



GREEN GLOBAL RESOURCES LIMITED
綠色環球資源有限公司

(formerly known as Venture International Investment Holdings Limited)
(前稱宏昌國際投資控股有限公司)

(incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 61

SOWING THE SEEDS FOR
SUCCESS



ANNUAL REPORT 2007 年報

Contents • 目錄

- 2 Chairman's Statement
主席報告
- 7 Management Discussion & Analysis
管理層討論與分析
- 22 Corporate Information
公司資料
- 24 Directors' & Management's Profile
董事及管理人員簡介
- 28 Report of the Directors
董事會報告
- 39 Corporate Governance Report
企業管治報告
- 47 Independent Auditor's Report
獨立核數師報告
- 49 Consolidated Income Statement
綜合收益表
- 50 Consolidated Balance Sheet
綜合資產負債表
- 52 Consolidated Statement of Changes in Equity
綜合權益變動報表
- 53 Consolidated Cash Flow Statement
綜合現金流量表
- 55 Notes to the Consolidated Financial Statements
綜合財務報表附註

Sowing the Seeds for Success

I am pleased to report that 2007 was a pivotal year for our Company. During the year, we critically assessed our existing businesses, commenced the rationalization of some of our Group's activities, and established the necessary foundation for transforming our Company into a more focused and economically vibrant investment holding flagship. The year was marked by a number of pioneering, strategic investments in the agro-conservation and bio-energy sectors. Not only do these sectors hold significant commercial potential for us, but our unique public-private partnership ("PPP") business model also ensures that such commercial interests are in harmony with the environmental and socio-economic concerns of the countries in which we conduct our business activities. Such harmony is crucial to ensuring that the success we aim to achieve is sustainable.

播下成功種籽

本人欣然匯報，本公司在二零零七年經歷了關鍵一年。管理層在年度內嚴肅評估了各現有業務，並開始對部分業務活動進行革新，為集團蛻變成為一家更具發展重心和經濟動力的投資旗艦，奠定了所須的基礎。集團於本年在農產保育及生物能源等領域作出了多項具前瞻性的策略投資。此等投資不但具有顯著的商業發展潛力，而集團獨特的「公私營合作」經營模式，更保證了有關的商業利益能顧及營商國家的環境，乃至當地對社會經濟因素的關注。集團的業務經營目標能否成功，關鍵乃能否與當地社群保持和諧共容。



Mr. Tse Michael Nam 謝南洋先生
Chairman 主席

Name Change

In line with our transformation, we have changed the name of our Company to "Green Global Resources Limited" ("綠色環球資源有限公司"). Our new name epitomizes our Company's focus and direction: "Green" emphasizes our dedication to environmental protection and conservation; "Global" reflects our commitment to actively engage in businesses in a variety of global locations, continuing on our existing investments in China and Laos; and "Resources" evidences our vision to be a leading producer of regenerative or renewable resources that will propagate exciting and sustainable financial growth and shareholder value for our Company and shareholders.

更改集團名稱

為配合集團業務革新，管理層已將公司名稱改為「綠色環球資源有限公司」。新名稱標誌著公司的業務重心和方向：「綠色」強調集團專注環境保護及培育；「環球」反映集團承諾在地球不同角落拓展業務及繼續參與現時在中國及老撾的投資；「資源」見證集團銳意成為可恢復及可再生能源的領先製造商，藉此令公司在財務實力上持續繁衍增長，並為公司及股東帶來投資價值。

Chairman's Statement • 主席報告

Board and Management Changes

During the year, the Company also experienced substantial changes in the composition of its board of directors (the "Board") and senior management. I joined the Board as Chairman in February 2007 and brought to the Company my extensive experience in the agro-economic sector, having held key management positions with several agricultural companies as well as being a technical advisor to various organizations and governmental bureaus, including Hawaiian Agronomic (International) Inc., the Thai Trade Commission, and projects funded by multinational organizations such as the Asian Development Bank ("ADB").

Mr. Puongpun Sananikone, who joined the Board as an Independent Non-Executive director in July 2007 and who subsequently became an Executive Director, is also a member of the East-West Center Board of Governors, an education and research organization established by the United States Congress in 1960 to strengthen relations and understanding among the peoples and nations of Asia, the Pacific, and the United States. Mr. Sananikone, has a wealth of experience in the fields of agro-conservation and socio-economic development. He is a well known and respected figure in the Asian economic development and agricultural sectors, particularly in the Greater Mekong Sub-region ("GMS") (Laos, Cambodia, Vietnam, Thailand, Myanmar, and the Yunnan Province of China), having assisted the ADB, the World Bank, the United States Agency for International Development (USAID), and other organizations and institutions to finance and establish socio-economic and rural development projects.

The Board also has three new Independent Non-Executive Directors and several new key management staff. The reconstituted Board and management are focused on transforming the Group into a highly profitable agro-conservation and bio-energy conglomerate which is also committed to the environment, good corporate governance practices, and transparency.

董事會及管理層更新

在年度內，公司董事會（「董事會」）成員及高層管理人員之組成經歷了重大的變革。本人自二零零七年二月加入董事會出任主席，將本身在農產經濟領域的廣泛經驗引入公司。本人曾在多家農產業務公司擔任管理職位，並在多個組織及政府部門擔任技術顧問，其中包括 Hawaiian Agronomic (International) Inc.、泰國貿易署，以及亞洲發展銀行等跨國組織。

Puongpun Sananikone先生於二零零七年七月加入董事會為獨立非執行董事，及後轉為執行董事。彼為東西文化中心理事會成員，該會為美國國會於一九六零年成立之教育及研究組織，旨在加強亞洲國家、太平洋地區及美國的人民之間的關係和認識。Sananikone先生在農產保育及社會經濟發展等領域擁有豐富經驗，在亞洲經濟發展及農業領域，尤其在大湄公河次區域（老撾、柬埔寨、越南、泰國、緬甸及中國雲南省），乃為人熟悉及尊敬的人物。他曾協助亞洲發展銀行、世界銀行、美國國際發展署及其他組織及機構融資，以及建立社會經濟與農村發展項目。

董事會並有三位新任獨立非執行董事，以及多位主要管理人員。新重組的董事會及管理層專注將集團革新成盈利能力高的農產保育及生物能源綜合企業，並且要求企業對環境、良好的企業管治操守及透明度等方面有所承擔。

Unique Business Model

Under the new Board's direction, the Company has instituted an exciting new business model which seeks to form mutually desirable public-private partnerships ("PPP") between the Company and local governments, institutions, civic groups, and private entrepreneurs. Our PPP business model provides a bridge between the private and the public sectors by assisting the private sector to penetrate into highly restrictive sectors of the economy while enabling social and academic institutions and local governments to fulfill their institutional or governmental policies in relation to land protection and conservation of natural resources for future generations. We are delighted to report a number of "break-through" agro-conservation and bio-energy investments for the Company in Inner Mongolia, Hainan, and Laos utilizing this PPP business model.

Our wholly-owned subsidiary, Huge Value Development Limited (to be renamed as Green Global Licorice China Limited), made the Group's first investment in China's agro-conservation sector in 2007. This investment by Green Global Licorice China Limited gives the company access to land use rights for the cultivation of licorice on 1,000,000 Chinese *mu* (~67,000 hectares) of land in Inner Mongolia. During 2007, the company successfully completed the planting of 8,000 Chinese *mu* (~533 hectares) of licorice in Inner Mongolia.

Our wholly-owned subsidiary, Quest Asia Development Limited (to be renamed "Green Global Salix China Limited"), made further investment in China's agro-conservation sector in 2007. This investment by Green Global Salix Limited provides the Company with access to land use rights for the cultivation of 800,000 Chinese *mu* (~53,000 hectares) of licorice and 2,200,000 Chinese *mu* (~147,000 hectares) of salix in Inner Mongolia. In October 2007, the company commenced the planting of 200,000 *mu* (~13,300 hectares) of salix.

獨有業務模式

公司在新的董事會領導下，建構了一套嶄新營運模式，宗旨乃尋求與當地政府、機構、民間團體及私人企業互惠互利的「公私營合作」。此一經營模式通過讓私人機構涉足經濟體系中高度限制的領域，容許社會和學術組織與當地政府為未來世代籌劃，落實土地保護及天然資源保育的組織或政府政策，從而連繫公私營陣營。管理層欣然匯報，集團利用公私營合作經營模式，成功在內蒙古、南海及老撾進行了多項突破性的農產保育及生物能源投資。

集團旗下之全資附屬公司Huge Value Development Limited (將更名為Green Global Licorice China Limited)於二零零七年在中國的農產保育領域作出了首筆投資。此項由Green Global Licorice China Limited作出之投資，讓公司在內蒙古取得土地使用權，用作培植100萬畝(約6.7萬公頃)之甘草。二零零七年內，公司已成功在內蒙古完成種植八千畝(約533公頃)甘草。

集團旗下之全資附屬公司的Quest Asia Development Limited (將改名為「Green Global Salix China Limited」)於二零零七年進一步在中國投資農產保育。此項由Green Global Salix Limited作出之投資，讓公司在內蒙古取得土地使用權，用作培植80萬畝(約5.3萬公頃)之甘草，以及培植220萬畝(約14.7萬公頃)之沙柳。在二零零七年十月，公司已成功在內蒙古開始種植20萬畝(約1.33萬公頃)沙柳。

Chairman's Statement • 主席報告

Outlook for 2008 and beyond

Our plantation of licorice and salix in Inner Mongolia during 2007 was a testament to our commitment to agro-conservation. Our efforts were recognized by the municipal government of Inner Mongolia when in March 2008, we were invited to enter into a Cooperation Agreement with Inner Mongolia Tian Lan Technology Sand Control Estate Limited, which in turn is a party to an agreement with the Municipal Government of Hang Jin Qi Inner Mongolia to execute a project for the planting of 5,000,000 Chinese *mu* (~333,000 hectares) of salix over the next five years and 200,000 Chinese *mu* (~13,300 hectares) of licorice over the next three years (the "5532 Project").

In December 2007, the Company established Hainan Venture Zhengke Bioenergy Development Company Limited (海南宏昌正科生物能源發展有限公司) ("Hainan Venture"), a joint venture 90% owned by the Company and 10% owned by a Chinese partner. Hainan Venture was established to conduct *jatropha curcas*-based bio-energy activities in Hainan. The seeds of *jatropha curcas* trees have a high level of oil content, which is widely believed to be one of the most economical and practical raw materials for the sustained production of environmentally friendly bio-diesel. Hainan was chosen as the location for this important bio-energy project because of its particular suitability for growing *jatropha curcas*. Hainan Venture has completed the establishment of a 150 Chinese *mu* (~10 hectares) nursery to grow *jatropha curcas* saplings. Hainan Venture expects to commence selling these saplings in the second quarter of 2008 and to expand the size of the nursery during 2008.

In March 2008, Hainan Venture entered into a Cooperation Agreement with Hainan Oriental Lincheng Bioenergy Development Limited (the "Hainan Partner"), pursuant to which (a) Hainan Venture will sell *jatropha curcas* saplings grown in its Hainan nursery to the Hainan Partner for planting in an area of 1,300,000 Chinese *mu* (~86,000 hectares) of land in Hainan Island, and (b) the Hainan Partner will sell to Hainan Venture all qualified seeds harvested from such *jatropha curcas* saplings over the next 30 years. This cooperation will ensure that we have a reliable market for the *jatropha curcas* saplings grown in our Hainan nursery, that those saplings will be properly cultivated into seed producing trees, and that we will have a guaranteed future supply of high quality seeds from those trees.

二零零八年及以後之前景

集團於二零零七年在內蒙古種植甘草及沙柳，標誌集團銳意開發農產保育業務的新里程。集團的投入得到內蒙古自治區政府的認同，在二零零八年三月，集團獲邀與內蒙古天蘭科技治沙產業有限公司簽訂一項合作協議，攜手與內蒙古杭錦旗自治區達成協議，在未來五年種植500萬畝(約33.3萬公頃)沙柳，以及在未來三年種植20萬畝(約1.33萬公頃)甘草(「5532項目」)。

二零零七年十二月，公司成立合營公司海南宏昌正科生物能源發展有限公司(「海南宏昌」)，公司持有海南項目90%權益，餘下的10%權益則由中國夥伴持有。公司建立海南項目，藉此在海南發展麻瘋樹生物能源業務。麻瘋樹果實油份含量高，被廣泛視為其中最適合用作持續生產環保生物柴油的最經濟實用原料之一。生物能源項目選擇在海南島進行，是由於該地適合種植麻瘋樹。海南項目至今已成功建立了150畝(約10公頃)苗圃，種植麻瘋樹苗。預算在二零零八年第二季開始出售此批樹苗，並在二零零八年內繼續擴大苗圃規模。

海南項目於二零零八年三月與海南東方林昌生物能源發展有限公司(「海南夥伴」)簽訂一份合作協議。根據協議，(一)海南項目將苗圃內的麻瘋樹幼苗售予海南夥伴，並將之種植於海南省一幅130萬畝(~8.6萬公頃)的農地內；(二)海南夥伴亦須將所有從農地內收割的合規格種籽，於未來30年售予海南項目。此一合作將為公司在海南省苗圃的麻瘋樹苗提供一個可靠的銷售市場，同時亦保證此等麻瘋樹苗得以培植，並能成功開花結果，將來為公司提供穩定及優質的麻瘋樹種籽。



Chairman's Statement • 主席報告

In December 2007, the Group extended its bio-energy business activities from China to Laos through a new joint venture, Lao Agro-Promotion Limited ("Lao-Agro"). Lao-Agro is an 80% owned subsidiary of the Company which was established to conduct jatropha curcas-based bio-energy business activities in Laos. The 20% minority interest in Lao-Agro is held by a combination of Charoen Phattana Group, a Laotian business enterprise, and the Lao Disabled People Association. In March 2008, our Company gained great publicity when Lao-Agro entered into a cooperation agreement with the Lao National Authority for Science and Technology to establish three commercially-based bio-energy research and development and training centers in Laos.

The world is becoming ever more environmentally conscious and there is an unprecedented surge in interest in agro-conservation and the production of renewable and regenerative energy sources. These new and emerging businesses are filled with opportunities and challenges. We believe that our Company's focus on and investments in agro-conservation and bio-energy businesses and projects will generate exciting and sustainable financial growth and shareholder value for our Company and Shareholders for many years to come.

Appreciation

On behalf of the Board, I wish to extend our sincere appreciation to all our shareholders for their continued support, as well as to thank and congratulate our colleagues for their hard work and dedication towards realizing our new corporate vision. We look forward to reaping success from the seeds we are sowing.

Mr. Tse Michael Nam

Chairman

Hong Kong, 21st April 2008

集團於二零零七年十二月，透過新合營公司Lao-Agro Promotion Limited(「Lao-Agro」)，從中國至老撾進一步拓展其生物能源業務。Lao-Agro為公司旗下持有80%權益之附屬公司，在老撾從事麻瘋樹生物能源業務。Lao-Agro餘下之20%少數權益為老撾企業Charoen Phattana集團及「老撾傷殘人士協會」所持有。Lao-Agro於二零零八年三月與老撾國家科技局簽訂合作協議，在老撾設立三個商業性質的研發及訓練中心，為公司在老撾增強了宣傳。

世界變得愈來愈有環保意識，農務保育，以及可再生及可恢復能源的生產乃前所未有的新趨勢。此等新興業務充滿商機和挑戰。管理層相信，集團專注投資發展農務保育與生物能源等業務及項目，將可在未來多年為公司及股東帶來強勁而持續的財務增長和股東價值。

致謝

本人謹代表董事會，對全體股東一直以來的支持，致以衷心感謝。集團的同事努力不懈，為企業締造新方向，本人亦謹此向員工表達敬意。冀望集團播下的種籽，能取得豐盛的收成。

主席

謝南洋先生

二零零八年四月二十一日，香港

Financial performance

The Group reported a turnover of HK\$72,252,000 in 2007, representing an increase of 23% compared with HK\$58,740,000 recorded in 2006. This growth in turnover was largely attributable to increases in the sale of IT hardware during the year. During only approximately nine months of operations in 2007, the agro-conservation sector contributed management services income of approximately HK\$7,467,000 to the Group. In addition, the agro-conservation and the bio-energy sectors contributed biological asset gains amounting to HK\$11,255,000 and operating profits of HK\$16,508,000.

Gross profit for the Group overall increased by 16% to HK\$14,706,000 in 2007 (2006: HK\$12,671,000) as a result of increases in revenues from the sales of IT hardware. Gross profit margin however, declined slightly by 1% to 20% mainly due to decreased gross profit margins on IT hardware sales.

The Group recorded a turnaround profit from operations of HK\$6,565,000 as compared to a loss of HK\$8,408,000 in 2006 due to a gain of HK\$21,844,000 from the disposal of available-for-sale investments, an increase in other operating income from the provision of management and consultancy services of HK\$15,467,000 and biological asset gains of HK\$11,255,000 contributed by the new agro-conservation and bio-energy businesses.

The Group's loss before taxation in 2007 increased by 210% to HK\$36,048,000 from HK\$11,633,000 in 2006 mainly as a result of the impairment of goodwill of HK\$40,771,000 in relation to Acacia (as defined below) and the Grand Panorama Group (as defined below). The impairment losses were made for the Grand Panorama Group following the disposal of the Grand Panorama Group after the close of the 2007 financial year. The decision to dispose of Grand Panorama Group and to impair the carrying amount of the goodwill from acquisition of Acacia was made by the Board after taking into consideration various factors, including the current and future business prospects and financial situation of these two companies, the current slowdown in the property agency market in China, the stringent austerity measures that have been imposed by the Chinese government, and the future capital requirements of these two companies.

財務表現

集團於二零零七年之日常業務錄得營業額72,252,000港元，較二零零六年的58,740,000港元增加23%，增長主要來自資訊科技硬件銷售增加。農產保育部門業務在二零零七年僅約有九個月之營運，仍為集團帶來了約7,467,000港元之管理服務收入。此外，農產保育及生物能源部門錄得生物資產入賬11,255,000港元，經營溢利達16,508,000港元。

公司整體毛利於二零零七年增加16%至14,706,000港元（二零零六年：12,671,000港元），原因是由於資訊科技硬件銷售的收入增加，惟邊際毛利略為縮減了1%至20%，主要由於資訊科技硬件銷售的邊際毛利下降。

集團於二零零七年錄得經營溢利6,565,000港元，扭轉二零零六年的虧損8,408,000港元。成功轉虧為盈，歸因於出售可供出售投資而獲得特殊收益21,844,000港元、提供管理及顧問服務帶來的其他經營收益15,467,000港元，以及農產保育及生物能源部門錄得生物資產入賬11,255,000港元。

集團於二零零七年錄得之除稅前虧損由二零零六年的11,633,000港元，增加210%至36,048,000港元。虧損主要來自於Acacia（定義見下文）及Grand Panorama Group（定義見下文）相關之40,771,000港元商譽減值虧損。在二零零七財政年度年結後出售Grand Panorama Group，集團為Grand Panorama Group作出了撇帳。董事會決定將Grand Panorama Group出售，並為收購Acacia所產生商譽的賬面金額作出撇帳，乃考慮到各種因素，包括目前及未來的業務前景、兩家公司的財務狀況、中國房地產市場現時疲弱向下的形勢、中國政府實施更嚴格的宏觀調控措施，以及兩家公司未來的資本要求。

Management Discussion & Analysis • 管理層討論與分析

The remaining businesses of systems integration, software solutions, IT management and real estate related services recorded an operating loss of HK\$2,246,000.

Accordingly, the Board considers that it is in the best interests of the Company and its shareholders to focus the Company's efforts and resources on the agro-conservation and bio-energy businesses, which the Board and management believe to hold substantial potential for sustainable financial growth, thus increasing shareholder value for our Company and shareholders.

Loss per share for 2007 was HK4 cents, compared with HK 2 cents per share in 2006.

Final dividend

The Directors do not recommend the payment of a final dividend for the year ended 31st December 2007 (2006: Nil).

Review of core businesses

During 2007, the Board and the Company's management critically assessed the Company's existing businesses, commenced the rationalization of some of the Company's activities, and established the necessary foundation for a more focused and economically vibrant future. The year was marked by a number of pioneering, strategic investments in the agro-conservation and bio-energy sectors, which offer excellent potential for financial growth and increased shareholder value, while furthering the Company's commitment to the environment, socio-economic development, and corporate responsibility. This strategic focus on the agro-conservation and bio-energy businesses underlies the change of the Company's name to "Green Global Resources Limited", as explained in the Chairman's Statement. In spite of the relatively short time of the Company's operations in these businesses during 2007, the Group's new agro-conservation and bio-energy businesses have made significant progress.

Agro-conservation and bio-energy

Agro-Conservation

During 2007, the Group acquired two companies Green Global Licorice China Limited ("Green Global Licorice") and Quest Asia Development Limited (to be renamed Green Global Salix China Limited) ("Green Global Salix"), which conduct agro-conservation businesses in Inner Mongolia.

餘下之系統集成、軟件方案、資訊科技管理及房地產相關業務錄得2,246,000港元經營虧損。

董事會認為此出售合乎公司及集團股東的最大利益，可讓公司專注投入並集中資源發展農產保育及生物能源業務，深信此等業務可能持續增長，發展潛力雄厚，可為公司及股東增值。

二零零七年之每股淨虧損為4港仙，比較二零零六年之每股淨虧損則為2港仙。

末期股息

董事會不建議派發截至二零零七年十二月三十一日止年度之末期股息(二零零六年：無)。

核心業務回顧

董事會與公司管理層於二零零七年嚴肅評估公司現有之業務，並對部分公司業務活動開始進行重整，奠定基礎，令集團朝向更為專注及更具經濟動力的未來。集團本年度在農產保育及生物能源等領域作出多項具前瞻性的策略投資。此等投資潛質優厚，可帶來財務增長，增加股東價值，並且進一步實踐了集團對環境保育、社會經濟發展及企業責任的承擔。集團以農產保育及生物能源作為策略核心業務，因此更改公司名稱為「綠色環球資源有限公司」。雖然公司於二零零七年度經營此等領域業務的時間相對較短，農產保育及生物能源業務已取得顯著進展。

農產保育及生物能源

農產保育

集團在二零零七年收購了Green Global Licorice China Limited (「Green Global Licorice」) 及 Quest Asia Development Limited (將更名為Green Global Salix China Limited) (「Green Global Salix」)，在內蒙古經營農產保育業務。

Green Global Licorice

Green Global Licorice, which was acquired in March 2007, provides management and consultancy services to Inner Mongolia Tian Lan Technology Sand Control Estate Limited (“Tian Lan”) for the cultivation of licorice in an area of approximately 1,000,000 Chinese *mu* (~67,000 hectares) of grassland in 伊克昭盟杭錦旗 (Yi Ke Zhao Meng Hang Jin Qi) in the Inner Mongolia Autonomous Region of China.

Licorice is a native perennial plant in certain regions in China, particularly the Inner Mongolia Autonomous Region, and the Xinjiang, Gansu, Qinghai, Shanxi, Ningxia, Shaanxi, Hebei, Jilin and Heilongjian Provinces. The most favorable species of licorice in China is found mainly in the Inner Mongolia Autonomous Region, the area in which Green Global Licorice operates.

The root of the licorice plant provides an important substance used in Chinese herbal medicine and is also widely used as raw material for a diverse range of products, including food, candies, cosmetics, and health products. Licorice roots also have other applications in the non-medical and imperishable sectors, for example, in the production of fire prevention and construction products.

The supply of licorice roots in the PRC has been under pressure in recent years due to rising demand. It is believed that the resulting market shortage will drive up prices for licorice roots in the coming years. The Board and the Company’s management believe that the market for licorice roots is substantial and will continue to grow in China and elsewhere.

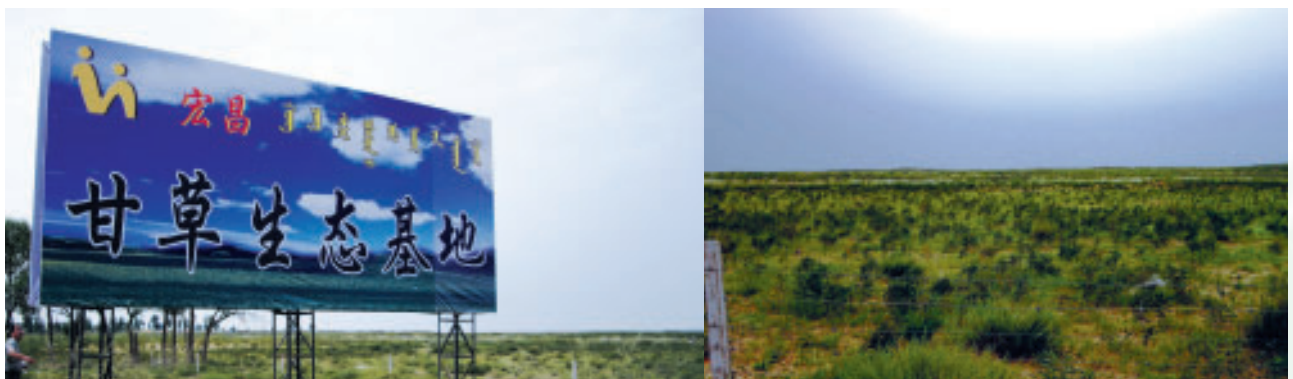
Green Global Licorice

集團於二零零七年三月收購Green Global Licorice，為內蒙古天蘭科技治沙產業有限公司(「天蘭」)在中國內蒙古自治區的伊克昭盟杭錦旗內，一幅面積為100萬畝(約6.7萬公頃)之草原，提供培植甘草之管理及顧問服務。

甘草為中國土生植物，主要生長在內蒙古自治區，以至新疆、甘肅、青海、山西、寧夏、陝西、河北、吉林及黑龍江等省份。國內最受歡迎的甘草品種主要來自內蒙古自治區，即Green Global Licorice經營的省份。

甘草根為可用作中草藥的重要物質，並廣泛用作多種產品的原料，包括食品、糖果、化妝品及其他健康產品。甘草並可應用於非醫藥及食品範疇，例如用作生產防火產品及建材。

近年，中國甘草供應逐漸減少，但需求卻與日俱增。預計此情況導致的市場供應短缺，將會令甘草價格在未來數年向上調升。董事會及公司管理層認為，甘草業務在中國境內外均有龐大市場。



Part of Green Global Licorice’s 8,000 Chinese *mu* plantation in Inner Mongolia.
Green Global Licorice位於內蒙古的8,000畝種植場其中一部份。

Management Discussion & Analysis • 管理層討論與分析

Ecologically, the licorice plant is highly effective in preventing soil erosion and the resulting spread of the desert because licorice roots penetrate deep into the soil and hold the soil layers together. Illegal farming and extraction of licorice have contributed to increasing desertification in Inner Mongolia. Local and national government entities have long endeavored to eradicate the desertification problem and strongly support the private sector's involvement in land management and conservation efforts. Through Green Global Licorice, the Company employs its unique PPP business model to assist the relevant governmental authorities in these anti-desertification efforts.

In Inner Mongolia, licorice is usually planted during spring to autumn when weather and soil conditions are most suitable for planting. It normally takes three years of growth before licorice roots can be harvested. Older licorice roots are generally of higher value.

Since its acquisition by the Company, Green Global Licorice has successfully completed the plantation of 8,000 Chinese *mu* (~533 hectares) of licorice. The timing and quantity of licorice roots to be harvested annually is in accordance to a prescribed schedule in order to achieve a balance between the soil preservation and commercial objectives.

在環境生態上，甘草根部深入泥土，將土層鞏固，能有效防止土壤侵蝕和土地沙漠化。非法耕種和採摘甘草令內蒙古沙漠化有惡化趨勢。當地及國家組織長期致力解決沙漠化問題，並非常支持私人企業參與土地管理及保育。公司採用獨有的「公私營合作」業務模式，透過Green Global Licorice，協助相關政府單位，投入對抗沙漠化。

在內蒙古自治區，甘草一般於春季至秋季種植，這段時間氣候及土壤狀況最為適合。甘草根需要三年時間培植才達致其收成期，甘草根愈老價值愈高。

自收購以來，Green Global Licorice已成功完成種植八千畝（約533公頃）甘草。每年甘草根的收割時間和數量根據預定之規劃實行，藉此從土壤保育與商業目標之間取得平衡。



Licorice roots
甘草根



Licorice saplings used for planting.
作種植用的甘草苗。



Licorice saplings ready to be planted at Green Global Licorice's plantation site in Inner Mongolia.
準備在Green Global Licorice的內蒙古種植場栽種的甘草苗。

Green Global Salix

Green Global Salix, which was acquired in October 2007, provides management and consultancy services to Tian Lan for the cultivation of salix psammophila in an area of approximately 2,200,000 Chinese *mu* (~147,000 hectares) in Inner Mongolia.

Salix, also known as sand willow, is an indigenous shrub which is predominantly found in China's Inner Mongolia Autonomous Region and Shaanxi, Gansu, and Xinjiang Provinces. Salix is commonly planted in vast sandy areas to combat desertification by providing a wind shield to hold and block moving sand.

Green Global Salix

於二零零七年十月收購之Green Global Salix，為天蘭在內蒙古一幅面積為220萬畝（約14.7萬公頃）之草原，提供培植沙柳之管理及顧問服務。

沙柳為野生灌木，主要生長於中國內蒙古自治區，以至陝西、甘肅及新疆等省份。沙柳一般種植於廣大沙漠地區，用以阻攔沙土流動，提供擋風防禦，藉此對抗沙漠化。

Management Discussion & Analysis • 管理層討論與分析



Salix – approximately 1 month after plantation.
沙柳 – 栽種後約一個月。

In addition to its anti-desertification properties, salix has other valuable and commercial uses. Salix has historically been used as cheap wood fuel. In recent years, salix has more commonly been used as raw material for fiber board and paper pulp for packaging materials. Other uses for salix are also being commercialized, including its use as a source for bio-fuel generated power plants.

The Company's Board and management believe that this combination of important commercial uses and the increasing commitment of resources by the Chinese Government to combating desertification will ensure that salix will become an even more important renewable and regenerative resource in China that will be in high demand in the coming years.

During 2007, Green Global Salix successfully planted 200,000 Chinese *mu* (~13,300 hectares) of salix in Inner Mongolia.

For the year ended 2007, the agro-conservation businesses generated income of approximately HK\$7,467,000 from the provision of management services for the cultivation of licorice. In addition, biological asset gains from the cultivation of licorice and salix during the year amounted to HK\$7,690,000. The amount was determined by Greater China Appraisal Limited ("Greater China"), an independent professional valuer, based on the fair value of licorice and salix less estimated point-of-sale costs with reference to the most recent market transaction prices. During only nine months of operation, the operating profit from this business sector amounted to HK\$12,703,000.

Bio-energy

In light of the worldwide shortage of energy, coupled with the rising interest in environmentally friendly and renewable or regenerative fuel resources, the Company's Board and management believe that a strong demand for alternative energy resources such as

沙柳除了具有抗沙漠化特性，亦具有其他商業價值。古時人們利用沙柳作為廉價燃料，近年則多用作為纖維板及包裝用紙張之原材料。沙柳的其他用途亦已得到商業應用，包括用作生物發電廠的生物燃料。

公司董事會及管理層相信，沙柳具重要的商業用途，加上中國政府為對抗沙漠化增加資源投入，沙柳必將成為中國更重要的可恢復及可再生資源，在未來幾年將有龐大需求。

在二零零七年，Green Global Salix成功在內蒙古種植20萬畝(約1.33萬公頃)沙柳。

二零零七年內，透過為培植甘草提供管理服務，農產保育業務所產生之收入約為7,467,000港元。此外，培植甘草及沙柳所得生物資產價值之增加為7,690,000港元。此數額為獨立專業評估機構漢華評估有限公司(「漢華評估」)，根據甘草及沙柳的公允價值，減去以最近期市場交易價格作為參考之預期銷售價計算得出。於只有九個月之經營期間內，此業務部門之經營溢利已達12,703,000港元。

生物能源

鑑於全球能源短缺，社會對環保及可再生能源的興趣日增，公司董事會及管理層相信諸如生物柴油等另類能源在可見未來將有強勁需求。董事會及管理層相信公司的農產保育業務，可與生物能源業務相互配合，為公司在

Management Discussion & Analysis • 管理層討論與分析

bio-diesel will exist for the foreseeable future. The Board and management believe that bio-energy businesses will complement the Company's agro-conservation businesses and generate substantial and sustainable profits for the Company for years to come. During 2007, the Board explored a number of interesting opportunities in the regenerative and renewable resources sector. Unlike fossil fuels such as coal and natural gas that will soon be exhausted or significantly depleted, regenerative and renewable energy resources may be replenished or reproduced from natural resources such as solar, wind, geothermal, water, and biomass, or regenerated or renewed through mass cultivation or production.

Increased use of renewable and regenerative energy resources can help achieve the enormous commercial goal of satisfying the world's increasing energy demands and the critical societal goals of substantially reducing air, water, and thermal pollution, excessive water consumption, and adverse land usage.



Hainan Venture's 150 Chinese *mu* jatropha nursery.
海南宏昌的150畝麻瘋樹苗圃。

Bio-diesel is currently one of the most suitable regenerative and renewable energy resources. This highly desirable alternative fuel source provides a renewable and cleaner source of energy which is relatively affordable.

The key challenge faced in bio-diesel development is the availability of a raw material that is commercially viable, environmentally friendly to produce, and socially acceptable. Apart from being more cost-effective than other conventional raw materials such as palm oil or rapeseed oil, the optimal raw material for bio-diesel production should not be derived from human or animal food sources, and should not be cultivated at the expense of deforestation or cultivated on land that could otherwise be used for the cultivation of human or animal food sources. It is widely believed that such an optimal raw material can be found in the oil derived from the seeds of *jatropha curcas*.

來年帶來顯著兼可持續的盈利。董事會在二零零七年在可恢復及可再生能源領域發掘了若干商機。可恢復及可再生能源與煤炭及天然氣等石化燃料不同，可從陽光、風力、地熱、水力及有機物等自然資源中補充及複製，或可透過大量培植或生產再生。

增加使用可恢復及可再生能源，可滿足地球對能源需求的增長，既可滿足商業目標，亦能顯著減低空氣、食水及熱量排放等環境污染，減低食水和土地使用量，從而滿足社會整體的目標。



Jatropha seeds.
麻瘋樹種子

生物柴油為目前最合適的可恢復及可再生能源，可作為另類燃料資源。生物柴油不但可再生，而且污染少，價錢亦經濟合理。

生物柴油發展面對的最大挑戰，乃物色一樣具經濟價值、生產過程環保，而且為社會接受的原料。棕櫚油或油菜籽油等其他傳統原料雖然具成本效益，但作為生物柴油的生產原料，不應源自人類或動物的食糧來源，亦不宜砍伐樹林或在原來可種植人類或動物食糧的土地上栽種。因此，麻瘋樹果實提取之油份，被廣泛視為最適用作生物柴油的原料。

Hainan Venture

In December 2007, the Company established Hainan Venture Zhengke Bioenergy Development Company Limited (海南宏昌正科生物能源發展有限公司) (“Hainan Venture”). Hainan Venture is a joint venture, 90% owned by the Company and 10% owned by 北京東方正科科技有限公司 (Beijing Oriental Zhengke Technology Company Limited), a PRC company principally engaged in investments in, and operation of businesses related to, research and technology. Hainan Venture was established to conduct *jatropha curcas*-based bio-energy activities in Hainan.

The seeds of *jatropha curcas* (also known as Barbados nut or Physic nut) have a high level of oil content which is widely believed to be one of the most economical and practical raw materials for the sustained production of environmentally friendly bio-diesel. Because the *jatropha* plant is not a food source and can be grown in less than optimal soil and climatic conditions, *jatropha* complies with the Chinese Government’s alternative energy policies, which prohibit alternative energy activities that use food sources as raw material or that occupy farmlands that can be used for growing food sources.

Hainan was chosen as the location for this important bio-energy project because of its particular suitability for growing *jatropha*. *Jatropha* thrives in warm weather conditions and requires substantial rainfall. Hainan provides the ideal combination of these two essential conditions.

With the technological assistance of specialists from the Sichuan University College of Life Sciences, Hainan Venture has completed the establishment of a 150 Chinese *mu* (~10 hectare) nursery to grow *jatropha curcas* saplings. Hainan Venture expects to commence selling these saplings in the second quarter of 2008 and to expand the size of the nursery during 2008.

海南宏昌

公司於二零零七年十二月與一家中國夥伴成立合營公司海南宏昌正科生物能源發展有限公司(「海南宏昌」)。公司持有海南宏昌90%權益，餘下的10%權益則由北京東方正科科技有限公司持有，後者為一家中國公司，主要從事與研究及科技相關之投資及業務營運。公司藉著建立海南宏昌，在海南發展麻瘋樹生物能源業務。

麻瘋樹果實(又名Barbados nut或Physic nut)油份含量高，被廣泛視為其中最適合作持續生產環保生物柴油的最經濟實用原料之一。由於麻瘋樹不可作食用，而且可在較差的土壤和氣候環境下生長，因此符合中國政府政策不容許利用糧食作為能源材料及不可利用種植糧食的農地作能源生產。

生物能源項目選擇在海南島進行，是由於該地點適合種植麻瘋樹。麻瘋樹需要在氣候溫暖、雨水充足的環境培植。海南的環境包含了以上兩項最重要條件，是最理想之選。

海南宏昌得到四川大學生物科學的專家提供技術支援，至今已成功建立了150畝(約10公頃)的麻瘋樹苗圃，種植麻瘋樹苗。海南宏昌預算在二零零八年第二季開始出售此批樹苗，並在二零零八年內繼續擴大苗圃規模。



3-month old *jatropha* saplings at Hainan Venture’s nursery, ready to be transplanted.
海南宏昌苗圃內三個月大的麻瘋樹苗，已可供移植。



Young *jatropha* fruit
麻瘋樹的初結果實



Matured *jatropha* fruit ready to be harvested.
已可收割的成熟麻瘋樹果實。

Lao-Agro

In December 2007, the Group extended its bio-energy business activities from China to Laos through a new joint venture, Lao Agro-Promotion Limited ("Lao-Agro"). Lao-Agro is an 80% owned subsidiary of the Company which was established to conduct jatropha-based bio-energy business activities in Laos. The 20% minority interest in Lao-Agro is held by Charoen Phattana Group, a Laotian business enterprise, and the Lao Disabled People Association.

Similar to Hainan, the climate and agronomy of Laos are highly suitable for the cultivation of jatropha curcas. Moreover, Laos offers sufficient inexpensive land and farm labor to support the mass cultivation of jatropha. The Company's presence in Laos through Lao-Agro will provide a strong foundation for developing and commercializing the jatropha-based bio-energy sector in Laos and for similar activities in other Greater Mekong Sub-region ("GMS") countries.

Because the Company's bio-energy activities were not commenced until late in 2007, the bio-energy sector did not generate any revenue for the year ended 2007. However, the biological asset gains from the cultivation of jatropha saplings during the year amounted to HK\$3,565,000. The biological assets gain was determined by Greater China based on the fair value of jatropha saplings less estimated point-of-sale costs with reference to the most recent market transaction prices.

Lao-Agro

集團於二零零七年十二月，透過新合營公司Lao Agro-Promotion Limited (「Lao-Agro」)，將本身的生物能源業務，由中國擴展至老撾。Lao-Agro為公司旗下持有80%權益之附屬公司，在老撾從事麻瘋樹生物能源業務。Lao-Agro餘下之20%少數權益為老撾企業Charoen Phattana集團及老撾傷殘人士協會所持有。

老撾在氣候及農業條件上與海南相似，極為適合種植麻瘋樹。老撾能提供廉價土地及農民勞工，以支持大量培植麻瘋樹。公司透過Lao-Agro，建立了強健的基礎，在老撾發展麻瘋樹生物能源之商業運作，以及在大湄公河次區域發展同類業務。

由於公司之生物能源業務活動在二零零七年末方才展開，生物能源部門在截至二零零七年止年度內並未帶來任何收益。但培植麻瘋樹苗所得生物資產價值之增加為3,565,000港元。此數額為獨立專業評估機構漢華評值，根據麻瘋樹的公允價值，減去以最近期市場交易價格作為參考之預期銷售價計算得出。



Jatropha specialist from Sichuan University College of Life Sciences (left) visiting Laos. 四川大學生命科學學院的麻瘋樹專家(圖左)到老撾考察。



Experimental jatropha nursery in Laos. 位於老撾的實驗性麻瘋樹苗圃。

Non-agricultural businesses

Systems Integration, Software solutions, IT management and support: TopAsia Group (“TopAsia”)

In 2007, TopAsia’s provision of ATM management services to the banking and financial sectors in China remained a main revenue contributor to the Company.

Buoyed by economic prosperity in China, TopAsia enjoyed steady business growth during 2007. TopAsia entered into a number of new ATM after-sales services contracts with state-owned and commercial banks, including 15 municipal branches of China Merchants Bank, 35 branches of Bank of Communications, and branches of Bank of China and the Postal Bureau. To support this wider customer base, TopAsia bolstered its infrastructure by adding 7 service centers countrywide, for a total of 38, and expanding its engineering team with the addition of another 30 technicians.

Sales of ATM products also increased in 2007, with gains mainly attributable to sizeable new contracts for more than 100 installations in the Zhejiang Postal Bureau and Bank of Shanghai. Sales of data storage facilities also increased slightly during 2007, with supply and service contracts signed with Shanghai Securities Depository and Clearing Corporation, Shanghai Post, Industrial Bank, and the Guangzhou Municipal Government.

In spite of increasing revenues, the level of TopAsia’s direct and operating costs remain high for 2007, and the division generated operating losses amounting to HK\$1,330,000 for the year. In light of current global economic concerns, particularly in the financial services industry in which TopAsia operates, and China’s macroeconomic situation of tight money supply and high inflation, TopAsia will face a challenging business environment in 2008. We will continue to monitor and assess TopAsia’s activities and prospects.

Real estate related technology services: Acacia Asia Partners Ltd (“Acacia”)

Acacia is a provider of technical and outsourcing services to retail real estate agencies in the PRC, primarily in Shanghai. The operating landscape for Acacia’s business has become increasingly difficult, with the mainland Chinese Government’s imposition of austerity measures and higher operating requirements for brokerages. In view of the plunging number of transactions and negative prospects, the Group is seriously assessing the future viability of Acacia.

非農業業務

系統集成、軟件方案、資訊科管理及支援：冠亞集團（「冠亞」）

於二零零七年，冠亞為銀行及金融業提供的自動櫃員機管理服務，仍為公司主要之收入來源。

受惠於內地蓬勃的經濟，冠亞於二零零七年錄得平穩的業務增長。冠亞與招商銀行15家市級支行、交通銀行35家支行、中國銀行多家支行及國家郵政局等多家國有機構及商業銀行簽訂新的自動櫃員機售後服務合約。冠亞在全國增設七所服務中心至合共38所，以加強其服務基礎，務求為此強大客戶群提供足夠支援。同時，冠亞亦額外增聘30名工程技術人員，以壯大集團的工程部門。

自動櫃員機之銷售額於二零零七年亦有所增長，盈利主要來自多份大額合約，當中包括為浙江郵政及上海銀行安裝超過100部自動櫃員機。憑藉與上海證券中央登記結算公司、上海市郵政局、興業銀行及廣州市政府等機構所簽訂之設施供應及服務合約，電腦資料存儲設備之銷售額於年內亦錄得輕微增長。

雖然冠亞之收入增加，但公司的直接及營運成本在二零零七年依然高企，故部門於年度內錄得經營虧損1,330,000港元。現時全球經濟出現隱憂，尤其在冠亞身處的金融服務行業，加上中國收緊貨幣供應的宏觀政策及高通脹，冠亞的業務在二零零八年將面對具有挑戰性的經營環境。管理層將繼續監察和評估冠亞之業務狀況及前景。

房地產相關資訊科技服務：Acacia Asia Partners Ltd（「Acacia」）

Acacia為內地物業代理提供科技及外判服務，服務對象主要位處上海。由於中央政府採取宏觀調控措施及對代理商設定更高經營要求，Acacia的經營環境漸趨困難。由於交易量下滑，加上前景欠佳，集團正審慎評估Acacia的投資前景。

Management Discussion & Analysis • 管理層討論與分析

Acacia generated HK\$442,000 in revenues and HK\$5,799,000 in operating losses during 2007.

Real estate consultancy services: Grand Panorama Limited and its subsidiary ("Grand Panorama Group")

As a real estate and mortgage broker in Shanghai, Grand Panorama competes with large-scale brokers with more comprehensive infrastructure and networks across Shanghai and China as a whole. Along with Acacia, this segment will remain constrained by stringent Government policies. As discussed above, the Company disposed of its entire interest in Grand Panorama Group in March 2008.

Grand Panorama Group generated HK\$5,617,000 in revenues and HK\$4,715,000 in operating profits during 2007.

Outlook

The Company's progress in 2007 in the agro-conservation sector through Green Global Licorice and Green Global Salix has been significant. With the cooperation of Tian Lan and the Inner Mongolia government in the 5532 project, Green Global Licorice and Green Global Salix will continue to plant licorice and salix in Inner Mongolia to achieve the Company's goal to cultivate 200,000 Chinese *mu* (~13,300 hectares) of licorice over the next 3 years and 5,000,000 Chinese *mu* (~333,000 hectares) of salix over the next 5 years. Going forward, the Company's Board and management believe that Green Global Licorice and Green Global Salix will make significant contributions to the revenue and profits of the Company.



Another area of Green Global Licorice's 8,000 Chinese *mu* plantation in Inner Mongolia. Green Global Licorice位於內蒙古的8,000畝種植場另一部份。

Acacia於二零零七年錄得收益442,000港元及經營虧損5,799,000港元。

房地產顧問服務：Grand Panorama Limited及其附屬公司（「Grand Panorama集團」）

Grand Panorama為一家位於上海的房地產及按揭代理商，其主要競爭對手為具有更全面基建、覆蓋上海和全國網絡之大型代理商。Grand Panorama與Acacia同樣受到嚴厲的政府政策所限制。如上文提及，公司已於二零零八年三月出售於Grand Panorama集團所持權益。

Grand Panorama集團於二零零七年錄得收益5,617,000港元及經營溢利4,715,000港元。

前景

公司於二零零七年透過Green Global Licorice及Green Global Salix在農產保育業務方面取得重大發展。通過與天蘭及內蒙古政府在5532工程的合作，Green Global Licorice及Green Global Salix將繼續在內蒙古種植甘草及沙柳，以達至公司於未來三年培植20萬畝（約1.33萬公頃）甘草及於未來五年種植500萬畝（約33.3萬公頃）沙柳的目標。公司董事會及管理層相信循此發展路向，Green Global Licorice及Green Global Salix將為公司的營業額及溢利帶來可觀貢獻。



Various grades of licorice roots ranging from 3-5 years. 各級甘草根，介乎三至五年期不等。

Management Discussion & Analysis • 管理層討論與分析



Green Global Licorice's new plantation in Inner Mongolia.
Green Global Licorice位於內蒙古的全新甘草種植場。

Through the 5532 project with Tian Lan, the Company has engendered the trust and support of the local government for its agro-conservation efforts in Inner Mongolia. The Board and management believe that this trust in and support for the Company will greatly facilitate our current and future agro-conservation efforts in Inner Mongolia.

The Company established important foundations for its bio-energy businesses in Hainan and Laos in 2007. Hainan Venture, which established its *jatropha curcas* sapling nursery in 2007, intends to expand its nursery to 1,500 Chinese *mu* (~100 hectares), a scale which will ensure an adequate supply of *jatropha* saplings to plant large areas of land. In fulfillment of this purpose, in March 2008, Hainan Venture entered into a Cooperation Agreement with 海南東方林昌生物能源發展有限公司 (Hainan Oriental Linchang Bioenergy Development Limited) (the "Hainan Partner"), pursuant to which

透過與天蘭合作的5532工程，公司在內蒙古農產保育方面作出了極大努力，成功取得當地政府的信任及支持。公司董事會及管理層深信公司現有及日後在內蒙古農產保育的投資將因而受惠。

公司於二零零七年在中國海南省及老撾為其農產保育業務奠定了重要基礎。海南宏昌在二零零七年設立一個麻瘋樹幼苗苗圃，並計劃將苗圃擴大至1,500畝（約100公頃），以確保為廣大的農地提供足夠麻瘋樹苗。有見及此，海南宏昌於二零零八年三月與海南東方林昌生物能



Green Global Salix's 200,000 Chinese *mu* Salix plantation in Inner Mongolia.
Green Global Salix位於內蒙古的200,000畝種植場。



Matured salix; ready to be harvested.
已長成至可收割的沙柳。

Management Discussion & Analysis • 管理層討論與分析

the parties agreed that Hainan Venture will sell *jatropha curcas* saplings from its nursery to the Hainan Partner for planting in an area of approximately 1,300,000 Chinese *mu* (~86,000 hectares) Chinese *mu* in Hainan and the Hainan Partner will sell all qualified seeds harvested from such trees to the Hainan Venture for the next 30 years. The Board and management believe that this cooperation will serve as a strong foundation for our *jatropha*-based bio-energy business in Hainan, by ensuring that we have a reliable market for the *jatropha* saplings grown in our Hainan nursery, that those saplings will be properly cultivated into seed producing trees, and that we will have a guaranteed future supply of high quality seeds from those trees.

源發展有限公司(「海南夥伴」)簽訂一份合作協議。根據協議，雙方同意海南宏昌將其苗圃出產的麻瘋樹幼苗售予海南夥伴，海南夥伴將利用樹苗在海南省種植130萬畝(約8.63公頃)的麻瘋樹。同時，海南夥伴亦須將所有收割的合規格種籽，於未來30年售予海南宏昌。董事會及管理層相信此合作關係將為公司在海南省苗圃的麻瘋樹苗提供一個可靠的銷售市場，同時亦保證此等麻瘋樹苗得以培植，並讓公司從中取得優質的麻瘋樹種籽供應，藉此為公司在海南省的麻瘋樹生物能源業務奠定鞏固基礎。



The signing ceremony between Lao-Agro and NAST.
Lao-Agro與老撾國家科技局舉行的簽署儀式。

In December 2007, the Company entered into the Lao-Agro joint venture to conduct *jatropha*-based bio-energy business activities in Laos, and in March 2008 Lao-Agro entered into a Cooperation Agreement with the Lao National Authority for Science and Technology ("NAST") to establish three commercially-based research and development and training centers for the production of commercially and environmentally sustainable *jatropha*-based bio-energy as an alternative and renewable energy source. This new business venture in Laos marks the Company's first initiative into the GMS. Management believes that the Lao-Agro joint venture and Lao-Agro's cooperation with NAST will help Lao-Agro to develop optimal species of *jatropha curcas* for commercializing *jatropha* production in Laos, and help to establish Lao-Agro as a highly recognized and dependable *jatropha* producer throughout the GMS.

公司於二零零七年十二月透過Lao-Agro在老撾開展麻瘋樹生物能源業務，並在二零零八年三月與老撾國家科技局簽訂了一份Lao-Agro合營及合作協議，成立3個商業研發和訓練中心，利用麻瘋樹商業化生產既環保兼可持續再生的另類生物能源。此老撾合營業務為公司銳意進軍大湄公河次區域的首個項目。管理層相信，通過Lao-Agro合營項目及Lao-Agro與老撾國家科技局之間的合作，將能令Lao-Agro成功研發老撾最佳商用麻瘋樹品種，同時亦能協助Lao-Agro成為大湄公河次區域內一家認可及可靠的麻瘋樹生產商。

Management Discussion & Analysis • 管理層討論與分析

With support from the governments in each of the countries in which the Company has invested, the Board and management believe that our agro-conservation and bio-energy business activities will make great strides in 2008 and the years to come. Going forward, the Company intends to continue to focus its efforts and resources towards realizing the tremendous potential of these agro-conservation and bio-energy businesses to create maximum profits and value for the Company and its shareholders.

The Company, through its new Board and management, has demonstrated its commitment to identifying and capitalizing on new opportunities to achieve substantial and sustainable financial growth for the Company and to maximize shareholder value. Through a combination of rationalization and repositioning of existing businesses and strategic and coordinated investments in new growth businesses in 2007, we have established a firm platform for the Company to achieve exciting and sustained future financial success, while fulfilling the Company's commitments to socio-economic development, good corporate governance and transparency, and responsible citizenship in the growing "green global" community.

Liquidity and financial resources

Net Assets

At 31st December 2007, the Group recorded total assets of approximately HK\$520,749,000, which were financed by liabilities of approximately HK\$195,399,000 and equity of approximately HK\$325,350,000. The Group's net asset value as at 31st December 2007 increased by 90% to 325,350,000 as compared to approximately HK\$170,992,000 as at 31st December 2006.



April 2008 – New Company name and logo.
二零零八年四月 — 新公司名稱及標誌。

公司的投資獲得各地政府的支持，董事會及管理層相信其農產保育及生物能源業務將在二零零八年及往後高速增长。展望未來，公司計劃繼續把資源集中投放於農產保育及生物能源業務以實現其巨大潛能，為公司及股東帶來最大的溢利及價值。

新組成的董事會及管理層，顯示公司銳意開拓及發展新商機，為集團帶來可觀及持續財政增長之同時，亦盡力為股東提高投資價值。通過對現有業務一系列的整頓及定位，以及在二零零七年新發展業務運用的策略調配投資，公司成功為將來取得強大及持續佳績奠定穩健平台。與此同時，公司亦遵守承諾，在社會經濟發展、企業公民責任及建立綠色地球社區各方面作出貢獻。

流動資金及財務資源

資產淨值

於二零零七年十二月三十一日，本集團之資產總值約達520,749,000港元，其中包括負債約195,399,000港元及權益約325,350,000港元。本集團於二零零七年十二月三十一日之資產淨值約為325,350,000港元，而二零零六年十二月三十一日則約為170,992,000港元，增幅達90%。



Green Global's representative office in Laos.
Green Global於老撾的代表辦事處。

Management Discussion & Analysis • 管理層討論與分析

Liquidity

The Group had total cash and bank balances of approximately HK\$72,939,000 as at 31st December 2007 (2006: HK\$72,254,000). The net cash balance as at 31st December 2007 was also HK\$72,939,000 (2006: approximately HK\$72,236,000), as the Group does not have any bank borrowings (2006: approximately HK\$18,000).

As at 31st December 2007, the current ratio was 1.58 (2006: 2.79) and gearing ratio was 0.24 (2006: Nil) which was defined as the Group's convertible loan notes over its equity attributable to equity holders of the Company.

Charges on assets

At 31st December 2007, no fixed deposits were pledged to banks to secure banking facilities (2006: HK\$15,624,000).

Treasury policies

The Group generally finances its operations with internally generated resources, proceeds from the disposal of its available-for-sale-investments and from equity fund raising activities. All financing methods, including equity, debt and other means, will be considered so long as such methods are beneficial to shareholders as a whole. Subsidiaries in the PRC use internally generated resources to finance their working capital requirements. Bank deposits are mainly in Hong Kong dollars and Renminbi.

Contingent liabilities and capital commitments

The Group had no material contingent liability in respect of possible future long service payments to employees under the Hong Kong Employment Ordinance.

The Group had capital commitments which were authorised but not contracted for totaling approximately HK\$36,035,000 in respect of additional capital injections in subsidiaries as at 31st December 2007 (2006: Nil).

流動資金

本集團於二零零七年十二月三十一日之現金及銀行結餘總額約為72,939,000港元(二零零六年:72,254,000港元)。由於本集團並無任何銀行借貸(二零零六年:約18,000港元),故本集團之淨現金結餘亦為72,939,000港元(二零零六年:約72,236,000港元)。

於二零零七年十二月三十一日之流動比率為1.58(二零零六年:2.79),而資產負債比率則為0.24(二零零六年:零),為本集團可換股貸款票據除以本公司權益持有人應佔權益。

資產抵押

於二零零七年十二月三十一日,本集團並無將定期存款抵押予銀行(二零零六年:15,624,000港元),以作為所獲授銀行融資之抵押。

庫務政策

本集團一般透過內部產生資源、出售可供出售投資所得之款項及股本集資活動撥付其業務運作所需資金。所有集資活動,不論為股本、債務或其他形式,只要對股東整體而言為有利,均會被列入考慮範圍。本集團之中國附屬公司使用內部產生資源撥付其營運所需資金。銀行存款主要以港元及人民幣為單位。

或然負債及資本承擔

本集團並無有關根據香港僱傭條例須支付予僱員之潛在未來長期服務金之重大或然負債。

於二零零七年十二月三十一日,本公司就對附屬公司額外注資而有已授權但未訂約之資本承擔合共約36,035,000港元(二零零六年:零)。

Management Discussion & Analysis • 管理層討論與分析

Foreign exchange exposure

For the year ended 2007, the Group mainly earns revenue in Renminbi and incurs costs in Hong Kong Dollars and Renminbi. Although, the Group currently does not have any foreign currency hedging policies, it manages its currency exposure by ensuring that the revenue earned in Renminbi are used to pay for Renminbi denominated costs. Funds raised from financing activities which are mainly in Hong Kong Dollars are used to pay for Hong Kong Dollar expenses and Hong Kong Dollar costs of acquisitions.

The directors do not expect the appreciation of the Renminbi against the Hong Kong Dollars to have any material adverse effect on the operation of the Group.

Employee and remuneration policies

As at 31st December 2007, the Group employed approximately 263 full time staff in the Mainland China and Hong Kong. The Group remunerates its employees based on their performance, working experience and the prevailing market price. Other employee benefits include mandatory provident fund, insurance and medical coverage, training programs and share option scheme.

外匯風險

截至二零零七年止年度，本集團所賺取收益主要以人民幣結算，所產生費用則主要以港元及人民幣結算。儘管本集團目前並無外幣對沖政策，惟本集團在管理貨幣風險時，會確保以人民幣賺取的收益是用作支付以人民幣結算的費用。透過融資活動籌得的資金主要以港元計值，乃用作支付以港元結算的費用及收購成本。

董事預期，人民幣兌港元升值不會對本集團業務運作造成任何重大不利影響。

僱員及薪酬政策

於二零零七年十二月三十一日，本集團在中國內地及香港僱用約263名全職員工。本集團根據僱員之表現、工作經驗及當時市價釐定彼等之薪酬。其他僱員福利包括強制性公積金、保險及醫療津貼、培訓計劃及購股權計劃。

Board Of Directors

Executive Directors

Mr. Tse Michael Nam (Chairman and Chief Executive Officer)
Mr. Puongpun Sananikone

Independent Non-Executive Directors

Mr. Lim Yew Kong, John
Mr. Albert Theodore Powers
Mr. Pang Seng Tuong

Qualified Accountant And Company Secretary

Ms. Ng Bee Ching, Jenna

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head Office And Principal Place Of Business

9 Floor, Wincome Centre
Nos. 39-41 Des Voeux Road Central
Hong Kong

Principal Bankers

Bank of China (Hong Kong) Limited
2A Des Voeux Road Central
Hong Kong

Solicitors

Michael Li & Co.
14/F Printing House
6 Duddell Street, Central
Hong Kong

Auditors

SHINEWING (HK) CPA Limited
16/F United Centre
95 Queensway
Hong Kong

董事會

執行董事

謝南洋先生 (主席兼行政總裁)
Puongpun Sananikone先生

獨立非執行董事

Lim Yew Kong, John先生
Albert Theodore Powers先生
Pang Seng Tuong先生

合資格會計師及公司秘書

黃美真女士

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及主要營業地點

香港
德輔道中39-41號
永傑商業大廈9樓

主要往來銀行

中國銀行(香港)有限公司
香港
德輔道中2號A

律師

李智聰律師事務所
香港中環
都爹利街6號
印刷行14樓

核數師

信永中和(香港)會計師事務所有限公司
香港
金鐘道95號
統一中心16樓

Corporate Information • 公司資料

Principal Share Registrar And Transfer Office

The Bank of Bermuda Limited
Bank of Bermuda Building
6 Front Street
Hamilton HM 11
Bermuda

Hong Kong Branch Registrar And Transfer Office

Tricor Tengis Limited
26/F Tesbury Centre
28 Queen's Road East
Hong Kong

Website

<http://www.greenglobal-resources.com>

主要股份登記及過戶處

The Bank of Bermuda Limited
Bank of Bermuda Building
6 Front Street
Hamilton HM 11
Bermuda

香港股份登記及過戶分處

卓佳登捷時有限公司
香港
皇后大道東28號
金鐘匯中心26樓

網址

<http://www.greenglobal-resources.com>



EXECUTIVE DIRECTORS

執行董事



Mr. Tse Michael Nam 謝南洋先生

Mr. Tse Michael Nam, aged 50, is the Chairman and Chief Executive Officer of the Company. Mr. Tse has had over 20 years of experience in the agricultural, cultivation and farming industry. Mr. Tse has held key management positions in several agricultural companies as well as being a technical advisor to various organizations and governmental bureaus such as Hawaiian Agronomic (International) Inc., the Thai Trade Commission and projects funded by multinational organizations such as the Asian Development Bank ("ADB"). Mr. Tse holds a Bachelor of Science degree in Biological Science & Marine Biology from the University of California, Berkeley and a Master of Business Administration degree from the University of San Francisco. Mr. Tse is responsible for the Group's overall performance and strategic direction.

謝南洋先生，50歲，為本公司主席兼行政總裁，於農業、耕種及農作行業擁有超過20年經驗，曾於多間農業公司擔任主要管理職位，並為多個機構及政府部門之技術顧問，例如Hawaiian Agronomic (International) Inc.、Thai Trade Commission及由跨國組織如亞洲開發銀行等資助之項目。謝先生持有加州大學伯克萊分校生物科學及海洋生物學學士學位及三藩市大學工商管理碩士學位。彼負責本集團之整體表現及策略方針。

Directors' & Management's Profile • 董事及管理人員簡介



Mr. Puongpun Sananikone
Puongpun Sananikone先生

Mr. Puongpun Sananikone, aged 63, is an Executive Director of the Company. Mr. Sananikone is an experienced international development economist and business executive whose career has spanned many countries throughout the Asia-Pacific region. Mr. Sananikone has been professionally active in China and Southeast Asia for over two decades. Mr. Sananikone is currently president of Pacific Management Resources ("PacMar, Inc.") (1987-present), a Hawaiian-based multinational consulting group assisting international funding agencies and private sector clients in project identification, planning and development. Under his guidance, PacMar Inc. completed a large number of projects in the agriculture and rural development sectors for the ADB, the World Bank, and the United States Agency for International Development (USAID) in various Asian countries, and major public and private sector enterprises in China and other Asia-Pacific nations. Mr. Sananikone, a recipient of the 2003 University of Hawaii Distinguished Alumni Award, holds a Bachelor of Arts in Economics from the University of Hawaii, a Master of Arts in Economics from the University of Colorado, and has completed specialised post-graduate training in macro and natural resource economics at Colorado State University.

Puongpun Sananikone先生，63歲，為本公司執行董事。Sananikone先生為經驗豐富之國際發展經濟師及商業行政人員，曾於亞太區多個國家工作。Sananikone先生曾於中國及東南亞從事專業工作超過二十年。Sananikone先生現為Pacific Management Resources (「PacMar, Inc.」)之總裁(一九八七年至今)，PacMar, Inc.為協助國際撥款機構及私人機構客戶確定項目、規劃及發展之夏威夷跨國顧問集團。在彼之領導下，PacMar Inc.替亞洲開發銀行、世界銀行、美國國際開發署(U.S. Agency for International Development, USAID)於多個亞洲國家，以及為多家中國及其他亞太國家的主要公營及私人企業完成多項農業及鄉郊發展項目。Sananikone先生於二零零三年獲University of Hawaii頒發傑出校友獎(Distinguished Alumni Award)，彼持有University of Hawaii經濟學文學士學位以及University of Colorado經濟學文學碩士學位，並於Colorado State University完成宏觀及自然資源經濟專科研究生訓練。

INDEPENDENT NON-EXECUTIVE DIRECTORS

獨立非執行董事



Mr. Lim Yew Kong, John
Lim Yew Kong, John先生

Mr. Lim Yew Kong, John, aged 46, is an Independent Non-Executive Director of the Company. Mr. Lim has extensive private equity investment experience, having managed several private equity funds covering primarily the ASEAN region since 1991. Prior to that, he worked in Dowell Schlumberger in the United Kingdom and Arthur Andersen & Co., London. Mr. Lim graduated with a Bachelor's Degree in Economics from the London School of Economics and Political Science in the United Kingdom. He is a qualified chartered accountant from the Institute of Chartered Accountants in England and Wales.

Lim Yew Kong, John先生，46歲，為本公司獨立非執行董事，於私人股權投資方面擁有豐富經驗，自一九九一年起從事管理多個主要位於東盟地區之私人證券基金。於此之前，Lim先生於英國Dowell Schlumberger及倫敦Arthur Andersen & Co.工作。彼持有英國倫敦政治經濟學院經濟學文學士學位，亦為英格蘭及威爾斯特許會計師公會之合資格特許會計師。

Directors' & Management's Profile • 董事及管理人員簡介



Mr. Albert Theodore Powers
Albert Theodore Powers先生

Mr. Albert Theodore Powers, aged 55, is an Independent Non-Executive Director of the Company. Mr. Powers is the Chairman and Chief Executive Officer of the Allied Pacific Group, a diversified investment and advisory group based in Hong Kong. Mr. Powers has over 30 years of business and legal experience in a wide range of corporate, commercial, hospitality, gaming and real estate activities. Mr. Powers has particular experience in investment transactions in Greater China and Asia, where he has resided and worked for the past 25 years. Prior to joining the Allied Pacific Group, Mr. Powers practiced law in New York City, San Francisco and Hong Kong and was the Hong Kong senior and managing partner for several of the world's leading law firms, including Shearman & Sterling and Gibson, Dunn & Crutcher. Mr. Powers is licensed to practice law in New York, California, Colorado, and Hong Kong. Mr. Powers holds a Bachelors of Arts degree from the University of Denver; a Master of Business Administration degree from Imperial College London; a Juris Doctor degree from the University of Pennsylvania Law School; and a Master of Laws in Taxation degree from the New York University Law School.



Mr. Pang Seng Tuong
Pang Seng Tuong先生

Mr. Pang Seng Tuong, aged 41, is an Independent Non-Executive Director of the Company. Mr. Pang has more than 10 years of experience in investment banking and investments. Mr. Pang is the founder and managing partner of Pinetree Capital Partners Pte Ltd, a private equity fund management company. Prior to setting up Pinetree Capital Partners in mid-2006, Mr. Pang co-founded Westcomb Financial Group Ltd in 2000, one of the first boutique investment banks in Singapore, which is listed on the Singapore Stock Exchange. Mr. Pang holds a Bachelor of Science degree (Highest Honours) in Astro & Aeronautical Engineering from the University of Illinois at Urbana-Champaign under a scholarship from a Singapore Government-linked company and subsequently under a double scholarship from the University, he obtained a Master of Science degree in Mechanical Engineering. He was the winner of the prestigious Sword-of-Honour as well as the Letter of Commendation, and held the rank of Major while in military service in Singapore.

Albert Theodore Powers先生，55歲，為本公司獨立非執行董事。Powers先生為Allied Pacific Group之主席及行政總裁。Allied Pacific Group為建基於香港的多元化投資及顧問集團。Powers先生在廣泛的企業、商業、酒店、博彩及房地產業務方面擁有逾三十年的商業及法律經驗。Powers先生於過去二十五年在中華及亞洲生活和工作，尤其擁有於大中華及亞洲之投資交易經驗。Powers先生於加盟Allied Pacific Group前為紐約市、三藩市和香港的執業律師，並曾擔任多間世界首屈一指的律師行在香港的高級及管理合伙人(senior and managing partner)，包括Shearman & Sterling及Gibson, Dunn & Crutcher。Powers先生已取得於紐約、加利福尼亞、科羅拉多及香港的律師執業資格。Powers先生持有University of Denver文學士學位；Imperial College London工商管理碩士學位；University of Pennsylvania Law School法學博士學位；以及New York University Law School法律碩士稅務學位。

Pang Seng Tuong先生，41歲，為本公司獨立非執行董事。Pang先生已積累逾十年的投資銀行及投資項目經驗。Pang先生為Pinetree Capital Partners Pte Ltd之創辦人及管理合伙人。Pinetree Capital Partners Pte Ltd為一間私人股權基金管理公司。Pang先生於二零零六年中成立Pinetree Capital Partners，在此之前，Pang先生與伙伴在二零零零年聯手創立Westcomb Financial Group Ltd。Westcomb Financial Group Ltd於新加坡證券交易所上市，為新加坡首批精品投資銀行(boutique investment banks)之一。Pang先生憑藉一間與新加坡政府有關的公司提供的獎學金，於University of Illinois的Urbana-Champaign分校取得太空及航空工程理學士學位(最高榮譽)，其後以該大學的雙重獎學金(double scholarship)取得機械工程理學士碩士學位。彼在新加坡服軍役時贏得Sword-of-Honour的殊榮並獲授Letter of Commendation，領有少校軍銜。

Directors' & Management's Profile • 董事及管理人員簡介

SENIOR MANAGEMENT

Mr. Chu Lik Chung, aged 56, has the overall management responsibility for the Group's banking and financial peripheral product offering and servicing network in China. Mr. Chu is a graduate of the Eastern China Normal University, Shanghai with a diploma in Chinese language and literature. Mr Chu has more than 15 years of IT experience and joined the Group in June 2000.

Mr. Ophad Phissamay, aged 39, is the Group's Country Representative in Laos, and is specifically responsible for directing and managing the Group's Laos agricultural operation. Mr. Phissamay has over 10 years of experience in directing, managing and administering projects and operations for large organizations in Laos, including Lao Airlines and the Department of Civil Aviation of Lao PDR. Mr. Phissamay holds a Master of Science degree in Aeronautical Operations from the National School of Civil Aviation, Toulouse, France, and a Master of Science degree in teaching Mathematics and Computer Science from Lenin Pedagogical University, Moscow, Russia.

Ms. Ng Bee Ching, Jenna, aged 40, is the Group's qualified accountant and company secretary. She is a member of Hong Kong Institute of Certified Public Accountants and CPA Australia. Ms. Ng has been in the accounting and corporate finance arena for more than 15 years. Prior to joining the Group, Ms. Ng held various management positions with companies in Singapore, Hong Kong and Australia.

高級管理人員

朱力中先生，56歲，負責整體管理本集團於中國之銀行及金融信息化週邊產品業務及服務網絡。彼持有上海華東師範大學中國語言及文學文憑。朱先生於資訊科技業積逾15年經驗，於二零零零年六月加入本集團。

Ophad Phissamay先生，39歲，為本集團於老撾之國家代表，專責督導及管理本集團於老撾之農業業務。Phissamay先生於項目及業務運作，包括老撾航空公司及老撾人民民主共和國民航部(Department of Civil Aviation of Lao PDR)之督導、管理及行政範疇已積逾十年經驗。Phissamay先生持有法國圖盧茲National School of Civil Aviation航空運作理學碩士學位，以及俄羅斯莫斯科Lenin Pedagogical University數學及計算機科學教學理學碩士學位。

黃美真女士，40歲，為本集團合資格會計師及公司秘書。彼為香港會計師公會及澳洲會計師公會會員，從事會計及企業融資工作逾15年。加入本集團之前，黃女士曾於新加坡、香港及澳洲多家公司擔任各項管理職位。



Report of the Directors • 董事會報告

The Board of directors (the "Directors") of the Company is pleased to present their report and the audited financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st December 2007.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. During the year, the Group was principally involved in the distribution of information technology products, the provision of computer technology services and the carrying on of property agency business in China. During the year, the Company also embarked on the new businesses of agro-conservation and the cultivation of raw materials for the bio-energy industry. Details of the material activities of the Group's principal subsidiaries are set out in note 35 to the financial statements.

As discussed in the Chairman's Statement and the Management Discussion and Analysis, the Company re-positioned itself during 2007 to become more focused on agro-conservation and bio-energy businesses. No other significant changes in the nature of the Group's principal activities occurred during 2007.

RESULTS

The Group's results for the year ended 31st December 2007 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 49 to 148.

SUMMARY FINANCIAL INFORMATION

The following is a summary of the published consolidated results and the assets, liabilities and minority interests of the Group, prepared on the basis set out in the notes to the financial statements. This summary does not form part of the audited financial statements.

本公司董事會(「董事會」)謹提呈其報告以及本公司及其附屬公司(「本集團」)截至二零零七年十二月三十一日止年度之經審核財務報表。

主要業務

本公司之主要業務為投資控股。於年內，本集團從事分銷資訊科技產品以及提供電腦技術服務及在中國經營地產代理服務之業務；於本年度，本公司亦涉足農產保育及為生物能源行業培植原料兩項全新業務。有關本集團各主要附屬公司之主要業務詳情載於財務報表附註35。

誠如「主席報告」及「管理層討論及分析」所述，本公司於二零零七年已重新定位，朝向以農產保育及生物資源作為核心業務。本集團之主要業務性質於二零零七年度並無任何其他重大變動。

業績

本集團截至二零零七年十二月三十一日止年度之業績與本公司及本集團於該日之財務狀況載於第49至第148頁之財務報表。

財務資料概要

以下為本集團按照財務報表附註所載基準編製之已公佈綜合業績以及資產、負債及少數股東權益概要。此概要並不構成經審核財務報表其中部分。

Report of the Directors • 董事會報告

RESULTS

		業績				
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
TURNOVER	營業額					
Continuing operations	持續經營業務	72,252	58,740	128,884	237,841	261,692
Discontinuing operations	已終止業務	-	-	96,224	-	-
		72,252	58,740	225,108	237,841	261,692
LOSS BEFORE TAX	除稅前虧損					
Continuing operations	持續經營業務	(36,048)	(11,633)	(12,406)	(29,755)	(15,734)
Discontinuing operations	已終止業務	-	-	(27,110)	-	-
TAX	稅項	(36,048) (1,209)	(11,633) 1,642	(39,516) 1,673	(29,755) (175)	(15,734) 1,974
LOSS BEFORE MINORITY INTERESTS	未計少數股東權益前虧損	(37,257)	(9,991)	(37,843)	(29,930)	(13,760)
MINORITY INTERESTS	少數股東權益	(422)	-	2,171	3,077	(1,622)
NET LOSS ATTRIBUTABLE TO SHAREHOLDERS	股東應佔淨虧損	(37,679)	(9,991)	(35,672)	(26,853)	(15,382)

ASSETS, LIABILITIES AND MINORITY INTERESTS

		資產、負債及少數股東權益				
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產	398,136	48,880	106,388	86,924	90,257
CURRENT ASSETS	流動資產	122,613	190,519	96,480	238,526	281,019
CURRENT LIABILITIES	流動負債	(77,732)	(68,407)	(47,349)	(189,819)	(205,835)
NET CURRENT ASSETS	流動資產淨值	44,881	122,112	49,131	48,707	75,184
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	443,017	170,992	155,519	135,631	165,441
NON-CURRENT LIABILITIES	非流動負債	(117,667)	-	(210)	(487)	(737)
MINORITY INTERESTS	少數股東權益	(2,555)	-	-	(4,454)	(7,531)
		322,795	170,992	155,309	130,690	157,173

FIXED ASSETS

Details of movements in the fixed assets of the Company and of the Group during the year are set out in note 16 to the financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of the movements in the Company's share capital and share options during the year, together with the reasons for such movements, are set out in notes 26 and 29 respectively, to the financial statements.

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in note 34(c) to the financial statements and in the consolidated statement of changes in equity on page 52, respectively.

DISTRIBUTABLE RESERVES

At 31st December 2007, the Company had no retained profits available for cash distribution or distribution in specie. Under the Companies Act 1981 of Bermuda, the Company's contributed surplus of HK\$39,431,000 is undistributable. The Company's share premium account, in the amount of HK\$475,727,000 at 31st December 2007, may be distributed in the form of fully paid bonus shares.

PRE-EMPTIVE RIGHTS

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

PURCHASE, SALE AND REDEMPTION OF SHARES

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

固定資產

本公司及本集團固定資產於年內之變動詳情載於財務報表附註16。

股本及購股權

本公司股本及購股權於年內之變動詳情連同變動理由分別載於財務報表附註26及29。

儲備

本公司及本集團儲備於年內之變動詳情分別載於財務報表附註34(c)及第52頁之綜合權益變動報表。

可分派儲備

於二零零七年十二月三十一日，本公司並無留存溢利可作現金分派或實物分派。根據百慕達一九八一年公司法，本公司之繳入盈餘39,431,000港元現時不可分派。本公司於二零零七年十二月三十一日之股份溢價賬達475,727,000港元，可按繳足股款紅股之方式分派。

優先認股權

本公司之公司細則或本公司註冊成立之司法權區百慕達之法例均無載有本公司必須按比例向其現有股東發售新股份之優先認股權規定。

購買、出售及贖回股份

本公司或其任何附屬公司於年內並無購買、贖回或出售本公司任何上市證券。

Report of the Directors • 董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

In 2007, sales to the Group's five largest customers accounted for approximately 50% of the Group's total sales for the year.

Purchases from the Group's five largest suppliers accounted for 48% of the total purchases for the year and purchases from the largest supplier included therein amounted to 15% of the Group's total purchases for the year.

None of the Directors, any of their associates, or any of the substantial shareholders of the Company (which are disclosed to the Directors) had any beneficial interest in the Group's five largest customers and suppliers.

DIRECTORS

The Directors of the Company during 2007 and up to the date of this report were as follows:

EXECUTIVE DIRECTORS

Mr. Tse Michael Nam *(Chairman and Chief Executive Officer)*
(appointed as a Chairman on 12th February 2007)
(appointed as a Chief Executive Officer on 1st March 2007)

Mr. Puongpun Sananikone *(Executive Director)*
(appointed as an Independent Non-Executive Director on 1st July 2007)
(appointed as an Executive Director on 1st March 2008)

Mr. Chan Tze Ngon *(Former Chairman)*
(resigned 1st March 2008)

Mr. Tang Kin Hung *(Former Deputy Chairman)*
(resigned 1st March 2007)

主要客戶及供應商

於二零零七年，向本集團五名最大客戶作出之銷售佔本集團本年度之銷售總額約50%。

本集團向五名最大供應商作出之採購佔本年度採購總額48%，而其中向最大供應商作出之採購佔本集團本年度採購總額15%。

董事、彼等任何聯繫人士或已向董事披露之本公司主要股東，並無擁有本集團五大客戶或供應商之任何實益權益。

董事

於二零零七年及截至本報告日期止之本公司在任董事（「董事」）如下：

執行董事

謝南洋先生 *(主席兼行政總裁)*
(於二零零七年二月十二日獲委任為主席)
(於二零零七年三月一日獲委任為行政總裁)

Puongpun Sananikone先生 *(執行董事)*
(於二零零七年七月一日獲委任為獨立非執行董事)
(於二零零八年三月一日獲委任為執行董事)

陳子昂先生 *(前主席)*
(於二零零八年三月一日辭任)

鄧健洪先生 *(前副主席)*
(於二零零七年三月一日辭任)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lim Yew Kong, John
(appointed 12th February 2007)

Mr. Albert Theodore Powers
(appointed 1st March 2008)

Mr. Pang Seng Tuong
(appointed 1st March 2008)

Mr. Tai Benedict
(resigned 1st March 2008)

Mr. Fu Yan Yan
(resigned 30th June 2007)

Ms. Wang Xi Ling
(resigned 30th June 2007)

In accordance with Bye-Law 111(A) of the Company's Bye-Laws and the Code (the "Code") on Corporate Governance Practices contained in Appendix 14 of the Rules (the "Listing Rules") Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange"), Mr. Lim Yew Kong, John will retire by rotation at the forthcoming annual general meeting. In accordance with Bye-law 115, Mr. Albert Theodore Powers and Mr. Pang Seng Tuong will retire from their offices at the forthcoming annual general meeting. Being eligible, each of Mr. Lim Yew Kong, John, Mr. Albert Theodore Powers and Mr. Pang Seng Tuong will offer himself for re-election as an independent non-executive Director.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the current Directors and of the senior management of the Group (the "Management") are set out in pages 24 to 27 of this annual report.

DIRECTORS' INTERESTS IN CONTRACTS

No Director had a material beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

獨立非執行董事

Lim Yew Kong, John先生
(於二零零七年二月十二日獲委任)

Albert Theodore Powers先生
(於二零零八年三月一日獲委任)

Pang Seng Tuong先生
(於二零零八年三月一日獲委任)

戴並達先生
(於二零零八年三月一日辭任)

傅欣欣先生
(於二零零七年六月三十日辭任)

王希玲女士
(於二零零七年六月三十日辭任)

根據本公司之公司細則第111(A)條及香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載企業管治常規守則(「守則」), Lim Yew Kong, John先生將於應屆股東週年大會輪值告退。根據公司細則第115條, Albert Theodore Powers先生及Pang Seng Tuong先生將於應屆股東週年大會退任。Lim Yew Kong, John先生、Albert Theodore Powers先生及Pang Seng Tuong先生均符合資格並願意膺選連任為獨立非執行董事。

董事及高級管理人員之履歷

本公司在任董事及本集團高級管理人員(「管理人員」)之履歷載於本年報第24至第27頁。

董事於合約之權益

概無董事在本公司或其任何附屬公司於年內訂立且對本集團業務有重大影響之合約中, 擁有直接或間接重大實益權益。

DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

董事及行政總裁於股份、相關股份及債券之權益及淡倉

At 31st December 2007, the interests and short positions of the Directors and Chief Executive Officer of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by directors of Listed Companies (the "Model Code"), were as follows:

於二零零七年十二月三十一日，本公司董事及行政總裁於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有本公司根據證券及期貨條例第352條須存置之登記冊所記錄，或根據上市公司董事進行證券交易的標準守則（「標準守則」）已知會本公司及聯交所之權益及淡倉如下：

(i) Long position in the shares

(i) 股份之好倉

Name of Director 董事姓名	Nature of interest 權益性質	No. of shares held 所持股份數目	Position 持倉	Approximate percentage of issued share capital as at 31st December 2007 佔二零零七年十二月三十一日之已發行股本概約百分比
Mr. Tse Michael Nam 謝南洋先生	Beneficial owner 實益擁有人	50,000,000	Long 好倉	4.83%

Report of the Directors • 董事會報告

(ii) Long position in the underlying shares

(ii) 相關股份之好倉

Name of Director 董事姓名	Nature of interest 權益性質	No. of underlying shares 相關股份數目	Position 持倉	Approximate percentage of issued share capital as at 31st December 2007 佔二零零七年十二月三十一日之已發行股本概約百分比
Mr. Tse Michael Nam 謝南洋先生	Beneficial owner 實益擁有人	996,000 (Note 1) (附註1)	Long 好倉	0.10%
Mr. Puongpun Sananikone Puongpun Sananikone先生	Beneficial owner 實益擁有人	600,000 (Note 2) (附註2)	Long 好倉	0.06%
Mr. Lim Yew Kong, John Lim Yew Kong, John先生	Beneficial owner 實益擁有人	600,000 (Note 3) (附註3)	Long 好倉	0.06%

Notes:

- Mr. Tse Michael Nam, an Executive Director, held share options of the Company entitling him to subscribe for 996,000 shares at a subscription price of HK\$0.66 per Share.
- Mr. Puongpun Sananikone, an Executive Director, held share options of the Company entitling him to subscribe for 600,000 shares at a subscription price of HK\$0.66 per Share.
- Mr. Lim Yew Kong, John, an Independent Non-Executive Director, held share options of the Company entitling him to subscribe for 600,000 shares at a subscription price of HK\$0.36 per Share.

In addition to the above, as at 31st December 2007, certain Directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

附註:

- 執行董事謝南洋先生持有本公司購股權，彼有權以認購價每股股份0.66港元認購996,000股股份。
- 執行董事Puongpun Sananikone先生持有本公司購股權，彼有權以認購價每股股份0.66港元認購600,000股股份。
- 獨立非執行董事Lim Yew Kong, John先生持有本公司購股權，彼有權以認購價每股股份0.36港元認購600,000股股份。

於二零零七年十二月三十一日，除上述者外，為符合公司最少股東人數之規定，若干董事代本公司持有若干附屬公司之非實益個人股本權益。

Report of the Directors • 董事會報告

Except as disclosed above, as at 31st December 2007, neither the Chief Executive Officer nor any of the Directors of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Except as disclosed above and in note 29 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in the Company granted to any of the Directors or their respective spouses or children under 18 years of age, or were any such rights exercised by any of them; or was the Company, or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEMES

Concerning the share options granted during the year to the Directors and employees as detailed above and in note 29 to the financial statements, the Directors do not consider it appropriate to disclose any theoretical value of the options granted because, in the absence of a readily available market value of the share options in the ordinary shares of the Company, the Directors were unable to arrive at an accurate assessment of the value of the share options.

除上文披露者外，於二零零七年十二月三十一日，本公司之董事或行政總裁概無於本公司及其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中，擁有或被視為擁有：(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之任何權益或淡倉（包括彼等根據證券及期貨條例有關條文被當作或視為擁有之權益或淡倉）；或(ii)根據證券及期貨條例第352條須記錄於該條例所述登記冊之任何權益或淡倉；或(iii)根據標準守則須知會本公司及聯交所之任何權益或淡倉。

董事購入股份或債券之權利

除上文及財務報表附註29披露者外，於年內任何時間，概無向董事或彼等各自之配偶或未滿18歲之子女授出可藉購入本公司股份而獲益之權利，彼等亦無行使任何該等權利；本公司或其任何附屬公司亦無參與任何安排，致使董事可於任何其他法人團體獲取該等權利。

購股權計劃

就上文及財務報表附註29所詳述有關年內授予董事及僱員之購股權而言，由於市場並無有關本公司普通股之購股權市值供參考，董事未能就該等購股權之價值作出準確估值，故董事認為，並不適宜披露購股權之理論價值。

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

主要股東及其他人士於股份及相關股份之權益及淡倉

(i) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and Substantial Shareholders

(i) 擁有須根據證券及期貨條例第XV部第2及3分部披露之權益或淡倉之人士及主要股東

So far as is known to the Directors, as at 31st December 2007, the following persons (not being Directors or the Chief Executive Officer of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares which are required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

據董事所知，於二零零七年十二月三十一日，下列人士（並非董事或本公司行政總裁）於股份或相關股份中，擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露之權益或淡倉，或直接或間接擁有附有權利可於任何情況在本集團任何成員公司之股東大會投票之任何類別股本面值10%或以上之權益：

(i) Interests in the shares and underlying shares

(i) 股份及相關股份之權益

Name of substantial shareholder 主要股東姓名	Nature of Interest 權益性質	No. of shares and/or underlying shares held 所持股份及／或相關股份數目	Position 持倉	Approximate percentage of issued share capital as at 31st December 2007 佔二零零七年十二月三十一日之已發行股本概約百分比
Mr. Tse Hoi Chau (<i>Note 1</i>) Tse Hoi Chau先生 (<i>附註1</i>)	Beneficial owner 實益擁有人	104,761,904	Long 好倉	10.12%

Notes:

附註：

1. Mr. Tse Hoi Chau was interested in 104,761,904 underlying shares which may be allotted and issued upon the exercise of conversion rights attaching to convertible loan notes issued by the Company.

1. Tse Hoi Chau先生擁有104,761,904股相關股份權益；該等相關股份可於本公司發行之可換股債券所附兌換權獲行使時予以配發及發行。

Report of the Directors • 董事會報告

(ii) *Interests in shares of associated corporations of the Company*

(ii) 於本公司相聯法團股份之權益

Name of subsidiary 附屬公司名稱	Name of entity 實體名稱／姓名	Class and no. of securities 證券類別及數目	Percentage shareholdings 股權百分比
TVH Cyber Technology Ltd. 宏昌數碼科技有限公司	Yi Jun Yong 易駿勇	200 ordinary shares of HK\$1 each (L) 200股每股面值1港元之普通股 (L)	20%
BMC Software (China) Ltd.	BMC Software (HK) Ltd	1 ordinary share of HK\$1 (L) 1股面值1港元之普通股 (L)	10%

L: represents a long position in the securities

L: 代表證券之好倉

Except as disclosed above and so far as the Directors are aware, as at 31st December 2007, no other party (other than the Directors and the Chief Executive Officer of the Company) had any interest or short position in the shares, the underlying shares or debentures of the Company which would be required to be disclosed to the Company under provisions of Division 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to herein.

除上文披露者外，據董事所知，於二零零七年十二月三十一日，除董事及本公司行政總裁外，並無其他人士於本公司股份、相關股份或債券中，擁有須根據證券及期貨條例第XV部第2及3分部條文向本公司披露，或須根據證券及期貨條例第336條記入該條所指登記冊之權益或淡倉。

CORPORATE GOVERNANCE

Throughout the year ended 31st December 2007, the Company has complied with the Code provisions and recommended best practices of the Code, except for certain deviations. Details of corporate governance are set out in the section headed "Corporate Governance Report" in this annual report.

企業管治

除若干偏離情況外，本公司於截至二零零七年十二月三十一日止年度內一直遵守守則條文及建議最佳常規。有關企業管治之詳情載於本年報「企業管治報告」一節。

AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") on 12th June 1999 with clear written terms of reference. For the year ended 31st December 2007 and as at the date of this report, the Audit Committee was comprised of three members, all of whom were Independent Non-Executive Directors. The composition of the Audit Committee as at the date of this report was Mr. Lim Yew Kong, John (Chairman of the Audit Committee), Mr. Albert Theodore Powers and Mr. Pang Seng Tuong.

The Audit Committee meets twice a year to review the annual and interim results and the accompanying auditor's report, the accounting policies and practices adopted by the Company, and the financial and internal control systems of the Company.

The Audit Committee has reviewed the Group's audited financial statements for the year ended 31st December 2007, including the auditor's report thereon, and has submitted its views to the Board.

AUDITORS

The Company appointed Messrs. SHINEWING (HK) CPA Limited as auditors of the Company to fill the vacancy following the resignation of Messrs. Lawrence CPA Limited on 14th January 2008. The Audit Committee and the Board were in agreement and shared the same views with regards to the resignation of the former auditors and the selection and appointment of the new auditors.

SHINEWING (HK) CPA Limited will retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Mr. Tse Michael Nam

Chairman

Hong Kong, 21st April, 2008

審核委員會

本公司於一九九九年六月十二日成立審核委員會，並清楚列明其職權範圍。於截至二零零七年十二月三十一日止年度及本報告日期，審核委員會由三名成員組成，全部均為獨立非執行董事。於本報告日期，審核委員會由Lim Yew Kong, John先生(審核委員會主席)、Albert Theodore Powers先生及Pang Seng Tuong先生組成。

審核委員會每年舉行兩次會議，以審閱年度及中期業績以及隨附之核數師報告、檢討本公司採納之會計政策及慣例，以及審閱本公司財務及內部監控制度。

審核委員會已審閱本集團截至二零零七年十二月三十一日止年度之經審核財務報表，包括載於其內之核數師報告，並已向董事會提交其意見。

獨立核數師

繼富勤會計師有限公司於二零零八年一月十四日辭任本公司核數師後，本公司已委任信永中和(香港)會計師事務所有限公司為本公司核數師。審核委員會及董事會在前任核數師辭任以及挑選及委任新核數師一事上均意見一致。

信永中和(香港)會計師事務所有限公司任滿告退，而續聘該公司為本公司核數師之決議案將於應屆股東週年大會上提呈。

代表董事會

主席

謝南洋先生

二零零八年四月二十一日，香港

Corporate Governance Report • 企業管治報告

The Board and Management of the Company are highly committed to maintaining good corporate governance practices and transparency in fulfilling their corporate responsibility and accountability to the Company's Shareholders. The Board and Management recognize that the maintenance of good corporate governance practices is an essential factor in achieving financial success and enhancing shareholder value.

董事會及本公司管理層一直致力維持良好企業管治常規及高透明度，以履行本身之企業責任及對本公司股東之問責性。董事會及管理層深明，維持優秀的企業管治水平，乃達致豐碩成果及為股東帶來更高價值之重要因素。

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

遵守企業管治常規守則

(a) Corporate Governance Practices

Throughout the year ended 31st December 2007, the Company has complied with the code provisions and recommended best practices of the Code on Corporate Governance Practices (the "Code") under Appendix 14 of the Listing Rules, except for certain deviations as set out below. The Board will continue to review and monitor the Company's corporate governance practices to ensure compliance with the Code.

(a) 企業管治常規

除若干偏離情況外，本公司於截至二零零七年十二月三十一日止年度內一直遵守上市規則附錄14之企業管治常規守則（「守則」）之守則條文及建議最佳常規。董事會將繼續檢討及監控本公司之企業管治常規，以確保符合守則規定。

(b) Director's Securities Transactions

The Model Code in Appendix 10 of the Listing Rules has been adopted as the code for Directors' securities transaction for the Company. After having made specific enquiry of all the Directors, each of the Directors confirms that he has complied with the Model Code for the year ended 31st December 2007.

(b) 董事之證券交易

本公司已採納上市規則附錄10，作為本公司董事進行證券交易之守則。經向全體董事作出具體查詢後，各董事確認，彼於截至二零零七年十二月三十一日止年度一直全面遵守標準守則。

(c) Board of Directors

Currently, the Board is composed of five members comprising two Executive Directors (including the Chairman) and three Independent Non-Executive Directors. For approximately four and a half months during the year ended 31st December 2007, there were four Independent Non-Executive Directors.

(c) 董事會

現時由五名成員組成，包括兩名執行董事（包括主席）及三名獨立非執行董事。於截至二零零七年十二月三十一日止年度內，大約有四個半月之期間同時存在四名獨立非執行董事。

(c) Board of Directors (continued)

The Board is tasked with the responsibility of directing and supervising the Company's businesses and affairs and promoting its success and growth. The Board is collectively responsible for the management and operations of the Company and is overall responsible for directing and supervising the Management of the Company with regards to the implementation and maintenance of internal control procedures and ensuring compliance with relevant statutory requirements, the Stock Exchange Listing Rules and other rules and regulations.

The day to day management of the Company is the responsibility of the Management of the Company.

The Board meets regularly. During the year, four regular Board meetings were held at approximately quarterly intervals. Notices for regular Board meetings were given to all Directors at least 14 days prior to the meetings.

Prior to the Board meetings (for regular meetings, at least 3 days prior), the Chairman, with the support of the Company Secretary, ensures that every Director has been properly briefed on issues and provided with the agenda and accompanying Board papers containing adequate information to enable them to make informed decisions. Every member of the Board has an opportunity to propose matters in the agenda for discussion at the Board meetings.

Minutes of Board meetings and meetings of committees are taken by the Company Secretary and maintained at the Company's premises. Minutes of the Board and committee meetings record in sufficient detail the matters considered by the Board or committee and decisions reached, including any concerns raised by the Directors or dissenting views expressed. Draft and final versions of minutes are sent to all Directors for their comments within a reasonable time after the Board meetings are held. Every member of the Board is entitled to inspect Board papers and related materials and has unrestricted access to the advice and services of the Company Secretary to ensure that Board procedures, and all applicable rules and regulations, are followed. Where queries are raised by any of the Directors, responses are provided as promptly and fully as possible. The Directors may also seek independent professional advice in appropriate circumstances, at the expense of the Company.

(c) 董事會(續)

董事會負責督導及監控本公司業務及事務，以及促進業務增長和取得優秀業績。董事會全體成員共同負責本公司之管理及運作，並在實施及維持內部監控程序、確保遵守相關法例規定、聯交所上市規則以及其他規則及規例方面，負責督導及監控本公司管理層。

本公司管理層負責本公司之日常管理工作。

董事會會定期舉行會議。年內，董事會共舉行四次例行會議，大約每季舉行一次。董事會例行會議之通告已於會議日期前最少14天送交全體董事。

在董事會會議舉行前(例行會議須最少三天前)，主席在公司秘書之協助下，須確保每名董事均就於會議上提出之問題獲適當簡報，並及時收到載列充足資料之議程及董事會的所有有關文件，以供彼等作出知情決定。

董事會會議及各委員會會議均由公司秘書予以紀錄，會議紀錄會存置於本公司之物業內。董事會及各委員會之會議紀錄詳細紀錄董事會或委員會商議之事項及作出之決定，包括董事提出之任何問題或會上表達之反對意見。會議紀錄之初稿及終訂本於會議結束後一段合理期間內送交各董事以供彼等評鑑。董事會各成員均可檢閱董事會議文件及有關資料，並可無限制地獲得到公司秘書之意見及服務，以確保遵守董事會程序以及一切適用規則及規例。董事會在可行情況下會快速及全面回應任何董事之質詢。董事亦可於適當時尋求獨立專業意見，費用概由本公司承擔。

Corporate Governance Report • 企業管治報告

(c) Board of Directors (continued)

The attendance of each of the Directors at Board meetings and meetings of the Audit and Remuneration Committees is set out below :-

Directors 董事	No. of meetings attended/held 出席／舉行會議次數		
	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會
Executive Directors 執行董事			
Mr. Tse Michael Nam 謝南洋先生	51/54	-	-
Mr. Chan Tze Ngon 陳子昂先生	65/66	-	-
Mr. Tang Kin Hung 鄧健洪先生	16/18	-	-
Independent Non-Executive Directors 獨立非執行董事			
Mr. Fu Yan Yan 傅欣欣先生	11/47	1/1	-
Ms. Wang Xi Ling 王希玲女士	11/47	1/1	-
Mr. Benedict Tai 戴並達先生	22/66	2/2	2/2
Mr. Lim Yew Kong, John Lim Yew Kong, John先生	16/54	1/1	2/2
Mr. Puongpun Sananikone Puongpun Sananikone先生	11/19	1/1	2/2

The Board met 66 times in total for the year ended 31st December 2007, including 4 regular meetings, of which 2 were full Board meetings for the approval of the interim and annual results of the Company. During the year, the Board also met to discuss and approve the entering into of material agreements and transactions as well as to review the effectiveness of the financial and internal control systems of the Company.

The Company maintained an appropriate level of insurance cover in respect of legal action against the Directors and officers of the Company and its subsidiaries throughout the year ended 31st December 2007.

An updated list of the Company's Directors and key Management members including a description of their roles and functions is maintained on the Company's website.

(c) 董事會(續)

各董事就董事會會議、審核委員會會議及薪酬委員會會議之出席率如下：

截至二零零七年十二月三十一日止年度，董事會合共舉行66次會議，當中四次為例行會議，四次例行會議當中兩次為全體董事會會議，會上批准本公司之中期及年度業績。年內，董事會亦曾舉行會議以討論及審閱訂立之重大協議及進行之重大交易，以及檢討本集團財務及內部監控制度之有效性。

於截至二零零七年十二月三十一日止年度，本公司已安排適當保險，使其董事及主管人員於面對有關法律訴訟時得到保障。

本公司董事及主要管理人員之最新名單可於本公司網站下載，當中詳列彼等之職責及職務。

(d) Chairman and Chief Executive Officer

Under Code provision A.2.1, the roles of the Chairman and Chief Executive Officer ("CEO") should be separate and should not be performed by the same individual. From 1st March 2007 to the date of this report, both roles were performed by Mr. Tse Michael Nam. The Board considers Mr. Tse's experience and knowledge crucial in managing and executing the transformation of the Company and its subsidiaries into an agro-conservation and bio-energy conglomerate.

The Board is also confident that Mr. Tse is capable of fulfilling his responsibilities as Chairman of the Board, including ensuring that the Board operates effectively and discharges its responsibilities, ensuring good corporate governance practices and procedures are established, and providing effective communication with the Company's Shareholders and that views of the Shareholders are communicated to the Board as a whole.

The Board does not believe that the current situation will impair the balance of power and authority between the Board and the Management and does not currently propose to separate the functions.

(e) Independent Non-Executive Directors

During the year, the Company has been in compliance with Rules 3.10(1) and (2) of the Code by having at all times at least three Independent Non-Executive Directors on its Board and at least one who has the appropriate professional accounting qualifications.

As at the date of this report, the Company is also in compliance with Rules 3.10(1) and (2) of the Code.

Each of the Independent Non-Executive Directors was appointed for an initial term of not more than two years from the date of his appointment. Upon the expiry of the initial term, the appointment may be renewed for another term of not more than two years. In accordance with the Bye-Laws of the Company, every Director of the Board (including the Independent Non-Executive Directors) is subject to retirement by rotation and re-election by the Company's Shareholders at least once every three years.

(d) 主席及行政總裁

根據守則條文第A.2.1條，主席及行政總裁之角色應分開，不應由一人同時擔任。自二零零七年三月一日起至本報告日期止期間，兩項職務均由謝南洋先生擔任。董事會認為，謝先生之經驗及知識對管理及落實本公司及其附屬公司成功銳變為農產保育及生物能源企業集團極其關鍵。

董事會亦深信謝先生具備履行董事會主席之職責之能力，包括確保董事會有效運作及履行其職責、已確立良好企業管治常規及程序、本公司與其股東之間有良好溝通，以及股東之意見可轉達董事會。

董事會不相信現時情況將會損害本集團與管理層之間權力及職權制衡，目前不建議將職能分開。

(e) 獨立非執行董事

於本年度，本公司已遵守守則第3.10(1)及(2)條之規定，董事會在年內任何時間均包括至少三名獨立非執行董事，而其中至少一名擁有合適專業會計資格。

於本報告日期，本公司亦已遵守守則第3.10(1)及(2)條之規定。

各獨立非執行董事之初步任期自彼等獲委任起計不超過兩年。於彼等之任期屆滿後，任期可重續不超過兩年。根據本公司之公司細則，董事會每名董事(包括獨立非執行董事)須至少每三年輪值告退一次並經由股東重選。

(e) Independent Non-Executive Directors (continued)

Each of the Independent Non-Executive Directors meets the independence guidelines set out in Rule 3.13 of the Code and the Company considers each of them to be so. The Company has received from each of the Independent Non-Executive Directors an annual confirmation as to his independence.

(f) Remuneration Committee

The Company's Remuneration committee (the "Remuneration Committee") was established in June 2005 with specific written terms of reference detailing the Committee's role and authority.

The Remuneration Committee is responsible for ensuring formal and transparent procedures for developing remuneration policies and overseeing the remuneration packages of the Directors and senior Management and making recommendations to the Board in respect of the same. In fulfilling its functions, the Remuneration Committee takes into consideration factors such as salaries paid by comparable companies, respective time commitment, and responsibilities of the Directors and Management, and whether the remuneration packages are competitively attractive to retain the Executive Directors and senior Management. The Remuneration Committee members may consult the Chairman of the Board about their proposals relating to the remuneration of the Executive Directors and have access to sufficient resources including professional advice if considered necessary.

For the year ended 31st December 2007 and as at the date of this report, the Remuneration Committee was comprised of three members, all of whom were Independent Non-Executive Directors. As at the date of this report, the Remuneration Committee was comprised of Mr. Lim Yew Kong, John, Mr. Albert Theodore Powers and Mr. Pang Seng Tuong.

The Remuneration Committee is to meet twice a year and it met in July and December in the year ended 31st December 2007.

(e) 獨立非執行董事 (續)

各獨立非執行董事均符合守則第3.13條所載之獨立性指引，而本公司認為彼等均為獨立人士。本公司已接獲全體獨立非執行董事發出有關其獨立性之年度確認書。

(f) 薪酬委員會

本公司於二零零五年六月成立薪酬委員會，並列明其特定書面職權範圍，闡釋其職務及職權。

薪酬委員會負責確保沿用正式及具透明度之程序制定薪酬政策、監督董事及高級管理人員薪酬待遇以及就此向董事會作出建議。於履行其職能時，薪酬委員會將考慮可比較公司所付薪金、董事及管理人員付出之時間及責任以及薪酬待遇是否具競爭力吸引執行董事及高級管理人員留任等因素。薪酬委員會成員可就其有關執行董事薪酬之建議諮詢董事會主席，並可獲提供充足資源，包括在有需要時尋求專業意見。

截至二零零七年十二月三十一日止年度及於本報告日期，薪酬委員會由三名成員組成，全部均為獨立非執行董事。於本報告日期，薪酬委員會由Lim Yew Kong, John先生、Albert Theodore Powers先生及Pang Seng Tuong先生組成。

薪酬委員會每年舉行兩次會議，截至二零零七年十二月三十一日止年度，薪酬委員會已分別於七月及十二月舉行會議。

Corporate Governance Report • 企業管治報告

(g) Nomination Committee

The company did not establish a nomination committee. The Board considers that the appointment and removal of Directors are the collective decision of the Board and thus does not intend to adopt the recommended best practice under Code A.4.4 to establish a nomination committee.

(h) Auditors' Remuneration

The auditors' remuneration for the year ended 31st December 2007 was as follows:

Nature of work 工作性質	Amount 金額
Audit Fee 審核費用	HK\$800,000港元
Non-audit Services (Major transactions) 非審核服務(重大交易)	HK\$200,000港元

(i) Audit Committee

The Company's Audit Committee (the "Audit Committee") was established in June 1999 with clear written terms of reference. The primary duties of the audit committee include making recommendations to the Board on the appointment, reappointment and removal of the external auditors, approving the remuneration and terms of engagement of the external auditors, reviewing and monitoring the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards, monitoring the integrity of the Company's financial statements, annual report and accounts, half-year report and accounting policies, as well as overseeing the Company's financial controls, internal control systems and risk management systems.

For the year ended 31st December 2007 and as at the date of this report, the Audit Committee was comprised of three members, all of whom were Independent Non-Executive Directors. The composition of the Audit Committee as at the date of this report was Mr. Lim Yew Kong, John, (Chairman of the Audit Committee), Mr. Albert Theodore Powers and Mr. Pang Seng Tuong.

(g) 提名委員會

本公司並無成立提名委員會。董事會認為，董事之委任及罷免須由董事會集體決定，因此，董事會不擬採納守則第A.4.4條項下建議最佳常規成立提名委員會。

(h) 核數師酬金

截至二零零七年十二月三十一日止年度之核數師酬金如下：

(i) 審核委員會

本公司於一九九九年六月成立審核委員會，並清楚列明其職權範圍。審核委員會之主要職責包括就委任、續聘及罷免外聘核數師向董事會作出建議、批准委聘外聘核數師之酬金及條款、按照適用準則審閱及監察外聘核數師之獨立及客觀身分以及審核程序之效益。監控本公司財務報表、年報及賬目、中期報告及會計政策之有效性，以及監督本公司財務控制、內部監控系統及風險管理系統。

於截至二零零七年十二月三十一日止年度及本報告日期，審核委員會由三名成員組成，全部均為獨立非執行董事。於本報告日期，審核委員會成員如下：Lim Yew Kong, John先生(審核委員會主席)、Albert Theodore Powers先生及Pang Seng Tuong先生。

(i) Audit Committee (continued)

The Audit Committee has unrestricted access to the auditors of the Company, the Directors, the Company's qualified accountant, and other members of Management and met with the auditors twice during the year ended 31st December 2007.

The Company appointed Messrs. SHINEWING (HK) CPA Limited as auditors of the Company to fill the vacancy following the resignation of Messrs. Lawrence CPA Limited on 14th January 2008. The Audit Committee and the Board were in agreement and shared the same views with regards to the resignation of the former auditors and the selection and appointment of the new auditors.

The Audit Committee met twice during the year ended 31st December 2007 to review the annual and interim results and the accompanying auditor's report, the accounting policies and practices adopted by the Company, and to review the financial and internal control systems of the Company.

The Audit Committee has reviewed the Group's audited financial statements for the year ended 31st December 2007 including the auditor's report thereon and has submitted its views to the Board.

(j) Directors' Responsibility for the Financial Statements

The Directors acknowledge their responsibility for the preparation of the financial statements of the Company and that the financial statements are prepared in accordance with statutory requirements and applicable accounting standards. It is also the responsibility of the Directors to ensure the timely publication of the financial statements of the Company.

The statement of the auditors of the Company, SHINEWING (HK) CPA Limited, on their reporting responsibilities in respect of the financial statements of the Company is set out on pages 47 and 48.

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

(i) 審核委員會(續)

審核委員會可隨時聯絡本公司核數師、董事、本公司之合資格會計師，以及管理層其他成員，並於截至二零零七年十二月三十一日止年度曾兩度與核數師會面。

繼富勤會計師有限公司於二零零八年一月十四日辭任本公司核數師後，本公司已委任信永中和(香港)會計師事務所有限公司為本公司核數師。審核委員會及董事會在前任核數師辭任以及挑選及委任新核數師一事上均意見一致。

截至二零零七年十二月三十一日止年度，審核委員會曾舉行兩次會議，以審閱年度及中期業績以及隨附之核數師報告、檢討本公司採納之會計政策及慣例以及審閱本公司財務及內部監控制度。

審核委員會已審閱本集團截至二零零七年十二月三十一日止年度之經審核財務報告，包括載於其內之核數師報告，並已向董事會提交其意見。

(j) 董事對財務報表之責任

董事知悉，彼等須負責編製本公司之財務報表，並確保財務報表乃根據法定規定及適用會計準則編製。董事亦須確保本集團之財務報表能如期刊發。

本公司外聘核數師信永中和(香港)會計師事務所有限公司就其對本集團財務報表申報責任之聲明載於第47及48頁。

董事確認，據彼等經作出一切合理查詢後所深知、全悉及確信，彼等並不知悉任何與本公司持續經營能力構成重大疑慮之事件或情況有關之任何重大不明朗因素。

(k) Internal Controls

The Board acknowledges that it is responsible for ensuring a sound and effective internal control system is maintained within the Company and its subsidiaries to safeguard the Company's assets and its Shareholders' investments. The Directors conduct a review of the effectiveness of the system of internal controls once a year. Pursuant to provision 2.5 of the Code, the Board reviewed the need for an internal audit function and considered it appropriate to outsource the function.

Accordingly, Cachet Certified Public Accountants Limited was engaged in December 2007 to carry out an internal audit review of the Company and its subsidiaries for the financial year ended 31st December 2007. The review covered all material controls including financial, operational and compliance controls and risk management functions of the Company.

Cachet Certified Public Accountants Limited completed its internal audit review and satisfactorily concluded that the key areas of the internal control systems of the Company are sufficiently effective and adequate in safeguarding the assets of the Company. Their review did not uncover any significant areas of concern which may affect Shareholders.

(k) 內部監控

董事會知悉，其須負責確保於本公司及其附屬公司內維持良好有效之內部監控制度，以保障本公司資產及其股東之投資。董事每年一次對內部監控系統之有效性進行檢討。董事會根據守則條文第2.5條檢討是否需要內部審核職能，並認為將該職能外判屬恰當。

因此，本公司於二零零七年十二月委聘德楊會計師事務所有限公司，就截至二零零七年十二月三十一日止財政年度對本公司及其附屬公司進行內部審核審閱。審閱範圍涵蓋所有重大監控事宜，包括本集團財務、營運及合規監控以及風險管理職能。

德楊會計師事務所有限公司已完成內部審核審閱，得出滿意之結論，認為本公司內部監控制度之主要範疇屬充足並可有效保障本集團資產。其審閱並不涵蓋任何可能對股東造成影響之重大範疇。



SHINEWING (HK) CPA Limited
16/F., United Centre
95 Queensway, Hong Kong

**TO THE SHAREHOLDERS OF GREEN GLOBAL RESOURCES LIMITED
(FORMERLY KNOWN AS VENTURE INTERNATIONAL INVESTMENT HOLDINGS LIMITED)**

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Green Global Resources Limited (formerly known as Venture International Investment Holdings Limited) (the "Company") and its subsidiaries (collectively referred as the "Group") set out on pages 49 to 148, which comprise the consolidated balance sheet as at 31st December 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

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.

致綠色環球資源有限公司
(前稱宏昌國際投資控股有限公司)全體股東
(於百慕達註冊成立之有限公司)

我們已完成審核綠色環球資源有限公司(前稱宏昌國際投資控股有限公司)(「貴公司」)及其附屬公司(統稱「貴集團」)載於第49頁至第148頁的綜合財務報表，包括於二零零七年十二月三十一日的綜合資產負債表、截至該日止年度的綜合收益表、綜合權益變動報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。

董事對綜合財務報告負上的責任

貴公司董事須遵照香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定，負責編製並真實兼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兼公平地呈列綜合財務報表有關的內部監控，以確保其並無重大錯誤陳述(不論其由欺詐或錯誤引起)；選擇並應用適當會計政策；及在不同情況作出合理的會計估算。

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 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. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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 auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31st December 2007 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.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Tam Kwok Ming, Banny

Practising Certificate Number: P03289

Hong Kong

21st April 2008

核數師的責任

我們的責任是根據我們審核工作的結果，對該等綜合財務報表作出獨立意見，並根據百慕達公司法第90條僅向全體股東報告，而本報告不得用於其他用途。我們不會就本報告的內容向其他人士負責或承擔任何責任。我們按照香港會計師公會頒佈的香港審計準則進行審核。該等準則要求我們遵守操守規定以及計劃及進行審核以合理確定此等綜合財務報表是否不存在重大的錯誤陳述。

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的審核憑證。選取的該等程序須視乎核數師的判斷，包括評估綜合財務報表的重大錯誤陳述（不論其由欺詐或錯誤引起）之風險。在作出該等風險評估時，核數師將考慮與貴集團編製並真實兼公平地呈列綜合財務報表有關的內部監控，以為不同情況設計適當審核程序，但並非旨在就貴集團的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的恰當性，董事所作出的會計估算的合理性，並就綜合財務報表的整體呈列方式作出評估。

我們相信，我們所取得的審核憑證就提出審核意見而言屬充分恰當。

意見

我們認為，綜合財務報表根據香港財務報告準則真實與公平地反映貴集團於二零零七年十二月三十一日的財務狀況及貴集團截至該日止年度之虧損和現金流量，並已按照香港公司條例的披露規定適當地編製。

信永中和(香港)會計師事務所有限公司

執業會計師

譚國明

執業證書編號P03289

香港

二零零八年四月二十一日

Consolidated Income Statement • 綜合收益表

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

		NOTES 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Turnover	營業額	9	72,252	58,740
Cost of sales	銷售成本		(57,546)	(46,069)
Gross profit	毛利		14,706	12,671
Other operating income	其他經營收益	9	21,764	1,625
Gain on disposal of available-for-sale investments	出售可供出售投資之收益		21,844	9,290
Gain arising from changes in fair value less estimated point-of-sale costs of biological assets	生物資產之公平值變動 減估計銷售點成本 所產生之收益	21	11,255	–
Selling and distribution expenses	銷售及分銷費用		(4,786)	(3,555)
Administrative expenses	行政費用		(50,500)	(27,897)
Other operating expenses	其他經營費用		(7,718)	(542)
Profit (loss) from operations	經營溢利(虧損)	10	6,565	(8,408)
Impairment loss recognised in respect of goodwill	確認商譽減值虧損		(40,771)	–
Impairment loss of unlisted available-for-sale investment	可供出售非上市投資 減值虧損		–	(3,200)
Finance costs	融資成本	11	(1,842)	(25)
Loss before taxation	除稅前虧損		(36,048)	(11,633)
Income tax (expense) credit	所得稅(支出)抵免	12	(1,209)	1,642
Loss for the year	年度虧損		(37,257)	(9,991)
Attributable to:	源自:			
Equity holders of the Company	本公司權益持有人		(37,679)	(9,991)
Minority interests	少數股東權益		422	–
			(37,257)	(9,991)
Loss per share	每股虧損			
Basic	基本	13	HK\$0.04港元	HK\$0.02港元
Diluted	攤薄後		N/A不適用	N/A不適用

Consolidated Balance Sheet • 綜合資產負債表

As at 31st December 2007

於二零零七年十二月三十一日

		NOTES 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Non-current assets	非流動資產			
Plant and equipment	廠房及設備	16	8,230	1,379
Deferred plantation expenditure	遞延種植開支	17	33,000	–
Deposit for plantation expenditure	種植開支訂金		34,808	–
Intangible assets	無形資產	18	165,225	1,696
Goodwill	商譽	19	156,873	45,805
			398,136	48,880
Current assets	流動資產			
Inventories	存貨	20	5,192	8,857
Biological assets	生物資產	21	12,071	–
Available-for-sale investments	可供出售投資	22	–	66,591
Trade and other receivables	貿易及其他應收款項	23	32,411	42,817
Bank balances and cash	銀行結餘及現金	24		
– pledged	– 已抵押		–	15,624
– unpledged	– 無抵押		72,939	56,630
			122,613	190,519
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	25	70,623	61,451
Income tax liabilities	所得稅負債		7,109	6,938
Bank overdrafts	銀行透支	24	–	18
			77,732	68,407
Net current assets	流動資產淨值		44,881	122,112
Total assets less current liabilities	資產總值減流動負債		443,017	170,992

Consolidated Balance Sheet • 綜合資產負債表

As at 31st December 2007

於二零零七年十二月三十一日

		NOTES 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	26	103,526	67,500
Reserves	儲備		219,269	103,492
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益		322,795	170,992
Minority interests	少數股東權益		2,555	–
Total equity	權益總額		325,350	170,992
Non-current liabilities	非流動負債			
Convertible loan notes	可換股貸款票據	27	75,878	–
Deferred tax liability	遞延稅項負債	28	41,789	–
			117,667	–
			443,017	170,992

The consolidated financial statements on pages 49 to 148 were approved and authorised for issue by the Board of Directors on 21st April 2008 and are signed on its behalf by:

第49至148頁之綜合財務報表於二零零八年四月二十一日經由董事會批准及授權刊發，並由以下董事代為簽署：

Mr. Tse Michael Nam
謝南洋先生
董事
Director

Mr. Puongpun Sananikone
Puongpun Sananikone 先生
董事
Director

Consolidated Statement of Changes in Equity • 綜合權益變動報表

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

Attributable to equity holders of the Company
本公司權益持有人應佔

		Share capital	Share premium	Contributed surplus	Exchange translation reserve	Other reserve	Convertible bonds reserve	Share options reserve	Statutory surplus reserve	Accumulated losses	Total	Minority interests	Total
		股本	股份溢價	繳入盈餘	匯兌換算儲備	其他儲備	可換股債券儲備	購股權儲備	法定盈餘公積儲備	累積虧損	總計	少數股東權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1st January 2006	於二零零六年一月一日	55,735	342,312	(19)	394	10,228	-	-	-	(253,341)	155,309	-	155,309
Gain on fair value changes of available-for-sale investments and recognised directly in equity	可供出售投資公平值變動並直接於權益確認之收益	-	-	-	-	11,431	-	-	-	-	11,431	-	11,431
Exchange difference arising on translation of overseas operation	換算海外業務產生之匯兌差額	-	-	-	738	-	-	-	-	-	738	-	738
Loss for the year	年度虧損	-	-	-	-	-	-	-	-	(9,991)	(9,991)	-	(9,991)
Total recognised income and expenses for the year	年內已確認收入及費用總額	-	-	-	738	11,431	-	-	-	(9,991)	2,178	-	2,178
Issue of consideration shares	發行代價股份	11,765	235	-	-	-	-	-	-	-	12,000	-	12,000
Recognition of equity-settled share based payments	確認股本結算股份付款	-	-	-	-	-	-	1,505	-	-	1,505	-	1,505
At 31st December 2006	於二零零六年十二月三十一日	67,500	342,547	(19)	1,132	21,659	-	1,505	-	(263,332)	170,992	-	170,992
Reserve released on disposal	出售時轉撥至儲備	-	-	-	-	(21,659)	-	-	-	-	(21,659)	-	(21,659)
Exchange difference arising on translation of overseas operation	換算海外業務產生之匯兌差額	-	-	-	2,465	-	-	-	-	-	2,465	-	2,465
Loss (profit) for the year	年度虧損(溢利)	-	-	-	-	-	-	-	-	(37,679)	(37,679)	422	(37,257)
Transfer from accumulated losses	自累積虧損轉入	-	-	-	-	-	-	-	576	(576)	-	-	-
Total recognised income and expenses for the year	年內已確認收入及費用總額	-	-	-	2,465	(21,659)	-	-	576	(38,255)	(56,873)	422	(56,451)
Issue of convertible loan notes	發行可換股貸款票據	-	-	-	-	-	29,225	-	-	-	29,225	-	29,225
Issue of shares upon - placement of shares	因以下事項發行股份 - 配售股份	27,000	109,730	-	-	-	-	-	-	-	136,730	-	136,730
- conversion of convertible loan notes	- 兌換可換股貸款票據	3,880	18,217	-	-	-	(5,358)	-	-	-	16,739	-	16,739
- exercise of share options	- 行使購股權	5,146	5,233	-	-	-	-	(2,769)	-	-	7,610	-	7,610
Recognition of equity-settled share based payments	確認股本結算股份付款	-	-	-	-	-	-	18,372	-	-	18,372	-	18,372
Capital contributed by minority shareholders of subsidiaries	附屬公司少數股東注資	-	-	-	-	-	-	-	-	-	-	2,133	2,133
At 31st December 2007	於二零零七年十二月三十一日	103,526	475,727	(19)	3,597	-	23,867	17,108	576	(301,587)	322,795	2,555	325,350

Note: Subsidiaries in the People's Republic of China have appropriated 10% of the profit to the statutory surplus reserve which is required to be retained in the accounts of the subsidiaries for specific purposes.

附註：於中華人民共和國之附屬公司已將溢利中10%撥入法定盈餘公積儲備，有關款項須保留於附屬公司賬目內作特定用途。

Consolidated Cash Flow Statement • 綜合現金流量表

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

	NOTES 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Loss before taxation	除稅前虧損	(36,048)	(11,633)
Adjustments for:	就下列各項作出調整：		
Bad debt directly written off	直接撇銷壞賬	4,257	–
Gain arising from changes in fair value less estimated point-of-sale costs of biological assets	生物資產之公平值變動減估計銷售點成本所產生之收益	(11,255)	–
Impairment loss recognised in respect of goodwill	就商譽確認減值虧損	40,771	–
Impairment loss recognised in respect of intangible assets	就無形資產確認減值虧損	1,173	–
Impairment loss recognised in respect of trade receivables	就貿易應收款項確認減值虧損	2,296	528
Loss on disposal of a subsidiary	出售一間附屬公司產生之虧損	1	–
Interest income	利息收入	(1,987)	(547)
Amortisation of intangible assets	無形資產攤銷	2,571	97
Depreciation	折舊	1,285	1,520
Impairment loss of unlisted available-for-sale investment	可供出售非上市投資減值虧損	–	3,200
Loss on disposal of plant and equipment	出售廠房及設備虧損	71	151
Gain on disposal of plant equipment	出售廠房及設備收益	(30)	(400)
Gain on disposal of available-for-sale investments	出售可供出售投資之收益	(21,844)	(9,290)
Finance costs	融資成本	1,842	25
Share-based payment expenses	股份付款費用	18,372	1,505
Operating cash flow before movements in working capital	未計營運資金變動前經營現金流量	1,475	(14,844)
Decrease (increase) in inventories	存貨減少(增加)	4,279	(5,413)
Decrease (increase) in trade and other receivables	貿易及其他應收款項減少(增加)	3,886	(726)
(Decrease) increase in trade and other payables	貿易及其他應付款項(減少)增加	(12,169)	20,076
Increase in biological assets	生物資產增加	(275)	–
Cash used in operations	業務所用現金	(2,804)	(907)
PRC enterprise income tax paid	已繳中國企業所得稅	(1,038)	(620)
NET CASH USED IN OPERATING ACTIVITIES	經營業務所用現金淨額	(3,842)	(1,527)

Consolidated Cash Flow Statement • 綜合現金流量表

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

		NOTES 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動			
Acquisition of subsidiaries	收購附屬公司	30	(139,191)	(19,639)
Deposit for plantation expenditure	種植開支訂金		(34,808)	–
Payment of deferred plantation expenditure	遞延種植開支付款		(33,541)	–
Purchases of plant and equipment	購買廠房及設備		(8,127)	(537)
Proceeds from disposal of available-for-sale investments	出售可供出售投資所得款項		67,578	42,630
Decrease (increase) in pledged time deposits	已抵押定期存款減少(增加)		15,624	(15,485)
Interest received	已收利息		1,987	547
Decrease (increase) in other time deposits with maturity of more than three months when acquired	購入時到期日為三個月以上之其他定期存款減少(增加)		1,281	(39,907)
Proceed from disposal of a subsidiary	出售一間附屬公司所得款項	31	248	–
Proceeds from disposal of plant and equipment	出售廠房及設備所得款項		30	400
Acquisition of intangible assets	收購無形資產		–	(1,796)
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額		(128,919)	(33,787)
FINANCING ACTIVITIES	融資活動			
Interest paid	已付利息		–	(1)
Repayment of obligations under finance lease	償還融資租賃承擔		–	(254)
Interest paid for obligations under finance lease	就融資租賃承擔已付之利息		–	(24)
Proceeds from issue of shares	發行股份所得款項		136,730	–
Proceeds from exercise of share options	行使購股權所得款項		7,610	–
Contribution from minority shareholders	少數股東注資		2,133	–
NET CASH FROM (USED IN) FINANCING ACTIVITIES	融資活動所得(所用)現金淨額		146,473	(279)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加(減少)淨額		13,712	(35,593)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初之現金及現金等價物		16,705	51,547
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外幣匯率變動之影響		1,136	751
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終之現金及現金等價物	24	31,553	16,705

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability. The shares of the Company 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 section to the Annual Report.

The financial statements are presented in Hong Kong dollars ("HK\$"), and the functional currency of the Company is in Renminbi ("RMB").

As the Company is listed in Hong Kong, the directors of the Company consider that it is appropriate to present the consolidated financial statements in HK\$.

The principal activity of the Company is investment holding. During the year, the Company and its subsidiaries (the "Group") was principally involved in the distribution of information technology products, the provision of computer technology services and the carrying on of property agency business in the People's Republic of China (the "PRC"). During the year, the Company also embarked on the new businesses of agro-conservation and the cultivation of raw materials for the bio-energy industry.

1. 一般資料

本公司為於百慕達註冊成立之獲豁免有限公司，本公司之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營業地點地址於年報「公司資料」一節中披露。

財務報表乃以港元呈列，而本公司之功能貨幣為人民幣。

由於本公司在香港上市，故此本公司董事認為以港元呈列綜合財務報表屬恰當。

本公司之主要業務為投資控股。於本年度，本公司及其附屬公司（「本集團」）主要從事分銷資訊科技產品、提供電腦技術服務及在中華人民共和國（「中國」）經營物業代理業務。於本年度，本公司亦涉足農產保育及為生物能源行業之培植原料之全新業務。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

2. 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 new standard, amendment and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are effective for the Group’s financial year beginning 1st January 2007.

Hong Kong Accounting Standard (“HKAS”) 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Interpretation (“INT”) 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC)-INT 8	Scope of HKFRS 2
HK(IFRIC)-INT 9	Reassessment of Embedded Derivatives
HK(IFRIC)-INT 10	Interim Financial Reporting and Impairment

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

本集團於本年度首次採納以下由香港會計師公會（「香港會計師公會」）所頒布並於本集團於二零零七年一月一日開始之財政年度生效之新訂準則、修訂及詮釋（「新訂香港財務報告準則」）。

香港會計準則第1號（修訂本）	資本披露
香港財務報告準則第7號	金融工具：披露
香港（國際財務報告詮釋委員會）－詮釋第7號	應用香港會計準則第29號 嚴重通脹經濟中之 財務報告重列法
香港（國際財務報告詮釋委員會）－詮釋第8號	香港財務報告準則第2號之範圍
香港（國際財務報告詮釋委員會）－詮釋第9號	重估內含衍生工具
香港（國際財務報告詮釋委員會）－詮釋第10號	中期財務報告及減值

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

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

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

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

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Cost ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statement ⁵
HKFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combination ⁵
HKFRS 8	Operating Segments ¹
HK(IFRIC)-INT 11	HKFRS 2: Group and Treasury Share Transactions ²
HK(IFRIC)-INT 12	Service Concession Arrangements ³
HK(IFRIC)-INT 13	Customer Loyalty Programmes ⁴
HK(IFRIC)-INT 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ³

- ¹ Effective for annual periods beginning on or after 1st January 2009.
- ² Effective for annual periods beginning on or after 1st March 2007.
- ³ Effective for annual periods beginning on or after 1st January 2008.
- ⁴ Effective for annual periods beginning on or after 1st July 2008.
- ⁵ Effective for annual periods beginning on or after 1st July 2009.

The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the results and the financial position of the Group.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

採納此等新訂香港財務報告準則對本集團目前或過往會計期間業績或財務狀況之編製及呈列方式並無重大影響。因此並無確認前期調整。

本集團未有提早採納下列已頒布惟尚未生效之新訂或經修訂準則或詮釋。

香港會計準則第1號(經修訂)	財務報表之呈列 ¹
香港會計準則第23號(經修訂)	借貸成本 ¹
香港會計準則第27號(經修訂)	綜合及個別財務報表 ⁵
香港財務報告準則第2號(修訂本)	股份付款—歸屬條件及註銷 ¹
香港財務報告準則第3號(經修訂)	業務合併 ⁵
香港財務報告準則第8號	經營分部 ¹
香港(國際財務報告詮釋委員會) – 詮釋第11號	香港財務報告準則第2號：集團及庫存股份交易 ²
香港(國際財務報告詮釋委員會) – 詮釋第12號	服務經營權安排 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14號	香港會計準則第19號— 界定福利資產之限制、最低撥款規定及其相互關係 ³

- ¹ 於二零零九年一月一日或以後開始之年度期間生效。
- ² 於二零零七年三月一日或以後開始之年度期間生效。
- ³ 於二零零八年一月一日或以後開始之年度期間生效。
- ⁴ 於二零零八年七月一日或以後開始之年度期間生效。
- ⁵ 於二零零九年七月一日或以後開始之年度期間生效。

本公司董事預計採用此等準則及詮釋將不會對本集團之業績及財務狀況造成重大影響。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain 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 HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). 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 activities.

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.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

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

3. 主要會計政策

本綜合財務報表乃按歷史成本基準編製，惟下列會計政策所述的若干金融工具乃按公平值計算。

綜合財務報表是根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載列聯交所證券上市規則及香港公司條例規定的適用披露。

(a) 綜合基準

本綜合財務報表載有本公司及本公司(其附屬公司)控制的實體(包括特殊目的實體)的財務報表。若本公司有權監管該實體的財務及營運政策以從其活動得益，本公司即擁有控制權。

於年內所收購或出售的附屬公司，其業績均自收購生效日期起或截至出售生效日期止(如適用)計入綜合收益表內。

如有需要，本集團會對附屬公司的財務報表作出調整，使其會計政策與本集團其他成員公司所採用者保持一致。

所有集團內交易、結餘、收入及開支均於綜合賬目時對銷。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(a) Basis of consolidation (Continued)

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 businesses 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.

3. 主要會計政策 (續)**(a) 綜合基準 (續)**

少數股東於綜合合併範圍內的附屬公司所佔的淨資產與本集團所佔的權益分開列賬。少數股東於淨資產的權益包括該等權益於原業務合併日期的數額及少數股東應佔從該合併日期以來的權益變動。適用於少數股東的虧損超出於附屬公司股權的少數股東權益的數額將與本集團的權益中分配，惟少數股東具有約束力責任及可以增加投資補足虧損者除外。

(b) 業務合併

收購業務使用收購會計法列賬。收購成本是按為換取獲收購公司控制權而於交換日期所給予資產的總公平值、所產生或所承擔的負債及本集團發行的股本工具，加上業務合併的直接應佔成本計算。獲收購公司的可識別資產、負債及或然負債若符合香港財務報告準則第3號「業務合併」的確認條件，則按收購當日的公平值確認，惟根據香港財務報告準則第5號「待售非流動資產及已終止經營業務」分類為待售之非流動資產（或出售組別）除外，該等資產按公平值減出售成本確認及計量。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combinations (Continued)

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 profit or loss.

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 (續)

(b) 業務合併 (續)

收購產生的商譽確認為資產並按成本(即業務合併的成本高於本集團於已確認可識別資產、負債及或然負債的公平淨值所佔權益的部分)作初步釐定。於重新評估後，倘本集團於獲收購公司的已確認可識別資產、負債及或然負債的公平淨值所佔權益高於業務合併的成本，則該高出數額即時於損益確認。

獲收購公司的少數股東權益初步按少數股東於已確認資產、負債及或然負債的公平淨值比例計算。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Goodwill

Goodwill arising on an acquisition of a business 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 business at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of a business is presented separately in the consolidated balance sheet.

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

3. 主要會計政策 (續)

(c) 商譽

因收購業務而產生之商譽乃指收購成本超過本集團於收購當日應佔相關附屬公司可識別資產及負債及或然負債公平值的權益之差額。有關商譽按成本減任何累計減值虧損列賬。

已資本化的商譽，在綜合資產負債表中分開呈列。

就減值測試而言，收購產生的商譽先分配予預期會因收購的協同效應而受惠的各有關現金產生單位或現金產生單位組別。已獲分配商譽的現金產生單位每年及凡單位有跡象顯示可能出現減值時進行減值測試。就於財政年度收購所產生的商譽而言，已獲分配商譽的現金產生單位於該財政年度結束前進行減值測試。當現金產生單位的可收回金額少於該單位的賬面金額，則會分配減值虧損，以削減首先分配到該單位的任何商譽的賬面金額，而其後以單位各資產的賬面金額為基準，按比例分配到該單位的其他資產。商譽的任何減值虧損於綜合收益表內直接確認。商譽的減值虧損於其後期間不予撥回。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Goodwill (Continued)

On subsequent disposal of the relevant cash-generating unit, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

(d) Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

3. 主要會計政策 (續)

(c) 商譽 (續)

於其後出售有關現金產生單位時，被資本化之商譽之應佔金額於出售時計入釐定損益之金額。

(d) 無形資產

獨立收購之無形資產

獨立收購及可使用年期有限之無形資產按成本減累計攤銷及任何累計減值虧損列賬。無限可使用年期之無形資產於估計可使用年期以直線法攤銷。另一方面，無限可使用年期之無形資產按成本減其後累計減值虧損列賬(見下文有關有形及無形資產減值虧損之會計政策)。

因解除確認無形資產而產生之任何盈虧(按該項資產之出售所得款項淨額及賬面值之差額計算)於無形資產被解除時於綜合收益表確認。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Intangible assets (Continued)

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

3. 主要會計政策(續)

(d) 無形資產(續)

於業務合併收購之無形資產

倘於業務合併所收購之無形資產符合無形資產之定義，且其公平值能可靠計量，則有關資產會與商譽分開識別及確認。該等無形資產之成本為於收購當日之公平值。

於初次確認後，具有有限使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬。具有有限使用年期之無形資產以直線法按其預計可使用年期計提攤銷。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Intangible assets (Continued)

Research and development expenditures

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight-line basis over its useful life, and carried at cost less subsequent accumulated amortisation and any accumulated impairment losses.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible asset is reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

3. 主要會計政策 (續)

(d) 無形資產 (續)

研究及開發開支

研究活動開支於產生年度內確認為費用。

源自發展開支由內部產生之無形資產僅於清晰界定之項目所產生之發展成本預計會透過未來商業活動收回時確認。所產生之資產乃以直線法按其估計可用年期攤銷，並以成本扣除其後累計攤銷及任何累計減值虧損列賬。

內部產生之無形資產之初步確認金額為該等無形資產首次符合確認標準當日起產生之開支總額。倘並無內部產生之無形資產可予確認，則開發開支將於產生期間於損益表內扣除。

於初步確認後，內部產生之無形資產按個別購入無形資產之相同基準以成本減累計攤銷及累計減值虧損列賬。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. 主要會計政策(續)

(e) Plant and equipment

Plant and equipment are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of plant and equipment over their estimated useful lives and after taking into account their estimated residual value, using the straight-line method.

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

(f) Financial instruments

Financial assets and financial liabilities are recognised on the consolidated balance sheet when a group entity becomes a party to the contractual provisions of the instrument. 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 are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

(e) 廠房及設備

廠房及設備按成本減其後之累計折舊及任何已確認減值虧損列賬。

折舊乃採用直線法，於廠房及設備項目之估計可使用年內撇銷其成本，並經計入其估計剩餘價值後扣除。

廠房及設備項目乃於出售後或當預期持續使用該資產將不會產生未來經濟利益時不再確認。於不再確認資產時產生之任何收益或虧損（以出售所得款項淨額與該項目之賬面金額之差額計算）會計入不再確認該項目時之綜合收益表內。

(f) 金融工具

當集團實體成為金融工具合同條文的一方，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直接應佔的交易成本乃於初步確認時計入金融資產或金融負債（如適用）的公平值，或從中扣除。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Financial instruments (Continued)

Financial assets

The Group's financial assets are classified into one of the two categories, including financial assets at 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 each 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 on 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.

Income is recognised on an effective basis for debt instruments.

3. 主要會計政策 (續)

(f) 金融工具 (續)

金融資產

本集團之金融資產歸入下列兩個類別之其中一個，包括貸款及應收賬項以及可供出售金融資產。所有定期購買或出售金融資產乃按交易日基準確認及取消確認。定期購買或出售乃購買或銷售金融資產，並要求於市場上按規則或慣例設定之時間框架內付運資產。就各類金融資產應用之會計政策載列如下。

實際利息法

實際利息法為計算金融資產的攤銷成本以及分配於有關期間的利息收入的方法。實際利率是可準確透過金融資產的預計可用年期或(倘適用)在較短期間內對估計未來現金收入(包括所支付或收取能構成整體實際利率的所有費用及利率差價、交易成本及其他溢價或折算價)進行折算的利率。

就債務票據而言，利息按實際利率基準確認。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Financial instruments (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

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 profit or loss (see accounting policy on impairment loss on financial assets below).

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 and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured as cost less any identified impairment losses at each balance sheet date subsequent to initial recognition (see accounting policy on impairment loss on financial assets below).

3. 主要會計政策 (續)

(f) 金融工具 (續)

貸款及應收賬項

貸款及應收賬項為並無於活躍市場報價而且附帶固定或可議定付款之非衍生金融資產。於初步確認後各交易日，貸款及應收賬項(包括貿易及其他應收款項以及銀行存款)均採用實際利率法按攤銷成本法減任何已識別減值虧損入賬。(見下文有關金融資產減值會計政策)。

可供出售金融資產

可供出售金融資產為劃分或並非分類為按公平值計入溢利或虧損之金融資產、貸款及應收賬項或持至到期日的金融資產之非衍生工具。

於初步確認後之每個結算日，可供出售金融資產按公平值計算。公平值之變動於權益賬內確認，直至該金融資產被出售或被釐定出現減值為止，屆時過往於權益賬內確認之累計收入或虧損則由權益賬轉往損益中確認。(見下文有關金融資產之減值會計政策)。

就可供銷售之權益投資而言，倘並無活躍市場之市場報價，而其公平值未能可靠計算及與該等非上市權益工具有關並須以交付該等工具結算之衍生工具，則可供出售之權益投資於首次確認後之每個結算日按成本值減任何已識別減值虧損計算。(見下文關於金融資產減值之會計政策)。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Financial instruments (Continued)

Impairment of financial assets

Financial assets, 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 asset, the estimated future cash flows of the financial assets have been impacted.

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:

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

For certain categories of financial asset, such as trade and other 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 collective payments, an increase in the number of delayed payments in the portfolio past the average credit period of 90 days, observable changes in national or local economic conditions that correlate with default on receivables.

3. 主要會計政策 (續)

(f) 金融工具 (續)

金融資產減值

金融資產於每個結算日評估是否出現減值跡象。金融資產於每次確認後，如出現一個或多個事件顯示估計將來現金流量受影響，即代表該等金融資產存在客觀證據顯示出現減值。

對可供出售的權益投資而言，如果資產的公平值出現大幅度的貶值使低過其成本，即被視為減值的客觀證據。

對其他金融資產而言，減值的客觀證據包括：

- 發行人或對手出現重大財政困難；或
- 逾期支付或拖欠利息或本金；或
- 借款人有可能會破產或進行財政重組。

對某些類別的金融資產，如應收貿易賬項及資產不會進行單項減值評估，這些資產會於其後以整體方式評估其有否減值。應收賬項減值的客觀證據包括本集團於過往收款經驗；逾期付款的增加數目超過平均除賬期限90天；資產拖欠情況與有關國家或當地經濟狀況配合。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Financial instruments (Continued)

Impairment of financial assets (Continued)

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss 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.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other 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 profit or loss. When a trade and other receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credit to profit or loss.

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 profit or loss 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.

3. 主要會計政策(續)

(f) 金融工具(續)

金融資產減值(續)

對按攤銷成本入賬的金融資產而言，當有客觀證據顯示有減值出現時於損益確認。虧損金額按資產賬面值與金融資產的初始實際利率貼現的估計未來現金流量現值的差額計算。

對以成本值列賬的金融資產而言，減值金額按該資產賬面金額與同類金融資產當前市場回報率貼現的估計未來現金流量現值之間的差額計算。這些資產的減值準備不予以回撥。

減值損失直接減少所有金融資產的賬面金額，惟貿易及其他應收款項除外，該等賬面金額減少則通過減值撥備賬戶。減值撥備賬戶的變動於損益確認。當貿易及其他應收款項不能回收時，直接於減值撥備賬戶內撇銷。過往撇銷的金額於其後撥回時計入損益。

對於按攤銷成本列賬之金融資產而言，如在隨後期間，減值虧損金額減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損透過損益賬予以撥回，惟該資產於減值被撥回當日之賬面值，不得超過未確認減值時之攤銷成本。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(f) Financial instruments (Continued)*Impairment of financial assets (Continued)*

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss 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 assets of the group after deducting all of its liabilities. The Group's financial liabilities are generally classified as other financial liabilities.

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.

3. 主要會計政策 (續)**(f) 金融工具 (續)***金融資產減值 (續)*

可供出售的權益投資的減值準備不會於損益表中撥回。倘於繼後期間公平值增加於權益賬確認。就可供出售的債權投資而言，若其公平值的增加與減值虧損確認後出現事件存在客觀的關連，則減值虧損可於繼後期間撥回。

金融負債及權益

由集團實體發行之金融負債及權益工具乃根據已訂立的合同安排的內容及與金融負債及權益工具之定義予以分類。

權益工具指證明集團於扣減所有負債後的資產中擁有剩餘權益之任何合同。本集團之金融負債一般分類為其他金融負債。

實際利息法

實際利息法為計算金融負債的攤銷成本以及分配於有關期間的利息開支的方法。實際利率是可準確透過金融負債的預計可用年期或(倘適用)在較短期間內對估計未來現金付款進行折算的利率。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. 主要會計政策(續)

(f) Financial instruments (Continued)

Effective interest method (Continued)

Interest expense is recognised on an effective interest basis.

Other financial liabilities

Other financial liabilities including trade and other payables and bank overdrafts are subsequently measured at amortised cost, using the effective interest method.

Convertible loan notes

Convertible loan notes issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible loan notes and the fair value assigned to the liability component, representing the conversion option for the holder to convert the loan notes into equity, is included in equity (convertible bonds reserve).

(f) 金融工具(續)

實際利息法(續)

利息開支按實際利率基準確認。

其他金融負債

其他金融負債(包括應付貿易賬項及其他應付款及銀行透支)乃隨後採用實際利息法按已攤銷成本計量。

可換股貸款票據

本集團發行的可換股票據包括負債及兌換權部份，乃於初步確認時各自分類為負債及權益部份。將以固定金額現金或其他金融資產交換本公司固定數目之股本工具方式結清之兌換權乃分類為股本工具。

於初步確認時，負債部份的公平值乃按類似不可轉換債務的現行市場利率釐定。發行可換股票據的所得款項與撥往負債部份的公平值之差額(即代表可讓持有人將票據兌換為權益之兌換權)應列入權益(可換股債券儲備)內。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Financial instruments (Continued)

Convertible loan notes (Continued)

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

Transaction costs that relate to the issue of the convertible loan notes 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 equity. 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 loan notes using the effective interest method.

Equity instruments

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

3. 主要會計政策 (續)

(f) 金融工具 (續)

可換股貸款票據 (續)

於往後期間，可換股票據的負債部份乃以實際利率法按攤銷成本列賬。權益部份（即代表可將負債部份兌換為本公司普通股之兌換權）將保留於可換股債券儲備，直至內含兌換權獲行使為止（在此情況下，可換股貸款票據權益儲備的結餘將轉移至股份溢價）。倘兌換權於到期日尚未獲行使，可換股貸款票據權益儲備的結餘將撥至保留盈利。兌換權獲兌換或到期時將不會於損益中確認任何盈虧。

發行可換股票據的交易成本，按所得款項總額的分配比例撥往負債及權益部份。權益部份的交易成本會直接於權益中扣除。負債部份的交易成本會計入負債部份的賬面金額中，並以實際利率法於可換股貸款票據期限內予以攤銷。

權益工具

本公司發行之權益工具乃按已收所得款項扣除直接發行成本記賬。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. 主要會計政策(續)

(f) Financial instruments (Continued)

(f) 金融工具(續)

Derecognition

終止確認

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 receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

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份風險及回報轉移，則金融資產將被終止確認。於終止確認金融資產時，資產賬面值與已收及應收代價及已直接於權益中確認之累計損益之總和之差額，將於損益中確認。

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

若有關合約之指定責任獲解除、取消或到期，則金融負債將被終止確認。終止確認之金融負債賬面值與已收或應收代價之差額乃於損益中確認。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Biological assets

Biological assets are living plants involved in the agricultural activities of the transformation of biological assets for sales, into agricultural produce or into additional biological assets. Biological assets are measured at fair value less estimated point-of-sale costs at initial recognition and at each balance sheet date. The fair value of biological assets is determined based on either the present value of expected net cash flows from the biological assets discounted at a current market-determined pre-tax rate or the market price with reference to the species, growing condition, cost incurred and expected yield of the crops.

The agricultural produce is initially measured at fair value less estimated point-of-sale costs at the time of harvest. The fair value of agricultural produce is measured at the market prices in the local market. The fair value less estimated point-of-sale costs at the time of harvest is deemed as the cost of agricultural produce for further processing.

The gain or loss arising on initial recognition of biological asset at fair value less estimated point-of-sale costs is recognised in the consolidated income statement for the period in which it arises.

(h) Deferred plantation expenditure

Deferred plantation expenditure is stated at cost less accumulated amortisation and accumulated impairment. Amortisation is charged to the cost of biological assets on a straight-line basis over the period of thirty years.

(i) Inventories

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

3. 主要會計政策 (續)

(g) 生物資產

生物資產為活的植物，包括由生物資產轉型為作銷售之農產品或其他新增的生物資產之農業活動。生物資產於初次確認及每個結算日時按公平值減估計銷售點成本計算。生物資產的公平值按生物資產的預計現金流量淨額以市場當時訂定的稅前比率折現的現值或參考品種、生長情況、所涉及的成本及預期的農產品收成計算的市場價格釐定。

農產品初步按公平值減於收成時之估計銷售點成本計算。農產品之公平值按當地市場之市價計算。公平值減於收成時之估計銷售點成本被視作進一步加工農作物成本。

按公平值減估計銷售點成本初次確認生物資產時產生之損益，在產生時於綜合收益表確認。

(h) 遞延種植開支

遞延種植開支按成本減累計攤銷及累計減值列賬。攤銷於三十年年期以直線法在生物資產成本中扣除。

(i) 存貨

存貨按成本及可變現淨值的較低者列賬。成本按先入先出法計算。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Impairment losses on tangible and intangible assets with finite 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.

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.

3. 主要會計政策(續)

(j) 具有限使用年期之有形及無形資產減值

本集團會於各結算日審閱有形及無形資產的賬面金額，以確定是否出現任何減值虧損跡象。倘估計資產之可收回數額低於其賬面金額，則該資產之賬面值將減至其可收回數額之水平，並會即時將減值虧損確認為支出。

倘若減值虧損於其後撥回，該資產的賬面金額則會增加至經修訂的估計可收回數額，惟增加後的賬面金額不得超出該資產（現金產生單位）於過往年度並無確認減值虧損時應有的賬面金額。撥回的減值虧損即時確認為收入。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(k) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and sales related taxes.

i) Sale of goods

Revenue from sales of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title has passed.

ii) Service income

Service income is recognised when services are provided.

iii) Management fee income

Management fee income is recognised when services are provided.

iv) Interest income

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.

3. 主要會計政策 (續)**(k) 收入確認**

收入按已收或應收代價的公平值計量，並為在日常業務過程中就提供貨品的應收款項，並扣除折扣及相關稅金。

i) 銷售貨品

銷售貨品之收入是於擁有權之風險及回報轉移時確認，一般為貨品交付予客戶及擁有權轉移時。

ii) 服務收入

服務收入是於提供服務時予以確認。

iii) 管理費收入

管理費收入是於提供服務時予以確認。

iv) 利息收入

金融資產產生的利息收入是按時間基準，並參照尚未償還本金額及按所適用的實際利率累算。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Equity settled share-based payment transactions

Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss, with a corresponding adjustment to share options reserve.

At the time when the share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will continue to be held in share options reserve.

Share options granted to consultants

Share options issued in exchange for services are measured at the fair values of the services received, unless the fair value cannot be reliably measured, in which case the services received are measured by reference to the fair value of the share options granted. The fair values of the services received are recognised as expenses immediately, unless the services qualify for recognition as assets.

3. 主要會計政策 (續)

(I) 以股本結算股份付款之交易

授予本公司僱員之購股權

因獲得僱員提供服務而授予購股權之公平值乃參考購股權於授出當日之公平值釐定，並於歸屬期間以直線法支銷，並於股本權益中作相應增加（購股權儲備）。

於每個結算日，本集團重新估計預期最終將歸屬的購股權數目。修訂原先估計之影響（如有）於餘下歸屬期內在損益中確認，並對購股權儲備作相應調整。

購股權獲行使時，過往於購股權儲備中確認之數額將轉移至股份溢價。當購股權於歸屬期後遭沒收或於屆滿日仍未獲行使，過往在購股權儲備中確認之數額將仍然保留於購股權儲備。

授予顧問之購股權

為換取服務而發行之購股權，乃按所收取服務之公平值計量，除非公平值不能可靠地計量，在該情況下，獲提供之服務乃參考所授出購股份之公平值計量。除非所收取之服務合資格確認為資產，否則該等服務之公平值即時確認為開支。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(m) Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the 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 or 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 amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit, and are 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 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.

3. 主要會計政策 (續)**(m) 稅項**

所得稅支出指現時應付稅項及遞延稅項總金額。

現時應付稅項按本年度應課稅溢利計算。應課稅溢利與綜合收益表中所報溢利淨額不同，是由於前者不包括在其他年度之應課稅收入或可扣減支出項目，並且不包括綜合收益表內不需課稅或不可扣稅的項目。本集團現時稅項負債是按結算日已頒佈或大致上已頒佈的稅率計算。

遞延稅項指在綜合財務報表中資產及負債的賬面值與計算應課稅溢利所用相應稅基間的差額而確認，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性差額確認，而遞延稅項資產則於可能出現應課稅溢利以抵銷可扣稅的暫時性差額時提撥。若於一項交易中，因商譽或因業務合併以外原因開始確認其他資產及負債而引致既不影響應課稅溢利亦不影響會計利潤的暫時性差額，則不會確認該等資產及負債。

遞延稅項負債是按投資於附屬公司而產生的應課稅暫時性差異而確認，除非本集團可控制暫時差異回撥及暫時性差異在可預見之將來可能不會回撥。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(m) Taxation (Continued)

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

(n) Foreign currencies

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 exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. 主要會計政策 (續)**(m) 稅項 (續)**

遞延稅項是按預期於負債償還或資產變現期間適用的稅率計算。遞延稅項於損益表中扣除或計入損益表，但如其相關的項目是直接於權益中扣除或計入權益的話，遞延稅項亦會於權益中處理。

(n) 外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣（外幣）進行的交易均按交易日期的適用匯率換算為功能貨幣（如該實體經營所在主要經濟地區的貨幣）記賬。於各結算日，以外幣為定值的貨幣項目均按結算日的適用匯率重新換算。按公平值以外幣定值的非貨幣項目按於公平值釐定當日的適用匯率重新換算。按外幣過往成本計量的非貨幣項目毋須重新換算。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in equity in the consolidated financial statements. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) 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 exchange translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the balance sheet date. Exchange differences arising are recognised in the exchange translation reserve.

3. 主要會計政策 (續)

(n) 外幣 (續)

於結算及換算貨幣項目時產生之匯兌差額均於該等產生期間內於損益中確認，惟組成本公司海外業務之投資淨額部份之貨幣項目所產生之匯兌差額除外，在此情況下，有關匯兌差額乃於綜合財務報表中確認為權益。以公平值定值之非貨幣項目經重新換算後產生之匯兌差額於該期間列作損益，惟換算直接於股本內確認盈虧之非貨幣項目產生之差額除外，在此情況下，匯兌差額亦直接於權益中確認。

就呈列綜合財務報表而言，本集團海外經營業務的資產及負債按於結算日的適用匯率換算為本公司的列賬貨幣（即港元），而其他收入及支出按該年度的平均匯率進行換算，除非匯率於該期間內出現大幅波動則作別論，於此情況下，則採用於換算當日的適用匯率。所產生的匯兌差額將確認為權益的獨立部分（匯兌儲備）。該等匯兌差額於海外業務被出售的期間內確認損益。

於收購海外業務時產生之有關所收購可識別資產之商譽及公平值調整乃作為該海外經營業務之資產及負債處理，並按於結算日之適用匯率進行換算。產生之匯兌差額乃於匯兌儲備內確認。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(o) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

The Company as lessee

Asset held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the income statement.

Rentals payable under operating leases are charged to profit or loss 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.

3. 主要會計政策(續)

(o) 租賃

當租賃條款將擁有權近乎全部風險及回報轉讓予承租人時，租賃分類為融資租賃，而所有其他租賃則分類為經營租賃。

本公司作為承租人

融資租賃持有資產於租賃開始時以其公平值或以最低租賃款項之現有價值(以較低者為準)確認為本集團的資產。付予出租人之相關負債於資產負債表中當作一項融資租賃承擔。租賃款項以融資成本以及租賃承擔之減項按比例計算，以取得餘下負債結餘之不變息率。融資成本直接計入收益表中。

經營租約的應付租金按有關租約期以直線法於損益中扣除。作為促使訂立經營租約的已收及應收利益亦按租約期以直線法分攤。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. 主要會計政策 (續)

(p) Government grants

Government grants are recognised as income over the periods necessary to match them with the related costs. Grants related to depreciable assets are presented as deferred income and are released to income over the useful lives of the assets. Grants related to expense items are recognised in the same period as those expenses are charged in the consolidated income statement and are deducted in reporting the related expense/are reported separately as "other operating income".

(q) Retirement benefit costs

Payments to state-managed retirement benefit scheme and the defined contribution schemes are charged as an expense when employees have rendered service entitling them to the contributions.

(r) Borrowing costs

All borrowing costs are recognised as and included in finance costs in the consolidated income statement in which they are incurred.

(p) 政府補貼

政府補貼在與相關費用配對所需之期間確認為收入。有關應折舊資產之補貼呈列為遞延收入，於資產可使用年期內撥作收入。有關開支項目之補貼於該等開支列入綜合收益表之相同期間確認，並在列報該等有關開支時扣除／分開呈列為「其他經營收入」。

(q) 退休福利成本

向國家管理退休福利計劃及界定供款計劃支付的款項於員工提供之服務令其合資格享有供款時列作開支扣除。

(r) 借貸成本

所有借貸成本於產生時在綜合收益表確認及入賬列作融資成本。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, 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.

Key sources of estimation uncertainty

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

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31st December 2007, the carrying amount of goodwill was approximately HK\$156,873,000. Details of impairment testing on goodwill are set out in note 19(a).

Depreciation of plant and equipment

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account of their estimated residual values. The determination of the useful lives and residual values involve management's estimation. The Group assesses annually the residual value and the useful life of the plant and equipment and if the expectation differs from the original estimate, such a difference may impact the depreciation in the year and the estimate will be changed in the future period.

4. 關鍵會計判斷及估計不確定性的主要來源

在應用本集團載述於附註3的會計政策時，董事須對未能輕易地從其他來源獲知的資產及負債賬面金額作出判斷、估計及假設。該等估計及相關假設是根據過往經驗及被認為相關的其他因素而作出。實際結果或會與該等估計有所不同。

估計不確定性的主要來源

以下關鍵判斷對未來的主要假設及於各結算日估計不明朗性的其他主要來源，會導致下一個財政年度的資產及負債賬面值極有可能作出重大調整。

商譽的減值估計

釐定商譽是否出現減值時須估計商譽所獲分配的現金產生單位使用價值。本集團計算使用價值時須就預期源自該現金產生單位的日後現金流量及合適的折現率作出估計，以計算現值。若實際日後現金流量較預期為低，則可能會產生重大減值虧損。於二零零七年十二月三十一日，商譽的賬面值約為156,873,000港元。有關商譽減值測試的詳情於附註19(a)披露。

廠房及設備折舊

廠房及設備按其估計可使用年期及其估計剩餘價值，採用直線法計提折舊。使用年期和剩餘價值涉及管理層的估計。本集團每年評估廠房及設備的剩餘價值和使用年期，假如預期與原有的估計有差異，可能影響年中的折舊和更改將來期間估計。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment loss recognised in respect of trade receivables

The Group performs ongoing credit evaluations of its customers and adjusts credit limits based on payment history and the customer's current credit-worthiness, as determined by the review of their current credit information. The Group continuously monitors collections and payments from its customers and maintains a provision for estimated credit losses based upon its historical experience and any specific customer collection issues that it has identified. Credit losses have historically been within the Group's expectations and the Group will continue to monitor the collections from customers and maintain an appropriate level of estimated credit losses.

Impairment of plant and equipment

The impairment loss for plant and equipment are recognised for the amounts by which the carrying amounts exceed their recoverable amounts, in accordance with the Group's accounting policy. The recoverable amounts of plant and equipment have been determined based on value-in-use calculations. These calculations require the use of estimates such as the future revenue and discount rates. No impairment was provided during the year.

Fair values of biological assets

The Group's management determines the fair values less estimated point-of-sale costs of biological assets on initial recognition and at each balance sheet date with reference to the market prices, cultivation area, species, growing conditions, cost incurred and expected yield of the crops.

4. 關鍵會計判斷及估計不確定性的主要來源 (續)

估計不確定性的主要來源 (續)

就貿易應收款項確認減值虧損

本集團對其客戶進行持續信貸評估，並根據客戶的過往付款記錄及經審閱客戶目前信貸資料而調整現行的信用額。本集團持續監察其客戶的收款及付款，並根據其過往經驗，以及任何已識別特定客戶收款情況，就估計信貸虧損作出撥備。倘曾出現如本集團預期的有關信貸虧損，則本集團會持續監察其客戶的收款及將維持適當水平的估計信貸虧損。

廠房及設備減值

廠房及設備的減值虧損確認是根據本集團的會計政策就賬面金額超出其可收回款項的數額計算。廠房及設備的可收回款額乃按使用價值計算方法釐定。該等計算須使用未來收益及貼現率等估計。年內並無就減值作出撥備。

生物資產的公平值

生物資產於初次確認及於各結算日由本集團管理層參考市場定價、種植面積、品種、生長情況、所涉及的成本及預期產品收成，按公平值減估計銷售點成本計算。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes convertible loan notes disclosed in note 27, cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued share capital and reserves. The directors of the Company review the capital structure periodically. As a part of this review, the directors of the Company consider the cost of capital and the risks associates with each class of capital. Based on the recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as issue of new debt or the redemption of existing debt.

6. FINANCIAL INSTRUMENTS

Categories of financial instruments

Available-for-sale investments	可供出售投資		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)		
Financial liabilities at amortised cost	金融負債(按攤銷成本)		

5. 資本風險管理

本集團之資本管理旨在確保本集團內之所有實體均可持續經營，同時透過優化債務及股本結構為股東謀求最大回報。本集團之整體策略與過往年度保持一致。

本集團的資本架構包括債務(於附註27披露的可換股貸款票據)、現金及現金等價物及本公司股權持有人應佔權益(含已發行股本及儲備)。本公司董事定期審核資本結構，當中涉及考慮資本成本及與各類資本相關之風險。按照董事之建議，本集團將透過派付股息、發行新股及股份回購以及新增債務或贖回現有債務以平衡其整體資本結構。

6. 金融工具

金融工具的分類

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Available-for-sale investments	可供出售投資	-	66,591
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	105,350	115,071
Financial liabilities at amortised cost	金融負債(按攤銷成本)	146,501	61,469

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include equity investments, trade and other receivables, trade and other payables, bank balances and cash, and bank overdrafts. 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.

Currency risk

Currency risk refers to the risk associated with movements in foreign currency rates which will affect the Group's financial results and its cashflow. The management considers the Group is not exposed to significant foreign currency risk as the majority of its operations and transactions are in the PRC with their functional currency of RMB.

For the year ended 31st December 2007 and 2006, the Group mainly earns revenue in RMB and incurs costs in HK\$ and RMB. Although, the Group currently does not have any foreign currency hedging policies, it manages its currency exposure by ensuring that the revenue earned in RMB are used to pay for RMB denominated costs. Funds raised from financing activities which are mainly in HK\$ are used to pay for HK\$ expenses and HK\$ costs of acquisitions.

The directors do not expect the appreciation of the RMB against the HK\$ to have any material adverse effect on the operation of the Group.

Interest rate risk

As the Group has no significant interest-bearing liabilities, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

7. 財務風險管理目標及政策

本集團的主要金融工具包括股本投資、貿易及其他應收款項、貿易及其他應付款項、銀行結餘及現金，以及銀行透支。該等金融工具的詳情披露於相關附註內。與此等金融工具有關的風險及如何降低該等風險的政策載於下文。管理層管理及監察該等風險，以確保及時及有效地採取適當的措施。

貨幣風險

貨幣風險乃指與外幣匯率變動相關且將影響本集團的財務業績及其現金流量的風險。管理層認為，由於本集團的大部份業務及交易主要於中國經營及進行，並以人民幣為功能貨幣，故本集團毋須面對重大外幣風險。

截至二零零七年及二零零六年十二月三十一日止年度，本集團所賺取收益主要以人民幣結算，所產生費用則主要以港元及人民幣結算。儘管本集團目前並無外幣對沖政策，惟本集團在管理貨幣風險時，會確保以人民幣賺取的收益是用作支付以人民幣結算的費用。透過融資活動籌得的資金主要以港元計值，乃用作支付以港元結算的費用及收購成本。

董事預期，人民幣兌港元升值不會對本集團業務造成任何重大不利影響。

利率風險

由於本集團並無重大附息負債，故本集團的收入及經營現金流量基本上與市場利率變動無關。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

Credit risk refers to the risk that debtors will default on their obligations to repay the amounts owing to the Group, resulting in a loss to the Group. The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as end of the financial year in relation to each class of recognised financial assets in the carrying amount of those assets as stated in the consolidated balance sheet.

The Group has no significant credit risks as it has policies in place to ensure that sales of products and services are made to customers with appropriate credit history. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining substantial collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities with good repayment history.

The Group does not have any other significant concentration of credit risk. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas.

7. 財務風險管理目標及政策(續)

信貸風險

信貸風險指本集團的債務人不履行償還其欠本集團款項的責任而令本集團損失的風險。倘交易對手於財政年度結束時未能履行有關各類已確認金融資產之責任，則本公司之信貸風險將以綜合資產負債表所列之該等資產賬面值為限。

本集團並無重大信貸風險，因已制定政策以確保產品及服務乃銷售予具合適信貸紀錄之客戶。本集團採納之政策為只與信譽良好之對手方進行交易，並於適當時收取大量抵押品以盡量降低因違約而招致之財務損失風險。本集團只與還款紀錄良好的公司交易。

本集團並無任何其他重大集中信貸風險。貿易應收款項源自數目龐大之客戶、遍布各行各業及不同地區。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Agricultural activity

The Group's revenue depends significantly on the ability to harvest agricultural products at adequate levels. The ability to harvest agricultural products and the growth of the agricultural products in the plantation may be affected by unfavourable local weather conditions and natural disasters such as earthquakes, fire, disease, insect infestation and pests are examples of such events. The occurrence of severe weather conditions or natural disasters may impede the Group's agro-conservation and bio-energy operations or the growth of the agricultural products in the plantations, which in turn may have a material adverse effect on the Group's performance.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its financial liabilities. For non-derivatives financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

7. 財務風險管理目標及政策(續)

農業業務

本集團之收益極視乎收割足夠農產品水平之能力。在種植場收割農產品及種植農產品之能力可能受到當地之不利天氣狀況及自然災害所影響。該等事項之例子包括地震、火災、疾病、蟲患及害蟲等自然災害。出現嚴重天氣狀況或自然災害可妨礙本集團之農產保育及生物能源業務，或在種植場種植之農產品，因而可能對本集團之業績表現構成重大不利影響。

流動資金風險

本集團之目標為透過維持足夠現金及現金等價物水平供應以資助本集團的業務及減低現金流量波動的影響。

下表詳列本集團金融負債餘下的合同到期情況。就非衍生金融負債而言，該表根據本集團須付款的最早日期按金融負債的未貼現現金流量編製，並包含利息及本金現金流量。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

7. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES (Continued)

7. 財務風險管理目標及政策(續)

Liquidity risk (Continued)

流動資金風險(續)

Liquidity risk tables

流動資金風險列表

		Weighted average effective interest rate 加權平均 實際利率 %	Within 1 year or on demand 一年內或應要求 HK\$'000 千港元	More than 1 year but less than 2 years 一年以上 但於兩年內 HK\$'000 千港元	More than 2 year but less than 5 years 兩年以上 但於五年內 HK\$'000 千港元	Total undiscounted cash flows 未貼現 現金流量總額 HK\$'000 千港元	Carrying amount at 31st December 於十二月 三十一日 之賬面金額 HK\$'000 千港元
2007	二零零七年						
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付款項	-	70,623	-	-	70,623	70,623
Convertible loan notes	可換股貸款票據	9.75	-	-	98,000	98,000	75,878
			70,623	-	98,000	168,623	146,501
2006	二零零六年						
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付款項	-	61,451	-	-	61,451	61,451
Bank overdraft	銀行透支	17.75	18	-	-	18	18
			61,469	-	-	61,469	61,469

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

8. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into six (2006: four) operating divisions – agro-conservation, bio-energy, banking and finance systems integration services, software solutions for banks and the public sector, IT management and support and real estate consultancy service.

Principal activities are as follows:

Agro-conservation	– Agricultural cultivation and land conservation
Bio-energy	– Cultivation of raw materials for the bio-energy industry
Banking and finance systems integration services	– Provision of system integration, software development, engineering, maintenance and professional outsourcing services for the banking and finance, telecommunications and public sector clients
Software solutions for banks and the public sector	– Provision of software solutions for the banking, e-commerce and public sectors with a business focus on e-business operations and online marketplaces
IT management and support	– Provision of IT management and support services to small and medium-sized property agents
Real estate consultancy service	– Provision of real estate consultancy services for the Shanghai property market

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

8. 業務及地區分部

業務分部

就管理而言，本集團目前劃分為六個業務分部（二零零六年：四個）— 農產保育、生物能源、銀行及金融系統集成服務、銀行及公用事務界別適用之軟件解決方案、資訊科技管理及支援，及房地產顧問服務。

主要業務如下：

農產保育	— 農業培植及土地保育
生物能源	— 生物能源行業之培植原料
銀行及金融系統集成服務	— 提供系統集成、軟件發展、工程、保養及專門為銀行業及金融業、電訊業及公用事業客戶提供專業外判服務
銀行及公用事務界別適用之軟件解決方案	— 向以電子商業業務及網上市場為業務主導之銀行業、電子商貿及公用事業界別提供軟件解決方案
資訊科技管理及支援	— 向中小型物業代理提供資訊科技管理及支援服務
房地產顧問服務	— 向上海物業市場提供房地產顧問服務

在釐定本集團之地區分部時，收入按顧客所在地計入分部，而資產按資產所在地計入分部。

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

8. 業務及地區分部 (續)

(i) BUSINESS SEGMENTS

(i) 業務分部

The following tables present revenue, result and certain asset, liability and expenditure information for the Group's business segments.

下表載列本集團業務分部之收入、業績及若干資產、負債及開支資料。

	Agro-conservation 農產保育		Bio-energy 生物能源		Banking and finance systems integration services 銀行及金融 系統集成服務		Software solutions for banks and the public sector 銀行及公用事務界別 適用之軟件解決方案		IT management and support 資訊科技 管理及支援		Real estate consultancy service 房地產顧問服務		Consolidated 綜合	
	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
TURNOVER 營業額														
Sales to external customers 向外部客戶作出之銷售	-	-	-	-	65,621	51,867	572	644	442	3,440	5,617	2,789	72,252	58,740
RESULT 業績														
Segment results 分部業績	12,703	-	3,805	-	(1,399)	(7,991)	237	536	(5,799)	1,433	4,715	(2,828)	14,262	(8,850)
Unallocated income 未分配收入													24,185	9,785
Unallocated expenses 未分配支出													(31,882)	(12,543)
Impairment loss recognised in respect of goodwill 確認商譽減值虧損	-	-	-	-	-	-	-	-	(12,772)	-	(27,999)	-	(40,771)	-
Finance costs 融資成本													(1,842)	(25)
Loss before taxation 除稅前虧損													(36,048)	(11,633)
Income tax (expense) credit 所得稅(支出)抵免													(1,209)	1,642
Loss for the year 年度虧損													(37,257)	(9,991)

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

8. 業務及地區分部 (續)

(i) BUSINESS SEGMENTS (Continued)

(i) 業務分部 (續)

	Agro-conservation 農產保育		Bio-energy 生物能源		Banking and finance systems integration services 銀行及金融 系統集成服務		Software solutions for banks and the public sector 銀行及公用事務界別 適用之軟件解決方案		IT management and support 資訊科技 管理及支援		Real estate consultancy service 房地產顧問服務		Consolidated 綜合	
	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
ASSETS	資產													
Segment assets	364,883	—	43,772	—	98,238	102,112	74	150	225	18,408	9,002	35,976	516,194	156,646
Unallocated corporate assets													4,555	82,753
Total assets													520,749	239,399
LIABILITIES	負債													
Segment liabilities	(192)	—	(50)	—	(41,245)	(51,072)	(126)	(469)	(807)	(1,526)	(5,489)	(5,305)	(47,909)	(58,372)
Unallocated corporate liabilities													(147,490)	(10,035)
Total liabilities													(195,399)	(68,407)
Other segment information	其他分部資料													
Cash and bank balances included in segment assets	152	—	2,151	—	67,227	56,452	5	2	7	33	256	105	69,798	56,592
Unallocated amounts													3,141	38
													72,939	56,630

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

8. 業務及地區分部 (續)

(i) BUSINESS SEGMENTS (Continued)

(i) 業務分部 (續)

		Agro-conservation 農產保育		Bio-energy 生物能源		Banking and finance systems integration services 銀行及金融 系統集成服務		Software solutions for banks and the public sector 銀行及公用事務界別 適用之軟件解決方案		IT management and support 資訊科技管理及支援		Real estate consultancy service 房地產顧問服務		Consolidated 綜合	
		2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
		HK\$'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	
Pledged time deposits included in segment assets	計入分部資產之已抵押定期存款	-	-	-	-	-	15,624	-	-	-	-	-	-	-	15,624
Depreciation and amortisation	折舊及攤銷	2,054	-	107	-	384	1,189	-	-	676	121	373	159	3,594	1,469
Unallocated amounts	未分配金額	-	-	-	-	-	-	-	-	-	-	-	-	262	148
														3,856	1,617
Loss on disposal of plant and equipment	出售廠房及設備之虧損	-	-	-	-	-	(1)	-	-	-	(2)	(55)	(148)	(55)	(151)
Unallocated amounts	未分配金額	-	-	-	-	-	-	-	-	-	-	-	-	(16)	-
														(71)	(151)
Capital expenditure	資本開支	193	-	6,675	-	231	4	-	-	-	112	416	390	7,515	506
Unallocated amounts	未分配金額	-	-	-	-	-	-	-	-	-	-	-	-	887	31
														8,402	537
Bad debts directly written off	直接撇銷壞賬	-	-	-	-	-	-	-	-	4,041	-	-	-	4,041	-
Unallocated amounts	未分配金額	-	-	-	-	-	-	-	-	-	-	-	-	216	-
														4,257	-
Impairment loss of unlisted available-for-sale investment - unallocated amounts	可供出售非上市投資之減值虧損 - 未分配金額	-	-	-	-	-	-	-	-	-	-	-	-	-	3,200
Impairment loss recognised in respect of trade receivables	就貿易應收款項確認之減值虧損	-	-	-	-	1,706	273	-	-	-	-	590	255	2,296	528
Impairment loss recognised in respect of intangible assets	就無形資產確認之減值虧損	-	-	-	-	-	-	-	-	1,173	-	-	-	1,173	-
Gain on disposal of plant and equipment - unallocated amounts	出售廠房及設備之收益 - 未分配金額	-	-	-	-	-	-	-	-	-	-	-	-	(30)	(400)

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

8. 業務及地區分部 (續)

(ii) GEOGRAPHICAL SEGMENTS

(ii) 地區分部

The following table present revenue and certain asset and expenditure information for the Group's geographical segments.

下表載列本集團地區分部之收入及若干資產與開支之資料。

	Hong Kong 香港		Elsewhere in the PRC 中國其他地區		Laos 老撾		Consolidated 綜合	
	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Segment revenue Sales to external customers 作出之銷售	572	540	71,680	58,200	-	-	72,252	58,740
Segment assets 分部資產	4,629	86,936	507,826	152,463	8,294	-	520,749	239,399
Other segment information Capital expenditure 資本開支	886	31	7,516	506	-	-	8,402	537

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

9. TURNOVER AND OTHER OPERATING INCOME

Turnover represents invoiced value of sales, net of returns, discounts allowed and sales taxes where applicable and providing computer technology and real estate consultancy services. Revenues recognised during the year are as follows:

9. 營業額及其他經營收益

營業額指已售貨品(已扣除退貨、折扣及銷售稅(如適用))與所提供電腦技術及房地產顧問服務之發票值。本年度確認之收入如下:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Turnover	營業額		
Sale of goods	銷售貨品	43,247	34,181
Rendering of computer technology services	提供電腦技術服務	23,388	21,770
Rendering of real estate consultancy services	提供房地產顧問服務	5,617	2,789
		72,252	58,740
Other operating income	其他經營收益		
Interest income	利息收入	1,987	547
Over-provision of business tax in previous years	過往年度營業稅超額撥備	-	195
Gain on disposal of plant and equipment	出售廠房及設備之收益	30	400
Government grants	政府補貼	158	401
Exchange gain	匯兌收益	3,765	-
Consultancy service income	顧問服務收益	8,000	-
Management service income	管理服務收益	7,467	-
Sundry income	雜項收入	357	82
		21,764	1,625
Total revenues	收入總額	94,016	60,365

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

10. PROFIT (LOSS) FROM OPERATIONS

10. 經營溢利(虧損)

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit (loss) from operations has been arrived at after charging:	經營溢利(虧損)已扣除：		
Auditor's remuneration	核數師酬金		
– Current year	– 本年度	800	850
– Overprovision for previous years	– 過往年度超額撥備	(25)	–
		775	850
Amortisation of intangible assets	無形資產攤銷	2,571	97
Bad debts directly written off	直接撇銷壞賬	4,257	–
Costs of inventories sold and services rendered	已售出存貨及所提供服務之成本	57,546	46,069
Depreciation	折舊	1,285	1,520
Directors' emoluments (Note 15)	董事酬金(附註15)	4,588	6,077
Impairment loss recognised in respect of intangible assets	就無形資產確認減值虧損	1,173	–
Impairment loss recognised in respect of trade receivables	就貿易應收款項確認減值虧損	2,296	528
Loss on disposal of a subsidiary	出售一間附屬公司產生之虧損	1	–
Loss on disposal of plant and equipment	出售廠房及設備產生之虧損	71	151
Payments under operating leases in respect of land and buildings	已付土地及樓宇經營租賃款項	3,690	2,328
Staff costs (excluding directors' emoluments) (Note 14)	員工成本(不包括董事酬金)(附註14)	18,061	16,233
Share-based payment expenses (excluding staff and directors)	股份付款開支(不包括僱員及董事)	17,217	801

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

11. FINANCE COSTS

11. 融資成本

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Interest expenses on:	利息開支：		
– bank overdrafts and borrowings wholly repayable within five years	– 銀行透支及須於五年內悉數償還之借款	–	1
– obligations under finance leases	– 融資租賃承擔	–	24
– effective interest expenses on convertible loan notes (Note 27)	– 可換股貸款票據之實際利息開支 (附註27)	1,842	–
		1,842	25

12. INCOME TAX EXPENSE (CREDIT)

12. 所得稅支出(抵免)

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
PRC Enterprise Income Tax	中國企業所得稅		
– current	– 即期	1,200	784
– under(over) provision in prior years	– 過往年度撥備不足(超額撥備)	9	(2,267)
		1,209	(1,483)
Deferred tax (Note 28)	遞延稅項(附註28)	–	(159)
		1,209	(1,642)

(i) Hong Kong Profits Tax has not been provided for in the consolidated financial statements as there was no estimated assessable profit derived from both years.

(ii) Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

(i) 由於該兩個年度均並無估計應課稅溢利，故綜合財務報表並無就香港利得稅作出撥備。

(ii) 於其他司法權區所產生之稅項則按相關司法權區的現行稅率計算。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

12. INCOME TAX EXPENSE (CREDIT) (Continued)

- (iii) In accordance with the relevant regulations, approvals from relevant local tax bureaus and Foreign Enterprise Income Tax Law in the PRC, two subsidiaries operating in the PRC are entitled to exemption from PRC income tax in the first two years from the first profit-making year, followed by a 50% reduction of PRC income tax for the next three years and thereafter, preferential treatments which are subject to the relevant law and regulation.
- (iv) In accordance with the relevant regulations for Foreign Enterprise Income Tax Law in the PRC, one subsidiary was taxed at 27% (2006: 27%) and another at the domestic rate of 33% (2006: 33%).
- (v) On 16th March 2007, the PRC promulgated the Law of the People's Republic of China on enterprise income tax (the "New Law"). On 6th December 2007, the state council of the PRC issued Implementation Regulations of the New Law. Pursuant to the New Law and Implementation Regulations, the enterprise income tax for both domestic and foreign-invested enterprises will be unified at 25% effective from 1st January 2008. There will be a transitional period for the PRC subsidiaries that are currently entitled to preferential tax treatments granted by the relevant tax authorities. PRC subsidiaries currently subject to an enterprise income tax rate lower than 25% will continue to enjoy the lower tax rate and be gradually transitioned to the new unified rate of 25% within five years after 1st January 2008. The tax rate applicable to the PRC subsidiaries are subject to the approval by the tax authority.

12. 所得稅支出(抵免)(續)

- (iii) 根據有關規則、地方稅務機關之批文及中國外資企業所得稅法，本集團兩間於中國大陸經營之附屬公司可於首個溢利年度起計首兩年獲豁免中國所得稅，並可於其後三年再獲寬減50%中國所得稅，而其後之稅務優惠則受有關法律及法規所限制。
- (iv) 根據中國外資企業所得稅法之相關規定，一間附屬公司乃按27%（二零零六年：27%）之稅率繳稅，另一間則按33%（二零零六年：33%）之地方稅率繳稅。
- (v) 於二零零七年三月十六日，中國頒佈中華人民共和國企業所得稅法（「新稅法」）。於二零零七年十二月六日，中國國務院頒佈新稅法實施條例。根據新稅法及其實施條例，自二零零八年一月一日起，在中國之企業及外資企業之企業所得稅稅率將劃一為25%。現時享有相關稅務機關給予優惠所得稅待遇之中國附屬公司將會獲得過渡期。現時按低於25%企業所得稅率繳納稅款之中國附屬公司將可繼續享有較低稅率，並將於二零零八年一月一日起5年內逐步過渡至新統一稅率25%。適用於中國附屬公司之稅率須經由稅務機關批准。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

12. INCOME TAX EXPENSE (CREDIT) (Continued)

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

12. 所得稅支出(抵免)(續)

年度所得稅支出(抵免)與綜合收益表之除稅前虧損對賬如下:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(36,048)	(11,633)
Tax credit at rates applicable to losses in the countries concerned	按有關國家虧損適用稅率計算之稅項抵免	(6,444)	(8,026)
Tax effect of income not subject to tax	毋須課稅收入之稅務影響	(2,543)	(1,782)
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	10,228	10,452
Utilisation of previously unrecognised tax losses	動用先前未確認稅項虧損	(41)	(19)
Under (over) provision in previous years	過往年度稅項撥備不足(超額撥備)	9	(2,267)
Income tax expense (credit) for the year	年度所得稅支出(抵免)	1,209	(1,642)

Details of deferred taxation in Note 28.

遞延稅項詳情見附註28。

13. LOSS PER SHARE

The calculations of basic and diluted loss per share are based on the Group's loss attributed to the equity holders of the Company of approximately HK\$37,679,000 (2006: HK\$9,991,000).

The basic loss per share is based on the weighted average number of 902,344,000 (2006: 606,667,000) ordinary shares in issue during the year.

No diluted loss is presented for the year ended 31st December 2007 and 2006 as the exercise of the share options and the conversion of the convertible loan notes would result in a decrease in loss per share for both years.

13. 每股虧損

每股基本及攤薄虧損乃根據本公司權益持有人應佔本集團虧損約37,679,000港元(二零零六年: 9,991,000港元)計算。

每股基本虧損乃根據年內已發行普通股加權平均數902,344,000股(二零零六年: 606,667,000股)計算。

由於行使購股權及兌換可換股貸款票據將導致截至二零零七年及二零零六年十二月三十一日止兩個年度之每股虧損減少,因此並無呈列該兩個年度之每股攤薄虧損。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

14. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS)

14. 員工成本(不包括董事酬金)

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Wages and salaries	工資及薪金	15,434	14,020
Retirement benefit schemes contribution	退休福利計劃供款	1,869	1,611
Share-based payments	股份付款	758	602
		18,061	16,233

The subsidiaries in Hong Kong operate defined contribution schemes which are available to qualified employees. The assets of the schemes are held separately from those of the subsidiaries in independently administered funds. Monthly contributions made by the subsidiaries are calculated based on certain percentages of the applicable payroll costs or fixed sums as stipulated under the relevant requirements, as appropriate.

Pursuant to the regulations of the relevant authorities in the PRC, the subsidiaries of the Group in this country participate in respective government retirement benefit schemes (the "Schemes") whereby the subsidiaries are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. The relevant authorities of the PRC are responsible for the entire pension obligations payable to the retired employees. The only obligation of the Group with respect to the Schemes is to pay the ongoing required contributions under the Schemes.

The retirement benefit schemes contribution represent gross contributions by the Group to the Schemes operated by the relevant authorities of the PRC and the defined contribution schemes operated in Hong Kong.

Details of the Company's share options granted to the employees of the Group are set out in note 29.

本集團之香港附屬公司均營辦界定福利計劃供合資格僱員參加。計劃資產由獨立管理基金持有，故與附屬公司之資產分開。附屬公司每月按適用薪酬開支之若干百分比作出供款或按相關規定訂明的固定款額供款(視情況而定)。

根據中國有關當局之規例，本集團之中國附屬公司須參加相關政府退休福利計劃(「該等計劃」)，附屬公司須就此向該等計劃作出供款，為合資格僱員之退休福利提供資金。向該等計劃作出之供款乃按中國法例訂明之適用薪酬開支之若干百分比計算。中國有關當局負責向退休僱員支付整筆退休金債項。本集團就該等計劃之唯一責任是持續支付該等計劃所規定之供款。

退休福利計劃供款指本集團向中國有關當局營辦之該等計劃及於香港營辦之界定供款計劃作出之供款總額。

本公司授予本集團僱員購股權之詳情載於附註29。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

15. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

15. 董事及高級管理人員酬金

(a) Directors' emoluments

The emoluments paid or payable to each of the eight (2006: seven) directors were as follows:

For the year ended 31st December 2007

(a) 董事酬金

已付及應付八名(二零零六年:七名)董事之酬金分別載列如下:

截至二零零七年十二月三十一日止年度

		Salaries allowances and other benefits	Discretionary bonus	Employer's contribution to pension scheme	Share-based payments	Total	
	Fees	薪金、津貼及其他福利	酌情花紅	退休金計劃僱主供款	股份付款	總額	
	袍金	薪金、津貼及其他福利	酌情花紅	退休金計劃僱主供款	股份付款	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	
Executive Directors	執行董事						
Mr. Tse Michael Nam (appointed as a Chairman on 12th February 2007 and re-designated as Chief Executive Officer on 1st March 2007)	謝南洋先生(於二零零七年二月十二日獲委任為主席及於二零零七年三月一日調任為行政總裁)	-	2,294	-	11	201	2,506
Mr. Chan Tze Ngan (resigned on 1st March 2008)	陳子昂先生(於二零零八年三月一日辭任)	-	991	-	12	-	1,003
Mr. Tang Kin Hung (resigned on 1st March 2007)	鄧健洪先生(於二零零七年三月一日辭任)	-	149	-	2	-	151
Independent non-executive Directors	獨立非執行董事						
Mr. Lim Yew Kong, John (appointed on 12th February 2007)	Lim Yew Kong, John先生(於二零零七年二月十二日獲委任)	132	-	75	-	75	282
Mr. Puongpun Sananikone (appointed on 1st July 2007 and re-designated executive director on 1st March 2008)	Puongpun Sananikone先生(於二零零七年七月一日獲委任及於二零零八年三月一日調任為執行董事)	75	-	75	-	121	271
Mr. Tai Benedict (resigned on 1st March 2008)	戴並達先生(於二零零八年三月一日辭任)	150	-	75	-	-	225
Mr. Fu Yan Yan (resigned on 30th June 2007)	傅欣欣先生(於二零零七年六月三十日辭任)	75	-	-	-	-	75
Ms. Wang Xi Ling (resigned on 30th June 2007)	王希玲女士(於二零零七年六月三十日辭任)	75	-	-	-	-	75
		507	3,434	225	25	397	4,588

No directors waived or agreed to waive any emoluments during the two years ended 31st December 2007 and 2006.

概無董事於截至二零零七年及二零零六年十二月三十一日止兩個年度放棄或同意放棄任何酬金。

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

15. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

15. 董事及高級管理人員酬金(續)

(Continued)

(a) Directors' emoluments (Continued)

(a) 董事酬金(續)

For the year ended 31st December 2006

截至二零零六年十二月三十一日止年度

		Fees	Salaries allowances and other benefits	Retirement benefit schemes contribution	Share-based payments	Total
		袍金	薪金、津貼及其他福利	退休福利計劃供款	股份付款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Executive Directors	執行董事					
Mr. Chan Tze Ngon	陳子昂先生	-	2,686	12	-	2,698
Mr. Wu Emmy (resigned on 10th October 2006)	吳安敏先生(於二零零六年十月十日辭任)	-	2,123	10	-	2,133
Mr. Tang Kin Hung (resigned on 26th May 2006 and reappointed on 10th October 2006)	鄧健洪先生(於二零零六年五月二十六日辭任，後於二零零六年十月十日獲重新委任)	-	637	8	-	645
Independent non-executive Directors	獨立非執行董事					
Mr. Lo Siew Kiong, John (resigned on 23rd June 2006)	羅肇強先生(於二零零六年六月二十三日辭任)	95	-	-	-	95
Mr. Fu Yan Yan	傅欣欣先生	175	-	-	34	209
Ms. Wang Xi Ling	王希玲女士	150	-	-	34	184
Mr. Tai Benedict (appointed on 23rd June 2006)	戴並達先生(於二零零六年六月二十三日獲委任)	79	-	-	34	113
		499	5,446	30	102	6,077

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

15. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(Continued)

(b) Senior management's emoluments

Of the five individuals with the highest emoluments in the Group, two (2006: three) were directors of the Company whose emoluments are set out in the above. For the year ended 31st December 2007, the emoluments of the three (2006: two) highest paid individuals were as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	2,031	1,401
Retirement benefit schemes contribution	退休福利計劃供款	24	24
Share-based payment	股份付款	404	-
		2,459	1,425

Their emoluments fall within the following bands:

彼等之酬金介乎以下範圍：

		Number of individuals 人數	
		2007 二零零七年	2006 二零零六年
Emoluments band	酬金範圍		
Nil – HK\$1,000,000	零港元至1,000,000港元	2	2
HK\$1,000,001 – HK\$2,000,000	1,000,001港元至2,000,000港元	1	-
		3	2

15. 董事及高級管理人員酬金 (續)

(b) 高級管理人員酬金

本集團五名最高薪僱員包括本公司兩名董事(二零零六年：三名)，彼等之酬金詳情載於上文。截至二零零七年十二月三十一日止年度，其餘三名最高薪人士(二零零六年：兩名)之酬金如下：

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

15. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(Continued)

(c) No emoluments have been paid by the Group to other directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of the office during the two years ended 31st December 2007 and 2006.

15. 董事及高級管理人員酬金(續)

(c) 截至二零零七年及二零零六年十二月三十一日止年度內，本集團並無向其他董事或五名最高薪人士支付酬金，作為彼等加入或將加入本集團時之獎勵或其因失去職位之賠償。

16. PLANT AND EQUIPMENT

16. 廠房及設備

		Nursery farm 苗圃	Leasehold improvements 租賃 物業裝修	Furniture, fixtures and office equipment 傢俬、固定 裝置及 辦公室設備	Motor vehicles 汽車	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
COST	成本值					
At 1st January 2006	於二零零六年一月一日	-	1,557	20,751	2,156	24,464
Exchange realignment	匯兌調整	-	2	68	26	96
Additions	添置	-	347	190	-	537
Acquired on acquisition of a subsidiary	收購一間附屬公司時 所得成本	-	-	600	-	600
Disposals	出售	-	(505)	(5,614)	(1,015)	(7,134)
At 31st December 2006	於二零零六年十二月三十一日	-	1,401	15,995	1,167	18,563
Exchange realignment	匯兌調整	-	18	139	49	206
Additions	添置	6,400	688	512	527	8,127
Disposals	出售	-	(189)	(193)	(280)	(662)
At 31st December 2007	於二零零七年十二月三十一日	6,400	1,918	16,453	1,463	26,234

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

16. PLANT AND EQUIPMENT (Continued)

16. 廠房及設備(續)

		Nursery farm	Leasehold improvements	Furniture, fixtures and office equipment	Motor vehicles	Total
		苗圃	租賃物業裝修	傢俬、固定裝置及辦公室設備	汽車	總額
		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
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累積折舊及減值					
At 1st January 2006	於二零零六年一月一日	-	1,336	19,325	1,887	22,548
Exchange realignment	匯兌調整	-	-	38	19	57
Provided for the year	年內撥備	-	174	1,196	150	1,520
Acquired on acquisition of a subsidiary	收購一間附屬公司時所得累積折舊	-	-	42	-	42
Eliminated on disposals	出售時撇銷	-	(380)	(5,588)	(1,015)	(6,983)
At 31st December 2006	於二零零六年十二月三十一日	-	1,130	15,013	1,041	17,184
Exchange realignment	匯兌調整	-	4	81	41	126
Provided for the year	年內撥備	107	485	519	174	1,285
Eliminated on disposals	出售時撇銷	-	(173)	(138)	(280)	(591)
At 31st December 2007	於二零零七年十二月三十一日	107	1,446	15,475	976	18,004
CARRYING AMOUNT	賬面值金額					
At 31st December 2007	於二零零七年十二月三十一日	6,293	472	978	487	8,230
At 31st December 2006	於二零零六年十二月三十一日	-	271	982	126	1,379

The above items of plant and equipment are depreciated on a straight-line basis at the following rates per annum:

以上廠房及設備項目以直線法按以下年率計算折舊：

Nursery farm	10%	苗圃	10%
Leasehold improvements	33 $\frac{1}{3}$ % or over the lease terms, whichever is shorter	租賃物業裝修	33 $\frac{1}{3}$ %或租賃期，以較短者為準
Furniture, fixtures and office equipment	20% to 33 $\frac{1}{3}$ %	傢俬、固定裝置及辦公室設備	20%至33 $\frac{1}{3}$ %
Motor vehicles	33 $\frac{1}{3}$ %	汽車	33 $\frac{1}{3}$ %

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

17. DEFERRED PLANTATION EXPENDITURE

17. 遞延種植開支

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
COST			
At 1st January	於一月一日	–	–
Additions	添置	33,541	–
At 31st December	於十二月三十一日	33,541	–
ACCUMULATED AMORTISATION			
At 1st January	於一月一日	–	–
Provision for the year and transfer to biological assets (Note 21)	年內撥備及 轉入生物資產(附註21)	541	–
At 31st December	於十二月三十一日	541	–
CARRYING AMOUNT			
At 31st December	於十二月三十一日	33,000	–

The deferred plantation expenditure is amortised on a straight-line basis over its estimated useful lives of the relevant plants of 30 years.

遞延種植開支於相關植物的估計可使用年期30年內，按直線基準攤銷。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

18. INTANGIBLE ASSETS

18. 無形資產

		Collection and cultivation rights 收集及 培植權 HK\$'000 千港元	Computer software 電腦軟件 HK\$'000 千港元	Total 總額 HK\$'000 千港元
COST	成本值			
At 1st January 2006	於二零零六年一月一日	–	–	–
Additions	添置	–	1,796	1,796
At 31st December 2006	於二零零六年十二月三十一日	–	1,796	1,796
Exchange realignment	匯兌調整	–	124	124
Acquired on acquisition of subsidiaries	收購附屬公司時所得 成本	167,156	–	167,156
At 31st December 2007	於二零零七年十二月三十一日	167,156	1,920	169,076
ACCUMULATED AMORTISATION AND IMPAIRMENT	累積攤銷及減值			
At 1st January 2006	於二零零六年一月一日	–	–	–
Exchange realignment	匯兌調整	–	3	3
Provided for the year	年內撥備	–	97	97
At 31st December 2006	於二零零六年十二月三十一日	–	100	100
Exchange realignment	匯兌調整	–	7	7
Impairment loss recognised in the year	年內確認減值虧損	–	1,173	1,173
Provided for the year	年內撥備	1,931	640	2,571
At 31st December 2007	於二零零七年十二月三十一日	1,931	1,920	3,851
CARRYING AMOUNT	賬面金額			
At 31st December 2007	於二零零七年十二月三十一日	165,225	–	165,225
At 31st December 2006	於二零零六年十二月三十一日	–	1,696	1,696

The above intangible assets have finite useful lives and is amortised on a straight-line basis over twenty nine to forty six years.

The directors of the Company have reviewed the carrying values of the Group's intangible assets as at 31st December 2007. The directors of the Company considered that it is unlikely that the computer software will have any future value in use and therefore the carrying amount of this computer software in the amount of approximately HK\$1,173,000 was fully impaired.

以上無形資產具有固定可使用年期，並按直線基準以二十九年至四十六年內攤銷。

本公司董事已於二零零七年十二月三十一日審閱本集團之無形資產，並認為電腦軟件在未來不大可能有任何未來使用價值，因此電腦軟件為數約1,173,000港元之賬面金額已悉數減值。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

19. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL

19. 商譽及商譽減值測試

(a) GOODWILL

(a) 商譽

		HK\$'000 千港元
COST		
At 1st January 2006	於二零零六年一月一日	12,772
Arising on acquisition of a subsidiary	收購一間附屬公司時所得成本	33,033
At 31st December 2006	於二零零六年十二月三十一日	45,805
Arising on acquisition of subsidiaries	收購附屬公司時所得成本	151,839
At 31st December 2007	於二零零七年十二月三十一日	197,644
IMPAIRMENT		
At 1st January 2006, 31st December 2006 and 1st January 2007	於二零零六年一月一日、二零零六年 十二月三十一日及二零零七年一月一日	-
Impairment loss recognised in the year	年內確認減值虧損	40,771
At 31st December 2007	於二零零七年十二月三十一日	40,771
CARRYING AMOUNT		
At 31st December 2007	於二零零七年十二月三十一日	156,873
At 31st December 2006	於二零零六年十二月三十一日	45,805

Particulars regarding impairment testing on goodwill are disclosed in note 19(b).

商譽減值測試之詳情於附註19(b)披露。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

19. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

19. 商譽及商譽減值測試(續)

(b) IMPAIRMENT TESTING ON GOODWILL

For the purposes of impairment testing, goodwill set out in Note 19(a) has been allocated to four individual cash generating units. The carrying amounts of goodwill (net of accumulated impairment losses) as at 31st December 2007 allocated to these are as follows:

(b) 商譽減值測試

為進行減值測試，附註19(a)所載列之商譽已分配至四個現金產生單位。於二零零七年十二月三十一日，商譽之賬面金額(扣除累計減值虧損)按以下方式劃分：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
IT management and support: – Acacia Asia Partners Limited ("Acacia") and its subsidiary ("Acacia Group")	資訊科技管理及支援： – Acacia Asia Partners Limited ("Acacia")及其附屬公司 ("Acacia集團")	–	12,772
Real estate consultancy service: – Grand Panorama Limited ("GP") and its subsidiary ("GP Group")	房地產顧問服務： – Grand Panorama Limited ("GP")及其附屬公司 ("GP集團")	5,034	33,033
Agro-conservation: – Huge Value Development Limited ("Huge Value") – Quest Asia Development Limited ("Quest Asia")	農產保育： – Huge Value Development Limited ("Huge Value") – Quest Asia Development Limited ("Quest Asia")	29,578 114,461	– –
Bio-energy: – Lao Agro-Promotion Limited ("Lao-Agro")	生物能源： – Lao Agro-Promotion Limited ("Lao-Agro")	7,800	–
		156,873	45,805

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

19. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) IMPAIRMENT TESTING ON GOODWILL (Continued)

During the year ended 31st December 2007, the Group recognised impairment losses of approximately HK\$40,771,000 in relation to the goodwill arising from the acquisition of Acacia Group and GP Group.

IT management and support

In view of the operating landscape for Acacia Group business has become increasingly difficult, with the PRC Government's imposition of austerity measures and higher operating requirements for brokerages. In view of the plunging number of transactions and negative prospects, the directors of the Company is seriously assessing the future viability of Acacia and considers that the carrying amount of the goodwill arising from acquisition of Acacia in the amount of approximately HK\$12,772,000 was fully impaired for the year ended 31st December 2007.

19. 商譽及商譽減值測試 (續)

(b) 商譽減值測試 (續)

截至二零零七年十二月三十一日止年度內，本集團就收購Acacia集團及GP集團所產生之商譽，確認約40,771,000港元之減值虧損。

資訊科技管理及支援

中國政府對經紀行業施行嚴厲措施及設置高經營門檻，致使Acacia集團業務的經營環境日益困難。鑑於交易數量大幅下降，加上前景暗淡，本公司董事現正慎重評估Acacia未來的發展能力，並決定於截至二零零七年十二月三十一日止年度將收購Acacia所產生之商譽賬面金額約12,772,000港元全數減值。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

19. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) IMPAIRMENT TESTING ON GOODWILL (Continued)

Real estate consultancy service

In view of the current and future business prospects and financial situation of GP Group, the current slow down in the property agency market in the PRC, the stringent austerity measures that have been imposed by the PRC government, and the future capital requirements of GP. With the current focus on agri-business, the directors of the Company considers that it is in the interests of the Company and the shareholders as a whole to reallocate its resources towards the agri-business activities of the Group, which the directors of the Company consider to have better future prospects, therefore on 3rd March 2008, the Group entered into a sale and purchase agreement for the disposal of GP Group for a consideration of RMB4,000,000. With reference to the sales considerations, the directors of the Company consider that the carrying amount of goodwill arising from acquisition of GP Group in the amount of approximately HK\$27,999,000 was recognised as impairment loss for the year ended 31st December 2007.

Agro-conservation and Bio-energy

The directors of the Company are of the opinion that, based on the business valuation reports for Huge Value, Quest Asia and Lao-Agro as at 31st December 2007 issued by Greater China Appraisal Limited, an independent professional valuer, the business values of these subsidiaries exceed their carrying amount in the consolidated balance sheet as at 31st December 2007 and therefore no impairment loss is necessary.

19. 商譽及商譽減值測試(續)

(b) 商譽減值測試(續)

房地產顧問服務

考慮到GP集團現時及未來的業務前景及財務狀況、中國物業代理市場正逐步放緩、中國政府實施嚴厲的宏觀調控措施，以及GP的未來資金需求；加上本集團現已將業務重心轉移至農業業務，本公司董事認為，將資源集中投入彼等認為發展前景較佳的本集團農業業務，符合本公司及股東之整體利益。因此，於二零零八年三月三日，本集團訂立買賣協議以代價人民幣4,000,000元出售GP集團。參考出售代價，本公司董事決定於截至二零零七年十二月三十一日止年度將收購GP集團所產生之商譽賬面金額約27,999,000港元確認為減值虧損。

農產保育及生物能源

本公司董事認為，根據獨立專業估值師漢華評值有限公司發出有關Huge Value、Quest Asia及Lao-Agro於二零零七年十二月三十一日之商業估值報告，該等附屬公司之商業價值高於其在二零零七年十二月三十一日之綜合資產負債表中之賬面值，故此毋須確認減值虧損。

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

20. INVENTORIES

20. 存貨

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Information technology products held for resale, at cost	5,192	8,857
持作轉售之資訊科技產品，按成本		

21. BIOLOGICAL ASSETS

21. 生物資產

		Saplings of			Total 總額 HK\$'000 千港元
		Licorice 甘草 HK\$'000 千港元	Salix 沙柳 HK\$'000 千港元	Jatropha 麻瘋樹苗 HK\$'000 千港元	
At 1st January 2006, 31st December 2006 and 1st January 2007	於二零零六年一月一日、二零零六年十二月三十一日及二零零七年一月一日	-	-	-	-
Transfer from amortisation of deferred plantation expenditure (Note 17)	自遞延種植開支攤銷轉出(附註17)	392	149	-	541
Additions	添置	-	-	275	275
Changes in fair value less estimated point-of-sale costs	公平值變動減估計銷售點成本	6,079	1,611	3,565	11,255
At 31st December 2007	於二零零七年十二月三十一日	6,471	1,760	3,840	12,071

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

21. BIOLOGICAL ASSETS (Continued)

- a) Licorice is a bearer biological assets and is a perennial Herb of the Fabaceae family (a flowering plant). Main roots of the Licorice can normally be harvested in 3 to 4 years, and the remains of roots re-establish themselves in the soil.

Salix is a bearer biological assets and is a medium to large size deciduous tree. Salix are very cross-fertile and numerous hybrids can occur, both naturally and in cultivation. Salix will also take root very readily from cuttings and can regenerate themselves after harvest.

Saplings of Jatropha is a consumable biological assets. Planted from seeds, they mature into saplings within 3 to 4 months, ready to be sold for transplantation as a whole. Jatropha saplings will grow into Jatropha trees which will eventually bear fruits for up to 30 years. The seeds inside the fruits of the Jatropha contain high levels of oil which can be extracted and processed into bio-diesel.

- b) At 31st December 2007, the above biological assets are immatured.
- c) The fair value less estimated point-of-sale costs of licorice, salix and jatropha is determined based on the valuation report issued by Greater China Appraisal Limited, an independent professional valuer with reference to the most recent market determined prices.

21. 生物資產 (續)

- a) 甘草為生產性生物資產，屬蝶形花科（一種顯花植物），為多年生草本植物。甘草的主根通常可於三至四年內收割，及餘下之根部會於土壤中重新生長。

沙柳為生產性生物資產，屬中大型喬木。沙柳的土壤適應性較強，並可自然及通過培植繁衍出不同混合品種。沙柳折枝插入土壤會快速生根，於收割後亦可迅速重新生長。

麻瘋樹苗為消耗性生物資產。麻瘋樹由播種至長成樹苗歷時三至四個月，其時可整株出售作移植之用。麻瘋樹苗長成麻瘋樹後，結果期可長達30年。麻瘋樹果實中的種子含有大量油脂，可榨取及提煉成生物柴油。

- b) 於二零零七年十二月三十一日，上述生物資產皆未達成熟期。
- c) 公平值減甘草、沙柳及麻瘋樹之估計銷售點成本，乃根據獨立專業估值師漢華評值有限公司發出之估值報告及參考近期市場定價而釐定。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

21. BIOLOGICAL ASSETS (Continued)

- d) The quantity and amount of agricultural produce is measured at fair value less estimated point-of-sale costs during the year were as follows:

21. 生物資產 (續)

- d) 年內，按公平值減估計銷售點成本計量之農產品數量及金額如下：

		2007 二零零七年		2006 二零零六年	
		Quantity 數量	Amount 金額 HK\$'000 千港元	Quantity 數量	Amount 金額 HK\$'000 千港元
Licorice	甘草	433 tons噸	6,471	-	-
Salix	沙柳	9,167 tons噸	1,760	-	-
Saplings of Jatropha	麻瘋樹苗	150 mu畝	3,840	-	-
			12,071		-

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

22. AVAILABLE-FOR-SALE INVESTMENTS

22. 可供出售投資

Available-for-sale investments comprise:

可供出售投資包括：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Listed equity securities, at fair value (Note b & c)	上市股本證券，按公平值 (附註b及c)	-	55,000
Unlisted equity securities, at cost (Note d)	非上市股本證券，按成本 (附註d)	-	11,591
		-	66,591

Notes:

附註：

(a) All available-for-sale investments were classified as current assets and were disposed of during the year ended 31st December 2007.

(a) 所有可供出售投資均列作流動資產及已於截至二零零七年十二月三十一日止年度出售。

(b) At 31st December 2006, the listed investments represented 7.48% investment in the share capital of ChinaCast Communication Holdings Limited. The shares of the company was listed on the Stock Exchange of Singapore.

(b) 於二零零六年十二月三十一日，上市投資指於ChinaCast Communication Holdings Limited 7.48%股本之投資。該公司之股份於新加坡證券交易所上市。

(c) In September 2006, the Group disposed half of the 14.96% equity shareholdings in ChinaCast Communication Holdings Limited to a director, Mr. Chan Tze Ngon, for a consideration of SGD9,250,000.

(c) 於二零零六年九月，本集團向董事陳子昂先生出售ChinaCast Communication Holdings Limited 14.96%股本權益其中一半，代價9,250,000坡元。

In January 2007, the Group's shares in ChinaCast Communication Holdings Limited were exchanged for 1,551,771 shares in ChinaCast Education Corporation whose shares are listed on the Nasdaq OTC Bulletin Board in the United States of America. The Group subsequently disposed of its 1,551,771 shares in ChinaCast Education Corporation to an independent third party for a consideration of HK\$55 million in April 2007.

於二零零七年一月，本集團以所持之ChinaCast Communication Holdings Limited股份換取1,551,771股ChinaCast Education Corporation股份，ChinaCast Education Corporation之股份於美國納斯達克場外交易議價板上市。於二零零七年四月，本集團出售其持有之1,551,771股ChinaCast Education Corporation股份予獨立第三方，代價55,000,000港元。

(d) In October 2006, the Group entered into an agreement to dispose of its entire shareholding in its unlisted equity securities to an independent third party for a consideration of RMB12,000,000, payable in four instalments. The disposal was completed and the consideration was fully received during the year ended 31st December 2007.

(d) 於二零零六年十月，本集團就向一名獨立第三方出售其於非上市股本證券全部股權訂立協議，代價為人民幣12,000,000元，分4期支付。出售事項已於截至二零零七年十二月三十一日止年度完成，代價亦已於該年度內悉數收取。

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

23. TRADE AND OTHER RECEIVABLES

23. 貿易及其他應收款項

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Trade receivables	貿易應收款項	69,024	63,925
Less: Impairment losses recognised	減：已確認減值虧損	(43,876)	(41,461)
		25,148	22,464
Prepayment, deposit and other receivables	預付款項、按金及其他應收款項	7,263	20,353
Total trade and other receivables	貿易及其他應收款項總額	32,411	42,817

The Group normally grants to its customers credit periods ranging from 30 days to 180 days which are subject to periodic review by management.

本集團一般給予客戶30天至180天不等之信貸期，並由管理層定期作檢討。

(a) The ageing analysis of the trade receivables at the balance sheet date, net of impairment losses recognised was as follows:

(a) 於結算日，扣除已確認減值虧損後之貿易應收款項賬齡分析如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Current to 90 days	即期至90天	18,902	15,766
91 days to 180 days	91天至180天	2,600	2,775
181 days to 365 days	181天至365天	3,477	2,776
Over 365 days	365天以上	169	1,147
		25,148	22,464

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

23. TRADE AND OTHER RECEIVABLES (Continued)

23. 貿易及其他應收款項 (續)

(b) The movements in provision for impairment losses of trade receivables were as follows:

(b) 貿易應收款項減值虧損撥備之變動如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
At 1st January	於一月一日	41,461	45,966
Exchange realignment	匯兌調整	119	55
Arising on acquisition of a subsidiary	收購一間附屬公司而產生	-	625
Written off for the year	年內撇銷	-	(4,915)
Eliminated on disposal of a subsidiary	出售一間附屬公司而撇銷	-	(798)
Recognised during the year	年內確認	2,296	528
At 31st December	於十二月三十一日	43,876	41,461

(c) At 31st December 2007 and 2006, the analysis of trade receivables that were past due but not impaired are as follows:

(c) 於二零零七年及二零零六年十二月三十一日，逾期但未減值之貿易應收款項分析如下：

		Past due but not impaired 逾期但未減值					
		Neither past due nor impaired 未逾期 亦無減值 總額 HK\$'000 千港元	Total	<90 days <90天 HK\$'000 千港元	91 to 180 days 91至180天 HK\$'000 千港元	181 to 365 days 181至365天 HK\$'000 千港元	1 to 2 years 1至2年 HK\$'000 千港元
31st December 2007	二零零七年十二月三十一日	25,148	14,438	5,581	1,483	3,477	169
31st December 2006	二零零六年十二月三十一日	22,464	12,441	4,564	2,408	2,142	909

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

23. TRADE AND OTHER RECEIVABLES (Continued)

(c) (Continued)

Trade receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Trade receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

The fair values of the Group's trade and other receivables at the balance sheet date approximated to the corresponding carrying amounts due to their short term maturities.

23. 貿易及其他應收款項 (續)

(c) (續)

並無逾期亦無減值之貿易應收款項乃與無近期違約歷史之廣大客戶有關。

已逾期但未減值之貿易應收款項乃與一批與本集團擁有良好交往記錄之獨立客戶有關。根據過往經驗，管理層相信該等結餘並無必要作出減值撥備，因為信貸質素並無重大變動及結餘仍然可以完全收回。本集團就該等結餘並無持有任何抵押品。

本集團之貿易及其他應收款項均於短期內到期，故其於結算日之公平值與相應賬面金額相若。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

24. BANK BALANCES AND CASH/BANK OVERDRAFTS 24. 銀行結餘及現金／銀行透支

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Bank balances and cash	銀行結餘及現金		
– Pledged time deposits	– 已抵押定期存款	–	15,624
– Unpledged	– 無抵押	31,553	16,723
Other time deposits with original maturity of more than three months when acquired	購入時原到期日為三個月以上之其他定期存款	41,386	39,907
Bank overdrafts	銀行透支	–	(18)
		72,939	72,236
Less: Pledged time deposits	減：已抵押定期存款	–	(15,624)
Other time deposits with a maturity of more than three months when acquired	購入時原到期日為三個月以上之其他定期存款	(41,386)	(39,907)
Cash and cash equivalents	現金及現金等價物	31,553	16,705

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

24. BANK BALANCES AND CASH/BANK OVERDRAFTS (Continued)

Bank balances and cash/pledged time deposits/other time deposits

At the balance sheet date, about 92% (2006: 90%) of the balance of cash and cash equivalents was denominated in RMB. RMB is not a freely convertible currency.

Bank balances and other time deposits and pledged bank deposits carry interest at average market rates of 3.60% (2006: 3.75%).

At 31st December 2006, pledged bank deposits represents deposits pledged to banks to secure banking facilities granted to the Group. The pledged bank deposits were released during the year ended 31st December 2007.

Bank overdrafts

At 31st December 2007, there were no bank overdrafts. At 31st December 2006, the average effective interest rate of bank overdrafts was approximately 17.75%.

The fair values of the pledged bank deposits, other time deposits, bank overdrafts and bank balances at the balance sheet date approximated to the corresponding carrying amounts due to their short term maturities.

24. 銀行結餘及現金／銀行透支(續)

銀行結餘及現金／已抵押定期存款／其他定期存款

於結算日，現金及現金等價物結餘中約92%以人民幣計值(二零零六年：90%)。人民幣並非自由兌換貨幣。

銀行結餘、其他定期存款及已抵押銀行存款按平均市場息率3.60%(二零零六年：3.75%)計息。

於二零零六年十二月三十一日，已抵押銀行存款指就本集團獲授銀行信貸融資而抵押予銀行作為擔保之存款。已抵押銀行存款於截至二零零七年十二月三十一日止年度已解除。

銀行透支

於二零零七年十二月三十一日並無銀行透支。於二零零六年十二月三十一日，銀行透支之平均實際利率約為17.75%。

由於已抵押銀行存款、其他定期存款、銀行透支及銀行結餘均於短期內到期，故其於結算日之公平值與賬面金額相若。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

25. TRADE AND OTHER PAYABLES

25. 貿易及其他應付款項

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Trade payables	貿易應付款項		
– third parties	– 第三方	1,198	2,011
– minority shareholders	– 少數股東	325	325
		1,523	2,336
Accrued expenses and other payables	應計費用及 其他應付款項	69,100	59,115
		70,623	61,451

The ageing analysis of the trade payables at the balance sheet date was as follows:

於結算日，貿易應付款項之賬齡分析如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Current to 90 days	即期至90天	–	234
91 days to 180 days	91天至180天	–	114
181 days to 365 days	181天至365天	81	200
Over 365 days	365天以上	1,442	1,788
		1,523	2,336

The fair values of the Group's trade and other payables at the balance sheet date approximated to the corresponding carrying amounts due to their short-term maturities.

本集團之貿易及其他應付款項均於短期內到期，故其於結算日之公平值與相應賬面金額相若。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

26. SHARE CAPITAL

26. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary share of HK\$0.10 each	每股面值0.10港元之普通股		
Authorised:	法定：		
At 1st January 2006, 31st December 2006 and 1st January 2007	於二零零六年一月一日、 二零零六年十二月三十一日及 二零零七年一月一日	1,000,000,000	100,000
Increase in authorised share capital (Note 1)	法定股本增加 (附註1)	2,900,000,000	290,000
At 31st December 2007	於二零零七年十二月三十一日	3,000,000,000	300,000
Issued and fully paid:	已發行及繳足：		
At 1st January 2006	於二零零六年一月一日	557,351,493	55,735
Issue of consideration shares (Note 2)	發行代價股份 (附註2)	117,647,059	11,765
At 31st December 2006	於二零零六年十二月三十一日	674,998,552	67,500
Issue of shares upon:	因下列事項發行股份：		
Placement of shares (Note 3 & 4)	配售股份 (附註3及4)	270,000,000	27,000
Exercise of share options (Note 5)	行使購股權 (附註5)	51,460,000	5,146
Conversion of convertible loan notes (Note 6)	兌換可換股貸款票據 (附註6)	38,800,705	3,880
At 31st December 2007	於二零零七年十二月三十一日	1,035,259,257	103,526

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

26. SHARE CAPITAL (Continued)

26. 股本(續)

Notes:

附註:

1. Pursuant to an ordinary resolution passed on 26th March 2007 for the increase of the authorised share capital of the Company from HK\$100,000,000 divided into 1,000,000,000 ordinary shares of HK\$0.10 each to HK\$300,000,000 divided into 3,000,000,000 ordinary shares of HK\$0.10 each by the creation of an additional 2,900,000,000 ordinary shares of HK\$0.10 each.
 2. During the year ended 31st December 2006, 117,647,059 ordinary shares of the Company were issued based on published market price of HK\$0.102 per share to independent third parties as part of the consideration for acquisition of 100% equity interest in Grand Panorama Limited.
 3. On 22nd January 2007, pursuant to a placing and subscription agreement with VC Brokerage Limited, the Company placed out 110,000,000 new ordinary shares of HK\$0.10 each in the Company at a price of HK\$0.22 per share to independent third parties. A sum of approximately HK\$23,900,000 net of placement expenses was raised and used as working capital of the Group.
 4. On 15th June 2007, pursuant to a placing and subscription agreement with Citic Securities Corporate Finance (HK) Limited, the Company placed out 160,000,000 new ordinary shares of HK\$0.10 each in the Company at a price of HK\$0.72 per share to independent third parties. A sum of approximately HK\$112,800,000 net of placement expenses was raised and used as working capital of the Group.
 5. During the year ended 31st December 2007, 42,200,000 share options were exercised at a price of HK\$0.15, 2,660,000 shares at HK\$0.233 and 6,600,000 shares at HK\$0.10 resulting in the issue of 51,460,000 ordinary shares of HK\$0.10 each in the Company.
 6. On 24th October 2007, the convertible loan note holders converted HK\$22,000,000 convertible loan notes into 38,800,705 ordinary shares of HK\$0.10 each in the Company at a conversion price of HK\$0.567.
 7. All the ordinary shares issued during the year rank pari passu with the then existing ordinary shares in all respects.
1. 根據一項於二零零七年三月二十六日通過之普通決議案，透過增加額外2,900,000,000股每股面值0.10港元之普通股，將本公司法定股本由100,000,000港元(分為1,000,000,000股每股面值0.10港元之普通股)增加至300,000,000港元(分為3,000,000,000股每股面值0.10港元之普通股)。
 2. 截至二零零六年十二月三十一日止年度，本公司按已公佈市價每股0.102港元，向獨立第三方發行117,647,059股本公司普通股，作為收購Grand Panorama Limited 100%股本權益之代價一部份。
 3. 於二零零七年一月二十二日，根據與滙盈證券有限公司訂立之配售及認購協議，本公司按每股0.22港元之價格，向獨立第三方配售110,000,000股每股面值0.10港元之本公司新普通股。扣除配售開支後籌得約23,900,000港元之款項已用作本集團一般營運資金。
 4. 於二零零七年六月十五日，根據與中信證券融資(香港)有限公司訂立之配售及認購協議，本集團按每股0.72港元之價格，向獨立第三方配售160,000,000股每股面值0.10港元之本公司新普通股。扣除配售開支後籌得約112,800,000港元之款項已用作本集團一般營運資金。
 5. 於截至二零零七年十二月三十一日止年度，42,200,000份購股權、2,660,000份購股權及6,600,000份購股權分別按0.15港元、0.233港元及0.10港元之價格行使，導致發行51,460,000股每股面值0.10港元之本公司普通股。
 6. 於二零零七年十月二十四日，可換股貸款票據持有人按兌換價0.567港元，將22,000,000港元之可換股貸款票據兌換成38,800,705股每股面值0.10港元之本公司普通股。
 7. 年內發行之所有普通股在各方面與當時之現有普通股均享有相同權利。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

27. CONVERTIBLE LOAN NOTES

During the year ended 31st December 2007, pursuant to the acquisition of the entire issued share capital of Quest Asia Development Limited, the Company issued zero-coupon convertible loan notes as partial settlement of the acquisition consideration. The convertible loan notes have an aggregate principal amount of HK\$120,000,000 and are denominated in HK\$. The notes entitle the holders to convert them into ordinary shares of the Company at any time between the date of issue of the notes and their settlement date on 1st October 2010 in multiples of HK\$1,000,000 at a conversion price HK\$0.567 (subject to adjustments) per convertible loan note. The shares to be issued and allotted upon conversions shall rank pari passu in all respects among themselves and with all other ordinary shares in issue by the Company on the date of such allotment and issue.

The convertible loan notes contain two components, liability and equity elements. The equity element is presented in equity heading ("convertible bonds reserve"). The effective interest rate of the liability component is 9.75%.

The movement of the liability component of the convertible loan notes for the year is set out below:

27. 可換股貸款票據

於截至二零零七年十二月三十一日止年度，本公司就收購Quest Asia Development Limited全部已發行股本發行零息可換股貸款票據，以作為收購代價一部分。可換股貸款票據總本金額為120,000,000港元，以港元計值。票據持有人可於票據發行日期至結算日期（二零一零年十月一日）止期間內任何時間，按每份可換股貸款票據0.567港元之兌換價（可予調整）及1,000,000港元之倍數將票據兌換成本公司普通股。就兌換而將予發行及配發之股份彼此之間及與有關配發及發行日期已發行之本公司所有其他普通股在各方面均享有相同權利。

可換股貸款票據包含兩部分，分別為負債及權益部分。權益部分於權益中呈列（「可換股債券儲備」）。負債部分之實際利率為9.75%。

年內可換股貸款票據負債部分之變動載列如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Carrying amount at 1st January	於一月一日之賬面金額	-	-
Issue of convertible loan notes during the year	年內發行可換股貸款票據	90,775	-
Effective interest expenses (Note 10)	實際利息支出(附註10)	1,842	-
Conversion during the year	年內兌換	(16,739)	-
Carrying amount at 31st December	於十二月三十一日之賬面金額	75,878	-

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

28. DEFERRED TAX LIABILITY

The following are the major deferred tax liabilities recognised and movements thereon during the current and prior years:

28. 遞延稅項負債

本年度及過往年度已確認之重大遞延稅項負債及相應變動如下：

		Fair value adjustments arising from acquisition of subsidiaries 收購附屬公司所 產生之公平值調整	Accumulated tax depreciation 累計稅項折舊	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st January 2006	於二零零六年一月一日	-	159	159
Credit to consolidated income statement	計入綜合收益表	-	(159)	(159)
At 31st December 2006	於二零零六年十二月三十一日	-	-	-
Acquisition of subsidiaries (Note 30)	收購附屬公司(附註30)	41,789	-	41,789
At 31st December 2007	於二零零七年十二月三十一日	41,789	-	41,789

At the balance sheet date, the Group has unused tax losses of approximately HK\$21,714,000 (2006 : HK\$21,950,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the remaining tax losses due to the unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

於結算日，本集團有未動用稅項虧損約21,714,000港元(二零零六年：21,950,000港元)，可用作對銷未來溢利。由於未能確定未來利潤趨勢，因此並無確認其餘稅項虧損為遞延稅項資產。稅項虧損可無限期結轉。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

29. SHARE-BASED PAYMENT TRANSACTIONS

The Company's current share option scheme (the "Scheme") was adopted by the shareholders on 30th May 2002 for the primary purpose of providing incentives to directors, employees and persons providing services to the Group. It will expire on 29th May 2012. Under the Scheme, the board may grant options to eligible employees, including directors of the Company and its subsidiaries, suppliers and service providers to subscribe for shares in the Company.

At the balance sheet date, the number of shares options granted and remained outstanding under the scheme was 86,141,855 (2006: 53,920,000), representing 8.32% (2006: 8.00%) of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders and independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5,000,000 must be approved in advance by the Company's shareholders.

HK\$1 is payable on each grant. Options may be exercised at any time from the date of grant of the share option during the option period ending on 29th May 2012. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the offer date of the options; (ii) the average closing price of the shares for the five business days immediately preceding the offer date; and (iii) the nominal value of the Company's shares.

29. 股份付款交易

本公司現有購股權計劃(「該計劃」)於二零零二年五月三十日獲股東採納，主要旨在向董事、僱員及服務本集團之人士提供獎勵，將於二零一二年五月二十九日屆滿。根據該計劃，董事會可向合資格僱員(包括本公司及其附屬公司董事)、供應商及服務供應商授出購股權，以認購本公司股份。

於結算日，根據該計劃授出及仍未行使之購股權為86,141,855份(二零零六年：53,920,000份)，相當於當日本公司已發行股份之8.32%(二零零六年：8.00%)。於本公司股東並無事先批准之情況下，根據該計劃可能授出之購股權所涉及股份總數，於任何時間不得超逾本公司已發行股份10%。於本公司股東並無事先批准之情況下，任何一年內向任何個別人士已經及可能授出之購股權所涉及及已經及將會發行之股份數目，於任何時間不得超逾本公司股份之1%。向主要股東及獨立非執行董事授出超逾本公司股本0.1%或價值超逾5,000,000港元之購股權，須事先經本公司股東批准。

須就每次授出之購股權支付1港元。購股權可由購股權授出日期起至二零一二年五月二十九日止購股權期間內隨時行使。行使價由本公司董事釐定，不得少於以下較高者：(i)購股權提呈日期本公司股份收市價；(ii)緊接提呈日期前五個營業日股份平均收市價；及(iii)本公司股份面值。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

29. SHARE-BASED PAYMENT
TRANSACTIONS (Continued)

29. 股份付款交易 (續)

Date of grant 授出日期	Exercise period 行使期	Exercise price 行使價	Fair value at grant date 授出日期 之公平值
21st January 2000 二零零零年一月二十一日	From date of grant to 20th January 2010 由授出日期至二零一零年一月二十日	HK\$2.532 2.532港元	(Note) (附註)
27th November 2003 二零零三年十一月二十七日	From date of grant to 29th May 2012 由授出日期至二零一二年五月二十九日	HK\$0.233 0.233港元	HK\$0.05674 0.05674港元
19th August 2006 二零零六年八月十九日	From date of grant to 29th May 2012 由授出日期至二零一二年五月二十九日	HK\$0.100 0.100港元	HK\$0.05674 0.05674港元
29th November 2006 二零零六年十一月二十九日	From date of grant to 29th May 2012 由授出日期至二零一二年五月二十九日	HK\$0.150 0.150港元	HK\$0.05674 0.05674港元
16th April 2007 二零零七年四月十六日	From date of grant to 29th May 2012 由授出日期至二零一二年五月二十九日	HK\$0.360 0.360港元	HK\$0.12500 0.12500港元
9th July 2007 二零零七年七月九日	From date of grant to 29th May 2012 由授出日期至二零一二年五月二十九日	HK\$0.660 0.660港元	HK\$0.20200 0.20200港元
20th November 2007 二零零七年十一月二十日	From date of grant to 29th May 2012 由授出日期至二零一二年五月二十九日	HK\$0.380 0.380港元	HK\$0.21700 0.21700港元

In accordance with the terms of the share-based arrangement, options issued vest at the date of grant.

根據股份安排條款，已發行購股權於授出日期歸屬。

Note: The fair value of the options granted under the previous scheme has not been estimated as the directors believe that the likelihood of the exercise of the right is remote in view of the high value of the exercise price of such options relative to the current market price of the Company's shares.

附註： 鑑於根據過往計劃所授出購股權之行使價值大幅高於本公司股份現行市價，董事相信行使購股權可能性不大，因而並無估算其公平值。

The fair value of those granted in 2003 was estimated by the directors. Options were priced using the Black-Scholes option pricing model. Expected volatility is based on extracts from the Bloomberg's information based on 400 trading days (around 1.5 years).

於二零零三年所授出購股權之公平值由董事估算。購股權採用「柏力克－舒爾斯」期權定價模式定價。預期波幅摘錄自根據400個交易日（近1.5年）計算之彭博資料。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

29. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The fair value of the share options granted by the Group during the year ended 31st December 2007 have been arrived at on the basis of valuations carried out on the grant date by Grant Sherman Appraisal Limited, independent qualified professional valuers not collected with the Group. The fair values were calculated using The Black-Scholes option pricing model. The inputs into the model were as follows:

29. 股份付款交易 (續)

本集團於截至二零零七年十二月三十一日止年度授出之購股權公平值乃基於中證評估有限公司(與本集團並無關連之獨立合資格專業估值師)於授出日期進行之估值而計算。公平值乃採用「柏力克-舒爾斯」期權定價模式計算。向模式輸入之數據如下：

		Share options granted on 購股權授出日期			
		20th			
		16th April 2007	9th July 2007	November 2007	2006
		二零零七年 四月十六日	二零零七年 七月九日	二零零七年 十一月二十日	二零零六年
Weighted average share price	加權平均股價	HK\$0.360 0.360港元	HK\$0.350 0.350港元	HK\$0.360 0.360港元	HK\$0.138 0.138港元
Exercise price	行使價	HK\$0.360 0.360港元	HK\$0.660 0.660港元	HK\$0.380 0.380港元	HK\$0.100/HK\$0.150 0.100港元/0.150港元
Expected volatility	預期波幅	53.87%	54.32%	113.59%	90.39%
Expected option period	預期購股權期間	53.87%	54.32%	113.59%	90.39%
Dividend yield	股息率	2.6 years 2.6年	2.4 years 2.4年	2.26 years 2.26年	1.5 years 1.5年
Risk-free interest rate	無風險利率	0%	0%	0%	0%
Option type	購股權種類	4.015%	4.417%	2.491%	3.642%
		4.015%	4.417%	2.491%	3.642%
		Call 認購期權	Call 認購期權	Call 認購期權	Call 認購期權

The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

The Group recognised the total expense of HK\$18,372,000 for the year ended 31st December 2007 (2006: HK\$1,505,000) in relation to the share options granted by the Company.

計算購股權公平值所採用變數及假設乃按照董事最佳估算為準。購股權價值隨著若干客觀假設之不同變數改變。

本集團於截至二零零七年十二月三十一日止年度就本公司所授出購股權確認費用總額18,372,000港元(二零零六年：1,505,000港元)。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

29. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

29. 股份付款交易 (續)

Movements of the Company's share options held by employees, directors and business associates during the year are:

年內，僱員、董事及業務夥伴所持本公司購股權之變動如下：

Grantee 承授人	Date of grant 授出日期	Outstanding at 1st January 2006 於二零零六年一月一日未行使	Number of share options 購股權數目					Outstanding at 31st December 2007 於二零零七年十二月三十一日未行使	Exercised price per share 每股行使價 HK\$ 港元	
			Granted during the year 年內授出	Lapsed during the year 年內失效	Outstanding at 31st December 2006 於二零零六年十二月三十一日未行使	Granted during the year 年內授出	Lapsed during the year 年內失效			Exercised during the year 年內行使
Directors 董事										
Mr. Tse Michael Nam (appointed on 12th February 2007) 謝南洋先生 (於二零零七年二月十二日獲委任)	9th July 2007 二零零七年七月九日	-	-	-	-	996,000	-	-	996,000	0.660
Mr. Tai Benedict (resigned on 1st March 2008) 戴並達先生 (於二零零八年三月一日辭任)	29th November 2006 二零零六年十一月二十九日	-	600,000	-	600,000	-	-	(600,000)	-	0.150
Mr. Fu Yan Yan (resigned on 30th June 2007) 傅欣欣先生 (於二零零七年六月三十日辭任)	29th November 2006 二零零六年十一月二十九日	-	600,000	-	600,000	-	-	(600,000)	-	0.150
Ms. Wang Xi Ling (resigned on 30th June 2007) 王希玲女士 (於二零零七年六月三十日辭任)	29th November 2006 二零零六年十一月二十九日	-	600,000	-	600,000	-	-	(600,000)	-	0.150
Mr. Lim Yew Kong, John (appointed on 12th February 2007) Lim Yew Kong, John 先生 (於二零零七年二月十二日獲委任)	16th April 2007 二零零七年四月十六日	-	-	-	-	600,000	-	-	600,000	0.360
Mr. Puongpun Sananikone (appointed on 1st July 2007 and re-designated as executive director on 1st March 2008) Puongpun Sananikone 先生 (於二零零七年七月一日獲委任及於二零零八年三月一日調任執行董事)	9th July 2007 二零零七年七月九日	-	-	-	-	600,000	-	-	600,000	0.660

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

29. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

29. 股份付款交易 (續)

Grantee 承授人	Date of grant 授出日期	Outstanding at 1st January 2006 於二零零六年一月一日未行使	Number of share options 購股權數目						Outstanding at 31st December 2007 於二零零七年十二月三十一日未行使	Exercised price per share 每股行使價 HK\$ 港元
			Granted during the year 年內授出	Lapsed during the year 年內失效	Outstanding at 31st December 2006 於二零零六年十二月三十一日未行使	Granted during the year 年內授出	Lapsed during the year 年內失效	Exercised during the year 年內行使		
Other employees 其他僱員										
In aggregate 集體	27th November 2003 二零零三年十一月二十七日	8,045,000	-	(5,045,000)	3,000,000	-	(340,000)	(2,660,000)	-	0.233
	29th November 2006 二零零六年十一月二十九日	-	8,000,000	-	8,000,000	-	-	(7,200,000)	800,000	0.150
	9th July 2007 二零零七年七月九日	-	-	-	-	3,750,000	-	-	3,750,000	0.660
Business associates 業務聯繫人士										
In aggregate 集體	21st January 2000 二零零零年一月二十一日	1,320,000	-	-	1,320,000	-	-	-	1,320,000	2.532
	19th August 2006 二零零六年八月十九日	-	6,600,000	-	6,600,000	-	-	(6,600,000)	-	0.100
	29th November 2006 二零零六年十一月二十九日	-	33,200,000	-	33,200,000	-	-	(33,200,000)	-	0.150
	9th July 2007 二零零七年七月九日	-	-	-	-	70,000,000	-	-	70,000,000	0.660
	20th November 2007 二零零七年十一月二十日	-	-	-	-	8,075,855	-	-	8,075,855	0.380
Sub-total 總額		9,365,000	49,600,000	(5,045,000)	53,920,000	84,021,855	(340,000)	(51,460,000)	86,141,855	

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

30. ACQUISITION OF SUBSIDIARIES

- (a) On 27th March 2007, the Group acquired 100% of the share capital of Huge Value for a consideration of HK\$78,000,000. This acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition was approximately HK\$29,578,000. The relevant information about the acquisition is as follows:

30. 收購附屬公司

- (a) 於二零零七年三月二十七日，本集團收購 Huge Value 100%股本，代價78,000,000港元。該項收購已採用收購法入賬。該項收購產生之商譽約為29,578,000港元。有關該項收購之相關資料如下：

		Acquiree's carrying amount before combination 被收購公司 於合併前之賬面金額 HK\$'000 千港元	Fair value adjustment 公平值調整 HK\$'000 千港元 (Note 1) (附註1)	Fair value 公平值 HK\$'000 千港元
Net assets acquired:	所購入淨資產：			
Collection and cultivation rights	收集及培植權	-	65,645	65,645
Other payables	其他應付款項	(15)	-	(15)
Deferred tax liability	遞延稅項負債	-	(16,411)	(16,411)
		(15)	49,234	49,219
Goodwill	商譽			29,578
Consideration	代價			78,797
Satisfied by:	支付方式：			
Cash	現金			60,000
Deferred consideration (Note 2)	遞延代價 (附註2)			18,000
Transaction costs	交易成本			797
Total consideration of the acquisition	收購總代價			78,797
Net cash outflow arising on acquisition:	收購產生之現金 流出淨額：			
Cash consideration paid	已付現金代價			60,000
Transaction costs paid	已付交易成本			797
				60,797

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

30. ACQUISITION OF SUBSIDIARIES

(Continued)

(a) (Continued)

Notes:

1. The fair value adjustment represents the fair value of the collection and cultivation rights as at 27th March 2007, which was determined by reference to the valuation carried out by Greater China Appraisals Limited, an independent qualified professional valuer not connected to the Group.
2. Pursuant to the sales and purchase agreement dated 12th February 2007, HK\$18,000,000 will be payable on production of evidence to the reasonable satisfaction of the Group that the audited profit after taxation of Huge Value in twelve months after the completion date of acquisition is not less than HK\$7,000,000.

Huge Value had no significant contribution to the Group's turnover and contributed approximately HK\$12,030,000 profit to the Group's loss before taxation for the period between the date of acquisition and the balance sheet date.

If the acquisition had been completed on 1st January 2007, there would have been no significant impact on the Group's turnover and loss for the year. The pro forma 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 2007, nor is it intended to be a projection of future results.

30. 收購附屬公司 (續)

(a) (續)

附註：

1. 公平值調整指收集及培植權於二零零七年三月二十七日之公平值，乃參考漢華評值有限公司（與本集團並無關連之獨立合資格專業估值師）所進行之評估而釐定。
2. 根據日期為二零零七年二月十二日之買賣協議，18,000,000港元將於出示本集團合理信納之憑證後支付，有關憑證指，Huge Value於收購完成日期後十二個月之經審核除稅後溢利，不得少於7,000,000港元。

Huge Value於收購日期至結算日止期間對本集團之營業額並無重大貢獻，並為本集團之除稅前虧損帶來約12,030,000港元之溢利。

倘收購於二零零七年一月一日完成，將不會對本集團之本年度營業額及虧損造成重大影響。該等備考資料僅供說明用途，不一定可顯示倘收購已於二零零七年一月一日完成，本集團實際達致之收入及業績，亦不能預測未來業績。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

30. ACQUISITION OF SUBSIDIARIES

(Continued)

- (b) On 2nd October 2007, the Group acquired 100% of the share capital of Quest Asia for a consideration of HK\$190,000,000. This acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition was approximately HK\$114,461,000. The relevant information about the acquisition is as follows:

30. 收購附屬公司(續)

- (b) 於二零零七年十月二日，本集團收購 Quest Asia 100% 股本，代價 190,000,000 港元。該項收購已採用收購法入賬。該項收購產生之商譽約為 114,461,000 港元。有關該項收購之相關資料如下：

		Acquiree's carrying amount before combination 被收購公司 於合併前之賬面金額 HK\$'000 千港元	Fair value adjustment 公平值調整 HK\$'000 千港元 (Note 1) (附註1)	Fair value 公平值 HK\$'000 千港元
Net assets acquired:	所購入淨資產：			
Collection and cultivation rights	收集及培植權	-	101,511	101,511
Other receivables	其他應收款項	22	-	22
Other payables	其他應付款項	(22)	-	(22)
Deferred tax liability	遞延稅項負債	-	(25,378)	(25,378)
		-	76,133	76,133
Goodwill	商譽			114,461
Consideration	代價			190,594
Satisfied by:	支付方式：			
Cash	現金			70,000
Convertible loan notes (Note 2)	可換股貸款票據 (附註2)			120,000
Transaction costs	交易成本			594
Total consideration of the acquisition	收購總代價			190,594
Net cash outflow arising on acquisition:	收購產生之現金 流出淨額：			
Cash consideration paid	已付現金代價			70,000
Transaction costs paid	已付交易成本			594
				70,594

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

30. ACQUISITION OF SUBSIDIARIES (Continued)

30. 收購附屬公司 (續)

(b) (Continued)

Notes:

1. The fair value adjustment represents the fair value of the collection and cultivation rights as at 2nd October 2007 which was determined by reference to the valuation carried out by Greater China Appraisals Limited, an independent qualified professional valuer not connected to the Group.
2. On 2nd October 2007, the Group issued HK\$120,000,000 convertible loan notes at zero coupon interest rates as part of the consideration for the acquisition of Quest Asia.

Quest Asia had no significant contribution to the Group's turnover and contributed approximately HK\$673,000 profit to the Group's loss before taxation for the period between the date of acquisition and the balance sheet date.

If the acquisition had been completed on 1st January 2007, there would have been no significant impact on the Group's turnover and loss for the year. The pro forma 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 2007, nor is it intended to be a projection of future results.

(b) (續)

附註：

1. 公平值調整指收集及培植權於二零零七年十月二日之公平值之數，乃參考漢華評值有限公司（與本集團並無關連之獨立合資格專業估值師）所進行之評估而釐定。
2. 於二零零七年十月二日，本集團發行120,000,000港元之零息可換股貸款票據，作為收購Quest Asia之部分代價。

Quest Asia於收購日期至結算日止期間對本集團之營業額並無重大貢獻，並為本集團之除稅前虧損帶來673,000港元之溢利。

倘收購於二零零七年一月一日完成，將不會對本集團之本年度營業額及虧損造成重大影響。該等備考資料僅供說明用途，不一定可顯示倘收購已於二零零七年一月一日完成，本集團實際達致之收入及業績，亦不能預測未來業績。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

30. ACQUISITION OF SUBSIDIARIES

(Continued)

- (c) On 17th December 2007, the Group acquired 80% of the share capital of Lao-Agro for a consideration of HK\$7,800,000. This acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition was HK\$7,800,000. The relevant information about the acquisition is as follows:

30. 收購附屬公司(續)

- (c) 於二零零七年十二月十七日，本集團收購Lao-Agro 80%股本，代價7,800,000港元。該項收購已採用收購法入賬。該項收購產生之商譽為7,800,000港元。有關該項收購之相關資料如下：

		2007 二零零七年 HK\$'000 千港元
Net assets acquired	所購入淨資產	—
Goodwill	商譽	7,800
Total consideration of the acquisition	收購總代價	7,800
Satisfied by:	支付方式：	
Cash	現金	7,800
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	7,800

Lao-Agro had no significant contribution to the Group's turnover and the loss before taxation for the period between the date of acquisition and the balance sheet date.

If the acquisition had been completed on 1st January 2007, there would have been no significant impact on the Group's turnover and loss for the year. The pro forma 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 2007, nor is it intended to be a projection of future results.

Lao-Agro於收購日期至結算日止期間對本集團之營業額及除稅前虧損並無重大貢獻。

倘收購於二零零七年一月一日完成，將不會對本集團之本年度營業額及虧損造成重大影響。該等備考資料僅供說明用途，不一定可顯示倘收購已於二零零七年一月一日完成，本集團實際達致之收入及業績，亦不能預測未來業績。

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

30. ACQUISITION OF SUBSIDIARIES

(Continued)

(d) In August 2006, the Group acquired 100% of the share capital of GP which in turn holds 100% of Conity investment and Consultants (Shanghai) Company Limited. The relevant information about the acquisition is as follows:

30. 收購附屬公司(續)

(d) 於二零零六年八月，本集團收購GP 100%股本，而GP持有上海搏創投資諮詢有限公司100%權益。有關該項收購之相關資料如下：

		2006 二零零六年 HK\$'000 千港元
Net liabilities acquired:	所購入負債淨額：	
Plant and equipment	廠房及設備	558
Prepayment	預付款項	234
Trade and other receivables	貿易及其他應收款項	1,662
Cash and cash equivalents	現金及現金等價物	23
Amount due to related companies	欠關連公司款項	(1,940)
Other payables	其他應付款項	(1,908)
		(1,371)
Goodwill	商譽	33,033
Total consideration	總代價	31,662
Satisfied by:	支付方式：	
Cash	現金	18,000
Fair value of the 117,647,059 shares of the Company issued based on published market price	本公司按已公布市價發行之117,647,059股股份之公平值	12,000
Transaction costs	交易成本	1,662
Total consideration of the acquisition	收購總代價	31,662
Net cash outflow on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	18,000
Transaction costs paid	已付交易成本	1,662
Less: Bank balances and cash acquired	減：銀行結餘及所購入現金	(23)
		19,639

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

30. ACQUISITION OF SUBSIDIARIES

(Continued)

- (d) (Continued)
The factors that contributed to the recognition of the goodwill included profit guarantees made by the vendors of GP and potential for growth in the property market in the PRC.

31. DISPOSAL OF A SUBSIDIARY

At 31st May 2007, the Group disposed of its entire interest in an inactive subsidiary, China Action Development Limited to two independent third parties for a consideration of approximately HK\$248,000.

		HK\$'000 千港元
Net assets disposed of	所出售淨資產	
Prepayment	預付款項	249
Loss on disposal	出售虧損	(1)
Total consideration	總代價	248
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration	現金代價	248

The subsidiary disposed of during the year ended 31st December 2007 had no significant impact on the turnover and results of the Group.

30. 收購附屬公司 (續)

- (d) (續)
確認商譽之原因包括GP賣家作出溢利保證及中國物業市場之增長潛力。

31. 出售一間附屬公司

於二零零七年五月三十一日，本集團出售一間無業務之附屬公司China Action Development Limited予兩名獨立第三方，代價248,000港元。

於截至二零零七年十二月三十一日止年度出售之附屬公司對本集團之營業額及業績並無重大影響。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

32. RELATED PARTY TRANSACTIONS

There were no related party transactions in 2007. Except as disclosed elsewhere in the consolidated financial statements, the Group entered into the following significant related party transactions with relevant parties in 2006:

- (a) For the year ended 31st December 2006, the Group disposed of half of the 14.86% of the equity shareholdings in ChinaCast Communication Holdings Limited to a director for a consideration of SGD9,250,000 (approximately HK\$45,323,000).
- (b) For the year ended 31st December 2006, the Group received management services income from an unlisted company classified as an available-for-sale investee company to amount of HK\$312,000. The director of the company is also a director of the Group.
- (c) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the year was as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Short-term benefits	短期福利	6,197	8,747
Post-employment benefits	離職後福利	49	54
Share-based payments	股份付款	801	102
		7,047	8,903

The remuneration of directors of the Company and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

32. 有關連人士交易

二零零七年內並無有關連人士交易。於二零零六年，除於綜合財務報表其他部分另行披露外，本集團與有關連人士進行之重大有關連人士交易如下：

- (a) 於截至二零零六年十二月三十一日，本集團向一名董事出售ChinaCast Communication Holdings Limited 14.86%股本權益其中一半，代價9,250,000坡元(約45,323,000港元)。
- (b) 於截至二零零六年十二月三十一日止年度，本集團自一間非上市公司(分類為可供出售被投資公司)收取管理服務收益312,000港元。該公司之董事亦為本集團董事。
- (c) 主要管理人員補償

本公司董事及其他主要管理人員於年內之酬金如下：

本公司董事及主管人員之薪酬由薪酬委員會按個別人士之表現及市場薪酬水平趨勢釐定。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

33. COMMITMENTS UNDER OPERATING LEASES**33. 經營租賃承擔****(a) Commitments under operating leases***The Group as lessee*

The Group leases certain of its offices premises, staff quarters and property agency branches under operating lease arrangements. Lease for properties are negotiated for a term ranging from two months to five years.

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

(a) 經營租賃承擔

本集團作為承租人

本集團根據經營租賃安排租賃其若干寫字樓物業、員工宿舍及物業代理分行。物業租期洽定為兩個月至五年不等。

於結算日，本集團根據不可撤銷經營租賃在以下期間到期的未來最低租金總額如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Land and buildings	土地及樓宇		
Within one year	一年內	2,547	793
In the second to fifth year inclusive	第二至第五年(首尾兩年包括在內)	2,195	377
		4,742	1,170

(b) Other commitments

The Group had capital commitment which was authorised but not contracted for totaling approximately HK\$36,035,000 in respect of the additional capital injection in subsidiaries as at 31st December 2007 (2006: Nil).

(b) 其他承擔

於二零零七年十二月三十一日，本集團就對附屬公司額外注資之已授權但未訂約資本承擔總額約為36,035,000港元(二零零六年：零港元)。

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

34. BALANCE SHEET INFORMATION OF THE COMPANY

34. 本公司資產負債表資料

		NOTES 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		744	136
Investments in subsidiaries	於附屬公司之投資		39,631	39,631
			40,375	39,767
Current assets	流動資產			
Other receivables	其他應收款項		670	650
Amounts due from subsidiaries	應收附屬公司款項	(a)	313,471	62,071
Bank balances and cash	銀行結餘及現金		2,893	31
			317,034	62,752
Current liabilities	流動負債			
Other payables	其他應付款項		4,275	2,167
Amounts due to subsidiaries	應付附屬公司款項	(a)	3,834	2,012
Amount due to an investee company	應付一間被投資公司款項	(b)	–	82
Bank overdraft	銀行透支		–	10
			8,109	4,271
Net current assets	流動資產淨值		308,925	58,481
Total assets less current liabilities	資產總值減流動負債		349,300	98,248
Capital and reserves	資本及儲備			
Share capital	股本		103,526	67,500
Reserves	儲備	(c)	169,896	30,748
Total equity	權益總額		273,422	98,248
Non-current liabilities	非流動負債			
Convertible loan notes	可換股貸款票據		75,878	–
			349,300	98,248

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

34. BALANCE SHEET INFORMATION OF THE COMPANY (Continued)

34. 本公司資產負債表資料(續)

(a) Amounts due from/to subsidiaries

The amounts are unsecured, non-interest bearing and repayable on demand. The fair values of the amounts at the balance sheet date was approximated to the corresponding carrying amounts due to their short term maturity.

(b) Amount due to an investee company

The amount was unsecured, non-interest bearing and was fully settled during the year. The fair value of the amounts at the balance sheet date was approximated to the corresponding carrying amount due to its short term maturity.

(c) Reserves

(a) 應收／應付附屬公司款項

該等款項為無抵押、免息及須於要求時償還。由於該等款項於短期內到期，故其於結算日之公平值與賬面金額相若。

(b) 應付一間被投資公司款項

該等款項為無抵押、免息及已於本年度悉數償還。由於該等款項於短期內到期，故其於結算日之公平值與賬面金額相若。

(c) 儲備

		Share premium	Contributed surplus	Convertible bonds reserve	Share options reserve	Accumulated losses	Total
		股份溢價	繳入盈餘	可換股債券儲備	購股權儲備	累積虧損	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
At 1st January 2006	於二零零六年一月一日	342,312	39,431	-	-	(340,721)	41,022
Issued of consideration shares	發行代價股份	235	-	-	-	-	235
Recognition of equity-settled share based payments	確認股本結算股份付款	-	-	-	1,505	-	1,505
Loss for the year	年度虧損	-	-	-	-	(12,014)	(12,014)
At 31st December 2006	於二零零六年十二月三十一日	342,547	39,431	-	1,505	(352,735)	30,748
Issue of convertible loan notes	發行可換股貸款票據	-	-	29,225	-	-	29,225
Issue of shares upon	因以下事項發行股份						
- placement of shares	— 配售股份	109,730	-	-	-	-	109,730
- conversion of convertible loan notes	— 兌換可換股貸款票據	18,217	-	(5,358)	-	-	12,859
- exercise of share options	— 行使購股權	5,233	-	-	(2,769)	-	2,464
Recognition of equity-settled share based payments	確認股本結算股份付款	-	-	-	18,372	-	18,372
Loss for the year	年度虧損	-	-	-	-	(33,502)	(33,502)
At 31st December 2007	於二零零七年十二月三十一日	475,727	39,431	23,867	17,108	(386,237)	169,896

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

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

35. INVESTMENTS IN SUBSIDIARIES

At the balance sheet date, the Company has interests in the following principal subsidiaries:

35. 於附屬公司之權益

於結算日，本公司於下列主要附屬公司擁有權益：

Company 公司	Place of incorporation 註冊成立地點	Nominal value of paid-up share/ registered capital 繳足股份/ 註冊資本之面值	Proportion of ownership interest 擁有 股權比例		Principal activities 主要業務
			2007 二零零七年	2006 二零零六年	
Held directly: 直接持有：					
Technology Venture Investments Limited	British Virgin Islands ("BVI") 英屬處女群島	US\$1,000 1,000美元	100	100	Investment holding 投資控股
Held indirectly: 間接持有：					
Sequent China/ Hong Kong Limited	Hong Kong 香港	HK\$10,000 10,000港元	100	100	Distribution of information technology products and provision of computer technology services 分銷資訊科技產品及 提供電腦技術服務
Technology Venture (Software) Holdings Limited	BVI 英屬處女群島	US\$1,000 1,000美元	100	100	Investment holding 投資控股
Topasia Computer Limited 冠亞電腦有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	100	Distribution of information technology products and provision of computer technology services 分銷資訊科技產品及 提供電腦技術服務

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

35. INVESTMENTS IN SUBSIDIARIES
(Continued)

35. 於附屬公司之權益 (續)

Company 公司	Place of incorporation 註冊成立地點	Nominal value of paid-up share/ registered capital 繳足股份/ 註冊資本之面值	Proportion of ownership interest 擁有 股權比例		Principal activities 主要業務
			2007 二零零七年	2006 二零零六年	
Topsoft Limited 宏昌軟件有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	100	Distribution of information technology products and provision of computer technology services 分銷資訊科技產品及 提供電腦技術服務
Topasia Tech (Shanghai) Limited (#) 冠亞科技(上海)有限公司(#)	The PRC 中國	Registered Capital US\$3,800,000 註冊資本 3,800,000美元	100	100	Distribution of information technology products and provision of computer technology services 分銷資訊科技產品及 提供電腦技術服務
Topasia IT Service (Shanghai) Limited (#) 冠亞信息科技服務(上海) 有限公司(#)	The PRC 中國	Registered Capital US\$1,000,000 註冊資本 1,000,000美元	100	100	Provision of systems integration and maintenance services 提供系統集成及保養服務
Acacia Asia Partners Limited	BVI 英屬處女群島	US\$1 1美元	100	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 2007

截至二零零七年十二月三十一日止年度

35. INVESTMENTS IN SUBSIDIARIES (Continued)

35. 於附屬公司之權益 (續)

Company 公司	Place of incorporation 註冊成立地點	Nominal value of paid-up share/ registered capital 繳足股份/ 註冊資本之面值	Proportion of ownership interest 擁有 股權比例		Principal activities 主要業務
			2007 二零零七年	2006 二零零六年	
Acacia Asia Partners Limited (#) 上海阿加斯網絡科技 有限公司(#)	The PRC 中國	Registered Capital US\$140,000 註冊資本 140,000美元	100	100	Network technology, software development and provision of technical support services 網絡技術、軟件開發及 提供技術支援服務
Grand Panorama Limited	BVI 英屬處女群島	US\$10,411 10,411美元	100	100	Investment holding 投資控股
Conity Investment and Consultants (Shanghai) Company Limited (#) 上海搏創投資諮詢有限公司(#)	The PRC 中國	Registered Capital US\$140,000 註冊資本 140,000美元	100	100	Provision of real estate consulting agency services 提供地產代理顧問服務
Huge Value Development Limited	BVI 英屬處女群島	US\$1 1美元	100	–	Management and cultivation of licorice 管理及培植甘草
Quest Asia Development Limited	BVI 英屬處女群島	US\$1 1美元	100	–	Management and cultivation of licorice and salix 管理及培植甘草和沙柳

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

35. INVESTMENTS IN SUBSIDIARIES

(Continued)

35. 於附屬公司之權益 (續)

Company 公司	Place of incorporation 註冊成立地點	Nominal value of paid-up share/ registered capital 繳足股份/ 註冊資本之面值	Proportion of ownership interest 擁有 股權比例		Principal activities 主要業務
			2007 二零零七年	2006 二零零六年	
China Bioenergy Holdings Limited	BVI 英屬處女群島	US\$1 1美元	100	-	R&D and cultivation of raw materials for the bio-energy industry 研發及培植生物能源行業之原料
Hainan Venture Zhengke Bioenergy Development Company Limited ("Hainan Venture")	The PRC 中國	Registered capital RMB50,000,000 註冊資本 人民幣50,000,000元	90	-	Nursery and research and development centre for jatropa 麻瘋樹苗圃及研發中心
Lao Agro-Promotion Limited ("Lao Agro")	Lao People's Democratic Republic 老撾人民民主共和國	US\$400,000 400,000美元	80	-	Nursery and research and development centre for jatropa 麻瘋樹苗圃及研發中心

Wholly owned foreign enterprises.

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

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

外資企業

董事認為，上表所列本公司附屬公司均為主要影響本年度業績或構成本集團資產淨值重大部分之公司。董事認為，提供其他附屬公司之詳情將令篇幅過於冗長。

概無附屬公司擁有任何於結算日或年內任何時間有效的債務證券。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

36. MAJOR NON-CASH TRANSACTIONS

- i) In January 2007, the Group disposed of its remaining shares in ChinaCast Communication Holdings Limited for a consideration of approximately HK\$69,597,000. On the same day, the Group acquired 1,551,771 shares in ChinaCast Education Corporation for a consideration the same amount.
- ii) In October 2007, the Company issued convertible loan notes of HK\$120,000,000 which was used as partial consideration for the acquisition of Quest Asia.
- iii) During the year ended 31st December 2007, convertible loan notes of approximately HK\$22,000,000 was converted into 38,800,705 shares ordinary shares of HK\$0.10 each in the company.

37. SUBSEQUENT EVENTS

- i) On 16th January 2008, Mr. Lee Cheong Fu, a holder of convertible loan notes converted another HK\$18,350,000 convertible loan notes into 32,363,315 ordinary shares of the Company at the conversion price of HK\$0.567.
- ii) On 25th February 2008, the Company entered into a subscription agreement with Integrated Asset Management (Asia) Limited ("Integrated") and Mr. Yam Tak Cheung, the sole shareholder of Integrated as the guarantor for the subscription of an aggregate of 199,000,000 new shares of the Company at a subscription price of HK\$0.25 per share.

The net proceeds from the subscription received by the Company of approximately HK\$49,650,000 was applied towards the Company's new agricultural businesses and as general working capital.

36. 重大非現金交易

- i) 於二零零七年一月，本集團出售其持有之餘下ChinaCast Communication Holdings Limited股份，代價為69,597,000港元。同日，本集團以相同代價收購ChinaCast Education Corporation 1,551,771股股份。
- ii) 於二零零七年十月，本公司發行120,000,000港元之可換股貸款票據，作為收購Quest Asia之部分代價。
- iii) 於截至二零零七年十二月三十一日止年度，約22,000,000港元之可換股貸款票據已兌換成38,800,705股每股面值0.10港元之本公司普通股。

37. 結算日後事項

- i) 於二零零八年一月十六日，Lee Cheong Fu先生(可換股貸款票據持有人)按兌換價每股股份0.567港元將18,350,000港元之可換股貸款票據兌換為32,363,315股本公司普通股。
- ii) 於二零零八年二月二十五日，本公司與Integrated Asset Management (Asia) Limited (「Integrated」)及Integrated之單一股東任德章先生(作為保證人)訂立認購協議，據此認購合共199,000,000股本公司新股份，有關認購價為每股股份0.25港元。

本公司自認購事項收取之所得款項淨額約為49,650,000港元，已用作本公司之新農業業務及一般營運資金。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

37. SUBSEQUENT EVENTS (Continued)

- iii) On 3rd March 2008, Technology Venture Investments Limited, a wholly owned subsidiary of the Company, entered into a sale and purchase agreement for the sale the entire issued share capital in Grand Panorama Limited and its subsidiary, Conity Investment and Consultants (Shanghai) Company Limited to a third party for a consideration of RMB4,000,000.

The disposal was completed on 31st March 2008. The net consideration of approximately HK\$4,160,000 was applied towards the working capital of the Group.

- iv) On 5th March 2008, Green Global Resources Investments Limited ("GGRI"), a newly incorporated wholly-owned subsidiary of the Company, and Inner Mongolia Tian Lan Technology Sand Control Estate Limited ("Tian Lan") entered into a cooperation agreement, pursuant to which the two parties agreed to cooperate in executing a project for the planting of 5,000,000 Chinese mu of salix psammophila over the next 5 years and 200,000 Chinese mu of licorice roots over the next 3 years on the Ordos Plateau in Inner Mongolia, the PRC.

GGRI will invest a maximum amount of HK\$70,000,000 in the first year of the project. GGRI and Tian Lan will be entitled to 90% and 10%, respectively, of the profit after tax (excluding any government subsidies) derived from the project and 80% and 20%, respectively, of any government subsidies granted for the project.

37. 結算日後事項(續)

- iii) 於二零零八年三月三日，Technology Venture Investments Limited(其為本公司之全資附屬公司)訂立買賣協議，據此向第三方出售其於Grand Panorama Limited及Grand Panorama Limited附屬公司上海博創投資諮詢有限公司之全部股本權益，代價人民幣4,000,000元。

出售事項已於二零零八年三月三十一日完成。代價淨額約4,160,000港元已用作本集團之一般營運資金。

- iv) 於二零零八年三月五日，Green Global Resources Investments Limited(「GGRI」，一間新近註冊成立之本公司全資附屬公司)與內蒙古天蘭科技治沙產業有限公司(「天蘭」)訂立合作協議。據此，雙方同意合作落實進行一項工程，該計劃為於未來五年在中國內蒙古鄂爾多斯高原種植5,000,000畝沙柳，及於未來三年在同地種植200,000畝甘草。

GGRI將會在該工程開始的第一年投資最多70,000,000港元。GGRI及天蘭將會分別佔該工程產生之除稅後純利(不包括任何政府津貼)之90%及10%，及分別佔就該工程而獲政府授出之任何津貼款項之80%及20%。

For the year ended 31st December 2007

截至二零零七年十二月三十一日止年度

37. SUBSEQUENT EVENTS (Continued)

- v) On 25th March 2008, Hainan Venture, an indirect 90% owned subsidiary of the Company, entered into a cooperation agreement with the Hainan Partner, a limited liability company established in the PRC, whereby Hainan Venture will advance to the Hainan Partner a deposit of up to HK\$53,000,000 in the first year of the project without any interest or pledge of security to finance the planting and maintenance of *Jatropha curcas* trees.

Hainan Venture and the Hainan Partner have agreed that (a) for the three year-period commencing in 2008, Hainan Venture will sell *Jatropha curcas* saplings from its nursery to the Hainan Partner for planting by the Hainan Partner in an area of approximately 1,300,000 Chinese mu in Hainan, the PRC, and (b) the Hainan Partner will sell all qualified seeds harvested from the *Jatropha curcas* trees in the above land area exclusively to Hainan Venture for 30 years.

- vi) On 26th March 2008, Lao-Agro, an indirect 80% owned subsidiary of the Company entered into a cooperation agreement with the National Authority for Science and Technology ("NAST") for the purposes of establishing three fully equipped centers to carry out in-depth research and development of the *Jatropha curcas* plant for the production of commercially and environmentally sustainable bio-energy as an alternative and renewable energy source.

The cooperation project is for a term of thirty years. Lao-Agro has agreed to invest a total of US\$3,000,000 in both equipment and cash for the cooperation project. The profits generated from the cooperation agreement will be shared 80% and 20% respectively by Lao-Agro and NAST.

38. COMPARATIVE FIGURES

Certain comparative amounts for the year ended 31st December 2007 have been reclassified to conform with the current year's presentation.

37. 結算日後事項(續)

- v) 於二零零八年三月二十五日，海南宏昌（一間由本公司間接持有其90%股權之附屬公司）與海南夥伴（一間於中國成立之有限責任公司）訂立合營協議。據此，海南宏昌在該項目第一年內，將會就該項目向海南夥伴預付一筆最多達53,000,000港元的按金（不計息及無須提供任何抵押品），以資助種植及保育麻瘋樹。

海南宏昌與海南夥伴均同意：(a)在二零零八年起計三年期間內，海南宏昌將會向海南夥伴出售其苗圃內培育之麻瘋樹苗，以供海南夥伴在中國海南省約1,300,000畝面積的土地上栽種；及(b)海南夥伴在三十年內將會向海南宏昌獨家銷售在上述土地栽種之麻瘋樹生產及收集之所有合規格種子。

- vi) 於二零零八年三月二十六日，Lao-Agro（一間由本公司間接持有其80%股權之附屬公司）與老撾的國家科技局訂立合營協議。據此，Lao-Agro與國家科技局同意成立三個設備齊全的中心，藉以深入研究及發展有關麻瘋樹商業化生產環保兼可持續再生的另類生物能源項目。

合營項目為期三十年。Lao-Agro同意以設備及現金合共投資3,000,000美元於該合營項目。從合營項目產生之溢利將會由Lao-Agro及國家科技局分別按80%及20%攤分。

38. 比較數字

截至二零零七年十二月三十一日止年度之若干比較數字已予重新分類，以便與本年度的呈列方式保持一致。

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