

07

Annual Report 年報



Yu Ming Investments Limited  
禹銘投資有限公司



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## CORPORATE INFORMATION 公司資料

## 主席

馮永祥<sup>#</sup>

## 董事總經理

李華倫<sup>\*</sup>

## 董事

李成輝<sup>\*</sup>勞景祐<sup>\*</sup>狄亞法<sup>#</sup>馮耀輝<sup>#</sup>李業華<sup>#</sup>蘇樹輝<sup>†</sup>周宇俊<sup>†</sup>何振林<sup>†</sup>

王大鈞

(狄亞法之替任董事)

<sup>\*</sup> 執行董事及執行委員會成員<sup>#</sup> 非執行董事<sup>†</sup> 獨立非執行董事

## 律師

齊伯禮律師行

胡關李羅律師行

胡百全律師事務所

## 核數師

均富會計師行

## 銀行

荷蘭銀行

中國工商銀行(亞洲)有限公司

美林(亞太)有限公司

瑞士銀行

## 秘書

李業華

## 註冊辦事處

香港

灣仔告士打道138號

聯合鹿島大廈

1901B室

## 股份過戶登記處

卓佳秘書商業服務有限公司

香港灣仔

皇后大道東28號

金鐘匯中心26樓

## 股份代號

香港聯合交易所有限公司：666

## CHAIRMAN

Fung Wing Cheung, Tony<sup>#</sup>

## MANAGING DIRECTOR

Lee Wa Lun, Warren<sup>\*</sup>

## DIRECTORS

Lee Seng Hui<sup>\*</sup>Lo King Yau, Edwin<sup>\*</sup>Arthur George Dew<sup>#</sup>Fung Yiu Fai, Peter<sup>#</sup>Lee Yip Wah, Peter<sup>#</sup>So Shu Fai, Ambrose<sup>†</sup>Chow Yu Chun, Alexander<sup>†</sup>Albert Ho<sup>†</sup>

Wong Tai Chun, Mark

(Alternate Director to Arthur George Dew)

<sup>\*</sup> Executive Directors and members of the Executive Committee<sup>#</sup> Non-Executive Directors<sup>†</sup> Independent Non-Executive Directors

## SOLICITORS

Richards Butler

Woo, Kwan, Lee &amp; Lo

P.C. Woo &amp; Co.

## AUDITORS

Grant Thornton

## BANKERS

ABN AMRO Bank N.V.

Industrial and Commercial Bank of China (Asia) Limited

Merrill Lynch (Asia Pacific) Limited

UBS AG

## SECRETARY

Lee Yip Wah, Peter

## REGISTERED OFFICE

Room 1901B, 19th Floor,

Allied Kajima Building,

138 Gloucester Road, Wahchai,

Hong Kong

## REGISTRARS AND TRANSFER OFFICE

Tricor Secretaries Limited

26th Floor, Tesbury Centre

28 Queen's Road East, Wanchai

Hong Kong

## STOCK CODE

The Stock Exchange of Hong Kong Limited: 666

## CHAIRMAN'S STATEMENT 主席報告

### 概覽

於二零零七年內，我們透過出售於香港投資物業及亞洲國際博覽館的權益，將投資組合重組。我們收購認購權<sup>1</sup>以認購 J. Bridge Corporation (一家於東京證券交易所上市的投資公司，持有 Rotol Singapore Limited (一家於新加坡證券交易所上市的建築材料公司) 的 57.1% 權益) 的 36.39% 全數攤薄股權。我們亦投資於上市證券及與上市證券掛鈎的衍生工具。

二零零七年市道暢旺，讓本公司得以於七月按每股股份 0.66 港元發行 338,000,000 股新股份以換取現金。因其後並未預料到的市場調整，本公司於二零零七年十一月按每股股份 0.48 港元購回 160,000,000 股股份，改善了每股股份的資產淨值。

### 管理層論述及分析

雖然我們出售於投資物業及亞洲國際博覽館的權益，但出售事項僅分別於十二月及九月完成。因此，我們於二零零七年的收入仍包括來自投資物業及亞洲國際博覽館的大額進帳，以及上市證券、債券及利息收入。

來自我們於亞洲國際博覽館的權益的淨收入 (扣除財務成本及少數股東權益後) 為 15,640,000 港元，主要來自應計優先股股息，其他則來自管理費。

零售物業市場於二零零七年維持蕭條。本集團應佔淨收入 (扣除財務成本及少數股東權益後) 為 15,090,000 港元。銅鑼灣 timeplus 於二零零七年作出其首年全年貢獻，並以密集推廣活動維持其佔用率。旺角中心保持全數佔用率，而銀城廣場於二零零七年下半年度重作市場推廣後亦全數租出。

於證券及債券的投資錄得理想溢利，達 87,560,000 港元。

於二零零七年十二月三十一日，我們的投資組合主要由現金、上市證券、期權、衍生工具及某些非上市投資組成。

<sup>1</sup> 可予行使為 60,000,000 股股份，期權金 299,000,000 日圓 (約 21,000,000 港元)，行使價為每股 45 日圓至 85 日圓不等，視市價變化情況而定。認購金額在 2,700,000,000 日圓至 5,100,000,000 日圓之範圍內。

### OVERVIEW

During 2007, we reshuffled our portfolio of investments by disposing of our interests in Hong Kong investment properties and AsiaWorld-Expo. We acquired rights<sup>1</sup> to subscribe for a 36.39% fully diluted equity interest in J. Bridge Corporation, an investment company listed on the Tokyo Stock Exchange, which holds 57.1% interests in Rotol Singapore Limited, a construction material company listed on the Stock Exchange of Singapore. We have also invested in listed securities and derivatives with exposure to listed securities.

The vibrant market in 2007 enabled the Company to issue 338,000,000 new shares for cash at HK\$0.66 per share in July 2007. In an unexpected subsequent market correction, the Company repurchased 160,000,000 shares at HK\$0.48 per share in November 2007, improving its net asset value per share.

### MANAGEMENT DISCUSSION AND ANALYSIS

Although we sold our interests in investment properties and AsiaWorld-Expo, completion of the sale only took place in December and September respectively. Therefore, our income in 2007 still included a substantial amount from investment properties and AsiaWorld-Expo, in addition to listed securities, bonds and interest income.

Net income (after financing costs and minority interests) from our interests in AsiaWorld-Expo amounted to HK\$15.64 million, mainly derived from accrued preference dividends, and to a lesser extent management fee.

The retail property market remained tepid in 2007. Net income (after financing costs and minority interests) attributable to the Group amounted to HK\$15.09 million. timeplus in Causeway Bay had its first full year contribution in 2007, with intensive promotions to maintain its occupancy. Argyle Centre remained full occupancy while Ginza Plaza was fully let after remarketing in the second half of 2007.

Investment in securities and bonds reported a good profit of HK\$87.56 million.

As at 31st December, 2007, our portfolio comprises mainly cash, listed securities, options, derivatives and some unlisted investment.

<sup>1</sup> Exercisable into 60 million shares, for an option premium of ¥299 million (approximately HK\$21 million), with an exercise price range of ¥45-85 per share, subject to market price fluctuation. Subscription money ranges between ¥2.7-5.1 billion.

## CHAIRMAN'S STATEMENT 主席報告

### 亞洲國際博覽館

二零零七年六月二十一日，本公司就以180,000,000港元出售其於亞洲國際博覽館的權益訂立有條件買賣協議。股東已於二零零七年八月三日批准交易。該項交易於二零零七年九月十四日完成，並錄得出售收益16,210,000港元。

### 投資物業

二零零七年七月三日，本集團就以372,000,000港元出售於康恩發展有限公司（為持控本集團投資物業的公司）的61.22%權益訂立有條件買賣協議。股東已於二零零七年八月九日批准交易。該項交易於二零零七年十二月三十一日完成，取得出售收益36,490,000港元。

### 股本證券及債券

於二零零七年十二月三十一日，本集團已建立一個為數達337,440,000港元的財務資產投資組合，其中包括上市證券及與上市證券掛鈎的衍生工具。二零零七年內，我們於上市證券的投資報得理想溢利。由於我們透過衍生工具產品投資於上市證券，回報取決於若干事件的結果而難以預料，故我們於上市證券的投資的最終金額可能多於財務報表所示。

本集團於二零零七年已出售其所有於高息債券的投資，為本集團帶來理想盈利。

### 新華航空控股有限公司（「新華航空」）

截至財務報表日期，新華航空仍未把我方註冊為股東，亦無向我們提供任何有關持股量或財務報表之資料。因此，我們於新華航空之投資仍未確認於財務報表。我們不斷努力挽救投資並於二零零八年四月十五日取得成果，蓋因有一獨立於本集團之第三方與本集團訂立協議以110,000,000港元之代價購買我們於新華航空之投資（「出售協議」）。本集團於二零零八年四月十五日收到買方不可退款之按金現金30,000,000港元，餘款80,000,000港元須於5個月內完成支付。在完成交易前，我們的律師將作為我們於新華航空投資證書之權益文件之保管人。由於該出售協議於二零零八年三月三十一日（即截至二零零七年十二月三十一日止年度財務報表之批准日期）後簽訂，出售新華航空之結果並未於財務報表中計列。

### AsiaWorld-Expo

On 21st June, 2007, the Company entered into a conditional sale and purchase agreement for the disposal of its interests in AsiaWorld-Expo for HK\$180 million. On 3rd August, 2007, shareholders approved the transaction. The transaction was completed on 14th September, 2007 and a gain on disposal of HK\$16.21 million was recorded.

### Investment Properties

On 3rd July, 2007, the Group entered into a conditional sale and purchase agreement for the disposal of our 61.22% interests in Honnex Development Limited, the holding company of the Group's investment properties for HK\$372 million. On 9th August, 2007, shareholders approved the transaction. The transaction was completed on 31st December, 2007, with a HK\$36.49 million gain.

### Equity Securities and Bonds

The Group has built up a portfolio of financial asset investment amounting to HK\$337.44 million as at 31st December, 2007, which includes listed securities and derivatives with exposure to listed securities. Our investment in listed securities reported a good profit in 2007. As our exposure to listed securities through derivative products is contingent upon outcome of certain events, our ultimate amount of investment in listed securities may be more than that stated in the financial statements.

The Group divested all of its investment in high yield bonds during 2007, reporting a good profit.

### Grand China Air Company Limited ("Grand China Air")

As at the date of the financial statements, Grand China Air still has not registered us as its shareholder, and has not provided us with any information on its shareholding or financial statements. Therefore our investment in Grand China Air remained unrecognised in our financial statements. Continuous efforts in salvaging our investment bore fruit on 15th April, 2008 as a third party independent of the Group entered into an agreement with the Group to buy our investment in Grand China Air for a consideration of HK\$110 million (the "Disposal Agreement"). The Group received a HK\$30 million non-refundable deposit in cash from the buyer on 15th April, 2008, with the balance of HK\$80 million payable upon completion within 5 months. Pending completion, our solicitor acts as a stakeholder of our title documents in the investment certificates in Grand China Air. As the Disposal Agreement was entered into after 31st March, 2008, the date of approval of the financial statements of the Company for the year ended 31st December, 2007, the effect of the sale of Grand China Air was not accounted for in the financial statements.

## CHAIRMAN'S STATEMENT 主席報告

### 東方羊絨

我們於東方羊絨的投資維持全數減值，因其應收款項維持於極高水平，而截至二零零七年止年度的未審計業績則依舊不濟。

### 股息及建議發行紅利認股權證

董事提議保留現金用於投資，不建議截至二零零七年十二月三十一日止年度派發股息。董事議決建議發行紅利認股權證，以於二零零八年五月二十三日名列公司股東名冊之本公司股東每持五股股份發行一個認股權證為基準，回報本公司股東（「紅利認股權證發行」）。

### 暫停辦理股份過戶登記

為釐定享有紅利認股權證發行之權利，本公司之股份過戶登記處將由二零零八年五月十九日至二零零八年五月二十三日（包括首尾兩日）期間暫停辦理股份過戶登記。於此期間，不會進行任何股份過戶登記。

謹請股東注意，為著符合資格參與紅利認股權證發行，股東必須確保所有轉讓文件連同有關股票不遲於二零零八年五月十六日（星期五）下午四時正送往本公司股份過戶登記處卓佳秘書商業服務有限公司（地址為香港灣仔皇后大道東28號金鐘匯中心26樓）登記。

### Oriental Cashmere Limited

Our investment in Oriental Cashmere Limited remains fully impaired as its level of receivables stayed at a cautiously high level, and unaudited result remains disappointing for the year ended 2007.

### DIVIDENDS AND PROPOSED BONUS WARRANT ISSUE

The Directors propose to preserve cash for investment activities and do not recommend any dividend for the year ended 31st December 2007. To reward our shareholders, the Directors have resolved to propose an issue of bonus warrants on the basis of one warrant for every five shares held by shareholders of the Company whose names appear on the register of members on 23rd May, 2008 ("Bonus Warrants Issue").

### CLOSURE OF REGISTER

The register of members of the Company will be closed from 19th May, 2008 to 23rd May, 2008, both dates inclusive, in order to determine entitlements to the Bonus Warrants Issue. No transfer of Shares may be registered during this period.

Shareholders are reminded that in order to qualify for the Bonus Warrants Issue, they must ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's share registrar, Tricor Secretaries Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Friday, 16th May, 2008.

## CHAIRMAN'S STATEMENT 主席報告

### 前景

二零零八年市場的主調是動盪。二零零八年首季全球股市的重大調整，預期會對我們二零零八年的利潤產生不利影響。於二零零八年三月，我們絕大部分證券投資的價值都低於二零零七年十二月三十一日的水位。如股市毫無起色或進一步下滑，我們預期二零零八年上半年集團在股票及衍生工具上將遭受重大損失。由於預期未來數月將有大幅波動，而且可望回升，因此，股票及衍生產品未為反映二零零七年十二月三十一日後市場狀況而予以撥備。此外，本集團現金充裕並無借貸，故能抵受震動，甚或在這動盪的市場中獲利。

我們於上市公司J. Bridge Corporation的策略性投資及於Rotol Singapore Limited的間接權益，為於亞洲進行策略性收購提供重大潛力。我們將與兩家公司的管理層緊密合作，制定彼此的增長策略。

由於我們於二零零七年開始投資於以港元和美元以外貨幣列值的上市證券，故可望於二零零八年因美元及港元轉弱而獲利。

本集團挽救於新華航空投資之前景隨著收到買方之不可退回按金而變得令人鼓舞。然而，我們於未來5個月交易完成前將繼續保持警覺。雖然售價110,000,000港元大大低於我們原先約190,000,000港元之投資成本，惟計及訴諸法律行動之費用、時間及不明朗因素，以及本集團因出售之所得現金款項所帶來的機會，我們相信此乃本集團不錯之選擇。

### 財政狀況

本集團於二零零七年十二月三十一日並無借貸，而於二零零六年十二月三十一日卻欠債逾10億港元。出售物業投資及其於亞洲博覽館之權益後，於二零零七年十二月三十一日，本集團有銀行結餘及現金652,170,000港元及財務資產投資337,440,000港元。

### PROSPECTS

Volatility is the theme of the market in 2008. The major correction in the global equities market in the first quarter of 2008 is expected to have an adverse impact to our profits in 2008. As at March 2008, value of most of our investment in securities is below that as at 31st December, 2007. If the equities market stays at the same level, or falls further, we expect the Group's investment in equities and derivatives to incur significant losses in the first half of 2008. Due to the high volatility expected in the coming months which provides a prospect of recovery, no provision was made to equities and derivatives to reflect the market condition subsequent to 31st December, 2007. Moreover, as the Group is cash rich and debt free, we are able to absorb shocks or even take advantage of the volatile market.

Our strategic investment in listed companies J. Bridge Corporation and indirect interests in Rotol Singapore Limited offer significant potential in strategic acquisition in Asia. We are working closely with the management of both companies in formulating their growth strategy.

As we started to invest in listed securities denominated in currencies other than HK\$ and US\$ in 2007, we expect to benefit from a weakening US\$ and HK\$ in 2008.

The prospect of salvaging our investment in Grand China Air is encouraging with the receipt of a non-refundable deposit from the buyer. However, we will remain vigilant until completion takes place in the next 5 months. Although the sale price of HK\$110 million is significantly below our original investment cost of approximately HK\$190 million, we believe it is a good alternative for the Group given the cost, time and uncertainty of pursuing legal course of action, as well as the opportunity the Group can take with the cash proceeds from the sale.

### FINANCIAL POSITION

The Group has no debt as at 31st December, 2007, compared to over HK\$1 billion as at 31st December, 2006. After the disposal of its interests in investment properties and AsiaWorld-Expo, the Group has bank balances and cash of HK\$652.17 million and financial asset investments amounted to HK\$337.44 million as at 31st December, 2007.

## CHAIRMAN'S STATEMENT 主席報告

### 外匯風險

於二零零七年十二月三十一日，本集團持有等值158,810,000港元之非港元貨幣定值之證券及衍生工具。本集團因此面對外匯風險，蓋證券及外幣價值將隨匯率之變動而波動。

本集團目前無任何合同對沖其外匯風險。如本集團認為其風險及外匯波動情況適宜進行對沖，本集團可能使用遠期或對沖合同來降低風險。

### 擔保

二零零七年內，本公司就其持控物業公司（已計入已終止經營業務賬目）所欠未償還債項向銀行提供相當於本集團應佔該附屬公司股本權益之擔保。此擔保於二零零七年十二月三十一日本集團完成出售其投資物業權益後解除。因此，本公司於二零零七年十二月三十一日就該間持控物業公司向該銀行提供之擔保數額為零（二零零六年十二月三十一日：該間持控物業公司於本公司擔保下欠該銀行的未償還債項約為714,000,000港元）。

本公司就一間全資附屬公司所獲財務機構提供不超過20,000,000美元（於二零零六年十二月三十一日：15,000,000美元）的借貸融資額度提供擔保。於二零零七年十二月三十一日並無未償還債項（於二零零六年十二月三十一日：約為800,000歐羅）。

### 員工成本

本集團於本年度的員工成本（包括董事酬金）總額合共約為4,350,000港元（二零零六年：約為910,000港元）。

主席  
馮永祥

香港，二零零八年四月十七日

### Foreign exchange exposure

As at 31st December, 2007, the Group held securities and derivative denominated in currencies other than HK\$ for an equivalent amount of HK\$158.81 million. The Group is therefore exposed to currency risk, as the value of the securities and foreign currencies will fluctuate due to the changes in exchange rates.

The Group at present does not have any contracts to hedge against its foreign exchange risks. Should the Group consider its exposure and fluctuation in foreign currency justify hedging, the Group may use forward or hedging contracts to reduce the risks.

### Guarantee

During 2007, the Company has given a guarantee to a bank to secure the outstanding indebtedness due by its properties holding company which was included in the accounts of the discontinued operation, for an amount attributable to the Group's equity interests in that subsidiary. The guarantee was released on 31st December, 2007, following the completion of the disposal of our interests in investment properties. Accordingly, the amount of guarantee provided by the Company in respect of the property holding company to this bank as at 31st December, 2007 was nil (31st December, 2006: the outstanding indebtedness due by the property holding company to the bank under the guarantee of the Company amounted to approximately HK\$714 million).

The Company has given a guarantee to a financial institution to secure borrowing facilities available to a wholly-owned subsidiary in the amount not exceeding US\$20 million (31st December, 2006: US\$15 million). There was no outstanding indebtedness as at 31st December, 2007 (31st December, 2006: approximately €0.8 million).

### STAFF COSTS

The Group's total staff costs (including directors' emoluments) for the year under review amounted to approximately HK\$4.35 million (2006: approximately HK\$0.91 million).

Fung Wing Cheung, Tony  
Chairman

Hong Kong, 17th April, 2008



## REPORT OF THE DIRECTORS 董事會報告

董事會謹此提呈彼等之報告及截至二零零七年十二月三十一日止年度之經審核財務報表。

**主要業務**

本集團之主要業務包括投資於上市及非上市證券及物業項目。

**業績及分配**

本集團截至二零零七年十二月三十一日止年度之業績載於財務報表第37頁至38頁之綜合損益賬。

本公司董事會(「董事會」)已議決不派發截至二零零七年十二月三十一日止年度之股息(二零零六年：零)，但建議發行紅利認股權證，以於二零零八年五月二十三日名列公司股東名冊之本公司股東每持有五股股份發行一個認股權為基準。

**儲備**

有關本集團及本公司之儲備於本年度之變動情況分別載於綜合權益變動表及財務報表附註33。

**可供分派儲備**

根據香港公司條例第79B條計算，本公司於二零零七年十二月三十一日之可供分派儲備為259,320,000港元(二零零六年：零港元)。

**股本**

有關本公司股本之變動情況載於財務報表附註32。

**五年財政概要**

有關本集團過去五個財政年度之業績及資產與負債概要載於第148頁。

**董事**

年內及截至本報告日期之董事如下：

馮永祥  
李華倫  
李成輝  
勞景祐 (於二零零七年十一月三十日委任)  
狄亞法 (於二零零七年十一月三十日委任)  
馮耀輝  
李業華  
蘇樹輝  
周宇俊  
何振林  
王大鈞 (於二零零七年十一月三十日委任)  
(狄亞法的替任董事)  
葉維義 (於二零零七年三月一日委任及於二零零七年六月二十一日辭任)  
陳健 (於二零零七年六月二十一日委任及於二零零八年一月十八日辭任)

The Directors submit their report together with the audited financial statements for the year ended 31st December, 2007.

**PRINCIPAL ACTIVITY**

The principal activities of the Group include the investments in listed and unlisted securities and properties.

**RESULTS AND APPROPRIATIONS**

The results of the Group for the year ended 31st December, 2007 are set out in the consolidated income statement on pages 37 to 38 of the financial statements.

The Board of Directors of the Company (the "Board") has resolved not to declare a dividend for the year ended 31st December, 2007 (2006: Nil), but proposed an issue of bonus warrants on the basis of one warrant for every five shares held by the shareholders of the Company whose names appear on the Register of Members on 23rd May, 2008.

**RESERVES**

Movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity and note 33 to the financial statements respectively.

**DISTRIBUTABLE RESERVES**

Distributable reserves of the Company at 31st December, 2007, calculated under Section 79B of the Hong Kong Companies Ordinance, amounted to HK\$259.32 million (2006: Nil).

**SHARE CAPITAL**

Details of the movements in share capital of the Company are shown in note 32 to the financial statements.

**FIVE YEAR FINANCIAL SUMMARY**

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 148.

**DIRECTORS**

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

Fung Wing Cheung, Tony  
Lee Wa Lun, Warren  
Lee Seng Hui  
Lo King Yau, Edwin (appointed on 30th November, 2007)  
Arthur George Dew (appointed on 30th November, 2007)  
Fung Yiu Fai, Peter  
Lee Yip Wah, Peter  
So Shu Fai, Ambrose  
Chow Yu Chun, Alexander  
Albert Ho  
Wong Tai Chun, Mark (appointed on 30th November, 2007)  
(Alternate Director to Arthur George Dew)  
V-Nee Yeh (appointed on 1st March, 2007 and resigned on 21st June, 2007)  
Kin Chan (appointed on 21st June, 2007 and resigned on 18th January, 2008)

## REPORT OF THE DIRECTORS 董事會報告

### 董事(續)

馮永祥、李華倫、李成輝及李業華諸位先生將遵照本公司之公司組織章程細則第101條規定在即將舉行之股東週年大會(「股東週年大會」)上輪值退任。馮永祥先生已通知本公司彼將不會於股東週年大會上尋求連任。其他即將退任董事惟願於股東週年大會上膺選連任。

勞景祐及狄亞法諸位先生將遵照本公司組織章程細則第92條規定在股東週年大會上退任，惟願膺選連任。

本公司已取得全體獨立非執行董事之獨立確認書，並認為彼等乃獨立。

### 董事服務合約

有意於應屆股東週年大會上連任之董事均無與本公司訂有本公司不可於一年內免付補償(法例賠償除外)而終止之服務合約。

### 董事個人簡歷

各董事之簡歷載列如下：

### 執行董事

**李華倫**，44歲，於二零零四年出任本集團董事及禹銘投資管理有限公司(「禹銘投資管理」)之董事。於二零零六年十二月至二零零七年五月期間，他曾出任Nam Tai Electronics, Inc.(其為於紐約證券交易所上市之電子製造服務供應商)之行政總裁。於二零零四年三月至二零零六年二月期間，他曾出任Nam Tai Electronic and Electrical Products Limited(「NTEEP」)之獨立非執行董事，並於二零零六年二月至二零零七年四月期間轉任非執行董事。於二零零七年一月至二零零七年四月期間，彼亦曾出任J.I.C. Technology Company Limited(「JIC」)之非執行董事。NTEEP及JIC均為香港聯合交易所有限公司(「聯交所」)主板上市公司及Nam Tai Electronics, Inc.之附屬公司。李先生於一九八六年畢業於英國The University of East Anglia並取得理學學士學位，以及於一九八八年取得倫敦The City University Business School之理學碩士學位。

### DIRECTORS (continued)

In accordance with Article 101 of the Company's Articles of Association, Messrs. Fung Wing Cheung, Tony, Lee Wa Lun, Warren, Lee Seng Hui and Lee Yip Wah, Peter will retire by rotation at the forthcoming annual general meeting ("AGM"). Mr. Fung Wing Cheung, Tony, notified the Company that he would not seek for re-election at the AGM. The other retiring Directors, being eligible, offer themselves for re-election at the AGM.

In accordance with Article 92 of the Company's Articles of Association, Messrs. Lo King Yau, Edwin and Arthur George Dew will retire and, being eligible, offer themselves for re-election at the AGM.

The Company has received confirmations of independence from all Independent Non-Executive Directors, and considers them to be independent.

### DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

### BIOGRAPHICAL DETAILS OF DIRECTORS

The biographical details of the Directors are set out below:

### Executive Directors

**Lee Wa Lun, Warren**, aged 44, became a Director of the Group in 2004 and is a director of Yu Ming Investment Management Limited ("YMIM"). From December 2006 to May 2007, Mr. Lee was the chief executive officer of Nam Tai Electronics, Inc., an electronics manufacturing services provider listed on the New York Stock Exchange. From March 2004 to February 2006, he was an independent non-executive director of Nam Tai Electronic and Electrical Products Limited ("NTEEP"), and from February 2006 to April 2007, he was re-designated as a non-executive director. From January 2007 to April 2007, he was also a non-executive director of J.I.C. Technology Company Limited ("JIC"). Both of NTEEP and JIC are listed on the main board of the Stock Exchange of Hong Kong and subsidiaries of Nam Tai Electronics, Inc.. Mr. Lee graduated with a Bachelor of Science Degree from The University of East Anglia in England in 1986 and obtained a Master of Science Degree from The City University Business School in London in 1988.

## REPORT OF THE DIRECTORS 董事會報告

### 董事個人簡歷(續)

#### 執行董事(續)

**李成輝**，39歲，於一九九六年加入本集團。李先生畢業於澳洲雪梨大學法律系，並取得榮譽學位。彼曾於麥堅時律師行及羅富齊父子(香港)有限公司工作。彼為本公司之主要股東聯合集團有限公司(「聯合集團」)之執行董事兼行政總裁。李先生於本公司之股份權益列載於「董事於本公司及相聯法團的股份、相關股份及債券之權益及淡倉」部份中。彼亦為天安中國投資有限公司(「天安」)之非執行董事及主席。李先生亦為Tanami Gold NL之非執行董事，該公司股份於澳洲聯交所上市。

**勞景祐**，47歲，為特許公司秘書，並持有澳洲Macquarie University之應用財務碩士學位，於二零零七年十一月獲委任為本公司之執行董事。彼曾於香港多間公司履任多項行政職位，包括在上市公司出任公司秘書。彼現為本公司之主要股東聯合集團之執行董事兼公司秘書。彼亦為天安之執行董事。

#### 非執行董事

**馮永祥**，56歲，自一九九〇年本集團成立時加入，為本公司之主席。馮先生亦為禹銘投資管理之主席。彼於證券業務、物業發展及中國投資方面具備超過三十年之經驗，並於國際性金融、商品、直接投資及基金管理方面具有豐富專業知識。馮先生亦為香港總商會之常務委員。彼亦為本公司股東Megaland Development Limited之董事，彼於本公司股份之權益於「董事於本公司及相聯法團的股份、相關股份及債券之權益及淡倉」一節披露。

### BIOGRAPHICAL DETAILS OF DIRECTORS (continued)

#### Executive Directors (continued)

**Lee Seng Hui**, aged 39, joined the Group in 1996. Mr. Lee graduated from the Law School of the University of Sydney with Honours. Previously he worked with Baker & McKenzie and NM Rothschild & Sons (Hong Kong) Limited. He is an executive director and the chief executive of Allied Group Limited ("AGL"), a substantial shareholder of the Company, whose interest in shares of the Company is disclosed in the section of "Directors' interests and short position in shares, underlying shares and debenture of the Company and associated corporations". He is also a non-executive director and the chairman of Tian An China Investments Company Limited ("Tian An"). Mr. Lee is also a non-executive director of Tanami Gold NL, the shares of which are listed on the Australian Stock Exchange.

**Lo King Yau, Edwin**, aged 47, a chartered company secretary and holder of a Master's Degree in Applied Finance from Macquarie University, Australia, was appointed an Executive Director of the Company in November 2007. He had served various executive roles in several companies in Hong Kong including as company secretary for public listed companies. He is currently an executive director and company secretary of AGL, a substantial shareholder of the Company, and an executive director of Tian An.

#### Non-Executive Directors

**Fung Wing Cheung, Tony**, aged 56, joined the Group since its inception in 1990 and is Chairman of the Company. Mr. Fung is also chairman of YMIM. He has over 30 years of experience in the securities business, property development and investment in China and has extensive exposure in international finance, commodities, direct investment and fund management. Mr. Fung is a General Committee Member of the Hong Kong General Chamber of Commerce. He is also a director of Megaland Development Limited, a shareholder of the Company, whose interest in shares of the Company is disclosed in the section of "Directors' interests and short positions in shares, underlying shares and debentures of the Company and associated corporations".

## REPORT OF THE DIRECTORS 董事會報告

### 董事個人簡歷(續)

#### 非執行董事(續)

**狄亞法**，現年66歲，於二零零七年十一月獲委任為本公司之非執行董事。彼畢業於澳洲雪梨大學法律系，並取得澳洲新南威爾斯最高法院之律師資格，其後更取得大律師資格。彼現為非執業大律師。彼於企業及商業方面具豐富經驗，曾於多間澳洲、香港及其他地區之上市公司擔任董事，並出任若干公司之董事會主席。彼現為聯合集團(本公司之主要股東)、聯合地產(香港)有限公司(「聯合地產」)及卓健亞洲有限公司之非執行董事兼主席。

**馮耀輝**，61歲，自一九九〇年本集團成立時加入，為本公司之非執行董事。彼於投資銀行業務具備約三十年之經驗，並於香港及東南亞之策略性投資具備豐富專業知識。馮先生於一九六九年獲McGill University頒發理學士學位，並分別於一九七一年及一九七三年獲Northwestern University 頒發理科碩士及工商管理碩士學位。

**李業華**，66歲，於一九九八年加入本集團。彼為香港執業律師，李先生亦為數間上市公司之獨立非執行董事包括招商局國際有限公司及中外運航運有限公司。彼亦為深圳控股有限公司之非執行董事(一間香港公眾上市公司)。李先生亦為本公司之秘書。

**王大鈞**，43歲，為狄亞法先生之替任董事。王先生為卓健亞洲有限公司(香港聯交所上市公司)之財務董事及聯合集團之投資總監。王先生曾任香港其他上市公司之財務總監。王先生持有工商管理碩士學位，亦為香港會計師公會及特許公認會計師公會之資深會員及為一名特許秘書。

### BIOGRAPHICAL DETAILS OF DIRECTORS (continued)

#### Non-Executive Directors (continued)

**Arthur George Dew**, aged 66, was appointed a Non-Executive Director of the Company in November 2007. He graduated from the Law School of the University of Sydney, Australia, and was admitted as a solicitor and later as a barrister of the Supreme Court of New South Wales, Australia. He is currently a non-practising barrister. He has a broad range of corporate and business experience and has served as a director, and in some instances chairman of the board of directors, of a number of public companies listed in Australia, Hong Kong and elsewhere. He is a non-executive director and the chairman of AGL, a substantial shareholder of the Company, Allied Properties (H.K.) Limited ("Allied Properties") and Quality HealthCare Asia Limited.

**Fung Yiu Fai, Peter**, aged 61, joined the Group since its inception in 1990 and is a Non-Executive Director of the Company. He has almost 30 years of experience in investment banking and has extensive exposure in strategic investments in Hong Kong and South East Asia. Mr. Fung received a BS degree from McGill University in 1969, and a MS and MBA degree from Northwestern University in 1971 and 1973 respectively.

**Lee Yip Wah, Peter**, aged 66, joined the Group in 1998. Mr. Lee is a practising solicitor in Hong Kong. He is also an Independent Non-Executive Director of a number of listed companies including China Merchants Holdings (International) Company Limited and Sinotrans Shipping Limited, and a non-executive director of Shenzhen Investment Limited (a listed public company in Hong Kong). He is also the Secretary of the Company.

**Wong Tai Chun, Mark**, aged 43, is an Alternate Director to Mr. Arthur George Dew. He is the finance director of Quality HealthCare Asia Limited, a listed public company in Hong Kong and the director of investment of AGL. Mr. Wong had been the financial controller of other listed companies in Hong Kong. Mr. Wong has a Master's Degree in Business Administration and is a fellow of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants and a Chartered Secretary.

## REPORT OF THE DIRECTORS 董事會報告

## 董事個人簡歷(續)

## 獨立非執行董事

**蘇樹輝**，57歲，自一九九〇年本集團成立時加入，彼為香港上市公司信德集團有限公司之執行董事。蘇博士為中國人民政治協商會議第十一屆全國委員會委員及香港大學校教研發展基金會董事。

**周宇俊**，61歲，於一九九九年獲委任為本公司之董事。周先生為英國特許公認會計師公會資深會員及香港會計師公會會計師。彼於香港與中國之商業、金融及投資管理方面擁有三十年以上經驗。周先生亦為新世界中國地產有限公司、黛麗斯國際有限公司及彩星玩具有限公司之董事。

**何振林**，50歲，於一九九九年加入本集團，為替任董事，並於二零零四年獲委任為獨立非執行董事，何先生畢業於澳洲悉尼麥克里大學，持有經濟學學士學位，並獲得香港大學工商管理學碩士學位。彼為香港會計師公會會計師及英國特許公認會計師公會資深會員。

## 董事之合約權益

本年度內，禹銘投資管理(馮永祥(於年內，馮永祥和馮耀輝終止成為股東及馮耀輝辭任董事)及李華倫為該公司董事)就本集團與禹銘投資管理簽訂之管理協議向本集團收取13,343,473港元之管理費用及12,207,829港元之履約費用。

於截至二零零七年十二月三十一日止年度內，應收被投資之公司Hong Kong IEC Limited(「HKIEC」)(其中馮永祥先生乃HKIEC及本公司之董事)之股息及利息收入分別為30,546,333港元及1,215,188港元。

除上文所披露者外，本年度內或年結時，本公司或其附屬公司概無簽訂任何涉及本集團之業務而本公司董事直接或間接在其中擁有重大權益之重要合約。

BIOGRAPHICAL DETAILS OF DIRECTORS (continued)  
Independent Non-Executive Directors

**So Shu Fai, Ambrose**, aged 57, joined the Group since its inception in 1990, is an executive director of Shun Tak Holdings Limited, a listed company in Hong Kong. Dr. So is a committee member of the 11th National Committee of the Chinese People's Political Consultative Conference and a director of University of Hong Kong Foundation for Education Development and Research.

**Chow Yu Chun, Alexander**, aged 61, was appointed a Director of the Company in 1999. He is a fellow of the Association of Chartered Certified Accountants and a CPA of the Hong Kong Institute of Certified Public Accountants ("HKICPA"). He has over 30 years of experience in commercial, financial and investment management in Hong Kong and China. Mr. Chow is also a director of New World China Land Limited, Top Form International Limited and Playmates Toys Limited.

**Albert Ho**, aged 50, joined the Group as an Alternate Director in 1999 and became an Independent Non-Executive Director in 2004. Mr. Ho graduated from the Macquarie University, Sydney, Australia with a Bachelor of Economics and MBA from the University of Hong Kong. He is a CPA of HKICPA and fellow member of the Association of Chartered Certified Accountants.

## DIRECTORS' INTEREST IN CONTRACTS

During the year, YMIM, of which Fung Wing Cheung, Tony is director (Fung Wing Cheung, Tony and Fung Yiu Fai, Peter ceased to be shareholders and Fung Yiu Fai, Peter resigned as a director during the year) and Lee Wa Lun, Warren is director, received from the Group management fee of HK\$13,343,473 and performance fee of HK\$12,207,829 in connection with a management agreement signed between the Group and YMIM.

During the year ended 31st December, 2007, dividend and interest income of HK\$30,546,333 and HK\$1,215,188 respectively were receivable from an investee, Hong Kong IEC Limited ("HKIEC"), of which Mr. Fung Wing Cheung, Tony is the director of HKIEC and the Company.

Save as disclosed above, no other contracts of significance in relation to the Group's business to which the Company or its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## REPORT OF THE DIRECTORS 董事會報告

### 董事於競爭業務上之權益

在截至二零零七年十二月三十一日止年度內，本公司下列董事透過下述公司、其附屬公司、聯營公司或其他投資形式而持有下列業務(本公司之業務除外)之權益，而該等業務被視為於年度內與本公司之主要業務有競爭或可能有直接或間接競爭，根據聯交所證券上市規則(「上市規則」)第8.10條所須披露之權益如下：

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31st December, 2007, the following Directors of the Company had interests in the following businesses (apart from the Company's businesses) conducted through the companies named below, their subsidiaries, associated companies or other investment forms which are considered to compete or be likely to compete, either directly or indirectly, with the principal businesses of the Company conducted during the year required to be disclosed pursuant to rule 8.10 of Rules Governing the Listing of Securities ("Listing Rules") on the Stock Exchange of Hong Kong:

Name of Directors 董事姓名	Name of company 公司名稱	Nature of interest 權益性質	Nature of competing business 競爭業務性質
Fung Wing Cheung, Tony 馮永祥	Friendex Limited 友仁有限公司	Shareholder 股東	Property 地產
Fung Yiu Fai, Peter 馮耀輝	Friendex Limited 友仁有限公司	Director and shareholder 董事及股東	Property 地產

馮永祥先生及馮耀輝先生分別擁有 Mega Top Investment Limited 之 75% 及 25% 權益，該公司擁有友仁有限公司之 42.5% 權益，後者則擁有旺角銀城廣場一樓多間商舖。本集團擁有銀城廣場二樓及三樓。銀城廣場一樓乃向賣方購入並訂立售後租回安排，商舖面積較小。銀城廣場二樓及三樓以「全層」方式購入，單位面積較大。

Messrs. Fung Wing Cheung, Tony and Fung Yiu Fai, Peter own 75% and 25% interests respectively in Mega Top Investment Limited, which owns 42.5% interest in Friendex Limited, which owns various shops located on the first floor of Ginza Plaza in Mongkok. The Group owns the second and third floors of Ginza Plaza. First floor of Ginza Plaza was acquired with a leased-back arrangement from the vendor, and shops were of small size. The second and third floors of Ginza Plaza were acquired "whole floor", and units are of sizeable area.

董事會認為，本集團有能力獨立經營其物業投資業務。當對本集團的物業投資業務作出決策時，相關的董事已經履行其作為本公司董事的職責，本著本集團的最佳利益行事。

The Board was of the view that the Group was capable of carrying on its properties investment businesses independently. When making decisions on the properties investment business of the Group, the relevant Directors, in the performance of their duties as Directors of the Company, acted in the best interests of the Group.

## REPORT OF THE DIRECTORS 董事會報告

### 董事於競爭業務上之權益 (續)

年內及直至本報告日期，本公司董事（並非獨立非執行董事）李成輝先生、勞景祐先生及狄亞法先生根據上市規則被認為於下述競爭業務中擁有權益：

李成輝先生為Lee and Lee Trust之受託人之一，該信託被視為聯合集團、聯合地產、新鴻基有限公司及力寶有限公司（「力寶」）之主要股東，該等公司通過其若干附屬公司部分從事香港物業投資業務。彼於二零零七年一月二十五日終止被視為力寶之主要股東；

李成輝先生為Allied Kajima Limited之董事，該公司通過其若干附屬公司部份從物業租賃業務；

狄亞法先生及勞景祐先生為聯合集團之董事，該公司通過一間附屬公司部分從事香港物業投資業務；

狄亞法先生為聯合地產之董事，該公司通過其若干附屬公司部分從事香港物業投資業務。彼於二零零七年一月一日被委任為聯合地產之董事。

由於董事會獨立於上述公司之董事會，因此本集團能獨立於該等公司經營業務，並與該等公司公平地開展業務。

二零零七年七月三日，本公司一間附屬公司就出售零售物業業務而簽訂有條件買賣協議。該交易於二零零七年十二月三十一日完成。自此，上述交易將不被視為與本公司主要業務有競爭。

### DIRECTORS' INTERESTS IN COMPETING BUSINESS (continued)

During the year and up to the date of this report, Messrs. Lee Seng Hui, Lo King Yau, Edwin, and Arthur George Dew, Directors of the Company (not being Independent Non-Executive Directors), are considered to have interests in the following competing businesses pursuant to the Listing Rules:

Mr. Lee Seng Hui is one of the trustees of Lee and Lee Trust which is a deemed substantial shareholder of each of AGL, Allied Properties, Sun Hung Kai & Co. Limited and Lippo Limited ("Lippo") which, through their subsidiaries, are partly engaged in the business of property investment in Hong Kong. He ceased to be a deemed substantial shareholder of Lippo on 25th January, 2007;

Mr. Lee Seng Hui is a director of Allied Kajima Limited which, through certain of its subsidiaries, is partly engaged in the business of property rental.

Mr. Arthur George Dew and Mr. Lo King Yau, Edwin, are directors of AGL which, through a subsidiary, is partly engaged in the business of property investment in Hong Kong;

Mr. Arthur George Dew is a director of Allied Properties which, through certain of its subsidiaries, is partly engaged in the business of property investment in Hong Kong. He was appointed as a director of Allied Properties on 1st January, 2007.

As the Board is independent from the boards of the abovementioned companies, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of such companies.

On 3rd July, 2007, a subsidiary of the Company entered into a conditional sale and purchase agreement for the disposal of the retail properties business. The transaction was completed on 31st December, 2007. Accordingly, after then, the above transactions will not be regarded to compete with the principal businesses of the Company.

## REPORT OF THE DIRECTORS 董事會報告

### 關連交易

本集團於截至二零零七年十二月三十一日止年度進行之重大與有關連人士交易(即據上市規則而構成關連交易者)，乃載於財務報表附註21、32及38。

年內，上述關連交易均符合上市規則第14A條之相關規定。

### 董事於本公司及相聯法團的股份、相關股份及債券之權益及淡倉

於二零零七年十二月三十一日，本公司董事於本公司及其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益及淡倉(包括根據證券及期貨條例之該等條文本公司董事及最高行政人員被視為或被當作擁有之權益及淡倉)，或須列入而已列入按證券及期貨條例第352條存置之登記冊內，或根據上市規則之上市發行人董事進行證券交易之標準守則(「標準守則」)須知會本公司及聯交所之權益及淡倉如下：

### CONNECTED TRANSACTIONS

Significant related party transactions entered by the Group during the year ended 31st December, 2007, which constitute connected transactions under the Listing Rules, is disclosed in notes 21, 32 and 38 to the financial statements.

During the year, the above mentioned connected transactions are in compliance with the relevant requirement under 14A of the Listing Rules.

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As at 31st December, 2007, the interests and short positions of the Directors of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange of Hong Kong pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the Chief Executives of the Company were deemed or taken to have under such provisions of the SFO) or which were required to be and were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange of Hong Kong pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in the Listing Rules were as follows:



## REPORT OF THE DIRECTORS 董事會報告

董事於本公司及相聯法團的股份、相關股份及債券之權益及淡倉(續)

(a) 於本公司股份權益

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATIONS (continued)

(a) Interests in shares of the Company

Name of directors	Capacity	Numbers of Shares 股份數目				Total	% of total issued shares as at 31st December, 2007 於二零零七年 十二月三十一日 佔已發行 股份總數 百分比
		Personal interests	Family interests	Corporate interests	Other interests		
董事姓名	身份	個人權益	家屬權益	法團權益	其他權益	總額	
Fung Wing Cheung, Tony 馮永祥	Interest of children under 18 18歲以下子女之權益	3,328,000	-	-	164,926,258 (Note 1) (附註1)	168,254,258	9.00%
Lee Seng Hui 李成輝	Interest in controlled corporation 受控制公司的權益	-	-	504,371,800 (Note 2) (附註2)	-	504,371,800	26.98%
Fung Yiu Fai, Peter 馮耀輝	Beneficial owner 實益擁有人	6,500,000	-	-	-	6,500,000	0.35%
Lee Yip Wah, Peter 李業華	Beneficial owner 實益擁有人	1,550,000	-	-	-	1,550,000	0.08%
Albert Ho 何振林	Beneficial owner 實益擁有人	1,000,000	-	-	-	1,000,000	0.05%
Chan Kin 陳健	Interest in controlled corporation 受控制公司的權益	-	-	154,900,000 (Note 3) (附註3)	-	154,900,000	8.29%

附註1: Megaland Development Limited (「Megaland」) 持有164,926,258股股份。Megaland亦由Oyster Unit Trust之信託人Oyster Services Limited全資擁有，因此Oyster Services Limited 被視為擁有164,926,258股股份之權益。

Oyster Unit Trust之信託財產包括Megaland之全部已發行股本。Oyster Unit Trust之受益人為HSBC International Trustee Limited，其以信託方式代表The Alyssa Js 1 Trust之受益人持有信託財產(包括Oyster Unit Trust之實益權益)。The Alyssa Js 1 Trust之受益人為(其中包括)馮永祥18歲以下之子女。

因此，馮永祥被視為擁有164,926,258股股份之權益，而其18歲以下之子女則根據上述安排擁有該等股份之最終實益權益。

Note 1: Megaland Development Limited ("Megaland") hold 164,926,258 shares. Megaland is also wholly-owned by Oyster Services Limited, the trustee of the Oyster Unit Trust, which in turn Oyster Services Limited is deemed to be interested in 164,926,258 shares.

The trust property of the Oyster Unit Trust comprises the entire issued capital of Megaland. The beneficiary of Oyster Unit Trust is HSBC International Trustee Limited which holds the trust property (including the beneficial interest under the Oyster Unit Trust) on trust for the beneficiaries of The Alyssa Js 1 Trust. The beneficiaries of The Alyssa Js 1 Trust are, inter alia, Fung Wing Cheung, Tony's children under 18.

As such, Fung Wing Cheung, Tony is deemed to be interested in 164,926,258 shares in which his children under 18 have ultimate beneficial interest under the above arrangement.

## REPORT OF THE DIRECTORS 董事會報告

董事於本公司及相聯法團的股份、相關股份及債券之權益及淡倉(續)

(a) 於本公司股份權益(續)

附註2：李成輝為Lee and Lee Trust(「LLT」)之其中一位信託人，LLT擁有聯合集團之42.6%權益，聯合集團透過其全資附屬公司則持有本公司之504,371,800股股份。因此，李成輝及LLT均被視作擁有該等由聯合集團擁有之股份權益。

附註3：ASM Hudson River Fund(「River Fund」)及Master Fund分別持有本公司之22,122,000股股份及132,778,000股股份，而彼等由ASM管理。ASM由ASMH全資擁有，而陳健擁有ASMH之44.45%權益。因此，陳健、ASMH及ASM均被視為擁有該等由River Fund及Master Fund擁有之股份權益。

陳先生於二零零八年一月十八日辭任本公司董事。

(b) 於相聯法團股份權益

Name of director 董事姓名	Name of corporations 法團名稱	Capacity 身份	Numbers of Shares 股份數目				Total 總額
			Personal interests 個人權益	Family interests 家屬權益	Corporate interests 法團權益	Other interests 其他權益	
Fung Wing Cheung, Tony 馮永祥	Honnex Development Limited 康恩發展有限公司	Beneficial owner 實益擁有人	100,000 (10.20%)	- -	- -	- -	100,000 (10.20%)
	Long Vocation Investments Limited	Beneficial owner 實益擁有人	5 (5.55%)	-	-	-	5 (5.55%)

除上述披露者外，於截至二零零七年十二月三十一日止年度內之任何時間，本公司、其附屬公司或其聯營公司概無訂立任何安排，令本公司之董事或主要行政人員可藉購入本公司或其他相聯法團之股份或債券而獲益。

除上文所披露者外，本公司各董事或主要行政人員並無於本公司或其相聯法團(定義見證券及期貨條例第十五部份)之股份、相關股份或債券擁有權益或淡倉，而須登記於根據證券及期貨條例第352條規定須存置之登記冊內，或根據上市規則所載標準守則須知會本公司及聯交所之任何權益及淡倉。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATIONS (continued)

(a) Interests in shares of the Company (continued)

Note 2: Lee Seng Hui is one of the trustees of Lee and Lee Trust ("LLT") which owns 42.6% interests in AGL which holds 504,371,800 shares of the Company through its wholly-owned subsidiaries. Accordingly, Lee Seng Hui and LLT are deemed to have an interest in its shares in which AGL is interested.

Note 3: ASM Hudson River Fund (the "River Fund") and the Master Fund which hold 22,122,000 shares and 132,778,000 shares of the Company respectively, are managed by ASM. ASM is wholly owned by ASMH and Chan Kin owns 44.45% interests in ASMH. Therefore, Chan Kin, ASMH and ASM are deemed to have an interest in the shares in which the River Fund and the Master Fund are interested.

Mr. Chan resigned as Director of the Company on 18th January, 2008.

(b) Interests in shares of associated corporations

Name of director 董事姓名	Name of corporations 法團名稱	Capacity 身份	Numbers of Shares 股份數目				Total 總額
			Personal interests 個人權益	Family interests 家屬權益	Corporate interests 法團權益	Other interests 其他權益	
Fung Wing Cheung, Tony 馮永祥	Honnex Development Limited 康恩發展有限公司	Beneficial owner 實益擁有人	100,000 (10.20%)	- -	- -	- -	100,000 (10.20%)
	Long Vocation Investments Limited	Beneficial owner 實益擁有人	5 (5.55%)	-	-	-	5 (5.55%)

Save as disclosed above, at no time during the year ended 31st December, 2007 was the Company, its subsidiaries or its associated companies a party to any arrangement to enable the Directors or Chief Executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or its associated corporations.

Save as disclosed above, none of the Directors or the Chief Executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange of Hong Kong pursuant to the Model Code contained in the Listing Rules.

## REPORT OF THE DIRECTORS 董事會報告

## 主要股東

於二零零七年十二月三十一日，根據本公司按證券及期貨條例第XV部第336條規定而設置之主要股東權益及淡倉登記冊紀錄所顯示，以下人士或公司（除上述披露有關董事所持之權益外）持有本公司已發行股本及相關股份百分之五或以上之股份權益：

## SUBSTANTIAL SHAREHOLDERS

As at 31st December, 2007, the following persons or corporations, other than the interest disclosed above in respect of the Directors, interest in 5% or more in the shares and underlying shares of the Company have been notified to the Company and recorded in the register of substantial shareholders' interests in shares and short positions required to be kept under Section 336 of Part XV of the SFO:

Name of shareholders	Notes	Capacity	No. of shares	% of total issued shares As at 31st December, 2007 總數百分比 於二零零七年 十二月三十一日
股東名稱	附註	身份	佔已發行股份 股份數目	
Allied Group Limited ("AGL") 聯合集團有限公司（「聯合集團」）	1	Interest of controlled corporation 受控制公司的權益	504,371,800	26.98%
Lee and Lee Trust ("LLT")	2	Interest of controlled corporation 受控制公司的權益	504,371,800	26.98%
Poly (Hong Kong) Investments Limited ("Poly") 保利（香港）投資有限公司（「保利」）	3	Interest of controlled corporation 受控制公司的權益	109,150,000	5.84%
HSBC International Trustee Limited	4	Trustee 信託人	177,026,258	9.47%
ASM Asia Recovery (Master) Fund (the "Master Fund")	5	Beneficial Owner 實益擁有人	132,778,000	7.10%
Argyle Street Management Limited ("ASM")	5	Interest of controlled corporation 受控制公司的權益	154,900,000	8.29%
Argyle Street Management Holdings Limited ("ASMH")	5	Interest of controlled corporation 受控制公司的權益	154,900,000	8.29%
Sparkling Summer Limited ("Sparkling Summer")	6	Beneficial owner 實益擁有人	102,060,000	5.46%
Classic Fortune Limited ("Classic Fortune")	6	Interest of controlled corporation 受控制公司的權益	102,060,000	5.46%
COL Capital Limited ("COL") 中國網絡資本有限公司（「中國網絡」）	6	Interest of controlled corporation 受控制公司的權益	102,060,000	5.46%
China Spirit Limited ("China Spirit")	6	Interest of controlled corporation 受控制公司的權益	102,060,000	5.46%
Vigor Online Offshore Limited ("Vigor Online")	6	Interest of controlled corporation 受控制公司的權益	102,060,000	5.46%
Chong Sok Un 莊舜而（前名字：莊淑澆）	6	Interest of controlled corporation 受控制公司的權益	102,542,000	5.49%

## REPORT OF THE DIRECTORS 董事會報告

### 主要股東(續)

附註：

1. 聯合集團透過其全資附屬公司持有504,371,800股股份。
2. 李成輝先生(本公司董事)、李淑慧女士及李成煌先生均為全權信託LLT之信託人。彼等共同擁有聯合集團之42.6%權益及被視作擁有該等由聯合集團擁有之股份權益。
3. 保利之權益乃透過多間全資附屬公司而持有。保利的前身為新海康航業投資有限公司。
4. 該等177,026,258股股份中，164,926,258股股份被視為Megaland擁有之權益。Megaland之全部已發行股本為Oyster Unit Trust之信託財產，其詳情載於「董事於本公司及相聯法團的股份、相關股份及債券之權益及淡倉」一節於本公司股份權益之附註1內。
5. ASM Hudson River Fund(「River Fund」)及Master Fund分別持有本公司之22,122,000股股份及132,778,000股股份，而彼等由ASM管理。ASM由ASMH全資擁有，而陳健(於二零零七年十二月三十一日為本公司董事)擁有ASMH之44.45%權益。因此，陳健、ASMH及ASM均被視為擁有該等由River Fund及Master Fund擁有之股份權益。
6. Sparkling Summer為Classic Fortune之全資附屬公司。Classic Fortune由COL全資擁有，而COL則由Vigor Online擁有38.56%權益。Vigor Online為China Spirit之全資擁有附屬公司，而China Spirit則由莊舜而全資擁有。因此，莊舜而、China Spirit、Vigor Online及Classic Fortune均被視為於Sparkling Summer之股份擁有權益。

該102,542,000股即(i) Sparkling Summer所持有102,060,000股及(ii) Billstyle Investments Limited所持有482,000股之和，而Billstyle Investments Limited由莊舜而全資擁有。

除上文所披露者外，於二零零七年十二月三十一日，董事並不知悉有任何其他人士於本公司或任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份股本衍生工具或債券中擁有根據證券及期貨條例第XV部，須向本公司披露之權益或淡倉。

### SUBSTANTIAL SHAREHOLDERS (continued)

Notes:

1. AGL holds 504,371,800 shares through its wholly-owned subsidiaries.
2. Mr. Lee Seng Hui (Director of the Company), Ms. Lee Su Hwei and Mr. Lee Seng Huang are trustees of the LLT, being a discretionary trust. They together owned 42.6% interest in AGL and are therefore deemed to have an interest in the said shares in which AGL is interested.
3. The interest of Poly was attributable on account through a number of wholly-owned subsidiaries. The Company was former known as Continental Mariner Investment Company Limited.
4. Out of these 177,026,258 shares, 164,926,258 shares are deemed to be interested by Megaland. The entire issued share capital of Megaland is the trust property of the Oyster Unit Trust. Details are set out in note 1 of interest in shares of the Company under the heading of "Directors' Interests and Short Positions in Shares, underlying Shares and Debentures of The Company and Associated Corporations".
5. ASM Hudson River Fund (the "River Fund") and the Master Fund which hold 22,122,000 shares and 132,778,000 shares of the Company respectively, are managed by ASM. ASM is wholly owned by ASMH and Chan Kin (Director of the Company as at 31st December, 2007) owns 44.45% interests in ASMH. Therefore, Chan Kin, ASMH and ASM are deemed to have an interest in the shares in which the River Fund and the Master Fund are interested.
6. Sparkling Summer is a wholly-owned subsidiary of Classic Fortune. Classic Fortune is wholly owned by COL which in turn is owned 38.56% by Vigor Online. Vigor Online is a wholly-owned subsidiary of China Spirit which in turn is wholly-owned by Chong Sok Un. Accordingly, Chong Sok Un, China Spirit, Vigor Online and Classic Fortune are deemed to have an interest in the shares in which Sparkling Summer is interested.

The 102,542,000 shares represent the aggregate of (i) the 102,060,000 shares held by Sparkling Summer and (ii) the 482,000 shares held by Billstyle Investments Limited, which is wholly-owned by Chong Sok Un.

Save as disclosed above, as at 31st December, 2007, the Directors are not aware of any other persons who have interests or short positions in the shares, underlying shares of equity derivatives or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would be required to be disclosed to the Company pursuant to Part XV of the SFO.

## REPORT OF THE DIRECTORS 董事會報告

### 管理協議

根據本集團與禹銘投資管理於一九九七年三月五日訂立並經股東於一九九七年三月二十七日批准之管理協議（「現行管理協議」），禹銘投資管理同意由一九九七年三月二十七日起計五年內協助董事會處理本集團之日常工作。禹銘投資管理有權收取投資管理費用，金額相等於每季最後一日之資產淨值之0.375%，以及獎金費用（如有），金額相等於各財政年度完結後之經審核之除稅前綜合溢利（未計獎金費用前）減去本集團於該年度之每月平均資產淨值6%後之超出數額之20%。而計算投資管理費用及獎金費用時，本公司之聯營公司將不會按權益會計法計算入每季及每月平均資產淨值及綜合除稅前溢利。

在二零零二年三月四日，獨立股東批准一份補充協議（「補充協議」）延長現行管理協議之到期日，直至二零零七年三月三十一日。補充協議中，管理費用維持不變。在補充協議中的有效期限內，如本集團錄得累計虧損時，禹銘投資管理將不收取獎金費用。因而，該項獎金費用金額為截至每年度十二月三十一日止經審核之除稅前綜合溢利（未計獎金費用前），扣除補充協議中的有效期限內之累計虧損後，如有溢利，再減本集團每月平均綜合資產淨值6%後超出數額之20%。而計算投資管理費用及獎金費用時，本公司之聯營公司將不會按權益會計法計算入每季及每月平均資產淨值及綜合除稅前溢利。於二零零六年及二零零七年十二月三十一日，禹銘投資管理並無收費獎金費用。

截至二零零七年六月三十日止後，本公司與禹銘投資管理磋商訂立新投資管理協議（「新投資管理協議」）之際，又與禹銘投資管理訂立了中期協議（「中期協議」），內容有關委禹銘投資管理為本公司投資經理，有效期為補充協議失效後，由二零零七年四月一日至二零零七年八月四日。中期協議之條款與現有投資管理協議及補充協議所載者大致相同，惟獎金費用不再會於中期期間內支付予禹銘投資管理。

### MANAGEMENT AGREEMENT

Under the management agreement (“Existing Investment Management Agreement”) approved by shareholders on 27th March, 1997 and dated 5th March, 1997 between the Company and YMIM, YMIM agreed to assist the Board of Directors with the day-to-day management of the Group for a period of five years commencing 27th March, 1997. YMIM was entitled to a management fee equal to 0.375% of the net asset value on each quarter date and an incentive fee equal to 20% of such amount (if any) by which the audited consolidated profit before tax for each financial year completed (before adjusting for the incentive fee) exceeds such amount as is equal to 6% of average monthly net asset value of the Group for each such financial year. For the calculation of management fee and incentive fee, the associated companies of the Group were not equity accounted for the purpose of calculating such quarterly and average monthly net asset value and consolidated profit before tax.

On 4th March, 2002, a supplemental agreement (“Supplemental Agreement”) was approved by independent shareholders to extend the expiry date of the Existing Investment Management Agreement to 31st March, 2007. Under the Supplemental Agreement, the management fee remained unchanged. Pursuant to the Supplemental Agreement, YMIM would not be entitled to the incentive fee if the Group reported an accumulated loss during the term of the Supplemental Agreement at the time of the incentive fee computation. Therefore, the incentive fee was equivalent to 20% of the amount by which the audited consolidated profit before tax for each year ending 31st December (before adjusting for the incentive fee), and after offsetting the accumulated losses during the term of the Supplemental Agreement, if any, exceeded 6% of the average monthly net asset value of the Group for such financial year. For the calculation of management fee and incentive fee, the associated companies of the Group would not be equity accounted for the purpose of calculating such quarterly and average monthly net asset value and consolidated profit before tax. For the years ended 31st December, 2006 and 2007, no incentive fee was charged by YMIM.

Subsequent to the period ended 30th June, 2007, while the Company was negotiating a new investment management agreement (“New Investment Agreement”) with YMIM, the Company entered into interim period agreements (“Interim Period Agreements”) with YMIM relating to the appointment of YMIM as the Company’s investment manager for an interim period commencing on the expiry of the Supplemental Agreement, effectively from 1st April, 2007 to 4th August, 2007. The terms of the Interim Period Agreements are substantially the same as those contained in the Existing Investment Management Agreement and Supplemental Agreement, except that the incentive fee was no longer payable to YMIM during that interim period.

## REPORT OF THE DIRECTORS 董事會報告

### 管理協議(續)

二零零七年六月二十二日，本公司與禹銘投資管理訂立新投資管理協議，並於二零零七年八月三日獲本公司股東批准。根據新投資管理協議，禹銘投資管理同意協助本公司董事會處理本集團之日常管理及事務，有效期為(i)二零零七年十月一日；或(ii)緊隨新投資管理協議獲本公司股東批准之日(以較早者為準)至二零零九年十二月三十一日。禹銘投資管理將可享有相等於可歸屬本公司股權持有人之綜合資產淨值1.5%之年管理費(乃參考每季內各曆月最後一日之可歸屬本公司股權持有人之綜合資產淨值之平均數計算及於每季期末時支付)；及相等於截至十二月三十一日止各年可歸屬本公司股權持有人之經審核綜合資產淨值超出以下數額之20%之履約費用：(i)本集團於禹銘投資管理享有履約費用之最後財政年度年結日可歸屬本公司股權持有人之經審核綜合資產淨值(如於管理期間內已支付履約費用)；或(ii)本集團於新投資管理協議生效日期之可歸屬本公司股權持有人之綜合資產淨值(如於管理期間內無支付履約費用)。

截至二零零七年十二月三十一日止年度，禹銘投資管理向本集團收取及應收投資管理費用13,343,473港元及履約費用12,207,829港元。

根據上市規則第14A章，此項交易屬於持續關連交易，並須作出披露。

本公司獨立非執行董事認為，新投資管理協議符合本公司之最佳利益，並按一般商業條款於本公司日常業務過程中訂立，而管理費及履約費用之比率就本公司股東而言亦屬公平合理。

本公司之核數師已向董事會發出上市規則第14A.38條所規定之函件。

除上文所披露者外，年內概無訂立或存在對本公司整體或任何重大部份業務之管理及行政有關之其他合約。

### MANAGEMENT AGREEMENT (continued)

On 22nd June, 2007, the New Investment Management Agreement was entered into by the Company and YMIM, which was approved by shareholders of the Company on 3rd August, 2007. Under the New Investment Management Agreement, YMIM agreed to assist the Board of Directors of the Company with the day-to-day management of the Group from (i) the earlier of 1st October, 2007; or (ii) the date immediately following the day on which the New Investment Management Agreement was approved by shareholders to 31st December, 2009. YMIM will be entitled to a management fee equal to 1.5% per annum of the consolidated net asset value of the Group attributable to the equity holders of the Company, calculated and payable in arrears on a quarterly basis by reference to the arithmetical average of the consolidated net asset value of the Group attributable to the equity holders of the Company on the last day of each calendar month during each quarter; and a performance fee equal to 20% of the amount by which the audited consolidated net asset value of the Group attributable to the equity holders of the Company of each year ended 31st December, exceeds (i) if a performance fee has been paid during the management period, the audited consolidated net asset value of the Group attributable to the equity holders of the Company as at the end of the latest financial year in which YMIM was entitled to a performance fee; or (ii) if no performance fee has been paid during the management period, the consolidated net asset value of the Group attributable to the equity holders of the Company on effective date of the New Investment Management Agreement.

For the year ended 31st December, 2007, YMIM received and receivable from the Group management fee of HK\$13,343,473 and performance fee of HK\$12,207,829.

This transaction constitutes a continuing connected transaction and is required to be disclosed in accordance with Chapter 14A of Listing Rules.

The Company's Independent Non-Executive Directors considered that the New Investment Management Agreement is in the best interests of the Company and was entered into on normal commercial terms, in the ordinary course of business of the Company and that the rate of the management fee and performance fee is fair and reasonable so far as the shareholders of the Company are concerned.

A letter pursuant to Rule 14A.38 of the Listing Rules has been issued to the Board by the auditors of the Company.

Save as disclosed above, no other contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

## REPORT OF THE DIRECTORS 董事會報告

### 退休福利計劃

本集團根據強制性公積金計劃條例設立一項定額供款之強制性公積金退休福利計劃(「計劃」)。這計劃由二零零零年十二月一日起生效。供款乃按僱員之基本薪金以某個百分比計算，並根據這計劃之規則於損益賬中扣除須付之款項。這計劃之資產與本集團之資產分開處理，交由獨立管理基金持有。

### 審核委員會

本公司已遵照上市規則第3.21條成立審核委員會，現由二名獨立非執行董事周宇俊及何振林諸位先生及一名非執行董事李成輝先生組成。

審核委員會已與管理層檢討本集團所採用之會計政策及慣例，並商討內部監控及財務申報事宜。該審核委員會已經審閱截至二零零七年十二月三十一日止之年度業績。

### 薪酬委員會

本公司已成立薪酬委員會，以審議本集團董事及高級管理人員之薪酬。薪酬委員會由二名獨立非執行董事周宇俊先生及何振林先生以及一名非執行董事狄亞法先生組成。

### 公眾持股量

根據本報告刊發日期本公司可供查閱之資料及就董事會所知悉，本公司於截至二零零七年十二月三十一日止年度一直遵守上市規則之公眾持股量規定。

### RETIREMENT BENEFITS SCHEME

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "Scheme") under the Mandatory Provident Fund Schemes Ordinance. The Scheme has operated since 1st December, 2000. 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 Scheme. The assets of the Scheme are held separately from those of the Group in an independently administered fund.

### AUDIT COMMITTEE

The Company has established an audit committee in accordance with rule 3.21 of the Listing Rules, and now comprising two Independent Non-Executive Directors, namely Messrs. Chow Yu Chun, Alexander and Albert Ho and one Non-Executive Director, namely Mr. Arthur George Dew.

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters. The audit committee has reviewed the annual results for the year ended 31st December, 2007.

### REMUNERATION COMMITTEE

A Remuneration Committee has been established by the Company to consider the remuneration of the Directors and senior management of the Group. The Remuneration Committee comprises two Independent Non-Executive Directors, namely, Mr. Chow Yu Chun, Alexander and Mr. Albert Ho and one Non-Executive Director, Mr. Arthur George Dew.

### PUBLIC FLOAT

On the basis of information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has complied with the public float requirements of the Listing Rules for the year ended 31st December, 2007.

## REPORT OF THE DIRECTORS 董事會報告

### 購買、出售或贖回上市股份

於年內，本公司在二零零七年九月簽訂協議於市場外以總代價現金76,800,000港元（即每股0.48港元）向本公司股東ASM Asia Recovery (Master) Fund及ASM Hudson River Fund回購160,000,000股本公司已發行股份。該市場外回購在二零零七年十一月完成。

除上述披露外，本公司及其附屬公司於年內概無購買、出售或贖回本公司任何股份。

### 核數師

於二零零五年內，前核數師羅兵咸永道會計師事務所辭任，而均富會計師行獲委任為本公司核數師。在過去三年並無其他核數師改變。

截至二零零七年十二月三十一日止年度之財務報表經由均富會計師行審核。均富會計師行服務期滿，惟將合資格重選並願意獲重新委任。關於其繼任本公司核數師之決議案將於本公司股東週年大會上提呈。

承董事會命  
秘書  
李業華

香港，二零零八年三月三十一日

### PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

During the year, the Company entered into an agreement in September 2007 for the off-market repurchase of 160,000,000 issued shares of the Company from the Company's shareholders, ASM Asia Recovery (Master) Fund and ASM Hudson River Fund. The off-market repurchase was completed in November 2007, at an aggregate consideration of HK\$76.8 million in cash, representing HK\$0.48 per share.

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

### AUDITORS

During 2005, the former auditors, Messrs. PricewaterhouseCoopers, Certified Public Accountants, resigned and Messrs Grant Thornton, Certified Public Accountants, appointed auditors of the Company. There have been no other changes of auditors in the past three years.

The accompanying financial statements for the year ended 31st December, 2007 was audited by Grant Thornton who retire and, being eligible, offer themselves for re-appointment. A resolution for their re-appointment as auditors of the Company will be proposed at the AGM of the Company.

By order of the Board  
**Lee Yip Wah, Peter**  
Secretary

Hong Kong, 31st March, 2008



## REPORT OF CORPORATE GOVERNANCE 企業管治報告

### 企業管治報告

本公司確認，本集團內維持有良好企業管治準則，讓本公司可以有效管理風險。本公司董事會（「董事會」）承諾憑著公司在業務策略方面以及按照高水平之企業管治標準而執行之營運策劃及程序之使命，帶領本集團以有效方式取得增長。

### 企業管治常規

董事會深信企業管治為本公司成功的關鍵，並已採取各項措施，以確保維持高標準的企業管治。自二零零五年一月一日起，本公司已採用香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載之企業管治常規守則（「企業管治常規守則」）的原則及採納守則條文為其企業管治常規。本公司將定期審閱及更新現行的常規，以追隨企業管治的最新發展。

董事會認為，除下述事項外，本公司於本會計年度內遵守企業管治常規守則之守則條文。

- a. 董事會主席須出席本公司股東週年大會。由於其他業務承擔，董事會主席馮永祥先生無法出席於二零零七年五月二十三日召開之本公司股東週年大會。此構成本集團偏離企管常規守則之守則條文第E.1.2項。然而，集團已作出其他安排，包括由各董事委員會成員出席，確保股東週年大會秩序井然。
- b. 二零零七年僅召開三次董事會會議（詳見下文「董事會」一節所述）。
- c. 薪酬委員會之職權範圍規定，若干特定職責須有薪酬委員履行。二零零七財務年度內未舉行任何薪酬委員會會議。本公司薪酬委員會已於二零零八年三月舉行了會議，討論及批准執行董事酬金及董事會全體成員之董事袍金。

### CORPORATE GOVERNANCE REPORT

The Company recognises that good corporate governance standards maintained throughout the Group serve an effective risk management tool for the Company. The board of Directors of the Company (the "Board") is committed to lead the Group growing in an efficient manner followed by corporate missions in terms of business strategies and improved operational planning and procedures which are enforced under high corporate governance standard.

### CORPORATE GOVERNANCE PRACTICES

The Board believes that corporate governance is essential to the success of the Company and has adopted various measures to ensure that a high standard of corporate governance is maintained. With effect from 1st January, 2005, the Company has applied the principles and adopted code provisions set out in the Code on Corporate Governance Practices (the "Code on CGP") in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong as its own code on corporate governance practices. The current practices will be reviewed and updated regularly to follow the latest practices in corporate governance.

In the opinion of the Board, the Company has complied with the code provisions of the Code on CGP during the accounting year except the following:

- a. the Chairman of the Board shall attend the annual general meeting of the Company. Due to other business commitment, Mr. Fung Wing Cheung, Tony, the Chairman of the Board, was unable to attend the annual general meeting of the Company held on 23rd May, 2007. This constitutes a deviation from the code provision E.1.2 of the Code of CGP. However, other arrangements including the attendance of members of different board committees had been in place to ensure the general meeting was in order.
- b. only three board meetings were held during 2007 (details were provided in the "Board of Directors" section below).
- c. the terms of reference of the remuneration committee provides the discharge of certain specific duties by the remuneration committee. No remuneration committee meeting was held during the financial year of 2007. The remuneration committee of the Company had held its meeting in March 2008 to discuss and approve the remuneration of Executive Director(s) and director's fee of all members of the Board.



## REPORT OF CORPORATE GOVERNANCE 企業管治報告

### 董事的證券交易活動

本公司已採納上市規則附錄10之標準守則為董事進行證券交易之守則(「標準守則」)。經向全體董事個別作出查詢後，本公司確認全體董事在本年內已遵守標準守則所載的規定。

### 企業管理

#### i. 董事會

董事會負責審核及批准企業事務，如業務策略及投資，以及本集團一般行政與管理事宜。

董事會現由三名執行董事，四名非執行董事及三名獨立非執行董事及一名替任董事組成：

#### 執行董事

李華倫先生(董事總經理)

李成輝先生

勞景祐先生(於二零零七年十一月三十日委任)

#### 非執行董事

馮永祥先生(主席)

狄亞法先生(於二零零七年十一月三十日委任)

馮耀輝先生

李業華先生

王大鈞先生為狄亞法先生之替任董事

(於二零零七年十一月三十日委任)

#### 獨立非執行董事

蘇樹輝先生

周宇俊先生

何振林先生

獨立非執行董事之人數已大約相等於董事會成員之三分之一。兩名獨立非執行董事周宇俊及何振林諸位先生均具備適當之專業會計經驗及專業知識。董事會成員包括具有專業資格及豐富經驗的人士，藉以為本公司帶來寶貴之貢獻，以及就本公司之發展提供各類專業建議及意見。逾一半董事會成員擁有認可的專業法律、證券及會計資格。董事會成員間並無關係(包括財務、業務、家族或其他重大相關關係)。

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the Directors (the "Model Code"). Having made specific enquiry of all Directors, the Company confirmed that all directors have complied with the required standards as set out in the Model Code during the year.

### CORPORATE MANAGEMENT

#### i. Board of Directors

The Board reviews and approves corporate matters such as business strategies and investments as well as the general administrative and management of the Group.

The Board currently consists of 3 Executive Directors, 4 Non-Executive Directors and 3 Independent Non-Executive Directors and 1 Alternate Director:

#### Executive Directors

Mr. Lee Wa Lun, Warren (Managing Director)

Mr. Lee Seng Hui

Mr. Lo King Yau, Edwin (appointed on 30th November, 2007)

#### Non-Executive Directors

Mr. Fung Wing Cheung, Tony (Chairman)

Mr. Arthur George Dew (appointed on 30th November, 2007)

Mr. Fung Yiu Fai, Peter

Mr. Lee Yip Wah, Peter

Mr. Wong Tai Chun, Mark, Alternate Director to Mr. Arthur George Dew (appointed on 30th November, 2007)

#### Independent Non-Executive Directors

Mr. Ambrose So Shu Fai, Ambrose

Mr. Chow Yu Chun, Alexander

Mr. Albert Ho

The number of Independent Non-Executive Directors equals to approximately one third of the Board membership. Two of the Independent Non-Executive Directors, namely Messrs. Chow Yu Chun, Alexander and Albert Ho, have the appropriate professional accounting experiences and expertises. The Board membership is covered by professionally qualified and widely experienced personnel so as to bring in valuable contribution and different professional advices and consultancy for the development of the Company. More than one-half of the Board members have recognised professional legal, securities and accounting qualifications. There is no relationship (including financial, business, family or other material relevant relationship) among members of the Board.

## REPORT OF CORPORATE GOVERNANCE 企業管治報告

### 企業管理(續)

#### i. 董事會(續)

公司秘書負責定期為董事會更新有關管治及監管事宜，全體董事均可獲取有關資料。本公司任何董事及審核委員會會員如欲獲取獨立專業建議，可由本公司負責有關費用，並透過公司秘書安排下進行。

除執行董事於本公司正常業務範圍內舉行之董事會會議外，董事會已依從企業管治常規守則之規定定期舉行董事會會議(唯於二零零七年度內，本公司只舉行三次定期董事會會議，此構成本集團偏離企業管治常規守則之守則條文第A.1.1(a)項。)。本集團通常每年召開最少四次董事會會議，兩次審核委員會會議以及一次薪酬會議。董事會會議大約每季度舉行一次。二零零七年前三個季度共召開三次定期董事會會議。董事會會議、審核委員會會議以及薪酬委員會會議原定於第四季度召開。然而，由於二零零七年十一月三十日完成及公佈之董事變動及轉職事宜，大多數董事日程繁忙無法出席該等會議。因此，以上會議須改期於二零零八年第一季度召開。

### CORPORATE MANAGEMENT (continued)

#### i. Board of Directors (continued)

All Directors have access to the services of the Company Secretary who regularly updates the Board on governance and regulatory matters. Any Director and member of Audit Committee of the Company may take independent professional advice if they so wish at the expense of the Company, as arranged by the Company Secretary.

Save for the board meetings held between the Executive Directors during the normal course of business of the Company, the Board has had regular board meetings in accordance with the Code on CGP except that only three board meetings have been held during 2007. This constitutes a deviation from the code provision A.1.1 (a) of the Code of CGP. The Group usually holds annually at least four board meetings, two audit committee meetings and one remuneration meeting. Board meetings are held approximately quarterly. Three regular board meetings were held within the first three quarters of 2007. A board meeting, an audit committee meeting and a remuneration committee were originally scheduled to be held in the fourth quarter. However, due to change in and re-designation of directorships completed and announced on 30th November, 2007, those meetings could not fit in the tight schedules of most of the Directors. Therefore, those meetings had to be re-scheduled to first quarter of 2008.



## REPORT OF CORPORATE GOVERNANCE 企業管治報告

### 企業管理 (續)

#### i. 董事會 (續)

二零零七年定期董事會會議個別董事的出席率：

#### Number of meetings

會議次數

3

#### Executive Directors

##### 執行董事

Lee Wa Lun, Warren (*Managing Director*)

李華倫 (董事總經理)

2/3

67%

Lee Seng Hui

李成輝

3/3

100%

Lo King Yau, Edwin (appointed on 30th November, 2007)

勞景祐 (於二零零七年十一月三十日委任)

–

–

#### Non-Executive Directors

##### 非執行董事

Fung Wing Cheung, Tony (*Chairman*)

馮永祥 (主席)

1/3

33%

Fung Yiu Fai, Peter

馮耀輝

3/3

100%

Arthur George Dew (appointed on 30th November, 2007)

狄亞法 (於二零零七年十一月三十日委任)

–

–

Lee Yip Wah, Peter

李業華

2/3

67%

#### Independent Non-Executive Directors

##### 獨立非執行董事

So Shu Fai, Ambrose

蘇樹輝

0/3

0%

Chow Yu Chun, Alexander

周宇俊

2/3

67%

Albert Ho

何振林

2/3

67%

#### Average attendance rate

平均出席率

63%

董事會例會前須向所有董事發出至少14日之通知，讓彼等有機會出席會議，而所有董事均有機會在例會議程內加入事項。董事會文件須於會議前至少3天送交董事，以確保彼等擁有足夠時間審閱文件及為會議作出充份準備。

### CORPORATE MANAGEMENT (continued)

#### i. Board of Directors (continued)

Attendance of Individual Directors at regular board meetings in 2007:

At least 14 days' notice of a regular board meeting is given to all Directors to provide them with an opportunity to attend and all Directors are given an opportunity to include matters in the agenda for a regular meeting. Board papers are despatched to the Directors at least 3 days before the meeting to ensure that they have sufficient time to review the papers and be adequately prepared for the meeting.

## REPORT OF CORPORATE GOVERNANCE 企業管治報告

## 企業管理(續)

## i. 董事會(續)

## (a) 主席及董事總經理

主席及董事總經理之角色應分開，應由彼此間並無關係之兩名獨立人士擔任，以達到平衡權力及職權，致使工作職責不會集中於任何一人。

董事會主席負責領導及有效管理董事會。

董事總經理獲授予職權以有效方式管理本集團業務之所有方面、執行重要策略、作出日常決定及協調整體業務運作。

## (b) 委任及重選董事

本公司之非執行董事(包括獨立非執行董事)獲委任為期一年之指定任期，惟須接受重選。於每屆股東週年大會上，當時三分之一人數之董事或(倘其人數並非三或三之倍數)最接近三分之一人數輪值退任，惟每名董事須至少每三年退任一次。

董事會並無成立提名委員會。根據本公司之組織章程細則，董事會有權不時及隨時委任任何人士出任董事，以填補空缺或增加董事會成員。於評估提名新董事時，董事會已考慮被提名人之資歷、能力及對本公司之潛在貢獻。

年內，葉維義先生於二零零七年三月一日獲委任為本公司之非執行董事。馮耀輝先生於二零零七年六月一日獲重新調任為本公司非執行董事。

二零零七年六月二十一日，葉維義先生辭任而陳健先生獲委任為本公司非執行董事，並已於有馮耀輝、李華倫、周宇俊、何振林、葉維義均出席的董事會會議上獲考慮及批准。其後陳健先生於二零零八年一月十八日辭去本公司非執行董事之職務。

## CORPORATE MANAGEMENT (continued)

## i. Board of Directors (continued)

## (a) Chairman and Managing Director

The roles of the Chairman and the Managing Director are segregated and assumed by two separate individuals who have no relationship with each other to strike a balance of power and authority so that the job responsibilities are not concentrated on any one individual.

The Chairman of the Board is responsible for the leadership and effective running of the Board.

The Managing Director is delegated with the authorities to manage the Group's business in all aspects effectively, implement major strategies, make day-to-day decision and coordinate overall business operation.

## (b) Appointment and re-election of directors

Non-Executive Directors (including Independent Non-Executive Directors) of the Company have a specific term of appointment for one year, subject to re-election. At each annual general meeting, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

The Board of Directors has not established a nomination committee. According to the articles of association of the Company, the Board has the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. In assessing nomination of new Directors, the Board has taken into consideration of the nominee's qualification, ability and potential contributions to the Company.

During the year, Mr. Yeh V-Nee was appointed as a Non-Executive Director of the Company on 1st March, 2007. Mr. Fung Yiu Fai, Peter was re-designated as a Non-Executive Director of the Company on 1st June, 2007.

On 21st June, 2007, Mr. Yeh V-Nee resigned and Mr. Chan Kin was appointed as Non-Executive Director of the Company which was considered and approved in a board meeting at which Messrs. Fung Yiu Fai, Peter, Lee Wa Lun, Warren, Chow Yu Chun, Alexander, Albert Ho and Yeh V-Nee were present. Subsequently, Mr. Chan Kin resigned as Non-Executive Director of the Company on 18th January, 2008.



## REPORT OF CORPORATE GOVERNANCE 企業管治報告

### 企業管理 (續)

#### i. 董事會 (續)

##### (b) 委任及重選董事 (續)

二零零七年十一月三十日，已通過全體董事之書面決議，以批准：(a)委任勞景祐先生為本公司之執行董事；(b)狄亞法先生為本公司之非執行董事；(c)王大鈞先生為狄亞法先生之替任董事；(d)馮永祥先生獲重新調任為本公司之非執行董事；及(e)李成輝先生獲重新調任為本公司之執行董事。

#### ii. 執行委員會

由本公司執行董事李華倫、李成輝及勞景祐諸位先生組成之執行委員會由董事會成立，負責代表本集團作出投資決策及經營本集團之一般業務。

#### iii. 審核委員會

審核委員會由本公司一名非執行董事狄亞法先生及兩名獨立非執行董事周宇俊先生及何振林先生組成，具有法律及會計方面之認可專業資格，並於財務、地產及會計方面擁有實際豐富經驗。周宇俊先生為審核委員會主席。

審核委員會之職能包括(但不限於)下列各項：

- 考慮及審閱外聘核數師之委任、辭任及免職，以及其酬金等事宜
- 審閱本集團中期及全年業績
- 在進行本集團之年度審核時，與外聘核數師討論重大問題及事項

審核委員會之職權範圍，乃依照香港會計師公會之指引而制定，並按不低於企業管治常規守則所列者之標準而予以更新。上述職權範圍可應要求於本公司之註冊辦事處索取。

### CORPORATE MANAGEMENT (continued)

#### i. Board of Directors (continued)

##### (b) Appointment and re-election of directors (continued)

On 30th November, 2007, a written resolution of all Directors was passed to approve the following: (a) the appointment of Mr. Lo King Yau, Edwin as an Executive Director of the Company; (b) Mr. Arthur George Dew as a Non-Executive Director of the Company; (c) Mr. Wong Tai Chun, Mark as an Alternate Director to Mr. Arthur George Dew; (d) re-designation of Mr. Fung Wing Cheung, Tony as a Non-Executive Director of the Company; and (e) re-designation of Mr. Lee Seng Hui as an executive director of the Company.

#### ii. Executive Committee

The Executive Committee is established by the Board, comprising Messrs. Lee Wa Lun, Warren, Lee Seng Hui and Lo King Yau, Edwin, being the executive directors of the Company which has been authorised to make investment decisions on behalf of the Group and operate normal course business of the Group.

#### iii. Audit Committee

The Audit Committee comprises one non-executive director, namely, Mr. Arthur George Dew and two Independent Non-Executive Directors, namely, Mr. Chow Yu Chun, Alexander and Mr. Albert Ho, who possess recognised professional qualifications in legal and accounting and have proven experience in finance, property and accounting. Mr. Chow Yu Chun, Alexander is the chairman of the Audit Committee.

The functions of the Audit Committee include but are not limited to the following:

- Considering and reviewing the appointment, resignation and removal of external auditors and their fees
- Reviewing the interim and annual results of the Group
- Discussing with the external auditors problems and issues of significance during the annual audit of the Group

The terms of reference of the Audit Committee follow the guidelines set out by the Hong Kong Institute of Certified Public Accountants, and have been updated on terms no less exacting those set out in the Code on CGP. The said terms of reference is available at the registered office of the Company on request.

## REPORT OF CORPORATE GOVERNANCE 企業管治報告

## 企業管理 (續)

## iii. 審核委員會 (續)

審核委員會於回顧年內之工作包括：

- 審閱本集團之二零零六年全年業績及二零零七年中期業績
- 在編製二零零六年全年及二零零七年中期財務報表時，與本公司管理層討論本集團之會計準則及政策是否完整、公平及足夠
- 與外聘核數師審閱及討論本公司之財務報告事宜
- 檢討二零零七年審核範疇及費用並推薦予董事會作批准
- 向董事會推薦重新委任核數師，以待股東批准
- 審閱本年內本集團參與的有關連交易 (如有)
- 檢討內部監控系統及風險管理之成效

審核委員會於二零零七年共召開二次會議。每次委員會會議均獲提供必須之本集團財務資料，供成員考慮、檢討及評審工作中涉及之重大事宜。

二零零七年審核委員會會議個別會員的出席率：

## Number of meetings

## 會議次數

Chow Yu Chun, Alexander ( <i>Chairman</i> ) 周宇俊 (主席)	2/2	100%
Lee Seng Hui* 李成輝*	2/2	100%
Albert Ho 何振林	2/2	100%
Arthur George Dew* 狄亞法*	—	—
Average attendance rate 平均出席率		100%

\* 二零零七年十一月三十日，李成輝先生辭任而狄亞法先生獲委任為審核委員會成員。

## CORPORATE MANAGEMENT (continued)

## iii. Audit Committee (continued)

The works of the Audit Committee during the year under review included:

- Reviewing the 2006 annual results and 2007 interim results of the Group
- Discussing with the management of the Company over the completeness, fairness and adequate accounting standards and policies of the Group in the preparation of the 2006 annual financial statements and 2007 interim financial statements
- Reviewing and discussing with the external auditors over the financial reporting of the Company
- Reviewing and recommending for approval by the Board the 2007 audit scope and fees
- Recommending to the Board, for the approval by shareholders, of the re-appointment of the auditors
- Reviewing the connected transactions entered into by the Group during the year (if any)
- Reviewing the effectiveness of internal control system and risk management

The Audit Committee met 2 times in 2007. Each committee meeting was supplied with the necessary financial information of the Group for the members to consider, review and assess matters of significance arising from the work conducted.

Attendance of individual members of Audit Committee at audit committee meetings in 2007:

\* Mr. Lee Seng Hui resigned and Mr. Arthur George Dew was appointed as member of audit committee on 30th November, 2007.



## REPORT OF CORPORATE GOVERNANCE 企業管治報告

### 企業管理 (續)

#### iv. 薪酬委員會

本公司已成立薪酬委員會，以審議本集團董事及高級管理人員之薪酬。薪酬委員會由二名獨立非執行董事周宇俊先生及何振林先生以及一名非執行董事狄亞先生組成。周宇俊先生出任薪酬委員會主席。

薪酬委員會之角色及職能包括制訂薪酬政策、檢討年度薪酬政策及向董事會作出建議，以及釐定董事薪酬。

薪酬委員會之職權範圍所依循條款不遜於企業管治常規守則所載條款。上述職權範圍可應要求於本公司之註冊辦事處查閱。

二零零七財務年度內未舉行任何薪酬委員會會議。本公司薪酬委員會已於二零零八年三月舉行了會議，討論執行董事酬金及董事會全體成員之董事袍金。

#### v. 酬金政策

本公司之酬金政策為確保所有僱員(包括董事)獲充份補償彼等為本公司貢獻之能力及時間，而所提供之酬金乃與彼等之職責相符及與市場水平相若。概無董事或彼等之任何聯繫人士及行政人員參與決定其本身酬金。

### CORPORATE MANAGEMENT (continued)

#### iv. Remuneration Committee

A Remuneration Committee has been established by the Company to consider the remuneration of the directors and senior management of the Group. The Remuneration Committee comprises two Independent Non-Executive Directors, namely, Mr. Chow Yu Chun, Alexander and Mr. Albert Ho and one Non-Executive Director, Mr. Arthur George Dew. Mr. Chow Yu Chun, Alexander is the chairman of the Remuneration Committee.

The role and function of the Remuneration Committee include formulation of the remuneration policy, review and recommending to the Board the annual remuneration policy and determination of the remuneration of the Directors.

The terms of reference of the Remuneration Committee follow the terms no less exacting than those set out in the Code on CGP. The said terms of reference is available at the registered office of the Company on request.

No remuneration committee meeting was held during the financial year of 2007. The remuneration committee of the Company had held its meeting in March 2008 to discuss and approve remuneration of Executive Director(s) and director's fee of all members of the Board.

#### v. Remuneration policy

The remuneration policy of the Company is to ensure that all employees, including Directors, are sufficiently compensated for their efforts and time dedicated to the Company and remuneration offered is appropriate for their duties and in line with market practice. No Director, or any of his associates, and executive is involved in deciding his own remuneration.



## REPORT OF CORPORATE GOVERNANCE 企業管治報告

## 核數師酬金

回顧年內，本公司已付／應付核數師均富會計師行；正和會計師行有限公司，本公司附屬公司之核數師的酬金如下：

## Services rendered

## 提供的服務

Grant Thornton

– Audit services

均富會計師行

– 核數服務

M Square CPA Limited

– Audit services

正和會計師行有限公司

– 核數服務

## Fees paid/payable

已付／應付費用

HK\$

港幣

350,000

58,900

## 企業通訊

本公司依時及準確地向股東滙報本集團之企業資料。二零零六年年報及二零零七中期報告之印刷本已寄發予所有股東，並於本公司及香港聯交所之網頁上刊載。

本公司於二零零七年舉行一次股東週年大會。於二零零七年五月二十三日之股東週年大會上，就各事宜提呈獨立決議案。董事會主席因其他業務需要，未能出席股東週年大會，而審核委員會及薪酬委員會一名成員亦出席股東週年大會以回答提問。一位董事於股東週年大會開始時已解釋本公司股東要求投票之程序。本公司已點算所有委任代表票數及向股東週年大會表明就各決議案已提交之委任代表票數，以及投票贊成及反對決議案之票數。於股東週年大會上點算之所有票數已適當點算及記錄。

本公司於二零零七年舉行多次股東特別大會以批准多項關連交易，而就各交易均已提呈獨立決議案。大會主席曾解釋在有關股東特別大會上要求投票表決之程序及條件。獨立董事委員會的一位委員亦有出席大會回答問題。

## AUDITORS' REMUNERATION

During the year under review, the remunerations paid/payable to the Company's auditors, Messrs. Grant Thornton and M Square CPA Limited, auditors of subsidiaries of the Company, are set out as follows:

## CORPORATE COMMUNICATION

The Company channels corporate information of the Group to the shareholders in a timely and accurate manner. Printed copies of the Annual Report 2006 and Interim Report 2007 were sent to all shareholders and published on the website of the Company as well as the Stock Exchange of Hong Kong.

The Company held an annual general meeting in 2007. At the annual general meeting convened on 23rd May, 2007, separate resolutions were proposed for each issue. Due to other business commitment, the Chairman of the Board, was unable to attend the annual general meeting. A member of Audit Committee and Remuneration Committee was available to answer questions at the annual general meeting. A Director had explained at the commencement of the annual general meeting the procedures for demanding a poll by shareholders of the Company. The Company had counted all proxy votes and indicated to the annual general meeting the level of proxies lodged on each resolution, and the balance for and against the resolution. All the votes cast at the annual general meeting were properly counted and recorded.

The Company held a number of extraordinary general meetings in 2007 for approval of connected transactions, the chairman of the meeting had explained the procedure for demand and conduct a poll at these extraordinary general meetings. A member of the independent board committee had be available to answer questions at these general meetings.



## REPORT OF CORPORATE GOVERNANCE 企業管治報告

### 企業監控

董事會有責任監察本集團整體企業匯報過程及控制系統。企業匯報標準已交予禹銘投資管理有限公司(「禹銘投資管理」)之會計部適當地定期檢討資源調配及財務匯報系統。企業管治常規，以及符合上市規則、證券及期貨條例及其他適用法規等事宜，已交予禹銘投資管理之企業融資部負責。本公司管理層每年與審核委員會檢討及簡述匯報系統。

### 內部監控

董事會負責本集團內部監控系統。然而，該系統的設計只為於可接受的風險範圍內管理本集團的風險，而並非消除不能達至本集團的業務目標的失敗風險。因此，它只能提供合理的保證而非絕對的保證，防止管理層及財務資料及紀錄的誤述，或財務損失或欺詐。

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

禹銘投資管理協助董事會推行風險及控制的政策及措施，確定及評估所面對的風險，並參與設計、運作及監察合適的內部監控措施，以減少及控制此等風險。

### CORPORATE CONTROL

The Board has overall responsibility in monitoring the process of corporate reporting and control system throughout the Group. The corporate reporting standards are delegated to the accounting department of YMIM in terms of proper and regular reviews on the deployment of resources and financial reporting systems. The corporate governance practices and compliance with the Listing Rules, Securities and Futures Ordinance and other applicable regulations are delegated to the corporate finance department of YMIM. The management of the Company reviews and briefs the reporting systems with the Audit Committee annually.

### INTERNAL CONTROLS

The Board is responsible for overseeing the Group's system of internal controls. However, such a system is designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure, to achieve the business objectives of the Group. Accordingly, it can only provide reasonable assurance but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

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

YMIM assists the Board in the implementation of the board's policies and procedures on risk and control by identifying and assessing the risks faced, and involving in the design, operation and monitoring of suitable internal controls to mitigate and control these risks.

## REPORT OF CORPORATE GOVERNANCE 企業管治報告

### 內部監控 (續)

本集團已確立主要程序以審閱內部監控及風險管理系統的充足性及完整性，該等程序包括：

- 董事會成立執行委員會，確保日常運作有效率，及是根據企業目標及策略。
- 本公司的審核委員會審閱外聘核數師、監管機構及管理層所確定的內部監控事項，並評估集團風險管理及內部監控系統的充足性及有效性。

回顧年度內，董事會對本公司及其附屬公司內部控制系統，包括財務、營運及守規控制措施以及風險管理職能之效益進行了檢討。

董事會認為回顧年內及截至本年報及財務報表刊發日期，現存的內部監控系統穩健，及足以保護股東及員工的利益，和本集團的資產。

### 董事編製財務報表之責任

董事會確認編製財務報表乃彼等之責任。核數師就財務報表作出報告之責任所發表聲明載於第35頁至第36頁之獨立核數師報告。

### INTERNAL CONTROLS (continued)

The key processes that have been established in reviewing the adequacy and integrity of the system of internal controls and risk management include the following:

- The Executive Committee is established by the Board to ensure the effectiveness of the daily operations and that the operations are in accordance with the corporate objectives and strategies.
- The Audit Committee of the Company reviews internal control issues identified by external auditors, regulatory authorities and management, and evaluates the adequacy and effectiveness of the Group's risk management and internal control systems.

For the year under review, the Board had conducted a review of the effectiveness of the system of internal control of the Company and its subsidiaries, including financial, operational and compliance controls and risk management functions.

The Board is of the view that the system of internal controls in place for the year under review and up to the date of issuance of the annual report and financial statements is sound and is sufficient to safeguard the interests of shareholders and employee, and the Group's assets.

### DIRECTORS' RESPONSIBILITY IN PREPARING THE FINANCIAL STATEMENTS

The Board acknowledges that it is their responsibilities in preparing the financial statements. The statement of the auditors about their reporting responsibilities on the financial statements is set out in the Independent Auditors' Report on pages 35 to 36.

## INDEPENDENT AUDITORS' REPORT 獨立核數師報告



Member of Grant Thornton International Ltd

致禹銘投資有限公司全體股東  
(在香港註冊成立之有限公司)

To the members of  
**Yu Ming Investments Limited**  
(incorporated in Hong Kong with limited liability)

本核數師已審核列載於第37至147頁禹銘投資有限公司(「公司」)及其附屬公司(統稱為「集團」)的綜合財務報表，此綜合財務報表包括於二零零七年十二月三十一日的綜合及公司資產負債表與截至該日止年度的綜合收益表、綜合現金流量表和綜合權益變動表，以及主要會計政策概要及其他附註解釋。

We have audited the consolidated financial statements of Yu Ming Investments Limited (the "Company") and its subsidiaries (together referred to as the "Group") set out on pages 37 to 147, which comprise the consolidated and company balance sheets as at 31st December, 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### 董事就財務報表須承擔的責任

公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》編製及真實而公平地列報該等財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部監控，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。

### Directors' responsibility for the financial statements

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

### 核數師的責任

我們的責任是根據我們的審核對該等財務報表作出意見，並按照香港《公司條例》第141條僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

### Auditors' responsibility

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

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

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



## INDEPENDENT AUDITORS' REPORT 獨立核數師報告

審核涉及執程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部監控，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

### 意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映公司及集團於二零零七年十二月三十一日的事務狀況及集團截至該日止年度的溢利及現金流量，並已按照香港《公司條例》妥為編製。

均富會計師行  
執業會計師

香港  
中環皇后大道中15號  
置地廣場  
告羅士打大廈13樓

二零零八年三月三十一日

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

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

### Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st December, 2007 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

Grant Thornton  
Certified Public Accountants

13th Floor, Gloucester Tower  
The Landmark  
15 Queen's Road Central  
Hong Kong

31st March, 2008

## CONSOLIDATED INCOME STATEMENT 綜合損益賬

For the year ended 31st December, 2007 截至二零零七年十二月三十一日

	Notes 附註	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
<b>Continuing operations:</b> 持續經營業務：			
<b>Revenue</b>			
收入	5	44,466,407	95,242,294
<b>Other net income</b>			
其他收入淨額	6	87,137,758	16,794,959
<b>Administrative and other operating expenses</b>			
行政及其他經營費用		(36,708,673)	(33,378,370)
<b>Operating profit</b>			
經營溢利		94,895,492	78,658,883
Derecognition of available-for-sale financial assets and other receivable 可供出售財務資產及其他應收款之取消確認	8	–	(190,190,000)
Gain on disposal of a subsidiary and a jointly controlled entity 出售一間附屬公司及一間共同控權合資公司之收益	39.2	16,206,190	–
Finance costs 財務成本	9	(8,754,668)	(5,416,588)
Share of results of associates 分佔聯營公司業績		–	(11,920,177)
Share of results of a jointly controlled entity 分佔一間共同控權合資公司業績		1,750,778	4,458,157
<b>Profit/(loss) before income tax</b>			
所得稅前溢利／(虧損)	10	104,097,792	(124,409,725)
Income tax (expense)/credit 所得稅(開支)／收入	11	(1,210,216)	195,000
Profit/(loss) for the year from continuing operations 持續經營業務之本年度溢利／(虧損)			
		102,887,576	(124,214,725)
<b>Discontinued operations:</b> 已終止經營業務：			
Net result for the year from discontinued operations 已終止經營業務之本年度淨業績			
	12	61,128,927	8,619,007
<b>Profit/(loss) for the year</b>			
本年度溢利／(虧損)		164,016,503	(115,595,718)

## CONSOLIDATED INCOME STATEMENT 綜合損益賬

For the year ended 31st December, 2007 截至二零零七年十二月三十一日

	Notes 附註	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Attributable to:			
歸屬：			
– Equity holders of the Company			
– 本公司股權持有人	13	145,203,865	(155,693,187)
– Minority interests			
– 少數股東權益		18,812,638	40,097,469
<b>Profit/(loss) for the year</b>			
<b>本年度溢利／(虧損)</b>		<b>164,016,503</b>	<b>(115,595,718)</b>
<b>Earnings/(loss) per share for profit/(loss) attributable to the equity holders of the Company (HK cents)</b>			
歸屬本公司股權持有人溢利／(虧損)之每股盈利／(虧損)(港仙)			
– Basic	15		
– 基本			
For profit/(loss) for the year			
本年度溢利／(虧損)		7.96	(9.21)
For profit/(loss) from continuing operations			
持續經營業務溢利／(虧損)		5.13	(9.52)
– Diluted			
– 攤薄		N/A	N/A

## CONSOLIDATED BALANCE SHEET 綜合資產負債表

As at 31st December, 2007 於二零零七年十二月三十一日

	Notes 附註	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
<b>ASSETS AND LIABILITIES</b>			
<b>資產及負債</b>			
<b>Non-current assets</b>			
<b>非流動資產</b>			
Investment properties 投資物業	18	–	1,340,000,000
Interests in associates 於聯營公司權益	20	–	–
Interests in a jointly controlled entity 於一間共同控權合資公司權益	21	–	1,438,648
Available-for-sale financial assets 可供出售財務資產	22	<b>54,703,460</b>	464,219,216
Goodwill 商譽	23	–	–
		<b>54,703,460</b>	1,805,657,864
<b>Current assets</b>			
<b>流動資產</b>			
Trade and other receivables and deposits paid 經營及其他應收款及已付按金	24	<b>1,037,143</b>	101,133,077
Available-for-sale financial assets 可供出售財務資產	22	<b>780</b>	663,000
Loan to minority interests 少數股東權益借款	25	–	25,600,000
Financial assets at fair value through profit or loss 按公平值列賬及在損益賬處理之財務資產	26	<b>286,635,293</b>	17,082,000
Other restricted deposit paid 其他有限制之已付按金	27	<b>24,013,552</b>	–
Pledged bank fixed deposits 作抵押銀行定期存款	28	–	10,537,895
Cash and cash equivalents 現金及現金等價物	28	<b>652,174,260</b>	142,878,833
		<b>963,861,028</b>	297,894,805
<b>Current liabilities</b>			
<b>流動負債</b>			
Other payables, accrued expenses and deposits received 其他應繳款、應計費用及已收按金	29	<b>21,682,911</b>	26,081,851
Financial liabilities at fair value through profit or loss 按公平值列賬及在損益賬處理之財務負債	30	<b>3,900,000</b>	–
Borrowings 借貸	31	–	38,322,174
Taxation payable 應繳稅項		<b>1,210,216</b>	22,996,019
		<b>26,793,127</b>	87,400,044
<b>Net current assets</b> <b>流動資產淨值</b>		<b>937,067,901</b>	210,494,761
<b>Total assets less current liabilities</b> <b>資產總值減流動負債</b>		<b>991,771,361</b>	2,016,152,625



## CONSOLIDATED BALANCE SHEET 綜合資產負債表

As at 31st December, 2007 於二零零七年十二月三十一日

	Notes 附註	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
<b>Non-current liabilities</b>			
<b>非流動負債</b>			
Borrowings			
借貸	31	–	887,971,818
Loans from minority interests			
少數股東權益貸款	25	–	120,172,611
Rental deposits received			
已收租務訂金		–	14,791,198
Deferred tax liabilities			
遞延稅項負債	35	–	68,500,354
		–	1,091,435,981
<b>Net assets</b>			
<b>資產淨值</b>			
		<b>991,771,361</b>	924,716,644
<b>EQUITY</b>			
<b>股本權益</b>			
<b>Equity attributable to the equity holders of the Company</b>			
<b>本公司股權持有人應佔股本權益</b>			
Share capital			
股本	32	<b>186,917,199</b>	169,117,199
Reserves			
儲備	33	<b>804,854,162</b>	563,213,846
		<b>991,771,361</b>	732,331,045
<b>Minority interests</b>			
<b>少數股東權益</b>			
		–	192,385,599
<b>Total equity</b>			
<b>股本權益總值</b>			
		<b>991,771,361</b>	924,716,644
<b>Net asset value per share attributable to the equity holders of the Company</b>			
<b>本公司股權持有人應佔每股資產淨值</b>			
	34	<b>0.53</b>	0.43

Fung Wing Cheung, Tony

馮永祥  
Chairman  
主席

Lee Wa Lun, Warren

李華倫  
Managing Director  
董事總經理

## BALANCE SHEET 資產負債表

As at 31st December, 2007 於二零零七年十二月三十一日

	Notes 附註	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
<b>ASSETS AND LIABILITIES</b> 資產及負債			
<b>Non-current assets</b> 非流動資產			
Investments in subsidiaries 於附屬公司權益	19	1,400,028	2,470,906
Interests in a jointly controlled entity 於一間共同控權合資公司權益	21	–	40,000
		<b>1,400,028</b>	<b>2,510,906</b>
<b>Current assets</b> 流動資產			
Amounts due from subsidiaries 應收附屬公司款項	19	781,037,557	317,240,634
Other receivables 其他應收款		–	1,887,856
Cash and cash equivalents 現金及現金等價物	28	445,914,393	93,405,675
		<b>1,226,951,950</b>	<b>412,534,165</b>
<b>Current liabilities</b> 流動負債			
Other payables, accrued expenses and deposits received 其他應繳款、應計費用及已收按金	29	21,682,911	963,085
Amounts due to subsidiaries 欠附屬公司款項	19	247,656,556	9,808,031
		<b>269,339,467</b>	<b>10,771,116</b>
<b>Net current assets</b> 流動資產淨值		<b>957,612,483</b>	<b>401,763,049</b>
<b>Total assets less current liabilities</b> 資產總值減流動負債		<b>959,012,511</b>	<b>404,273,955</b>
<b>EQUITY</b> 股本權益			
Share capital 股本	32	186,917,199	169,117,199
Reserves 儲備	33	772,095,312	235,156,756
<b>Total equity</b> 股本權益總值		<b>959,012,511</b>	<b>404,273,955</b>

Fung Wing Cheung, Tony  
 馮永祥  
 Chairman  
 主席

Lee Wa Lun, Warren  
 李華倫  
 Managing Director  
 董事總經理

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 31st December, 2007 截至二零零七年十二月三十一日

	Equity attributable to equity holders of the Company 本公司股權持有人應佔股本權益							Minority interests 少數 股東權益	Total 總額	
	Share capital 股本 HK\$ 港元	Share premium 股份溢價 HK\$ 港元	Capital redemption reserve 資本 贖回儲備 HK\$ 港元	Capital contribution reserve 資本 繳入儲備 HK\$ 港元	Investment revaluation reserve 投資 重估儲備 HK\$ 港元	Proposed final dividend 擬派股息 HK\$ 港元	Retained earnings 保留盈利 HK\$ 港元	Total 總額 HK\$ 港元	HK\$ 港元	HK\$ 港元
At 1st January, 2006 二零零六年一月一日結算	169,117,199	311,582,062	4,031,600	366,772	14,904,808	33,823,440	366,622,604	900,448,485	152,288,130	1,052,736,615
Fair value gain on available- for-sale financial assets 可供出售財務資產之 公平值收益	-	-	-	-	7,326,927	-	-	7,326,927	-	7,326,927
Net income recognised directly in equity 於股本權益直接確認之 收入淨額	-	-	-	-	7,326,927	-	-	7,326,927	-	7,326,927
Loss for the year 本年度虧損	-	-	-	-	-	-	(155,693,187)	(155,693,187)	40,097,469	(115,595,718)
Total recognised income and expense for the year 本年度已確認收入及 開支總額	-	-	-	-	7,326,927	-	(155,693,187)	(148,366,260)	40,097,469	(108,268,791)
Realisation of revaluation surplus of available-for-sale financial assets on disposal 於出售時變現可供出售 財務資產之重估盈餘	-	-	-	-	(2,329,542)	-	-	(2,329,542)	-	(2,329,542)
Impairment loss written-off to the income statement 於損益帳撇銷之耗虧損	-	-	-	-	16,401,802	-	-	16,401,802	-	16,401,802
2005 final dividend paid (note 14) 二零零五年已派末期股息(附註14)	-	-	-	-	-	(33,823,440)	-	(33,823,440)	-	(33,823,440)
At 31st December, 2006 二零零六年 十二月三十一日結算	169,117,199	311,582,062*	4,031,600*	366,772*	36,303,995*	-	210,929,417*	732,331,045	192,385,599	924,716,644

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 31st December, 2007 截至二零零七年十二月三十一日

	Equity attributable to equity holders of the Company 本公司股權持有人應佔股本權益							Minority interests 少數 股東權益	Total 總額	
	Share capital 股本 HK\$ 港元	Share premium 股份溢價 HK\$ 港元	Capital redemption reserve 資本 贖回儲備 HK\$ 港元	Capital contribution reserve 資本 繳入儲備 HK\$ 港元	Investment revaluation reserve 投資 重估儲備 HK\$ 港元	Proposed final dividend 擬派股息 HK\$ 港元	Retained earnings 保留盈利 HK\$ 港元	Total 總額 HK\$ 港元	HK\$ 港元	HK\$ 港元
At 1st January, 2007 二零零七年一月一日結算	169,117,199	311,582,062	4,031,600	366,772	36,303,995	-	210,929,417	732,331,045	192,385,599	924,716,644
Fair value gain on available- for-sale financial assets 可供出售財務資產之 公平值收益	-	-	-	-	4,904,860	-	-	4,904,860	-	4,904,860
Net income recognised directly in equity 於股本權益直接確認之 收入淨額	-	-	-	-	4,904,860	-	-	4,904,860	-	4,904,860
Profit for the year 本年度溢利	-	-	-	-	-	-	145,203,865	145,203,865	18,812,638	164,016,503
Total recognised income and expense for the year 本年度已確認收入及開支總額	-	-	-	-	4,904,860	-	145,203,865	150,108,725	18,812,638	168,921,363
Realisation of revaluation surplus of available-for-sale financial assets on disposal 於出售時變現可供出售 財務資產之重估盈餘	-	-	-	-	(28,755,477)	-	-	(28,755,477)	-	(28,755,477)
Disposal of subsidiaries 出售附屬公司	-	-	-	-	-	-	-	-	(211,198,237)	(211,198,237)
Proceeds from shares issued 已發行股份之所得款項	33,800,000	189,280,000	-	-	-	-	-	223,080,000	-	223,080,000
Shares issuance expenses 股份發行開支	-	(8,116,411)	-	-	-	-	-	(8,116,411)	-	(8,116,411)
Repurchase of shares 股份回購	(16,000,000)	-	16,000,000	-	-	-	(76,876,521)	(76,876,521)	-	(76,876,521)
At 31st December, 2007 二零零七年 十二月三十一日結算	186,917,199	492,745,651*	20,031,600*	366,772*	12,453,378*	-	279,256,761*	991,771,361	-	991,771,361

\* 此等結餘總額804,854,162港元(二零零六年:  
563,213,846港元)指於綜合資產負債表之儲備。

\* The aggregate amount of these balances of HK\$804,854,162 (2006:  
HK\$563,213,846) represents the reserves in the consolidated balance  
sheet.

## CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表

For the year ended 31st December, 2007 截至二零零七年十二月三十一日

	Notes 附註	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
<b>Cash flows from operating activities, including discontinued operations</b>			
<b>經營業務之現金流量(包括已終止經營業務)</b>			
Profit/(loss) before income tax 所得稅前溢利/(虧損)		<b>170,153,858</b>	(113,096,709)
Adjustments for: 就下列項目做出調整:			
Interest income from available-for-sale financial assets 可供出售財務資產之利息收入	5	<b>(287,354)</b>	(3,267,645)
Interest income from bank deposits 銀行存款之利息收入	5	<b>(12,105,437)</b>	(3,214,463)
Interest income on accrued dividend income 應計股息之利息收入	5	<b>(1,215,188)</b>	(2,268,949)
Dividend income 股息收入	5	<b>(30,915,009)</b>	(86,462,629)
Derecognition of available-for-sale financial assets and other receivable 可供出售財務資產及其他應收款項之取消確認	8	-	190,190,000
Gain on disposal/redemption of available-for-sale financial assets 出售/贖回可供出售財務資產之收益	6	<b>(30,946,458)</b>	(7,122,477)
Fair value loss/(gain) on investment properties 投資物業之公平值虧損/(收益)	12	<b>86,000</b>	(1,679,625)
Impairment of available-for-sale financial assets 可供出售財務資產之耗蝕	10	-	16,401,802
Reversal of impairment of available-for-sale financial assets 回撥可供出售財務資產之耗蝕	6	<b>(5,000,000)</b>	-
Fair value gain on financial assets at fair value through profit or loss 按公平值列賬及在損益賬處理之財務資產之公平值收益	6	<b>(50,291,628)</b>	(9,213,750)
Impairment of interests in associates 於聯營公司權益之耗蝕	10	-	6,092
Interest on bank and other borrowings 銀行及其他借貸之利息	9	<b>43,552,159</b>	37,108,152
Fair value loss on financial instruments of interest rate swap contracts 財務工具於利率調期合約之公平值虧損	9	-	847,456
Gain on disposal of a subsidiary and a jointly controlled entity 出售一間附屬公司及一間共同控權合資公司之收益	39.2	<b>(16,206,190)</b>	-
Gain on disposal of a subsidiary 出售一間附屬公司之收益	39.1	<b>(36,489,913)</b>	-
Share of results of associates 分佔聯營公司業績		-	11,920,177
Share of results of a jointly controlled entity 分佔共同控權合資公司業績		<b>(1,750,778)</b>	(4,458,157)

## CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表

For the year ended 31st December, 2007 截至二零零七年十二月三十一日



	Notes 附註	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Operating profit before working capital changes 未計營運資金變動前經營溢利		<b>28,584,062</b>	25,689,275
Decrease/(increase) in trade and other receivables and deposits paid 經營及其他應收款項及已付按金之減少/(增加)		<b>39,728,726</b>	(706,812)
Increase in other payables, accrued expenses and deposits received 其他應繳款、應計費用及已收按金之增加		<b>7,150,398</b>	13,931,631
Change in financial assets at fair value through profit or loss 按公平值列賬及在損益賬處理之財務資產變動		<b>(215,361,665)</b>	-
Cash (used in)/generated from operations 經營業務(耗用)/產生之現金		<b>(139,898,479)</b>	38,914,094
Interest received from available-for-sale financial assets 可供出售財務資產之已收利息		<b>287,354</b>	5,428,045
Bank interest received 已收銀行利息		<b>12,105,437</b>	3,001,733
Interest income received on accrued dividends 應計股息之已收利息收入		<b>943,657</b>	-
Dividend received 已收股息		<b>945,077</b>	1,280,563
Interest on bank and other borrowings paid 已付銀行及其他借貸之利息		<b>(43,552,159)</b>	(36,650,717)
Income taxes refund/(paid) 退還/(已付)所得稅		<b>2,696,212</b>	(4,714,123)
Net cash (used in)/generated from operating activities, including discontinued operations 經營業務(耗用)/產生之現金淨額, 包括已終止經營業務		<b>(166,472,901)</b>	7,259,595

## CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表

For the year ended 31st December, 2007 截至二零零七年十二月三十一日

	Notes 附註	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
<b>Cash flows from investing activities, including discontinued operations</b> 投資業務之現金流量(包括已終止經營業務)			
Purchase of available-for-sale financial assets 購入可供出售財務資產		(16,381,105)	(26,158,068)
Proceeds from disposal of available-for-sale financial assets 出售可供出售財務資產之所得款項		80,713,746	92,617,428
Realisation of available-for-sale financial assets 變現可供出售財務資產	6	5,000,000	-
Purchase of investment properties 購入投資物業		(7,330,640)	(286,727,820)
Proceeds from disposal of subsidiaries and a jointly controlled entity 出售附屬公司及一間共同控權合資公司之所得款項	39.2	158,908,380	-
Proceeds from disposal of a subsidiary 出售一間附屬公司之所得款項	39.1	368,189,763	-
Decrease in pledged bank fixed deposits 已抵押銀行定期存款減少		10,537,895	6,275,136
Net cash generated from/(used in) investing activities, including discontinued operations 投資活動產生/(耗用)之現金淨額(包括已終止經營業務)		599,638,039	(213,993,324)
<b>Cash flows from financing activities, including discontinued operations</b> 融資活動之現金流量(包括已終止經營業務)			
Dividends paid to the Company's equity holders 已付本公司股權持有人股息		-	(33,823,440)
Loan from bank and other borrowings 銀行貸款及其他借款之所得款項		-	440,743,242
Repayment of loan from bank and other borrowings 償還銀行貸款及其他借款		(61,993,131)	-
Proceeds from issuance of shares 發行股份之所得款項		223,080,000	-
Shares issuance expenses 發行股份之開支		(8,116,411)	-
Repurchase of shares 購回股份		(76,800,000)	-
Shares repurchase expenses 購回股份之開支		(76,521)	-
Advances to minority interests 提供墊款給少數股東		-	(25,600,000)
Repayment of loans from minority interests 償還少數股東所提供之貸款		36,352	(37,219,045)
Net cash generated from financing activities, including discontinued operations 融資活動產生之現金淨額(包括已終止經營業務)		76,130,289	344,100,757
<b>Net increase in cash and cash equivalents</b> 現金及現金等價物增加淨額		509,295,427	137,367,028
<b>Cash and cash equivalents at 1st January</b> 於一月一日之現金及現金等價物		142,878,833	5,511,805
<b>Cash and cash equivalents at 31st December</b> 於十二月三十一日之現金及現金等價物		652,174,260	142,878,833

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 1. 一般資料

禹銘投資有限公司(「本公司」)乃於香港註冊成立及位於之有限公司。本公司註冊辦事處之地址為香港灣仔告士打道138號聯合鹿島大廈19樓1901B室，而其主要營業地點為香港。本公司股份於香港聯合交易所有限公司(「聯交所」)上市。

本公司及其附屬公司(統稱為「本集團」)之主要業務包括投資於上市及非上市證券。

第37至第147頁之財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)(其為包括所有適用之個別香港財務報告準則、香港會計準則及詮釋之統稱)及香港公司條例之規定編製。財務報表亦包括香港聯合交易所有限公司證券上市規則(「上市規則」)之適用披露規定。

截至二零零七年十二月三十一日止年度之財務報表已經由董事會於二零零八年三月三十一日批准。

### 1. GENERAL INFORMATION

Yu Ming Investments Limited (the "Company") is a limited liability company incorporated and domiciled in Hong Kong. The address of the Company's registered office is Room 1901B, 19th Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong and, its principal place of business is Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activities of the Company and its subsidiaries (together referred to as the "Group") include the investments in listed and unlisted securities.

The financial statements on pages 37 to 147 have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the requirements of the Hong Kong Companies Ordinance. The financial statements also include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules").

The financial statements for the year ended 31st December, 2007 were approved for issue by the Board of Directors on 31st March, 2008.



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 2. 採用新訂或經修訂之香港財務報告準則

- 2.1 於二零零七年一月一日起，本集團已採用所有於二零零七年一月一日首次生效及與本集團有關之新訂及經修訂香港財務報告準則。

採納該等新訂及經修訂香港財務報告準則並無導致本公司及本集團之會計政策出現重大變動，惟因採納香港財務報告準則第7號金融工具：披露及香港會計準則第1號（修訂本）財務報表之呈列：資本披露而須作出額外披露如下：

**香港會計準則第1號（修訂本）財務報表之呈列：資本披露**

按照香港會計準則第1號（修訂本）財務報表之呈列：資本披露，本公司現於各財務報告就其資本管理目標、政策及程序作出報告。因此項香港會計準則第1號之改動變得必要之新披露，可參見附註41。

**香港財務報告準則第7號金融工具：披露**

香港財務報告準則第7號金融工具：披露對二零零七年一月一日或之後開始之報告期間屬強制性。新準則取代並修改先前於香港會計準則第32號金融工具：呈列及披露所載之披露規定，並已由本集團於其二零零七年綜合財務報表中採用。所有有關金融工具之披露（包括所有比較資料）已經更新，以反映新規定之影響。尤其是，本公司之財務報表現已加入如下特色：

- 敏感度分析，藉以說明本集團涉及金融工具之市場風險；及
- 到期日分析，藉以顯示金融負債之剩餘合約到期情況，

以上各就結算日而言。然而，首次採用香港財務報告準則第7號並無導致任何前期現金流量、淨收入或資產負債表項目之調整。

## 2. ADOPTION OF NEW OR AMENDED HKFRSs

- 2.1 From 1st January, 2007, the Group has adopted all the new and amended HKFRSs which are first effective on 1st January, 2007 and relevant to the Group.

The adoption of these new and amended HKFRSs did not result in significant changes in the Company's and the Group's accounting policies. However, as a result of the adoption of HKFRS 7 Financial Instruments: Disclosures and HKAS 1 (Amendment) Presentation of Financial Statements: Capital Disclosures, there have been some additional disclosures provided as follows:

**HKAS 1 (Amendment) Presentation of Financial Statements: Capital Disclosures**

In accordance with HKAS 1 (Amendment) Presentation of Financial Statements: Capital Disclosures, the Company now reports on its capital management objectives, policies and procedures in each financial report. The new disclosures that become necessary due to this change in HKAS 1 can be found in Note 41.

**HKFRS 7 Financial Instruments: Disclosures**

HKFRS 7 Financial Instruments: Disclosures is mandatory for reporting periods beginning on 1st January, 2007 or later. The new Standard replaces and amends disclosure requirements previously set out in HKAS 32 Financial Instruments: Presentation and Disclosures and has been adopted by the Group in its 2007 consolidated financial statements. All disclosures relating to financial instruments including all comparative information have been updated to reflect the new requirements. In particular, the Company's financial statements now feature

- a sensitivity analysis, to explain the Group's market risk exposure with regards to its financial instruments, and
- a maturity analysis that shows the remaining contractual maturities of financial liabilities,

each as at the balance sheet date. The first-time application of HKFRS 7, however, has not resulted in any prior-period adjustments of cash-flows, net income or balance sheet line items.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 2. 採用新訂或經修訂之香港財務報告準則(續)

2.2 本集團並無提早採用以下已頒佈但尚未生效之香港財務報告準則。

香港會計準則第1號(修訂)	財務報表之呈列 <sup>1</sup>
香港會計準則第23號(修訂)	借貸成本 <sup>1</sup>
香港財務報告準則第8號	經營分類 <sup>1</sup>
香港(國際財務報告詮釋委員會) — 詮釋第11號	集團及財務股份交易 <sup>2</sup>
香港(國際財務報告詮釋委員會) — 詮釋第12號	香港財務報告準則第2號— 服務委託安排 <sup>3</sup>
香港(國際財務報告詮釋委員會) — 詮釋第13號	顧客忠誠計劃 <sup>4</sup>
香港(國際財務報告詮釋委員會) — 詮釋第14號	香港會計準則第19號—界 定利益資產限額、最低 融資要求及彼等之 互動 <sup>3</sup>

附註：

- <sup>1</sup> 由二零零九年一月一日或以後開始之年度期間生效
- <sup>2</sup> 由二零零七年三月一日或以後開始之年度期間生效
- <sup>3</sup> 由二零零八年一月一日或以後開始之年度期間生效
- <sup>4</sup> 由二零零八年七月一日或以後開始之年度期間生效

該等新訂香港財務報告準則中，香港會計準則第1號(修訂)預期切合本集團之財務報表。

#### 香港會計準則第1號(修訂)－財務報表呈列

該修訂對股權持有人變動的呈列及引進全面利潤表有所影響。編製者可選擇以單一綜合利潤表方式(連同小計項目)或以兩份獨立報表(先會編製獨立損益賬，然後編製其他綜合利潤表)呈列收入及開支項目及其他綜合收入的組成部分。該修訂不會對本公司的財務狀況或業績有影響，但將會令披露事項增加。管理層現正評估該修訂對本公司財務報表之詳細影響。

本公司董事預計採用該等新訂香港財務報告準則將不會對本集團財務報表產生重大財務影響。

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (continued)

2.2 The Group has not early adopted the following HKFRSs that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements <sup>1</sup>
HKAS 23 (Revised)	Borrowing Costs <sup>1</sup>
HKFRS 8	Operating Segments <sup>1</sup>
HK(IFRIC) – Int 11	Group and Treasury Share Transactions <sup>2</sup>
HK(IFRIC) – Int 12	HKFRS 2 – Service Concession Arrangements <sup>3</sup>
HK(IFRIC) – Int 13	Customer Loyalty Programmes <sup>4</sup>
HK(IFRIC) – Int 14	HKAS 19 – The Limit on Defined Benefit Asset, Minimum Funding Requirements and their Interaction <sup>3</sup>

Note:

- <sup>1</sup> Effective for annual periods beginning on or after 1st January, 2009
- <sup>2</sup> Effective for annual periods beginning on or after 1st March, 2007
- <sup>3</sup> Effective for annual periods beginning on or after 1st January, 2008
- <sup>4</sup> Effective for annual periods beginning on or after 1st July, 2008

Among these new HKFRSs, HKAS 1 (Revised) is expected to be relevant to the Group's financial statements.

#### HKAS 1 (Amendment) Presentation of Financial Statements

This amendment affects the presentation of owner changes in equity and introduces a statement of comprehensive income. Preparers will have the option of presenting items of income and expense and components of other comprehensive income either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of other comprehensive income). This amendment does not affect the financial position or results of the Group but will give rise to additional disclosures. Management is currently assessing the detailed impact of this amendment on the Group's financial statements.

The Directors of the Company anticipate that the adoption of such HKFRSs will not result in material financial impact on the Group's financial statements.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要

#### 3.1 編製基準

編製此等財務報表時採用之重大會計政策概述如下。除另有說明外，該等政策已於所有呈列年度貫徹應用。

財務報表乃按照歷史成本法編製，惟投資物業及若干財務資產及負債除外。計量基準於以下會計政策內詳述。

務請注意，編製財務報表時須採用會計估計及假設。儘管此等估計乃按管理層對現行事件及行動所深知及判斷而作出，惟實際結果最終或會有別於該等估計。涉及較高程度判斷或複雜性之範圍或於財務報表作出重大假設及估計之範圍均於附註4詳述。

#### 3.2 綜合賬目之基準

綜合財務報表載有本公司及其附屬公司截至每年十二月三十一日止之財務報表。

#### 3.3 附屬公司

附屬公司乃本集團對其財務及營運決策有控制權藉以從其業務中獲益的實體。當判斷本集團是否控制另一實體時，現時可行使或可轉換的潛在表決權的存在及影響均會考慮在內。附屬公司自控制權轉讓予本集團當日起全面綜合計算，並自終止控制權當日起不再綜合計算。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Basis of preparation

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated.

The financial statements have been prepared on the historical cost basis except for the investment properties and certain financial assets and liabilities. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are described in Note 4.

#### 3.2 Basis of consolidation

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

#### 3.3 Subsidiaries

Subsidiaries are entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are excluded from consolidation from the date that control ceases.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要(續)

#### 3.3 附屬公司(續)

業務合併(不包括合併受共同控制的實體)採用收購法入賬。此情況涉及按公平值重估於收購日期所有可識別資產及負債,包括該附屬公司之或然負債,而不論該等資產及負債於收購前是否記錄於該附屬公司之財務報表。於初步確認時,該附屬公司之資產、負債及或然負債會按公平值計入綜合資產負債表,並將按照本集團之會計政策用作其後計量之基準。

集團公司之間的交易,其結餘及未變現收益,已於編製綜合財務報表時對銷。未變現虧損亦會撇銷,惟交易證明所轉讓資產出現減值則除外。

於本公司之資產負債表中,附屬公司按成本值減去任何耗蝕虧損列賬。附屬公司之業績由本公司按於結算日已收及應收股息之基準列賬。

少數股東權益為附屬公司損益及資產淨值的一部份,該部份為非本集團擁有的股本權益,並非本集團的財務負債。

少數股東權益在綜合資產負債表中列為股本權益,與本公司股權持有人應佔股本權益分開呈列。少數股東權益應佔溢利或虧損於綜合損益賬分開呈列為本集團之業績分配。倘屬於少數股東的虧損超過其所佔附屬公司的股本權益,超額部分和任何屬於少數股東的進一步虧損則分配予少數股東權益,惟以少數股東須承擔具有約束力的義務並有能力增加投資以彌補虧損為限。否則,該等虧損均會從本集團之權益扣除。倘該附屬公司其後錄得溢利,該等溢利則待收回本集團過往承擔之少數股東應佔虧損後,方始分配予少數股東。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.3 Subsidiaries (continued)

Business combinations (other than for combining entities under common control) are accounted for by applying the purchase method. This involves the revaluation at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets, liabilities and contingent liabilities of the subsidiary are included in the consolidated balance sheet at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group's accounting policies.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

In the Company's balance sheet, subsidiaries are carried at cost less any impairment loss. The results of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the balance sheet date.

Minority interest represents the portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned by the Group and are not the Group's financial liabilities.

Minority interests are presented in the consolidated balance sheet within equity, separately from the equity attributable to the equity holders of the Company. Profit or loss attributable to the minority interests are presented separately in the consolidated income statement as an allocation of the Group's results. Where losses applicable to the minority exceeds the minority interests in the subsidiary's equity, the excess and further losses applicable to the minority are allocated against the minority interest to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses. Otherwise, the losses are charged against the Group's interests. If the subsidiary subsequently reports profits, such profits are allocated to the minority interest only after the minority's share of losses previously absorbed by the Group has been recovered.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 3. 重大會計政策概要(續)

## 3.4 聯營公司及合營企業

聯營公司為本集團能對其行使重大影響力，一般擁有附帶20%至50%投票權之股權，惟並非附屬公司或合營企業投資之實體。

合營企業乃一項合約安排，據此兩名或以上人士進行受到共同控制之經濟活動。共同控制乃按合約同意分享經濟活動之控制權，並只會於與該活動有關之策略財務及營運決定必須獲得合營各方一致同意時方會存在。

在綜合財務報表中，於聯營公司及共同控權合資公司的投資初步按成本確認，其後採用權益法入賬。按照權益法，本集團於聯營公司及共同控權合資公司的權益按成本列賬，並就本集團應佔聯營公司或共同控權合資公司的資產淨值減任何已識別耗蝕虧損於收購後的變動作出調整。綜合損益賬包括本集團年內應佔聯營公司或共同控權合資公司的收購後及稅後業績，包括有關年內已確認於聯營公司或共同控權合資公司的投資的任何商譽耗蝕虧損。

當本集團所佔聯營公司或共同控權合資公司之虧損等同或超過其所佔聯營公司或共同控權合資公司之權益時，本集團不會進一步確認虧損，除非其擁有法定或推定責任或代表聯營公司或共同控權合資公司付款。就此而言，本集團於聯營公司或共同控權合資公司的權益為按照權益法計算的投資賬面值，連同實質上構成本集團於該聯營公司或共同控權合資公司的投資淨額一部份的本集團長期權益。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 3.4 Associates and joint ventures

Associates are those entities over which the Group is able to exert significant influence, generally accompanying a shareholding of between 20% and 50% of voting rights but which are neither subsidiaries nor investments in a joint venture.

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the venturers.

In consolidated financial statements, investments in associates and jointly controlled entities are initially recognised at cost and subsequently accounted for using the equity method. Under the equity method, the Group's interests in the associate and jointly controlled entities are carried at cost and adjusted for the post-acquisition changes in the Group's share of the associate's or the jointly controlled entity's net assets less any identified impairment loss. The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the associate or the jointly controlled entity for the year, including any impairment loss on goodwill relating to the investment in associate or jointly controlled entity recognised for the year.

When the Group's share of losses in an associate or a jointly controlled entity equals or exceeds its interest in the associate or the jointly controlled entity, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate or the jointly controlled entity. For this purpose, the Group's interest in the associate or the jointly controlled entity is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the jointly controlled entity.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要(續)

#### 3.4 聯營公司及合營企業(續)

任何收購成本超逾本集團於收購日期確認聯營公司或共同控權合資公司之已識別資產、負債及或然負債中分佔之公平值淨額，均確認為商譽。收購成本乃按本集團於交換日期給予之資產、產生或承擔之負債及發行之股本工具之公平值總額計量，另加投資應佔之任何直接應佔成本。

商譽包括投資之賬面款額，並就評估耗蝕，作為投資之一部分。於應用權益法後，本集團決定是否必須就本集團於聯營公司或共同控權合資公司之投資確認額外耗蝕虧損。於各結算日，本集團決定是否有任何客觀憑證顯示於聯營公司或共同控權合資公司之投資出現耗蝕。倘已識別該等跡象，則本集團所計算之耗蝕款額為於聯營公司或共同控權合資公司之可收回款額(見附註3.10)與其賬面值之差額。

於重估後，任何本集團分佔之已識別資產、負債及或然負債之公平淨額超逾收購成本，均即時確認損益，用作決定本集團於收購投資時分佔之聯營公司或共同控權合資公司之損益。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.4 Associates and joint ventures (continued)

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate or the jointly controlled entity recognised at the date of acquisition is recognised as goodwill. The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the Group, plus any costs directly attributable to the investment.

The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. After the application of equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates or jointly controlled entities. At each balance sheet date, the Group determines whether there is any objective evidence that the investment in associate or jointly controlled entity is impaired. If such indications are identified, the Group calculates the amount of impairment as being the difference between the recoverable amount (see Note 3.10) of the associate or the jointly controlled entity and its carrying amount.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss in the determination of the Group's share of the associate's or the jointly controlled entity's profit or loss in which the investment is acquired.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 3. 重大會計政策概要(續)

## 3.4 聯營公司及合營企業(續)

本集團與其聯營公司或共同控權合資公司間交易之未變現收益將會撇銷，惟以本集團所擁有聯營公司或共同控權合資公司之權益為限。除非交易提供憑證顯示所轉讓資產出現耗蝕，否則未變現虧損亦會撇銷。倘聯營公司或共同控權合資公司所採用會計政策並非本集團於類似情況下就同類交易及事件所採用者，則於本集團為應用權益法而使用聯營公司或共同控權合資公司之財務報表時作出必要調整，以使該聯營公司或共同控權合資公司之會計政策與本集團所採用者一致。

在本公司之資產負債表中，於聯營公司或共同控權合資公司之投資按成本減任何耗蝕虧損列賬。本公司按已收及應收股息之基準將聯營公司及共同控權合資公司之業績入賬。

## 3.5 外幣換算

財務報表以香港元(「港元」)呈列，港元亦為本公司之功能貨幣。

於綜合實體之個別財務報表內，外幣交易按交易當日之主要匯率換算為個別實體之功能貨幣。於結算日，以外幣為單位之貨幣資產及負債均按結算日適用之匯率換算。因結算該等交易及結算日重新換算貨幣資產及負債所產生外匯收益及虧損，乃於損益賬內確認。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 3.4 Associates and joint ventures (continued)

Unrealised gains on transactions between the Group and its associates and jointly controlled entities are eliminated to the extent of the Group's interest in the associates and the jointly controlled entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where the associate or jointly controlled entity uses accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made, where necessary, to conform the associate's or the jointly controlled entity's accounting policies to those of the Group when the associate's or the jointly controlled entity's financial statements are used by the Group in applying the equity method.

In the Company's balance sheet, investments in associates and jointly controlled entities are stated at cost less any impairment losses. The results of associates and jointly controlled entities are accounted for by the Company on the basis of dividends received and receivable.

## 3.5 Foreign currency translation

The financial statements are presented in Hong Kong Dollars ("HK\$"), which is also the functional currency of the Company.

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the balance sheet date retranslation of monetary assets and liabilities are recognised in the income statement.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要(續)

#### 3.5 外幣換算(續)

按公平值列賬並以外幣為單位之非貨幣項目乃按釐定公平值日期之匯率重新換算，並報告為公平值收益或虧損之一部份。以歷史成本並以外幣為單位計量之非貨幣項目不會重新換算。

於綜合財務報表內，海外業務原先以有別於本集團呈報貨幣之貨幣呈列之所有個別財務報表，已折算為港元。資產及負債已按結算日之收市匯率換算為港元。收入及支出已按交易日期之適用匯率或於申報期間之平均匯率折算為港元，惟匯率不得出現大幅波動。自此步驟產生之任何差額已經於權益內之貨幣換算儲備另行處理。

#### 3.6 收入確認

在經濟利益將流入本集團及收入能夠可靠計量之情況下，收入乃確認如下：

利息收入採用實際利率法按時間比例基準確認。

股息收入在收取股息之權利確定時確認。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.5 Foreign currency translation (continued)

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In the consolidated financial statements, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into Hong Kong dollars. Assets and liabilities have been translated into Hong Kong dollars at the closing rate at the balance sheet date. Income and expenses have been converted into Hong Kong dollars at the exchange rates ruling at the transaction dates, or at average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been dealt with separately in the currency translation reserve in equity.

#### 3.6 Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue can be measured reliably, revenue is recognised as follows:

Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend is recognised when the right to receive payment is established.



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 3. 重大會計政策概要(續)

## 3.6 收入確認(續)

根據營運租賃應收之租金收入於租期涵蓋之期間以直線法於損益確認，惟若有另一種更能反映租賃資產衍生之利益模式之基準除外。所獲租賃減免在損益賬確認為已收淨租金總額一部份。或然租金將於所賺取之會計期間確認為收入。

## 3.7 借貸成本

所有借貸成本於產生時列作支出。

## 3.8 商譽

下文載列於收購附屬公司時所產生商譽之會計政策。於收購聯營公司或共同控權合資公司之投資所產生商譽之會計處理載於附註3.4。

商譽即業務合併成本或投資超過本集團分佔被收購方之可識別資產、負債及或然負債之公平值淨額。業務合併成本按本集團於交換日期給予之資產、產生或承擔之負債以及發行之股本工具之公平值總額計量，另加有關業務合併之任何直接應佔成本。

商譽按成本減累計耗蝕虧損列賬。商譽分配予現金產生單位，並每年作耗蝕測試(附註3.10)。

任何本集團於被收購方之可識別資產、負債及或然負債之公平淨值權益超過於業務合併之成本，即時於損益確認。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 3.6 Revenue recognition (continued)

Rental income receivable from operating leases is recognised in profit or loss on a straight-line basis over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

## 3.7 Borrowing costs

All borrowing costs are expensed as incurred.

## 3.8 Goodwill

Set out below are the accounting policies on goodwill arising on acquisition of a subsidiary. Accounting for goodwill arising on acquisition of investment in an associate or a jointly controlled entity is set out in Note 3.4.

Goodwill represents the excess of the cost of a business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. The cost of the business combination is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group, plus any costs directly attributable to the business combination.

Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment (see Note 3.10).

Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination is recognised immediately in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要(續)

#### 3.8 商譽(續)

於其後出售附屬公司時，已資本化商譽之應佔數額於釐定出售損益款額時包括在內。

#### 3.9 投資物業

投資物業為根據租賃權益擁有或持有之土地及／或樓宇，以賺取租金收入及／或資本增值，其中包括現時持有但並未擬定未來用途之土地。

當本集團根據經營租賃持有物業權益以賺取租金收入及／或資本增值，該權益將按個別物業之情況分類為投資物業。任何該等列作投資物業之物業權益乃按融資租賃之方法處理。

於初次確認時，投資物業乃按成本(包括任何直接應佔支出)計量。於初次確認後，投資物業乃按公平值列賬。公平值乃由對投資物業之地點及性質兩方面具有豐富經驗之外聘專業估值師決定。於資產負債表確認之賬面值反映於結算日當時之市場情況。

興建或發展作未來投資物業之物業分類為物業、機器及設備，並按成本列賬，直至完工或發展完成為止，屆時將重新分類為投資物業。於該日之物業公平值與其先前賬面值之任何變動將於損益確認。

因公平值變動或出售投資物業產生之盈虧於產生之期間計入損益。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.8 Goodwill (continued)

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

#### 3.9 Investment property

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use.

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease.

On initial recognition, investment property is measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is stated at fair value. Fair value is determined by external professional valuers, with sufficient experience with respect to both the location and the nature of the investment property. The carrying amounts recognised in the balance sheet reflect the prevailing market conditions at the balance sheet date.

Property that is being constructed or developed for future use as investment property is classified as property, plant and equipment and stated at cost until construction or development is complete, at which time it is reclassified as investment property. Any changes between the fair value of the property at that date and its previous carrying amount is recognised in profit or loss.

Gains or losses arising from either changes in the fair value or the sale of an investment property is included in the profit or loss for the period in which they arise.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 3. 重大會計政策概要(續)

## 3.10 資產減值

因收購附屬公司、附屬公司權益、聯營公司及共同控權合資公司而產生之商譽須進行耗蝕測試。

具備無限使用期或尚未可供使用之商譽須至少每年進行耗蝕測試，而不論是否有任何跡象顯示出現耗蝕。所有其他資產則在出現未必能收回有關資產賬面值之跡象時進行耗蝕測試。

耗蝕虧損按資產賬面值超過其可收回款額之差額即時確認為支出，惟有關資產根據本集團之會計政策按重估值列賬則除外，於該情況下，耗蝕虧損則根據該政策而被視為重估減值。可收回款額為反映市況之公平值減銷售成本與使用價值兩者之較高者。於評估使用價值時，估計未來現金流量乃採用稅前貼現率貼現至其現值，以反映現時市場對金錢時間值及有關資產特有風險之評估。

就評估耗蝕而言，倘資產產生之現金流入大致上不獨立於其他資產，則可收回款額乃按可獨立產生現金流入之最小組別資產(即現金產生單位)釐定。因此，部分資產按個別方式進行耗蝕測試，另有部分資產則按現金產生單位水平進行測試。商譽尤其分配至預期可受惠於相關業務合併協同效應之現金產生單位，即就內部管理而言監察商譽之本集團內最低水平單位。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 3.10 Impairment of assets

Goodwill arising on an acquisition of subsidiary, interests in subsidiaries, associates and jointly controlled entities are subject to impairment testing.

Goodwill with an indefinite useful life or those not yet available for use are tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. All other assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount unless the relevant asset is carried at a revalued amount under the Group's accounting policy, in which case the impairment loss is treated as a revaluation decrease according to that policy. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. 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 assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill in particular is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which the goodwill is monitored for internal management purpose.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要(續)

#### 3.10 資產減值(續)

就已獲分配商譽之現金產生單位確認之耗蝕虧損，初步計入商譽之賬面值。除資產賬面值將不會調減至低於其個別公平值減銷售成本或使用價值(如可釐定)外，任何剩餘耗蝕虧損乃按比例自該現金產生單位之其他資產中扣除。

商譽耗蝕虧損不會於其後期間撥回。就其他資產而言，倘用於釐定資產可收回款額之估計出現有利改變，則撥回耗蝕虧損，惟以資產之賬面值不得超出於並無確認耗蝕虧損之情況下原應釐定之賬面值。

#### 3.11 財務資產

本集團就附屬公司、聯營公司及共同控權合資公司投資以外之財務資產之會計政策載列如下。

本集團將其財務資產按以下類別分類：按公平值計入損益之財務資產；貸款及應收款項及可供出售財務資產。管理層將視乎收購財務資產之目的，於初步確認時決定其財務資產之分類，並於許可及適當情況下，於每個報告日期重新評估該劃分。

所有財務資產只會在本集團成為有關工具的合約條文之訂約方時，方予確認。以慣常方式收購之財務資產於交易日期確認。當財務資產於初步確認時，乃按公平值計量，另外，倘投資並非按公平值計入損益，則按直接應佔交易成本計量。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.10 Impairment of assets (continued)

Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit, except that the carrying value of an asset will not be reduced below its individual fair value less cost to sell, or value in use, if determinable.

An impairment loss on goodwill is not reversed in subsequent periods. In respect of other assets, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

#### 3.11 Financial assets

The Group's accounting policies for financial assets other than investments in subsidiaries, associates and jointly controlled entities are set out below.

The Group classifies its financial assets into the following categories: financial assets at fair value through profit or loss; loans and receivables and available-for-sale financial assets. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at every reporting date.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases of financial assets are recognised on trade date. 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.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 3. 重大會計政策概要(續)

## 3.11 財務資產(續)

當收取投資現金流量之權利屆滿或擁有權之絕大部分風險與回報已轉讓時，財務資產則取消確認。於各結算日，將對財務資產進行審閱，以評估是否有任何客觀耗蝕憑證。倘存在任何該等憑證，則根據財務資產之分類而釐定及確認耗蝕虧損。

## (i) 按公平值計入損益之財務資產

按公平值計入損益之財務資產包括持作買賣之財務資產及於初步確認時指定為按公平值計入損益之財務資產。

倘收購財務資產之目的為於短期內出售，則財務資產列為持作買賣。衍生工具(包括個別之嵌入式衍生工具)亦列為持作買賣，惟衍生工具指定作為有效對沖工具或財務擔保合約則除外。

倘一份合約含有一份或以上之嵌入式衍生工具，則整份混合式合約可被指定為按公平值計入損益之財務資產，惟嵌入式衍生工具並無導致現金流出現重大變動，或有明文規定禁止將嵌入式衍生工具另行呈列則除外。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 3.11 Financial assets (continued)

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. At each balance sheet date, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial assets.

(i) *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 selling 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.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要(續)

#### 3.11 財務資產(續)

(i) 按公平值計入損益之財務資產(續)

倘若符合以下準則，則財務資產可於初步確認時指定為按公平值計入損益：

- 有關指定能消除或顯著減少因按照不同基準計量有關資產或確認其損益所產生之不一致處理情況；或
- 根據既定之風險管理策略，該等資產為一組受管理而其表現乃按公平值基準評估之財務資產其中一部份，而有關該組財務資產之資料均按該基準而在內部提供予主要管理人員；或
- 該等財務資產包含需要另行入賬之嵌入式衍生工具。

初步確認後，計入此類別之金融資產按公平價值計量，乃是直接參考活躍市場交易，或在沒有活躍市場存在時使用估價技術釐定，而公平價值變動在損益賬內確認。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.11 Financial assets (continued)

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

Financial assets may be designated at initial recognition as at fair value through profit or loss if the following criteria are met:

- 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; or
- 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 and information about the group of financial assets is provided internally on that basis to the key management personnel; or
- the financial asset contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, the financial assets included in this category are measured at fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists, with changes in fair value recognised in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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## 3. 重大會計政策概要(續)

## 3.11 財務資產(續)

## (ii) 貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款之非衍生財務資產，且於活躍市場並無報價。貸款及應收款項其後採用實際利息法按攤銷成本減任何耗蝕虧損計量。攤銷成本經計及收購之任何折讓或溢價後計算，並包括屬於實際利率及交易成本組成部分之費用。彼等之公平價值變動在損益賬內確認。

## (iii) 可供出售財務資產

可供出售財務資產包括非衍生財務資產被指定為此類別之財務資產或不合資格列入任何其他類別之財務資產。此類別內所有財務資產其後按公平值計量。因公平值變動產生之盈虧於權益中直接確認(惟耗蝕虧損(見下文之政策)及外匯收益及虧損除外)，直至財務資產取消確認為止，屆時先前已於權益中確認之累計收益或虧損將於損益中確認。採用實際利率法計算之利息於損益中確認。於出售時，先前已於權益中確認之累計收益或虧損則轉撥至損益賬。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 3.11 Financial assets (continued)

## (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any 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 cost. Any change in their fair value is recognised in profit or loss.

## (iii) Available-for-sale financial assets

Available-for-sale financial assets include non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. All financial assets within this category are subsequently measured at fair value. Gain or loss arising from a change in the fair value is recognised directly in equity, except for impairment losses (see the policy below) and foreign exchange gains and losses, until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in equity would be recognised in profit or loss. Interest calculated using the effective interest method is recognised in profit or loss. Upon disposal, the cumulative gain or loss previously recognised in equity is transferred to the income statement.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要(續)

#### 3.11 財務資產(續)

##### (iii) 可供出售財務資產(續)

就於活躍市場並無報價及其公平值無法可靠計量，以及所掛鈎之衍生工具須透過交付該等無報價股本工具之方式結算之可供出售財務資產而言，於初步確認後之各結算日，均按成本扣除任何已識別耗蝕虧損計量。

##### 財務資產耗蝕

於各結算日，將會對按公平值計入損益以外之財務資產進行審閱，以決定是否有任何客觀耗蝕憑證出現。倘存在任何該等憑證，則按以下方式計量及確認減值虧損：

##### (a) 按攤銷成本列賬之財務資產

倘有客觀憑證顯示按攤銷成本列賬之貸款及應收款項出現耗蝕虧損，則虧損款額以資產賬面值與按財務資產之原定實際利率(即於初步確認時計算之實際利率)折現之估計未來現金流量(不包括尚未產生之未來信貸虧損)現值之差額計量。虧損款額於耗蝕產生之期間於損益確認。

倘耗蝕虧損款額於隨後期間減少，而有關減少可客觀地與確認耗蝕後發生之事件聯繫，則撥回先前已確認之耗蝕虧損，惟於撥回減值當日不得導致財務資產之賬面值超過如無確認減值之原有攤銷成本。撥回款額於撥回發生之期間於損益中確認。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.11 Financial assets (continued)

##### (iii) Available-for-sale financial assets (continued)

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

##### Impairment of financial assets

At each balance sheet date, financial assets other than at fair value through profit or loss are reviewed to determine whether there is any objective evidence of impairment. If any such evidence exists, the impairment loss is measured and recognised as follows:

##### (a) Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables 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 amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

If, in 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 to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 3. 重大會計政策概要 (續)

## 3.11 財務資產 (續)

## (iii) 可供出售財務資產 (續)

## 財務資產耗蝕 (續)

## (b) 可供出售財務資產

當可供出售財務資產之公平值減少已直接於權益確認，亦有客觀憑證顯示資產出現耗蝕，則該款額於權益剔除及於損益確認為耗蝕虧損。該款額乃以資產收購成本（扣除任何本金還款及攤銷）與現行公平值之差額，並扣除先前於損益所確認該資產之任何耗蝕虧損。

分類為可供出售股本工具投資之撥回不會於損益賬確認。公平值之其後增加乃於權益直接確認。倘其後之公平值增加可客觀地與確認耗蝕後發生之事件聯繫，則債務證券之耗蝕虧損將撥回。於該等情況下之耗蝕虧損撥回乃於損益確認。

## (c) 按成本列賬之財務資產

耗蝕虧損款額以財務資產賬面值與按類似財務資產之現行市場回報率折現之估計未來現金流量現值之差額計量。該等耗蝕虧損不會於隨後期間撥回。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 3.11 Financial assets (continued)

## (iii) Available-for-sale financial assets (continued)

## Impairment of financial assets (continued)

## (b) Available-for-sale financial assets

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, an amount is removed from equity and recognised in profit or loss as impairment loss. That amount is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Reversals in respect of investment in equity instruments classified as available-for-sale are not recognised in the income statement. The subsequent increase in fair value is recognised directly in equity. Impairment losses in respect of debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversal of impairment losses in such circumstances are recognised in profit or loss.

## (c) Financial assets carried at cost

The amount of impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要 (續)

#### 3.12 中期財務報告及耗蝕

根據上市規則，本集團須根據香港會計準則第34號「中期財務報告」就財政年度首六個月編製中期財務報告。於中期期間完結時，本集團採用於財務年度完結時應採用之同一耗蝕測試、確認及撥回準則。

於中期期間內就商譽、貸款及應收款項及可出售財務資產所確認之耗蝕虧損不可在往後期間撥回。假設在中期相關之財政年度完結時才評估耗蝕，此時即使不用確認虧損或確認較少虧損時，亦不會撥回耗蝕虧損。

#### 3.13 對沖活動之會計處理

衍生財務工具初步按訂立衍生工具合約日期之公平值確認，其後則以公平值重新計量。公平值對沖保障本集團免受源於某特定風險及可能影響損益之一項已確認資產或負債或一項確定承擔，或該項資產、負債或確定承擔已識別部份之公平值變動之風險。

衍生工具如劃分及合資格作為公平值對沖之對沖工具，則其公平值變動乃於損益賬入賬，連同源於對沖風險之對沖資產或負債之公平值任何變動。對沖項目之賬面值乃作出相應調整。

倘財務工具之對沖項目按攤銷成本列賬，則對賬面值之調整乃於損益攤銷。有關調整乃於財務工具到期時全數攤銷。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.12 Interim financial reporting and impairment

Under the Listing Rules, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim Financial Reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year.

Impairment losses recognised in an interim period in respect of goodwill, loans and receivables and available-for-sale financial assets are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

#### 3.13 Accounting for hedging activities

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and subsequently remeasured at fair value. Fair value hedges secure the Group against the exposure to changes in the fair value of a recognised asset or liability or a firm commitment or an identifiable portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss.

Changes in the fair value of derivatives that are designated and qualify as the hedging instruments of fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The corresponding adjustments are to the carrying amounts of the hedged items.

Where the hedged item is a financial instrument carried at amortised cost, the adjustment to carrying value is amortised to profit or loss. The adjustment is amortised fully by maturity of the financial instrument.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 3. 重大會計政策概要 (續)

## 3.13 對沖活動之會計處理 (續)

倘一項未確認之確定承擔劃分為對沖項目，則源於對沖風險之該項確定承擔公平值之其後累計變動乃於損益確認為資產或負債連同相應盈虧。對沖工具公平值變動亦於損益確認。

倘對沖工具屆滿或被出售、終止或行使而並無替補或續期，或對沖不再符合對沖會計處理之條件，或本集團撤銷該項劃分，則本集團將終止使用公平值對沖會計處理。

## 3.14 所得稅之會計方法

所得稅包括本期稅項及遞延稅項。

本期所得稅資產及／或負債包括於結算日尚未繳付並與本期或先前申報期有關應向稅收機關履行之稅務責任或稅收機關發出之申索。該等稅務責任乃根據其相關課稅期間之適用稅率及稅法，按年度應課稅溢利計算。本期稅務資產或負債所有變動於損益賬內確認為稅項開支之一部份。

遞延稅項乃採用負債法就財務報表之資產及負債賬面值與彼等各各自之課稅基準於結算日之暫時差額計算。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產乃就所有可扣減暫時差額、可用作結轉之稅項虧損及其他未用稅項抵免而確認，惟以有關可扣減暫時差額、未用稅項虧損及未用稅項抵免有可能用作抵銷日後應課稅收入為限予確認。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 3.13 Accounting for hedging activities (continued)

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss. The changes in the fair value of the hedging instrument are also recognised in profit or loss.

The Group discontinues fair value hedge accounting if the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or when the hedge no longer meets the criteria for hedge accounting or the Group revokes the designation.

## 3.14 Accounting for income taxes

Income tax comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, tax authorities relating to the current or prior reporting period, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the tax periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the income statement.

Deferred tax is calculated using the liability method on temporary differences at the balance sheet date between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要(續)

#### 3.14 所得稅之會計方法(續)

倘暫時差額因商譽或初步確認(業務合併除外)一項不影響應課稅或會計損益交易之資產及負債而產生,則遞延稅項資產及負債不予確認。

遞延稅項負債乃就投資於附屬公司、聯營公司及合營企業所產生應課稅暫時差額而予以確認,惟本集團能夠控制暫時差額之撥回及暫時差額有可能不會於可見將來撥回則除外。

遞延稅項乃按照預期於償還債務或變現資產期間適用之稅率計算(不予折現),惟有關稅率須於結算日已訂立或大致上已訂立。

遞延稅項資產或負債之變動於損益賬確認,或如有關變動涉及於權益直接扣除或計入之項目,則於權益確認。

#### 3.15 現金及現金等價物

現金及現金等價物包括銀行及手頭現金,以及原定到期日為三個月或以下之銀行存款。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.14 Accounting for income taxes (continued)

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

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

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised in the income statement, or in equity if they relate to items that are charged or credited directly to equity.

#### 3.15 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand as well as bank deposits with original maturities of three months or less.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要(續)

#### 3.16 股本

普通股乃分類為權益。股本乃採用已發行股份之面值釐定。

與發行股份有關之任何交易成本乃於權益扣除(不計任何相關所得稅收益)，惟以股本交易直接應佔之遞延成本為限。

如有集團公司購買本公司之股本(庫存股)，所繳付之代價(包括任何扣除所得稅之直接應佔增量成本)自本公司股權持有人應佔權益扣除，直至該等股份註銷或重新發行為止。倘該等股份之後重新發行，所收取之代價(扣除直接應佔增量交易成本及有關所得稅影響)會計入本公司股權持有人應佔權益。

#### 3.17 租賃

倘本集團確定一項安排具有在商定期限內通過支付一筆或一系列款項而使用一項特定資產或多項資產之權利，則該安排(由一宗交易或一系列交易組成)為一項租賃或包括租賃。該釐定乃根據安排之內容評估而作出，而不論安排是否具備租賃之法律形式。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.16 Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued.

Any transaction costs associated with the issuing of shares are deducted from equity (net of any related income tax benefits) to the extent they are incremental costs directly attributable to the equity transaction.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes,) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received (net of any directly attributable incremental transaction costs and the related income tax effects) is included in equity attributable to the Company's equity holders.

#### 3.17 Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要(續)

#### 3.17 租賃(續)

##### (i) 出租予本集團資產之分類

對於本集團以租賃持有之資產，如有關租賃將擁有資產之絕大部份風險及回報轉移至本集團，則有關資產便會分類為根據融資租賃持有。如租賃並未將擁有資產之絕大部份風險及回報轉移至本集團則分類為經營租賃，以下除外：

- 根據經營租賃持有之物業若符合投資物業之定義，則按個別物業之情況分類為投資物業，及若然被分類為投資物業，則入賬列作融資租賃下持有(見附註3.9)；及
- 根據經營租賃持有作自用之土地，其公平值於訂立租約時若不能和在土地上之建築物之公平值分開計算，則入賬列作根據融資租賃持有，惟該樓宇明確地根據經營租賃持有則除外。就此而言，訂立租賃之時間為本集團首次訂立租約或從先前承租人接管之時間。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.17 Leases (continued)

##### (i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (see Note 3.9); and
- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon, at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 3. 重大會計政策概要(續)

## 3.17 租賃(續)

## (ii) 經營租賃費用

當本集團擁有根據經營租賃所持有資產之使用權，則根據租賃支付之款項乃於租賃期內以直線法在損益賬扣除，惟另有基準而更能代表自有關租賃資產所產生利益之模式則除外。已收取之租賃優惠於損益賬確認為總租賃款項淨額之構成部份。或然租金於其產生之會計期間內在損益賬扣除。

## 3.18 退休金責任及短期僱員福利

向僱員提供之退休福利乃透過定額供款計劃提供。

*定額供款計劃*

本集團根據強制性公積金計劃條例設有定額供款之強制性公積金退休福利計劃(「強積金計劃」)，以供其全體僱員及合資格參與強積金計劃之該等僱員參加。供款乃按僱員基本薪金之某一百分比作出，並根據強積金計劃之規則於應付時自損益賬扣除。強積金計劃之資產與本集團資產分開持有，並由獨立管理之基金管理。本集團之僱主供款於向強積金計劃作出供款時即悉數歸屬僱員。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 3.17 Leases (continued)

(ii) *Operating lease charges as the lessee*

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to the income statement on a straight line basis over the lease terms except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in the income statement as an integral part of the aggregate net lease payments made. Contingent rental are charged to the income statement in the accounting period in which they are incurred.

## 3.18 Pension obligations and short term employee benefits

Retirement benefits to employees are provided through a defined contribution plan.

*Defined contribution plan*

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all of its employees and 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.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要(續)

#### 3.18 退休金責任及短期僱員福利(續)

##### 短期僱員福利

僱員享有之年假權利於應計入僱員權利時確認。本公司已就截至結算日由僱員所提供服務而產生之年假估計責任作出撥備。

非累計補償如病假及產假於提出休假時方予確認。

#### 3.19 財務負債

本集團之財務負債包括借貸、衍生金融工具、少數股東權益貸款、其他應繳款、應計費用及已收按金及欠一間關連公司之款項。

財務負債乃於本集團參與訂立工具之合約協議時確認。所有利息相關開支乃於損益賬之財務成本確認為開支。

當負債項下之責任獲解除或註銷或屆滿時，則取消確認財務負債。

倘現有財務負債由同一貸款人按大致不同之條款以另一項財務負債取代，或現有負債條款經大幅修改，則有關互換或修改視作取消確認原有負債及確認新負債，而各賬面值間之差額則於損益賬確認。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.18 Pension obligations and short term employee benefits (continued)

##### Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

#### 3.19 Financial liabilities

The Group's financial liabilities include borrowings, derivative financial instruments, loans from minority interests, other payables, accrued expenses and deposits received.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised as an expense in finance costs in the income statement.

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

Where 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 the recognition of a new liability, and the difference in the respective carrying amount is recognised in the income statement.



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 3. 重大會計政策概要 (續)

## 3.19 財務負債 (續)

*借貸*

借貸初步按公平值(扣除已產生之交易成本)確認。借貸其後按已銷成本列賬；所得款項(扣除交易成本)與贖回值之任何差額乃採用實際利息法於借貸期間在損益賬確認。

借貸分類為流動負債，惟本集團擁有無條件權利以遞延償還負債之期限至結算日後至少十二個月則除外。

*衍生金融工具*

本集團未指定作對沖工具的衍生金融工具經損益帳按公平入賬。該工具之公平價值變動在損益賬內確認。

*其他財務負債*

其他財務負債初步按其公平值確認，其後採用實際利率法按攤銷成本計量。

## 3.20 所發出的財務擔保

財務擔保乃要求發行人(或擔保人)就持有人因特定債務人未能根據債務工具之條款於到期時付款而蒙受之損失而向持有人支付特定款項之合約。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 3.19 Financial liabilities (continued)

*Borrowings*

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

*Derivative financial instruments*

The Group's derivative financial instruments that are not designated as hedging instruments are accounted for at fair value through profit or loss. Changes in the fair value of the instruments are recognised in profit or loss.

*Other financial liabilities*

Other financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

## 3.20 Financial guarantees issued

A financial guarantee contract is a contract that requires the issuer (or guarantor) to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 3. 重大會計政策概要(續)

#### 3.20 所發出的財務擔保(續)

倘本集團發出財務擔保，則該擔保之公平值初步確認為經營及其他應付款內之遞延收入。倘在發行該擔保時已收取或可收取代價，該代價則根據適用於該類資產之本集團政策而予以確認。倘並無收取或應收取該代價，則於初步確認任何遞延收入時於損益確認即時支出。

初步確認為遞延收入之擔保款額，按擔保年期內於損益攤銷為所發出財務擔保之收入。此外，倘擔保持有人有可能根據本集團已作出之財務擔保向本集團提出索償及對本集團提出之索償款額預期超過現時之賬面值(即初步確認之款額減累計攤銷(如適用))，則確認撥備。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.20 Financial guarantees issued (continued)

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised if and when it becomes probable that the holder of the guarantee will call upon the Group under the guarantee and the amount of that claim on the Group is expected to exceed the current carrying amount i.e. the amount initially recognised less accumulated amortisation, where appropriate.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 3. 重大會計政策概要(續)

## 3.21 已終止經營業務

資產及出售集團乃列作持作出售，如其賬面值可主要通過銷售交易，而非通過持續使用而收回。此條件於銷售成數極高及資產(或出售集團)可按其現況即時銷售。列作持作出售之資產(及出售集團)(不包括財務資產)乃按資產(出售集團)舊賬面值與公平值(扣除出售成本)之較低者計量。

已終止經營業務為一項已出售或分類為持作出售之實體之成分，且為：

- 一項獨立之主要業務或地區性業務
- 出售一項獨立主要業務或地區性業務之單一協調計劃一部分
- 專為轉售目的而購入之附屬公司

已終止經營業務之業績(包括往年損益賬部分)於損益賬上呈列單一數額，當中包含：

- 已終止經營業務之除稅後業績；及
- 計算及出售已終止經營業務成分資產所產生之除稅後損益。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 3.21 Non-current assets (disposal groups) held for sale and discontinued operations

Assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Assets (and disposal groups), other than financial assets, classified as held for sale are measured at the lower of the assets' (disposal groups') last revalued amount and fair value less costs to sell.

A discontinued operation is a component of the entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations
- is a subsidiary acquired exclusively with a view to resale.

The results from discontinued operations, including prior year components of profit or loss, are presented in a single amount, on the face of the income statement, which comprises:

- the post-tax result of the discontinued operations; and
- the post-tax gain or loss resulting from the measurement and disposal of assets constituting the discontinued operation.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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### 3. 重大會計政策概要(續)

#### 3.22 關連人士

與本集團關連之人士乃指：

- (i) 該人士直接或間接透過一個或多個中介人：
  - 控制本集團、被本集團控制或與本集團受到共同控制；
  - 擁有本集團之權益使其能對本集團行使重大影響力；或
  - 於本集團有共同控制權；
- (ii) 該人士乃聯營公司；
- (iii) 該人士乃共同控權合資公司；
- (iv) 該人士乃本集團或其母公司之主要管理人員；
- (v) 該人士乃第(i)或第(iv)項所指之任何個別人士之近親；
- (vi) 該人士乃第(iv)或第(v)項之任何個別人士直接或間接地能控制、共同控制或有重大影響力或重大投票權之實體；或
- (vii) 該人士乃本集團或屬於本集團有關連人士之實體為其僱員而設之離職後福利計劃。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.22 Related parties

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

- (i) directly, or indirectly through one or more intermediaries, the party:
  - controls, is controlled by, or is under common control with, the Group;
  - has an interest in the Group that gives it significant influence over the Group;
  - has joint control over the Group;
- (ii) the party is an associate;
- (iii) the party is a joint-controlled entity;
- (iv) the party is a member of the key management personnel of the Group or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) 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 (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 3. 重大會計政策概要(續)

## 3.23 分類申報

按照本集團之內部財務申報形式，本集團決定以業務分類作主要申報形式及以地區分類作次要申報形式。

分類收入、開支、業績、資產及負債包括可直接歸入各分類及可按合理基準歸入有關分類之項目。

分類資本支出指期內收購預期使用期多於一個期間之分類資產(包括有形資產及無形資產)所招致之總成本。

## 4. 關鍵會計估計及判斷

估計及判斷會不斷進行評估，並根據過往經驗及其他因素(包括於具體情況下相信將屬於合理之未來事件預期)達致。

## 4.1 關鍵會計估計及假設

本集團就日後作出估計及假設。因此而作出之會計估計按定義大多有別於相關實際結果。下文詳述有重大風險或會導致下一個財政年度內資產及負債賬面值作出重大調整之有關估計及假設：

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 3.23 Segment reporting

In accordance with the Group's internal financial reporting the Group has determined that business segments be presented as the primary reporting format and geographical segments as the secondary reporting format.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment.

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

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

## 4.1 Critical accounting estimates and assumptions

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

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 4. 關鍵會計估計及判斷 (續)

#### 4.1 關鍵會計估計及假設 (續)

##### *投資物業之估計公平值*

本集團投資物業公平值之最佳憑證為類似租賃及其他合約之活躍市場及其他合約之現行價格。在缺乏該項資料之情況下，本集團將有關款額釐定為一個合理公平值估計之範圍內。本集團於作出其判斷時，所考慮來自多個來源之資料，包括：

- (i) 重就不同性質、狀況或地點(或附帶不同租賃或其他合約)物業之活躍市場現行價格，予以調整以反映該等差異；
- (ii) 於稍欠活躍市場之類似物業近期價格，進行調整以反映自從按該等價格訂立交易之日期以來經濟狀況之任何變化；及
- (iii) 根據未來現金流量之可靠估計(從任何現有租賃及其他合約條款推算)及(倘有可能)從外界憑證(例如於相同地點及狀況之類似物業現行市場租金)而計算之貼現現金流量預測，及採用之利率可反映對現金流量款額及時間不確定情況之現行市場評估。

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### 4.1 Critical accounting estimates and assumptions (continued)

##### *Estimate 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 Group determines the amount within a range of reasonable fair value estimates. In making its judgement, the 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.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 4. 關鍵會計估計及判斷 (續)

## 4.2 應用實體會計政策之關鍵判斷

於應用本集團會計政策之過程中，管理層已作出下列判斷（涉及估計之該等判斷除外）而對在財務報表確認之款額造成最重大影響：

*可供出售財務資產之耗蝕*

就可供出售財務資產而言，公平值顯著或持續低於成本被視為耗蝕之客觀憑證。於釐定公平值下跌是否顯著及／或持續須運用判斷。於作出此判斷時，市場波動情況之過往數據及特定投資之價格均屬考慮之列。本集團亦考慮其他因素，例如行業及環節表現及有關發行人／接受投資公司之財務資料。

*經營租賃承擔－本集團作為出租人*

本集團已於其投資物業組合內訂立商用物業租賃。本集團已確定其保留按經營租賃出租之此等物業擁有權之所有重大風險及回報。

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

## 4.2 Critical judgements in applying the entity's accounting policies

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

*Impairment of available-for-sale financial assets*

For available-for-sale financial assets, a significant or prolonged decline in fair value below cost is considered to be objective evidence of impairment. Judgement is required when determining whether a decline in fair value has been significant or prolonged. In making this judgement, the historical data on market volatility as well as the price of the specific investment are taken into account. The Group also takes into account other factors, such as industry and sector performance and financial information regarding the issuer/investee.

*Operating lease commitments – Group as lessor*

The Group has entered into commercial property 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.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度



### 5. 收入

### 5. REVENUE

	Continuing operations		Discontinued operations		Consolidated	
	持續經營業務		已終止經營業務		綜合	
	2007	2006	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
Interest income from available-for-sale financial assets 可供出售財務資產之利息收入	<b>287,354</b>	3,267,645	-	-	<b>287,354</b>	3,267,645
Interest income from financial assets at fair value through profit or loss 按公平值列賬及在損益賬處理之財務資產之利息收入	<b>29,250</b>	117,000	-	-	<b>29,250</b>	117,000
Interest income from bank deposits 銀行存款之利息收入	<b>12,019,606</b>	3,126,071	<b>85,831</b>	88,392	<b>12,105,437</b>	3,214,463
Dividend income 股息收入						
- listed investments - 上市投資	<b>368,676</b>	-	-	-	<b>368,676</b>	-
- unlisted investments - 非上市投資	<b>30,546,333</b>	86,462,629	-	-	<b>30,546,333</b>	86,462,629
Interest income on accrued dividend income 應收股息之利息收入	<b>1,215,188</b>	2,268,949	-	-	<b>1,215,188</b>	2,268,949
Rental Income 租金收入	-	-	<b>80,285,106</b>	62,704,993	<b>80,285,106</b>	62,704,993
	<b>44,466,407</b>	95,242,294	<b>80,370,937</b>	62,793,385	<b>124,837,344</b>	158,035,679



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 6. 其他收入淨額

## 6. OTHER NET INCOME

	Continuing operations		Discontinued operations		Consolidated	
	持續經營業務		已終止經營業務		綜合	
	2007	2006	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
Gain on disposal/redemption of available-for-sale financial assets 出售/贖回可供出售財務資產之收益	30,946,458	7,122,477	-	-	30,946,458	7,122,477
Fair value gain on financial assets at fair value through profit or loss 按公平值列賬及在損益賬處理之財務資產之公平值收益	50,291,628	9,213,750	-	-	50,291,628	9,213,750
Reversal of impairment of available-for-sale financial assets 回撥可供出售財務資產之耗蝕	5,000,000	-	-	-	5,000,000	-
Exchange gain 滙兌收益	402,415	30,250	-	-	402,415	30,250
Sundry income 雜項收入	497,257	428,482	3,924,602	837,200	4,421,859	1,265,682
	<b>87,137,758</b>	16,794,959	<b>3,924,602</b>	837,200	<b>91,062,360</b>	17,632,159

## 7. 分類資料

## 7. SEGMENT INFORMATION

分類資料乃透過本集團之業務分類呈列。

Segment information is presented by way of the Group's business segments.

本集團之營運業務乃按照其營運及所提供服務分別建立及管理。本集團之每項業務分類乃指一項策略業務單位，其所提供服務之風險及回報與其他業務分類之風險及回報有所分別。

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

由於本集團源自香港以外業務的經營業績及資產總額少於10%的綜合收入，因此並無提供地區分析。

No geographical analysis is presented as the Group's revenue, operating results and assets in geographical segments other than Hong Kong are less than 10% of the aggregate amount of all segments.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 7. 分類資料 (續)

### 7. SEGMENT INFORMATION (continued)

	Continuing operations Securities investments 持續經營業務 證券投資		Discontinued operations Property investment 已終止經營業務 物業投資		Consolidated 綜合	
	2007	2006	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
Revenue 收入	<b>44,466,407</b>	95,242,294	<b>80,370,937</b>	62,793,385	<b>124,837,344</b>	158,035,679
Segment result 分類業績	<b>94,895,492</b>	78,658,883	<b>64,363,644</b>	43,852,036	<b>159,259,136</b>	122,510,919
Derecognition of available- for-sale financial assets 可供出售財務資產之取消確認	-	(190,190,000)	-	-	-	(190,190,000)
Gain on disposal of a subsidiary and a jointly controlled entity 出售一間附屬公司及一間 共同控權合資公司之收益	<b>16,206,190</b>	-	<b>36,489,913</b>	-	<b>52,696,103</b>	-
Finance costs 財務成本	<b>(8,754,668)</b>	(5,416,588)	<b>(34,797,491)</b>	(32,539,020)	<b>(43,552,159)</b>	(37,955,608)
Share of results of 分佔業績						
- associates - 聯營公司	-	(11,920,177)	-	-	-	(11,920,177)
- a jointly controlled entity - 一間共同控權合資公司	<b>1,750,778</b>	4,458,157	-	-	<b>1,750,778</b>	4,458,157
Profit/(loss) before income tax 所得稅前溢利/(虧損)	<b>104,097,792</b>	(124,409,725)	<b>66,056,066</b>	11,313,016	<b>170,153,858</b>	(113,096,709)
Income tax (expense)/credit 所得稅(開支)/收入	<b>(1,210,216)</b>	195,000	<b>(4,927,139)</b>	(2,694,009)	<b>(6,137,355)</b>	(2,499,009)
Profit/(loss) for the year 本年度溢利/(虧損)	<b>102,887,576</b>	(124,214,725)	<b>61,128,927</b>	8,619,007	<b>164,016,503</b>	(115,595,718)

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 7. 分類資料(續)

## 7. SEGMENT INFORMATION (continued)

	Continuing operations Securities investments 持續經營業務 證券投資		Discontinued operations Property investment 已終止業務 物業投資		Consolidated 綜合	
	2007	2006	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
Segment assets						
分類資產	<b>1,018,564,488</b>	757,106,752	-	1,345,007,269	<b>1,018,564,488</b>	2,102,114,021
Interests in associates						
於聯營公司之權益	-	-	-	-	-	-
Interests in a jointly controlled entity						
於一間共同控權合資公司之權益	-	1,438,648	-	-	-	1,438,648
Total assets						
資產總值	<b>1,018,564,488</b>	758,545,400	-	1,345,007,269	<b>1,018,564,488</b>	2,103,552,669
Segment liabilities						
分類負債	<b>25,582,911</b>	310,667,727	-	776,671,925	<b>25,582,911</b>	1,087,339,652
Unallocated						
未分配	<b>1,210,216</b>	-	-	91,496,373	<b>1,210,216</b>	91,496,373
Total liabilities						
總負債	<b>26,793,127</b>	310,667,727	-	868,168,298	<b>26,793,127</b>	1,178,836,025
Other information						
其他資料						
Capital expenditure						
資本開支	-	-	<b>7,330,640</b>	318,206,382	<b>7,330,640</b>	318,206,382
Impairment of available-for-sale financial assets						
可供出售財務資產之耗蝕	-	16,401,802	-	-	-	16,401,802

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 8. 可供出售財務資產及其他應收款之取消確認

於二零零六年十二月三十一日年度內，本集團與新華航空控股有限公司（「新華航空」）訂立協議（「新華航空協議」），據此（其中包括）本集團同意出售由本集團持有的中富航空有限公司（現稱為香港航空有限公司）（「中富航空」）的34.2%股本權益，代價為190,000,000港元，按每股作價人民幣2元以換取97,850,000股每股面值人民幣1元的新華航空股份（「新華航空股份」）。

就根據執行新華航空協議而言，本集團同意(i)轉換其中一部分本金額62,181,818港元的中富航空A類可換股債權證為每股面值1港元的62,181,818股中富航空普通股（「轉換股份」），即中富航空的34.22%股權，並出售轉換股份予新華航空以換取每股面值人民幣1元的97,850,000股新華航空股份；(ii)撤銷餘下總值111,151,515港元的中富航空A類、C類及D類可換股債權證（「餘下債權證」）的投資；(iii)撤銷其應收中富航空股東葉光先生（「葉先生」）的16,666,667港元承付票據（「承付票據」）全部本金額及應計利息的所有權利；及(iv)撤銷葉先生全資擁有的公司授出的購股權，據此可收購其於中富航空之股份權益（「購股權股份」）。

### 8. DERECOGNITION OF AVAILABLE-FOR-SALE FINANCIAL ASSETS AND OTHER RECEIVABLE

During the year ended 31st December, 2006, the Group entered into an agreement with Grand China Air Company Limited ("Grand China") (the "Grand China Agreement") and pursuant to which, among other things, the Group agreed to dispose of the 34.2% equity interest in CR Airways Limited (now known as Hong Kong Airlines Limited) (the "CR Airways") held by the Group at the consideration of HK\$190,000,000 in return for the 97,850,000 shares of Grand China of RMB1 each at RMB2 each (the "Grand China Shares").

In connection with the execution of the Grand China Agreement, the Group agreed to (i) convert a partial principal amount of HK\$62,181,818 of the CR Airways' Class A convertible debentures into 62,181,818 ordinary shares of HK\$1 each of CR Airways (the "Converted Shares"), which represented 34.22% of the equity holdings in CR Airways, and to dispose of the Converted Shares to Grand China in return for 97,850,000 shares of RMB1 each of Grand China; (ii) waive its remaining investments in CR Airways' Class A, Class C and Class D convertible debentures in the aggregate amount of HK\$111,151,515 (the "Remaining Debentures"); (iii) waive all its rights in relation to the entire principal amount and accrued interest of promissory note of HK\$16,666,667 (the "Promissory Note") due from Mr Yip Kwong ("Mr Yip"), shareholder of CR Airways; and (iv) waive the option granted by a company wholly owned by Mr Yip to purchase its interests in CR Airways (the "Option Shares").

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## 8. 可供出售財務資產及其他應收款之取消確認(續)

於二零零六年六月，本集團完成向新華航空轉讓轉換股份及撤銷餘下債權證、承付票據及購股權股份(該已轉讓已換股股份及已撤銷資產統稱「中富航空財務資產」)。然而，新華航空股份轉移至本集團的法定登記程序仍在處理中。本集團得到新華航空告知，新華航空在新華航空股份登記事宜上遭遇困難。此外，登記過程需要得到海南省當局批准，惟海南省當局並無明確支持新華航空股份的登記事宜。因此，目前尚未取得登記新華航空股份的法定批准，而本集團於公佈日期並未登記為新華航空的權益股東。於執行新華航空協議前，按新華航空協議規定，新華航空承諾出示中國法律意見，以實際確認在中國法例下，新華航空協議訂約方的意向及履約的合法性(「訂立前法律意見」)。訂立前法律意見已經出示及(其中包括)表明毋須就新華航空增加其註冊資本或取得轉換股份而得到新華航空股東或政府機關或機構的批准。經尋求本集團法律顧問的進一步專業意見後，本集團與新華航空現正磋商登記新華航空股份或採取其他補救措施，以及考慮對新華航空採取任何可能之法律行動(如有需要)。然而，本集團難以與新華航空進行磋商。

鑒於所有權存在不明朗因素及新華航空拒絕合作，本集團未能確認新華航空股份，因此決定取消確認中富航空財務資產。由於取消確認中富航空財務資產及未能確認新華航空股份，因此賬面值合計190,190,000港元的中富航空財務資產已於截至二零零六年十二月三十一日止年度內在收益表扣除。

二零零七年內，本集團仍繼續與新華航空的代表討論解決方案，同時尋求法律意見以強制執行登記。於二零零七年十二月三十一日及本財務報表日期，並無於財務報表內確認新華航空股份。

## 8. DERECOGNITION OF AVAILABLE-FOR-SALE FINANCIAL ASSETS AND OTHER RECEIVABLE (continued)

In June 2006, the Group completed the transfer of the Converted Shares to Grand China and waived the Remaining Debentures, Promissory Note and Option Shares (the transferred Converted Shares and waived assets collectively referred to as the "CR Airways Financial Assets"). However, the statutory registration procedures of the Grand China Shares to the Group are still in progress. The Group was informed by Grand China that Grand China encountered difficulty in registration of the Grand China Shares. In addition, the registration process is required to have the approval of the local authority of Hainan Province, which did not expressly support the registration of the Grand China Shares. As a result, the statutory approval of the registration of the Grand China Shares has not been obtained and the Group is not registered as an equity shareholder of Grand China as of the date of the financial statements. Prior to the execution of the Grand China Agreement, as stipulated under the Grand China Agreement, Grand China undertook to produce a PRC legal opinion confirming essentially, the legality of parties' intention and performance of the Grand China Agreement under the PRC laws (the "Pre-execution Legal Opinion"). The Pre-execution Legal Opinion was produced and among other things, stated that no approval was required from shareholders of Grand China or government authority or organisation for Grand China to increase its registered capital or obtain the Converted Shares. After seeking for further professional advices from the Group's legal advisers, the Group is in the process of negotiating with Grand China in respect of the registration of the Grand China Shares or other remedies and considering any possible legal action against Grand China, if necessary. However, the Group experienced difficulties in negotiating with Grand China.

In view of the title uncertainty and the lack of cooperation from Grand China, the Group did not recognise the Grand China Shares and made a decision to derecognise the CR Airways Financial Assets. As a result of the derecognition of the CR Airway Financial Assets and the failure to recognise the Grand China Shares, the carrying value of the CR Airway Financial Assets in the aggregate amount of HK\$190.19 million was charged to the income statement for the year ended 31st December, 2006.

During 2007, the Group still continued to discuss with Grand China's representative about a resolution, and at the same time seeking legal advice to enforce the registration. As at 31st December, 2007 and the date of these financial statements, no recognition of the Grand China shares is made in the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度



### 9. 財務成本

### 9. FINANCE COSTS

	Continuing operations		Discontinued operations		Consolidated	
	持續經營業務		已終止經營業務		綜合	
	2007	2006	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
Interest on bank borrowings wholly repayable within five years 須於五年內悉數償還之 銀行借貸利息	<b>8,095,717</b>	4,214,421	<b>34,797,491</b>	32,539,020	<b>42,893,208</b>	36,753,441
Interest on other borrowings 其他借貸利息	<b>658,951</b>	354,711	-	-	<b>658,951</b>	354,711
	<b>8,754,668</b>	4,569,132	<b>34,797,491</b>	32,539,020	<b>43,552,159</b>	37,108,152
Fair value loss on financial instruments of interest rate swap contracts 財務工具於利率調期合約之公平值虧損	-	847,456	-	-	-	847,456
	<b>8,754,668</b>	5,416,588	<b>34,797,491</b>	32,539,020	<b>43,552,159</b>	37,955,608

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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## 10. 所得稅前溢利／(虧損)

## 10. PROFIT/(LOSS) BEFORE INCOME TAX

	Continuing operations		Discontinued operations		Consolidated	
	持續經營業務		已終止經營業務		綜合	
	2007	2006	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
Profit/(loss) before income tax is arrived at after charging/(crediting):						
所得稅前溢利／(虧損)已扣除／(計入)						
下列各項：						
Impairment of interests in associates						
於聯營公司權益之耗蝕	-	6,092	-	-	-	6,092
Impairment of available-for-sale financial assets						
可供出售財務資產之耗蝕	-	16,401,802	-	-	-	16,401,802
Auditors' remuneration						
核數師酬金						
- charge for the year						
- 本年度	350,000	365,600	58,900	59,800	408,900	425,400
- under-provision for prior year						
- 過往年度撥備不足	50,000	-	1,000	-	51,000	-
Employee benefit expense (including Directors' remuneration (Note 17)) (Note 16)						
僱員福利開支(包括董事酬金(附註17))(附註16)	3,579,862	702,000	769,667	211,830	4,349,529	913,830
Management fee (Note 38)						
管理費用(附註38)	13,343,473	13,306,316	-	-	13,343,473	13,306,316
Performance fee (Note 38)						
履約費用(附註38)	12,207,829	-	-	-	12,207,829	-
Outgoings in respect of investment properties						
投資物業之支銷	-	-	7,972,686	6,905,476	7,972,686	6,905,476
Rental income from investment properties less direct outgoings of HK\$7,972,686 (2006: HK\$6,905,476)						
自投資物業之租金收入減直接支銷7,972,686港元(二零零六年：6,905,476港元)	-	-	(72,312,420)	(55,799,517)	(72,312,420)	(55,799,517)

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 11. 所得稅開支／(收入)

香港利得稅乃以本年度之估計應課稅溢利按稅率17.5% (二零零六年：17.5%) 計算撥備。

### 11. INCOME TAX EXPENSE/(CREDIT)

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profits for the year.

	Continuing operations		Discontinued operations		Consolidated	
	持續經營業務		已終止經營業務		綜合	
	2007	2006	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
Current tax						
本年度稅項						
Current year						
本年度	<b>1,210,216</b>	–	<b>3,516,297</b>	1,072,418	<b>4,726,513</b>	1,072,418
Over provision in prior years						
過往年度撥備過剩	–	(195,000)	–	–	–	(195,000)
	<b>1,210,216</b>	(195,000)	<b>3,516,297</b>	1,072,418	<b>4,726,513</b>	877,418
Deferred tax (Note 35)						
遞延稅項 (附註35)	–	–	<b>1,410,842</b>	1,621,591	<b>1,410,842</b>	1,621,591
Total income tax expense/(credit)						
所得稅開支／(收入)合計	<b>1,210,216</b>	(195,000)	<b>4,927,139</b>	2,694,009	<b>6,137,355</b>	2,499,009



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For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 11. 所得稅開支／(收入)(續)

所得稅開支與按適用稅率計算之所得稅前溢利／(虧損)之對賬如下：

## 11. INCOME TAX EXPENSE/(CREDIT) (continued)

Reconciliation between income tax expense and profit/(loss) before income tax at applicable tax rates is as follows:

	Continuing operations		Discontinued operations		Consolidated	
	持續經營業務		已終止經營業務		綜合	
	2007	2006	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
Profit/(loss) before income tax 所得稅前溢利／(虧損)	<b>104,097,792</b>	(96,123,598)	<b>66,056,066</b>	(16,973,111)	<b>170,153,858</b>	(113,096,709)
Tax calculated at the applicable rate of 17.5% (2006: 17.5%) 按適用稅率17.5% (二零零六年：17.5%) 計算之稅項	<b>18,217,114</b>	(16,821,630)	<b>11,559,812</b>	(2,970,294)	<b>29,776,926</b>	(19,791,924)
Tax effect of non-deductible expenses 不可扣減開支之稅務影響	<b>2,940,327</b>	36,305,831	<b>207,548</b>	6,190,061	<b>3,147,875</b>	42,495,892
Tax effect of non-taxable revenue 毋須課稅收入之稅務影響	<b>(19,961,122)</b>	(20,391,508)	<b>(6,812,007)</b>	(3,413,432)	<b>(26,773,129)</b>	(23,804,940)
Tax effect of unused tax losses not recognised 未確認之未使用稅務虧損之稅務影響	<b>13,897</b>	907,307	-	2,887,674	<b>13,897</b>	3,794,981
Utilisation of previously unrecognised tax losses 動用先前未確認之稅務虧損	-	-	<b>(28,214)</b>	-	<b>(28,214)</b>	-
Over provision in respect of prior years 過往年度撥備過剩	-	(195,000)	-	-	-	(195,000)
Income tax expense/(credit) 所得稅開支／(收入)	<b>1,210,216</b>	(195,000)	<b>4,927,139</b>	2,694,009	<b>6,137,355</b>	2,499,009

## 12. 已終止經營業務

於二零零七年六月二十一日，本公司董事會議決出售本集團持有61.22%股本權益之一間附屬公司康恩發展有限公司(「康恩」)。其於一九九七年七月初次收購康恩之股份。該交易於二零零七年十二月完成後，本公司收取所得現金372,000,000港元。

## 12. DISCONTINUED OPERATIONS

On 21st June, 2007, the Board of Directors of the Company resolved to dispose of a subsidiary, Honnex Development Limited ("Honnex"), which the Group held 61.22% equity interests. It initially acquired the shares of Honnex in July 1997. Upon the completion of the transaction on 31st December, 2007, the Group received cash proceeds of HK\$372 million.

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### 12. 已終止經營業務(續)

已終止經營業務之收支、盈虧已自本集團持續業績對銷並列作損益賬之單線項目「已終止經營業務之本年度淨業績」。原列作持作銷售之資產與負債已於結算日出售，所得收益36,489,913港元。

列入綜合損益賬及綜合現金流量表內已終止經營業務之業績及綜合現金流量分析連重列比較數字如下：

### 12. DISCONTINUED OPERATIONS (continued)

Revenue and expenses, gains and losses relating to the discontinued operations have been eliminated from the Group's continuing results and are shown as a single line item on the face of the income statement as "net result for the year from discontinued operations". Assets and liabilities originally classified as held for sale had already been sold at the balance sheet date resulting from a gain of HK\$36,489,913.

An analysis of the results and cash flows of the discontinued operations included in the consolidated income statement and the consolidated cash flows statement is as follows with comparatives re-presented:

	Notes 附註	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Revenue 收入	5	<b>80,370,937</b>	62,793,385
Other net income 其他收益淨額	6	<b>3,924,602</b>	837,200
Fair value (loss)/gain on investment properties 投資物業之公平值(虧損)/收益		<b>(86,000)</b>	1,679,625
Expenses 開支		<b>(54,643,386)</b>	(53,997,194)
Profit before income tax 所得稅前溢利		<b>29,566,153</b>	11,313,016
Income tax expense 所得稅開支	11	<b>(4,927,139)</b>	(2,694,009)
Profit for the year from discontinued operations 已終止經營業務之本年度溢利		<b>24,639,014</b>	8,619,007
Gain on disposal of assets held for sale for discontinued operations 出售已終止經營業務持作出售資產之溢利	39.1	<b>36,489,913</b>	-
Net result for the year from discontinued operations 已終止經營業務之本年度淨業績	15	<b>61,128,927</b>	8,619,007
Operating cash flows 經營現金流量		<b>59,319,258</b>	46,550,249
Investing cash flows 投資現金流量		<b>(7,130,808)</b>	(282,654,063)
Financing cash flows 融資現金流量		<b>(51,716,041)</b>	236,189,694
Total cash flows 總現金流量		<b>472,409</b>	85,880



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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### 13. 本公司股權持有人應佔溢利／(虧損)

本公司股權持有人應佔本年度綜合溢利145,203,865港元(二零零六年：虧損155,693,187港元)，溢利416,651,488港元(二零零六年：虧損181,798,136港元)已於本公司之財務報表內處理。

### 14. 股息及紅利認股權證

本集團已決議不派發截至二零零七年及二零零六年十二月三十一日止年度之股息。

本公司董事會議決提出發行紅利認股權證(「紅利認股權證發行」)，基準為二零零八年五月二十三日名列股東名冊之股東每持有五股可獲發一份認股權證，可按認購價每股0.33港元行使，於發行起一年內有效。

### 15. 每股盈利／(虧損)

每股基本盈利／(虧損)乃根據本公司權益持有人應佔盈利145,203,865港元(二零零六年：虧損155,693,187港元)及年內已發行加權平均普通股1,825,308,975股(二零零六年：1,691,171,989股)計算。

由於本集團於各年間並無具攤薄性潛在普通股，故並無呈列截至二零零七年及二零零六年十二月三十一日止年度之每股攤薄盈利／(虧損)。

### 13. PROFIT/(LOSS) ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

Of the consolidated profit for the year attributable to equity holders of the Company of HK\$145,203,865 (2006: loss of HK\$155,693,187), a profit of HK\$416,651,488 (2006: loss of HK\$181,798,136) has been dealt with in the financial statements of the Company.

### 14. DIVIDENDS AND BONUS WARRANTS

The Group had not declared any dividends during the year ended 31st December, 2007 and 2006.

The Board of Directors of the Company has resolved to propose an issue of bonus warrants ("Bonus Warrant Issue") on the basis of one warrant for every five shares held by the shareholders whose names appear on the Register of Members on 23rd May, 2008 at a subscription price of HK\$0.33 per share with one-year term from its issuance.

### 15. EARNINGS/(LOSS) PER SHARE

The calculation of basic earnings/(loss) per share is based on the profit attributable to equity holders of the Company of HK\$145,203,865 (2006: loss of HK\$155,693,187) and on the weighted average of 1,825,308,975 (2006: 1,691,171,989) ordinary shares in issue during the year.

Diluted earnings/(loss) per share for the years ended 31st December, 2007 and 2006 were not presented as there is no dilutive potential ordinary share during the respective years.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 15. 每股盈利／(虧損)(續)

持續經營業務及已終止經營業務每股基本盈利／(虧損)計算如下：

### 15. EARNINGS/(LOSS) PER SHARE (continued)

The basic earnings/(loss) per share for continuing and discontinued operations is calculated as follows:

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Consolidated profit/(loss) for the year attributable to the equity holders of the Company for the purpose of basic earnings/(loss) per share 本年度本公司權益持有人應佔每股基本盈利之綜合溢利／(虧損)	<b>145,203,865</b>	(155,693,187)
Net result for the year from discontinued operations (Note 12) 已終止經營業務之本年度淨業績(附註12)	<b>61,128,927</b>	8,619,007
Less: Profit for the year attributable to minority interests from discontinued operations 減：已終止經營業務少數股東權益應佔之年度溢利	<b>(9,553,903)</b>	(3,342,451)
	<b>51,575,024</b>	5,276,556
Profit/(loss) for the year attributable to the equity holders of the Company for the purpose of basic earnings/(loss) per share from continuing operations 本公司權益持有人應佔來自持續經營業務之年度每股基本盈利／(虧損)之溢利／(虧損)	<b>93,628,841</b>	(160,969,743)
	<b>HK cents 港仙</b>	<b>HK cents 港仙</b>
Basic earnings/(loss) per share attributable to equity holders of the Company for the continuing and discontinued operations 本公司權益持有人應佔持續經營業務及已終止經營業務每股基本盈利／(虧損)	<b>7.96</b>	(9.21)
Basic earnings/(loss) per share attributable to equity holders of the Company for the continuing operations 本公司權益持有人應佔持續經營業務每股基本盈利／(虧損)	<b>5.13</b>	(9.52)
Basic earnings per share attributable to equity holders of the Company for the discontinued operations 本公司權益持有人應佔已終止經營業務每股基本盈利	<b>2.83</b>	0.31

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 16. 僱員福利開支(包括董事酬金)

## 16. EMPLOYEE BENEFIT EXPENSE (including Directors' emoluments)

	Continuing operations		Discontinued operations		Consolidated	
	持續經營業務		已終止經營業務		綜合	
	2007	2006	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
Basic salaries 基本薪金	1,771,637	620,000	618,134	189,000	2,389,771	809,000
Discretionary bonuses 酌情花紅	1,740,725	70,000	133,000	15,830	1,873,725	85,830
Contributions to defined contribution plans 定額供款計劃供款	67,500	12,000	18,533	7,000	86,033	19,000
	3,579,862	702,000	769,667	211,830	4,349,529	913,830

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 17. 董事薪酬及高級管理人員酬金

### 17. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS

#### 17.1 董事酬金 – 執行董事及非執行董事

#### 17.1 Directors' emoluments – Executive Directors and Non-Executive Directors

已付或應付董事之酬金如下：

The emoluments paid or payable to the Directors were as follows:

	<b>Fees</b> 袍金 HK\$ 港元	<b>Other emoluments</b> 其他酬金 HK\$ 港元	<b>Total</b> 合計 HK\$ 港元
Year ended 31st December, 2007 截至二零零七年十二月三十一日止年度			
Executive Directors 執行董事			
Lee Wa Lun, Warren 李華倫	1,157,500	1,771,225	2,928,725
Lee Seng Hui (Re-designated from Non-Executive Director on 30th November, 2007) 李成輝 (於二零零七年十一月三十日由非執行董事調任)	70,000	–	70,000
Lo King Yau, Edwin (Appointed on 30th November, 2007) 勞景祐 (於二零零七年十一月三十日獲委任)	–	–	–
Non-Executive Directors 非執行董事			
Fung Wing Cheung, Tony (Re-designated from Executive Director on 30th November, 2007) 馮永祥 (於二零零七年十一月三十日由執行董事調任)	20,000	–	20,000
Fung Yiu Fai, Peter (Re-designated from Executive Director on 1st June, 2007) 馮耀輝 (於二零零七年六月一日由執行董事調任)	20,000	–	20,000
Arthur George Dew (Appointed on 30th November, 2007) 狄亞法 (於二零零七年十一月三十日獲委任)	–	–	–
Lee Yip Wah, Peter 李業華	20,000	–	20,000
Wong Tai Chun, Mark (Appointed on 30th November, 2007 as Alternate Director to Arthur George Dew) 王大鈞 (於二零零七年十一月三十日獲委任為狄亞法之替任董事)	–	–	–
Chan Kin (Appointed on 21st June, 2007 and resigned on 18th January, 2008) 陳健 (於二零零七年六月二十一日獲委任及於二零零八年一月十八日辭任)	–	–	–
Yeh V-Nee (Appointed on 1st March, 2007 and resigned on 21st June, 2007) 葉維義 (於二零零七年三月一日獲委任及於二零零七年六月二十一日辭任)	–	–	–
Independent Non-Executive Directors 獨立非執行董事			
So Shu Fai, Ambrose 蘇樹輝	20,000	–	20,000
Chow Yu Chu, Alexander 周宇俊	120,000	–	120,000
Albert Ho 何振林	70,000	–	70,000
	<b>1,497,500</b>	<b>1,771,225</b>	<b>3,268,725</b>

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 17. 董事薪酬及高級管理人員酬金(續)

17. DIRECTORS' REMUNERATION AND SENIOR  
MANAGEMENT'S EMOLUMENTS (continued)

## 17.1 董事酬金 – 執行董事及非執行董事(續)

17.1 Directors' emoluments – Executive Directors and  
Non-Executive Directors (continued)

已付或應付董事之酬金如下：

The emoluments paid or payable to the directors were  
as follows:

	Fees 袍金 HK\$ 港元	Other emoluments 其他酬金 HK\$ 港元	Total 合計 HK\$ 港元
Year ended 31st December, 2006 截至二零零六年十二月三十一日止年度			
Executive Directors 執行董事			
Fung Wing Cheung, Tony 馮永祥	20,000	–	20,000
Fung Yiu Fai, Peter 馮耀輝	20,000	–	20,000
Lee Wa Lun, Warren 李華倫	20,000	–	20,000
Li Shi Liang (Deceased on 5th July, 2006) 李世亮(於二零零六年七月五日逝世)	20,000	–	20,000
Non-Executive Directors 非執行董事			
Lee Seng Hui 李成輝	70,000	–	70,000
Lee Yip Wah, Peter 李業華	20,000	–	20,000
Independent Non-Executive Directors 獨立非執行董事			
So Shu Fai, Ambrose 蘇樹輝	20,000	–	20,000
Chow Yu Chu, Alexander 周宇俊	120,000	–	120,000
Albert Ho 何振林	70,000	–	70,000
	380,000	–	380,000

於本年度內並無訂立安排致使董事放棄或同意放棄任何酬金。

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

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 17. 董事薪酬及高級管理人員酬金(續)

### 17. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

#### 17.2 五位最高薪酬人士

#### 17.2 Five highest paid individuals

本年度本集團五位最高薪酬人士包括兩名董事(二零零六年:三名),其酬金已反映在上述分析內。其餘三位(二零零六年:兩位)僱員本年度的薪酬如下:

The five individuals whose emoluments were the highest in the Group for the year included two (2006: three) Directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three (2006: two) individuals during the year are as follows:

	Continuing operations		Discontinued operations		Consolidated	
	持續經營業務		已終止經營業務		綜合	
	2007	2006	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
Basic salaries 基本薪金	264,000	240,000	602,034	189,000	866,034	429,000
Discretionary bonuses 酌情花紅	22,000	70,000	133,000	15,830	155,000	85,830
Contributions to defined contribution plans 定額供款計劃供款	15,000	12,000	18,533	7,000	33,533	19,000
	<b>301,000</b>	322,000	<b>753,567</b>	211,830	<b>1,054,567</b>	533,830

餘下三名(二零零六年:兩名)人士之酬金介乎「零至1,000,000港元」之酬金組別內。

The emoluments of the remaining three (2006: two) individuals fell within the emolument band of "Nil – HK\$1,000,000".

於截至二零零七年十二月三十一日止年度內,本集團並無向董事或餘下三名(二零零六年:兩名)最高薪人士支付酬金,作為加入或於加入本集團後之獎勵或離職補償。

During the year ended 31st December, 2007, no emoluments were paid by the Group to the Directors or the remaining three (2006: two) highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 18. 投資物業

## 本集團

根據經營租賃持有以賺取租金或旨在達到資本增值之本集團所有物業權益或兩者均採用公平值模式計量，並分類及入賬列作投資物業。

於綜合資產負債表呈列之賬面值變動概述如下：

## 18. INVESTMENT PROPERTIES

## GROUP

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

Changes to the carrying amounts presented in the consolidated balance sheet can be summarised as follows:

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Carrying amount at 1st January 於一月一日之賬面值	1,340,000,000	1,020,113,993
Additions 添置	7,330,640	318,206,382
Net (loss)/gain from fair value adjustment 公平值調整所產生之(虧損)/收益淨額	(86,000)	1,679,625
Disposals 出售	(1,347,244,640)	-
Carrying amount at 31st December, 於十二月三十一日之賬面值	-	1,340,000,000

二零零七年十二月三十一日，所有投資物業已出售。由彼等已被列作於二零零七年六月三十日之持作出售資產，其後無發現耗蝕。

公平值為1,340,000,000港元之投資物業於二零零六年十二月三十一日由獨立專業估值師資產評估顧問有限公司根據市場價值基準估值。

於二零零六年十二月三十一日，銀行借貸713,909,140港元乃以上述投資物業作為抵押(附註31)。

On 31st December, 2007, all investment properties were disposed of. No subsequent impairment noted after they had been classified as assets held for sale as at 30th June, 2007.

The investment properties at fair values of HK\$1,340,000,000 were valued at 31st December, 2006 by Asset Appraisal Limited, an independent firm of professional valuers, based on current prices in an active market.

At 31st December, 2006, bank borrowings of HK\$713,909,140 were secured by all the above investment properties (note 31).

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 18. 投資物業(續)

#### 本集團(續)

本集團之投資物業位於香港及根據下列租賃年期持有：

### 18. INVESTMENT PROPERTIES (continued)

#### GROUP (continued)

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

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Long leases 長期租賃	–	1,180,000,000
Medium-term leases 中期租賃	–	160,000,000
	–	1,340,000,000

### 19. 於附屬公司權益／應收(欠)附屬公司款項

#### 本公司

### 19. INTERESTS IN SUBSIDIARIES/AMOUNTS DUE FROM/(TO) SUBSIDIARIES

#### COMPANY

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Unlisted shares, at cost 非上市股份，按成本	<b>1,503,153</b>	2,574,031
Less: Impairment loss recognised 減：已確認耗蝕虧損	<b>(103,125)</b>	(103,125)
	<b>1,400,028</b>	2,470,906
Amounts due from subsidiaries 應收附屬公司款項	<b>1,178,052,910</b>	729,027,894
Less: Impairment loss recognised 減：已確認耗蝕虧損	<b>(397,015,353)</b>	(411,787,260)
Portion due within one year included under current assets 列作流動資產之一年內到期部份	<b>781,037,557</b>	317,240,634
Amounts due to subsidiaries, due within one year included under current liabilities 列作流動負債之一年內到期之欠附屬公司款項	<b>(247,656,556)</b>	(9,808,031)

應收／(欠)附屬公司款項為無抵押、免息及須於要求時償還。因此，有關款額分類為流動資產／(負債)。

The amounts due from/(to) subsidiaries are unsecured, interest free and repayable on demand. Accordingly, the amounts are classified as current assets/(liabilities).

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

19. 於附屬公司權益／應收(欠)附屬公司款項  
(續)

本公司(續)

以下為主要附屬公司於二零零七年十二月三十一日之詳情：

19. INTERESTS IN SUBSIDIARIES/AMOUNTS DUE  
FROM/(TO) SUBSIDIARIES (continued)

COMPANY (continued)

Particulars of the principal subsidiaries at 31st December, 2007 are as follows:

Name 公司名稱	Place/Country of incorporation and kind of legal entity 註冊成立地點/ 國家及法律實體種類	Particulars of issued share capital 已發行股本詳情	Percentage of issued capital held by the Company 本公司持有之 已發行股本百分比		Principal activities and place of operations 主要業務及營業地點
			Directly 直接	Indirectly 間接	
Asia Vision Holdings Limited 亞洲創見控股有限公司	Hong Kong, limited liability company 香港· 有限責任公司	2 ordinary shares of HK\$0.01 each 2股普通股· 每股面值0.01港元	100%	–	Investment holding, Hong Kong 投資控股· 香港
Capital Sharp Investment Limited 昌鍵投資有限公司	Hong Kong, limited liability company 香港· 有限責任公司	2 ordinary shares of HK\$1 each 2股普通股· 每股面值1港元	100%	–	Investment holding, Hong Kong 投資控股· 香港
Contana Investment Limited 家利投資有限公司	Hong Kong, limited liability company 香港· 有限責任公司	2 ordinary shares of HK\$1 each 2股普通股· 每股面值1港元	100%	–	Investment holding, Hong Kong 投資控股· 香港
The Hong Kong Equity Guarantee Corporation Limited	Hong Kong, limited liability company 香港· 有限責任公司	2 ordinary shares of HK\$1 each 2股普通股· 每股面值1港元	100%	–	Investment holding, Hong Kong 投資控股· 香港
Long Rainbow Limited 大利標有限公司	Hong Kong, limited liability company 香港· 有限責任公司	2 ordinary shares of HK\$1 each 2股普通股· 每股面值1港元	100%	–	Investment holding, Hong Kong 投資控股· 香港
Long Scene Limited 朗情有限公司	Hong Kong, limited liability company 香港· 有限責任公司	2 ordinary shares of HK\$1 each 2股普通股· 每股面值1港元	100%	–	Investment holding, Hong Kong 投資控股· 香港

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 19. 於附屬公司權益／應收(欠)附屬公司款項 (續)

本公司(續)

### 19. INTERESTS IN SUBSIDIARIES/AMOUNTS DUE FROM/(TO) SUBSIDIARIES (continued)

COMPANY (continued)

Name 公司名稱	Place/Country of incorporation and kind of legal entity 註冊成立地點/ 國家及法律實體種類	Particulars of issued share capital 已發行股本詳情	Percentage of issued capital held by the Company 本公司持有之 已發行股本百分比		Principal activities and place of operations 主要業務及營業地點
			Directly 直接	Indirectly 間接	
Long Set Investments Limited 朗式投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	2 ordinary shares of HK\$1 each 2股普通股, 每股面值1港元	100%	–	Investment holding, Hong Kong 投資控股, 香港
Longfine Investment Limited 朗利投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	2 ordinary shares of HK\$1 each 2股普通股, 每股面值1港元	100%	–	Investment holding, Hong Kong 投資控股, 香港
Longson Limited 朗星有限公司	Hong Kong, limited liability company 香港, 有限責任公司	2 ordinary shares of HK\$1 each 2股普通股, 每股面值1港元	100%	–	Investment holding, Hong Kong 投資控股, 香港
Mix Limited	Hong Kong, limited liability company 香港, 有限責任公司	1,400,000 ordinary shares of HK\$1 each 1,400,000股普通股, 每股面值1港元	100%	–	Investment holding, Hong Kong 投資控股, 香港
Odelon Limited 協成利有限公司	Hong Kong, limited liability company 香港, 有限責任公司	2 ordinary shares of HK\$1 each 2股普通股, 每股面值1港元	100%	–	Investment holding, Hong Kong 投資控股, 香港

董事會認為，上表列出之本公司附屬公司對本集團之本年度業績有重要影響或構成淨資產之主要部份。董事會認為，列出其他附屬公司詳情將導致資料過於冗長。

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.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 20. 於聯營公司權益

本集團

## 20. INTERESTS IN ASSOCIATES

GROUP

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Share of net assets 分佔資產淨值	8	8
Goodwill 商譽	<b>35,963,702</b>	35,963,702
	<b>35,963,710</b>	35,963,710
Loans to associates 向聯營公司提供之貸款	<b>25,636,188</b>	25,636,188
	<b>61,599,898</b>	61,599,898
Less: Impairment loss 減：耗蝕虧損	<b>(61,599,898)</b>	(61,599,898)
	-	-

向聯營公司提供之貸款乃無抵押、免利息及並無固定還款期。

於聯營公司之投資成本包括因於二零零五年十二月三十一日止年度收購一間聯營公司所產生之商譽35,963,702港元(二零零六年：35,963,702港元)。商譽於截至二零零六年及二零零七年十二月三十一日止年度並無變動。其賬面值簡述如下：

The loans to associates are unsecured, interest free and no fixed terms of repayment.

Included in the cost of investments in associates was goodwill of HK\$35,963,702 (2006: HK\$35,963,702) arising on acquisition of an associate during the year ended 31st December, 2005. There were no movement of goodwill during the year ended 31st December, 2006 and 2007, and its carrying amount is summarised below:

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
At 1st January and 31st December 於一月一日及十二月三十一日		
Gross amount 總值	<b>35,963,702</b>	35,963,702
Accumulated impairment 累計耗蝕	<b>(35,963,702)</b>	(35,963,702)
Carrying amount 賬面值	-	-

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 20. 於聯營公司權益(續)

#### 本集團(續)

於二零零七年十二月三十一日，以下列表僅包含聯營公司(均為非上市公司實體)，董事認為可重大影響本集團業績或資產者，詳情如下：

### 20. INTERESTS IN ASSOCIATES (continued)

#### GROUP (continued)

As at 31st December, 2007, the following list contains only the particulars of the associates, all of which are unlisted corporate entities, in the opinion of the Directors they principally affect the results or assets of the Group is as follows:

Name 名稱	Particulars of issued shares held 持有已發行股份 之詳情	Country of incorporation 註冊成立國家	Principal activities 主要業務	Group's equity interest 本集團之 股本權益
Oriental Cashmere Limited	2,000 ordinary shares of US\$1 each 2,000股普通股， 每股面值1美元	British Virgin Islands 英屬處女群島	Manufacturing and trading of cashmere products 羊絨產品生產及貿易	25%

有關於聯營公司權益之分佔本集團概要財務資料，現載列如下：

The summarised financial information in respect of the interests in associates attributable to the Group is set out below:

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Total assets 資產總值	40,653,552	33,523,468
Total liabilities 負債總值	(93,017,809)	(87,555,482)
Revenue 收入	50,298,784	61,186,75
Loss for the year 本年度虧損	(2,401,484)	(44,591,525)

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 21. 於一間共同控權合資公司權益

## 21. INTERESTS IN A JOINTLY CONTROLLED ENTITY

	Group 本集團		Company 本公司	
	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Unlisted shares, at cost 非上市股份，按成本	-	-	-	40,000
Share of net assets 攤佔資產淨值	-	1,438,648	-	-
	-	1,438,648	-	40,000

二零零七年六月二十一日，本公司董事議決出售一間附屬公司IEC Investments Limited (「IEC」)，以及一間共同控權合資公司亞洲國際博覽館管理有限公司 (「亞洲國際博覽館」)，本集團分別持有上述公司60%及40%股本權益。出售對象為香港寶嘉建築有限公司 (「寶嘉」)，該公司為IEC之少數股東及亞洲國際博覽館之多數股東，代價180,000,000港元。該交易已於二零零七年九月十四日完成。

On 21st June, 2007, the Board of Directors of the Company resolved to dispose of a subsidiary, IEC Investments Limited ("IEC"), and a jointly controlled entity, AsiaWorld-Expo Management Limited ("AWE"), of which the Group held 60% and 40% equity interests respectively, to Dragages Hong Kong Limited who is the minority shareholder of IEC and majority shareholder of AWE, at a consideration of HK\$180 million. The transaction was completed on 14th September, 2007.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 21. 於一間共同控股權合資公司權益(續)

共同控股權合資公司於二零零六年十二月三十一日之詳情如下：

## 21. INTERESTS IN A JOINTLY CONTROLLED ENTITY (continued)

Particulars of the jointly controlled entity at 31st December, 2006 are as follows:

Name	Particulars of issued shares held	Country of incorporation	Principal activities	Group's equity interest 本集團股本權益百分比
名稱	所持已發行股份詳情	註冊成立國家	主要業務	
AsiaWorld-Expo Management Limited (formerly known as IEC Operations Limited)	80,000 Class A ordinary shares of HK\$1 each 20,000 Class B ordinary shares of HK\$1 each	Hong Kong	Management and operation of exhibition facilities	40%
亞洲國際博覽館管理有限公司 (前稱IEC Operations Limited)	80,000股每股面值1港元之A類普通股 20,000股每股面值1港元之B類普通股	香港	管理及營運展覽設施	

年內，本集團確認截至出售該共同控股權合資公司可分佔的業績金額為1,750,778港元。截至二零零六年十二月三十一日止年度內，有關於共同控股權合資公司權益之分佔本集團概要財務資料，現載列如下：

During the year, the Group recognised the share of profit of the jointly controlled entity amounted to HK\$1,750,778 up to the disposal of that jointly controlled entity. The summarised financial information in respect of the interests in jointly controlled entity attributable to the Group for the year ended 31st December, 2006 is set out below:

	2006 二零零六年 HK\$ 港元
Total assets 資產總值	4,160,972
Total liabilities 負債總值	(2,722,324)
Revenue 收入	5,390,798
Profit for the year 本年度溢利	4,458,157



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 22. 可供出售財務資產

## 22. AVAILABLE-FOR-SALE FINANCIAL ASSETS

本集團

GROUP

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Non-current 非流動		
Listed equity securities (note 22.1) 上市股本證券(附註22.1)	39,104,007	105,687,326
Unlisted equity and debt securities (Note 22.2) 非上市股本及債務證券(附註22.2)	15,599,453	358,531,890
	<b>54,703,460</b>	464,219,216
Current 流動		
Unlisted debt securities (Note 22.2) 非上市債務證券(附註22.2)	780	663,000
Total 合計	<b>54,704,240</b>	464,882,216

可供出售財務資產以下列貨幣計值：

Available-for-sale financial assets are denominated in the following currencies:

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
HK dollar 港元	38,494,278	381,514,554
US dollar 美元	15,617,297	79,118,506
UK pound 英鎊	592,665	2,811,944
Euro 歐羅	-	1,437,212
	<b>54,704,240</b>	464,882,216

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 22. 可供出售財務資產(續)

本集團(續)

## 22.1 上市股本證券

22. AVAILABLE-FOR-SALE FINANCIAL ASSETS  
(continued)

GROUP (continued)

## 22.1 Listed equity securities

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Listed equity securities 上市股本證券		
– Listed in Hong Kong – 香港上市	38,494,277	28,573,377
– Listed outside Hong Kong – 香港以外上市	609,730	77,113,949
	<b>39,104,007</b>	105,687,326
Market value of listed equity securities 上市股本證券之市場價值	<b>39,104,007</b>	105,687,326

該等證券之公平值乃參考活躍市場於結算日之掛牌競價釐定。

Fair values for these securities have been determined by reference to their quoted bid prices at the balance sheet date in an active market.

此等財務資產須承受涉及價格及外匯風險之財務風險。

These financial assets are subject to financial risk exposure in term of price and currency risks.

於二零零七年十二月三十一日於上市股本之重大投資詳情如下：

Particulars of the major investment in listed equity securities at 31st December, 2007 is as follows:

## 丹楓控股有限公司(「丹楓」)

## Dan Form Holdings Co Ltd (“Dan Form”)

丹楓透過其附屬公司投資及發展物業，亦提供物業管理、融資服務及證券買賣。

Dan Form, through its subsidiaries, invests in and develops properties and also provides estate management, financing services, and trades securities.

於二零零七年十二月三十一日，本集團持有丹楓之52,370,000股(二零零六年：51,431,000股)股份，佔丹楓已發行股本之4.61%(二零零六年：4.53%)。本年度內並未收取股息。根據丹楓於二零零七年六月三十日之中期報告，丹楓之淨資產約為2,006,000,000港元。於二零零七年十二月三十一日，本集團於投資丹楓之市值約為36,000,000港元(二零零六年：約為26,000,000港元)。

As at 31st December, 2007, the Group held 52,370,000 shares (2006: 51,431,000) in Dan Form, representing 4.61% (2006: 4.53%) interest in the issued share capital of Dan Form. No dividend was received during the year. Based on the interim report of Dan Form at 30th June, 2007, the net assets of Dan Form were approximately HK\$2,006 million. As at 31st December, 2007, the market value of the Group's investment in Dan Form was approximately HK\$36 million (2006: approximately HK\$26 million).

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 22. 可供出售財務資產(續)

## 22.2 非上市股本及債務證券

非上市股本及債務證券而無掛牌市價者乃按成本減耗蝕列賬。

## 23. 商譽

## 本集團

商譽賬面值之重大變動乃因收購IEC Investments Limited而產生，該公司已於年內出售。因此，於二零零七年十二月三十一日本集團概無商譽。商譽之賬面淨值可分析如下：

22. AVAILABLE-FOR-SALE FINANCIAL ASSETS  
(continued)

## 22.2 Unlisted equity and debt securities

Unlisted equity and debt securities with no quoted market price are stated at cost less impairment.

## 23. GOODWILL

## GROUP

The main changes in the carrying amounts of goodwill result from the acquisition of IEC Investments Limited which was disposed of during the year. As such, the Group has no goodwill as at 31st December, 2007. The net carrying amount of goodwill can be analysed as follows:

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
At 1st January 於一月一日		
Gross carrying amount 總賬面值	1,037,788	1,037,788
Accumulated impairment 累計耗蝕	(1,037,788)	(1,037,788)
Net carrying amount 賬面淨值	-	-
Net carrying amount at 1st January 於一月一日之賬面淨值	-	-
Arising from acquisition of a subsidiary 因收購附屬公司產生	-	-
Impairment loss 耗蝕虧損	-	-
Net carrying amount at 31st December 於十二月三十一日之賬面淨值	-	-
At 31st December 於十二月三十一日		
Gross carrying amount 總值	-	1,037,788
Accumulated impairment 累計耗蝕	-	(1,037,788)
Net carrying amount 賬面淨值	-	-

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度



## 24. 經營及其他應收款及已付按金

## 24. TRADE AND OTHER RECEIVABLES AND DEPOSITS PAID

## 本集團

## GROUP

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Trade receivables 經營應收款	–	1,481,108
Other receivables 其他應收款	<b>1,037,143</b>	99,073,016
Deposits paid 已付按金	–	578,953
	<b>1,037,143</b>	101,133,077

於二零零六年十二月三十一日，其他應收款包括一間關連公司之欠款97,037,901港元，即應收HKIEC之股息及利息（「應收HKIEC款項」）。馮永祥先生乃本公司及HKIEC之共同董事。該未償還金額乃無抵押，按香港發鈔銀行提供之港元最優惠平均貸款利率減2%計算利息，並以HKIEC於提供營運資金、轉撥至儲備及根據其預算作出其他準備後擁有之現金餘額償還。於二零零七年十二月三十一日，本集團於出售一附屬公司時，並無應收HKIEC之應收款項。年內未償還之最高金額為97,037,901港元（二零零六年：97,037,901港元）。

於二零零六年十二月三十一日，應收HKIEC款項其中8,306,323港元指代表一間關連公司（其中馮永祥先生、馮耀輝先生及李華倫先生乃本公司及該關連公司之共同董事）之應收股息及利息。於二零零六年十二月三十一日，欠一間關連公司之款項計入其他應繳款（附註29）。

As at 31st December, 2006, included in other receivables was an amount due from a related company amounted to HK\$97,037,901, which represented dividend and interest receivables from HKIEC (the "Receivables from HKIEC"). Mr. Fung Wing Cheung, Tony is a common director of the Company and HKIEC. The amount was unsecured, bore interest at the average best lending rates offered to Hong Kong Dollars by note-issuing banks in Hong Kong less 2% and repayable when HKIEC has surplus cash after the provision of working capital, transfers to reserves and other provisions based on its budget. As at 31st December, 2007, the Group has no receivable due from HKIEC upon the disposal of a subsidiary, IEC. The maximum amount outstanding during the year was HK\$97,037,901 (2006: HK\$97,037,901).

As at 31st December, 2006, HK\$8,306,323 out of the Receivables from HKIEC related to the dividend and interest receivable on behalf of a related company in which Mr. Fung Wing Cheung, Tony, Mr. Fung Yiu Fai, Peter and Mr. Lee Wa Lun, Warren are common directors of the Company and the related company. As at 31st December, 2006, that amount due to a related company was included in other payables (note 29).

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 24. 經營及其他應收款及已付按金(續)

## 本集團(續)

本集團維持既定之信貸政策。以下為於結算日之經營應收款賬齡分析：

## 24. TRADE AND OTHER RECEIVABLES AND DEPOSITS PAID (continued)

## GROUP (continued)

The Group maintains defined credit policies. The following is an ageing analysis of trade receivables at the balance sheet date:

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
0 – 30 days 0–30日	–	1,401,982
31 – 60 days 31–60日	–	58,881
61 – 90 days 61–90日	–	15,184
Over 90 days 90日以上	–	5,061
	–	1,481,108

## 25. 少數股東權益借款／貸款

於二零零六年十二月三十一日，少數股東權益之借款乃無抵押、免息及須於要求時償還。因此，該款項乃分類為流動資產。

於二零零六年十二月三十一日，來自少數股東權益之貸款乃無抵押、免息及毋須於結算日起計12個月內償還。因此，該款項乃分類為非流動負債。

## 25. LOANS TO/FROM MINORITY INTERESTS

As at 31st December, 2006, loans to minority interests were unsecured, interest-free and repayable on demand. Accordingly, the loans were classified as current assets.

As at 31st December, 2006, loans from minority interests were unsecured, interest-free and were not repayable in the next twelve months after the balance sheet date. Accordingly, the loans were classified as non-current liabilities.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度



### 26. 按公平值列賬及在損益賬處理之財務資產

### 26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

本集團

GROUP

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Equity securities held for trading 持有作買賣之股本證券		
Listed in Hong Kong (Note 26.1) 香港上市(註26.1)	129,831,080	-
Listed outside Hong Kong (Note 26.2) 香港以外上市(註26.1)	103,886,412	-
	<b>233,717,492</b>	-
Debt securities held for trading 持有作買賣之債務證券		
Listed outside Hong Kong 香港以外上市	-	17,082,000
Market value of listed securities 上市證券之市值	<b>233,717,492</b>	17,082,000
Derivative financial instruments 衍生金融工具		
Unlisted warrants (Note 26.3) 非上市認股權證(註26.3)	42,597,111	-
Equity forward contracts (Note 26.4) 股票遠期合約(註26.4)	10,320,690	-
	<b>286,635,293</b>	17,082,000

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

26. 按公平值列賬及在損益賬處理之財務資產  
(續)

按公平值列賬及在損益賬處理之財務資產以下列  
貨幣計值：

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH  
PROFIT OR LOSS (continued)

Financial assets at fair value through profit or loss are  
denominated in the following currencies:

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
HK dollar 港元	140,151,770	-
US dollar 美元	-	17,082,000
Malaysian ringgit 馬來西亞林吉特	64,243,142	-
Australian dollar 澳元	5,647,340	-
Japanese yen 日圓	49,514,291	-
New Taiwan dollar 新台幣	27,078,750	-
	<b>286,635,293</b>	17,082,000

上述財務資產分類為持作買賣。

上市股本及債務證券之公平值乃參考彼等於結算  
日之掛牌競價釐定。

The above financial assets are classified as held for trading.

Fair values for the listed equity and debt securities have  
been determined by reference to their quoted bid prices at  
the balance sheet date.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 26. 按公平值列賬及在損益賬處理之財務資產 (續)

#### 26.1 於香港上市之股本證券

##### 香港上海滙豐銀行有限公司 (「滙豐銀行」)

滙豐銀行為一家銀行及金融服務機構，其提供全面的個人金融服務、商業銀行、公司及投資銀行業務及私人銀行服務。

截止二零零七年十二月三十一日，本集團持有100,000股滙豐銀行股份（二零零六年：無），佔滙豐銀行已發行股本少於0.01%（二零零六年：零）。於本年度內未收取股息。根據滙豐銀行於二零零七年十二月三十一日之全年業績摘要，其淨資產約為135,416,000,000美元。截止二零零七年十二月三十一日，本集團於滙豐銀行投資之市值約為13,000,000港元。

##### 華億新媒體(集團)有限公司 (「華億」)

華億新媒體(集團)有限公司從事電視廣告業務及電影及電視劇業務。

截止二零零七年十二月三十一日，本集團持有130,000,000股華億股份（二零零六年：無），佔華億已發行股本0.80%（二零零六年：零）。於本年度內未收取股息。根據華億於二零零七年六月三十日之中期報告，其淨資產約為825,000,000港元。截止二零零七年十二月三十一日，本集團於華億投資之市值約為19,000,000港元。

### 26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### 26.1 Equity securities listed in Hong Kong

##### Hong Kong and Shanghai Banking Corporation ("HSBC")

HSBC is a banking and financial services organization that provides a comprehensive range of personal financial services, commercial banking, corporate & investment banking, private banking services.

As at 31st December, 2007, the Group held 100,000 shares (2006: Nil) in HSBC, representing less than 0.01% (2006: Nil) interest in the issued share capital of HSBC. No dividend was received during the year. Based on the final result highlights of HSBC at 31st December, 2007, the net assets of HSBC were approximately US\$135,416 million. As at 31st December, 2007, the market value of the Group's investment in HSBC was approximately HK\$13 million.

##### Asian Union New Media (Group) Limited ("Asian")

Asian Union New Media (Group) Limited operates television advertising business and film and TV dramas business.

As at 31st December, 2007, the Group held 130,000,000 shares (2006: Nil) in Asian, representing 0.80% (2006: Nil) interest in the issued share capital of Asian. No dividend was received during the year. Based on the interim report of Asian at 30th June, 2007, the net assets of Asian were approximately HK\$825 million. As at 31st December, 2007, the market value of the Group's investment in Asian was approximately HK\$19 million.



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

26. 按公平值列賬及在損益賬處理之財務資產  
(續)

## 26.1 於香港上市之股本證券(續)

## 中國林大資源集團有限公司(「中國林大」)

中國林大從事林木的種植及管理，林業產品的製造及分銷，以及服裝的製造及銷售。

截止二零零七年十二月三十一日，本集團持有5,200,000股中國林大股份(二零零六年：無)，佔中國林大已發行股本0.09%(二零零六年：零)。於本年度內未收取股息。根據中國林大於二零零七年九月三十日之中期報告，其淨資產約為5,259,000,000港元。截止二零零七年十二月三十一日，本集團於中國林大投資之市值約為8,500,000港元。

## 亞太資源有限公司(「亞太資源」)

亞太資源主要從事：(i)基本金屬貿易；(ii)布疋產品及其他商品貿易；(iii)上市證券買賣及投資。

截止二零零七年十二月三十一日，本集團持有15,000,000股亞太資源股份(二零零六年：無)，佔亞太資源已發行股本0.32%(二零零六年：零)。於本年度內未收取股息。根據亞太資源於二零零七年六月三十日之中期報告，其淨資產約為1,368,000,000港元。截止二零零七年十二月三十一日，本集團於亞太資源投資之市值約為21,600,000港元。

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH  
PROFIT OR LOSS (continued)

## 26.1 Equity securities listed in Hong Kong (continued)

China Grand Forestry Resources Group Limited  
("CH Grand Forest")

CH Grand Forest operates in tree plantation and management, manufacture and distribution of forestry products, and manufacture and sale of garment.

As at 31st December, 2007, the Group held 5,200,000 shares (2006: Nil) in CH Grand Forest, representing 0.09% (2006: Nil) interest in the issued share capital of CH Grand Forest. No dividend was received during the year. Based on the interim report of CH Grand Forest at 30th September, 2007, the net assets of CH Grand Forest were approximately HK\$5,259 million. As at 31st December, 2007, the market value of the Group's investment in CH Grand Forest was approximately HK\$8.5 million.

APAC Resources Company Limited ("APAC  
Resources")

APAC Resources is principally engaged in : (i) trading in base metals; (ii) trading in fabric products and other merchandises; and (iii) trading and investment of listed securities.

As at 31st December, 2007, the Group held 15,000,000 shares (2006: Nil) in APAC Resources, representing 0.32% (2006: Nil) interest in the issued share capital of APAC Resources. No dividend was received during the year. Based on the interim report of APAC Resources at 30th June, 2007, the net assets of APAC Resources were approximately HK\$1,368 million. As at 31st December, 2007, the market value of the Group's investment in APAC Resources was approximately HK\$21.6 million.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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### 26. 按公平值列賬及在損益賬處理之財務資產 (續)

#### 26.1 於香港上市之股本證券 (續)

##### 中國工商銀行股份有限公司 (「工商銀行」)

工商銀行之主要活動包括提供人民幣及外幣存款、貸款、付匯及結匯服務之銀行服務及經由中國銀行業監督管理委員會 (「銀監會」) 批准之其他服務，以及由其海外機構提供經由個別地方監管機構批准之相關服務。

截止二零零七年十二月三十一日，本集團持有4,000,000股工商銀行股份 (二零零六年：無)，佔工商銀行已發行股本少於0.01% (二零零六年：零)。於本年度內未收取股息。根據工商銀行於二零零七年十二月三十一日之年度業績公告，其淨資產約為人民幣543,676,000,000元。截止二零零七年十二月三十一日，本集團於工商銀行投資之市值約為22,000,000港元。

#### 26.2 於香港境外上市之股本證券

##### DutaLand Berhad (前稱為Mycom Berhad)

DutaLand Berhad (前稱為Mycom Berhad) 為一家於馬來西亞證券交易所有限公司主板上市之公眾公司。該公司集團主要從事油棕種植、物業開發及物業投資。

截止二零零七年十二月三十一日，本集團持有22,148,200股DutaLand Berhad股份 (二零零六年：無)，佔其已發行股本3.92% (二零零六年：零)。於本年度內未收取股息。根據DutaLand Berhad於二零零七年十二月三十一日之未經審核之季度財務摘要，其淨資產約為馬來西亞林吉特842,000,000元。截止二零零七年十二月三十一日，本集團於DutaLand Berhad投資之市值約為55,000,000港元。

### 26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### 26.1 Equity securities listed in Hong Kong (continued)

##### Industrial and Commercial Bank of China Limited ("ICBC")

The principal activities of the ICBC comprise the provision of banking services including Renminbi ("RMB") and foreign currency deposits, loans, payment and settlement services, and other services as approved by the China Banking Regulatory Commission (the "CBRC") of the PRC, and the provision of related services by its overseas establishments as approved by the respective local regulators.

As at 31st December, 2007, the Group held 4,000,000 shares (2006: Nil) in ICBC, representing less than 0.01% (2006: Nil) interest in the issued share capital of ICBC. No dividend was received during the year. Based on the annual results announcement of ICBC at 31st December, 2007, the net assets of ICBC were approximately RMB543,676 million. As at 31st December, 2007, the market value of the Group's investment in ICBC was approximately HK\$22 million.

#### 26.2 Equity securities listed outside Hong Kong

##### DutaLand Berhad (formerly known as Mycom Berhad)

DutaLand Berhad (formerly known as Mycom Berhad) is an established public company listed on the Main Board of the Bursa Malaysia Securities Berhad. Its group of companies is involved mainly in oil palm plantations, property development and property investments.

As at 31st December, 2007, the Group held 22,148,200 shares (2006: Nil) in DutaLand Berhad, representing 3.92% (2006: Nil) interest in the issued share capital of DutaLand Berhad. No dividend was received during the year. Based on the unaudited quarterly financial highlight of DutaLand Berhad at 31st December, 2007, the net assets of DutaLand Berhad were approximately MYR842 million. As at 31st December, 2007, the market value of the Group's investment in DutaLand Berhad was approximately HK\$55 million.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

26. 按公平值列賬及在損益賬處理之財務資產  
(續)

## 26.2 於香港境外上市之股本證券(續)

## 益航股份有限公司(「益航」)

益航從事租船業務，尤其是船舶管理，並通過其附屬公司，為船東提供全球性服務，包括有關海船(尤其是散裝貨輪及集裝箱船)之船員配備、技術性(包括進出幹船塢監督及新造)及商業管理服務。

截止二零零七年十二月三十一日，本集團持有1,300,000股長榮海運股份(二零零六年：無)，佔益航已發行股本0.53%(二零零六年：零)。於本年度內未收取股息。根據益航於二零零七年九月三十日之季度報告，其淨資產約為新台幣3,307,000,000元。截止二零零七年十二月三十一日，本集團於益航投資之市值約為24,000,000港元。

## 成榮集團(「成榮」)

成榮為一家投資控股公司，其附屬公司及聯營公司主要從事建築、物業發展、製造、貿易以及發電業務。

截止二零零七年十二月三十一日，本集團持有1,000,000股成榮股份(二零零六年：無)，佔其已發行股本0.67%(二零零六年：零)。本年度內收取股息為15,246港元。根據成榮於二零零七年十二月三十一日之未經審核之季度財務摘要，其淨資產約為馬來西亞林吉特254,000,000元。截止二零零七年十二月三十一日，本集團於成榮投資之市值約為9,000,000港元。

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH  
PROFIT OR LOSS (continued)26.2 Equity securities listed outside Hong Kong  
(continued)

## First Steamship Company Ltd. ("First steamship")

First steamship was engaged in Charterers business, especially in ship management and, through its subsidiaries, offers ship-owners worldwide service for the crewing, technical including the supervising of dry-docking and new building, and commercial management of sea-going vessels specializing in bulk carriers and container ships.

As at 31st December, 2007, the Group held 1,300,000 shares (2006: Nil) in First steamship, representing 0.53% (2006: Nil) interest in the issued share capital of First steamship. No dividend was received during the year. Based on the quarterly report of First steamship at 30th September, 2007, the net assets of First steamship were approximately NT\$3,307 million. As at 31st December, 2007, the market value of the Group's investment in First steamship was approximately HK\$24 million.

## Mudajaya Group Berhad ("Mudajaya")

Mudajaya is an investment holding company and its subsidiaries and associated companies are involved in construction, property development, manufacturing, trading and the power sector.

As at 31st December, 2007, the Group held 1,000,000 shares (2006: Nil) in Mudajaya, representing 0.67% (2006: Nil) interest in the issued share capital of Mudajaya. Dividend HK\$15,246 was received during the year. Based on the unaudited quarterly financial highlight of Mudajaya at 31st December, 2007, the net assets of Mudajaya were approximately MYR254 million. As at 31st December, 2007, the market value of the Group's investment in Mudajaya was approximately HK\$9 million.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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26. 按公平值列賬及在損益賬處理之財務資產  
(續)

## 26.3 非上市認股權證

## J. Bridge Corp (「J. Bridge」)

J. Bridge為一家於東京證券交易所第二部上市的金融投資公司，集中振興虧損公司。其投資涵蓋醫護保健、房地產以及建築物料。

截止二零零七年十二月三十一日，本集團持有60,000份J. Bridge認股權證(二零零六年：無)。於本年度內未收取股息。根據J. Bridge於二零零七年十二月三十一日之中期報告，其淨資產約為764,000,000港元。截止二零零七年十二月三十一日，本集團於J. Bridge投資之市值約為43,000,000港元。

截止二零零七年十二月三十一日，認股權證之主要條款如下：

Notional amount 名義數額	Number of options 購股權數目	Maturity 到期日	Underlying stock 相關股票
JP¥ 299,999,000 299,999,000日圓	60,000	2nd July, 2012 二零一二年七月二日	J. Bridge

非上市認股權證之公平值均已經由專業估值公司漢華評值有限公司運用二項式期權定價模式釐定。輸入該模式之重要數據包括股價40日圓、履約價45日圓、到期時間4.51年、波幅78.05%、無風險率0.8%及攤薄因子57.54%。

公平值收益21,627,181港元已於損益賬確認。

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH  
PROFIT OR LOSS (continued)

## 26.3 Unlisted warrants

## J. Bridge Corp ("J. Bridge")

J. Bridge, listed on the 2nd Section of Tokyo Stock Exchange, is a financial investment firm which focuses on revitalization of distressed companies. The investments span over healthcare, real estate and construction materials.

As at 31st December, 2007, the Group held 60,000 warrants (2006: Nil) in J. Bridge. No dividend was received during the year. Based on the interim report of J. Bridge at 31st December, 2007, the net assets of J. Bridge were approximately HK\$764 million. As at 31st December, 2007, the market value of the Group's investment in J. Bridge was approximately HK\$43 million.

As at 31st December, 2007, the major terms of the warrants are as follows:

Fair values for the unlisted warrants have been determined by a firm of professional valuers, Greater China Appraisal Limited, by using the Binomial Option Pricing Model. The significant inputs into the model were share price of JP¥40, strike price of JP¥45, time to maturity of 4.51 years, volatility of 78.05%, risk-free rate 0.8% and dilutive factor of 57.54%.

Fair value gain of HK\$21,627,181 has been recognised in the income statement.

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26. 按公平值列賬及在損益賬處理之財務資產  
(續)

## 26.4 股票遠期合約

截止二零零七年十二月三十一日，股票遠期合約之主要條款如下：

**Notional principal  
amount outstanding**  
名義未平倉本金額

**Maturity**  
到期日

**Underlying stock**  
相關股票

HK\$港元		
Notional principal amount outstanding 名義未平倉本金額	Maturity 到期日	Underlying stock 相關股票
A 57,827,250	6th November, 2008 二零零八年十一月六日	Hong Kong Stock Exchange 港交所
B 16,542,000	5th November, 2008 二零零八年十一月五日	PetroChina 中國石油
C 57,915,000	7th November, 2008 二零零八年十一月七日	Hong Kong Stock Exchange 港交所
D 19,822,500	7th November, 2008 二零零八年十一月七日	PetroChina 中國石油
E 21,845,250	7th November, 2008 二零零八年十一月七日	China Shenhua 中國神華
F 16,627,500	7th November, 2008 二零零八年十一月七日	China Merchants 中國招商
G 10,980,000	7th November, 2008 二零零八年十一月七日	Bank of China 中國銀行
H 40,029,750	3rd December, 2008 二零零八年十二月三日	Ping An Insurance 平安保險

根據合約條款，本集團有義務按照長一年之遠期價格收購各合約之相關股份。該等合約不要求初始成本。將由本集團收購之預定股份數目按日累算，後按月結算。該等合約之主要條款含出場及槓桿性質。各合約設有出場價，一旦相關股份每日股價引發出場價，該合約將立刻終止。然而，倘相關股份之每日股價低於遠期價格，本集團須收購雙倍之預定每日股份數目。

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH  
PROFIT OR LOSS (continued)

## 26.4 Equity forward contracts

As at 31st December, 2007, the major terms of the equity forward contracts are as follows:

Under the terms of the contracts, the Group is obligated to acquire the underlying shares of each contract at a forward price for a year long. The contracts require no initial cost. Pre-determined number of shares is accumulated to be acquired by the Group on a daily basis and they are settled on monthly basis. The key terms of these contracts incorporate knock-out and gearing properties. A knock-out price is set for each contract, once the daily share price of the underlying shares triggers the knock-out price, the contract is closed out immediately. However, if the daily share price of the underlying share falls below the forward price, the Group has to acquire double of the pre-determined daily number of shares.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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26. 按公平值列賬及在損益賬處理之財務資產  
(續)

## 26.4 股票遠期合約 (續)

遠期合約之公平已由漢華評值有限公司專業估值師用二項式選擇權評價模式確認，模式的主要輸入數據如下：

	Share price	Forward price	Time to maturity	Volatility	Risk-free rate	Dividend yield	Fair value as at 31st December, 2007
	股價 HK\$ 港元	遠期價 HK\$ 港元	到期期限 Year 年	波幅	無風險率	股息收益率	二零零七年 十二月三十一日 於之公平值 HK\$ 港元
A	221.20	196.61	0.85	46.85%	2.55%	2.70%	4,908,749
B	13.90	14.67	0.85	42.87%	2.55%	3.21%	(1,006,309)
C	221.20	211.07	0.85	46.85%	2.55%	2.70%	2,120,313
D	13.90	14.25	0.85	42.87%	2.55%	3.21%	(558,101)
E	46.60	38.59	0.85	51.69%	2.55%	1.28%	1,587,605
F	31.50	30.76	0.85	38.50%	2.55%	0.49%	611,893
G	3.78	4.00	0.85	34.50%	2.55%	1.06%	(620,566)
H	83.70	73.03	0.93	50.19%	2.55%	1.00%	3,277,106
							10,320,690

公平值收益10,320,690港元已於損益賬確認。

該等財務資產帶有價格方面之財務風險。

繼截至二零零七年十二月三十一日，於本報告日期，未平倉股票遠期合約項下各相關股本證券之每日股價均低於各股票遠期合約所定遠期價格。倘未平倉股票遠期合約項下各相關股本證券按結算日之遠期價格條件購入，則按二零零八年一月一日至本報告日期之間每交易日之收市價計算，彼等之理論淨結算值將按未平倉股票遠期合約項下各相關股本證券於此期間之最低市場總價值之記錄減少約160,000,000港元。理論淨結算值即每日收市價與合約之遠期價格之差額乘以截至各合約到期日須購入之股數上限。該等備考資料僅供說明，並不一定可反映該等股本證券之公平值變動及於結算日完成購入該等股本證券情況下，本集團經營業績；亦不應作為未來業績之預測。

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH  
PROFIT OR LOSS (continued)

## 26.4 Equity forward contracts (continued)

Fair values for the forward contracts have been determined by a firm of professional valuers, Greater China Appraisal Limited, by using the Binomial Option Pricing Model. The significant inputs into the model were as follows:

Fair value gain of HK\$10,320,690 has been recognised in the income statement.

These financial assets are subject to financial risk exposure in term of price risk.

Subsequent to 31st December, 2007, as at the date of this report, the daily share prices of all the underlying equity securities under the outstanding equity forward contracts are below the forward prices set at the respective equity forward contracts. Had all the underlying equity securities under these outstanding equity forward contracts been acquired on the forward price condition at the balance sheet date, their theoretical net settlement value would decrease by about HK\$160 million based on the daily closing prices at trade date between 1st January, 2008 and the date of this report in which the lowest aggregate market value of these underlying equity securities under the outstanding equity forward contract is recorded. The theoretical net settlement value is the difference between the daily closing prices and the forward prices of those contracts multiplied by the maximum number of shares that has to be acquired up to the maturity dates of the contracts. These pro forma information is for illustrative purposes only and is not necessarily an indication of the fair value change in these equity securities and results of operation of the Group that actually would have been achieved had the acquisition of these equity securities been completed at the balance sheet date, nor is it intended to be a projection of future result.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 27. 其他有限制之已付按金

於二零零七年十二月三十一日，存款24,013,552港元已支付一間金融機構，作為結算股票遠期合約（附註26.4）之抵押。

## 27. OTHER RESTRICTED DEPOSIT PAID

As at 31st December, 2007, the deposits of HK\$24,013,552 were paid to a financial institution to secure settlement for the equity forward contracts (Note 26.4).

## 28. 現金及現金等價物及作抵押銀行定期存款

## 28. CASH AND CASH EQUIVALENTS AND PLEDGED BANK FIXED DEPOSITS

	Group 本集團		Company 本公司	
	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Cash and bank balances 現金及銀行結餘	175,463,783	3,193,738	745,831	197,704
Time deposits 定期存款	476,710,477	150,222,990	445,168,562	93,207,971
	<b>652,174,260</b>	153,416,728	<b>445,914,393</b>	93,405,675
Less: Pledged bank fixed deposits 減：作抵押銀行定期存款	-	(10,537,895)	-	-
Cash and cash equivalents 現金及現金等價物	<b>652,174,260</b>	142,878,833	<b>445,914,393</b>	93,405,675

銀行存款乃根據每日銀行存款利率按浮動利率賺取利息。短期定期存款之期間由一日至三個月不等，視乎本集團之即時現金需要而定，並按各自之短期定期存款年利率2.25%至4.75%（二零零六年：3.7%至5.225%）賺取利息。現金及現金等價物及已抵押定期存款之賬面值大概相等於其公平值。

Cash at banks earns interest at floating rates based on daily bank deposits 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 deposits rates of 2.25% to 4.75% (2006: 3.7% to 5.225%) per annum. The carrying amounts of the cash and cash equivalents and the pledged deposits approximates to their fair value.

於二零零六年十二月三十一日，銀行定期存款10,537,895港元已抵押予一間財務機構，作為本集團獲授借貸融資之抵押，有關融資已列作附註31之「借貸」。

As at 31st December, 2006, the bank fixed deposits of HK\$10,537,895 were pledged to a financial institution to secure borrowing facilities granted to the Group, which were included as "Borrowings" in note 31.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 29. 其他應繳款、應計費用及已收按金

### 29. OTHER PAYABLES, ACCRUED EXPENSES AND DEPOSITS RECEIVED

	Group 本集團		Company 本公司	
	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Other payables and accrued expenses 其他應繳款及應計費用	21,682,911	20,469,316	21,682,911	963,085
Rental deposits received 已收取租務按金	-	5,612,535	-	-
	<b>21,682,911</b>	<b>26,081,851</b>	<b>21,682,911</b>	<b>963,085</b>

於二零零七年十二月三十一日，本集團之其他應繳款及應計費用包括欠一間關連公司之款項為18,863,683港元，其中應付管理費用及履約費款項18,262,151港元。

As at 31st December, 2007, included in other payables and accrued expenses of the Group was amount due to a related company amounted to HK\$18,863,683 of which HK\$18,262,151 represented the unsettled management fee and performance fee charged to the Group.

於二零零六年十二月三十一日，本集團之其他應繳款及應計費用包括欠一間關連公司之款項8,711,415港元，其中8,306,323港元，指本集團代表一間關連公司應收之股息及利息。此款項於年內全數付還。

As at 31st December, 2006, included in other payables and accrued expenses of the Group were amount due to a related company amounted to HK\$8,711,415 of which HK\$8,306,323 represented dividend and interest receivables by the Group on behalf of a related company. The amount was fully repaid during the year.

馮永祥先生及李華倫先生乃本公司及該關連公司之共同董事。欠該關連公司之款項為無抵押、免息及須於要求時償還。

Mr. Fung Wing Cheung, Tony and Mr. Lee Wa Lun, Warren are common Directors of the Company and that related company. The amount due to the related company is unsecured, interest-free and repayable on demand.



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 30. 按公平值列賬及在損益賬處理之財務負債

30. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH  
PROFIT OR LOSS

本集團

GROUP

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Derivative financial instruments		
Listed put options – USD		
衍生金融工具		
上市認沽期權 — 美元	3,900,000	—

於二零零七年十二月三十一日，認沽期權之主要條款如下：

As at 31st December, 2007, the major terms of the put options are as follows:

Notional amount 名義數額	Number of options 購股權數目	Maturity 到期日	Underlying stock 相關股票
US\$7,360,000 7,360,000美元	2,500 2,500	19th January, 2008 二零零八年一月十九日	Citigroup 花旗集團
US\$7,360,000 7,360,000美元	2,500 2,500	19th January, 2008 二零零八年一月十九日	Citigroup 花旗集團

認沽期權之公平值乃參考彼等於結算日之掛牌價釐定。

Fair values for the put options have been determined by reference to their quoted prices at the balance sheet date.

上述財務負債分類為持作買賣。

The above financial instruments are classified as held for trading.

該等金融工具帶有價格風險方面之財務風險。

These financial instruments are subject to financial risk exposure in term of price risk.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度



## 31. 借貸

## 31. BORROWINGS

本集團	GROUP	2007	2006
		二零零七年 HK\$ 港元	二零零六年 HK\$ 港元
Secured 有抵押			
Bank borrowings-floating rate 銀行借貸 – 浮息		–	917,880,958
Other borrowings-fixed rate 其他借貸 – 定息		–	8,413,034
		–	926,293,992
Carrying amount repayable : 應償還賬面值 :			
Within one year 一年內		–	38,322,174
More than one year, but not exceeding two years 一年以上但不超過兩年		–	24,500,000
More than two years, but not more than five years 兩年以上但不超過五年		–	769,500,000
More than five years 五年以上		–	93,971,818
		–	926,293,992
Less: Amount due within one year shown under current liabilities 減：一年內到期列作流動負債之款項		–	(38,322,174)
Amount due more than one year shown under non-current liabilities 一年以上到期列作非流動負債之款項		–	887,971,818

於二零零六年十二月三十一日，銀行借貸以投資物業(附註18)、投資物業之應收租金及HKIEC應收款或HKIEC任何股東應付本公司附屬公司之款項作抵押，並由本公司、本公司之董事馮耀輝先生及本公司物業持有附屬公司之董事余國銓先生提供擔保。須於一年內償還之其他借貸8,413,034港元以銀行定期存款(附註28)作抵押，並由本公司提供擔保。

As at 31st December, 2006, bank borrowings were secured by investment properties (note 18), rental receivables from those investment properties and receivables due from HKIEC or any shareholder of HKIEC to a subsidiary of the Company; and supported by guarantees provided by the Company, Mr. Fung Yiu Fai, Peter, a Director of the Company, Mr. Yu Kwok Chuen, Eddie, a director of the properties holding subsidiary of the Company. Other borrowings of HK\$8,413,034 repayable within one year were secured by bank fixed deposits (note 28) and supported by guarantee provided by the Company.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 31. 借貸(續)

## 本集團(續)

本集團於結算日借貸之實際利率(亦相等於合約利率)之範圍如下:

Effective interest rate per annum:

實際年利率:

Fixed rate borrowings

定息借貸

Floating rate borrowings

浮息借貸

## 31. BORROWINGS (continued)

## GROUP (continued)

The ranges of effective interest rates at the balance sheet date (which are also equal to contracted interest rates) of the Group's borrowings are as follows:

2007 二零零七年	2006 二零零六年
---------------	---------------

借貸之賬面值以下列貨幣計值:

The carrying amounts of the borrowings are denominated in the following currencies:

2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
-----------------------------	-----------------------------

Hong Kong dollar

港元

Euro

歐羅

-

917,880,958

-

8,413,034

-

926,293,992

於二零零六年十二月三十一日年度內，本集團訂立到期日分別為於二零零八年九月三十日及二零一零年九月三十日之兩份利率調期合約，面值總額為100,000,000港元，按固定利率介乎每年4.3%至4.4%計算利息。訂立利率調期合約乃用作重新調整因浮息借貸產生之風險波動。

During the year ended 31st December, 2006, the Group entered into two interest rate swap contracts of total notional amount of HK\$100 million at fixed interest rates ranged from 4.3% to 4.4% per annum with maturity date on 30th September, 2008 and 30th September, 2010, respectively. The interest rate swap contracts were entered into for the purpose of re-adjusting the exposure of the fluctuations arising from the floating interest rate of the borrowings.

於二零零七年十二月三十一日，本集團於出售附屬公司IEC Investments Limited時並無利率調期合約。

As at 31st December, 2007, the Group had no interest rate swap contract upon the disposal of a subsidiary, IEC Investments Limited.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 32. 股本

## 32. SHARE CAPITAL

	2007 二零零七年		2006 二零零六年	
	Number of shares 股份數目	HK\$ 港元	Number of shares 股份數目	HK\$ 港元
Authorised: 法定：				
Ordinary shares of HK\$0.1 each 每股面值0.1港元之普通股				
At 1st January 於一月一日	2,100,000,000	210,000,000	2,100,000,000	210,000,000
At 31st December 於十二月三十一日	2,100,000,000	210,000,000	2,100,000,000	210,000,000
Issued and fully paid: 已發行及繳足：				
Ordinary shares of HK\$0.1 each 每股面值0.1港元之普通股				
At 1st January 於一月一日	1,691,171,989	169,117,199	1,691,171,989	169,117,199
Issued 發行	338,000,000	33,800,000	–	–
Repurchased and cancelled 回購及注銷	(160,000,000)	(16,000,000)	–	–
At 31st December 於十二月三十一日	1,869,171,989	186,917,199	1,691,171,989	169,117,199

透過二零零七年七月二十四日之普通決議案，338,000,000股每股面值0.1港元之本公司普通股以認購價每股0.66港元配發。

By an ordinary resolution dated 24th July, 2007, 338,000,000 ordinary shares of the Company of HK\$0.1 each were allotted at a subscription price of HK\$0.66 each.

透過二零零七年十一月二日之特別決議案，根據於二零零七年九月十六日訂立有條件回購協議，本公司於市場外以認購價每股0.48港元（總金額為76,800,000港元）向本公司主要股東ASM Asia Recovery (Master) Fund 及 ASM Hudson River Fund回購160,000,000股每股面值0.1港元之本公司普通股。

By a special resolution dated 2nd November, 2007, 160,000,000 ordinary shares of the Company of HK\$0.1 each were repurchased from ASM Asia Recovery (Master) Fund and ASM Hudson River Fund, substantial shareholders of the Company at a subscription price of HK\$0.48 (totalling HK\$76,800,000) each in an off-market manner pursuant to conditional repurchase agreement dated 16th September, 2007.

此回購股份已註銷，因此本公司已發行股本按此回購股份之面值相應減少。根據香港公司條例第49H節，與已註銷股份面值相等之金額16,000,000港元已由保留盈利轉撥入股本贖回儲備。回購此股份所付溢價60,876,521港元已扣除回購及註銷股份開支計入保留盈利。

The repurchased shares were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. Pursuant to section 49H of the Hong Kong Companies Ordinance, an amount equivalent to the par value of the shares cancelled of HK\$16,000,000 was transferred from retained earnings to the capital redemption reserve. The premium paid on the repurchase of the shares of HK\$60,876,521 (inclusive of expenses of repurchase and cancellation of shares) was charged to retained earnings.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 33. 儲備

#### 本集團

本集團之儲備款額及其於本年度與過往年度之變動情況於財務報表第42頁至第43頁之綜合權益變動表呈列。

#### 股份溢價及資本贖回儲備

股份溢價及資本贖回儲備之應用分別受香港公司條例第48B條及第49H條管限。

#### 資本繳入儲備

根據中華人民共和國(「中國」)之有關法例及法規，本集團聯營公司所控制一間中國實體之部份盈利已轉撥至設定用途限制之儲備基金。

#### 投資重估儲備

投資重估儲備指可供出售財務資產之公平值變動。

### 33. RESERVES

#### GROUP

The amount 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 pages 42 to 43 of the financial statements.

#### Share premium and capital redemption reserve

The application of the share premium account and the capital redemption reserve is governed by sections 48B and 49H respectively of the Hong Kong Companies Ordinance.

#### Capital contribution reserve

Pursuant to the relevant laws and regulations in the People's Republic of China ("PRC"), a portion of the profits of a PRC entity controlled by the Group's associate has been transferred to reserve funds which are restricted to use.

#### Investment revaluation reserve

Investment revaluation reserve represents changes in fair value of available-for-sale financial assets.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度



## 33. 儲備 (續)

## 33. RESERVES (continued)

本公司

COMPANY

	Share premium 股份溢價 HK\$ 港元	Capital redemption reserve 資本贖回 儲備 HK\$ 港元	Retained earnings/ (Accumulated losses) 保留盈利/ (累積虧損) HK\$ 港元	Total 總額 HK\$ 港元
At 1st January, 2006 二零零六年一月一日結算	311,582,062	4,031,600	101,341,230	416,954,892
Loss for the year 本年度虧損	-	-	(181,798,136)	(181,798,136)
At 31st December, 2006 and at 1st January, 2007 二零零六年十二月三十一日及 二零零七年一月一日結算	311,582,062	4,031,600	(80,456,906)	235,156,756
Profit for the year 本年度溢利	-	-	416,651,488	416,651,488
Total recognised income and expense for the year 本年度已確認收入及開支總額	-	-	416,651,488	416,651,488
Proceeds from shares issued 已發行股份之所得款項	189,280,000	-	-	189,280,000
Shares issuance expenses 股份發行開支	(8,116,411)	-	-	(8,116,411)
Repurchase of shares 股份回購	-	16,000,000	(76,876,521)	(60,876,521)
<b>At 31st December, 2007</b> 二零零七年十二月三十一日結算	<b>492,745,651</b>	<b>20,031,600</b>	<b>259,318,061</b>	<b>772,095,312</b>

## 34. 每股資產淨值

## 34. NET ASSET VALUE PER SHARE

每股資產淨值乃根據本公司股權持有人應佔資產淨值991,771,361港元(二零零六年: 732,331,045港元)及二零零七年十二月三十一日之已發行普通股1,869,171,989(二零零六年: 1,691,171,989股)計算。

The calculation of net asset value per share is based on the net assets attributable to the equity holders of the Company of HK\$991,771,361 (2006: HK\$732,331,045) and 1,869,171,989 (2006: 1,691,171,989) ordinary shares in issue as at 31st December, 2007.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 35. 遞延稅項負債

## 本集團

遞延稅項乃採用主要稅率17.5% (二零零六年：17.5%) 根據負債法就所有暫時差距計算。

本年度內之遞延稅項(資產)/負債變動如下：

## 35. DEFERRED TAX LIABILITIES

## GROUP

Deferred taxation is calculated on temporary differences under the liability method using a principal taxation rate of 17.5% (2006: 17.5%).

The movement in deferred tax (assets)/liabilities during the year is as follows:

	Accelerated tax depreciation		Fair value gain		Tax losses		Total	
	2007	2006	2007	2006	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元	港元	港元
At 1st January 於一月一日	5,132,695	2,642,085	64,580,192	64,580,192	(1,212,533)	(343,514)	68,500,354	66,878,763
Charged/(credited) to income statement 於損益賬扣除/(計入)	2,101,454	2,490,610	-	-	(690,612)	(869,019)	1,410,842	1,621,591
Arising from disposal of a subsidiary 因收購附屬公司產生	(7,234,149)	-	(64,580,192)	-	1,903,145	-	(69,911,196)	-
<b>At 31st December</b> 於十二月三十一日	-	5,132,695	-	64,580,192	-	(1,212,533)	-	68,500,354

於二零零七年十二月三十一日，本集團有未動用稅項虧損達79,412港元(二零零六年：21,685,606港元)，可用作與產生該等虧損之公司之未來應課稅溢利互相抵銷。由於無法預測未來溢利來源，因此並無就該等稅項虧損確認遞延稅項資產。根據現行稅務法例，該等稅項虧損不會屆滿。於該日亦無重大未確認遞延稅項負債。

於二零零七年十二月三十一日，本公司無重大未確認遞延稅項資產及負債(二零零六年：無)。

As at 31st December, 2007, the Group has unused tax losses of HK\$79,412 (2006: HK\$21,685,606) available to offsetting against future taxable profits of the companies which incurred these losses. Deferred tax assets are not recognised in respect of these tax losses due to the unpredictability of future profit stream. These tax losses do not expire under current tax legislation. There were no material unrecognised deferred tax liabilities.

The Company had no material unrecognised deferred tax assets and liabilities as at 31st December, 2007 (2006: Nil).

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 36. 未來營運租賃安排

於二零零七年十二月三十一日，本集團根據不可撤銷營運租賃之未來最低租賃收入總額如下：

#### 本集團

本集團根據初步為期一至兩年之營運租賃安排出租其投資物業(附註18)。租賃條款一般亦要求租戶支付保證按金。此等租賃概無包括或然租金。於二零零七年十二月三十一日，本集團於出售康恩時並無未來之經營租賃安排。

### 36. FUTURE OPERATING LEASE ARRANGEMENTS

As at 31st December, 2007, the Group had future aggregate minimum lease receipts under non-cancellable operating leases as follows:

#### Group

The Group leased its investment properties (note 18) under operating lease arrangements which run for an initial period of one to two years. The terms of the leases generally also require the tenants to pay security deposits. None of these leases includes contingent rentals. As at 31st December, 2007, the Group had no future operating lease arrangement upon the disposal of Honnex.

2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
-----------------------------	-----------------------------

#### Investment properties

##### 投資物業

Amount receivable

應收款額

- Within one year

- 一年內

- 65,554,831

- In the second to fifth years

- 第二至第五年

- 39,864,243

- 105,419,074

#### 本公司

本公司並無根據不可撤銷營運租賃收取之任何最低租賃收入。

#### Company

The Company does not have any minimum lease receipts under non-cancellable operating leases.



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 37. 財務擔保合約

於二零零七年十二月三十一日，本公司向財務機構作出擔保，以供一間全資附屬公司獲提供金額不超過20,000,000美元（二零零六：15,000,000美元）之借款融資。於二零零七年十二月三十一日沒有未償還債務（二零零六年：約819,000歐羅）。

於二零零六年十二月三十一日，本公司已簽訂金額約714,000,000港元之擔保，作為就附屬公司，康恩，到期償還之尚未償還債務而向銀行提供之抵押。二零零七年十二月三十一日完成出售康恩時，擔保即予解除。

根據有關擔保，倘擔保有人未能收回貸款，則本公司有責任向彼等支付有關貸款。於二零零六年十二月三十一日，本公司並無就擔保合約項下之責任作出撥備，皆因董事認為無法償還貸款之可能性不大，而有關貸款以於二零零六年十二月三十一日之價值分別為1,340,000,000港元及11,000,000港元之物業及定期存款作為抵押。

## 38. 與有關連人士之交易

除於財務報表其他部份所披露者外，本集團於本年度內已進行下列重大關連人士交易：

(a)

Yu Ming Investment Management Limited ("YMIM")  
禹銘投資管理有限公司(禹銘投資管理)  
Management fee expense  
管理費  
Performance fee expense  
履約費

## 37. FINANCIAL GUARANTEE CONTRACTS

As at 31st December, 2007, the Company has executed a guarantee to a financial institution to secure the borrowing facilities available to a wholly-owned subsidiary in the amount not exceeding US\$20 million (2006: US\$15 million). As at 31st December, 2007, there was no outstanding indebtedness (2006: approximately Euro 819,000).

As at 31st December, 2006, the Company has executed a guarantee to a bank to secure the outstanding indebtedness due by a disposed subsidiary, Honnex, amounting to approximately HK\$714 million. Upon the completion of disposal of Honnex on 31st December, 2007, the guarantee was released.

Under the guarantees, the Company would be liable to pay the holders of these guarantees if they are unable to recover the loan. At 31st December, 2006, no provision for the Company's obligation under the guarantee contract has been made as the directors considered that it was not probable that the loan would be in default and they were secured by the properties and fixed deposits with values of HK\$1,340 million and HK\$11 million, respectively at 31st December, 2006.

## 38. RELATED PARTY TRANSACTIONS

Saved as those disclosed elsewhere in these financial statements, the Group had the following significant related party transactions during the year:

(a)

2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
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13,343,473	13,306,316
12,207,829	-

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 38. 與有關連人士之交易 (續)

- (a) 根據本公司與禹銘投資管理有限公司(其中馮永祥先生、馮耀輝先生及李華倫先生乃禹銘投資管理之董事及本公司之董事)於一九九七年三月五日訂立並經股東於一九九七年三月二十七日批准之管理協議(「現行投資管理協議」)，禹銘投資管理同意由一九九七年三月二十七日起計五年內協助董事會處理本集團之日常工作。禹銘投資管理有權收取投資管理費用，金額相等於每季最後一日之資產淨值之0.375%，以及獎金費用(如有)，金額相等於各財政年度完結後之經審核之除稅前綜合溢利(未計獎金費用前)減去本集團於該年度之每月平均資產淨值6%後之超出數額之20%。而計算投資管理費用及獎金費用時，本公司之聯營公司將不會按權益會計法計算入每季及每月平均資產淨值及綜合除稅前溢利。

在二零零二年三月四日，獨立股東批准一份補充協議(「補充協議」)延長現行管理協議之到期日，直至二零零七年三月三十一日。補充協議中，管理費用維持不變。在補充協議中的有效期限內，如本集團錄得累計虧損時，禹銘投資管理將不收取獎金費用。因而，該項獎金費用金額為截至每年度十二月三十一日止經審核之除稅前綜合溢利(未計獎金費用前)，扣除補充協議中的有效期限內之累計虧損後，如有溢利，再減本集團每月平均綜合資產淨值6%後超出數額之20%。而計算投資管理費用及獎金費用時，本公司之聯營公司及一間共同控權合資公司將不會按權益會計法計算入每季及每月平均資產淨值及綜合除稅前溢利。於二零零六年及二零零七年十二月三十一日，禹銘投資管理並無收費獎金費用。

### 38. RELATED PARTY TRANSACTIONS (continued)

- (a) Under the investment management agreement ("Existing Investment Management Agreement") approved by shareholders on 27th March, 1997 and dated 5th March, 1997 between the Company and YMIM, of which Mr. Fung Wing Cheung, Tony, Mr. Fung Yiu Fai, Peter and Mr. Lee Wa Lun, Warren were the directors of YMIM and the Directors of the Company, YMIM agreed to assist the Board of Directors with the day-to-day management of the Group for a period of five years commencing on 27th March, 1997. YMIM was entitled to a management fee equal to 0.375% of the net asset value on each quarter date and an incentive fee equal to 20% of such amount (if any) by which the audited consolidated profit before tax for each financial year completed (before adjusting for the incentive fee) exceeds such amount as is equal to 6% of average monthly net asset value of the Group for each such financial year. For the calculation of management fee and incentive fee, the associated companies of the Group were not equity accounted for the purpose of calculating such quarterly and average monthly net asset value and consolidated profit before tax.

On 4th March, 2002, a supplemental agreement ("Supplemental Agreement") was approved by independent shareholders to extend the expiry date of the Existing Investment Management Agreement to 31st March, 2007. Under the Supplemental Agreement, the management fee remained unchanged. Pursuant to the Supplemental Agreement, YMIM would not be entitled to the incentive fee if the Group reported an accumulated loss during the term of the Supplemental Agreement at the time of the incentive fee computation. Therefore, the incentive fee was equivalent to 20% of the amount by which the audited consolidated profit before tax for each year ending 31st December (before adjusting for the incentive fee), and after offsetting the accumulated losses during the term of the Supplemental Agreement, if any, exceeded 6% of the average monthly net asset value of the Group for such financial year. For the calculation of management fee and incentive fee, the associated companies and a jointly controlled entity of the Group would not be equity accounted for the purpose of calculating such quarterly and average monthly net asset value and consolidated profit before tax. For the years ended 31st December, 2006 and 2007, no incentive fee was charged by YMIM.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 38. 與有關連人士之交易 (續)

- (a) 截至二零零七年六月三十日止後，本公司與禹銘投資管理磋商訂立新投資管理協議(「新投資管理協議」)之際，又與禹銘投資管理於二零零七年三月三十一日及二零零七年六月二十二日訂立了中期協議(「中期協議」)，內容有關委任禹銘投資管理為本公司投資經理，有效期為補充協議失效後，由二零零七年四月一日至二零零七年八月四日。中期協議之條款與現有投資管理協議及補充協議所載者大致相同，惟獎金費用不再會於中期期間內支付予禹銘投資管理。

二零零七年六月二十二日，新投資管理協議由本公司與禹銘投資管理訂立，於二零零七年八月三日獲本公司股東批准。根據新投資管理協議，禹銘投資管理同意協助本公司董事會處理本集團之日常管理及事務，有效期為(i)二零零七年十月一日；或(ii)緊隨新投資管理協議獲本公司股東批准之日(以較早者為準)至二零零九年十二月三十一日。禹銘投資管理可享有相等於可歸屬本公司股權持有人之綜合資產淨值1.5%之年管理費(乃參考每季內各曆月最後一日之可歸屬本公司股權持有人之綜合資產淨值之平均數計算及於每季期末時支付)；及相等於截至十二月三十一日止各年可歸屬本公司股權持有人之經審核綜合資產淨值超出以下數額之20%之履約費用：(i)本集團於禹銘投資管理享有履約費用之最後財政年度年結日可歸屬本公司股權持有人之經審核綜合資產淨值(如於管理期間內已支付獎金費用)；或(ii)本集團於新投資管理協議生效日期之可歸屬本公司股權持有人之綜合資產淨值(如於管理期間內無支付履約費用)。

二零零七年八月二十四日，禹銘投資管理成為本公司主要股東之聯合集團有限公司(「聯合集團」)之間接全資附屬公司。於二零零七年十二月三十一日，(i)聯合集團持有27%本公司股份權益；(ii)李成輝先生、勞景祐先生及狄亞法先生為本公司及聯合集團之共有董事；(iii)馮永祥先生及李華倫為本公司與禹銘投資管理之共有董事。

## 38. RELATED PARTY TRANSACTIONS (continued)

- (a) Subsequent to the interim period ended 30th June, 2007, while the Company was negotiating a new investment management agreement ("New Investment Agreement") with YMIM, the Company entered into interim period agreements ("Interim Period Agreements") with YMIM on 31st March, 2007 and 22nd June, 2007 relating to the appointment of YMIM as the Company's investment manager for an interim period commencing on the expiry of the Supplemental Agreement, effectively from 1st April, 2007 to 4th August, 2007. The terms of the Interim Period Agreements are substantially the same as those contained in the Existing Investment Management Agreement and Supplemental Agreement, except that the incentive fee shall no longer be payable to YMIM during the interim period.

On 22nd June, 2007, the New Investment Management Agreement was entered into by the Company and YMIM, which was approved by the shareholders of the Company on 3rd August, 2007. Under the New Investment Management Agreement, YMIM agreed to assist the Board of Directors of the Company with the day-to-day management of the Group from (i) earlier of 1st October, 2007; or (ii) the date immediately following the day on which the New Investment Management Agreement was approved by the shareholders to 31st December, 2009. YMIM entitles to a management fee equal to 1.5% per annum of the consolidated net asset value of the Group attributable to the equity holders of the Company, calculated and payable in arrears on a quarterly basis by reference to the arithmetical average of the consolidated net asset value of the Group attributable to the equity holders of the Company on the last day of each calendar month during each quarter; and a performance fee equal to 20% of the amount by which the audited consolidated net asset value of the Group attributable to the equity holders of the Company of each year ending 31st December, exceeds (i) if a performance fee has been paid during the management period, the audited consolidated net asset value of the Group attributable to the equity holders of the Company as at the end of the latest financial year in which YMIM was entitled to a performance fee; or (ii) if no performance fee has been paid during the management period, the consolidated net asset value of the Group attributable to the equity holders of the Company on effective date of the New Investment Management Agreement.

On 24th August, 2007, YMIM became an indirectly wholly-owned subsidiary of Allied Group Limited ("AGL"), a substantial shareholder of the Company. As at 31st December, 2007, (i) AGL held 27% interests in the share of the Company; (ii) Mr. Lee Seng Hui, Mr. Lo King Yau, Edwin and Mr. Arthur George Dew were common directors of the Company and AGL; and (iii) Mr. Fung Wing Cheung, Tony and Mr. Lee Wa Lun, Warren were common directors of the Company and YMIM.

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### 38. 與有關連人士之交易 (續)

- (b) 此外，本集團佔用禹銘投資管理之辦公室空間，並按照現行管理協議補償禹銘投資管理之辦公室及設備開支之40%。該等補償禹銘投資管理開支之金額為706,685港元（二零零六年：896,144港元）。本集團徵用由禹銘投資管理僱用之若干名職員，並分別補償禹銘投資管理於二零零七年之職員成本為398,170港元（二零零六年：466,966港元）。該等補償費用乃計入綜合損益賬之「行政及其他經營開支」。
- (c) 本集團已向禹銘投資管理支付行政費用為零（二零零六年：180,000港元）及需支付顧問費用990,000港元（二零零六年：零）。
- (d) 於二零零七年十二月三十一日，本集團擁有下列信託單位權益：

### 38. RELATED PARTY TRANSACTIONS (continued)

- (b) The Group occupies office space of YMIM and reimburses to YMIM 40% of its office and equipment expenses in accordance with the Investment Management Agreement. Such expenses reimbursed to YMIM during the year ended 31st December, 2007 amounted to HK\$706,685 (2006: HK\$896,144). The Group utilised certain staff employed by YMIM and reimbursed staff costs of HK\$398,170 to YMIM for the year ended 31st December, 2007 (2006: HK\$466,966). Such reimbursed costs are included in "Administrative and other operating expenses" on the face of the consolidated income statement.
- (c) The Group has been charged nil administrative fee (2006: HK\$180,000) and advisory fee of HK\$990,000 (2006: Nil) by YMIM.
- (d) As at 31st December, 2007, the Group had the following interests in units of the following trusts:

	2007 二零零七年		2006 二零零六年	
	Units 股數	HK\$ 港元	Units 股數	HK\$ 港元
MYM China Trust	-	-	136.0970	45,424,856
MYM High Yield Bond Trust	-	-	101.4612	28,615,821

兩項信託均由MYM Management Limited（「MYMML」）管理，其中馮永祥先生為MYMML之董事，及為本公司之董事及股東。

Both trusts are managed by MYM Management Limited ("MYMML") of which Mr. Fung Wing Cheung, Tony is the director of MYMML and the Director and shareholder of the Company.

- (e) 於二零零六年十二月三十一日作為授予本集團之銀行貸款之部份抵押品，馮耀輝先生，本公司之董事已向銀行提供個人擔保。
- (f) 截至二零零六年十二月三十一日，馮永祥先生已向本公司一間附屬公司康恩發展有限公司（「康恩」）提供墊款8,460,163港元，其中馮永祥先生為康恩及本公司之董事及股東。給康恩之貸款為無抵押、免息及無固定還款期。

- (e) As at 31st December, 2006, as part of security for the bank borrowings granted to the Group, a personal guarantee from Mr. Fung Yiu Fai, Peter, a Director of the Company, is provided to the bank.
- (f) As at 31st December, 2006, HK\$8,460,163 was advanced by Mr. Fung Wing Cheung, Tony to Honnex Development Limited ("Honnex"), a subsidiary of the Company, of which Mr. Fung Wing Cheung, Tony is the director and shareholder of both Honnex and the Company. The loan to Honnex is unsecured, interest free and has no fixed repayment terms.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 38. 與有關連人士之交易 (續)

- (g) 截至二零零七年十二月三十一日止年度內，本集團之少數股東Marking Limited收取顧問費用480,000港元(二零零六年：480,000港元)。余國銓先生為Marking Limited之股東。
- (h) 二零零七年七月三日，本公司一附屬公司與本公司董事馮永祥先生及馮耀輝先生擁有一間公司訂立有條件買賣協議出售康恩61.22%股本權益，代價為現金372,000,000港元。二零零七年八月九日，獨立股東批准此項交易。交易已於二零零七年十二月三十一日完成，代價亦已全數收訖。
- (i) 截至二零零七年十二月三十一日止年度內，本公司主要股東聯合集團有限公司之附屬公司新鴻基投資服務有限公司就所訂立之證券交易收取佣金費用915,891港元。
- (j) 根據二零零七年七月二十五日之股份配售協議，新鴻基投資服務有限公司(為本公司當時其中一個主要股東—新鴻基有限公司(「新鴻基」)之附屬公司)為本公司提供股份配售服務及收取配售費約7,800,000港元，作為按每股0.66港元配售338,000,000股本公司股份予獨立投資者之服務費。
- (k) 於二零零七年十一月十六日，本公司的一間附屬公司向聯合集團(本公司主要股東之一)的一間附屬公司—新鴻基購入60,000份J. Bridge所發行的認股權證，作價為299,999,000日元(約21,000,000港元)。

## 38. RELATED PARTY TRANSACTIONS (continued)

- (g) During the year ended 31st December, 2007, consultancy fee of HK\$480,000 (2006: HK\$480,000) were charged by Marking Limited, a minority shareholder of the Group. Mr. Yu Kwok Chuen, Eddie is a shareholder of Marking Limited.
- (h) On 3rd July, 2007, a subsidiary of the Company entered into a conditional sale and purchase agreement with a company ("Purchaser") owned by Mr. Fung Wing Cheung, Tony and Mr. Fung Yiu Fai, Peter, who are the Directors of the Company, to sell 61.22% equity interests of Honnex at a consideration of HK\$372 million in cash. On 9th August, 2007, independent shareholders approved this transaction. The transaction completed on 31st December, 2007 and the consideration was fully received.
- (i) During the year ended 31st December, 2007, commission expenses of HK\$ 915,891 were charged by Sun Hung Kai Investments Services Limited, a subsidiary of Allied Group Limited, a substantial shareholder of the Company, for securities transactions entered into.
- (j) Under the placing agreement dated 25th July, 2007, Sun Hung Kai Investment Services Limited, a subsidiary of Sun Hung Kai & Co Limited ("SHK"), a then substantial shareholder of the Company, provided placing services to the Company and received a placing fee of approximately HK\$7.8 million for placing 338,000,000 shares of the Company to independent investors at a price of HK\$0.66 per share.
- (k) On 16th November, 2007, a subsidiary of the Company purchased from SHK, a subsidiary of AGL which is a substantial shareholder of the Company, 60,000 warrants issued by J. Bridge at a consideration of JPY299,999,000 (equivalent to approximately HK\$21 million).

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 39. 綜合現金流量表附註

### 39. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

#### 39.1 出售附屬公司康恩一已終止經營業務

#### 39.1 Disposal of a subsidiary, Honnex – Discontinued operation

	2007 二零零七年 HK\$ 港元
Net assets disposed of: 出售之資產淨值：	
Investment properties 投資物業	1,347,244,640
Trade receivables 經營應收款	1,093,350
Other receivables and deposits paid 已付其他應收款及按金	656,813
Cash and cash equivalents 現金及現金等價物	3,438,237
Other payables, accrued expenses and deposits received 已收其他應付款、應計開支及按金	(22,701,883)
Taxation payable 應付稅款	(29,208,528)
Bank borrowings 銀行借貸	(697,000,000)
Deferred tax liabilities 遞延稅項負債	(69,911,196)
Loan from minority interest 少數股東權益貸款	(32,144,971)
Minority interests 少數股東權益	(166,328,375)
	335,138,087
Gain on disposal of a subsidiary (Note 12) 出售一間附屬公司之收益(附註12)	36,489,913
Net consideration 代價淨額	371,628,000
Satisfied by cash 以現金支付	
Consideration 代價	372,000,000
Direct cost of disposal 直接出售成本	(372,000)
Net consideration 代價淨額	371,628,000

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 39. 綜合現金流量表附註(續)

39.1 出售一間附屬公司康恩 — 已終止經營業務  
(續)

出售一間附屬公司之現金及現金等價物淨  
流入分析如下：

39. NOTES TO THE CONSOLIDATED CASH FLOW  
STATEMENT (continued)39.1 Disposal of a subsidiary, Honnex – Discontinued  
operation (continued)

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

**2007**  
二零零七年  
**HK\$**  
港元

Net consideration 代價淨額	<b>371,628,000</b>
Cash and bank balances disposed 出售之現金及現金等價物結餘	<b>(3,438,237)</b>
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary 出售一間附屬公司之現金及現金等價物淨流入	<b>368,189,763</b>

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 39. 綜合現金流量表附註(續)

### 39. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

#### 39.2 出售一間附屬公司IEC及一間共同控權合資公司亞洲國際博覽館

#### 39.2 Disposal of a subsidiary, IEC, and a jointly controlled entity, AWE

2007  
 二零零七年  
 HK\$  
 港元

#### Net assets disposed of:

#### 出售之資產淨值：

Interests in a jointly controlled entity

於共同控權合資公司權益

2,613,024

Available-for-sale financial assets

可供出售財務資產

352,941,176

Other receivables and deposits paid

已付其他應收款及按金

65,421,358

Loan to minority interest

對少數股東權益貸款

25,600,000

Cash and cash equivalents

現金及現金等價物

20,911,615

Other payables, accrued expenses and deposits received

已收其他應付款、應計開支及按金

(3,638,653)

Bank borrowings

銀行借貸

(167,300,861)

Loan from minority interest

少數股東權益貸款

(88,063,992)

Minority interests

少數股東權益

(44,869,862)

163,613,805

Gain on disposal of a subsidiary and a jointly controlled entity

出售一間附屬公司及一間共同控權合資公司之收益

16,206,190

Net consideration

代價淨額

179,819,995

Satisfied by cash

以現金支付

Consideration

代價

180,000,000

Direct cost of disposal

直接出售成本

(180,005)

Net consideration

代價淨額

179,819,995



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 39. 綜合現金流量表附註(續)

## 39.2 出售一間附屬公司IEC及一間共同控權合資公司亞洲國際博覽館(續)

出售一間附屬公司及一間共同控權合資公司之現金及現金等價物淨流入分析如下：

## 39. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

## 39.2 Disposal of a subsidiary, IEC, and a jointly controlled entity, AWE (continued)

An analysis of net inflow of cash and cash equivalents in respect of the disposal of a subsidiary and a jointly controlled entity is as follows:

	2007 二零零七年 HK\$ 港元
Net consideration 代價淨額	179,819,995
Cash and bank balances disposed 出售之現金及現金等價物結餘	(20,911,615)
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary and a jointly controlled entity 出售一附屬公司及共同控權合資公司之現金及現金等價物淨流入	158,908,380

## 40. 風險管理目的及政策

本集團從其經營及投資活動中通過其使用之金融工具面對各種財務風險，特別是貨幣風險、利率風險及若干其他價格風險率風險。本集團之總部位與董事會合作，統籌風險管理工作，並透過盡量減低於金融市場之風險，致力確保本集團之中短期現金流量。長期財務投資加以管控以創造長久回報。

本集團面對的主要財務風險如下。本集團分類列示之財務資產及負債概要載於附註40.7。

## 40.1 外幣風險

本集團絕大部分交易以港元進行。貨幣匯率風險來自本集團之投資，而該等投資主要以日圓、馬來西亞林吉特、新台幣、美元及英鎊計值。

## 40. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to market risks through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities. The Group's risk management is coordinated at its headquarters, in close co-operation with the Board of Directors, and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets. Long term financial investments are managed to generate lasting returns.

The most significant financial risks to which the Group is exposed are described below. A summary of the Group's financial assets and liabilities by category is shown in Note 40.7.

## 40.1 Foreign currency risk

Most of the Group's transactions are carried out in HKD. Exposures to currency exchange rates arise from the Group's investments, which are primarily denominated in Japanese Yen, Malaysian Ringgit, New Taiwan Dollars, US-Dollars and UK-Pounds.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 40. 風險管理目的及政策 (續)

## 40.1 外幣風險 (續)

以外幣計值之財務資產與負債按收盤率換算為港元如下：

	2007 二零零七年 HK\$'000 千港元					
	JP¥ 日圓	MYR 馬來西亞 林吉特	NT\$ 新台幣	US\$ 美元	AUS\$ 澳元	Others 其他
Financial assets 財務資產	49,514	64,243	27,079	-	5,647	-
Financial liabilities 財務負債	-	-	-	(3,900)	-	-
Short-term exposure 短期風險	49,514	64,243	27,079	(3,900)	5,647	-
Financial assets 財務資產	-	-	-	15,617	-	593
Financial liabilities 財務負債	-	-	-	-	-	-
Long-term exposure 長期風險	-	-	-	15,617	-	593

	2006 二零零六年 HK\$'000 千港元					
	JP¥ 日圓	MYR 馬來西亞 林吉特	NT\$ 新台幣	US\$ 美元	AUS\$ 澳元	Others 其他
Financial assets 財務資產	-	-	-	17,745	-	-
Financial liabilities 財務負債	-	-	-	-	-	-
Short-term exposure 短期風險	-	-	-	17,745	-	-
Financial assets 財務資產	-	-	-	78,456	-	4,249
Financial liabilities 財務負債	-	-	-	-	-	-
Long-term exposure 長期風險	-	-	-	78,456	-	4,249

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 40. 風險管理目的及政策 (續)

## 40.1 外幣風險 (續)

下表列出因應於結算日本集團有重大風險之有關日圓、馬來西亞林吉特及新台幣之外匯匯率合理可能變動，本集團稅後溢利(及保留盈利)及綜合權益其他成分之概約變動。

	Increase/ (decrease) in foreign exchange rates 外匯匯率 增加/(減少)	2007	Effect on other components of equity 對權益 其他成分 之影響 HK\$'000 千港元	Increase/ (decrease) in foreign exchange rates 外匯匯率 增加/(減少)	2006	Effect on other components of equity 對權益 其他成分 之影響 HK\$'000 千港元
		Effect on profit after tax and retained earnings 對稅後 溢利及保留 盈利之影響 HK\$'000 千港元			Effect on profit after tax and retained earnings 對稅後 溢利及保留 盈利之影響 HK\$'000 千港元	
JP¥						
日圓	10%	4,085	-	10%	N/A 不適用	N/A 不適用
JP¥						
日圓	10%	(4,085)	-	10%	N/A 不適用	N/A 不適用
MYR						
馬來西亞林吉特	4%	2,120	-	4%	N/A 不適用	N/A 不適用
MYR						
馬來西亞林吉特	(4%)	(2,120)	-	(4%)	N/A 不適用	N/A 不適用
NT\$						
新台幣	3.5%	782	-	3.5%	N/A 不適用	N/A 不適用
NT\$						
新台幣	(3.5%)	(782)	-	(3.5%)	N/A 不適用	N/A 不適用

在釐定敏感度分析時乃假設外幣匯率變動已於結算日產生，並已應用於各個本集團實體須承受在該日已存在之衍生及非衍生金融工具之貨幣風險，而一切其他變數(尤其是利率)維持不變。

40. RISK MANAGEMENT OBJECTIVES AND POLICIES  
(continued)

## 40.1 Foreign currency risk (continued)

The following table indicates the approximate change in the Group's profit after tax (and retained earnings) and other components of consolidated equity in response to reasonably possible changes in the foreign exchange rates, Japanese Yen, Malaysian Ringgit and New Taiwan Dollars, to which the Group has significant exposure at the balance sheet date.

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the balance date and had been applied to each of the Group's entities' exposure to currency risk for the non-derivative financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 40. 風險管理目的及政策 (續)

#### 40.1 外幣風險 (續)

所述變動指管理層對外幣匯率變動在直至下一年度結算日為止期間之合理可能變動評估。上表所呈列之分析結果指本集團各個實體以個別功能貨幣連當時之估計費用計量(為呈報目的,已按結算日之匯率兌換為港元)之除稅後溢利與權益之合併影響。

#### 40.2 利率風險

本集團通過其銀行現金及按浮動利率計息之借貸面對市場利率(視乎可變利率而定)變動風險。於二零零六年十二月三十一日,本集團有按可變利率計算之重大計息借貸。

下表列出因應於結算日本集團有重大風險之利率合理可能變動,本集團稅後溢利(保留盈利)之概約變動。

### 40. RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### 40.1 Foreign currency risk (continued)

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual balance sheet date. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the Group entities' profit after tax and equity measured in the respective functional currencies, with the estimated changes then translated into Hong Kong dollars at the exchange rate ruling at the balance sheet date for presentation purposes.

#### 40.2 Interest rate risk

The Group is exposed to changes in market interest rates through its cash at banks and borrowings at floating interest rate, which are subject to variable interest rates. At 31st December, 2006, the Group had significant interest-bearing borrowings issued at variable rates.

The following table indicates the approximate change in the Group's profit after tax (and retained earnings) in response to reasonably possible changes in the interest rate, to which the Group has significant exposure at the balance sheet date.

	2007 二零零七年		2006 二零零六年	
	Increase/ (decrease) in interest rates 利率 增加/(減少)	Effect on profit after tax and retained earnings 對稅後 溢利及保留 盈利之影響 HK\$'000 千港元	Increase/ (decrease) in interest rates 利率 增加/(減少)	Effect on profit after tax and retained earnings 對稅後 溢利及保留 盈利之影響 HK\$'000 千港元
Cash at banks 銀行現金	1%	5,060	1%	1,534
Cash at banks 銀行現金	(1%)	(5,060)	(1%)	(1,534)
Borrowings 借貸	1%	-	1%	7,641
Borrowings 借貸	(1%)	-	(1%)	(7,641)

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For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 40. 風險管理目的及政策 (續)

## 40.2 利率風險 (續)

於二零零七年十二月三十一日，估計在所有其他變數保持不變下，利率整體上升／下跌1%。

在釐定敏感度分析時乃假設利率變動已於結算日產生，並已應用於該日已存在之衍生及非衍生金融工具之利率風險。利率整體上升／下跌1%指管理層對利率變動在直至下一年度結算日為止期間之合理可能變動評估。該項分析按與二零零六年相同之基準進行。

## 40.3 股價風險

本集團面對列作買賣證券及可供出售財務資產之股本投資產生之股價變動風險。除策略性持有之非掛牌證券外，所有該等投資均為上市。

本集團之上市投資之主要上市地為香港、吉隆坡、東京、台灣及澳洲。持作可供出售組合之上市投資乃基於其長期增長潛力選購並定期監察其相對預期之表現。投資組合按照本集團設定限額在行業分佈上作分散投資。

下表列出因應於結算日本集團有重大風險之相關股票市價合理可能變動，而引致本集團稅後溢利（及保留盈利）及綜合權益其他成分之概約變動。

40. RISK MANAGEMENT OBJECTIVES AND POLICIES  
(continued)

## 40.2 Interest rate risk (continued)

At 31st December, 2007, it is estimated that a general increase/decrease of 1% in interest rates, with all other variables held constant.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for both derivative and non-derivative financial instruments in existence at that date. The 1% increase/decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual balance sheet date. The analysis is performed on the same basis for 2006.

## 40.3 Equity price risk

The Group is exposed to equity price changes arising from equity investments classified as trading securities and available-for-sale financial assets. Other than unquoted securities held for strategic purposes, all of these investments are listed.

The Group's listed investments are primarily listed on the stock exchanges of Hong Kong, Kuala Lumpur, Tokyo, Taiwan and Australia. Listed investments held in the available-for-sale portfolio have been chosen based on their long term growth potential and are monitored regularly for performance against expectations. The portfolio is diversified in terms of industry distribution, in accordance with the limits set by the Group.

The following table indicates the approximate change in the Group's profit after tax (and retained earnings) and other components of the consolidated equity in response to the reasonably possible changes in the relevant stock market prices, to which the Group has significant exposure at the balance sheet date.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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## 40. 風險管理目的及政策 (續)

40. RISK MANAGEMENT OBJECTIVES AND POLICIES  
(continued)

## 40.3 股價風險 (續)

## 40.3 Equity price risk (continued)

## 上市證券

## Listed securities

因應上市證券市價之合理可能變動，本集團於上市證券(不包衍生工具)之投資有以下風險：

In response to the reasonably possible change in the market price of the listed securities, the Group's investment in listed securities excluding derivatives has the following exposures:

	Increase/ (decrease) in securities market price 證券市價 增加/(減少)	2007 二零零七年 Effect on profit after tax and retained earnings 對稅後 溢利及保留 盈利之影響 HK\$'000 千港元	Effect on other components of equity 對權益 其他成分 之影響 HK\$'000 千港元	Increase/ (decrease) in securities market price 證券市價 增加/(減少)	2006 二零零六年 Effect on profit after tax and retained earnings 對稅後 溢利及保留 盈利之影響 HK\$'000 千港元	Effect on other components of equity 對權益 其他成分 之影響 HK\$'000 千港元
Hong Kong market 香港市場	10%	10,711	3,849	10%	-	2,857
Hong Kong market 香港市場	(10%)	(10,711)	(3,849)	(10%)	-	(2,857)
Taiwan market 台灣市場	10%	2,234	-	10%	N/A 不適用	N/A 不適用
Taiwan market 台灣市場	(10%)	(2,234)	-	(10%)	N/A 不適用	N/A 不適用
Japan market 日本市場	10%	570	-	10%	N/A 不適用	N/A 不適用
Japan market 日本市場	(10%)	(570)	-	(10%)	N/A 不適用	N/A 不適用
Australia market 澳洲市場	10%	465	-	10%	N/A 不適用	N/A 不適用
Australia market 澳洲市場	(10%)	(465)	-	(10%)	N/A 不適用	N/A 不適用
Malaysia market 馬來西亞市場	10%	5,300	-	10%	N/A 不適用	N/A 不適用
Malaysia market 馬來西亞市場	(10%)	(5,300)	-	(10%)	N/A 不適用	N/A 不適用
US market 美國市場	10%	322	-	10%	1,409	7,911
US market 美國市場	(10%)	(322)	-	(10%)	(1,409)	(7,911)

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## 40. 風險管理目的及政策 (續)

## 40.3 股價風險 (續)

## 非上市認股權證

因應J.Bridge股份市價之合理可能變動，本集團於非上市認股權證之投資有以下風險：

Increase/ (decrease) in underlying share's price	2007 二零零七年 Effect on profit after tax and retained earnings (Note) (附註) 對稅後 溢利及保留 盈利之影響 HK\$'000 千港元
相關股價 增加/(減少)	

10% (10%)	13,820 (13,820)
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## 股票遠期合約

因應相關股份市價之合理可能變動，本集團於股票遠期合約之投資有以下風險：

Increase/ (decrease) in underlying shares' prices	2007 二零零七年 Effect on profit after tax and retained earnings (Note) (附註) 對稅後 溢利及保留 盈利之影響 HK\$'000 千港元
相關股價 增加/(減少)	

10% (10%)	16,303 (24,163)
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40. RISK MANAGEMENT OBJECTIVES AND POLICIES  
(continued)

## 40.3 Equity price risk (continued)

## Unlisted warrants

In response to the reasonably possible change in the market price of the J. Bridge shares, the Group's investment in unlisted warrants has the following exposures:

Effect on other components of equity	Increase/ (decrease) in underlying share's price	2006 二零零六年 Effect on profit after tax and retained earnings	Effect on other components of equity
對權益 其他成分 之影響 HK\$'000 千港元	行使價 增加/(減少)	對稅後 溢利及保留 盈利之影響 HK\$'000 千港元	對權益 其他成分 之影響 HK\$'000 千港元

-	10% (10%)	N/A不適用 N/A不適用	N/A不適用 N/A不適用
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## Equity forward contracts

In response to the reasonably possible change in the market price of the underlying shares, the Group's investment in equity forward contracts has the following exposures:

Effect on other components of equity	Increase/ (decrease) in underlying shares' prices	2006 二零零六年 Effect on profit after tax and retained earnings	Effect on other components of equity
對權益 其他成分 之影響 HK\$'000 千港元	相關股價 增加/(減少)	對稅後 溢利及保留 盈利之影響 HK\$'000 千港元	對權益 其他成分 之影響 HK\$'000 千港元

-	10% (10%)	N/A不適用 N/A不適用	N/A不適用 N/A不適用
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## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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### 40. 風險管理目的及政策 (續)

#### 40.3 股價風險 (續)

##### 股票遠期合約 (續)

在釐定敏感度分析時乃假設股票市價或其他相關風險變數已於結算日產生，並已應用於該日已存在之股價風險。此變動指管理層對相關股市指數或相關風險變數在直至下一年度結算日為止期間之合理可能變動評估。

因應截止二零零七年十二月三十一日止年度後股市動盪，本集團於股票遠期合約之投資有以下風險：

### 40. RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### 40.3 Equity price risk (continued)

##### Equity forward contracts (continued)

The sensitivity analysis has been determined assuming that the reasonably possible changes in the stock market price or other relevant risk variables had occurred at the balance sheet date and had been applied to the exposure to equity price risk in existence at that date. The stated changes represent management's assessment of reasonably possible changes in the relevant stock market index or the relevant risk variables over the period until the next annual balance sheet date.

In response to the volatile stock market subsequent to the year end date of 31st December, 2007, the Group's investment in equity forward contracts has the following exposures:

	2007 二零零七年			2006 二零零六年	
Increase/ (decrease) in underlying shares' prices	Effect on profit after tax and retained earnings (Note) (附註)	Effect on other components of equity	Increase/ (decrease) in underlying shares' prices	Effect on profit after tax and retained earnings	Effect on other components of equity
相關股價 增加/(減少)	對稅後 溢利及保留 盈利之影響 HK\$'000 千港元	對權益 其他成分 之影響 HK\$'000 千港元	相關股價 增加/(減少)	對稅後 溢利及保留 盈利之影響 HK\$'000 千港元	對權益 其他成分 之影響 HK\$'000 千港元
30% (30%)	33,186* (98,305)	-	30% (30%)	N/A不適用 N/A不適用	N/A不適用 N/A不適用
20% (20%)	28,453* (65,536)	-	20% (20%)	N/A不適用 N/A不適用	N/A不適用 N/A不適用

\* 相關股價上升30%及20%時，部分會觸發出場價而有關合約會被終止。此分析僅顯示截至出場價之影響。

\* When the underlying shares' prices increased by 30% and 20%, some of them triggers the knock-out prices and the contracts will be terminated. This analysis only shows the effect up to the knock-out prices.

附註：因相關股價變動而產生之財務效應代表假若所有股本證券均於二零零七年十二月三十一日獲得時，所有股票遠期合約及認股權證合約中相關股本證券之公平值之理論變動。該等備考資料僅供說明，並不一定可反映該等股本證券之公平值變動及於結算日完成購入該等股本證券情況下，本集團經營業績；亦不應作為未來業績之預測。

Note: The financial effect resulting from changes in underlying shares' prices represented the theoretical change in fair value of all underlying equity securities under the outstanding equity forward contracts and the warrant contract as if all these equity securities were acquired as at 31 December 2007. These pro forma information is for illustrative purposes only and is not necessarily an indication of the fair value change in these equity securities and results of operation of the Group that actually would have been achieved had the acquisition of these equity securities been completed at the balance sheet date, nor is it intended to be a projection of future result.



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 40. 風險管理目的及政策 (續)

## 40.4 信貸風險

本集團之信貸風險度限於截至結算日確認之財務資產之賬面值，概括於附註40.7。

本集團會持續監察客戶及其他交易所手方之欠賬情況，由專人或以小組形式查找，並將此資料納入信貸風險控制。如費用合理，更會取得並使用外部信貸評級及／或有關客戶及其他交易對手方之報告。本集團之政策為僅與信譽好之客戶交往。

本集團管理層認為，所有上述財務資產而於各報告日期無耗蝕者，均具良好信貸質素。

本集團財務資產概無以抵押品或其他信用加強物作為抵押。

就經營及其他應收款，本集團並不面對類似特徵之任何單一交易對手方或任何組別交易對手方面對之任何重大信貸風險。流動資金及其他短期財務資產之信貸風險被視為微不足道，因交易對手方均為具高質信貸評級之有聲譽銀行。

## 40.5 流動資金風險

本集團主要透過謹慎控制長期財務負債的還款期及日常業務現金流出，以管理其現金流動資金需要。本集團按日監察其流動資金需求，另每月釐定為期三百六十天的長期流動資金需要。

## 40. RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

## 40.4 Credit risk

The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date, as summarised in note 40.7.

The Group continuously monitors defaults of customers and other counterparties, identifies either individually or by group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that all the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality.

None of the Group's financial assets are secured by collateral or other credit enhancements.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality credit ratings.

## 40.5 Liquidity risk

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business. Liquidity needs are monitored on a day-to-day basis. Long-term liquidity needs for 360-day lookout period are identified monthly.

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

### 40. 風險管理目的及政策 (續)

#### 40.5 流動資金風險 (續)

本集團維持充足的現金以主要應付未來最多三十天之流動資金需求，另加上充裕數額已承諾信貸融資及出售長期財務資產之能力來應付長期流動資金需要。

於二零零七年十二月三十一日及二零零六年十二月三十一日，本集團設有合約到期日的財務負債概括如下：

### 40. RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### 40.5 Liquidity risk (continued)

The Group maintains cash and marketable securities to meet its liquidity requirements for up to 30-days periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

As at 31st December, 2007 and 31st December, 2006, the Group's financial liabilities have contractual maturities which are summarised below:

	Current 流動		Non-current 非流動	
	Within 6 months 6個月內 HK\$ 港元	6 to 12 months 6至12個月 HK\$ 港元	1 to 5 years 1至5年 HK\$ 港元	Later than 5 years 5年以上 HK\$ 港元
At 31st December, 2007 於二零零七年十二月三十一日				
Other payables 其他應付款	21,682,911	-	-	-
Financial liabilities at fair value through profit or loss 按公平值列賬及在損益賬處理 之財務負債	3,900,000	-	-	-
	<b>25,582,911</b>	-	-	-
At 31st December, 2006 於二零零六年十二月三十一日				
Other payables 其他應付款	20,469,316	-	-	-
Borrowings 借貸	19,161,087	19,161,087	794,000,000	93,971,818
Loans from minority interests 少數股東權益貸款	-	-	120,172,611	-
	39,630,403	19,161,087	914,172,611	93,971,818

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 40. 風險管理目的及政策 (續)

## 40.6 公平值

所有金融工具之記帳金額與其於二零零七年及二零零六年十二月三十一日之公平值無大出入。

## 40.7 按類別列示之財務資產與負債概要

## 40. RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

## 40.6 Fair values

All financial instruments are carried at amounts not materially different from their fair values as at 31st December, 2007 and 2006.

## 40.7 Summary of financial assets and liabilities by category

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Non-current assets 非流動資產		
Available-for-sale financial assets 可供出售財務資產	<b>54,703,460</b>	464,219,216
Current assets 流動資產		
Trade and other receivables 經營及其他應收款項	<b>1,037,143</b>	100,554,124
Available-for-sale financial assets 可供出售財務資產	<b>780</b>	663,000
Loans to minority interests 少數股東權益借款	-	25,600,000
Financial assets at fair value through profit or loss 按公平值列賬及在損益賬處理之財務資產	<b>286,635,293</b>	17,082,000
Other restricted deposits paid 其他有限制之已付按金	<b>24,013,552</b>	-
Pledged bank fixed deposits 已抵押銀行定期存款	-	10,537,895
Cash and cash equivalents 現金及現金等價物	<b>652,174,260</b>	142,878,833
	<b>963,861,028</b>	297,315,852
Non-current liabilities 非流動負債		
Borrowings 借貸	-	887,971,818
Loans from minority interests 少數股東權益貸款	-	120,172,611
	-	1,008,144,429
Current liabilities 流動負債		
Other payables and accrued expenses 其他應付款及應計開支	<b>21,682,911</b>	20,469,316
Financial liabilities at fair value through profit or loss 按公平值列賬及在損益賬處理之財務負債	<b>3,900,000</b>	-
Borrowings 借貸	-	38,322,174
	<b>25,582,911</b>	58,791,490

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

## 41. 資本管理政策及程序

本集團之資本管理目標為：

- (i) 確保本集團有能力以持續經營基準運作；及
- (ii) 為股東提供足夠回報，

本集團定期及積極審閱並管理其資本結構，在因高水平借款可能產生較高股東回報的同時，保持穩健資本狀況的優勢及保障，並因應經濟狀況調整資本結構。

本集團設定與其整體融資架構成比例之股本資本。於結算日之資本對整體融資比率如下：

## 41. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group's capital management objectives are:

- (i) to ensure the Group's ability to continue as a going concern; and
- (ii) to provide an adequate return to shareholders

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group sets the amount of equity capital in proportion to its overall financing structure. The capital-to-overall financing ratio at balance sheet date was as follows:

	2007 二零零七年 HK\$ 港元	2006 二零零六年 HK\$ 港元
Capital 資本		
Total equity 總權益	991,771,361	924,716,644
Overall financing 整體融資		
Borrowings 借貸	-	926,293,992
Other loans 其他貸款	-	120,172,611
	-	1,046,466,603
Capital-to-overall financing ratio 資本對整體融資比率	1 : 0	0.88 : 1

## FIVE YEAR FINANCIAL SUMMARY 五年財政概要

## Year ended 31st December,

截至十二月三十一日止年度

2003	2004	2005	2006	2007
二零零三年	二零零四年	二零零五年	二零零六年	二零零七年
HK\$	HK\$	HK\$	HK\$	HK\$
港元	港元	港元	港元	港元

**Results:**

## 業績：

Profit/(loss) attributable  
to equity holders  
of the Company本公司股權持有人  
應佔溢利／（虧損）

143,401,200	39,377,902	144,661,745	(155,693,187)	<b>145,203,865</b>
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## As at 31st December,

於十二月三十一日

2003	2004	2005	2006	2007
二零零三年	二零零四年	二零零五年	二零零六年	二零零七年
HK\$	HK\$	HK\$	HK\$	HK\$
港元	港元	港元	港元	港元

**Assets and liabilities:**

## 資產及負債：

Current assets

流動資產

536,628,076	190,230,695	54,829,341	297,894,805	<b>963,861,028</b>
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Total assets

資產總值

808,951,310	809,103,071	1,806,720,712	2,103,552,669	<b>1,018,564,488</b>
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Current liabilities

流動負債

107,724,723	47,578,233	49,189,066	87,400,044	<b>26,793,127</b>
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Total liabilities

負債總額

107,724,723	47,578,233	753,984,097	1,178,836,025	<b>26,793,127</b>
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Equity

權益

701,226,587	761,524,838	1,052,736,615	924,716,644	<b>991,771,361</b>
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# Yu Ming in Metamorphosis

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