	–	–	2
Salaries and other short-term employee benefits (excluding Directors' remuneration – *Note 9)*	–	240	120	525
Retirement benefits scheme contributions	–	–	–	18
	–	240	120	543
Other income:				
Negative goodwill	26	–	–	–
Fair value gain in respect of investment properties *(Note 15)*	75	1,886	284	–
	101	1,886	284	–

8. FINANCE COSTS

	The Everlong Group			
	Period from 28 December 2006 (date of incorporation) to 31 March	Year ended 31 March	Six months ended 30 September	
	2007	2008	2007	2008
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(Unaudited)	
Effective interest on interest-bearing bank loan wholly repayable over five years	–	–	–	399

9. DIRECTORS' REMUNERATION

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

The remuneration of every Director for the Relevant Periods is set out below:

Name of director	Basic salaries	Director's fee	Provident fund contributions	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Mr. Chan Chun Hong	–	–	–	–
Mr. Cheung Wai Kai	–	–	–	–
Ms. Chim Lai Fun	–	–	–	–
	–	–	–	–

Notes:

1. Mr. Chan Chun Hong was appointed on 24 January 2007.

2. Mr. Cheung Wai Kai was appointed on 24 January 2007.

3. Ms. Chim Lai Fun was appointed on 24 January 2007.

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

10. FIVE HIGHEST PAID EMPLOYEES

The emoluments paid to the five highest paid individuals of the Everlong Group during the Relevant Periods and six months ended 30 September 2007 were as follow:

	The Everlong Group			
	Period from 28 December 2006 (date of incorporation) to 31 March 2007	**Year ended 31 March 2008**	**Six months ended 30 September 2007**	**Six months ended 30 September 2008**
	HK$'000	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Basic salaries and allowances	–	240	120	525
Retirement benefits scheme contributions	–	–	–	18
	–	240	120	543

The emoluments were fall within the Nil to HK$1,000,000 band.

During the Relevant Periods, no emoluments were paid by the Everlong Group to the non-director, highest paid employees as an inducement to join, or upon joining the Everlong Group, or as compensation for loss of office.

The staff cost incurred by the Everlong Group was allocated by LeRoi Group in consideration of the services provided by employees of LeRoi Group to the Everlong Group.

11. TAXATION

No provision for Hong Kong profits tax has been made as the Everlong Group incurred tax losses during the Relevant Periods. Hong Kong profits tax has been provided at the rate of 17.5% on the estimated assessable profits arising in Hong Kong during the six months ended 30 September 2007.

	The Everlong Group			
	Period from 28 December 2006 (date of incorporation) to 31 March 2007	**Year ended 31 March 2008**	**Six months ended 30 September 2007**	**Six months ended 30 September 2008**
	HK$'000	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Current tax provided for the year/period:	–	–	39	–
Deferred tax:				
Revaluation of properties	–	330	–	–
Total tax charge for the year/period	–	330	39	–

The tax charge for the Relevant Periods and six months ended 30 September 2007 can be reconciled to the profit/(loss) before taxation per the combined income statement as follows:

	Period from 28 December 2006 (date of incorporation) to 31 March 2007		Year ended 31 March 2008		Six months ended 30 September 2007		2008	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000* *(Unaudited)*	*%*	*HK$'000*	*%*
Profit/(loss) before taxation	101		1,815		578		(6,405)	
Tax at the applicable tax rate	18	17.5%	318	17.5%	101	17.5%	(1,057)	(16.5%)
Tax effect of income and expenses not taxable or not deductible for tax purposes	(70)	(69.3%)	9	0.5%	36	6.2%	(11)	(0.2%)
Tax effect of unrecognised temporary differences	(34)	(33.6%)	(287)	(15.8%)	(90)	(15.6%)	1,167	18.2%
Tax effect of tax losses utilised	–	–	–	–	(8)	(1.4%)	(99)	(1.5%)
Tax effect of tax losses not recognised	86	85.4%	290	16.0%	–	–	–	–
Tax charge at the effective tax rate for the year/period	–	–	330	18.2%	39	6.7%	–	–

12. DIVIDEND

The Directors do not recommend the payment of any dividend in respect of the Relevant Periods.

13. EARNINGS PER SHARE

Earnings per share information is not presented as its inclusion, for the purpose of this report, is not considered meaningful.

14. PROPERTY, PLANT AND EQUIPMENT

The Everlong Group

	Leasehold improvements *HK$'000*
At Cost:	
At 28 December 2006, 31 March 2007 and 1 April 2007	–
Additions	299
At 31 March 2008, 1 April 2008 and 30 September 2008	299
Accumulated depreciation and impairment:	
At 28 December 2006, 31 March 2007 and 1 April 2007	–
Charge for the year	15
At 31 March 2008 and 1 April 2008	15
Charge for the period	30
At 30 September 2008	45
Net book value:	
At 30 September 2008	254
At 31 March 2008	284
At 31 March 2007	–

15. INVESTMENT PROPERTIES

The Everlong Group

	HK$'000
Fair value:	
At 28 December 2006	–
Additions	1,105
Acquisition of a subsidiary	10,540
Net increase in fair value	75
At 31 March 2007 and 1 April 2007	11,720
Additions	56,644
Net increase in fair value	1,886
At 31 March 2008 and 1 April 2008	70,250
Additions	45,540
Net decrease in fair value	(8,270)
At 30 September 2008	107,520

Investment properties were revalued at their open market values at 31 March 2008 and 2007 by Messrs Savills Valuation and Professional Services Limited and 30 September 2008 by Messrs Vigers Appraisals & Consulting Limited, independent qualified professional valuers not connected with the Everlong Group, on an open market value, existing use basis. This valuation gave rise to a gain arising from change in fair value of approximately HK$75,000 and HK$1,886,000 at 31 March 2007 and 2008 respectively and gave rise to a loss arising from change in fair value of approximately HK$8,270,000 at 30 September 2008 respectively, which have been charged to the combined income statement.

The investment properties are situated in Hong Kong under medium-term to long-term leases.

As at 30 September 2008, the Everlong Group's investment properties with an aggregate carrying value of HK$57,800,000 were pledged to secure the Everlong Group's general banking facilities (Note 19).

The investment properties are leased to third parties under operating lease. Property rental income earned during the years ended 31 March 2007 and 2008 and the six months period ended 30 September 2008 were approximately HK$22,000, HK$1,692,000 and HK$3,339,000 respectively. No contingent rental income was recognised during the years ended 31 March 2007 and 2008 and the six months period ended 30 September 2008.

The Everlong Group leased its investment properties under operating lease arrangements with leases terms negotiated for terms ranging from 1 to 2 years, with an option to renew the contracts according to the prevailing market conditions. Tenants are required to pay security deposits under the lease terms.

During the Relevant Periods, the Everlong Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	The Everlong Group		
	At 31 March		**At 30 September**
	2007	**2008**	**2008**
	HK$'000	*HK$'000*	*HK$'000*
Within one year	522	2,834	4,770
In the second to fifth years, Inclusive	16	–	8
	538	2,834	4,778

16. INVESTMENTS IN SUBSIDIARIES

	Everlong		
	At 31 March		**At 30 September**
	2007	**2008**	**2008**
	HK$'000	*HK$'000*	*HK$'000*
Unlisted shares, at costs	–	–	–

Particulars of principal subsidiaries are as follows:

Name	Place of incorporation/ registration and operations	Nominal value of ordinary/ paid up share capital	Percentage of equity attributable to the Company	Principal activities
Directly held				
Garwell Investments Limited *(Note a)*	BVI	US$1	100%	Property holding
Ease Mind Investments Limited *(Note a)*	BVI	US$1	100%	Property holding
Indirectly held				
Excellence Star Limited *(Note c)*	Hong Kong	HK$1	100%	Property holding
Allied Victory Investment Limited *(Note b)*	Hong Kong	HK$2	100%	Property holding
New Sino Investment Limited *(Note c)*	Hong Kong	HK$1	100%	Property holding
Easytex Investment Limited *(Note c)*	Hong Kong	HK$1	100%	Property holding
Winhero Investment Limited *(Note c)*	Hong Kong	HK$1	100%	Property holding
Kingtex Investment Limited *(Note b)*	Hong Kong	HK$1	100%	Property holding
Cititeam Investment Limited *(Note c)*	Hong Kong	HK$1	100%	Property holding
Samrich Investment Limited *(Note c)*	Hong Kong	HK$1	100%	Property holding
Topbo Investment Limited *(Note b)*	Hong Kong	HK$1	100%	Property holding
Goldbo Investment Limited *(Note b)*	Hong Kong	HK$2	100%	Property holding
Newbo Investment Limited *(Note c)*	Hong Kong	HK$1	100%	Property holding
Lanbo Investment Limited *(Note c)*	Hong Kong	HK$1	100%	Property holding
Allied Wide Investment Limited *(Note c)*	Hong Kong	HK$1	100%	Property holding
Hanwell Investment Limited *(Note c)*	Hong Kong	HK$1	100%	Property holding

Notes:

(a) No audited statutory financial statements have been prepared for this company since the date of its incorporation as there is no statutory requirement for it to prepare audited financial statements.

(b) The statutory financial statements for the years ended 31 March 2007 and 2008 were audited by HLB Hodgson Impey Cheng.

(c) No audited statutory financial statements have been prepared for this company since the date of its incorporation.

17. TRADE RECEIVABLES

The Everlong Group's trading terms with its customers are mainly on credit. The credit terms are generally for a period of one month. The Everlong Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Everlong Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest bearing.

An aged analysis of the Everlong Group's trade receivables as at the balance sheet date, based on invoice date, is as follows:

	The Everlong Group		
	At 31 March		At 30 September
	2007	2008	2008
	HK$'000	*HK$'000*	*HK$'000*
Within 90 days	–	23	28

18. AMOUNT DUE TO IMMEDIATE HOLDING COMPANY

The Everlong Group and Everlong

The amount due to immediate holding company is unsecured, interest-free and repayable on demand.

19. INTEREST-BEARING BANK LOANS

	The Everlong Group		
	At 31 March		At 30 September
	2007	2008	2008
	HK$'000	*HK$'000*	*HK$'000*
Bank loans (secured)	–	–	35,212

	The Everlong Group		
	At 31 March		At 30 September
	2007	2008	2008
	HK$'000	*HK$'000*	*HK$'000*
The maturity of the bank loans is as follows:			
Within one year	–	–	3,634
Between one and two years	–	–	3,645
Between two and five years	–	–	11,001
Over five years	–	–	16,932
	–	–	35,212
Less: Amount due within one year shown under current liabilities	–	–	(3,634)
Amount due after one year	–	–	31,578

The effective interest rates at the balance sheet date were as follows: –

	The Everlong Group		
	At 31 March		At 30 September
	2007	**2008**	**2008**
	HK$'000	*HK$'000*	*HK$'000*
Bank loans (secured)			
For long term (HK$)	–	–	HIBOR +1.5%p.a. and 2.9%p.a.

All interest-bearing bank loans of the Everlong Group are secured by the Everlong Group's investment properties (Note 15).

In addition, LeRoi has guaranteed certain of the Everlong Group's interest-bearing bank loans up to HK$27,000,000 as at 30 September 2008.

The carrying amounts of bank loans approximate to their fair values.

20. DEFERRED TAXATION

The Everlong Group

The following are the major deferred tax balances recognised and movements thereon during the Relevant Periods:

Deferred tax liabilities

	Revaluation of properties
	HK$'000
At 28 December 2006, 31 March 2007 and 1 April 2007	–
Charge to combined income statement for the period	330
At 31 March 2008 and 30 September 2008	330

The Everlong Group has estimated tax losses arising in Hong Kong of approximately HK$129,000 as at 31 March 2007, approximately HK$1,797,000 as at 31 March 2008 and approximately HK$1,197,000 as at 30 September 2008 that are available indefinitely for offsetting against future taxable profits of companies in which the losses arose. No deferred tax assets have been recognised due to the unpredictability of future profits streams.

21. SHARE CAPITAL

	Everlong		
	At 31 March		At 30 September
	2007	2008	2008
	HK$'000	*HK$'000*	*HK$'000*
Authorised:			
50,000 ordinary share of US$1 each	390	390	390
Issued and fully paid:			
1 ordinary share of US$1 each	HK$8	HK$8	HK$8

Everlong was incorporated with an initial authorised share capital of US$50,000 divided into 50,000 ordinary shares of US$1 each. On 28 December 2008, Everlong issued 1 ordinary share of US$1 each. The proceeds were used to provide general working capital for Everlong.

22. RESERVES

(a) The Everlong Group

The amounts of the Everlong Group's reserves and the movement therein for the Relevant Periods are presented in the combined statement of changes in equity on page II-9 of the Financial Information.

(b) Everlong

	Share capital	Accumulated losses	Total equity
	HK$'000	*HK$'000*	*HK$'000*
Issue of shares	–	–	–
Loss for the period	–	6	6
At 31 March 2007 and 1 April 2007	–	6	6
Loss for the year	–	9	9
At 31 March 2008 and 1 April 2008	–	15	15
Loss for the period	–	6	6
At 30 September 2008	–	21	21

23. ACQUISITION OF A SUBSIDIARY

For the year ended 31 March 2007

On 23 March 2007, the wholly owned subsidiary of the Everlong Group, Garwell Investments Limited, acquired 100% equity interest in Allied Victory Investment Limited ("Allied Victory") at a consideration of HK$10,200,000 (included the shareholder's loan in the principal amount of HK$9,980,000). The consideration was satisfied in cash. The amount of negative goodwill arising as a result of the acquisition was approximately HK$26,000.

Allied Victory was a wholly owned subsidiary of Wang On Group Limited which held 49% of the shareholding interests in Wai Yuen Tong Medicine Holdings Limited which held 25.32% of the shareholding interests in the Everlong Group's ultimate holding company – LeRoi. Such acquisition constituted a major and connected transaction under the Listing Rules. For more details, please refer to LeRoi's circular dated 5 March 2007.

The effect of net assets acquired in the transaction and the negative goodwill arising are as follows:

Net assets acquired:

	Allied Victory		
	Acquiree's carrying amount before combination	**Fair value adjustment**	**Total fair value**
	HK$'000	*HK$'000*	*HK$'000*
Investment properties	10,540	–	10,540
Prepayments, deposits and other receivables	43	–	43
Cash and bank balances	35	–	35
Other payables and accruals	(92)	–	(92)
	10,526	–	10,526
Negative goodwill			(26)
			10,500

Total consideration satisfied by:

	HK$'000
Cash consideration	10,200
Directly attributable costs	300
	10,500

Analysis of the net outflow in respect of the acquisition of a subsidiary:

	HK$'000
Cash paid	(10,500)
Bank balances and cash acquired	35
	10,465

During the period ended 31 March 2007, Allied Victory contributed approximately HK$22,000 to the Everlong Group's turnover for the period from the date of acquisition to the balance sheet date.

If the acquisition had been completed on 28 December 2006, total of the Everlong Group's revenue for the period would have been approximately HK$126,000 and profit for the period attributable to equity holders of Everlong would have been approximately HK$621,000. The pro forma information is for illustrative purpose only and is not necessarily an indication of revenue and results of the Everlong Group that actually would have been achieved had the acquisition been completed on 28 December 2006, nor is it intended to be a projection of future results.

24. CONTINGENT LIABILITIES

The Everlong Group did not have any significant contingent liabilities as at the respective balance sheet dates.

25. MATERIAL RELATED PARTY TRANSACTIONS

During the Relevant Periods, the Everlong Group had entered into the following transactions with related parties which, in the opinion of the directors, were carried out in the ordinary course of the Everlong Group's business.

(a) On 23 March 2007, the wholly owned subsidiary of the Everlong Group acquired 100% equity interests in Allied Victory at a total consideration of HK$10,200,000 (inclusive of shareholders' loan in the principal amount of approximately HK$9,980,000). Allied Victory was a subsidiary of Wang On Group Limited which held 49% of the shareholding interest in Wai Yuen Tong Medicine Holdings Limited which held 25.32% of the shareholding interests in LeRoi as at 23 March 2007. For further details, please refer to LeRoi's circular dated 5 March 2007. The transaction constitutes connected transactions under Listing Rules.

In addition to the transactions and balances disclosed elsewhere in these Financial Information, there were no other material related party transactions incurred during the Relevant Periods.

Compensation of any kind paid to the directors and other key management personnel of Everlong during the Relevant Periods were set out in note 9.

26. CAPITAL COMMITMENT

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

	The Everlong Group		
	As at 31 March 2007	**As at 31 March 2008**	**As at 30 September 2008**
	HK$'000	*HK$'000*	*HK$'000*
Contracted but not provided for:			
Acquisition of investment properties	657	18,602	3,867

Everlong has no material capital commitment as at 31 March 2007 and 2008 and at 30 September 2008.

27. SUBSEQUENT EVENTS

(a) The Reorganisation was completed on 10 February 2009. Further details of the Reorganisation are set out in Note 1 of these Financial Information.

II. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared for Everlong or any of it subsidiaries in respect of any period subsequent to 30 September 2008. No dividends have been declared or paid by Everlong or any of its subsidiaries in respect of any period subsequent to 30 September 2008.

Yours faithfully,
HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants
Hong Kong

3. MANAGEMENT DISCUSSION AND ANALYSIS ON THE EVERLONG GROUP

The following is a discussion and analysis on the Everlong Group for the period from 28 December 2006 (being the date of incorporation) to 31 March 2008, and the six months ended 30 September 2008.

Business review for the period from 28 December 2006 (being the date of incorporation) to 30 September 2008

For the period from 28 December 2006 (being the date of incorporation) to 30 September 2008, Everlong, which was incorporated in the British Virgin Islands with limited liability, was principally engaged in investment holding. Everlong became an indirect wholly owned subsidiary of LeRoi on 24 January 2007.

As at the Latest Practicable Date, through its subsidiaries, Everlong beneficially owned the Investment Properties. The Investment Properties consist of 54 residential units located in Hong Kong with an aggregate gross floor area of approximately 32,600 square feet. All of the Investment Properties are prime residential or commercial units and the market value of the Investment Properties as at 31 January 2009 as valued by an independent valuer was approximately HK$98 million.

For the period from 28 December 2006 (being the date of incorporation) to 31 March 2008

For the period from 28 December 2006 (being the date of incorporation) to 31 March 2008, the Everlong Group acquired a portfolio of 45 investment properties in Hong Kong which were rented out to independent third parties generating a rental income of approximately HK$1.7 million during the relevant period.

For the six months ended 30 September 2008

For the six months ended 30 September 2008, the Everlong Group further acquired 7 residential units to enhance rental income and development in the investment property business. The acquired 7 residential units, together with the 45 investment properties as mentioned above, were rented out to independent third parties generating an aggregate rental income of approximately HK$3.3 million during the relevant period.

Upon the Acquisition Completion, Everlong will become an indirect wholly owned subsidiary of the Company and the Directors expect that the Investment Properties will be rented out to independent third parties to enhance the Group's rental income and development in its investment property business.

Operations review for the period from 28 December 2006 (being the date of incorporation) to 30 September 2008

Liquidity and Financial Resources

For the period from 28 December 2006 (being the date of incorporation) to 31 March 2008

As at 31 March 2008, the Everlong Group had total assets of approximately HK$75.7 million and total liabilities of approximately HK$74.1 million. The Everlong Group did not have any bank borrowings as at 31 March 2008 and therefore its gearing ratio was nil as at 31 March 2008 based on the bank borrowings compared to total assets.

For the six months ended 30 September 2008

As at 30 September 2008, the Everlong Group had total assets of approximately HK$112.1 million and total liabilities of approximately HK$116.9 million. The Everlong Group had bank borrowings of approximately HK$35.2 million as at 30 September 2008 and its gearing ratio was approximately 31.4% as at 30 September 2008 based on the bank borrowings compared to total assets.

Capital structure

For the period from 28 December 2006 (being the date of incorporation) to 31 March 2008

As at 31 March 2008, the Everlong Group was financed by borrowings from an immediate holding company only, which amounted to approximately HK$72.7 million.

For the six months ended 30 September 2008

As at 30 September 2008, the Everlong Group was financed by borrowings from an immediate holding company and bank, which amounted to approximately HK$79.8 million and approximately HK$35.2 million respectively.

Material Acquisition

For the period from 28 December 2006 (being the date of incorporation) to 31 March 2008

On 23 March 2007, the Everlong Group, through its wholly owned subsidiary, acquired 100% equity interest in Allied Victory Investment Limited which then held 6 investment properties of the Investment Properties.

For the six months ended 30 September 2008

The Company had no material acquisitions or disposals of subsidiaries or associated companies during the relevant period.

Staff Cost

For the period from 28 December 2006 (being the date of incorporation) to 31 March 2008

During the relevant period, the Everlong Group incurred staff cost of approximately HK$240,000 which was allocated by the LeRoi Group to the Everlong Group in consideration of the services provided by employees of the LeRoi Group to the Everlong Group.

For the six months ended 30 September 2008

During the relevant period, the Everlong Group incurred staff cost of approximately HK$525,000 which was allocated by the LeRoi Group to the Everlong Group in consideration of the services provided by employees of the LeRoi Group to the Everlong Group.

Foreign Exchange

For the period from 28 December 2006 (being the date of incorporation) to 31 March 2008

During the relevant period, the Everlong Group did not have exposure to the risk of exchange rate's fluctuations as the Everlong Group had its all assets and liabilities in term of Hong Kong dollars.

For the six months ended 30 September 2008

During the relevant period, the Everlong Group did not have exposure to the risk of exchange rate's fluctuations as the Everlong Group had its all assets and liabilities in term of Hong Kong dollars.

Contingent Liabilities

For the period from 28 December 2006 (being the date of incorporation) to 31 March 2008

As at 31 March 2008, the Everlong Group did not have any significant contingent liabilities.

For the six months ended 30 September 2008

As at 30 September 2008, the Everlong Group did not have any significant contingent liabilities.

Charges on assets

For the period from 28 December 2006 (being the date of incorporation) to 31 March 2008

As at 31 March 2008, the Everlong Group did not have any charges on assets.

For the six months ended 30 September 2008

As at 30 September 2008, 22 properties had been pledged for bank mortgage loan of outstanding balance of approximately HK$35.2 million.

Future Plans and Prospects

In view of the high density population and the growing demand for residential real estates in Hong Kong in the long term, the Everlong Group is optimistic about the growth prospects of investment properties in Hong Kong and expects the property market to continue to generate attractive rental income for the Everlong Group in the long term.

In this regard, the Everlong Group will continue to rent out the Investment Properties and will continue to look for potential investment opportunities in the property market in Hong Kong to enhance its business, to optimise its scope and to further strengthen its foothold in the investment property market in Hong Kong. As at the Latest Practicable Date, the Everlong Group has not identified any possible acquisitions.

The following is the text of a report, prepared for the sole purpose of incorporation in this circular, received from the independent reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong.

ERNST & YOUNG
安 永

18th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong

6 March 2009

The Directors
Wang On Group Limited

Dear Sirs

We report on the unaudited pro forma statement of assets and liabilities (the "Unaudited Pro Forma Financial Information") of Wang On Group Limited (the "Company") and its subsidiaries and jointly-controlled entities (hereafter collectively referred to as the "Group") set out on pages III-3 to III-5 in Appendix III of the Company's circular dated 6 March 2009 (the "Circular") in connection with the proposed acquisition of 100% interest in Everlong Limited (the "Acquisition") by the Group. The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company, for illustrative purposes only, to provide information about how the Acquisition might have affected the assets and liabilities of the Group if the Acquisition had taken place at 30 September 2008.

Respective responsibilities of directors of the Company and reporting accountants

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants.

It is our responsibility to form an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with the Hong Kong Standard on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company. This engagement did not involve independent examination of any underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgments and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of the financial position of the Group as at 30 September 2008 or any future dates.

Opinion

In our opinion:

(i) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;

(ii) such basis is consistent with the accounting policies of the Group; and

(iii) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully
Ernst & Young
Certified Public Accountants
Hong Kong

INTRODUCTION

The unaudited pro forma statement of assets and liabilities of the Enlarged Group set out below has been prepared to illustrate the effect of the Acquisition on the assets and liabilities of the Group, as if the Acquisition had taken place on 30 September 2008, and is based on the historical consolidated balance sheet of the Group and the historical combined balance sheet of the Everlong Group with further adjustments as explained in the notes below. The unaudited pro forma statement of assets and liabilities has been prepared for illustrative purposes only and, because of its nature, may not give a true picture of the financial position of the Enlarged Group.

The historical consolidated balance sheets of the Group and the historical combined balance sheet of the Everlong Group as at 30 September 2008 have been extracted from the published interim report of the Company for the period ended 30 September 2008 and the accountants' report of the Everlong Group as set out in Appendix II to this circular, respectively.

UNAUDITED PRO FORMA STATEMENT OF ASSETS AND LIABILITIES OF THE ENLARGED GROUP

AS AT 30 SEPTEMBER 2008

	The Group	**Everlong Group**	**Pro forma adjustments**		**Pro forma Enlarged Group**
	HK$'000	*HK$'000*	*HK$'000*	*Note*	*HK$'000*
	(Unaudited)	(Audited)	(Unaudited)		(Unaudited)
NON-CURRENT ASSETS					
Property, plant and equipment	204,449	254			204,703
Prepaid land lease payments	3,337	–			3,337
Investment properties	612,545	107,520	(14,774)	*(ii) (b)*	710,745
			5,454	*(ii) (a)*	
Goodwill	7,820	–			7,820
Interests in associates	255,881	–			255,881
Held-to-maturity financial assets	6,094	–			6,094
Other intangible assets	21,210	–			21,210
Loans receivable	12,739	–			12,739
Rental deposits paid	10,423	–			10,423
Deferred tax assets	4,342	–			4,342
	1,138,840	107,774			1,237,294
CURRENT ASSETS					
Properties held for sale	14,361	–			14,361
Properties under development	313,052	–			313,052
Inventories	4,305	–			4,305
Trade receivables	2,523	28			2,551
Prepayments, deposits and other receivables	40,594	1,083			41,677
Financial assets at fair value through profit or loss	23,648	–			23,648
Tax recoverable	883	–			883
Cash and cash equivalents	443,208	3,224	(63,372)	*(i)*	380,939
			(2,121)	*(ii) (a)*	
	842,574	4,335			781,416

	The Group	Everlong Group	Pro forma adjustments		Pro forma Enlarged Group
	HK$'000	*HK$'000*	*HK$'000*	*Note*	*HK$'000*
	(Unaudited)	(Audited)	(Unaudited)		(Unaudited)
CURRENT LIABILITIES					
Trade payables	8,729	–			8,729
Other payables and accruals	82,799	1,550			84,349
Deposits received and receipts in advance	45,270	–			45,270
Due to immediate holding company	–	79,836	(83,169)	*(i)*	–
			3,333	*(ii) (a)*	
Derivative financial instruments	718	–			718
Interest-bearing bank loans	127,742	3,634			131,376
Provision for onerous contracts	1,090	–			1,090
Tax payable	29,489	–			29,489
	295,837	85,020			301,021
NET CURRENT ASSETS/(LIABILITIES)	546,737	(80,685)			480,395
TOTAL ASSETS LESS CURRENT LIABILITIES	1,685,577	27,089			1,717,689
NON-CURRENT LIABILITIES					
Interest-bearing bank loans	401,672	31,578			433,250
Provision for onerous contracts	1,960				1,960
Deferrred tax liabilities	15,104	330	(330)	*(ii) (b)*	15,104
	418,736	31,908			450,314
NET ASSETS/(LIABILITIES)	1,266,841	(4,819)			1,267,375
EQUITY					
Equity attributable to equity holders of the parent					
Issued capital	39,339	–			39,339
Reserves	1,151,531	(4,819)	4,819	*(ii) (c)*	1,152,065
			534	*(ii) (d)*	
	1,190,870	(4,819)			1,191,404
Minority interests	75,971	–			75,971
TOTAL EQUITY	1,266,841	(4,819)			1,267,375

Notes:

(i) These adjustments reflect the aggregate consideration of HK$63,372,000 payable by the Group for the Acquisition and the assignment of the Sale Loan (taking into account the adjustment made in (ii) below). Pursuant to the Acquisition Agreement and as announced by the Company, the consideration will be settled by cash in full upon completion of the Acquisition and the Group will finance the consideration by internal resources.

(ii) Under generally accepted accounting principles in Hong Kong, the Group will apply the purchase method to account for the Acquisition.

In applying the purchase method, the identifiable assets, liabilities and contingent liabilities of the Everlong Group will be recorded on the consolidated balance sheet of the Enlarged Group at their fair values at the date of completion of the Acquisition. Any excess of the Group's interest in the net fair value of the Everlong Group's identified assets, liabilities and contingent liabilities over the cost of acquisition of the Everlong Group at the date of completion of the Acquisition will be recognised immediately in the consolidated income statement.

For the purposes of calculating the excess over the cost of acquisition of the Everlong Group and preparing the unaudited pro forma statement of assets and liabilities of the Enlarged Group immediately upon completion of the Acquisition, the book values of the assets and liabilities of the Everlong Group as at 30 September 2008 as extracted from the accountants' report set out in Appendix II to this Circular have been used, except for the fair value of the investment properties held by the Everlong Group. The fair value of the investment properties portfolio of the Everlong Group has been adjusted based on the valuations performed by Vigers Appraisal & Consulting Limited as at 31 January 2009 (taking into account an addition of HK$5,454,000 subsequent to 30 September 2008) and the deficit arising therefor of HK$14,774,000 is considered by the directors of the Company as material to illustrate the effect of the Acquisition.

A formal valuation of the identified assets, liabilities and contingent liabilities of the Everlong Group will be performed on the date of completion of the Acquisition and their fair values may be different with those used in preparing this pro forma statement of assets and liabilities and, accordingly, the actual amount of the excess over the cost of acquisition of the Everlong Group may be different from that shown below.

In summary, the adjustments reflect:

(a) the recognition of an addition to investment properties by the Everlong Group of HK$5,454,000 which was financed as to HK$2,121,000 by cash and HK$3,333,000 by advances from the immediate holding company;

(b) the recognition of a deficit of HK$14,774,000 and the related deferred tax impact arising from the revaluation of investment properties of the Everlong Group as at 31 January 2009;

(c) the elimination of all the share capital and reserves of the Everlong Group, amounting to HK$4,819,000, as pre-acquisition reserves; and

(d) The recognition of the excess over the cost of acquisition of the Everlong Group of HK$534,000 to the consolidated income statement of the Enlarged Group.

The following is the text of a letter, summary of valuation prepared for the purpose of incorporation in this circular with its valuation as at 31 January 2009.

Vigers Appraisal & Consulting Limited
10th Floor, The Grande Building
398 Kwun Tong Road
Kowloon
Hong Kong

VIGERS 威格斯

The Directors
Wang On Group Limited
Unit A, 5/F, Wai Yuen Tong Medicine Building
9 Wang On Road
Kowloon Bay
Kowloon
Hong Kong

The Directors
LeRoi Holdings Limited
Unit A, 5/F, Wai Yuen Tong Medicine Building
9 Wang On Road
Kowloon Bay
Kowloon
Hong Kong

6 March 2009

Dear Sirs,

RE: VALUATION OF VARIOUS PROPERTIES IN HONG KONG

In accordance with your instructions for us to value the above property interests owned by the subsidiary of Everlong Limited (together referred to as the "Group"), we confirm that we have carried out an inspection, made relevant enquiries and obtained such information as we consider necessary for the purpose of providing you with our opinion of its value as at 31 January 2009 (the "Valuation Date").

Our valuation represents our opinion of the market value. Market Value is defined as intended to mean – "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing selling on an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

Our valuations have been made on the assumption that the properties that the owner sold the properties in the open market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any other similar arrangement which could serve to increase or decrease the values of the properties.

The properties are held by the Group for investment purposes. We have valued the properties by direct comparison approach with reference to market comparables with due allowances for the differences between the comparables and the properties. Where appropriate, we have also valued the properties by capitalisation of the net rental income obtained from the property with allowances for reversionary income potential.

We have relied to a considerable extent on the information by the Group and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, lettings and rental income, floor areas, and all other relevant matters. All documents have been used for reference only and all dimensions, measurements and areas are approximates.

We have caused searches to be made at the Land Registry. We have to stress that we have not been provided the original copies of all the documents to verify their accuracy. In any events, we reserve the right to revise our valuations should there disclose any information which is in contravention to the information provided to us.

We have inspected the exterior of the properties. However, we have not carried out any structural surveys nor have we inspected woodwork or other parts of the structures which were covered, unexposed or inaccessible to us. We are therefore unable to report whether the properties were free from any structural or non-structural defect.

We have not arranged for any investigation to be carried out to determine whether or not high alumina cement concrete or calcium chloride additive or pulverized fly ash, or any other deleterious material has been used in the construction of these properties and we are therefore unable to report that the properties are free from risk in this respect. For the purpose of this valuation, we have assumed that such investigation would not disclose the presence of any such material in any adverse conditions.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the properties for any expenses or taxation which might be incurred in effecting a sale. Unless otherwise stated, we have assumed that the properties were free from any encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

Our valuations have been prepared in accordance with "The HKIS Valuation Standards on Properties (First Edition 2005)" published by The Hong Kong Institute of Surveyors, and the relevant provisions in the Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (Main Board).

We enclose herewith the summary of values and valuation certificates.

Yours faithfully,
For and on behalf of
VIGERS APPRAISAL & CONSULTING LIMITED
Gilbert K. M. YUEN
Registered Professional Surveyor
MRICS MHKIS
Executive Director

Note: Mr. Gilbert K. M. Yuen is a Registered Professional Surveyor in General Practice Division with over 20 years' valuation experience on properties in Hong Kong.

SUMMARY OF VALUES

Property interests in Hong Kong held for investment by the Group

		Market Value as at 31 January 2009
1.	7th Floor, No. 33 Wong Chuk Street, Kowloon	1,000,000
2.	7th Floor (Flat C on 7th Floor), Dun Tak Mansion, No. 127 Portland Street, Kowloon	2,400,000
3.	9th Floor, No. 10 Shek Kip Mei Street, Kowloon	1,450,000
4.	Eighth Floor, No. 253 Tai Nan Street, Kowloon	880,000
5.	7th Floor, Kwok Chai Building, No. 137 Sai Yee Street, Kowloon	2,300,000
6.	8th Floor, Kwok Chai Building, No. 137 Sai Yee Street, Kowloon	2,380,000
7.	Flat A6 on 3rd Floor of Block A, Lockhart House, No. 441 Lockhart Road and No. 440 Jaffe Road, Hong Kong	2,650,000
8.	Flat F on 4th Floor, Wing Ming Building, Nos. 34/42 Yen Chow Street, Kowloon	1,100,000
9.	2nd Floor, No. 675 Shanghai Street, Kowloon	1,380,000
10.	6th Floor, No. 258 Apliu Street, Kowloon	800,000
11.	Front Portion of 4th Floor, No. 60 Castle Peak Road, Kowloon	1,450,000
12.	5th Floor, No. 524 Jaffe Road, Hong Kong	2,100,000
13.	Flat B on 5th Floor, Po Tai Building, No. 180 Nam Cheong Street, Kowloon	1,250,000
14.	5th Floor of Block F, No. 89 Chung On Street, Tsuen Wan, New Territories	1,230,000
15.	Flat A on 8th Floor, Nos. 479 & 481 Hennessy Road and No. 29 Percival Street, Hong Kong	3,400,000

		Market Value as at 31 January 2009
16.	Flat A on 11th Floor, May Ming Mansion, No. 312 Nathan Road, Kowloon	2,700,000
17.	Flat B on 6th Floor, Nos. 117-123 Hennessy Road, Hong Kong	3,600,000
18.	1st Floor, No. 23C Fuk Wing Street, Kowloon	1,100,000
19.	Flat D on Sixth Floor, Po Cheong Building, Nos. 148-154 Nam Cheong Street, Kowloon	1,200,000
20.	Flat A on 6th Floor, Wellcome Mansion, Nos. 233, 233A, 235, 237 & 239 Cheung Sha Wan Road and No. 38K Kweilin Street, Kowloon	1,450,000
21.	Flat C on 2nd Floor, Tsang Cheung House, Nos. 444, 444A, 446 & 446A Nathan Road, Kowloon	2,100,000
22.	Flat F on 10th Floor, Thai Kong Building, No. 482 Hennessy Road, Hong Kong	2,300,000
23.	7th Floor, No. 3 Un Chau Street, Kowloon	1,650,000
24.	Flat C on 8th Floor, Pak Lok Building, Nos. 322-326A Nathan Road, Kowloon	2,380,000
25.	Flat C on 6th Floor, Rex House, Nos. 648, 650 & 652 Nathan Road, Kowloon	1,880,000
26.	Unit A on 6th Floor, Parkes Building, Nos. 17-23 Parkes Street, Kowloon	1,150,000
27.	2nd Floor, No. 30D Fuk Wing Street, Kowloon	820,000
28.	5th Floor, No. 132A Electric Road, Hong Kong	2,400,000
29.	Flat 413 on 4th Floor, Sincere House, No. 83 Argyle Street, Kowloon	2,000,000
30.	Flat B on 11th Floor, Wen Pang Building, Nos. 270-272 Lai Chi Kok Road and Nos. 66-68 Nam Cheong Street, Kowloon	1,480,000

		Market Value as at 31 January 2009
31.	Unit A on 4th Floor & Flat Roof thereof, Parkes Building, Nos. 17-23 Parkes Street, Kowloon	1,280,000
32.	Apartment No. P-7 on 7th Floor, Wing Lung Building, Nos. 220-240 & 240A Castle Peak Road and Nos. 20 & 22 Wing Lung Street, Kowloon	980,000
33.	Unit B on 4th Floor & Flat Roof thereof, Parkes Building, Nos. 17-23 Parkes Street, Kowloon	1,150,000
34.	7th Floor, No. 64 Cheung Sha Wan Road, Kowloon	1,300,000
35.	Flat G on 7th Floor, Lung Wa Building, No. 22 Fuk Wa Street, Kowloon	1,500,000
36.	Flat No. 5 on 1st Floor, Tai Yue Mansion, No. 133 Sai Yee Street, Kowloon	2,000,000
37.	Flat 1 on 1st Floor together with Portion of the Flat Roof (also known as Flat A on 1st Floor), No. 174 Jockey Club Road, North, New Territories	1,200,000
38.	Flat M on 4th Floor, Lung Wa Building, No. 22 Fuk Wa Street, Kowloon	1,020,000
39.	Unit B on 6th Floor, Parkes Building, Nos. 17-23 Parkes Street, Kowloon	1,150,000
40.	2nd Floor, Golden Jubilee House, No. 399 Lockhart Road, Hong Kong	2,550,000
41.	11th Floor, No. 501 Nathan Road, Kowloon	1,880,000
42.	3rd Floor, No. 192 Tai Nan Street, Kowloon	1,420,000
43.	Ninth Floor, No. 13 Cheung Sha Wan Road, Kowloon	2,000,000
44.	Flat A on 6th Floor, No. 240 Lockhart Road, Hong Kong	2,430,000
45.	Unit A on 8th Floor, Parkes Building, Nos. 17-23 Parkes Street, Kowloon	1,200,000
46.	1st Floor Rear Portion, No. 1 San Lok Street, Shek Wu Hui, Sheung Shui, New Territories	1,550,000

		Market Value as at 31 January 2009
47.	5th Floor of Block H, Golden Horse Mansion, No. 27 Mansion Street, Hong Kong	2,150,000
48.	6th Floor and its Interior Wall, No. 463 Hennessy Road, Hong Kong	2,100,000
49.	7th Floor, No. 109 Cheung Sha Wan Road, Kowloon	1,450,000
50.	Unit A on 10th Floor, Parkes Building, Nos. 17-23 Parkes Street, Kowloon	1,200,000
51.	Unit B on 8th Floor, Parkes Building, Nos. 17-23 Parkes Street, Kowloon	1,150,000
52.	7th Floor, No. 250A Cheung Sha Wan Road, Kowloon	960,000
53.	Flat B on 10th Floor, Parkes Building, Nos. 17-23 Parkes Street, Kowloon	1,150,000
54.	Flat E on 35th Floor of Block 2, Royal Ascot, No. 1 Tsun King Road, Shatin, New Territories	9,450,000
		HK$98,200,000

VALUATION CERTIFICATE

Property interests held for investment by the Group in Hong Kong

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
1.	7th Floor, No. 33 Wong Chuk Street, Kowloon 1/8th share of and in the Remaining Portion of New Kowloon Inland Lot No. 2309.	The property comprises a residential unit of an 8-storey composite building, which was completed in 1959. The property has a saleable area of approximately 631 sq.ft. (58.62 sq.m.). The property is held under a Government Lease for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value of for the time being of the property.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 22 January 2010. As at 31 January 2009, the total monthly rent receivable was HK$9,100.	HK$1,000,000

Notes:

1. The registered owner is Allied Victory Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB304686 dated 21 October, 1959. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Allied Victory Investment Limited vide Memorial No. 08052901680011 dated 2 May, 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
2.	7th Floor (Flat C on 7th Floor), Dun Tak Mansion, No. 127 Portland Street, Kowloon 1/40th share of and in Kowloon Inland Lot Nos. 8121 and 8160.	The property comprises a residential unit in a 10-storey composite building, which was completed in 1963. The property has a saleable area of approximately 921 sq.ft. (85.56 sq.m.). The property is held under Conditions of Re-Grant Nos. 6852 and 6970 for a term of 150 years commencing from 25 December 1887. The government rent is totally HK$214 per annum for the whole of Kowloon Inland Lot Nos. 8121 and 8160.	As provided by the Group, the property is divided into 6 sub-units and all of them are tenanted with the latest expiry date on 18 January 2011. As at 31 January 2009 the total monthly rent receivable was HK$20,600.	HK$2,400,000

Notes:

1. The registered owner is Allied Victory Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB418488 dated 23 October 1963. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to the following orders:

   i. Order No. DR00189/K/07 by the Building Authority under S.28(3) of the Buildings Ordinance (Re: For common drains only) vide Memorial No. 07101501330023 dated 14 September 2007.

   ii. Order No. C/TF/003575/08/K by the Building Authority under S.24(1) of the Buildings Ordinance (Re: Common parts) vide Memorial No. 08121600570338 dated 17 September 2008.

4. According to the Group, the estimated costs to comply with the above Building Orders are in the total sum of HK$369,791, of which the property will share HK$9,245 in proportion to the undivided shares. Our valuation has not reflected this estimated sum.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
3.	9th Floor, No. 10 Shek Kip Mei Street, Kowloon 4/156th shares of and in the Remaining Portion of New Kowloon Inland Lot No. 1152 and the Remaining Portion of New Kowloon Inland Lot No. 1283.	The property comprises a residential unit in a 13-storey composite building completed in 1963. The property has a saleable area of approximately 602 sq.ft. (55.93 sq.m.). The property is held under a Government Lease for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value of for the time being of the property.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 31 December 2009. As at 31 January 2009 the total monthly rent receivable was HK$10,600.	HK$1,450,000

Notes:

1. The registered owner is Allied Victory Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB424625 dated 20 January 1964. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Allied Victory Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
4.	Eighth Floor, No. 253 Tai Nan Street, Kowloon 1/9th share of and in the Remaining Portion of New Kowloon Inland Lot No. 19.	The property comprises a residential unit of a 9-storey composite building, which was completed in 1960. According to the information provided by the Rating and Valuation Department, the property has a saleable area of approximately 593 sq.ft. (55.09 sq.m.). The property is held under a Government Lease for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value of for the time being of the property.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 16 January 2010. As at 31 January 2009 the total monthly rent receivable was HK$8,150.	HK$880,000

Notes:

1. The registered owner is Allied Victory Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenants vide Memorial No. UB334512 dated 17 February 1961. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Allied Victory Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
5.	7th Floor, Kwok Chai Building, No. 137 Sai Yee Street, Kowloon 1/57th share of and in the Remaining Portion of Section A and the Remaining Portion of Kowloon Inland Lot No. 2147.	The property comprises a residential unit in a 17-storey composite building, which was completed in 1965. The property has a saleable area of approximately 983 sq.ft. (91.32 sq.m.). The property is held under Government Lease for a term of 75 years commencing from 22 October 1928 and renewable for a further term of 75 years. The government rent is HK$1,318 per annum.	As provided by the Group, the property is divided into 5 sub-units and all of them are tenanted with the latest expiry on 31 December 2009. As at 31 January 2009, the total monthly rent receivable was HK$21,900.	HK$2,300,000

Notes:

1. The registered owner is Allied Victory Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB487401 dated 12 May 1965. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Allied Victory Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
6.	8th Floor, Kwok Chai Building, No. 137 Sai Yee Street, Kowloon 1/57th share of and in the Remaining Portion of Section A and the Remaining Portion of Kowloon Inland Lot No. 2147.	The property comprises a residential unit in a 17-storey composite building, which was completed in 1965. The property has a saleable area of approximately 983 sq.ft. (91.32 sq.m.). The property is held under Government Lease for a term of 75 years commencing from 22 October 1928 and renewable for a further term of 75 years. The government rent is HK$1,318 per annum.	As provided by the Group, the property is divided into 5 sub-units and all of them are tenanted with the latest expiry on 31 July 2009. As at 31 January 2009, the total monthly rent receivable was HK$23,500.	HK$2,380,000

Notes:

1. The registered owner is Allied Victory Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB487401 dated 12 May 1965. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Allied Victory Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
7.	Flat A6 on 3rd Floor of Block A, Lockhart House, No. 441 Lockhart Road and No. 440 Jaffe Road, Hong Kong 14/4348th shares of and in the Remaining Portion of Section F, the Remaining Portion of Sub-section 1 of Section F, the Remaining Portion of Sub-section 1 of Section I and the Remaining Portion of Section I of Inland Lot No. 2833, Section E and the Remaining Portion of Inland Lot No. 2835 and the Remaining Portion of Inland Lot No. 6304.	The property comprises a residential unit in the Block A of Lockhart House, which is development consists of two residential towers over a two-storey commercial podium. Block A rises 26 storeys and was completed in 1979. The property has gross floor area and saleable area of approximately 671 sq.ft. (62.34 sq.m.) and 552 sq.ft. (51.28 sq.m.) respectively. The property is held under Government Leases of Inland Lot No. 2833, Inland Lot No. 2835 and Inland Lot No. 6304, each for a term of 99 years renewable for a term of 99 years commencing from 15 April 1929, 25 May 1929 and 18 October 1947 respectively. The government rent is totally [HK$1,744] per annum for the whole of Inland Lot Nos. 2833, 2835 and 6304.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 30 November 2009. As at 31 January 2009 the total monthly rent receivable was HK$19,700.	HK$2,650,000

Notes:

1. The registered owner is Allied Victory Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Covenant vide Memorial No. UB1744911 dated 6 June 1979. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Allied Victory Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
8.	Flat F on 4th Floor, Wing Ming Building, Nos. 34/42 Yen Chow Street, Kowloon 7/900th shares of and in the Remaining Portion, the Remaining Portion of Section C and the Remaining Portion of Section B of New Kowloon Inland Lot No. 930.	The property comprises a residential unit in a 13-storey composite building, which was completed in 1971. The property has a saleable area of approximately 487 sq.ft. (45.24 sq.m.). The property is held under a Government Lease for a term expiring on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value of for the time being of the property.	As provided by the Group, the property is divided into 3 sub-units and all of them are tenanted with the latest expiry on 18 December 2009. As at 31 January 2009, the total monthly rent receivable was HK$11,100.	HK$1,100,000

Notes:

1. The registered owner is Allied Victory Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB843653 dated 8 October 1971. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Allied Victory Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
9.	2nd Floor, No. 675 Shanghai Street, Kowloon 1/10th share of and in Kowloon Inland Lot No. 10830.	The property comprises a residential unit in a 10-storey composite building, which was completed in 1966. The property has a saleable area of approximately 560 sq.ft. (52.03 sq.m.). The property is held under a Government Lease for a term from 28 June 1985 to 30 June 2047. The annual government rent is equivalent to 3% of the rateable value of for the time being of the property.	As provided by the Group, the property is divided into 3 sub-units and all of them are tenanted with the latest expiry on 31 October 2009. As at 31 January 2009, the total monthly rent receivable was HK$11,700.	HK$1,380,000

Notes:

1. The registered owner is Goldbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB3976641 dated 13 January 1989. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Goldbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
10.	6th Floor, No. 258 Apliu Street, Kowloon 1/30th share of and in New Kowloon Inland Lot No. 393 and the Remaining Portion of New Kowloon Inland Lot No. 1306.	The property comprises a residential unit in a 9-storey composite building, which was completed in 1966. The property has a saleable area of approximately 431 sq.ft. (40.04 sq.m.). The property is held under a Government Lease for a term expiring on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value of for the time being of the property.	As provided by the Group, the property is divided into 3 sub-units and all of them are tenanted with the latest expiry on 24 November 2009. As at 31 January 2009 the total monthly rent receivable was HK$7,700.	HK$800,000

Notes:

1. The registered owner is Goldbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB607720 dated 27 November 1967. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to the following orders:

   i. Order No. UBZ/U31-53/0022/06 by the Building Authority under S.24(1) of the Buildings Ordinance vide Memorial No. 07100301160214 dated 17 March 2007.

   ii. Order No. DBZ/U31-53/0001/06 by the Building Authority under S.26 of the Buildings Ordinance vide Memorial No. 07100301160319 dated 6 July 2007.

   iii. Order No. DRZ/U31-53/0001/06 by the Building Authority under S.28(3) of the Buildings Ordinance vide Memorial No. 07100301160327 dated 2 August 2007.

4. According to the Group, the estimated costs to comply with the above Building Orders are in the total sum of HK$546,034, of which the property will share HK$18,019 in proportion to the undivided shares. Our valuation has not reflected this estimated sum.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
11.	Front Portion of 4th Floor, No. 60 Castle Peak Road, Kowloon 1/144th share of and in New Kowloon Inland Lot No. 2702.	The property comprises a residential unit in a 12-storey composite building, which was completed in 1962. The property has a saleable area of approximately 606 sq.ft. (56.30 sq.m.). The property is held under a Government Lease for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value of for the time being of the property.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 9 November 2009. As at 31 January 2009, the total monthly rent receivable was HK$14,300.	HK$1,450,000

Notes:

1. The registered owner is Goldbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB359776 dated 17 January 1962. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Goldbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
12.	5th Floor, No. 524 Jaffe Road, Hong Kong 1/18th share of and in Sub-section 3 of Section F of Marine Lot No. 52 and the Extension thereto.	The property comprises a residential unit in a 9-storey composite building, which was completed in 1961. The property has a saleable area of approximately 725 sq.ft. (67.35 sq.m.). The property is held under Government Lease for a term of 999 years commencing from 25 June 1843. The government rent is HK$12 per annum for the whole of the lot.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 11 November 2009. As at 31 January 2009, the total monthly rent receivable was HK$18,000.	HK$2,100,000

Notes:

1. The registered owner is Goldbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB412190 dated 16 September 1963. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Goldbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
13.	Flat B on 5th Floor, Po Tai Building, No. 180 Nam Cheong Street, Kowloon 1/49th share of and in the Remaining Portion of Section A, the Remaining Portion of Section B and the Remaining Portion of Section C of New Kowloon Inland Lot No. 386.	The property comprises a residential unit in a 13-storey composite building, which was completed in 1966. The property has a saleable area of approximately 507 sq.ft. (47.10 sq.m.). The property is held under a Government Lease for a term expiring on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value of for the time being of the property.	As provided by the Group, the property is divided into 3 sub-units and all of them are tenanted with the latest expiry on 31 December 2009. As at 31 January 2009, the total monthly rent receivable was HK$11,350.	HK$1,250,000

Notes:

1. The registered owner is Goldbo Investment Limited which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB629283 dated 7 May 1968. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Goldbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
14.	5th Floor of Block F, No. 89 Chung On Street, Tsuen Wan, New Territories 1/66th share of and in the Remaining Portion of Lot No. 2013 in D.D. 449.	The property comprises a residential unit in a 6-storey composite building, which was completed in 1958. According to the information provided by the Rating and Valuation Department, the property has a saleable area of approximately 647 sq.ft. (60.11 sq.m.). The property is held from the Government under New Grant No. 3504 for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value of for the time being of the property.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 31 December 2009. As at 31 January 2009, the total monthly rent receivable was HK$12,900.	HK$1,230,000

Notes:

1. The registered owner is Goldbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Covenant vide Memorial No. TW68754 dated 14 July 1959. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to the following orders:

   i. Order No. D003/NT/99/B/CE under S.26 of the Buildings Ordinance by the Building Authority vide Memorial No. TW1327783 dated 7 December, 1999.

   ii. Order No. CRT/RT/009717/05/NT by the Building Authority under S.24(1) of the Buildings Ordinance vide Memorial No. 06011901470155 dated 20 December, 2005.

4. According to the Group, the estimated costs to comply with the above Building Orders are in the total sum of HK$1,489,551, of which the property will share HK$22,343 in proportion to the undivided shares. Our valuation has not reflected this estimated sum.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
15.	Flat A on 8th Floor, Nos. 479 & 481 Hennessy Road and No. 29 Percival Street, Hong Kong 2/85th shares of and in the Remaining Portion of Inland Lot No. 7160 and the Remaining Portion of Inland Lot No. 7161.	The property comprises a residential unit in a 16-storey composite building, which was completed in 1965. The property has a saleable area of approximately 820 sq.ft. (76.18 sq.m.). The property is held under a Government Lease for a term of 99 years commencing from 15 April 1929 and renewable for a further term of 99 years. The government rent is totally HK$22 per annum for the whole of Inland Lot Nos. 7160 and 7161.	As provided by the Group, the property is divided into 5 sub-units and all of them are tenanted with the latest expiry on 21 January 2010. As at 31 January 2009, the total monthly rent receivable was HK$25,200.	HK$3,400,000

Notes:

1. The registered owner is Goldbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB524680 dated 5 March 1966. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Goldbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
16.	Flat A on 11th Floor, May Ming Mansion, No. 312 Nathan Road, Kowloon 1/27th share of and in the Remaining Portion of Kowloon Inland Lot No. 3596.	The property comprises a residential unit in a 13-storey composite building, which was completed in 1965. The property has a saleable area of approximately 879 sq.ft. (81.66 sq.m.). The property is held under a Government Lease for a term of 75 years commencing from 14 September 1914 and renewed for a further term of 75 years. The government rent is HK$1,584 per annum.	As provided by the Group, the property is divided into 6 sub-units and four of them are tenanted with the latest expiry on 17 January 2010. As at 31 January 2009, the total monthly rent receivable was HK$15,500. The remaining units are vacant.	HK$2,700,000

Notes:

1. The registered owner is Goldbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Goldbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
17.	Flat B on 6th Floor, Nos. 117-123 Hennessy Road, Hong Kong 2/131st shares of and in the Remaining Portion of Inland Lot No. 3809, the Remaining Portion of Inland Lot No. 3810, the Remaining Portion of Inland Lot No. 3813 and the Remaining Portion of Inland Lot No. 3814.	The property comprises a residential unit in a 17-storey composite building, which was completed in 1970. The property has a saleable area of approximately 834 sq.ft. (77.48 sq.m.). The property is held under Government Leases for a term of 99 years commencing from 25 May 1929 and renewable for a further term of 99 years. The government rent is totally HK$48 per annum for the whole of Inland Lot Nos. 3809, 3810, 3813 and 3814.	As provided by the Group, the property is divided into 5 sub-units and all of them are tenanted with the latest expiry on 19 January 2010. As at 31 January 2009, the total monthly rent receivable was HK$25,400.	HK$3,600,000

Notes:

1. The registered owner is Goldbo Investment Limited which, is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB754201 dated 25 July 1970. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Goldbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
18.	1st Floor, No. 23C Fuk Wing Street, Kowloon 1/8th share of and in Section D of New Kowloon Inland Lot No. 2310.	The property comprises a residential unit in an 8-storey composite building, which was completed in 1959. The property has a saleable area of approximately 527 sq.ft. (48.96 sq.m.). The property is held under a Government Lease for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value of for the time being of the property.	As provided by the Group, the property is divided into 3 sub-units and all of them are tenanted with the latest expiry on 28 January 2010. As at 31 January 2009, the total monthly rent receivable was HK$10,200.	HK$1,100,000

Notes:

1. The registered owner is Goldbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB307000 dated 1 December 1959. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Goldbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
19.	Flat D on Sixth Floor, Po Cheong Building, Nos. 148-154 Nam Cheong Street, Kowloon 1/74th share of and in the Remaining Portion of New Kowloon Inland Lot No. 1278, the Remaining Portion of New Kowloon Inland Lot No. 1392, the Remaining Portion of New Kowloon Inland Lot No. 1393 and the Remaining Portion of New Kowloon Inland Lot No. 1394.	The property comprises a residential unit in a 13-storey composite building, which was completed in 1969. The property has a saleable area of approximately 480 sq.ft. (44.59 sq.m.). The property is held under Government Leases for a term expiring on 30 June 1997 and has been extended to 30 June 2047 by virtue of New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 3 sub-units and all of them are tenanted with the latest expiry on 14 December 2009. As at 31 January 2009, the total monthly rent receivable was HK$10,100.	HK$1,200,000

Notes:

1. The registered owner is Goldbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant and Grant vide Memorial No. UB714611 dated 28 December 1969. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Superseding Order No. DR00022/K/07 by the Building Authority under S.28(3) of the Buildings Ordinance vide Memorial No. 07031300290127 dated 12 January 2007.

4. According to the Group, a letter dated 26 August 2008 from Messrs. Pansy Leung Tang & Chua, Solicitors acting for the Incorporated Owners of Po Cheong Building has been issued to each of the owners of the building stating the amount each owner has to bear for the purpose of building repairs to comply with the above Building Order. The amount the property has to bear is HK$36,061. Our valuation has not reflected this sum.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
20.	Flat A on 6th Floor, Wellcome Mansion, Nos. 233, 233A, 235, 237 & 239 Cheung Sha Wan Road and No. 38K Kweilin Street, Kowloon 1/78th share of and in the Remaining Portion of New Kowloon Inland Lot No. 1578, the Remaining Portion of New Kowloon Inland Lot No. 1577, the Remaining Portion of New Kowloon Inland Lot No. 1576 and the Remaining Portion of New Kowloon Inland Lot No. 1290.	The property comprises a residential unit in a 13-storey composite building, which was completed in 1964. The property has a saleable area of approximately 549 sq.ft. (51.00 sq.m.). The property is held under Government Leases for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 21 November 2009. As at 31 January 2009, the total monthly rent receivable was HK$13,200.	HK$1,450,000

Notes:

1. The registered owner is Topbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB464950 dated 30 October 1964. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Topbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
21.	Flat C on 2nd Floor, Tsang Cheung House, Nos. 444, 444A, 446 & 446A Nathan Road, Kowloon 1/50th share of and in Section B and the Remaining Portion of Kowloon Inland Lot No. 1464.	The property comprises a residential unit in a 14-storey composite building, which was completed in 1963. The property has a saleable area of approximately 744 sq.ft. (69.12 sq.m.). The property is held under Government Lease for a term of 75 years commencing from 20 March 1922 and renewed for a further term of 75 years. The government rent is HK$3,708 per annum.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 31 March 2009. As at 31 January 2009, the total monthly rent receivable was HK$17,500.	HK$2,100,000

Notes:

1. The registered owner is Topbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Covenant vide Memorial No. UB687718 dated 7 August 1969. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Topbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
22.	Flat F on 10th Floor, Thai Kong Building, No. 482 Hennessy Road, Hong Kong 1/120th share of and in Inland Lot No. 3582.	The property comprises a residential unit in a 23-storey composite building, which was completed in 1966. The property has a saleable area of approximately 544 sq.ft. (50.54 sq.m.). The property is held under a Government Lease for a term of 999 years commencing from 25 June 1862. The government rent is HK$104 per annum for the whole of Inland Lot No. 3582.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 17 April 2009. As at 31 January 2009, the total monthly rent receivable was HK$20,500.	HK$2,300,000

Notes:

1. The registered owner is Topbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB567224 dated 24 December 1966. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Topbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
23.	7th Floor, No. 3 Un Chau Street, Kowloon 2/27th shares of and in the Remaining Portion of New Kowloon Inland Lot No. 1927.	The property comprises a residential unit in a 9-storey composite building, which was completed in 1963. The property has a saleable area of approximately 651 sq.ft. (60.48 sq.m.). The property is held under a Government Lease for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 30 September 2009. As at 31 January 2009, the total monthly rent receivable was HK$15,000.	HK$1,650,000

Notes:

1. The registered owner is Topbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB424476 dated 5 December 1963. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Topbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
24.	Flat C on 8th Floor, Pak Lok Building, Nos. 322-326A Nathan Road, Kowloon 1/72nd share of and in Kowloon Inland Lot Nos. 8030 and 8119.	The property comprises a residential unit in an 18-storey composite building, which was completed in 1964. The property has a saleable area of approximately 763 sq.ft. (70.88 sq.m.). The property is held from the Government under Conditions of Regrant Nos. 6957 and 6951 for a term of 150 years commencing from 25 December 1888. The government rent is HK$8 per annum.	As provided by the Group, the property is divided into 5 sub-units and all of them are tenanted with the latest expiry on 19 November 2009. As at 31 January 2009, the total monthly rent receivable was HK$21,000.	HK$2,380,000

Notes:

1. The registered owner is Topbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB467338 dated 29 October 1964. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Topbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
25.	Flat C on 6th Floor, Rex House, Nos. 648, 650 & 652 Nathan Road, Kowloon 1/55th share of and in the Remaining Portion of Section A, the Remaining Portion of Section B and the Remaining Portion of Sub-section 1 of Section C of Kowloon Inland Lot No. 1388.	The property comprises a residential unit in a 16-storey composite building, which was completed in 1963. The property has a saleable area of approximately 652 sq.ft. (60.57 sq.m.). The property is held under Government Lease for a term of 75 years commencing from 20 October 1919 and renewed for a further term of 75 years. The government rent is HK$2,700 per annum.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 31 August 2009. As at 31 January 2009, the total monthly rent receivable was HK$16,400.	HK$1,880,000

Notes:

1. The registered owner is Topbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB476466 dated 1 February 1965. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of China Construction Bank Corporation to secure part of all sums of money including general banking facilities to Topbo Investment Limited vide Memorial No. 08052901680011 dated 2 May 2008. As advised by the Group, the mortgage will not be discharged before the completion.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
26.	Unit A on 6th Floor, Parkes Building, Nos. 17-23 Parkes Street, Kowloon 1/52nd share of and in the Remaining Portion of Kowloon Inland Lot No. 8775, the Remaining Portion of Kowloon Inland Lot No. 8880, the Remaining Portion of Kowloon Inland Lot No. 8604 and the Remaining Portion of Kowloon Inland Lot No. 8710.	The property comprises a residential unit in a 12-storey composite building, which was completed in 1975. The property has a saleable area of approximately 286 sq.ft. (26.57 sq.m.). The property is held from the Government under Conditions of Regrant Nos. 8064 and 8123 and two Government Leases both a common term of 150 years commencing from 25 December 1887. The government rent is HK$74 per annum.	As provided by the Group, the property is divided into 2 sub-units and all of them are tenanted with the latest expiry on 11 July 2009. As at 31 January 2009, the total monthly rent receivable was HK$8,900.	HK$1,150,000

Notes:

1. The registered owner is Topbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB1219069 dated 1 December 1975. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
27.	2nd Floor, No. 30D Fuk Wing Street, Kowloon 1/16th share of and in the Remaining Portion of Section B of New Kowloon Inland Lot No. 222.	The property comprises a residential unit in a 6-storey composite building, which was completed in 1965. The property has a saleable area of approximately 406 sq.ft. (37.72 sq.m.). The property is held under a Government Lease for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 3 sub-units and all of them are tenanted with the latest expiry on 23 August 2009. As at 31 January 2009, the total monthly rent receivable was HK$10,300.	HK$820,000

Notes:

1. The registered owner is Easytex Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB538237 dated 17 June 1966. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
28.	5th Floor, No. 132A Electric Road, Hong Kong 1/97th share of and in the Remaining Portion of Inland Lot No. 1065.	The property comprises a residential unit in an 11-storey composite building, which was completed in 1964. According to the information provided by the Rating and Valuation Department, the property has a saleable area of approximately 678 sq.ft. (62.99 sq.m.). The property is held under Government Lease for a term of 999 years commencing from 14 February 1887. The government rent is HK$72 per annum for the whole of Inland Lot No. 1065.	As provided by the Group, the property is divided into 5 sub-units and all of them are tenanted with the latest expiry on 31 December 2009. As at 31 January 2009, the total monthly rent receivable was HK$21,000.	HK$2,400,000

Notes:

1. The registered owner is Easytex Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB452119 dated 17 July 1964. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
29.	Flat 413 on 4th Floor, Sincere House, No. 83 Argyle Street, Kowloon 1/289th share of and in Kowloon Inland Lot No. 8241.	The property comprises a residential unit in a 17-storey composite building, which was completed in 1963. The property has a saleable area of approximately 734 sq.ft. (68.19 sq.m.). The property is held under Conditions of Exchange No. 7073 for a term of 75 years commencing from 6 April 1923 and renewed for a further term of 75 years. The government rent is HK$3,082 per annum.	As provided by the Group, the property is divided into 5 sub-units and all of them are tenanted with the latest expiry on 26 September 2009. As at 31 January 2009, the total monthly rent receivable was HK$19,600.	HK$2,000,000

Notes:

1. The registered owner is Easytex Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB411017 dated 21 August 1963. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
30.	Flat B on 11th Floor, Wen Pang Building, Nos. 270-272 Lai Chi Kok Road and Nos. 66-68 Nam Cheong Street, Kowloon 2/76th shares of and in the Remaining Portion of New Kowloon Inland Lot No. 272.	The property comprises a residential unit in a 13-storey composite building, which was completed in 1965. The property has a saleable area of approximately 598 sq.ft. (55.56 sq.m.). The property is held under a Government Lease for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value of for the time being of the property.	As provided by the Group, the property is divided into 4 sub-units and three of them are tenanted with the latest expiry on 12 May 2009. As at 31 January 2009, the total monthly rent receivable was HK$10,200. The remaining unit is vacant.	HK$1,480,000

Notes:

1. The registered owner is Easytex Investment Limited which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenants vide Memorial No. UB823000 dated 12 July 1971. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
31.	Unit A on 4th Floor & Flat Roof thereof, Parkes Building, Nos. 17-23 Parkes Street, Kowloon 1/52nd share of and in the Remaining Portion of Kowloon Inland Lot No. 8775, the Remaining Portion of Kowloon Inland Lot No. 8880, the Remaining Portion of Kowloon Inland Lot No. 8604 and the Remaining Portion of Kowloon Inland Lot No. 8710.	The property comprises a residential unit in a 12-storey composite building, which was completed in 1975. The property has a saleable area and flat roof area of approximately 286 sq.ft. (26.57 sq.m.) and 588 sq.ft. (54.63 sq.m.) respectively. The property is held from the Government under Conditions of Regrant Nos. 8064 and 8123 and two Government Leases for a common term of 150 years commencing from 25 December 1887. The government rent is HK$74 per annum.	As provided by the Group, the property is divided into 5 sub-units and all of them are vacant.	HK$1,280,000

Notes:

1. The registered owner is Easytex Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB1219069 dated 1 December 1975. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
32.	Apartment No. P-7 on 7th Floor, Wing Lung Building, Nos. 220-240 & 240A Castle Peak Road and Nos. 20 & 22 Wing Lung Street, Kowloon 1/243rd share of and in New Kowloon Inland Lot Nos. 3538, 3539 and 3540.	The property comprises a residential unit in a 12-storey composite building, which was completed in 1964. The property has a saleable area of approximately 385 sq.ft. (35.77 sq.m.). The property is held under Government Leases for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value of for the time being of the property.	As provided by the Group, the property is divided into 3 sub-units and all of them are tenanted with the latest expiry on 31 May 2009. As at 31 January 2009, the total monthly rent receivable was HK$9,900.	HK$980,000

Notes:

1. The registered owner is Easytex Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenants vide Memorial No. UB500864 dated 20 August 1965. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
33.	Unit B on 4th Floor & Flat Roof thereof, Parkes Building, Nos. 17-23 Parkes Street, Kowloon 1/52nd share of and in the Remaining Portion of Kowloon Inland Lot No. 8775, the Remaining Portion of Kowloon Inland Lot No. 8880, the Remaining Portion of Kowloon Inland Lot No. 8604 and the Remaining Portion of Kowloon Inland Lot No. 8710.	The property comprises a residential unit in a 12-storey composite building, which was completed in 1964. The property has a saleable area and flat roof area of approximately 278 sq.ft. (25.83 sq.m.) and 110 sq.ft. (10.22 sq.m.) respectively. The property is held from the Government under Conditions of Regrant Nos. 8064 and 8123 and two Government Leases for a common term of 150 years commencing from 25 December 1887. The government rent is HK$74 per annum.	As provided by the Group, the property is divided into 2 sub-units and all of them are tenanted with the latest expiry on 31 July 2009. As at 31 January 2009, the total monthly rent receivable was HK$9,900.	HK$1,150,000

Notes:

1. The registered owner is New Sino Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB1219069 dated 1 December 1975. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
34.	7th Floor, No. 64 Cheung Sha Wan Road, Kowloon 1/40th share of and in the Remaining Portion of New Kowloon Inland Lot No. 1721.	The property comprises a residential unit in a 13-storey composite building, which was completed in 1964. The property has a saleable area of approximately 502 sq.ft. (46.64 sq.m.). The property is held under a Government Lease for a term expiring on 30 June 1997 and has been extended to 30 June 2047 by virtue of New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 3 sub-units and all of them are tenanted with the latest expiry on 10 January 2010. As at 31 January 2009, the total monthly rent receivable was HK$11,400.	HK$1,300,000

Notes:

1. According to the record in the Land Registry, the registered owner is New Sino Investment Limited which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant and Grant vide Memorial No. UB647377 dated 3 September 1968. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
35.	Flat G on 7th Floor, Lung Wa Building, No. 22 Fuk Wa Street, Kowloon 1/144th share of and in the Remaining Portion of Section A, the Remaining Portion of Section B, the Remaining Portion of Section C, the Remaining Portion of Section E, the Remaining Portion of Section F and the Remaining Portion of New Kowloon Inland Lot No. 1637.	The property comprises a residential unit in a 13-storey composite building, which was completed in 1964. The property has a saleable area of approximately 593 sq.ft. (55.09 sq.m.). The property is held under a Government Lease for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 30 June 2009. As at 31 January 2009, the total monthly rent receivable was HK$14,500.	HK$1,500,000

Notes:

1. The registered owner is New Sino Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Covenant vide Memorial No. UB432921 dated 3 April 1964. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to an Order No. D00344/K/07/TD by the Building Authority under S.26 of the Buildings Ordinance (Re: For internal common areas and exterior of the building only) vide Memorial No. 07121402370462 dated 2 November 2007.

4. According to the Group, a letter dated 3 November 2008 from Messrs. S. K. Lam, Alfred Chan & Co. Solicitors & Notaries acting for the Incorporated Owners of Lung Wa Building has been issued to each of the owners of the building stating that an amount in total of HK$4,742,576 is required for the purpose of building repairs to comply with the above Building Order. And that each owner has to bear HK$30,000 and the balance will be paid off out of the building fund of Lung Wa Building. Our valuation has not reflected this sum.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
36.	Flat No. 5 on 1st Floor, Tai Yue Mansion, No. 133 Sai Yee Street, Kowloon 1/92nd share of and in the Remaining Portion of Section C, the Remaining Portion of Section D, the Remaining Portion of Section E and the Remaining Portion of Kowloon Inland Lot No. 1580.	The property comprises a residential unit in a 15-storey composite building, which was completed in 1964. The property has a saleable area of approximately 690 sq.ft. (64.10 sq.m.). The property is held under Conditions of Grant No. 1271 for a term of 75 years commencing from 6 April 1923 and renewed for a further term of 75 years. The government rent is HK$3,072 per annum.	As provided by the Group, the property is divided into 5 sub-units and all of them are tenanted with the latest expiry on 16 November 2009. As at 31 January 2009, the total monthly rent receivable was HK$19,600.	HK$2,000,000

Notes:

1. The registered owner is New Sino Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB435228 dated 1 April 1964. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
37.	Flat 1 on 1st Floor together with Portion of the Flat Roof (also known as Flat A on 1st Floor), No. 174 Jockey Club Road, North, New Territories 1/70th share of and in Lot No. 3831 in D.D. 91.	The property comprises a residential unit in a 3-storey tenement building, which was completed in 1973. The property has a saleable area and flat roof area of approximately 593 sq.ft. (55.09 sq.m.) and 73 sq.ft. (6.78 sq.m.) respectively. The property is held from the Government under New Grant No. 9166 for for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 3 sub-units and all of them are tenanted with the latest expiry on 9 August 2009. As at 31 January 2009, the total monthly rent receivable was HK$11,400.	HK$1,200,000

Notes:

1. The registered owner is New Sino Investment Limited which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. N175124 dated 1 June 1973. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to an Order No. D00398/NT/07 by the Building Authority under S.26 of the Buildings Ordinance vide Memorial No. 08012300511578 dated 21 December 2007.

4. According to the Group, the estimated costs to comply with the above Building Order are in the total sum of HK$847,196, of which the property will share HK$11,861 in proportion to the undivided shares. Our valuation has not reflected this estimated sum.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
38.	Flat M on 4th Floor, Lung Wa Building, No. 22 Fuk Wa Street, Kowloon 1/144th share of and in the Remaining Portion of Section A, the Remaining Portion of Section B, the Remaining Portion of Section C, the Remaining Portion of Section E, the Remaining Portion of Section F and the Remaining Portion of New Kowloon Inland Lot No. 1637.	The property comprises a residential unit in a 13-storey composite building, which was completed in 1964. The property has a saleable area of approximately 408 sq.ft. (37.90 sq.m.). The property is held under a Government Lease for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 3 sub-units and all of them are tenanted with the latest expiry on 15 June 2009. As at 31 January 2009, the total monthly rent receivable was HK$10,400.	HK$1,020,000

Notes:

1. The registered owner is New Sino Investment Limited which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to Deed of Covenant vide Memorial No. UB432921 dated 3 April 1964. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to an Order No. D00344/K/07/TD by the Building Authority under S.26 of the Buildings Ordinance (Re: For internal common areas and exterior of the building only) vide Memorial No. 07121402370462 dated 2 November 2007.

4. According to the Group, a letter dated 3 November 2008 from Messrs. S. K. Lam, Alfred Chan & Co. Solicitors & Notaries acting for the Incorporated Owners of Lung Wa Building has been issued to each of the owners of the building stating that an amount in total of HK$4,742,576 is required for the purpose of building repairs to comply with the above Building Order. And that each owner has to bear HK$30,000 and the balance will be paid off out of the building fund of Lung Wa Building. Our valuation has not reflected this sum.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
39.	Unit B on 6th Floor, Parkes Building, Nos. 17-23 Parkes Street, Kowloon 1/52nd share of and in the Remaining Portion of Kowloon Inland Lot No. 8775, the Remaining Portion of Kowloon Inland Lot No. 8880, the Remaining Portion of Kowloon Inland Lot No. 8604 and the Remaining Portion of Kowloon Inland Lot No. 8710.	The property comprises a residential unit in a 12-storey composite building, which was completed in 1975. The property has a saleable area of approximately 278 sq.ft. (25.83 sq.m.). The property is held from the Government under Conditions of Regrant Nos. 8064 and 8123 and two Government Leases for a common term of 150 years commencing from 25 December 1887. The government rent is HK$74 per annum.	As provided by the Group, the property is subject to a lease expiring on 2 March 2009 at a monthly rent of HK$4,800.	HK$1,150,000

Notes:

1. The registered owner is Lanbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB1219069 dated 1 December 1975. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
40.	2nd Floor, Golden Jubilee House, No. 399 Lockhart Road, Hong Kong 1/117th share of and in Section B, Section C and Section D of Marine Lot No. 435.	The property comprises a residential unit in a 14-storey composite building, which was completed in 1964. According to the information provided by the Rating and Valuation Department, the property has a saleable area of approximately 653 sq.ft. (60.67 sq.m.). The property is held under Government Lease for a term of 99 years commencing from 1 July 1927 and renewable for a further term of 99 years. The government rent for each of the Section B, Section C and Section D of Marine Lot No. 435 is HK$28 per annum.	As provided by the Group, the property is divided into 4 sub-units and three of them are tenanted with the latest expiry on 7 August 2009. As at 31 January 2009, the total monthly rent receivable is HK$17,200. The remaining unit was vacant.	HK$2,550,000

Notes:

1. The registered owner is Lanbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB498672 dated 16 July 1965. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
41.	11th Floor, No. 501 Nathan Road, Kowloon 1/51st share of and in Kowloon Inland Lot Nos. 7749 and 7750.	The property comprises a residential unit in a 14-storey composite building, which was completed in 1964. The property has a saleable area of approximately 606 sq.ft. (56.30 sq.m.). The property is held from the Government under Conditions of Re-grant Nos. 6171 and 6173 for a term of 150 years commencing from 25 December 1894. The government rent is HK$6 per annum.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 31 July 2009. As at 31 January 2009, the total monthly rent receivable was HK$17,200.	HK$1,880,000

Notes:

1. The registered owner is Lanbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB457757 dated 15 September 1964. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
42.	3rd Floor, No. 192 Tai Nan Street, Kowloon 1/10th share of and in the Remaining Portion of New Kowloon Inland Lot No. 597.	The property comprises a residential unit in a 9-storey composite building, which was completed in 1968. The property has a saleable area of approximately 678 sq.ft. (62.99 sq.m.). The property is held under Government Leases for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 19 January 2010. As at 31 January 2009, the total monthly rent receivable was HK$13,700.	HK$1,420,000

Notes:

1. The registered owner is Lanbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB621802 dated 1 April 1968. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
43.	Ninth Floor, No. 13 Cheung Sha Wan Road, Kowloon 1/13th share of and in the Remaining Portion of New Kowloon Inland Lot No. 2169.	The property comprises a residential unit in an 11-storey composite building, which was completed in 1964. The property has a saleable area of approximately 755 sq.ft. (70.14 sq.m.). The property is held under Government Leases for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 5 sub-units and three of them have are tenanted with the latest expiry on 14 November 2009. As at 31 January 2009 the total monthly rent receivable was HK$11,100.	HK$2,000,000

Notes:

1. The registered owner is Lanbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB453119 dated 21 August 1964. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
44.	Flat A on 6th Floor, No. 240 Lockhart Road, Hong Kong 1/24th share of and in the Remaining Portion of Inland Lot No. 5224 and the Remaining Portion of Inland Lot No. 5225.	The property comprises a residential unit in a 12-storey composite building, which was completed in 1967. The property has a saleable area of approximately 617 sq.ft. (57.32 sq.m.). The property is held under Government Leases for a term of 99 years commencing from 25 May 1929 and renewable for a further term of 99 years. The government rent is totally HK$24 per annum for the whole of Inland Lot Nos. 5224 and 5225.	As provided by the Group, the property is vacant.	HK$2,430,000

Notes:

1. The registered owner is Lanbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenants vide Memorial No. UB603925 dated 25 September 1967. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
45.	Unit A on 8th Floor, Parkes Building, Nos. 17-23 Parkes Street, Kowloon 1/52nd share of and in the Remaining Portion of Kowloon Inland Lot No. 8775, the Remaining Portion of Kowloon Inland Lot No. 8880, the Remaining Portion of Kowloon Inland Lot No. 8604 and the Remaining Portion of Kowloon Inland Lot No. 8710.	The property comprises a residential unit in a 12-storey composite building, which was completed in 1975. The property has a saleable area of approximately 286 sq.ft. (26.57 sq.m.). The property is held from the Government under Conditions of Regrant Nos. 8064 and 8123 and two Government Leases for a common term of 150 years commencing from 25 December 1887. The government rent is HK$74 per annum.	As provided by the Group, the property is divided into 2 sub-units and all of them are tenanted with the latest expiry on 30 June 2009. As at 31 January 2009 the total monthly rent receivable was HK$8,800.	HK$1,200,000

Notes:

1. The registered owner is Newbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB1219069 dated 1 December 1975. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
46.	1st Floor Rear Portion, No. 1 San Lok Street, Shek Wu Hui, Sheung Shui, New Territories The property comprises 1/12th share of and in Lot No. 3813 in D.D. 91.	The property comprises a residential unit in a 3-storey composite building, which was completed in 1965. The property has a saleable area of approximately 700 sq.ft. (65.03 sq.m.). The property is held from the Government under New Grant No. 9098 for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 31 December 2009. As at 31 January 2009, the total monthly rent receivable was HK$15,800.	HK$1,550,000

Notes:

1. The registered owner is Newbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. N159686 dated 29 December 1966. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
47.	5th Floor of Block H, Golden Horse Mansion, No. 27 Mansion Street, Hong Kong 1/9th share of and in Section D of Sub-section 1 of Section D of Quarry Bay Inland Lot No. 4.	The property comprises a residential unit in a 19-storey composite building, which was completed in 1960. The property has a saleable area of approximately 679 sq.ft. (63.08 sq.m.). The property is held under a Government Lease for a term of 999 years commencing from 2 July 1894. The government rent is HK$2.51 per annum for the whole of the lot.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 5 November 2009. As at 31 January 2009, the total monthly rent receivable was HK$18,000.	HK$2,150,000

Notes:

1. The registered owner is Newbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB2945601 dated 28 November 1985. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
48.	6th Floor and its Interior Wall, No. 463 Hennessy Road, Hong Kong 1/42nd share of and in the Remaining Portion of Inland Lot No. 7152.	The property comprises a residential unit in a 15-storey composite building, which was completed in 1966. The property has a saleable area of approximately 532 sq.ft. (49.42 sq.m.). The property is held under a Government Lease for a term of 99 years commencing from 15 April 1929 and renewable for a further term of 99 years. The government rent is HK$12 per annum of the whole of the lot.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 26 December 2010. As at 31 January 2009 the total monthly rent receivable was HK$18,850.	HK$2,100,000

Notes:

1. The registered owner is Newbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB3751412 dated 4 June 1988. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
49.	7th Floor, No. 109 Cheung Sha Wan Road, Kowloon 1/77th share of and in the Remaining Portion of New Kowloon Inland Lot No. 1348, the Remaining Portion of New Kowloon Inland Lot No. 1349, the Remaining Portion of New Kowloon Inland Lot No. 1350 and the Remaining Portion of New Kowloon Inland Lot No. 1351.	The property comprises a residential unit in a 15-storey composite building, which was completed in 1964. The property has a saleable area of approximately 572 sq.ft. (53.14 sq.m.). The property is held under Government Leases for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 4 sub-units and all of them are tenanted with the latest expiry on 1 November 2009. As at 31 January 2009, the total monthly rent receivable was HK$14,700.	HK$1,450,000

Notes:

1. The registered owner is Newbo Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB477709 dated 29 January 1965. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
50.	Unit A on 10th Floor, Parkes Building, Nos. 17-23 Parkes Street, Kowloon 1/52nd share of and in the Remaining Portion of Kowloon Inland Lot No. 8775, the Remaining Portion of Kowloon Inland Lot No. 8880, the Remaining Portion of Kowloon Inland Lot No. 8604 and the Remaining Portion of Kowloon Inland Lot No. 8710.	The property comprises residential unit in a 12-storey composite building, which was completed in 1975. The property has a saleable area of approximately 286 sq.ft. (26.57 sq.m.). The property is held from the Government under Conditions of Regrant Nos. 8064 and 8123 and two Government Leases for a common term of 150 years commencing from 25 December 1887. The government rent is HK$74 per annum.	As provided by the Group, the property is divided into 2 sub-units and all of them are tenanted with the latest expiry on 31 August 2009. As at 31 January 2009, the total monthly rent receivable was HK$8,700.	HK$1,200,000

Notes:

1. The registered owner is Kingtex Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB1219069 dated 1 December 1975. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
51.	Unit B on 8th Floor, Parkes Building, Nos. 17-23 Parkes Street, Kowloon 1/52nd share of and in the Remaining Portion of Kowloon Inland Lot No. 8775, the Remaining Portion of Kowloon Inland Lot No. 8880, the Remaining Portion of Kowloon Inland Lot No. 8604 and the Remaining Portion of Kowloon Inland Lot No. 8710.	The property comprises residential unit in a 12-storey composite building, which was completed in 1975. The property has a saleable area of approximately 278 sq.ft. (25.83 sq.m.). The property is held from the Government under Conditions of Regrant Nos. 8064 and 8123 and two Government Leases for a common term of 150 years commencing from 25 December 1887. The government rent is HK$74 per annum.	As provided by the Group, the property is divided into 2 sub-units and all of them are tenanted with the latest expiry on 30 April 2009. As at 31 January 2009, the total monthly rent receivable was HK$8,300.	HK$1,150,000

Notes:

1. The registered owner is Winhero Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB1219069 dated 1 December 1975. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
52.	7th Floor, No. 250A Cheung Sha Wan Road, Kowloon 1/36th share of and in the Remaining Portion of New Kowloon Inland Lot No. 1407 and the Remaining Portion of New Kowloon Inland Lot No. 1580.	The property comprises a residential unit in a 13-storey composite building, which was completed in 1965. The property has a saleable area of approximately 391 sq.ft. (36.32 sq.m.). The property is held under Government Leases for a term expired on 30 June 1997 and has been extended to 30 June 2047 by virtue of the New Territories Leases (Extension) Ordinance. The annual government rent is equivalent to 3% of the rateable value for the time being of the property.	As provided by the Group, the property is divided into 3 sub-units and two of them are tenanted with the latest expiry on 31 October 2009. As at 31 January 2009, the total monthly rent receivable is HK$6,400. The remaining unit was vacant.	HK$960,000

Notes:

1. The registered owner is Winhero Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB500270 dated 16 July 1965. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
53.	Flat B on 10th Floor, Parkes Building, Nos. 17-23 Parkes Street, Kowloon 1/52nd share of and in the Remaining Portion of Kowloon Inland Lot No. 8775, the Remaining Portion of Kowloon Inland Lot No. 8880, the Remaining Portion of Kowloon Inland Lot No. 8604 and the Remaining Portion of Kowloon Inland Lot No. 8710.	The property comprises residential unit in a 12-storey composite building, which was completed in 1975. The property has a saleable area of approximately 278 sq.ft. (25.83 sq.m.). The property is held from the Government under Conditions of Regrant Nos. 8064 and 8123 and two Government Leases for a common term of 150 years commencing from 25 December 1887. The government rent is HK$74 per annum.	As provided by the Group, the property is divided into 2 sub-units and one of them is tenanted with the expiry on 31 October 2009 for a monthly rent of HK$3,900. The other sub-unit was vacant.	HK$1,150,000

Notes:

1. The registered owner is Allied Wide Investment Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant vide Memorial No. UB1219069 dated 1 December 1975. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

	Property	Description & Tenure	Particular of Occupancy	Market Value in existing state as at 31 January 2009
54.	Flat E on 35th Floor of Block 2, Royal Ascot, No. 1 Tsun King Road, Shatin, New Territories 122/265814th share of and in Sha Tin Town Lot No. 411.	The property comprises a residential unit in Block 2 of Royal Ascot which a development consists of 11 residential towers over a 3-storey landscape and carpark podium. Block 2 rises 33 storeys and was completed in 1995. The property has a gross floor area and saleable area of approximately 1,620 sq.ft. (150.50 sq.m.) and 1,399 sq.ft. (129.97 sq.m.) respectively. The property is held from the Government under New Grant No. ST12548 for a term from 8 December 1993 to 30 June 2047. The annual government rent is equivalent to 3% of the rateable value for time being of the property.	As provided by the Group, the property is vacant.	HK$9,450,000

Notes:

1. The registered owner is Excellence Star Limited, which is a wholly-owned subsidiary of Everlong Limited.

2. The property is subject to a Deed of Mutual Covenant and Management Agreement vide Memorial No. ST839458 dated 18 November 1995. Since all strata-titled properties in Hong Kong are subject to the Deed of Mutual Covenant in respect of the subject building/development, by comparison, we consider there should be effectively no effect on the value of the property because of the Deed of Mutual Covenant.

3. The property is subject to a Mortgage in favour of DBS Bank (Hong Kong) Limited to secure part of all moneys in respect of general banking facilities to Excellence Star Limited vide Memorial No. 08052602500146 dated 30 April 2008. As advised by the Group, the mortgage will not be discharged before the completion.

The following is the text of a letter, summary of values and valuation certificate, prepared for inclusion in this circular, received from Savills Valuation and Professional Services Limited, an independent valuer, in connection with their valuations as of 31 January 2009 of the properties of Wang On Group Limited.

Wang On Group Limited
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Room 901, 9th Floor
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Savills Valuation and
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EA LICENCE: C-023750
savills.com

6 March 2009

Dear Sirs,

RE: VARIOUS PROPERTIES SITUATED IN THE PEOPLE'S REPUBLIC OF CHINA

We refer to your instructions for us to value the properties held by the Shiney Day Group, a sub-group of Wang On Group Limited (hereinafter, "Wang On Group Limited" and its subsidiaries referred to as the "Group"), in the People's Republic of China (the "PRC"), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of values of the properties as at 31 January 2009 for inclusion in circulars issued respectively by Wang On Group Limited and China Agri-Products Exchange Limited.

Our valuation of each of the properties is our opinion of its market value which we would define as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, joint ventures, management agreements, special considerations or concessions granted by anyone associated with the sale, or any element of special value. The market value of a property is also estimated without regard to costs of sale and purchase, and without offset for any associated taxes.

In the course of our valuation of the properties, unless otherwise stated, we have assumed that transferable land use rights of the properties for their specific terms at a nominal annual land use fees have been granted and that any land grant premium payable has already been fully paid. In valuing the properties, unless otherwise stated, we have also assumed that the owners have enforceable title to their properties and have free and uninterrupted right to use, occupy or assign the properties for the whole of the unexpired terms as granted.

In valuing the property in Group I, which is held for investment, we have capitalized the net incomes as shown in the schedule provided to us with due allowance for the reversionary income potential of the property. We have adopted the direct comparison method by making reference to the comparable market rental transactions as available in the market to arrive at the market rent of the property.

In valuing the property in Group II, which is held under development, we have valued it on the basis that it will be developed and completed in accordance with the latest development proposal provided to us. In arriving at our opinion of value, we have adopted the direct comparison approach by making reference to comparable sales evidence as available in the relevant market to arrive at the capital value of the property as if the property were completed at the date of valuation and have also taken into account of the development costs spent and to be spent to reflect the quality of the completed development. The "capital value of the property as if completed" represents our opinion of the aggregate selling prices of the property assuming that it would have been completed at the date of valuation.

We have been provided with copies of extracts of title documents relating to the properties. However, we have not inspected the original documents to ascertain the existence of any amendments which do not appear on the copies handed to us. We have relied to a very considerable extent on information given by you and your legal advisers, Jiangsu Xuzhou Weiyang Law Firm and Jin Da Di Law Firm, regarding the titles to the properties.

We have relied to a very considerable extent on information given by you and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, ownership, identification of the properties, development proposal, tenancy particulars, construction costs, site and floor areas and all other relevant matters. Dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents provided to us and are therefore only approximations. No on-site measurements have been made. We have had no reason to doubt the truth and accuracy of the information provided to us by you which is material to our valuation. We have also advised by you that no material facts have been omitted from the information provided.

We have inspected the exterior and where possible, the interior of the properties. During the course of our inspection, we did not note any serious defects. Moreover, no structural survey has been made, we are therefore unable to report that the properties are free from rot, infestation or any other defects. No tests were carried out on any of the services.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the properties or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

In valuing the properties, we have complied with the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by the Stock Exchange of Hong Kong Limited and Valuation Standards on Properties (First Edition) published by the Hong Kong Institute of Surveyors.

Unless otherwise stated, all money amounts are stated in Renminbi.

We enclose herewith our summary of values and valuation certificate.

Yours faithfully,
For and on behalf of
Savills Valuation and Professional Services Limited
Charles C K Chan
MSc FRICS FHKIS MCIArb RPS(GP)
Managing Director

Note: Charles C K Chan, MSc, FRICS, FHKIS, MCIArb, RPS(GP), has been a qualified valuer and has about 24 years' experience in the valuation of properties in Hong Kong and has about 19 years' experience in the valuation of properties in the PRC.

SUMMARY OF VALUES

No.	Property	Capital value in existing state as at 31 January 2009	Interest attributable to the Group	Capital value attributable to the Group as at 31 January 2009
Group I – Property held by the Group for investment in the PRC				
1.	Xuzhou Agricultural By-Products Wholesaling Market, Yingbin Main Road East, Quanshan District, Xuzhou, Jiangsu Province, PRC	RMB175,000,000	51%	RMB89,250,000
	Sub-total:	RMB175,000,000		RMB89,250,000
Group II – Property held by the Group under development in the PRC				
2.	A proposed agricultural by-products wholesaling market, South of Erhuan North Road, Yulin Urban District, Yulin, Guangxi Province, PRC	RMB406,000,000	65%	RMB263,900,000
	Sub-total:	RMB406,000,000		RMB263,900,000
	Grand total:	RMB581,000,000		RMB353,150,000

VALUATION CERTIFICATE

Group I – Property held by the Group for investment in the PRC

	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 January 2009
1.	Xuzhou Agricultural By-Products Wholesaling Market, Yingbin Main Road East, Quanshan District, Xuzhou, Jiangsu Province, PRC	The property comprises a parcel of land with a site area of approximately 193,673.91 sq.m. (2,084,706 sq.ft.), upon which various buildings and structures, mostly completed between 1986 and 2008, were erected. The total gross floor area of the buildings and structures of the property is approximately 79,652.73 sq.m. (857,382 sq.ft.). The land use rights of the property were granted for a term of 50 years expiring on 27 November 2057 for warehouse and logistics uses.	As at the date of valuation, the property is operated as an agricultural wholesale market and subject to various tenancies with majority terms of 1 year and latest expiry date of 27 September 2020 at a total monthly income of approximately RMB2,170,000, exclusive of management fees. Portion of the property was occupied by the Group for ancillary uses whilst the remaining portion with a gross floor area of approximately 352.48 sq.m. was vacant.	RMB175,000,000 (51% interest attributable to the Group: RMB89,250,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Certificate Xu Tu Guo Yong (2008) Di No. 12888 dated 26 May 2008 issued by the State Land Resources Bureau, the land use rights of a parcel of land with a site area of 193,673.91 sq.m. have been granted to Xuzhou Yuanyang Trading Development Company Limited (徐州源洋商貿發展有限公司) ("Xuzhou Yuanyang", a 51% owned subsidiary of Wang On Group Limited) for a land use term expiring on 27 November 2057 for warehouse and logistics uses.

2. Pursuant to a Building Ownership Certificate Xu Fang Quan Zheng Yun Long Zi Di No. 56520 issued by Xuzhou Building Administrative Bureau on 17 October 2007, the building ownership of three buildings with a total gross floor area of 6,746.94 sq.m. was held by Xuzhou Yuanyang.

3. According to the information provided by the Group, the Group acquired 51% shareholdings of Xuzhou Yuanyang by injection of capital of RMB35,700,000 on 26 January 2007 and the book value of the property as at the date of acquisition was about RMB31,000,000.

4. We have been provided with a legal opinion on the title to the property issued by the Group's legal advisers, which contains, inter alia, the following information:

   (i) Xuzhou Yuanyang has acquired the land use rights of the property and is entitled to use, mortgage, lease or dispose of the land of the property. Xuzhou Yuanyang is entitled to construct buildings and structures upon the land;

   (ii) there is no legal impediment for Xuzhou Yuanynag to operate business (included but not limited to agricultural by-products wholesaling market) on the land;

   (iii) Xuzhou Yuanyang has acquired the building ownership of the buildings of the property with a total gross floor area 6,746.94 sq.m. and is entitled to use, mortgage, lease or dispose of these buildings of the property;

   (iv) portion of the buildings and structures of the property has not been registered with the government but Xuzhou Yuanyang can use these unregistered buildings and structures legally;

   (v) Xuzhou Yuanyang is in the process of applying for the relevant Building Ownership Certificate of the unregistered buildings and structures of the property and there is no substantial legal impediment for Xuzhou Yuanyang to obtain it.

VALUATION CERTIFICATE

Group II – Property held by the Group under development in the PRC

	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 January 2009
2.	A proposed agricultural by-products wholesaling market, South of Erhuan North Road, Yulin Urban District, Yulin, Guangxi Province, PRC	The property comprises 5 parcels of contiguous land with a total site area of approximately 273,884.07 sq.m. (2,948,088 sq.ft.). According to the latest development proposals provided to us, the property will be developed as an agricultural wholesale market in two phases. Phase I of the proposed development will comprises various blocks of 2 to 6-storey buildings with superstructures completed in the end of 2008. Phase I has a total gross floor area of approximately 68,352 sq.m. (735,741 sq.ft.). Phase II of the proposed development has a planned total gross floor area of approximately 139,314 sq.m. (1,499,576 sq.ft.) and is scheduled to be completed in 2009. The land use rights of the property were granted for a term expiring on 18 July 2047 for commercial services uses.	As at the date of valuation, the superstructure and external finishing of Phase I have been completed while some of the ancillary services were under construction. The remaining portion of the property were pending for construction.	RMB406,000,000 (65% interest attributable to the Group: RMB263,900,000)

Notes:

1. Pursuant to five State-owned Land Use Rights Certificates Yu Guo Yong (2007) Di Nos. A807, A808, A809, A913 and A914 all issued by the People's Government of Yulin in 2007, the land use rights of 5 parcels of land with a total site area of 273,884.07 sq.m. have been granted to Yulin Hongjin Agriculture By-product Wholesale Market Company Limited (玉林宏進農副產品批發市場有限公司) ("Yulin Hongjin", a 65% owned subsidiary of Wang On Group Limited) for a land use term expiring on 18 July 2047 for commercial services uses.

2. Pursuant to the Planning Permit for Construction Land No. 2007-138 issued by Yulin Planning Administrative Bureau on 19 July 2007, Yulin Hongjin is permitted to use a parcel of land with a site area of 273,884 sq.m. for construction.

3. Pursuant to the three Planning Permit for Construction Works Nos. 2007-107, Jian Zi Di 450900200800014 and Jian Zi Di 450900200800068 all issued by Yulin Planning Administrative Bureau on 5 November 2007, 2 February 2008 and 11 August 2008 respectively, Yulin Hongjin is permitted to construct various buildings with a total gross floor area of 82,351.40 sq.m.

4. Pursuant to the information provided, the construction cost spent and to be spent for the proposed development as at the date of valuation are about RMB81,220,000 and RMB205,599,000. We have taken into account such amounts in our valuation.

5. According to the information provided by the Group, the land of the property was acquired on 8 June 2007 at a total cost of about RMB78,940,000, inclusive of levies. Apart from the costs on land, the Group spent about RMB93,100,000, being the construction cost, financial cost and other cost, as at the date of valuation.

6. The capital value of the property as if completed as at the date of valuation was RMB749,900,000.

7. We have been provided with a legal opinion on the title to the property issued by the Group's legal advisers, which contains, inter alia, the following information:

   (i) Yulin Hongjin has acquired the land use rights of the property and is entitled to use, mortgage, lease or dispose of the land of the property;

   (ii) Yuling Hongjin has acquired the development and construction approval for the construction of the property and the existing construction of the property is in compliance with the relevant regulations and laws and approval; and

   (iii) portion of the proposed development under State-owned Land Use Rights Certificate Yu Guo Yong (2007) Di Nos. A809 and Planning Permit for Construction Work No. 2007-107 is subject to mortgage in favour to Agricultural Development Bank of China, Yulin Branch for an amount of RMB40,000,000.

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement contained in this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests or short positions of Directors and chief executives in Shares, underlying Shares or debentures of the Company

Save as disclosed below, as at the Latest Practicable Date, none of the Directors or chief executive of the Company and/or any of their respective associates had any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required, pursuant to Part XV of the SFO and the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange:

Long positions in the Shares or underlying Shares

Name of Director	Number of Adjusted Shares or underlying Adjusted Shares held, capacity and nature of interest *(Note (a))* Personal interest	Family interest	Corporate interest	Other interest	Total	Approximate percentage of the Company's total issued share capital
Mr. Tang Ching Ho	3,892,550	3,892,540 *(Note (b))*	14,238,426 *(Note (c))*	552,667,749 *(Note (d))*	574,691,265	24.34%
Ms. Yau Yuk Yin	3,892,540	18,130,976 *(Note (e))*	–	552,667,749 *(Note (f))*	574,691,265	24.34%
Mr. Chan Chun Hong, Thomas	156,000 *(Note (g))*	–	–	–	156,000	0.007%

Notes:

(a) The interests are based on (i) the Capital Reorganisation has become effective; (ii) the Open Offer and the Bonus Issue have completed on the basis that the Share Options have been exercised in full; and (iii) 2,361,279,270 Adjusted Shares will be in issue upon the Capital Reorganisation, the Open Offer and the Bonus Issue becoming effective. The terms and the details of the Capital Reorganisation, the Open Offer, the Bonus Issue and Adjusted Shares are described and contained in the Company's announcement dated 13 February 2009 and the Company's circular dated 3 March 2009 in respect of the proposals of capital reorganisation and open offer.

(b) Mr. Tang Ching Ho was taken to be interested in those Adjusted Shares in which his spouse, Ms. Yau Yuk Yin, was interested.

(c) Mr. Tang Ching Ho was taken to be interested in those Adjusted Shares in which Caister Limited, a company which is wholly and beneficially owned by him, was interested.

(d) Mr. Tang Ching Ho was taken to be interested in those Adjusted Shares by virtue of being the founder of a discretionary trust, namely Tang's Family Trust.

(e) Ms. Yau Yuk Yin was taken to be interested in those Adjusted Shares in which her spouse, Mr. Tang Ching Ho, was interested.

(f) Ms. Yau Yuk Yin was taken to be interested in those Adjusted Shares by virtue of being a beneficiary of Tang's Family Trust.

(g) These Adjusted Shares represented the Share Options granted to Mr. Chan Chun Hong, Thomas which would be exercisable during the period from 2 January 2009 to 7 January 2019, which Adjusted Shares and the exercise price of the Share Options are subject to adjustment in accordance with the Share Option Scheme.

(b) Persons who have interests or short positions in the Shares or underlying Shares which are discloseable under Divisions 2 and 3 of Part XV of the SFO

Save as disclosed below, as at the Latest Practicable Date, so far as is known to the Directors, no person had, or were deemed or taken to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any option in respect of such capital:

(i) Long Positions in the Shares

Name of Shareholder	*Notes*	**Capacity**	**Number of Adjusted Shares** *(Note (a))*	**Approximate percentage of the Company's total issued share capital**
Accord Power Limited ("**Accord Power**")	*(b)*	Beneficial owner	552,667,749	23.41%
Trustcorp Limited	*(b)*	Interest of controlled corporation	552,667,749	23.41%
Newcorp Ltd.	*(c)*	Interest of controlled corporation	552,667,749	23.41%
Newcorp Holdings Ltd.	*(d)*	Interest of controlled corporation	552,667,749	23.41%
Mr. David Henry Christopher Hill	*(e)*	Interest of controlled corporation	552,667,749	23.41%
Ms. Rebecca Ann Hill	*(f)*	Family interest	552,667,749	23.41%
Mr. David William Roberts	*(g)*	Interest of controlled corporation	552,667,749	23.41%
Kingston Securities Limited ("**Kingston Securities**")	*(h)*	Beneficial owner Other	20 1,433,267,781 1,433,267,801	 60.69%
Ms. Chu Yuet Wah	*(h)*	Interest of controlled corporation	1,433,267,801	60.69%
Ms. Ma Siu Fong	*(h)*	Interest of controlled corporation	1,433,267,801	60.69%

Notes:

(a) The interests are based on (i) the Capital Reorganisation has become effective; (ii) the Open Offer and the Bonus Issue have completed on the basis that the Share Options have been exercised in full; and (iii) 2,361,279,270 Adjusted Shares will be in issue upon the Capital Reorganisation, the Open Offer and the Bonus Issue becoming effective.

(b) Accord Power is wholly owned by Trustcorp Limited in its capacity as the trustee of Tang's Family Trust. Accordingly, Trustcorp Limited was taken to be interested in those Adjusted Shares held by Accord Power.

(c) Trustcorp Limited is a wholly-owned subsidiary of Newcorp Ltd. and accordingly, Newcorp Ltd. was taken to be interested in those Adjusted Shares in which Trustcorp Limited was interested.

(d) Newcorp Ltd. is a wholly-owned subsidiary of Newcorp Holdings Ltd. and accordingly, Newcorp Holdings Ltd. was taken to be interested in those Adjusted Shares in which Newcorp Ltd. was interested.

(e) Mr. David Henry Christopher Hill owned 35% interest in the issued share capital of Newcorp Holdings Ltd. and was therefore taken to be interested in those Adjusted Shares in which Newcorp Holdings Ltd. was interested.

(f) Ms. Rebecca Ann Hill is taken to be interested in those Adjusted Shares in which her spouse, Mr. David Henry Christopher Hill, was interested.

(g) Mr. David William Roberts owned 35% interest in the issued share capital of Newcorp Holdings Ltd. and was therefore taken to be interested in those Adjusted Shares in which Newcorp Holdings Ltd. was interested.

(h) These Adjusted Shares are held by Kingston Securities as an underwriter in the Open Offer with the Bonus Issue. Ms. Chu Yuet Wah and Ms. Ma Siu Fong owned 51% and 49% interest in Kingston Securities respectively.

(ii) Interests in a subsidiary of the Company

Name of Subsidiary	**Name**	**Capacity**	**Shareholding percentage**
Wang Hing Vegetables Wholesale Company Limited	Lam Mei Ki	Beneficial Owner	49%

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Enlarged Group (excluding contracts expiring or determinable by the relevant member of the Enlarged Group within one year without payment of compensation other than statutory compensation).

4. EXPERTS AND CONSENTS

The following are the qualifications of the experts who have been named in this circular or have given opinions, letters or advice contained in this circular:

Name	Qualification
Vigers Appraisal & Consulting Limited ("**Vigers**")	Professional Property Valuers
Savills Valuation and Professional Services Limited ("**Savills**")	Professional Property Valuers
HLB Hodgson Impey Cheng ("**HLB**")	Chartered Accountants Certified Public Accountants
Ernst & Young ("**EY**")	Certified Public Accountants

Each of Vigers, Savills, HLB and EY has given and has not withdrawn its written consent to the issue of this circular with the inclusion therein of its letter and/or references to its name, in the form and context in which they appear.

As at the Latest Practicable Date, each of Vigers, Savills, HLB and EY was not beneficially interested in the share capital of the Company or any member of the Enlarged Group nor had any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in the Company or any member of the Enlarged Group, nor did it have any interest, either directly or indirectly, in the assets which have been acquired or disposed of by or leased to the Company or any member of the Enlarged Group since 31 March 2008, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, none of the members of the Enlarged Group was engaged in any litigation or arbitration or claim which is in the opinion of the Directors of material importance and no litigation or claim, which is of material importance in the opinion of the Directors, was known to the Directors to be pending or threatened by or against any member of the Enlarged Group.

6. DIRECTORS' INTERESTS IN COMPETING BUSINESS

To the best knowledge of the Directors, as at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or their respective associates had any interest in a business which competes or is likely to compete either directly or indirectly with the business of the Group which would be required to be disclosed under Rule 8.10 of the Listing Rules if the Directors were controlling shareholders.

7. DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed herein, the Directors confirm that there was no contract or arrangement subsisting as at the Latest Practicable Date in which a Director was materially interested which was significant in relation to the business of the Enlarged Group.

8. DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors had any interest, directly or indirectly, in any assets which had been, since 31 March 2008, being the date on which the latest published audited accounts of the Company were made up, acquired or disposed of by or leased to any member of the Enlarged Group, or are proposed to be acquired or disposed of by or leased to any member of the Enlarged Group.

9. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been entered by members of the Enlarged Group after the date falling two years prior to the issue of this circular and up to the Latest Practicable Date and which are or may be material:

(a) The Acquisition Agreement.

(b) The Disposal Agreement.

(c) An underwriting agreement entered into between Accord Power, Kingston Securities and the Company on 10 February 2009 in connection with the proposed issue of the offer shares (with bonus shares) by way of open offer to qualifying shareholders upon the terms and conditions set out in the underwriting agreement, details of which are set out in the Company's announcement and circular dated 13 February 2009 and 3 March 2009, respectively.

(d) A top-up placing and top-up subscription agreement entered into between Accord Power, a substantial shareholder of the Company, Kingston Securities and the Company on 26 November 2008 in connection with the placing of an aggregate of up to 900 million Shares held by Accord Power to independent third parties at a price of HK$0.022 per Share. The net proceeds of approximately HK$18.81 million were raised.

(e) A placing agreement entered into between the Company and Kingston Securities on 26 November 2008 in connection with the placing of 672.6 million new Shares to independent third parties at a price of HK$0.022 per Share. The net proceeds of approximately HK$14.43 million were raised.

(f) A loan agreement dated 21 November 2008 entered into between Fully Finance Limited, an indirect wholly-owned subsidiary of the Company, and LeRoi in connection with the grant to LeRoi a loan facility of not exceeding a sum of HK$40 million.

(g) A loan agreement dated 3 November 2008 entered into between Rich Time Strategy Limited ("**Rich Time**"), an indirect wholly-owned subsidiary of the Company, and WYT in connection with the grant to WYT a loan facility of not exceeding a sum of HK$30 million.

(h) A loan agreement entered into between Rich Time and WYT on 2 October 2008 relating to the advance to WYT a loan of HK$5 million for a period of one year.

(i) A loan agreement entered into between Rich Time and WYT on 5 September 2008 relating to the advance to WYT a loan of HK$5 million for a period of one year.

(j) A conditional agreement dated 31 July 2008 entered into between Suitbest Investments Limited ("**Suitbest**"), an indirect wholly-owned subsidiary of the Company, and Joyful Leap Investments Limited ("**Joyful Leap**") in respect of the sale and purchase of the entire issued share capital in Strengthen Investments Limited ("**Strengthen Investments**") and the assignment of a loan of HK$195.6 million at an aggregate consideration of HK$197.8 million.

(k) A top-up placing and top-up subscription agreement entered into between Rich Time, an indirect wholly-owned subsidiary of the Company, Kingston Securities and WYT on 7 May 2008 in connection with the placing of an aggregate of 335,004,000 shares of WYT held by Rich Time to independent third parties at a price of HK$0.165 per share.

(l) A top-up placing and top-up subscription agreement entered into between Accord Power, Kingston Securities and the Company on 26 March 2008 in connection with the placing of an aggregate of 900 million Shares at a price of HK$0.075 per Share. The net proceeds of approximately HK$65.3 million were raised.

(m) A placing agreement entered into between the Company and Kingston Securities on 26 March 2008 in connection with the placing of an additional 460 million Shares at a price of HK$0.075 per Share. The net proceeds of approximately HK$33.6 million were raised.

(n) A sale and purchase agreement entered into between Joyful Leap and Suitbest on 7 January 2008 in connection with the sale and purchase of the entire issued share capital of Brightest Investments Limited and the assignment of a loan of approximately HK$177.3 million at an aggregate consideration of HK$240 million.

(o) A sale and purchase agreement dated 23 November 2007 entered into between Jumbo Sun Investments Limited, its guarantor, Strengthen Investments, its guarantor, an independent third party and its guarantor to purchase 50% each of the issued share capital of Vast Time Limited at a consideration of RMB11.25 million.

(p) A conditional agreement entered into between Well Victory Investments Limited, a then wholly-owned subsidiary of the Company, and an independent third party in the PRC as the joint venture partner on 16 November 2007 in connection with the formation of a sino-foreign joint venture company for development, operations and management of agricultural by-products wholesaling marketplace and related facilities, and sale and rental of properties in Zhengzhou, the PRC. A termination notice was served by the Group on the joint venture partner since certain conditions could not be fulfilled as scheduled.

(q) A conditional agreement entered into between Makwin Investment Limited, an indirect wholly-owned subsidiary of the Company, and independent third parties on 3 July 2007 in connection with the acquisition of a 20% equity interest in each of the three companies established in the PRC engaging in the wholesaling of agricultural by-products for an aggregate cash consideration of HK$73,470,000. A deposit of HK$10 million was paid upon signing of the agreement.

(r) A placing agreement entered into between Rich Time and DBS Asia Capital Limited on 11 June 2007 in connection with the placing of an aggregate of 210 million shares of WYT held by the Group to independent third parties at a price of HK$0.46 per share.

(s) An agreement entered into between the Company and Lehman Brothers Commercial Corporation Asia Limited ("**Lehman Brothers**") on 15 May 2007 in connection with the issue of a total of 200 million unlisted warrants to Lehman Brothers entitling the holder thereof the right to subscribe for 200,000,000 subdivided Shares of HK$0.005 each at a subscription price of HK$0.34 per Share (as adjusted). The net proceeds of HK$4.0 million were raised.

(t) A shareholder agreement entered into between Mega Day Limited, an indirect wholly-owned subsidiary of the Company, and certain independent parties in the PRC on 24 March 2007 in connection with the formation of a joint venture company, namely Changzhou Ling Jia Tang Wang Jin Development Company Limited ("**Changzhou Ling Jia Tang**") for developing an agricultural by-products wholesaling marketplace and ancillary facilities in Changzhou. The registered capital of Changzhou Ling Jia Tang amounts to US$20 million, to which Mega Day Limited will contribute US$8 million.

(u) A top-up placing and subscription agreement entered into between Accord Power, Kingston Securities and the Company on 13 March 2007 in connection with the placing of an aggregate of 53 million Shares of HK$0.10 each at a price of HK$2.8 per share. The net proceeds of approximately HK$144.2 million were raised.

(v) A placing agreement entered into between the Company and Kingston Securities on 13 March 2007 in connection with the placing of an additional 11.5 million new Shares of HK$0.10 each at a price of HK$2.8 per share. The net proceeds of approximately HK$31.1 million were raised.

Save as disclosed above, none of the members of the Enlarged Group had entered into any contracts after the date falling two years prior to the issue of this circular and up to the Latest Practicable Date which are not in the ordinary course of business and which are or may be material.

10. MATERIAL ADVERSE CHANGE

As set out in the interim report of the Company for the six months ended 30 September 2008, the Company recorded an unaudited loss attributable to equity holders of the Company of approximately HK$82.9 million for the six months ended 30 September 2008.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Enlarged Group since 31 March 2008, the date on which the latest published audited consolidated financial statements of the Company were made up.

11. GENERAL

(a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

(b) The head office and principal place of business of the Company in Hong Kong is at 5/F., Wai Yuen Tong Medicine Building, 9 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.

(c) The company secretary of the Company is Ms. Mak Yuen Ming, Anita. She is an associate member of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.

(d) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong.

(e) The English text of this circular shall prevail over the Chinese text.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours from 9:00 a.m. to 6:00 p.m. on any Business Day at the head office and principal place of business of the Company in Hong Kong at 5/F., Wai Yuen Tong Medicine Building, 9 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong from the date of this circular up to and including the date of the SGM:

(a) the memorandum of association and the bye-laws of the Company;

(b) the letter from the Board, the text of which is set out on pages 6 to 16 of this circular;

(c) the Acquisition Agreement;

(d) the Disposal Agreement;

(e) the material contracts referred to in the section headed "Material contracts" in this appendix;

(f) the annual reports of the Company for the two years ended 31 March 2007 and 2008;

(g) the audited financial statements of Everlong for the period from 28 December 2006 (being the date of incorporation of Everlong) to 31 March 2007, the financial year ended 31 March 2008 and the six months ended 30 September 2008, as set out in Appendix II to this circular;

(h) the report from EY in respect of the unaudited pro forma financial information of the Enlarged Group as set out in Appendix III to this circular;

(i) the written consents of the experts referred to in the section headed "Experts and consents" in this appendix;

(j) the valuation report issued by Vigers as set out in Appendix IV to this circular;

(k) the valuation report issued by Savills as set out in Appendix V to this circular;

(l) the circular issued by the Company dated 26 May 2008 in relation to the discloseable transactions regarding top-up placing and top-up subscription of shares in WYT;

(m) the circular issued by the Company dated 21 August 2008 in relation to the major transaction regarding transfer of 100% interest in Strengthen Investments and assignment of the sale loan;

(n) the circular issued by the Company dated 18 November 2008 in relation to the discloseable transaction regarding advance to WYT; and

(o) the circular issued by the Company dated 4 December 2008 in relation to the discloseable transaction regarding advance to LeRoi.

WANG ON GROUP LIMITED
宏安集團有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 1222)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Wang On Group Limited 宏安集團有限公司* (the "**Company**") will be held at 11/F., Two Exchange Square, Central, Hong Kong on Monday, 23 March 2009 at 4:00 p.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

"(1) **THAT**:

(a) the conditional sale and purchase agreement dated 12 February 2009 (the "**Disposal Agreement**") entered into between Active Day Investments Limited 興日投資有限公司 ("**Active Day**") and Super Treasure Holdings Limited 至寶控股有限公司 ("**Super Treasure**") (a copy of which is tabled at this meeting and marked "Exhibit A" and initialled by the chairman of this meeting for the purpose of identification) and more particularly described in the circular of the Company date 6 March 2009, pursuant to which Active Day has conditionally agreed to dispose of and Super Treasure has conditionally agreed to purchase one (1) share of US1.00 each in the share capital of Shiney Day Investments Limited ("**Shiney Day**"), representing the entire issued share capital of Shiney Day, for a cash consideration of approximately HK$150 million, and all transactions contemplated thereunder be and are hereby approved, ratified and confirmed;

(b) any one director of the Company be and is hereby authorised for and on behalf of the Company to execute all such documents, instruments, agreements and deeds and do all such acts, matters and things as he/she may in his/her absolute discretion consider necessary or desirable for the purpose of and in connection with the implementation of the Disposal Agreement and the transactions contemplated thereunder and to agree to such variations of the terms of the Disposal Agreement as he/she may in his/her absolute discretion consider necessary or desirable; and

(c) any one director of Active Day be and is hereby authorised for and on behalf of Active Day to execute all such documents, instruments, agreements and deeds and do all such acts, matters and things as he/she may in his/her absolute

* *For identification purpose only*

discretion consider necessary or desirable for the purpose of and in connection with the implementation of the Disposal Agreement and the transactions contemplated thereunder and to agree to such variations of the terms of the Disposal Agreement as he/she may in his/her absolute discretion consider necessary or desirable."

"(2) **THAT**:

(a) the conditional sale and purchase agreement dated 13 February 2009 (the "**Acquisition Agreement**") entered into between Loyal Fame International Limited 忠譽國際有限公司 ("**Loyal Fame**") and Wang On Enterprises (BVI) Limited ("**Wang On Enterprises**") (a copy of which is tabled at this meeting and marked "Exhibit B" and initialled by the chairman of this meeting for the purpose of identification) and more particularly described in the circular of the Company dated 6 March 2009, pursuant to which Loyal Fame has conditionally agreed to dispose of and Wang On Enterprises has conditionally agreed to purchase one (1) share of US1.00 each in the share capital of Everlong Limited ("**Everlong**"), representing the entire issued share capital of Everlong, and the shareholder loan of approximately HK$81.9 million advanced by Loyal Fame to Everlong, for a cash consideration of approximately HK$63.4 million, and all transactions contemplated thereunder be and are hereby approved, ratified and confirmed;

(b) any one director of the Company be and is hereby authorised for and on behalf of the Company to execute all such documents, instruments, agreements and deeds and do all such acts, matters and things as he/she may in his/her absolute discretion consider necessary or desirable for the purpose of and in connection with the implementation of the Acquisition Agreement and the transactions contemplated thereunder and to agree to such variations of the terms of the Acquisition Agreement as he/she may in his/her absolute discretion consider necessary or desirable; and

(c) any one director of Wang On Enterprises be and is hereby authorised for and on behalf of Wang On Enterprises to execute all such documents, instruments, agreements and deeds and do all such acts, matters and things as he/she may in his/her absolute discretion consider necessary or desirable for the purpose of and in connection with the implementation of the Acquisition Agreement and the transactions contemplated thereunder and to agree to such variations of the terms of the Acquisition Agreement as he/she may in his/her absolute discretion consider necessary or desirable."

By Order of the Board
Wang On Group Limited
宏安集團有限公司*
Mak Yuen Ming, Anita
Company Secretary

Hong Kong, 6 March 2009

* *For identification purpose only*

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business:
5/F., Wai Yuen Tong Medicine Building
9 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

Notes:

(1) A shareholder of the Company entitled to attend and vote at the special general meeting convened by the above notice or any adjournment thereof (as the case may be) may appoint one or more than one proxy to attend and to vote in his/her stead. A proxy needs not be a member of the Company.

(2) The instrument appointing a proxy shall be in writing under the hand of the appointer or an attorney duly authorised in writing. If the appointer is a corporation, the form of proxy must be under its common seal or under the hand of an officer, attorney or other person authorised to sign the proxy.

(3) In order to be valid, a form of proxy, together with any power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as practicable and in any event not less than 48 hours before the time for holding of the special general meeting or any adjournment thereof (as the case may be).

(4) Completion and delivery of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the special general meeting or any adjournment thereof (as the case may be) and in such event, the form of proxy will be deemed to be revoked.

(5) Resolutions numbered 1 and 2 will be voted by way of a poll by the shareholders of the Company.