



CHI CHEUNG INVESTMENT COMPANY, LIMITED

至祥置業有限公司

Stock Code 股份代號: 112

Annual Report  
**2009**  
年年報



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## Corporate Information

## 公司資料

### DIRECTORS

*Executive Directors:*

Matthew Cheong, Veng-va (*Chairman*)

Teresa Poon, Mun-chie (*Chief Executive Officer*)

*Independent Non-executive Directors:*

Lai, Yun-hung

Mok, Hon-sang

Wong, Tik-tung

### AUDIT COMMITTEE

Wong, Tik-tung (*Chairman*)

Lai, Yun-hung

Mok, Hon-sang

### REMUNERATION COMMITTEE

Wong, Tik-tung (*Chairman*)

Lai, Yun-hung

Mok, Hon-sang

### COMPANY SECRETARY

Lam, Kwong-wai

### SOLICITORS

Sit, Fung, Kwong & Shum

### AUDITORS

HLB Hodgson Impey Cheng

*Chartered Accountants*

*Certified Public Accountants*

31st Floor, Gloucester Tower

The Landmark

11 Pedder Street

Central, Hong Kong

### 董事

*執行董事:*

昌榮華(主席)

潘敏慈(行政總裁)

*獨立非執行董事:*

賴恩雄

莫漢生

汪滌東

### 審核委員會

汪滌東(主席)

賴恩雄

莫漢生

### 薪酬委員會

汪滌東(主席)

賴恩雄

莫漢生

### 公司秘書

林光蔚

### 律師

薛馮鄭岑律師行

### 核數師

國衛會計師事務所

英國特許會計師

香港執業會計師

香港中環

畢打街11號

置地廣場

告羅士打大廈31樓

## Corporate Information

## 公司資料

### PRINCIPAL BANKERS

Chong Hing Bank Limited  
Standard Chartered Bank (Hong Kong) Limited

### REGISTERED OFFICE

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

### REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited  
26th Floor, Tesbury Centre  
28 Queen's Road East  
Hong Kong

### WEBSITE

<http://www.chicheung.com>

### STOCK CODE

112

### BOARD LOT

2,000 Shares

### INVESTOR RELATIONS

For enquiries relating to investor relations, please contact:

Investor Relations Manager

Tel: (852) 2866 6999

Fax: (852) 2866 2822

(852) 2866 2833

E-mail: [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com)

### 主要往來銀行

創興銀行有限公司  
渣打銀行(香港)有限公司

### 註冊辦事處

香港灣仔  
告士打道38號  
美國萬通大廈26樓

### 股份過戶登記處

卓佳秘書商務有限公司  
香港  
皇后大道東28號  
金鐘匯中心26樓

### 網址

<http://www.chicheung.com>

### 股份代號

112

### 買賣單位

2,000股

### 投資者關係

有關投資者關係之查詢,請聯絡:

投資者關係經理

電話: (852) 2866 6999

傳真: (852) 2866 2822

(852) 2866 2833

電郵: [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com)

## Profiles of Directors and Senior Executive

## 董事及高級行政人員簡介

### EXECUTIVE DIRECTORS

**Mr. Matthew CHEONG, Veng-va**, aged 51, has been an Executive Director and the Chairman of the Company since March 2006. Mr. Cheong is a chartered engineer. He holds a Bachelor Degree of Science from the University of Toronto, Canada, a Master Degree of Science in Automation Systems and Management and a Doctorate Degree of Engineering both from the City University of Hong Kong. He is also a member of The Hong Kong Institution of Engineers, The Royal Institute of Measurement and Control and The British Computer Society. Mr. Cheong is responsible for the general operations of the Company including information technology, corporate communications, human resources and administration. He has over 24 years of experience in the management and operations. Apart from aforesaid directorship, Mr. Cheong did not hold any directorship in other listed public companies in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Cheong does not hold any positions with the Company or its subsidiaries and is not connected and has no relationship with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract entered into between the Company and Mr. Cheong. His length of service is specified and governed by the Articles of Association of the Company under which he should not hold office for a continuous period in excess of 3 years, or past the third annual general meeting, following his appointment or re-election as a director, whichever is longer, without submitting himself for re-election at the annual general meeting and he is eligible for re-election as a director pursuant to the Company's Articles of Association. Mr. Cheong is not entitled to any other emoluments for holding office as an Executive Director except for his entitlement of an annual remuneration of HK\$10,000 determined by the remuneration committee of the Company in July 2009 on a nominal basis without reference to the prevailing market condition.

### 執行董事

昌榮華先生，51歲，自二零零六年三月起為本公司之執行董事及主席。昌先生為特許工程師。彼持有加拿大多倫多大學理學士學位及香港城市大學自動化系統及管理學碩士學位及工程學博士學位。彼並為香港工程師學會、英國皇家特許計量及控制學會及英國電腦學會會員。昌先生負責本公司一般營運事宜，包括資訊科技、企業傳訊、人力資源及行政管理。彼在企業管理及營運方面累積逾二十四年經驗。除上述董事職務外，昌先生於過去三年內在香港或海外並無擔任任何其他上市公眾公司之董事職務。

除上文所披露者外，昌先生並無擔任本公司或其附屬公司任何職位，且與本公司任何董事、高級管理人員或主要或控股股東概無關連。

本公司與昌先生並無訂立任何服務合約。彼之委任期按本公司之組織章程細則規定而特定。據此，在未獲股東週年大會上膺選連任之情況下，彼出任董事職位之持續期間不得超過三年或在彼之任命或重選連任為董事後超逾三次股東週年大會（兩者以較長期為準），而彼按本公司之組織章程細則符合資格候選連任為董事。昌先生除每年享有由本公司薪酬委員會於二零零九年七月非按當時市況而釐定之10,000港元之名義酬金外，並無就擔任執行董事而享有任何其他酬金。

## Profiles of Directors and Senior Executive

## 董事及高級行政人員簡介

### EXECUTIVE DIRECTORS (cont'd)

**Ms. Teresa POON, Mun-chie**, aged 39, has been an Executive Director and the Chief Executive Officer of the Company since March 2006. Ms. Poon holds a Bachelor Degree of Arts in Architectural Studies and a Master Degree of Architecture from The University of Hong Kong. She is a member of The Hong Kong Institute of Architects. Ms. Poon is a registered architect in Hong Kong and an authorised person under the List of Architects of the Building Authority. She has over 14 years of experience in the management and development of property projects. Apart from aforesaid directorship, Ms. Poon did not hold any directorship in other listed public companies in Hong Kong or overseas in the last three years.

Save as disclosed above, Ms. Poon does not hold any positions with the Company or its subsidiaries and is not connected and has no relationship with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract entered into between the Company and Ms. Poon. Her length of service is specified and governed by the Articles of Association of the Company under which she should not hold office for a continuous period in excess of 3 years, or past the third annual general meeting, following her appointment or re-election as a director, whichever is longer, without submitting herself for re-election at the annual general meeting and she is eligible for re-election as a director pursuant to the Company's Articles of Association. Ms. Poon is not entitled to any other emoluments for holding office as an Executive Director except for her entitlement of an annual remuneration of HK\$10,000 determined by the remuneration committee of the Company in July 2009 on a nominal basis without reference to the prevailing market condition.

### 執行董事(續)

潘敏慈小姐，39歲，自二零零六年三月起為本公司之執行董事及行政總裁。潘小姐持有香港大學建築學文學士學位及建築系碩士學位。彼為香港建築師學會會員。潘小姐為香港註冊建築師及建築事務監督認可之建築師名單內之認可人士。彼在物業項目管理及發展方面累積逾十四年經驗。除上述董事職務外，潘小姐於過去三年內在香港或海外並無擔任任何其他上市公司之董事職務。

除上文所披露者外，潘小姐並無擔任本公司或其附屬公司任何職位，且與本公司任何董事、高級管理人員或主要或控股股東概無關連。

本公司與潘小姐並無訂立任何服務合約。彼之委任期按本公司之組織章程細則規定而特定。據此，在未獲股東週年大會上膺選連任之情況下，彼出任董事職位之持續期間不得超過三年或在彼之任命或重選連任為董事後超逾三次股東週年大會(兩者以較長期為準)，而彼按本公司之組織章程細則符合資格候選連任為董事。潘小姐除每年享有由本公司薪酬委員會於二零零九年七月非按當時市況而釐定之10,000港元之名義酬金外，並無就擔任執行董事而享有任何其他酬金。

## Profiles of Directors and Senior Executive

## 董事及高級行政人員簡介

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. LAI, Yun-hung**, aged 58, has been an Independent Non-executive Director and a member of the audit committee and remuneration committee of the Company since December 2006. Mr. Lai is a partner of Lai & Wong, Certified Public Accountants. He has over 30 years of working experience in audit and tax advice in audit firms, with exposure in listed and unlisted companies engaging in various industries including banks, financial institutions, manufacturing and trading companies, travel agencies and solicitors' firms. Mr. Lai is an associate member of The Institute of Chartered Accountants in England and Wales, a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and of the Hong Kong Institute of Certified Public Accountants respectively. He is also an independent non-executive director of Lung Cheong International Holdings Limited, whose shares are listed on The Stock Exchange of Hong Kong Limited. Apart from aforesaid directorships, Mr. Lai did not hold any directorship in other listed public companies in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Lai does not hold any positions with the Company or its subsidiaries and is not connected and has no relationship with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract entered into between the Company and Mr. Lai. His length of service is specified and governed by the Articles of Association of the Company under which he should not hold office for a continuous period in excess of 3 years, or past the third annual general meeting, following his appointment or re-election as a director, whichever is longer, without submitting himself for re-election at the annual general meeting, and he is eligible for re-election as a director pursuant to the Company's Articles of Association. Mr. Lai is not entitled to any other emoluments for holding office as an Independent Non-executive Director except for his entitlement of an annual remuneration of HK\$180,000 determined by the board of directors of the Company in July 2009 with reference to the prevailing market condition.

### 獨立非執行董事

賴恩雄先生，58歲，自二零零六年十二月起為本公司之獨立非執行董事、審核委員會及薪酬委員會成員。賴先生為執業會計師行賴恩雄、黃恩敬會計師行之合夥人。彼於核數公司審核及稅務意見工作中累積逾三十年經驗，具有各行各業之上市及非上市公司（包括銀行、金融機構、製造及貿易公司、旅行社及律師行）之工作經驗。賴先生分別為英格蘭及威爾斯特許會計師公會會員、英國特許公認會計師公會資深會員及香港會計師公會資深會員。彼亦為龍昌國際控股有限公司之獨立非執行董事，該公司之股份於香港聯合交易所有限公司上市。除上述董事職務外，賴先生於過去三年內在港或海外並無擔任任何其他上市公眾公司之董事職務。

除上文所披露者外，賴先生並無擔任本公司或其附屬公司任何職位，且與本公司任何董事、高級管理人員或主要或控股股東概無關連。

本公司與賴先生並無訂立任何服務合約。彼之委任期按本公司之組織章程細則規定而特定。據此，在未獲股東週年大會上膺選連任之情況下，彼出任董事職位之持續期間不得超過三年或在彼之任命或重選連任為董事後超逾三次股東週年大會（兩者以較長期為準），而彼按本公司之組織章程細則符合資格候選連任為董事。賴先生除每年享有由本公司董事會於二零零九年七月按當時市況而釐定之180,000港元之酬金外，並無就擔任獨立非執行董事而享有任何其他酬金。

## Profiles of Directors and Senior Executive

## 董事及高級行政人員簡介

### INDEPENDENT NON-EXECUTIVE DIRECTORS (cont'd)

**Mr. MOK, Hon-sang**, aged 61, has been an Independent Non-executive Director and a member of the audit committee of the Company since September 2004 and a member of the remuneration committee of the Company since June 2005. Mr. Mok is the managing director of Cafe Royce Limited. Mr. Mok has engaged in retailing, financing and property investment and development for over 30 years. Apart from aforesaid directorship, Mr. Mok did not hold any directorship in other listed public companies in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Mok does not hold any positions with the Company or its subsidiaries and is not connected and has no relationship with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract entered into between the Company and Mr. Mok. His length of service is specified and governed by the Articles of Association of the Company under which he should not hold office for a continuous period in excess of 3 years, or past the third annual general meeting, following his appointment or re-election as a director, whichever is longer, without submitting himself for re-election at the annual general meeting, and he is eligible for re-election as a director pursuant to the Company's Articles of Association. Mr. Mok is not entitled to any other emoluments for holding office as an Independent Non-executive Director except for his entitlement of an annual remuneration of HK\$180,000 determined by the board of directors of the Company in July 2009 with reference to the prevailing market condition.

**Mr. WONG, Tik-tung**, aged 53, has been an Independent Non-executive Director and the chairman of the audit committee of the Company since September 2004 and the chairman of the remuneration committee of the Company since June 2005. Mr. Wong is the executive director, chief financial officer, member of the remuneration committee, company secretary and authorised representative of Wo Kee Hong (Holdings) Limited, whose shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). As from 30th December, 2009, Mr. Wong was appointed as an independent non-executive director, the chairman of the audit committee and the remuneration committee of China Energy Development Holdings Limited, whose shares are listed on the Stock Exchange. Mr. Wong is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and an associate member (practising) of the Hong Kong Institute of Certified Public Accountants. Apart from aforesaid directorships, Mr. Wong did not hold any directorship in other listed public companies in Hong Kong or overseas in the last three years.

### 獨立非執行董事(續)

莫漢生先生，61歲，自二零零四年九月起為本公司之獨立非執行董事及審核委員會成員，並於二零零五年六月起為本公司之薪酬委員會成員。莫先生為萊斯咖啡有限公司之董事總經理。莫先生從事零售、財務以及物業投資及發展逾三十年。除上述董事職務外，莫先生於過去三年內在香或海外並無擔任任何其他上市公眾公司之董事職務。

除上文所披露者外，莫先生並無擔任本公司或其附屬公司任何職位，且與本公司任何董事、高級管理人員或主要或控股股東概無關連。

本公司與莫先生並無訂立任何服務合約。彼之委任期按本公司之組織章程細則規定而特定。據此，在未獲股東週年大會上膺選連任之情況下，彼出任董事職位之持續期間不得超過三年或在彼之任命或重選連任為董事後超逾三次股東週年大會（兩者以較長期為準），而彼按本公司之組織章程細則符合資格候選連任為董事。莫先生除每年享有由本公司董事會於二零零九年七月按當時市況而釐定之180,000港元之酬金外，並無就擔任獨立非執行董事而享有任何其他酬金。

汪濂東先生，53歲，自二零零四年九月起為本公司之獨立非執行董事及審核委員會主席，並於二零零五年六月起為本公司之薪酬委員會主席。汪先生為和記行（集團）有限公司之執行董事、財務總監、薪酬委員會之成員、公司秘書及授權代表，該公司之股份於香港聯合交易所有限公司（「聯交所」）上市。於二零零九年十二月三十日起，汪先生獲委任為中國能源開發控股有限公司之獨立非執行董事、審核委員會及薪酬委員會之主席，該公司之股份於聯交所上市。汪先生為英國特許公認會計師公會資深會員及香港會計師公會會員（執業）。除上述董事職務外，汪先生於過去三年內在香或海外並無擔任任何其他上市公眾公司之董事職務。



## Profiles of Directors and Senior Executive

## 董事及高級行政人員簡介

### INDEPENDENT NON-EXECUTIVE DIRECTORS (cont'd)

Save as disclosed above, Mr. Wong does not hold any positions with the Company or its subsidiaries and is not connected and has no relationship with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service contract entered into between the Company and Mr. Wong. His length of service is specified and governed by the Articles of Association of the Company under which he should not hold office for a continuous period in excess of 3 years, or past the third annual general meeting, following his appointment or re-election as a director, whichever is longer, without submitting himself for re-election at the annual general meeting, and he is eligible for re-election as a director pursuant to the Company's Articles of Association. Mr. Wong is not entitled to any other emoluments for holding office as an Independent Non-executive Director except for his entitlement of an annual remuneration of HK\$180,000 determined by the board of directors of the Company in July 2009 with reference to the prevailing market condition.

### SENIOR EXECUTIVE

**Mr. LAM, Kwong-wai**, aged 54, joined the Company in 2000 and is the Group Financial Controller and Company Secretary of the Company, Chinese Estates Holdings Limited (the holding company of the Company) and G-Prop (Holdings) Limited (a fellow subsidiary of the Company). Mr. Lam is a Hong Kong Certified Public Accountant (Practising) and holds a Master Degree in Business Administration from the University of Warwick, United Kingdom. He also acts as a director for all subsidiaries of the Company. Mr. Lam has over 32 years of experience in auditing, finance and accounting.

### DISCLOSURE OF CHANGE OF INFORMATION OF DIRECTORS UNDER RULES 13.51(2) AND 13.51B(1) OF THE LISTING RULES

**Mr. Wong, Tik-tung**, an Independent Non-executive Director of the Company, was appointed as the company secretary and authorised representative of Wo Kee Hong (Holdings) Limited ("Wo Kee Hong") on 17th October, 2009. As from 30th December, 2009, Mr. Wong was also appointed as an independent non-executive director, the chairman of the audit committee and the remuneration committee of China Energy Development Holdings Limited ("China Energy"). Both Wo Kee Hong and China Energy are listed companies in Hong Kong.

Save as those changes mentioned in the Profiles of Directors, there is no change of information of each director that is required to be disclosed under Rules 13.51(2) and 13.51B(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, since publication of the 2009 interim report of the Company.

### 獨立非執行董事(續)

除上文所披露者外，汪先生並無擔任本公司或其附屬公司任何職位，且與本公司任何董事、高級管理人員或主要或控股股東概無關連。

本公司與汪先生並無訂立任何服務合約。彼之委任期按本公司之組織章程細則規定而特定。據此，在未獲股東週年大會上膺選連任之情況下，彼出任董事職位之持續期間不得超過三年或在彼之任命或重選連任為董事後超逾三次股東週年大會(兩者以較長期為準)，而彼按本公司之組織章程細則符合資格候選連任為董事。汪先生除每年享有由本公司董事會於二零零九年七月按當時市況而釐定之180,000港元之酬金外，並無就擔任獨立非執行董事而享有任何其他酬金。

### 高級行政人員

林光蔚先生，54歲，於二零零零年加入本公司，現任本公司、Chinese Estates Holdings Limited(本公司之母公司)及金匡企業有限公司(本公司之同系附屬公司)之集團財務總監及公司秘書。林先生為香港公認會計師(執業)，持有英國華威大學工商管理碩士學位。彼亦擔任本公司所有附屬公司之董事。林先生在核數、財務及會計方面累積逾三十二年經驗。

### 按上市規則第13.51(2)及第 13.51B(1)條規定就董事資料變動之披露

汪滌東先生，本公司之獨立非執行董事，於二零零九年十月十七日起獲委任為和記行(集團)有限公司(「和記行」)之公司秘書及授權代表。於二零零九年十二月三十日起，汪先生亦獲委任為中國能源開發控股有限公司(「中國能源」)之獨立非執行董事、審核委員會及薪酬委員會之主席。和記行及中國能源皆為香港之上市公司。

除「董事簡介」內提及之變動外，自刊發本公司二零零九年年中期報告書以來，概無按香港聯合交易所有限公司證券上市規則第13.51(2)及第13.51B(1)條規定而需披露每位董事資料之變動。

## Chairman's Statement

## 主席報告書

I am pleased to present the results of Chi Cheung Investment Company, Limited (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31st December, 2009 (the "Year") to the shareholders of the Company.

### RESULTS

Revenue for the Year decreased to HK\$23.6 million (2008: HK\$143.1 million). Gross profit for the Year dropped to HK\$20.4 million (2008: HK\$102.7 million). Profit attributable to equity holders of the Company for the Year was HK\$17.9 million compared to HK\$116.7 million last year.

### DIVIDENDS

The Board of Directors recommended the payment of a final dividend of HK1 cent per share for the Year (2008: HK1 cent per share) to the shareholders whose names appear on the register of members on 28th May, 2010. Subject to the approval of the shareholders at the forthcoming annual general meeting to be held on 28th May, 2010, the recommended final dividend will be paid on or about 18th June, 2010 to the shareholders as registered at the close of business on 28th May, 2010.

Taken together with the interim dividend of HK1 cent per share paid on 30th October, 2009, this will make a total dividend for the full year of HK2 cents per share in 2009 (2008: HK1 cent per share).

### CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from 26th May, 2010 to 28th May, 2010, both days inclusive. For the purpose of ascertaining the members' entitlement to the attendance of the forthcoming annual general meeting of the Company and to the final dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, namely Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on 25th May, 2010.

本人欣然呈報至祥置業有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零零九年十二月三十一日止年度(「本年度」)之業績予本公司股東。

### 業績

本年度之收益減少至23,600,000港元(二零零八年:143,100,000港元)。本年度之毛利下跌至20,400,000港元(二零零八年:102,700,000港元)。本公司股本持有人於本年度之應佔溢利為17,900,000港元,而去年則為116,700,000港元。

### 股息

董事會建議派發本年度之末期股息每股一港仙(二零零八年:每股一港仙)予於二零一零年五月二十八日已登記在股東名冊上之股東。待股東在即將於二零一零年五月二十八日召開之股東週年大會上批准通過後,建議派發之末期股息將於二零一零年六月十八日前後派發予二零一零年五月二十八日辦公時間結束時已登記之股東。

連同於二零零九年十月三十日已派發之中期股息每股一港仙,二零零九年全年度派發股息將合共為每股二港仙(二零零八年:每股一港仙)。

### 暫停辦理股東登記手續

本公司將自二零一零年五月二十六日起至二零一零年五月二十八日止(包括首尾兩天在內)暫停辦理股東登記手續。為確定股東出席本公司應屆股東週年大會及獲派末期股息的資格,所有股份過戶文件連同有關股票必須於二零一零年五月二十五日下午四時三十分前交回本公司的香港股份過戶登記處卓佳秘書商務有限公司,地址為香港皇后大道東28號金鐘匯中心26樓。

## Chairman's Statement

## 主席報告書

### BUSINESS REVIEW

During the Year under review, the investment returns from the loan to the Chinese Estates Group and certain long term fixed and floating rates notes had been the primary source of income of the Group, whereas the income from sale of properties and car parking rentals constituted secondary source.

#### Finance and Securities Investment

As at 31st December, 2009, the Company lent to the Chinese Estates Group a total sum of HK\$853 million under the three-year revolving loan facility ("Revolving Loan") at the interest rate of HIBOR plus 1% per annum. The Group had accrued an interest income from the Revolving Loan in the sum of HK\$9.8 million for the Year, in comparison with the interest income of HK\$0.4 million therefrom in 2008.

The investment in long term fixed and floating rates notes (the "FRN") with the aggregate principal sum of US\$12 million generated an interest income of HK\$5.1 million during the Year. At the end of the Year, the fair value of the FRN amounted to HK\$96.5 million, representing an increment of HK\$7.5 million or 8.4% as compared to HK\$89.0 million as at 31st December, 2008.

#### Investment Properties and Properties Held for Sale

During the Year, the Group had sold two units in Gemstar Tower, Hunghom, Kowloon, including one unit for investment purpose, comparing with sale of 10 units in 2008. The total sales proceeds generated HK\$15.5 million. The decline in sales of units in Gemstar Tower was mainly attributable to overall stagnant market condition in non-residential property sector in the first half of the Year under the adverse global business environment after the financial tsunami in 2008, and the reduction in units offered for sale.

The rental income from the car parking spaces in Gemstar Tower amounted to about HK\$2.4 million for the Year.

As at 31st December, 2009, the Group held 4 godown units on various floors of Gemstar Tower for sale with a total gross floor area of approximately 22,605 square feet and 50 car parking spaces. As at 31st December, 2009, the occupancy rate of the car parking spaces in Gemstar Tower was 42%.

### 業務回顧

回顧年內，提供予華置集團之貸款及若干長期定息及浮息票據之投資回報為本集團之主要收入來源，而物業銷售及停車位租金收入構成次要來源。

#### 融資及證券投資

於二零零九年十二月三十一日，本公司依三年期循環貸款協議（「循環貸款」）借予華置集團之貸款合共為853,000,000港元，年息為香港銀行同業拆息加一厘。年內，本集團從循環貸款入賬之利息收入為9,800,000港元，而二零零八年之利息收入為400,000港元。

年內，從本金總面額為12,000,000美元之長期定息及浮息票據（「票據」）之投資所產生之利息收入為5,100,000港元。於本年終，票據之公平值為96,500,000港元，對比於二零零八年十二月三十一日之公平值89,000,000港元，增長為7,500,000港元或8.4%。

#### 投資物業及持作出售之物業

年內，本集團出售兩個九龍紅磡駿昇中心單位，當中包括一個作投資物業用單位，而於二零零八年則有十個單位售出。由出售所得之總收益為15,500,000港元。駿昇中心單位銷售減少主要因為在二零零八年環球金融海嘯之營商環境不利之影響下，上半年非住宅用物業市場整體上趨於呆滯，以及單位之銷售供應減少所致。

年內，駿昇中心停車位租金收入約為2,400,000港元。

於二零零九年十二月三十一日，本集團持有不同樓層，建築面積約為22,605平方呎之四個貨倉單位，及五十個停車泊位。於二零零九年十二月三十一日，駿昇中心停車位之出租率為42%。

## Chairman's Statement

## 主席報告書

### PROSPECTS

The local economic condition at the end of the Year showed certain signs of recovery. Unemployment rate begins to stabilize. With the inflow of the visitors and investors from the mainland China, the local consumption shows improvement. Again, on the continuing support from the central government, the local micro economic environment has overcome the worst time of the global financial tsunami. However, the global economic condition is still severe and the worldwide consumption demand is rather low. Against these backgrounds, the Company's decision to secure a reliable and stable interest income return from the Chinese Estates Group by lending to the latter the principal sum of HK\$853 million proved to be prudent and positive during the Year. The fund of the Company has been preserved intact with continuous growth from the interest income. The rentals of the carpark in Gemstar Tower and the interest income from various FRN continue to produce stable income to the Company. Overall, the foundations of the Company remain stable and the interests of the shareholders of the Company are secured.

The local economy is on the way to the right track. The Company will continue to honour its contractual funding promise to the Chinese Estates Group. At the same time, the Company will constantly monitor its operation in tandem with the economic trend and will take prudent business strategy to exploit new business opportunity.

### APPRECIATION

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

On behalf of the Board

**Matthew Cheong, Veng-va**

*Chairman*

Hong Kong, 12th March, 2010

### 展望

本地經濟情況於年終時呈若干復甦跡象。失業率開始回穩。在內地訪客及投資者湧入下，本地消費情況亦呈改善。再者，在中央政府之持續支持下，本地微觀經濟環境已渡過環球金融海嘯之最困難時期。然而，環球經濟環境仍然嚴峻，世界各地消費需求偏低。在這些背景下，本公司最後選擇了在年內繼續向華置集團貸款為數本金853,000,000港元，以取得穩健及合理之利息收入回報，實證上是審慎及正面。本公司之資金仍然保持穩固，並在利息收入下持續增長。駿昇中心之停車位租金，以及從循環貸款及各票據之利息，將繼續為本公司帶來平穩之收入。整體上，本公司之基礎仍然穩定，而本公司股東之利益亦穩固。

本地經濟正重拾正軌。本公司將繼續向華置集團履行其在合約上之融資承諾。同時，本公司將不時依經濟之趨勢審視本公司運作，並將採取審慎商業策略以發掘新商機。

### 致謝

本人謹藉此機會對股東一直以來的鼎力支持及全體董事和員工竭誠為本集團效力深表謝意。

代表董事會

主席

昌榮華

香港，二零一零年三月十二日

## Financial Operation Review

## 財務經營回顧

### RESULTS

Revenue for the Year decreased to HK\$23.6 million (2008: HK\$143.1 million). Gross profit for the Year dropped to HK\$20.4 million (2008: HK\$102.7 million). Profit attributable to equity holders of the Company for the Year was HK\$17.9 million compared to HK\$116.7 million last year.

The property development segment generated a revenue of HK\$6.2 million during the Year (2008: HK\$138.3 million). For property leasing, rental income for the Year amounted to HK\$2.4 million (2008: HK\$2.8 million). Increase in fair value on investment properties for the Year amounted to HK\$3.9 million which a loss of HK\$3.1 million was recorded in last year.

No share of profit of associates recorded for the Year (2008: HK\$27.3 million) as all of the associates were disposed of through the disposal of subsidiaries under the asset transaction which completed in September 2008.

Earnings per share for the Year recorded at HK5.27 cents (2008: HK34.44 cents).

### NET ASSET VALUE

As at 31st December, 2009, the Group's net assets attributable to equity holders of the Company amounted to HK\$1,002.7 million, representing an increase of HK\$18.0 million or 1.8% compared to HK\$984.7 million in preceding year. The increase was due to profit retained for the Year. Net asset value per share to equity holders of the Company was HK\$2.96 (31st December, 2008: HK\$2.91).

### 業績

本年度之收益減少至23,600,000港元(二零零八年:143,100,000港元)。本年度之毛利下跌至20,400,000港元(二零零八年:102,700,000港元)。本公司股本持有人於本年度之應佔溢利為17,900,000港元,而去年則為116,700,000港元。

於本年度,物業發展分類錄得收益6,200,000港元(二零零八年:138,300,000港元)。至於物業租賃,本年度之租金收入為2,400,000港元(二零零八年:2,800,000港元)。本年度投資物業之公平值增加3,900,000港元,而去年則錄得虧損3,100,000港元。

由於所有聯營公司已根據於二零零八年九月完成之資產交易透過出售附屬公司而出售,故本年度並無錄得應佔聯營公司溢利(二零零八年:27,300,000港元)。

本年度之每股盈利為5.27港仙(二零零八年:34.44港仙)。

### 資產淨值

於二零零九年十二月三十一日,本公司股本持有人應佔本集團之資產淨值達1,002,700,000港元,較去年之984,700,000港元增加18,000,000港元,增幅為1.8%。增加乃由於本年度保留之溢利所致。本公司股本持有人應佔之每股資產淨值為2.96港元(二零零八年十二月三十一日:2.91港元)。

## Financial Operation Review

## 財務經營回顧

### DEBT AND GEARING

The Group continued to maintain a strong capital and cash position for the Year. As at 31st December, 2009, cash and bank balances amounted to HK\$9.8 million (31st December, 2008: HK\$9.7 million).

The Group did not have any bank borrowings as at 31st December, 2009 (31st December, 2008: Nil). The Group's income for the Year was denominated in Hong Kong dollars and United States dollars and no hedging for non-Hong Kong dollars assets or investments have been made during the Year.

### FOREIGN EXCHANGE EXPOSURE

The Group's income, assets and liabilities are mainly denominated in Hong Kong dollars or United States dollars and no hedging has been made.

### PLEDGE OF ASSETS

As at 31st December, 2009 and 2008, no assets were pledged by the Group to secure any banking facilities and the Group did not have any obligations under banking facility documentation.

### CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The Group did not have any material capital commitments and contingent liabilities as at 31st December, 2009 and 2008.

### 債務及資本負債

本集團於本年度繼續維持充裕之資本及現金狀況。於二零零九年十二月三十一日，現金及銀行結餘為9,800,000港元(二零零八年十二月三十一日：9,700,000港元)。

於二零零九年十二月三十一日，本集團並無任何銀行借貸(二零零八年十二月三十一日：無)。本集團於本年度之收入以港元及美元計算，故於本年度並無就非港元資產或投資進行對沖。

### 外匯風險

本集團之收入、資產及負債主要以港元或美元計算，故並無進行對沖。

### 資產抵押

於二零零九年及二零零八年十二月三十一日，本集團並無將任何資產抵押以取得銀行信貸，而本集團概無任何根據銀行信貸文件須履行之責任。

### 資本承擔及或然負債

於二零零九年及二零零八年十二月三十一日，本集團並無任何重大資本承擔及或然負債。

## Financial Operation Review

## 財務經營回顧

### FINANCIAL AND INTEREST INCOME

Interest income for the Year increased to HK\$14.9 million (2008: HK\$12.9 million) within which included imputed interest income from fixed and floating rate notes of HK\$0.6 million (2008: from fixed and floating rate notes of HK\$0.2 million and from advance to an associate of HK\$0.7 million).

### REMUNERATION POLICIES AND SHARE OPTION SCHEME

As at 31st December, 2009, the Group employed a total of 9 staff. Employees were remunerated on the basis of their performance, experience and prevailing industry practice. Remuneration packages comprised salary and year-end discretionary bonus based on market conditions and individual performance. The directors of the Company continued to review employees' contributions and to provide them with necessary incentives and flexibility for their better commitment and performance.

No share option scheme was adopted for the Year.

### PROPERTY VALUATION

A property valuation has been carried out by Norton Appraisals Limited, independent qualified professional surveyors, in respect of the Group's investment properties held as at 31st December, 2009 and that valuation was used in preparing this year's consolidated financial statements. The Group's investment properties were valued at HK\$29.4 million, the increase in fair value of approximately HK\$3.9 million was credited to the consolidated statement of comprehensive income for the Year. Non-investment properties were stated at cost less impairment, if any, in the consolidated financial statements.

### 財務及利息收入

本年度之利息收入增加至14,900,000港元(二零零八年: 12,900,000港元), 該金額包括定息及浮息票據之名義利息收入600,000港元(二零零八年: 定息及浮息票據之名義利息收入200,000港元及墊付聯營公司款項之名義利息收入700,000港元)。

### 酬金政策及購股權計劃

於二零零九年十二月三十一日, 本集團共僱用9名職員。僱員按其表現、經驗及現時行業慣例獲得酬金。酬金(包括薪金及年終酌情花紅)乃根據市況及個人表現釐定。本公司董事持續檢討僱員之貢獻及向彼等提供所需之獎勵及彈性, 使其更投入工作及有更佳表現。

本年度並無採納任何購股權計劃。

### 物業估值

獨立合資格專業測計師行普敦國際評估有限公司已就本集團於二零零九年十二月三十一日持有之投資物業進行物業估值, 有關估值乃用以編製本年度之綜合財務報表。本集團投資物業之估值為29,400,000港元, 公平值之增加約為3,900,000港元, 並已列入本年度之綜合全面收入報表中。非投資物業以成本扣除減值(如有)列於綜合財務報表中。

## Corporate Governance Report

## 企業管治報告書

### OBJECTIVE

The Board of Directors (the "Directors" or the "Board") of the Company together with its subsidiaries (the "Group") is committed to maintaining high standards of corporate governance so as to ensure high transparency and protection of shareholders' interests in general. The Board endeavours to ensure effective self-regulatory practices, to maintain sound internal control system and to absorb high calibre members to the Board.

The purpose of this Corporate Governance Report is to present to shareholders how the Company has applied the principles in the Code on Corporate Governance Practices (the "CG Code") under Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") issued by The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the year ended 31st December, 2009 (the "Year").

### ADOPTED CODES

Since 2005, the Company has adopted the code provisions and certain recommended best practices set out in the CG Code to enhance corporate governance in the interests of the Company and its shareholders.

The Company has also adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules which may be revised from time to time as a code of conduct regarding securities transactions by the Directors. In addition, the Company has a separate written code of conduct on terms no less exacting than the Model Code for the relevant employees of the Company who are likely to be in possession of unpublished price-sensitive information in respect of their dealings in the securities of the Company (the "Employees' Code").

### 理念

本公司(連同其附屬公司,「本集團」)董事會(「董事」或「董事會」)銳意維持高度企業管治,以確保運作更具透明度及全面保障股東利益。董事會致力確保制訂有效之自我監管常規,以維持良好之內部監控制度及吸納卓越之成員加入董事會。

本企業管治報告書是向股東呈示本公司於截至二零零九年十二月三十一日止年度(「本年度」)如何應用香港聯合交易所有限公司(「聯交所」)頒布之聯交所證券上市規則(「上市規則」)附錄十四《企業管治常規守則》(「企管守則」)之原則。

### 採納之守則

自二零零五年起,本公司已採納載於企管守則之守則條文及若干建議最佳常規,以提高企業管治對本公司及股東之利益。

本公司亦已採納上市規則附錄十《上市發行人董事進行證券交易的標準守則》(「標準守則」)作為董事進行證券交易之操守準則。另外,本公司亦已就可能擁有未公布的股價敏感資料之相關僱員,制訂不遜於標準守則之書面操守守則,作為彼等進行本公司證券交易之指引(「僱員守則」)。



## Corporate Governance Report

## 企業管治報告書

### BOARD OF DIRECTORS

#### Structure

The Board currently comprises two Executive Directors and three Independent Non-executive Directors (the "INED(s)"). The INEDs represent more than one-third members of the Board. The Directors' biographies are available on the Company's website. There is no relationship among members of the Board and in particular, between the chairman and the chief executive officer. The INEDs are highly experienced professionals and businessmen with a broad range of expertise and experience in accounting, finance and business management and two of them have appropriate professional accounting qualification as required by the Stock Exchange.

The Board is responsible for directing and supervising the Company's affairs. Each Director acts in good faith for the best interest of the Company. The Directors are collectively and individually responsible to the Company for the manner in which the affairs of the Company are managed, controlled and operated. They had devoted sufficient time and attention to the Company's affairs during the Year.

All the Directors, including the INEDs, must retire by rotation at least once every three years, and no director shall hold office for a continuous period in excess of 3 years, or past the third annual general meeting, following the Director's appointment or re-election, whichever is longer, without submitting himself/herself for re-election at the annual general meeting, under the articles of association of the Company. As such, the term of office of each Director has been specified under the Company's articles of association.

#### Assistance to Directors in Decision Making

Throughout their period in office, the Directors have been informed of the Group's business, the competitive and regulatory environments in which it operates and other changes affecting the Group and the industry it operates in as a whole. They have also been advised on appointment of their legal and other duties and obligations as directors of a listed company and updated on changes to the legal and governance requirements of the Group and upon themselves as the Directors.

### 董事會

#### 架構

董事會目前由兩位執行董事及三位獨立非執行董事(「獨立非執行董事」)組成。獨立非執行董事之人數超過董事會成員總數之三分之一。董事簡歷可於本公司網頁瀏覽。董事會成員之間，尤其是主席與行政總裁之間，並無關係。獨立非執行董事為極富經驗之專業人士及商界人士，在會計、金融及商業管理具備豐富專業知識及經驗，其中二人更具備聯交所規定之相關專業會計資格。

董事會負責領導及監督本公司事務。每位董事以本公司之最佳利益為前題，以誠信態度履行職責。董事知悉彼等在管理、控制及經營本公司事務上，共同及個別向本公司負責。年內，彼等已付出足夠時間及專注力以處理本公司事務。

根據本公司組織章程細則，所有董事(包括獨立非執行董事)須每三年最少告退一次，且規定董事在未於股東週年大會上膺選連任之情況下，出任董事職位之持續期間不得超過三年或獲委任或重選連任後超逾三次股東週年大會(兩者以較長期間為準)。因此，董事之任期按本公司組織章程細則而特定。

#### 給予董事決策之協助

本公司於董事在任期間，向彼等匯報有關本集團業務、經營所在地之競爭及規管環境，以及整體上影響本集團及其經營行業之其他變動的資料。彼等亦就委任為上市公司董事之法定及其他職能以及職責獲提供意見，並於彼等成為董事後更新有關本集團之法定及監管規定之變動。

## Corporate Governance Report

## 企業管治報告書

### BOARD OF DIRECTORS (cont'd)

#### Assistance to Directors in Decision Making (cont'd)

The Directors are given access to the secretary of the Company (the "Company Secretary") or independent professionals for advice at the Company's expense, when they deem it is necessary in order for them to carry out their responsibilities from time to time.

To enhance the Directors' consciousness on the importance of the directors' duties under common law and to comply with the requirement of the Companies Ordinance (Cap. 32, Laws of Hong Kong), a "Guide on Directors' Duties" in which the general principles a director should follow in the performance of his/her functions and exercise of his/her powers was distributed to the Directors.

#### Conduct of Meetings

The Directors are consulted and properly briefed for matters to be included in the meeting agenda. The Board is supplied with relevant information as well as reports relating to operational and financial performance of the Group before each regular Board meeting. At least 14 days' notice of a regular Board meeting is given to all Directors to provide them with the opportunity to attend the meeting. Board papers are dispatched to all Directors at least 3 days before the meeting to ensure that they have sufficient time to review the papers and will be adequately prepared for the meeting. Senior management is invited to attend the meeting to address to the Board members' queries. This enables the Board to have pertinent data and insight for a comprehensive and informed evaluation as part of the Board's decision-making purpose.

The Chairman has delegated the responsibility to the Company Secretary for drawing up and approving the meeting's agenda for each Board meeting, taking into account of any matters proposed by the other Directors for inclusion in the agenda.

The proceedings of the Board at its meetings are generally monitored by the Chairman who would ensure that sufficient time is allocated for discussion and consideration of each item on the agenda. Equal opportunities are given to the Directors to express their views and concerns.

### 董事會(續)

#### 給予董事決策之協助(續)

董事可不時視乎履行其職責所需而尋求公司秘書(「公司秘書」)或獨立專業人士之意見,費用概由本公司承擔。

為提高董事對普通法下董事職責重要性之意識及遵守公司條例(香港法例第32章)之要求,一份載有董事於執行職能及行使權力時應遵守之一般原則之「董事責任指引」已分發予董事。

#### 會議之舉行

董事可獲諮詢及簡報會議議程內所載之事宜,並於每次定期董事會會議前獲發有關本集團營運及財務表現之相關資料及報告。定期董事會會議通知於開會前最少十四日送交全體董事,供其選擇是否出席會議。董事會文件於會議舉行前最少三日發給全體董事,以確保彼等具備足夠時間審閱該文件,並為會議作好充份準備。高級管理層成員獲邀與會,解答董事會成員之提問。此舉令董事會在作出全面而知情之評估時,具有中肯之數據及認知,有助董事會作出決策。

主席已委派公司秘書負責在考慮各董事建議之議程後,編撰及批核每次董事會會議之議程。

董事會之議事程序一般由主席主持,以確保分配充裕之時間作出討論及考慮議程內之各個項目。各董事均獲平等機會表達意見及其關注事宜。

## Corporate Governance Report

## 企業管治報告書

### BOARD OF DIRECTORS (cont'd)

#### Conduct of Meetings (cont'd)

Each Director has to declare his/her interest and to abstain from voting on any board resolution in which he/she or any of his/her associates has a material interest pursuant to the Company's Articles of Association and the Companies Ordinance (Cap. 32, Laws of Hong Kong).

All Directors have full access to the advice and services of the Company Secretary to ensure the Board's procedures, rules and regulations are followed. Draft and final versions of minutes of each Board meeting in sufficient details are sent to the Directors for comments and records within reasonable time after the meeting is held. The minutes of Board meetings and of the Board committees' meetings are kept by the Company Secretary, which are open for inspection by the Directors on reasonable notice.

Four Board meetings were held on 6th March, 2nd July, 21st August and 10th December for the Year. The Company Secretary and the Company's senior management had attended the Board meetings to report matters arising from corporate governance, risk management, statutory compliance, accounting, finance and business. The individual attendance of each Director at the Board meetings held during the Year is as follows:

Directors	No. of Board meetings attended/held (Percentage of attendance in total)
<u>Executive Directors</u>	
Mr. Matthew Cheong, Veng-va ( <i>Chairman</i> )	4/4 (100%)
Ms. Teresa Poon, Mun-chie ( <i>Chief Executive Officer</i> )	4/4 (100%)
<u>Independent Non-executive Directors</u>	
Mr. Lai, Yun-hung	4/4 (100%)
Mr. Mok, Hon-sang	4/4 (100%)
Mr. Wong, Tik-tung	4/4 (100%)

### 董事會(續)

#### 會議之舉行(續)

根據本公司之組織章程細則及公司條例(香港法例第32章),每位董事均須申報其權益,並就其本身或其任何聯繫人士擁有重大權益之任何董事決議案放棄投票。

全體董事有權全面尋求公司秘書之意見及服務,以確保遵守董事會程序、規則及規例。詳盡之各董事會會議記錄之草稿及定稿將於舉行會議後之合理時間內,送交董事提供意見及記錄。董事會會議及董事委員會會議之記錄由公司秘書存置,並可由董事發出合理通知下供其查閱。

董事會於本年度三月六日、七月二日、八月二十一日及十二月十日舉行共四次董事會會議。公司秘書及本公司高級管理層均已出席董事會會議,匯報企業管治、風險管理、法規遵守、會計、財務及業務相關之事宜。年內,各董事於董事會會議之出席率如下:

董事	出席 舉行 董事會 會議數目 (總出席率)
<u>執行董事</u>	
昌榮華先生(主席)	4/4 (100%)
潘敏慈小姐(行政總裁)	4/4 (100%)
<u>獨立非執行董事</u>	
賴恩雄先生	4/4 (100%)
莫漢生先生	4/4 (100%)
汪滌東先生	4/4 (100%)

## Corporate Governance Report

## 企業管治報告書

### BOARD OF DIRECTORS (cont'd)

#### Works Performed

During the Year, besides attending the Board meetings to consider and make decision on corporate governance, risk management, statutory compliance, accounting, finance and business matters, the Directors had brought independent opinion and judgment on the Company's strategy, performance and standards of conduct; had taken the lead where potential conflicts of interests arose; had served on Board committees; had ensured that the Board maintained high standards of financial and other mandatory reporting; carried out reviews on matters reported by the Board committees, and had provided adequate checks and balance to safeguard the interests of shareholders in general and the Company as a whole.

During the Year, the INEDs had actively participated in the Board meetings, brought independent judgment and given their comments to the information or reports submitted to the meetings.

Besides attending the Board or committee meetings, in order to make timely decision and have effective implementation of the Company's policy and practice, the Board had also adopted written resolutions signed by all directors to make decision on corporate affairs from time to time.

As part of the continuing process on supervising the Company's affairs, the Directors, acting through by the Audit Committee, had reviewed the adequacy of resources, qualifications and experience of the Company's accounting staff and financial reporting function, and their training programmes and budget in December 2009.

#### Directors' Confirmation

The Company has received from each INED an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the INEDs are independent.

Besides, having made specific enquiry of all Directors and the relevant employees, all Directors confirmed that they had complied with the required standard set out in the Model Code and the relevant employees had complied with the Employees' Code regarding securities transaction throughout the Year.

### 董事會(續)

#### 履行之工作

年內,除了出席董事會會議以考慮及決定企業管治、風險管理、法規遵守、會計、財務及業務事宜,董事對本公司之策略、表現及守則標準作出獨立意見及判斷;在有潛在利益衝突時發揮領導作用;出任董事委員會委員;確保董事會維持高水平之財務及其他強制申報準則;審閱委員會報告之事項;以及提供足夠審查及平衡以保障全體股東與本公司整體利益。

年內,獨立非執行董事積極參與董事會會議,就會議事項作出獨立判斷及在提呈於會議上之資料或報告發表意見。

除了出席董事會或委員會會議,為了能及時作出決定及有效實施本公司之政策及實務,董事會亦不時採納全體董事書面決議書為公司事務作出決定。

作為持續監督本公司業務之程序,本公司董事已於二零零九年十二月由審核委員會代行審閱本公司會計及財務匯報職能方面的資源、員工資歷及經驗與員工所接受的培訓課程及有關預算是否足夠。

#### 董事之確認

本公司已接獲各獨立非執行董事之年度確認書,確認彼等符合上市規則第3.13條所載有關獨立性之規定。本公司認為全體獨立非執行董事均為獨立人士。

此外,本公司在向所有董事及有關僱員作出具體查詢後,所有董事確認彼等於年內一直遵守標準守則載列的所需標準,以及有關僱員於年內就進行證券交易一直遵守僱員守則。

## Corporate Governance Report

## 企業管治報告書

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and Chief Executive Officer (the “CEO”) are separate and not performed by the same individual. Mr. Matthew Cheong, Veng-va is the Chairman with responsibility for overseeing the function of the Board, formulating overall strategies and policies of the Company. Ms. Teresa Poon, Mun-chie is the CEO with responsibility for the overall business and operation of the Group. This segregation is clearly established and set out in writing to ensure a clear distinction between the Chairman’s responsibility to manage the Board and the CEO’s responsibility to manage the Group’s business.

### BOARD COMMITTEES

The Board has established Audit Committee and Remuneration Committee with defined roles and terms of reference.

#### Audit Committee

##### Structure

The Audit Committee has been established since December 2000 with the roles to assist the Board in establishing formal and transparent arrangements for considering how it will apply the financial reporting and the internal control principles and for maintaining an appropriate relationship with the Company’s auditors (the “Independent Auditors”). It acts in an advisory capacity and makes recommendations to the Board.

All the Audit Committee members possess diversified industry experience. The Chairman has appropriate professional qualification, accounting or related financial management expertise as required by the Listing Rules. The Audit Committee is made up of the INEDs, namely:

Mr. Wong, Tik-tung (*Chairman*)  
Mr. Lai, Yun-hung  
Mr. Mok, Hon-sang

### 主席及行政總裁

主席及行政總裁(「行政總裁」)之角色須予分開,且不得由同一個人擔任。昌榮華先生為主席,負責監督董事會職能、制訂本公司整體策略及政策。潘敏慈小姐為行政總裁,負責監督本集團之整體業務及運作。主席及行政總裁職能分配已清楚以書面訂立,以清楚劃分主席負責管理董事會,而行政總裁負責管理本集團業務。

### 董事委員會

董事會已成立審核委員會及薪酬委員會,並界定其角色及職權範圍。

#### 審核委員會

##### 架構

審核委員會於二零零零年十二月成立,其角色為協助董事會建立正式及具透明度之安排,讓董事會考慮如何應用財務匯報及內部監控原則,以及如何與本公司核數師(「獨立核數師」)維持恰當的關係。審核委員會具有顧問職能,並向董事會提供意見。

審核委員會全體成員具備多元化的業務經驗。主席具備了上市規則規定之相關專業資格、會計或相關財務管理專業知識。審核委員會由全體獨立非執行董事組成,彼等為:

汪滌東先生(主席)  
賴恩雄先生  
莫漢生先生

## Corporate Governance Report

## 企業管治報告書

### BOARD COMMITTEES (cont'd)

#### Audit Committee (cont'd)

##### Function

The Audit Committee's terms of reference can be found on the Group's website. The major duties of the Audit Committee are summarised below:

- i) to make recommendations to the Board on the appointment, re-appointment and removal of the Company's Independent Auditors, review and monitor their independence and objectivity as well as the effectiveness of the audit process;
- ii) to monitor the integrity of the interim and annual consolidated financial statements, reports and accounts and quarterly reports of the Company, and to review any significant financial reporting judgments contained in them; and
- iii) to review and ensure the effectiveness of the Company's financial control, internal control and risk management systems.

##### Conduct of Meetings

The Audit Committee shall meet at least twice each year. The Company prepares and delivers an information memorandum that includes all relevant information about the meetings to the Audit Committee members at least 3 days prior to such meetings. During the Year, the Audit Committee members reviewed the information memorandum with due care and discussed with the Group Financial Controller (who is also the Company Secretary) and other senior management (if necessary) during the meetings.

During the Year, the Audit Committee held three meetings on 4th March, 18th August and 10th December, 2009 with the presence of the Company's senior management. Minutes drafted by the Company Secretary were circulated to the Audit Committee members for comments within a reasonable time after each meeting. Executed minutes were kept by the Company Secretary and copies of the minutes were sent to the Audit Committee members for records.

### 董事委員會(續)

#### 審核委員會(續)

##### 職能

有關審核委員會之職權範圍,可瀏覽本集團網頁。審核委員會之主要職責概述如下:

- i) 就委任、重新委任及罷免本公司獨立核數師向董事會提供推薦意見、審核及監控彼等之獨立性及客觀性,以及審核程序之有效性;
- ii) 監察本公司中期及全年綜合財務報表、報告和賬目及季度報告之真實性,以及審閱上述各項所載之任何重大財務報告之判斷;及
- iii) 審閱及確保本公司財務監控、內部監控及風險管理系統之有效性。

##### 會議之舉行

審核委員會每年須最少開會兩次。本公司編製及派發資料備忘錄,內容包括會議時所需之所有資料,於審核委員會開會前最少三日提交予審核委員會成員。年內,審核委員會成員謹慎地審閱資料備忘錄,並於會議上與集團財務總監(彼亦為公司秘書)及其他高級管理層成員(如有需要)討論。

年內,審核委員會分別於二零零九年三月四日、八月十八日及十二月十日舉行共三次會議,而本公司的高級管理層成員均有出席。公司秘書草擬的會議記錄已於每次會議後一段合理時間內交予審核委員會成員傳閱及給予意見。公司秘書已經存置全部會議記錄,有關副本亦已送交審核委員會成員以作記錄。

## Corporate Governance Report

## 企業管治報告書

## BOARD COMMITTEES (cont'd)

## Audit Committee (cont'd)

## Conduct of Meetings (cont'd)

Individual attendance of each committee member at the meetings is as follows:

Members	No. of meetings attended/held (Percentage of attendance in total)
Mr. Wong, Tik-tung ( <i>Chairman</i> )	3/3 (100%)
Mr. Lai, Yun-hung	3/3 (100%)
Mr. Mok, Hon-sang	3/3 (100%)

## Works Performed

The works performed by the members of Audit Committee in the Year are summarized below:

- i) reviewed and considered the Group accounts and financial statements for the year ended 31st December, 2008, and interim and quarterly accounts for 2009;
- ii) reviewed, discussed and agreed with the Independent Auditors in respect of the audit fee for the year 2009; the terms of the engagement letters; the nature, scope of audit and reporting obligations for the Year;
- iii) reviewed and assessed the adequacy and effectiveness of the Group's financial reporting and controls, internal control procedures and risk management systems;
- iv) reviewed the corporate governance practices and monitored the progress of compliance of the CG Code;
- v) carried out annual review on the continuing connected transactions of the Company and their financial implication in their capacity as members of the independent board committee;

## 董事委員會(續)

## 審核委員會(續)

## 會議之舉行(續)

各委員會成員於該等會議之出席率如下:

成員	出席 舉行 會議數目 (總出席率)
汪滌東先生(主席)	3/3 (100%)
賴恩雄先生	3/3 (100%)
莫漢生先生	3/3 (100%)

## 履行之工作

審核委員會成員於本年度履行之工作概述如下:

- i) 審閱及省覽本集團截至二零零八年十二月三十一日止年度之賬目及財務報表,以及二零零九年之中期及季度賬目;
- ii) 與獨立核數師審閱、討論及同意二零零九年核數費用;本年度委聘書之條款;核數之性質、範圍及申報責任;
- iii) 審閱及評估本集團之財務匯報及監控、內部監控程序及風險管理系統是否足夠及有效;
- iv) 檢討企業管治常規及監控遵循守則之進度;
- v) 以獨立董事委員會之身份,對本公司之持續關連交易及其財務影響進行週年審閱;

## Corporate Governance Report

## 企業管治報告書

### BOARD COMMITTEES (cont'd)

#### Audit Committee (cont'd)

#### Works Performed (cont'd)

- vi) reviewed the performance of the sale of properties of the Group for the year ended 31st December, 2008;
- vii) reviewed the adequacy of resources, qualifications and experience of the staff in accounting and financial reporting function, and the training programmes and budget;
- viii) reviewed the changes of the Listing Rules from 2009 onwards that have direct relevance to the terms of reference of the Audit Committee; and
- ix) prepared and submitted to the Board an Audit Committee Report detailing the works performed by the Audit Committee during the Year, presented its findings and made recommendations for consideration by the Board.

On 11th March, 2010, the Audit Committee reviewed the Group's and the Company's accounts and draft financial statements for the Year.

#### Amendment of Terms of Reference

As a result of implementation of certain amendments to the Listing Rules effective on 1st January, 2009, the terms of reference of the Audit Committee have been amended by deleting any reference to the "Qualified Accountant" (as defined by the former Rule 3.24 of the Listing Rules) as it is no longer necessary to have Qualified Accountant for a listed company in Hong Kong. Instead, the terms of reference now requires the Audit Committee to discuss on the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget. The Audit Committee assists the Board to have effective internal controls for proper financial reporting, adequate accounting systems and appropriate human resources to fulfill its continuing financial reporting obligations. As aforesaid, the Audit Committee had carried out the review on the adequacy of resources, qualifications and experience of the staff in accounting and financial reporting function, and the training programmes and budget and is satisfied with the condition of the Group.

### 董事委員會(續)

#### 審核委員會(續)

#### 履行之工作(續)

- vi) 審閱本集團截至二零零八年十二月三十一日止年度之物業銷售表現；
- vii) 審閱會計及財務匯報職能方面的資源、員工資歷及經驗與員工所接受的培訓課程及有關預算是否足夠；
- viii) 審閱就二零零九年以來與審核委員會之職權範圍有直接關係之上市規則變更；及
- ix) 編製並向董事會呈交審核委員會報告，當中詳列審核委員會於年內已履行之工作，以及呈交其審核結果及向董事會提供建議以作考慮。

於二零一零年三月十一日，審核委員會已審閱本集團及本公司本年度之賬目及財務報表之草稿。

#### 職權範圍之修改

由於上市規則之若干修訂已於二零零九年一月一日實施，香港之上市公司再無須設立「合資格會計師」(定義見前上市規則第3.24條)一職，審核委員會之職權範圍已省去合資格會計師之任何相關部份。取而代之，該職權範圍現要求審核委員會，討論本公司會計及財務匯報職能方面之資源、員工之資歷及經驗與員工所接受的培訓課程及有關預算是否足夠。審核委員會協助董事會使其具備有效之內部監控系統作合適之財務報告、適當之會計系統及人力資源以履行持續之財務報告責任。如前述，審核委員會已審閱會計及財務匯報職能方面的資源、員工資歷及經驗與員工所接受的培訓課程及有關預算是否足夠，並滿意本集團現狀。



## Corporate Governance Report

## 企業管治報告書

### BOARD COMMITTEES (cont'd)

#### Remuneration Committee

##### Structure

The Remuneration Committee has been established since June 2005 with the role to assist the Board in reviewing and determining the framework or broad policy for remuneration packages of the Directors and senior management, overseeing any major changes in employee benefit structures and considering other topics as defined by the Board.

The Remuneration Committee comprises all INEDs, namely:

Mr. Wong, Tik-tung (*Chairman*)

Mr. Lai, Yun-hung

Mr. Mok, Hon-sang

##### Function

The principal responsibilities of the Remuneration Committee are as follows:

- i) setting, reviewing and recommending to the Board for approving the Group's overall remuneration policy and strategy;
- ii) setting, reviewing and approving performance-based remuneration and individual remuneration packages for the Executive Directors and senior management including terms and conditions of employment as well as compensation payable due to loss or termination of office, and dismissal or removal for misconduct; and
- iii) recommending the Board on the remuneration of Non-executive Directors.

The Remuneration Committee's terms of reference can be found on the Group's website.

The Remuneration Committee would consult the Chairman and/or the CEO about its proposals on remuneration of other Executive Directors and seek internal and external professional advices if considered necessary.

### 董事委員會(續)

#### 薪酬委員會

##### 架構

薪酬委員會於二零零五年六月成立，其角色為協助董事會檢討及釐定董事及高級管理層之薪酬待遇或具體政策，監督僱員福利架構之任何重大變動，以及考慮董事會釐定之其他事項。

薪酬委員會由全體獨立非執行董事組成，彼等為：

汪滌東先生(主席)

賴恩雄先生

莫漢生先生

##### 職能

薪酬委員會之主要職責如下：

- i) 制訂、檢討及建議董事會批准本集團之整體薪酬政策及策略；
- ii) 制訂、檢討及批准以表現為考慮基礎之薪酬，以及執行董事及高級管理層之個別薪酬待遇，包括僱傭條款及條件，以及因離職或終止受僱及因行為不當而遭解僱或罷免所產生需支付之賠償；及
- iii) 就非執行董事之薪酬向董事會提供意見。

有關薪酬委員會之職權範圍，可瀏覽本集團網頁。

薪酬委員會須就其他執行董事之薪酬建議諮詢主席及或行政總裁，並在認為有需要時尋求內部及外界專業意見。

## Corporate Governance Report

## 企業管治報告書

### BOARD COMMITTEES (cont'd)

#### Remuneration Committee (cont'd)

##### Conduct of Meetings

The Remuneration Committee held two meetings on 4th March and 2nd July, 2009 to discuss and ratify the payment of discretionary bonus for the year ended 31st December, 2008 to employees of the Company; and to consider and approve the annual remuneration of the Executive Directors for the Year.

Individual attendance of each committee member at the meetings is as follows:

Members	No. of meetings attended/held (Percentage of attendance in total)
Mr. Wong, Tik-tung ( <i>Chairman</i> )	2/2 (100%)
Mr. Lai, Yun-hung	2/2 (100%)
Mr. Mok, Hon-sang	2/2 (100%)

The INEDs are not entitled to any other emoluments for holding office as the INEDs except for their entitlement of an annual remuneration of HK\$180,000 determined by the Board subject to annual review with reference to the prevailing market condition. No share option scheme is adopted by the Company during the Year.

During the Year, the Remuneration Committee had carried out a review on the remuneration of the Executive Directors. After review, each of the Executive Directors (namely Mr. Matthew Cheong, Veng-va and Ms. Teresa Poon, Mun-chie) agreed to receive a remuneration of HK\$10,000 per annum on a nominal basis without making reference to the prevailing market condition.

#### Nomination Committee

No Nomination Committee is established in view of the current business requirement of the Company. Currently, the Board is responsible for reviewing its composition, identifying and selecting suitable Board members, assessing independence of the INEDs, considering appointment or re-appointment of the Directors and succession planning for the Directors. The Board shall exercise its power under Article 92 of the Articles of Association of the Company to appoint any person as a director either to fill as casual vacancy or as an addition to the Board whenever the business of the Company requires.

### 董事委員會(續)

#### 薪酬委員會(續)

##### 會議之舉行

薪酬委員會於二零零九年三月四日及七月二日，舉行共兩次會議，以討論並追認發放於二零零八年十二月三十一日年度之年終酌情花紅予本公司僱員，以及考慮及批准本年度執行董事之年度酬金。

各委員會成員於該等會議之出席率如下：

成員	出席 舉行 會議數目 (總出席率)
汪滌東先生(主席)	2/2 (100%)
賴恩雄先生	2/2 (100%)
莫漢生先生	2/2 (100%)

獨立非執行董事除每年享有180,000港元之酬金外，並無就擔任獨立非執行董事收取任何其他酬金。有關酬金須由董事會參考當時市況而每年作出檢討。年內，本公司並無採納任何認股權計劃。

年內，薪酬委員會已就執行董事之酬金進行檢討。經檢討後，每位執行董事(即昌榮華先生及潘敏慈小姐)同意收取不按當時市況而釐定之名義酬金10,000港元。

#### 提名委員會

鑑於本公司之現時業務現狀，本公司並無成立提名委員會。目前，董事會負責檢討其組成、角色及甄選合適之董事會成員，評估獨立非執行董事之獨立性，考慮委任或重新委任董事，以及制訂董事之接任安排。董事會將按本公司之業務需要，根據本公司組織章程細則第92條行使其權力，委任任何人士填補董事空缺或作為新增董事會成員。

## Corporate Governance Report

## 企業管治報告書

### MANAGEMENT FUNCTIONS

The Executive Directors have defined clear directions on powers of management and delegate daily management and administration functions to the management. The functions reserved to the Board and those delegated to the senior management are reviewed from time to time. The Company would formalize the division of responsibility between the Board and the management when the operational requirement of the Group justifies such division.

### INDEPENDENT AUDITORS

Messrs HLB Hodgson Impey Cheng ("HLB") were re-appointed as the Independent Auditors by shareholders at the 2009 annual general meeting of the Company. In order to maintain the independence and objectivity of the Independent Auditors (which for these purposes include any entity under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally), they will not be engaged for non-audit work unless it has been pre-approved by the Audit Committee.

Independent Auditors were engaged on an ad hoc basis to supply non-audit service, such as to provide a confirmation letter to the Board and to the Stock Exchange to confirm, among others, that the continuing connected transactions have not exceeded the stipulated cap for the transactions, as part of the process for the annual review of the transactions as required under Chapter 14A of the Listing Rules during the Year. The fundamental policy is to ensure that the engagement of the Independent Auditors for non-audit service will not harm their independence or cause any bias on audit works for the presentation of financial statements of the Group. During the Year, the fee for engaging Independent Auditors to carry out the works in connection with annual review of the continuing connected transactions amounted to HK\$20,000.

At the annual general meeting held on 27th May, 2009, HLB were re-appointed by the shareholders as the Independent Auditors of the Company at a fee to be agreed with the Board. The Audit Committee reviewed the terms of engagement letter of Independent Auditors in early December 2009 and agreed with HLB the audit fees for auditing the financial statements of the Group for the Year at HK\$210,000.

It is recommended that HLB shall be re-appointed as the Independent Auditors for the financial year 2010 at a fee to be agreed with the Board.

### 管理層職能

執行董事就管理層的權力，給予清晰的指引，並指派管理層處理日常管理及行政職能。董事會所保留與委派予高級管理層之職能乃不時予以檢討。倘本集團之規模發展至須劃分董事會與管理層之職責時，本公司將制訂該等職責劃分。

### 獨立核數師

國衛會計師事務所(「國衛」)已獲股東於本公司二零零九年股東週年大會上續聘為獨立核數師。為保持獨立核數師之獨立性及客觀性(就此而言包括與核數師行共同控制、擁有或管理之任何實體，或合理及知情第三方在接獲一切相關資料後合理認為在國家或國際方面屬核數師行一部份之任何實體)，其將不會受聘進行非核數工作，除非已獲審核委員會事先批准。

獨立核數師於特別情況下提供非審核之服務，如年內按上市規則第14A章規定提供確認書予董事會及聯交所，以確認(連同其他事項)持續關連交易並無超過該交易既定之上限，作為該交易週年審閱之部份程序。本集團之基本政策乃確保獨立核數師對非審核服務之參與不會損害其獨立性或導致編製本集團財務報表時構成審核偏頗。年內，聘任獨立核數師就持續關連交易週年審閱所進行之工作費用為20,000港元。

於二零零九年五月二十七日舉行之股東週年大會上，國衛獲重選為本公司之獨立核數師，費用有待與董事會商討。審核委員會於二零零九年十二月初審閱獨立核數師之聘書之條款，並與國衛商定審核本年度本集團財務報表之審核費用為210,000港元。

茲建議續聘國衛為本公司二零一零年財政年度之獨立核數師，費用有待與董事會磋商。

## Corporate Governance Report

## 企業管治報告書

### FINANCIAL REPORTING

The Company aims to present a clear, balanced and understandable assessment of its financial position and prospects. Financial results are announced as early as possible, with interim report and annual report as well as other price-sensitive announcements and financial disclosures published as required under the Listing Rules.

The management provides explanation, information and progress update to the Board for it to make an informed assessment of the financial and other issues put before the Board for approval and consideration.

Throughout the Year, the Directors had selected appropriate accounting policies and applied them consistently. The Directors acknowledge their responsibilities for preparing the financial accounts of the Group which give a true and fair view and are in accordance with generally accepted accounting standards published by the Hong Kong Institute of Certified Public Accountants. A statement by the Independent Auditors about their reporting responsibilities for the Year is set out in this annual report.

The Independent Auditors did not report for the Year that there were any material uncertainties relating to events or conditions that might cast significant doubt upon the Company's ability to continue as a going concern.

### INTERNAL CONTROL

#### Scope of Works

The Board recognizes its responsibility for establishment, maintenance and review of the internal control system that provides reasonable assurance on the reliability and integrity of financial and operational information, effective and efficient operations, safeguarding of assets and compliance with laws and regulations. The internal control system is designed to manage rather than to eliminate all risks of failure while its goal is to provide reasonable, not absolute, assurance regarding the achievement of organizational objectives. The Audit Committee is responsible to assist the Board for the annual review of the effectiveness of the internal control system of the Group.

With respect to procedures and internal control for handling and dissemination of price-sensitive information, the Company is aware of its obligations under the Listing Rules and the overriding principle that information which is expected to be price-sensitive should be announced promptly after it becomes known to and/or is the subject of a decision by the Directors or senior management of the Company, and conducts its affairs with close regard to the "Guide on disclosure of price-sensitive information" issued by the Stock Exchange.

### 財務報告

本公司旨在對其財務狀況及前景作出清晰、平衡及可理解評估之呈報。財務業績以盡早發布為基礎，而中期報告及年報，連同其他股價敏感資料公布及財務披露則根據上市規則之規定而公布。

管理層向董事會提供解釋、資料及最新進度，讓董事會就財務及其他事項於提交董事會審批及考慮前，可作出知情評估。

於年內，董事已選取合適之會計政策並貫徹應用。董事確認彼等之責任為編製本集團之財務賬目，賬目須真實而公平，並根據香港會計師公會公布而普遍被採用之會計準則。獨立核數師就彼等於本年度之報告責任所發出之聲明已載於本年報內。

獨立核數師並無就本年度有關任何重大涉及可能對本公司持續經營能力存疑之事件或狀況之重大不確定因素作出報告。

### 內部監控

#### 工作範疇

董事會確認其責任為制訂、維持及檢討內部監控制度，使它能就財務及營運資料之可靠性及完整性、營運效率及效能、資產保障以及法例及法規遵守方面提供合理之確定。內部監控制度乃為管理（而非完全消除）失責風險而設，旨在為達至機構目標而提供合理（而非絕對）確定。審核委員會負責協助董事會對本集團內部監控制度進行效用評估之年度審閱。

就處理及公布股價敏感資料之程序及內部監控方面，本公司知悉根據上市規則之責任，並知悉當董事或本公司高級管理層得悉股價敏感資料及或彼將根據該等資料作出業務決定時，預期屬股價敏感資料須即時公布之優先原則。本公司須嚴格按照聯交所頒布之「股價敏感資料披露指引」處理其事務。

## Corporate Governance Report

## 企業管治報告書

### INTERNAL CONTROL (cont'd)

#### Scope of Works (cont'd)

To ensure sufficient resources provided to the Audit Committee, information and assessment of financial and internal controls, risk management systems were sent to the Audit Committee members. Internal control procedures of the Group had been commented by the committee members during the Year.

#### Audit Committee's Review

The Audit Committee had reviewed the financial control, internal control and risk management systems of the Company for the Year. It considered the internal control system effective and adequate as they allowed the Board to monitor the Group's overall financial position and to provide reasonable assurance that assets are safeguarded against unauthorized use or material financial misstatement; transactions were executed in accordance with management's authorization; and the accounting records were reliable for preparing financial information used within the business or for publication and reflecting accountability for assets and liabilities. Further reviews will be conducted on the request of any Audit Committee member, the Group Financial Controller, Company Secretary, or any Director.

The Audit Committee considered that the careful management of risk as a key management activity and concluded that the business risks, which could be strategic, operational, reputation-related or financial, should be understood and visible. The Board acknowledges the areas of concern and would devote to in-depth study with senior management in each situation about the level of acceptable risk and controls.

The Audit Committee and the Board considered that the Company had complied with the code provisions on internal control during the Year, and the internal control system is effective and adequate, as

- a framework of prudent and effective control has been established to enable risks to be identified, evaluated and managed; and
- periodic review of the system of the internal control is carried out by the Audit Committee to ensure the effectiveness of such control.

### 內部監控(續)

#### 工作範疇(續)

為確保審核委員會獲得足夠資源，財務及內部監控、風險管理系統之資料及評估已送交審核委員會成員。年內，本集團內部監控程序已由委員會成員批閱。

#### 審核委員會之審閱

審核委員會已審閱本公司本年度之財務監控、內部監控及風險管理系統。審核委員會認為內部監控系統屬有效及足以讓董事會監察本集團之整體財務狀況及可合理確定資產不會被未授權使用或虛報重大財務資料；交易乃根據管理層之授權簽立；及會計記錄能可靠地編製供業務內使用或作刊發之財務資料，並反映資產及負債之可表述性。在任何審核委員會成員、集團財務總監、公司秘書或任何董事要求之情況下，可進行額外審閱。

審核委員會認為審慎之風險管理為主要管理活動，並認為業務風險，可能涉及策略、營運、聲譽或財務，須為明確及清晰。董事會明瞭所關注之範圍，並與高級管理層致力對各項情況之可承受風險水平及監控進行深入研究。

審核委員會及董事會認為本公司已於年內遵守內部監控之守則條文，而內部監控系統為足夠且有效，因為：

- 已設立審慎且有效監控之架構，以確保能識別、評估及管理風險；及
- 審核委員會定期審閱內部監控系統，以確保有關監控之有效性。

## Corporate Governance Report

## 企業管治報告書

### INTERNAL CONTROL (cont'd)

#### Internal Audit Function

The Company has established an Internal Audit function with the key tasks as below:

- to review all aspects of the Group's activities and internal controls with unrestricted right of access and direct access to any level of management as considered necessary;
- to conduct comprehensive audits of the practices and procedures, incomes and expenditures, and internal controls of all business units of the Group on a regular basis; and
- to conduct special reviews and investigations of areas of concern identified by management for corrective actions.

### SHAREHOLDERS' RIGHTS

The Company is committed to safeguard the shareholders' and the Company's interests as a whole and encourages shareholders to attend general meetings of the shareholders to participate in the important decisions of the Company for which the shareholders' approval is required under the Listing Rules and the Companies Ordinance. The Company regards general meetings of the shareholders as an important event as it provides an important opportunity for direct communication between the Board and the shareholders. The Directors, including the INEDs were available to answer questions at the annual general meeting held in May 2009. The Chairman of the Audit Committee and Remuneration Committee, the Independent Auditors and the Chairman of the independent board committee were also available at the general meetings to address the shareholders' queries.

During the Year, an important amendment of the Listing Rules is the implementation of poll voting in lieu of show of hands at all general meetings of a listed company. It is believed that the voting by poll can fully reflect the proprietary rights and interests of the shareholders and is a fairer method of determination on business matters by the shareholders than voting on a show of hands at the general meetings. Furthermore, in compliance with the new requirement under the Listing Rules, notice of the annual general meeting, together with the annual report and circular, was sent to the shareholders more than 20 clear business days before the meeting to allow more time for the shareholders to digest information in the annual report and circular, and to consider whether joining the meeting or not.

### 內部監控(續)

#### 內部稽核職能

本公司已制訂之內部稽核職能主要工作如下：

- 檢討本集團各方面之活動及內部監控，及在認為必須之情況下具備無限制及直接接觸任何管理階層之權利；
- 定期對本集團之所有業務單位進行全面之常規及程序、收支及內部監控審核；及
- 就管理層認定之範疇進行特殊檢討及調查，以作出修正行動。

### 股東權利

本公司銳意保障股東及本公司之整體利益，並鼓勵彼等出席股東大會，以參與上市規則及公司條例要求股東批准之重要決策。鑑於股東大會為董事會與股東直接溝通之主要機會，故本公司視股東大會為一項重要事項。董事（包括獨立非執行董事）均已出席二零零九年五月舉行之股東週年大會並回答提問。審核委員會和薪酬委員會主席、獨立核數師及獨立董事委員會主席亦已出席股東大會並解答股東提問。

年內，一項上市規則之重要修訂為於上市公司之所有股東大會上，實行以投票方式表決以代替舉手方式表決。以投票方式表決相信能全面反映股東之財產權益，且於股東大會上作為股東決定業務之辦法，將較舉手方式表決更為公平。再者，以符合上市規則之新規定，召開股東週年大會之通告，連同年報及通函，已在開會前超過二十個營業日發送予股東，以讓股東有更多時間消化年報及通函之資料，及考慮是否參與會議。

## Corporate Governance Report

## 企業管治報告書

### SHAREHOLDERS' RIGHTS (cont'd)

To comply with the new requirement, the Chairman of the Board, when acting as the Chairman of the annual general meeting held on 27th May, 2009, took the initiative to demand for a poll at the commencement of the meeting and explained the detailed procedures for conducting a poll to the shareholders. All resolutions were put to vote and passed by poll under the scrutiny of the independent share registrar. The poll results were made public by means of a public announcement which was uploaded to the websites of the Company and the Stock Exchange.

Statutory announcements, financial and other information of the Group are made available on the Company's website, which is regularly updated.

Shareholders may put their enquires to the Board and also put forward proposals at general meetings by way of a written notice addressed to the Company Secretary at the registered office of the Company.

### INVESTOR RELATIONS

Accountability and transparency are indispensable for ensuring good corporate governance and, in this regard, timely communication with the shareholders, including institutional investors, is crucial. The Company considers good investor relations as a key part of its operations and continues to promote investor relations and enhances communications with the investors.

The Company maintains a corporate website ([www.chicheung.com](http://www.chicheung.com)) to make the corporate information available on the internet to facilitate its communication with shareholders and to provide important information to the investing public on corporate governance structure, policies and systems, profiles of the Directors and senior management as well as terms of reference of Board committees.

The Company welcomes suggestions from investors and shareholders, and invites them to share their views and suggestions by contacting the investor relations team at [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com).

### CONCLUSION

The Company believes that corporate governance principles and practices are essential to the business communities. Ongoing effort will be put to review its corporate governance practices from time to time so as to accommodate the changing circumstances. The Company will try its best to maintain, strengthen and improve the standard and quality of its corporate governance.

In conclusion, the Board considered that the Company had applied the principles of the CG Code and complied with the code provisions and certain recommended best practices set out in the CG Code throughout the Year.

### 股東權利(續)

為符合該新規定，董事會主席，當擔任二零零九年五月二十七日舉行之股東週年大會之主席時，於會議開始時主動要求以投票方式表決，並向股東解釋進行投票表決之詳細程序。在獨立股份過戶登記處之監察下，所有議案交大會以投票方式表決及通過。投票方式表決之結果以公布之方式，在本公司及聯交所之網頁上載公開。

本集團之法定公布、財務及其他資料可於本公司網頁瀏覽，並定期更新。

股東可向董事會作出提問，並以書面通知方式致本公司註冊辦事處向公司秘書提交於股東大會提呈之建議。

### 投資者關係

問責制及透明度乃確保良好企業管治之不二法門。就此，與股東(包括機構投資者)定時溝通更屬不可或缺之部份。本公司認為良好投資者關係乃其運作之主要部份，並持續推廣投資者關係及加強與投資者之溝通。

本公司設有公司網頁([www.chicheung.com](http://www.chicheung.com))，使股東可透過互聯網取得公司資料，加強與股東之溝通，並提供重要資料予公眾投資者了解企業管治架構、政策及制度、董事及高級管理層簡介，以及董事委員會之職權範圍。

本公司歡迎投資者及股東提出意見，並誠邀彼等聯絡投資者關係部，分享彼等之意見及建議。投資者關係部之電郵為 [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com)。

### 總結

本公司相信企業管治原則及常規對商業社會而言至關重要，故本公司亦將持續不時檢討其企業管治常規，以符合環境上之轉變。本公司將致力維持、加強及改善其企業管治標準及質素。

總括而言，董事會認為本公司於全年內已應用企管守則，並遵守載於企管守則內之守則條文及若干建議最佳常規。

## Directors' Report

## 董事會報告書

The directors of the Company (the "Directors" or the "Board") present to the shareholders their report together with the audited financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2009 (the "Year").

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities and other particulars of its principal subsidiaries as at 31st December, 2009 are set out in note 39 to the financial statements.

### RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of comprehensive income on page 43.

An interim dividend of HK1 cent per share was declared for the Year (2008: Nil). The Board resolved to recommend the payment of a final dividend of HK1 cent per share for the Year (2008: HK1 cent per share).

### SEGMENT INFORMATION

An analysis of the Group's revenue and contribution to profit for the Year by its principal activities is set out in note 7 to the financial statements.

### FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 119.

### INVESTMENT PROPERTIES

Movements in the investment properties during the Year are set out in note 17 to the financial statements.

### PROPERTY, PLANT AND EQUIPMENT

Movements in the property, plant and equipment during the Year are set out in note 18 to the financial statements.

本公司董事(「董事」)或(「董事會」)謹向股東提呈董事會報告書連同本公司及其附屬公司(「本集團」)截至二零零九年十二月三十一日止年度(「本年度」)之經審核財務報表。

### 主要業務

本公司為投資控股公司,其主要附屬公司於二零零九年十二月三十一日之主要業務及其他資料載於財務報表附註39。

### 業績及分配

本集團於本年度之業績載於第43頁之綜合全面收入報表。

本年度宣派中期股息每股一港仙(二零零八年:無)。董事會議決建議派發本年度之末期股息每股一港仙(二零零八年:每股一港仙)。

### 分類資料

本集團按主要業務劃分之本年度收益及溢利分析載於財務報表附註7。

### 財務概要

本集團過往五個財政年度之業績、資產與負債概要載於第119頁內。

### 投資物業

投資物業於年內之變動載於財務報表附註17。

### 物業、廠房及設備

物業、廠房及設備於年內之變動載於財務報表附註18。



## Directors' Report

## 董事會報告書

### PROPERTY INTERESTS HELD FOR DEVELOPMENT

Movements in the property interests held for development during the Year are set out in note 19 to the financial statements.

### PREPAID LEASE PAYMENTS

Movements in the prepaid lease payments during the Year are set out in note 20 to the financial statements.

### PRINCIPAL PROPERTIES

Details of the principal properties of the Group at 31st December, 2009 are set out on page 120.

### SHARE CAPITAL

Movements in the share capital of the Company during the Year are set out in note 31 to the financial statements.

### RESERVES

Movements in the reserves of the Group and the Company during the Year are set out on page 46 and in note 32 to the financial statements respectively.

The Company's reserves available for distribution to shareholders as at 31st December, 2009 amounted to HK\$448,811,000 (2008: HK\$95,789,000).

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

### CHARITABLE DONATIONS

During the Year, no charitable donations had been made by the Group (2008: Nil).

### 持作發展之物業權益

持作發展之物業權益於年內之變動載於財務報表附註19。

### 預付租賃款項

預付租賃款項於年內之變動載於財務報表附註20。

### 主要物業

本集團於二零零九年十二月三十一日之主要物業詳情載於第120頁內。

### 股本

本公司之股本於年內之變動載於財務報表附註31。

### 儲備

本集團及本公司之儲備於年內之變動情況分別載於第46頁及財務報表附註32。

於二零零九年十二月三十一日，本公司可供分派予股東之儲備為448,811,000港元(二零零八年：95,789,000港元)。

### 購買、出售或贖回上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 慈善捐款

年內，本集團概無作出慈善捐款(二零零八年：無)。

## Directors' Report

## 董事會報告書

### MAJOR SUPPLIERS AND CUSTOMERS

The aggregate purchases attributable to the Group's five largest suppliers amounted to less than 30% of the Group's total purchases for the Year.

The aggregate turnover attributable to the Group's largest customer and five largest customers accounted for 41% and 84% of the Group's total turnover for the Year.

None of the Directors, their associates, or any shareholder of the Company (which to the knowledge of the Directors owned more than 5% of the Company's issued shares) had beneficial interests in any of the Group's five largest suppliers and customers.

### DIRECTORS

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

#### Executive Directors:

Mr. Matthew Cheong, Veng-va (*Chairman*)

Ms. Teresa Poon, Mun-chie (*Chief Executive Officer*)

#### Independent Non-executive Directors:

Mr. Lai, Yun-hung

Mr. Mok, Hon-sang

Mr. Wong, Tik-tung

In accordance with Article 101 of the Company's Articles of Association, Mr. Wong, Tik-tung and Mr. Mok, Hon-sang will retire and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

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

### 主要供應商及客戶

本年度本集團累計之五大供應商應佔之購貨總額佔本集團購貨總額少於30%。

本年度本集團累計之最大客戶及五大客戶應佔之營業總額分別佔本集團營業總額之41%及84%。

董事、彼等之聯繫人士或本公司任何股東(據董事所知擁有本公司已發行股份逾5%者)概無擁有本集團任何五大供應商或客戶之實益權益。

### 董事

於年內及直至本報告日期止,董事為:

#### 執行董事:

昌榮華先生(主席)

潘敏慈小姐(行政總裁)

#### 獨立非執行董事:

賴恩雄先生

莫漢生先生

汪滌東先生

根據本公司組織章程細則第101條之規定,汪滌東先生及莫漢生先生將告退,惟彼等願於即將舉行之股東週年大會上膺選連任。

擬於即將舉行之股東週年大會上膺選連任之董事概無訂立本集團不可於一年內毋須支付賠償(法定賠償除外)而終止之服務合約。

## Directors' Report

## 董事會報告書

### DIRECTORS' AND CHIEF EXECUTIVE(S)' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As at 31st December, 2009, none of the Directors or chief executive(s) of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). During the Year, none of the Directors or chief executive(s) of the Company, nor their spouses or children under the age of 18 years, were granted or had exercised any right to subscribe for any securities of the Company or its associated corporations.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY

As at 31st December, 2009, so far as are known to any Director or chief executive of the Company, the following parties (other than a Director or chief executive of the Company) were recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified to the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:

Name 名稱	Number of Shares (ordinary share) 股份數目(普通股)	Capacity 身份	Percentage of Issued Share Capital
			已發行 股本百分比
Billion Up Limited	209,931,186 (Note 1) (附註1)	Beneficial owner 實益擁有人	61.96%
Lucky Years Ltd.	209,931,186 (Note 1) (附註1)	Interests in controlled corporation 於受控制公司之權益	61.96%

### 董事及最高行政人員於本公司及相關法團之證券權益

於二零零九年十二月三十一日，董事或本公司最高行政人員概無於本公司或其任何相關法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部所指的相聯法團)之股份、相關股份或債券中擁有根據證券及期貨條例第352條置存之登記冊所載錄或根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)所載《上市發行人董事進行證券交易的標準守則》(「標準守則」)須知會本公司及聯交所之任何權益或淡倉。年內，董事或本公司最高行政人員以及彼等之配偶或十八歲以下子女概無獲授予或已行使任何可認購本公司及其相關法團任何證券之權利。

### 主要股東於本公司之證券權益

據董事及本公司最高行政人員所知悉，於二零零九年十二月三十一日，本公司根據證券及期貨條例第336條須置存之登記冊所載錄或另行知會本公司，直接或間接擁有或被視為擁有本公司已發行股本5%或以上權益之人士(董事或本公司最高行政人員除外)如下：

## Directors' Report

## 董事會報告書

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

## 主要股東於本公司之證券權益 (續)

Name 名稱	Number of Shares (ordinary share) 股份數目(普通股)	Capacity 身份	Percentage of Issued Share Capital 已發行 股本百分比
Chinese Estates Holdings Limited	209,931,186 (Note 1) (附註1)	Interests in controlled corporation 於受控制公司之權益	61.96%
Mr. Joseph Lau, Luen-hung 劉鑾雄先生	209,931,186 (Note 2) (附註2)	Interests in controlled corporation 於受控制公司之權益	61.96%
Global King (PTC) Ltd.	209,931,186 (Note 3) (附註3)	Trustee 信託人	61.96%
GZ Trust Corporation	209,931,186 (Note 3) (附註3)	Trustee and beneficiary of a trust 信託人及一項信託之受益人	61.96%
Mr. Li Ka-shing 李嘉誠先生	20,827,142 (Notes 4 & 5) (附註4及5)	Founder of discretionary trusts and interests of controlled corporations 酌情信託之創立人及受控制公司之權益	6.15%
Li Ka-Shing Unity Trustcorp Limited	20,827,142 (Notes 4 & 5) (附註4及5)	Trustee and beneficiary of a trust 信託人及一項信託之受益人	6.15%
Li Ka-Shing Unity Trustee Corporation Limited	20,827,142 (Notes 4 & 5) (附註4及5)	Trustee and beneficiary of a trust 信託人及一項信託之受益人	6.15%

## Directors' Report

## 董事會報告書

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

## 主要股東於本公司之證券權益 (續)

Name 名稱	Number of Shares (ordinary share) 股份數目(普通股)	Capacity 身份	Percentage of Issued Share Capital 已發行 股本百分比
Li Ka-Shing Unity Trustee Company Limited	20,827,142 (Notes 4 & 5) (附註4及5)	Trustee 信託人	6.15%
Cheung Kong (Holdings) Limited 長江實業(集團)有限公司	20,827,142 (Notes 4 & 5) (附註4及5)	Interests of controlled corporations 受控制公司之權益	6.15%
Hutchison Whampoa Limited 和記黃埔有限公司	20,827,142 (Note 4) (附註4)	Interests of controlled corporations 受控制公司之權益	6.15%
Hutchison International Limited 和記企業有限公司	20,827,142 (Note 4) (附註4)	Interests of a controlled corporation 一間受控制公司之權益	6.15%
Primetek Holdings Limited	20,827,142 (Note 4) (附註4)	Beneficial owner 實益擁有人	6.15%

Notes:

1. Billion Up Limited is a wholly-owned subsidiary of Lucky Years Ltd., which in turn is a wholly-owned subsidiary of Chinese Estates Holdings Limited ("Chinese Estates"). By virtue of the SFO, Lucky Years Ltd. and Chinese Estates were deemed to be interested in the 209,931,186 shares of the Company held by Billion Up Limited.
2. Mr. Joseph Lau, Luen-hung, by virtue of his approximately 73.31% interests in the issued share capital of Chinese Estates, was deemed to be interested in the same interests stated against Chinese Estates under the SFO.

附註:

1. Billion Up Limited為Lucky Years Ltd.之全資附屬公司,而後者為Chinese Estates Holdings Limited(「華置」)之全資附屬公司。根據證券及期貨條例,Lucky Years Ltd.及華置均被視為擁有Billion Up Limited持有之209,931,186股本公司股份之權益。
2. 根據證券及期貨條例,劉鑾雄先生於華置已發行股本中擁有約73.31%權益,因此被視為擁有華置所擁有之相同權益。

## Directors' Report

## 董事會報告書

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

Notes: (cont'd)

3. GZ Trust Corporation as trustee of a discretionary trust held units in a unit trust of which Global King (PTC) Ltd. is the trustee. Global King (PTC) Ltd. is entitled to exercise more than one-third of the voting power at the general meetings of Chinese Estates. Accordingly, Global King (PTC) Ltd. and GZ Trust Corporation were deemed to be interested in the same interests stated against Chinese Estates by virtue of the SFO.
4. Primetek Holdings Limited ("Primetek") is a wholly-owned subsidiary of Hutchison International Limited ("HIL"), which in turn is a wholly-owned subsidiary of Hutchison Whampoa Limited ("HWL"). By virtue of the SFO, HWL and HIL were deemed to be interested in the 20,827,142 shares of the Company held by Primetek.
5. Li Ka-Shing Unity Holdings Limited, of which each of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard is interested in one-third of the entire issued share capital, owns the entire issued share capital of Li Ka-Shing Unity Trustee Company Limited ("TUT1"). TUT1 as trustee of The Li Ka-Shing Unity Trust ("UT1"), together with certain companies which TUT1 as trustee of UT1 is entitled to exercise or control the exercise of more than one-third of the voting power at their general meetings, hold more than one-third of the issued share capital of Cheung Kong (Holdings) Limited ("CKH"). Subsidiaries of CKH are entitled to exercise or control the exercise of more than one-third of the voting power at the general meetings of HWL.

In addition, Li Ka-Shing Unity Holdings Limited also owns the entire issued share capital of Li Ka-Shing Unity Trustee Corporation Limited ("TDT1") as trustee of The Li Ka-Shing Unity Discretionary Trust ("DT1") and Li Ka-Shing Unity Trustcorp Limited ("TDT2") as trustee of another discretionary trust ("DT2"). Each of TDT1 and TDT2 holds units in the UT1.

By virtue of the SFO, Mr. Li Ka-shing, being the settlor of DT1 and DT2 may be regarded as a founder of DT1 and DT2 and for the purpose of the SFO, each of Mr. Li Ka-shing, TDT1, TDT2, TUT1 and CKH was deemed to be interested in the 20,827,142 shares of the Company held by Primetek.

All the interests stated above represent long positions. As at 31st December, 2009, no short positions were recorded in the register kept by the Company under section 336 of the SFO.

## 主要股東於本公司之證券權益 (續)

附註:(續)

3. GZ Trust Corporation(作為一項酌情信託之信託人)持有一項以Global King (PTC) Ltd.為信託人之單位信託基金之單位。Global King (PTC) Ltd.有權於華置之股東大會上行使三分之一以上之投票權。因此,根據證券及期貨條例,Global King (PTC) Ltd.及GZ Trust Corporation 被視為擁有華置所擁有之相同權益。
4. Primetek Holdings Limited(「Primetek」)為和記企業有限公司(「和記企業」)之全資附屬公司,而後者為和記黃埔有限公司(「和黃」)之全資附屬公司。根據證券及期貨條例,和黃及和記企業被視為擁有Primetek持有之20,827,142股本公司股份之權益。
5. 由李嘉誠先生、李澤鉅先生及李澤楷先生各自擁有全部已發行股本之三分之一權益之Li Ka-Shing Unity Holdings Limited,擁有Li Ka-Shing Unity Trustee Company Limited(「TUT1」)之全部已發行股本。TUT1以The Li Ka-Shing Unity Trust(「UT1」)信託人之身份,連同若干公司(TUT1以UT1信託人之身份有權在其股東大會上行使或控制行使三分之一以上之投票權之公司)合共持有長江實業(集團)有限公司(「長實」)三分之一以上之已發行股本。長實之附屬公司有權在和黃之股東大會上行使或控制行使三分之一以上之投票權。

此外, Li Ka-Shing Unity Holdings Limited亦擁有Li Ka-Shing Unity Trustee Corporation Limited(「TDT1」)(The Li Ka-Shing Unity Discretionary Trust(「DT1」之信託人)及Li Ka-Shing Unity Trustcorp Limited(「TDT2」)(另一酌情信託(「DT2」)之信託人)之全部已發行股本。TDT1及TDT2各持有UT1之單位。

根據證券及期貨條例,李嘉誠先生身為DT1及DT2之財產授予人,可被視為DT1及DT2之創立人;李嘉誠先生、TDT1、TDT2、TUT1及長實就證券及期貨條例而言個別被視為擁有Primetek持有之20,827,142股本公司股份之權益。

上述所有權益均為好倉。於二零零九年十二月三十一日,本公司按證券及期貨條例第336條置存之登記冊所載概無任何淡倉。

## Directors' Report

## 董事會報告書

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

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

### DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed in the "Connected Transactions" as mentioned below, there were no contracts of significance in relation to the Company's business, to which the Company or any of the Company's subsidiaries was a party, subsisting at the end of the Year or at any time during the Year, and in which a Director had, whether directly or indirectly, a material interest, nor there were any other contracts of significance in relation to the Company's business between the Company or any of the Company's subsidiaries and a controlling shareholder or any of its subsidiaries.

### CONNECTED TRANSACTIONS

In November 2008, the Company as lender made a conditional loan agreement with Longman Limited ("Longman"), a wholly-owned subsidiary of Chinese Estates as borrower, granting a three-year revolving facility of up to HK\$900 million, with Chinese Estates acting as guarantor for repayment of the loan (the "Loan Transaction").

The Loan Transaction constituted the continuing connected transactions of the Company. The Loan Transaction was approved by the independent shareholders of the Company at the extraordinary general meeting held on 12th December, 2008.

As at 31st December, 2009, a total sum of HK\$853 million had been drawn by Longman.

Having reviewed the Loan Transaction, the independent non-executive directors of the Company, pursuant to Rule 14A.37 of the Listing Rules on the requirement to carry out an annual review on the continuing connected transactions, confirmed that the Loan Transaction, notwithstanding that it was not made in the ordinary and usual course of business of the Company, was made on normal commercial terms and in accordance with the relevant loan agreement governing on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

### 購買股份或債券之安排

本公司、其最終控股公司或其最終控股公司之任何附屬公司概無於本年度內作出任何安排，以使董事可藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

### 董事及控權股東於合約之權益

除以下「關連交易」所述者外，本公司或本公司之任何附屬公司概無於年結時或本年度內任何時間訂立與本公司業務有關之重大合約而董事於其中直接或間接擁有重大權益，亦概無與控權股東或其任何附屬公司訂立與本公司業務有關之重大合約。

### 關連交易

於二零零八年十一月，本公司作為貸方與華置之全資附屬公司Longman Limited(「Longman」)作為借方簽訂一份有條件貸款協議，提供最高900,000,000港元為期三年之循環貸款，而華置則為償還貸款作為擔保人(「貸款交易」)。

貸款交易構成本公司一項持續關連交易。貸款交易於二零零八年十二月十二日由本公司之獨立股東於股東特別大會上批准。

於二零零九年十二月三十一日，Longman已借取合共853,000,000港元。

在審閱該貸款交易後，本公司之獨立非執行董事根據上市規則第14A.37條就持續關連交易進行週年審閱之規定，確認儘管該貸款交易並非本公司之日常業務，該交易是按照一般商業條款，並根據該交易的協議條款進行，交易之條款屬公平及合理，且符合本公司股東之整體利益。

## Directors' Report

## 董事會報告書

### CONNECTED TRANSACTIONS (cont'd)

Pursuant to Rule 14A.38 of the Listing Rules, the auditors of the Company confirmed that the Loan Transaction:

- (1) had received the approval of the Board;
- (2) had been entered into in accordance with the relevant agreement governing the Loan Transaction; and
- (3) had not exceeded the cap disclosed in the previous announcement made on 4th November, 2008.

Save as mentioned above, there were no other discloseable non-exempted connected transactions or non-exempted continuing connected transactions under the Listing Rules.

Related party transactions, inclusive of the continuing connected transactions, entered into by the Group for the year ended 31st December, 2009 are disclosed in note 38 to the financial statements.

To the extent of the related party transactions as disclosed in note 38 to the financial statements constituted continuing connected transactions, the Company had complied with the relevant requirements under Chapter 14A of the Listing Rules during the Year.

### DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at 31st December, 2009, none of the Directors were interested in any business, which competed or was likely to compete, either directly or indirectly, with the Company's businesses.

### RETIREMENT BENEFIT SCHEMES

The Group operates two defined contribution retirement benefit schemes. Particulars of these retirement benefit schemes are set out in note 37 to the financial statements.

### 關連交易(續)

本公司核數師已就上市規則第14A.38條確認該貸款交易：

- (1) 已經由董事會批准；
- (2) 乃根據貸款交易之有關協議條款進行；及
- (3) 並無超逾先前於二零零八年十一月四日公布披露之上限。

除上文所述外，根據上市規則，並無其他不獲豁免關連交易或不獲豁免持續關連交易須作出披露。

截至二零零九年十二月三十一日止，由本集團進行之關連人士交易，內含持續關連交易，已於財務報表附註38披露。

就財務報表附註38所披露之關連人士交易倘構成根據上市規則所界定之持續關連交易，本公司已於本年度內遵守上市規則第14A章的有關規定。

### 董事於競爭性業務之權益

於二零零九年十二月三十一日，董事概無於與本公司業務直接或間接構成競爭或可能構成競爭之任何業務中擁有權益。

### 退休福利計劃

本集團設有兩項定額供款退休福利計劃。退休福利計劃之詳情載於財務報表附註37。



## Directors' Report

## 董事會報告書

### ADVANCES TO AN ENTITY

As at 31st December, 2009, pursuant to Rule 13.20 of the Listing Rules, the Group had made advances of HK\$853 million at HIBOR plus 1% per annum to Longman, a wholly-owned subsidiary of Chinese Estates, the holding company of the Company. The loan had been granted for the capital expenditure and general working capital of Chinese Estates and its subsidiaries. The loan is a three-year revolving facility, with Chinese Estates acting as the guarantor, but is unsecured, and repayable on demand with maturity date on 3rd November, 2011.

### AUDIT COMMITTEE

The Audit Committee comprised Independent Non-executive Directors of the Company and the annual results of the Group for the Year had been reviewed by the Audit Committee.

### PUBLIC FLOAT

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

### AUDITORS

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Messrs HLB Hodgson Impey Cheng, who will retire at the conclusion of the forthcoming annual general meeting, and being eligible, will offer themselves for re-appointment, as auditors of the Company.

On behalf of the Board  
**Matthew Cheong, Veng-va**  
*Chairman*

Hong Kong, 12th March, 2010

### 給予某實體的貸款

於二零零九年十二月三十一日，根據上市規則第13.20條，本集團向控股公司華置之全資附屬公司Longman提供年利率以香港銀行同業拆息加一厘計息之貸款為853,000,000港元。該貸款乃供華置及其附屬公司用作資本開支及作為一般營運資金用途。該貸款乃三年期循環貸款，並由華置為擔保人，但無抵押而須於通知時償還，到期償還日為二零一一年十一月三日。

### 審核委員會

審核委員會乃由本公司獨立非執行董事組成，而本集團之本年度業績已由審核委員會審閱。

### 公眾持股量

根據本公司所得悉的公開資料及董事所知悉，本公司於本年度內及截至本報告書日已按上市規則規定維持指定數額的公眾持股量。

### 核數師

本公司即將舉行之股東週年大會上將提呈一項決議案，國衛會計師事務所於即將舉行之股東週年大會結束時將任滿告退，並符合資格及願獲續聘為本公司核數師。

代表董事會  
 主席  
 昌榮華

香港，二零一零年三月十二日

## Independent Auditors' Report

## 獨立核數師報告書



國衛會計師事務所  
Hodgson Impey Cheng

Chartered Accountants  
Certified Public Accountants

**TO THE SHAREHOLDERS OF**

**CHI CHEUNG INVESTMENT COMPANY, LIMITED**

*(incorporated in Hong Kong with limited liability)*

We have audited the consolidated financial statements of Chi Cheung Investment Company, Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 43 to 118 which comprise the consolidated and the company statements of financial position as at 31st December, 2009, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows 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 Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### AUDITORS' RESPONSIBILITY

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

31/F, Gloucester Tower  
The Landmark  
11 Pedder Street  
Central  
Hong Kong

致至祥置業有限公司股東

*(於香港註冊成立之有限公司)*

吾等已審核第43頁至第118頁所載至祥置業有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。綜合財務報表包括於二零零九年十二月三十一日之綜合及公司財務狀況報表、截至該日止年度之綜合全面收入報表、綜合股本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。

### 董事編製綜合財務報表之責任

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

### 核數師之責任

吾等負責根據吾等之審核結果對此等綜合財務報表發表意見,並按照香港公司條例第141條而僅向閣下報告,並不作其他用途。吾等不會就報告內容而向任何其他人士負責或承擔責任。

## Independent Auditors' Report

## 獨立核數師報告書

### AUDITORS' RESPONSIBILITY (cont'd)

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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 and the company financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st December, 2009 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

#### **HLB Hodgson Impey Cheng**

*Chartered Accountants*

*Certified Public Accountants*

Hong Kong, 12th March, 2010

### 核數師之責任(續)

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

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

吾等相信，就提出審核意見而言，吾等所獲審核憑證屬充分及恰當。

### 意見

吾等認為，根據香港財務報告準則，綜合及公司財務報表真實公平地反映 貴公司及 貴集團於二零零九年十二月三十一日之財務狀況以及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例妥為編製。

國衛會計師事務所

英國特許會計師

香港執業會計師

香港，二零一零年三月十二日

## Consolidated Statement of Comprehensive Income

## 綜合全面收入報表

For the year ended 31st December, 2009

截至二零零九年十二月三十一日止年度

		Notes	2009	2008
		附註	HK\$'000	HK\$'000
			千港元	千港元
Revenue	收益	8	<b>23,558</b>	143,087
Cost of sales	銷售成本		<b>(3,195)</b>	(40,437)
Gross profit	毛利		<b>20,363</b>	102,650
Other revenue	其他收益	8	<b>13</b>	10,209
Other income	其他收入		<b>62</b>	719
Administrative expenses	行政開支		<b>(4,446)</b>	(6,429)
Loss on disposals of investment properties	出售投資物業之虧損		<b>(610)</b>	(1,777)
Fair value changes on investment properties	投資物業之公平值變動	17	<b>3,925</b>	(3,050)
Impairment loss recognised in respect of advances to associates	就墊付聯營公司款項 確認之減值虧損		-	(970)
Write-back of allowance for amounts due from former associates	前聯營公司欠款準備之 撥回金額		-	256
Gain on disposal of subsidiaries	出售附屬公司之收益	11	-	3,905
Share of profit of associates	應佔聯營公司溢利	9	-	27,262
Profit before taxation	稅前溢利	10	<b>19,307</b>	132,775
Income tax expense	所得稅開支	12	<b>(1,446)</b>	(16,089)
Profit for the year	本年度溢利		<b>17,861</b>	116,686
Other comprehensive income	其他全面收入			
- fair value changes on available-for-sale financial assets	- 可供出售金融資產之 公平值變動		<b>6,852</b>	(1,061)
- exchange difference on translation of foreign operations	- 換算海外業務之 匯兌差額		-	(9)
Total comprehensive income for the year	本年度全面收入總額		<b>24,713</b>	115,616
Profit for the year attributable to:	應佔本年度溢利：			
Equity holders of the Company	本公司股本持有人		<b>17,861</b>	116,686
Non-controlling interests	非控股權益		-	-
			<b>17,861</b>	116,686
Total comprehensive income for the year attributable to:	應佔本年度全面收入 總額：			
Equity holders of the Company	本公司股本持有人		<b>24,713</b>	115,616
Non-controlling interests	非控股權益		-	-
			<b>24,713</b>	115,616
Earnings per share	每股盈利			
Basic and diluted	基本及攤薄	16	<b>5.27 cents</b> 仙	34.44 cents 仙

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

隨附附註為本財務報表之一部份。

## Consolidated Statement of Financial Position

## 綜合財務狀況報表

As at 31st December, 2009

於二零零九年十二月三十一日

	Notes 附註	2009 HK\$'000 千港元	2008 HK\$'000 千港元
<b>Non-current assets</b>			
Investment properties	17	29,400	35,200
Property, plant and equipment	18	-	-
Prepaid lease payments	20	-	-
Interests in associates	22(a)	-	-
Advances to associates	22(b)	-	-
Available-for-sale financial assets	23	96,472	89,008
		<b>125,872</b>	124,208
<b>Current assets</b>			
Properties held for sale	24	16,504	18,576
Debtors, deposits and prepayments	25	1,850	2,031
Loan to a fellow subsidiary	26	853,000	843,000
Advance to a fellow subsidiary	27	81	21
Cash and cash equivalents	28	9,759	9,688
		<b>881,194</b>	873,316
<b>Current liabilities</b>			
Creditors and accruals	29	649	1,898
Deposits received		2,267	188
Taxation payable		864	9,828
Advances from fellow subsidiaries	30	108	127
		<b>3,888</b>	12,041
<b>Net current assets</b>		<b>877,306</b>	861,275
<b>Total assets less current liabilities</b>		<b>1,003,178</b>	985,483
<b>Equity attributable to equity holders of the Company</b>			
Share capital	31	3,388	3,388
Share premium		495,160	495,160
Contribution from shareholders		20,719	20,719
Exchange reserve		-	-
Securities investment reserve		5,791	(1,061)
Retained profits			
- proposed final dividend	15	3,388	3,388
- others		474,230	463,145
		<b>1,002,676</b>	984,739
Non-controlling interests		-	-
<b>Total equity</b>		<b>1,002,676</b>	984,739
<b>Non-current liability</b>			
Deferred taxation liability	34	502	744
		<b>1,003,178</b>	985,483

Approved and authorised for issue by the Board of Directors on 12th March, 2010 and signed on its behalf by:

經由董事會於二零一零年三月十二日批准及授權發布，並由下列代表簽署：

**Matthew Cheong, Veng-va**  
Director

昌榮華  
董事

**Teresa Poon, Mun-chie**  
Director

潘敏慈  
董事

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

隨附附註為本財務報表之一部份。

## Statement of Financial Position

As at 31st December, 2009

## 財務狀況報表

於二零零九年十二月三十一日

		Notes 附註	2009 HK\$'000 千港元	2008 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	18	-	-
Interests in subsidiaries	附屬公司權益	21	<b>181,679</b>	181,679
Advances to subsidiaries	墊付附屬公司款項	21	<b>123,602</b>	115,712
Advance to an associate	墊付聯營公司款項	22(b)	-	-
			<b>305,281</b>	297,391
<b>Current assets</b>	<b>流動資產</b>			
Deposits and prepayments	按金及預付款項	25	<b>266</b>	429
Loan to a fellow subsidiary	借予同系附屬公司貸款	26	<b>853,000</b>	843,000
Advance to a fellow subsidiary	墊付同系附屬公司款項	27	<b>81</b>	21
Cash and cash equivalents	現金及現金等同項目	28	<b>3,487</b>	6,228
			<b>856,834</b>	849,678
<b>Current liabilities</b>	<b>流動負債</b>			
Creditors and accruals	應付賬項及應計費用	29	<b>272</b>	329
Advances from fellow subsidiaries	同系附屬公司墊款	30	<b>108</b>	127
			<b>380</b>	456
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>856,454</b>	849,222
<b>Total assets less current liabilities</b>	<b>資產總額減流動負債</b>		<b>1,161,735</b>	1,146,613
<b>Equity attributable to equity holders of the Company</b>	<b>本公司股本持有人應佔權益</b>			
Share capital	股本	31	<b>3,388</b>	3,388
Share premium	股份溢價	32	<b>495,160</b>	495,160
Contribution from shareholders	股東注資	32	<b>20,719</b>	20,719
Retained profits	保留溢利			
- proposed final dividend	- 擬派末期股息	15	<b>3,388</b>	3,388
- others	- 其他		<b>445,423</b>	92,401
<b>Total equity</b>	<b>權益總額</b>		<b>968,078</b>	615,056
<b>Non-current liability</b>	<b>非流動負債</b>			
Advance from a subsidiary	附屬公司墊款	33	<b>193,657</b>	531,557
			<b>1,161,735</b>	1,146,613

Approved and authorised for issue by the Board of Directors on 12th March, 2010 and signed on its behalf by:

經由董事會於二零一零年三月十二日批准及授權發布，並由下列代表簽署：

**Matthew Cheong, Veng-va**  
Director

昌榮華  
董事

**Teresa Poon, Mun-chie**  
Director

潘敏慈  
董事

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

隨附附註為本財務報表之一部份。

## Consolidated Statement of Changes in Equity

## 綜合股本權益變動報表

For the year ended 31st December, 2009

截至二零零九年十二月三十一日止年度

		Equity attributable to equity holders of the Company 本公司股本持有人應佔權益								
		Share capital	Share premium	Contribution from shareholders	Exchange reserve	Securities investment reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	股東注資 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	投資儲備 HK\$'000 千港元	保留溢利 HK\$'000 千港元	總計 HK\$'000 千港元	非控股權益 HK\$'000 千港元	權益總額 HK\$'000 千港元
<b>The Group</b>	本集團									
At 1st January, 2008	於二零零八年一月一日	3,388	495,160	104,225	9	-	266,341	869,123	(1,084)	868,039
Profit for the year	本年度溢利	-	-	-	-	-	116,686	116,686	-	116,686
Other comprehensive income for the year	本年度其他全面收入	-	-	-	(9)	(1,061)	-	(1,070)	-	(1,070)
Total comprehensive income for the year	本年度全面收入總額	-	-	-	(9)	(1,061)	116,686	115,616	-	115,616
Release upon completion of disposal of subsidiaries (Note)	於出售附屬公司完成時解除(附註)	-	-	(83,506)	-	-	83,506	-	1,084	1,084
At 31st December, 2008 and 1st January, 2009	於二零零八年十二月三十一日及二零零九年一月一日	3,388	495,160	20,719	-	(1,061)	466,533	984,739	-	984,739
Profit for the year	本年度溢利	-	-	-	-	-	17,861	17,861	-	17,861
Other comprehensive income for the year	本年度其他全面收入	-	-	-	-	6,852	-	6,852	-	6,852
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	6,852	17,861	24,713	-	24,713
Final dividend paid	已付末期股息	-	-	-	-	-	(3,388)	(3,388)	-	(3,388)
Interim dividend paid	已付中期股息	-	-	-	-	-	(3,388)	(3,388)	-	(3,388)
<b>At 31st December, 2009</b>	於二零零九年十二月三十一日	<b>3,388</b>	<b>495,160</b>	<b>20,719</b>	<b>-</b>	<b>5,791</b>	<b>477,618</b>	<b>1,002,676</b>	<b>-</b>	<b>1,002,676</b>

Note:

Contribution from shareholders represents the excess of the fair value of the net assets acquired from Chinese Estates Holdings Limited ("Chinese Estates") over the consideration paid in relation to the asset transaction completed on 7th November, 2003. For the year ended 31st December, 2008, the Group had disposed of certain subsidiaries. As a result, respective amount included in the contribution from shareholders was released upon completion of disposal of subsidiaries to retained profits. For details, please refer to Note 11 to the financial statements.

附註:

股東注資指有關於二零零三年十一月七日完成的資產交易中,向Chinese Estates Holdings Limited(「華置」)收購之資產淨值的公平值超出所付代價之金額。於截至二零零八年十二月三十一日止年度,本集團已出售若干附屬公司。因此,相關股東注資金額已於出售附屬公司完成時解除至保留溢利。有關詳情,請參閱財務報表附註11。

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

隨附附註為本財務報表之一部份。

## Consolidated Statement of Cash Flows

For the year ended 31st December, 2009

## 綜合現金流量表

截至二零零九年十二月三十一日止年度

	Notes	2009	2008
	附註	HK\$'000	HK\$'000
		千港元	千港元
<b>Cash flows from operating activities</b>			
Profit before taxation		19,307	132,775
<i>Adjustments for:</i>			
Share of profit of associates		-	(27,262)
Interest income		(14,886)	(12,532)
Depreciation		-	14
Amortisation of prepaid lease payments		-	25
Impairment loss recognised in respect of advances to associates		-	970
Write-back of allowance for amounts due from former associates		-	(256)
Fair value changes on investment properties		(3,925)	3,050
Loss on disposals of investment properties		610	1,777
Gain on disposal of subsidiaries		-	(3,905)
Net exchange (gain)/loss		(59)	347
		<b>1,047</b>	95,003
<b>Movements in working capital</b>			
Decrease in properties held for sale		2,072	37,728
(Increase)/decrease in debtors, deposits and prepayments		(259)	531
Decrease in creditors and accruals		(1,249)	(3,876)
Increase/(decrease) in deposits received		2,079	(2,618)
		<b>3,690</b>	126,768
Cash generated from operating activities		(10,652)	(11,489)
Hong Kong Profits Tax paid		-	(787)
Overseas tax paid			
<b>Net cash (used in)/generated from operating activities</b>		<b>(6,962)</b>	114,492
<b>Cash flows from investing activities</b>			
Net proceeds from disposals of investment properties		9,115	4,823
Net proceeds from disposal of subsidiaries			
Purchase of available-for-sale financial assets		-	(90,201)
Interest received		14,773	9,126
Dividend received from an associate		-	1,510
Repayment from associates		-	9,906
Repayment from former associates		-	256
Loan to a fellow subsidiary		(10,000)	(843,000)
<b>Net cash generated from/(used in) investing activities</b>		<b>13,888</b>	(379,844)



## Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31st December, 2009

截至二零零九年十二月三十一日止年度

		2009	2008
	Notes	HK\$'000	HK\$'000
	附註	千港元	千港元
<b>Cash flows from financing activities</b>	融資活動之現金流量		
Dividends paid	已付股息	(6,776)	-
Decrease in advance to the ultimate holding company	墊付最終控股公司款項減少	-	695
Net (repayments to)/advances from fellow subsidiaries	同系附屬公司(還款) 墊款淨額	(79)	106
<b>Net cash (used in)/generated from financing activities</b>	融資活動(所用) 所得現金淨額	(6,855)	801
<b>Net increase/(decrease) in cash and cash equivalents</b>	現金及現金等同項目之增加 (減少) 淨額	71	(264,551)
Effect on foreign exchange rate changes	外幣匯率變動之影響	-	15
<b>Cash and cash equivalents at beginning of the year</b>	年初之現金及現金等同項目	9,688	274,224
<b>Cash and cash equivalents at end of the year</b>	年終之現金及現金等同項目	9,759	9,688
<b>Analysis of the balances of cash and cash equivalents</b>	現金及現金等同項目結餘分析		
Cash and cash equivalents	現金及現金等同項目	9,759	9,688

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

隨附附註為本財務報表之一部份。

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 1. GENERAL INFORMATION

The Company is a public listed company incorporated in Hong Kong with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its ultimate holding company is Chinese Estates Holdings Limited ("Chinese Estates"), a company incorporated in Bermuda with its securities listed on the Stock Exchange. The address of the registered office of the Company is disclosed in the "Corporate Information" section to the annual report.

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

The principal activities of the Group are engaged in property development, property leasing and securities investments and finance. The principal activities and other particulars of its principal subsidiaries are set out in Note 39 to the financial statements.

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

The accounting policies adopted in the financial statements for the year ended 31st December, 2009 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st December, 2008 except as described below.

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations (the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are effective for the Group's financial year beginning on 1st January, 2009. The new HKFRSs adopted by the Group in the financial statements are set out as follows:

HKFRSs (Amendments)	Annual Improvements to HKFRSs issued in 2008*
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 1. 一般資料

本公司為一間在香港註冊成立而其股份在香港聯合交易所有限公司(「聯交所」)上市之公眾有限公司。其最終控股公司為於百慕達註冊成立,其證券在聯交所上市之Chinese Estates Holdings Limited(「華置」)。本公司之註冊辦事處地址已於本年報「公司資料」一節中披露。

港元為本公司與其附屬公司(「本集團」)之功能貨幣,除另有說明外,綜合及公司財務報表以港元呈報,所有價值均四捨五入至最接近之千位數(千港元)。

本集團之主要業務為物業發展、物業租賃以及證券投資及融資。其主要附屬公司之主要業務及其他資料載於財務報表附註39。

### 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於截至二零零九年十二月三十一日止年度財務報表採用之會計政策與編製本集團截至二零零八年十二月三十一日止年度之全年財務報表所依循者相符,惟下述者除外。

於本年度,本集團已首次應用香港會計師公會(「香港會計師公會」)頒布並對本集團於二零零九年一月一日開始之財政年度生效之多項新準則、修訂及詮釋(「新香港財務報告準則」)。本集團於財務報表採用之新香港財務報告準則載列如下:

香港財務報告準則(修訂本)	2008年頒布之香港財務報告準則之年度改進*
香港會計準則第1號(經修訂)	財務報表呈列
香港會計準則第23號(經修訂)	借貸成本
香港會計準則第32及1號(修訂本)	可沽售金融工具及清盤產生之責任

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

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

HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HK(IFRIC) – Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC) – Int 18	Transfers of Assets from Customers

\* Except for the amendment to HKFRS 5 that is effective for the annual periods beginning on or after 1st July, 2009.

HKFRS 8, “Operating Segments”, was early adopted by the Group in 2008. HKFRS 8 replaces HKAS 14, “Segment Reporting”. The new standard requires a “management approach”, under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented. In addition, the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker.

## 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)

香港財務報告準則 第1號及香港會計 準則第27號 (修訂本)	附屬公司、共同控制 實體或聯營公司之 投資成本
香港財務報告準則 第2號(修訂本)	歸屬條件及註銷
香港財務報告準則 第7號(修訂本)	改善有關金融工具之 披露
香港(國際財務 報告詮釋委員會) - 詮釋第9號及 香港會計準則 第39號(修訂本)	嵌入式衍生工具
香港(國際財務 報告詮釋委員會) - 詮釋第13號	客戶忠誠計劃
香港(國際財務 報告詮釋委員會) - 詮釋第15號	房地產建築協議
香港(國際財務 報告詮釋委員會) - 詮釋第16號	對沖海外業務之 淨投資
香港(國際財務 報告詮釋委員會) - 詮釋第18號	來自客戶之資產轉讓

\* 香港財務報告準則第5號之修訂本除外，該修訂本於二零零九年七月一日或之後開始之年度期間生效。

於二零零八年，本集團提早採納香港財務報告準則第8號「經營分類」。香港財務報告準則第8號取代香港會計準則第14號「分類報告」。該項新準則規定採納「管理法」，據此，分類資料之呈列基準與內部報告所用之呈列基準相同。採納此項準則導致所呈列之可報告分類數目增加。此外，分類之報告方式更符合向主要經營決策人提供之內部報告方式。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

The application of the new HKFRSs has resulted in the following changes:

- a) HKAS 1 (Revised), “Presentation of Financial Statements” separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the standard introduced the statement of comprehensive income, it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present one single statement.
- b) The amendment to HKFRS 7, “Improving Disclosures about Financial Instruments”, enhances disclosures about fair value measurement and liquidity risk of the Group’s financial instruments. A three-level fair value hierarchy has been introduced to categorise the fair value measurements according to the degree to which they are based on observable market data.
- c) The HK(IFRIC) – Int 15, “Agreements for the Construction of Real Estate” (“New Interpretation”) clarifies the timing and accounting treatment of revenue recognition in relation to properties sales in more detail. In the past, revenue and profit for sale of properties stock or any under pre-sale arrangements prior to the completion of development was recognised on the execution of a binding sales agreement or when the relevant occupation permit or certificate of compliance is issued by the respective building authority, whichever is the later. In consideration of the new interpretation, the Group has adopted a change in accounting policy on revenue recognition for sales of properties upon completion of sales agreement and by reference to the timing of the execution of deed of legal assignment or delivery of property to the purchaser, whichever is the earlier. The change in accounting policy has been adopted retrospectively, however, no adjustment to the comparative figures and opening balance of any component of equity for the year are required as there is no material impact to the revenue and gross profit recognised for the whole year of 2008.

Saved as described above, there is no material effect on the financial statements of the Group and the Company for the current and prior accounting periods by adopting the new HKFRSs, thus no prior period adjustment has been required.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 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)

應用新香港財務報告準則導致下列變動：

- a) 香港會計準則第1號(經修訂)「財務報告呈列」將擁有人及非擁有人於權益之變動分開。股本權益變動報表僅載列與擁有人進行之交易詳情,而非擁有人之權益變動則以單一項目呈列。此外,該項準則引入全面收入報表,當中以單一報表或兩個相關報表形式呈列所有已確認收支項目。本集團已選用單一報表進行呈列。
- b) 香港財務報告準則第7號(修訂本)「改善有關金融工具之披露」提升本集團金融工具之公平值計量及流動資金風險之披露。本集團已引入三層公平值架構,按照可觀察市場數據計算之公平值計量程度將其分類。
- c) 香港(國際財務報告詮釋委員會) - 詮釋第15號「房地產建築協議」(「新詮釋」)更詳細地澄清確認有關物業銷售之收入之時間性和會計方法。過往,出售物業存貨或於發展項目落成前於任何預售安排中獲得之收入和溢利於具約束力之銷售協議執行時,或獲有關建築當局批出相關入伙准許證或滿意紙後確認(以較後者為準)。本集團考慮新詮釋時,採納一項會計政策變動,就物業銷售之收入按銷售協議完成時並參考執行法律轉讓契約或交樓予買家之時間性確認(以較早者為準)。會計政策之變動已追溯性地採納,然而,對二零零八年全年確認之收入和毛利並無重大影響,故此無需對本年度組成權益的任何部分之比較數字及期初結餘作出調整。

除上述者外,採納新香港財務報告準則不會對本會計期間或過往會計期間之本集團及本公司財務報表構成重大影響,故無須作出前期調整。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

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

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

HKFRSs (Amendments)	Annual Improvements to HKFRSs issued in 2009 <sup>2</sup>
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards <sup>1</sup>
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters <sup>3</sup>
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions <sup>3</sup>
HKFRS 3 (Revised)	Business Combinations <sup>1</sup>
HKFRS 9	Financial Instruments <sup>7</sup>
HKAS 24 (Revised)	Related Party Disclosures <sup>6</sup>
HKAS 27 (Revised)	Consolidated and Separate Financial Statements <sup>1</sup>
HKAS 32 (Amendment)	Classification of Rights Issues <sup>4</sup>
HKAS 39 (Amendment)	Eligible Hedged Items <sup>1</sup>
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement <sup>6</sup>
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners <sup>1</sup>
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments <sup>5</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1st July, 2009

<sup>2</sup> Effective for annual periods beginning on or after 1st July, 2009 and 1st January, 2010, as appropriate

<sup>3</sup> Effective for annual periods beginning on or after 1st January, 2010

<sup>4</sup> Effective for annual periods beginning on or after 1st February, 2010

<sup>5</sup> Effective for annual periods beginning on or after 1st July, 2010

<sup>6</sup> Effective for annual periods beginning on or after 1st January, 2011

<sup>7</sup> Effective for annual periods beginning on or after 1st January, 2013

## 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)

本集團並未提早採納下列已頒布但仍未生效之新香港財務報告準則。

香港財務報告準則 (修訂本)	2009年頒布之香港財務報告準則之年度改進 <sup>2</sup>
香港財務報告準則第1號(經修訂)	首次採納香港財務報告準則 <sup>1</sup>
香港財務報告準則第1號(修訂本)	首次採納者之額外豁免 <sup>3</sup>
香港財務報告準則第2號(修訂本)	集團以現金支付之股份交易 <sup>3</sup>
香港財務報告準則第3號(經修訂)	業務合併 <sup>1</sup>
香港財務報告準則第9號	金融工具 <sup>7</sup>
香港會計準則第24號(經修訂)	關連人士披露 <sup>6</sup>
香港會計準則第27號(經修訂)	綜合及獨立財務報表 <sup>1</sup>
香港會計準則第32號(修訂本)	供股分類 <sup>4</sup>
香港會計準則第39號(修訂本)	合資格對沖項目 <sup>1</sup>
香港(國際財務報告詮釋委員會) - 詮釋第14號 (修訂本)	預付最低資金需求 <sup>6</sup>
香港(國際財務報告詮釋委員會) - 詮釋第17號	向擁有人分派非現金資產 <sup>1</sup>
香港(國際財務報告詮釋委員會) - 詮釋第19號	以股本工具抵銷金融負債 <sup>5</sup>

<sup>1</sup> 於二零零九年七月一日或之後開始之年度期間生效

<sup>2</sup> 於二零零九年七月一日及二零一零年一月一日(如適用)或之後開始之年度期間生效

<sup>3</sup> 於二零一零年一月一日或之後開始之年度期間生效

<sup>4</sup> 於二零一零年二月一日或之後開始之年度期間生效

<sup>5</sup> 於二零一零年七月一日或之後開始之年度期間生效

<sup>6</sup> 於二零一一年一月一日或之後開始之年度期間生效

<sup>7</sup> 於二零一三年一月一日或之後開始之年度期間生效

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

The application of HKFRS 3 (Revised), “Business Combinations” may affect the accounting for business combination for which the acquisition date is on or after 1st January, 2010. HKAS 27 (Revised), “Consolidated and Separate Financial Statements” will affect the accounting treatment for changes in the Group’s ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

HKFRS 9, “Financial Instruments” introduces new requirements for the classification and measurement of financial assets and will be effective from 1st January, 2013, with early application permitted. Under HKFRS 9, all recognised financial assets that are currently in the scope of HKAS 39 will be measured at either amortised cost or fair value. A debt instrument that (1) is held within a business model whose objective is to collect the contractual cash flows and (2) has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding are generally measured at amortised cost. All other debt instruments must be measured at fair value with gains or losses recognised in profit or loss. The application of HKFRS 9 might affect the classification and measurement of the Group’s financial assets.

The Group is in the process of assessing the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs will have a significant impact on how its results of operations and financial position are prepared and presented. These new HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 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)

香港財務報告準則第3號(經修訂)「業務合併」之應用可能影響收購日期為二零一零年一月一日或之後之業務合併之會計方法。香港會計準則第27號(經修訂)「綜合及獨立財務報表」將影響本集團於附屬公司權益之擁有權變動(惟不會導致失去控制權)之會計處理,而有關變動將以股本交易入賬。

香港財務報告準則第9號「金融工具」引入金融資產分類及計量之新規定,將由二零一三年一月一日起生效,並可提早應用。根據香港財務報告準則第9號,現時納入香港會計準則第39號範圍之所有已確認金融資產將按攤銷成本或公平值計量。而(1)為收回合約現金流量而於業務模式中持有及(2)附有純粹為支付本金及未償還本金利息之合約現金流量之債務工具,一般按攤銷成本計量。所有其他債務工具必須按公平值計量,其收益或虧損於損益內確認。應用香港財務報告準則第9號可能影響本集團之金融資產分類及計量。

本集團現正評估該等新香港財務報告準則之潛在影響,惟尚未釐定該等新香港財務報告準則會否對本集團之經營業績及財務狀況之編製及呈列方法構成重大影響。該等新香港財務報告準則可能導致業績及財務狀況之編製及呈列方法於日後出現變動。

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated and the company financial statements have been prepared in accordance with all applicable HKFRSs, which is a collective term that includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the HKICPA, accounting principles generally accepted in Hong Kong, the Hong Kong Companies Ordinance and applicable disclosure provision of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

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

#### (a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved where the Company has the power to govern the financial and operating policies of the subsidiaries so as to obtain benefits from their activities.

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

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

Non-controlling interests in subsidiaries are presented separately from the equity of the holders of the Company.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要

綜合及公司財務報表乃根據所有適用香港財務報告準則編製，香港財務報告準則為一個統稱，包括香港會計師公會頒布之所有適用香港財務報告準則、香港會計準則及詮釋、香港公認會計原則、香港公司條例及聯交所證券上市規則（「上市規則」）之適用披露條文。

如下文載列之會計政策所說明，綜合及公司財務報表乃按歷史成本法編製，惟若干金融資產、金融負債及投資物業則按其公平值計算。

#### (a) 綜合賬目基準

綜合財務報表包括本公司及其附屬公司之財務報表。擁有控制權指本公司有權監管附屬公司之財務及營運政策，從而在其營運活動中取得利益。

年內收購或出售之附屬公司業績，乃由實際收購日期起或直至實際出售日期止（按適當情況）計入綜合全面收入報表內。

所有集團內公司間之交易、結餘、收入及支出均於綜合賬目中對銷。

於附屬公司之非控股權益與本公司持有之權益分開呈列。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (b) Investments in subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

In the Company's statement of financial position, the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted by the Company on the basis of dividend received and receivable.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated statement of comprehensive income.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (b) 附屬公司投資

附屬公司乃本集團有權監管其財務及營運政策之所有實體，通常擁有其過半數投票權之股權。在評估本集團是否控制另一實體時，會考慮是否存在即時可行使或轉換之潛在投票權及其作用。

在本公司之財務狀況報表中，於附屬公司之投資乃以成本減除減值虧損撥備列賬。附屬公司之業績由本公司按已收及應收股息基準列賬。

本集團採用收購會計法為本集團所收購之附屬公司列賬。收購成本為於交易當日所獲資產、所發行之股本工具及所產生或承擔之負債之公平值，加上收購事項直接應佔之成本。在業務合併過程中所收購之可識別資產、所承擔之負債及或然負債，均於收購當日按其公平值初步計算（不論任何非控股權益之款額）。收購成本超出本集團應佔所收購之可識別淨資產之公平值之差額乃記錄為商譽。倘收購成本低於所收購附屬公司淨資產之公平值，則有關差額將直接於綜合全面收入報表內確認。



## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (c) *Interests in associates*

An associate is an entity which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associate are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

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

Investments in associates are included in the Company's statement of financial position at cost, less any identified impairment loss. The results of the associates are accounted for by the Company on the basis of dividends received and receivable during the year.

#### (d) *Investments properties*

Investment properties are properties held to earn rental income and/or for capital appreciation. On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value. Any gain or loss arising from a change in the fair value of the investment properties is recognised directly in the consolidated statement of comprehensive income for the year in which they arise.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (c) *聯營公司權益*

聯營公司為本集團擁有重大影響力而並非附屬公司或合營公司權益之實體。重大影響力指有權參與投資公司之財務及營運政策決定，但非對該等政策擁有控制權或共同控制權。

聯營公司之業績及資產與負債利用權益會計法計入此等綜合財務報表。根據權益法，聯營公司投資以成本在綜合財務狀況報表內列賬，並經收購後本集團應佔聯營公司資產淨值變動而調整，須減除個別投資之價值減值後列賬。聯營公司之虧損若超逾本集團於該聯營公司之權益(包括任何長期權益，此在實質上構成本集團於聯營公司內淨投資之一部份)僅以本集團已產生之法定或推定責任或代表該聯營公司支付之款項為限予以確認。

倘一集團實體與本集團之聯營公司進行交易，則按本集團於有關聯營公司所佔之權益為限撇銷盈虧。

聯營公司投資按成本減去任何已辨識減值虧損計入本公司財務狀況報表。本公司於年內按已收及應收股息為基準計入聯營公司之業績。

#### (d) *投資物業*

投資物業為持作賺取租金收入及或作資本增值之物業。於初步確認時，投資物業按成本(包括任何直接應佔支出)計量。於初步確認後，投資物業利用公平值計量。投資物業因公平值之變動所產生之盈虧，直接於產生年度之入綜合全面收入報表確認。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (d) Investments properties (cont'd)

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

#### (e) Property, plant and equipment

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

Depreciation is charged so as to write off the cost of property, plant and equipment over their estimated useful lives, using the straight-line method, at the following rates per annum:

Type	Basis
Buildings	Over the shorter of the unexpired period of the land lease and 20 years
Furniture, fixtures and equipment	10%

An item of property, 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 asset) is included in the consolidated statement of comprehensive income in the year in which the item is derecognised.

#### (f) Property interests held for development

Property interests held for development represent a right to develop properties on a piece of land upon payment of a final amount or land acquired pending any definite intention, and are carried at cost, less any identified impairment losses.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (d) 投資物業(續)

當投資物業出售,或永不再使用有關投資物業,且預期出售時將不會產生未來經濟利益時,不再確認入賬。不再確認物業所產生之盈虧(按出售所得款項淨額與資產之賬面金額兩者間之差額計算),乃於不再確認該項目之年度內計入綜合全面收入報表。

#### (e) 物業、廠房及設備

物業、廠房及設備按成本減累計折舊以及任何累計減值虧損列賬。

物業、廠房及設備之折舊,乃於其估計可使用年期按以下年率以直線法撇銷成本:

種類	基準
樓宇	土地租賃尚餘年期及二十年(以較短者為準)
傢俬、裝置及設備	10%

當物業、廠房及設備項目出售,或預期繼續使用有關資產時將不會產生未來經濟利益時不再確認入賬。不再確認資產所產生之盈虧(按出售所得款項淨額與資產之賬面金額兩者間之差額計算),乃於不再確認該項目之年度內計入綜合全面收入報表。

#### (f) 持作發展之物業權益

持作發展之物業權益指於支付最後款項後在土地上發展物業之權利或已購入而未有任何具體意向之土地,乃按成本扣除任何可辨認減值虧損列賬。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (g) Properties held for sale

Completed properties held for sale remaining unsold at the end of the reporting period are stated at the lower of cost and net realisable value.

Net realisable value is determined by reference to sale proceeds received after the end of the reporting period less selling expenses, or by management estimates based on the prevailing market conditions.

#### (h) Leasing

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

##### *The Group as lessor*

Rental income from operating leases is recognised in the consolidated statement of comprehensive income on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expenses on a straight-line basis over the lease term.

#### (i) Revenue recognition

Revenue from properties held for sale is recognised upon completion of sales agreement and by reference to the timing of execution of deed of legal assignment or delivery of property to the purchaser, whichever is earlier. Payments received from the purchasers prior to this stage are recorded as deposits received on sales of properties and are grouped under current liabilities.

Rental income from properties under operating leases is recognised on a straight line basis over the term of the relevant lease.

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.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (g) 持作出售物業

可持作出售惟於報告期末仍未售出的已落成物業按成本與可變現淨值兩者中之較低者入賬。

可變現淨值參考於報告期末後收取之出售所得款項減出售之開支計算，或根據管理層按當時市況作出之估計釐定。

#### (h) 租約

凡租約條款規定將租賃資產擁有權之絕大部份風險及利益轉移至承租人之租約均列為財務租約。所有其他租約均分類為營業租約。

##### *本集團為出租人*

營業租約之租金收入會以直線法按有關租約年期在綜合全面收入報表確認。磋商及安排營業租約時產生之初步直接成本會加入租賃資產之賬面金額，並以直線法按租約年期確認為開支。

#### (i) 收入確認

持作出售物業之收入在銷售協議完成時方予確認入賬，並參考執行法律轉讓契約或交樓予買家之時間性確認(以較早者為準)。於上述階段前從買家收取之款項乃列作銷售物業之已收按金，並計入流動負債內。

營業租約項下物業之租金收入於有關租賃期內以直線法攤銷確認。

金融資產之利息收入乃就本金結餘按適用實際利率及時間比例計算。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (j) 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 exchange rates prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at 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.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in consolidated statement of comprehensive income 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 the other comprehensive income in consolidated financial statements and will be reclassified from equity to consolidated statement of comprehensive income on disposal of the foreign operation. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in consolidated statement of comprehensive income 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 other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (j) 外幣

在編製個別集團實體之財務報表時，以實體功能貨幣以外之貨幣(外幣)進行之交易按交易日通用之匯率以各自功能貨幣(即該實體經營之主要經濟環境之貨幣)記錄。於報告期末，以外幣列值之貨幣項目以該日期通用之匯率重新換算。以外幣列值並按公平值列賬之非貨幣項目以釐定公平值當日通用之匯率重新換算。以外幣列值並以歷史成本計算之非貨幣項目不會重新換算。

結算貨幣項目及重新換算貨幣項目時產生之匯兌差額於產生之期間在綜合全面收入報表中確認，惟因貨幣項目而產生並構成本公司之海外業務淨投資一部份之匯兌差額則於綜合財務報表中其他全面收入內確認，並在出售海外業務時，從權益重新分類至綜合全面收入報表。重新換算按公平值列賬之非貨幣項目產生之匯兌差額計入期內之綜合全面收入報表中，惟重新換算非貨幣項目產生之差額有關之盈虧直接於其他全面收入確認，在此情況下，匯兌差額亦會直接於其他全面收入中確認。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (j) Foreign currencies (cont'd)

For the purposes of presenting the 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) using exchange rates prevailing at the end of the reporting period. 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 in other comprehensive income and accumulated in equity as exchange reserve and attributed to non-controlling interests as appropriate. Such exchange differences are recognised in consolidated statement of comprehensive income in the period in which the foreign operation is disposed of.

#### (k) Retirement benefit costs

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

#### (l) Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position 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 (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in consolidated statement of comprehensive income.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (j) 外幣(續)

就財務報表之呈報而言,本集團海外業務之資產及負債按報告期末之匯率換算為本集團之呈列貨幣(即港元),而收支則按該年度之平均匯率換算。倘期內匯率大幅波動,則使用交易日之匯率換算。產生之匯兌差額(如有)於其他全面收入中確認,並於權益內以匯兌儲備累計及分配至非控股權益(如適用)。該等匯兌差額於出售海外業務期間在綜合全面收入報表內確認。

#### (k) 退休福利成本

界定供款退休福利計劃之供款於僱員提供服務以有權取得供款時確認為開支。

#### (l) 金融工具

當集團實體成為工具合約條文之一方,則於財務狀況報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算。收購或發行金融資產及金融負債直接應佔之交易成本(以公平值計算且以公平值計入損益之金融資產及金融負債除外)乃於初步確認時加入金融資產或金融負債(如適用)之公平值,或從金融資產或金融負債之公平值扣除。收購以公平值計量且以公平值計入損益之金融資產或金融負債直接應佔之交易成本,即時於綜合全面收入報表中確認。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

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

#### (I) *Financial instruments (cont'd)*

##### *Financial assets*

The Group's financial assets are classified into one of the four categories, including financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments 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 Group's major financial assets fall within the category of loans and receivables and available-for-sale financial assets respectively and the accounting policies adopted 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 to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at fair value through profit or loss, of which interest income is included in net gains or losses.

### 3. 主要會計政策概要(續)

#### (I) *金融工具(續)*

##### *金融資產*

本集團之金融資產分類為下列四項其中之一：以公平值計算且以公平值計入損益之金融資產、貸款及應收款項、持有至到期之投資及可供出售金融資產。所有正常買賣之金融資產按交易日之基準確認及不予確認。正常買賣之金融資產是指按照市場規定或慣例須在一段期間內進行資產交付之金融資產買賣。本集團之主要金融資產屬於貸款及應收款項以及可供出售金融資產之類別，而所採納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攤銷成本及於有關期間內分配利息收入之方法。實際利率為於初步確認時將金融資產於預計年期或(如適用)較短期間內之估計未來現金收款(包括構成實際利率之一切已付或已收利差費用、交易成本及其他溢價或折讓)準確貼現至賬面淨值之利率。

除指定以公平值計算且以公平值計入損益之金融資產之利息收入會計入盈利或虧損淨額外，債務工具之收入按實際利息計算確認。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (I) Financial instruments (cont'd)

##### 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 the end of the reporting period to initial recognition, loans and receivables including debtors and deposits, loan to a fellow subsidiary, advance to a fellow subsidiary and cash and cash equivalents are carried at amortised cost using the effective interest method, less any identified impairment losses (see the 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 any of the other categories under HKAS 39. At each end of the reporting period subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in other comprehensive income and accumulated under the securities investment reserve, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised, at which time, the cumulative gain or loss previously recognised in securities investment reserve is removed and recognised in the consolidated statement of comprehensive income (see the accounting policy on impairment loss on financial assets below).

For the purpose of recognising foreign exchange gains and losses, a monetary available-for-sale financial asset is treated as if it was carried at amortised cost in the foreign currency. Accordingly, for such a financial asset, exchange differences resulting from changes in carrying amount are recognised in the consolidated statement of comprehensive income.

However, interest calculated using the effective interest method is recognised in the consolidated statement of comprehensive income.

Any impairment losses on available-for-sale financial assets are recognised in the consolidated statement of comprehensive income. Impairment losses on available-for-sale equity investments will not reverse in subsequent periods. 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.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (I) 金融工具(續)

##### 貸款及應收款項

貸款及應收款項為並未於交投活躍之市場內報價而附帶固定或可議定付款之非衍生金融資產。於初步確認後之報告期末，貸款及應收款項(包括應收賬項及按金、借予同系附屬公司短期貸款、墊付同系附屬公司款項以及現金及現金等同項目)使用實際利息法按經攤銷成本減任何可識別減值虧損列賬(見下文有關金融資產減值虧損之會計政策)。

##### 可供出售金融資產

可供出售金融資產為根據香港會計準則第39號指定或並無分類為任何其他分類之非衍生工具。於初步確認後之各個報告期末，可供出售金融資產按公平值計算。除減值虧損及匯兌收益及虧損外，公平值變動於其他全面收入中確認，並於證券投資儲備中累計，直至該金融資產不再確認入賬；屆時，以往於證券投資儲備確認之累計收益或虧損會予以扣除，並於綜合全面收入報表確認(見下文有關金融資產減值虧損之會計政策)。

至於確認匯兌收益及虧損，貨幣性可供出售金融資產被視為以外幣按攤銷成本列賬。因此，就有關金融資產而言，賬面值變動所引致之匯兌差額會於綜合全面收入報表確認。

然而，利用實際利息法計算之利息會於綜合全面收入報表確認。

可供出售金融資產之任何減值虧損會於綜合全面收入報表確認。可供出售股本投資之減值虧損不會於往後期間撥回。就可供出售債務投資而言，倘投資之公平值增加可能客觀地涉及確認減值虧損後發生之事件，則減值虧損可於其後撥回。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (I) Financial instruments (cont'd)

##### Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of the reporting period. 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:

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

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

For financial assets carried at amortised 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 original effective interest rate of the financial assets.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (I) 金融工具(續)

##### 金融資產減值

除以公平值計算且以公平值計入損益之金融資產外，金融資產於報告期末進行有關減值現象之評估。當於初步確認金融資產後發生一項或多項事件，導致有客觀證據顯示金融資產之估計未來現金流量已受到影響，則金融資產已經減值。

就可供出售股本投資而言，倘有關投資之公平值大幅或長期低於其成本，則被視為減值之客觀憑證。

就所有其他金融資產而言，減值客觀證據可包括：

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

就應收貿易賬項等若干類別之金融資產而言，被評為不會個別減值之資產會彙集評估減值。一組應收款項之減值客觀證據可包括本集團過往之收款經驗、組合內延遲還款至超逾平均信貸期之次數增加，以及與無力支付應收款項有關之國家或地方之經濟環境明顯轉變。

就按攤銷成本列賬之金融資產而言，減值虧損數額以資產之賬面金額與按金融資產之原實際利率折現其估計未來現金流量之現值兩者之差額計算。



## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (I) Financial instruments (cont'd)

##### Impairment of financial assets (cont'd)

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 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 the consolidated statement of comprehensive income. When a trade receivable is considered uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to the consolidated statement of comprehensive income.

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 loss was recognised, the previously recognised impairment loss is reversed through consolidated statement of comprehensive income to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments will not be reversed in the consolidated statement of comprehensive income in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised in other comprehensive income and accumulated under the securities investment reserve.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (I) 金融工具(續)

##### 金融資產減值(續)

就按成本列賬之金融資產而言，減值虧損以資產之賬面金額與按類似金融資產現時市場回報率折現其估計未來現金流量之現值兩者之差額計算。有關減值虧損不會於往後期間撥回。

除應收貿易賬項外，所有金融資產之賬面金額會直接扣除其減值虧損。應收貿易賬項之賬面金額會利用撥備賬進行扣減。撥備賬之賬面金額的變動於綜合全面收入報表確認。當應收貿易賬項被視為不可收回，則會撇銷撥備賬。倘之前已撇銷之款項於其後收回，則會計入綜合全面收入報表。

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

可供出售股本投資之減值虧損不會於往後期間在綜合全面收入報表撥回。於確認減值虧損後公平值增加會於其他全面收入確認，並於證券投資儲備中累計。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (I) *Financial instruments (cont'd)*

##### *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 classified into other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

##### *Other financial liabilities*

Other financial liabilities including creditors and accruals, deposits received and advances from fellow subsidiaries are subsequently measured at amortised cost, using the effective interest method.

##### *Equity instruments*

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

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (I) *金融工具(續)*

##### *金融負債及股本*

集團實體發行之金融負債及股本工具乃根據所訂立合約安排之內容及金融負債與股本工具之定義予以分類。股本工具為可證明於本集團資產經扣除其所有負債後之餘額權益之任何合約。

本集團之金融負債分類為其他金融負債，而就金融負債及股本工具所採納之會計政策載列如下。

##### *其他金融負債*

其他金融負債(包括應付賬項及應計費用、已收按金及同系附屬公司墊款)均於其後使用實際利息法按攤銷成本計算。

##### *股本工具*

本公司發行之股本工具按已收所得款項扣除直接發行成本入賬。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (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 statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes consolidated statement of comprehensive income items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantially enacted at the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred taxation liabilities are generally recognised for all taxable temporary differences and deferred taxation 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 deferred taxation assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative 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.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (m) 稅項

所得稅支出指當期應付稅項及遞延稅項。

當期應付稅項按年度應課稅溢利計算。應課稅溢利與綜合全面收入報表所報溢利不同，此乃由於其不包括在其他年度應課稅或可扣減之收入或支出項目，亦不包括綜合全面收入報表內永不課稅或扣減之項目。本集團有關當期稅項之負債按報告期末已實施或大致實施之稅率計算。

遞延稅項按財務報表內資產及負債賬面金額與用於計算應課稅溢利之相應稅基兩者之暫時差異確認。遞延稅項負債通常會就所有應課稅暫時差異確認，而遞延稅項資產則限於可能於日後取得應課稅溢利，並可用以抵銷可扣減暫時差異時確認。若暫時差異乃因商譽(或負商譽)或一項既不影響應課稅溢利亦不影響會計溢利之交易(業務合併除外)中初步確認其他資產及負債而引致，則不會確認該等遞延稅項資產及負債。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (m) Taxation (cont'd)

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

The carrying amount of deferred taxation assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (m) 稅項(續)

遞延稅項負債乃就附屬公司及聯營公司之權益產生之應課稅暫時差異而確認，惟倘本集團能夠控制該等暫時差異之回轉及該等暫時差異預料不會在可見將來回轉則屬例外。

遞延稅項資產之賬面金額於報告期末作檢討，並在不大可能再有足夠應課稅溢利收回全部或部份稅項資產時減少。

遞延稅項乃按預期於負債償還或資產變現期間之適用稅率計算。遞延稅項會扣自或計入綜合全面收入報表，惟有關於其他全面收入確認或直接於權益確認之項目，則有關之遞延稅項亦會於其他全面收入確認或直接於權益確認。

當遞延稅項資產及負債與同一稅務機關徵收之所得稅有關，以及該實體有意按淨額基準結算其當期稅項資產及負債時，遞延稅項資產及負債予以對銷。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (n) Related parties

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

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

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (n) 關連人士交易

在下列情況下，有關人士將視為與本集團有關連：

- (i) 有關人士直接或透過一名或多名中介人間接：(a)控制本集團，或被本集團控制或與本集團受到共同控制；(b)擁有本集團權益，並可對本集團發揮重大影響力；或(c)與他人共同擁有本集團控制權；
- (ii) 有關人士為聯營公司；
- (iii) 有關人士為共同控制實體；
- (iv) 有關人士為本集團或其母公司之主要管理人員；
- (v) 有關人士為(i)或(iv)項所述人士之直系親屬；
- (vi) 有關人士受直接或間接歸屬於(iv)或(v)項所述人士之實體所控制，與他人共同控制或發揮重大影響力，或擁有重大投票權；或
- (vii) 有關人士為本集團或屬其關連人士任何實體之僱員之終止受僱後福利計劃。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (o) Borrowings

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of those asset. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the consolidated statement of comprehensive income in the period in which they are incurred.

#### (p) Impairment losses

At the end of the reporting period, 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 is subsequently reversed, 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.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (o) 借貸

直接因收購、興建或生產合資格資產而產生之借貸成本會資本化為該等資產之部分成本。借貸成本於資產大致可作擬定用途或銷售時不再資本化。

所有其他借貸成本於產生期間於綜合全面收入報表中確認。

#### (p) 減值虧損

於報告期末，本集團會檢討其有形及無形資產之賬面金額，以釐定該等資產有否出現減值虧損之現象。倘估計資產之可收回金額將低於其賬面金額，則將該資產之賬面金額減至其可收回金額。減值虧損則即時確認為開支。

倘減值虧損其後撥回，則有關資產之賬面金額會增至其經修訂估計可收回之金額，惟已增加之賬面金額不得超過假設有關資產於過往年度並無確認減值虧損而釐定之賬面金額。減值虧損撥回則即時確認為收入。

## Notes to the Financial Statements

For the year ended 31st December, 2009

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

#### (q) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligations and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

#### (r) Segment reporting

Operating segments are reported in a manner consistent with the internal management reporting provided to the chief operating decision-makers. Segment assets consist primarily of fixed assets, financial assets and other assets. Segment liabilities comprise financial liabilities and other liabilities. The Group evaluates performance on the basis of profit or loss from operations after tax expense and non-controlling interests but not including the major non-cash items. No intersegment revenue is accounted for as the intersegment revenue is mainly the rental income for administrative purpose.

#### (s) Prepaid lease payments

Payment for obtaining land use rights is accounted for as prepaid lease payments and are charged to the consolidated statement of comprehensive income on a straight-line basis over the lease terms.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 3. 主要會計政策概要(續)

#### (q) 撥備

當本集團因過往事件而承擔現有責任，導致本集團將有可能就該責任付款，而該責任款額能可靠地估計時確認撥備。

確認為撥備之款額乃於報告期末就支付現有責任所需之代價之最佳估計，當中已考慮涉及有關責任之風險及不確定因素。倘撥備使用估計支付現有責任之現金流進行計量，其賬面金額即該等現金流之現值。

#### (r) 分類報告

經營分類按符合提供予主要經營決策人之內部管理報告方式呈報。分類資產主要包括固定資產、金融資產及其他資產。分類負債包括金融負債及其他負債。本集團會以經營溢利或虧損評估表現，當中已扣除稅項開支及非控股權益，惟並未計及重大非現金項目。由於分類間之收益主要為涉及行政之租金收入，故並無將分類間之收益入賬。

#### (s) 預付租賃款項

為取得土地使用權而支付之款項列作預付租賃款項，按直線法在租約期內自綜合全面收入報表扣除。

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in Note 3 to the financial statements, management is 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The followings are the critical judgements, apart from those involving estimations, that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

#### *Income tax expense*

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

#### *Impairment of assets*

The Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 4. 關鍵會計估計及判斷

管理層於應用本集團之會計政策(見財務報表附註3之描述)時,須對無法以其他途徑得知之資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設以過往經驗及被視為相關之其他因素為依據。實際結果可能有別於該等估計。

管理層會持續審閱各項估計及相關假設。如果會計估計之修訂只是影響某一期間,其影響便會在作出修訂之期間確認;如果修訂對當前及未來期間均有影響,則在作出修訂之期間及未來期間確認。

除涉及估計之判斷外,以下為管理層於應用本集團會計政策時所作出對財務報表已確認金額有最重大影響之主要判斷。

#### *所得稅開支*

本集團須繳納香港及中華人民共和國(香港除外)(「中國」)之所得稅。在釐定所得稅撥備時須作出重大判斷。在日常業務過程中,大部份交易及計算之最終稅務決定均不明朗。本集團根據附加稅項會否到期之估計來確認預計稅項審核事宜之負債。倘此等事宜之最終稅務結果有別於初步錄得之金額,有關差額將對作出決定期間之所得稅及遞延稅項撥備構成影響。

#### *資產減值*

本集團每年進行資產減值測試,並利用須作出若干假設及估計之使用價值計算法,釐定資產或現金產生單位之可收回金額。



## Notes to the Financial Statements

For the year ended 31st December, 2009

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

#### Investment properties

As described in Note 17 to the financial statements, investment properties are stated at fair value based on the valuation performed by independent professional surveyors. In determining the fair value, the surveyors have based on method of valuation which involves certain estimates. In relying on the valuation report, the management has exercised their judgment and is satisfied that the method of valuation is reflective of the current market conditions. Should there are changes in assumptions due to change of market conditions, the fair value of the investment properties will change in future.

### 5. FINANCIAL INSTRUMENTS

#### 5.1 Categories of financial instruments

##### Financial assets

##### 金融資產

Available-for-sale financial assets

可供出售金融資產

96,472

89,008

Loans and receivables

貸款及應收款項

(including cash and cash equivalents)

(包括現金及現金等同項目)

864,525

854,726

##### Financial liabilities

##### 金融負債

At amortised cost

按攤銷成本

3,024

2,213

#### 5.2 Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale financial assets, debtors and deposits, loan to a fellow subsidiary, advance to a fellow subsidiary, cash and cash equivalents, creditors and accruals, deposits received and advances from fellow subsidiaries. Details of these financial instruments are disclosed in respective notes. The risk associated with these financial instruments and the policies on how to mitigate these are set out below. The management monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 4. 關鍵會計估計及判斷 (續)

#### 投資物業

誠如財務報表附註17所述，投資物業是以獨立專業測計師評定之公平值入賬。測計師於決定公平值時乃根據包含若干估計之估值方法進行，管理層於信賴估值報告時已作出了判斷及認同該估值方法乃反映市場現況。如市況導致假設有任何變動，投資物業之公平值將於未來變動。

### 5. 金融工具

#### 5.1 金融工具之類別

2009	2008
HK\$'000	HK\$'000
千港元	千港元

##### Financial assets

##### 金融資產

Available-for-sale financial assets

可供出售金融資產

96,472

89,008

Loans and receivables

貸款及應收款項

(including cash and cash equivalents)

(包括現金及現金等同項目)

864,525

854,726

##### Financial liabilities

##### 金融負債

At amortised cost

按攤銷成本

3,024

2,213

#### 5.2 財務風險管理目標及政策

本集團之主要金融工具包括可供出售金融資產、應收賬項及按金、借予同系附屬公司貸款、墊付同系附屬公司款項、現金及現金等同項目、應付賬款及應計費用、已收按金及同系附屬公司墊款。此等金融工具之詳情於各個相關附註內披露。與此等金融工具相關之風險及如何減低有關風險之政策載列如下。管理層監察此等風險，以確保適時有效地推行適當措施。

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 5. FINANCIAL INSTRUMENTS (cont'd)

#### 5.2 Financial risk management objectives and policies (cont'd)

##### Market risks

##### (i) Foreign currency risk

The majority of the Group's monetary assets and monetary liabilities by value and the rental income are denominated in Hong Kong dollars ("HK\$"), except the available-for-sale financial assets are denominated in United States dollars ("USD"). The Group currently does not have a foreign currency hedging policy in respect of foreign current assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Assets	資產	2009 HK\$'000 千港元	2008 HK\$'000 千港元
USD	美元	<b>102,812</b>	90,801

##### Sensitivity analysis

As HK\$ are pegged to USD, it is assumed that there would be no material currency risk exposure between these two currencies and therefore is excluded from the analysis.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 5. 金融工具(續)

#### 5.2 財務風險管理目標及政策(續)

##### 市場風險

##### (i) 外幣風險

本集團以價值及租金收入劃分之貨幣資產及貨幣負債大部分以港元(「港元」)計值,惟可供出售金融資產以美元(「美元」)計值。本集團目前並無就海外流動資產及負債採納任何外幣對沖政策。本集團將密切監察其外幣風險,並於有需要時考慮對沖重大外幣風險。

本集團以外幣計值之貨幣資產及貨幣負債於報告期末之賬面值如下:

Assets	資產	2009 HK\$'000 千港元	2008 HK\$'000 千港元
USD	美元	<b>102,812</b>	90,801

##### 敏感度分析

由於港元與美元掛鈎,並假設該兩種貨幣並無重大貨幣風險,故並無納入分析之內。

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 5. FINANCIAL INSTRUMENTS (cont'd)

#### 5.2 Financial risk management objectives and policies (cont'd)

##### Market risks (cont'd)

##### (ii) Cash flow interest rate risk

The Group and the Company do not have any bank borrowings.

The Group and the Company have interest-bearing assets including advances to subsidiaries, available-for-sale financial assets, loan to a fellow subsidiary and cash and cash equivalents, details of which have been disclosed in Notes 21, 23, 26 and 28 to the financial statements.

The Group and the Company analyse their interest rate exposure on a dynamic basis. The advances to subsidiaries, available-for-sale financial assets, loan to a fellow subsidiary and cash and cash equivalents were carried at fixed and variable rates. As such, the impact of the increase or decrease in Hong Kong Interbank Offered Rates ("HIBOR") and The London Interbank Offered Rates ("LIBOR") would have an effect on interest income arising from advances to subsidiaries, available-for-sale financial assets, loan to a fellow subsidiary, cash and cash equivalents for the Group and the Company.

The Group's and the Company's interest rate risk is mainly concentrated on the fluctuation of interest income arising from the Group's United States dollar denominated available-for-sale financial assets and Hong Kong dollar denominated loan to a fellow subsidiary and cash and cash equivalents.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 5. 金融工具(續)

#### 5.2 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (ii) 現金流量利率風險

本集團及本公司並無任何銀行借貸。

本集團及本公司擁有的計息資產包括墊付附屬公司款項、可供出售金融資產、借予同系附屬公司貸款以及現金及現金等同項目(詳情已於財務報表附註21、23、26及28內披露)。

本集團及本公司按動態基準分析其利率風險,其墊付附屬公司款項、可供出售金融資產、借予同系附屬公司貸款以及現金及現金等同項目均以固定及浮動利率計息。因此,香港銀行同業拆息(「香港銀行同業拆息」)及倫敦銀行同業拆息(「倫敦銀行同業拆息」)之上升或下降將對本集團及本公司來自墊付附屬公司款項、可供出售金融資產、借予同系附屬公司貸款、現金及現金等同項目之利息收入產生影響。

本集團及本公司之利率風險主要集中於來自本集團以美元計值之可供出售金融資產及以港元計值之借予同系附屬公司貸款以及現金及現金等同項目之利息收入波動。

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 5. FINANCIAL INSTRUMENTS (cont'd)

#### 5.2 Financial risk management objectives and policies (cont'd)

##### Market risks (cont'd)

##### (ii) Cash flow interest rate risk (cont'd)

##### Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rate for interest-bearing advances to subsidiaries, available-for-sale financial assets, loan to a fellow subsidiary and cash and cash equivalents at the end of the reporting period. The analysis is prepared assuming the amount of financial assets held at the end of the reporting period was held for the whole year. A 50 basis points increase or decrease in interest rate is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's and the Company's:

- profit for the year ended 31st December, 2009 would increase/decrease by approximately HK\$4,402,000 and HK\$4,904,000 (2008: increase/decrease by HK\$4,366,000 and HK\$4,829,000) respectively. This is mainly attributable to the Group's exposure to interest rates on its variable rate; and
- other comprehensive income for the year ended 31st December, 2009 would not increase/decrease (2008: Nil).

The Group's and the Company's sensitivity to interest rates has increased during the current year mainly due to the increase in loan to a fellow subsidiary held.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 5. 金融工具(續)

#### 5.2 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (ii) 現金流量利率風險(續)

##### 敏感度分析

下文敏感度分析乃根據於報告期末之計息墊付附屬公司款項、可供出售金融資產、借予同系附屬公司貸款以及現金及現金等同項目之利率釐定。分析乃假設於報告期末所持之金融資產於整個年度持有而編製。內部向主要管理人員報告利率風險所用之利率上升或下降50個基點，代表管理層對利率合理可能變動之評估。

倘利率上升 下降50個基點及所有其他可變數不變，則本集團及本公司：

- 截至二零零九年十二月三十一日止年度之溢利將會分別增加 減少約4,402,000港元及4,904,000港元(二零零八年：增加 減少4,366,000港元及4,829,000港元)。此主要涉及本集團之浮息利率風險；及
- 截至二零零九年十二月三十一日止年度之其他全面收入不會增加 減少(二零零八年：無)。

年內，由於所持有借予同系附屬公司貸款增加，本集團及本公司之利率敏感度有所上升。

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 5. FINANCIAL INSTRUMENTS (cont'd)

#### 5.2 Financial risk management objectives and policies (cont'd)

##### Market risks (cont'd)

##### (iii) Price risk

The Group's investment is classified as available-for-sale financial assets which are measured at fair value at each end of the reporting period and expose the Group to price risk. The Group's price risk is concentrated on securities investment operating in banking and insurance industry. The management manages this exposure by maintaining a portfolio of investments with different risk profiles.

##### Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to price risk at the reporting date:

If the securities price had been 5% higher/lower and all other variables were held constant, the Group's:

- profit for the year ended 31st December, 2009 would not increase/decrease (2008: Nil).
- other comprehensive income for the year ended 31st December, 2009 would increase/decrease by approximately HK\$4,824,000 (2008: HK\$4,450,000).

The Group's sensitivity to price risk has increased during the year mainly due to the increase in the fair value of available-for-sale financial assets held.

##### Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31st December, 2009 in relation to each class of recognised financial assets are the carrying amount of those assets as stated in the consolidated statement of financial position. The Group's and the Company's time deposits are deposited with banks of high credit quality in Hong Kong.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 5. 金融工具(續)

#### 5.2 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (iii) 價格風險

本集團之投資會分類為可供出售金融資產(於各報告期末按公平值計量),並使本集團承受價格風險。本集團之價格風險集中於有關銀行業及保險業之證券投資。管理層透過維持不同風險程度之投資組合管理有關風險。

##### 敏感度分析

下文敏感度分析乃根據於報告日之價格風險釐定:

倘證券價格上升 下跌5%,而所有其他可變數不變,則本集團:

- 截至二零零九年十二月三十一日止年度之溢利不會增加 減少(二零零八年:無)。
- 截至二零零九年十二月三十一日止年度之其他全面收入將增加 減少約4,824,000港元(二零零八年:4,450,000港元)。

年內,由於所持之可供出售金融資產公平值增加,故本集團之價格風險敏感度亦有所增加。

##### 信貸風險

本集團就倘交易對手未能履行其於二零零九年十二月三十一日有關各類已確認金融資產之責任所面對最大信貸風險為綜合財務狀況報表所述該等資產之賬面金額。本集團及本公司之定期存款存於香港高信貸質素之銀行。

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 5. FINANCIAL INSTRUMENTS (cont'd)

#### 5.2 Financial risk management objectives and policies (cont'd)

##### Credit risk (cont'd)

The Company and its principal subsidiaries made transactions with counterparties with acceptable credit quality in conformance to the Group treasury policies to minimise credit exposure. Acceptable credit ratings from reputable credit rating agencies and scrutiny of financials for non-rated counterparties are two important criteria in the selection of counterparties. The credit quality of counterparties will be closely monitored over the life of the transaction. The Group reviews its financial counterparties periodically in order to reduce credit risk concentrations relative to the underlying size and credit strength of each counterparties.

In an attempt to forestall adverse market movement, the Group also monitors potential exposures to each financial institution counterparties.

The Group's exposure to credit risk arises from default of the counterparties, with a maximum exposure equals to the carrying amount of the each financial asset as reported on the consolidated statement of financial position.

##### Liquidity risk

The Group manages liquidity risk by regularly monitoring current and expected liquidity requirements and ensuring sufficient liquid cash and intended credit lines of funding from major financial institutions to meet the Group's liquidity requirements in the short and long term. The liquidity risk is under continuous monitoring by management. Management will raise or refinance bank borrowings whenever necessary.

At the end of the reporting period, the Group does not have significant exposure to liquidity risk.

The contractual maturities at the end of the reporting period of the Group's financial liabilities which are required to be repaid within one year or on demand amounted to HK\$924,000 (2008: HK\$2,214,000).

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 5. 金融工具(續)

#### 5.2 財務風險管理目標及政策(續)

##### 信貸風險(續)

本公司及其主要附屬公司按本集團庫務政策所訂與具有可接受信貸評級的機構進行交易,以盡量降低信貸風險。揀選交易方的兩項重要原則,是由有信譽的信貸評級機構發出可接受的信貸評級,以及對沒有評級的交易方進行財務評審。本集團會在整個交易期內密切監察交易方的信貸質素。本集團會定期參考與其交易的各財務機構之規模及信貸能力檢討各交易方,以減低過度集中信貸的風險。

為不利之市場變動預先作準備,本集團為每間金融機構交易方監察潛在之風險。

本集團之信貸風險乃來自交易方之違約,最高等於綜合財務狀況報表所列各金融資產之賬面金額。

##### 流動資金風險

本集團管理流動資金風險之方法為定期監察現時及預測之流動資金需要,並確保具備足夠流動現金及取得計劃來自主要金融機構之融資,以應付本集團之短期及長期流動資金需要。管理層會持續監察流動資金風險,並將於必要時籌集銀行借貸或將銀行借貸再融資。

於報告期末,本集團並無重大之流動資金風險。

於報告期末,須於一年內或按要時償還之本集團金融負債為924,000港元(二零零八年:2,214,000港元)。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 5. FINANCIAL INSTRUMENTS (cont'd)

## 5.3 Fair value estimation

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1: quoted prices in active markets for the same instrument (i.e., without modification or repackaging);

Level 2: quoted prices in active markets for similar assets or liabilities or other valuation techniques for which all significant inputs are based on observable market data; and

Level 3: valuation techniques for which any significant input are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by the fair value hierarchy:

		Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>As at 31st December, 2009</b>	於二零零九年 十二月三十一日				
Available-for-sale financial assets	可供出售金融資產	<b>96,472</b>	-	-	<b>96,472</b>
As at 31st December, 2008	於二零零八年 十二月三十一日				
Available-for-sale financial assets	可供出售金融資產	89,008	-	-	89,008

There were no transfers amongst Level 1, Level 2 and Level 3 in the fair value hierarchy.

## 5. 金融工具(續)

## 5.3 公平值估計

下表為於初次確認後按公平值計量之金融工具之分析，並根據公平值之可觀察程度分為第一至三級：

第一級：同一工具(即未經調整或重新包裝)於活躍市場內之報價；

第二級：類似資產或負債於活躍市場內之報價或所有主要輸入值以可觀察之市場數據為基礎之其他估值方法；及

第三級：主要輸入值並非以可觀察之市場數據為基礎之估值方法。

下表顯示按公平值分級制所劃分按公平值記錄之金融工具分析：

公平值分級制內第一級、第二級及第三級之間並無轉撥。

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 5. FINANCIAL INSTRUMENTS (cont'd)

#### 5.3 Fair value estimation (cont'd)

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

### 6. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the abilities of the entities in the Group to continue as a going concern, so that it can continue to provide returns for shareholders of the Company and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The directors of the Company actively and regularly review and manage the Group's capital structure to maximise the returns to shareholders through the optimisation of the debt afforded by a sound capital position, and make adjustments to the capital structure in light of changes in economic conditions. The Group's overall strategy remains unchanged from 2008.

Consistent with others in the industry, the Group monitors its capital structure on the basis of the gearing ratio. The debt-to-equity ratio is calculated as total borrowing divided by total equity. As at 31st December, 2008 and 31st December, 2009, the Group's gearing ratios were undefined because the Group did not have any borrowings as at 31st December, 2008 and 31st December, 2009.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 5. 金融工具(續)

#### 5.3 公平值估計(續)

於活躍市場買賣之金融工具之公平值即報告期末所報之市價。倘即時及定時透過交易所、交易商、經紀、業界組別、報價服務或監管機構獲得報價，且該等價格屬實際及定期按公平基準進行之市場交易，則市場可視為活躍。本集團所持金融資產所用之市場報價為目前之買入價。此等工具已計入第一級。

### 6. 資本風險管理

本集團資本管理之首要目標，為保障本集團之實體具備持續經營之能力，透過將產品及服務之定價定為符合風險水平之價格，以及按合理成本取得融資，持續為本公司股東帶來回報，並為其他權益關涉者帶來裨益。

本公司董事主動及定期檢討及管理本集團之資本架構，透過維持適當之資本狀況管理債務，爭取最大的股東回報，並因應經濟環境轉變對資本架構進行調整。本集團之整體策略自二零零八年起維持不變。

本集團運用資本負債比率監察其資本結構，此舉與行業其他業者貫徹一致。債務權益比率乃按借貸總額除以權益總額計算。於二零零八年十二月三十一日及二零零九年十二月三十一日，由於本集團於二零零八年十二月三十一日及二零零九年十二月三十一日並無任何借貸，故並無界定資本負債比率。



## Notes to the Financial Statements

For the year ended 31st December, 2009

### 7. SEGMENT INFORMATION

The accounting policies of the operating segments are the same as those described in the principal accounting policies. The chief operating decision-maker evaluates performance on the basis of profit or loss from operations. No intersegment revenue is accounted for as the intersegment revenue is mainly the interest income and management fee income for administrative purposes.

The Group's measurement methods used to determine reported segment results remain unchanged from 2008.

The Group's reportable segments are strategic business units that operate different activities. They are managed separately because each business has different market and requires different marketing strategies.

Management has determined the operating segments based on the revenue nature of the Group.

The management considers the business nature from product perspective. The Group currently has three reportable segments – property development, property leasing and securities investments and finance.

Principal activities are as follows:

Property development	–	Property development and sales of properties
Property leasing	–	Property rental
Securities investments and finance	–	Securities investments and financing activities

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 7. 分類資料

經營分類之會計政策與主要會計政策所描述者相同。主要經營決策人會以經營溢利或虧損評估表現。由於分類間之收益主要為利息收入及涉及行政之管理費收入，故並無將分類間之收益入賬。

自二零零八年起，本集團釐定呈報分類業績之計量方法並無改變。

本集團之可報告分類乃經營不同活動之策略性業務單位，且基於各項業務有不同市場及需要不同營銷策略，因此會分開管理。

管理層決定根據本集團之收益性質劃分各經營分類。

管理層從產品角度考慮業務之性質。本集團現有三個可報告分類分別為物業發展、物業租賃以及證券投資及融資。

主要業務活動如下：

物業發展	-	物業發展及物業銷售
物業租賃	-	物業租賃
證券投資及融資	-	證券投資及融資業務

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 7. SEGMENT INFORMATION (cont'd)

Segment information about these businesses is presented below:

## The segment results for the year ended 31st December, 2009

		Property development	Property leasing	Securities investments and finance	Consolidated
		物業發展	物業租賃	證券投資 及融資	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Segment revenue	分類收益				
Revenue from external customers	來自外部客戶之收益	6,244	2,440	14,874	23,558
Segment margin	分類利潤	3,948	1,541	14,874	20,363
Interest income	利息收入	-	-	12	12
Other income	其他收入	-	-	62	62
Loss on disposal of investment properties	出售投資物業之虧損	-	(610)	-	(610)
Fair value changes on investment properties	投資物業之公平值變動	-	3,925	-	3,925
Segment results for reportable segments	可報告分類之分類業績	3,948	4,856	14,948	23,752

## 7. 分類資料(續)

該等業務之分類資料如下：

截至二零零九年十二月三十一日止年度之分類業績

## The segment assets and liabilities as at 31st December, 2009

於二零零九年十二月三十一日之分類資產及負債

		Property development	Property leasing	Securities investments and finance	Consolidated
		物業發展	物業租賃	證券投資 及融資	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Segment assets for reportable segments	可報告分類之分類資產	16,595	29,504	950,961	997,060
Segment assets for reportable segments include:	可報告分類之分類資產 包括：				
Additions to non-current assets (other than financial instruments and deferred taxation assets)	添置非流動資產 (金融工具及遞延 稅項資產除外)	-	-	-	-
Segment liabilities for reportable segments	可報告分類之分類負債	2,337	191	90	2,618

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 7. SEGMENT INFORMATION (cont'd)

The segment results for the year ended 31st December, 2008

		Property development	Property leasing	Securities investments and finance	Consolidated
		物業發展 HK\$'000 千港元	物業租賃 HK\$'000 千港元	證券投資 及融資 HK\$'000 千港元	綜合 HK\$'000 千港元
Segment revenue	分類收益				
Revenue from external customers	來自外部客戶之收益	138,312	2,753	2,022	143,087
Segment margin	分類利潤	99,413	1,215	2,022	102,650
Interest income	利息收入	–	2,444	8,481	10,925
Amortisation of prepaid lease payments	預付租賃款項攤銷	(10)	–	–	(10)
Loss on disposals of investment properties	出售投資物業之虧損	(1,357)	(420)	–	(1,777)
Fair value changes on investment properties	投資物業之公平值變動	–	(3,050)	–	(3,050)
Impairment loss recognised in respect of advances to associates	就墊付聯營公司款項 確認之減值虧損	–	(970)	–	(970)
Write-back of allowance for amounts due from former associates	前聯營公司欠款準備之 撥回金額	–	256	–	256
Share of profit of associates	應佔聯營公司溢利	–	27,262	–	27,262
Segment results for reportable segments	可報告分類之分類業績	98,046	26,737	10,503	135,286

The segment assets and liabilities as at 31st December, 2008

於二零零八年十二月三十一日之分類資產及負債

		Property development	Property leasing	Securities investments and finance	Consolidated
		物業發展 HK\$'000 千港元	物業租賃 HK\$'000 千港元	證券投資 及融資 HK\$'000 千港元	綜合 HK\$'000 千港元
Segment assets for reportable segments	可報告分類之分類資產	18,576	35,287	933,938	987,801
Segment assets for reportable segments include:	可報告分類之分類資產 包括：				
Additions to non-current assets (other than financial instruments and deferred taxation assets)	添置非流動資產 (金融工具及遞延 稅項資產除外)	–	–	–	–
Segment liabilities for reportable segments	可報告分類之分類負債	1,394	313	50	1,757

## 7. 分類資料(續)

截至二零零八年十二月三十一日止年度之分類業績

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 7. SEGMENT INFORMATION (cont'd)

A reconciliation of segment results for reportable segments to profit for the year is provided as follows:

		<b>2009</b>	2008
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Segment results for reportable segments	可報告分類之分類業績	<b>23,752</b>	135,286
Other revenue	其他收益	<b>1</b>	3
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	(15)
Depreciation	折舊	-	(14)
Administrative expenses	行政開支	<b>(4,446)</b>	(6,390)
Gain on disposal of subsidiaries	出售附屬公司之收益	-	3,905
		<hr/>	<hr/>
Profit before taxation	稅前溢利	<b>19,307</b>	132,775
Income tax expense	所得稅開支	<b>(1,446)</b>	(16,089)
		<hr/>	<hr/>
Profit for the year	本年度溢利	<b>17,861</b>	116,686

A reconciliation of segment assets for reportable segments to consolidated total assets is provided as follows:

		<b>2009</b>	2008
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Segment assets for reportable segments	可報告分類之分類資產	<b>997,060</b>	987,801
Debtors, deposits and prepayments	應收賬項、按金及預付款項	<b>166</b>	14
Advance to a fellow subsidiary	墊付同系附屬公司款項	<b>81</b>	21
Cash and cash equivalents	現金及現金等同項目	<b>9,759</b>	9,688
		<hr/>	<hr/>
Consolidated total assets	綜合資產總額	<b>1,007,066</b>	997,524

## 7. 分類資料(續)

可報告分類之分類業績與本年度溢利之對賬如下：

可報告分類之分類資產與綜合資產總額之對賬如下：

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 7. SEGMENT INFORMATION (cont'd)

A reconciliation of segment liabilities for reportable segments to consolidated total liabilities is provided as follows:

Segment liabilities for reportable segments	可報告分類之分類負債
Creditors and accruals	應付賬項及應計費用
Taxation payable	應付稅項
Advances from fellow subsidiaries	同系附屬公司墊款
Deferred taxation liabilities	遞延稅項負債
Consolidated total liabilities	綜合負債總額

Revenue from external customers is from sales of properties, rental income from properties holding and interest income earned from securities investments and finance.

The breakdown of the revenue from all external customers is as follows:

Property rental income	物業租金收入
Sales of properties held for sale	持作出售物業銷售
Interest income from available-for-sale financial assets	可供出售金融資產之利息收入
Loan interest income from a fellow subsidiary	來自同系附屬公司之貸款利息收入

#### Geographical segments

For the year ended 31st December, 2009, all the Group's operations are located in Hong Kong. The Group's revenue is all derived from Hong Kong for both years.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 7. 分類資料(續)

可報告分類之分類負債與綜合負債總額之對賬如下：

2009	2008
HK\$'000	HK\$'000
千港元	千港元
2,618	1,757
298	329
864	9,828
108	127
502	744
<b>4,390</b>	12,785

來自外部客戶之收益源自物業銷售、持有物業之租金收入以及證券投資及融資業務所賺取之利息收入。

來自所有外部客戶之收益明細如下：

2009	2008
HK\$'000	HK\$'000
千港元	千港元
2,440	2,753
6,244	138,312
5,105	1,607
9,769	415
<b>23,558</b>	143,087

#### 地區分類

截至二零零九年十二月三十一日止年度，本集團在香港經營所有業務。在兩個年度本集團之收益全部來自香港。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 8. REVENUE AND OTHER REVENUE

Revenue represents the aggregate amounts received and receivable, analysed as follows:

		2009 HK\$'000 千港元	2008 HK\$'000 千港元
Revenue	收益		
Property rental income	物業租金收入	2,440	2,753
Sales of properties held for sale	持作出售物業銷售	6,244	138,312
Interest income from available-for-sale financial assets	可供出售金融資產之利息收入	5,105	1,607
Loan interest income from a fellow subsidiary	來自同系附屬公司之貸款利息收入	9,769	415
		<b>23,558</b>	143,087
Other revenue	其他收益		
Interest income from bank deposits	銀行存款利息收入	12	8,481
Interest income on advances to associates	墊付聯營公司款項之利息收入	-	1,725
Sundry income	雜項收入	1	3
		<b>13</b>	10,209

收益指已收及應收之合計金額，分析如下：

		2009 HK\$'000 千港元	2008 HK\$'000 千港元
Revenue	收益		
Property rental income	物業租金收入	2,440	2,753
Sales of properties held for sale	持作出售物業銷售	6,244	138,312
Interest income from available-for-sale financial assets	可供出售金融資產之利息收入	5,105	1,607
Loan interest income from a fellow subsidiary	來自同系附屬公司之貸款利息收入	9,769	415
		<b>23,558</b>	143,087
Other revenue	其他收益		
Interest income from bank deposits	銀行存款利息收入	12	8,481
Interest income on advances to associates	墊付聯營公司款項之利息收入	-	1,725
Sundry income	雜項收入	1	3
		<b>13</b>	10,209

## 9. SHARE OF PROFIT OF ASSOCIATES

		2009 HK\$'000 千港元	2008 HK\$'000 千港元
Operating income	經營收入	-	10,933
Gain on disposals of investment properties	出售投資物業之收益	-	2,104
Fair value changes on investment properties	投資物業之公平值變動	-	14,773
Less: deferred tax arising from fair value changes on investment properties	減：投資物業之公平值變動所產生之遞延稅項	-	(2,437)
Current tax	年內稅項	-	12,336
Deferred tax attributable to a change in tax rate	稅率變動應佔之遞延稅項	-	(2,978)
Other deferred tax	其他遞延稅項	-	3,935
		<b>-</b>	932
		<b>-</b>	27,262

## 9. 應佔聯營公司溢利

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 10. PROFIT BEFORE TAXATION

## 10. 稅前溢利

		<b>2009</b>	2008
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Profit before taxation is stated after charging:	稅前溢利已扣除：		
Auditors' remuneration	核數師酬金	<b>210</b>	255
Depreciation	折舊	-	14
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	25
Exchange loss	匯兌虧損	-	355
Staff costs (excluding directors' remuneration)	員工成本(不包括董事酬金)		
- salaries and allowances	- 薪金及津貼	<b>2,828</b>	3,539
- retirement benefit costs	- 退休福利成本	<b>117</b>	171
		<hr/> <hr/>	<hr/> <hr/>
and after crediting:	並已計入：		
Imputed interest income relating to interest-free advance to an associate	墊付聯營公司免息款項之名義利息收入	-	719
Exchange gain	匯兌收益	<b>62</b>	-
		<hr/> <hr/>	<hr/> <hr/>
Gross rental income from properties	物業之租金收入總額	<b>2,440</b>	2,753
Less: direct operating expenses from properties that generated rental income during the year	減：年內產生租金收入之物業直接經營開支	<b>(254)</b>	(269)
direct operating expenses from properties that did not generate rental income during the year	年內並無產生租金收入之物業直接經營開支	<b>(645)</b>	(1,269)
		<hr/> <hr/>	<hr/> <hr/>
		<b>1,541</b>	1,215

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 11. GAIN ON DISPOSAL OF SUBSIDIARIES

On 17th January, 2008, the Group entered into a conditional sale and purchase agreement with Victory Gain Holdings Limited ("Victory Gain"), a wholly-owned subsidiary of Chinese Estates, under which the Group has agreed to sell and Victory Gain has agreed to purchase (i) the entire share capital of each of Moregift Investments Limited, New Hong Kong Inc., Paperkit International Limited, Pinball International Limited, Star Glory Limited, Florta (B.V.I.) Limited, Grade World Investment Limited, Hackney Investments Limited, Paton (B.V.I.) Limited, Perfect Country Limited, Reeden Limited, Shing Ping Development Ltd., King Chance Limited (formerly known as Evergo China Group Limited), Comford Tower Limited, Country Homes Limited, Country Honour Limited, Dynamic Master Limited, E-Trade.Com Limited, Farnell Venture Inc., First Castle Limited, Jade Mountain Limited, Jinline Investments Ltd., Kinloch Investments Corp. and Sanewing Investments Limited (which, together with their respective subsidiaries and associated companies, are collectively referred to as the "Target Companies") and (ii) all sums due by the Target Companies (excluding those whose shares of which shall not be sold directly or indirectly to Victory Gain at the date of completion (the "Excluded Companies") to the other members of the Group (excluding the Target Companies but including the Excluded Companies) for the consideration under the disposal agreement settled by Victory Gain in cash. For further details, please refer to the Company's circular dated 25th April, 2008. The disposal of subsidiaries was completed on 30th September, 2008 in a final consideration of HK\$531.8 million.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 11. 出售附屬公司之收益

於二零零八年一月十七日，本集團與勝得控股有限公司（「勝得」，華置之全資附屬公司）訂立一份有條件買賣協議，據此，本集團同意出售而勝得同意購入(i) Moregift Investments Limited、New Hong Kong Inc.、Paperkit International Limited、Pinball International Limited、Star Glory Limited、Florta (B.V.I.) Limited、加世投資有限公司、Hackney Investments Limited、Paton (B.V.I.) Limited、Perfect Country Limited、悅平有限公司、昇平發展有限公司、建申有限公司（前稱愛美高中國控股有限公司）、Comford Tower Limited、Country Homes Limited、國賢有限公司、Dynamic Master Limited、E-Trade.Com Limited、Farnell Venture Inc.、First Castle Limited、Jade Mountain Limited、Jinline Investments Ltd.、健諾投資有限公司及先榮投資有限公司（連同此等公司各自之附屬公司及聯營公司統稱為「目標公司」）各自之全部股本及(ii)目標公司（不包括股份不會於完成當日直接或間接售予勝得之公司（「除外公司」））結欠本集團其他成員公司（不包括目標公司但包括除外公司）之所有款項，出售協議之代價由勝得以現金支付。其他詳情請參閱本公司於二零零八年四月二十五日發出之通函。該等附屬公司已於二零零八年九月三十日完成出售，最終代價為531,800,000港元。



## Notes to the Financial Statements

## 財務報表附註

For the year ended 31st December, 2009

截至二零零九年十二月三十一日止年度

11. GAIN ON DISPOSAL OF SUBSIDIARIES  
(cont'd)11. 出售附屬公司之收益  
(續)

The net assets of the Target Companies at the date of disposal were as follows:

於出售日目標公司之淨資產值如下：

		HK\$'000 千港元
Investment properties	投資物業	12,600
Property, plant and equipment	物業、廠房及設備	172
Property interests held for development	持作發展之物業權益	-
Prepaid lease payments	預付租賃款項	9,608
Interests in associates	聯營公司權益	416,702
Advances to associates	墊付聯營公司款項	84,960
Available-for-sale financial asset	可供出售金融資產	270
Debtors, deposits and prepayment	應收賬項、按金及預付款項	53
Taxation recoverable	可收回稅項	10
Cash and cash equivalents	現金及現金等同項目	1,632
Creditors and accruals	應付賬項及應計費用	(374)
Deposits received	已收按金	(31)
Taxation payable	應付稅項	(71)
Deferred taxation liabilities	遞延稅項負債	(68)
		525,463
Expenses incurred for the disposal	出售產生之開支	2,400
Gain on disposal of subsidiaries	出售附屬公司之收益	3,905
		531,768
Total consideration	總代價	531,768
		531,768
		HK\$'000 千港元
Net cash inflow arising on disposal	出售所產生之淨現金流入	
Cash consideration	現金代價	531,768
Expenses incurred for the disposal	出售產生之開支	(2,400)
Cash and cash equivalents disposed of	所出售之現金及現金等同項目	(1,632)
		527,736

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 12. INCOME TAX EXPENSE

## 12. 所得稅開支

		<b>2009</b>	2008
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Current tax	年內稅項		
Hong Kong	香港	<b>1,631</b>	15,532
The PRC	中國	-	766
Under/(over) provision in prior years	過往年度撥備不足		
– Hong Kong	( 超額撥備 ) - 香港	<b>57</b>	(57)
		<b>1,688</b>	16,241
Deferred tax (Note 34)	遞延稅項( 附註34 )		
Current year	年內	<b>(242)</b>	(103)
Attributable to a change in tax rate	稅率變動應佔	-	(49)
		<b>(242)</b>	(152)
		<b>1,446</b>	16,089

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits for both years. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

兩個年度之香港利得稅乃按估計應課稅溢利按稅率16.5%計算。其他司法權區所產生之稅項乃按有關司法權區之適用稅率計算。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 12. INCOME TAX EXPENSE (cont'd)

The taxation charge for the year can be reconciled to profit before taxation per the consolidated statement of comprehensive income as follows:

## 12. 所得稅開支(續)

本年度稅項支出與綜合全面收入報表之稅前溢利對賬如下：

		2009		2008	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Profit before taxation	稅前溢利	<b>19,307</b>		132,775	
Tax at the Hong Kong Profits Tax rate	按香港利得稅稅率計算之稅項	<b>3,186</b>	<b>16.5</b>	21,908	16.5
Tax effect of different tax rates of subsidiaries operating in the PRC	在中國經營之附屬公司適用之不同稅率之稅務影響	-	-	766	0.6
Tax effect of share of profit of associates	應佔聯營公司溢利之稅務影響	-	-	(4,498)	(3.4)
Tax effect of expenses not deductible in determining profits tax	計算利得稅時不可扣減支出之稅務影響	-	-	1,527	1.2
Tax effect of income not taxable in determining profits tax	計算利得稅時毋須課稅收入之稅務影響	<b>(183)</b>	<b>(0.9)</b>	(3,587)	(2.7)
Tax effect of utilisation of unrecognised tax losses from prior periods	動用過往期間未確認稅項虧損之稅務影響	<b>(347)</b>	<b>(1.8)</b>	(426)	(0.3)
Tax effect of tax depreciation	稅項折舊之稅務影響	<b>(1)</b>	-	(106)	(0.1)
Tax effect of unrecognised tax losses	未確認稅項虧損之稅務影響	<b>(1,266)</b>	<b>(6.6)</b>	611	0.5
Tax effect of under/(over) provision in prior years	過往年度撥備不足(超額撥備)之稅務影響	<b>57</b>	<b>0.3</b>	(57)	(0.1)
Decrease in deferred taxation liabilities resulting from a change in tax rate	因稅率變動之遞延稅項負債減少	-	-	(49)	(0.1)
Income tax expense for the year	本年度所得稅開支	<b>1,446</b>	<b>7.5</b>	16,089	12.1

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 13. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

For the year ended 31st December, 2009, net profit of HK\$359,798,000 (2008: net profit of HK\$10,557,000) has been dealt with in the financial statements of the Company.

## 14. DIRECTORS' AND EMPLOYEES' REMUNERATIONS

## (a) Directors' remunerations

The remunerations, pension and compensation arrangements paid or payable to the directors and past directors for their services on the Company were as follows:

		2009			2008		
		Salaries and other remuneration		Total	Salaries and other remuneration		Total
		Fee	remuneration	Total	Fee	remuneration	Total
		袍金	薪金及其他薪酬	總計	袍金	薪金及其他薪酬	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Executive Directors	執行董事						
Mr. Matthew Cheong, Veng-va	昌榮華先生	10	-	10	-	-	-
Ms. Teresa Poon, Mun-chie	潘敏慈小姐	10	-	10	-	-	-
Independent Non-executive Directors	獨立非執行董事						
Mr. Lai, Yun-hung	賴恩雄先生	180	-	180	160	-	160
Mr. Mok, Hon-sang	莫漢生先生	180	-	180	160	-	160
Mr. Wong, Tik-tung	汪滌東先生	180	-	180	160	-	160
		<b>560</b>	<b>-</b>	<b>560</b>	480	-	480

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 13. 本公司權益持有人應佔溢利

截至二零零九年十二月三十一日止年度，於本公司財務報表內處理之純利為359,798,000港元（二零零八年：純利10,557,000港元）。

## 14. 董事及僱員之薪酬

## (a) 董事薪酬

就董事及前任董事向本公司提供服務而已付或應付彼等之薪酬、退休金及補償安排如下：

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 14. DIRECTORS' AND EMPLOYEES' REMUNERATIONS (cont'd)

**(b) Employees' remunerations**

During the year, no director of the Company was included in the five highest paid individuals of the Group (2008: nil) whose remunerations are set out above. The remunerations payable to the five highest paid individuals (2008: five individuals) were as follows:

	2009 HK\$'000 千港元	2008 HK\$'000 千港元
Salaries and other benefits	<b>2,250</b>	2,227
Retirement benefit schemes contributions	<b>109</b>	103
	<b>2,359</b>	2,330

The remunerations of individual employees were all less than HK\$1,000,000.

## 14. 董事及僱員之薪酬(續)

**(b) 僱員薪酬**

年內,本公司董事全非本集團五名最高薪酬人士(二零零八年:無),其薪酬詳情載於上文。應付五名最高薪酬人士之薪酬(二零零八年:五名)如下:

	2009 HK\$'000 千港元	2008 HK\$'000 千港元
	<b>2,250</b>	2,227
	<b>109</b>	103
	<b>2,359</b>	2,330

個別僱員之薪酬全部低於1,000,000港元。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 15. DIVIDENDS

## 15. 股息

	2009 HK\$'000 千港元	2008 HK\$'000 千港元
(a) Final dividend for 2008 paid on 26th June, 2009 of HK1 cent per share (2007: Nil)	3,388	-
(b) Interim dividend for 2009 paid on 30th October, 2009 of HK1 cent per share (2008: Nil)	3,388	-
	<b>6,776</b>	-

Subsequent to the end of the reporting period, the final dividend of HK1 cent per share (2008: HK1 cent per share) has been proposed by the board of directors and is subject to approval by the shareholders in forthcoming annual general meeting.

於報告期末後，董事會建議派付末期股息每股一港仙(二零零八年：每股一港仙)，有待股東於應屆股東週年大會上批准。

## 16. EARNINGS PER SHARE

## 16. 每股盈利

The calculation of the basic earnings per share is based on the profit for the year attributable to the ordinary equity holders of the Company of HK\$17,861,000 (2008: HK\$116,686,000) and the weighted average number of 338,765,987 (2008: 338,765,987) ordinary shares in issue during the year.

每股基本盈利乃根據本年度本公司普通股股本持有人應佔本年度溢利17,861,000港元(二零零八年：116,686,000港元)及年內已發行普通股之加權平均數338,765,987股(二零零八年：338,765,987股)計算。

For the years ended 31st December, 2009 and 31st December, 2008, diluted earnings per share is the same as the basic earnings per share as there were no diluting events during these years.

截至二零零九年十二月三十一日及二零零八年十二月三十一日止年度，由於並無攤薄事項，故每股攤薄盈利與每股基本盈利相同。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 17. INVESTMENT PROPERTIES

## 17. 投資物業

		HK\$'000 千港元
<b>The Group</b>	<b>本集團</b>	
<b>Fair value</b>	<b>公平值</b>	
At 1st January, 2008	於二零零八年一月一日	57,450
Disposals	出售	(6,600)
Disposals of subsidiaries (Note 11)	出售附屬公司(附註11)	(12,600)
Fair value changes recognised in consolidated statement of comprehensive income	於綜合全面收入報表確認之公平值變動	(3,050)
		<hr/>
At 31st December, 2008 and 1st January, 2009	於二零零八年十二月三十一日及 二零零九年一月一日	35,200
Disposals	出售	(9,725)
Fair value changes recognised in consolidated statement of comprehensive income	於綜合全面收入報表確認之公平值變動	3,925
		<hr/>
<b>At 31st December, 2009</b>	<b>於二零零九年十二月三十一日</b>	<b>29,400</b>
		<hr/> <hr/>

The Group's investment properties are under medium-term leases in Hong Kong as at 31st December, 2009 and 2008.

於二零零九年及二零零八年十二月三十一日，本集團之投資物業在香港按中期租約持有。

The fair value of the Group's investment properties at 31st December, 2009 has been arrived at on the basis of valuation carried out on that date by Norton Appraisals Limited ("Norton Appraisals"), independent qualified professional surveyors not connected with the Group. Norton Appraisals has appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. The valuation, which conformed to The Hong Kong Institute of Surveyors Valuation Standards on Properties (1st Edition 2005) published by the Hong Kong Institute of Surveyors, was based on open market value basis.

本集團投資物業於二零零九年十二月三十一日之公平值按一家與本集團並無關連之獨立合資格專業測計師行普敦國際評估有限公司(「普敦國際評估」)於該日進行之估值為基準而計算。普敦國際評估對於相關地點之同類型物業估值具有適合資格及近期之估值經驗。該項估值乃遵守香港測量師學會所頒布的物業估值準則(二零零五年第一版)，並按公開市值基準進行重估。

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

本集團根據營業租約持有以賺取租金或作資本增值用途之物業權益全部利用公平值模式計算，並已分類及入賬列作投資物業。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 18. PROPERTY, PLANT AND EQUIPMENT

## 18. 物業、廠房及設備

		<b>Buildings</b>	<b>Furniture, fixtures and equipment</b>	<b>Total</b>
		樓宇 HK\$'000 千港元	傢俬 裝置及設備 HK\$'000 千港元	總額 HK\$'000 千港元
<b>The Group</b>	本集團			
<b>Cost</b>	成本值			
At 1st January, 2008	於二零零八年一月一日	882	1,121	2,003
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	(882)	(4)	(886)
At 31st December, 2008, 1st January, 2009 and 31st December, 2009	於二零零八年十二月三十一日、 二零零九年一月一日及 二零零九年十二月三十一日	-	1,117	1,117
<b>Depreciation and amortisation</b>	折舊及攤銷			
At 1st January, 2008	於二零零八年一月一日	698	1,119	1,817
Charge for the year	本年度扣除	14	-	14
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	(712)	(2)	(714)
At 31st December, 2008 and 1st January, 2009	於二零零八年十二月三十一日及 二零零九年一月一日	-	1,117	1,117
Charge for the year	本年度扣除	-	-	-
At 31st December, 2009	於二零零九年十二月三十一日	-	1,117	1,117
<b>Carrying amounts</b>	賬面值			
<b>At 31st December, 2009</b>	於二零零九年十二月三十一日	-	-	-
At 31st December, 2008	於二零零八年十二月三十一日	-	-	-



**Notes to the Financial Statements****財務報表附註**

For the year ended 31st December, 2009

截至二零零九年十二月三十一日止年度

**18. PROPERTY, PLANT AND EQUIPMENT  
(cont'd)****18. 物業、廠房及設備(續)**

**Furniture,  
fixtures and  
equipment**  
傢俬  
裝置及設備  
HK\$'000  
千港元

**The Company**

本公司

**Cost**

成本值

At 1st January, 2008, 31st December, 2008,  
1st January, 2009 and 31st December, 2009

於二零零八年一月一日、  
二零零八年十二月三十一日、  
二零零九年一月一日及  
二零零九年十二月三十一日

1,117

**Depreciation**

折舊

At 1st January, 2008, 31st December, 2008,  
1st January, 2009 and 31st December, 2009

於二零零八年一月一日、  
二零零八年十二月三十一日、  
二零零九年一月一日及  
二零零九年十二月三十一日

1,117

**Carrying amounts**

賬面值

**At 31st December, 2009**

於二零零九年十二月三十一日

-

At 31st December, 2008

於二零零八年十二月三十一日

-

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 19. PROPERTY INTERESTS HELD FOR DEVELOPMENT

## 19. 持作發展之物業權益

		HK\$'000 千港元
<b>The Group</b>	<b>本集團</b>	
<b>Cost</b>	<b>成本值</b>	
At 1st January, 2008	於二零零八年一月一日	183,381
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	<u>(183,381)</u>
At 31st December, 2008, 1st January, 2009 and 31st December, 2009	於二零零八年十二月三十一日、二零零九年一月一日及二零零九年十二月三十一日	<u>-</u>
<b>Impairment</b>	<b>減值</b>	
At 1st January, 2008	於二零零八年一月一日	183,381
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	<u>(183,381)</u>
At 31st December, 2008, 1st January, 2009 and 31st December, 2009	於二零零八年十二月三十一日、二零零九年一月一日及二零零九年十二月三十一日	<u>-</u>
<b>Carrying amounts</b>	<b>賬面值</b>	
<b>At 31st December, 2009</b>	於二零零九年十二月三十一日	<u><u>-</u></u>
At 31st December, 2008	於二零零八年十二月三十一日	<u><u>-</u></u>

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 19. PROPERTY INTERESTS HELD FOR DEVELOPMENT (cont'd)

Note:

The Group through a wholly-owned subsidiary ("SPV") has a property interest held for development in Chenghai Royal Garden (the "Development Project"). The site with an area of approximately 466,662 sq.m. (5,023,150 sq.ft) (the "Land") is situated at the estuary of Xinjin River, Longhu District, Shantou, Guangdong Province, the People's Republic of China (the "PRC"). Pursuant to a Contract for Pre-registration of Grant of State-owned Land Use Rights dated 5th August, 1992 (the "Contract"), SPV has been granted a pre-registered land use rights of the Land by Shantou City Chenghai District Planning and State-owned Land Resources Bureau (the "Chenghai Bureau"). The carrying amount of the Development Project as recorded by the Group (the "Carrying Amount") is approximately HK\$183.4 million (equivalent to RMB195.1 million). Included in the Carrying Amount is a payment of approximately HK\$49.8 million (equivalent to RMB53 million) to the Chenghai Bureau under the Contract (the "Amount Paid"). After submitting the application for the land requisition to the Chenghai Bureau and upon the land use rights of the Land being granted, SPV has to make a final payment of approximately HK\$23.4 million (equivalent to RMB24.9 million) (the "Final Payment"). The deadline of the application for the land requisition was 4th August, 1993 which had been extended four times as the request of SPV to 16th July, 2004 (the "Deadline"). The Group believed that SPV had the following entitlements or options under the Contract: (i) proceeds to apply for the land requisition of the Land on or before the Deadline and settle the Final Payment; (ii) applies for an extension of the Deadline; or (iii) terminates the Contract and claim for a refund of approximately HK\$46.2 million (equivalent to RMB49.1 million), being the Amount Paid (the "Amount Claimed").

The Group considered that it was not the suitable time to proceed with the land requisition and determined to request an extension of time. SPV therefore delivered a letter dated 19th April, 2004 to the Chenghai Bureau to request an extension of the Deadline but the Chenghai Bureau refused to accept the letter and advised that such request should be diverted to Shantou City Longhu District Planning and State-owned Land Resources Bureau (the "Longhu Bureau") and their supervisory bureau, Shantou City Planning and State-owned Land Resources Bureau (the "Shantou Bureau"), since the authority and administrative power over the Land had already been transferred to the Longhu Bureau by that time. SPV then delivered letters of the same request to the Longhu Bureau and the Shantou Bureau. Both bureaus however insisted that they would not consider the request either and advised SPV to go back to the Chenghai Bureau for resolving the matter. Given the insistence of the three bureaus in refusing SPV's request of extension, SPV sought advices and assistance from Shantou Governmental authorities, but to no avail.

In early July 2004, the Deadline became imminent and having considered that (i) extension of the Deadline was unlikely in view of the unexpected and undesirable replies from the bureaus; and (ii) the slowdown of luxury residential market in Shantou, the Group decided not to proceed with the application for the land requisition and instead terminated the Contract and requested the Chenghai Bureau to refund the Amount Claimed.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 19. 持作發展之物業權益 (續)

附註：

本集團透過一全資附屬公司("SPV")於澄海海麗花園("發展項目")擁有持作發展之物業權益。該地盤面積約為466,662平方米(5,023,150平方呎)("該土地")，位於中華人民共和國("中國")廣東省汕頭市龍湖區新津河口。根據一九九二年八月五日訂立之國有土地使用權預約合同("該合同")，SPV獲汕頭市澄海區規劃與國土資源局("澄海當局")授予該土地的預約土地使用權。本集團錄得發展項目之賬面值("賬面值")約為183,400,000港元(等同人民幣195,100,000元)。賬面值包括已根據該合同付予澄海當局之款項約49,800,000港元(等同人民幣53,000,000元)(「已付金額」)。向澄海當局遞交徵地申請後並獲授予該土地的土地使用權時，SPV須支付約23,400,000港元(等同人民幣24,900,000元)之最後付款("最後付款")。徵地申請的最後限期原為一九九三年八月四日，後應SPV之要求，四度延期至二零零四年七月十六日("該限期")。本集團認為，SPV根據該合同擁有下列權益或選擇：(i)在該限期屆滿或以前進行該土地的徵地申請及付清最後付款；(ii)申請延長該限期；或(iii)終止該合同及提出申索要求退還已付金額其中約46,200,000港元(等同人民幣49,100,000元)("索償金額")。

本集團認為現時並非適當時候進行徵地，並決定要求延長限期。SPV因此於二零零四年四月十九日向澄海當局發出函件，要求延長該限期，但澄海當局拒絕接受函件，並建議這要求應向汕頭市龍湖區規劃與國土資源局("龍湖當局")及其上級機構汕頭市規劃與國土資源局("汕頭當局")提出，因為其時該土地之管理及行政權已被轉移至龍湖當局。SPV接著分別向龍湖當局及汕頭當局提出相同要求。然而，兩局堅持不會考慮該要求，並建議SPV轉返澄海當局尋求解決有關事宜。面對三局堅拒受理SPV之延期要求，SPV遂向汕頭政府部門尋求建議及協助，但沒有實效。

於二零零四年七月初，該限期已臨近，並考慮到(i)基於以上當局的意外及不理想回應，申請延長該限期難以達致；及(ii)汕頭豪宅市場放緩，本集團決定不進行徵地申請，並終止該合同及要求澄海當局退還索償金額。

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 19. PROPERTY INTERESTS HELD FOR DEVELOPMENT (cont'd)

Note: (cont'd)

Between July 2004 and February 2005, SPV issued four letters of demand to the Chenghai Bureau to notify the termination of the Contract and requested for a refund of the Amount Claimed. SPV received three reply letters by which the Chenghai Bureau denied its obligations for the refund on the allegation that the pre-registration relationship between the parties under the Contract still existed. The Chenghai Bureau suggested the following three alternatives for SPV's consideration:

1. SPV proceeds to apply for land requisition of the Land and settle the Final Payment pursuant to the Contract despite of the Deadline; or
2. SPV applies for a portion of the Land with an area equivalent to the Amount Paid; or
3. The Chenghai Bureau, upon the application from SPV for the termination of the Contract, refunds the Amount Paid without interest after the Land is successfully sold to third parties by the Chenghai Bureau.

Based on the opinion from a legal firm in the PRC, which has taken into consideration the recent PRC policy for the granting of land issued by the Ministry of Land Resources, the Group was in doubt as to whether the Chenghai Bureau could affect any of the above alternatives. Further, if SPV accepted any alternative as suggested, then SPV would be deemed to have waived its right in the Amount Claimed.

The Group, after considered the further advice from the legal firm, decided not to accept any of the above alternatives as suggested and initiated legal action against the Chenghai Bureau for its entitlements under the Contract including but not limited to the Amount Claimed.

Having considered the uncertainty in the recoverability of the Amount Claimed and any other entitlements under the Contract, the Group made a full provision for an impairment loss of HK\$183,381,000 in the consolidated financial statements for the year ended 31st December, 2004.

On 19th April, 2005, SPV commenced legal proceedings by issuing a Writ of Summons against the Chenghai Bureau. SPV requested Shantou City Intermediate People's Court (the "Intermediate Court") for the following issues in particular: (1) Examine the validity of the Contract; (2) Terminate the Contract; and (3) Order the Chenghai Bureau to refund the land cost of RMB53 million with interest to SPV. On 27th December, 2005, the Intermediate Court notified SPV that the trial period had been extended for six months and the trial would be expected to be adjudicated by the end of June 2006.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 19. 持作發展之物業權益 (續)

附註：(續)

於二零零四年七月至二零零五年二月間，SPV發出四封函件，通知澄海當局終止該合同並要求退還索償金額。SPV收到三封回函，澄海當局於信函中否認其退還款項責任，聲稱雙方在該合同下的預約關係仍然存在。澄海當局提供三個選擇，供SPV考慮：

1. 不管該限期，SPV按該合同進行該土地的徵地申請並清付最後付款；或
2. 根據已付金額，SPV申請該土地中等量面積；或
3. 按SPV終止該合同的申請，澄海當局在成功售出該土地予第三者後，不計利息退還已付金額。

根據一中國律師事務所之意見(該律師事務所已了解中國國土資源部最近頒發的土地出讓政策)，本集團質疑澄海當局能否影響上述任何一項選擇。此外，假如SPV接受以上任何建議選擇，SPV將被視為放棄對索償金額的權利。

考慮律師事務所進一步的意見後，本集團決定不接受澄海當局建議的以上任何選擇，並已採取法律行動控告澄海當局，以取回該合同授予之權利(包括但不限於索償金額)。

因考慮到追討索償金額及該合同授予之其他權利涉及的不明朗情況，本集團於截至二零零四年十二月三十一日止年度之綜合財務報表作出183,381,000港元之全數減值虧損撥備。

於二零零五年四月十九日，SPV向澄海當局發出傳訊令狀展開法律程序。SPV要求汕頭市中級人民法院(「中級法院」)特別就下列事件採取行動：(1)查核該合同是否有效；(2)終止該合同；及(3)命令澄海當局向SPV退回土地成本人民幣53,000,000元連同利息。於二零零五年十二月二十七日，中級法院知會SPV該審訊期被延長六個月，且預期於二零零六年六月底作出裁決。

**Notes to the Financial Statements***For the year ended 31st December, 2009***19. PROPERTY INTERESTS HELD FOR DEVELOPMENT (cont'd)**

Note: (cont'd)

On 28th December, 2006, the Intermediate Court made the judgment in favour of SPV as follows: (1) The Contract and other related agreements and correspondence are null and void; (2) the Chenghai Bureau shall refund SPV the pre-payment in the sum of RMB53 million and interest accrued from 28th April, 2005 to the date of settlement within 10 days from the effective date of the judgment; and (3) the Chenghai Bureau shall be liable for the court fees in sum of RMB285,020 and pay the same to SPV directly.

On 23rd January, 2007, the Chenghai Bureau submitted an application of appeal to the High People's Court of Guangdong Province (the "High Court") and SPV also sent out a reply to the High Court on 13th February, 2007.

On 27th June, 2007, High Court accepted the application of appeal by the Chenghai Bureau and made the judgment as follows: (1) The judgment made by the Intermediate Court on 28th December, 2006 was revoked; (2) The case is remitted to the Intermediate Court for rehearing. On 22nd August, 2007, the Intermediate Court accepted for rehearing the case within six months.

On 18th February, 2008, the Intermediate Court notified SPV that the trial period had been extended for six months to August 2008.

On 12th August, 2008, the Intermediate Court issued the civil ruling of dismissing SPV's civil claim. On 2nd September, 2008, SPV submitted all legal documents in relation to the application of the appeal to the High Court.

On 30th September, 2008, the Development Project was disposal of through disposal of subsidiaries. For details, please refer to Note 11 to the financial statements.

**財務報表附註***截至二零零九年十二月三十一日止年度***19. 持作發展之物業權益 (續)**

附註:(續)

於二零零六年十二月二十八日,中級法院宣判SPV勝訴:(1)該合同及其他相關協議及文件失效及作廢;(2)澄海當局須向SPV退還合共人民幣53,000,000元的預付款項,連同由二零零五年四月二十八日至裁決生效日期起計10日內還款當日之累計利息;及(3)澄海當局須支付堂費合共人民幣285,020元,並直接向SPV支付有關款額。

於二零零七年一月二十三日,澄海當局向廣東省高級人民法院(「高級法院」)提交上訴申請,而SPV亦已於二零零七年二月十三日向高級法院提交回應。

於二零零七年六月二十七日,高級法院接受澄海當局之上訴申請並作出如下裁決:(1)撤銷中級法院於二零零六年十二月二十八日作出之裁決;(2)案件被發還予中級法院重審。於二零零七年八月二十二日,中級法院受理案件之重審,並於六個月內審理。

於二零零八年二月十八日,中級法院知會SPV審訊期被延長六個月至二零零八年八月。

於二零零八年八月十二日,中級法院下達民事裁定書並駁回SPV之民事索償。於二零零八年九月二日,SPV遞交有關向高級法院申請上訴的一切法律文件。

於二零零八年九月三十日,發展項目於出售附屬公司時出售。有關詳情,請參閱財務報表附註11。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 20. PREPAID LEASE PAYMENTS

## 20. 預付租賃款項

		HK\$'000 千港元
<b>The Group</b>	<b>本集團</b>	
<b>Cost</b>	<b>成本值</b>	
At 1st January, 2008	於二零零八年一月一日	12,958
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	<u>(12,958)</u>
At 31st December, 2008, 1st January, 2009 and 31st December, 2009	於二零零八年十二月三十一日、 二零零九年一月一日及 二零零九年十二月三十一日	<u>-</u>
<b>Depreciation and amortisation</b>	<b>折舊及攤銷</b>	
At 1st January, 2008	於二零零八年一月一日	3,325
Charge for the year	本年度扣除	25
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	<u>(3,350)</u>
At 31st December, 2008, 1st January, 2009 and 31st December, 2009	於二零零八年十二月三十一日、 二零零九年一月一日及 二零零九年十二月三十一日	<u>-</u>
<b>Carrying amounts</b>	<b>賬面值</b>	
<b>At 31st December, 2009</b>	於二零零九年十二月三十一日	<u><u>-</u></u>
At 31st December, 2008	於二零零八年十二月三十一日	<u><u>-</u></u>

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 21. INTERESTS IN SUBSIDIARIES/ADVANCES TO SUBSIDIARIES

## 21. 附屬公司權益 墊付附屬公司款項

		<b>2009</b>	2008
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
<b>The Company</b>	<b>本公司</b>		
Unlisted shares, at cost	非上市股份, 成本值	<b>181,679</b>	181,679
Advances to subsidiaries	墊付附屬公司款項	<b>125,001</b>	117,111
Less: impairment loss recognised in respect of the advances to subsidiaries	減: 就墊付附屬公司款項 確認之減值虧損	<b>(1,399)</b>	(1,399)
		<b>123,602</b>	115,712

The advances to subsidiaries, net of allowances, are unsecured. Included in the balance as at 31st December, 2009, HK\$123,502,000 of the balance is interest-bearing (2008: HK\$115,460,000). In the opinion of the directors of the Company, the Company will not demand for repayment within one year from the end of the reporting period and are therefore considered as non-current. The directors of the Company estimate the investment costs and the advances by discounting their future cash flow at the prevailing market borrowing rate and considered impairment loss should be provided as at the statement of financial position at the amount mentioned above. The directors of the Company consider that the carrying amounts of advances to subsidiaries approximate to their fair values.

Particulars of the Group's principal subsidiaries at 31st December, 2009 are set out in Note 39 to the financial statements.

墊付附屬公司款項(扣除準備)為無抵押。於二零零九年十二月三十一日之結存中,包括為數123,502,000港元(二零零八年:115,460,000港元)之計息結存。本公司董事認為,本公司將不會要求於報告期結束後一年內還款,因此被視為非流動。本公司董事按當時市場借貸利率折現未來現金流量而估計投資成本及墊款,並認為就上述款項應於財務狀況報表作出減值虧損撥備。本公司董事認為,墊付附屬公司款項之賬面金額與其公平值相若。

本集團主要附屬公司於二零零九年十二月三十一日之詳情載於財務報表附註39。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

22. INTERESTS IN ASSOCIATES/ADVANCES TO ASSOCIATES

- (a) For the year ended 31st December, 2008, the Group recognised an interest in the fair value gain on the investment properties of the associates of approximately HK\$12.3 million (net of deferred tax impact of approximately HK\$2.4 million). The fair value of the investment properties of the associates were revalued on the basis of a valuation carried out by Norton Appraisals. Details are set out in Note 9 to the financial statements. The Group's interests in the investment properties of the associates were disposed of through disposal of subsidiaries which was completed on 30th September, 2008. For details, please refer to Note 11 to the financial statements.
- (b) The advances to associates were disposed of through disposal of subsidiaries which was completed on 30th September, 2008.

The movements in provision for impairment loss recognised, which represents the difference between the carrying amount of the advances to associates and the expected proceeds, are as follows:

		2009 HK\$'000 千港元	2008 HK\$'000 千港元
At 1st January	於一月一日	-	31,724
Impairment loss recognised during the year	年內確認之減值虧損	-	970
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	-	(32,694)
At 31st December	於十二月三十一日	-	-

- (c) For the year ended 31st December, 2008, the Group has received HK\$256,000 in respect of advances to former associates, for which the Group has provided full impairment losses in previous years. The impairment losses provided before were reversed accordingly.

22. 聯營公司權益 墊付聯營公司款項

- (a) 在截至二零零八年十二月三十一日止年度，本集團確認於聯營公司投資物業之公平值收益之權益約12,300,000港元(扣除遞延稅項影響約2,400,000港元)。聯營公司投資物業之公平值已根據普敦國際評估進行之估值重估。有關詳情載於財務報表附註9。本集團於聯營公司投資物業之權益已因於二零零八年九月三十日完成出售附屬公司而出售。有關詳情，請參閱財務報表附註11。
- (b) 墊付聯營公司款項已因於二零零八年九月三十日完成出售附屬公司而出售。

確認之減值虧損(指墊付聯營公司款項之賬面金額與預期所得款項之差額)撥備變動如下：

	2009 HK\$'000 千港元	2008 HK\$'000 千港元
At 1st January	-	31,724
Impairment loss recognised during the year	-	970
Disposal of subsidiaries (Note 11)	-	(32,694)
At 31st December	-	-

- (c) 在截至二零零八年十二月三十一日止年度，本集團已收回墊付前聯營公司款項256,000港元，本集團於過往年度已就該款項作出全數減值虧損撥備，並已相應地撥回已撥備之減值虧損。



## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 22. INTERESTS IN ASSOCIATES/ADVANCES TO ASSOCIATES (cont'd)

The summarised financial information in respect of the Group's associates is set out below:

## 22. 聯營公司權益 墊付聯營公司款項(續)

本集團聯營公司之財務資料概述如下：

		<b>2009</b>	2008
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Total assets	資產總額	-	-
Total liabilities	負債總額	-	-
Net assets	資產淨值	-	-
Group's share of net assets of associates	本集團應佔聯營公司資產淨值	-	-
Revenue	收益	-	45,230
Profit for the period (Note)	本期間溢利(附註)	-	77,562
Group's share of profit of associates for the year (Note 9)	本集團應佔本年度聯營公司之溢利(附註9)	-	27,262

Note:

All of the Group's associates were disposed of through disposal of subsidiaries during the year ended 31st December, 2008. For details of the disposal, please refer to the Note 11 to the financial statements.

附註：

本集團所有聯營公司已透過於截至二零零八年十二月三十一日止年度出售附屬公司之形式出售。有關出售詳情，請參閱財務報表附註11。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 23. AVAILABLE-FOR-SALE FINANCIAL ASSETS

### 23. 可供出售金融資產

		<b>2009</b>	2008
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
<b>The Group</b>	<b>本集團</b>		
Debt securities	債務證券	<b>96,472</b>	89,008
Club debenture	會籍債券	-	-
		<b>96,472</b>	89,008
<b>Analysis for reporting purposes as:</b>	<b>作報告用途之分析:</b>		
Non-current assets	非流動資產	<b>96,472</b>	89,008
Available-for-sale financial assets held as at the end of the reporting period comprise of:	於報告期末可供出售金融資產包括:		
Floating rate notes	浮息票據	<b>22,469</b>	18,922
Fixed rate notes	定息票據	<b>74,003</b>	70,086
		<b>96,472</b>	89,008

Notes:

- i. The floating and fixed rate notes are unlisted securities and carry floating interest at LIBOR plus 0.23% to 0.25% per annum or fixed interest at 4.75% to 7.00% per annum, payable quarterly or half-yearly.
- ii. The floating and fixed rate notes carry effective interest rate range from 3.03% to 7.32% per annum.
- iii. These floating and fixed rate notes will mature from February 2011 to March 2016.
- iv. The available-for-sale financial assets are not either past due or impaired.
- v. Fair values of the floating and fixed rate notes have been determined based on the quoted market bid prices.

附註:

- i. 浮息及定息票據為非上市證券，並按浮動年利率倫敦銀行同業拆息加0.23厘至0.25厘或固定年利率4.75厘至7.00厘計息，每季或每半年支付一次。
- ii. 浮息及定息票據之實際年利率介乎3.03厘至7.32厘。
- iii. 浮息及定息票據之到期日為二零一一年二月至二零一六年三月。
- iv. 可供出售金融資產既未逾期或減值。
- v. 浮息及定息票據之公平值乃根據市場買入價釐定。

**Notes to the Financial Statements**

For the year ended 31st December, 2009

**財務報表附註**

截至二零零九年十二月三十一日止年度

**24. PROPERTIES HELD FOR SALE****The Group**

At 1st January

Disposals

At 31st December

本集團

於一月一日

出售

於十二月三十一日

At 31st December, 2009, the directors of the Company reviewed the carrying amounts of the properties held for sale with reference to current market situation and the estimated selling price of the properties held for sale provided by Norton Appraisals. No impairment loss was made by reference to the recoverable amount of the properties held for sale (2008: Nil).

**25. DEBTORS, DEPOSITS AND PREPAYMENTS****The Group and the Company**

The directors of the Company consider that the carrying amounts of the Group's and the Company's debtors, deposits and prepayments approximate to their fair values.

There was no trade debtors included in debtors, deposits and prepayments as at 31st December, 2009 and 2008.

**24. 持作出售物業**

<b>2009</b>	2008
<b>HK\$'000</b>	HK\$'000
千港元	千港元

<b>18,576</b>	56,304
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<b>(2,072)</b>	(37,728)
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<b>16,504</b>	18,576
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於二零零九年十二月三十一日，本公司董事已參照現行市況及普敦國際評估提供之持作出售物業估計售價審閱持作出售物業之賬面金額。參照持作出售物業之可收回金額並無作出減值虧損(二零零八年：無)。

**25. 應收賬項、按金及預付款項**

本集團及本公司

本公司董事認為本集團及本公司之應收賬項、按金及預付款項之賬面金額與其公平值相若。

於二零零九年及二零零八年十二月三十一日，應收賬項、按金及預付款項內並無包括應收貿易賬項。

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 26. LOAN TO A FELLOW SUBSIDIARY

#### The Group and the Company

On 4th November, 2008, the Company, as lender, has entered into a loan agreement (the "Loan Agreement") with Longman Limited ("Longman"), as borrower, and Chinese Estates Holdings Limited ("Chinese Estates"), as guarantor.

In accordance with the Loan Agreement, the Company would provide a three-year revolving facility ("Revolving Loan") of up to HK\$900 million to Longman. The Company is entitled, by giving not less than one month's (or such shorter period as Longman may agree) prior notice to Longman, to demand full or partial repayment of the amount outstanding. Longman shall also repay the aggregate principal amount outstanding under the facility, all accrued interest thereon and all other amount payable under the Loan Agreement on the date falling three years from the date of the Loan Agreement. Longman may at any time without penalty or any other charges repay the whole or any part of the amount outstanding under the facility (if in part, being a minimum amount of HK\$100,000 and an integral multiple of HK\$100,000), provided that Longman shall have given to the Company not less than 14 days' (or such shorter period as the Company may agree) prior written notice of its intention to make such repayment, specifying the amount to be repaid and the proposed date of such repayment. Any amount so repaid by Longman shall first be applied towards the repayment of interest accrued up to the date of repayment and the balance shall be applied towards repayment of the principal amount outstanding under the facility. The loan to Longman carries an interest rate of Hong Kong Inter-bank Offer Rate ("HIBOR") plus 1% per annum.

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 26. 借予同系附屬公司貸款

#### 本集團及本公司

於二零零八年十一月四日，本公司(作為貸方) Longman Limited(「Longman」，作為借方)及Chinese Estates Holdings Limited(「華置」，作為擔保人)訂立一份貸款協議(「貸款協議」)。

根據貸款協議，本公司將向Longman提供一筆最多900,000,000港元之三年期循環貸款融資(「循環貸款」)。本公司有權向Longman發出不少於一個月(或Longman可能同意之較短時間)事先通知，要求償還全部或部分未償還款項。Longman亦須於貸款協議訂立日期起計滿三年之日償還根據貸款融資尚未償還之本金總額、其所有應計利息及所有其他貸款協議項下之應付款項。Longman可隨時全數或部分償還根據貸款融資尚未償還之款項(如為部分償還，最低金額為100,000港元，或100,000港元之完整倍數)，而毋須支付罰款或任何其他費用，惟Longman須就作出相關還款之意向向本公司發出不少於14日(或本公司可能同意之較短時間)之事先書面通知，列明償還金額及有關建議還款日期。Longman據此償還之任何款項將首先用作償還截至還款日期之應計利息，餘款將用作償還貸款融資下之未償還本金。借予Longman之貸款之年利率為香港銀行同業拆息(「香港銀行同業拆息」)加1厘。

**Notes to the Financial Statements***For the year ended 31st December, 2009***財務報表附註***截至二零零九年十二月三十一日止年度***26. LOAN TO A FELLOW SUBSIDIARY (cont'd)****The Group and the Company (cont'd)**

For further details, please refer to the Company's circular dated 25th November, 2008.

Particulars of loan to a fellow subsidiary are as follows:

Name of fellow subsidiary 同系附屬公司名稱	Highest balance during the year		
	年內最高結餘	2009	2008
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Longman Limited	853,000	<b>853,000</b>	843,000

The directors of the Company consider the carrying amount of the Group's and the Company's loan to a fellow subsidiary approximates to its fair value.

**27. ADVANCE TO A FELLOW SUBSIDIARY****The Group and the Company**

Name of fellow subsidiary 同系附屬公司名稱	Highest balance during the year		
	年內最高結餘	2009	2008
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
G-Prop (Holdings) Limited 金匡企業有限公司	253	<b>81</b>	21

The advance to a fellow subsidiary is unsecured, interest-free and repayable on demand. The directors of the Company consider the carrying amount of the Group's and the Company's advance to a fellow subsidiary approximates to its fair value.

The Group and the Company do not hold collateral over the balance.

**26. 借予同系附屬公司貸款  
(續)**

本集團及本公司(續)

其他詳情,請參閱本公司於二零零八年十一月二十五日之通函。

借予同系附屬公司貸款詳情如下:

	Highest balance during the year		
	年內最高結餘	2009	2008
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Longman Limited	853,000	<b>853,000</b>	843,000

本公司董事認為本集團及本公司之借予同系附屬公司貸款之賬面金額與其公平值相若。

**27. 墊付同系附屬公司款項**

本集團及本公司

	Highest balance during the year		
	年內最高結餘	2009	2008
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
G-Prop (Holdings) Limited 金匡企業有限公司	253	<b>81</b>	21

該墊付同系附屬公司款項為無抵押,免息及按  
要求時償還。本公司董事認為本集團及本公司  
之墊付同系附屬公司款項之賬面金額與其公平  
值相若。

本集團及本公司並無就結餘持有抵押。

**Notes to the Financial Statements**

For the year ended 31st December, 2009

**財務報表附註**

截至二零零九年十二月三十一日止年度

**28. CASH AND CASH EQUIVALENTS****28. 現金及現金等同項目**

		<b>The Group</b>		<b>The Company</b>	
		本集團		本公司	
		<b>2009</b>	2008	<b>2009</b>	2008
		<b>HK\$'000</b>	HK\$'000	<b>HK\$'000</b>	HK\$'000
		千港元	千港元	千港元	千港元
Cash at banks and on hand	銀行存款及現金	<b>1,803</b>	707	<b>487</b>	228
Time deposits	定期存款	<b>7,956</b>	8,981	<b>3,000</b>	6,000
		<b>9,759</b>	9,688	<b>3,487</b>	6,228

The time deposits of the Group and the Company had maturity within 3 months and carry interests at prevailing market deposit rates.

本集團及本公司之定期存款於三個月內到期，並按當時市場存款利率計息。

The directors of the Company consider that the carrying amounts of the Group's and the Company's cash and cash equivalents approximate to their fair values.

本公司董事認為本集團及本公司之現金及現金等同項目之賬面金額與其公平值相若。

The Group and the Company do not hold collateral over the balance.

本集團及本公司並無就結餘持有抵押。

**29. CREDITORS AND ACCRUALS****29. 應付賬項及應計費用****The Group and the Company**

There were no trade payables included in creditors and accruals as at 31st December, 2009 and 2008. The directors of the Company consider that the carrying amounts of the Group's and the Company's creditors and accruals approximate to their fair values.

**The Group and the Company**

於二零零九年及二零零八年十二月三十一日，應付賬項及應計費用並無包括應付貿易賬項。本公司董事認為本集團及本公司之應付賬項及應計費用之賬面金額與其公平值相若。

**Notes to the Financial Statements***For the year ended 31st December, 2009***財務報表附註***截至二零零九年十二月三十一日止年度***30. ADVANCES FROM FELLOW SUBSIDIARIES****The Group and the Company**

The advances from fellow subsidiaries are unsecured, interest-free and repayable on demand. The directors of the Company consider the carrying amount of the Group's and the Company's advances from fellow subsidiaries approximates to their fair values.

**31. SHARE CAPITAL****The Group and the Company**

Ordinary shares of HK\$0.01 each

Authorised:

At 1st January, 2008, 31st December, 2008,  
1st January, 2009 and 31st December, 2009

Issued and fully paid:

At 1st January, 2008, 31st December, 2008,  
1st January, 2009 and 31st December, 2009

本集團及本公司

每股面值0.01港元之普通股

法定：

於二零零八年一月一日、  
二零零八年十二月三十一日、  
二零零九年一月一日及  
二零零九年十二月三十一日

已發行及繳足：

於二零零八年一月一日、  
二零零八年十二月三十一日、  
二零零九年一月一日及  
二零零九年十二月三十一日

**30. 同系附屬公司墊款**

本集團及本公司

該等同系附屬公司墊款為無抵押、免息及按要求時償還。本公司董事認為本集團及本公司之同系附屬公司墊款之賬面金額與其公平值相若。

**31. 股本**

Number of shares	Share capital
股份數目	股本 HK\$'000 千港元

50,000,000,000	500,000
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338,765,987	3,388
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## Notes to the Financial Statements

For the year ended 31st December, 2009

## 32. RESERVES

**The Group**

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

The Group's reserves available for distribution as at 31st December, 2009, amounted to approximately HK\$477,618,000 (2008: HK\$466,533,000).

**The Company**

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 32. 儲備

**本集團**

本集團於本年度及過往年度之儲備金額及其變動於綜合股本權益變動報表呈列。

於二零零九年十二月三十一日，本集團可供分派之儲備約為477,618,000港元(二零零八年：466,533,000港元)。

**本公司**

		Share premium	Contribution from shareholders	(Accumulated losses)/ Retained profits	Total
		股份溢價 HK\$'000 千港元	股東注資 HK\$'000 千港元	(累計虧損) 保留溢利 HK\$'000 千港元	總計 HK\$'000 千港元
At 1st January, 2008	於二零零八年一月一日	495,160	117,054	(11,103)	601,111
Total comprehensive income for the year	本年度全面收入總額	–	–	10,557	10,557
Release upon completion of disposal of subsidiaries	於出售附屬公司完成時解除	–	(96,335)	96,335	–
At 31st December, 2008 and 1st January, 2009	於二零零八年十二月三十一日及二零零九年一月一日	495,160	20,719	95,789	611,668
Total comprehensive income for the year	本年度全面收入總額	–	–	359,798	359,798
Final dividend paid	已付末期股息	–	–	(3,388)	(3,388)
Interim dividend paid	已付中期股息	–	–	(3,388)	(3,388)
<b>At 31st December, 2009</b>	於二零零九年十二月三十一日	<b>495,160</b>	<b>20,719</b>	<b>448,811</b>	<b>964,690</b>



## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 33. ADVANCE FROM A SUBSIDIARY

**The Company**

The advance from a subsidiary is unsecured, interest-free and will not demand for repayment within one year from the end of the reporting period and therefore shown as non-current. The directors of the Company consider the carrying amount of the Company's advance from a subsidiary approximates to its fair value.

## 34. DEFERRED TAXATION LIABILITY

**The Group**

The following are the major deferred taxation (liabilities) and assets recognised by the Group and movements thereon during the current and prior reporting years:

## 33. 附屬公司墊款

**本公司**

該附屬公司墊款為無抵押、免息及不會於報告期末起一年內要求償還，因此列為非流動。本公司董事認為本公司之附屬公司墊款之賬面金額與其公平值相若。

## 34. 遞延稅項負債

**本集團**

以下為本集團於本報告年度及過往報告年度確認之主要遞延稅項(負債)與資產及其變動:

		<b>Revaluation of investment properties</b>	<b>Accelerated tax depreciation</b>	<b>Tax losses</b>	<b>Total</b>
		投資物業重估	加速稅項折舊	稅項虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1st January, 2008	於二零零八年一月一日	(1,107)	15	128	(964)
Credit (charge) to the consolidated statement of comprehensive income for the year (Note 12)	撥入(扣自)本年度綜合全面收入報表(附註12)	220	(3)	(114)	103
Effect on change of tax rate (Note 12)	稅率變動之影響(附註12)	50	(1)	-	49
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	82	-	(14)	68
At 31st December, 2008 and 1st January, 2009	於二零零八年十二月三十一日及二零零九年一月一日	(755)	11	-	(744)
Credit (charge) to the consolidated statement of comprehensive income for the year (Note 12)	撥入(扣自)本年度綜合全面收入報表(附註12)	244	(2)	-	242
<b>At 31st December, 2009</b>	於二零零九年十二月三十一日	<b>(511)</b>	<b>9</b>	<b>-</b>	<b>(502)</b>

## Notes to the Financial Statements

For the year ended 31st December, 2009

### 34. DEFERRED TAXATION LIABILITY (cont'd)

For the purpose of consolidated statement of financial position presentation, certain deferred taxation assets and (liabilities) have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

Deferred taxation assets	遞延稅項資產
Deferred taxation liabilities	遞延稅項負債

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 34. 遞延稅項負債(續)

就綜合財務狀況報表之呈列而言,若干遞延稅項資產及(負債)已經抵銷。作財務申報用途之遞延稅項結餘分析如下:

<b>2009</b>	2008
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>9</b>	11
<b>(511)</b>	(755)
<b>(502)</b>	(744)

At the end of the reporting period, the Group did not have any unrecognised deferred taxation assets (2008: HK\$2,340,000).

### 35. OPERATING LEASE COMMITMENTS

As at 31st December, 2009 and 2008, the Group and the Company did not have any material operating lease commitments.

### 36. CAPITAL COMMITMENTS

As at 31st December, 2009 and 2008, the Group and the Company did not have any material capital commitments.

於報告期末,本集團並無任何未確認之遞延稅項資產(二零零八年:2,340,000港元)。

### 35. 營業租約承擔

於二零零九年及二零零八年十二月三十一日,本集團及本公司並無任何重大營業租約承擔。

### 36. 資本承擔

於二零零九年及二零零八年十二月三十一日,本集團及本公司並無任何重大資本承擔。

**Notes to the Financial Statements***For the year ended 31st December, 2009***37. RETIREMENT BENEFIT SCHEMES**

The Group operates two retirement benefit schemes:

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

Both the MPF Scheme and the Top-up Scheme were defined contribution schemes and the assets of both schemes were managed by their respective trustees accordingly.

The MPF Scheme was available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions were made by the Group at 5% based on the staff's relevant income. The statutory maximum level of relevant income for contribution purpose is HK\$20,000 per month. Staff members were entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefit was required by law to be preserved until the retirement age of 65. Forfeited contributions of MPF Scheme cannot be used by the Group to offset the existing level of contributions.

**財務報表附註***截至二零零九年十二月三十一日止年度***37. 退休福利計劃**

本集團設有兩項退休福利計劃：

- (i) 香港法例第485章強制性公積金計劃條例下界定之公積金計劃(「強積金計劃」)；及
- (ii) 香港法例第426章職業退休計劃條例下界定之公積金計劃(「補足計劃」)。

強積金計劃及補足計劃均為定額供款計劃，該兩項計劃之資產均相應由各自之受託人管理。

強積金計劃可供所有18至64歲受僱於香港最少60日之本集團僱員參加。本集團根據僱員之有關入息作出5%之供款。就供款而言，有關法定入息水平上限為每月20,000港元。不論其於本集團之服務年期，僱員均可取得100%本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡65歲方可領取。本集團不可動用強積金計劃下之已沒收供款，以抵銷現有之供款水平。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 37. RETIREMENT BENEFIT SCHEMES (cont'd)

The Top-up Scheme was available to those employees with basic salary over HK\$20,000 and/or years of service over 5. Contributions to the Top-up Scheme were made by the Group at 5%, 7.5% or 10% of staff's basic salary (depending on the length of service) less the Group's mandatory contribution under the MPF Scheme. Staff members were entitled to 100% of the Group's contributions together with accrued returns after completing 10 years of service or more, or attaining the retirement age, or were entitled at a reduced scale between 30% to 90% of the Group's contributions after completing a period of service of at least 3 years but less than 10 years. The Top-up Scheme allowed any forfeited contributions (made by the Group for any staff member who subsequently left the Top-up Scheme prior to vesting fully in such contributions) to be used by the Group to offset the current level of contributions of the Group.

The Group's cost for the MPF Scheme and Top-up Scheme charged to consolidated statement of comprehensive income for the year amounted to HK\$117,000 (2008: HK\$171,000).

### 38. RELATED PARTY TRANSACTIONS

The Group had entered into transactions with related parties which, in the opinion of the directors of the Company, were carried out on normal commercial terms and in the ordinary course of the Group's business as shown below.

- (i) During the years, the Group had the following material transactions with related parties:

Interest income on loan to a fellow subsidiary (Note a)	借予同系附屬公司貸款之利息收入(附註a)
Rental paid to a fellow subsidiary (Note b)	支付予同系附屬公司之租金(附註b)
Interest income on advances to associates (Note a)	墊付聯營公司款項之利息收入(附註a)
Imputed interest income relating to interest-free advance to an associate	墊付聯營公司免息款項之名義利息收入

### 37. 退休福利計劃(續)

補足計劃可供基本薪金超過20,000港元及或年資超過五年之僱員參加。本集團乃根據僱員之基本薪金減去本集團根據強積金計劃作出之強制性供款,按其服務年期作出5%、7.5%或10%之補足計劃供款。僱員服務滿10年或以上或到退休年齡時可取得100%本集團供款連同應計回報,而服務年期滿3年但不足10年之僱員則可按遞減比例取得30%至90%本集團供款。補足計劃容許本集團將任何已沒收供款(即本集團就任何於可獲得全部供款前退出補足計劃之僱員而作出之供款)用以抵銷本集團現有之供款水平。

本集團於年內就強積金計劃及補足計劃於綜合全面收入報表扣除之費用為117,000港元(二零零八年:171,000港元)。

### 38. 關連人士交易

本集團曾與關連人士訂立下列交易,而本公司董事認為有關交易乃於本集團日常業務過程中按正常商業條款進行。

- (i) 年內,本集團曾與關連人士進行下列主要交易:

	2009 HK\$'000 千港元	2008 HK\$'000 千港元
	9,769	415
	-	94
	-	1,725
	-	719
	<b>9,769</b>	<b>2,953</b>

**Notes to the Financial Statements***For the year ended 31st December, 2009***財務報表附註***截至二零零九年十二月三十一日止年度***38. RELATED PARTY TRANSACTIONS (cont'd)**

Notes:

- (a) Interest was charged on outstanding balance during the year.
- (b) Rental was paid to Chinese Estates, Limited, a wholly-owned subsidiary of Chinese Estates, for the lease of office premises. The lease was entered into in the ordinary course of business with reference to market rates and was terminated on 30th September, 2008.

**Balances**

Details of the balances with related parties as at the end of the reporting period are set out in Notes 22, 26, 27 and 30.

**Key management personnel remuneration**

Remuneration for key management personnel is disclosed in Note 14(a) to the financial statements.

- (ii) Save as disclosed in elsewhere in the financial statements, during the year ended 31st December, 2008, the Group had entered into the following related party transactions:

On 17th January, 2008, the Group entered into a conditional sales and purchase agreement with a wholly-owned subsidiary of Chinese Estates. For details, please refer to Note 11 to the financial statements.

On 4th November, 2008, the Company, as lender, has entered into a loan agreement with Longman, as borrower, and Chinese Estates, as guarantor. For details, please refer to Note 26 to the financial statements.

**38. 關連人士交易(續)**

附註:

- (a) 利息根據年內尚欠結餘計算。
- (b) 為租用辦公室而支付予華置之全資附屬公司華人置業有限公司之租金。該租賃是參考市場價格於日常業務過程中訂立，並已於二零零八年九月三十日終止。

**結餘**

於報告期末，與關連人士之結餘詳情載於附註22、26、27及30。

**主要管理人員酬金**

主要管理人員之酬金於財務報表附註14(a)披露。

- (ii) 除財務報表其他地方披露外，截至二零零八年十二月三十一日止年度內，本集團曾與關連人士進行下列交易：

於二零零八年一月十七日，本集團與華置一間全資附屬公司，訂立一份有條件買賣協議。有關詳情，請參閱財務報表附註11。

於二零零八年十一月四日，本公司(作為貸方)、Longman(作為借方)及華置(作為擔保人)訂立一份貸款協議。有關詳情，請參閱財務報表附註26。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

## 39. PARTICULARS OF SUBSIDIARIES

At 31st December, 2009, the Company has direct and indirect interests in the following subsidiaries which are all private limited companies.

## 39. 附屬公司詳情

於二零零九年十二月三十一日，本公司直接及間接擁有下列附屬公司之權益，而該等附屬公司均為私人有限公司。

Name of subsidiaries 附屬公司名稱	Place of incorporation or operation 註冊成立 或經營地點	Class of share 股份類別	Fully paid share capital 繳足股本	Proportion of nominal value of paid-up capital held by the Company 本公司所持繳足 股本面值之百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Chi Cheung Management Services Limited 至祥管理服務有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	100%	–	Dormant 暫無營業
Chi Cheung (Nominees) Limited	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	100%	–	Securities investment 證券投資
Jumbo Legend Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$2 2美元	100%	–	Investment holding 投資控股
View Success Investments Limited 景亨投資有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Property investment and trading 物業投資 及買賣

None of the subsidiaries had any loan capital subsisting at the end of the year or at anytime during the year.

概無任何附屬公司於年結時或年內任何時間存在任何借貸股本。

## Notes to the Financial Statements

For the year ended 31st December, 2009

## 財務報表附註

截至二零零九年十二月三十一日止年度

### 40. EVENTS AFTER THE FINANCIAL YEAR END

- (i) Near the year end and afterwards, the Group entered into various sale and purchase agreements with independent third parties to dispose of the remaining units of properties held for sale at a total consideration of HK\$66.43 million. These respective disposals will be completed in the first and second quarters of 2010. Upon completion of the said disposals, the Group will not hold any godown unit in Gemstar Tower.
- (ii) On 8th March, 2010, the Company lent a loan of HK\$30 million to Longman pursuant to the terms and conditions of the Revolving Loan made in November 2008 and therefore the total loan to the Longman increased from HK\$853 million in 2009 to HK\$883 million as at the reporting date. The cap for the Revolving Loan is HK\$972 million for the year ending 31st December, 2010.

### 41. COMPARATIVE FIGURES

As a result of the application of HKAS 1 (Revised), "Presentation of Financial Statements", certain comparative figures have been adjusted to conform to the current year's presentation and to provide comparative amounts in respect of items disclosed for the first time in 2009. Further details of these developments are disclosed in Note 2.

### 42. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 12th March, 2010.

### 40. 財政年度結束後事項

- (i) 於臨近年結時及其後，本集團與獨立第三方訂立多份買賣協議，出售餘下持作出售物業單位，總代價為66,430,000港元。各項出售將於二零一零年第一及第二季完成。上述出售完成後，本集團將不再持有駿昇中心任何貨倉單位。
- (ii) 於二零一零年三月八日，本公司按於二零零八年十一月訂立之循環貸款之條款及條件，向Longman借予為數30,000,000港元之貸款，因此，Longman貸款總額由二零零九年之853,000,000港元增加至本報告日之883,000,000港元。循環貸款於截至二零一零年十二月三十一日止年度之上限為972,000,000港元。

### 41. 比較數字

由於應用香港會計準則第1號(經修訂)「財務報表呈列」，若干比較數字已作調整，以符合本年度之呈列，並就於二零零九年首次披露之項目提供比較數額。此等發展之進一步詳情已於附註2披露。

### 42. 授權刊發財務報表

董事會已於二零一零年三月十二日批准及授權刊發財務報表。

## Five-Year Financial Summary

## 五年財務概要

Summary of the results, assets and liabilities of the Group for the last five years is as follows:

本集團過去五年之業績、資產及負債概列如下：

		For the year ended 31st December, 截至十二月三十一日止年度				
		2009	2008	2007	2006	2005
		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
<b>Results</b>	<b>業績</b>					
Revenue	收益	<b>23,558</b>	143,087	69,974	2,916	3,370
Profit before taxation	稅前溢利	<b>19,307</b>	132,775	115,395	96,320	119,816
Income tax expense	所得稅支出	<b>(1,446)</b>	(16,089)	(7,805)	(2,029)	(398)
Profit for the year	本年度溢利	<b>17,861</b>	116,686	107,590	94,291	119,418
Attributable to:	下列應佔：					
Equity holders of the Company	本公司股本持有人	<b>17,861</b>	116,686	107,651	94,349	121,518
Non-controlling interests	非控股權益	<b>-</b>	-	(61)	(58)	(2,100)
		<b>17,861</b>	116,686	107,590	94,291	119,418
Basic and diluted earnings per share (HK cents) (Note)	每股基本及攤薄盈利(港仙) (附註)	<b>5.27</b>	34.44	31.78	27.85	36.40
Final and interim dividends per share (HK cents)	每股末期及中期股息(港仙)	<b>2</b>	1	-	-	-

Note:

The calculation of basic and diluted earnings per share is based on the profit attributable to equity holders of the Company for the years and the weighted average number of shares in issue during the relevant years.

附註：

每股基本及攤薄盈利乃根據當年度本公司股本持有人應佔溢利及有關年度已發行股份之加權平均數計算。

		As at 31st December, 於十二月三十一日				
		2009	2008	2007	2006	2005
		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
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Total assets	資產總額	<b>1,007,066</b>	997,524	884,978	776,665	683,862
Total liabilities	負債總額	<b>(4,390)</b>	(12,785)	(16,939)	(16,225)	(17,713)
Total assets and liabilities	資產及負債總額	<b>1,002,676</b>	984,739	868,039	760,440	666,149
Non-controlling interests	非控股權益	<b>-</b>	-	1,084	1,023	965
Net assets to equity holders of the Company	本公司股本持有人應佔 資產淨值	<b>1,002,676</b>	984,739	869,123	761,463	667,114
Net asset value per share (HK\$)	每股資產淨值(港元)	<b>2.96</b>	2.91	2.56	2.24	1.97
Net asset value per share to equity holders of the Company (HK\$)	本公司股本持有人應佔 每股資產淨值(港元)	<b>2.96</b>	2.91	2.57	2.25	1.97
Number of shares issued	已發行股份數目	<b>338,765,987</b>	338,765,987	338,765,987	338,765,987	338,765,987



## Schedule of Principal Properties

## 主要物業附表

A. INVESTMENT PROPERTIES  
投資物業

Location 地點	Lot Number 地段編號	Usage 用途	Category of the lease term 租期類別	Group's interest 集團所佔權益
Gemstar Tower 50 car parking spaces on 1st to 3rd Floors No. 23 Man Lok Street Hung Hom, Kowloon Hong Kong 駿昇中心 香港九龍紅磡 民樂街23號 1樓至3樓 50個車位	Certain parts or shares of and in Hung Hom Inland Lot No. 545 紅磡內地段545號之 若干部份或份額	Parking 泊車位	Medium 中期	100%

B. PROPERTIES HELD FOR SALE  
持作出售物業

Location 地點	Lot Number 地段編號	Approx. gross floor area (square feet) 總樓面 面積約數 (平方呎)	Usage 用途	Group's interest 集團所佔權益
Gemstar Tower Unit E on 16th Floor, Unit C on 17th Floor, Units A and C on 18th Floor No. 23 Man Lok Street Hung Hom, Kowloon Hong Kong* 駿昇中心 香港九龍紅磡 民樂街23號 16樓E單位、17樓C單位及 18樓A及C單位*	Certain parts or shares of and in Hung Hom Inland Lot No. 545 紅磡內地段545號之 若干部份或份額	22,605	Godown 貨倉	100%

\* Sale of Unit E on 16th Floor and Unit A on 18th Floor was completed in February 2010 whereas sale of Unit C on 17th Floor and Unit C on 18th Floor will be completed in April 2010.  
16樓E單位及18樓A單位於二零一零年二月完成出售，而17樓C單位及18樓C單位將於二零一零年四月完成出售。

