

## Financial Operation Review

## 財務經營回顧

### RESULTS

Revenue for the Year was HK\$9,099,000 (2008: HK\$6,790,000), an increase of HK\$2,309,000 or 34% when compared with last year. Gross profit for the Year amounted to HK\$8,921,000 (2008: HK\$6,551,000), an increase of HK\$2,370,000 as compared with last year. The increase in revenue and gross profit resulted from the interest income from floating rate notes of HK\$5,472,000 (2008: HK\$4,835,000) and loan to a fellow subsidiary of HK\$1,942,000 (2008: HK\$39,000).

For property leasing, the rental income dropped to HK\$1,685,000 (2008: HK\$1,916,000), it was mainly due to the drop of occupancy rate of the property. Included in the current year result was an increase in fair value on investment properties of HK\$5,200,000 (2008: decrease of HK\$3,700,000).

During the Year, no finance cost was recorded (2008: HK\$9,893,000), the figure of last year represented the effective interest expense on convertible bonds.

Exchange gain included in other operating income was HK\$775,000 (2008: exchange loss included in administrative expenses of HK\$5,914,000).

For the current year, the Group recorded a profit attributable to the equity holders of the Company of HK\$11,788,000 (2008: loss of HK\$4,854,000), it was mainly due to the increase in fair value on investment properties and increase in interest income on floating rate notes and loan to the fellow subsidiary. The basic and diluted earnings per share are HK0.53 cents (2008: loss per share of HK0.24 cents).

The major non-cash items included increase in fair value on investment properties of HK\$5,200,000 (2008: decrease of HK\$3,700,000).

### NET ASSET VALUE

As at 31 December 2009, the Group's total net asset was HK\$481,577,000 (2008: HK\$297,378,000), an increase of HK\$184,199,000 or 61.9% when compared with last year. Such rise was caused by (a) the issuance of 400,000,000 shares resulted in the increase of share capital of HK\$4,000,000 and share premium of HK\$141,470,000; (b) the increase in fair value of available-for-sale financial assets of HK\$26,941,000; and (c) the profit retained for the Year of HK\$11,788,000.

Net asset value per share as at 31 December 2009 was HK\$0.20 (2008: HK\$0.15).

### 業績

本年度之營業額為9,099,000港元(二零零八年: 6,790,000港元), 較去年增加2,309,000港元或34%。本年度之毛利為8,921,000港元(二零零八年: 6,551,000港元), 較去年增加2,370,000港元。營業額及毛利增加原因是錄得浮息票據之利息收入5,472,000港元(二零零八年: 4,835,000港元)及借予同系附屬公司貸款之利息收入1,942,000港元(二零零八年: 39,000港元)。

至於物業租賃, 租金收入下跌至1,685,000港元(二零零八年: 1,916,000港元), 主要原因是物業之出租率下跌。本年度業績包括投資物業之公平值增加5,200,000港元(二零零八年: 減少3,700,000港元)。

本年度, 並無錄得財務成本(二零零八年: 9,893,000港元), 去年數字為可換股債券之實際利息支出。

計入其他經營收入之匯兌收益為775,000港元(二零零八年: 計入行政開支之匯兌虧損5,914,000港元)。

本年度本集團錄得股本持有人應佔溢利11,788,000港元(二零零八年: 虧損4,854,000港元), 主要源自投資物業之公平值增加與浮息票據及借予同系附屬公司貸款之利息收入增加。每股基本及攤薄盈利為0.53港仙(二零零八年: 每股虧損0.24港仙)。

主要非現金項目包括投資物業之公平值增加5,200,000港元(二零零八年: 減少3,700,000港元)。

### 資產淨值

於二零零九年十二月三十一日, 本集團之資產淨值合共為481,577,000港元(二零零八年: 297,378,000港元), 較去年增加184,199,000港元或61.9%。此增加乃由於(a)發行400,000,000股股份導致股本增加4,000,000港元及股份溢價增加141,470,000港元; (b)可供待售之金融資產之公平值增加26,941,000港元; 及(c)本年度之保留溢利11,788,000港元。

於二零零九年十二月三十一日, 每股資產淨值為0.20港元(二零零八年: 0.15港元)。

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### INVESTMENT AND FINANCE

Last year, the Group acquired various long term floating rate notes (the "FRN") in principal amount of EUR3,800,000 and US\$16,500,000 as available-for-sale financial assets. The denominated currencies of the FRN are European dollars and United States dollars and the maturity dates are between 2011 and 2014. The interest rates are calculated mainly with reference to the respective country's EURIBOR and LIBOR. Further the Group made a short term three-year revolving loan to Chinese Estates Group of HK\$136,000,000 at HIBOR plus 1% per annum on 4 November 2008. The Group lent a further loan of HK\$64,000,000 during the Year. No hedging for interest rate and foreign currency were subsisted during the Year.

As at 31 December 2009, the carrying amount of the FRN amounted to HK\$158,473,000 (2008: HK\$127,704,000) and the loan amounted to HK\$200,000,000 (2008: HK\$136,000,000) representing 32.6% and 41.2% of the total assets of the Group respectively.

### EQUITY

The number of issued ordinary shares as at 31 December 2009 and 31 December 2008 were 2,428,255,008 and 2,028,255,008 respectively.

### DEBT AND EQUITY RATIO

The Group did not have any borrowings as at 31 December 2009 and 31 December 2008.

There was no debt to equity ratio as at 31 December 2009 and 31 December 2008. Cash and bank balances as at 31 December 2009 was approximately HK\$91,247,000 (2008: HK\$5,442,000). The majority of 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.

### 投資及融資

去年度，本集團購入本金額分別為3,800,000歐元及16,500,000美元之若干長期浮息票據（「浮息票據」），列為可供待售之金融資產。該等浮息票據以歐元及美元計算，到期日介乎二零一一年至二零一四年。利率乃主要參考相關國家之歐洲銀行同業拆息及倫敦銀行同業拆息計算。此外，本集團於二零零八年十一月四日向華置集團提供一筆三年期短期循環貸款136,000,000港元，年利率按香港銀行同業拆息加一厘計算。本集團於本年度進一步借出貸款64,000,000港元。本年度並無對沖利率及外幣。

於二零零九年十二月三十一日，浮息票據之賬面金額為158,473,000港元（二零零八年：127,704,000港元），而貸款金額為200,000,000港元（二零零八年：136,000,000港元），分別相當於本集團之資產總值之32.6%及41.2%。

### 股權

於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之已發行普通股數目分別為2,428,255,008股及2,028,255,008股。

### 債項與股權比率

於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，本集團並無任何借貸。

於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，本集團並無債項與股權比率。於二零零九年十二月三十一日之現金及銀行結餘約為91,247,000港元（二零零八年：5,442,000港元）。本集團於本年度之收入主要以港元及美元計算，於本年度內亦無對沖任何非港元資產或投資。

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### PLEDGE OF ASSETS

As at 31 December 2009 and 31 December 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 COMMITMENT AND CONTINGENT LIABILITIES

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

### FINANCIAL AND INTEREST INCOME/EXPENSES

Interest income was included in revenue, other operating income and profit for the Year. Interest income was HK\$7,473,000 (2008: HK\$9,632,000), it is mainly due to the interest income from FRN and loan to the fellow subsidiary. There was no finance cost (2008: effective interest expense on convertible bonds of HK\$9,893,000) during the Year.

### REMUNERATION POLICIES AND SHARE OPTION SCHEME

As at 31 December 2009, the Group did not employ any staff (2008: 1 staff). The total staff cost excluding Directors' remuneration for the Year was approximately HK\$843,000 (2008: HK\$1,625,000) representing the staff cost recharged from other fellow subsidiaries of the Company. The Company had adopted share option scheme since 15 February 2002. There were no outstanding options at the beginning and at the end of the Year. No options were granted, exercised, cancelled and lapsed during the Year.

### PROPERTY VALUATION

A property valuation has been carried out by Norton Appraisals Limited, an independent qualified professional surveyors, in respect of the Group's investment properties held as at 31 December 2009 and that valuation was used in preparing this year's consolidated financial statements. The Group's investment properties were valued HK\$32,500,000 as at 31 December 2009 (2008: HK\$27,300,000), an increase in fair value of approximately HK\$5,200,000 was recognised in the consolidated statement of comprehensive income for the Year.

### 資產抵押

於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，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

於二零零九年十二月三十一日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。

### 財務及利息收入／支出

利息收入已計入本年度之收益、其他經營收入及溢利。利息收入為7,473,000港元（二零零八年：9,632,000港元），主要來自浮息票據及借予同系附屬公司貸款之利息收入。本年度並無錄得財務成本（二零零八年：可換股債券之實際利息支出9,893,000港元）。

### 酬金政策及認股權計劃

於二零零九年十二月三十一日，本集團並無僱用任何員工（二零零八年：1名員工）。本年度總員工成本（不包括董事酬金）約為843,000港元（二零零八年：1,625,000港元），相當於本公司其他同系附屬公司徵收之員工成本。本公司採納於二零零二年二月十五日之認股權計劃。年初及年終並無認股權尚未行使，本年度亦無授出、行使或註銷認股權，亦無認股權已經失效。

### 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。於二零零九年十二月三十一日，本集團投資物業之估值為32,500,000港元（二零零八年：27,300,000港元），公平值之增加約為5,200,000港元，並已列入本年度之綜合全面收入報表中。