



CHINESE ESTATES HOLDINGS LIMITED

華人置業集團

Stock Code 股份代號 : 127

Annual Report **2008** 年年報

Contents**目錄**

CORPORATE INFORMATION	公司資料	2
PROFILES OF DIRECTORS AND SENIOR EXECUTIVES	董事及高級行政人員簡介	6
CHAIRMAN'S STATEMENT	主席報告書	11
FINANCIAL OPERATION REVIEW	財務業務回顧	23
CORPORATE GOVERNANCE REPORT	企業管治報告書	34
DIRECTORS' REPORT	董事會報告書	49
INDEPENDENT AUDITORS' REPORT	獨立核數師報告書	65
CONSOLIDATED INCOME STATEMENT	綜合收益表	67
CONSOLIDATED BALANCE SHEET	綜合資產負債表	68
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	綜合股本權益變動表	70
CONSOLIDATED CASH FLOW STATEMENT	綜合現金流量表	72
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	綜合財務報表附註	75
FIVE-YEAR FINANCIAL SUMMARY	五年財務概要	193
SCHEDULE OF PRINCIPAL PROPERTIES	主要物業附表	195
SCHEDULE OF PROPERTIES DEVELOPMENT RIGHTS	物業發展權益附表	209
SCHEDULE OF PROPERTY CONTRACTED TO BE ACQUIRED	已訂約將予收購物業附表	212

Corporate Information

DIRECTORS

Executive Director:

Joseph Lau, Luen-hung (*Chairman and Chief Executive Officer*)

Non-executive Directors:

Lau, Ming-wai

Amy Lau, Yuk-wai

Independent Non-executive Directors:

Chan, Kwok-wai

Cheng, Kwee (resigned on 21st November, 2008)

Phillis Loh, Lai-ping

Ma, Tsz-chun

AUDIT COMMITTEE

Chan, Kwok-wai (*Chairman*)

Cheng, Kwee (resigned on 21st November, 2008)

Phillis Loh, Lai-ping

Ma, Tsz-chun

REMUNERATION COMMITTEE

Chan, Kwok-wai (*Chairman*)

Cheng, Kwee (resigned on 21st November, 2008)

Phillis Loh, Lai-ping

Ma, Tsz-chun

COMPANY SECRETARY

Lam, Kwong-wai

SOLICITORS

Sidley Austin

Sit, Fung, Kwong & Shum

AUDITORS

HLB Hodgson Impey Cheng

Chartered Accountants

Certified Public Accountants

31st Floor, Gloucester Tower, The Landmark

11 Pedder Street, Central

Hong Kong

公司資料

董事

執行董事：

劉鑾雄（主席及行政總裁）

非執行董事：

劉鳴煒

劉玉慧

獨行非執行董事：

陳國偉

鍾貴（於二零零八年十一月二十一日辭任）

羅麗萍

馬時俊

審核委員會

陳國偉（主席）

鍾貴（於二零零八年十一月二十一日辭任）

羅麗萍

馬時俊

薪酬委員會

陳國偉（主席）

鍾貴（於二零零八年十一月二十一日辭任）

羅麗萍

馬時俊

公司秘書

林光蔚

律師

盛德律師事務所

薛馮鄭岑律師行

核數師

國衛會計師事務所

英國特許會計師

香港執業會計師

香港

中環畢打街11號

置地廣場告羅士打大廈31樓

Corporate Information

公司資料

PRINCIPAL BANKERS

(Listed in alphabetical order)

Agricultural Bank of China Limited
 Banco Comercial de Macau, S.A.
 Bank of China (Hong Kong) Limited
 Bank of China Limited Macau Branch
 Bank of Communications Co., Ltd.
 Cathay United Bank Company, Limited
 China Construction Bank (Asia) Corporation Limited
 China Everbright Bank Co., Ltd
 Chong Hing Bank Limited
 Citibank, N.A.
 Dah Sing Bank, Limited
 DBS Bank (Hong Kong) Limited
 Hang Seng Bank, Limited
 Hua Nan Commercial Bank, Ltd.
 Industrial and Commercial Bank of China (Asia) Limited
 Malayan Banking Berhad
 Nanyang Commercial Bank, Limited
 Oversea-Chinese Banking Corporation Limited
 Public Bank (Hong Kong) Limited
 Seng Heng Bank Limited
 Standard Chartered Bank (Hong Kong) Limited
 Tai Fung Bank Limited
 The Bank of East Asia, Limited
 The Bank of Tokyo-Mitsubishi UFJ, Ltd.
 Wing Lung Bank, Limited

PLACE OF INCORPORATION

Bermuda

REGISTERED OFFICE

Canon's Court, 22 Victoria Street
 Hamilton HM 12, Bermuda

PRINCIPAL OFFICE IN HONG KONG

26th Floor, MassMutual Tower
 38 Gloucester Road
 Wanchai, Hong Kong

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Bermuda) Limited
 Rosebank Centre, 11 Bermudiana Road
 Pembroke HM 08, Bermuda

主要往來銀行

(按字母順序排列)

中國農業銀行股份有限公司
 澳門商業銀行有限公司
 中國銀行(香港)有限公司
 中國銀行股份有限公司澳門分行
 交通銀行股份有限公司
 國泰世華商業銀行股份有限公司
 中國建設銀行(亞洲)股份有限公司
 中國光大銀行股份有限公司
 創興銀行有限公司
 花旗銀行
 大新銀行有限公司
 星展銀行(香港)有限公司
 恒生銀行有限公司
 華南商業銀行股份有限公司
 中國工商銀行(亞洲)有限公司
 Malayan Banking Berhad
 南洋商業銀行有限公司
 華僑銀行有限公司
 大眾銀行(香港)有限公司
 誠興銀行股份有限公司
 渣打銀行(香港)有限公司
 大豐銀行有限公司
 東亞銀行有限公司
 株式会社三菱東京 UFJ 銀行
 永隆銀行有限公司

註冊成立地點

百慕達

註冊辦事處

Canon's Court, 22 Victoria Street
 Hamilton HM 12, Bermuda

香港主要辦事處

香港灣仔
 告士打道38號
 美國萬通大廈26樓

主要過戶登記處

Butterfield Fulcrum Group (Bermuda) Limited
 Rosebank Centre, 11 Bermudiana Road
 Pembroke HM 08, Bermuda

Corporate Information

公司資料

BRANCH REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

香港過戶登記分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓
1712至1716室

OFFICES IN THE PEOPLE'S REPUBLIC OF CHINA

Beijing Office:

Room 202, Oriental Place
No. 9 East Dongfang Road
North Dongsanhuan Road
Chaoyang District, Beijing, PRC
Post Code: 100027
Tel: (8610) 6466 0638
Fax: (8610) 6466 0238

北京辦事處:

中國北京市朝陽區
東三環北路
東方東路9號
東方國際大廈202室
郵編: 100027
電話: (8610) 6466 0638
傳真: (8610) 6466 0238

Chengdu Office:

Room 2608, 26th Floor, CCB Sichuan Building
No. 88 Tidu Street, Qingyang District
Chengdu, Sichuan Province, PRC
Post Code: 610016
Tel: (8628) 8676 7747
Fax: (8628) 6613 5700

成都辦事處:

中國四川省成都市
青羊區提督街88號
四川建行大廈26樓2608室
郵編: 610016
電話: (8628) 8676 7747
傳真: (8628) 6613 5700

Shanghai Office:

Room B103, Evergo Tower
1325 Central Huaihai Road
Xuhui District, Shanghai, PRC
Post Code: 200031
Tel: (8621) 6445 8945
Fax: (8621) 6445 9710

上海辦事處:

中國上海市徐匯區
淮海中路1325號
愛美高大廈B103室
郵編: 200031
電話: (8621) 6445 8945
傳真: (8621) 6445 9710

Shenzhen Office:

1-3 South Wing, 6th Floor
Lowu Commercial Plaza
Jianshe Road, Luohu District
Shenzhen, Guangdong Province, PRC
Post Code: 518001
Tel: (86755) 8234 7139
Fax: (86755) 8234 0012

深圳辦事處:

中國廣東省深圳市
羅湖區建設路
羅湖商業城
6樓南拱1-3室
郵編: 518001
電話: (86755) 8234 7139
傳真: (86755) 8234 0012

Corporate Information

公司資料

WEBSITE

<http://www.chineseestates.com>

STOCK CODE

127

BOARD LOT

500 shares

(The board lot size was changed from 1,000 shares to 500 shares on 6th April, 2009)

INVESTOR RELATIONS

For enquiries relating to investor relations, please contact:

Investor Relations Manager

Tel: (852) 2866 6999

Fax: (852) 2866 2822

(852) 2866 2833

E-mail: investor.relations@chineseestates.com

網址

<http://www.chineseestates.com>

股份代號

127

買賣單位

500股

(自二零零九年四月六日起每手買賣單位由1,000股更改為500股)

投資者關係

有關投資者關係之查詢，請聯絡：

投資者關係經理

電話：(852) 2866 6999

傳真：(852) 2866 2822

(852) 2866 2833

電郵： investor.relations@chineseestates.com

Profiles of Directors and Senior Executives

董事及高級行政人員簡介

EXECUTIVE DIRECTOR

Mr. Joseph LAU, Luen-hung, aged 57, joined the Company in 1989. Mr. Lau is the Chairman and Chief Executive Officer of the Company and acts as a director of certain subsidiaries of the Company. He is also a non-executive director of Lifestyle International Holdings Limited (“Lifestyle”), a company whose shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). He holds a Bachelor Degree of Science from the University of Windsor, Canada. Mr. Lau has over 33 years of experience in corporate finance, manufacturing and property investment and development. He is the father of Mr. Lau, Ming-wai and the elder brother of both Ms. Amy Lau, Yuk-wai and Mr. Thomas Lau, Luen-hung (a substantial shareholder of the Company).

Mr. Lau’s discloseable interest in the shares and underlying shares of the Company under the provisions of Part XV of the Securities and Futures Ordinance is set out in Directors’ Report under the sections of “Directors’ and Chief Executives’ Interests in the Securities of the Company and Associated Corporations” and “Substantial Shareholders’ Interests in the Securities of the Company” of this annual report.

NON-EXECUTIVE DIRECTORS

Mr. LAU, Ming-wai, aged 28, joined the Company as an Executive Director in 2006 and was redesignated as a Non-executive Director on 31st October, 2008. He was the chairman of the Company’s subsidiary, G-Prop (Holdings) Limited (“G-Prop”), a company whose shares are listed on the Stock Exchange, for the period from 1st March, 2007 to 31st May, 2007. Mr. Lau holds a Bachelor Degree of Laws from King’s College London, a Master Degree of Laws from The London School of Economics and Political Science, and a Doctor Degree of Philosophy in Laws from King’s College London, University of London. He previously worked at The Goldman Sachs Group, Inc. and Longview Partners LP, both in London. Mr. Lau is a registered attorney in the State of New York and a CFA (Chartered Financial Analyst) charterholder. He is the son of Mr. Joseph Lau, Luen-hung and the nephew of both Ms. Amy Lau, Yuk-wai and Mr. Thomas Lau, Luen-hung.

Mr. Lau’s discloseable interest in the shares and underlying shares of the Company under the provisions of Part XV of the Securities and Futures Ordinance is set out in Directors’ Report under the sections of “Directors’ and Chief Executives’ Interests in the Securities of the Company and Associated Corporations” and “Substantial Shareholders’ Interests in the Securities of the Company” of this annual report.

執行董事

劉鑾雄先生，現年57歲，於一九八九年加入本公司。劉先生為本公司之主席兼行政總裁，亦出任本公司若干附屬公司之董事。彼亦為利福國際集團有限公司（「利福」）之非執行董事，該公司之股份於香港聯合交易所有限公司（「聯交所」）上市。彼持有加拿大溫莎大學理學士學位。劉先生在企業融資、製造業及物業投資與發展方面累積逾三十三年經驗。彼為劉鳴煒先生之父親，劉玉慧女士及劉鑾鴻先生（本公司之主要股東）之胞兄。

劉先生於本公司股份及相關股份中擁有根據證券及期貨條例第XV條文須予披露之權益載於本年報董事會報告書內之「董事及最高行政人員於本公司及相關法團之證券權益」及「主要股東於本公司之證券權益」。

非執行董事

劉鳴煒先生，現年28歲，於二零零六年加入本公司為執行董事並於二零零八年十月三十一日起調任為非執行董事。彼於二零零七年三月一日至二零零七年五月三十一日期間曾為本公司之附屬公司金匡企業有限公司（「金匡」）之主席，該公司之股份於聯交所上市。劉先生持有倫敦大學之國王學院法律學士學位、倫敦經濟及政治科學學院法律碩士學位及國王學院法律哲學博士學位。彼曾在倫敦任職於The Goldman Sachs Group, Inc.及Longview Partners LP。劉先生為紐約州註冊律師及特許財務分析師（Chartered Financial Analyst）特許持有人。彼為劉鑾雄先生之兒子，劉玉慧女士及劉鑾鴻先生之姪兒。

劉先生於本公司股份及相關股份中擁有根據證券及期貨條例第XV條文須予披露之權益載於本年報董事會報告書內之「董事及最高行政人員於本公司及相關法團之證券權益」及「主要股東於本公司之證券權益」。

Profiles of Directors and Senior Executives

董事及高級行政人員簡介

NON-EXECUTIVE DIRECTORS (cont'd)

Ms. Amy LAU, Yuk-wai, aged 56, joined the Company in 2004. Ms. Lau is also a non-executive director of Lifestyle. She is registered with the Royal College of Dental Surgeons of Ontario, Canada and a practising dentist in Ontario. Ms. Lau holds a Bachelor Degree of Science and a Doctor Degree of Dental Surgery from the University of Toronto, Canada. She is the younger sister of Mr. Joseph Lau, Luen-hung, the elder sister of Mr. Thomas Lau, Luen-hung and the aunt of Mr. Lau, Ming-wai.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHAN, Kwok-wai, aged 50, joined the Company in 2004. He is also the chairman of the audit committee and remuneration committee of the Company. Mr. Chan holds a Bachelor Degree of Business Administration from the Monash University, Australia. He is also a member of the Hong Kong Securities Institute and an associate member of CPA Australia. He has over 29 years of experience in finance and accounting industry. Mr. Chan is currently a director of High Progress Consultants Limited. He is also an independent non-executive director of Junefield Department Store Group Limited, China Investments Holdings Limited, Tern Properties Company Limited, National Electronics Holdings Limited and Far East Consortium International Limited, the shares of all of which are listed on the Stock Exchange. He was an independent non-executive director of Anex International Holdings Limited (now known as Bright Prosperous Holdings Limited) for the period from 12th September, 2005 to 9th February, 2006, the shares of which are listed on the Stock Exchange.

Ms. Phillis LOH, Lai-ping, aged 44, joined the Company in 2006. She is also a member of the audit committee and remuneration committee of the Company. Ms. Loh holds a degree of Bachelor of Laws and a Postgraduate Certificate in Laws both from The University of Hong Kong. Ms. Loh was a practising solicitor from 1990 to 1997, and has since become a practising barrister-at-law after she was called to the Hong Kong Bar in 1998. She was admitted as a solicitor in Hong Kong (1990) and the United Kingdom (1991), and is also a barrister and solicitor in the Supreme Court of the Australian Capital Territory (since 1991).

非執行董事 (續)

劉玉慧女士，現年56歲，於二零零四年加入本公司。劉女士亦為利福之非執行董事。彼於加拿大安大略省皇家牙科醫學院註冊，為安大略省之執業牙科醫生。劉女士持有加拿大多倫多大學理學士學位及牙科博士學位。彼為劉鑾雄先生之胞妹，劉鑾鴻先生之胞姊及劉鳴煒先生之姑母。

獨立非執行董事

陳國偉先生，現年50歲，於二零零四年加入本公司。彼亦為本公司審核委員會及薪酬委員會之主席。陳先生持有澳洲蒙納士大學工商管理學士學位。彼亦為香港證券專業學會及澳洲會計師公會會員。彼在財務及會計方面累積逾二十九年經驗。陳先生現為勤達顧問有限公司之董事。彼亦為莊勝百貨集團有限公司、中國興業控股有限公司、太興置業有限公司、National Electronics Holdings Limited (樂聲電子有限公司)及Far East Consortium International Limited (遠東發展有限公司)之獨立非執行董事，上述所有公司之股份均在聯交所上市。彼於二零零五年九月十二日至二零零六年二月九日期間曾為安歷士國際控股有限公司(現稱晉盈控股有限公司)之獨立非執行董事，該公司之股份於聯交所上市。

羅麗萍女士，現年44歲，於二零零六年加入本公司。彼亦為本公司審核委員會及薪酬委員會之成員。羅女士持有香港大學法律學士學位及法學專業證書。羅女士由一九九零年至一九九七年為執業事務律師及自一九九八年獲頒香港大律師資格後成為執業大律師。彼分別於一九九零年及一九九一年獲頒香港及英國之事務律師資格，以及自一九九一年起為澳洲首府最高法院之大律師及事務律師。

Profiles of Directors and Senior Executives

董事及高級行政人員簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS (cont'd)

Mr. MA, Tsz-chun, aged 43, joined the Company in 2008. He is also a member of the audit committee and remuneration committee of the Company. Mr. Ma is a Certified Public Accountant (Practising) and has over 21 years of experience in auditing, finance and accounting industry. He is currently the managing director of ACE (CPA) Limited and a director of Sino-Bridge China Consulting Limited. Mr. Ma holds a Master of Science Degree in E-Commerce (Business Programme) and a Master Degree in Business Administration both from The Chinese University of Hong Kong. Mr. Ma is a fellow member of The Association of Chartered Certified Accountants in the United Kingdom, an associate member of The Institute of Chartered Secretaries and Administrators in the United Kingdom, The Hong Kong Institute of Chartered Secretaries in Hong Kong and Hong Kong Institute of Certified Public Accountants in Hong Kong respectively. He was an independent non-executive director of Asia Aluminum Holdings Limited for the period from 14th June, 2001 to 15th March, 2009, a company whose shares were previously listed on the Stock Exchange and were subsequently delisted from the Stock Exchange since 24th May, 2006.

SENIOR EXECUTIVES

Mr. Matthew CHEONG, Veng-va, aged 51, joined the Group (the Company together with its subsidiaries, the "Group") in 1994 and is the General Manager – Operations of the Group. He is also an executive director and the chairman of Chi Cheung Investment Company, Limited ("Chi Cheung"), a subsidiary of the Company whose shares are listed on the Stock Exchange. Mr. Cheong is a chartered engineer. He holds a Bachelor Degree of Science from the University of Toronto, Canada, a Master Degree of Science in Automation Systems and Management and a Doctorate Degree of Engineering both from the City University of Hong Kong. He is also a member of The Hong Kong Institution of Engineers, The Royal Institute of Measurement and Control and The British Computer Society. Mr. Cheong is responsible for the general operations of the Group including information technology, corporate communications, human resources and administration. He has over 23 years of experience in the management and operations.

獨立非執行董事（續）

馬時俊先生，現年43歲，於二零零八年加入本公司。彼亦為本公司審核委員會及薪酬委員會之成員。馬先生為執業會計師，於核數、財務及會計方面累積逾二十一年經驗。彼現為中翹會計師事務所有限公司之董事總經理及龍躍中國顧問有限公司之董事。馬先生持有香港中文大學電子商貿管理理學碩士學位及工商管理碩士學位。馬先生為英國特許公認會計師公會資深會員、英國特許秘書及行政人員公會會員、香港特許秘書公會會員及香港會計師公會會員。彼於二零零一年六月十四日至二零零九年三月十五日期間曾為Asia Aluminum Holdings Limited（亞洲鋁業控股有限公司）之獨立非執行董事，該公司之股份曾於聯交所上市，其後自二零零六年五月二十四日起撤銷於聯交所之上市地位。

高級行政人員

昌榮華先生，現年51歲，於一九九四年加入本集團（本公司連同其附屬公司統稱「本集團」），現任本集團之營運總監。彼亦為至祥置業有限公司（「至祥」）之執行董事及主席，該公司為本公司之附屬公司，其股份於聯交所上市。昌先生為認可工程師。彼持有加拿大多倫多大學理學士學位及香港城市大學自動化系統及管理學碩士學位及工程學博士學位。彼亦為香港工程師學會、英國皇家特許計量及控制學會及英國電腦學會會員。昌先生負責本集團一般營運事宜，包括資訊科技、企業傳訊、人力資源及行政管理。彼在企業管理及營運方面累積逾二十三年經驗。

Profiles of Directors and Senior Executives

董事及高級行政人員簡介

SENIOR EXECUTIVES (cont'd)

Ms. CHEUNG, Mun-yi, aged 41, joined the Group in 2007 and is the Head of Legal Department. Ms. Cheung is a practising solicitor. She holds a Bachelor Degree of Laws and a Postgraduate Certificate in Laws both from The University of Hong Kong. Ms. Cheung has been working in both private sector as a solicitor and public sector as an in-house legal counsel. Ms. Cheung is responsible for overseeing the legal aspects of the Group's various businesses, including project development, commercial investments, conveyancing and tenancy. She has over 17 years of legal experience.

Mr. Ivan IP, Ka-fai, aged 45, joined the Group in 1999 and is the Senior Manager of China Business Department. Mr. Ip holds a Master Degree of Business Administration from The University of Hull, United Kingdom. He is responsible for the management and development of projects in Eastern and Southern China. He has over 15 years of experience in the property field of the Mainland China.

Mr. Alec KONG, Chi-ming, aged 45, joined the Group in 1994 and is the Head of China Business Department. He is also an executive director and deputy chairman of G-Prop (Holdings) Limited ("G-Prop"), a subsidiary of the Company whose shares are listed on the Stock Exchange. Mr. Kong holds a Bachelor Degree of Business Administration from The Chinese University of Hong Kong, a Master Degree of Arts in Quantitative Analysis for Business and a Master Degree of Business Administration both from the City University of Hong Kong. He is responsible for the overall management and development of projects in the Mainland China. He has over 18 years of experience in the property field of the Mainland China.

Ms. Hazel LAI, Ming-yan, aged 40, joined the Group in 2000 and is the Senior Manager – Contracts of Project Development Department. Ms. Lai is a registered professional surveyor. She holds a Bachelor Degree of Science in Building from the City University of Hong Kong and a Master Degree of Science in Construction and Real Estate from The Hong Kong Polytechnic University. She is also a member of The Hong Kong Institute of Surveyors. Ms. Lai is responsible for the quantity surveying affairs. She has over 18 years of relevant experience.

高級行政人員 (續)

張敏儀女士，現年41歲，於二零零七年加入本集團，現任法律部主管。張女士為執業事務律師。彼持有香港大學法律學士學位及法學專業證書。張女士曾於律師行任職事務律師及公營機構出任法律顧問。張女士負責處理本集團的各項業務之法律事宜，包括項目發展、商業投資、樓宇買賣及租務方面。彼在法律工作方面累積逾十七年經驗。

葉家輝先生，現年45歲，於一九九九年加入本集團，現任中國業務部高級經理。葉先生持有英國赫爾大學工商管理學碩士學位。彼負責華東及華南項目之管理與發展。彼在中國大陸房地產方面累積逾十五年經驗。

江志明先生，現年45歲，於一九九四年加入本集團，現為中國業務部主管。彼亦為金匡企業有限公司（「金匡」）之執行董事及副主席，該公司為本公司之附屬公司，其股份於聯交所上市。江先生持有香港中文大學工商管理學士學位，以及香港城市大學工商數量分析文學碩士學位及工商管理學碩士學位。彼負責中國大陸項目之整體管理及發展。彼在中國大陸房地產方面累積逾十八年經驗。

黎明欣女士，現年40歲，於二零零零年加入本集團，現任項目發展部高級經理—工程合同。黎女士為註冊專業測量師。彼持有香港城市大學建造學理學士學位及香港理工大學建築及房地產學理學碩士學位。彼亦為香港測量師學會會員。黎女士負責工料測量事宜。彼累積逾十八年相關經驗。

Profiles of Directors and Senior Executives

董事及高級行政人員簡介

SENIOR EXECUTIVES (cont'd)

Mr. LAM, Kwong-wai, aged 53, joined the Group in 1989 and is the Group Financial Controller and Company Secretary of the Company, Chi Cheung and G-Prop. Mr. Lam is a qualified accountant and holds a Master Degree of Business Administration from the University of Warwick, United Kingdom. He has over 31 years of experience in auditing, finance and accounting.

Mr. Kenneth NG, Yik-hei, aged 41, joined the Group in 2004 and is the Senior Manager of Project Development Department. Mr. Ng is a chartered building surveyor, a registered professional surveyor and an authorised person under the List of Surveyors of the Building Authority. He holds a Bachelor Degree of Science in Building Surveying from the University of Greenwich, United Kingdom and a Master Degree of Practising Accounting from the Monash University, Australia. He is also a member of The Hong Kong Institute of Surveyors and The Royal Institution of Chartered Surveyors. He has been appointed by The Government of the Hong Kong Special Administrative Region as a member of the Appeal Tribunal Panel (Buildings) from 1st February, 2007 to 30th November, 2009. Mr. Ng is responsible for the project development affairs. He has over 19 years of relevant experience.

Ms. Teresa POON, Mun-chie, aged 38, joined the Group in 2002 and is the Senior Manager of Project Development Department. She is also an executive director and the chief executive officer of Chi Cheung. Ms. Poon is a registered architect in Hong Kong and an authorised person under the List of Architects of the Building Authority. She holds a Bachelor Degree of Arts in Architectural Studies and a Master Degree of Architecture both from The University of Hong Kong. She is also a member of The Hong Kong Institute of Architects. Ms. Poon is responsible for the project development affairs. She has over 14 years of experience in the management and development of property projects.

Most of the above senior executives, namely Mr. Matthew Cheong, Veng-va, Mr. Ivan Ip, Ka-fai, Mr. Alec Kong, Chi-ming, Mr. Lam, Kwong-wai, Mr. Kenneth Ng, Yik-hei and Ms. Teresa Poon, Mun-chie also hold position as a director in one or more of the subsidiaries of the Company.

高級行政人員 (續)

林光蔚先生，現年53歲，於一九八九年加入本集團，現任本公司、至祥及金匡之集團財務總監及公司秘書。林先生為合資格會計師，持有英國華威大學工商管理學碩士學位。彼在核數、財務及會計方面累積逾三十一年經驗。

吳易義先生，現年41歲，於二零零四年加入本集團，現任項目發展部高級經理。吳先生為特許建築測量師及註冊專業測量師，並為建築事務監督認可之測量師名單內之認可人士。彼持有英國格林威治大學建築測量學理學士學位及澳洲蒙納士大學會計學碩士學位。彼亦為香港測量師學會會員及英國皇家特許測量師學會會員。彼獲香港特別行政區政府委任為上訴審裁團（建築物）成員，任期由二零零七年二月一日起至二零零九年十一月三十日止。吳先生負責項目發展事宜。彼累積逾十九年相關經驗。

潘敏慈女士，現年38歲，於二零零二年加入本集團，現任項目發展部高級經理。彼亦為至祥之執行董事及行政總裁。潘女士為香港註冊建築師及建築事務監督認可建築師名單內之認可人士。彼持有香港大學建築學文學士及碩士學位，並為香港建築師學會會員。潘女士負責項目發展事宜。彼在物業項目管理及發展方面累積逾十四年經驗。

以上大多數高級行政人員，即昌榮華先生、葉家輝先生、江志明先生、林光蔚先生、吳易義先生及潘敏慈女士亦擔任本公司一間或多間附屬公司之董事職務。

Chairman's Statement

I am pleased to present the results of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2008 (the "Year") to the shareholders of the Company.

RESULTS

Loss attributable to equity holders of the parent for the Year (from continuing and discontinued operations) was HK\$1,494.4 million as compared to profit of HK\$8,195.8 million for the same period last year. The loss for the Year was mainly due to the fair value losses on investment properties. Loss per share was HK\$0.67 (year ended 31st December, 2007: earning of HK\$3.60).

If the net losses on the major non-cash items of HK\$5,943.2 million (2007: gains of HK\$5,463.7 million) are excluded, the Group will have a core profit attributable to equity holders of the parent for the Year of HK\$4,448.8 million (2007: HK\$2,732.1 million) and a core earnings per share of HK\$2.00 (2007: HK\$1.20), an increase of 62.8% and 66.7% over 2007 respectively.

The major non-cash items are fair value losses on investment properties together with their respective deferred tax credit of HK\$6,235.7 million (2007: gains of HK\$5,463.7 million) and credit effect of deferred tax on reduction in tax rate in respect of the fair value changes on investment properties of HK\$292.5 million.

DIVIDENDS AND SHARE REPURCHASE

The Board of Directors of the Company (the "Board") has recommended the payment of final dividend of HK1 cent per share for the Year (the "Final Dividend") (2007: HK22.5 cents). During the Year, the Group has realised all its listed securities investments. Out of the core profit HK\$4,448.8 million (2007: HK\$2,732.1 million), a profit of HK\$3,690.5 million (2007: HK\$1,200.0 million) was generated by the listed securities investment activities. With such results, the Board has recommended the payment of a special dividend of HK99 cents per share for the Year (the "Special Dividend") (2007: nil), amounting to HK\$2,033.8 million (2007: nil), which are summarised on next page.

主席報告書

本人欣然向本公司之股東呈報本公司及其附屬公司（「本集團」）截至二零零八年十二月三十一日止年度（「本年度」）之業績。

業績

本年度母公司股本權益持有人的應佔虧損（來自持續經營業務及已終止經營業務）為1,494,400,000港元，而去年同期溢利為8,195,800,000港元。本年度的虧損主要來自投資物業的公平值變動虧損。每股虧損為0.67港元（截至二零零七年十二月三十一日止年度：盈利3.60港元）。

如撇除主要非現金項目虧損淨額5,943,200,000港元（二零零七年：收益5,463,700,000港元），本年度母公司股本權益持有人的應佔核心溢利將為4,448,800,000港元（二零零七年：2,732,100,000港元），而每股核心盈利將為2.00港元（二零零七年：1.20港元），分別較二零零七年增加62.8%及66.7%。

主要非現金項目為有關投資物業公平值變動之虧損連同其各自遞延稅項撥回6,235,700,000港元（二零零七年：收益5,463,700,000港元）以及由於稅率減少引至有關投資物業公平值變動之遞延稅項撥回292,500,000港元。

股息及股份回購

本公司董事會（「董事會」）建議派付本年度之末期股息每股1港仙（「末期股息」）（二零零七年：22.5港仙）。於本年度內，本集團已出售所有上市證券投資。核心溢利4,448,800,000港元（二零零七年：2,732,100,000港元）當中包括於上市證券投資業務中帶來之溢利3,690,500,000港元（二零零七年：1,200,000,000港元）。據此，董事會建議派付本年度之特別股息每股99港仙（「特別股息」）（二零零七年：無），總額為2,033,800,000港元（二零零七年：無），並概述於下頁。

Chairman's Statement

主席報告書

DIVIDENDS AND SHARE REPURCHASE (cont'd)

股息及股份回購(續)

		For the year ended 31st December	
		截至十二月三十一日止年度	
		2008	2007
Profit on listed securities investments (HK\$m)	上市證券投資溢利(百萬港元)	3,690.5	1,200.0
Special Dividend (HK\$m)	特別股息(百萬港元)	2,033.8	–
On a share basis	以每股計		
Profit on listed securities investments (HK cents)	上市證券投資溢利(港仙)	165.6	52.7
Special Dividend (HK cents)	特別股息(港仙)	99.0	–
Special Dividend as a percentage of profit on listed securities investments	特別股息於上市證券投資溢利之百分比	59.8%	–

In addition to the Special Dividend, during the Year, the Company has allocated an aggregate cash amount of HK\$4,648.4 million (2007: HK\$825.5 million) (or HK216.2 cents per share (2007: HK36.0 cents)) which would be paid to shareholders. Out of such sum, an amount of HK\$306.2 million (2007: HK\$308.4 million) (or HK13.5 cents per share (2007: HK13.5 cents)) has been applied for the payment of interim dividend; an amount of HK\$20.5 million (2007: HK\$517.1 million) (or HK1 cent per share (2007: HK22.5 cents)) would be applied for the payment of Final Dividend; and an amount of HK\$2,287.9 million (2007: nil) (or HK102.7 cents) has been utilised for the repurchase of the Company's shares.

The aggregate of interim dividend, Final Dividend, Special Dividend and share repurchase are summarised as follows:–

除特別股息外，於本年度內，本公司已分配現金總額達4,648,400,000港元(二零零七年：825,500,000港元)(或每股216.2港仙(二零零七年：36.0港仙))並將會派發予股東。該總額當中包括合共306,200,000港元(二零零七年：308,400,000港元)(或每股13.5港仙(二零零七年：13.5港仙))已派發作中期股息；合共20,500,000港元(二零零七年：517,100,000港元)(或每股1港仙(二零零七年：22.5港仙))將會用作派付末期股息；及合共2,287,900,000港元(二零零七年：無)(或每股102.7港仙)已用作回購本公司股份。

中期股息、末期股息、特別股息及股份回購之總額概述如下：–

		For the year ended 31st December	
		截至十二月三十一日止年度	
		2008	2007
Core profit (HK\$m)	核心溢利(百萬港元)	4,448.8	2,732.1
Share repurchase (HK\$m)	股份回購(百萬港元)	2,287.9	–
Interim Dividend (HK\$m)	中期股息(百萬港元)	306.2	308.4
Final Dividend (HK\$m)	末期股息(百萬港元)	20.5	517.1
Special Dividend (HK\$m)	特別股息(百萬港元)	2,033.8	–
On a share basis	以每股計		
Core profit (HK cents)	核心溢利(港仙)	199.6	120.0
Share repurchase (HK cents)	股份回購(港仙)	102.7	–
Interim Dividend (HK cents)	中期股息(港仙)	13.5	13.5
Final Dividend (HK cents)	末期股息(港仙)	1.0	22.5
Special Dividend (HK cents)	特別股息(港仙)	99.0	–
Share repurchase, Interim, Final and Special Dividend (HK cents)	股份回購、中期、末期及特別股息(港仙)	216.2	36.0
As a percentage of core profit	相當於核心溢利之百分比	108%	30%

Chairman's Statement

主席報告書

DIVIDENDS AND SHARE REPURCHASE (cont'd)

Factors Considered

In its decision of recommending the Final Dividend and Special Dividend, the Board has taken into consideration the following factors:—

- (1) The profit on listed securities investments was arose from disposal of the entire portfolio of listed securities investment during the Year. After such disposal, there is no intention to invest in listed securities in a similar level as in 2008 in the near future.
- (2) Cash and bank balances of the Group amounted to HK\$10,419 million as at 31st December, 2008. A significant portion of such balance was derived from the disposal of the entire portfolio of listed securities investment during the Year referred to above.
- (3) Following the financial tsunami since late 2008, the economic condition and operating environment have deteriorated. Rental for 2009 is expected to decrease and properties are likely to be sold at a low price.
- (4) The current difficult economic condition and operating environment would have an adverse impact on the Group's business activities and thus on its ability to pay dividend.
- (5) The prevailing Hong Kong dollar interest spread for placing deposit and bank borrowing has widen by 200 to 250 basis point or 2% to 2.5% per annum as compared with the market spread in the first half 2008, which implies a higher cost of negative carry in holding cash and bank balances by the Group.
- (6) The Group has outstanding bank borrowings of HK\$11,669 million and contingent liabilities in respect of bank borrowings by its associated companies of HK\$1,080 million as at 31st December, 2008. Following the financial tsunami since late 2008, a number of foreign banks have withdrew their participation in Hong Kong loan lending market while some local banks have reduced the size of their loan books. The loan syndication market in Hong Kong is weak. In general, refinancing bank borrowings would be a challenge to many corporations in 2009.
- (7) If the Final Dividend and Special Dividend are approved by the shareholders and payment made, the cash and bank balances of the Group will be reduced by such amount. In the event that the Group encounters difficulties refinancing its bank borrowings in the years ahead, the Company could at that time raise fund through equity issue including seeking the support from its shareholders by way of rights issue.

股息及股份回購（續）

考慮因素

董事會在決定建議派付末期股息及特別股息時考慮了以下因素：—

- (1) 於上市證券投資之溢利源自於本年度內出售整個上市證券投資組合。在此出售以後，本集團無意在不久將來投資於上市證券如去年之相近水平。
- (2) 於二零零八年十二月三十一日，本集團之現金及銀行結餘為10,419,000,000港元。有關結餘大部分源自於本年度內出售上述整個上市證券投資組合。
- (3) 自二零零八年下旬爆發金融海嘯後，經濟狀況及營商環境轉壞。預期二零零九年租金將會下調，物業亦可能以低價出售。
- (4) 經濟狀況及營商環境當前之困境，將會對本集團之業務活動造成不利影響，繼而影響派付股息之能力。
- (5) 敝造存款及銀行借貸之適用港元息差較二零零八年上半年之市場利率擴大200至250基點或年利率2厘至2.5厘，意味本集團持有之現金及銀行結餘將承受更高之利息虧損成本。
- (6) 於二零零八年十二月三十一日，本集團之未償還銀行借貸為11,669,000,000港元，聯營公司之銀行借貸涉及之或然負責則為1,080,000,000港元。自二零零八年下旬爆發金融海嘯後，若干外資銀行已撤出香港借貸市場，而部分本地銀行亦已縮減其貸款規模。香港銀團貸款市場疲弱。於二零零九年，大部分企業在再向銀行融資借貸方面普遍面對困難。
- (7) 如建議派付末期股息及特別股息獲股東通過並予以派發，本集團之現金及銀行結餘將以該數額減少。當本集團於往後未來幾年遇上銀行融資借貸困難，本公司會透過發行股本，當中包括以供股形式向股東集資。

Chairman's Statement

DIVIDENDS AND SHARE REPURCHASE (cont'd)

Approval of Dividend by Shareholders and Expected Timeframe

Subject to shareholders' approval at the forthcoming annual general meeting of the Company, the dividend warrants will be posted on or about 8th June, 2009 to shareholders whose names appear on the register of members of the Company on 27th May, 2009.

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from 22nd May, 2009 to 27th May, 2009, both days inclusive. In order to qualify for the recommended Final Dividend and Special Dividend and for the purpose of ascertaining the members' entitlement to the attendance of the forthcoming annual general meeting of the Company, all share transfers documents accompanied by the relevant share certificates must be lodged with the Company's Branch Registrar and Transfer Office in Hong Kong, namely Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 21st May, 2009.

BUSINESS REVIEW

Hong Kong Property Investment

Rentals from investment properties continued to be one of the major sources of our income. The overall occupancy rate of the Group's retail portfolio was 89.49% during the Year excluding the renovation area of Windsor House. The occupancy rate achieved 96.11% if non-core and disposed properties are excluded. Such sustainable high occupancy rate is attributable to the prime locations of the majority of the Group's retail properties.

The Group's gross rental growth was 25.37% with rental income of HK\$880.9 million for the Year as compared with last year, and the respective increases in retail and non-retail portion have been 22.17% and 32.10%. The increase in gross rental income is mainly attributable to the high reversionary rental rate of the office properties and the completion of renovation work of Silvercord and the first phase of Windsor House in the third quarter of 2007.

During the Year, the average occupancy rates of the shops of Excelsior Plaza – Laforet and Causeway Place were approximately 98.95% and 95.04% respectively.

主席報告書

股息及股份回購(續)

股東批准派息及預期之時間表

待股東於本公司應屆股東週年大會上批准後，股息單將於二零零九年六月八日或前後寄予於二零零九年五月二十七日名列本公司股東名冊之股東。

暫停辦理股東登記手續

本公司將自二零零九年五月二十二日至二零零九年五月二十七日(包括首尾兩天)暫停辦理股東登記手續。為符合獲派建議之末期股息及特別股息的資格，以及為確定股東出席本公司應屆股東週年大會的資格，所有股份過戶文件連同有關股票必須於二零零九年五月二十一日下午四時三十分前送達本公司於香港之過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

業務回顧

香港物業投資

投資物業之租金仍然是本集團之主要收入來源之一。本集團之零售物業組合於本年度內之整體出租率為89.49%(不包括皇室大廈之翻新範圍)。倘撇除非核心及已售物業，出租率則達96.11%。出租率維持高企與本集團大部分零售物業位於優質地段有關。

本集團於本年度之租金總額較去年增長25.37%，租金收入為880,900,000港元，而零售及非零售部分之增幅分別為22.17%及32.10%。租金收入總額增加主要由於辦公室物業之高回轉租金比率及新港中心與皇室大廈第一期翻新工程於二零零七年第三季完成所致。

怡東商場—東角Laforet及銅鑼灣地帶之商舖於本年度內之平均出租率分別約為98.95%及95.04%。

Chairman's Statement

主席報告書

BUSINESS REVIEW (cont'd)

Hong Kong Property Investment (cont'd)

The first phase renovation of Windsor House was completed in the third quarter of 2007 and the second phase renovation commenced in March 2008. The scope of works include re-layout of basement, ground and first floor, sub-dividing the retail space previously occupied by supermarket, department store and an anchor tenant to provide greater varieties of prime retail shops and specialty restaurants. Portions of the ground floor and first floor have been re-opened in December 2008 and it is anticipated that the renovation work of second phase will be completed by early 2010. The revamped Windsor House will have improved and diversified trade mix.

The renovation work of Silvercord which involves the conversion of the bubble lifts and cinema to shops was completed in the third quarter of 2007. The overall rental income of Silvercord was raised 67.88% for the Year as compared with last year due to the increase in more quality brands, and its average occupancy rate was 96.15% during the Year.

The occupancy rate for the Group's office properties maintained at a satisfactory level throughout the Year. During the Year, the average occupancy rates of Windsor House, MassMutual Tower and Harcourt House were approximately 91.70%, 97.04% and 84.13% respectively, bringing the approximate occupancy rate of the overall office portfolio to 91.67%.

The basement construction work of the redevelopment project of Tung Ying Building in Tsim Sha Tsui was completed in October 2008. The superstructure work is in progress. MTR Corporation Limited commissioned to construct a pedestrian subway linking the existing Tsim Sha Tsui MTR Station to, amongst other exits, the future Tung Ying Building under redevelopment. Our redevelopment will benefit from this pedestrian subway and this direct path to the MTR Station will provide a highly accessible link for the shoppers to our redevelopment. Tung Ying Building is to be redeveloped into an integrated shopping and entertainment complex and is expected to be a landmark shopping arcade in Tsim Sha Tsui upon completion scheduled in 2010.

Sun Fair Mansions, 12 Shiu Fai Terrace, a residential site in Mid-Levels East, which is a traditional prestigious location for luxury residential project in Hong Kong. A luxury residential tower which provides a total residential gross floor area of around 39,700 square feet will be redeveloped. Demolition work is in progress.

業務回顧 (續)

香港物業投資 (續)

皇室大廈之第一期翻新工程已於二零零七年第三季完成，而第二期翻新工程亦已於二零零八年三月展開。翻新工程範圍包括重新規劃地庫、地下及一樓、分拆之前由超級市場、百貨公司及旗艦租戶租用之零售空間，以提供更多不同類型之優質零售店舖及專題食肆。部分地下及一樓之範圍已於二零零八年十二月重開，而第二期翻新工程亦預期於二零一零年年初完成。翻新後的皇室大廈將更臻完善及具多元化商戶組合。

新港中心之翻新工程（包括將觀光升降機及戲院改建為商舖）已於二零零七年第三季完成。由於有更多更優質品牌商戶進駐，新港中心之整體租金收入較去年上升67.88%，而於本年度之平均出租率為96.15%。

本集團辦公室物業之出租率於全年均維持於令人滿意之水平。於本年度內，皇室大廈、美國萬通大廈及夏慤大廈之平均出租率分別約為91.70%、97.04%及84.13%，使整體辦公室物業組合出租率達約91.67%。

尖沙咀東英大廈重建項目之地庫建築工程已於二零零八年十月完成。其上蓋工程亦正施工中。香港鐵路有限公司擬建造一條地下行人通道，接連現今的尖沙咀港鐵站至（包括其他出口）未來經重建後的東英大廈。該地下行人通道將更方便購物人士直達本重建項目，從而令本重建項目受惠。東英大廈將重建為綜合購物及娛樂中心，預期於二零一零年竣工後將成為尖沙咀的購物商場地標。

肇輝臺12號新輝大廈為一位於東半山區的住宅地盤，該地段屬香港傳統豪宅項目之優越位置。該項目將重建為一座高尚住宅大樓，可提供總住宅樓面面積合共約39,700平方呎，其拆卸工程正在進行中。

Chairman's Statement

BUSINESS REVIEW (cont'd)

Hong Kong Property Development

In general, the Group's development projects have been progressing satisfactorily and the sales have been achieving pleasing results.

The superstructure work of York Place, i.e. the former Tung Sang Building, Wanchai, is in progress. York Place is a brand new residential/retail composite building having 94 units with flat size ranging from gross floor area of approximate 576 square feet to 2,037 square feet. The sale is in progress and 35 units were presold up to 31st December, 2008. The occupation permits are expected to be obtained in March 2009.

The Zenith (87.5% interest) is a two-phase redevelopment project at Tai Yuen Street, Wanchai undertaken with the Urban Renewal Authority. 651 units of phase I were sold up to 31st December, 2008, representing 99.85% of total units. For phase II redevelopment, the master layout plan for the core elements preservation of the existing Wanchai Market has been approved on 4th July, 2008 by the Town Planning Board. Phase II will be a residential/commercial complex development with a gross floor area of approximately 159,700 square feet. Redevelopment work is in progress. Completion of phase II is re-scheduled to end 2013.

MOD 595 is a joint venture project with the Urban Renewal Authority located at Reclamation Street, Mongkok. It provides a single residential tower block comprises 85 units with flat size ranging from gross floor area of approximate 483 square feet to 1,188 square feet. The project was launched in April 2008. A total of 62 units, representing 72.94%, were sold up to 31st December, 2008.

i-home is another joint venture project with the Urban Renewal Authority located at Larch Street/Bedford Road in Tai Kok Tsui. It provides a single residential tower block comprises 182 units with flat size ranging from gross floor area of approximate 462 square feet to 1,182 square feet. The whole project is re-scheduled to be completed in early 2009. The pre-sale consent has been obtained in February 2009 and the launching of this project is currently re-scheduled to the first quarter of 2009.

主席報告書

業務回顧 (續)

香港物業發展

整體而言，本集團各個發展項目進展理想，銷售成績令人滿意。

York Place (即前灣仔東生大廈)之上蓋工程現正施工中。York Place為一幢全新的住宅／零售綜合大樓，擁有94個樓面面積約介乎576平方呎至2,037平方呎之單位。銷售現正進行中。截至二零零八年十二月三十一日已預售35個單位。入伙紙預期可於二零零九年三月取得。

尚翹峰 (佔87.5%權益) 為一個與市區重建局合作位於灣仔太原街合共兩期之重建項目。截至二零零八年十二月三十一日，第一期項目已售出651個單位，佔單位總數99.85%。至於第二期重建項目，城市規劃委員會已於二零零八年七月四日批准了保留現有灣仔街市核心部分之總綱發展藍圖。第二期將會發展為一個住宅／商業綜合項目，其總樓面面積合共約159,700平方呎。其重建工程正在進行中，並重新計劃於二零一三年年底竣工。

MOD 595為一項與市區重建局進行之合資項目，位於旺角新填地街，為一座單幢式住宅大廈，提供合共85個單位，單位總樓面面積約介乎483平方呎至1,188平方呎不等。該項目已於二零零八年四月推出。截至二零零八年十二月三十一日，共售出62個單位，佔單位總數72.94%。

i-home為另一項與市區重建局進行之合資項目，位於大角咀洋松街／必發道，為一座單幢式住宅大廈，提供合共182個單位，單位總樓面面積約介乎462平方呎至1,182平方呎不等。整個項目重新估計於二零零九年年初竣工。預售樓花同意書已於二零零九年二月取得，現時重訂於二零零九年第一季推出該項目。

Chairman's Statement

主席報告書

BUSINESS REVIEW (cont'd)

Hong Kong Property Development (cont'd)

The Group has two joint venture development projects in West Kowloon Reclamation Area. One is located at Hoi Ting Road and junction of Hoi Wang Road and Hoi Ting Road (25% interest). Its foundation work was completed and superstructure work is in progress. Residential and retail properties with a total gross floor area of around 1,095,980 square feet will be developed and the whole project is expected to be completed in end 2010.

The other one is located at the junction of Hoi Wang Road, Yan Cheung Road and Yau Cheung Road (15% interest). Its foundation work was completed and excavation work is in progress. Residential and retail properties with a total gross floor area of approximately 650,600 square feet will be developed. Completion of the whole project is re-scheduled to 2011.

No. 55 Conduit Road (70% interest), a residential site in Mid-Levels with site area about 36,000 square feet which can provide a total residential gross floor area of around 87,800 square feet. This site will be developed into a luxury residential project. Site formation work was completed and the foundation work is scheduled to be commenced in the second quarter of 2009.

Macau Property Development

The Group is planned to develop the site at Avenida Wai Long, Taipa, Macau (70.01% interest) into a high-end residential project with total gross floor area of approximately 5,786,242 square feet (excluding basement car park). It will comprise one serviced apartment tower and 25 residential tower blocks and will be developed in phases. Proposals for site formation and basement excavation works of phase I have been submitted for government's approval and the first phase of the site formation works is scheduled to be commenced in 2009.

業務回顧 (續)

香港物業發展 (續)

本集團於西九龍填海區擁有兩個合資發展項目。其中一個項目位於海庭道及海泓道與海庭道交界 (佔25%權益)，其地基工程經已完成，而上蓋工程亦正在施工。該項目將發展為總樓面面積約1,095,980平方呎的住宅及零售物業，預期整個項目將於二零一零年年底竣工。

另一個合資項目則位於海泓道、欣翔道與友翔道交界 (佔15%權益)，其地基工程經已完成，現正進行挖掘工程。該項目將發展為總樓面面積約650,600平方呎的住宅及零售物業。整個項目重訂於二零一一年完成。

干德道55號 (佔70%權益) 為一位於中半山的住宅地盤，地盤面積約36,000平方呎，可提供住宅總樓面面積約87,800平方呎。該地盤將發展為豪宅項目。地盤平整工程經已完成，而地基工程亦計劃於二零零九年第二季展開。

澳門物業發展

本集團計劃將位於澳門氹仔偉龍馬路之地盤 (佔70.01%權益) 發展為高級住宅項目，總建築面積約為5,786,242平方呎 (不包括地庫停車場)。該項目由一座服務式住宅及25座住宅大廈組成，並分期發展。第一期的地盤平整及地庫挖掘工程建議書已遞交予政府審批，而第一期之地盤平整工程則計劃於二零零九年展開。

Chairman's Statement

BUSINESS REVIEW (cont'd)

Mainland China Property Investment

Evergo Tower, located at Central Huaihai Road in Shanghai, is a 21-storey office and shopping complex with a 2-storey basement and has a gross floor area of around 263,708 square feet. The average occupancy rates of the office and retail spaces were 90.60% and 73.02% respectively for the Year.

Hilton Beijing (50% interest) maintained an average occupancy rate of 70.03% and achieved a gross operating profit of HK\$164 million for the Year. The expansion of Hilton Beijing by redeveloping the adjacent auditorium into an executive tower was completed in June 2008. The tower has operated since 1st July, 2008.

Oriental Place (50% interest), a 10-storey office building next to Hilton Beijing, was 96.56% let out as of December 2008.

The average occupancy rate of the 79 retail outlets with a total area of approximately 29,000 square feet in Lowu Commercial Plaza, Shenzhen was 91.05% for the Year.

Mainland China Property Development

Metropolis Height and Splendid City are residential projects at Dongda Street of Jinjiang District and Yingbin Road of Jinniu District in Chengdu, with respective site area of approximately 194,411 square feet and 795,625 square feet and corresponding gross floor area of approximately 1.65 million square feet and 3.74 million square feet. Metropolis Height is in site formation process, project completion is re-scheduled to mid 2012. Phase I of Splendid City is in superstructure construction process and is expected to be completed in mid 2010.

Chinese Estates Plaza, a commercial and residential project at South Taisheng Road of Qingyang District in Chengdu has a site area of about 404,267 square feet with a development scale of 3.2 million square feet. The project is in site formation process and is expected to be completed in mid 2012.

The residential project at Huaxinjie Street of Jiangbei District in Chongqing (25% interest), with a site area of 2,207,546 square feet and a gross floor area of approximately 11.08 million square feet, is at design stage.

主席報告書

業務回顧 (續)

中國大陸物業投資

愛美高大廈位於上海淮海中路，為一幢樓高21層的辦公、商場綜合樓（並設兩層地庫），建築面積約263,708平方呎。辦公及商場面積於本年度之平均出租率分別為90.60%及73.02%。

北京希爾頓酒店（佔50%權益）於本年度之平均入住率維持於70.03%，並錄得經營毛利164,000,000港元。北京希爾頓酒店重建其側劇場為行政樓之擴建工程，已於二零零八年六月竣工。該樓自二零零八年七月一日起營業。

東方國際大廈（佔50%權益），為北京希爾頓酒店側的一幢樓高10層辦公樓，截至二零零八年十二月之出租率為96.56%。

深圳羅湖商業城79個零售商舖（總面積約29,000平方呎），於本年度之平均出租率為91.05%。

中國大陸物業發展

華置•都匯華庭及華置•西錦城為位於成都市錦江區東大街及金牛區迎賓大道之住宅項目，其地盤面積分別約為194,411平方呎及795,625平方呎，相應建築面積約為1,650,000平方呎及3,740,000平方呎。華置•都匯華庭正進行地盤平整工程，項目竣工期調整至二零一二年年中。華置•西錦城第一期現處上蓋建築工程，預計於二零一零年年中竣工。

華置廣場為位於成都市青羊區太升南路的商住項目，地盤面積約404,267平方呎，發展規模約3,200,000平方呎。該項目正進行地盤平整工程，預期於二零一二年年中竣工。

位於重慶市江北區華新街街道之住宅項目（佔25%權益）正處於設計階段，地盤面積為2,207,546平方呎，建築面積約11,080,000平方呎。

Chairman's Statement

BUSINESS REVIEW (cont'd)

Mainland China Property Development (cont'd)

As the projects in Chengdu and Chongqing are in preliminary stage, development schedules have not been affected and no estimated loss has been incurred to the Group as a result of the Sichuan earthquake in May 2008.

COMMUNITY RELATIONS

The Group defines corporate social responsibility as a way of conducting business that creates social, environmental and economic benefits for the community.

During the Year, the Group continued to significantly support meaningful causes in the community and encouraged its employees to extend their help and support to the underprivileged and needy. Following the Sichuan earthquake in May 2008, the Group has promptly provided funds, materials and personnel in support of the disaster relief work.

The Group and its employees together mobilised over HK\$6 million for the earthquake victims. Out of such sum, approximately HK\$1.54 million was raised under a campaign in which for every dollar donated by the employees, the Group matched with ten additional dollars and such donation was passed to Sichuan Red Cross through Hong Kong Red Cross. In addition, the Group donated an extra amount of RMB5 million to the Chengdu government to assist the relief and rehabilitation works. Furthermore, the Group donated more than 100 temporary houses to the earthquake-stricken areas which were used as temporary school and dormitory.

On the other hand, the Group has also donated to various charitable organisations such as the "ORBIS Pin Campaign 2008" sponsorship to help bring light to the blind worldwide and "Medecins Sans Frontieres Hong Kong".

The Company has registered as corporate member of the Hong Kong community volunteers of "Agency for Volunteer Service" that spares no effort in lending a helping hand to those in need. During the Year, it participated in regular and ad hoc community projects, such as visits to elderly homes and rehabilitation centers.

The Company was awarded again as "Caring Company" in 2008/09 by The Hong Kong Council of Social Service in recognition of our good corporate citizenship. The Group will continue to actively participate and initiate an extensive range of community programmes, charitable activities and voluntary services.

主席報告書

業務回顧 (續)

中國大陸物業發展 (續)

成都及重慶的項目因處初步階段，於二零零八年五月發生之四川地震未影響此等項目之發展進程，亦未令本集團帶來估計損失。

社會關係

本集團認為，企業社會責任乃指於經營業務之同時，為社區帶來社會、環境及經濟等各方面裨益。

於本年度，本集團繼續大力支持各類有意義之社會活動，並鼓勵旗下僱員盡力協助及支援弱勢社群及有需要人士。二零零八年五月發生四川大地震後，本集團即時為支持賑災工作提供資金、物資及人員。

本集團及其僱員共同為地震災民募捐超過6,000,000港元。善款之中有約1,540,000港元乃透過本集團一項活動籌得，當中僱員每捐助一元，本集團即額外捐出十元，並透過香港紅十字會將捐款轉交四川紅十字會。另外，本集團再額外捐款人民幣5,000,000元予成都市政府，協助進行抗震救災及災後重建工作。此外，本集團向地震受災地區捐出超過100所臨時房屋，用作臨時學校及宿舍。

另一方面，本集團亦捐款予多個慈善機構，如資助「奧比斯襟章運動2008」協助世界各地失明人士重獲光明，及資助「無國界醫生香港辦事處」等。

本公司已登記成為「義務工作發展局」香港義工團的團體會員，不遺餘力向有需要人士伸出援手。於本年度，該團隊參與各項定期及偶發性的社區項目，如探訪安老院及復康中心等。

本公司於二零零八／零九年度再獲香港社會服務聯會嘉許並頒贈「商界展關懷」標誌，肯定其良好企業公民精神。本集團將繼續積極參與及舉辦各類型社區計劃、慈善活動及志願服務。

Chairman's Statement

INVESTOR RELATIONS

The Company is continuously committed to maintaining good communication with shareholders, investors and analysts in order to ensure their thorough understanding of the Group's strategies and business development, thereby enhancing transparency and investor relations.

The Company has used various channels to disseminate timely information. They include formal announcements; press releases; press conferences and analysts presentation meetings after results announcements; regular meetings and conference calls with institutional investors, fund managers and analysts; local and overseas roadshows; company and site visits; and extensive use of the Company website.

During the Year, the management has participated in a total number of 24 company visits and conference calls as well as the following major investor relations activities, in which the management has met totally around 236 shareholders, investors and analysts.

Date	Events
January	• Property conference
February	• Property Access Day
March	• Press conference and analysts presentation meeting for 2007 annual results announcement • Roadshows in Hong Kong, Singapore, U.S.A. and Europe
May	• Property conference
July	• Property Access Day
August	• Press conference and analysts presentation meeting for 2008 interim results announcement • Roadshow in Hong Kong
September	• Property conference
December	• Property Access Day

The Company is one of the constituent stocks of Hang Seng Hong Kong MidCap Index and Properties and Construction Industry Index in the Hang Seng Composite Index Series.

主席報告書

投資者關係

本公司一貫致力與股東、投資者及分析員保持良好溝通，以確保彼等對本集團之策略及業務發展有透徹的理解，從而提高透明度及加強投資者關係。

本公司通過各種渠道發布及時信息，當中包括正式公告、新聞稿、業績公布後的新聞發布會及分析員簡報會、與機構投資者、基金經理及分析員之定期會面及電話會議、本地及海外路演、公司拜訪及實地考察，以及充分利用公司網站。

於本年度內，管理層參與合共24次公司拜訪與電話會議，以及下列主要投資者關係活動，於此等活動中，管理層合共與約236名股東、投資者及分析員會面。

日期	事項
一月	• 房地產會議
二月	• 房地產研討日
三月	• 二零零七年年業績公布之新聞發布會及分析員簡報會 • 於香港、新加坡、美國及歐洲之路演
五月	• 房地產會議
七月	• 房地產研討日
八月	• 二零零八年中業績公布之新聞發布會及分析員簡報會 • 於香港進行路演
九月	• 房地產會議
十二月	• 房地產研討日

本公司為恒生綜合指數系列之恒生香港中型股指數及地產建築業指數的成份股之一。

Chairman's Statement

主席報告書

OTHER INFORMATION

Transaction with Chi Cheung Investment Company, Limited ("Chi Cheung")

On 17th January, 2008, the Group entered into a conditional sale and purchase agreement with Chi Cheung in relation to the acquisition of share interests in and loans to certain subsidiaries of Chi Cheung, subject to the fulfilment of certain conditions precedent (the "Transaction"). All conditions precedent had been fulfilled on 30th September, 2008 and the Transaction was formally completed on the same day.

Shareholding in G-Prop (Holdings) Limited ("G-Prop")

In February 2008, Mass Rise Limited, a subsidiary of the Company, had acquired 740,518,325 shares of G-Prop, representing 36.51% of shares of G-Prop then in issue, at a consideration of approximately HK\$120.8 million. Accordingly, the Group's shareholding in G-Prop had been increased from 13.69% to 50.20% and thus G-Prop became a subsidiary of the Company.

PROSPECTS

The global economic downturn has affected most industries in Hong Kong. It is however hopeful that the macro-economic policies being implemented by governments across the globe will soon filter through the economies, leading to recoveries. In particular, with the experience gained from the financial turmoil in 1997, Hong Kong has the potential of being one of the earliest economies to recover. Meanwhile, although anticipated to grow at a slower pace, the economic growth of Mainland China is still expected to be the higher one in the World through her effective and innovative policies.

While this year is set to be a challenging one, the Group remains optimistic in its core businesses, albeit not without caution. The Group expects its property development business in Hong Kong will benefit from low interest rate and particularly prime locations of its main properties for sale. The Group will continue to strengthen the value of its investment properties and enhance returns through redevelopment and renovation, such as Tung Ying Building and Windsor House. The Group considers that the current market sentiment would offer opportunities for the Group to further strengthening its land bank for development projects in Hong Kong and Mainland China.

其他資料

與至祥置業有限公司(「至祥」)進行之交易

於二零零八年一月十七日，本集團與至祥訂立有條件買賣協議，收購至祥若干附屬公司之股權及貸款，惟須待協議各方履行若干先決條件(「該交易」)。該交易之所有先決條件已於二零零八年九月三十日履行，而該交易亦於同日正式完成。

於金匡企業有限公司(「金匡」)之股權

於二零零八年二月，本公司之附屬公司巨昇有限公司以代價約120,800,000港元買入740,518,325股金匡股份，相當於當時金匡已發行股份之36.51%。因此，本集團所持有之金匡股權由13.69%增加至50.20%，金匡亦因而成為本公司之附屬公司。

展望

全球經濟轉差已對香港大部分行業構成影響。然而，全球各地政府均推出宏觀經濟政策，有望在短期內整頓經濟體系，推動經濟復甦步伐。香港曾經歷一九九七年金融風暴，並從中汲取經驗，有潛力成為最早復甦之經濟體系之一。與此同時，儘管各界認為中國大陸之經濟增長將會放慢，惟憑藉國內行之有效之創新政策，中國大陸之經濟增長幅度預期仍居於世界前列。

本集團預期於今年將面對重重挑戰，惟對其核心業務仍抱著審慎樂觀態度。低利率預期有利於香港物業發展業務，尤其是位置優越之主要持作出售物業。本集團會繼續透過如東英大廈及皇室大廈般進行重建及翻新工程，不斷提升其投資物業的價值及增加回報。本集團認為目前市況乃本集團進一步增加於香港及中國大陸發展項目之土地儲備之良機。

Chairman's Statement

PROSPECTS (cont'd)

The Board will continue to review the share price of the Company and its underlying net asset value regularly and consider repurchase its shares on The Stock Exchange of Hong Kong Limited, as and when the share price represents a significant discount to its net asset value.

APPRECIATION

I would like to take this opportunity to thank the shareholders for their continuing support. I also thank my fellow directors and staff members for their dedication and hard work.

On behalf of the Board

Joseph Lau, Luen-hung

Chairman

Hong Kong, 16th March, 2009

主席報告書

展望(續)

董事會將繼續定期留意本公司股價及其相關資產淨值，並會於當股價相對於其資產淨值出現顯著折讓時考慮在香港聯合交易所有限公司回購本公司股份。

致謝

本人謹藉此機會對股東一直以來的鼎力支持與各位董事及全體員工的貢獻及竭誠工作表示謝意。

代表董事會

主席

劉鑾雄

香港，二零零九年三月十六日

Financial Operation Review

財務業務回顧

RESULTS

Continuing Operations

Turnover for the Year amounted to HK\$1,264.9 million (year ended 31st December, 2007: HK\$4,478.1 million (restated); previously stated as HK\$8,446.9 million), a 71.8% decrease over the same period last year. It was mainly due to the decrease in turnover for sales of development properties.

During the Year, the Group changed its presentation in the sale of held-for-trading investments to a net basis. The sale proceeds of HK\$1,413.1 million (year ended 31st December, 2007: HK\$4,151.6 million) had been offset against the corresponding carrying amount of the disposed held-for-trading investments of HK\$1,525.0 million (year ended 31st December, 2007: HK\$3,963.1 million) and its related transaction cost of HK\$4.2 million (year ended 31st December, 2007: HK\$5.7 million). The gains and losses were then presented in turnover and comparative figures for 2007 have been amended to conform with the current year's presentation.

For property leasing, following the completion of renovation on the first phase of Windsor House and on the cinema portion of Silvercord at the end of 2007, new letting transactions with very favourable rentals have been recorded, thus the rental income in retail section jumped by 21.2%. Rental income from non-retail section had also shown a very satisfactory increase of 30.6% during the Year. The Year recorded an increase of 24.3% in total rental income to HK\$961.6 million as compared with the corresponding period in 2007 of HK\$773.3 million. Together with the attributable rental income generated from associates of HK\$116.0 million (year ended 31st December, 2007: HK\$89.3 million), the total attributable rental income to the Group after minority interest reached to approximately HK\$1,074.6 million (year ended 31st December, 2007: HK\$859.3 million), which achieved a 25.0% increase over the same period last year.

Gross profit for the Year amounted to HK\$985.1 million, a 49.1% decrease as compared with the same period last year.

業績

持續經營業務

本年度之營業額為1,264,900,000港元(截至二零零七年十二月三十一日止年度: 4,478,100,000港元(重列)·重列前列作8,446,900,000港元)·較去年同期減少71.8%·主要由於出售發展物業之營業額減少有關。

本年度內·本集團將出售持作買賣投資之呈報方式更改為以淨額基準呈報。出售所得款項1,413,100,000港元(截至二零零七年十二月三十一日止年度: 4,151,600,000港元)已與所出售持作買賣投資之相應賬面值1,525,000,000港元(截至二零零七年十二月三十一日止年度: 3,963,100,000港元)及其相關之交易成本4,200,000港元(截至二零零七年十二月三十一日止年度: 5,700,000港元)對銷。收益及虧損其後於營業額中呈報·而二零零七年之比較數字已依據本年度呈列方式更改。

在物業租賃方面·於二零零七年年底完成翻新皇室大廈第一期及新港中心戲院部分後·錄得租金豐厚之出租交易·因此零售部分之租金收入上升21.2%·非零售部分之租金收入於本年度亦取得理想增加30.6%。本年度錄得之租金總收入較去年同期增加24.3%·由二零零七年773,300,000港元增至961,600,000港元。連同應佔聯營公司租金收入116,000,000港元(截至二零零七年十二月三十一日止年度: 89,300,000港元)·本集團扣除少數股東權益後應佔租金總收入約為1,074,600,000港元(截至二零零七年十二月三十一日止年度: 859,300,000港元)·較去年同期增加25.0%。

本年度的毛利為985,100,000港元·較去年同期減少49.1%。

Financial Operation Review

財務業務回顧

RESULTS (cont'd)

Continuing Operations (cont'd)

In relation to property development, a profit of HK\$186.0 million (year ended 31st December, 2007: HK\$1,201.8 million) was recorded. Sale of MOD 595 in Mongkok had been successful and had contributed an attributable profit to the Group of approximately HK\$52.3 million. Certain units at Gemstar Tower in Hung Hom (61.96% interest) and at The Zenith in Wanchai (87.5% interest) sold during the Year had contributed an attributable profit to the Group of HK\$61.3 million (year ended 31st December, 2007: HK\$27.4 million) and HK\$9.8 million (year ended 31st December, 2007: HK\$757.0 million) respectively. In addition, Miami Crescent in Sheung Shui (50% interest) and Indihome in Tsuen Wan (50% interest) continuously had generated profit of HK\$26.6 million (year ended 31st December, 2007: HK\$47.4 million) and HK\$5.8 million (year ended 31st December, 2007: HK\$26.1 million) respectively, which were included in share of results of associates. For the sale of Parc Palais in Homantin (10% interest), a contribution of HK\$25.4 million (year ended 31st December, 2007: HK\$33.0 million) was recorded in investment income.

Investment properties of the Group were revalued as at 31st December, 2008 and recorded a decrease in fair value of HK\$7,467.7 million as a result of the downturn of the property markets in Hong Kong and Mainland China.

During the Year, the total gains recognised on listed securities investments were HK\$3,690.5 million (year ended 31st December, 2007: HK1,200.0 million), including listed equity securities investments included in available-for-sale investments, listed held-for-trading investments and treasury products.

業績 (續)

持續經營業務 (續)

有關物業發展方面，錄得溢利186,000,000港元（截至二零零七年十二月三十一日止年度：1,201,800,000港元）。旺角MOD 595之銷售情況理想，並帶來約52,300,000港元之本集團應佔溢利。紅磡駿昇中心（佔61.96%權益）及灣仔尚翹峰（佔87.5%權益）之若干單位已於本年度出售，並為本集團分別帶來61,300,000港元（截至二零零七年十二月三十一日止年度：27,400,000港元）及9,800,000港元（截至二零零七年十二月三十一日止年度：757,000,000港元）之應佔溢利。此外，上水邁爾豪園（佔50%權益）及荃灣樂悠居（佔50%權益）持續帶來分別26,600,000港元（截至二零零七年十二月三十一日止年度：47,400,000港元）及5,800,000港元（截至二零零七年十二月三十一日止年度：26,100,000港元）之溢利，該溢利均列入攤佔聯營公司業績。此外，何文田君頤峰（佔10%權益）之銷售入賬25,400,000港元（截至二零零七年十二月三十一日止年度：33,000,000港元），已列入投資收入。

於二零零八年十二月三十一日本集團就投資物業進行物業估值及錄得公平值減少7,467,700,000港元，乃因香港及中國大陸物業市場趨勢下降。

於本年度內，上市證券投資（包括待售投資中之上市股本證券投資、上市持作買賣投資及財資產品）已確認收益總額3,690,500,000港元（截至二零零七年十二月三十一日止年度：1,200,000,000港元）。

Financial Operation Review

財務業務回顧

RESULTS (cont'd)

Continuing Operations (cont'd)

The Group had disposed all listed equity securities investments included in available-for-sale investments. A gain of HK\$3,647.8 million (year ended 31st December, 2007: HK\$888.7 million) was recognised as net investment income, after deducting transaction costs of HK\$8.2 million (year ended 31st December, 2007: HK\$2.0 million), which was transferred from a cumulative gain of HK\$3,656.0 million (year ended 31st December, 2007: HK\$890.7 million) in equity as securities investments reserve. Together with the respective dividend income of HK\$116.2 million (year ended 31st December, 2007: HK\$86.1 million), the total gains of HK\$3,764.0 million (year ended 31st December, 2007: HK\$974.8 million) were recognised for the Year. In addition to the profit recognised in the consolidated income statement, a deduction of fair value changes on listed equity securities of available-for-sale investments of HK\$4,501.1 million (year ended 31st December, 2007: addition of HK\$4,505.8 million) was recognised to the securities investments reserve during the Year.

In respect of the performance of other listed held-for-trading investments and treasury products, the Group had recorded loss of HK\$77.0 million (year ended 31st December, 2007: profit of HK\$344.0 million) and HK\$73.5 million (year ended 31st December, 2007: profit of HK\$225.3 million) before and after finance costs respectively. The components in the consolidated income statement for the Year were gross loss of HK\$116.1 million (year ended 31st December, 2007: profit of HK\$182.7 million), unrealised gain of HK\$26.4 million (year ended 31st December, 2007: HK\$26.0 million), realised loss on equity-linked note of HK\$16.2 million (year ended 31st December, 2007: realised gains on equity-linked note and derivative financial instruments of HK\$68.3 million) and dividend and interest income of HK\$28.9 million (year ended 31st December, 2007: HK\$67.0 million). Net gain on finance costs of HK\$3.5 million (year ended 31st December, 2007: finance cost of HK\$118.7 million) included interest expense and exchange gain in the sum of HK\$4.4 million (year ended 31st December, 2007: HK\$106.4 million) and HK\$7.9 million (year ended 31st December, 2007: loss of HK\$12.3 million) respectively.

業績 (續)

持續經營業務 (續)

本集團已出售全部待售投資中之上市股本證券投資。錄得扣除交易成本8,200,000港元(截至二零零七年十二月三十一日止年度: 2,000,000港元)後於投資收入淨額中確認收益3,647,800,000港元(截至二零零七年十二月三十一日止年度: 888,700,000港元)·當中3,656,000,000港元(截至二零零七年十二月三十一日止年度: 890,700,000港元)之累計收益乃轉撥自股本權益中之證券投資儲備盈餘。連同有關股息收入116,200,000港元(截至二零零七年十二月三十一日止年度: 86,100,000港元)·於本年度確認之總收入為3,764,000,000港元(截至二零零七年十二月三十一日止年度: 974,800,000港元)。除於綜合收益表中確認之收益外·本年度之待售投資的上市股本證券之公平值變動減少4,501,100,000港元(截至二零零七年十二月三十一日止年度: 增加4,505,800,000港元)已於證券投資儲備盈餘中確認。

至於其他上市之持作買賣投資及財資產品的表現·本集團分別錄得扣除財務費用前後虧損77,000,000港元(截至二零零七年十二月三十一日止年度: 溢利344,000,000港元)及73,500,000港元(截至二零零七年十二月三十一日止年度: 溢利225,300,000港元)。計入本年度之綜合收益表之各項包括毛虧損116,100,000港元(截至二零零七年十二月三十一日止年度: 收益182,700,000港元)·未變現收益26,400,000港元(截至二零零七年十二月三十一日止年度: 26,000,000港元)·已變現股票掛鈎票據虧損16,200,000港元(截至二零零七年十二月三十一日止年度: 已變現股票掛鈎票據及衍生金融工具收益68,300,000港元)及股息及利息收入28,900,000港元(截至二零零七年十二月三十一日止年度: 67,000,000港元)。財務費用淨收益3,500,000港元(截至二零零七年十二月三十一日止年度: 財務費用118,700,000港元)包括利息開支及匯兌收益總額分別為4,400,000港元(截至二零零七年十二月三十一日止年度: 106,400,000港元)及7,900,000港元(截至二零零七年十二月三十一日止年度: 虧損12,300,000港元)。

Financial Operation Review

RESULTS (cont'd)

Continuing Operations (cont'd)

Other income recorded an increase of 20.8% to HK\$39.0 million when compared with the same period last year. Administrative expenses decreased by 2.2% to HK\$224.1 million as compared with the same period last year. Finance costs recorded a decrease of 50.8% to HK\$283.2 million as compared with the same period last year.

Other gains and losses recorded a net gain of HK\$10.2 million (year ended 31st December, 2007: losses of HK\$71.7 million), including gains on purchase of convertible bonds of G-Prop (Holdings) Limited ("G-Prop") and redemption of the remaining convertible bonds of G-Prop and impairment loss recognised in respect of advance to an associate.

The share of results of associates for the Year was a loss of HK\$8.4 million as compared to the profit of HK\$601.4 million for the same period last year, it was mainly due to the decrease in contribution from sales of development properties and decrease in fair value of investment properties.

Discontinued Operation

On 1st February, 2008, G-Prop entered into a conditional agreement with Fame Ascent Investments Limited to dispose the operation in production and sale of methanol (the "Methanol Project") for approximately HK\$183.7 million. The disposal was completed on 25th July, 2008, following the disposal, the results of Methanol Project was reported as a discontinued operation and presented separately in the consolidated income statement in accordance with Hong Kong Financial Reporting Standard 5 "Non-current Assets Held for Sale and Discontinued Operations".

LOSS, CORE PROFIT, DIVIDENDS, REPURCHASE AND CASH PAYMENT

Loss

Loss attributable to equity holders of the parent for the Year (from continuing and discontinued operations) was HK\$1,494.4 million as compared to profit of HK\$8,195.8 million for the same period last year. The loss for the Year was mainly due to the fair value losses on investment properties. Loss per share was HK\$0.67 (year ended 31st December, 2007: earnings of HK\$3.60).

財務業務回顧

業績 (續)

持續經營業務 (續)

其他收入較去年同期增加20.8%至39,000,000港元，行政開支較去年同期減少2.2%至224,100,000港元。財務費用較去年同期減少50.8%至283,200,000港元。

其他收益及虧損錄得收益淨額10,200,000港元（截至二零零七年十二月三十一日止年度：虧損71,700,000港元），包括購買金匡企業有限公司（「金匡」）之可換股債券之收益、贖回餘下金匡之可換股債券之收益及就墊付一間聯營公司款項確認之減值虧損。

本年度攤佔聯營公司業績虧損8,400,000港元，而去年同期收益為601,400,000港元，主要由於發展物業銷售貢獻減少以及投資物業公平值減少。

已終止經營業務

於二零零八年二月一日，金匡與名昇投資有限公司訂立一項有條件協議，以約183,700,000港元出售生產及銷售甲醇之業務（「甲醇項目」）。該出售已於二零零八年七月二十五日完成，於出售後，甲醇項目之業績乃根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」按已終止經營業務呈報，並於綜合收益表中分開呈列。

虧損、核心溢利、股息、回購及現金支出

虧損

本年度母公司股本權益持有人的應佔虧損（來自持續經營業務及已終止經營業務）為1,494,400,000港元，而去年同期溢利為8,195,800,000港元。本年度的虧損主要來自投資物業的公平值變動虧損。每股虧損為0.67港元（截至二零零七年十二月三十一日止年度：盈利3.60港元）。

Financial Operation Review

財務業務回顧

LOSS, CORE PROFIT, DIVIDENDS, REPURCHASE AND CASH PAYMENT (cont'd)

虧損、核心溢利、股息、回購及現金支出(續)

Core Profit

If the net losses on the major non-cash items of HK\$5,943.2 million (2007: gains of HK\$5,463.7 million) are excluded, the Group will have a core profit attributable to equity holders of the parent for the Year of HK\$4,448.8 million (2007: HK\$2,732.1 million) and a core earnings per share of HK\$2.00 (2007: HK\$1.20), an increase of 62.8% and 66.7% over 2007 respectively.

The major non-cash items are fair value losses on investment properties together with their respective deferred tax credit of HK\$6,235.7 million (2007: gains of HK\$5,463.7 million) and credit effect of deferred tax on reduction in tax rate in respect of the fair value changes on investment properties of HK\$292.5 million.

Dividends

A final dividend of HK22.5 cents per share in amount of HK\$517.1 million for the year ended 31st December, 2007 (year ended 31st December, 2006: HK18.0 cents) and an interim dividend of HK13.5 cents per share in amount of HK\$306.2 million for the half year ended 30th June, 2008 (half year ended 30th June, 2007: HK13.5 cents) were paid in cash and in form of new shares in lieu of cash (scrip dividend) during the Year. 90.7% and 9.3% were paid in cash and in scrip dividend respectively for the final dividend as well as 98.7% and 1.3% were paid in cash and in scrip dividend respectively for the interim dividend.

A final dividend and a special dividend have been recommended at HK1 cent (2007: HK22.5 cents) and HK99 cents (2007: nil) per share respectively. Together with interim dividend of HK13.5 cents (2007: HK13.5 cents) per share, the total dividend for the Year is HK113.5 cents (2007: HK36 cents) per share.

Repurchase

During the period from March 2008 to December 2008, the Company has utilised HK\$2,287.9 million (2007: nil) in repurchase of the Company's shares, such amount is equivalent to HK102.7 cents per share, calculated based on weighted average number of shares during the Year.

核心溢利

如撇除主要非現金項目虧損淨額5,943,200,000港元(二零零七年:收益5,463,700,000港元),本年度母公司股本權益持有人的應佔核心溢利將為4,448,800,000港元(二零零七年:2,732,100,000港元),而每股核心盈利將為2.00港元(二零零七年:1.20港元),分別較二零零七年增加62.8%及66.7%。

主要非現金項目為有關投資物業公平值變動之虧損連同其各自遞延稅項撥回6,235,700,000港元(二零零七年:收益5,463,700,000港元)以及由於稅率減少引至有關投資物業公平值變動之遞延稅項撥回292,500,000港元。

股息

截至二零零七年十二月三十一日止年度的末期股息每股22.5港仙(截至二零零六年十二月三十一日止年度:18.0港仙),合共517,100,000港元,及截至二零零八年六月三十日止半年的中期股息每股13.5港仙(截至二零零七年六月三十日止六個月:13.5港仙),合共306,200,000港元,兩項股息均已於本年度以現金及以新股份代替現金(以股代息)的形式派付,末期股息的90.7%及9.3%分別以現金及以股代息形式派付,而中期股息的98.7%及1.3%分別以現金及以股代息形式派付。

本年度建議宣派之末期股息及特別股息分別為1港仙(二零零七年:22.5港仙)及99港仙(二零零七年:無)。連同中期股息每股13.5港仙(二零零七年:13.5港仙),本年度派息總額為每股113.5港仙(二零零七年:36港仙)。

回購

於二零零八年三月至二零零八年十二月期間,本公司用作回購本公司股份之金額為2,287,900,000港元(二零零七年:無),該款項相等於每股102.7港仙,乃以本年度股份之加權平均股數基準計算。

Financial Operation Review

LOSS, CORE PROFIT, DIVIDENDS, REPURCHASE AND CASH PAYMENT (cont'd)

Cash Payment

Based on (a) the core profit for the Year of HK\$4,448.8 million (2007: HK\$2,732.1 million) or HK\$2.00 (2007: HK\$1.20) per share; (b) the amount utilised for share repurchase during March 2008 to December 2008 of HK\$2,287.9 million or HK102.7 cents per share; and (c) final and special dividends of HK100 cents (2007: HK\$22.5 cents) per share proposed and interim dividend of HK13.5 cents (2007: HK13.5 cents) per share paid for the Year, the ratio of such cash payment to the core profit is 108% (2007: 30.0%)

NET ASSET VALUE

As at 31st December, 2008, the Group's total net asset to equity holders of the parent amounted to approximately HK\$34,651 million (31st December, 2007: HK\$47,162 million), a decrease of HK\$12,511 million or 26.5% when compared with 31st December, 2007. With the total number of ordinary shares in issue of 2,077,750,079 shares as at 31st December, 2008 (31st December, 2007: 2,300,443,378 shares), the net asset value per share to equity holders of the parent was HK\$16.68, a decrease of 18.6% over 31st December, 2007 (HK\$20.50). The movement in net asset value was mainly due to (a) loss for the Year of HK\$1,494.4 million; (b) reduction in the reserve for the listed available-for-sale investments of HK\$8,159.0 million; and (c) reduction in share premium for share repurchase of HK\$2,289.2 million.

As at 31st December, 2007, the carrying amount of the cumulative gain on fair value changes of listed equity securities investments in equity as securities investments reserve (the "Listed Equity Securities Investments Reserve") was approximately HK\$8,157.1 million. A reduction in fair value on the listed equity securities investments of approximately HK\$4,501.1 million (year ended 31st December, 2007: addition of approximately HK\$4,505.8 million) was recognised for the Year and a cumulative gain of approximately HK\$3,656.0 million (year ended 31st December, 2007: HK\$890.7 million) was transferred to consolidated income statement upon disposal. The carrying amount of the Listed Equity Securities Investments Reserve as at 31st December, 2008 is HK\$nil.

財務業務回顧

虧損、核心溢利、股息、回購及現金支出(續)

現金支出

根據(a)本年度之核心溢利4,448,800,000港元(二零零七年:2,732,100,000港元)或每股2.00港元(二零零七年:1.20港元);(b)於二零零八年三月至二零零八年十二月期間用於回購股份之金額2,287,900,000港元或每股102.7港仙;及(c)本年度建議之末期及特別股息每股100港仙(二零零七年:22.5港仙)連同已派付之中期股息每股13.5港仙(二零零七年:13.5港仙),該現金支出與核心溢利之比率為108%(二零零七年:30%)。

資產淨值

於二零零八年十二月三十一日,母公司股本權益持有人的應佔本集團的總資產淨值約為34,651,000,000港元(二零零七年十二月三十一日:47,162,000,000港元),較二零零七年十二月三十一日減少12,511,000,000港元或26.5%。根據二零零八年十二月三十一日的已發行普通股總數2,077,750,079股(二零零七年十二月三十一日:2,300,443,378股)計算,母公司股本權益持有人的每股資產淨值為16.68港元,較二零零七年十二月三十一日(20.50港元)減少18.6%。資產淨值變動主要與(a)本年度虧損1,494,400,000港元、(b)上市待售投資之儲備減少8,159,000,000港元及(c)因回購股份而減少股份溢價2,289,200,000港元有關。

於二零零七年十二月三十一日,上市股本證券投資公平值變動累計收益於股本權益之證券投資儲備(「上市股本證券投資儲備」)之賬面值約8,157,100,000港元。於本年度,已確認約4,501,100,000港元(截至二零零七年十二月三十一日止年度:4,505,800,000港元)之上市股本證券投資公平值減少及約3,656,000,000港元(截至二零零七年十二月三十一日止年度:890,700,000港元)之累計收益已因出售而轉撥至綜合收益表。截至二零零八年十二月三十一日止上市股本證券投資儲備盈餘賬面值為零港元。

Financial Operation Review

財務業務回顧

NET ASSET VALUE (cont'd)

Included in the total net asset is net deferred tax liabilities of HK\$3,769 million on fair value gains of investment properties. If the deferred tax liabilities are excluded, the total net asset to equity holders of the parent will become HK\$38,420 million or HK\$18.5 per share.

During the Year, the Group had acquired additional 36.51% interest in G-Prop and acquired and redeemed certain convertible bonds of G-Prop, disposals of certain investment properties and bought and sold listed and unlisted securities investments. Other than the existing projects and those disclosed in the annual report, the Group did not have any future plans for material investment or capital assets.

SECURITIES INVESTMENTS

As at 31st December, 2007, the listed equity securities investments and treasury products was HK\$11,808.0 million. During the Year, the Group disposed all the listed equity securities investments. As at 31st December, 2008, after adding the fair value gain of HK\$26.4 million, the carrying amount of the treasury products was HK\$24.4 million, which was included in current liabilities.

During the Year, Chi Cheung Investment Company, Limited ("Chi Cheung", a 61.96% subsidiary of the Company) and G-Prop (a 50.20% subsidiary of the Company) acquired various long term floating rate notes and fixed rate notes (the "FRN") in principal amount of US\$28.5 million and EUR3.8 million as available-for-sale investments. The denominated currencies of the FRN are United States dollars and Euro and the maturity dates are between 2011 to 2016. The interest rates are calculated mainly with reference to the respective country's LIBOR. No hedging for interest rate and foreign currency were subsisted during the Year.

As at 31st December, 2008, the carrying amount of the FRN amounted to HK\$216.7 million, representing 0.42% of the total assets of the Group at the year end.

RISK MANAGEMENT

The Group has established adequate risk management procedures that enable it to identify, measure, monitor and control various types of risk it faces. This is supplemented by active management involvement, effective internal controls and adequate internal audit in the best interests of the Group.

資產淨值(續)

總資產淨值包括有關投資物業公平值收益的遞延稅項負債3,769,000,000港元。如撇除該遞延稅項負債，母公司股本權益持有人的總資產淨值將為38,420,000,000港元或每股18.5港元。

於本年度，本集團增購金匡36.51%權益及購買及贖回其若干可換股債券、出售若干投資物業及買賣上市證券投資。除該等現有項目以及年報內所披露者外，本集團並無任何有關重大投資或資本資產之未來計劃。

證券投資

於二零零七年十二月三十一日，上市證券股本投資及財資產品為11,808,000,000港元。於本年度，本集團已出售全部上市股本證券投資。於二零零八年十二月三十一日，財資產品賬面值為24,400,000港元已包括公平值變動增加26,400,000港元，並列入流動負債中。

於本年度，至祥置業有限公司（「至祥」，擁有61.96%權益之附屬公司）及金匡（擁有50.20%權益之附屬公司）購入若干長期浮息票據及定息票據（「計息票據」），計息票據之本金額為28,500,000美元及3,800,000歐元列作待售投資。計息票據以美元及歐元計值及到期日介乎二零一一年至二零一六年。利率計算主要參照各地區浮動利率。於年內並無就利率及外幣作出對沖。

於二零零八年十二月三十一日，計息票據賬面值為216,700,000港元，佔本集團年底總資產0.42%。

風險管理

本集團設有一套完善的風險管理程序，以識別、衡量、監察及控制其面對的各種風險，同時輔以積極管理、有效的內部監控及足夠的內部審核，以保障本集團的最佳利益。

Financial Operation Review

EQUITY

The number of issued ordinary shares as at 31st December, 2008 and 31st December, 2007 were 2,077,750,079 shares and 2,300,443,378 shares respectively.

CONVERTIBLE BONDS

The zero-coupon convertible bonds (the "Bonds") were issued by G-Prop on 25th October, 2007 in a face value of HK\$180 million due in 2010. On 31st October, 2008, G-Prop, upon request of the bondholders, had redeemed the Bonds with principal amount of HK\$180,000,000 (including the Bonds with face value of HK\$108 million held by a wholly-owned subsidiary of the Company) in full at par value by cash. The Bonds so redeemed had been cancelled simultaneously. As at 31st December, 2008, the Group had no outstanding Bonds.

DEBT AND GEARING

As at 31st December, 2008, the Group's bank and other borrowings amounted to HK\$11,669 million (31st December, 2007: HK\$12,330 million). Cash and deposit at bank amounted to HK\$10,419 million (31st December, 2007: HK\$6,168 million), pledged deposit amounted to HK\$478 million (31st December, 2007: HK\$486 million) and net borrowings amounted to HK\$772 million (31st December, 2007: HK\$5,676 million).

Total debt to equity ratio was 33.1% (31st December, 2007: 25.9%) and net debt to equity ratio was 2.2% (31st December, 2007: 11.9%), which are expressed as a percentage of total borrowings, and net borrowings respectively, over the total equity of HK\$35,303 million (31st December, 2007: HK\$47,666 million).

The decrease in net debt to equity ratio was due to an increase in cash and deposit balances. Increase of cash and deposit balances was mainly due to the disposals of listed available-for-sale investments.

財務業務回顧

股本

於二零零八年十二月三十一日及二零零七年十二月三十一日的已發行普通股數目分別為2,077,750,079股及2,300,443,378股。

可換股債券

金匡於二零零七年十月二十五日發行面值為180,000,000港元於二零一零年到期之零息可換股債券（「債券」）。於二零零八年十月三十一日，金匡應債券持有人之要求以現金按面值全部贖回本金額為180,000,000港元之債券（包括由本公司之一間全資附屬公司持有之面值為108,000,000港元之債券）。贖回之債券已同時註銷。於二零零八年十月三十一日本集團並無未行使債券。

債務及資本與負債比率

於二零零八年十二月三十一日，本集團的銀行及其他借貸為11,669,000,000港元（二零零七年十二月三十一日：12,330,000,000港元）。現金及銀行結存為10,419,000,000港元（二零零七年十二月三十一日：6,168,000,000港元），抵押存款為478,000,000港元（二零零七年十二月三十一日：486,000,000港元），而借貸淨額為772,000,000港元（二零零七年十二月三十一日：5,676,000,000港元）。

總債務與股本權益比率為33.1%（二零零七年十二月三十一日：25.9%），而淨債務與股本權益比率為2.2%（二零零七年十二月三十一日：11.9%），乃將借貸總額及借貸淨額分別除以股本權益總額35,303,000,000港元（二零零七年十二月三十一日：47,666,000,000港元）得出的百分比。

由於現金及定期存款增加，令淨債務與股本權益的比率下降。現金及定期存款增加主要與出售上市待售投資有關。

Financial Operation Review

財務業務回顧

DEBT AND GEARING (cont'd)

At the balance sheet date, the Group's bank and other borrowings were denominated in Hong Kong dollars. Of the Group's bank and other borrowings of HK\$11,669 million, 27.1%, 20.2%, 51.2% and 1.5% were repayable within 1 year, 1 to 2 years, 2 to 5 years and over 5 years respectively. The Group's bank and other borrowings carrying interest rates were calculated mainly with reference to HIBOR. No hedging for interest rate and non-Hong Kong dollars assets or investments were subsisted at the end of the year.

PLEDGE OF ASSETS

As at 31st December, 2008, the Group had pledged the following assets:

- (a) The Group's investment properties, property and other fixed assets, prepaid lease payments, stock of properties and time deposits with their respective carrying amount of approximately HK\$28,643.2 million (31st December, 2007: HK\$37,048.5 million), HK\$60.3 million (31st December, 2007: HK\$47.6 million), HK\$319.6 million (31st December, 2007: HK\$239.2 million), HK\$2,995.2 million (31st December, 2007: HK\$561.9 million) and HK\$149.3 million (31st December, 2007: HK\$485.7 million) were pledged to the Group's bankers to secure general banking and loan facilities granted to the Group.
- (b) As at 31st December, 2008, a cash deposit of HK\$328.7 million was pledged to the Group's financial institutions to secure the derivative financial instruments transaction.

As at 31st December, 2007, the Group's investments held-for-trading with carrying amount of approximately HK\$194.7 million was pledged to the Group's financial institutions to secure margin and securities facilities granted to the Group in respect of securities transactions and utilised by the Group as borrowings due within one year of approximately HK\$177.5 million.

債務及資本與負債比率 (續)

於結算日，本集團之銀行及其他借貸以港元計值。於本集團之銀行及其他借貸總額11,669,000,000港元中，27.1%、20.2%、51.2%及1.5%須分別於一年內、一至兩年、兩至五年及五年後償還。本集團之銀行及其他借貸主要參照香港銀行同業拆息計算利息。於年底並無就利率及非港元計值的資產或投資作出對沖。

資產抵押

於二零零八年十二月三十一日，本集團已抵押以下資產：

- (a) 本集團賬面值分別約為28,643,200,000港元（二零零七年十二月三十一日：37,048,500,000港元）、60,300,000港元（二零零七年十二月三十一日：47,600,000港元）、319,600,000港元（二零零七年十二月三十一日：239,200,000港元）、2,995,200,000港元（二零零七年十二月三十一日：561,900,000港元）及149,300,000港元（二零零七年十二月三十一日：485,700,000港元）之投資物業、物業及其他固定資產、預付租賃款項、物業存貨及定期存款，已就本集團獲授之一般銀行及貸款融資，抵押予本集團之往來銀行。
- (b) 於二零零八年十二月三十一日，本集團約為328,700,000港元之現金存款，已就本集團有關衍生金融工具之交易保證，抵押予本集團之財務機構。

於二零零七年十二月三十一日，本集團賬面值約為194,700,000港元之持作買賣之投資，已就本集團有關證券交易獲授之保證金及證券融資，抵押予本集團之財務機構，而本集團已動用於一年內到期之借貸約177,500,000港元。

Financial Operation Review

PLEDGE OF ASSETS (cont'd)

- (c) Interests in certain subsidiaries of the Company have been pledged as part of the security to secure certain bank borrowings granted to the Group.
- (d) The Group has subordinated and assigned its advance to an associate and advance to an investee company of approximately HK\$1,275.0 million (31st December, 2007: HK\$1,152.0 million) to financial institutions to secure banking general credit facilities granted to associate and investee company.

FINANCIAL AND INTEREST INCOME/EXPENSES

Interest income was included in turnover and investment income. Interest income for the Year was HK\$228.4 million, representing a decrease of 15.7% from that of 31st December, 2007 (HK\$270.8 million). Finance costs included interest expenses on bank and other loans, imputed interest expenses, exchange difference on foreign currency loans and arrangement, facility and commitment fee expenses. Excluding imputed interest, interest expenses for the Year amounted to HK\$274.3 million, representing a 50.5% decrease over the interest expenses of HK\$553.8 million recorded for the same period last year. The decrease in interest expenses was mainly due to decrease in interest rate during the Year. Interest capitalised for the Year was HK\$52.7 million as compared to HK\$101.0 million for last year. The average interest rate over the year under review was 2.63% (2007: 4.81%), which was expressed as a percentage of total interest paid over the average total borrowings.

REMUNERATION POLICIES AND SHARE OPTION SCHEME

During the year under review, the Group employed a total of 306 staff (year ended 31st December, 2007: 300 staff) (excluding about a total of 301 staff (year ended 31st December, 2007: 270 staff) for estate management employed under the Group's estate management company, Perfect World Company Limited).

Employees were remunerated on the basis of their performance, experience and prevailing industry practice. Remuneration packages comprised salary and year-end discretionary bonus based on market conditions and individual performance. The Executive Directors continued to review employees' contributions and to provide them with necessary incentives and flexibility for their better commitment and performance. No share option scheme was adopted for the Year.

財務業務回顧

資產抵押 (續)

- (c) 本公司若干附屬公司之權益已質押為本集團獲授若干銀行借貸之部分抵押。
- (d) 本集團已就聯營公司及接受投資公司獲授之銀行信貸將其墊付聯營公司及接受投資公司款項約1,275,000,000港元(二零零七年十二月三十一日: 1,152,000,000港元)轉歸及授讓財務機構。

財務及利息收入／支出

營業額及投資收入包括利息收入。本年度之利息收入為228,400,000港元，較二零零七年十二月三十一日(270,800,000港元)減少15.7%。財務費用包括銀行及其他貸款之利息支出、名義利息支出、外幣貸款匯兌差額、安排、信貸及承擔費用支出。撇除名義利息，本年度之利息支出為274,300,000港元，較去年同期錄得之利息支出553,800,000港元減少50.5%。利息支出減少主要與本年度利率減低有關。本年度之資本化利息為52,700,000港元，而去年則為101,000,000港元。於回顧年度之平均利率為2.63%(二零零七年: 4.81%)，乃以總利息支付除以平均借貸總額得出。

酬金政策及購股權計劃

於回顧年度內，本集團共有僱員306人(截至二零零七年十二月三十一日止年度: 300人)(不包括受僱於本集團之物業管理公司忠信物業管理有限公司之物業管理員工合共301人(截至二零零七年十二月三十一日止年度: 270人))。

僱員薪金乃根據其表現、經驗及目前業內慣例釐定。酬金包括薪金以及按市況及個人表現釐定之年終花紅。執行董事繼續檢討僱員工作表現，並於需要時給予獎勵及靈活處理，鼓勵員工在工作上更加投入和有更好表現。本年度並無採納購股權計劃。

Financial Operation Review

財務業務回顧

MAINLAND CHINA AND MACAU

Excluding the discontinued operation, profit contribution from the Group's investment in the Mainland China (including gross profit, fair value changes on investment properties, share of results of associates and taxation) for the Year amounted to HK\$116.7 million (year ended 31st December, 2007: HK\$222.8 million). The Group's net investment as at 31st December, 2008 amounted to HK\$6,877.5 million (31st December, 2007: HK\$4,295.4 million) representing approximately 13.3% of the Group's total asset value and 19.8% of the Group's net asset value.

Further, the Group's net investment in Macau as at 31st December, 2008 amounted to HK\$1,665.0 million (31st December, 2007: HK\$1,660.7 million) representing approximately 3.2% of the Group's total asset value.

LISTED SUBSIDIARIES

At the year end date, the Group owned 61.96% interest in Chi Cheung.

On 5th February, 2008, the Group acquired 740,518,325 shares of G-Prop, representing 36.51% shareholding, at a consideration of approximately HK\$120.8 million. Accordingly, the Group held 50.20% shareholding of G-Prop and G-Prop became a subsidiary of the Company.

PROPERTY VALUATION

A property valuation has been carried out by Messrs. Norton Appraisals Limited, independent qualified professional valuers, in respect of the Group's investment properties as at 31st December, 2008 and that valuation was used in preparing 2008 year results. The Group's investment properties were valued at HK\$30,303 million (31st December, 2007: HK\$38,498 million), a 20.5% decrease over 2007 after adjusted for additions and disposals of investment properties during the Year. The decrease in fair value of approximately HK\$7,468 million was recognised in the consolidated income statement for the Year. The Group also shared a decrease in fair value of investment properties of the associates of HK\$63 million (net of deferred tax of HK\$14 million) for the Year. Development properties and non-investment properties of the Group were stated at cost less impairment, if any, in the financial statements.

中國大陸及澳門

如撇除於中國大陸之已終止經營業務，本集團於中國大陸之投資為本年度間帶來溢利（包括毛利、投資物業的公平值變動、攤佔聯營公司業績及稅項）116,700,000港元（截至二零零七年十二月三十一日止年度：222,800,000港元）。而本集團之投資淨額於二零零八年十二月三十一日達6,877,500,000港元（二零零七年十二月三十一日：4,295,400,000港元），分別佔本集團資產總值及本集團資產淨值約13.3%及19.8%。

此外，於二零零八年十二月三十一日本集團於澳門之投資淨額為1,665,000,000港元（二零零七年十二月三十一日：1,660,700,000港元），佔本集團資產總值約3.2%。

上市附屬公司

於年結日，本集團於至祥擁有61.96%權益。

於二零零八年二月五日，本集團以代價約120,800,000港元收購740,518,325股金匡股份，相當於36.51%股權，因此，本集團持有50.20%金匡股權，金匡遂成為本公司之附屬公司。

物業估值

獨立合資格專業估值師普敦國際評估有限公司已就本集團於二零零八年十二月三十一日持有之投資物業進行物業估值，有關估值乃用於編製二零零八年財務報表。本集團投資物業之估值為30,303,000,000港元（二零零七年十二月三十一日：38,498,000,000港元），經作出本年度投資物業之增加及出售之調整後較二零零七年減少20.5%。公平值減少約7,468,000,000港元已計入本年度之綜合收益表。本集團亦攤佔本年度聯營公司投資物業之公平值之減少63,000,000港元（已扣除遞延稅項14,000,000港元）。本集團之發展物業及非投資物業乃於財務報表中按成本扣除減值（如有）列賬。

Corporate Governance Report

企業管治報告書

CORPORATE GOVERNANCE PRACTICES

The Board of Directors (the “Directors” or the “Board”) and management of the Company (together with its subsidiaries, the “Group”) are committed to principles of good corporate governance in safeguarding the interests of the shareholders and enhancing shareholders’ value.

Throughout the year ended 31st December, 2008 (the “Year”), the Company has applied the principles of the Code on Corporate Governance Practices (the “Code”) and complied with the code provisions (the “Code Provisions”) and certain recommended best practices (the “Best Practices”) set out in the Code contained in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited, except for the following deviations:—

Deviations

Chairman and Chief Executive Officer

Mr. Joseph Lau, Luen-hung (“Mr. Joseph Lau”), acts as both the chairman (the “Chairman”) and chief executive officer (the “CEO”) of the Company since December 2006. The Board considers that this structure will not impair the balance of power and authority of the Board. It currently comprises one Executive Director, two Non-executive Directors (the “NEDs” or “NED”) and three Independent Non-executive Directors (the “INEDs” or “INED”), with INEDs representing 50% of the Board, which is higher than the Best Practices. Such a high percentage of INEDs in the Board could ensure their views carry significant weight and it reflects a strong independence element in the composition of the Board. At present, the Board also believes that under the leadership of Mr. Joseph Lau as the Chairman and CEO, the Board’s decision could be made effectively and it is beneficial to the management and development of the Group’s businesses. The Board would still consider segregation of the roles of Chairman and CEO if and when appropriate.

Chairman Attending Annual General Meeting

Mr. Joseph Lau, the Chairman of the Board, suffered from illness and therefore could not attend the Annual General Meeting of the Company held on 15th May, 2008 (“2008 AGM”). Mr. Lau, Ming-wai, being the then Executive Director of the Company, was elected as the chairman of the 2008 AGM and Mr. Chan, Kwok-wai, chairman of Audit and Remuneration Committees, had attended the 2008 AGM to ensure effective communication with shareholders of the Company.

企業管治常規

本公司（連同其附屬公司，「本集團」）董事會（「董事」或「董事會」）及管理層堅守良好的企業管治守則，以保障股東權益及提升股東價值。

截至二零零八年十二月三十一日止年度（「本年度」）全年，本公司已應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」）附錄十四《企業管治常規守則》（「常規守則」）之原則及遵守常規守則之守則條文（「守則條文」）及若干建議最佳常規（「最佳常規」），惟以下偏離事項除外：—

偏離事項

主席及行政總裁

劉鑾雄先生（「劉鑾雄先生」）自二零零六年十二月起同時出任本公司主席（「主席」）及行政總裁（「行政總裁」）之職。董事會認為此架構將不會損害董事會的權力及權限之平衡。董事會目前由一名執行董事、二名非執行董事（「非執行董事」）及三名獨立非執行董事（「獨立非執行董事」）組成，獨立非執行董事人數佔董事會50%，較最佳常規所規定者為高。由獨立非執行董事佔董事會人數的大多數可確保彼等的意見具重大影響力，並反映董事會成員擁有相當之獨立元素。目前，董事會亦相信劉鑾雄先生作為主席及行政總裁之領導下，董事會將可有效作出決策，對本集團之業務管理及發展均為有利。董事會仍會於適當時考慮將主席及行政總裁之角色分立。

主席出席股東週年大會

董事會主席劉鑾雄先生因身體抱恙而未能出席於二零零八年五月十五日舉行之股東週年大會（「2008股東週年大會」）。當時的執行董事劉鳴煒先生被選為2008股東週年大會主席，身兼審核及薪酬委員會主席之陳國偉先生亦有出席2008股東週年大會，以確保與本公司股東保持有效的溝通。

Corporate Governance Report

企業管治報告書

CORPORATE GOVERNANCE PRACTICES (cont'd)

Revocation of Additional Corporate Governance Measures

The Company has adopted the following additional corporate governance measures exceeded the Code Provisions since 2006, details of which were set out in the announcement of the Company dated 28th April, 2006.

(1) Fees and Emoluments

Fees and emoluments entitlement of the Executive Director(s) of the Company shall not exceed in aggregate an amount of HK\$8,000,000 per annum.

(2) General Mandate

The Company is committed to propose to the shareholders at annual general meetings to issue and allot new shares up to 10% of the issued share capital of the Company. The Company is also committed not to issue any shares pursuant to the general mandate at a discount of more than 12% to the benchmarked price (as defined in Rule 13.36(5) of the Listing Rules), unless approved by an independent board committee.

(3) Connected Transactions

The Company will ensure that the aggregate of all connected transactions over any 12-month period not exceeding HK\$500 million unless approved by the independent shareholders.

(4) Independent Non-executive Directors

The number of INEDs of the Company will not be less than 50% of the total number of Directors of the Company.

As announced on 31st December, 2008, the above additional corporate governance measures were revoked with effect from 1st January, 2009 after taking into account the existing protection available to the shareholders of the Company under the Listing Rules, the additional burden on the Company in terms of time and administrative costs in complying with such additional measures, and the scope of discretion which should be left to the Board to allow sufficient flexibility.

企業管治常規 (續)

撤回附加之企業管治措施

本公司自二零零六年起已另行採納以下超出守則條文之附加之企業管治措施。該等企業管治措施之詳情已載於本公司日期為二零零六年四月二十八日之公布內。

(1) 袍金及酬金

本公司執行董事之袍金及酬金每年總額不會超過8,000,000港元。

(2) 一般授權

本公司承諾會於股東週年大會向股東提議發行及配發數目為本公司已發行股本10%之新股。本公司亦承諾不會根據一般授權以較股份基準價格折讓12%以上之折讓價(定義見上市規則第13.36(5)條)發行股份(除非得到獨立董事委員會批准)。

(3) 關連交易

除非獲獨立股東批准,本公司將確保關連交易總額於任何十二個月期間不會超過500,000,000港元。

(4) 獨立非執行董事

本公司獨立非執行董事數目不會少於本公司董事總人數50%。

誠如二零零八年十二月三十一日之公布,董事會經考慮到現時上市規則給予本公司股東的保障,本公司為遵照該等附加措施而在時間及行政費用上所付出的額外負擔,及考慮到董事會應保留斟酌權限以提供充分的彈性,決定撤回上述之附加之企業管治措施,並由二零零九年一月一日起生效。

Corporate Governance Report

企業管治報告書

THE BOARD

Board Composition

Under Rule 3.10(1) of the Listing Rules, the board of directors of a listed company must include at least three independent non-executive directors. The Best Practices recommend that at least one-third of the directors should be independent non-executive directors.

The Company considers that it is important for the Board to include a balanced composition of Executive Directors, NEDs and INEDs, so that there is a strong independent element on the Board which can effectively exercise independent judgement on the actions of the Company. The Board currently comprises one Executive Director, two NEDs and three INEDs, with INEDs representing 50% of the Board, which is higher than the Best Practices. During the Year, Mr. Cheng, Kwee resigned as an INED with effect from 21st November, 2008. Immediately upon the resignation of Mr. Cheng, Kwee, Mr. Ma, Tsz-chun has been appointed as an INED of the Company on the same day to fill the casual vacancy left by Mr. Cheng, Kwee.

The Directors' biographies and the relationship among the Board members, if any, are set out in the Profiles of Directors and Senior Executives of this annual report and available on the Company's website. Save as disclosed in the Profiles of Directors, there is no financial, business, family or other material/relevant relationship among the Directors.

Responsibilities of Directors

The NEDs and INEDs with diversified expertise, skills and experience play an important role on formulating strategy and ensuring that the Board maintains high standards of corporate governance as well as taking the lead where potential conflict of interests arise. The Board has received from each INED a written annual confirmation of their independence and satisfied that their independence up to the date of this report is in accordance with the Listing Rules.

The Company encourages its Directors to possess up-to-date knowledge in order to discharge their duties. Information regarding the updating of Listing Rules had been provided to the Directors. Directors could have recourse to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and to consult with the Company's senior management independently.

董事會

董事會之組成

根據上市規則第3.10(1)條的規定，上市公司之董事會必須包括最少三名獨立非執行董事。最佳常規建議最少三分之一的董事必須為獨立非執行董事。

本公司認為維持董事會內執行董事、非執行董事及獨立非執行董事組合之均衡比例實屬重要，以使董事會有充足之獨立元素，可對本公司之行動作出有效獨立判斷。董事會現由一名執行董事、兩名非執行董事及三名獨立非執行董事組成，而獨立非執行董事之人數佔董事會50%，較最佳常規為高。於本年度內，鍾貴先生辭任本公司之獨立非執行董事，於二零零八年十一月二十一日起生效。緊隨鍾貴先生之辭任，馬時俊先生已於同日獲委任為本公司之獨立非執行董事，以填補鍾貴先生辭任之空缺。

董事之簡介及董事會成員之間的關係（如有）載於本年報「董事及高級行政人員簡介」內，並登載於本公司網站。除於董事簡介內所披露者外，董事之間並無財務、業務、家族或其他重大／相關關係。

董事之責任

擁有不同專門知識、技巧及經驗之非執行董事及獨立非執行董事在擬定策略方面擔當重要角色，彼等並確保董事會維持高水平企業管治及於出現潛在利益衝突時起牽頭作用。董事會已接獲各獨立非執行董事根據上市規則規定確認彼等獨立性之年度確認書，並滿意截至本報告日期為止彼等之獨立性。

本公司鼓勵其董事時刻掌握最新知識以履行其職責。有關上市規則更新之資料已提供予各董事。董事可為履行職責而尋求獨立專業意見，費用由本公司支付，而本公司亦鼓勵董事獨立接觸並諮詢本公司之高級管理層。

Corporate Governance Report

企業管治報告書

THE BOARD (cont'd)

Retirement by Rotation and Specific Term of Office

The Company's Bye-laws provide that no Director (save for the executive chairman and any managing director) shall hold office for a continuous period in excess of three years, or past the third annual general meeting, following the Directors' appointment or re-election, whichever is longer, without submitting himself/herself for re-election at the annual general meeting of the shareholders. Accordingly, Directors (save for the executive chairman and any managing director) shall retire by rotation at least once every three years and a specific term of office has been fixed for appointment of Directors (save for the executive chairman and any managing director).

However, according to the Private Act for incorporating the Company as an exempted company under the laws of Bermuda in 1989, it is stipulated that the executive chairman and any managing director should not be required to retire by rotation. In order to comply with the Code Provisions, the Chairman and CEO of the Company is willing to voluntarily retire from his directorship at future annual general meetings of the Company at least once every three years, and being eligible, will offer himself for re-election at the relevant annual general meetings. Mr. Joseph Lau retired voluntarily at the 2008 AGM and had been re-elected by the shareholders thereat.

Every Director will therefore retire either by rotation under the Bye-laws or voluntarily at least once every three years and will subject himself/herself to the absolute and free choice of the shareholders for re-election at the annual general meetings.

Board Meeting

The Board meets regularly throughout the Year to discuss the overall strategy, the operational and financial performance of the Group. Four regular Board meetings were held during the Year with advance notice of not less than 14 days were served upon each Director. Individual attendance of each Director is indicated in the table of "Attendance Records of Board Meetings". All accompanying Board papers were sent to the Directors in a timely manner and at least 3 days before the Board meetings. Adequate explanation and information were given to the Directors by the management to facilitate the Directors in decision-making. Each Director has to declare interest and abstain from voting on any Board resolution in which he/she or any of his/her associates has a material interest in accordance with the Bye-laws of the Company.

董事會 (續)

輪席告退及特定任期

本公司之公司細則規定董事(除執行主席及任何董事總經理外)不得在未於股東週年大會上獲得股東重選之情況下,持續出任董事職位超過三年,或於獲委任或重選連任後出任董事職位超逾三次股東週年大會,兩者以較長期間為準。據此,董事(除執行主席及任何董事總經理外)須最少每三年輪席告退一次,並從而為董事(除執行主席及任何董事總經理外)制定了特定任期。

然而,根據百慕達法例於一九八九年註冊成立本公司為獲豁免公司的私人法案規定,執行主席及任何董事總經理均毋須輪席告退。為遵守守則條文,本公司的主席及行政總裁願意最少每三年於本公司往後之股東週年大會上自願退任董事職務一次,惟符合資格並願意於相關股東週年大會上膺選連任。劉鑾雄先生自願於2008股東週年大會上退任為董事,並獲股東於該會上重選連任。

因此,每名董事將會根據公司細則或自願最少每三年輪席告退一次,並將於股東週年大會上由股東全權自由決定其能否連任。

董事會會議

董事會於年內定期開會商討本集團整體策略、營運及財務表現。本公司於本年度內共舉行四次定期董事會會議,並於舉行會議前向各董事發出最少十四日之通告。各董事之個別出席記錄載於「董事會會議出席記錄」附表。所有相關會議文件均已於會議前至少三日及時送呈各董事。管理層向董事提交充足解釋及資料,以便董事作出決策。各董事須根據本公司之公司細則,於其或其任何聯繫人士擁有重大權益之任何董事會決議案,申報其權益並放棄投票。

Corporate Governance Report

企業管治報告書

THE BOARD (cont'd)

董事會 (續)

Board Meeting (cont'd)

董事會會議 (續)

Attendance Records of Board Meetings 董事會會議出席記錄		Attendance records 出席記錄
Executive Director Mr. Joseph Lau, Luen-hung (Chairman and Chief Executive Officer)	執行董事 劉鑾雄先生 (主席兼行政總裁)	4/4 (100%)
Non-executive Directors Ms. Amy Lau, Yuk-wai Mr. Lau, Ming-wai*	非執行董事 劉玉慧女士 劉鳴煒先生*	4/4 (100%) 3/4 (75%)
Independent Non-executive Directors Mr. Chan, Kwok-wai Mr. Cheng, Kwee** Ms. Phillis Loh, Lai-ping Mr. Ma, Tsz-chun***	獨立非執行董事 陳國偉先生 鍾貴先生** 羅麗萍女士 馬時俊先生***	4/4 (100%) 3/3 (100%) 4/4 (100%) 1/1 (100%)
Dates of meetings	開會日期	07/03/2008 23/06/2008 07/08/2008 24/11/2008

* Mr. Lau, Ming-wai redesignated from Executive Director to Non-executive Director on 31st October, 2008.

劉鳴煒先生於二零零八年十月三十一日由執行董事轉任為非執行董事。

** Mr. Cheng, Kwee resigned as Independent Non-executive Director on 21st November, 2008.

鍾貴先生於二零零八年十一月二十一日辭任獨立非執行董事。

*** Mr. Ma, Tsz-chun appointed as Independent Non-executive Director on 21st November, 2008.

馬時俊先生於二零零八年十一月二十一日委任為獨立非執行董事。

The agenda of each Board meeting is set by the Chairman in consultation with members of the Board such that they are given an opportunity to include agenda items. On an on-going basis, senior executive(s) provides the Directors with operational and financial reports of the Group's performance, position and prospects. All Directors are kept informed of and duly briefed of major changes and information that may affect the Group's businesses in a timely manner. Draft and executed Board minutes were sent in good time to all Directors for their comment and records respectively. Minutes of the Board meetings recorded in sufficient details were kept by the Company Secretary.

為給予董事會成員擬定董事會會議商討事項之機會，董事會會議之議程會於主席諮詢董事會成員後訂定。高級行政人員持續就本集團之表現、狀況及展望向董事提呈營運及財務報告。本公司會及時向所有董事匯報並簡報任何會影響本集團業務之重大轉變及資料。董事會會議記錄之初稿及定稿已分別盡快送呈各董事以供彼等提供意見及保存記錄。公司秘書負責保存載有詳盡細節之董事會會議記錄。

Corporate Governance Report

企業管治報告書

THE BOARD (cont'd)

Board and Management Functions

The functions reserved to the Board are basically provided in the Bye-laws of the Company and the Board from time to time delegates the functions to the senior management whenever required. In short, the Board has reserved for its decision on matters relating to the Group's strategy, major acquisitions and disposals, major capital expenditure, annual and interim results, Directors' appointment and other significant financial and operational issues.

On top of daily business operation, senior management is responsible for the preparation of annual and interim consolidated financial statements for the Board's approval, execution of business strategies and initiatives adopted by the Board, implementation of adequate systems of internal control and sound risk management practices and is required to report to the Board and obtain its prior approval in important matters at all times. Notwithstanding the delegation, the Directors acknowledge that it is the responsibility of the Board for preparing the financial statements, which give a true and fair view of the financial results of the Group.

Directors' Insurance

The Company has arranged appropriate liability insurance to indemnify its Group's directors for their liabilities arising out of corporate activities. The insurance coverage is reviewed on an annual basis.

BOARD COMMITTEES

The Board has established Audit Committee and Remuneration Committee (collectively the "Committees") with clear written terms of reference which are of no less exacting terms than those set out in the Code. Details of the Committees' terms of reference are available at the Company's website. Members of the Audit Committee are also members of the Remuneration Committee and all of them are INEDs of the Company. As at 31st December, 2008, members of the Committees were Mr. Chan, Kwok-wai, Ms. Phillis Loh, Lai-ping and Mr. Ma, Tsz-chun; Mr. Chan, Kwok-wai acted as chairman of the Committees. Two members of the Audit Committee possess appropriate professional qualifications, accounting or related financial management expertise as required under the Listing Rules.

董事會 (續)

董事會及管理層功能

本公司之公司細則基本上已訂明董事會之職能，董事會會不時按需要將職能委以高級管理層。簡而言之，董事會在有關本集團策略、主要收購及出售、重大資本開支、年度及中期業績、委任董事及其他重大財務及營運事宜上保留決策權。

除日常業務營運外，高級管理層亦負責編製年度及中期綜合財務報表供董事會批准、執行董事會採納之業務策略及措施、履行妥善之內部監控系統及穩健之風險管理程序，並在任何情況下均須就重大事項向董事會匯報和取得其事先批准。儘管作出委託，董事確認，編製真實且公平地反映本集團財務業績之財務報表乃董事會之責任。

董事保險

本公司已就賠償本集團董事因公司事務所產生之責任安排合適之責任保險。保險責任範圍每年予以檢討。

董事委員會

董事會成立審核委員會及薪酬委員會（統稱「委員會」），其清晰的書面職權範圍之條款不遜於常規守則所載。委員會職權範圍詳情可在本公司網站瀏覽。審核委員會成員與薪酬委員會成員相同，彼等均為本公司之獨立非執行董事。於二零零八年十二月三十一日，委員會成員為陳國偉先生、羅麗萍女士及馬時俊先生，其中陳國偉先生同時出任委員會主席。兩名審核委員會成員按上市規則要求具備適當的專業資格、會計或相關財務管理專業知識。

Corporate Governance Report

企業管治報告書

BOARD COMMITTEES (cont'd)

Audit Committee

Role and Function

The Audit Committee was formed to review the Group's corporate governance, financial reporting, internal control, risk management and make relevant recommendations to the Board.

Meetings

The Audit Committee met four times during 2008, on 5th March, 7th August, 10th November and 24th November. Individual attendance of each member is indicated in the table of "Attendance Records of Audit Committee Meetings". All members and also the Company's senior executive(s) attended the said meetings to review the Company's external auditors' (the "Independent Auditors") audit findings as appropriate, the accounting principles and practices adopted by the Group, the requirements of the Listing Rules and statutory compliance, and to discuss auditing, internal control, risk management and financial reporting matters (including the interim and annual accounts for the six months ended 30th June, 2008 and for the year ended 31st December, 2008 respectively before recommending them to the Board for approval) with the presence of the Independent Auditors on 5th March, 2008. All accompanying meeting papers were sent to the members in a timely manner and at least 3 days before the meetings. Draft and executed minutes of the meetings were sent in good time to all members for their comment and records respectively. Minutes of the meetings recorded in sufficient details were kept by the Company Secretary. Sufficient resources had been given to allow the Audit Committee to discharge its duties and the senior management were co-opted to join the meetings of the Audit Committee to explain the financial and business conditions of the Company to the committee members from time to time.

董事委員會 (續)

審核委員會

職能及功能

本公司成立審核委員會以審閱本集團之企業管治、財務報告、內部監控及風險管理程序，以及向董事會作出相關建議。

會議

審核委員會於二零零八年三月五日、八月七日、十一月十日及十一月二十四日共舉行四次會議。各成員之個別出席記錄載於「審核委員會會議出席記錄」附表。全體審核委員會成員及本公司之高級行政人員均有出席該等會議，共同檢討本公司外聘核數師（「獨立核數師」）之審核結果（如適用）、本集團所採納之會計原則與常規及遵守上市規則及法規規定之情況，並討論審核、內部監控、風險管理及財務報告之事宜（包括在建議給董事會批准前先分別討論截至二零零八年六月三十日止六個月及截至二零零八年十二月三十一日止年度之中期和年度賬目）。於二零零八年三月五日舉行之會議，獨立核數師亦有出席。所有相關會議文件均已於會議前至少三日及時送呈各成員。會議記錄之初稿及定稿亦已分別盡快送呈各成員以供彼等提供意見及保存記錄。公司秘書負責保存載有詳盡細節之會議記錄。本公司已給予審核委員會充足資源，以讓其履行職責，而高級管理層亦獲邀出席審核委員會會議，不時向委員會成員解釋本公司之財務及業務狀況。

Attendance Records of Audit Committee Meetings 審核委員會會議出席記錄

Name of members	成員名稱	No. of	Attendance rate
		meetings attended	出席率
		出席會議次數	
Mr. Chan, Kwok-wai	陳國偉先生	4/4	100%
Mr. Cheng, Kwee (resigned on 21st November, 2008)	鍾貴先生 (於二零零八年十一月二十一日辭任)	3/3	100%
Ms. Phillis Loh, Lai-ping	羅麗萍女士	4/4	100%
Mr. Ma, Tsz-chun (appointed on 21st November, 2008)	馬時俊先生 (於二零零八年十一月二十一日起獲委任)	1/1	100%

Corporate Governance Report

企業管治報告書

BOARD COMMITTEES (cont'd)

Audit Committee (cont'd)

Independent Auditors

In order to enhance independent reporting by Independent Auditors, INEDs hold meeting(s) with the Independent Auditors without the presence of the Executive Director(s). In addition, the engagement partner of the Independent Auditors is subject to periodical rotation, and the nature and ratio of annual fees to Independent Auditors for non-audit services and for audit services are subject to scrutiny by the Audit Committee. A policy of non-audit services from Independent Auditors was established. The Audit Committee considers whether there are clear efficiencies and value-added benefits to the Company from that work being undertaken by the Independent Auditors; whether there is adverse effect on the independence of their audit work or the perception of such independence; the nature of the non-audit services envisaged to be provided by the Independent Auditors; and the related fee levels individually and in aggregate relative to the audit fees. In addition, a policy restricting the employment of employees or former employees of Independent Auditors as senior executives and financial positions with the Group has also been in place.

During the Year, the Independent Auditors provided audit services for auditing the consolidated financial statements of the Group for the year ended 31st December, 2008 at a fee of HK\$2,276,000. Engagement agreements with the Independent Auditors had been reviewed and approved by the Audit Committee. The Independent Auditors did not provide any non-audit services to the Group during the Year.

Prior to the commencement of the audit of accounts of the Group, the Audit Committee had reviewed the Independent Auditors' independence and objectivity as required under the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants, reviewed the terms of their engagement and discussed with them the nature and scope of the audit and reporting obligations.

The Audit Committee is satisfied with the findings of their review of the process and effectiveness, independence and objectivity of the Independent Auditors.

A statement by the Independent Auditors about their reporting responsibilities for the Year is set out in this annual report.

董事委員會 (續)

審核委員會 (續)

獨立核數師

為確保獨立核數師能作出獨立報告，獨立非執行董事在執行董事不在場下與獨立核數師舉行會議。此外，負責本公司核數工作的獨立核數師合夥人將定期輪換，審核委員會亦會監管獨立核數師每年就非核數及核數服務所收之酬金性質和比例。有關獨立核數師為本公司提供非核數服務之政策已訂立。審核委員會會考慮獨立核數師受聘從事之工作會否為本公司帶來明確的效益和增值作用、有否對其審計工作的獨立性或獨立形象構成負面影響、被視為由獨立核數師提供之非核數服務之性質以及個別費用之水平及總計費用相對於核數費用之水平。此外，本公司亦採納一套禁止聘用獨立核數師僱員或前僱員出任本集團高級行政人員或財務職位之措施。

於本年度內，獨立核數師為本集團提供核數服務以審核本集團截至二零零八年十二月三十一日止年度之綜合財務報表，收取了2,276,000港元之費用。審核委員會已審閱及批准獨立核數師之聘任協議。獨立核數師於本年度內並未向本集團提供任何非核數服務。

於審核本集團賬目目前，審核委員會已根據由香港會計師公會頒布之會計師專業操守守則檢討獨立核數師之獨立和客觀性。審核委員會亦檢討他們的審核範圍以及與他們討論核數和報告責任的性質和範圍。

審核委員會滿意其就獨立核數師之程序、效率、獨立性及客觀性所作之檢討結果。

獨立核數師就彼等於本年度之報告責任所發出之聲明已載於本年報內。

Corporate Governance Report

企業管治報告書

BOARD COMMITTEES (cont'd)

Audit Committee (cont'd)

Amendment of Terms of Reference

As a result of implementation of certain amendments to the Listing Rules effective on 1st January, 2009, the terms of reference of the Audit Committee have been amended by deleting any reference to the qualified accountant as it is no longer necessary to have qualified accountant for a listed company in Hong Kong. Instead, the terms of reference now requires the Audit Committee to discuss on the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget. The Audit Committee assists the Board to have effective internal controls for proper financial reporting, adequate accounting systems and appropriate human resources to fulfill its continuing financial reporting obligations.

Remuneration Committee

Role and Function

The Remuneration Committee is responsible to review and approve the existing remuneration policy for all Directors and senior executives. It is also responsible to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time. It would consult the Chairman and CEO on the remuneration proposals whenever it thinks fit.

Meetings

The Remuneration Committee held four meetings in 2008, on 5th March, 23rd June, 10th November and 24th November (individual attendance of each member is indicated in the table of "Attendance Records of Remuneration Committee Meetings"), to review and approve the Executive Directors' and senior executives' remuneration packages and the terms of service agreements as appropriate as well as to propose to the Board the annual remuneration of NEDs and INEDs. During the Year, the Remuneration Committee recommended the adoption of a share award scheme to the Board which enables the Company to recognise and reward certain employees for their contributions to the Group and to give long-term incentives for retaining them for the continued operations and development of the Group. It also intends to attract suitable professional recruits to join the Group, to assist in the further development of the Group.

董事委員會 (續)

審核委員會 (續)

職權範圍之修改

由於上市規則之若干修訂已於二零零九年一月一日實施，上市公司無須再設立合資格會計師一職，審核委員會之職權範圍已省去合資格會計師之任何相關部分。取而代之，該職權範圍現要求審核委員會討論本公司在會計及財務匯報職能之資源、員工之資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足。審核委員會協助董事會使具備有效之內部監控系統作合適之財務報告、充足之會計系統及適當之人力資源以履行持續之財務報告責任。

薪酬委員會

職能及功能

薪酬委員會負責檢討及批准所有董事及高級行政人員現時之薪酬政策。薪酬委員會亦負責透過參照董事會不時通過之企業目的及目標，檢討及批准按表現釐定之薪酬。就其認為合適之薪酬建議，諮詢主席及行政總裁。

會議

薪酬委員會於二零零八年三月五日、六月二十三日、十一月十日及十一月二十四日舉行共四次會議（各成員之個別出席記錄載於「薪酬委員會會議出席記錄」附表），以檢討及批准執行董事及高級行政人員之薪酬待遇及服務協議之條款（如適用），並向董事會就非執行董事及獨立非執行董事之全年薪酬提出建議。於本年度內，薪酬委員會建議董事會採納股份獎勵計劃，旨在使本公司能夠向為本集團作出貢獻之若干僱員給予肯定及回報，並作為吸引其留效本集團，繼續為本集團之營運及發展努力之長期獎勵。此計劃亦有助於吸引合適之專業人士加盟本集團，協助本集團進一步發展。

Corporate Governance Report

企業管治報告書

BOARD COMMITTEES (cont'd)

Remuneration Committee (cont'd)

Meetings (cont'd)

Professional advice and sufficient resources will be given to the Remuneration Committee whenever it considers necessary in order to discharge its duties. Draft and executed minutes of the meetings were sent in good time to all members for their comment and records respectively. Minutes of meetings recorded in sufficient details were kept by the Company Secretary.

董事委員會 (續)

薪酬委員會 (續)

會議 (續)

本公司將於薪酬委員會有需要時向其提供專業意見及充足資源，以協助其履行職責。會議記錄之初稿及定稿已分別盡快送呈各成員以供彼等提供意見及保存記錄。公司秘書負責保存載有詳盡細節之會議記錄。

Attendance Records of Remuneration Committee Meetings 薪酬委員會會議出席記錄			
Name of members	成員名稱	No. of meetings attended 出席會議次數	Attendance rate 出席率
Mr. Chan, Kwok-wai	陳國偉先生	4/4	100%
Mr. Cheng, Kwee (resigned on 21st November, 2008)	鍾貴先生 (於二零零八年十一月二十一日辭任)	3/3	100%
Ms. Phillis Loh, Lai-ping	羅麗萍女士	4/4	100%
Mr. Ma, Tsz-chun (appointed on 21st November, 2008)	馬時俊先生 (於二零零八年十一月二十一日起獲委任)	1/1	100%

Remuneration Policy for Executive Directors

The primary goal of the remuneration policy on executive director(s)' remuneration packages is to enable the Company to retain and motivate Executive Director(s) by linking their compensation with performance as measured against corporate objectives. In determining guidelines for each compensation element, the Company refers to remuneration surveys conducted by independent external consultants on companies operating in similar business. Under the policy, a Director is not allowed to approve his own remuneration.

執行董事之薪酬政策

有關執行董事薪酬待遇之薪酬政策主要目的乃讓本公司以公司目標為衡量標準，將執行董事之薪酬與表現掛鉤，藉以挽留和激勵執行董事。本公司決定每項薪酬元素之指引時會參考由獨立外部顧問對從事相近業務之公司所進行之薪酬調查。根據政策，董事不可批准其本人之薪酬。

Corporate Governance Report

企業管治報告書

BOARD COMMITTEES (cont'd)

Remuneration Committee (cont'd)

Remuneration Policy for Executive Directors (cont'd)

The Listing Rules require disclosure of the compensation and emolument payable to each director in the accounts and annual reports of listed companies. Save for such disclosure requirements, there are no stipulations on maximum limit of emolument payable to the directors. As part of the policy observed by the Company in respect of the determination of the remuneration of the Executive Director(s), all fees and emoluments paid to the Executive Director(s) and their associates (as defined in Rule 1.01 of the Listing Rules as extended by Rule 14A.11(4) of the Listing Rules), shall not exceed in aggregate an amount of HK\$8,000,000 each year, plus any adjustment by reference to the changes in consumer price index published by the Government of the Hong Kong Special Administrative Region, save with the prior approval of an independent board committee comprising only the INEDs. The total emoluments paid to the Executive Directors for the Year were approximately HK\$4,647,000, details of which are set out in note 16 to the consolidated financial statements of this annual report. Such policy was abolished on 1st January, 2009 as mentioned under "Revocation of Additional Corporate Governance Measures". The Remuneration Committee approved the increase of Mr. Joseph Lau's emolument to HK\$18,000,000 per annum with effect from 1st January, 2009 as set out in the service agreement of Mr. Joseph Lau. The Remuneration Committee will continue to review the remuneration package(s) of Executive Director(s) regularly pursuant to its terms of reference and the Code.

Remuneration Policy for NEDs and INEDs

The Directors' fees of NEDs and INEDs are subject to annual assessment with reference to his/her duties and responsibilities and the prevailing market condition. Each NED and INED (except Ms. Amy Lau, Yuk-wai) is entitled to a director's fee of HK\$200,000 per annum as determined and approved by the Board (with the Director involved abstained from voting). Reimbursement is allowed for out-of-pocket expenses incurred in connection with the performance of their duties including attendance at the Company's meetings.

The Directors' fees paid to each NED and INED of the Company for the Year (if any) are set out in note 16 to the consolidated financial statements of this annual report.

董事委員會 (續)

薪酬委員會 (續)

執行董事之薪酬政策 (續)

上市規則規定支付予各董事之補償及酬金須於上市公司賬目及年報中披露。除該等披露規定外，上市規則並無訂明支付予董事之酬金上限。根據本公司在釐定執行董事薪酬時所遵守之政策，支付予執行董事及彼等之聯繫人（定義見上市規則第14A.11(4)條所延伸的上市規則第1.01條）之所有袍金及酬金每年合共不應超過8,000,000港元及連同經參考由香港特別行政區政府公布之消費物價指數變動後作出之任何調整，除非由獨立非執行董事組成之獨立董事委員會預先作出批准。本年度付予執行董事之總酬金約為4,647,000港元，詳情載於本年報之綜合財務報表附註16內。正如上文「撤回附加之企業管治措施」一段所提及，上述政策於二零零九年一月一日已廢除。薪酬委員會批准劉鑾雄先生之酬金於二零零九年一月一日起增加至每年18,000,000港元，並載於劉鑾雄先生之服務合約內。薪酬委員會將繼續根據其職權範圍及守則條文定時檢討執行董事之薪酬待遇。

非執行董事及獨立非執行董事之薪酬政策

非執行董事及獨立非執行董事之袍金乃參照其職務與責任及當時市況釐定，並按年評估。董事會（在涉及之董事放棄投票之情況下）決定及批准各非執行董事及獨立非執行董事（劉玉慧女士除外）有權每年收取袍金200,000港元。彼等可獲償付就履行職責（包括出席本公司會議）所產生之實付開支。

本年度付予本公司各非執行董事及獨立非執行董事之袍金（如有）已載於本年報之綜合財務報表附註16內。

Corporate Governance Report

企業管治報告書

BOARD COMMITTEES (cont'd)

Nomination Committee

No Nomination Committee is established. At present, the Board is responsible for the appointment of Directors, evaluation of the Board's composition and the management of the Board's succession with reference to certain guidelines. These guidelines include appropriate professional knowledge and industry experience, personal ethics, integrity and personal skills as well as time commitments of the Board members. It carries out the process of selecting and recommending candidates for directorship including the consideration of referrals and engagement of recruitment firms, whenever necessary. The Board also reviews and recommends the re-appointment of retiring Directors for shareholders' approval at the annual general meetings. The Board shall exercise its power under Bye-law 94 of the Company's Bye-laws to appoint additional Director(s) whenever the business of the Company requires. During the Year, the Board approved the re-designation of Mr. Lau, Ming-wai from Executive Director to NED with effect from 31st October, 2008, and the appointment of Mr. Ma, Tsz-chun in place of Mr. Cheng, Kwee, the resigned INED, effective on 21st November, 2008.

SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms without deviation from the required standard set out in Model Code for Securities Transactions by Directors of Listed Issuers under Appendix 10 to the Listing Rules ("Model Code"). All Directors, after specific enquiries by the Company, confirmed they have complied with the required standard set out in the Model Code and the said code of conduct during the Year.

The Company has also adopted a code of conduct regarding securities transactions by relevant employees on terms no less exacting than the required standard set out in the Model Code. All the relevant employees ("Relevant Employees") who, because of office or employment, is likely to be in possession of unpublished price-sensitive information in relation to the Group's securities have been requested to follow such code when dealing in the securities of the Company. All Relevant Employees, after specific enquiries by the Company, confirmed they have complied with the required standard set out in the said code during the Year.

董事委員會 (續)

提名委員會

本公司並無成立提名委員會。現時，董事會參考若干指引，負責董事之委任、對董事會之組成進行評估及管理董事會之繼任事宜。該等指引列出董事會成員需具備之適當條件，包括專業知識及行業經驗、個人操守、誠信及個人技能以及所需投入時間。其執行挑選及推薦董事職位候選人之過程包括考慮引薦人選及委託招聘公司（如有需要）。董事會亦就續聘將退任之董事作出檢討及建議，供股東於股東週年大會上批准。董事會將因應本公司業務所需，行使其根據公司細則第94條之權力委任額外董事。於本年度內，董事會批准劉鳴煒先生由執行董事轉任為非執行董事（自二零零八年十月三十一日起生效），及委任馬時俊先生替代已辭任之鍾貴先生出任為獨立非執行董事（於二零零八年十一月二十一日起同時生效）。

證券交易

本公司已採納一套董事進行證券交易守則，其條款與上市規則附錄十《上市發行人董事進行證券交易的標準守則》（「標準守則」）所規定之標準別無差異。經本公司作出明確查詢後，所有董事均已確認彼等已於本年內遵守標準守則所規定之標準及前述之交易守則。

本公司亦已採納一套有關僱員進行證券交易守則，其條款不遜於標準守則所規定之標準。本公司已要求所有因其職位或崗位而極可能掌握有關本集團證券之未公布價格敏感資料之有關僱員（「有關僱員」），於買賣本公司證券時遵守該守則。經本公司作出明確查詢後，所有有關僱員均已確認彼等已於本年內遵守前述守則所規定之標準。

Corporate Governance Report

企業管治報告書

INTERNAL CONTROL

The Board is responsible for maintaining an adequate system of internal control in the Company and reviewing its effectiveness through the Audit Committee. The senior management is responsible to the implementation of such system of internal control. The internal auditors are responsible to review relevant financial, operational and compliance controls and risk management functions and report their findings and advice to the Audit Committee.

Special Reviews

To have an in-depth review on the existing structure for internal control, Ernst & Young, an independent international professional accounting firm was engaged as the consultant to carry out two internal control reviews for the Group during the Year, namely the Risk and Control Framework Assessment and the Procurement Review. The reports of the said reviews which were completed in late August 2008 have been presented to and discussed by the Audit Committee. Majority of the recommendations stated in the reports have been followed up by the senior management in order to enhance the internal control policies, procedures and practices.

Annual Review

Based on the annual assessment made by the Independent Auditors, the Audit Committee and the Board are satisfied with the effectiveness of the system of internal control of the Group and concluded that:

- (1) the Company has complied with the Code Provisions on internal control during the Year;
- (2) a framework of prudent and effective controls has been established to identify, evaluate and manage the risks;
- (3) internal control and accounting systems of the Group are efficient and adequate;
- (4) significant risks that may influence the Group have been identified, evaluated and managed through ongoing monitoring process; and
- (5) material transactions are executed with the management's authorisation.

內部監控

董事會負責維持本公司妥善之內部監控系統及透過審核委員會檢討其效能。高級管理層負責實施此內部監控系統。內部核數師負責檢討相關之財務、營運、監控控制及風險管理功能，並將檢討結果及建議提交審核委員會。

特別檢討

為深入檢討現行內部監控架構，獨立國際專業會計師行安永會計師事務所已獲聘用為顧問，於本年度為本集團進行兩項內部監控檢討，分別為風險與監控架構評估及採購檢討。有關檢討已於二零零八年八月底完成，而檢討報告亦已提交審核委員會討論。報告中所述大部分建議已交由高級管理層跟進，以提升內部監控政策、程序及慣例。

年度檢討

根據獨立核數師之年度評估，審核委員會及董事會對本集團之內部監控系統效率感滿意，並總結：

- (1) 本公司於本年度內已遵守內部監控之守則條文；
- (2) 本集團已設立審慎及有效之監控框架以識別、評估及管理風險；
- (3) 本集團之內部監控及會計系統屬有效及恰當；
- (4) 本公司已透過持續監察過程識別、評估及管理可能影響本集團之重大風險；及
- (5) 本集團之重大交易已取得管理層授權才執行。

Corporate Governance Report

企業管治報告書

INTERNAL CONTROL (cont'd)

Internal Audit

Besides, an internal audit function has also been established with the key tasks to:

- (1) review all aspects of the Group's activities and internal control with unrestricted direct access right to any levels of management whenever it considered necessary;
- (2) conduct comprehensive audits of the practices and procedures, income and expenditures, and internal control of all business units of the Group on a regular basis; and
- (3) carry out special reviews and investigations on areas of concern identified by the management for corrective actions.

COMMUNICATIONS WITH SHAREHOLDERS

The Company acknowledges that general meetings are good communication channel with shareholders that the Directors and the chairman of Board committees are encouraged to attend and to answer questions at annual general meetings. Majority of the Directors, the chairman of the Audit Committee and the Remuneration Committee and also Independent Auditors had attended and were available to answer questions at the 2008 AGM.

Procedures for demanding a poll were set forth in a circular accompanying the notice of general meetings. At the commencement of each general meeting, the chairman of the meeting had explained the procedures for demanding a poll to the shareholders and the shareholders were allowed to raise any question concerning the poll procedures. At each of the meetings, separate resolutions were proposed by the chairman of the meeting and put forward to the shareholders for voting. The level of proxies lodged on each resolution, and the balance for and against each resolution, were indicated by the chairman of the meeting after each resolution had been dealt with on a show of hands as appropriate.

內部監控 (續)

內部審核

此外，內部審核部門已經成立，其主要職務為：

- (1) 於其認為有需要時，以無限制直接權力接觸任何管理層，以全面審閱本集團活動及內部監控；
- (2) 定期就本集團之常規及程序、收入和開支，及所有業務單位之內部監控進行綜合檢討；及
- (3) 對管理層所識別關注之範疇進行特別檢討及調查，以作出糾正。

與股東之溝通

本公司深信股東大會為與股東之良好溝通渠道，並鼓勵董事及董事委員會主席出席股東週年大會及解答有關的問題。大多數董事、審核委員會及薪酬委員會之主席聯同獨立核數師均有出席2008股東週年大會以回應垂詢。

要求以投票方式表決之程序載於有關股東大會通告之通函內。於各股東大會開始時，大會主席向股東解釋要求以投票方式表決的程序，並容許股東可就相關表決程序提出發問。於各股東大會上，大會主席提呈獨立決議案，並提交予股東投票。大會主席於舉手（如適用）表決決議案後，指出各決議案所涉及由委任代表投票之比例，以及贊成及反對決議案之票數。

Corporate Governance Report

企業管治報告書

COMMUNICATIONS WITH SHAREHOLDERS (cont'd)

With the implementation of certain amendments to the Listing Rules effective on 1st January, 2009, the voting at all general meetings of a listed company should be conducted by poll. It is believed that the voting by poll can fully reflect the proprietary rights of shareholders and is a fairer method of determination for the shareholders than voting by a show of hands. Pursuant to Bye-law 75 of the Bye-laws of the Company, a resolution put to vote at general meetings shall be decided on a show of hands, unless a poll is demanded in accordance therewith. The Company will procure the chairman of general meeting to demand for voting by poll on every general meeting to comply with the newly amended Listing Rules.

As a channel to promote effective communication, the Company maintains a corporate website (www.chineseestates.com) to disseminate the Group's information. Investor Relations Department is responsible to answer enquiries raised by the investors of the Company and the general public.

A corporate communications manual which provides guidance for coordinating the disclosure of material information to investors, analysts and media, identifies who may speak on the Company's behalf, and outlines the responsibility for communication with various stakeholder groups has also been in place.

The above corporate governance practices will be reviewed, amended and revoked from time to time as considered necessary by the Board and its committees.

與股東之溝通 (續)

在上市規則之若干修訂於二零零九年一月一日實施後，所有股東大會之表決方式必須以投票方式進行。以投票方式表決作為股東表決之辦法，相信更能全面反映股東之財產權利，且較舉手表決更為公平。根據本公司之章程細則第75條，提交股東大會表決之決議案須以舉手方式表決，除非按該細則所列之有關人士要求以投票方式表決。為遵守有關新修訂之上市規則，本公司將安排股東大會主席於各股東大會上要求以投票方式進行表決。

為提高溝通成效，本公司設有公司網站 (www.chineseestates.com) 以發放集團資料。投資者關係部門負責回應本公司之投資者及公眾提出之查詢。

本公司亦已製備了一份企業通訊手冊，訂明向投資者、分析員及傳媒披露重大資料之指引，確定可代表本公司發言之人士，以及界定與各利益相關團體溝通之責。

董事會及其轄下之委員會不時按需要檢討、修訂及廢除以上企業管治常規。

Directors' Report

The directors of the Company (the "Directors" or the "Board") present to the shareholders their report together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2008 (the "Year").

PRINCIPAL ACTIVITIES

During the Year, the Company acted as an investment holding company and its subsidiaries were principally engaged in property investment and development, brokerage, securities investment, money lending and cosmetics distribution and trading.

OPERATING SEGMENTS INFORMATION

The Group's turnover and contribution to loss for the year from operations analysed by principal activities are set out in notes 7 and 8 to the consolidated financial statements.

SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's principal subsidiaries and associates as at 31st December, 2008 are set out in notes 56 and 57 to the consolidated financial statements respectively.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated income statement on page 67.

The Directors had declared an interim dividend of HK13.5 cents (2007: HK13.5 cents) per share. The Board resolved to recommend the payment of a final dividend of HK1 cent (2007: HK22.5 cents) per share and a special dividend of HK99 cents (2007: Nil) per share for the Year.

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five years is set out on pages 193 and 194.

董事會報告書

本公司董事（「董事」或「董事會」）謹此向股東提呈董事會報告書連同本公司及其附屬公司（「本集團」）截至二零零八年十二月三十一日止年度（「本年度」）之經審核綜合財務報表。

主要業務

於本年度內，本公司為一間投資控股公司，其附屬公司主要從事物業投資及發展、經紀服務、證券投資、放債及化妝品分銷及貿易業務。

經營分類資料

本集團以主要業務劃分之營業額及本年度經營虧損分析載於綜合財務報表附註7及8。

附屬公司及聯營公司

本公司於二零零八年十二月三十一日之主要附屬公司及聯營公司之詳情，分別載於綜合財務報表附註56及57。

業績及分配

本集團於本年度之業績載於第67頁之綜合收益表內。

董事已派付中期股息每股13.5港仙（二零零七年：13.5港仙）。董事會議決建議派付本年度之末期股息每股1港仙（二零零七年：22.5港仙）及特別股息每股99港仙（二零零七年：無）。

財務概要

本集團過去五年之業績、資產及負債概要載於第193及第194頁內。

Directors' Report

INVESTMENT PROPERTIES

During the Year, the Group acquired certain leasehold properties in Hong Kong for a total consideration of approximately HK\$33,962,000 (2007: Nil). Investment properties with an aggregate net book value of approximately HK\$179,650,000 (2007: HK\$101,011,000) were disposed of during the Year.

Details of the above and other movements in investment properties during the Year are set out in note 21 to the consolidated financial statements.

PROPERTY AND OTHER FIXED ASSETS

Movements in property and other fixed assets during the Year are set out in note 22 to the consolidated financial statements.

PRINCIPAL PROPERTIES

Details of the principal properties of the Group as at 31st December, 2008 are set out on pages 195 to 212.

SHARE CAPITAL

Movements in the share capital of the Company during the Year are set out in note 47 to the consolidated financial statements.

RESERVES

Movements in the reserves of the Group during the Year are set out on pages 70 and 71.

As at 31st December, 2008, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda (as amended), amounted to approximately HK\$3,237,996,000 (2007: HK\$2,803,243,000).

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist under the laws of Bermuda, being the jurisdiction in which the Company is incorporated.

董事會報告書

投資物業

於本年度內，本集團以總代價約33,962,000港元（二零零七年：無）購入若干位於香港之租賃物業。本集團於本年度內亦出售總賬面淨值約179,650,000港元（二零零七年：101,011,000港元）之投資物業。

於本年度內上述及其他投資物業之變動詳情載於綜合財務報表附註21。

物業及其他固定資產

物業及其他固定資產於本年度內之變動情況載於綜合財務報表附註22。

主要物業

本集團於二零零八年十二月三十一日之主要物業詳情載於第195至第212頁內。

股本

本公司之股本於本年度內之變動情況載於綜合財務報表附註47。

儲備

本集團之儲備於本年度內之變動情況載於第70及第71頁內。

於二零零八年十二月三十一日，根據百慕達一九八一年公司法（經修訂）之規定所計算，本公司之可供分派儲備約為3,237,996,000港元（二零零七年：2,803,243,000港元）。

優先購買權

本公司於百慕達註冊成立，該司法轄區之法律並無優先購買權存在。

Directors' Report

董事會報告書

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

During the Year, the Company purchased a total of 226,873,000 ordinary shares of HK\$0.10 each on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate consideration of HK\$2,287,860,250. All of the purchased shares were cancelled.

購買、出售或贖回本公司上市證券

於本年度內，本公司於香港聯合交易所有限公司（「聯交所」）購回合共226,873,000股每股面值0.10港元之普通股，總代價為2,287,860,250港元。所有被購回股份已被註銷。

Month of the purchases 進行購回之月份	Total number of the ordinary shares purchased 所購回普通股總數	Highest price paid per share 已付每股最高價 HK\$ 港元	Lowest price paid per share 已付每股最低價 HK\$ 港元	Aggregate consideration 總代價 HK\$ 港元
March 2008 二零零八年三月	1,959,000	11.70	11.40	22,810,560
May 2008 二零零八年五月	2,820,000	13.30	13.10	37,355,040
June 2008 二零零八年六月	11,888,000	11.80	10.72	134,170,860
July 2008 二零零八年七月	19,546,000	12.12	11.16	223,825,360
August 2008 二零零八年八月	58,078,000	11.26	10.64	639,076,040
September 2008 二零零八年九月	94,207,000	10.96	9.04	971,141,110
October 2008 二零零八年十月	16,917,000	9.48	6.13	137,688,150
November 2008 二零零八年十一月	14,601,000	6.04	4.60	78,652,710
December 2008 二零零八年十二月	6,857,000	6.80	5.47	43,140,420
	226,873,000			2,287,860,250

The Directors considered that the aforesaid shares were purchased at a discount to the net asset value per share and resulted in an increase in the net asset value per share then in issue.

董事認為上述股份乃按每股資產淨值之折讓價購回，以致當時已發行股份之每股資產淨值增加。

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

除上述所披露者外，本公司或其任何附屬公司於本年度內概無購買、出售或贖回本公司任何上市證券。

Directors' Report

CHARITABLE DONATIONS

Charitable donations made by the Group during the Year amounted to HK\$14,032,000 (2007: HK\$17,019,000).

DIRECTORS

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

Executive Director:

Mr. Joseph Lau, Luen-hung (*Chairman and Chief Executive Officer*)

Non-executive Directors:

Mr. Lau, Ming-wai

Ms. Amy Lau, Yuk-wai

Independent Non-executive Directors:

Mr. Chan, Kwok-wai

Ms. Phillis Loh, Lai-ping

Mr. Ma, Tsz-chun

(appointed on 21st November, 2008)

Mr. Cheng, Kwee

(resigned on 21st November, 2008)

Mr. Lau, Ming-wai, Ms. Phillis Loh, Lai-ping and Mr. Ma, Tsz-chun will retire from office at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election in accordance with Bye-laws 94 and 111 of the Bye-laws of the Company.

SERVICE CONTRACTS OF DIRECTORS

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

董事會報告書

慈善捐款

本集團於本年度內之慈善捐款額為14,032,000港元(二零零七年: 17,019,000港元)。

董事

於本年度內及直至本報告日期止, 董事為:

執行董事:

劉鑾雄先生(主席及行政總裁)

非執行董事:

劉鳴煒先生

劉玉慧女士

獨立非執行董事:

陳國偉先生

羅麗萍女士

馬時俊先生

(於二零零八年十一月二十一日獲委任)

鍾貴先生

(於二零零八年十一月二十一日辭任)

根據本公司之公司細則第94條及第111條, 劉鳴煒先生、羅麗萍女士及馬時俊先生將在即將舉行之股東週年大會上告退, 並合資格及願意膺選連任。

董事服務合約

本公司或其任何附屬公司並無與董事簽訂任何一年內若由僱主終止合約時須作出賠償(法定賠償除外)之服務合約。

Directors' Report

董事會報告書

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As at 31st December, 2008, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Appendix 10 of Model Code for Securities Transactions by Directors of Listed Issuers contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:-

董事及最高行政人員於本公司及相聯法團之證券權益

於二零零八年十二月三十一日，董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部所指的相聯法團）之股份、相關股份及債券中擁有之權益及淡倉，按本公司根據證券及期貨條例第352條備存之登記冊所載或根據聯交所證券上市規則（「上市規則」）附錄十所載之《上市發行人董事進行證券交易的標準守則》知會本公司及聯交所如下：—

I The Company

本公司

Name of Directors 董事姓名	Number of Shares Held 所持股份數目	Note 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Joseph Lau, Luen-hung ("Mr. Joseph Lau") 劉鑾雄（「劉鑾雄先生」）	230,984,820	(1)	Founder and beneficiary of trust 信託創立人及受益人	
	1,183,663,448	(2)	Founder and beneficiary of trust 信託創立人及受益人	
	<u>1,414,648,268</u>			68.08%
Lau, Ming-wai ("Mr. MW Lau") 劉鳴煒（「劉鳴煒先生」）	230,984,820	(1)	Beneficiary of trust 信託受益人	
	1,183,663,448	(2)	Beneficiary of trust 信託受益人	
	4,000	(3)	Other interests 其他權益	
	<u>1,414,652,268</u>			68.08%

Directors' Report

董事會報告書

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS (cont'd)

Notes:

- (1) These shares were indirectly owned by a discretionary trust of which Mr. Joseph Lau was the founder. Mr. Joseph Lau, Mr. MW Lau and certain other family members of Mr. Joseph Lau were eligible beneficiaries of that trust.
- (2) These shares were held by a unit trust of which Mr. Joseph Lau was one of the unit holders. The rest of the units in the unit trust were held by a discretionary trust of which Mr. Joseph Lau was the founder. Mr. MW Lau and certain other family members of Mr. Joseph Lau were eligible beneficiaries of the discretionary trust.
- (3) These shares were held under the estate of Ms. Theresa Po, Wing-kam, the late mother of Mr. MW Lau, of which Mr. MW Lau is the executor.

董事及最高行政人員於本公司及相聯法團之證券權益(續)

附註：

- (1) 該等股份由一項酌情信託間接擁有。劉鑾雄先生為該信託之創立人。劉鑾雄先生、劉鳴煒先生及劉鑾雄先生之若干其他家族成員則為該信託之合資格受益人。
- (2) 該等股份由一項單位信託基金持有。劉鑾雄先生為該基金其中一名單位持有人。該單位信託基金之餘下單位由一項酌情信託擁有，劉鑾雄先生為該信託之創立人。劉鳴煒先生及劉鑾雄先生之若干其他家族成員則為該信託之合資格受益人。
- (3) 該等股份乃屬寶詠琴女士（劉鳴煒先生先慈）之遺產，劉鳴煒先生為該遺產之執行人。

II Associated Corporations of the Company

本公司之相聯法團

1. Chi Cheung Investment Company, Limited ("Chi Cheung")
至祥置業有限公司（「至祥」）

Name of Director 董事姓名	Number of Shares Held 所持股份數目	Note 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Mr. Joseph Lau 劉鑾雄先生	209,931,186	(1)	Founder of trust, beneficiary of trust and interest in controlled corporation 信託創立人、信託受益人及於受控制公司之權益	61.96%

2. G-Prop (Holdings) Limited ("G-Prop")
金匡企業有限公司（「金匡」）

Name of Director 董事姓名	Number of Shares Held 所持股份數目	Note 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Mr. Joseph Lau 劉鑾雄先生	1,018,380,590	(2)	Founder of trust, beneficiary of trust and interest in controlled corporation 信託創立人、信託受益人及於受控制公司之權益	
	493,678,883	(3)	Interest in controlled corporation 於受控制公司之權益	
	<u>1,512,059,473</u>			74.54%

Directors' Report

董事會報告書

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS (cont'd)

Notes:

- (1) Mr. Joseph Lau by virtue of his 68.08% interests in the issued share capital of the Company as disclosed in paragraph I above, was deemed to be interested in 209,931,186 shares of Chi Cheung held by Billion Up Limited, an indirect wholly-owned subsidiary of the Company.
- (2) The Company was interested in a total of 1,018,380,590 shares of G-Prop. Mr. Joseph Lau by virtue of his 68.08% interests in the issued share capital of the Company as disclosed in paragraph I above, was deemed to be interested in 1,018,380,590 shares of G-Prop under the provisions of the SFO.
- (3) Such interests are held by a company of which Mr. Joseph Lau is the sole ultimate beneficial owner.

All the interests stated above represent long positions. The percentage shown was the number of shares the relevant Directors were interested in expressed as a percentage of the number of issued shares as at 31st December, 2008.

Save as disclosed above, none of the other Directors and chief executives of the Company had or were deemed under the SFO to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 31st December, 2008.

During the Year, none of the Directors and chief executives of the Company nor their spouses or children under 18 years of age were granted or had exercised any right to subscribe for any securities of the Company or any of its associated corporations.

董事及最高行政人員於本公司及相聯法團之證券權益(續)

附註：

- (1) 正如上文第I段所披露，劉鑾雄先生因擁有本公司已發行股本中68.08%之權益，故被視為於本公司之間接全資擁有附屬公司Billion Up Limited持有之209,931,186股至祥股份中擁有權益。
- (2) 本公司擁有合共1,018,380,590股金匡股份。正如上文第I段所披露，劉鑾雄先生因擁有本公司已發行股本中68.08%之權益，根據證券及期貨條例被視為於1,018,380,590股金匡股份中擁有權益。
- (3) 該等權益由一間公司所持有，劉鑾雄先生為該公司之唯一最終實益擁有人。

上述所有權益均為好倉。所顯示的百分比為本公司有關董事於二零零八年十二月三十一日所擁有之股份數目佔已發行股份數目之百分比。

除上文所披露者外，於二零零八年十二月三十一日，董事或最高行政人員概無擁有或根據證券及期貨條例被視為擁有本公司或其任何相聯法團（定義見證券及期貨條例第XV部所指的相聯法團）之股份、相關股份或債券之任何權益或淡倉。

於本年度內，董事或最高行政人員以及彼等之配偶或十八歲以下之子女概無獲授予或行使任何可認購本公司或其任何相聯法團之任何證券之權利。

Directors' Report

董事會報告書

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY

As at 31st December, 2008, so far as are known to any Directors or chief executives of the Company, the following parties (other than Directors or chief executives of the Company) were recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified to the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:—

主要股東於本公司之證券權益

據董事及最高行政人員所知悉，於二零零八年十二月三十一日，本公司根據證券及期貨條例第336條須備存之登記冊所載錄或另行知會本公司，直接或間接擁有或被視為擁有本公司已發行股本5%或以上權益之人士（董事或最高行政人員除外）如下：—

Name of Substantial Shareholders 主要股東名稱	Number of Shares Held 所持股份數目	Notes 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
GZ Trust Corporation	1,414,648,268	(1), (2)	Trustee, beneficiary of a trust and interest in controlled corporation 信託人、一項信託之受益人及於受控制公司之權益	68.08%
Global King (PTC) Ltd. (formerly known as Global King Ltd.) (前稱 Global King Ltd.)	1,183,663,448	(1)	Trustee 信託人	56.96%
Joseph Lau Luen Hung Investments Limited	230,984,820	(2)	Beneficial owner 實益擁有人	11.11%
Favor Gain Limited ("Favor Gain")	150,036,697	(3)	Beneficial owner 實益擁有人	7.22%
Thomas Lau, Luen-hung ("Mr. Thomas Lau") 劉鑾鴻 (「劉鑾鴻先生」)	150,036,697	(3)	Interest in controlled corporation 於受控制公司之權益	7.22%

Directors' Report

董事會報告書

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY (cont'd)

Notes:

- (1) GZ Trust Corporation as trustee of a discretionary trust held units in a unit trust of which Global King (PTC) Ltd. was the trustee and therefore was regarded as interested in the same parcel of shares held by Global King (PTC) Ltd. These shares were the same parcel of 1,183,663,448 shares of the Company referred to in both "Founder and beneficiary of trust" and "Beneficiary of trust" of Mr. Joseph Lau and Mr. MW Lau respectively under "Directors' and Chief Executives' Interests in the Securities of the Company and Associated Corporations" as disclosed in paragraph I above.
- (2) GZ Trust Corporation as trustee of another discretionary trust held the entire issued share capital of Joseph Lau Luen Hung Investments Limited and therefore was regarded as interested in the same parcel of shares held by Joseph Lau Luen Hung Investments Limited. These shares were the same parcel of 230,984,820 shares of the Company referred to in both "Founder and beneficiary of trust" and "Beneficiary of trust" of Mr. Joseph Lau and Mr. MW Lau respectively under "Directors' and Chief Executives' Interests in the Securities of the Company and Associated Corporations" as disclosed in paragraph I above.
- (3) Mr. Thomas Lau was deemed to be interested in 150,036,697 shares of the Company by virtue of the SFO as he owned the entire issued share capital of Favor Gain.

All the interests stated above represent long positions. As at 31st December, 2008, no short positions were recorded in the register kept by the Company under section 336 of the SFO.

主要股東於本公司之證券權益 (續)

附註：

- (1) GZ Trust Corporation (作為一項酌情信託之信託人)持有一項以Global King (PTC) Ltd.為信託人之單位信託基金之單位，故被視為擁有Global King (PTC) Ltd.所持有之同一批股份之權益。上述股份為上文第I段所披露「董事及最高行政人員於本公司及相聯法團之證券權益」項下劉鑾雄先生及劉鳴煒先生各自之「信託創立人及受益人」及「信託受益人」中所指之同一批1,183,663,448股本公司股份。
- (2) GZ Trust Corporation (作為另一項酌情信託之信託人)持有Joseph Lau Luen Hung Investments Limited之全部已發行股本，故被視為擁有Joseph Lau Luen Hung Investments Limited所持有之同一批股份之權益。上述股份為上文第I段所披露「董事及最高行政人員於本公司及相聯法團之證券權益」項下劉鑾雄先生及劉鳴煒先生各自之「信託創立人及受益人」及「信託受益人」中所指之同一批230,984,820股本公司股份。
- (3) 劉鑾鴻先生因擁有Favor Gain之全部已發行股本，故根據證券及期貨條例，彼被視為擁有上述150,036,697股本公司股份之權益。

上述所有權益均為好倉。於二零零八年十二月三十一日，根據本公司按證券及期貨條例第336條備存之登記冊所載概無任何淡倉。

Directors' Report

董事會報告書

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the Year, the following Directors declared their interests in the following companies with businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group:

董事於競爭性業務之權益

於本年度內，以下董事申報於下列與本集團業務直接或間接構成競爭或可能構成競爭之業務之公司中擁有權益：

Name of Directors 董事姓名	Name of Companies 公司名稱	Nature of Business Considered to Compete or Likely to Compete with the Businesses of the Group 被認為與本集團業務構成競爭 或可能構成競爭之業務性質	Nature of Interest of the Directors in the Companies 董事於該等公司之權益性質
Mr. Joseph Lau 劉鑾雄先生	Chi Cheung* and its subsidiaries 至祥*及其附屬公司	Property investment and development 物業投資及發展	Having certain deemed interests in Chi Cheung and is a director of certain subsidiaries of Chi Cheung 被視為擁有至祥若干權益及為 至祥之若干附屬公司之董事
	G-Prop* and its subsidiaries 金匡*及其附屬公司	Property investment 物業投資	Having certain direct and deemed interests in G-Prop 直接及被視為擁有 金匡若干權益
Mr. MW Lau 劉鳴煒先生	Chi Cheung* and its subsidiaries 至祥*及其附屬公司	Property investment and development 物業投資及發展	Having certain deemed interests in Chi Cheung and was a director of certain subsidiaries of Chi Cheung 被視為擁有至祥若干權益及曾 為至祥之若干附屬公司之董事
	G-Prop* and its subsidiaries 金匡*及其附屬公司	Property investment 物業投資	Having certain deemed interests in G-Prop 被視為擁有金匡若干權益

* listed subsidiary of the Company
本公司之上市附屬公司

Directors' Report

董事會報告書

DIRECTORS' INTERESTS IN COMPETING BUSINESSES (cont'd)

The above-mentioned businesses were managed by separate publicly listed companies with independent management. The respective board composition of such listed companies are different and separate. In this respect, coupled with the diligence of its Independent Non-executive Directors (whose views carry significant weight in the Board's decisions) and the independent audit committee, the Group was capable of carrying on its businesses independently of, and at arm's length from, the businesses of the above companies.

For better delineation of property investment business, the Company, will give Chi Cheung the priority over the future property investment project with the value of less than or equal to 50% of the net asset value of Chi Cheung with reference to the latest published accounts and subject to the financial resources of Chi Cheung from time to time.

Other than the businesses of the Company's subsidiaries mentioned above, Mr. Joseph Lau and Mr. MW Lau had personal interests in private companies engaged in businesses consisting of property development and investment in Hong Kong as well as securities investment. Mr. Joseph Lau also had personal interests in private companies engaged in money lending business. As such, they were regarded as being interested in such businesses, which competed or might compete with the Group. However, when compared with the dominance and size of operations of the Group, such competing businesses were immaterial.

The Directors are aware of their fiduciary duties and will act honestly and in good faith in the interests of the Company and will avoid any potential conflicts of interest and duty. The Company comprises three Independent Non-executive Directors and all of them are audit committee members of the Company, so that the interest of its shareholders can be adequately represented.

Other than as disclosed above, none of the Directors were interested in any business apart from the Company's business, which competed or was likely to compete, either directly or indirectly, with the Company's business.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

There were no arrangements to which the Company or any of the Company's subsidiaries was a party to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate during the Year.

董事於競爭性業務之權益 (續)

上述業務乃由獨立上市公司管理，該等上市公司擁有獨立管理層。該等上市公司董事會之組成各有不同及均為獨立。就此而言，結合其對董事會決策有重大影響力之獨立非執行董事及獨立審核委員會之努力，本集團能獨立地並按公平磋商原則從事其業務。

為了更清晰地劃分物業投資業務，本公司將參考至祥最近期公布之賬目及因應其不時具備之財政資源，將價值少於或相當於至祥資產淨50%之未來物業投資項目優先給予至祥考慮。

除上述本公司之上市附屬公司之業務外，劉鑾雄先生及劉鳴煒先生於經營有關香港物業發展及投資和證券投資之私人公司中擁有個人權益。劉鑾雄先生亦於經營放債業務之私人公司中擁有個人權益。因此，彼等被視為於與本集團構成競爭或可能構成競爭之業務中擁有權益。然而，此等競爭性業務與本集團之優勢及業務規模相比乃微不足道。

董事知悉其誠信責任，將會秉誠行事以符合本公司之利益，並避免任何潛在利益及責任衝突。本公司之審核委員會由三名獨立非執行董事成員所組成，足以代表其股東之利益。

除上文所披露者外，概無董事在本公司業務以外於與本公司業務直接或間接構成競爭或可能構成競爭之任何業務中擁有權益。

購買股份或債券之安排

本公司或本公司任何附屬公司概無於本年度內作出安排，以使董事可藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

Directors' Report

董事會報告書

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed below and apart from the agreement disclosed under the heading "Connected Transaction", where Mr. Joseph Lau has/ was deemed to have certain interests and/or deemed interests in the shares of G-Prop/Chi Cheung (as disclosed in paragraph II of "Directors' and Chief Executives' Interests in the Securities of the Company and Associated Corporations"), there were no other contracts of significance in relation to the Company's business, to which the Company or any of the Company's subsidiaries was a party, subsisting at the end of the Year or at any time during the Year, and in which a Director had, whether directly or indirectly, a material interest, nor there were any other contracts of significance in relation to the Company's business between the Company or any of the Company's subsidiaries and a controlling shareholder or any of its subsidiaries.

On 17th January, 2008, the Company together with its indirect wholly-owned subsidiary – Victory Gain Holdings Limited entered into a conditional sale and purchase agreement with Chi Cheung, in relation to, inter alia, the acquisition of share interests in and loans to certain subsidiaries of Chi Cheung at a provisional consideration of approximately HK\$518 million. The transaction was formally completed on 30th September, 2008 and the final consideration was approximately HK\$531 million.

On 1st February, 2008, Mass Rise Limited, an indirect wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Fame Ascent Investments Limited to acquire, inter alia, 740,518,325 shares of G-Prop at a consideration of approximately HK\$120.8 million. Completion of the transaction took place on 5th February, 2008. Accordingly, the Group's shareholding in G-Prop had been increased to 50.20% and thus G-Prop became a subsidiary of the Company.

On 4th November, 2008, Chi Cheung as lender, Longman Limited (being an indirect wholly-owned subsidiary of the Company) as borrower and the Company as guarantor entered into a loan agreement in relation to a three-year revolving facility of up to HK\$900 million.

CONNECTED TRANSACTION

During the Year, there were no discloseable non-exempted connected transactions or non-exempted continuing connected transactions but an exempted continuing connected transaction under the Listing Rules as detailed below.

董事及控權股東於合約之權益

除下文所披露者及於「關連交易」一節所述之協議（當中正如「董事及最高行政人員於本公司及相聯法團之證券權益」第II段中所披露，劉鑾雄先生於／被視為於金匡／至祥之股份擁有權益）外，於年結時或本年度內任何時間本公司或本公司之任何附屬公司所訂立與本公司業務有關之重大合約中，董事概無直接或間接擁有重大權益；此外，本公司或本公司之任何附屬公司亦無與控權股東或其任何附屬公司訂立與本公司業務有關之其他重大合約。

於二零零八年一月十七日，本公司連同其間接全資擁有附屬公司勝得控股有限公司與至祥訂立一份有條件買賣協議，當中包括收購至祥若干附屬公司之股權及貸款，臨時代價約為518,000,000港元。該交易於二零零八年九月三十日正式完成，交易代價最終為約531,000,000港元。

於二零零八年二月一日，本公司之間接全資擁有附屬公司巨昇有限公司與名昇投資有限公司訂立買賣協議，當中包括以代價約120,800,000港元買入740,518,325股金匡股份。該交易於二零零八年二月五日完成。據此，本集團所持有之金匡股權增加至50.20%，金匡亦因而成為本公司之附屬公司。

於二零零八年十一月四日，至祥作為借方，Longman Limited（本公司之間接全資擁有附屬公司）作為貸方與本公司作為擔保人簽訂一份有關最多900,000,000港元為期三年之循環貸款融資的貸款協議。

關連交易

於本年度內，根據上市規則，本公司並無不獲豁免關連交易或不獲豁免持續關連交易須作出披露，除下文所述之獲豁免持續關連交易外。

Directors' Report

董事會報告書

CONNECTED TRANSACTION (cont'd)

On 4th November 2008, the Company's indirect wholly-owned subsidiary – Fancy Mark Limited as borrower entered into a loan agreement with G-Prop as lender regarding a three-year revolving facility of up to HK\$200 million, with the Company acting as guarantor for repayment of the loan (the "Loan Transaction"). The Loan Transaction constituted a continuing connected transaction of the Company since G-Prop is a connected person to the Company pursuant to the Listing Rules but exempted from reporting, announcement and independent shareholders' approval requirements under rule 14A.65(4) of the Listing Rules.

As at 31st December, 2008, a total sum of HK\$136 million had been drawn by Fancy Mark Limited.

Having reviewed the Loan Transaction, the Independent Non-executive Directors of the Company confirmed that the Loan Transaction was made in the ordinary and usual course of business of the Company, on normal commercial terms and in accordance with the relevant loan agreement governing on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company confirmed that the Loan Transaction had received the approval of the Board and had been entered into in accordance with the relevant loan agreement.

None of the "Related Party Transactions" as disclosed in note 55 to the consolidated financial statements for the year ended 31st December, 2008 constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules.

GROUP BORROWINGS AND INTEREST CAPITALISED

Details of bank loans and other loans repayable within one year or on demand are shown in the consolidated balance sheet. Details of long-term secured bank loans and other loans are shown in note 42 to the consolidated financial statements.

Interest capitalised during the Year by the Group amounted to HK\$52,716,000 (2007: HK\$101,012,000).

RETIREMENT BENEFIT SCHEMES

The Group operates two retirement benefit schemes:

- (1) the provident fund scheme as defined in the Occupational Retirement Schemes Ordinance, Chapter 426 of the laws of Hong Kong, (the "ORSO Scheme"); and
- (2) the provident fund scheme as defined in the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the laws of Hong Kong (the "MPF Scheme").

關連交易 (續)

於二零零八年十一月四日，本公司之間接全資擁有附屬公司—Fancy Mark Limited作為貸方與金匡作為借方簽訂一份有關最多200,000,000港元為期三年之循環貸款融資的貸款協議，而本公司則為償還貸款作為擔保人（「貸款交易」）。由於根據上市規則金匡為本公司之關連人士，該貸款交易構成本公司一項持續關連交易，惟按上市規則第14A.65(4)條獲豁免遵守申報、公布及獲獨立股東批准之規定。

截至二零零八年十二月三十一日，Fancy Mark Limited已借取合共136,000,000港元。

在檢討該貸款交易後，本公司之獨立非執行董事確認該貸款交易屬本公司之日常業務，按照一般商業條款及根據有關貸款協議條款進行，該等條款公平合理，且符合本公司股東之整體利益。

本公司之核數師已確認該貸款交易已經由董事會批准及根據有關貸款協議條款進行。

根據上市規則，截至二零零八年十二月三十一日止年度綜合財務報表內附註55所披露之「關連人士交易」並無構成須予披露的不獲豁免關連交易或不獲豁免持續關連交易。

集團借貸及撥充資本之利息

須於一年內或按通知償還之銀行貸款及其他貸款之詳情載於綜合資產負債表。有抵押的長期銀行貸款及其他貸款之詳情載於綜合財務報表附註42。

本集團於本年度撥充資本之利息為52,716,000港元（二零零七年：101,012,000港元）。

退休金計劃

本集團推行兩項退休金計劃：

- (1) 香港法例第426章職業退休計劃條例所界定之公積金計劃（「職業退休計劃」）；及
- (2) 香港法例第485章強制性公積金計劃條例所界定之公積金計劃（「強積金計劃」）。

Directors' Report

RETIREMENT BENEFIT SCHEMES (cont'd)

Both the ORSO Scheme and the MPF Scheme are defined contribution schemes and the assets of both schemes are managed by their respective trustees accordingly.

The ORSO Scheme is available to the Group's full-time permanent staff employed in Hong Kong before 1st December, 2000. Contributions to the ORSO Scheme are made by the Group at 5%, 7.5% or 10% based on the staff's basic salary depending on the length of service. Staff members are entitled to 100% of the Group's contributions together with accrued returns after completing 10 years of service or more, or attaining the retirement age, or are entitled at a reduced scale between 30% to 90% of the Group's contributions after completing a period of service of at least 3 years but less than 10 years. The ORSO Scheme allowed any forfeited contributions (made by the Group for any staff member who subsequently left the ORSO Scheme prior to vesting fully in such contributions) to be used by the Group to offset the current level of contributions of the Group.

The MPF Scheme is available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions are made by the Group at 5% based on the staff's relevant income. The maximum relevant income for contribution purpose is HK\$20,000 per month. Staff members are entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefits are required by law to be preserved until the retirement age of 65.

In order to provide similar benefits to those who joined the MPF Scheme and the ORSO Scheme, the Group provided an additional portion (the "Top-up Portion") for those who joined the MPF Scheme. The purpose of the Top-up Portion is to match up the benefits of the MPF Scheme with that of the ORSO Scheme by providing those staff under the MPF Scheme with basic salary over HK\$20,000 and/or years of service over 5. Contributions to the Top-up Portion are made by the Group at 5%, 7.5% or 10% of the staff's basic salary less the Group's mandatory contribution under the MPF as mentioned above.

The Group's total cost for the schemes charged to consolidated income statement for the year ended 31st December, 2008 amounted to approximately HK\$4,310,000 (2007: HK\$4,465,000). In addition, an amount of forfeited employer's contributions for the schemes amounted to approximately HK\$192,000 (2007: HK\$197,000) was utilised towards reducing the Group's contributions during the Year and there was no balance available to reduce future contributions.

董事會報告書

退休金計劃 (續)

職業退休計劃及強積金計劃均為界定供款計劃，該等計劃之資產乃由各自之受託人管理。

職業退休計劃可供於二零零零年十二月一日前在香港受僱之本集團全職長期僱員參加。本集團乃根據僱員之基本薪金按其服務年期，作出5%、7.5%或10%之供款。僱員服務滿10年或以上或到退休年齡時方可取得100%本集團供款連同應計回報，而服務年期滿3年但不足10年之僱員則可按遞減比例取得30%至90%本集團供款。職業退休計劃容許本集團將任何已沒收供款（即本集團就任何可獲得全部供款前退出職業退休計劃之僱員而作出之供款）用以抵銷本集團現有之供款水平。

強積金計劃可供所有18至64歲受僱於香港最少60日之本集團僱員參加。本集團根據僱員之有關入息作出5%之供款。就供款而言，有關入息上限為每月20,000港元。不論其於本集團之服務年期，僱員均可取得100%本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡65歲方可領取。

為了向參加強積金計劃及職業退休計劃之僱員提供相近之福利，本集團為參加強積金計劃之僱員提供額外部分（「補足部分」）。補足部分之目的是向基本月薪逾20,000港元及／或服務年期逾5年之僱員提供與職業退休計劃相近之福利。本集團將根據僱員基本薪金之5%、7.5%或10%減本集團根據上述強積金計劃作出之強制性供款而作出補足部分之供款。

本集團於截至二零零八年十二月三十一日止年度就該等計劃於綜合收益表扣除之總費用約為4,310,000港元（二零零七年：4,465,000港元）。此外，就該等計劃之已沒收僱主供款約192,000港元（二零零七年：197,000港元）已於本年度內用作削減本集團之供款，並沒有餘額可用作減少未來供款。

Directors' Report

董事會報告書

SHARE AWARD SCHEME

A share award scheme (the "Share Award Scheme") was adopted by the shareholders of the Company at the special general meeting held on 14th January, 2009 (the "Adoption Date"). The Share Award Scheme is a long-term incentive arrangement for the selected employees. The purpose of the Share Award Scheme is to recognise and reward certain employees of the Group for their contributions to the Group and to give long-term incentives for retaining them for the continued operations and development of the Group. It is also intends to attract suitable professional recruits to join the Group, to assist in the further development of the Group.

The Board may from time to time, at its absolute discretion and subject to such terms and conditions as it may think fit (including the basis of eligibility of each employee determined by the Board from time to time), after having taken into account recommendations made by member of the Group and assessment of individual performance pursuant to internal appraisal system, select an employee for participation in the Share Award Scheme as a Selected Employee ("Selected Employee") and determine the number of shares which may be awarded to such Selected Employee pursuant to the terms of the Share Award Scheme ("Awarded Share(s)"). A Selected Employee shall become qualified to be allotted and issued the Awarded Shares after all the qualifying conditions have been fulfilled, unless otherwise determined by the Board at its discretion.

The issue price for each Awarded Share shall, subject to the terms of the Share Award Scheme, be an amount equal to its nominal value and shall be paid or satisfied in cash by the relevant member of the Group engaging the Selected Employee or, if payment by the relevant member of the Group engaging the Selected Employee is not permitted under applicable law, any member of the Group, upon the allotment and issue of the Awarded Shares.

The total number of shares which may be issued in response to the Share Award Scheme and any other incentive or option schemes of the Company (if any) shall not in aggregate exceed 207,775,007, being 10% of the total number of shares in issue on the Adoption Date and represents approximately 10% of the total number of shares in issue at the date of this annual report.

The maximum number of Awarded Shares to be granted to each Selected Employee under the Share Award Scheme in any 12-month period shall not exceed in aggregate 1% of the shares in issue as at the date of such grant.

Subject to any early termination pursuant to the terms of the Share Award Scheme, the Share Award Scheme shall be valid and effective for a period of 10 years commencing from the Adoption Date (i.e. until 13th January, 2019).

股份獎勵計劃

股份獎勵計劃（「股份獎勵計劃」）已獲本公司股東於二零零九年一月十四日（「採納日期」）之股東特別大會上採納。股份獎勵計劃乃為經甄選僱員而設之長期獎勵安排，旨在向為本集團作出貢獻之若干僱員給予肯定及回報，並作為吸引其留效本集團，繼續為本集團之營運及發展而努力之長期獎勵。此計劃亦有助於吸引合適之專業人士加盟本集團，協助本集團進一步發展。

經考慮本集團成員公司作出之推薦建議及根據內部評估制度評估個別人士之表現後，董事會可不時全權酌情及根據其認為合適之條款及條件（包括董事會不時釐定每名僱員之合資格基準），甄選僱員成為經甄選僱員（「經甄選僱員」），參與股份獎勵計劃，並根據股份獎勵計劃之條款釐定每名經甄選僱員可獲之獎勵股份數目（「獎勵股份」）。除董事會另有酌情釐定外，經甄選僱員於達成所有合資格條件後，將合資格獲發行及配發獎勵股份。

每股獎勵股份之發行價將受限於股份獎勵計劃之條款，並相等於其面值，且由聘用經甄選僱員之本集團相關成員公司於發行及配發獎勵股份時以現金支付或償付，或倘聘用經甄選僱員之本集團相關成員公司根據適用法律不得作出付款，則由本集團任何成員公司以現金支付或償付。

於股份獎勵計劃將可能發行之股份，連同於根據本公司所有其他獎勵或購股權計劃（如有）將可能發行之股份，總數合共不得超過207,775,007股（即於採納日期已發行股份之10%），相當於截至本年報日期之已發行股份約10%。

根據股份獎勵計劃授予每位經甄選僱員之獎勵股份之最高數目於任何十二個月期間內合共不得超過有關授出日期已發行股份之1%。

根據股份獎勵計劃中任何有關提早終止之條款之規限下，股份獎勵計劃將由採納日期起計十年期間有效及生效（即直至二零一九年一月十三日）。

Directors' Report

SHARE AWARD SCHEME (cont'd)

The details of the Share Award Scheme were also set out in the circular of the Company dated 23rd December, 2008.

MAJOR SUPPLIERS AND CUSTOMERS

The five largest customers of the Group amounted to less than 30% of the total turnover to the Group during the Year.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers accounted for 18% and 44% of the Group's total purchases for the Year.

At no time during the Year did a Director, an associate of a Director or a shareholder of the Company (which to the knowledge of the Directors own more than 5% of the Company's share capital) have an interest in any of the Group's five largest customers and suppliers.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company had maintained the prescribed amount of public float during the Year and up to the date of this report as required under the Listing Rules.

AUDITORS

The consolidated financial statements for the Year were audited by Messrs. HLB Hodgson Impey Cheng ("HLB") who would retire at the conclusion of the forthcoming annual general meeting, and being eligible, offer themselves for re-appointment. A resolution will be proposed to the shareholders at the forthcoming annual general meeting to re-appoint HLB as the auditors of the Company.

There have been no other changes of auditors in the past three years except for Messrs. Deloitte Touche Tohmatsu resigned and HLB was appointed as the auditors of the Company in November 2006.

On behalf of the Board

Joseph Lau, Luen-hung

Chairman

Hong Kong, 16th March, 2009

董事會報告書

股份獎勵計劃(續)

有關股份獎勵計劃之詳情已刊載於本公司日期為二零零八年十二月二十三日之通函。

主要供應商及客戶

本集團五大客戶於本年度內佔本集團之營業總額分別少於30%。

本年度本集團之最大供應商及五大供應商之累計購貨總額分別佔本集團購貨總額之18%及44%。

董事、董事之聯繫人士或本公司股東(據董事所知擁有本公司股本超過5%)概無於本年度內任何時候於本集團五大客戶及供應商之中擁有權益。

公眾持股量

根據本公司得悉的公開資料及董事所知悉，本公司於本年度內及截至本報告日期已按上市規則規定維持規定之公眾持股量。

核數師

本年度之綜合財務報表由國衛會計師事務所(「國衛」)審核。該會計師行將於即將舉行之股東週年大會結束時任滿告退，惟合資格並願意膺聘連任。於即將舉行之股東週年大會上，將就續聘國衛為本公司核數師向股東提呈一項決議案。

除於二零零六年十一月德勤·關黃陳方會計師行辭任及國衛獲委任為本公司之核數師外，本公司在過去三年間並無更換其他核數師。

代表董事會

主席

劉鑾雄

香港，二零零九年三月十六日

Independent Auditors' Report

獨立核數師報告書



TO THE SHAREHOLDERS OF CHINESE ESTATES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Chinese Estates Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 67 to 192, which comprise the consolidated balance sheet as at 31st December, 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

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

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

致CHINESE ESTATES HOLDINGS LIMITED股東

(於百慕達註冊成立之有限公司)

吾等已審核第67頁至第192頁所載CHINESE ESTATES HOLDINGS LIMITED(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。綜合財務報表包括於二零零八年十二月三十一日之綜合資產負債表、截至該日止年度之綜合收益表、綜合股本權益變動表及綜合現金流量表，以及主要會計政策概要及其他說明附註。

董事編製綜合財務報表之責任

貴公司董事須遵照香港會計師公會頒布之香港財務報告準則以及香港公司條例之披露規定，負責編製並真實公平地呈列此等綜合財務報表。此責任包括設計、實行及維持與編製並真實公平地呈列綜合財務報表有關之內部監控，以確保其並無重大錯誤陳述(不論其由欺詐或錯誤引起)；選擇及應用適當會計政策；並在不同情況下作出合理之會計估算。

核數師之責任

吾等負責根據吾等之審核結果對綜合財務報表發表意見。本報告謹按照百慕達公司法第90條而僅向閣下編製，並不作其他用途。吾等不會就報告內容而向任何其他人士負責或承擔法律責任。

Independent Auditors' Report

獨立核數師報告書

AUDITORS' RESPONSIBILITY (cont'd)

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

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

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

OPINION

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

HLB Hodgson Impey Cheng

Chartered Accountants
Certified Public Accountants

Hong Kong, 16th March, 2009

核數師之責任 (續)

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

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

吾等相信，就提出審核意見而言，吾等所獲審核憑證屬充分恰當。

意見

吾等認為，根據香港財務報告準則，綜合財務報表真實公平地反映 貴集團於二零零八年十二月三十一日之財務狀況以及 貴集團截至該日止年度之虧損及現金流量，並已按照香港公司條例之披露要求妥為編製。

國衛會計師事務所

英國特許會計師
香港執業會計師

香港，二零零九年三月十六日

Consolidated Income Statement

For the year ended 31st December, 2008

綜合收益表

截至二零零八年十二月三十一日止年度

		Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Continuing operations	持續經營業務			
Turnover	營業額	7	1,264,925	4,478,075
Cost of sales	銷售成本		(279,811)	(2,541,535)
Gross profit	毛利		985,114	1,936,540
Other income	其他收入	9	38,950	32,256
Investment income, net	投資收入淨額	10	3,995,971	1,399,071
Administrative expenses	行政開支		(224,083)	(229,125)
Other expenses	其他開支	11	(5,260)	(9,804)
Gain on disposals of property and other fixed assets	出售物業及其他固定資產之收益		102	3,109
(Loss) gain on disposals of investment properties	出售投資物業之(虧損)收益		(2,721)	1,776
Fair value changes on investment properties	投資物業之公平值變動	21	(7,467,668)	6,421,788
Finance costs	財務費用	14	(283,171)	(575,424)
Other gains and losses, net	其他收益及虧損淨額	15	10,168	(71,653)
Share of results of associates	攤佔聯營公司業績		(8,388)	601,431
(Loss) profit before tax	除稅前(虧損)溢利		(2,960,986)	9,509,965
Income tax credit (expense)	所得稅撥回(開支)	18	1,506,728	(1,177,097)
(Loss) profit for the year from continuing operations	本年度來自持續經營業務(虧損)溢利		(1,454,258)	8,332,868
Discontinued operation	已終止經營業務	12		
Loss for the year from discontinued operation	本年度來自已終止經營業務之虧損		(1,950)	–
(Loss) profit for the year	本年度(虧損)溢利	13	(1,456,208)	8,332,868
Attributable to:	應佔本年度(虧損)溢利:			
Equity holders of the parent	母公司之股本權益持有人		(1,494,376)	8,195,857
Minority interests	少數股東權益		38,168	137,011
			(1,456,208)	8,332,868
Dividends	股息	19	823,345	715,238
(Loss) earnings per share (HK\$)	每股(虧損)盈利(港元)	20		
From continuing and discontinued operations	來自持續經營業務及已終止經營業務			
– Basic and diluted	– 基本及攤薄		(0.67)	3.60
From continuing operations	來自持續經營業務			
– Basic and diluted	– 基本及攤薄		(0.67)	3.60

The accompanying notes form an integral part of these consolidated financial statements.

財務報表附註乃綜合財務報表的一部分。

Consolidated Balance Sheet

At 31st December, 2008

綜合資產負債表

於二零零八年十二月三十一日

		Notes	2008 HK\$'000 千港元	2007 HK\$'000 千港元
		附註		
Non-current assets	非流動資產			
Investment properties	投資物業	21	30,302,580	38,498,440
Property and other fixed assets	物業及其他固定資產	22	104,739	101,846
Properties under development	發展中物業	23	86,496	33,548
Prepaid lease payments	預付租賃款項	24	1,536,953	1,417,631
Property interests held for future development	持作日後發展之物業權益	25	–	–
Intangible assets	無形資產	26	10,010	12,870
Goodwill	商譽	27	8,310	–
Interests in associates	聯營公司權益	28	869,727	1,210,936
Advances to associates	墊付聯營公司款項	29	1,784,457	1,352,741
Interests in jointly controlled entities	共同控制機構權益	30	–	–
Available-for-sale investments	待售投資	31	468,127	11,916,268
Advances to investee companies	墊付接受投資公司款項	32(a)	332,501	310,055
Loans receivable, due after one year	應收貸款—一年後到期	33	60,129	61,300
Deferred tax assets	遞延稅項資產	46	96,690	66,574
Advance to a minority shareholder	墊付一名少數股東款項	32(b)	14,580	9,527
Pledged deposits	抵押存款	34(a)	99,599	79,217
			35,774,898	55,070,953
Current assets	流動資產			
Stock of properties	物業存貨	35	4,945,495	3,781,462
Investments held-for-trading	持作買賣之投資	36	–	367,753
Equity-linked note	股票掛鈎票據	37	–	101,516
Loans receivable, due within one year	應收貸款—一年內到期	33	117	586
Inventories for cosmetic products	化妝品存貨	38	3,426	1,425
Debtors, deposits and prepayments	應收賬項、按金及預付款項	39	223,439	299,433
Securities trading receivables and deposits	應收證券交易賬項及存款	34(b)	69,118	309,766
Tax recoverable	可收回稅款		414	536
Pledged deposits	抵押存款	34(a)	378,483	406,492
Time deposits, bank balances and cash	定期存款、銀行結餘及現金	34(c)	10,418,877	6,167,845
Sales proceeds held by stakeholders	保管人所持銷售所得款項		63,272	206,540
			16,102,641	11,643,354

Consolidated Balance Sheet

At 31st December, 2008

綜合資產負債表

於二零零八年十二月三十一日

			2008	2007
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
Current liabilities	流動負債			
Derivative financial instruments	衍生金融工具	40	24,432	50,851
Creditors and accruals	應付賬項及應計款項	41	323,026	295,766
Securities trading and margin payable	應付證券交易賬項及保證金		62,702	284,165
Deposits and receipts in advance	按金及預先收取款項		391,298	297,085
Tax liabilities	稅項負債		118,360	230,827
Borrowings – due within one year	借貸—一年內到期	42	3,163,925	2,949,269
Provisions	撥備	43	16,054	16,017
			4,099,797	4,123,980
Net current assets	流動資產淨值		12,002,844	7,519,374
Total assets less current liabilities	資產總額減流動負債		47,777,742	62,590,327
Non-current liabilities	非流動負債			
Financial guarantee liabilities	財務擔保負債		618	618
Borrowings – due after one year	借貸—一年後到期	42	8,505,258	9,380,589
Amounts due to associates	欠負聯營公司款項	45	9,271	8,941
Amounts due to minority shareholders	欠負少數股東款項	45	77,565	90,059
Deferred tax liabilities	遞延稅項負債	46	3,882,381	5,444,587
			12,475,093	14,924,794
Total assets and liabilities	資產與負債總額		35,302,649	47,665,533
Capital and reserves	股本及儲備			
Share capital	股本	47	207,775	230,044
Reserves	儲備		34,442,818	46,931,594
Equity attributable to equity holders of the parent	母公司股本權益持有人之應佔股本權益		34,650,593	47,161,638
Minority interests	少數股東權益		652,056	503,895
Total equity	股本權益總額		35,302,649	47,665,533

Approved and authorised for issue by the Board of Directors on 16th March, 2009 and signed on its behalf by:

已獲董事會於二零零九年三月十六日批准及授權發布，並由下列董事代表董事會簽署。

Joseph Lau, Luen-hung

Director

劉鑾雄

董事

Lau, Ming-wai

Director

劉鳴煒

董事

The accompanying notes form an integral part of these consolidated financial statements.

財務報表附註乃綜合財務報表的一部分。

Consolidated Statement of Changes in Equity 綜合股本權益變動表

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

		Attributable to equity holders of the parent 母公司股本權益持有人應佔股本權益														
		Share capital	Share premium	Properties revaluation reserve	Convertible bonds-equity reserve	Securities investments reserve	Statutory reserve	Other reserve	Special reserve	Capital redemption reserve	Translation reserve	Retained profits	Convertible bonds equity reserve of a subsidiary	Minority interests	Total equity	
		股本	股份溢價	物業重估儲備	可換股債券權益儲備	證券投資儲備	法定儲備	其他儲備	特別儲備	贖回儲備	匯兌儲備	保留溢利	附屬公司之可換股債券權益儲備	少數股東權益	股本權益總額	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
At 1st January, 2007	於二零零七年一月一日	225,981	3,236,338	-	55,435	4,761,630	728	(35,202)	2,499,685	98,362	-	24,689,741	35,532,698	-	429,936	35,962,634
Share of associates' reserve movements during the year	聯佔聯營公司年度儲備變動	-	-	-	-	(17,445)	-	26,071	-	-	-	-	8,626	-	-	8,626
Fair value changes of available-for-sale investments	待售投資公平值變動	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- listed equity investments	- 上市股本投資	-	-	-	-	4,505,768	-	-	-	-	-	-	4,505,768	-	-	4,505,768
- unlisted investments	- 非上市投資	-	-	-	-	(22,354)	-	-	-	-	-	-	(22,354)	-	-	(22,354)
PRC statutory reserve	中國法定儲備	-	-	-	-	-	1,447	-	-	-	-	-	-	-	-	1,447
Exchange adjustments	匯兌調整	-	-	-	-	-	-	-	-	-	132,509	-	132,509	-	-	132,509
Net income recognised directly in equity	直接於股本權益中確認之淨收入	-	-	-	-	4,465,969	1,447	26,071	-	-	132,509	-	4,625,996	-	-	4,625,996
Transfer to consolidated income statement on disposals of available-for-sale investments	出售待售投資時轉撥至綜合收益表	-	-	-	-	(890,662)	-	-	-	-	-	-	(890,662)	-	-	(890,662)
- listed equity investments	- 上市股本投資	-	-	-	-	(890,662)	-	-	-	-	-	-	(890,662)	-	-	(890,662)
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	-	-	8,195,857	8,195,857	-	137,011	8,332,868
Total recognised income for the year	年內確認之總收入	-	-	-	-	3,575,307	1,447	26,071	-	-	132,509	8,195,857	11,931,191	-	137,011	12,068,202
Deemed contribution from minority interests	視作少數股東權益注資	-	-	-	-	-	-	-	-	-	-	-	-	1,717	1,717	
Disposal of a subsidiary	出售一間附屬公司	-	-	-	-	-	-	-	-	-	-	-	-	(64,769)	(64,769)	
Issue of ordinary shares from conversion of convertible bonds	按可換股債券轉換發行普通股	57	4,106	-	(687)	-	-	-	-	-	-	3,476	-	-	3,476	
Conversion of convertible bonds by cash settlement	以現金結算方式兌換可換股債券	-	-	-	(54,748)	-	-	-	-	-	-	-	(54,748)	-	(54,748)	
Issue of shares in lieu of 2006 final cash dividend	發行股份代替二零零六年末期現金股息	2,383	-	-	-	-	-	-	-	-	-	2,383	-	-	2,383	
Premium on issue of shares upon 2006 final scrip dividend	就二零零六年末期以股代息所發行股份之溢價	-	274,711	-	-	-	-	-	-	-	-	274,711	-	-	274,711	
Issue of shares in lieu of 2007 interim cash dividend	發行股份代替二零零七年中期現金股息	1,623	-	-	-	-	-	-	-	-	-	1,623	-	-	1,623	
Premium on issue of shares upon 2007 interim scrip dividend	就二零零七年中期以股代息所發行股份之溢價	-	185,542	-	-	-	-	-	-	-	-	185,542	-	-	185,542	
Final dividend paid	已付末期股息	-	-	-	-	-	-	-	-	-	(406,869)	(406,869)	-	-	(406,869)	
Interim dividend paid	已付中期股息	-	-	-	-	-	-	-	-	-	(308,369)	(308,369)	-	-	(308,369)	
At 31st December, 2007	於二零零七年十二月三十一日	230,044	3,700,697	-	-	8,336,937	2,175	(9,131)	2,499,685	98,362	132,509	32,170,360	47,161,638	-	503,895	47,665,533
Share of associates' reserve movements during the year	聯佔聯營公司年度儲備變動	-	-	-	-	-	-	1,186 (Note 1) (附註1)	-	-	11,563	-	12,749	-	12,749	
Fair value changes of available-for-sale investments	待售投資公平值變動	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- listed equity investments (Note 2)	- 上市股本投資 (附註2)	-	-	-	-	(4,501,157)	-	-	-	-	-	-	(4,501,157)	-	(4,501,157)	
- listed debt investments	- 上市債務投資	-	-	-	-	(3,792)	-	-	-	-	-	-	(3,792)	-	(3,792)	
- unlisted investments	- 非上市投資	-	-	-	-	(23,888)	-	-	-	-	-	-	(23,888)	-	(23,888)	
PRC statutory reserve	中國法定儲備	-	-	-	-	-	2,192	-	-	-	-	2,192	-	-	2,192	
Exchange adjustments	匯兌調整	-	-	-	-	-	-	-	-	212,215	-	212,215	-	-	212,215	
Share of securities investments reserve by minority interests	少數股東權益儲備	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- listed debt investments	- 上市債務投資	-	-	-	-	1,888	-	-	-	-	-	1,888	-	(1,888)	-	
- unlisted investments	- 非上市投資	-	-	-	-	13,973	-	-	-	-	-	13,973	-	(13,973)	-	
Share of exchange adjustments by minority interests	少數股東權益儲備	-	-	-	-	-	-	-	-	(4,861)	-	(4,861)	-	4,861	-	
Surplus on revaluation of property	重估物業盈餘	-	-	843	-	-	-	-	-	-	-	843	-	-	843	
Deferred tax	遞延稅項	-	-	(139)	-	-	-	-	-	-	-	(139)	-	-	(139)	
Net income (expense) recognised directly in equity	直接於股本權益中確認之淨收入 (支出)	-	-	704	-	(4,512,976)	2,192	1,186	-	-	218,917	-	(4,289,977)	(11,000)	(4,300,977)	
Transfer to consolidated income statement on disposals of available-for-sale investments	出售待售投資時轉撥至綜合收益表	-	-	-	-	(3,655,965)	-	-	-	-	-	(3,655,965)	-	-	(3,655,965)	
- listed equity investments (Note 2)	- 上市股本投資 (附註2)	-	-	-	-	(3,655,965)	-	-	-	-	-	(3,655,965)	-	-	(3,655,965)	
- unlisted investment	- 非上市投資	-	-	-	-	(5,221)	-	-	-	-	-	(5,221)	-	-	(5,221)	
Transfer to consolidated income statement on disposals of subsidiaries	出售附屬公司時轉撥至綜合收益表	-	-	-	-	-	-	-	-	-	(9,761)	(9,761)	-	-	(9,761)	
Share of disposal of subsidiaries by minority interests	少數股東權益儲備	-	-	-	-	-	-	-	-	-	4,861	4,861	-	(4,861)	-	
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	-	(1,494,376)	(1,494,376)	-	38,168	(1,456,208)	

Consolidated Statement of Changes in Equity 綜合股本權益變動表

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

	Attributable to equity holders of the parent 母公司股本權益持有人應佔股本權益												Minority interests	Total equity
	Share capital	Share premium	Properties revaluation reserve	Convertible bonds-equity reserve	Securities investments reserve	Statutory reserve	Other reserve	Special reserve	Capital redemption reserve	Translation reserve	Retained profits	Convertible bonds equity reserve of a subsidiary		
	股本	股份溢價	物業重估儲備	可換股債券權益儲備	證券投資儲備	法定儲備	其他儲備	特別儲備	資本贖回儲備	匯兌儲備	保留溢利	附屬公司之可換股債券權益儲備	少數股東權益	股本權益總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Total recognised income (expense) for the year	-	-	704	-	(8,174,162)	2,192	1,186	-	-	214,017	(1,494,376)	(9,450,439)	-	(9,428,132)
Deemed contribution from minority interests	-	-	-	-	-	-	-	-	-	-	-	-	(79)	(79)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	163,466	163,466
Purchase of convertible bonds issued by a non-wholly owned subsidiary	-	-	-	-	-	-	-	-	-	-	-	(18,140)	(9,033)	(27,173)
Release on redemption of convertible bonds of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	(12,094)	-	(12,094)
Cancellation on repurchase of own shares	(22,687)	(2,289,182)	-	-	-	-	-	-	22,687	-	-	(2,289,182)	-	(2,289,182)
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	-	-	-	-	(28,500)	(28,500)
Issue of shares in lieu of 2007 final cash dividend	382	-	-	-	-	-	-	-	-	-	-	382	-	382
Premium on issue of shares upon 2007 final scrip dividend	-	47,624	-	-	-	-	-	-	-	-	-	47,624	-	47,624
Issue of shares in lieu of 2008 interim cash dividend	36	-	-	-	-	-	-	-	-	-	-	36	-	36
Premium on issue of shares upon 2008 interim scrip dividend	-	3,879	-	-	-	-	-	-	-	-	-	3,879	-	3,879
Final dividend paid	-	-	-	-	-	-	-	-	-	-	(517,158)	(517,158)	-	(517,158)
Interim dividend paid	-	-	-	-	-	-	-	-	-	-	(306,187)	(306,187)	-	(306,187)
At 31st December, 2008	207,775	1,463,018	704	-	162,775	4,367	(7,945)	2,499,685	121,049	346,526	29,852,639	34,650,593	-	35,302,649

Notes:

- The movement of other reserve for the year represented the release of the negative reserve held by an associate of the Group upon the disposals of the relevant properties.
- As at 31st December, 2007, the carrying amount of the cumulative gain on fair value changes of listed equity securities investments in securities investments reserve was approximately HK\$8,157,122,000. A reduction in fair value on the listed equity securities investments of approximately HK\$4,501,157,000 was recognised for the year and a cumulative gain of approximately HK\$3,655,965,000 was transferred to consolidated income statement upon disposals. The carrying amount of the cumulative gain as at 31st December, 2008 is HK\$nil.

The accompanying notes form an integral part of these consolidated financial statements.

附註:

- 本年度之其他儲備變動乃指本集團的一間聯營公司於出售有關物業時撥回所持有之負值儲備。
- 於二零零七年十二月三十一日，於證券投資儲備中上市股本證券投資公平值變動之累計收益賬面值約為8,157,122,000港元。於本年度，已確認之上市股本證券投資公平值減少約為4,501,157,000港元，而累計收益約3,655,965,000港元已因出售而轉撥至綜合收益表。截至二零零八年十二月三十一日止累計收益賬面值為零港元。

財務報表附註乃綜合財務報表的一部分。

Consolidated Cash Flow Statement

For the year ended 31st December, 2008

綜合現金流量表

截至二零零八年十二月三十一日止年度

	Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Operating activities	經營業務		
(Loss) profit before tax	除稅前(虧損)溢利		
– continuing operations	– 持續經營業務	(2,960,986)	9,509,965
– discontinued operation	– 已終止經營業務	(1,950)	–
Adjustments for:	因下列事項之調整:		
Depreciation of property and other fixed assets	物業及其他固定資產折舊	20,005	16,090
Amortisation of intangible assets	無形資產攤銷	2,860	1,430
Amortisation of prepaid lease payments	預付租賃款項攤銷	805	609
Interest expenses	利息支出	274,343	553,820
Imputed interest expenses	名義利息支出	6,118	5,056
Interest income	利息收入	(209,776)	(227,292)
Imputed interest income	名義利息收入	(27,153)	(33,073)
Realised gain on derivative financial instruments	衍生金融工具之已變現收益	–	(65,868)
Dividend income from listed and unlisted investments	上市及非上市投資股息收入	(174,774)	(155,741)
Impairment losses recognised (reversed) in respect of trade receivables	就應收貿易賬項確認(撥回)之減值虧損	155	(291)
Impairment loss recognised in respect of available-for-sale investments	就待售投資確認之減值虧損	78,881	120
Unrealised loss on equity-linked notes	股票掛鈎票據之未變現虧損	–	46,311
Unrealised gain on investments held-for-trading	持作買賣之投資之未變現收益	–	(20,372)
Unrealised gain on derivative financial instruments	衍生金融工具之未變現收益	(26,419)	(51,925)
Impairment loss reversed in respect of advances to associates	就墊付聯營公司款項撥回之減值虧損	(187)	(1,719)
Impairment loss recognised in respect of advance to an associate	就墊付一間聯營公司款項確認之減值虧損	5,472	1,884
Impairment loss recognised (reversed) in respect of interest in an associate	就一間聯營公司權益確認(撥回)之減值虧損	653	(1,378)
Transfer from equity on disposal of available-for-sale investments	出售待售投資時由股本權益轉撥	(3,652,989)	(888,684)
Gain on deemed disposal of interest in an associate	視作出售一間聯營公司權益收益	–	(5,103)
Loss (gain) on disposals of investment properties	出售投資物業虧損(收益)	2,721	(1,776)
Gain on disposals of property and other fixed assets	出售物業及其他固定資產之收益	(102)	(3,109)
Share of results of associates	攤佔聯營公司業績	8,388	(601,431)
Fair value changes on investment properties	投資物業之公平值變動	7,467,668	(6,421,788)
Discount on acquisition of a subsidiary	收購一間附屬公司折讓	–	(624)
Gain on redemption of convertible bonds of a subsidiary	贖回一間附屬公司之可換股債券之收益	(5,595)	–
Loss on conversion of convertible bonds by cash settlement	以現金結算方式兌換可換股債券之虧損	–	236,705
Gain on purchase of convertible bonds of a subsidiary	購買一間附屬公司可換股債券之收益	(6,396)	–
Gain on disposal of subsidiaries	出售附屬公司收益	(3,870)	(158,212)

Consolidated Cash Flow Statement

For the year ended 31st December, 2008

綜合現金流量表

截至二零零八年十二月三十一日止年度

		Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量		797,872	1,733,604
Decrease in stock of properties	物業存貨減少		183,895	2,240,217
Decrease in loans receivable	應收貸款減少		1,640	1,417
(Increase) decrease in inventories for cosmetic products	化妝品存貨 (增加)減少		(2,001)	130
Decrease in debtors, deposits and prepayments	應收賬項、按金及預付款項減少		75,801	59,936
Decrease (increase) in investments held-for-trading	持作買賣之投資減少 (增加)		367,753	(205,163)
Decrease in equity-linked notes	股票掛鈎票據減少		101,516	75,725
Decrease (increase) in securities trading receivable and deposits	應收證券交易賬項及存款減少 (增加)		240,648	(32,937)
Decrease in presale proceeds held by stakeholders	保管人所持預售所得款項減少		143,268	323,465
Increase (decrease) in creditors and accruals	應付賬項及應計款項增加 (減少)		28,498	(154,802)
(Decrease) increase in securities trading and margin payable	應付證券交易賬項及保證金 (減少)增加		(221,463)	92,959
Increase (decrease) in deposits and receipts in advance	按金及預先收取款項增加 (減少)		93,794	(456,397)
Increase in provisions	撥備增加		37	-
Cash generated from operating activities	來自經營業務之現金		1,811,258	3,678,154
Net Hong Kong profits tax paid	已付香港利得稅淨額		(203,073)	(39,414)
Net cash generated from operating activities	來自經營業務之現金淨額		1,608,185	3,638,740
Investing activities	投資業務			
Dividend received from listed and unlisted investments	上市及非上市投資之已收股息		174,774	155,741
Dividend received from associates	聯營公司之已收股息		286,010	872,085
Interest received	已收利息		208,097	227,292
Purchases of and payments for investment properties	購買及支付投資物業款項		(371,808)	(405,793)
Purchases of property and other fixed assets	購買物業及其他固定資產		(9,441)	(38,614)
Payments for properties under development	支付發展中物業款項		(19,142)	(8,370)
Payment for prepaid lease payments	支付預付租賃款項		-	(1,137,834)
Payments for stock of properties	支付物業存貨款項		(437,116)	(1,118,222)
Proceeds on disposals of investment properties	出售投資物業所得款項		176,929	76,525
Proceeds on disposals of property and other fixed assets	出售物業及其他固定資產所得款項		105	5,304
Proceeds from disposals of available-for-sale investments	出售待售投資所得款項		7,081,038	1,660,313
Purchases of available-for-sale investments	購買待售投資		(253,223)	(562,443)
Acquisition of subsidiaries (net cash and cash equivalents acquired)	收購附屬公司 (購入現金及現金等值項目淨額)	48	189,858	(17,088)
Acquisition of additional interest in subsidiaries	增購附屬公司之權益		(2,019)	-
Proceeds on disposal of subsidiaries	出售附屬公司所得款項	49	170,185	82,152
Advances to associates	墊付聯營公司款項		(401,477)	(434,299)
Repayment from an investee company	一間接受投資公司還款		-	1,188
Advances to investee companies	墊付接受投資公司款項		(22,446)	(309,725)
Decrease in pledged deposits	抵押存款減少		7,627	600,248
Net cash generated from/(used in) investing activities	來自/(用於)投資業務之現金淨額		6,777,951	(351,540)

Consolidated Cash Flow Statement

For the year ended 31st December, 2008

綜合現金流量表

截至二零零八年十二月三十一日止年度

	Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Financing activities	融資業務		
Dividends paid	已付股息	(799,924)	(250,979)
Interest paid	已付利息	(274,343)	(553,820)
Advances from associates	聯營公司之墊款	–	25,458
New bank loans and other loans raised	新增銀行貸款及其他貸款	640,000	2,496,812
Repayments of bank loans and other loans	償還銀行貸款及其他貸款	(1,300,675)	(4,880,497)
Repurchase of own shares	購回本身股份	(2,289,182)	–
Advances from minority shareholders	少數股東之墊款	–	7,509
Repayments to minority shareholders	償還少數股東款項	–	(442,064)
Purchase of convertible bonds issued by a non-wholly owned subsidiary	購買一間非全資附屬公司發行之可換股債券	(109,335)	–
Redemption of convertible bonds of a subsidiary	贖回一間附屬公司之可換股債券	(72,000)	–
Conversion of convertible bonds by cash settlement	以現金結算方式兌換可換股債券	–	(571,717)
Capital contribution by minority shareholders	少數股東注資	(19,828)	–
Net cash used in financing activities	用於融資業務之現金淨額	(4,225,287)	(4,169,298)
Net increase (decrease) in cash and cash equivalents	現金及現金等值項目增加(減少)淨額	4,160,849	(882,098)
Cash and cash equivalents at 1st January	於一月一日之現金及現金等值項目	6,167,845	7,034,820
Effect of foreign exchange rate changes	匯率變動之影響	90,183	15,123
Cash and cash equivalents at 31st December	於十二月三十一日之現金及現金等值項目	10,418,877	6,167,845
Analysis of the balances of cash and cash equivalents	現金及現金等值項目結餘分析		
Time deposits, bank balances and cash	定期存款、銀行結餘及現金	10,418,877	6,167,845

The accompany notes form an integral part of these consolidated financial statements.

財務報表附註乃綜合財務報表的一部分。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

1. GENERAL INFORMATION

The Company is a public listed company incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information of the annual report.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company and all values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

The Company's principal activity is investment holding and the principal activities of its principal subsidiaries, associates and jointly controlled entities are set out in Notes 56 and 57 and 30 respectively. The Group was also engaged in the production and sale of methanol operation, which was discontinued in the current year (see Note 12).

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

In the current year, the Group has applied, for the first time, the following amendments and new interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's financial year beginning on 1st January, 2008.

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

1. 一般資料

本公司為一間於百慕達註冊成立為受豁免有限公司之公眾上市公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊辦事處及主要業務地點之地址載於本年報之公司資料中。

此綜合財務報表以港元（「港元」）呈列，港元亦為本公司之功能貨幣，且除另有說明外，所有價值均四捨五入至最接近之千位數（千港元）。

本公司之主要業務為投資控股，而其主要附屬公司、聯營公司及共同控制機構之主要業務分別載於附註56、57及30。本集團亦從事生產及銷售甲醇業務，惟已於本年度終止經營（見附註12）。

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團首次應用下列由香港會計師公會（「香港會計師公會」）頒布之修訂及新詮釋，該等修訂及新詮釋均於本集團於二零零八年一月一日開始之財政年度生效。

香港會計準則第39號及香港財務報告準則第7號（修訂本）	將金融資產重新分類
香港（國際財務報告詮釋委員會）— 詮釋第11號	香港財務報告準則第2號—集團及庫存股票交易
香港（國際財務報告詮釋委員會）— 詮釋第12號	服務特許權安排
香港（國際財務報告詮釋委員會）— 詮釋第14號	香港會計準則第19號—界定福利資產之限制、最低資金要求及兩者之互動關係

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

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

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

In addition, the Group has early applied HKFRS 8 “Operating Segments” which is effective for annual periods beginning on or after 1st January, 2009 in the current year. The application of HKFRS 8 has resulted in a change in the presentation of the operating segments of the Group. The changes in presentation have been applied retrospectively. The early adoption of the HKFRS 8 does not have any financial impact to the Group’s accounting policies.

HKFRS 8 requires the issuer to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of the issuer about which separate financial information is available that is evaluated regularly by the chief operating decision-makers in deciding how to allocate resources and in assessing performance.

The application of this new standard had no material effect on the results of operations and financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been required.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用修訂及新詮釋並無對本集團之本會計期間或過往會計期間業績及財務狀況之編製及呈報方式構成任何重大影響。故此無需作出過往期間之調整。

此外，本集團已於本年度提早應用於二零零九年一月一日或之後開始之年度期間生效之香港財務報告準則第8號「經營分類」。應用香港財務報告準則第8號導致本集團經營分類之呈報方式出現變動。呈報方式之變動已追溯應用。提早應用香港財務報告準則第8號對本集團之會計政策並無財務影響。

香港財務報告準則第8號要求發行人呈報其可呈報分類之財務資料及說明資料。可呈報分類為符合指定條件之經營分類或經營分類組合。經營分類為發行人就有關其可供查閱之獨立財務資料之組成部分，該獨立財務資料乃經由主要經營決策者定期評估以決定如何分配資源及評估表現。

應用該新準則並無對本集團之本會計期間或過往會計期間之經營業績及財務狀況構成任何重大影響。故此無需作出過往期間之調整。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

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

Except as described above, the Group has not early applied the following revised standards, amendments or interpretations (“new HKFRSs”) that have been issued but are not yet effective.

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

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

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

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

⁴ Effective for annual periods beginning on or after 1st July, 2008

⁵ Effective for annual periods beginning on or after 1st October, 2008

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

除上文所述者外，本集團並無提早應用下列已頒布但尚未生效之經修訂準則、修訂本或詮釋（「新香港財務報告準則」）。

香港財務報告準則（修訂本）	香港財務報告準則之改進 ¹
香港會計準則第1號（經修訂）	財務報表呈列 ²
香港會計準則第23號（經修訂）	借貸成本 ²
香港會計準則第27號（經修訂）	綜合及獨立財務報表 ³
香港會計準則第32號及第1號（修訂本）	可沽售金融工具及清盤產生之責任 ²
香港財務報告準則第1號及香港會計準則第27號（修訂本）	附屬公司、共同控制實體或聯營公司之投資成本 ²
香港會計準則第39號（修訂本）	合資格對沖項目 ³
香港財務報告準則第2號（修訂本）	以股份為基礎的付款－歸屬條件及取消 ²
香港財務報告準則第3號（經修訂）	業務合併 ³
香港（國際財務報告詮釋委員會）－詮釋第13號	客戶忠誠計劃 ⁴
香港（國際財務報告詮釋委員會）－詮釋第15號	房地產建築協議 ²
香港（國際財務報告詮釋委員會）－詮釋第16號	對沖海外業務之淨投資 ⁵
香港（國際財務報告詮釋委員會）－詮釋第17號	向擁有人分派非現金資產 ³
香港（國際財務報告詮釋委員會）－詮釋第18號	來自客戶之資產轉讓 ³

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

² 於二零零九年一月一日或之後開始之年度期間生效。

³ 於二零零九年七月一日或之後開始之年度期間生效。

⁴ 於二零零八年七月一日或之後開始之年度期間生效。

⁵ 於二零零八年十月一日或之後開始之年度期間生效。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

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

The adoption of HKFRS 3 (Revised) may affect the accounting for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July, 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent’s ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The Group is in the process of assessing the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs will have a significant impact on how its results of operations and financial position are prepared and presented. These new HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

(a) Basis of consolidation

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

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

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用香港財務報告準則第3號（經修訂）可能影響收購日期為二零零九年七月一日或之後開始之首個年度呈報期間開始當天或之後之業務合併之會計方法。香港會計準則第27號（經修訂）將會影響母公司於附屬公司之擁有權益變動之會計處理方法，而有關變動不會導致喪失控制權，並將入賬列為股本權益交易。本集團現正評估該等新香港財務報告準則之潛在影響，惟尚未能確定該等新香港財務報告準則對經營業績及財務狀況之編製及呈列方式會否構成重大影響。該等新香港財務報告準則或會導致日後業績及財務狀況之編製及呈列方式出現變動。

3. 主要會計政策概要

綜合財務報表乃根據歷史成本法編製，惟按公平值計之若干物業及金融工具除外，有關之會計政策闡述如下。

綜合財務報表已根據香港會計師公會頒布之香港財務報告準則（包括所有適用之個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）及香港公認會計原則而編製。此外，綜合財務報表亦包括聯交所證券上市規則（「上市規則」）及香港公司條例規定之適用披露事項。

(a) 綜合賬目基準

綜合財務報表包括本公司及其附屬公司之財務報表。附屬公司指受本公司控制之實體。倘本公司有權規管實體之財務及經營政策，從而自其活動中取得利益，即屬取得控制權。

於本年度收購或出售之附屬公司之業績乃由實際收購日期起或至實際出售日期止（按適當情況）計入綜合收益表中。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Basis of consolidation (cont'd)

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

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

(b) Business combinations

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

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

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

3. 主要會計政策概要 (續)

(a) 綜合賬目基準 (續)

所有集團內公司間之交易、結餘、收入及費用在綜合賬目中均予以對銷。

綜合附屬公司資產淨值內之少數股東權益與本集團之股本權益分開呈報。資產淨值內之少數股東權益包括在原業務合併日期之有關權益數額，以及自合併日期起計少數股東應佔之股權變動。適用於少數股東之虧損超出於附屬公司股權之少數股東權益之數額，將分予本集團之權益中，惟少數股東具約束力責任及有能力增加投資補足虧損者除外。

(b) 業務合併

收購業務以購買法入賬。收購成本按所給予資產、所產生或承擔負債及本集團為交換被收購公司控制權而發行之股本工具於交換當日之公平值總額，另加業務合併直接應佔之任何成本計算。符合香港財務報告準則第3號「業務合併」之確認條件之被收購公司可識別資產、負債及或然負債按在收購日期之公平值確認，惟根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之非流動資產（或出售組別）則按公平值減出售成本確認及計算。

收購所產生之商譽會確認為資產，初步按成本計算，即業務合併成本高於本集團於所確認之可識別資產、負債及或然負債公平淨值所佔權益之款額。倘於重新評估後，本集團於被收購公司之可識別資產、負債及或然負債公平淨值所佔權益之款額高於業務合併成本，則差額會即時於綜合收益表中確認。

少數股東於被收購公司所佔權益初步按少數股東於所確認資產、負債及或然負債公平淨值之比例計算。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Goodwill

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

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

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

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

3. 主要會計政策概要 (續)

(c) 商譽

收購附屬公司或聯營公司所產生之商譽指收購成本高於本集團於有關附屬公司或聯營公司在收購日期之可識別資產、負債及或然負債公平值所佔權益之款額。有關商譽會按成本減任何累計減值虧損列賬。

收購附屬公司所產生之已撥充資本商譽乃於綜合資產負債表分開呈列。收購聯營公司所產生之已撥充資本商譽包括在投資有關聯營公司成本中。

就減值測試而言，收購所產生之商譽會分配至各預期可受惠於收購之協同效益之有關現金產生單位或多組現金產生單位。商譽所屬之現金產生單位會每年及於有跡象顯示該單位可能出現減值時進行減值測試。就財政年度內收購所產生之商譽而言，商譽所屬之現金產生單位會於該財政年度結束前進行減值測試。倘現金產生單位之可收回金額低於其賬面值，則減值虧損會先分配以調減該單位任何商譽之賬面值，其後則按該單位內各項資產之賬面值之比例分配至該單位之其他資產。任何商譽之減值虧損會直接於綜合收益表中確認。商譽之減值虧損不會於往後期間撥回。

日後出售附屬公司或聯營公司而釐定出售盈虧時會計入已撥充資本之商譽所佔之金額。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(d) *Excess of the Group's interest in the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over cost ("discount on acquisition")*

A discount on acquisition arising on an acquisition of a subsidiary or an associate represents the excess of the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination. Discount on acquisition arising on an acquisition of a subsidiary is recognised immediately in consolidated income statement. A discount on acquisition arising on an acquisition of an associate is recognised as income in the determination of the Group's share of results of the associate in which the investment is acquired.

(e) *Investments in associates*

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

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

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

(f) *Non-current assets held for sale*

Non-current 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. The 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.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of the assets' (disposal groups') previous carrying amount and fair value less costs to sell.

3. 主要會計政策概要 (續)

(d) 本集團於被收購公司可識別資產、負債及或然負債公平淨值所佔權益高出成本之差額 (「收購折讓」)

收購附屬公司或聯營公司所產生之收購折讓指被收購公司可識別資產、負債及或然負債公平淨值高出業務合併成本之款額。收購附屬公司所產生之收購折讓會即時於綜合收益表中確認。收購聯營公司所產生之收購折讓於釐定本集團攤佔收購投資之聯營公司業績時確認為收益。

(e) 於聯營公司之投資

聯營公司為投資者對其擁有重大影響力之公司，且不屬於附屬公司，亦非於合營公司之權益。

聯營公司之業績及資產與負債利用會計權益法計入綜合財務報表。根據權益法，於聯營公司之投資以成本在綜合資產負債表內列賬，並經本集團攤佔聯營公司資產淨值之收購後變動而調整，減任何已識別減值虧損列賬。倘本集團攤佔聯營公司之虧損相等於或高出其所佔該聯營公司權益 (包括任何實質上構成本集團於該聯營公司之淨投資一部分之任何長期權益)，則本集團會終止確認其攤佔之其他虧損。本集團會就額外攤佔之虧損撥備，並會確認負債，惟僅以本集團已產生法定或推定責任或代表該聯營公司付款為限。

倘集團實體與本集團之聯營公司進行交易，則會以本集團所佔有關聯營公司權益為限而撇銷損益。

(f) 持作出售之非流動資產

非流動資產及出售組別之賬面值倘若乃透過出售交易而非透過持續使用而收回，則會分類為持作銷售類別。此條件只會於很可能達成出售及資產 (或出售組別) 可於現況下提供即時出售方告符合。

分類為持作出售之非流動資產 (及出售組別) 乃按資產 (出售組別) 以往賬面值及公平值減出售成本兩者中較低者計量。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(g) *Jointly controlled entities*

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

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

When a group entity transacts with a jointly controlled entity of the Group, unrealised profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity, except to the extent that unrealised losses provide evidence of an impairment of the asset transferred, in which case, the full amount of losses is recognised.

(h) *Impairment losses (other than goodwill, intangible assets with indefinite useful lives)*

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

3. 主要會計政策概要 (續)

(g) *共同控制機構*

共同控制機構指以合資安排另行成立之獨立機構，其合資方擁有對該機構之經濟活動共同控制權。

共同控制機構之業績及資產與負債利用會計權益法計入綜合財務報表。根據權益法，共同控制機構權益以成本在綜合資產負債表內列賬，並經本集團攤佔共同控制機構損益及股本權益變動之收購後變動而調整，減任何已識別減值虧損列賬。倘本集團攤佔共同控制機構之虧損相等於或高出其所佔該共同控制機構權益（包括任何實質上構成本集團於該共同控制機構之淨投資一部分之任何長期權益），則本集團會終止確認其攤佔之其他虧損。本集團會就額外攤佔之虧損撥備，並會確認負債，惟僅以本集團已產生法定或推定責任或代表該共同控制機構付款為限。

倘集團實體與本集團之共同控制機構進行交易，則會以本集團所佔有關共同控制機構權益為限而撇銷未變現損益，惟倘未變現虧損證實已轉讓資產出現減值，則全數確認虧損。

(h) *減值虧損（商譽及無限使用年期之無形資產除外）*

於每個結算日，本集團會檢討其有形及無形資產之賬面值，以確定有關資產有否出現任何減值虧損之情況。如資產之可收回款額估計會低於其賬面值，資產之賬面值會削減至其可收回款額。減值虧損會即時確認為開支。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(h) Impairment losses (other than goodwill, intangible assets with indefinite useful lives) (cont'd)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

(i) Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured using fair value. Gains or losses arising from changes in the fair value of investment properties are included in consolidated income statement for the period in which they arise.

Leasehold land held for undetermined future use

Leasehold land held for undetermined future use is regarded as held for capital appreciation purpose and classified as an investment property, and carried at fair value. Changes in fair value of the leasehold land are recognised directly in consolidated income statement for the period in which changes take place.

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

An investment property is transferred at fair value to property and other fixed assets when the property begins to be occupied by the owner. Gain or loss arising from change in fair value of the investment property upon the transfer is included in consolidated income statement.

3. 主要會計政策概要 (續)

(h) 減值虧損 (商譽及無限使用年期之無形資產除外) (續)

如減值虧損於其後撥回，資產之賬面值會提高至經修訂之估計可收回款額，惟已提高之賬面值不得高於在過往年度未有就資產確認減值虧損之情況下之賬面值。減值虧損之撥回會即時確認為收入。

(i) 投資物業

投資物業為持作賺取租金及／或資本增值用途之物業。於首次確認時，投資物業乃按成本（包括任何直接應佔之開支）計量。於首次確認後，投資物業利用公平值計量。投資物業公平值變動所產生之損益會於產生期間計入綜合收益表。

持作未決定日後用途之租賃土地

持作未決定日後用途之租賃土地被視為持作資本增值用途而列作投資物業，並以公平值入賬。租賃土地公平值之變動於變動發生期內直接於綜合收益表確認。

投資物業於出售或於其被永久終止使用及預期於出售時再無日後經濟利益之時終止確認。終止確認資產所產生之任何損益（按出售所得款項淨額及資產之賬面值之差異計算）載列於終止確認期間內之綜合收益表中。

當投資物業開始由業主自用時，則該物業按公平值轉撥至物業及其他固定資產。於轉撥時投資物業公平值變動所產生之收益或虧損計入綜合收益表。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(i) Investment properties (cont'd)

An owner-occupied property is transferred from property and other fixed assets to investment property at fair value when it is evidenced by the end of owner-occupation. The difference between the carrying amount and fair value at the date of transfer is accounted for as a revaluation increase in accordance with HKAS 16 "Property, Plant and Equipment". On the subsequent sale or retirement of assets, the relevant revaluation reserve will be transferred directly to retained profits.

(j) Property and other fixed assets

Property and other fixed assets (other than properties under development) are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of property and other fixed assets (other than properties under development) over their estimated useful lives and after taking into account their estimated residual value, using the straight line method, at the following rates per annum:

Type	Basis
Buildings	Over the shorter of the remaining unexpired period of the lease and 40 years
Furniture, fixtures and equipments	3 to 10 years
Yachts and motor vehicles	3 to 10 years

(k) Properties under development

When the leasehold land and buildings are in the course of development for production, for rental or for administrative purposes, the leasehold land component is classified as a prepaid lease payment and amortised on a straight-line basis over the lease term. During the construction period, the amortisation charge provided for the leasehold land is recognised as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use.

(l) Property interests held for future development

Property interests held for future development represents a right to develop properties on a piece of land upon payment of a final amount, and are carried at cost less any identified impairment loss.

3. 主要會計政策概要 (續)

(i) 投資物業 (續)

當業主自用之物業於終止由業主自用時以公平值由物業及其他固定資產轉撥至投資物業。於轉撥日賬面值與公平值之差異將根據香港會計準則第16號「物業、廠房及設備」以重估值增加入賬。其後在銷售或報廢資產時，有關重估儲備將直接轉撥至保留溢利。

(j) 物業及其他固定資產

物業及其他固定資產(發展中物業除外)按成本減其後之累積折舊及累積減值虧損列賬。

物業及其他固定資產(發展中物業除外)之折舊乃按其估計可使用年期及估計剩餘價值以直線法計算，用以撇銷成本，年折舊率如下：

種類	基準
樓宇	按租約尚餘未 屆滿年期 與四十年 兩者中較短者
傢俬、裝置及設備	三至十年
遊艇及車輛	三至十年

(k) 發展中物業

在發展中作生產、租賃或行政用途之租賃土地及樓宇，租賃土地部分須列作預付租賃款項類別，並於租期內按直線法攤銷。在建築期內，為租賃土地所作之攤銷費用確認為興建中樓宇之成本部分。興建中樓宇按成本減任何已識別減值虧損列賬。樓宇於可供使用時開始折舊。

(l) 持作日後發展之物業權益

持作日後發展之物業權益指於支付最後款項後在土地上發展物業之權利，乃按成本扣除任何已識別減值虧損列賬。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(m) *Stock of properties*

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

(n) *Inventories for cosmetic products*

Inventories comprise finished goods and raw materials which are stated at the lower of cost and net realisable value.

Cost represents the invoiced cost of inventories. Costs are assigned to individual items on the weighted-average basis. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(o) *Intangible assets*

Trading rights, exchange rights and trademark

Trading rights, gold and silver exchange rights and trademark are stated at cost less accumulated amortisation and less any identified impairment loss. The amortisation period adopted for intangible assets is 5 years.

(p) *Financial instruments*

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

3. 主要會計政策概要 (續)

(m) *物業存貨*

持作買賣用途之物業存貨按其成本值及可變現淨值兩者中較低者列賬。可變現淨值參考於結算日後收取之出售所得款項減出售之開支計算，或根據管理層按當時市況作出之估計釐定。

(n) *化妝品存貨*

存貨包括製成品及原材料，按成本與可變現淨值兩者中之較低者列賬。

成本以存貨之發票成本計算。成本乃按個別項目以加權平均法計算。可變現淨值乃指在日常業務過程中之估計銷售價再減去適用可變銷售開支。

(o) *無形資產*

買賣權、貿易權及商標

買賣權、金銀貿易權及商標乃按成本減累積攤銷及任何已識別減值虧損列賬。無形資產之攤銷期為五年。

(p) *金融工具*

當一家集團實體成為金融工具合約條文之一方，則於綜合資產負債表內確認金融資產及金融負債。金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債（按公平值計入收益表之金融資產及金融負債除外）直接應佔之交易成本乃於首次確認時加入金融資產或金融負債之公平值，或從金融資產或金融負債之公平值扣除（如適用）。收購按公平值計入收益表之金融資產或金融負債直接應佔之交易成本即時於綜合收益表內確認。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Financial instruments (cont'd)

Financial assets

The Group's financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of such category of financial assets are set out below.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss have two subcategories, including financial assets held-for-trading and those designated at fair value through profit or loss on initial recognition. At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in consolidated income statement in the period in which they arise.

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

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

3. 主要會計政策概要 (續)

(p) 金融工具 (續)

金融資產

本集團之金融資產分類為以下三個類別其中之一，包括按公平值計入收益表之金融資產、貸款及應收款項及待售金融資產。所有正常購買或銷售之金融資產，按交易日之基準確認及終止確認。正常購買或銷售金融資產是指按照市場規定或慣例須在一段期限內進行資產交付之金融資產買賣。就各類別金融資產採納之會計政策載列如下。

實際利率法

實際利率法為一種計算金融資產攤銷成本與於有關期間內分配利息收入之方法。實際利率為於金融資產預計年期或(如適用)更短期間內將估計未來現金收入(包括所有已付或已收並構成實際利率一部分之費用及款項、交易成本及其他溢價或折價)準確折現之利率。

按公平值計入收益表之金融資產

按公平值計入收益表之金融資產有兩類，包括持作買賣之金融資產及於首次確認時被指派為按公平值計入收益表之金融資產。於首次確認後各結算日，按公平值計入收益表之金融資產乃按公平值計量，而公平值變動乃於產生期間直接於綜合收益表內確認。

倘出現下列情況，金融資產乃歸類為持作買賣用途：

- (i) 金融資產主要用作於近期內銷售用途而購入；或
- (ii) 金融資產為本集團共同管理之金融工具確定組合之一部分及其具最近的短期盈利實際模式；或
- (iii) 金融資產為一個衍生產品及其非被指派及用作對沖工具。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Financial instruments (cont'd)

Financial assets (cont'd)

Financial assets at fair value through profit or loss (cont'd)

Financial assets at fair value through profit or loss are not those financial assets acquired principally for the purpose of selling in the short term but designated by management as such at inception. A financial asset other than a financial asset held-for-trading may be designated as at fair value through profit or loss upon initial recognition if:

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

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

3. 主要會計政策概要 (續)

(p) 金融工具 (續)

金融資產 (續)

按公平值計入收益表之金融資產 (續)

按公平值計入收益表之金融資產乃該等原則上不擬於短期內出售而購入之金融資產，但可由管理層於初始時指派為該類別。倘出現下列情況，持作買賣金融資產以外之金融資產可於首次確認時指派為按公平值計入收益表：

- (i) 有關指派撤銷或大幅減低計量或確認可能出現不一致之情況；或
- (ii) 金融資產組成一組金融資產或金融負債內各部分或兩者，並根據本集團既定風險管理或投資策略，按公平值基準管理及評估其表現，而分類資料則按該基準由內部提供；或
- (iii) 金融資產組成包含一種或以上內含衍生工具之合約其中部分，而香港會計準則第39號金融工具：確認及計量允許將整份合併合約（資產或負債）指派為按公平值計入收益表。

於首次確認後各結算日，按公平值計入收益表之金融資產乃按公平值計量，而公平值之變動直接在產生期間之綜合收益表中確認。於綜合收益表中確認之淨收益或虧損包括金融資產之任何股息或賺取之利息。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Financial instruments (cont'd)

Financial assets (cont'd)

Loans and receivables

Loans and receivables (including advances to associates, advances to investee companies, loans receivable, advance to a minority shareholder, pledged deposits, trading receivables and deposits, time deposits, bank balances and cash) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less any identified impairment losses.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories (set out above). In addition to equity investments, the Group has also designated certain debt investments as available-for-sale financial assets.

At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in consolidated income statement. Any impairment losses on available-for-sale financial assets are recognised in consolidated income statement.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition. An impairment loss is recognised in consolidated income statement when there is objective evidence that the asset is impaired.

Impairment of financial assets

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

3. 主要會計政策概要 (續)

(p) 金融工具 (續)

金融資產 (續)

貸款及應收款項

貸款及應收款項 (包括墊付聯營公司款項、墊付接受投資公司款項、應收貸款、墊付一名少數股東款項、抵押存款、應收交易賬項及按金、定期存款、銀行結餘及現金) 為於交投活躍之市場內並無報價而附帶固定或可議定付款之非衍生金融資產。於首次確認後各結算日，貸款及應收款項使用實際利率法按攤銷成本減任何已識別減值虧損列賬。

待售金融資產

待售金融資產為非衍生項目，無論是被指派或並無分類為任何其他類別 (闡述如上)。除股本投資外，本集團亦將若干債務投資指派為待售金融資產。

於首次確認後各結算日，待售金融資產按公平值計量。公平值之變動於股本權益中確認，直至該項金融資產被出售或釐定為已減值，屆時過往於股本權益中確認之累計收益或虧損會自股本權益中剔除，並於綜合收益表確認。待售金融資產之任何減值虧損於綜合收益表確認。

於交投活躍之市場內並無報價而公平值未能可靠計量之待售股本投資，於首次確認後各結算日按成本值減任何已識別減值虧損計算。倘有客觀證據證明資產減值，則於綜合收益表確認減值虧損。

金融資產減值

金融資產 (按公平值計入收益表者除外) 於每個結算日評估有否出現減值跡象。當於首次確認金融資產後發生一項或多項事件，導致有客觀證據顯示金融資產之估計未來現金流量已受到影響時，則金融資產已經減值。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Financial instruments (cont'd)

Financial assets (cont'd)

Impairment of financial assets (cont'd)

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

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

- (i) significant financial difficulty of the issuer or counterparty; or
- (ii) default or delinquency in interest or principal payments; or
- (iii) it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, observable changes in national or local economic conditions that are correlate with default on receivables.

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

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

3. 主要會計政策概要 (續)

(p) 金融工具 (續)

金融資產 (續)

金融資產減值 (續)

倘待售股本投資之公平值大幅或長期減至低於其成本，則被視為有客觀證據顯示出現減值。

就所有其他金融資產而言，減值客觀證據可包括：

- (i) 發行人或對手出現嚴重財困；或
- (ii) 無力支付或拖欠利息或本金額；或
- (iii) 借款人有可能破產或進行財務重組。

就應收貿易賬項等若干類別之金融資產而言，被評為不會個別減值之資產其後會彙集評估減值。一組應收賬項之減值客觀證據可包括本集團過往之收款經驗、組合內還款時間超過平均信貸期之延遲還款數目增加，以及與無力支付應收賬項有關之國家或地方之經濟環境之明顯轉變。

就按攤銷成本列賬之金融資產而言，當有客觀證據顯示資產出現減值時，則會於收益表確認減值虧損。減值虧損以資產之賬面金額與按原實際利率折現其估計未來現金流量之現值兩者之差額計算。

就按成本列賬之金融資產而言，減值虧損數額按資產賬面值與按類似金融資產之現行市場回報率折現其估計未來現金流量而計算出之現值之差額。有關減值虧損將不會於往後期間撥回。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) *Financial instruments (cont'd)*

Financial assets (cont'd)

Impairment of financial assets (cont'd)

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

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through consolidated income statement to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

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

Financial liabilities and equity

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

An equity instrument is any contract that evidences a residual interest in the asset of the group after deducting all of its liabilities. The Group's financial liabilities are generally classified into financial liabilities at fair value through profit or loss and other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

3. 主要會計政策概要 (續)

(p) *金融工具 (續)*

金融資產 (續)

金融資產減值 (續)

除應收貿易賬項外，所有金融資產之賬面金額會直接扣除其減值虧損。應收貿易賬項之賬面金額會利用撥備賬進行扣減。撥備賬之賬面金額變動於綜合收益表確認。當應收貿易賬項被視為不可收回時，則會撤銷撥備賬。倘之前已撤銷之款項於其後收回，則會計入綜合收益表。

就按攤銷成本計量之金融資產而言，倘減值虧損之金額於確認後之期間有所減少，而有關減少可以客觀地與確認減值虧損後發生之一項事件有關，之前已確認之減值虧損可透過綜合收益表予以撥回，但於撥回減值日期資產之賬面金額不得超過該項資產原未確認減值時之攤銷成本。

待售股本投資之減值虧損將不會於往後期間在綜合收益表撥回。於確認減值虧損後之公平值增加直接於股本權益確認。就待售債務投資而言，倘該項投資之公平值增加可客觀地與確認減值虧損後之事件有關，則減值虧損將於其後撥回。

金融負債及股本權益

集團實體發行之金融負債及股本工具乃根據所訂立合約安排之內容及金融負債與股本工具之定義予以分類。

股本工具為可證明於集團資產經扣除其所有負債後之餘額權益之任何合約。本集團之金融負債一般分類為按公平值計入收益表之金融負債及其他金融負債。就金融負債及股本工具而採納之會計政策載列如下。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Financial instruments (cont'd)

Financial liabilities and equity (cont'd)

Effective interest method

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss has two subcategories, including financial liabilities held for trading and those designated at fair value through profit or loss on initial recognition.

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

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

3. 主要會計政策概要 (續)

(p) 金融工具 (續)

金融負債及股本權益 (續)

實際利率法

實際利率法為一種計算金融負債攤銷成本與於有關期間內分配利息支出之方法。實際利率為於金融負債預計年期或(如適用)更短期間內將估計未來現金支出準確折現之利率。

按公平計入收益表之金融負債

按公平值計入收益表之金融負債有兩類，包括持作買賣之金融負債及於首次確認時被指派為按公平值計入收益表之金融負債。

倘出現下列情況，金融負債乃歸類為持作買賣用途：

- (i) 金融負債主要用作於近期內購回用途而產生；或
- (ii) 金融負債為本集團共同管理之金融工具確定組合之一部分及其具近期的短期盈利實際模式；或
- (iii) 金融負債為一個衍生產品及非指定及用作對沖工具。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Financial instruments (cont'd)

Financial liabilities and equity (cont'd)

Financial liabilities at fair value through profit or loss (cont'd)

A financial liability other than a financial liability held-for-trading may be designated as at fair value through profit or loss upon initial recognition if:

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

At each balance sheet date subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in consolidated income statement in the period in which they arise. The net gain or loss recognised in consolidated income statement includes any interest paid or received on the financial liability.

Other financial liabilities

Other financial liabilities (including creditors and accruals, securities trading and margin payable, deposits received, bank and other borrowings, amounts due to associates and amounts due to minority shareholders) are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策概要 (續)

(p) 金融工具 (續)

金融負債及股本權益 (續)

按公平計入收益表之金融負債 (續)

倘出現下列情況，持作買賣金融負債以外之金融負債可於首次確認時指派為按公平值計入收益表：

- (i) 有關指派撤銷或大幅減低計量或確認可能出現不一致之情況；或
- (ii) 金融負債組成一組金融資產或金融負債內各部分或兩者，並根據本集團既定風險管理或投資策略，按公平值基準管理及評估其表現，而分類資料則按該基準由內部提供；或
- (iii) 金融負債組成包含一種或以上內含衍生工具之合約其中部分，而香港會計準則第39號金融工具：確認及計量允許將整份合併合約（資產或負債）指派為按公平值計入收益表。

於首次確認後各結算日，按公平值計入收益表之金融負債乃按公平值計量，而公平值之變動在產生之期間內直接在綜合收益表中確認。於綜合收益表中確認之淨收益或虧損包括就金融負債支付或收取之任何利息。

其他金融負債

其他金融負債（包括應付賬款及應計款項、應付證券交易賬項及保證金、已收按金、銀行及其他借貸、欠負聯營公司款項及欠負少數股東款項）其後乃採用實際利息法按攤銷成本計算。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Financial instruments (cont'd)

Financial liabilities and equity (cont'd)

Convertible bonds

Convertible bonds issued by the Company that contain both liability and equity components are classified separately into respective items on initial recognition. On initial recognition, the fair value of the liability component is determined using the prevailing market interest rate of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the conversion option for the holder to convert the bonds into equity, is included in equity as convertible bonds – equity reserve.

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The equity component, representing by the option to convert the liability component into ordinary shares of the Group, will remain in convertible bonds – equity reserve until the embedded option is exercised (in which case the balance stated in convertible bonds – equity reserve will be transferred to share capital and share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible bonds – equity reserve will be released to the retained profits. No gain or loss is recognised in consolidated income statement upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to convertible bonds – equity reserve. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in consolidated income statement on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3. 主要會計政策概要 (續)

(p) 金融工具 (續)

金融負債及股本權益 (續)

可換股債券

本公司發行之可換股債券包括負債及股本權益部分，乃於首次確認時獨立分類為各相關項目。於首次確認時，負債部分之公平值乃按類似不可轉換債務之當時市場利率釐定。發行可換股債券之所得款項總額與轉往負債部分之公平值之差額，即代表可讓持有人將債券兌換為股本權益之轉換期權，應於股本權益入賬列作可換股債券權益儲備。

於往後期間，可換股債券之負債部分乃採用實際利率法按攤銷成本列賬。股本權益部分（即可將負債部分兌換為本集團普通股之期權）將保留於可換股債券權益儲備，直至內含期權獲行使為止，在此情況下，可換股債券權益儲備之結餘將轉撥至股本及股份溢價。倘期權於到期日尚未獲行使，可換股債券權益儲備之結餘將轉撥至保留溢利。期權兌換或到期時將不會於綜合收益表中確認任何盈虧。

與發行可換股債券相關之交易成本乃按所得款項總額之劃分比例分配至負債及股本權益部分。與股本權益部分相關之交易成本乃直接計入可換股債券權益儲備內。與負債部分相關之交易成本乃計入負債部分之賬面金額，並按可換股債券之期限採用實際利率法攤銷。

股本工具

本公司發行之股本工具按已收所得款項扣除直接發行成本入賬。

本公司購回本身股本工具會予以確認，並直接於股本權益扣除。本集團不會於綜合收益表確認購買、出售、發行或註銷本公司本身股本工具之損益。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Financial instruments (cont'd)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer 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 original or modified terms of debt instrument. A financial guarantee contract issued by the Group and not designed as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 *Revenue*.

Derivative financial instruments that do not qualify for hedge accounting

Derivatives that do not qualify for hedge accounting are deemed as financial assets held for trading or financial liabilities held for trading. Changes in fair values of such derivatives are recognised directly in consolidated income statement.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in equity is recognised in consolidated income statement.

For financial liabilities, they are removed from consolidated balance sheet when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in consolidated income statement.

3. 主要會計政策概要 (續)

(p) 金融工具 (續)

財務擔保合約

財務擔保合約為因指定債務人未能按債務工具之原有或經修改條款如期付款時，發行人需支付指定金額予持有人以補償其所遭受損失之合約。由本集團發行及並非被指派為按公平值計入收益表之財務擔保合約首次以其公平值減發行財務擔保合約之直接應佔交易成本確認。於首次確認後，本集團以(i)根據香港會計準則第37號撥備、或然負債及或然資產釐定之金額；及(ii)首次確認之金額減(如適用)根據香港會計準則第18號收益確認之累計攤銷(兩者中以較高者為準)計算財務擔保合約。

不符合作對沖會計處理之衍生金融工具

並不符合作對沖會計處理之衍生工具被視為持作買賣金融資產或持作買賣金融負債。該等衍生工具之公平值變動直接於綜合收益表內確認。

取消確認

若從資產收取現金流量之權利已到期，或金融資產已轉讓及本集團已將其於金融資產擁有權之絕大部分風險及回報轉移，則金融資產將被取消確認。於取消確認金融資產時，資產賬面金額與已收代價及已直接於股本權益確認之累計損益之總和之差額，將於綜合收益表中確認。

倘於有關合約之特定責任獲解除、取消或到期，金融負債會於綜合資產負債表中移除。取消確認之金融負債賬面金額與已付或應付代價之差額乃於綜合收益表中確認。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(q) Revenue recognition

Revenue from properties developed for sale is recognised on the execution of a binding sales agreement or when the relevant occupation permit or certificate of compliance is issued by the respective building authority, whichever is the later.

Revenue from properties held for sale is recognised on the execution of a binding sales agreement. Payments received from the purchasers prior to this stage are recorded as deposits received on sales of properties and are grouped under current liabilities.

Rental income, including rental invoiced in advance from properties under operating leases, is recognised in consolidated income statement on a straight-line basis over the term of the relevant lease.

Sale of securities investments are recognised on a trade date basis.

Brokerage income on dealings in securities and futures contracts and the profit and loss on trade in securities and futures contracts are recognised on the transaction dates when the relevant contract notes are executed.

Management fee income is recognised in accordance with terms of respective agreements over the relevant period in which the services are rendered.

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

Revenue from sales of cosmetic product is recognised when goods are delivered and titles have been passed.

Interest income from a financial asset is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3. 主要會計政策概要 (續)

(q) 收入確認

已發展物業之銷售收入在執行具約束力之銷售協議或獲有關建築當局批出有關入伙准許證或滿意紙後(以較後者為準), 方予確認入賬。

持作出售物業之收入在執行具約束力之銷售協議時方予確認入賬。於上述階段前從買家收取之款項乃列作銷售物業之已收按金, 並計入流動負債內。

租金收入包括就營業租約物業預先開出發票之租金, 乃就有關租約年期按直線法於綜合收益表中確認。

出售證券投資按買賣日期基準確認。

買賣證券及期貨合約之經紀收入以及買賣證券及期貨合約之溢利及虧損於執行有關買賣單據之交易日確認。

管理費收入乃就提供服務期間按有關協議之條款確認。

投資之股息收入乃於本集團收取款項之權利確立時確認。

化妝品銷售所得收入於交付貨品及轉移所有權時確認入賬。

金融資產之利息收入乃就本金結餘按適用實際利率及時間比例計算。有關利率指於金融資產預計年內將估計未來現金收入準確折現至資產賬面淨值之利率。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(r) Taxation

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

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

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

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

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

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

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the entity intends to settle its current tax assets and liabilities on a net basis.

3. 主要會計政策概要 (續)

(r) 稅項

所得稅開支指本年度應付稅項及遞延稅項之總和。

當期應付稅項按年度應課稅溢利計算。應課稅溢利與綜合收益表所報溢利不同，此乃由於其不包括在其他年度應課稅或可扣減之收入或支出項目，亦不包括永不課稅或扣減之項目。本集團之本期稅項負債以結算日已一直採用或實際採用之稅率計算。

遞延稅項確認於就綜合財務報表內資產及負債賬面金額與用於計算應課稅溢利之相關稅基兩者之差異，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅暫時差異確認，而遞延稅項資產則限於較可能於日後取得應課稅溢利，並可用以抵銷可扣減暫時差異時確認。若暫時差異因商譽或因於一項既不影響應課稅溢利亦不影響會計溢利之交易（業務合併除外）中開始確認其他資產及負債而引致，則不會確認該等資產及負債。

本集團會就於附屬公司及聯營公司之投資以及合營公司權益所產生之應課稅暫時差異確認遞延稅項負債，惟本集團有能力控制暫時差異之撥回及暫時差異不大可能於可見將來撥回則另作別論。

遞延稅項資產之賬面金額於每個結算日均作檢討，並在不大可能再有足夠應課稅溢利收回全部或部分資產時減少。

遞延稅項乃按預期於負債償還或資產變現期間之適用稅率計算。遞延稅項會扣自或計入綜合收益表，惟有關直接扣自或計入股本權益之項目，其遞延稅項亦會於股本權益中處理。

如所得稅是由同一稅務當局徵收，而實體打算支付其本期稅項資產及稅項負債之淨額，遞延稅項資產及負債可以互抵銷。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(s) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in consolidated income statement on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

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

(t) Foreign currencies

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

3. 主要會計政策概要 (續)

(s) 租約

凡租約條款規定將租賃資產擁有權之絕大部分風險及回報轉移至承租人之租約均列為財務租約。所有其他租約分類為營業租約。

本集團為出租人

營業租約之租金收入會以直線法按有關租約年期在綜合收益表確認。磋商及安排營業租約時產生之初步直接成本會加入租賃資產之賬面金額，並以直線法按租約年期確認為開支。

本集團為承租人

根據營業租約應付之租金會以直線法按有關租約年期在綜合收益表中扣除。作為訂立營業租約獎勵之已收及應收利益以直線法按有關租約年期確認為租金開支扣減。

(t) 外幣

綜合財務報表乃以本集團之功能及呈列貨幣港元呈列。在編製個別集團實體之財務報表時，以實體功能貨幣以外之貨幣（外幣）進行之交易按交易日通用之匯率以有關功能貨幣（即該實體經營之主要經濟環境之貨幣）記錄。於各結算日，以外幣列值之貨幣項目以結算日通用之匯率重新換算。以外幣列值並按公平值列賬之非貨幣項目以釐定公平值當日通用之匯率重新換算。以外幣列值並以歷史成本計量之非貨幣項目不會重新換算。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(t) Foreign currencies (cont'd)

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

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in consolidated income statement in the period in which the foreign operation is disposed of.

(u) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in consolidated income statement in the period in which they are incurred.

(v) Retirement benefits costs

Payments to defined contribution retirement benefit schemes are charged as an expense when employees have rendered service entitling them to the contributions.

3. 主要會計政策概要 (續)

(t) 外幣 (續)

結算貨幣項目及換算貨幣項目所產生之匯兌差額於產生期間在綜合收益表中確認。重新換算按公平值列賬之非貨幣項目所產生之匯兌差額計入期內之綜合收益表中，惟重新換算非貨幣項目所產生之差額有關之損益如直接於股本權益確認，在此情況下，匯兌差額亦會直接於股本權益中確認。

為呈列綜合財務報表，本集團境外業務之資產及負債均以結算日通用匯率換算為本集團之呈列貨幣（即港元），而其收入及開支則以本年度平均匯率予以換算。惟倘匯率於期內波動很大，在此情況下則以交易日通用之匯率換算。所產生之匯兌差額（如有）確認為一個股本權益之獨立部分（換算儲備）。該匯兌差額於該境外業務被出售期間於綜合收益表內確認。

(u) 借貸成本

於購買、興建或製造合資格資產之直接應佔借貸成本將資本化為該等資產之部分成本。當該等資產實質上達至擬定用途或可供銷售時，借貸成本便不再作資本化。

所有其他借貸成本已於產生時於綜合收益表確認。

(v) 退休福利成本

界定供款退休福利計劃之供款於僱員提供服務以有權取得供款時確認為開支。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(w) Provisions

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

(x) Prepaid lease payments

Payments for obtaining land use rights are accounted for as prepaid lease payments and are charged to consolidated income statement on a straight-line basis over the lease terms.

(y) Related parties

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

- (i) the party, directly or indirectly through one or more intermediaries, (a) controls, is controlled by, or is under common control with, the Group; (b) has an interest in the Group that gives it significant influence over the Group; or (c) has joint control over the Group;
- (ii) the party is an associate;
- (iii) the party is a jointly-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 the employees of the Group, or of any entity that is a related party of the Group.

3. 主要會計政策概要 (續)

(w) 撥備

倘本集團因過往事件而產生目前之責任，而本集團有可能須償還該責任時，則確認撥備。撥備乃根據董事會於結算日對償還有關責任所需支出之最佳估算釐定，並在出現重大影響時貼現至現值。

(x) 預付租賃款項

為取得土地使用權而支付之款項列作預付租賃款項，按直線法在租約期內自綜合收益表扣除。

(y) 關連人士交易

在下列情況下，有關人士將視為與本集團有關連：

- (i) 有關人士直接或透過一名或多名中介人間接：(a)控制本集團，或被本集團控制或與本集團受到共同控制；(b)擁有本集團權益，並可對本集團發揮重大影響力；或(c)與他人共同擁有本集團控制權；
- (ii) 有關人士為聯營公司；
- (iii) 有關人士為共同控制機構；
- (iv) 有關人士為本集團或其母公司之主要管理人員；
- (v) 有關人士為(i)或(iv)項所述人士之直系親屬；
- (vi) 有關人士受直接或間接歸屬於(iv)或(v)項所述人士之實體所控制，與他人共同控制或發揮重大影響力，或擁有重大投票權；或
- (vii) 有關人士為本集團或屬其關連人士任何實體之僱員之終止受僱後福利計劃。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(z) *Operating segments*

Operating segments are reported in a manner consistent with the internal management reporting provided to the chief operating decision-makers. Segment assets consist primarily of fixed assets, financial assets and other assets. Segment liabilities comprise financial liabilities and other liabilities. The Group evaluates performance on the basis of profit or loss from operations after tax expense and minority interests but not including the major non-cash items. The major non-cash items are fair value changes on investment properties together with their respective deferred tax expense. No intersegment turnover is accounted for as the intersegment turnover is mainly the rental income for administrative purpose.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies

The followings are the critical judgments, apart from those involving estimations, that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

3. 主要會計政策概要 (續)

(z) *經營分類*

經營分類之呈報方式與提供予主要營運決策者之內部管理報告之方式一致。分類資產主要包括固定資產、金融資產及其他資產。分類負債包括金融負債及其他負債。本集團以除去稅項開支及少數股東權益後之經營溢利或虧損(但不包括主要非現金項目)為基準評估經營表現。主要非現金項目為投資物業之公平值變動連同其相關之遞延稅項開支。由於分類間之營業額主要為就行政目的之租金收入,因此並無將分類間之營業額入賬。

4. 重大會計判斷及估計不明確因素之主要來源

於採納本集團之會計政策(如附註3所述)時,管理層須對未能從其他方面確定之資產及負債之賬面金額作出判斷、估計及假設。估計及相關假設乃根據過往之經驗及其他相關因素而作出。實際結果可能與此等估計不盡相同。

有關估計及相關假設須不斷檢討。若修訂只影響該修訂期,會計估計之修訂會於該修訂期內確認;或如該修訂影響本期及未來期間,則於修訂期及未來期間確認。

應用會計政策之關鍵判斷

除與估計有關者外,以下為管理層於應用本集團之會計政策之過程中,已作出對綜合財務報表已確認之數額有重大影響之關鍵判斷。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Critical judgments in applying accounting policies (cont'd)

Fair value and impairment of available-for-sale financial assets

As described in Note 5, the management use their judgment in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. The Group's unlisted equity instruments with carrying amount of HK\$235,684,000 (2007: HK\$229,954,000) are valued using a discounted cash flow analysis based on assumptions supported, where possible, by observable market prices or rates. The estimation of fair value of these equity instruments also includes some assumptions not supported by observable market prices or rates.

Impairment loss in respect of accounts receivable

The policy for impairment loss in respect of accounts receivable of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of debtors of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Investment properties

As described in Note 21, investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on method of valuation which involves certain estimates. In relying on the valuation report, the management has exercised their judgment and is satisfied that the method of valuation is reflective of the current market conditions. Should there are changes in assumptions due to change of market conditions, the fair value of the investment properties will change in future.

Income taxes

As at 31st December, 2008, a deferred tax asset of approximately HK\$75,153,000 (2007: HK\$89,682,000) in relation to unused tax losses has been recognised in the consolidated balance sheet. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less than expected, a material reversal of deferred tax assets may arise, which would be recognised in consolidated income statement for the period in which such a reversal takes place.

4. 重大會計判斷及估計不明確因素之主要來源 (續)

應用會計政策之關鍵判斷 (續)

待售金融資產之公平值及減值

誠如附註5所述，對於在活躍市場並無報價之金融工具，管理層利用判斷以選擇合適估值技術。應用之估值技術為市場人士所慣常使用者。賬面金額約為235,684,000港元（二零零七年：229,954,000港元）之本集團非上市股本工具乃依據（倘可能）可觀察之市場價格或利率所支持之假設，使用折算現金流量分析進行估值。該等股本工具之公平值估計亦包括一些並非由可觀察之市場價格或利率所支持之假設。

有關應收賬款之減值虧損

本集團有關應收賬款之減值虧損之政策基於對賬款之收回可能性及賬齡分析之評估及管理層之判斷衡量。於評估此等應收款項之最終收回情況時需要作出大量判斷，包括各客戶目前之信譽及過往付款紀錄。倘若本集團客戶之財政狀況轉差而削弱彼等之付款能力時，則需要作出額外撥備。

投資物業

誠如附註21所述，投資物業是以獨立專業評估師評定之公平值入賬。評估師於決定公平值時乃根據包含若干估計之估值方法進行，管理層於信賴估值報告時已作出了判斷及認同該估值方法乃反映市場現況。如市場狀況變化導致假設有任何變動，投資物業之公平值可能於未來變動。

所得稅

於二零零八年十二月三十一日，有關未使用稅務虧損之遞延稅項資產約75,153,000港元（二零零七年：89,682,000港元）已經於綜合資產負債表內確認。遞延稅項資產能否變現主要視乎日後是否具有足夠之未來溢利或應課稅暫時差異而定。倘若未來之實際溢利低於預期，則可能產生重大之遞延稅項資產撥回，有關撥回將於出現撥回之期間內在綜合收益表內確認。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Critical judgments in applying accounting policies (cont'd)

Impairment of goodwill and intangible assets

The Group performs annual tests on whether there has been impairment of goodwill and intangible assets in accordance with the accounting policy stated in Notes 3(c) and 3(o). The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations.

5. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

4. 重大會計判斷及估計不明確因素之主要來源 (續)

應用會計政策之關鍵判斷 (續)

商譽及無形資產之減值

本集團根據附註3(c)及3(o)所述之會計政策每年對商譽及無形資產進行減值測試。現金產生單位之可收回金額會根據使用價值計算法釐定。使用價值計算法需要使用管理層對未來業務營運作出之估計及假設、稅前貼現率及其他有關使用價值計算法之假設。

5. 金融工具

(a) 金融工具類別

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at fair value through profit or loss:	按公平值計入收益表之金融資產：		
Held-for-trading	持作買賣用途	-	367,753
Designated as at fair value through profit or loss	被分類為按公平值計入收益表	-	101,516
Loans and receivables (including time deposits, bank balances and cash)	貸款及應收賬項 (包括定期存款、銀行結餘及現金)	13,368,932	9,154,392
Available-for-sale financial assets	待售金融資產	468,127	11,916,268
Financial liabilities	金融負債		
Financial liabilities at fair value through profit or loss classified as held-for-trading:	按公平值計入收益表之金融負債，被分類為持作買賣用途：		
Derivative financial instruments	衍生金融工具	24,432	50,851
Amortised cost	攤銷成本	12,522,221	13,305,874
Financial guarantee contracts	財務擔保合約	618	618

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (cont'd)

(b) Fair value of financial instruments

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

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively;
- the fair value of derivative instruments are determined based on the quoted prices provided by the securities' broker; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using the estimated future cash flows and the current market rate of return.

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

(c) Financial risk management objectives and policies

The Group's major financial instruments include equity investments, debt securities, borrowings, loans receivable, trade receivables, trade payables, derivatives financial instruments, financial guarantee liabilities, equity-linked notes, time deposits and bank balances. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

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

5. 金融工具 (續)

(b) 金融工具之公平值

金融資產及金融負債之公平值按以下方式釐定：

- 具備標準條款及條件並於活躍流通市場買賣之金融資產及金融負債之公平值乃分別參考市場買入及賣出價計算；
- 衍生工具之公平值乃根據證券經紀人提供之報價計算；及
- 其他金融資產及金融負債之公平值乃根據公認定價模式，並按折現現金流量分析，採用估計未來現金流量及現時市場回報率計算。

董事會認為，於綜合財務報表記錄之金融資產及金融負債之賬面值與其公平值相若。

(c) 金融風險管理目標及政策

本集團之主要金融工具包括股本投資、債務證券、借貸、應收貸款、應收貿易賬項、應付貿易賬項、衍生金融工具、財務擔保負債、股票掛鈎票據、定期存款及銀行結餘。該等金融工具詳情於各附註披露。下文載列與該等金融工具有關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

本集團有關金融工具之風險或管理及計量該等風險之方式並無變動。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (cont'd)

(c) Financial risk management objectives and policies (cont'd)

Market risk

(i) Foreign currency risk

The majority of the Group's monetary assets and monetary liabilities by value and the rental income are denominated in HK\$, and Renminbi ("RMB"), except certain debt securities are denominated in foreign currencies. Certain cash and bank balances are denominated in RMB, United States dollars ("USD") and Pound Sterling ("GBP"). The conversion of RMB into other currencies is subject to the rules and regulations of foreign exchange control promulgated by the government of the People's Republic of China (the "PRC"). The Group is exposed to foreign exchange risk in respect of exchange fluctuation of HK\$ against RMB. The Group currently does not have a foreign currency hedging policy in respect of foreign current assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

Assets	資產	2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
RMB	人民幣	3,105,010	554,555
Euro ("EUR")	歐元(「歐元」)	36,172	-
USD	美元	825,785	1,570,819
Swiss Franc ("CHF")	瑞士法郎(「瑞士法郎」)	-	194,690
GBP	英鎊	401	404
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Liabilities	負債		
RMB	人民幣	94,257	37,953
USD	美元	24,273	50,851
CHF	瑞士法郎	-	177,529

5. 金融工具(續)

(c) 金融風險管理目標及政策(續)

市場風險

(i) 外幣風險

本集團大部分貨幣資產及貨幣負債價值以及租金收入均以港元及人民幣(「人民幣」)為貨幣單位,惟若干債務證券則以外幣為貨幣單位。若干現金及銀行結餘乃以人民幣、美元(「美元」)及英鎊(「英鎊」)計值。換算人民幣為其他貨幣須遵守中華人民共和國(「中國」)政府頒布之外匯管制之規則及規例進行。本集團因港元兌人民幣之匯率波動而承受外匯風險。本集團現時並無任何外匯流動資產及負債之外幣對沖工具。本集團將密切監管其外幣風險,並於必要時考慮對沖重大外幣風險。

本集團以外幣計值之貨幣資產及貨幣負債於報告日期之賬面金額如下:

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (cont'd)

(c) Financial risk management objectives and policies (cont'd)

Market risk (cont'd)

(i) Foreign currency risk (cont'd)

Sensitivity analysis on foreign currency risk

The following table details the Group's sensitivity to a 5% increase and decrease in the HK\$ against the relevant foreign currencies. As HK\$ are pegged to USD, it is assumed that there would be no material currency risk exposure between these two currencies and therefore is excluded from the analysis below. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes outstanding foreign currency denominated monetary items, and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number below indicates an increase in profit where the relevant currencies strengthen 5% against the HK\$. For a 5% weakening of the relevant currencies against the HK\$, there would be an equal and opposite impact on the profit and the balances below would be negative.

Assets	資產	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Impact of RMB Profit or loss	人民幣之影響 盈虧	150,538	25,830
Impact of EUR Profit or loss	歐元之影響 盈虧	1,809	-
Impact of CHF Profit or loss	瑞士法郎之影響 盈虧	-	858
Impact of GBP Profit or loss	英鎊之影響 盈虧	20	20

The Group's sensitivity to foreign currency has increased during the current year mainly due to the increase in foreign currency denominated monetary assets.

5. 金融工具 (續)

(c) 金融風險管理目標及政策 (續)

市場風險 (續)

(i) 外幣風險 (續)

外幣風險之敏感度分析

下表詳列本集團對港元兌相關外幣之匯率上升及下跌5%之敏感度。由於港元與美元掛鈎，故假設兩種貨幣之間並無重大貨幣風險，亦不會載於下文之分析。於內部向主要管理人員報告外幣風險時會用5%作為敏感度比率，而有關比率為管理層對匯率可能合理出現之變動作出之評估。敏感度分析包括未償還之外幣計值貨幣項目，並於期末就5%之外幣匯率變動調整該項目。敏感度分析包括外部貸款及借予本集團旗下境外業務之貸款（其計值貨幣為貸款人或借款人貨幣以外之貨幣）。下文之正數表示相關貨幣兌港元之匯率轉強5%時溢利增加。倘相關貨幣兌港元之匯率轉弱5%，對溢利造成之影響可能同等及相反，而下文之結餘將會呈負數。

本集團對外幣之敏感度於本年度增加，主要是因為以外幣計值之貨幣資產增加。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (cont'd)

(c) Financial risk management objectives and policies (cont'd)

Market risk (cont'd)

(ii) Cash flow interest rate risk

The Group has interest bearing assets and variable-rate borrowings including advances to associates, available-for-sale investments, loans receivable, borrowings and bank balances, and is therefore exposed to cash flow interest rate risk (see Notes 29, 31, 33, 42 and 34(a), (c) for details). The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Inter-bank Offer Rate, prime rate or the respective country's inter-bank offer rate.

The followings demonstrate the sensitivity to a reasonable possible change in interest rates with all other variable held constant, of the Group's (loss) profit before tax (through the impact of floating rates in advances to associates, available-for-sale investments, loans receivable, borrowings and bank balances).

If the floating rates had been 50 basis points higher/lower, the Group's:

- loss before tax for the year ended 31st December, 2008 would increase/decrease by approximately of HK\$11,102,000 (2007: profit before tax decrease/increase HK\$39,330,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

The Group's sensitivity to interest rates has decreased during the current year mainly due to the increase in bank balances.

5. 金融工具 (續)

(c) 金融風險管理目標及政策 (續)

市場風險 (續)

(ii) 現金流量利率風險

本集團有計息資產及浮息借貸(包括墊付聯營公司款項、待售投資、應收貸款、借貸及銀行結餘),故本集團須承擔現金流量利率風險(詳情見附註29、31、33、42及34(a)、(c))。本集團現時並無採用任何利率對沖政策。然而,管理層會監控利率風險,並於需要時考慮對沖重大利率風險。

本集團之現金流量利率風險主要集中於香港銀行同業拆息、優惠利率或相關國家之銀行同業拆息之波動。

以下列示在全部其他變數維持不變之情況下,本集團除稅前(虧損)溢利之利率出現合理可能變動時之敏感度(透過墊付聯營公司款項、待售投資、應收貸款、借貸及銀行結餘浮動利率之影響)。

倘浮動利率上升/降低50個基點,則本集團:

- 截至二零零八年十二月三十一日止年度之除稅前虧損將增加/減少約11,102,000港元(二零零七年:除稅前溢利減少/增加39,330,000港元)。此乃主要由於本集團所承受之浮息借貸之利率風險。

本集團於本年度對利率之敏感度下跌,主要是因為銀行結餘增加所致。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (cont'd)

(c) Financial risk management objectives and policies (cont'd)

Market risk (cont'd)

(iii) Price risk

The Group's equity investments classified as available-for-sale investments and investments held-for-trading which are measured at fair value at each balance sheet date and expose the Group to equity price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

During the year ended 31st December, 2008, the Group has disposed all listed equity securities. The sensitivity analyses below have been determined based on the exposure to equity price risk at 31st December, 2007.

If equity prices had been 5% higher/lower:

- profit before tax for the year ended 31st December, 2007 would increase/decrease by approximately HK\$18,400,000. This was mainly due to the changes in fair value of investments held-for-trading; and
- securities investments reserve would increase/decrease by approximately HK\$569,500,000 as a result of the changes in fair value of listed available-for-sale investments.

5. 金融工具 (續)

(c) 金融風險管理目標及政策 (續)

市場風險 (續)

(iii) 價格風險

於各結算日按公平值計量且由本集團分類為待售投資之股本投資及持作買賣之投資令本集團面臨股價風險。管理層以設立不同風險水平之投資組合控制有關風險。此外，本集團已委任特別小組監管價格風險，並於必要時考慮對沖風險。

敏感度分析

於二零零八年十二月三十一日止年度，本集團已出售所有上市股本證券。以下敏感度分析乃根據二零零七年十二月三十一日之股價風險釐定。

倘股價上升／下降5%，則：

- 截至二零零七年十二月三十一日止年度之除稅前溢利將增加／減少約18,400,000港元。此乃主要由於持作買賣投資之公平值變動；及
- 證券投資儲備將增加／減少約569,500,000港元，此乃由於上市待售投資公平值變動。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (cont'd)

(c) Financial risk management objectives and policies (cont'd)

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31st December, 2008 in relation to each class of recognised financial assets are: (a) the carrying amount of those assets as stated in the consolidated balance sheet; and (b) financial guarantee provided by the Group which is the amount of contingent liabilities in relation to financial guarantee issued by the Group.

The Group made transactions with counterparties with acceptable credit quality in conformance to the Group treasury policies to minimise credit exposure. Acceptable credit ratings from reputable credit rating agencies and scrutiny of financials for non-rated counterparties are two important criteria in the selection of counterparties. The credit quality of counterparties will be closely monitored over the life of the transaction. The Group reviews its financial counterparties periodically in order to reduce credit risk concentrations relative to the underlying size and credit strength of each counterparties.

In an attempt to forestall adverse market movement, the Group also monitors potential exposures to each financial institution counterparties. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

The Group's concentration of credit risk by geographical locations is mainly in Hong Kong.

Liquidity risk

The Group manages liquidity risk by maintaining adequate bank deposits and cash, monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The liquidity risk is under continuous monitoring by management. Reports with maturity dates of bank borrowings and thus the liquidity requirement are provided to management for review periodically. Management will contact the bankers for renewals of bank borrowings whenever necessary.

5. 金融工具 (續)

(c) 金融風險管理目標及政策 (續)

信貸風險

倘若結算對手無法履行彼等截至二零零八年十二月三十一日之債項，本集團承受有關各類已確認金融資產之最大信貸風險為：(a)綜合資產負債表所列金融資產之賬面值；及(b)本集團提供之財務擔保，其為與本集團發行財務擔保有關之或然負債之金額。

本集團與符合集團庫務政策所訂信貸評級良好之機構進行交易與財務有關之交易，以盡量降低信貸風險。揀選交易方之兩項重要原則，是由有信譽之信貸評級機構發出可接受的信貸評級，以及對沒有評級之交易方進行財務評審。本集團會在整個交易期內密切監察交易方之信貸質素。此外，本集團會定期為與其交易之財務機構進行評審，以減低過度集中信貸之風險。

為不利之市場變動預先作準備，本集團為每間金融機構交易方檢測潛在之風險。此外，於每個結算日，本集團檢討每宗個別貿易債項之可收回款項，確保就無法收回款項作出足夠之減值虧損。就此而言，董事會認為本集團之信貸風險已大幅降低。

本集團按地域集中承擔信貸風險之地區主要為香港。

流動資金風險

本集團通過維持充足銀行存款及現金、監管預測及實際現金流量以及配合金融資產及負債之到期時間表，藉此管理流動資金。

管理層持續監管流動資金風險。載有銀行借貸到期日及與之有關之流動資金需求之報告定期向管理層發出供審閱。必要時，管理層將聯絡往來銀行將銀行借貸續期。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (cont'd)

(c) Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

The table below analyses the Group's financial liabilities that will be settled into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual face value without applying discounted cash flow model based on the earliest date on which the Group can be required to pay, was as follows:

5. 金融工具 (續)

(c) 金融風險管理目標及政策 (續)

流動資金風險 (續)

下表顯示本集團將結算之金融負債，此乃按照相關之到期組別，根據由結算日至合約到期日之剩餘期間進行分析。下表披露之金額為合約性面值，並無應用本集團按可能被要求支付之最早日期而貼現現金流量模式計算：

		At 31st December, 2008 於二零零八年十二月三十一日					
		Weighted average effective interest rate	Within 1 year	Within 2 to 5 years	Over 5 years	Total undiscounted cash flows	Total carrying amount
		加權平均 實際利率	一年內	兩年至五年	五年以上	未貼現現金 流量總額	賬面總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Derivative financial liabilities	衍生金融負債						
Derivative financial instruments	衍生金融工具	-	-	-	24,432	24,432	24,432
Non-derivative financial liabilities	非衍生金融負債						
Borrowings	借貸						
- Current	- 即期	1.23%	3,163,925	-	-	3,163,925	3,163,925
- Non-current	- 非即期	0.77%	-	8,330,083	175,175	8,505,258	8,505,258
Creditors and accruals	應付賬項及應計款項	-	323,026	-	-	323,026	323,026
Securities trading and margin payable	應付證券交易賬項及保證金	-	62,702	-	-	62,702	62,702
Amounts due to associates	欠負聯營公司款項	4.00%	-	9,736	-	9,736	9,271
Amounts due to minority shareholders	欠負少數股東款項	4.00%	-	86,235	-	86,235	77,565
			3,549,653	8,426,054	175,175	12,150,882	12,141,747
Total	總計		3,549,653	8,426,054	199,607	12,175,314	12,166,179

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (cont'd)

5. 金融工具(續)

(c) Financial risk management objectives and policies (cont'd)

(c) 金融風險管理目標及政策(續)

Liquidity risk (cont'd)

At 31st December, 2007

於二零零七年十二月三十一日

		Weighted average effective interest rate 加權平均 實際利率				Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Total carrying amount 賬面總值 HK\$'000 千港元
			Within 1 year 一年內 HK\$'000 千港元	Within 2 to 5 years 兩年至五年 HK\$'000 千港元	Over 5 years 五年以上 HK\$'000 千港元		
Derivative financial liabilities	衍生金融負債						
Derivative financial instruments	衍生金融工具	-	-	-	50,851	50,851	
Non-derivative financial liabilities	非衍生金融負債						
Borrowings	借貸						
- Current	- 即期	2.33%	2,949,269	-	-	2,949,269	
- Non-current	- 非即期	3.77%	-	9,373,145	7,444	9,380,589	
Creditors and accruals	應付賬項及應計款項	-	277,200	15,107	3,459	295,766	
Securities trading and margin payable	應付證券交易賬項及保證金	-	284,165	-	-	284,165	
Amounts due to associates	欠負聯營公司款項	5.00%	-	9,754	-	9,754	
Amounts due to minority shareholders	欠負少數股東款項	5.00%	-	101,063	-	101,063	
			3,510,634	9,499,069	10,903	13,020,606	
Total	總計		3,510,634	9,499,069	61,754	13,071,457	

At 31st December, 2008 and 2007, it was not probable that the counterparties to the financial guarantee contracts will claim under the contracts. Consequently, the carrying amount of financial guarantee contracts of HK\$618,000 (2007: HK\$618,000) has not been presented above.

於二零零八年及二零零七年十二月三十一日，財務擔保合約之對手不可能根據合約提出索賠。故此，財務擔保合約之賬面值618,000港元(二零零七年：618,000港元)並無於上表呈列。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

6. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the abilities of the entities in the Group to continue as a going concern, so that it can continue to provide returns for shareholders of the Company and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Directors actively and regularly review and manage the Group's capital structure to maximise the returns to shareholders through the optimisation of the debt afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions. The Group's overall strategy remains unchanged from 2007.

During the year ended 31st December, 2008 the capital structure of the Group mainly consists of debts, which include borrowings from banks, time deposits, bank balances and cash, and equity attributable to equity holders, comprising issued capital, reserves and retained profits respectively. The Directors consider the cost of capital and the risks associated with each class of capital to monitor its capital structure on the basis of a gearing ratio. The Group has a target gearing ratio of 30% – 50%, determined as the proportion of net debt to equity. This ratio is expressed by as a percentage of net borrowings over the total equity. Net borrowings is calculated as total borrowings (as shown in the consolidated balance sheet) less cash and cash equivalents.

6. 資本風險管理

本集團通過根據風險水平給予產品及服務相應定價，及確保按合理成本提供融資之方式管理資本，主要目標為保持本集團之實體持續經營之能力，以確保本集團能為本公司股東持續提供回報，並為其他權益相關者提供利益。

董事會積極並定時檢討及管理本集團之資本架構，透過以完善資本狀況支持優化債務及於經濟條件發生變動時對資本架構作出調整，為股東爭取最大之回報。本集團整體策略與二零零七年保持不變。

於二零零八年十二月三十一日止年度，本集團之資本架構主要由債務（包括銀行之借貸）、定期存款、銀行結餘及現金以及股本權益持有人應佔權益組成，分別包括已發行股本、儲備及保留溢利。董事會考慮股本之成本及各類股本相關之風險，以按資本與負債比率監管其資本架構。本集團之資本與負債比率之目標為30%至50%，按債務淨額與股本權益之比例釐定。該比率表述為借貸淨額與股本權益總額之百分比。借貸淨額乃按借貸總額（如綜合資產負債表所示）減現金及現金等值項目計算。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

6. CAPITAL RISK MANAGEMENT (cont'd)

6. 資本風險管理 (續)

The gearing ratios as at 31st December, 2008 and 2007 were as follows:

於二零零八年及二零零七年十二月三十一日之資本與負債比率如下：

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Borrowings – due within one year (i)	借貸—一年內到期(i)	3,163,925	2,949,269
Borrowings – due after one year (i)	借貸—一年後到期(i)	8,505,258	9,380,589
Total debts (i)	債務總額(i)	11,669,183	12,329,858
Cash and cash equivalents (ii)	現金及現金等值項目(ii)	(10,896,959)	(6,653,554)
Net debts	債務淨額	772,224	5,676,304
Net debts	債務淨額	772,224	5,676,304
Listed equity securities investments and treasury products (iii)	上市股本證券投資及 財資產品(iii)	-	(11,808,001)
Net debts (cash position) (listed equity securities investments and treasury products less (in excess of) net debts)	債務(現金狀況)淨額 (上市股本證券投資及財資 產品低(高)於債務淨額)	772,224	(6,131,697)
Total equity (iv)	股本權益總額(iv)	35,302,649	47,665,533
Net debt to equity ratio (excluding listed equity securities investments and treasury products)	債務淨額與股本權益比率 (不包括上市股本證券投資及 財資產品)	2.2%	11.9%
Net debt to equity ratio (including listed equity securities investments and treasury products)	債務淨額與股本權益比率 (包括上市股本證券投資及 財資產品)	2.2%	Positive cash position 現金狀況淨額

(i) Borrowings are detailed in Note 42;

(i) 借貸於附註42詳述；

(ii) Cash and cash equivalents comprise pledged deposits, time deposits, bank balances and cash at the balance sheet date;

(ii) 於結算日之現金及現金等值項目包括抵押存款、定期存款、銀行結餘及現金；

(iii) Listed equity securities investments and treasury products are as detailed in Notes 31, 36, 37 & 40;

(iii) 上市股本證券投資及財資產品於附註31、36、37及40詳述；

(iv) Total equity includes all share capital, reserves and minority interests at the balance sheet date.

(iv) 於結算日之股本權益總額包括所有股本、儲備及少數股東權益。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

6. CAPITAL RISK MANAGEMENT (cont'd)

The decrease in net debt to equity ratio was due to increase in cash and cash equivalents. Increase in cash and cash equivalents was mainly due to the disposals of all listed equity securities in the current year.

In relation to brokerage business, Fair Eagle Finance Credit Limited, Fair Eagle Futures Company Limited and Fair Eagle Securities Company Limited, three wholly owned subsidiaries of the Company, are required to maintain financial resources in accordance with the specified amount requirements that apply to them under the Securities and Futures Ordinance imposed by Securities and Future Commission. The requirements are internally reviewed on a daily basis and reports are required to submit to Securities and Futures Commission monthly. Full compliance is observed during the year.

In relation to the formation of the wholly foreign-owned enterprise for carrying out investment consultation business in the PRC, the Group was required to pay up the required amount of registered capital for one wholly owned subsidiary, namely 愛美高(北京)投資顧問有限公司 in 2009. In February 2009, the required registered capital was paid up within the specified time in accordance with the relevant laws, rules and regulations of the PRC.

Save as disclosed, neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

7. TURNOVER

Turnover represents the aggregate of amounts received and receivable from the sales of investments held-for-trading, sale of properties held for sale, property rental income, commission from brokerage, settlement charges from brokerage, interest income from loan financing and cosmetic goods sold less returns.

6. 資本風險管理(續)

債務淨額與股本權益比率之下降乃由於現金及現金等值項目增加。現金及現金等值項目增加主要由於本年度出售所有上市股本證券。

就經紀業務而言，本公司三家全資附屬公司天發金融有限公司、天發期貨有限公司及天發證券有限公司須按證券及期貨事務監察委員會所頒布適用於彼等之證券及期貨條例特定金額要求而保持財務資源。該要求每日經內部檢討並須每月向證券及期貨事務監察委員會遞交報告。於本年度已悉數遵守。

就成立外商獨資企業於中國進行投資顧問業務而言，本集團須按要求於二零零九年為一家全資附屬公司(即愛美高(北京)投資顧問有限公司)支付其註冊資本之規定金額。於二零零九年二月，已按中國相關法律、規則及法規於特定時間內繳足要求之註冊資本。

除上文披露者外，本公司或其任何附屬公司並不受外來股本之限制。

7. 營業額

營業額指已收及應收之出售持作買賣之投資收入、出售持作出售物業收入、物業租金收入、經紀佣金、經紀服務之交易費用、貸款融資利息收入以及扣除退貨後之化妝品銷售之總額。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

7. TURNOVER (cont'd)

The Group's proceeds from the sale of investments held-for-trading and the corresponding carrying amount together with the transaction costs were separated into "Turnover" and "Cost of sales" respectively, in prior year's consolidated income statement. During the current year, the Group changed its presentation, as in the opinion of the Directors, it is more appropriate to present the gains/losses from the sale of investments held-for-trading in "Turnover" on a net basis.

The effect of this change in presentation was to decrease turnover and cost of sales for the year ended 31st December, 2008 by approximately HK\$1,529,211,000 representing the carrying amount of investments held-for-trading disposed of together with the transaction costs during the year.

To conform with the current year's presentation, the carrying amount of investments held-for-trading disposed of together with transaction costs for the year ended 31st December, 2007 of HK\$3,968,790,000 has been offset against turnover, resulting in a decrease in turnover and cost of sales for that year by the same amount. These changes do not have any impact on the results of the Group in respect of the prior years.

8. OPERATING SEGMENTS

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers that are used to make strategic decisions.

The Group has seven reportable segments – property development and trading, property leasing for retail, property leasing for non-retail, listed available-for-sale equity investments, floating rate and fixed rate notes, other listed held-for-trading investments and treasury products and unlisted investments, investment holding and brokerage. The segmentations are based on the information about the operation of the Group that management uses to make decisions.

7. 營業額 (續)

於過往年度之綜合收益表，本集團出售持作買賣之投資之所得款項及相關賬面值連同交易成本分別列為「營業額」及「銷售成本」。由於董事會認為於「營業額」內按淨額基準呈報出售持作買賣之投資之收益／虧損較為恰當，故本集團於本年度更改有關呈報方式。

更改有關呈報方式之影響為使截至二零零八年十二月三十一日止年度之營業額及銷售成本減少約1,529,211,000港元，即於本年度出售之持作買賣之投資之賬面值連同交易成本。

為符合本年度之呈報方式，截至二零零七年十二月三十一日止年度出售之持作買賣之投資連同交易成本之賬面值3,968,790,000港元已與營業額對銷，導致該年度之營業額及銷售成本等額下降。此等變動不會對本集團過往年度之業績造成任何影響。

8. 經營分類

本集團根據主要營運決策者用於作出策略決定時審閱之報告釐定營運分類。

本集團擁有七項可呈報分類：物業發展及買賣、零售物業租賃、非零售物業租賃、上市股本待售投資、浮息及定息票據、其他上市持作買賣投資及財資產品及非上市投資、投資控股及經紀服務。上述分類方式乃基於管理層用以作出決策之本集團營運資料。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

8. OPERATING SEGMENTS (cont'd)

Principal activities are as follows:

Property development and trading	–	Property development and sales of trading properties
Property leasing for retail	–	Property leasing from retail properties
Property leasing for non-retail	–	Property leasing from non-retail properties
Listed available-for-sale equity investments	–	Listed equity securities in available-for-sale investments
Floating rate and fixed rate notes	–	Listed and unlisted floating rate notes and fixed rate notes in available-for-sale investments
Other listed held-for-trading investments and treasury products	–	Listed securities investments in investments held-for-trading, over-the-counter trading and structured products
Unlisted investments, investment holding and brokerage	–	Unlisted securities investments, trading and brokerage

The accounting policies of the operating segments are the same as those described in the principal accounting policies. The Group evaluates performance on the basis of profit or loss from operations after tax expense and minority interests but not including the major non-cash items. The major non-cash items are fair value changes on investment properties together with their respective deferred tax expense. No intersegment turnover is accounted for as the intersegment turnover is mainly the rental income for administrative purpose.

The Group's measurement methods used to determine reported segment profit or loss remain unchanged from 2007.

The Group's reportable segments are strategic business units that operate different activities. They are managed separately because each business has different market and requires different marketing strategies.

Further, the business units are also managed to operate in different countries separately. Revenue and result are attributed to countries on the basis of the properties located.

No major customer is for the Group's revenue and result.

8. 經營分類 (續)

主要業務活動如下：

物業發展及買賣	–	物業發展及買賣物業銷售
零售物業租賃	–	來自零售物業租賃
非零售物業租賃	–	來自非零售物業租賃
上市股本待售投資	–	於待售投資之上市股本證券投資
浮息及定息票據	–	於待售投資之上市及非上市浮息及定息票據
其他上市持作買賣投資及財資產品	–	於持作買賣之上市證券投資、場外交易及結構性產品
非上市投資、投資控股及經紀服務	–	非上市證券投資、買賣及經紀服務

經營分類之會計政策與主要會計政策所述者相同。本集團以除去稅項開支及少數股東權益後之溢利或虧損（但不包括主要非現金項目）為基準評估經營表現。主要非現金項目為投資物業之公平值變動連同其相關之遞延稅項開支。由於分類間之營業額主要為就行政目的之租金收入，因此並無將分類間之營業額入賬。

本集團用作釐定已呈報分類溢利或虧損之計量方式自二零零七年起維持不變。

本集團可呈報分類為策略業務單元，以營運不同活動。彼等受個別管理，此乃由於各業務擁有不同市場，且要求不同市場策略。

此外，業務單元亦於不同國家受個別營運管理。各國應佔收入及業績乃以物業所在地為基準。

於本集團之收入及業績，並無主要客戶。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

8. OPERATING SEGMENTS (cont'd)

Operating segment information is presented below:

CONSOLIDATED INCOME STATEMENT

For the year ended 31st December, 2008

8. 經營分類 (續)

以下呈報經營分類資料：

綜合收益表

截至二零零八年十二月三十一日止年度

	Property development and trading	Property leasing for retail	Property leasing for non-retail	Listed available-for-sale equity investments	Floating rate and fixed rate notes	Other listed held-for-trading investments and treasury products	Unlisted investments, holding and brokerage	All other segments	Consolidated
	物業發展及買賣	零售物業租賃	非零售物業租賃	上市股本待售投資	浮息及定息票據	其他上市持作買賣投資及財資產品	非上市投資、投資控股及經紀服務	所有其他分類	綜合
	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Continuing operations	持續經營業務								
Major cash items excluding in Revenue	收入以外之主要現金項目								
- Hong Kong	-	-	-	6,888,426	-	160,604	-	-	7,049,030
- other countries	-	-	-	-	-	1,252,543	-	-	1,252,543
	-	-	-	6,888,426	-	1,413,147	-	-	8,301,573
Revenue	收入								
Revenue from external customers	來自外間客戶之收入								
- Hong Kong	370,393	581,703	299,224	-	-	(13,237)	22,115	26,903	1,287,101
- PRC	-	43,877	36,774	-	-	-	-	-	80,651
- other countries	-	-	-	-	-	(102,827)	-	-	(102,827)
	370,393	625,580	335,998	-	-	(116,064)	22,115	26,903	1,264,925
Revenue from external customers after minority interests	來自扣除少數股東權益後之外間客戶收入								
	314,814	624,602	333,973	-	-	(116,064)	22,115	26,903	1,206,343
Result	業績								
Segment result	分類業績								
- Hong Kong	190,137	545,792	282,746	3,763,990	250	25,072	246,473	46,591	5,101,051
- PRC	-	36,091	31,999	-	-	-	4,753	-	72,843
- other countries	-	-	-	-	-	(102,066)	(73,660)	-	(175,726)
	190,137	581,883	314,745	3,763,990	250	(76,994)	177,566	46,591	4,998,168

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

8. OPERATING SEGMENTS (cont'd)

8. 經營分類 (續)

CONSOLIDATED INCOME STATEMENT (cont'd)

綜合收益表 (續)

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

		Property development and trading	Property leasing for retail	Property leasing for non-retail	Listed available-for-sale equity investments	Floating rate and fixed rate notes	Other listed held-for-trading investments and treasury products	Unlisted investment holding and brokerage	All other segments	Consolidated
		物業發展及買賣	零售物業租賃	非零售物業租賃	上市股本待售投資	浮息及定息票據	其他上市持作買賣投資及財務產品	非上市投資、投資控股及經紀服務	所有其他分類	綜合
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Unallocated corporate expenses, net	未分攤之公司支出淨額									(210,095)
Finance costs	財務費用									
– finance cost on listed securities investments and treasury products	– 上市證券投資及財務產品之財務費用	-	-	-	-	-	3,477	-	-	3,477
– unallocated finance costs	– 未分攤之財務費用									(286,648)
Other gains and losses, net	其他收益及虧損淨額									
– impairment loss recognised in respect of advance to an associate	– 就墊付一間聯營公司款項確認之減值虧損	-	342	-	-	-	-	-	(5,814)	(5,472)
– impairment loss recognised in respect of interest in an associate	– 就一間聯營公司權益確認之減值虧損	-	-	-	-	-	-	-	(653)	(653)
– unallocated other gains and losses, net	– 未分攤之其他收益及虧損淨額									16,293
Share of results of associates	攤佔聯營公司業績									
– property sales	– 物業銷售	36,832	-	-	-	-	-	-	-	36,832
– attributable gross income	– 應佔收入總額									
Hong Kong	香港	-	2,313	18,625	-	-	-	-	-	20,938
PRC	中國	-	90,777	3,960	-	-	-	-	-	94,737
– operating cost	– 經營成本									
Hong Kong	香港	-	(1,172)	(3,093)	-	-	-	-	-	(4,265)
PRC	中國	-	(40,849)	(3,488)	-	-	-	-	(39,588)	(83,925)
– other results	– 其他業績	-	-	-	-	-	-	2,791	(12,006)	(9,215)
Profit before tax and minority interests (excluding major non-cash items)	除稅前及少數股東權益前溢利(撇除主要非現金項目)									4,570,172
Income tax expense	所得稅開支									(75,536)
Minority interests	少數股東權益									
– for property development and trading	– 物業發展及買賣	(41,019)	-	-	-	-	-	-	-	(41,019)
– unallocated minority interest	– 未分攤之少數股東權益									(3,798)
Reportable segment results	可呈報分類業績	185,950	633,294	330,749	3,763,990	250	(73,517)	180,357	(11,470)	
Profit for the year from continuing operations attributable to equity holders of the parent	母公司股本權益持有人應佔持續經營業務之本年度溢利									4,449,819
Discontinued operation	已終止經營業務									
Loss for the year from discontinued operation attributable to equity holders of the parent	母公司股本權益持有人應佔已終止經營業務之本年度虧損									(979)
Core profit (excluding major non-cash items)	核心溢利(撇除主要非現金項目)									4,448,840
Major non-cash items	主要非現金項目									
– fair value changes on investment properties (including share of results of associates and minority interests)	– 投資物業之公平值變動(包括攤佔聯營公司業績及少數股東權益)									(7,525,480)
– deferred tax	– 遞延稅項									1,582,264
Loss for the year attributable to equity holders of the parent	母公司股本權益持有人應佔本年度虧損									(1,494,376)

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

8. OPERATING SEGMENTS (cont'd)

8. 經營分類(續)

CONSOLIDATED BALANCE SHEET

At 31st December, 2008

綜合資產負債表

於二零零八年十二月三十一日

	Property development and trading	Property leasing for retail	Property leasing for non-retail	Listed available-for-sale equity investments	Floating rate and fixed rate notes	Other listed held-for-trading investments and treasury products 其他上市持作買賣投資及財資產品	Unlisted investments holding and brokerage 非上市投資、投資控股及經紀服務	All other segments	Consolidated
	物業發展及買賣	零售物業租賃	非零售物業租賃	上市股本待售投資	浮息及定息票據	持作買賣投資及財資產品	非上市投資、投資控股及經紀服務	所有其他分類	綜合
	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Assets	資產								
Segment assets	分類資產								
- Hong Kong	2,274,073	19,406,122	17,845,771	-	221,813	330,021	490,545	103,282	40,671,627
- PRC	5,542,424	612,654	598,822	-	-	-	-	-	6,753,900
- other countries	1,686,144	-	-	-	-	-	-	-	1,686,144
Interests in associates	聯營公司權益								
- Hong Kong	278,400	64,701	334,951	-	-	-	3,577	545	682,174
- PRC	-	168,765	18,788	-	-	-	-	-	187,553
Advances to associates	墊付聯營公司款項								
- Hong Kong	923,409	22,683	48,138	-	-	-	1	5,416	999,647
- PRC	699,075	77,147	8,588	-	-	-	-	-	784,810
Reportable segment assets	11,403,525	20,352,072	18,855,058	-	221,813	330,021	494,123	109,243	51,765,855
Unallocated corporate assets	未分攤之公司資產								
Consolidated total assets	綜合總資產								
Liabilities	負債								
Segment liabilities	分類負債								
- Hong Kong	201,537	336,100	76,877	-	150	25,048	64,229	16,073	720,014
- PRC	67,231	16,022	14,745	-	-	-	-	-	97,998
- other countries	118	-	-	-	-	-	-	-	118
Reportable segment liabilities	268,886	352,122	91,622	-	150	25,048	64,229	16,073	818,130
Unallocated corporate liabilities	未分攤之公司負債								
Consolidated total liabilities	綜合總負債								
Additions to non-current assets (other than financial instruments and deferred tax assets)	添置至非流動資產 (金融工具及遞延稅項資產除外)								
	537,590	294,128	154,194	-	-	-	2,791	13	

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

8. OPERATING SEGMENTS (cont'd)

OTHER MATERIAL ITEMS

For the year ended 31st December, 2008

8. 經營分類 (續)

其他重大項目

截至二零零八年十二月三十一日止年度

		Reportable segments totals	Adjustments for unallocated	Adjustments for major non-cash items	Consolidated income statement (continuing operations)	Consolidated income statement (discontinued operation)	Consolidated income statement totals
		可呈報分類總額	未分攤之調整	主要非現金項目之調整	綜合收益表(持續經營業務)	綜合收益表(已終止經營業務)	綜合收益表總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Interest income	利息收入	228,405	-	-	228,405	38	228,443
Interest expenses	利息支出	3,477	(286,648)	-	(283,171)	-	(283,171)
Net interest income (expenses)	利息收入(支出)淨額	231,882	(286,648)	-	(54,766)	38	(54,728)
Depreciation and amortisation	折舊及攤銷	-	(20,810)	-	(20,810)	-	(20,810)
Fair value changes on investment properties	投資物業之公平值變動	-	-	(7,467,668)	(7,467,668)	-	(7,467,668)
Share of results of associates	攤佔聯營公司業績	55,102	-	(63,490)	(8,388)	-	(8,388)
Income tax (credit) expense	所得稅(撥回)開支	(75,536)	-	1,582,264	1,506,728	-	1,506,728
Minority interests	少數股東權益	(41,019)	(3,798)	5,678	(39,139)	971	(38,168)

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

8. OPERATING SEGMENTS (cont'd)

8. 經營分類(續)

CONSOLIDATED INCOME STATEMENT

For the year ended 31st December, 2007

綜合收益表

截至二零零七年十二月三十一日止年度

	Property development and trading	Property leasing for retail	Property leasing for non-retail	Listed available-for-sale equity investments	Floating rate and fixed rate notes	Other listed held-for-trading investments and treasury products	Unlisted investments, holding and brokerage	All other segments	Consolidated
	物業發展及買賣	零售物業租賃	非零售物業租賃	上市股本待售投資	浮息及定息票據	其他上市持作買賣投資及財資產品	非上市投資、投資控股及經紀服務	所有其他分類	綜合
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Major cash items excluding in Revenue	收入以外之主要現金項目								
- Hong Kong	-	-	-	1,662,291	-	3,812,319	-	-	5,474,610
- other countries	-	-	-	-	-	339,240	-	-	339,240
	-	-	-	1,662,291	-	4,151,559	-	-	5,813,850
Revenue	收入								
Revenue from external customers	來自外間客戶之收入								
- Hong Kong	3,403,535	476,129	226,513	-	-	196,483	99,083	19,357	4,421,100
- PRC	-	39,891	30,798	-	-	-	-	-	70,689
- other countries	-	-	-	-	-	(13,714)	-	-	(13,714)
	3,403,535	516,020	257,311	-	-	182,769	99,083	19,357	4,478,075
Revenue from external customers after minority interests	來自扣除少數股東權益後之外間客戶收入								
	2,960,916	514,453	255,552	-	-	182,769	99,083	19,357	4,032,130

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

8. OPERATING SEGMENTS (cont'd)

8. 經營分類 (續)

CONSOLIDATED BALANCE SHEET

At 31st December, 2007

綜合資產負債表

於二零零七年十二月三十一日

	Property development and trading	Property leasing for retail	Property leasing for non-retail	Listed available-for-sale equity investments	Floating rate and fixed rate notes	Other listed held-for-trading investments and treasury products 其他上市持作買賣投資及財資產品	Unlisted investment holding and brokerage 非上市投資、投資控股及經紀服務	All other segments	Consolidated
	物業發展及買賣	零售物業租賃	非零售物業租賃	上市股本待售投資	浮息及定息票據	其他上市持作買賣投資及財資產品	非上市投資、投資控股及經紀服務	所有其他分類	綜合
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Assets	資產								
Segment assets	分類資產								
- Hong Kong	1,456,001	24,624,847	17,890,657	11,389,662	-	504,909	1,883,066	122,878	57,872,020
- PRC	1,623,276	1,398,478	1,138,182	-	-	-	-	-	4,159,936
- other countries	1,660,631	-	-	-	-	381,406	-	-	2,042,037
Interests in associates	聯營公司權益								
- Hong Kong	442,287	1,879	493,724	-	-	-	-	111,174	1,049,064
- PRC	-	145,657	16,215	-	-	-	-	-	161,872
Advances to associates	墊付聯營公司款項								
- Hong Kong	796,655	25,812	64,655	-	-	-	-	6,134	893,256
- PRC	373,750	77,147	8,588	-	-	-	-	-	459,485
Reportable segment assets	6,352,600	26,273,820	19,612,021	11,389,662	-	886,315	1,883,066	240,186	66,637,670
Unallocated corporate assets	未分攤之公司資產								
Consolidated total assets	綜合總資產								
Liabilities	負債								
Segment liabilities	分類負債								
- Hong Kong	16,404	368,750	153,951	5,287	-	99,679	231,422	29,710	905,203
- PRC	8,531	16,336	14,251	-	-	-	-	-	39,118
- other countries	104	-	-	-	-	177,605	-	-	177,709
Reportable segment liabilities	25,039	385,086	168,202	5,287	-	277,284	231,422	29,710	1,122,030
Unallocated corporate liabilities	未分攤之公司負債								
Consolidated total liabilities	綜合總負債								
Additions to non-current assets (other than financial instruments and deferred tax assets)	添置至非流動資產 (金融工具及遞延稅項資產除外)								
	2,414,530	294,154	218,759	-	-	-	8,641	22,667	

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

8. OPERATING SEGMENTS (cont'd)

OTHER MATERIAL ITEMS

For the year ended 31st December, 2007

		Reportable segments totals 可呈報分類總額 HK\$'000 千港元	Adjustments for unallocated 未分攤之調整 HK\$'000 千港元	Adjustments for major non-cash items 主要非現金項目之調整 HK\$'000 千港元	Consolidated income statement totals 綜合收益表總額 HK\$'000 千港元
Interest income	利息收入	270,798	–	–	270,798
Interest expenses	利息支出	(118,733)	(456,691)	–	(575,424)
Net interest income (expenses)	利息收入(支出)淨額	152,065	(456,691)	–	(304,626)
Depreciation and amortisation	折舊及攤銷	–	(16,699)	–	(16,699)
Fair value changes on investment properties	投資物業之公平值變動	–	–	6,421,788	6,421,788
Share of results of associates	攤佔聯營公司業績	542,034	–	59,397	601,431
Income tax expense	所得稅開支	(182,891)	–	(994,206)	(1,177,097)
Minority interests	少數股東權益	(242,831)	129,075	(23,255)	(137,011)

9. OTHER INCOME

Continuing operations

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Included in other income are:	其他收入包括：		
Building management fee income	樓宇管理費收入	68,109	56,879
Building management fee expenses	樓宇管理費支出	(42,113)	(38,940)
		25,996	17,939
Exchange gain, net	滙兌收益淨額	–	3,451

8. 經營分類(續)

其他重大項目

截至二零零七年十二月三十一日止年度

9. 其他收入

持續經營業務

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

10. INVESTMENT INCOME, NET

10. 投資收入淨額

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Continuing operations	持續經營業務		
Gain on financial assets at fair value through profit or loss classified as held-for-trading:	按公平值計入收益表被分類為持作買賣之金融資產收益：		
Unrealised gain on investments held-for-trading	持作買賣之投資之未變現收益	-	20,372
Financial assets at fair value through profit or loss classified as designated:	按公平值計入收益表被分類為指派之金融資產：		
Unrealised loss on equity-linked notes	股票掛鈎票據之未變現虧損	-	(46,311)
Realised (loss) gain on equity-linked notes	股票掛鈎票據之已變現(虧損)收益	(16,221)	2,427
Net loss on financial assets at fair value through profit or loss classified as designated	按公平值計入收益表被分類為指派之金融資產虧損淨額	(16,221)	(43,884)
Financial liabilities at fair value through profit or loss classified as held-for-trading:	按公平值計入收益表被分類為持作買賣之金融負債：		
Unrealised gain on derivative financial instruments	衍生金融工具之未變現收益	26,419	51,925
Realised gain on derivative financial instruments	衍生金融工具之已變現收益	-	65,868
Net gain on financial liabilities at fair value through profit or loss classified as held-for-trading	按公平值計入收益表被分類為持作買賣之金融負債收益淨額	26,419	117,793
Impairment loss for available-for-sale investments	待售投資之減值虧損	(78,881)	-
Transfer from equity on disposals of available-for-sale investments:	出售待售投資時由股本權益轉撥：		
Listed investments	上市投資	3,647,768	888,684
Unlisted investment	非上市投資	5,221	-
Dividend income on:	股息收入：		
Listed investments	上市投資		
– available-for-sale investments	– 待售投資	116,222	86,073
– other listed investments	– 其他上市投資	761	3,913
Unlisted investments	非上市投資	57,791	65,755
Interest income	利息收入	209,738	227,292
Imputed interest income on:	名義利息：		
Advances to associates	墊付聯營公司款項	26,772	33,073
Advance to a minority shareholder	墊付一名少數股東款項	381	-
		3,995,971	1,399,071
Discontinued operation	已終止經營業務		
Interest income from discontinued operation	來自已終止經營業務之利息收入	38	-
		3,996,009	1,399,071

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

10. INVESTMENT INCOME, NET (cont'd)

Included in interest income are interest from derivative financial instruments, listed floating rate notes and unlisted floating rate and fixed rate notes approximately HK\$28,111,000, HK\$1,481,000 and HK\$4,961,000 respectively (2007: equity-linked notes HK\$12,132,000 and derivative financial instruments HK\$50,909,000).

11. OTHER EXPENSES

Continuing operations

Included in other expenses are:

Amortisation of intangible assets
Expenses for specific transactions

其他開支包括：

無形資產攤銷
特定交易開支

10. 投資收入淨額 (續)

利息收入之中包括衍生金融工具、上市浮息票據、非上市浮息票據及非上市定息票據之利息分別約28,111,000港元、1,481,000港元及4,961,000港元(二零零七年:股票掛鈎票據12,132,000港元及衍生金融工具50,909,000港元)。

11. 其他開支

持續經營業務

2008	2007
HK\$'000	HK\$'000
千港元	千港元

2,860	1,430
2,400	8,374

12. DISCONTINUED OPERATION

Turnover
Investment income, net
Administrative expenses

Loss for the year from discontinued operation

營業額
投資收入淨額
行政開支

本年度來自已終止經營業務虧損

12. 已終止經營業務

2008	2007
HK\$'000	HK\$'000
千港元	千港元

-	-
38	-
(1,988)	-

(1,950)	-
----------------	---

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

12. DISCONTINUED OPERATION (cont'd)

12. 已終止經營業務 (續)

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Cash flows from discontinued operation:	來自己終止經營業務之 現金流量：		
Net cash flows generated from operating activities	來自經營業務之現金流量淨額	42,537	-
Net cash flows used in investing activities	用於投資活動之現金流量淨額	(174)	-
Net cash flows generated from discontinued operation	來自己終止經營業務之 現金流量淨額	42,363	-

On 1st February, 2008, G-Prop (Holdings) Limited ("G-Prop") entered into a conditional agreement with Fame Ascent Investments Limited ("Fame Ascent") to dispose of the operation in production and sale of methanol (the "Methanol Project") for approximately HK\$183,699,000. The disposal was completed on 25th July, 2008. Following the disposal, the results of the Methanol Project was reported as a discontinued operation and presented separately in the consolidated income statement in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

於二零零八年二月一日，金匡企業有限公司（「金匡」）與名昇投資有限公司（「名昇」）訂立一項有條件協議，以約183,699,000港元出售生產及銷售甲醇之業務（「甲醇項目」）。該出售已於二零零八年七月二十五日完成，於出售後，甲醇項目之業績乃根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」按已終止經營業務呈報，並於綜合收益表中分開呈列。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

13. (LOSS) PROFIT FOR THE YEAR

13. 本年度(虧損)溢利

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
(Loss) profit for the year has been arrived at after (charging) crediting:	本年度(虧損)溢利已(扣除)計入:		
Continuing operations	持續經營業務		
Total staff costs:	總僱員成本:		
Staff costs, including Directors' emoluments	僱員成本(包括董事酬金)	(117,116)	(94,997)
Retirement benefits scheme contributions, net of forfeited contributions of HK\$192,000 (2007: HK\$197,000)	退休福利計劃供款, 扣除已沒收供款192,000港元(二零零七年: 197,000港元)	(4,118)	(4,268)
		(121,234)	(99,265)
Auditors' remuneration	核數師酬金	(3,119)	(1,925)
Depreciation	折舊	(20,005)	(16,090)
Amortisation	攤銷	(805)	(609)
Cost of trading properties recognised	買賣物業成本確認	(191,515)	(2,240,217)
Cost of cosmetic products recognised	化妝品成本確認	(2,778)	(1,300)
Share of tax of associates (included in share of results of associates)	攤佔聯營公司稅項(已計入攤佔聯營公司業績)	(1,594)	(89,152)
Gross proceeds on sale of investments held-for-trading	出售持作買賣投資之所得款項總額	1,413,147	4,151,559
Carrying amount on investments held-for-trading disposed	出售持作買賣投資之賬面值	(1,525,028)	(3,963,100)
Transaction cost on investments held-for-trading disposed	出售持作買賣投資之交易成本	(4,183)	(5,690)
Net (losses) gains on sale of investments held-for-trading included in turnover	計入營業額內之出售持作買賣投資之(虧損)溢利淨額	(116,064)	182,769
Gross rental income from investment properties	投資物業租金收入總額	961,578	773,331
Less: Direct operating expenses from investment properties that generated rental income during the year	減: 本年度產生租金收入之投資物業直接經營開支	(50,876)	(59,160)
Direct operating expenses from investment properties that did not generate rental income during the year	本年度並無產生租金收入之投資物業直接經營開支	(11,353)	(13,144)
		899,349	701,027
Discontinued operation	已終止經營業務		
Staff costs	僱員成本	(684)	-
Retirement benefits scheme contributions	退休福利計劃供款	(21)	-

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

14. FINANCE COSTS

14. 財務費用

Continuing operations

持續經營業務

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Interest on:	利息：		
Bank loans wholly repayable within five years	須於五年內全數償還之 銀行貸款	306,807	522,265
Bank loans wholly repayable over five years	須於五年後全數償還之 銀行貸款	10,775	1,633
Other loans wholly repayable within five years	須於五年內全數償還之 其他貸款	4,420	106,427
Amounts due to minority shareholders	欠負少數股東款項	-	21,756
		322,002	652,081
Imputed interest on:	名義利息：		
Amounts due to associates	欠負聯營公司款項	813	1,006
Amounts due to minority shareholders	欠負少數股東款項	5,057	2,751
Convertible bonds	可換股債券	5,305	4,050
		11,175	7,807
Total interest	利息總額	333,177	659,888
Exchange (gain) loss on translation of foreign currency loans	外幣貸款滙兌(收益)虧損	(7,897)	12,306
Other finance costs	其他財務費用	10,607	4,242
		335,887	676,436
Less: Interest capitalised to stock of properties under development	減：撥充發展中物業 存貨資本化之利息	(20,502)	(40,602)
Interest capitalised to investment properties under development	撥充發展中投資物業 資本化之利息	(32,214)	(60,410)
		283,171	575,424

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

15. OTHER GAINS AND LOSSES, NET

15. 其他收益及虧損淨額

Continuing operations

持續經營業務

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Included in other gains and losses, net are:	其他收益及虧損淨額包括：		
Impairment loss reversed in respect of advances to associates	就墊付聯營公司款項撥回之減值虧損	187	1,719
Impairment loss recognised in respect of advances to an associate	就墊付一間聯營公司款項確認之減值虧損	(5,472)	(1,884)
Gain on purchase of convertible bonds of a subsidiary (Note i)	購買一間附屬公司之可換股債券之收益(附註i)	6,396	-
Gain on redemption of convertible bonds of a subsidiary (Note ii)	贖回一間附屬公司之可換股債券之收益(附註ii)	5,595	-
Gain on disposal of subsidiaries (Note iii)	出售附屬公司收益(附註iii)	3,870	-
Impairment loss recognised in respect of interests in an associate	就一間聯營公司權益確認之減值虧損	(653)	-
Gain on disposal of a subsidiary (Note iv)	出售一間附屬公司收益(附註iv)	-	158,212
Gain on deemed disposal of interests in an associate	視作出售一間聯營公司權益收益	-	5,103
Loss on conversion of convertible bonds by cash settlement	以現金結算方式兌換可換股債券之虧損	-	(236,705)
Discount on acquisition of a subsidiary	收購一間附屬公司折讓	-	624

Notes:

附註：

- | | | | |
|------|--|------|---|
| i. | Gain on purchase of convertible bonds of a subsidiary arose from acquisition of convertible bonds in face value of HK\$108,000,000 of G-Prop from Fame Ascent in April 2008. | i. | 購買一間附屬公司之可換股債券之收益乃因於二零零八年四月向名昇收購金匡面值為108,000,000港元之可換股債券。 |
| ii. | Gain on redemption of convertible bonds of a subsidiary arose from redemption of convertible bonds in face value of HK\$72,000,000 of G-Prop. | ii. | 贖回一間附屬公司之可換股債券之收益乃因贖回金匡面值為72,000,000港元之可換股債券。 |
| iii. | Gain on disposal of subsidiaries arose from disposal of the Methanol Project (see Note 49(a)). | iii. | 出售附屬公司之收益來自出售甲醇項目(見附註49(a))。 |
| iv. | Gain on disposal of a subsidiary arose from disposal of 15.11% interest in G-Prop by placing on 7th June, 2007 (see Note 49(b)). | iv. | 出售一間附屬公司收益乃因於二零零七年六月七日以配售方式出售金匡之15.11%權益(見附註49(b))。 |

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

16. DIRECTORS' EMOLUMENTS

Fees and other emoluments paid or payable to each of the six (2007: five) directors for the years ended 31st December, 2008 and 2007 were as follows:

		2008			2007		
		Fee	Salaries and other emolument	Total	Fee	Salaries and other emolument	Total
		袍金	薪金及其他酬金	合計	袍金	薪金及其他酬金	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Mr. Joseph Lau, Luen-hung	劉鑾雄先生	-	3,600	3,600	-	3,600	3,600
Mr. Lau, Ming-wai	劉鳴煒先生	34	1,047	1,081	-	1,200	1,200
Mr. Chan, Kwok-wai	陳國偉先生	200	-	200	180	-	180
Mr. Cheng, Kwee (resigned on 21st November, 2008)	鍾貴先生 (於二零零八年十一月二十一日辭任)	178	-	178	180	-	180
Ms. Phillis Loh, Lai-ping	羅麗萍女士	200	-	200	180	-	180
Mr. Ma, Tsz-chun (appointed on 21st November, 2008)	馬時俊先生 (於二零零八年十一月二十一日獲委任)	22	-	22	-	-	-
		634	4,647	5,281	540	4,800	5,340

No director waived any emoluments for the years ended 31st December, 2008 and 2007.

16. 董事酬金

於截至二零零八年及二零零七年十二月三十一日止年度已付或應付予六名董事(二零零七年: 五名)各自之袍金及其他酬金如下:

董事概無於截至二零零八年及二零零七年十二月三十一日止年度內放棄收取任何酬金。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

17. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, one (2007: two) was executive director of the Company whose emoluments are included in the disclosures in Note 16 above. The emoluments of the remaining four (2007: three) individuals disclosed pursuant to the Listing Rules were as follows:

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Salaries and other benefits	薪金及其他福利	5,475	3,588
Retirement benefit scheme contributions	退休福利計劃供款	371	238
		5,846	3,826

Their emoluments were within the following bands:

		Number of employees	
		僱員人數	
		2008	2007
Nil – HK\$1,000,000	無 – 1,000,000港元	–	1
HK\$1,000,001 – HK\$1,500,000	1,000,001港元 – 1,500,000港元	3	1
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 – 2,000,000港元	1	1

During the years ended 31st December, 2008 and 2007, no emolument was paid by the Group to the five highest paid individuals or the Directors, as an inducement to join or upon joining the Group as compensation for loss of office.

17. 僱員酬金

本集團五名最高薪酬人士中，一名（二零零七年：兩名）為本公司執行董事，彼等之薪酬已於上文附註16披露。遵照上市規則披露之餘下四名（二零零七年：三名）人士之酬金如下：

彼等之酬金分下列等級：

於二零零八年及二零零七年十二月三十一日止年度內，本集團概無為吸引加入本集團或於加入本集團時作為離職補償而向該五名最高薪酬人士或董事支付任何酬金。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

18. INCOME TAX (CREDIT) EXPENSE

18. 所得稅(撥回)開支

Continuing operations

持續經營業務

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
The (credit) charge comprises:	稅項(撥回)支出包括:		
Current tax:	當期稅項:		
Hong Kong Profits Tax	香港利得稅	67,775	174,389
Other than Hong Kong	香港以外地區	10,145	9,556
		77,920	183,945
Underprovision in prior years:	過往年度撥備不足:		
Hong Kong Profits Tax	香港利得稅	12,297	1,181
Other than Hong Kong	香港以外地區	155	-
		12,452	1,181
Deferred tax:	遞延稅項:		
Current year	本年度	(1,296,232)	992,588
Overprovision in prior years	過往年度超額撥備	(8,539)	(617)
Attributable to a change in tax rate	由於稅率變更	(292,329)	-
		(1,597,100)	991,971
		(1,506,728)	1,177,097

Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) on the estimated assessable profits for the year. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

香港利得稅乃根據本年度之估計應課稅溢利按稅率16.5%(二零零七年:17.5%)計算。其他司法權區產生之稅項乃按有關司法權區之現行稅率計算。

With effect from the year of assessment 2008/2009, the Hong Kong Profits Tax has been reduced from 17.5% to 16.5%. On 16th March, 2007, the People's Republic of China promulgated the Law of the People's Republic of China on Enterprise Income Tax by Order No. 63 of the President of the People's Republic of China, which has changed the tax rate from 33% to 25% for certain subsidiaries from 1st January, 2008. The deferred tax balance has been adjusted to reflect the tax rates that are expected to apply to the respective years when the asset is realised or the liability is settled.

由二零零八年/二零零九年課稅年度起生效之香港利得稅已由17.5%調低至16.5%，於二零零七年三月十六日，中華人民共和國根據中華人民共和國國家主席令63號頒布中華人民共和國企業所得稅法。該法令若干附屬公司之稅率已由二零零八年一月一日起由33%改為25%。遞延稅項結餘已予以調整，以反映預期於資產變現或清償負債相關年度適用之各個稅率。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

18. INCOME TAX (CREDIT) EXPENSE (cont'd)

Deferred tax reversal of HK\$1,597,100,000 included the deferred tax credit of HK\$1,289,805,000 (2007: expense of HK\$994,206,000) on fair value changes on investment properties recognised for the year and tax reversal of HK\$292,459,000 (2007: nil) reflecting the respective reduction in tax rate was included in the reverse figure of HK\$292,329,000.

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

18. 所得稅(撥回)開支(續)

遞延稅項撥回1,597,100,000港元已包括本年度確認之投資物業公平值變動之遞延稅項撥回1,289,805,000港元(二零零七年:支出994,206,000港元),以及為反映因稅率調低於其相關之稅項撥回292,459,000港元(二零零七年:無),已包括在撥回之數字292,329,000港元中。

本年度之所得稅(撥回)支出與綜合收益表之除稅前(虧損)溢利對賬如下:

		2008		2007	
		HK\$'000	%	HK\$'000	%
		千港元		千港元	
(Loss) profit before tax	除稅前(虧損)溢利				
– Continuing operations	– 持續經營業務	(2,960,986)		9,509,965	
– Discontinued operation	– 已終止經營業務	(1,950)		–	
		(2,962,936)		9,509,965	
Tax at the Hong Kong Profits	按香港利得稅稅率				
Tax rate of 16.5%	16.5% (二零零七年:				
(2007: 17.5%)	17.5%)計算之稅項	(488,884)	16.5	1,664,244	17.5
Tax effect of share of results of associates	攤佔聯營公司業績之稅務影響	1,384	–	(105,251)	(1.1)
Tax effect of expenses not deductible for tax purposes	就稅務而言不可扣減支出之稅務影響	64,772	(2.2)	297,095	3.1
Tax effect of income not taxable for tax purposes	就稅務而言毋須課稅收入之稅務影響	(741,255)	25.0	(720,878)	(7.6)
Underprovision in respect of prior years	過往年度撥備不足	3,913	(0.1)	564	–
Tax effect of tax losses not recognised	未確認之稅務虧損之稅務影響	52,612	(1.8)	60,656	0.6
Utilisation of tax losses previously not recognised	運用先前未確認之稅務虧損	(100,350)	3.4	(52,853)	(0.5)
Tax effect on accelerated accounting depreciation over tax depreciation not provided in prior years	過往年度未撥備之加速會計折舊超過稅務折舊之稅務影響	(23,034)	0.8	(1,307)	–
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營之附屬公司適用之不同稅率之影響	16,443	(0.6)	34,827	0.4
Tax effect resulting from change of applicable tax rate	適用稅率變動所產生之稅務影響	(292,329)	9.9	–	–
Tax (credit) charge for the year	本年度稅項(撥回)開支	(1,506,728)	50.9	1,177,097	12.4

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

19. DIVIDENDS

19. 股息

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
(a) Final dividend for 2007 paid on 25th June, 2008 of HK 22.5 cents (2006: HK 18 cents) per share	(a) 於二零零八年六月二十五日派付之二零零七年末期股息每股22.5港仙(二零零六年: 18港仙)		
Cash	現金	469,152	129,774
Share alternative under scrip dividend scheme	根據以股代息計劃收取股份	48,006	277,095
		517,158	406,869
(b) Interim dividend for 2008 paid on 8th October, 2008 of HK 13.5 cents (2007: HK 13.5 cents) per share	(b) 於二零零八年十月八日派付之二零零八年中期股息每股13.5港仙(二零零七年: 13.5港仙)		
Cash	現金	302,272	121,204
Share alternative under scrip dividend scheme	根據以股代息計劃收取股份	3,915	187,165
		306,187	308,369
Total dividends paid	已派付股息總額	823,345	715,238

Final dividend of HK1 cent (2007: HK22.5 cents) per share and special dividend of HK99 cents (2007: nil) per share have been proposed by the Directors and are subject to approval by the shareholders in the forthcoming annual general meeting.

董事會建議派付末期股息每股1港仙(二零零七年: 22.5港仙)及特別股息每股99港仙(二零零七年: 無), 有待股東於應屆股東週年大會批准。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

20. (LOSS) EARNINGS PER SHARE

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

Continuing and discontinued operations

(Loss) earnings:	(虧損) 盈利:
(Loss) earnings for the purposes of basic and diluted (loss) earnings per share	計算每股基本(虧損)盈利及攤薄(虧損)盈利之(虧損)盈利
((loss) profit for the year attributable to equity holders of the parent)	(母公司股本權益持有人應佔之本年度(虧損)溢利)

20. 每股(虧損)盈利

母公司之股本權益持有人應佔之每股基本及攤薄(虧損)盈利乃根據以下數據計算:

持續經營業務及已終止經營業務

2008	2007
HK\$'000	HK\$'000
千港元	千港元

(1,494,376)	8,195,857
--------------------	-----------

Number of shares

股份數目

Number of shares:	股份數目:
Weighted average number of ordinary shares for the purposes of basic and diluted (loss) earnings per share	計算每股基本(虧損)盈利及攤薄(虧損)盈利之普通股加權平均數

2,228,668,314	2,277,396,424
----------------------	---------------

Continuing operations

持續經營業務

(Loss) earnings:	(虧損) 盈利:
(Loss) earnings for the purposes of basic and diluted (loss) earnings per share	計算每股基本(虧損)盈利及攤薄(虧損)盈利之(虧損)盈利
((loss) profit for the year attributable to equity holders of the parent)	(母公司股本權益持有人應佔之本年度(虧損)溢利)

2008	2007
HK\$'000	HK\$'000
千港元	千港元

(1,493,397)	8,195,857
--------------------	-----------

Number of shares

股份數目

Number of shares:	股份數目:
Weighted average number of ordinary shares for the purposes of basic and diluted (loss) earnings per share	計算每股基本(虧損)盈利及攤薄(虧損)盈利之普通股加權平均數

2,228,668,314	2,277,396,424
----------------------	---------------

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

20. (LOSS) EARNINGS PER SHARE (cont'd)

20. 每股(虧損)盈利(續)

Discontinued operation

已終止經營業務

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Loss:	虧損:		
Loss for the purposes of basic and diluted loss per share	計算每股基本虧損及攤薄虧損之虧損		
(loss for the year attributable to equity holders of the parent)	(母公司股本權益持有人應佔之本年度虧損)	(979)	-

Number of shares

股份數目

Number of shares:	股份數目:		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	計算每股基本虧損及攤薄虧損之普通股加權平均數	2,228,668,314	2,277,396,424

For the year ended 31st December, 2008, diluted loss per share from both continuing and discontinued operations did not assume the conversion of the outstanding convertible bonds of a subsidiary of the Company since their conversion would result in a decrease in loss per share.

由於兌換本公司之一間附屬公司的未償還之可換股債券會導致每股虧損減少，故截至二零零八年十二月三十一日止年度，來自持續經營業務及已終止經營業務之每股攤薄虧損均並無假設兌換有關可換股債券。

For the year ended 31st December, 2007, diluted earnings per share from both continuing and discontinued operations were the same as the basic earnings per share as there were no dilutive potential ordinary shares outstanding.

因概無任何尚未行使之可攤薄潛在普通股，故截至二零零七年十二月三十一日止年度來自持續經營業務及已終止經營業務之每股攤薄盈利與每股基本盈利相同。

Basic and diluted loss per share from the discontinued operation was HK0.04 cents per share for the year ended 31st December, 2008 (2007: nil), based on the loss from the discontinued operation for the year of HK\$979,000 (2007: nil) and the denominators detailed above as continuing and discontinued operations for the basic and diluted loss per share.

截至二零零八年十二月三十一日止年度，已終止經營業務之每股基本及攤薄虧損為每股0.04港仙(二零零七年：無)，乃根據來自已終止經營業務之本年度虧損979,000港元(二零零七年：無)及上文詳述計算來自持續經營業務及已終止經營業務之每股基本及攤薄虧損之分母而計算。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

21. INVESTMENT PROPERTIES**21. 投資物業**

		HK\$'000 千港元
Fair value	公平值	
At 1st January, 2007	於二零零七年一月一日	31,771,870
Additions	添置	405,793
Increase in fair value recognised in the consolidated income statement	於綜合收益表中確認之公平值增加	6,421,788
Disposal of a subsidiary	出售一間附屬公司	(35,600)
Disposals	出售	(65,411)
		<hr/>
At 31st December, 2007	於二零零七年十二月三十一日	38,498,440
Additions	添置	371,808
Transfer to property and other fixed assets	轉撥至物業及其他固定資產	(14,500)
Transfer to prepaid lease payments	轉撥至預付租賃款項	(81,100)
Acquisition of subsidiaries	收購附屬公司	31,000
Transfer from property and other fixed assets	從物業及其他固定資產轉撥	730
Transfer from prepaid lease payments	從預付租賃款項轉撥	520
Decrease in fair value recognised in the consolidated income statement	於綜合收益表中確認之公平值減少	(7,467,668)
Transfer to stock of properties	轉撥至物業存貨	(857,000)
Disposals	出售	(179,650)
		<hr/>
At 31st December, 2008	於二零零八年十二月三十一日	30,302,580

The market value of the Group's investment properties at 31st December, 2008 has been arrived at on the basis of valuation carried out on that date by Messrs. Norton Appraisals Limited ("Norton Appraisals"), independent qualified professional valuers not connected with the Group who has appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. The valuation report on the investment properties is signed by a director of Norton Appraisals, who is a member of the Hong Kong Institute of Surveyors. The valuation, which conforms to the Hong Kong Institute of Surveyors Valuation Standards on Properties (1st Edition 2005) published by the Hong Kong Institute of Surveyors, was based on market value basis.

與本集團並無關連之獨立合資格專業估值師普敦國際評估有限公司(「普敦國際」)已按其於二零零八年十二月三十一日所進行之估值為基準，計算本集團投資物業於該日之市值。普敦國際擁有合適資格及最近亦有評估相關地點之同類物業之經驗。投資物業之估值報告由普敦國際董事(香港測量師學會會員)簽署。該估值乃遵守香港測量師學會所頒布之物業估值準則(二零零五年第一版)，並按市值為基準進行重估。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

21. INVESTMENT PROPERTIES (cont'd)

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

The carrying amounts of investment properties shown above comprises:

21. 投資物業 (續)

根據營業租約持有以賺取租金或資本增值之本集團所有物業權益乃採用公平值模式計量，並分類及入賬列作投資物業。

上述投資物業之賬面值包括：

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Properties in Hong Kong held under:	於香港按以下租約持有之物業：		
Long-term lease	長期租約	24,420,450	30,710,400
Medium-term lease	中期租約	4,532,770	6,336,400
		28,953,220	37,046,800
Properties outside Hong Kong held under:	於香港以外按以下租約持有之物業：		
Long-term lease	長期租約	310,050	457,900
Medium-term lease	中期租約	1,039,310	993,740
		1,349,360	1,451,640
		30,302,580	38,498,440

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

22. PROPERTY AND OTHER FIXED ASSETS

22. 物業及其他固定資產

		Buildings	Furniture, fixtures and equipments	Yachts and motor vehicles	Total
		樓宇	傢俬、裝置 及設備	遊艇及汽車	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Cost or valuation	成本或估值				
At 1st January, 2007	於二零零七年一月一日	59,679	85,836	56,453	201,968
Acquisition of a subsidiary	收購一間附屬公司	–	34	42	76
Additions	添置	–	3,242	35,372	38,614
Disposals	出售	–	(2,465)	(9,633)	(12,098)
Exchange adjustments	匯兌調整	–	57	117	174
At 31st December, 2007	於二零零七年 十二月三十一日	59,679	86,704	82,351	228,734
Acquisition of subsidiaries	收購附屬公司	1,961	23	172	2,156
Disposal of subsidiaries	出售附屬公司	(2,064)	(32)	(1,085)	(3,181)
Transfer from investment properties	從投資物業轉撥	14,500	–	–	14,500
Transfer to investment properties	轉撥至投資物業	(874)	–	–	(874)
Surplus on revaluation upon transfer	轉撥時產生之重估盈餘	535	–	–	535
Additions	添置	–	6,979	2,462	9,441
Disposals	出售	–	(80)	(1,782)	(1,862)
Exchange adjustments	匯兌調整	103	117	141	361
At 31st December, 2008	於二零零八年 十二月三十一日	73,840	93,711	82,259	249,810
Depreciation	折舊				
At 1st January, 2007	於二零零七年一月一日	10,333	76,209	34,069	120,611
Charge for the year	年內折舊	1,502	3,928	10,660	16,090
Elimination upon disposals	出售時對銷	–	(2,446)	(7,457)	(9,903)
Exchange adjustments	匯兌調整	–	30	60	90
At 31st December, 2007	於二零零七年 十二月三十一日	11,835	77,721	37,332	126,888
Charge for the year	年內折舊	1,860	3,581	14,564	20,005
Capitalised to property under development	撥充為發展中物業資本	–	124	–	124
Transfer to investment properties	轉撥至投資物業	(144)	–	–	(144)
Elimination upon disposals	出售時對銷	–	(77)	(1,782)	(1,859)
Exchange adjustments	匯兌調整	–	59	(2)	57
At 31st December, 2008	於二零零八年 十二月三十一日	13,551	81,408	50,112	145,071
Carrying amounts	賬面值				
At 31st December, 2008	於二零零八年 十二月三十一日	60,289	12,303	32,147	104,739
At 31st December, 2007	於二零零七年 十二月三十一日	47,844	8,983	45,019	101,846

The Group's buildings are situated in Hong Kong and held under long-term lease.

本集團之樓宇均位於香港並按長期租約持有。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

23. PROPERTIES UNDER DEVELOPMENT

23. 發展中物業

		HK\$'000 千港元
Cost	成本	
At 1st January, 2007	於二零零七年一月一日	—
Additions	添置	33,548
		<hr/>
At 31st December, 2007	於二零零七年十二月三十一日	33,548
Acquisition of subsidiaries	收購附屬公司	2,040
Additions	添置	52,424
Disposal of subsidiaries	出售附屬公司	(2,182)
Exchange adjustments	匯兌調整	666
		<hr/>
At 31st December, 2008	於二零零八年十二月三十一日	86,496
		<hr/> <hr/>
Carrying amounts	賬面值	
At 31st December, 2008	於二零零八年十二月三十一日	86,496
		<hr/> <hr/>
At 31st December, 2007	於二零零七年十二月三十一日	33,548
		<hr/> <hr/>

The carrying amounts of properties under development comprises:

發展中物業之賬面值包括：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Leasehold properties in Mainland China held under:	於中國大陸按以下租約持有之租賃物業：		
Medium-term lease	中期租約	86,496	33,548
		<hr/> <hr/>	

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

24. PREPAID LEASE PAYMENTS

24. 預付租賃款項

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
The Group's prepaid lease payments comprises: 本集團之預付租賃款項包括:			
Leasehold land in Hong Kong held under: 於香港按以下租約持有之租賃土地:			
Long-term lease	長期租約	328,971	248,661
Medium-term lease	中期租約	-	227
		328,971	248,888
Leasehold land in Mainland China held under: 於中國大陸按以下租約持有之租賃土地:			
Medium-term lease	中期租約	1,207,982	1,168,743
		1,536,953	1,417,631

Amortisation expenses on prepaid lease payments of HK\$33,158,000 (2007: HK\$24,867,000) have been capitalised to properties under development for the year. Amortisation expenses on prepaid lease payments of HK\$805,000 (2007: HK\$609,000) have been charged to the consolidated income statement for the year.

本年度金額為33,158,000港元(二零零七年: 24,867,000港元)之預付租賃款項攤銷開支已撥充為發展中物業資本。本年度金額為805,000港元(二零零七年: 609,000港元)之預付租賃款項攤銷開支已計入綜合收益表。

25. PROPERTY INTERESTS HELD FOR FUTURE DEVELOPMENT

25. 持作日後發展之物業權益

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Cost	成本		
At 1st January and 31st December	於一月一日及十二月三十一日	71,118	71,118
Impairment loss	減值虧損		
At 1st January and 31st December	於一月一日及十二月三十一日	(71,118)	(71,118)
Carrying amounts	賬面值		
At 1st January and 31st December	於一月一日及十二月三十一日	-	-

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

25. PROPERTY INTERESTS HELD FOR FUTURE DEVELOPMENT (cont'd)

The property interests held for a development project in Chenghai Royal Garden, Shantou, the PRC was held by a wholly-owned subsidiary of Chi Cheung Investment Company, Limited, which was a 61.96% interest subsidiary of the Company. On 30th September, 2008, the property interests held for the development project was disposed to a wholly-owned subsidiary of the Company. Under a Contract for Pre-registration of Grant of State-owned Land Use Right (the "Contract") with the district bureau of Chenghai dated 5th August, 1992, the Group had made certain down payment. However, the Group subsequently determined not to proceed with the land requisition and requested for refund.

In April 2005, the Group commenced legal proceedings at the Shantou City Intermediate People's Court (the "Intermediate Court") to terminate the Contract with the Shantou City Planning and State-owned Land Resources Bureau ("Chenghai Bureau"). In view of the uncertainty in the recoverability of the amount claimed and any other entitlements under the Contract, the Group had made a full provision for an impairment loss of HK\$ 71,118,000 during 2004.

On 28th December, 2006, the Intermediate Court made a judgment in favour of the Group. However, Chenghai Bureau submitted an application of appeal to the High People's Court of Guangdong Province (the "High Court") on 23rd January, 2007 and the Group also sent out a reply to the High Court on 13th February 2007.

On 27th June, 2007, the High Court accepted the application of appeal by the Chenghai Bureau and made the judgment as follows: (1) the judgment made by the Intermediate Court on 28th December, 2006 was revoked; and (2) the case was remitted to the Intermediate Court for rehearing. On 22nd August, 2007, the Intermediate Court accepted for rehearing the case within six months.

On 18th February, 2008, the Intermediate Court notified the Group that the trial period had been extended for six months to August 2008.

On 12th August, 2008, the Intermediate Court issued the civil ruling of dismissing the Group's civil claim. The Group initiated an application for appeal to the High Court after receiving the ruling and submitted all legal documents required in the application on 2nd September, 2008. The High Court ruled on 12th December, 2008 that the appeal was rejected. The Group is considering the re-trial issue.

25. 持作日後發展之物業權益 (續)

中國汕頭市澄海海麗花園之持作發展項目物業權益，乃由本公司擁有61.96%權益之附屬公司至祥置業有限公司之一間全資附屬公司持有。於二零零八年九月三十日，該持作發展項目物業權益已出售予本公司之全資附屬公司。根據於一九九二年八月五日與澄海地區當局訂立之國有土地使用權預約合同（「合同」），本集團已支付若干定金。本集團其後決定不進行徵地，並終止該合同及要求退還定金。

於二零零五年四月，本集團於汕頭市中級人民法院（「中級法院」）向汕頭市規劃與國土資源局（「澄海當局」）展開法律程序，終止合同。由於未能確定可否收回索償款額及根據合同之其他權益，本集團已於二零零四年就減值虧損作出71,118,000港元之全數撥備。

於二零零六年十二月二十八日，中級法院判決裁定本集團勝訴。然而，澄海當局於二零零七年一月二十三日向廣東省高級人民法院（「高級法院」）提交上訴申請，而本集團亦已於二零零七年二月十三日向高級法院提交回應。

於二零零七年六月二十七日，高級法院接受澄海當局之上訴申請並作出如下判決：(1)撤銷中級法院於二零零六年十二月二十八日作出之判決；及(2)該案件被退回至中級法院重新聆訊。於二零零七年八月二十二日，中級法院接受於六個月內重新聆訊該案件。

於二零零八年二月十八日，中級法院知會本集團審訊期被延長六個月至二零零八年八月。

於二零零八年八月十二日，中級法院下達民事裁定書駁回本集團的民事索償。收到該裁定書後，本集團向高級法院申請上訴，並於二零零八年九月二日遞交申請所需的全部法律文件。高級法院於二零零八年十二月十二日發出裁定書駁回該上訴，本集團正考慮申請再審的事宜。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

26. INTANGIBLE ASSETS

26. 無形資產

		Trading and exchange rights	Trademark	Total
		買賣及 貿易權	商標	合計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Cost	成本			
At 1st January, 2007	於二零零七年一月一日	2,705	–	2,705
Acquisition of a subsidiary	收購一間附屬公司	–	14,300	14,300
At 31st December, 2007 and 31st December, 2008	於二零零七年 十二月三十一日及 二零零八年 十二月三十一日	2,705	14,300	17,005
Amortisation and impairment	攤銷及減值			
At 1st January, 2007	於二零零七年一月一日	2,705	–	2,705
Amortisation for the year	本年度攤銷	–	1,430	1,430
At 31st December, 2007	於二零零七年 十二月三十一日	2,705	1,430	4,135
Amortisation for the year	本年度攤銷	–	2,860	2,860
At 31st December, 2008	於二零零八年 十二月三十一日	2,705	4,290	6,995
Carrying amounts At 31st December, 2008	賬面值 於二零零八年 十二月三十一日	–	10,010	10,010
At 31st December, 2007	於二零零七年 十二月三十一日	–	12,870	12,870

The amortisation expense has been included in the other expenses in the consolidated income statement.

攤銷開支已計入綜合收益表之其他開支。

The above intangible assets have definite useful lives. Such intangible assets are amortised on a straight-line basis over five years.

上述無形資產具有既定可使用年期，並以直線法按五年攤銷。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

27. GOODWILL

27. 商譽

		HK\$'000 千港元
Cost	成本	
At 1st January, 2007 and 31st December, 2007	於二零零七年一月一日及 二零零七年十二月三十一日	47,748
Acquisition of subsidiaries (see Note 48(a))	收購附屬公司(見附註48(a))	6,291
Acquisition of additional interest in subsidiaries	增購附屬公司之權益	2,019
		<hr/>
At 31st December, 2008	於二零零八年十二月三十一日	56,058
Impairment	減值	
At 1st January, 2007, 31st December, 2007 and 31st December, 2008	於二零零七年一月一日、 二零零七年十二月三十一日及 二零零八年十二月三十一日	47,748
		<hr/>
Carrying amounts	賬面值	
At 31st December, 2008	於二零零八年十二月三十一日	8,310
		<hr/> <hr/>
At 31st December, 2007	於二零零七年十二月三十一日	-
		<hr/> <hr/>

Impairment testing on goodwill

For the purpose of impairment testing, goodwill has been allocated to the following cash-generating unit. The carrying amounts of goodwill (net of accumulated impairment losses) as at 31st December, 2008 is allocated as follows:

商譽減值測試

就減值測試而言，商譽已分配至下列現金產生單位。於二零零八年十二月三十一日，商譽之賬面值（扣除累計減值虧損）分配如下：

	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Investment properties and financial investments 投資物業及金融投資	8,310	-
	<hr/> <hr/>	<hr/> <hr/>

The recoverable amount of the goodwill allocated to investment properties and financial investments business was assessed by reference to value-in-use model which based on a five years cash flow projection approved by the Directors. A discount rate of approximately 4% per annum was applied in the value-in-use model when assessing the recoverability of the goodwill.

分配至投資物業及金融投資業務之商譽可收回金額乃根據董事會批准之五年現金流量預測，並參考使用價值模式進行評估。於評估商譽之可收回程度時，使用價值模式採用之年折現率約為4厘。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

27. GOODWILL (cont'd)

There are a number of assumptions and estimates involved for the preparation of the cash flow projection. Key assumptions included gross margin and discount rate which are determined by the management of the Group based on past performance and its expectation for market development. Gross margin are budgeted gross margin. The discount rate used is pre-tax and reflect specific risks relating to the industry.

28. INTERESTS IN ASSOCIATES

Cost of investment in associates	投資聯營公司成本
Listed in Hong Kong	於香港上市
Unlisted	非上市
Share of post-acquisition profits, net of dividend received	攤佔收購後溢利 扣除已收股息

Market value of investment in associates	投資聯營公司市值
Listed in Hong Kong	於香港上市

The Company provided corporate guarantee to secure bank loans granted to its associates. The fair value of the financial guarantee contract was determined by Norton Appraisals, independent qualified professional valuers, and it was recognised as interests in associates and financial guarantee liabilities in the Group's consolidated balance sheet.

Particulars of the Group's principal associates at 31st December, 2008 are set out in Note 57.

The investment properties held by the Group's principal associates were revalued at 31st December, 2008 by the Norton Appraisals. The valuation, which conforms to the Hong Kong Institute of Surveyors Valuation Standards on Properties (1st Edition 2005) published by the Hong Kong Institute of Surveyors, was based on market value basis.

27. 商譽 (續)

編製現金流量預測涉及多項假設及估計。主要假設包括由本集團管理層根據過往表現及其對市場發展預測釐定之毛利率及折現率。毛利率乃預算毛利率，而所採用之折現率則為除稅前，並反映與行業相關之特定風險。

28. 聯營公司權益

	2008 HK\$'000 千港元	2007 HK\$'000 千港元
	-	47,772
	283,667	308,254
	586,060	854,910
	869,727	1,210,936
	-	269,523

本公司提供公司擔保作為其聯營公司獲授銀行貸款之抵押。財務擔保合約之公平值由獨立合資格專業估值師普敦國際釐定，並已於本集團之綜合資產負債表內確認為聯營公司權益及財務擔保負債。

本集團於二零零八年十二月三十一日之主要聯營公司詳情載於附註57。

本集團主要聯營公司之投資物業已由普敦國際於二零零八年十二月三十一日進行重估。該估值乃遵守香港測量師學會所頒布之物業估值準則（二零零五年第一版），並按市值為基準進行重估。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

28. INTERESTS IN ASSOCIATES (cont'd)

The summarised financial information in respect of the Group's associates is set out below:

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Total assets	資產總值	11,507,439	11,883,342
Total liabilities	負債總額	(9,409,701)	(8,718,169)
Net assets	淨資產	2,097,738	3,165,173
Minority interest	少數股東權益	12,364	12,828
		2,110,102	3,178,001
Group's share of net assets of associates	本集團攤佔聯營公司淨資產	869,727	1,210,936
Turnover	營業額	554,912	2,311,861
(Loss) profit for the year	本年度(虧損)溢利	(46,825)	1,575,943
Group's share of result of associates for the year	本集團攤佔聯營公司本年度業績	(8,388)	601,431

A legal action against an 50% associate of the Group, The Kwong Sang Hong International Limited ("Kwong Sang Hong"), was taken by a Chinese joint venture partner of Kwong Sang Hong in respect of a development project in the PRC. The provision of HK\$19,700,000 (2007: HK\$19,700,000) against damages, legal costs and interest was made by Kwong Sang Hong.

On 23rd June, 2008, the Supreme People's Court of Hubei Province, PRC issued the "Certificate for proof of unpaid debt" to Kwong Sang Hong and confirmed that Kwong Sang Hong has the right to claim the Chinese joint venture partner the loan amounting to RMB2,826,400. Since there is nil balance in all the bank accounts of the Chinese joint venture partner, Kwong Sang Hong is unable to enforce its legal right in the meantime.

During the year ended 31st December, 2007, G-Prop issued and allotted of 493,678,883 and 740,518,325 new shares at an issue price of HK\$0.162 each to Asian Kingdom Limited ("Asian Kingdom") and Fame Ascent. Accordingly, the Group's shareholding in G-Prop had decreased from approximately 34.99% to 13.69%, resulting in a gain on deemed disposal of interest in an associate of approximately HK\$5,103,000.

28. 聯營公司權益(續)

本集團之聯營公司之財務資料概述如下：

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Total assets	資產總值	11,507,439	11,883,342
Total liabilities	負債總額	(9,409,701)	(8,718,169)
Net assets	淨資產	2,097,738	3,165,173
Minority interest	少數股東權益	12,364	12,828
		2,110,102	3,178,001
Group's share of net assets of associates	本集團攤佔聯營公司淨資產	869,727	1,210,936
Turnover	營業額	554,912	2,311,861
(Loss) profit for the year	本年度(虧損)溢利	(46,825)	1,575,943
Group's share of result of associates for the year	本集團攤佔聯營公司本年度業績	(8,388)	601,431

本集團之50%聯營公司The Kwong Sang Hong International Limited(「廣生行」)之一個中國合營夥伴就中國一項發展項目採取法律行動控告廣生行。廣生行已就賠償、法律費用及利息作出19,700,000港元之撥備(二零零七年: 19,700,000港元)。

於二零零八年六月二十三日，中國湖北省高級人民法院向廣生行發出「未付債務債權憑證」，並確定廣生行有權就貸款人民幣2,826,400向中國合營夥伴提出申索。由於中國合營夥伴之所有銀行賬戶均無結餘，故廣生行現時未能行使其合法權利。

於二零零七年十二月三十一日止年度，金匡按發行價每股0.162港元向Asian Kingdom Limited(「Asian Kingdom」)及名昇發行及配發493,678,883及740,518,325股新股。因此，本集團於金匡之股權由約34.99%下降至13.69%，帶來視作出售一間聯營公司權益之收益約5,103,000港元。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

28. INTERESTS IN ASSOCIATES (cont'd)

On 1st February, 2008, the Group and Fame Ascent had entered into a sale and purchase agreement, which Fame Ascent agreed to sell 740,518,325 shares of G-Prop to the Group at HK\$0.163 per shares for the consideration of approximately HK\$120,777,000. Following the completion on 5th February, 2008, the Group's shareholding in G-Prop has increased from approximately 13.69% to 50.20% and thus G-Prop became a subsidiary of the Company for the year ended 31st December, 2008. (see Note 48(a))

29. ADVANCES TO ASSOCIATES

Interest bearing advances to associates	墊付聯營公司之計息款項
Interest-free advances to associates	墊付聯營公司之免息款項

The advances to associates are unsecured. An approximately HK\$1,621,238,000 was expected to be repayable in 2010 and 2011 and the amount is therefore shown as non-current. For the remaining HK\$163,219,000, the Group will not demand repayment within one year from the balance sheet date and the amounts are therefore shown as non-current. The interest bearing advances to associates bear interest at the prevailing market rates. The Directors consider that the fair value of the interest-free advances as at the balance sheet date, determined based on the present values of the estimated future cash flows discounted using the prevailing market rates at the balance sheet date, approximate to their carrying amounts.

30. INTERESTS IN JOINTLY CONTROLLED ENTITIES

Share of net assets of jointly controlled entities	攤佔共同控制機構淨資產
--	-------------

28. 聯營公司權益 (續)

於二零零八年二月一日，本集團與名昇訂立買賣協議，據此名昇同意按每股0.163港元向本集團出售740,518,325股金匡股份，代價約120,777,000港元。於二零零八年二月五日完成後，本集團於金匡之股權由約13.69%增加至50.20%，金匡遂於截至二零零八年十二月三十一日止年度成為本公司之附屬公司。(見附註48(a))

29. 墊付聯營公司款項

2008	2007
HK\$'000	HK\$'000
千港元	千港元
148,015	168,064
1,636,442	1,184,677
1,784,457	1,352,741

墊付聯營公司款項為無抵押。約1,621,238,000港元之款項預期於二零一零年及二零一一年償還，因此該等款項列作非流動性質。就剩餘之163,219,000港元，本集團不會要求於結算日起計一年內償還，因此該等款項列作非流動性質。墊付聯營公司之計息款項以當時之市場借貸利率計息。而免息墊款於結算日之公平值，則按於結算日之當時市場借貸利率貼現預計未來現金流量之現時價值約數估計，董事會認為於結算日該公平值與其賬面值相若。

30. 共同控制機構權益

2008	2007
HK\$'000	HK\$'000
千港元	千港元
-	-

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

30. INTERESTS IN JOINTLY CONTROLLED ENTITIES (cont'd)

30. 共同控制機構權益 (續)

Details of the Group's jointly controlled entities which are held indirectly by the Company at 31st December, 2008, are as follows:

本公司間接持有之本集團共同控制機構於二零零八年十二月三十一日之詳情如下：

Name of jointly controlled entity 共同控制機構名稱	Form of business and structure 業務組建形式	Place of incorporation 註冊成立地點	Proportion of nominal value of issued share capital held	Principal activities 主要業務
			所持已發行股本面值比率	
Golden Royce Investment Limited 金萊斯投資有限公司	Incorporated 註冊成立	Hong Kong 香港	35.08%	Dormant 暫無營業
Top Grade Assets Limited	Incorporated 註冊成立	British Virgin Islands 英屬維爾京群島	45.10%	Dormant 暫無營業
Upgrade Properties Limited	Incorporated 註冊成立	British Virgin Islands 英屬維爾京群島	45.10%	Dormant 暫無營業

The summarised financial information in respect of the Group's jointly controlled entities is set out below:

本集團之共同控制機構之財務資料概述如下：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Total assets	資產總值	4,237	—
Total liabilities	負債總額	(160,372)	—
Net liabilities	淨負債	(156,135)	—
Net assets attributable to the Group	本集團攤佔淨資產	—	—
Turnover	營業額	—	—
Loss for the year	本年度虧損	(10)	—
Loss attributable to the Group	本集團攤佔虧損	—	—

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

31. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprise:

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Listed investments:	上市投資：		
– Equity securities listed in Hong Kong	– 於香港上市之股本證券	–	11,389,583
Unlisted fund:	非上市基金：		
– Fund established elsewhere	– 於其他地區成立之基金	–	202,119
Unlisted securities:	非上市證券：		
– Equity securities incorporated in Hong Kong	– 於香港註冊之股本證券	235,684	229,954
– Equity securities incorporated elsewhere	– 於其他地區註冊之股本證券	–	78,881
		235,684	11,900,537
Debt securities	債務證券	216,712	–
Club debentures	會社債券	15,731	15,731
		468,127	11,916,268
Debt securities held as at the balance sheet date comprise of:	於結算日持有之債務證券包括：		
Listed floating rate note (Note 1)	上市浮息票據(附註1)	35,262	–
Unlisted floating rate notes (Note 2)	非上市浮息票據(附註2)	111,364	–
Unlisted fixed rate notes (Note 3)	非上市定息票據(附註3)	70,086	–
		216,712	–

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

31. AVAILABLE-FOR-SALE INVESTMENTS (cont'd)

Notes:

1. The floating rate note listed elsewhere with maturity date in October 2011 carries floating interest at EURIBOR +0.2% per annum.
2. The floating rate notes are unlisted with maturity dates from July 2011 to January 2014 and carry floating interest at LIBOR plus 0.23% to 0.35% per annum, payable on quarterly or half-yearly basis.
3. The fixed rate notes are unlisted debts securities carrying fixed interest at 4.75% to 7.00% per annum with maturity dates ranging between February 2011 to March 2016.

For listed investments, unlisted fund and debt securities, the fair values are determined based on the quoted market bid prices available on the relevant stock exchanges and on the industry group. At the balance sheet date, they are not either past due or impaired.

For unlisted equity securities incorporated in Hong Kong, the fair value is determined based on discounted cash flow valuation techniques, with assumption on discount rates ranging from 1% below Prime to Prime and no earning growth factor were used. Prime is defined as HK\$ best offered rate quoted from time to time by Standard Chartered Bank.

For unlisted equity securities issued by private entities incorporated in the United States of America, and the club debentures are stated at cost less impairment loss at each balance sheet date because the range of reasonable fair value estimates is so significant that the Directors are of the opinion that their fair values cannot be measured reliably. During the year ended 31st December 2008, the Group identified an impairment loss of HK\$78,881,000 related to the unlisted equity securities.

31. 待售投資 (續)

附註：

1. 浮息票據於其他地區上市，到期日為二零一一年十月，並按浮動息率按歐洲銀行同業拆息率加年利率0.2厘計算。
2. 浮息票據為非上市，到期日介乎二零一一年七月至二零一四年一月，並按浮動息率按倫敦銀行同業拆息率加年利率0.23厘至0.35厘計算，須每季度或半年支付。
3. 定息票據為非上市債務證券，按固定年利率4.75厘至7.00厘計算，到期日介乎二零一一年二月至二零一六年三月。

就上市投資、非上市基金及債務證券而言，公平值乃根據相關證券交易所及行業類別所報的市場買盤價釐定。於結算日，上述各項均未逾期，亦無減值。

就於香港註冊之非上市股本證券而言，公平值乃採用貼現現金流量估值法釐定，此估值法須對按介乎最優惠利率減1厘至最優惠利率之利率貼現進行假設，亦無使用盈利增長因素。最優惠利率界定為渣打銀行不時報價之港元最優惠利率。

就於美國註冊之私人機構發行之非上市股本證券以及會社債券而言，由於估計該等股本證券及會社債券的合理公平值時所需考慮之假設因素範圍甚廣，董事會認為未能可靠地衡量其公平值，故此該等股本證券和會社債券按結算日之成本扣除減值虧損入賬。於二零零八年十二月三十一日止年度，本集團確認與非上市股本證券有關之減值虧損為78,881,000港元。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

32. ADVANCES TO INVESTEE COMPANIES AND A MINORITY SHAREHOLDER

- (a) The advance made to an investee company, of approximately HK\$377,000 (2007: HK\$330,000), with principal purpose of providing second mortgage for a property development project, which is unsecured and interest-bearing at the prevailing market rate. The advance is not repayable within one year and is therefore shown as non-current. The advance made to another investee company, of approximately HK\$332,124,000 (2007: HK\$309,725,000) with principal purpose of providing fund for a property development project at West Kowloon Reclamation Area, which is unsecured and interest-free. The advance is not repayable within one year and is therefore shown as non-current.

The Directors consider that the fair values of the advances to investee companies at the balance sheet date approximate their carrying amounts.

- (b) The advance made to a minority shareholder is unsecured and interest-free. The advance is not repayable within one year and is therefore shown as non-current.

The Directors consider that the fair value of the advance to a minority shareholder at the balance sheet date, determined based on the present value of the estimated future cash flows discounted using prevailing market rate at the balance sheet date, approximates to its carrying amount.

32. 墊付接受投資公司及一名少數股東款項

- (a) 墊付一間接受投資公司款項約377,000港元(二零零七年:330,000港元),主要為一項物業發展項目提供二按,該款項乃無抵押及按當時之市場利率計息。由於墊款不會於一年內償還,故列作非流動性質。墊付另一間接受投資公司款項約332,124,000港元(二零零七年:309,725,000港元),主要為西九龍填海區之物業發展項目提供資金,該款項乃無抵押及免息。由於墊款不會於一年內償還,故列作非流動性質。

董事會認為墊付接受投資公司款項於結算日之公平值與其賬面值相若。

- (b) 墊付一名少數股東款項乃無抵押及免息。由於墊款不會於一年內償還,故列作非流動性質。

墊付一名少數股東款項於結算日之公平值乃按結算日之當時市場利率貼現其估計未來現金流量而計算出之現值釐定,董事會認為於結算日該公平值與其賬面值相若。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

33. LOANS RECEIVABLE

33. 應收貸款

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Long term loans receivable, secured	有抵押之應收長期貸款		
Non-current	非流動性質	60,129	61,300
Current	流動性質	112	583
		60,241	61,883
Other loans and advances, unsecured	無抵押之其他貸款及墊款	5	3
		60,246	61,886
Less: Amounts due within one year shown under current assets	減：一年內到期並列作流動資產之款項	(117)	(586)
Amounts due after one year	一年後到期之款項	60,129	61,300

Loans receivable comprise:

應收貸款包括：

	Maturity date	Collateral	Effective interest rate	Carrying amounts	
	到期日	抵押	實際利率	賬面值	
				2008	2007
				HK\$'000	HK\$'000
				千港元	千港元
Loans receivable	2 years – 15 years	Properties	Prime rate		
應收貸款	兩年至十五年	物業	最優惠利率	450	2,092
Loans receivable	1 year	Nil	Fixed rate		
應收貸款	一年	無	固定利率	5	3
Loans receivable	19th January, 2010	Unlisted equity securities	Prime – 1%		
應收貸款	二零一零年一月十九日	非上市股本證券	最優惠利率減一厘	59,791	59,791
				60,246	61,886

The Directors consider that the fair value of the Group's loans receivable approximates their carrying amounts.

董事會認為本集團應收貸款之公平值與其賬面值相若。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

34. OTHER FINANCIAL ASSETS

(a) Pledged deposits

The amount represents deposits pledged to banks and other financial institutions to secure credit facilities granted to the Group. Deposits amounting to approximately HK\$378,483,000 (2007: HK\$406,492,000) have been pledged to secure short-term borrowings and are therefore classified as current assets. The remaining deposits amounting to approximately HK\$99,599,000 (2007: HK\$79,217,000) have been pledged to secure long-term borrowings and are therefore classified as non-current assets.

The deposits carry interest rate at the prevailing market rate. The pledged deposits will be released upon the settlement of relevant borrowings. The fair value of the deposits at the balance sheet date approximates to the corresponding carrying amount.

(b) Securities trading receivables and deposits

Securities trading receivables and deposits are mainly amounts due from clearing house, brokers and clients. The fair value of the securities trading receivables and deposits at the balance sheet date approximates to the corresponding carrying amount.

(c) Time deposits, bank balances and cash

The deposits carry interest rate at the prevailing bank savings deposits rate and mature within 1 month. The Directors consider that the fair value of the time deposits, bank balances and cash at the balance sheet date approximates to the corresponding carrying amount.

34. 其他金融資產

(a) 抵押存款

此款額指抵押予銀行及其他金融機構，作為給予本集團信貸之存款。378,483,000 港元（二零零七年：406,492,000 港元）之存款已作為短期借貸之抵押，並因此被分類為流動資產。餘下約 99,599,000 港元存款（二零零七年：79,217,000 港元）已作為長期貸款之抵押，並因此被分類為非流動資產。

以上存款計息，利率為當時市場之利率。此抵押存款將於有關借貸獲償還時解除。此存款於結算日之公平值與其相關賬面值相若。

(b) 應收證券交易賬項及存款

應收證券交易賬項及存款主要為應收結算所、證券經紀及客戶款項。此應收證券交易賬項及存款於結算日之公平值與其相關賬面值相若。

(c) 定期存款、銀行結餘及現金

存款之利率為當時銀行之存款利率，並於一個月內到期。董事會認為定期存款、銀行結餘及現金於結算日之公平值與其相關賬面值相若。

35. STOCK OF PROPERTIES

Completed properties	完成物業
Properties under development held for sales	持作出售之發展中物業
Less: Impairment loss recognised	減：已確認減值虧損

35. 物業存貨

2008	2007
HK\$'000	HK\$'000
千港元	千港元
289,700	228,616
5,120,262	4,032,313
5,409,962	4,260,929
(464,467)	(479,467)
4,945,495	3,781,462

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

35. STOCK OF PROPERTIES (cont'd)

At 31st December, 2008, the Directors reviewed the carrying amounts of the properties under development held for sales with reference to current market situation and the estimated selling price of the properties under development held for sales provided by Norton Appraisals. No impairment loss recognised was made during the year ended 31st December, 2008 and 2007.

36. INVESTMENTS HELD-FOR-TRADING

Investments held-for-trading comprise:

Listed investments:

- Equity securities listed in Hong Kong
- Equity securities listed elsewhere

上市投資：

- 於香港上市之股本證券
- 於其他地區上市之股本證券

35. 物業存貨 (續)

於二零零八年十二月三十一日，董事會參考持作出售之發展中物業之現時市場環境及由普敦國際提供之估計賣價，審閱持作出售之發展中物業之賬面值。於二零零八年及二零零七年十二月三十一日止年度內概無確認任何減值虧損。

36. 持作買賣之投資

持作買賣之投資包括：

2008	2007
HK\$'000	HK\$'000
千港元	千港元

–	173,063
–	194,690
–	<u>367,753</u>

The fair values of the investments held-for-trading are determined based on the quoted market bid prices available on the relevant stock exchanges.

37. EQUITY-LINKED NOTE

Equity-linked note is designated as financial assets at fair value through profit or loss.

Carrying amounts analysed for reporting purposes as:

Current

流動性質

2008	2007
HK\$'000	HK\$'000
千港元	千港元

–	<u>101,516</u>
---	----------------

持作買賣之投資之公平值乃根據相關證券交易所之市場買入報價釐定。

37. 股票掛鈎票據

股票掛鈎票據被分類為按公平值計入收益表之金融資產。

用作報告用途之賬面值分析：

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

37. EQUITY-LINKED NOTE (cont'd)

Major term of the equity-linked note is as follows:

Notional amount

名義數額

US\$20,000,000

20,000,000美元

The equity-linked note had a contract period of 24 months and is callable, bearing interest at 20.2% per annum with guaranteed coupon in the first quarter. The equity-linked note was linked with an overseas listed equity securities at a predetermined strike price and expired on 22nd February, 2008.

The equity-linked note was exposed to stock price risk, time risk and implied volatility risk of the underlying stock but was not exposed to the fluctuation in foreign currency exchange rate of the underlying stock. At 31st December, 2007 the fair value adjustment to the note was mainly related to the fair value of stock price and the strike price of the underlying stock. The time risk and implied volatility risk were minimal to the fair value of the note. Accordingly, the stock price risk was considered as the main and the direct risk factor which affect the fair value of the note.

The equity-linked note was measured at fair value at balance sheet date. Its fair value was determined based on the quoted bid price provided by the securities' broker for equivalent instruments at balance sheet date.

38. INVENTORIES FOR COSMETIC PRODUCTS

Finished goods	製成品
Raw materials	原材料
Total	合計

As at 31st December, 2008, all inventories were stated at the lower of cost and net realisable value.

37. 股票掛鈎票據 (續)

股票掛鈎票據之主要內容如下：

Maturity

到期日

2008

二零零八年

股票掛鈎票據具有二十四個月之合約期，且可贖回，其年息為20.2厘，並隨附首季度之保證息票。股票掛鈎票據以預定行使價與一隻海外上市股本證券掛鈎，並已於二零零八年二月二十二日到期。

股票掛鈎票據須承擔股票價格風險、時間風險及掛鈎股票引伸波幅風險，但並無掛鈎股票外幣兌換率波動風險。於二零零七年十二月三十一日，該票據之公平值調整主要與股票價格公平值及掛鈎股票行使價有關。時間風險及引伸波幅風險對該票據之公平值之影響極微。因此，股票價格風險被認為影響該票據公平值之主要及直接風險因素。

股票掛鈎票據於結算日以公平值計量，其公平值乃根據證券經紀於結算日提供之相等工具買入報價釐定。

38. 化妝品存貨

	2008	2007
	HK\$'000	HK\$'000
	千港元	千港元
	2,881	1,257
	545	168
	3,426	1,425

於二零零八年十二月三十一日，所有存貨按成本及可變現淨值兩者中較低者列賬。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

39. DEBTORS, DEPOSITS AND PREPAYMENTS

39. 應收賬項、按金及預付款項

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Trade receivables	應收貿易賬項	44,040	129,938
Less: Allowance for doubtful debts	減：呆賬撥備	(8,687)	(10,499)
		35,353	119,439
Other receivable, deposits and prepayments	其他應收款項、按金及預付款項	188,086	179,994
		223,439	299,433

Included in trade receivables mainly comprised of rental receivables billed in advance and properties sales proceeds receivables.

應收貿易賬項主要包括預先開單之應收租金及物業銷售應收款項。

The Group maintains a defined credit policy to assess the credit quality of each counterparty. The collection is closely monitored to minimise any credit risk associated with these trade debtors. Considerations in respect of sold properties are payable by the purchasers pursuant to the terms of the sales and purchase agreements. Rental in respect of leased properties are payable in advance by the tenants. Other trade debtors settle their accounts according to the payment terms as stated in the respective contracts.

本集團已制訂明確之信貸政策，以評估每名交易對手之信貸質素。本集團密切監察收款情況，務求盡量減低有關該等應收貿易賬項之信貸風險。買方須根據買賣協議之條款支付已售物業之代價。租賃物業之租金須由租戶預先支付。其他貿易債務人根據個別合約內列明之付款條款清償賬項。

The following is an aged analysis of trade receivables (net of allowance for doubtful debts) at the balance sheet date:

應收貿易賬項（扣除呆賬撥備）於結算日之賬齡分析如下：

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
0 – 30 days	零至三十日	18,634	103,443
31 – 60 days	三十一日至六十日	3,024	1,216
61 – 90 days	六十一日至九十日	1,890	1,391
Over 90 days	九十日以上	11,805	13,389
		35,353	119,439

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

39. DEBTORS, DEPOSITS AND PREPAYMENTS (cont'd)

The following is an aged analysis of trade receivables which are past due but not impaired:

0 – 30 days	零至三十日
31 – 60 days	三十一日至六十日
61 – 90 days	六十一日至九十日
Over 90 days	九十日以上
Total	合計

Movement in the allowance for doubtful debts:

Balance at beginning of the year	於年初時之結餘
Amounts written off as uncollectible	以不可收回撇銷之款項
Amounts recovered during the year	本年度已收回款項
Impairment losses recognised (reversed) in respect of trade receivables	就應收貿易賬項確認(撥回)之 減值虧損
Balance at end of the year	於年結時之結餘

For those past due but not impaired receivables, although no collateral is held, the Group has assessed the creditworthiness, past payment history and substantial settlement after the balance sheet date, and considers that the amounts are still recoverable and no further credit provision is required in excess of allowance for doubtful debts. Trade receivables over 90 days amounting to HK\$11,740,000 (2007: HK\$13,357,000) are sufficiently covered by rental deposits received from the respective tenants and no allowance is required for these receivables under the Group's allowance policy.

Trade receivables which are neither overdue nor impaired are in good quality.

The Directors consider that the fair value of the Group's debtors, deposits and prepayments at the balance sheet date were approximate their carrying amounts.

39. 應收賬項、按金及預付款項 (續)

已逾期但未被減值之應收貿易賬項之賬齡分析如下：

	2008 HK\$'000 千港元	2007 HK\$'000 千港元
0 – 30 days	8,395	4,932
31 – 60 days	2,950	1,013
61 – 90 days	1,884	1,306
Over 90 days	11,740	13,357
Total	24,969	20,608

呆賬準備之變動：

	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Balance at beginning of the year	10,499	16,622
Amounts written off as uncollectible	(1,926)	(5,832)
Amounts recovered during the year	(41)	–
Impairment losses recognised (reversed) in respect of trade receivables	155	(291)
Balance at end of the year	8,687	10,499

就已逾期但無減值之應收款項而言，雖然並無抵押，本集團已就其信譽、過往還款記錄及於結算日後之主要結賬作出評估，並認為該數額仍可收回，無需要作進一步（多於呆賬撥備）之信貸撥備。超過90日之應收貿易賬項11,740,000港元（二零零七年：13,357,000港元）足以被所收該等客戶之租金訂金所保障，根據本集團之撥備政策，無須為該等應收款項作出撥備。

既無逾期亦無減值之應收貿易賬項之質素良好。

董事會認為本集團於結算日之應收賬項、按金及預付款項之公平值與其賬面值相若。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

40. DERIVATIVE FINANCIAL INSTRUMENTS

40. 衍生金融工具

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Liabilities	負債		
Financial liabilities, held-for-trading	持作買賣之金融負債		
Interest rate swap	利率掉期合約	24,432	50,851

Major term of the interest rate swap is as follows:

Notional amount**名義數額**

US\$100,000,000

100,000,000美元

Under the terms of the 12-year interest rate swap agreement, the Group receives interest from the counterparty at a fixed rate of 12% in the first year and will receive interest at floating rate, which is calculated by reference to the USD yield curves spread, for the remaining life of the interest rate swap period. The Group will pay interest at floating rate calculated by reference to 3-month USD LIBOR throughout the interest rate swap period to the counterparty.

The swap is most sensitive to the following market parameters: USD interest rate risk, USD yield curves spread risk and USD interest rate volatility risk. The fair value of the swap will drop when (a) the USD interest rate increases; (b) the USD yield curves flattens or gets inverted; or (c) the USD interest rate volatility decreases, and vice versa. The magnitudes of sensitivity to these market parameters have been estimated at the balance sheet date as follows:

- If the USD interest rate shifts up in parallel by 1 basis point, the fair value of the swap will decrease by 3.5 basis points.
- If the USD yield curves (30 years against 10 years) flatten by 1 basis point, the fair value of the swap will decrease by 22 basis points.
- If the USD interest rate volatility decreases by 100 basis points, the fair value of the swap will decrease by 35 basis points.

The swap is measured at fair value at each balance sheet date. Its fair value is determined based on the quoted price provided by the securities' broker for equivalent instruments at the balance sheet date.

利率掉期合約之主要內容如下：

Maturity**到期日**

13th January, 2017

二零一七年一月十三日

在為期十二年之利率掉期合約條款之安排下，本集團首年自結算對手所收款項以固定利率12厘計息，合約餘下期間則以浮動利率（經參考美元收益率曲線差價而釐定）計息。本集團將於利率掉期合約生效期間向結算對手支付參照三個月美元按倫敦銀行同業拆息率之浮動利率計算之利息。

掉期合約最受下列市場參素影響：美元利率風險、美元收益率曲線差價風險以及美元利率波幅風險。當(a)美元利率上升時；(b)美元收益率曲線趨平或反向時；或(c)美元利率波幅減弱時，掉期合約之公平值將下降，反之亦然。該等市場參素之影響程度於結算日估計如下：

- 倘美元利率水平方向向上升1個基點，掉期合約之公平值將下降3.5個基點。
- 倘美元收益率曲線（三十年比十年）平移1個基點，掉期合約之公平值將下降22個基點。
- 倘美元利率波幅減少100個基點，掉期合約之公平值將下降35個基點。

掉期合約於各結算日以公平值計量。其公平值乃根據證券經紀於結算日提供之相等工具報價釐定。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

41. CREDITORS AND ACCRUALS

Included in creditors and accruals are trade payables of approximately HK\$141,563,000 (2007: HK\$43,765,000).

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

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
0 – 90 days	零至九十日	111,874	38,243
Over 90 days	九十日以上	29,689	5,522
		141,563	43,765

The Directors consider that the fair value of the Group's creditors and accruals at the balance sheet date was approximately their carrying amounts.

42. BORROWINGS

Secured bank loans repayable within a period of: 須於下列期間償還之

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
	有抵押銀行貸款:		
Less than 1 year	一年以下	3,163,925	2,771,741
More than 1 year but within 2 years	一年以上但不超逾兩年	2,350,783	1,180,588
More than 2 years but within 5 years	兩年以上但不超逾五年	5,979,300	8,192,557
Over 5 years	五年以上	175,175	7,444
		11,669,183	12,152,330
Other secured loans repayable within 1 year	須於一年內償還之 其他有抵押貸款	-	177,528
		11,669,183	12,329,858
Less: Amounts due within one year	減: 於一年內到期之款項	(3,163,925)	(2,949,269)
Amounts due after one year	一年後到期之款項	8,505,258	9,380,589

The bank loans are variable-rate borrowings which carry interest ranging from HIBOR+0.37% to HIBOR+1.5% (2007: HIBOR+0.37% to HIBOR+0.8%) per annum.

41. 應付賬項及應計款項

應付賬項及應計款項包括應付貿易賬項約 141,563,000 港元 (二零零七年: 43,765,000 港元)。

應付貿易賬項於結算日之賬齡分析如下:

	2008 HK\$'000 千港元	2007 HK\$'000 千港元
0 – 90 days	111,874	38,243
Over 90 days	29,689	5,522
	141,563	43,765

董事會認為本集團於結算日之應付賬項及應計款項之公平值與其賬面值相若。

42. 借貸

	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Secured bank loans repayable within a period of:		
Less than 1 year	3,163,925	2,771,741
More than 1 year but within 2 years	2,350,783	1,180,588
More than 2 years but within 5 years	5,979,300	8,192,557
Over 5 years	175,175	7,444
	11,669,183	12,152,330
Other secured loans repayable within 1 year	-	177,528
	11,669,183	12,329,858
Less: Amounts due within one year	(3,163,925)	(2,949,269)
Amounts due after one year	8,505,258	9,380,589

該等銀行貸款均為浮息借貸，年息按香港銀行同業拆息加 0.37 厘至加 1.5 厘不等 (二零零七年: 香港銀行同業拆息加 0.37 厘至加 0.8 厘不等) 計算。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

42. BORROWINGS (cont'd)

The other loans are variable-rate borrowings which carry interest of inter-bank borrowing rate +0.2% (2007: inter-bank borrowing rate +0.2%) per annum.

The Directors consider that the fair value of the Group's borrowings approximate their carrying amounts.

The Group's borrowings that are denominated in currency other than HK\$ are set out below:

Swiss Franc 瑞士法郎

42. 借貸 (續)

其他貸款為浮息借貸，年息按銀行同業拆息加0.2厘（二零零七年：銀行同業拆息加0.2厘）計算。

董事會認為本集團借貸之公平值與其賬面值相若。

本集團以港元以外貨幣計算之借貸如下：

2008	2007
CHF\$'000	CHF\$'000
千瑞士法郎	千瑞士法郎

-	25,605
---	--------

43. PROVISIONS

Contingency provision 或然事項撥備

At 1st January 於一月一日

Provision for the year 本年度撥備

At 31st December 於十二月三十一日

43. 撥備

2008	2007
HK\$'000	HK\$'000
千港元	千港元

16,017	16,017
---------------	--------

37	-
-----------	---

16,054	16,017
---------------	--------

Note: The provision represents construction cost determined by the management's best estimate of the Group's liability on contingency claims by a third party to whom a property under development project was previously disposed of.

附註：撥備指按管理層就一名第三者對早前售出之發展中物業項目作出或然索償而產生之本集團負債所作出之最佳估計而釐定之建築成本。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

44. CONVERTIBLE BONDS

- (a) In April and May 2005, the Company issued zero coupon convertible bonds (the "2005 Convertible Bonds") with maturity date in 2010 and principal amount of HK\$1,750,000,000 and HK\$60,000,000 respectively.

The 2005 Convertible Bonds are convertible on or after 20th May, 2005 up to and including 20th March, 2010 into fully paid ordinary shares with a par value of HK\$0.10 each of the Company at conversion price of HK\$7.37 per share, subject to adjustment. Unless previously redeemed, converted, purchased and cancelled, the 2005 Convertible Bonds will be redeemed at 100% of their principal amount on 20th April, 2010.

The 2005 Convertible Bonds contain two components, liability and equity elements. Upon the application of HKAS 32, the 2005 Convertible Bonds were split between the liability and equity elements. The equity element is presented in equity heading "Convertible bonds – equity reserve". The effective interest rate of the liability component is 4.38%.

During the year ended 31st December, 2007, HK\$4,000,000 in principal of the 2005 Convertible Bonds had been converted into 573,888 ordinary shares. In accordance with Condition 8 of the Terms and Conditions of the 2005 Convertible Bonds, the Company has an option to redeem the outstanding 2005 Convertible Bonds on 21st May, 2007 at 100% of the principal amount. On 20th April, 2007, the Company gave notice to the bondholders of the outstanding 2005 Convertible Bonds to request early redemption. All outstanding of the 2005 Convertible Bonds in principal amount of HK\$318,500,000 had been executed the right to convert into shares of the Company (the "Conversion Right"). The Company took the option by cash settlement to satisfy the Conversion Right in HK\$ in full. Accordingly, all outstanding of the 2005 Convertible Bonds were settled by cash of approximately HK\$571,700,000 in May and June 2007. There was no outstanding of the 2005 Convertible Bonds as at 31st December, 2007.

44. 可換股債券

- (a) 本公司分別於二零零五年四月及五月發行本金額為1,750,000,000港元及60,000,000港元之於二零一零年到期之零息可換股債券（「二零零五年可換股債券」）。

二零零五年可換股債券可於二零零五年五月二十日或之後直至二零一零年三月二十日（包括該日）以換股價每股7.37港元（可予調整）兌換為本公司每股面值0.10港元之繳足股款普通股。除非先前已經贖回、兌換、購買及註銷，否則二零零五年可換股債券將於二零一零年四月二十日按其本金額之100%贖回。

二零零五年可換股債券包含兩個部分－負債及權益部分。於應用香港會計準則第32號時，二零零五年可換股債券已劃分為負債及權益部分。權益部分於「可換股債券權益儲備」中以權益呈列。負債部分之實際利率為4.38厘。

於二零零七年十二月三十一日止年度，二零零五年可換股債券4,000,000港元本金額已兌換為573,888股普通股。根據二零零五年可換股債券條款及條件之第8項條件，本公司有權選擇於二零零七年五月二十一日按本金額之100%贖回未行使之二零零五年可換股債券。於二零零七年四月二十日，本公司向未行使之二零零五年可換股債券之債券持有人發出要求提早贖回之通知。本金額為318,500,000港元之未行使二零零五年可換股債券已全數行使兌換本公司股份之權利（「換股權」）。本公司以港元悉數行使現金結算選擇權以支付換股權。因此，未行使之二零零五年可換股債券已於二零零七年五月及六月悉數以現金約571,700,000港元結算。於二零零七年十二月三十一日，並無未行使之二零零五年可換股債券。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

44. CONVERTIBLE BONDS (cont'd)

- (b) During the year ended 31st December, 2008, the Group further acquired 36.51% equity interest of G-Prop which was previously recognised as an associate of the Group at 31st December, 2007. Accordingly, the Group holds 50.20% shareholding of G-Prop and G-Prop became a subsidiary of the Group.

G-Prop issued in the aggregate principal amount of HK\$180,000,000 HK\$ denominated zero coupon convertible bonds (the "2008 Convertible Bonds") to Asian Kingdom and Fame Ascent (collectively referred to as the "Bondholders") on 25th October, 2007.

Each 2008 Convertible Bonds entitles the Bondholders to convert to one ordinary share of G-Prop at a conversion price of HK\$0.162 subject to adjustment. Conversion may occur at any time between 25th October, 2007 and 24th October, 2010. If the 2008 Convertible Bonds have not been converted, it will be redeemed on the date of maturity at the principal amount of the 2008 Convertible Bonds then outstanding.

During the year ended 31st December, 2008, Fame Ascent entered into a sale and purchase agreement with Mass Rise Limited ("Mass Rise"), an indirect wholly-owned subsidiary of the Company, in which Mass Rise agreed to purchase 36.51% equity interests in G-Prop and part of the 2008 Convertible Bonds from Fame Ascent. Following completion of the transaction, HK\$72,000,000 of the 2008 Convertible Bonds was held by Asian Kingdom and HK\$108,000,000 of the 2008 Convertible Bonds was held by Mass Rise respectively. On 31st October, 2008, G-Prop redeemed the 2008 Convertible Bonds at the principal amount of HK\$180,000,000 in full at 100% outstanding principal amount by cash. The 2008 Convertible Bonds so redeemed has been cancelled simultaneously. At 31st December, 2008, there is no outstanding of the 2008 Convertible Bonds.

44. 可換股債券 (續)

- (b) 於二零零八年十二月三十一日止年度，本集團進一步收購金匡（之前於二零零七年十二月三十一日被確認為本集團之聯營公司）36.51%股權。因此，本集團持有金匡50.20%股權，金匡因而成為本集團之附屬公司。

金匡於二零零七年十月二十五日發行本金總額180,000,000港元之港元零息可換股債券（「二零零八年可換股債券」）予Asian Kingdom及名昇（統稱為「債券持有人」）。

債券持有人有權以每股換股價0.162港元（可予調整）將每份二零零八年可換股債券兌換為一股金匡普通股。於二零零七年十月二十五日至二零一零年十月二十四日期間任何時間可進行兌換。倘二零零八年可換股債券未被兌換，則於到期日按當時未行使之二零零八年可換股債券本金額贖回該等債券。

於二零零八年十二月三十一日止年度，名昇與本公司之間接全資附屬公司巨昇有限公司（「巨昇」）訂立買賣協議，據此，巨昇同意向名昇購買金匡36.51%股權及部分二零零八年可換股債券。該項交易完成後，Asian Kingdom持有72,000,000港元之二零零八年可換股債券，而巨昇則持有108,000,000港元之二零零八年可換股債券。於二零零八年十月三十一日，金匡已按未行使本金額之100%按本金額180,000,000港元以現金悉數贖回二零零八年可換股債券。按此贖回之二零零八年可換股債券已同時註銷。於二零零八年十二月三十一日，概無未行使之二零零八年可換股債券。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

44. CONVERTIBLE BONDS (cont'd)

(c) Movement of the liability component of the 2005 Convertible Bonds and the 2008 Convertible Bonds for the year is set out below:

		HK\$'000 千港元
Liability component of the 2005 Convertible Bonds at 1st January, 2007	二零零五年可換股債券於二零零七年一月一日之負債部分	279,689
Conversion into ordinary shares	已兌換為普通股	(3,475)
Imputed interest expense for the year	本年度之名義利息開支	4,050
Conversion of the 2005 Convertible Bonds by cash settlement	以現金結算方式兌換二零零五年可換股債券	(280,264)
Liability component of the 2005 Convertible Bonds at 31st December, 2007	二零零五年可換股債券於二零零七年十二月三十一日之負債部分	-
Additions of the 2008 Convertible Bonds arising from acquisition of subsidiaries	收購附屬公司所產生增添之二零零八年可換股債券	144,682
Purchase part of the 2008 Convertible Bonds	購入部分二零零八年可換股債券	(88,558)
Imputed interest expense for the year	本年度之名義利息開支	5,305
Redemption during the year	本年度贖回	(61,429)
Liability component of the 2008 Convertible Bonds at 31st December, 2008	二零零八年可換股債券於二零零八年十二月三十一日之負債部分	-

45. AMOUNTS DUE TO ASSOCIATES AND MINORITY SHAREHOLDERS

Both the amounts due to associates and minority shareholders are unsecured. Except for the amount due to one minority shareholder which is interest bearing at the prevailing market rate, the amounts due to associates and the remaining minority shareholders are interest-free. The associates and minority shareholders will not demand for repayment within one year from the balance sheet date and the amounts are therefore shown as non-current. The Directors consider that the fair value of the amounts as at the balance sheet date, determined based on the present values of the estimated future cash flows discounted using the prevailing market rates at the balance sheet date, approximate their carrying amounts.

44. 可換股債券 (續)

(c) 二零零五年可換股債券及二零零八年可換股債券之負債部分於本年度之變動載列如下:

45. 欠負聯營公司及少數股東款項

欠負聯營公司及少數股東款項均為無抵押。除欠負一名少數股東之款項乃按當時市場利率計息外，欠負聯營公司及其他少數股東款項均為免息。該等聯營公司及少數股東不會於結算日起一年內要求償還，故該等款項列作非流動性質。該等款項於結算日之公平值乃按結算日之當時市場利率貼現其估計未來現金流量而計算出之現值，董事會認為於結算日該公平值與其賬面值相若。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

46. DEFERRED TAXATION

The followings are the major deferred tax liabilities (assets) provided (recognised) by the Group and movements thereon during the current and prior reporting years:

46. 遞延稅項

以下為本集團於本年度及過往報告年度作出撥備(確認)之主要遞延稅項負債(資產)及其變動:

		Convertible bonds	Revaluation of investment properties	Accelerated tax depreciation	Fair value adjustment on acquisition of subsidiaries	Tax losses	Total
		可換股債券	投資物業重估	加速稅項折舊	收購 附屬公司之 公平值調整	稅務虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1st January, 2007	於二零零七年一月一日	-	4,462,805	11,535	-	(86,049)	4,388,291
Addition through acquisition of a subsidiary	透過收購一間 附屬公司添置	-	-	(75)	-	-	(75)
Realise on disposal of a subsidiary	出售一間附屬公司時撥回	-	(2,021)	(1,779)	-	1,626	(2,174)
Charge (credit) to consolidated income statement	於綜合收益表扣除(撥回)	-	985,836	11,394	-	(5,259)	991,971
At 31st December, 2007	於二零零七年 十二月三十一日	-	5,446,620	21,075	-	(89,682)	5,378,013
Addition through acquisition of subsidiaries	透過收購附屬公司添置	5,704	3,102	-	9,853	(95)	18,564
Effect in change in tax rate	稅率變動之影響	-	(296,252)	(1,151)	-	5,074	(292,329)
(Credit) charge to consolidated income statement	於綜合收益表(撥回)扣除	(1,632)	(1,279,249)	(33,440)	-	9,550	(1,304,771)
Charge to equity	於股本權益扣除	-	139	-	-	-	139
Redemption of the 2008 Convertible Bonds	贖回二零零八年 可換股債券	(4,072)	-	-	-	-	(4,072)
Realise on disposal of subsidiaries	出售附屬公司時撥回	-	-	-	(9,853)	-	(9,853)
At 31st December, 2008	於二零零八年 十二月三十一日	-	3,874,360	(13,516)	-	(75,153)	3,785,691

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

46. DEFERRED TAXATION (cont'd)

For the purposes of balance sheet presentation, certain deferred tax liabilities and deferred tax assets have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Deferred tax liabilities	遞延稅項負債	3,882,381	5,444,587
Deferred tax assets	遞延稅項資產	(96,690)	(66,574)
		3,785,691	5,378,013

At the balance sheet date, the Group has the following major unrecognised deferred tax assets due to the unpredictability of the future profit streams.

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Accelerated tax depreciation	加速稅項折舊	(24,673)	(1,639)
Tax losses	稅務虧損	(284,835)	(332,573)
		(309,508)	(334,212)

The unrecognised tax losses may be carried forward indefinitely.

46. 遞延稅項 (續)

為資產負債表之呈列，若干遞延稅項負債及遞延稅項資產已經對銷。就財務報告用途之遞延稅項結餘分析如下：

於結算日，本集團有以下因難以預料未來溢利而未確認之主要遞延稅項資產。

未確認之稅務虧損可能無限期結轉。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

47. SHARE CAPITAL

47. 股本

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

於本年度內本公司股本變動如下：

		Number of shares		Share capital	
		2008	2007	2008	2007
				HK\$'000	HK\$'000
				千港元	千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股				
Authorised:	法定股本：				
At 1st January and 31st December	於一月一日及十二月三十一日	5,000,000,000	5,000,000,000	500,000	500,000
Issued and fully paid:	已發行及繳足股本：				
At 1st January	於一月一日	2,300,443,378	2,259,809,483	230,044	225,981
Issue of ordinary shares in lieu of 2006 final cash dividend	代替二零零六年末期現金股息而發行之普通股	-	23,829,941	-	2,383
Issue of ordinary shares in lieu of 2007 interim cash dividend	代替二零零七年中期現金股息而發行之普通股	-	16,230,066	-	1,623
Issue of ordinary shares in lieu of 2007 final cash dividend (Note i)	代替二零零七年末期現金股息而發行之普通股 (附註i)	3,822,246	-	382	-
Issue of ordinary shares in lieu of 2008 interim cash dividend (Note i)	代替二零零八年中期現金股息而發行之普通股 (附註i)	357,455	-	36	-
Repurchase of ordinary shares (Note ii)	購回普通股 (附註ii)	(226,873,000)	-	(22,687)	-
Issue of ordinary shares from conversion of convertible bonds	轉換可換股債券而發行之普通股	-	573,888	-	57
At 31st December	於十二月三十一日	2,077,750,079	2,300,443,378	207,775	230,044

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

47. SHARE CAPITAL (cont'd)

Notes:

- (i) In June and October 2008, 3,822,246 shares and 357,455 shares of HK\$0.10 each were issued by the Company at HK\$12.56 per share and HK\$10.952 per share as scrip dividend respectively.
- (ii) During the year ended 31st December, 2008, the Company repurchased its own ordinary shares on the Stock Exchange as follows:

Month of Repurchases 進行購回之月份	No. of ordinary shares repurchased 所購回普通股數目	Price per share 每股價格		Aggregate consideration paid 已付總代價 HK\$'000 千元	
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元		
March 2008	二零零八年三月	1,959,000	11.70	11.40	22,811
May 2008	二零零八年五月	2,820,000	13.30	13.10	37,355
June 2008	二零零八年六月	11,888,000	11.80	10.72	134,171
July 2008	二零零八年七月	19,546,000	12.12	11.16	223,825
August 2008	二零零八年八月	58,078,000	11.26	10.64	639,076
September 2008	二零零八年九月	94,207,000	10.96	9.04	971,141
October 2008	二零零八年十月	16,917,000	9.48	6.13	137,688
November 2008	二零零八年十一月	14,601,000	6.04	4.60	78,653
December 2008	二零零八年十二月	6,857,000	6.80	5.47	43,140

The above ordinary shares were cancelled upon repurchase. None of the Company's subsidiaries had repurchased, sold or redeemed any of the Company's listed shares during the year.

48. ACQUISITION OF SUBSIDIARIES

(a) Acquisition of G-Prop (Holdings) Limited and its subsidiaries

As at 31st December, 2007, the Group held 13.69% interest in G-Prop, a listed company in Hong Kong. On 5th February, 2008, the Group further acquired 36.51% interest in G-Prop, which result G-Prop became a 50.20% indirectly owned subsidiary of the Company after the acquisition, at a consideration of approximately HK\$120,777,000.

47. 股本 (續)

附註：

- (i) 於二零零八年六月及十月，本公司分別發行 3,822,246 股及 357,455 股每股面值 0.10 港元之股份以代替股息，發行價分別為每股 12.56 港元及每股 10.952 港元。
- (ii) 於二零零八年十二月三十一日止年度，本公司於聯交所購回其普通股，詳情如下：

上述普通股已於購回時註銷。本公司各附屬公司於本年度概無購回、出售或贖回本公司任何上市股份。

48. 收購附屬公司

(a) 收購金匡企業有限公司及其附屬公司

於二零零七年十二月三十一日，本集團持有香港上市公司金匡之 13.69% 權益。於二零零八年二月五日，本集團以代價約 120,777,000 港元進一步收購金匡之 36.51% 權益，進行收購後，金匡成為本公司持有 50.20% 權益之間接附屬公司。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

48. ACQUISITION OF SUBSIDIARIES (cont'd)

48. 收購附屬公司(續)

(a) Acquisition of G-Prop (Holdings) Limited and its subsidiaries (cont'd)

(a) 收購金匡企業有限公司及其附屬公司(續)

The net assets acquired in the transaction are as follows:

交易中所收購之資產淨值如下:

		Carrying amounts before the acquisition	Fair value adjustments	Fair value
		收購前之 賬面值 HK\$'000 千港元	公平值調整 HK\$'000 千港元	公平值 HK\$'000 千港元
Net assets acquired:	收購資產淨值:			
Investment properties	投資物業	31,000	-	31,000
Property and other fixed assets	物業及其他固定資產	2,156	-	2,156
Properties under development	發展中物業	2,040	-	2,040
Prepaid lease payments	預付租賃款項	62,565	-	62,565
Tax recoverable	可收回稅項	106	-	106
Debtors, deposits and prepayments	應收賬項、按金及 預付款項	115,508	-	115,508
Time deposits, bank balances and cash	定期存款、銀行結餘及 現金	311,257	-	311,257
Creditors and accruals	應付賬項及應計款項	(2,025)	-	(2,025)
Deposits and receipts in advance	按金及預先收取款項	(419)	-	(419)
Tax payable	應付稅項	(462)	-	(462)
Convertible bonds	可換股債券	(144,682)	-	(144,682)
Deferred tax liabilities	遞延稅項負債	(18,564)	-	(18,564)
Convertible bonds equity reserve	可換股債券權益儲備	(30,234)	-	(30,234)
		<u>328,246</u>	<u>-</u>	<u>328,246</u>
50.20% net assets acquired	所收購資產淨值之50.20%			164,780
Interests in associates held prior to the acquisition	收購前持有之 聯營公司權益			(49,672)
Goodwill	商譽			<u>6,291</u>
Total consideration	總代價			<u>121,399</u>
Satisfied by:	以下列方式支付:			
Cash consideration paid	已付現金代價			120,777
Expenses incurred for acquisition	收購產生之開支			<u>622</u>
				<u>121,399</u>
Net cash inflow arising on acquisition:	收購所產生之現金流入 淨額:			
Bank balances and cash acquired	所收購之銀行結餘及現金			311,257
Cash consideration paid	已付現金代價			(120,777)
Expenses incurred for acquisition	收購產生之開支			<u>(622)</u>
				<u>189,858</u>

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

48. ACQUISITION OF SUBSIDIARIES (cont'd)

(a) Acquisition of G-Prop (Holdings) Limited and its subsidiaries (cont'd)

Details of the acquisition were disclosed in the Company's joint announcement dated 7th March, 2008.

G-Prop contributed approximately HK\$66,000 loss to the Group for the period from the date of acquisition to the balance sheet date. If the acquisition had been completed on 1st January, 2008, the revenue and loss of G-Prop contributed to the Group would have been HK\$6,790,000 and HK\$28,000 respectively. The proforma information is for illustrative purposes only and is not necessarily an indication of revenue and results of the Group that actually would have been achieved had the acquisition been completed on 1st January, 2008, nor is it intended to be a projection of future results.

(b) Acquisition of The House of Kwong Sang Hong International Limited

On 29th June, 2007, the Group acquired 100% equity interest of The House of Kwong Sang Hong International Limited (which is engaged in manufacturing and retailing of cosmetic products) from an 50% associate for consideration of approximately HK\$20,000,000.

48. 收購附屬公司 (續)

(a) 收購金匡企業有限公司及其附屬公司 (續)

收購之詳情披露於本公司於二零零八年三月七日發出之聯合公布內。

金匡由收購日至結算日期間為本集團帶來虧損約66,000港元。倘收購於二零零八年一月一日完成，金匡為本集團帶來之收入及虧損分別應為6,790,000港元及28,000港元。備考資料僅作參考用途，並非本集團如於二零零八年一月一日完成收購實際可得收入及業績之指標，亦不擬預測未來之業績。

(b) 收購The House of Kwong Sang Hong International Limited

於二零零七年六月二十九日，本集團以代價約20,000,000港元向一間擁有50%權益的聯營公司收購The House of Kwong Sang Hong International Limited (主要從事化妝品的製造及零售)之100%股本權益。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

48. ACQUISITION OF SUBSIDIARIES (cont'd)

48. 收購附屬公司 (續)

(b) Acquisition of The House of Kwong Sang Hong International Limited (cont'd)

(b) 收購The House of Kwong Sang Hong International Limited (續)

The net assets acquired in the transaction are as follows:

交易中所收購之資產淨值如下：

		Carrying amount before the acquisition	Fair value adjustment	Fair value
		收購前之 賬面值	公平值 調整	公平值
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Net assets acquired:	收購資產淨值：			
Properties and other fixed assets	物業及其他固定資產	76	-	76
Trademark	商標	-	14,300	14,300
Deferred tax assets	遞延稅項資產	75	-	75
Inventories for cosmetic products	化妝品存貨	1,555	-	1,555
Debtors, deposits and prepayments	應收賬項、按金及預付款項	1,865	-	1,865
Bank balances and cash	銀行結餘及現金	2,912	-	2,912
Creditors and accruals	應付賬項及應計款項	(159)	-	(159)
		<u>6,324</u>	<u>14,300</u>	<u>20,624</u>
Discount on acquisition of a subsidiary	收購一間附屬公司折讓			<u>(624)</u>
Total consideration	總代價			<u>20,000</u>
Satisfied by:	以下列方式支付：			
Cash	現金			<u>20,000</u>
Net cash outflow arising on acquisition:	收購所產生之現金流出淨額：			
Cash consideration paid	已付現金代價			(20,000)
Bank balances and cash acquired	所收購之銀行結餘及現金			<u>2,912</u>
				<u>(17,088)</u>

Details of the acquisition were disclosed in the Company's announcement dated 3rd July, 2007.

收購之詳情披露於本公司於二零零七年七月三日發出之公布內。

The House of Kwong Sang Hong International Limited contributed approximately HK\$204,000 to the Group's loss for the period from the date of acquisition to the balance sheet date.

The House of Kwong Sang Hong International Limited由收購日至結算日期間為本集團帶來虧損約204,000港元。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

49. DISPOSAL OF SUBSIDIARIES

(a) Disposal of Big Winner Investments Limited and its subsidiaries

During the year ended 31st December, 2008, G-Prop (a 50.20% interest subsidiary of the Company) entered into a sale and purchase agreement with Fame Ascent to dispose of its subsidiaries, Big Winner Investments Limited and its subsidiaries (the "Big Winner Group", which is engaged in production and sale of methanol), at a total consideration of approximately HK\$183,699,000.

The net assets of the Big Winner Group at the date of disposal were as follows:

		2008
		HK\$'000
		千港元
Property and other fixed assets	物業及其他固定資產	3,181
Properties under development	發展中物業	2,182
Prepaid lease payments	預付租賃款項	66,091
Deposits and prepayments	按金及預付款項	115,546
Bank balances and cash	銀行結餘及現金	11,324
Creditors and accruals	應付賬項及應計款項	(1,071)
Loan from an intermediate holding company	中間控股公司之貸款	(183,842)
Deferred tax liabilities	遞延稅項負債	(9,853)
		<hr/>
		3,558
Release of translation reserve	撥回換算儲備	(9,761)
Gain on disposal of subsidiaries	出售附屬公司之收益	3,870
		<hr/>
		(2,333)
		<hr/> <hr/>
Satisfied by:	以下列方式支付:	
Cash	現金	183,699
Loan from an intermediate holding company	中間控股公司之貸款	(183,842)
Expenses incurred for disposal	出售所產生之開支	(2,190)
		<hr/>
		(2,333)
		<hr/> <hr/>
Net cash inflow arising on disposal:	出售時產生之現金流入淨額:	
Cash consideration	現金代價	183,699
Expenses incurred for disposal	出售所產生之開支	(2,190)
Bank balances and cash disposed of	已出售之銀行結餘及現金	(11,324)
		<hr/>
		170,185
		<hr/> <hr/>

The impact of the Big Winner Group on the Group's result and cash flows in the current and prior years are disclosed in Note 12.

49. 出售附屬公司

(a) 出售尊尚投資有限公司及其附屬公司

於二零零八年十二月三十一日止年度，金匡（本公司持有50.20%權益之附屬公司）與名昇訂立買賣協議，以總代價約183,699,000港元出售其附屬公司尊尚投資有限公司及其附屬公司（「尊尚集團」，其業務為生產及銷售甲醇）。

尊尚集團於出售日期之資產淨值如下：

		2008
		HK\$'000
		千港元
Property and other fixed assets	物業及其他固定資產	3,181
Properties under development	發展中物業	2,182
Prepaid lease payments	預付租賃款項	66,091
Deposits and prepayments	按金及預付款項	115,546
Bank balances and cash	銀行結餘及現金	11,324
Creditors and accruals	應付賬項及應計款項	(1,071)
Loan from an intermediate holding company	中間控股公司之貸款	(183,842)
Deferred tax liabilities	遞延稅項負債	(9,853)
		<hr/>
		3,558
Release of translation reserve	撥回換算儲備	(9,761)
Gain on disposal of subsidiaries	出售附屬公司之收益	3,870
		<hr/>
		(2,333)
		<hr/> <hr/>
Satisfied by:	以下列方式支付:	
Cash	現金	183,699
Loan from an intermediate holding company	中間控股公司之貸款	(183,842)
Expenses incurred for disposal	出售所產生之開支	(2,190)
		<hr/>
		(2,333)
		<hr/> <hr/>
Net cash inflow arising on disposal:	出售時產生之現金流入淨額:	
Cash consideration	現金代價	183,699
Expenses incurred for disposal	出售所產生之開支	(2,190)
Bank balances and cash disposed of	已出售之銀行結餘及現金	(11,324)
		<hr/>
		170,185
		<hr/> <hr/>

尊尚集團於本年度及過往年度對本集團業績及現金流量的影響於附註12內披露。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

49. DISPOSAL OF SUBSIDIARIES (cont'd)

49. 出售附屬公司(續)

(b) Disposal of 15.11% interest of G-Prop (Holdings) Limited

On 7th June, 2007, the Group had disposed 15.11% interest in a subsidiary, G-Prop, by placing at a consideration of approximately HK\$180,000,000, resulting in a gain on disposal of approximately HK\$158,212,000. Accordingly, the Group's shareholding in G-Prop had decreased from 50.1% to 34.99%. G-Prop therefore ceased to be a subsidiary and became an associate of the Group.

(b) 出售金匡企業有限公司之15.11%權益

於二零零七年六月七日，本集團以代價約180,000,000港元以配售方式出售於一間附屬公司(金匡)之15.11%權益，出售帶來之收益約為158,212,000港元。因此，本集團於金匡之股權由50.1%降至34.99%。因此金匡不再為本集團之附屬公司，而成為本集團之聯營公司。

The net assets of G-Prop at the date of disposal were as follows:

金匡於出售日期之資產淨值如下：

		HK\$'000 千港元
Net assets disposed of:	出售資產淨值：	
Investment properties	投資物業	35,600
Available-for-sale investments	待售投資	100
Debtors, deposits and prepayments	應收賬項、按金及預付款項	7,536
Time deposit, bank balances and cash	定期存款、銀行結餘及現金	98,460
Creditors and accruals	應付賬項及應計款項	(1,236)
Deposits and receipts in advance	按金及預先收取款項	(8,418)
Deferred tax liabilities	遞延稅項負債	(2,174)
		<hr/>
Net assets	資產淨值	129,868
49.9% minority interest	49.9%少數股東權益	(64,769)
		<hr/>
The Group's share of net assets	本集團攤佔資產淨值	65,099
Share of net assets disposed of	攤佔已出售資產淨值	(18,424)
Dividend approved before and paid after disposal	於出售前批准及於出售後派付之股息	(3,976)
		<hr/>
		42,699
Advance to associate	墊付聯營公司款項	(30)
		<hr/>
Share of net assets owned by the Group after disposal (included in interests in associates)	攤佔本集團於出售後擁有之資產淨值 (已計入聯營公司權益)	42,669
		<hr/>
Share of net assets disposed of	攤佔已出售資產淨值	18,424
Expenses incurred for disposal	出售產生之開支	3,364
Gain on disposal of a subsidiary	出售一間附屬公司之收益	158,212
		<hr/>
Total consideration	總代價	180,000
		<hr/>
Net cash inflow arising on disposal:	出售時產生之現金流入淨額：	
Cash consideration	現金代價	180,000
Dividend received from the disposed subsidiary	自己出售附屬公司收取之股息	3,976
Expenses incurred for disposal	出售產生之開支	(3,364)
Bank balances and cash disposed of	已出售之銀行結餘及現金	(98,460)
		<hr/>
		82,152
		<hr/>

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

50. MAJOR NON-CASH TRANSACTIONS

During the year ended 31st December, 2008, the Company issued and allotted a total of 3,822,246 ordinary shares and 357,455 ordinary shares of HK\$0.10 each at HK\$12.56 and HK\$10.952 each respectively in lieu of cash for the 2007 final and 2008 interim dividends totalling HK\$51,921,000 (as referred to Notes 19 and 47).

During the year ended 31st December, 2007, the Group had the following major non-cash transactions:

- (a) The Company issued and allotted a total of 23,829,941 ordinary shares and 16,230,066 ordinary shares of HK\$0.10 each at HK\$11.628 and HK\$11.532 each respectively in lieu of cash for the 2006 final and 2007 interim dividends totalling HK\$464,260,000 (as referred to Note 47).
- (b) The 2005 Convertible Bonds with an aggregate principal amount of HK\$4,000,000 were converted into 573,888 ordinary shares of HK\$0.10 each of the Company.

50. 主要非現金交易

於二零零八年十二月三十一日止年度，本公司分別以每股12.56港元及10.952港元發行及配發每股面值0.10港元之普通股共3,822,246股及357,455股，以代替二零零七年末期及二零零八年中期之現金股息總額51,921,000港元（參見附註19及47）。

於二零零七年十二月三十一日止年度，本集團之主要非現金交易如下：

- (a) 本公司分別以每股11.628港元及11.532港元發行及配發每股面值0.10港元之普通股共23,829,941股及16,230,066股，以代替二零零六年末期及二零零七年中期之現金股息總額464,260,000港元（參見附註47）。
- (b) 本金總額為4,000,000港元之二零零五年可換股債券已兌換為本公司每股面值0.10港元之普通股573,888股。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

51. PLEDGE OF ASSETS

At the balance sheet date, the carrying amounts of the assets pledged by the Group to secure general banking and other loan facilities and to secure the derivative financial instruments transaction, granted to the Group are analysed as follows:

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Investment properties	投資物業	28,643,220	37,048,548
Property and other fixed assets	物業及其他固定資產	60,289	47,635
Prepaid lease payments	預付租賃款項	319,552	239,229
Stock of properties	物業存貨	2,995,196	561,938
Investments held-for-trading	持作買賣之投資	-	194,690
Non-current pledged deposits	非流動抵押存款	99,599	79,217
Current pledged deposits	流動抵押存款	378,483	406,492
		32,496,339	38,577,749

In addition, the Group has subordinated and assigned its advance to an associate and advance to an investee company of approximately HK\$1,275,036,000 (2007: HK\$1,152,022,000) to financial institutions to secure banking general credit facilities granted to an associate and an investee company and interests in certain subsidiaries of the Company have been pledged as part of the security to secure certain bank borrowings granted to the Group.

51. 資產抵押

於結算日，本集團為取得可供本集團動用之一般銀行信貸及其他貸款以及衍生金融工具交易而抵押之資產賬面值分析如下：

此外，本集團已就一間聯營公司及一間接受投資公司獲授之銀行一般信貸將其墊付一間聯營公司及一間接受投資公司款項約1,275,036,000港元（二零零七年：1,152,022,000港元）轉歸及授讓財務機構，而於本公司若干附屬公司之權益則已質押作為本集團獲授若干銀行借貸之部分抵押。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

52. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

52. 資本承擔及或然負債

(a) Capital commitments:

(a) 資本承擔：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Authorised and contracted for:	已批准及已簽約：		
Development expenditure of properties in Hong Kong	香港物業發展開支	1,269,073	460,080
Development expenditure of properties in Mainland China	中國大陸物業發展開支	724,969	126,637
Development expenditure of properties in Macau	澳門物業發展開支	36,412	51,780
Renovation of properties	翻新物業	268,571	276,546
		2,299,025	915,043
Authorised but not contracted for:	已批准但未簽約：		
Development expenditure of properties in Hong Kong	香港物業發展開支	205,320	163,113
Renovation of properties	翻新物業	-	224
		205,320	163,337

(b) Contingent liabilities:

(b) 或然負債：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Guarantees given to bank, in respect of banking facilities utilised by an associate/an investee company	為一間聯營公司／一間接受投資公司獲授之銀行信貸額向銀行提供之擔保	1,069,650	1,069,650
Guarantee given to a bank in respect of banking facilities in lieu of the cash public utility deposit jointly utilised by subsidiaries	為多間附屬公司獲授銀行共用之信貸額以取替現金公用事務存款而向銀行提供之擔保	10,000	10,000
		1,079,650	1,079,650

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

52. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES (cont'd)

(c) Risk management

The Group has established adequate risk management procedures that enable it to identify, measure, monitor and control the various types of risk it faces. This is supplemented by active management involvement, effective internal controls and adequate internal audits in the best interests of the Group.

53. OPERATING LEASES

The Group as lessee

Minimum lease payments paid under operating leases in respect of premises during the year	本年度就有關物業之營業租約支付之最低租金款額	
---	------------------------	--

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

Within one year	於一年內	
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	

Operating lease payments represent rentals payable by the Group for certain of its office properties. Leases are negotiated for an average term of 1 to 2 years.

52. 資本承擔及或然負債(續)

(c) 風險管理

本集團已制訂一套完善的風險管理程序，以識別、衡量、監察及控制其面對的各類風險，並輔以積極的管理層參與、有效的內部監控及足夠的內部審核，以保障本集團的最佳利益。

53. 營業租約

本集團為承租人

2008	2007
HK\$'000	HK\$'000
千港元	千港元

1,044	603
--------------	-----

於結算日，本集團就不可撤銷營業租約之日後最低租金款額之承擔於下列期間到期：

2008	2007
HK\$'000	HK\$'000
千港元	千港元

1,171	810
907	1,028

2,078	1,838
--------------	-------

營業租約租金指本集團就其若干寫字樓物業應付之租金。租約平均每一至兩年商議一次。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

53. OPERATING LEASES (cont'd)

The Group as lessor

Property rental income earned during the year was approximately HK\$961,578,000 (2007: HK\$773,331,000) less outgoings of approximately HK\$62,229,000 (2007: HK\$72,304,000).

The investment properties of the Group are expected to generate annual rental yields of 2.35% to 8.93% (2007: 2.18% to 9.09%) on an ongoing basis. All of the properties held have committed tenants not exceeding five years.

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

Within one year	於一年內
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)
Over five years	五年以上

53. 營業租約(續)

本集團為出租人

於本年度賺取之物業租金收入約為961,578,000港元(二零零七年:773,331,000港元),扣除開支約62,229,000港元(二零零七年:72,304,000港元)。

本集團之投資物業預期可持續取得每年2.35%至8.93%(二零零七年:2.18%至9.09%)之租金收益率。所持物業之所有租戶承擔租期均不超過五年。

於結算日,本集團已與租戶就下列期間之日後最低租金款額訂約:

2008	2007
HK\$'000	HK\$'000
千港元	千港元
929,236	746,961
804,413	690,961
12,668	-
1,746,317	1,437,922

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

54. RETIREMENT BENEFIT SCHEMES

The Group participates in both a defined contribution scheme which is registered under the Occupational Retirement Schemes Ordinance (the "ORSO Scheme") and a Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Mandatory Provident Fund Schemes Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were offered a choice of staying in the ORSO Scheme or switching to the MPF Scheme, whereas all new employees joining the Group on or after 1st December, 2000 are required to join the MPF Scheme. For the MPF Scheme, the Group contributes 5% of relevant payroll costs to the MPF Scheme, which contribution is matched by the employees and the Group. The maximum relevant payroll costs for contribution purpose is HK\$20,000 per month. Staff members are entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefits are required by law to be preserved until the retirement age of 65. For the ORSO Scheme, the Group contributes 5% to 10% of relevant payroll costs to the ORSO Scheme and the contribution by employees is at 5%. Staff members are entitled to 100% of the Group's contributions together with accrued returns after completing 10 years of service or more, or attaining the retirement age, or are entitled at a reduced scale between 30% to 90% of the Group's contributions after completing a period of service of at least 3 years but less than 10 years.

The total costs charged to the consolidated income statement of approximately HK\$4,310,000 (2007: HK\$4,465,000) represent contributions payable to these schemes by the Group for the year.

54. 退休福利計劃

本集團參與一項根據職業退休計劃條例註冊界定之供款計劃（「職業退休計劃」）及於二零零零年十二月推行一項根據強制性公積金計劃條例成立之強制性公積金計劃（「強積金計劃」）。該等計劃之資產與本集團之資產分開持有，並由受託人管理。於強積金計劃成立前，屬職業退休計劃成員之僱員可選擇繼續參加職業退休計劃或轉為參加強積金計劃，而於二零零零年十二月一日或之後加入本集團之新僱員均須參加強積金計劃。本集團就強積金計劃向強積金計劃作出有關薪酬成本之5%供款，與僱員及本集團之供款相同。就供款而言，有關薪酬成本上限為每月20,000港元。不論其於本集團之服務年期，僱員均可取得100%本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡65歲方可領取。就職業退休計劃而言，本集團向職業退休計劃作出有關薪酬成本之5%至10%供款，而僱員則作出5%供款。僱員於服務滿10年或以上或到退休年齡時方可取得100%本集團供款連同應計回報，而服務年期滿3年但不足10年之僱員則可按遞減比例取得30%至90%本集團供款。

於綜合收益表扣除之總費用約為4,310,000港元（二零零七年：4,465,000港元），即本集團於本年度向該等計劃應付之供款。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

55. MATERIAL RELATED PARTY TRANSACTIONS

Saved as disclosed in elsewhere in the consolidated financial statements, the Group had the following material transactions with related parties during the year:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Income received from associates:	已收聯營公司之收入：		
Secretarial fee	秘書費用	11	7
Office and retail rental	寫字樓及零售物業租金	275	668
Building management fee	大廈管理費	-	36
Management fee	管理費	112	48
Interest income	利息收入	7,332	8,969
Administration fee	行政費	25	162
Accountancy fee	會計費	120	120
Rent, building management fee and rates paid to associates	已付聯營公司之租金、大廈管理費及差餉	1,600	614
Imputed interest expenses relating to convertible bonds issued to a private company owned by a Director	向由一名董事擁有一間私人公司發行可換股債券相關之名義利息支出	3,556	-
Consideration paid to an associate for acquisition of a subsidiary	就收購一間附屬公司支付一間聯營公司之代價	-	20,000
Consideration received from an associate for disposals of investment properties	就出售投資物業收取一間聯營公司之代價	-	29,280

Secretarial fee, administration fee and accountancy fee were charged based on an appropriate allocation of costs incurred by central administrative departments of the Group. Office and retail rental, rent and rates, and building management fee were determined on terms similar to those applicable to transactions with unrelated parties. Management fee was charged at the terms agreed by both parties. Interest income was charged at the prevailing market rate based on outstanding balance during the year. Consideration paid for acquisition and consideration received for disposals were reference to open market value.

On 31st October, 2008, G-Prop redeemed the 2008 Convertible Bonds in principal amount of HK\$72,000,000 in full by cash, which was held by Asian Kingdom, a private company owned by a Director.

Details of the balances with related parties as at the balance sheet date are set out in Notes 29 and 45 above.

Key management personnel remuneration

Remuneration for key management personnel is disclosed in Notes 16 and 17 to the consolidated financial statements. The remuneration of the Directors and senior executives is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

55. 重大關連人士交易

除綜合財務報表其他部分已披露者外，本集團於本年度與關連人士進行以下重大交易：

秘書費用、行政費及會計費乃按本集團之中央行政部門所產生之成本之適當分配而收取。寫字樓及零售物業租金、租金及差餉以及大廈管理費乃按與無關連人士交易適用之類似條款而釐定。管理費乃根據雙方協定之條款收取。利息收入乃根據本年度內未償還結餘按當時市場利率計算。就收購支付之代價及就出售收取之代價乃參照公開市值計算。

於二零零八年十月三十一日，金匡以現金悉數贖回Asian Kingdom（由一名董事擁有一間私人公司）所持本金額72,000,000港元之二零零八年可換股債券。

於結算日，與關連人士之交易結餘詳情載於上文附註29及45。

主要管理人員酬金

主要管理人員酬金於綜合財務報表附註16及17內披露。董事及高級行政人員之酬金由薪酬委員會參考個別人士表現及市場趨勢後釐定。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

56. PARTICULARS OF PRINCIPAL SUBSIDIARIES

56. 主要附屬公司詳情

The Directors are of the opinion that a complete list of the particulars of all subsidiaries would be of excessive length and therefore the following list contains only the subsidiaries as at 31st December, 2008 which principally affected the results or assets of the Group.

董事會認為列出全部附屬公司資料會令篇幅過於冗長。故此，下表只披露於二零零八年十二月三十一日對本集團之業績或資產有重要影響之附屬公司之詳情。

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本/ 註冊資本	Proportion of nominal value of paid-up capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Alpha Team Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Investment holding 投資控股
Baharica Limited	Hong Kong 香港	Ordinary 普通股	HK\$20 20港元	–	100%	Property investment 物業投資
Billion Up Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Investment holding 投資控股
Bingo Power Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Securities investment 證券投資
Cardin Factory Limited 嘉丹廠有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Property development and trading 物業發展及買賣
Chi Cheung Investment Company, Limited* 至祥置業有限公司*	Hong Kong 香港	Ordinary 普通股	HK\$3,387,659.87 3,387,659.87港元	–	61.96%	Investment holding 投資控股
Chinese Estates, Limited 華人置業有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1,000 1,000港元	100%	–	Investment holding and provision of management services 投資控股及提供管理服務
Chinese Estates (Harcourt House) Limited	Hong Kong 香港	Ordinary 普通股	HK\$200 200港元	–	100%	Property investment 物業投資

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

56. PARTICULARS OF PRINCIPAL SUBSIDIARIES
(cont'd)

56. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本/ 註冊資本	Proportion of nominal value of paid-up capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Chinese Estates (Tung Ying Building) Limited	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Property investment 物業投資
Chinese Estates (Windsor House) Limited	Hong Kong 香港	Ordinary 普通股 Non-voting deferred 無投票權遞延股	HK\$100 100港元 HK\$2 2港元	–	100%	Property investment 物業投資
Conduit Road Development Limited 干德道發展有限公司	Hong Kong 香港	Ordinary 普通股	HK\$10,000 10,000港元	–	70%	Property development 物業發展
Country Homes Limited	Hong Kong 香港	Ordinary 普通股 Non-voting deferred ordinary 無投票權 遞延普通股 Non-voting deferred founder 無投票權 遞延創立人股	HK\$200 200港元 HK\$164,400 164,400港元 HK\$1,000 1,000港元	–	100%	Property investment 物業投資
Country Honour Limited 國賢有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Property investment 物業投資
Dollar Union Limited 金怡彩有限公司	Hong Kong 香港	Ordinary 普通股	HK\$100 100港元	–	87.5%*	Property development and trading 物業發展及買賣

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

56. PARTICULARS OF PRINCIPAL SUBSIDIARIES
(cont'd)

56. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本/ 註冊資本	Proportion of nominal value of paid-up capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Everbright Pacific Ltd.	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Securities investment 證券投資
Evergo China Holdings Limited	Bermuda/Hong Kong 百慕達/香港	Ordinary 普通股	HK\$100,775,869.10 100,775,869.10港元	–	100%	Investment holding 投資控股
Evergo Holdings Company Limited 愛美高集團有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1,000 1,000港元	–	100%	Investment holding 投資控股
Fair City Limited 振城有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Property development and trading 物業發展及買賣
Fair Eagle Finance Credit Limited 天發金融有限公司	Hong Kong 香港	Ordinary 普通股	HK\$10,000,000 10,000,000港元	–	100%	Securities margin financing 證券保證金融資
Fair Eagle Futures Company Limited 天發期貨有限公司	Hong Kong 香港	Ordinary 普通股	HK\$5,000,000 5,000,000港元	–	100%	Brokering and dealing in futures contracts 期貨合約經紀及買賣
Fair Eagle Securities Company Limited 天發證券有限公司	Hong Kong 香港	Ordinary 普通股	HK\$228,000,000 228,000,000港元	–	100%	Provision of brokerage 提供經紀服務
Fancy Mark Limited (Business name: Fancy Mark Capital Limited) (業務名稱: Fancy Mark Capital Limited)	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$1 1美元	–	100%	Securities investment 證券投資
First Aim Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Property investment 物業投資

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

56. PARTICULARS OF PRINCIPAL SUBSIDIARIES
(cont'd)

56. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本/ 註冊資本	Proportion of nominal value of paid-up capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
G-Prop (Holdings) Limited* 金匡企業有限公司*	Bermuda/ Hong Kong 百慕達/ 香港	Ordinary 普通股	HK\$20,282,550.08 20,282,550.08港元	–	50.20%	Investment holding 投資控股
Global Stage Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Securities investment 證券投資
Global Young Holdings Ltd.	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Property investment 物業投資
Grand Silver Limited (Business name: Grand Silver Capital Limited) (業務名稱: Grand Silver Capital Limited)	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$1 1美元	–	70.01%	Property development 物業發展
Grandhall Secretarial Services Limited 均豪秘書服務有限公司	Hong Kong 香港	Ordinary 普通股	HK\$10,000 10,000港元	–	100%	Secretarial services 秘書服務
Great Empire International Ltd.	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Investment holding 投資控股
Great Will Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Property investment 物業投資
Groupluck Company Limited	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Money lending 放債
High Victory Limited 高勝有限公司	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Investment holding 投資控股

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

56. PARTICULARS OF PRINCIPAL SUBSIDIARIES
(cont'd)

56. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本/ 註冊資本	Proportion of nominal value of paid-up capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Hillsborough Holdings Limited	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$1 1美元	–	100%	Property investment 物業投資
Luckpoint Investment Limited 樂邦投資有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Investment holding 投資控股
Lucky Guide International Limited 冠林國際有限公司	Hong Kong 香港	Ordinary 普通股	HK\$6 6港元	–	51%	Property investment 物業投資
Lucky Well Investments Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Securities investment 證券投資
Mass Rise Limited 巨昇有限公司 (Business name: 巨昇資本有限公司) (業務名稱: 巨昇資本有限公司)	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$1 1美元	–	100%	Investment holding 投資控股
Million Point Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Investment holding 投資控股
Modern City Investment Limited 新城鎮投資有限公司	Hong Kong 香港	Ordinary 普通股	HK\$4 4港元	–	75%	Property investment 物業投資
Moon Ocean Ltd.	British Virgin Islands 英屬維爾京群島	Ordinary 普通股 Non-voting deferred 無投票權遞延股	US\$7,001 7,001美元 US\$2,999 2,999美元	–	70.01%	Property development 物業發展

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

56. PARTICULARS OF PRINCIPAL SUBSIDIARIES (cont'd)

56. 主要附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本/ 註冊資本	Proportion of nominal value of paid-up capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Moregift Investments Limited	Hong Kong 香港	Ordinary 普通股	HK\$10,000 10,000港元	–	100%	Property investment 物業投資
Oriental Ford Finance Limited 律豐財務有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Money lending 放債
Oriental Kingdom Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Securities investment 證券投資
Paul Y. (New Tunnel) Limited 保華(新隧道)有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Investment holding 投資控股
Paul Y. Holdings Company Limited	Cayman Islands/ Hong Kong 開曼群島/ 香港	Ordinary 普通股	HK\$70,715,005.70 70,715,005.70港元	100%	–	Investment holding 投資控股
Perfect World Company Limited 忠信物業管理有限公司	Hong Kong 香港	Ordinary 普通股	HK\$10,000 10,000港元	–	100%	Estate management 物業管理
Pinecrest International Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Investment holding 投資控股
Pioneer Time Investment Limited	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$1 1美元	–	100%	Property investment 物業投資

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

56. PARTICULARS OF PRINCIPAL SUBSIDIARIES
(cont'd)

56. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本/ 註冊資本	Proportion of nominal value of paid-up capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Rich Honour Limited 豐鴻有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Investment holding 投資控股
Silver Step Limited 銀途有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Property development and trading 物業發展及買賣
Silvercord Limited 銀高有限公司	Hong Kong 香港	Ordinary 普通股	HK\$14,600 14,600港元	–	100%	Property investment 物業投資
Sky Rainbow Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Securities investment 證券投資
Smart Ocean Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Investment holding 投資控股
Speed Win Limited 迅運有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Property development and trading 物業發展及買賣
Stable Castle Limited 安太有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	–	100%	Property investment 物業投資
Sun Power Investments Ltd.	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$1 1美元	–	100%	Securities investment 證券投資

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

56. PARTICULARS OF PRINCIPAL SUBSIDIARIES
(cont'd)

56. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本/ 註冊資本	Proportion of nominal value of paid-up capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Sunny Ocean Limited (Business name: Sunny Ocean Investments Limited) (業務名稱: Sunny Ocean Investments Limited)	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$1 1美元	–	100%	Property investment 物業投資
Sunny Smart Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Securities investment 證券投資
Super Full Investments Limited 超滿投資有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	–	100%	Securities investment 證券投資
The House of Kwong Sang Hong Limited 廣生堂有限公司	Hong Kong 香港	Ordinary 普通股	HK\$500,000 500,000港元	–	100%	Cosmetics distribution and trading 化妝品分銷及貿易
Topwood Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Securities investment 證券投資
View Success Investments Limited 景亨投資有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	61.96%	Property investment and trading 物業投資及買賣
Viewide Properties Limited	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$1 1美元	–	100%	Property investment 物業投資

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

56. PARTICULARS OF PRINCIPAL SUBSIDIARIES
(cont'd)

56. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本/ 註冊資本	Proportion of nominal value of paid-up capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
愛美高房地產(成都) 有限公司	PRC 中國	Registered 註冊資本	US\$299,600,000 299,600,000美元	–	100%	Property development 物業發展
Evergo Real Estate (chengdu) Company Limited	(wholly foreign- owned enterprise) (外商獨資企業)					
愛美高房地產(上海) 有限公司	PRC 中國	Registered 註冊資本	US\$10,500,000 10,500,000美元	–	100%	Property investment 物業投資
(Evergo Real Estate (Shanghai) Company Limited)	(wholly foreign- owned enterprise) (外商獨資企業)					
愛美高實業(成都) 有限公司	PRC 中國	Registered 註冊資本	US\$449,400,000 449,400,000美元	–	100%	Property development 物業發展
(Evergo Enterprises (Chengdu) Company Limited)	(wholly foreign- owned enterprise) (外商獨資企業)					

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

於年結時及於年度任何時間，並無附屬公司擁有任何債務證券。

Listed company in Hong Kong

香港上市公司

* 75% owned by the Group and 25% owned by Power Jade Limited

* 本集團持有75%及Power Jade Limited持有25%

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

57. PARTICULARS OF PRINCIPAL ASSOCIATES

The Directors are of the opinion that a complete list of the particulars of all associates would be of excessive length and therefore the following list contains only the associates as at 31st December, 2008 which principally affected the results or assets of the Group.

57. 主要聯營公司詳情

董事會認為列出全部聯營公司資料會令篇幅過於冗長。故此，下表只披露於二零零八年十二月三十一日對本集團之業績或資產有重要影響之聯營公司之詳情。

Name of associate 聯營公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本/ 註冊資本	Percentage of equity attributable indirectly to the Group 本集團間接應佔 股本百分比	Principal activities 主要業務
Best Profit Limited 丰佳有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	25%	Property development 物業發展
Direct Win Development Limited 勝榮發展有限公司	Hong Kong 香港	Ordinary 普通股	HK\$900 900港元	33.33%	Property development and trading 物業發展及買賣
Earn Elite Development Limited 盈才發展有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	50%	Property investment 物業投資
Ever Sure Investments Limited 永瑞投資有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	50%	Property development and trading 物業發展及買賣
Finedale Industries Limited 廣坤實業有限公司	Hong Kong 香港	Ordinary 普通股	HK\$9,999 9,999港元	33.33%	Property investment 物業投資
Healthy Point Limited 強邦有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	50%	Property investment 物業投資
		Non-voting preferred 無投票權優先股	HK\$1 1港元		
Power Jade Limited (Business name: Power Jade Capital Limited) (業務名稱: Power Jade Capital Limited)	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$20 20美元	50%	Investment holding 投資控股

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

57. PARTICULARS OF PRINCIPAL ASSOCIATES
(cont'd)

57. 主要聯營公司詳情(續)

Name of associate 聯營公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本/ 註冊資本	Percentage of equity attributable indirectly to the Group 本集團間接應佔 股本百分比	Principal activities 主要業務
Strongplus Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$2 2美元	50%	Investment holding 投資控股
The Kwong Sang Hong International Limited	Bermuda 百慕達	Ordinary 普通股	HK\$100,000 100,000港元	50%	Investment holding 投資控股
Union Empire Limited 協國有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	25%	Property development 物業發展
重慶特靈地產有限公司 Chongqing Champion Globe Company Limited	PRC 中國 (wholly foreign- owned enterprise) (外商獨資企業)	Registered 註冊資本	HK\$1,150,000,000 1,150,000,000港元	25%	Property development 物業發展
重慶彩橋地產有限公司 Chongqing Champion King Company Limited	PRC 中國 (wholly foreign- owned enterprise) (外商獨資企業)	Registered 註冊資本	HK\$650,000,000 650,000,000港元	25%	Property development 物業發展
重慶尖置房地產有限公司 Chongqing Sino Land Company Limited	PRC 中國 (wholly foreign- owned enterprise) (外商獨資企業)	Registered 註冊資本	HK\$1,480,000,000 1,480,000,000港元	25%	Property development 物業發展
東方藝術大廈有限公司 Oriental Arts Building Co. Ltd.	PRC 中國 (Sino-foreign equity joint venture enterprise) (中外合資經營企業)	Registered 註冊資本	US\$24,920,000 24,920,000美元	50%	Property investment and hotel operation 物業投資及酒店經營

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

58. BALANCE SHEET INFORMATION OF THE COMPANY

58. 本公司於結算日之資料

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Investments in subsidiaries	附屬公司投資	5,141,416	5,140,342
Amounts due from subsidiaries	應收附屬公司款項	2,733,412	3,424,825
Other current assets	其他流動資產	5,782,312	2,440,685
Amounts due to subsidiaries	欠負附屬公司款項	(8,625,060)	(4,168,183)
Other current liabilities	其他流動負債	(329)	(603)
Financial guarantee liabilities	財務擔保負債	(4,657)	(5,635)
		<hr/> 5,027,094 <hr/>	6,831,431
Net assets	資產淨值		
		<hr/> 5,027,094 <hr/>	6,831,431
Share capital (Note 47)	股本(附註47)	207,775	230,044
Reserves	儲備	4,819,319	6,601,387
		<hr/> 5,027,094 <hr/>	6,831,431
Total equity	股本權益總額		
		<hr/> 5,027,094 <hr/>	6,831,431

(a) The HKICPA has issued a number of amendments and new interpretations which are effective for the Company's financial year beginning on 1st January, 2008. The application of the amendments and new interpretations had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented.

The Company has undertaken to provide necessary financial resources to support the future operations of the subsidiaries. The Directors are of the opinion that the subsidiaries are financially resourceful in settling obligations.

(b) The carrying amount of the investments in subsidiaries is reduced to their recoverable amounts which are determined by reference to the estimation of future cash flows expected to be generated from the respective subsidiaries.

(a) 香港會計師公會已頒布多項於本公司在二零零八年一月一日開始之財政年度生效之修訂及新詮釋。應用修訂及新詮釋並無對本會計期間或過往會計期間業績及財務狀況之編製及呈報方式構成任何重大影響。

本公司已承諾提供所需財務資源，以支持附屬公司之未來經營。董事會認為，各附屬公司具有足夠財務資源履行責任。

(b) 附屬公司投資賬面值減少至其可收回金額，有關可收回金額乃參考預期來自各附屬公司之估計未來現金流量釐定。

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

For the year ended 31st December, 2008

截至二零零八年十二月三十一日止年度

58. BALANCE SHEET INFORMATION OF THE COMPANY (cont'd)

- (c) The amounts due from (to) subsidiaries are unsecured, interest-free and have no fixed repayment terms. In the opinion of the Directors, the fair values of the amounts due from (to) subsidiaries at 31st December, 2008 approximate their corresponding carrying amounts.
- (d) Profit of the Company for 2008 amounted to approximately HK\$1,258,000,000 (2007: loss of HK\$697,000,000).

59. POST BALANCE SHEET EVENT

On 14th January, 2009, a share award scheme (the "Scheme") was adopted by the shareholders of the Company at the special general meeting. The Scheme is to recognise and reward certain employees for their contributions to the Group and to give long-term incentives for retaining them for the continued operations and development of the Group. For further details, please refer to the Company's circular dated 23rd December, 2008.

60. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

61. AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 16th March, 2009.

58. 本公司於結算日之資料 (續)

- (c) 應收(欠負)附屬公司款項為無抵押、免息及並無固定還款期。董事會認為，應收(欠負)附屬公司款項於二零零八年十二月三十一日之公平值與其相關賬面值相若。
- (d) 本公司於二零零八年之溢利約為1,258,000,000港元(二零零七年：虧損697,000,000港元)。

59. 結算日後事項

於二零零九年一月十四日，本公司股東於股東特別大會上採納股份獎勵計劃(「該計劃」)。該計劃旨在向為本集團作出貢獻之若干僱員給予肯定及回報，並作為吸引其留效本集團，繼續為本集團之營運及發展而努力之長期獎勵。欲了解進一步詳情，請參閱本公司日期為二零零八年十二月二十三日之通函。

60. 比較數字

若干比較數字已經重新分類，以符合本年度之呈列方式。

61. 授權刊發綜合財務報表

董事會已於二零零九年三月十六日批准及授權刊發綜合財務報表。

Five-Year Financial Summary

五年財務概要

Summary of the results, assets and liabilities of the Group for the last five years is as follows:

本集團過去五年之業績、資產與負債概要如下：

		For the year ended 31st December				
		截至十二月三十一日止年度				
		2008	2007	2006	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Results	業績					
Turnover	營業額	1,264,925	4,478,075 (Note 1) (附註1)	4,763,789	2,274,988	5,257,357
(Loss) profit for the year from continuing operations	本年度來自持續經營業務之(虧損)溢利	(1,454,258)	8,332,868	7,557,087	6,454,667	1,658,412
Loss for the year from discontinued operation	本年度來自已終止經營業務之虧損	(1,950)	-	-	-	-
(Loss) profit for the year	本年度(虧損)溢利	(1,456,208)	8,332,868	7,557,087	6,454,667	1,658,412
Attributable to:	應佔:					
Equity holders of the parent	母公司股本權益持有人	(1,494,376)	8,195,857	7,477,345	6,154,572	1,619,085
Minority interests	少數股東權益	38,168	137,011	79,742	300,095	39,327
		(1,456,208)	8,332,868	7,557,087	6,454,667	1,658,412
Basic (loss) earnings per share (HK\$) (Note 2)	每股基本(虧損)盈利(港元)(附註2)	(0.67)	3.60	3.39	3.00	0.78
Final and interim dividends per share (HK cents)	每股末期及中期股息(港仙)	14.5	36	30	21	19.5
Special dividend per share (HK cents)	每股特別股息(港仙)	99.0	-	-	-	-

Notes:

附註:

- During the year ended 31st December, 2008, the Group changed its presentation in the sale of held-for-trading investments to a net basis. Accordingly, the figure for year 2007 has been adjusted to reflect the change as described in Note 7 to the consolidated financial statements.
- The calculation of basic (loss) earnings per share is based on the (loss) profit attributable to equity holders of the parent and on the weighted average number of shares in issue during the relevant years.

- 於二零零八年十二月三十一日止年度，本集團將出售持作買賣投資之呈報方式更改為以淨額基準呈報。因此，更改二零零七年之數字以反映作出之調整誠如綜合財務報表附註7。
- 每股基本(虧損)盈利按母公司股本權益持有人應佔(虧損)溢利及於相關年度發行股份之加權平均數計算。

Five-Year Financial Summary

五年財務概要

		At 31st December				
		於十二月三十一日				
		2008	2007	2006	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Assets and liabilities	資產及負債					
Total assets	資產總值	51,877,539	66,714,307	57,634,327	40,441,292	26,004,971
Total liabilities	負債總額	(16,574,890)	(19,048,774)	(21,671,693)	(16,738,595)	(9,882,692)
		35,302,649	47,665,533	35,962,634	23,702,697	16,122,279
Equity attributable to equity holders of the parent	母公司股本權益持有人應佔股本權益	34,650,593	47,161,638	35,532,698	23,301,520	16,211,794
Minority interests	少數股東權益	652,056	503,895	429,936	401,177	(89,515)
		35,302,649	47,665,533	35,962,634	23,702,697	16,122,279
Net asset value per share to equity holders of the parent (HK\$)	母公司股本權益持有人每股資產淨值 (港元)	16.68	20.50	15.72	11.14	7.99
Number of shares issued	已發行股份數目	2,077,750,079	2,300,443,378	2,259,809,483	2,091,506,780	2,030,214,000

Schedule of Principal Properties

主要物業附表

The following table sets forth the Group's major properties as at 31st December, 2008:

下表載列本集團於二零零八年十二月三十一日之主要物業：

PROPERTIES IN HONG KONG

香港物業

Properties held for investment

持作投資物業

Location 地點	Lot number 地段編號	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
1. Windsor House 311 Gloucester Road Causeway Bay Hong Kong (including 158 car parking spaces) 皇室大廈 香港銅鑼灣告士打道311號 (包括158個車位)	The Remaining Portions of Inland Lot Nos. 7717 and 7718 Section A of Inland Lot No. 781 and Sections A and C of Inland Lot No. 782 內地段7717及7718號 餘下部分 內地段781號A段及 內地段782號A及C段	817,962	Commercial 商業	Long 長期	100%
2. Harcourt House (excluding 7th, 8th, 9th, 22nd, 23rd, 25th, 26th and 27th floors, rooms 1004 and 1805) 39 Gloucester Road Wanchai, Hong Kong 夏慤大廈 香港灣仔告士打道39號 (7、8、9、22、23、25、 26及27樓、1004及1805室除外)	Certain parts or shares of and in Inland Lot No. 8573 內地段8573號之 若干部分或份額	272,478*	Commercial 商業	Long 長期	100%

* Excluding all car parking spaces area
不包括所有車位之面積

Schedule of Principal Properties

主要物業附表

PROPERTIES IN HONG KONG (cont'd)

香港物業(續)

Properties held for investment (cont'd)

持作投資物業(續)

Location 地點	Lot number 地段編號	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
3. MassMutual Tower 38 Gloucester Road Wanchai, Hong Kong (including 55 car parking spaces on lower basement) 美國萬通大廈 香港灣仔告士打道38號 (包括地庫下層之 55個車位)	Certain parts or shares of and in Inland Lot Nos. 3287 and 6936 內地段3287及6936號之 若干部分或份額	345,415*	Commercial 商業	Long 長期	100%
* Excluding all car parking spaces area 不包括所有車位之面積					
4. Tung Ying Building* No. 100 Nathan Road and nos. 1-19A Granville Road Tsimshatsui, Kowloon Hong Kong 東英大廈* 香港九龍尖沙咀 彌敦道100號及 加連威老道1-19A號	The Remaining Portion of Kowloon Inland Lot No. 6022 九龍內地段6022號 餘下部分	403,715 (upon completion of redevelopment) (當完成重建)	Commercial 商業	Medium 中期	100%
* Under redevelopment 重建中					

Schedule of Principal Properties

主要物業附表

PROPERTIES IN HONG KONG (cont'd)

香港物業(續)

Properties held for investment (cont'd)

持作投資物業(續)

Location 地點	Lot number 地段編號	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
5. Silvercord Shops, restaurants and food court on basement shops on lower ground floor ground floor (excluding shop no. 38) 1st floor (excluding shop no. 39) 2nd floor (excluding shop no. 41) the whole 3rd floor and car parking spaces nos. 1, 2, 6, 7, 8, 9, 21, 24, 25, 26, 29, 30, 34 and 35 on basement No. 30 Canton Road Tsimshatsui, Kowloon Hong Kong 新港中心 香港九龍尖沙咀廣東道30號 地庫之商舖、餐廳及美食廣場 地下低層 地下(38號商舖除外) 1樓(39號商舖除外) 2樓(41號商舖除外) 3樓全層之商舖及地庫1、2、6、 7、8、9、21、24、25、26、29、 30、34及35號車位	Certain parts or shares of and in Kowloon Inland Lot No. 10656 九龍內地段10656號之 若干部分或份額	256,133	Commercial 商業	Long 長期	100%

Schedule of Principal Properties

主要物業附表

PROPERTIES IN HONG KONG (cont'd)

香港物業(續)

Properties held for investment (cont'd)

持作投資物業(續)

Location 地點	Lot number 地段編號	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
6. Causeway Place Shops nos. M1, M2, M3, N1, N2, O and P on ground floor shops nos. N2, O and P on mezzanine floor the whole of 1st and 2nd floors and their respective portions of exterior walls, together with flats C, I, J, K, L, N, O, P, Q (each including a flat roof) and H on 3rd floor Hong Kong Mansion nos. 1-7 Paterson Street and nos. 2-10 Great George Street Causeway Bay, Hong Kong 銅鑼灣地帶 香港銅鑼灣 百德新街1-7號及 記利佐治街2-10號 香港大廈 地下M1、M2、M3、N1、N2、 O及P號商舖 閣樓N2、O及P號商舖 1樓及2樓全層 及其各部分之外牆連同 3樓C、I、J、K、L、N、O、P、Q (包括各單位之平台)及H單位	Certain parts or shares of and in Inland Lot No. 7742 內地段7742號之 若干部分或份額	48,897	Residential/ Commercial 住宅／商業	Long 長期	100%

Schedule of Principal Properties

主要物業附表

PROPERTIES IN HONG KONG (cont'd)

香港物業 (續)

Properties held for investment (cont'd)

持作投資物業 (續)

Location 地點	Lot number 地段編號	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
7. Excelsior Plaza Shop nos. 1 to 3 and 6 to 12 on ground floor and unit nos. 6 to 11 on 1st floor of Yee On Building and Shop nos. 21, 23 and 24 on ground floor of Chee On Building together with the external walls on ground floor, 1st floor and 2nd floor and the main roof of Yee On Building Unit G on 2nd floor shop no. 32 (part) on 2nd floor and naming right on ground floor, 1st floor and 2nd floor of Yee On Building Shop no. 31 on 1st floor shop no. 32 (part) on ground floor 1st floor and 2nd floor external walls and naming right on ground floor, 1st floor and 2nd floor and the main roof of Chee On Building Shop no. 32 (part) on 2nd floor external walls and naming right on ground floor, 1st floor and 2nd floor of Annex Land Building 24-26 East Point Road Causeway Bay, Hong Kong 怡東商場 香港銅鑼灣東角道24-26號 怡安大廈地下1至3號商舖及 6至12號商舖 及1樓6至11號單位及 置安大廈地下21、23及24號商舖 連同怡安大廈地下、1樓及2樓外牆 及主要天台 怡安大廈2樓G單位 及2樓32號商舖(部分) 以及地下、1樓及2樓之命名權 置安大廈1樓31號商舖 地下32號商舖(部分) 1樓及2樓之外牆及 地下、1樓及2樓之命名權以及 主要天台 及Annex Land Building 2樓32號商舖(部分) 地下、1樓及2樓之外牆及命名權	Certain parts or shares of and in Sub-section 1 of Section G of Marine Lot No. 52 and the Extension thereto and Section A of Sub-section 1 of Section A of Marine Lot No. 52 and the Extension thereto 海旁地段52號G段1分段及 其延展部分以及 海旁地段52號A段1分段A段及 其延展部分之若干部分或份額 Certain parts or shares of and in Section B of Sub-section 1 of Section A of Marine Lot No. 52 and the Extension thereto and Sub-section 3 of Section G of Marine Lot No. 52 and the Extension thereto the Remaining Portion of Inland Lot No. 469 and the Remaining Portion of Section A of Inland Lot No. 470 海旁地段52號A段1分段B段 及其延展部分 海旁地段52號G段3分段 及其延展部分 內地段469號餘下部分及 內地段470號A段餘下部分之 若干部分或份額 Certain parts or shares of and in Sub-section 2 of Section G of Marine Lot No. 52 and the Extension thereto 海旁地段52號G段2分段 及其延展部分之 若干部分或份額	52,413	Commercial 商業	Long 長期	100%

Schedule of Principal Properties

主要物業附表

PROPERTIES IN HONG KONG (cont'd)

香港物業(續)

Properties held for investment (cont'd)

持作投資物業(續)

Location 地點	Lot number 地段編號	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
8. Wanchai Computer Centre Shops nos. 2 and 3 on ground floor Southorn Centre 150 Hennessy Road and the commercial accommodation on 1st and 2nd floors Southorn Centre 130 Hennessy Road Wanchai, Hong Kong 灣仔電腦城 香港灣仔軒尼詩道150號 修頓中心 地下2及3號商舖 及軒尼詩道130號 修頓中心 1樓及2樓全層商舖	Certain parts or shares of and in Inland Lot No. 8562 內地段8562號之 若干部分或份額	36,716	Commercial 商業	Long 長期	100%
9. Sun Fair Mansions 12 Shiu Fai Terrace Mid-Levels East Hong Kong 新輝大廈 香港東半山 肇輝臺12號	Section M of Inland Lot No. 2302 and the Extension thereto and Section X of Inland Lot No. 2302 and the Extension thereto 內地段2302號M段 及其延展部分 及內地段2302號X段及 其延展部分	39,700	Residential 住宅	Long 長期	100%

Schedule of Principal Properties

主要物業附表

PROPERTIES IN HONG KONG (cont'd)

香港物業(續)

Properties held for investment (cont'd)

持作投資物業(續)

Location 地點	Lot number 地段編號	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
10. Chic Castle Various shops on 1st, 2nd and 3rd floors President Commercial Centre 602-608 Nathan Road Kowloon, Hong Kong Chicの堡 香港九龍彌敦道602-608號 總統商業大廈 1樓、2樓及3樓若干商舖	Certain parts or shares of and in the Remaining Portions of Kowloon Inland Lot Nos. 7061, 7062 and 7063 九龍內地段7061、7062及 7063號餘下部分之 若干部分或份額	4,998	Commercial 商業	Medium 中期	75%
11. Tuen Mun Centre Cinema portion on ground floor, 1st to 3rd floors flat roof on 4th floor portion of external walls of cinema shops nos. 14 and 16 on ground floor Nos. 2-8 Wo Ping Path Nos. 7-35 Yan Ching Street Tuen Mun, New Territories Hong Kong 屯門中心 香港新界屯門 和平徑2-8號 仁政街7-35號 地下、1樓至3樓戲院部分、 4樓平台、部分戲院外牆及 地下14及16號商舖	Certain parts or shares of and in Castle Peak Town Lot No. 57 青山市地段57號之 若干部分或份額	20,048*	Commercial 商業	Medium 中期	50%

* Excluding flat roof area on 4th floor
不包括4樓平台之面積

Schedule of Principal Properties

主要物業附表

PROPERTIES IN HONG KONG (cont'd)

香港物業(續)

Properties held for investment (cont'd)

持作投資物業(續)

Location 地點	Lot number 地段編號	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
12. Gemstar Tower Unit C (including the storeroom thereof) on 13th floor and the roof together with 50 car parking spaces on 1st to 3rd floors No. 23 Man Lok Street Hung Hom, Kowloon Hong Kong 駿昇中心 香港九龍紅磡民樂街23號 13樓C單位(包括其儲物室)及天台與及 1樓至3樓50個車位	Certain parts or shares of and in Hung Hom Inland Lot No. 545 紅磡內地段545號之若干部分或份額	4,850*	Godown 貨倉	Medium 中期	61.96%
* Excluding area of the roof and all car parking spaces 不包括天台及所有車位之面積					
13. Various Portions of No. 1 Hung To Road Kwun Tong, Kowloon Hong Kong (Comprising 352 workshop units and 77 car parking spaces) 香港九龍觀塘 鴻圖道1號若干單位 (包括352個工場單位及77個車位)	Certain parts or shares of and in Kwun Tong Inland Lot No. 415 觀塘內地段415號之若干部分或份額	532,010*	Industrial 工業	Medium 中期	33.33%
* Excluding area of the roof and all car parking spaces 不包括天台及所有車位之面積					

Schedule of Principal Properties

主要物業附表

PROPERTIES IN HONG KONG (cont'd)

香港物業(續)

Properties held for sale

持作出售物業

Location 地點	Lot number 地段編號	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Group's interest 集團 所佔權益
1. York Place No. 22 Johnston Road Wanchai, Hong Kong York Place 香港灣仔 莊士敦道 22 號	Marine Lot No. 296 海旁地段296號	84,806*	Residential/ Commercial 住宅／商業	100%
* Certain units have been sold after 31st December, 2008 若干單位已於二零零八年十二月三十一日後售出				
2. Miami Crescent No. 328 Fan Kam Road Ying Pun, Sheung Shui New Territories, Hong Kong 邁爾豪園 香港新界上水營盤 粉錦公路328號	Certain parts or shares of and in Lot No. 1861 in D.D.100 丈量約份100號 地段1861號之 若干部分或份額	6,798	Residential 住宅	50%
3. Indihome No. 138 Yeung Uk Road Tsuen Wan, New Territories Hong Kong 樂悠居 香港新界荃灣 楊屋道138號	Certain parts or shares of and in the Remaining Portion of Tsuen Wan Town Lot No. 406 荃灣市地段406號 餘下部分之 若干部分或份額	50,933**	Serviced apartments/ Commercial 服務式 住宅／商業	50%

* Certain units have been sold after 31st December, 2008
若干單位已於二零零八年十二月三十一日後售出

* Excluding all car parking spaces area
不包括所有車位之面積

Schedule of Principal Properties

主要物業附表

PROPERTIES IN HONG KONG (cont'd)

香港物業(續)

Properties held for sale (cont'd)

持作出售物業(續)

Location 地點	Lot number 地段編號	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Group's interest 集團 所佔權益
4. Gemstar Tower Units E and F* on 16th floor unit C on 17th floor and units A and C on 18th floor No. 23 Man Lok Street Hung Hom, Kowloon Hong Kong 駿昇中心 香港九龍紅磡 民樂街23號 16樓E及F*單位 17樓C單位及 18樓A及C單位	Certain parts or shares of and in Hung Hom Inland Lot No. 545 紅磡內地段545號之 若干部分或份額	26,278*	Godown 貨倉	61.96%
* Unit F on 16th floor has been sold after 31st December, 2008 16樓F單位已於二零零八年十二月三十一日後售出				
5. Parc Palais, King's Park Junction of Princess Margaret Road and Wylie Road Kowloon, Hong Kong 京士柏君頤峰 香港九龍 公主道及衛理道交界	Kowloon Inland Lot No. 11118 九龍內地段11118號	16,869	Residential 住宅	10%

Schedule of Principal Properties

主要物業附表

PROPERTIES IN HONG KONG (cont'd)

香港物業(續)

Properties under development held for sale

持作出售之發展中物業

Location 地點	Lot number 地段編號	Stage of completion 完成階段	Estimated completion date 估計完成日期	Approx. site area (square feet) (平方呎)	Estimated gross floor area (square feet) (平方呎)	Usage 用途	Group's interest 集團所佔權益
1. 55 Conduit Road Hong Kong 香港 干德道55號	Remaining Portion of Section A of Inland Lot No. 2138 Sub-section 1 of Section A of Inland Lot No. 2138 and Inland Lot No. 2612 內地段2138號A段餘下部分 內地段2138號A段1分段及 內地段2612號	Site formation work completed 地盤平整工程 已完成	2012 二零一二年	36,000	87,800	Residential 住宅	70%
2. Hoi Ting Road and junction of Hoi Wang Road and Hoi Ting Road West Kowloon Reclamation Area Kowloon, Hong Kong 香港九龍 西九龍填海區 海庭道及 海泓道與 海庭道交界	Kowloon Inland Lot Nos. 11167 and 11168 九龍內地段 11167及11168號	Superstructure work in progress 上蓋工程 進行中	End of 2010 二零一零年 年底	146,132	1,095,980	Residential/ Commercial 住宅/商業	25%
3. Junction of Hoi Wang Road, Yan Cheung Road and Yau Cheung Road West Kowloon Reclamation Area Kowloon, Hong Kong 香港九龍 西九龍填海區 海泓道、 欣翔道及 友翔道交界	Kowloon Inland Lot No. 11073 九龍內地段 11073號	Excavation work in progress 挖掘工程 進行中	2011 二零一一年	86,758	650,600	Residential/ Commercial 住宅/商業	15%

Schedule of Principal Properties

主要物業附表

PROPERTIES IN MAINLAND CHINA

中國大陸物業

Properties held for investment

持作投資物業

Location 地點	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
<p>1. Main Tower and Executive Tower of Hilton Beijing 1 Dongfang Road North Dongsanhuan Road Chaoyang District, Beijing 北京希爾頓酒店主樓及行政樓 北京市朝陽區 東三環北路 東方路1號</p>	636,681	Hotel/ Commercial 酒店／商業	Medium 中期	50%
<p>2. Oriental Place 9 East Dongfang Road North Dongsanhuan Road Chaoyang District, Beijing 東方國際大廈 北京市朝陽區 東三環北路 東方東路9號</p>	103,685	Commercial 商業	Medium 中期	50%
<p>3. Lowu Commercial Plaza 79 retail shops on 1st floor Jianshe Road, Luohu District Shenzhen, Guangdong Province 羅湖商業城 廣東省深圳市 羅湖區建設路 1樓79間零售商舖</p>	29,416	Commercial 商業	Medium 中期	100%
<p>4. Evergo Tower (excluding unit no. 3 on 9th floor and unit no. 7 on 10th floor) 1325 Central Huaihai Road and 1 Baoqing Road, Xuhui District Shanghai 愛美高大廈 上海市徐匯區 淮海中路1325號及 寶慶路1號 (不包括9樓3室及10樓7室)</p>	263,708	Commercial 商業	Medium 中期	100%

Schedule of Principal Properties

主要物業附表

PROPERTIES IN MAINLAND CHINA (cont'd)

中國大陸物業(續)

Properties under development

發展中物業

Name of project 項目名稱	Location 地點	Stage of completion 完成階段	Estimated completion date 估計完成日期	Approx. site area (square feet) (平方米)	Estimated gross floor area (square feet) (平方米)	Usage 用途	Group's interest 集團所佔權益
1. Metropolis Height 華置·都匯華庭	East of Yixue Lane south of Hongbu Main Street and north of Tangba Street Jinjiang District Chengdu Sichuan Province 四川省成都市錦江區 義學巷以東 紅布正街以南及 鏗鈹街以北	Site formation work in progress 地盤平整工程 進行中	Mid of 2012 二零一二年 年中	194,411	1,652,000	Residential and commercial 住宅及商業	100%
2. Splendid City* 華置·西錦城*	Group 1, 2, 6 Langjia Village Group 1, 2, 3, 4, 7 Yuejin Village Jinniu District Chengdu Sichuan Province 四川省成都市金牛區 郎家村1、2、6組 躍進村1、2、3、4、7組	Superstructure work of Phase I in progress 第一期之 上蓋工程 進行中	Phase I: Mid of 2010 第一期: 二零一零年 年中	795,625*	3,743,000*	Residential and commercial 住宅及商業	100%
* The project will be developed in two phases. Area states herein represents aggregate area of the whole project. 項目分兩期發展。此等面積為整個項目之總面積。							
3. Chinese Estates Plaza 華置廣場	East of Sanguiqian Street south of East Daqiang Street west of South Taisheng Road and north of Tidu Street Qingyang District Chengdu Sichuan Province 四川省成都市青羊區 三桂前街以東 大牆東街以南 太升南路以西及 提督街以北	Site formation work in progress 地盤平整工程 進行中	Mid of 2012 二零一二年 年中	404,267	3,229,000	Residential and commercial 住宅及商業	100%

Schedule of Principal Properties

主要物業附表

PROPERTY IN THE UNITED KINGDOM

英國物業

Property held for investment

持作投資物業

Location 地點	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
1. 82 Eaton Square Belgravia, London SW1W, 9AP United Kingdom	17,750	Residential 住宅	Long 長期	100%

PROPERTY IN MACAU

澳門物業

Property under development held for sale

持作出售之發展中物業

Location 地點	Lot number 地段編號	Stage of completion 完成階段	Estimated completion date 估計完成日期	Approx. site area (square feet) 地盤面積約數 (平方呎)	Estimated gross floor area (square feet) 估計總樓面面積 (平方呎)	Usage 用途	Group's interest 集團 所佔權益
1. Avenida Wai Long Development* Taipa, Macau 澳門氹仔 偉龍馬路 發展項目*	Lot 1c, Lot 2, Lot 3 Lot 4 and Lot 5 (Parcels 5a, 5b & c) 1c、2、3、4 及 5(編號5a、5b及c)地段	Site formation work of Phase I commenced 第一期之 地盤平整工程 已展開	Phase I: 2012 第一期: 二零一二年	848,000*	5,786,242* (excluding car park area) (不包括 停車場面積) 2,088,197* (car park area) (停車場面積)	Residential 住宅	70.01%

* The project will be developed in phases. Area states herein represents aggregate area of the whole project.
項目分數期發展。此等面積為整個項目之總面積。

Schedule of Properties Development Rights 物業發展權益附表

PROPERTIES IN HONG KONG

香港物業

Properties held for sale

持作出售物業

Location 地點	Lot number 地段編號	Approx. gross floor area (square feet) 總樓面面積約數 (平方呎)	Usage 用途	Group's interest 集團 所佔權益
1. MOD 595 No. 595 Reclamation Street Mongkok, Kowloon Hong Kong MOD 595 香港九龍旺角 新填地街595號	Kowloon Inland Lot No. 11173 九龍內地段 11173號	24,521**	Residential/ Commercial 住宅／商業	100%
* Certain units have been sold after 31st December, 2008 若干單位已於二零零八年十二月三十一日後售出				
* Excluding all car parking spaces area 不包括所有車位之面積				

Note: The property development rights were granted pursuant to development agreement with Urban Renewal Authority.
附註：物業發展權乃根據與市區重建局訂立之發展協議授出。

2. The Zenith (Phase I) 3 Wanchai Road & 258 Queen's Road East Wanchai, Hong Kong 尚翹峰 (第一期) 香港灣仔 灣仔道3號及 皇后大道東258號	Certain parts or shares of and in Sections A and B of Inland Lot No. 8953 內地段8953號 A及B段之 若干部分或份額	26,759**	Residential/ Commercial 住宅／商業	87.5% (notes 1 & 2 on next page) (下頁之 附註1及2)
* Certain units have been sold after 31st December, 2008 若干單位已於二零零八年十二月三十一日後售出				
* Excluding all car parking spaces area 不包括所有車位之面積				

Schedule of Properties Development Rights 物業發展權益附表

PROPERTIES IN HONG KONG (cont'd)

香港物業(續)

Property under development held for sale

持作出售之發展中物業

Location 地點	Lot number 地段編號	Stage of completion 完成階段	Estimated completion date 估計完成日期	Approx. site area (square feet) 地盤面積約數 (平方呎)	Estimated gross floor area (square feet) 估計總樓面面積 (平方呎)	Usage 用途	Group's interest 集團 所佔權益
1. The Zenith (Phase II) 3 Wanchai Road & 258 Queen's Road East Wanchai, Hong Kong 尚翹峰 (第二期) 香港灣仔 灣仔道3號及 皇后大道東258號	The Remaining Portion of Inland Lot No. 8953 內地段 8953號 餘下部分	Redevelopment work in progress 重建工程 進行中	End of 2013 二零一三年 年底	15,775	159,700	Residential/ Commercial 住宅/商業	87.5% (notes 1 & 2) (附註1及2)

Notes:

附註:

- It refers to the percentage of interest of property development rights in a consortium which engaged Urban Renewal Authority ("URA") (the successor to Land Development Corporation) in the project.
指佔與市區重建局(「市建局」)(為土地發展公司之繼任人)共同參與該項目之財團物業發展權利之權益百分比。
- The 87.5% attributable interest of property development rights includes the indirect interest of 12.5% held through the Group's interest in Power Jade Limited which has a 25% direct interest in the consortium.
應佔物業發展權利之87.5%權益包括透過本集團於 Power Jade Limited (其持有該財團25%直接權益)所持12.5%之間接權益。
- In this joint venture with URA, the consortium finances both the land costs and construction costs, and is entitled to claim for reimbursements for land costs and construction costs so incurred together with the share of any development profits with URA in accordance with the terms and conditions of the joint development agreement.
在與市建局合作之合營項目中,該財團為土地成本及建築成本提供資金,並有權依據共同發展協議之條款及條件要求付還所涉及之土地成本及建築成本,以及與市建局攤分任何發展溢利。

Schedule of Properties Development Rights 物業發展權益附表

PROPERTIES IN HONG KONG (cont'd)

香港物業 (續)

Property under development

發展中物業

Location 地點	Lot number 地段編號	Stage of completion 完成階段	Estimated completion date 估計完成日期	Approx. site area (square feet) 地盤面積約數 (平方呎)	Estimated gross floor area (square feet) 估計總樓面面積 (平方呎)	Usage 用途	Group's interest 集團 所佔權益
1. i-home Larch Street and Bedford Road Tai Kok Tsui Kowloon Hong Kong (including 4 motorcycle spaces and 25 car parking spaces for residential, commercial visitors)	Kowloon Inland Lot No. 11182 九龍內地段 11182號	Superstructure work in progress 上蓋工程 進行中	Early of 2009 二零零九年 年初	13,228	112,462	Residential/ Commercial 住宅/商業	100%
i-home 香港九龍大角咀 洋松街及必發道 (包括4個電單車車位及 25個車位予 住宅、商業訪客用)							

Note: The property development rights were granted pursuant to development agreement with Urban Renewal Authority.
附註：物業發展權乃根據與市區重建局訂立之發展協議授出。

Schedule of Property Contracted to be Acquired 已訂約將予收購物業附表

PROPERTY IN MAINLAND CHINA

中國大陸物業

Name of project 項目名稱	Location 地點	Stage of completion 完成階段	Estimated completion date 估計完成日期	Approx. site area (square feet) 地盤面積約數 (平方呎)	Estimated gross floor area (square feet) 估計總樓面面積 (平方呎)	Usage 用途	Group's interest 集團 所佔權益
1. Huaxinjie Street Development* Chongqing 重慶市 華新街街道 發展項目*	No. 1 Zhongxin Section and Qiaobei Village Huaxinjie Street Jiangbei District Chongqing 重慶市江北區 華新街街道 橋北村及 中興段1號	In design stage 在設計階段	2016 二零一六年	2,207,546	11,080,000	Residential and school 住宅及學校	25%

* The land was acquired in public auction dated 30th July, 2007. The contract for grant of state-owned land use right was signed with Chongqing Land and Resource and Housing Administration Bureau on 2nd February, 2008. 該地塊於二零零七年七月三十日於公開拍賣競得。於二零零八年二月二日與重慶市國土資源和房屋管理局簽署有關國有土地使用權出讓合同。

