

INTERIM REPORT 2009 中期報告



CHINA HAIDIAN

Holdings Limited 中國海澱集團有限公司

Incorporated in the Cayman Islands with limited liability 於開曼群島註冊成立之有限公司
Stock Code 股份代號 : 256

CORPORATE INFORMATION

Board of Directors

Executive Directors

HON Kwok Lung (*Chairman*)

SHANG Jianguang (*Chief Executive Officer*)

SHI Tao

LAM Toi Man

Non-executive Director

SIT Lai Hei

Independent Non-executive Directors

FUNG Tze Wa

KWONG Chun Wai, Michael

LI Qiang

Qualified Accountant & Company Secretary

FONG Chi Wah

Auditors

Grant Thornton

Principal Bankers

Bank of China (Hong Kong) Limited

China Construction Bank (Asia)

Corporation Limited

Hongkong and Shanghai Banking

Corporation Limited

Industrial and Commercial Bank of China Ltd.

Xiamen International Bank

Share Registrar in Hong Kong

Tricor Secretaries Limited

26th Floor, Tesbury Centre

28 Queen's Road East

Wanchai

Hong Kong

公司資料

董事會

執行董事

韓國龍(*主席*)

商建光(*行政總裁*)

石濤

林代文

非執行董事

薛黎曦

獨立非執行董事

馮子華

鄭俊偉

李強

合資格會計師及公司秘書

方志華

核數師

均富會計師行

主要往來銀行

中國銀行(香港)有限公司

中國建設銀行(亞洲)股份有限公司

香港上海滙豐銀行有限公司

中國工商銀行股份有限公司

廈門國際銀行

香港股份過戶登記處

卓佳秘書商務有限公司

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金鐘匯中心26樓

CHINA HAIDIAN HOLDINGS LIMITED

Interim Report 2009

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MANAGEMENT DISCUSSION AND ANALYSIS

Operating results

For the six months ended 30 June 2009, the Group recorded an unaudited revenue (including continuing and discontinued operations) of approximately HK\$441,894,000 (Six months ended 30 June 2008: HK\$446,921,000), representing a decrease of HK\$5,027,000 compared with the corresponding period last year. Net profit attributable to equity holders for the period was approximately HK\$306,926,000, representing an increase of HK\$261,057,000 compared with the corresponding period last year. Having set apart the financial impact of the discontinued operations for the period of HK\$231,494,000, the Group should have an increase of net profit of HK\$16,814,000 from its continuing operations compared with the net profit last period.

Business review

(1) Watches and timepieces business

EBOHR Luxuries International Company Limited ("EBOHR"), a wholly-owned subsidiary of the Group, achieved satisfactory results in the first half of 2009. Revenue for the first half of 2009 was HK\$119,502,000, an increase of HK\$28,455,000, or 31%, from HK\$91,047,000 for the same period last year. Net profit after tax for the first half of 2009 was HK\$23,073,000 compared with HK\$20,620,000 for the same period in 2008, an increase of HK\$2,453,000, or 12%. The growth of net profit after tax decreased due to the general increase in tax rates applicable to the local companies in different cities of the Mainland China.

管理層討論及分析

經營業績

截至二零零九年六月三十日止六個月，本集團錄得持續經營及已終止經營業務未經審核收入約441,894,000港元（二零零八年六月三十日止六個月：446,921,000港元），較去年同期減少5,027,000港元。期內權益持有人應佔純利約為306,926,000港元，較去年同期增加261,057,000港元。倘不計及期間已終止經營業務之財務影響231,494,000港元，本集團應較上一個期間之純利錄得持續經營業務純利增長16,814,000港元。

業務回顧

(1) 鐘錶及時計產品業務

於二零零九年上半年，本集團之全資附屬公司依波精品（深圳）有限公司（「依波精品」）業績理想。二零零九年上半年之收入為119,502,000港元，較去年同期91,047,000港元增加28,455,000港元或31%。二零零九年上半年之除稅後純利為23,073,000港元，較二零零八年同期20,620,000港元增加2,453,000港元或12%。除稅後純利增幅收窄，乃由於中國內地不同城市之當地公司適用稅率整體上升。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Business review (Continued)

(1) Watches and timepieces business (Continued)

EBOHR's strategy is to develop its existing and new proprietary brands, and it has executed different strategies for its proprietary brands so as to establish a solid foundation for the sustainable development. The success of PAMA, a new brand and product line introduced in 2008 focusing on the top tier customers and the introduction of KANA, a new brand and product line introduced in 2009 targeting to the white collar ladies would contribute to the further increase in revenue and net profit after tax in the second half of 2009. In addition to the existing marketing efforts, the sale and promotion in the second and third tier cities would further enhance the brand awareness all over the Mainland China.

The revised strategy of recruiting authorised dealers would increase the number of distribution outlets while the training of sale professionals would improve the effectiveness of the distribution outlets. In the next two years, EBOHR would establish ten boutique shops selling its proprietary brand watches, i.e., under the brand names of PAMA, KANA and others. Each boutique shop is expected to cost approximately RMB1 million and the total investment would be approximately RMB10 million. After the balance sheet date, EBOHR has established a 100% owned subsidiary in Switzerland, marketing the Swiss-made watches under EBOHR's designated brand names and the Mainland China-made watches of sophisticated mechanical movement. At the same time, the Swiss-made watches under EBOHR's designated brand names would also be sold in its local distribution channels.

管理層討論及分析(續)

業務回顧(續)

(1) 鐘錶及時計產品業務(續)

依波精品之策略為發展其現有及新自有品牌。依波精品已就其自有品牌採取各種策略，為持續發展建立穩固基礎。二零零八年推出以高級客戶為主之新品牌及生產線PAMA之成功，加上於二零零九年推出以白領女士為對象之新品牌及生產線KANA，將進一步為二零零九年下半年之收入及除稅後純利帶來貢獻。除致力於現有市場進行推廣外，第二、三線城市之銷售及宣傳定必進一步提升本集團於中國內地之品牌知名度。

修訂策略聘用認可經銷商將增加分銷店數目，而培訓銷售專員則有助改善分銷店之效率。於未來兩年，依波精品將開設十間精品店，銷售PAMA、KANA及其他自有品牌之手錶。各精品店預期投資值約人民幣1,000,000元，而總投資額將約為人民幣10,000,000元。依波精品於資產負債表日後於瑞士設立一間全資附屬公司，推廣以依波精品指定品牌之瑞士製手錶以及精製機械錶芯之中國製手錶。同時，依波精品指定品牌之瑞士製手錶亦將於本地分銷渠道出售。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Business review (Continued)

(1) Watches and timepieces business (Continued)

Zhuhai Rossini Watch Industry Ltd. ("Rossini"), a 91% subsidiary of the Group, also achieved satisfactory results in the first half of 2009. Revenue for the first half of 2009 was HK\$124,051,000. Net profit after tax for the first half of 2009 was HK\$29,408,000.

Rossini has put a lot of effort on expanding the distribution outlets through department stores. Working closely with its regional sale managers, Rossini has consolidated the distribution outlets in the first tier cities and increased the number of its distribution outlets in the second and third tier cities. In the first half of 2009, there was an increase of 50 distribution outlets all over the Mainland China.

While strongly established in the market for watch with price of approximately RMB3,000, Rossini has developed products for other segments such as the luxury segment and the specialist segment such as tourbillon watches. The objective is to generate increasingly strong recurring income from the strongly established market for watch of approximately RMB3,000 and develop additional income from selectively targeted market segments, leveraging on the comprehensive distribution network and wide range of quality products.

管理層討論及分析(續)

業務回顧(續)

(1) 鐘錶及時計產品業務(續)

本集團擁有91%權益之附屬公司珠海羅西尼錶業有限公司(「羅西尼」)亦於二零零九年上半年錄得理想業績。二零零九年上半年之收入為124,051,000港元。二零零九年上半年之除稅後純利為29,408,000港元。

羅西尼竭盡所能，透過百貨店擴充分銷店，並與地區銷售經理緊密合作，整合一線城市之分銷店及增加第二、三線城市之分銷店數目。於二零零九年上半年，全中國內地之分銷店數目增加50間。

羅西尼已奠定價格於人民幣3,000元左右之手錶市場之強勁地位，並開發如名貴產品之其他分部產品及陀飛輪手錶等專門分部。目的為透過全面分銷網絡及種類繁多之優質產品，自價格於人民幣3,000元左右之龐大手錶市場產生強勁經常性收入，並於選定之目標市場分部增闢額外收入。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Business review (Continued)

(1) Watches and timepieces business (Continued)

Following the integration with the Group, Rossini made significant improvements in the manufacturing, operation, sale and marketing. Among the improvements, Rossini recruited watch designers in the leading schools in the Mainland China and watch designers from Hong Kong to develop new product lines; these new product lines reflect the current international trends and yet take into account of the unique preference of the local market. With growing economy, improving standard of living, and expanding targeted markets coupled with the comprehensive distribution network and quality products, the demand for Rossini's watches is expected to be substantial and sustainable.

Significant efforts in sales and marketing of EBOHR and Rossini also led to increases in selling and distribution expenses for the period ended 30 June 2009.

管理層討論及分析(續)

業務回顧(續)

(1) 鐘錶及時計產品業務(續)

與本集團進行整合後，羅西尼於生產、營運、銷售及市場推廣方面作出重大改善。在多項改善中，羅西尼於中國內地之優秀學府及香港聘請手錶設計師開發新生產線；該等新生產線反映現時國際潮流，同時加入本地市場之獨特喜好元素。隨著經濟增長、生活水平改善及目標市場擴大，加上廣泛分銷網絡以及優質產品，預期羅西尼手錶之需求殷切，並將得以持續。

依波精品及羅西尼著力推行銷售及市場推廣工作亦導致截至二零零九年六月三十日止期間之銷售及分銷開支增加。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Business review (Continued)

(1) Watches and timepieces business (Continued)

On 16 July 2009, the Group acquired Shenzhen Permanence Commerce Co., Ltd. (“Permanence”), a company focusing on distribution of leading Japanese watches such as Citizen and Casio and other foreign brands. Currently, Permanence owns distribution outlets in excess of 30 and develops the third party outlets in excess of 40. Permanence has exclusive distribution right for Citizen covering Sichuan Province, Fujian Province, Shanxi Province and Chongqing City. Permanence can source for all its own distribution outlets all over the Mainland China from Casio. Permanence not only provides an additional distribution network for the Group’s watches but also generates revenue from the distribution of other well-known foreign brands. Given the good relationship with well-known foreign brands and the outlet providers, the number of Permanence’s distribution outlets is expected to increase rapidly in the next two years. It will be a significant revenue and profit driver for the Group starting from the second half of 2009.

(2) Termination of timber plant in Shenzhen

The Group received from the Shenzhen Government the compensation of RMB716 million, being 89.5% of the proceeds from the sale of the land. While approximately 50% of the gain from the land auction and resumption has been accounted for in 2008, the remaining 50% was fully reflected in the first half of 2009. The Group recognised the gain on disposal before tax of HK\$317,227,000 in 2008 and HK\$309,799,000 in the first half of 2009, the gain on disposal after tax was HK\$278,006,000 and HK\$248,131,000 respectively.

管理層討論及分析(續)

業務回顧(續)

(1) 鐘錶及時計產品業務(續)

於二零零九年七月十六日，本集團收購深圳市恒譽嘉時貿易有限公司(「恒譽」)，該公司專門分銷Citizen及Casio等日本著名手錶以及其他海外品牌。目前，恒譽擁有超過30間分銷店並與超過40間第三方店舖建立關係。恒譽擁有Citizen獨家分銷權，覆蓋四川省、福建省、山西省及重慶市各地。恒譽可為其於中國全國之所有分銷店自Casio購貨。恒譽不僅為本集團鐘錶提供額外分銷網絡，亦自分銷其他聲譽昭著之海外品牌產生收入。憑藉與著名海外品牌及分店供應商之良好關係，預期恒譽分銷店之數目將於未來兩年急增，並自二零零九年下半年起成為本集團收入及溢利之重要動力。

(2) 終止深圳木材廠

本集團自深圳市政府收取人民幣716,000,000元之補償，相當於銷售土地所得款項89.5%。土地拍賣及收回約50%之收益已於二零零八年入賬，餘下50%則於二零零九年上半年全面反映。本集團於二零零八年及二零零九年上半年分別確認除所得稅前出售收益317,227,000港元及309,799,000港元，除所得稅後出售收益分別為278,006,000港元及248,131,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Business review (Continued)

(2) Termination of timber plant in Shenzhen (Continued)

A joint venture, 70% owned by Citychamp Dartong Company Limited and 30% owned by the Group, acquired the land and will develop the land into a residential, commercial, office and hotel complex with total gross floor area of 205,693 sq.m.. The Group's share of registered capital of the joint venture and the consideration of the land will be RMB270 million in aggregate and there was no other funding requirement from the Group for the development.

In view of the stable land and property market in Shenzhen, the outlook for the real estate development and for the resale value of the land is considered satisfactory.

(3) Enamelled copper wires business

Fuzhou Dartong Mechanic and Electronic Company Ltd. ("Fuzhou Dartong"), a 49% owned joint venture of the Group contributed revenue and net profit after tax of approximately HK\$191,061,000 and HK\$6,664,000 respectively in the first half of 2009.

Jiangsu Dartong Mechanic and Electronic Company Ltd. ("Jiangsu Dartong"), a 25.58% owned associated company of the Group recorded loss of approximately HK\$2,586,000 in the first half of 2009.

管理層討論及分析(續)

業務回顧(續)

(2) 終止深圳木材廠(續)

由冠城大通股份有限公司及本集團分別擁有70%及30%之合營企業收購該土地，並將該土地發展為住宅、商業、辦公室及酒店綜合項目，總建築面積為205,693平方米。本集團應佔合營企業之註冊資本及該土地代價總額為人民幣270,000,000元，本集團毋須就此發展投入其他資金。

有見深圳之土地及物業市場穩健，房地產發展前景樂觀，該土地之轉售價值亦屬理想水平。

(3) 漆包銅線業務

於二零零九年上半年，本集團擁有49%權益之合營企業福州大通機電有限公司(「福州大通」)分別貢獻約191,061,000港元收入及6,664,000港元除稅後純利。

於二零零九年上半年，本集團擁有25.58%權益之聯營公司江蘇大通機電有限公司(「江蘇大通」)錄得虧損約2,586,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Business review (Continued)

(3) Enamelled copper wires business (Continued)

Both Fuzhou Dartong and Jiangsu Dartong showed satisfactory performance in spite of the global financial crisis. The efforts of improved management of customer relationship, production, cost and quality paid off. Both companies managed to attract more leading local and multinational customers; they developed new customers in the areas of power generator, automobile industry and electric tools. The new products related to wind power were accepted by leading multinational customers. At the same time, the production costs and other costs were properly controlled. The improvement in the portfolio of customers, the provision of right products and the cost control were critical for the competitive position and profitability of both companies in the long run.

(4) Investment in Citychamp Dartong

During the period, the Group recorded a cash dividend income of HK\$8,238,000 from Citychamp Dartong (Six months ended 30 June 2008: HK\$73,624,000 composed of 11,820,000 bonus shares of HK\$72,128,000 and a cash dividend of HK\$1,496,000).

管理層討論及分析(續)

業務回顧(續)

(3) 漆包銅線業務(續)

福州大通及江蘇大通在全球爆發金融危機之下仍表現理想。在改善客戶關係、生產、成本及質素之管理作出之努力卓見成效。該兩家公司積極招攬更多大型本地及跨國客戶，並於發電、汽車業及電子工具領域吸納新客戶。領先跨國客戶對風力發電相關新產品之反應良好。同時，生產成本及其他成本已妥善控制。長遠而言，客戶組合之改善、提供適當產品及成本控制均為該兩家公司維持競爭力及溢利水平之關鍵。

(4) 於冠城大通之投資

期內，本集團自冠城大通錄得8,238,000港元之現金股息收入(二零零八年六月三十日止六個月：73,624,000港元，包括72,128,000港元之11,820,000股紅股及1,496,000港元之現金股息)。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Business review (Continued)

(4) Investment in Citychamp Dartong (Continued)

On 28 July 2009, Citychamp Dartong announced its results under PRC GAAP for the period ended 30 June 2009. Earnings per share for the period was RMB0.15, a decrease of 21% over the last period. As at 30 June 2009, the Group owned 90,619,301 shares, accounting for 14.78% of the total capital of Citychamp Dartong. Based on the market price on 30 June 2009, the fair value of the share was HK\$1,337,665,000 and the change in the fair value from 31 December 2008 to 30 June 2009 of HK\$924,729,000 was disclosed as other comprehensive income in the condensed consolidated statement of comprehensive income and included as reserves in the condensed consolidated statement of financial position. The lock-up period would expire on 22 May 2010.

The annual dividends of Citychamp Dartong will provide a recurring source of profit contribution as well as funds for working capital.

(5) Property investment

The factory complex in Dongguan, the property on Yan He South Road, Luohu District, Shenzhen, three shop units on Xianghua Road, Zhuhai, in Guangdong Province of the PRC, and one apartment in Hong Kong owned by the Group have been leased out, with stable rental returns to the Group for the period under review.

管理層討論及分析(續)

業務回顧(續)

(4) 於冠城大通之投資(續)

於二零零九年七月二十八日，冠城大通公佈其根據中國公認會計原則編製之截至二零零九年六月三十日止期間業績。期內每股盈利為人民幣0.15元，較上一期間減少21%。於二零零九年六月三十日，本集團持有90,619,301股股份，相當於冠城大通股本總額14.78%。按照於二零零九年六月三十日之市價，股份公允值為1,337,665,000港元，於二零零八年十二月三十一日至二零零九年六月三十日期間之公允值變動924,729,000港元則於簡明綜合全面收入表披露為其他全面收入，並於簡明綜合財務狀況表計為儲備。禁售期將於二零一零年五月二十二日屆滿。

冠城大通之年度股息將為本集團帶來經常性溢利貢獻來源及營運資金。

(5) 物業投資

本集團所擁有位於中國廣東省東莞市之工廠綜合大樓、深圳市羅湖區沿河南路之物業、珠海市香華路三個舖位及香港一個住宅單位均已全部租出，於回顧期內為本集團帶來穩定租金回報。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Financial position

(1) Liquidity, financial resources and capital structure

As at 30 June 2009, the Group had non-pledged cash and bank balances of approximately HK\$379,305,000. Based on the bank loans of HK\$122,479,000 and shareholders' equity of HK\$2,810,598,000, the Group's gearing ratio (being loans divided by shareholders' equity) was 4% (31 December 2008: 10%).

The Group's bank loans were denominated in Reminbi and Hong Kong dollars. As at 30 June 2009, the Group's bank loans amounted to HK\$122,479,000 (31 December 2008: HK\$173,393,000).

(2) Charge on Assets

(a) As at 30 June 2009, certain of the Group's banking facilities were secured by the Group's buildings with carrying amount of HK\$887,000 and investment properties with carrying amount of HK\$13,850,000.

(b) As at 30 June 2009, certain of the banking facilities of the joint venturer were secured by the Group's prepaid land lease payment and buildings with carrying amount of HK\$54,731,000.

(3) Capital commitments

As at 30 June 2009, the Group had capital commitments of HK\$27,273,000.

(4) Contingent liabilities

The Group had no material contingent liabilities as at 30 June 2009.

管理層討論及分析(續)

財務狀況

(1) 流動資金、財務資源及資本結構

於二零零九年六月三十日，本集團之無抵押現金及銀行結存約379,305,000港元。按照銀行貸款122,479,000港元及股東權益2,810,598,000港元計算，本集團之資本負債率(貸款除股東權益)為4%(二零零八年十二月三十一日：10%)。

本集團之銀行貸款以人民幣及港元計值。於二零零九年六月三十日，本集團之銀行貸款為122,479,000港元(二零零八年十二月三十一日：173,393,000港元)。

(2) 資產抵押

(a) 於二零零九年六月三十日，本集團若干銀行信貸以本集團賬面值887,000港元之樓宇及賬面值13,850,000港元之投資物業作抵押。

(b) 於二零零九年六月三十日，合營方若干銀行信貸以本集團賬面值54,731,000港元之預付土地租賃款項及樓宇作抵押。

(3) 資本承擔

於二零零九年六月三十日，本集團之資本承擔為27,273,000港元。

(4) 或然負債

於二零零九年六月三十日，本集團並無重大或然負債。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Prospects

The recent robust US macroeconomic indicators have provided evidence that the global recession is coming to an end and economic activities are returning to the growth path. In the Mainland China, various economic policies together with the RMB4 trillion stimulus packages led to a rapid expansion of domestic demand and a speedy economic recovery as a whole. The retail sales of the Mainland China in June 2009 rose 15% on an annual basis, clearly indicating that the massive stimulus package coupled with the huge amount of new loans issued by the banking system since the start of the year has managed to turn the economy around. It was expected that a significant growth of retail sale would start from the second half of 2009.

With the aspiration to be one of the leading watch manufacturers and distributors in the Mainland China, the Group is committed to build a portfolio covering extensive products and markets through various watch related companies. To this end, the Group intends to achieve the development internally and externally. While there are tremendous initiatives for internal growth of EBOHR and Rossini, the Group also intends to grow through acquisitions. The growth strategy by acquiring Permanence is paying off. Through Permanence, the Group has quickly increased the number of distribution outlets and more importantly, the number of proprietary and non-proprietary brands that the Group would distribute, hence generating increasingly strong revenue. The acquisition is only the beginning of a series of potential acquisitions for local watch companies and watch mechanical movement manufacturing companies. The Group has discussions with local watch companies and watch mechanical movement manufacturing companies.

管理層討論及分析(續)

前景

近日美國宏觀經濟指標表現強勁，足證全球衰退即將告一段落，經濟活動重拾升軌。在中國內地，多項經濟政策連同人民幣4萬億元刺激方案帶動內需迅速擴張，並加快整體經濟復甦。於二零零九年六月中國內地之零售銷售額按年上升15%，突顯大型刺激方案加上自年初起銀行體系批出之大額新造貸款已成功引領經濟走出谷底。預期二零零九年下半年開始之零售銷售額將會顯著增加。

本集團矢志成為中國內地頂尖鐘錶製造商及分銷商之一，致力透過多家鐘錶關連公司建立範疇更廣之產品及市場覆蓋面組合。就此，本集團計劃內外發展。本集團已就依波精品及羅西尼之內部增長擬定多項方針，亦有意透過收購推高增長。收購恒譽之增長策略漸見成果。透過恒譽，本集團之分銷分店數目急增，更重要的是，本集團分銷之自有品牌及非自有品牌數目亦迅速增加，因而產生強勁之收入增長。該項收購僅為本集團就一連串擬進行收購本地鐘錶公司及鐘錶機械錶芯製造公司踏出之第一步。本集團已與本地鐘錶公司及鐘錶機械錶芯製造公司展開磋商。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Prospects (Continued)

Looking ahead, the Group continues to invest in its successful organic growth strategy through the existing watch entities. The Group remains keen to watch opportunities to make acquisitions in the Mainland China and overseas, where the price is right and fit for the Group's strategy and culture. The ultimate goal is to build a comprehensive portfolio of companies specialising in manufacturing watches and mechanical movement and distribution of the proprietary brands and non-proprietary brands in the Mainland China and overseas.

Given the relatively stable economic growth of the Mainland China, the core business segment of watches and timepieces and other non-core business segments of enamelled copper wires and property investment would perform satisfactorily.

Employees and Remuneration Policy

As at 30 June 2009, the Group had approximately 2,000 full-time employees in Hong Kong and the PRC. The remuneration packages offered to the employees were determined and reviewed on an arm's length basis with reference to the market condition and individual performance. The Group also provides other benefits to its employees, including year-end double pay, medical insurance and retirement benefits, and incentive bonus are offered with reference to the Group's operating results and employees' individual performance. Directors and all employees of the Group in Hong Kong have joined the Mandatory Provident Fund Scheme or the Occupational Retirement Scheme, and may also be granted share options to subscribe for the shares of the Company pursuant to Section 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong (the "Listing Rules").

管理層討論及分析(續)

前景(續)

展望未來，本集團將繼續透過現有鐘錶公司成功推行內部增長策略。本集團不斷致力於中國內地及海外物色商機，以於價格合理且符合本集團策略及文化時展開收購。本集團之最終目標為於中國內地及海外建立專門製造鐘錶及機械錶芯以及分銷自有品牌及非自有品牌之全面公司組合。

鑑於中國內地經濟增長相當穩定，鐘錶及時計核心業務以及其他漆包銅線及物業投資非核心業務必定取得佳績。

僱員及薪酬政策

於二零零九年六月三十日，本集團僱有約2,000名香港及中國內地全職僱員。僱員薪酬乃本著公平原則，參考市場情況及根據個別員工表現制定及檢討。本集團亦為員工提供其他福利，包括：年終雙糧、醫療保險及退休福利，並視乎本集團之經營業績及員工個人工作表現給僱員發放獎金花紅。本集團在香港之董事及全體僱員均已加入強積金計劃或職業退休計劃，亦可根據香港聯合交易所證券上市規則(「上市規則」)第十七條獲授優先認購股份權以認購本公司之股份。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Foreign Exchange Risk

Majority of the Group's sales and purchases are mainly denominated in RMB. Since the Group's bank borrowings are also mainly denominated in RMB and the Group has retained surplus funds in the currency, such foreign exchange exposure is immaterial and could be effectively monitored.

Interim Dividend

The Board of Directors ("the Board") has resolved to distribute an interim dividend of HK1.0 cent per share for the six months ended 30 June 2009 (Six months ended 30 June 2008: Nil).

Closure of Register of Members

The register of members of the Company will be closed from Wednesday, 21 October 2009 to Friday, 23 October 2009, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Secretaries Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 20 October 2009.

管理層討論及分析(續)

外匯風險

本集團買賣交易主要以人民幣結算。由於本集團之銀行借貸亦主要以人民幣結算，本集團之保留盈餘資金亦為人民幣，故有關外匯風險為屬微不足道，並可有效監控。

中期股息

董事會(「董事會」)決議派發截至二零零九年六月三十日止六個月之中期股息每股1.0港仙(二零零八年六月三十日止六個月：無)。

暫停辦理股份過戶登記

本公司將於二零零九年十月二十一日(星期三)至二零零九年十月二十三日(星期五)(包括首尾兩日)暫停辦理股份過戶登記手續，在該期間不會進行任何股份過戶登記。為符合資格獲派中期股息，請於二零零九年十月二十日(星期二)下午四時三十分前，將所有股份過戶表格連同有關股票送交本公司之股份過戶登記處卓佳秘書商務有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓，辦理過戶手續。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2009, the interests or short positions of the directors and chief executive in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Rules Governing the Listing of Securities on The Stock Exchange (the "Listing Rules"), were as follows:

管理層討論及分析(續)

董事及主要行政人員於股份及相關股份之權益及淡倉

於二零零九年六月三十日，按本公司根據證券及期貨條例(「證券及期貨條例」)第352條規定存置之登記冊所記錄，董事及主要行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股本及相關股份中擁有之權益或淡倉或已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」)項下上市發行人董事進行證券交易的標準守則(「標準守則」)知會本公司及聯交所之權益或淡倉如下：

Name of director	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital 佔本公司已發行股本百分比
董事姓名	身分及權益性質	所持普通股數目	
Hon Kwok Lung 韓國龍	Through controlled corporations 透過受控制公司	2,548,151,515 (note)(附註)	71.94%

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares (Continued)

Note: 798,151,515 shares of the Company are held by Sincere View International Limited ("Sincere View"), which is owned as to 80% and 20% by Mr. Hon Kwok Lung and his wife, Ms. Lam Suk Ying, respectively. 1,750,000,000 shares were held by Full Day Limited ("Full Day"), which is wholly-owned by Mr. Hon Kwok Lung.

Mr. Hon Kwok Lung and Ms. Lam Suk Ying are deemed to have an interest in the same parcel of shares of 2,548,151,515 held by Sincere View and Full Day.

Save as disclosed above, as at 30 June 2009, no person had registered an interest or short position in the shares and underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

管理層討論及分析(續)

董事及主要行政人員於股份及相關股份之權益及淡倉(續)

附註：本公司798,151,515股股份由信景國際有限公司(「信景」)持有，而韓國龍先生及彼之妻子林淑英女士分別持有信景80%及20%權益。1,750,000,000股股份由韓國龍先生全資擁有之朝豐有限公司(「朝豐」)持有。

韓國龍先生及林淑英女士被視作於信景及朝豐所持同一批2,548,151,515股股份中擁有權益。

除上文披露者外，於二零零九年六月三十日，概無任何人士於本公司或其任何相聯法團之股份及相關股份中擁有須根據證券及期貨條例第352條記錄之任何權益或淡倉，或須根據標準守則知會本公司及聯交所之任何權益或淡倉。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Substantial Shareholders' Interests in Shares and Underlying Shares

As at 30 June 2009, the following persons hold interests of 5% or more of the issued share capital of the Company, as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long Position:

Name of shareholders	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital
股東名稱／姓名	身分及權益性質	所持普通股數目	佔本公司已發行股本百分比
Full Day 朝豐	Directly beneficially owned 直接實益擁有	1,750,000,000	49.41%
Sincere View 信景	Directly beneficially owned 直接實益擁有	798,151,515	22.53%
Hon Kwok Lung 韓國龍	Deemed interest 視作擁有權益	2,548,151,515	71.94%
Lam Suk Ying 林淑英	Deemed interest 視作擁有權益	2,548,151,515	71.94%

管理層討論及分析(續)

主要股東於股份及相關股份之權益

於二零零九年六月三十日，按照本公司須根據證券及期貨條例第336條存置之權益登記冊所記錄，下列人士持有本公司已發行股本5%或以上權益：

好倉：

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Substantial Shareholders' Interests in Shares and Underlying Shares (Continued)

As Mr. Hon Kwok Lung owns 100% and 80% of Full Day and Sincere View respectively, he is deemed to be interested in the total of 2,548,151,515 shares held by Full Day and Sincere View under Part XV of the SFO. Ms. Lam Suk Ying, being Mr. Hon Kwok Lung's spouse, is also deemed to be interested in the total of 2,548,151,515 shares held by Full Day and Sincere View under part XV of the SFO. Mr. Hon Kwok Lung is a director of both Full Day and Sincere View.

Save as disclosed above, as at 30 June 2009, no other person, other than the directors and chief executive of the Company, whose interests are set out in the section headed "Directors' and chief executive's interests and short positions in shares and underlying shares" above, had registered an interest or short position in the shares and underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.



管理層討論及分析(續)

主要股東於股份及相關股份之權益(續)

由於韓國龍先生分別擁有朝豐及信景全部及80%權益，根據證券及期貨條例第XV部，彼被視作於朝豐及信景所持合共2,548,151,515股股份中擁有權益。根據證券及期貨條例第XV部，韓國龍先生之配偶林淑英女士亦被視作於朝豐及信景所持合共2,548,151,515股股份中擁有權益。韓國龍先生為朝豐及信景之董事。

除上文披露者外，於二零零九年六月三十日，除其權益載於上文「董事及主要行政人員於股份及相關股份之權益及淡倉」一節之本公司董事及主要行政人員外，概無其他人士於本公司股份及相關股份中擁有須根據證券及期貨條例第336條予以記錄之權益或淡倉。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Share option scheme

The following table discloses movements in the Company's share options for the six months ended 30 June 2009:

優先認購股份權計劃

下表披露本公司優先認購股份權於截至二零零九年六月三十日止六個月之變動：

Name or category of participants	參與者姓名或類別	At 1 January 2009 於二零零九年一月一日	Movement during the period 本期間變動	At 30 June 2009 於二零零九年六月三十日
Executive directors	執行董事			
Mr. Hon Kwok Lung	韓國龍先生	3,500,000	-	3,500,000
Mr. Shang Jianguang	商建光先生	8,000,000	-	8,000,000
Mr. Shi Tao	石濤先生	5,000,000	-	5,000,000
Mr. Lam Toi Man	林代文先生	3,500,000	-	3,500,000
Independent non-executive directors	獨立非執行董事			
Mr. Fung Tze Wa	馮子華先生	3,500,000	-	3,500,000
Dr. Kwong Chun Wai, Michael	鄺俊偉博士	3,500,000	-	3,500,000
Mr. Li Qiang	李強先生	3,500,000	-	3,500,000
Sub-total	小計	30,500,000	-	30,500,000
Other eligible employees In aggregate	其他合資格僱員 總計	98,000,000	-	98,000,000
Other eligible persons In aggregate	其他合資格人士 總計	50,500,000	-	50,500,000
Total	合計	179,000,000	-	179,000,000

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Code of Corporate Governance Practices

In the opinion of the directors, the Company has complied with all the code provisions in the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2009, except with the details disclosed below:

Code E.1.2

Code E.1.2 stipulates that the Chairman of the Board should attend the annual general meeting of the Company. The Chairman of the Board was unable to attend the annual general meeting of the Company held on 10 June 2009 due to his business trip outside Hong Kong.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, the directors have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2009.

管理層討論及分析(續)

企業管治常規守則

董事認為，除下文詳盡披露者外，本公司於截至二零零九年六月三十日止六個月期間一直遵守上市規則附錄14載列之《企業管治常規守則》所有守則條文：

守則第E.1.2

守則第E.1.2訂明董事會主席須出席本公司股東週年大會。由於董事會主席離港公幹，故無法出席本公司於二零零九年六月十日舉行之股東週年大會。

董事進行證券交易的標準守則

本公司已採納標準守則作為本公司董事買賣本公司證券之操守準則。按向本公司董事作出之特定查詢，董事在截至二零零九年六月三十日止六個月均一直遵守標準守則所載列的規定準則。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Remuneration Committee

The Company has established a remuneration committee (the “Remuneration Committee”) on 23 August 2005 in compliance with the Listing Rules, terms of reference of which have been adopted by the Board of the Company are consistent with the requirements of the Code on Corporate Governance Practices. The Remuneration Committee currently comprises three independent non-executive directors, Mr. Fung Tze Wa (the Chairman of the Committee), Dr. Kwong Chun Wai, Michael and Mr. Li Qiang, the Chairman of the Board, Mr. Hon Kwok Lung and the Chief Executive Officer, Mr. Shang Jianguang.

Audit Committee

The audit committee comprises the three existing independent non-executive directors of the Company. The audit committee reviewed the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the unaudited condensed consolidated interim financial statements for the six months ended 30 June 2009. The audit committee also reviewed and commented internal audit reports of subsidiaries and associates and adequacy of resources, qualifications, experience and training of staff engaged in the accounting and financial report function.

Purchase, Sale or Redemption of Shares

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the period under review.

管理層討論及分析(續)

薪酬委員會

本公司於二零零五年八月二十三日根據上市規則成立薪酬委員會(「薪酬委員會」)。本公司董事會就薪酬委員會所採納之職權範圍與企業管治常規守則之規定一致。現有之薪酬委員會成員包括三名獨立非執行董事馮子華先生(委員會主席)、鄭俊偉博士、李強先生及董事會主席韓國龍先生及行政總裁商建光先生。

審核委員會

審核委員會由本公司三名現任獨立非執行董事組成。審核委員會已審閱本集團採納之會計原則及慣例並討論內部監控及財務報告事宜，包括審閱截至二零零九年六月三十日止六個月之未經審核簡明綜合中期財務報表。審核委員會亦檢討及評價附屬公司及聯營公司之內部審核報告，以及資源充足度、從事會計及財務申報職能之員工資歷、經驗及培訓。

購回、出售或贖回股份

本公司或其任何附屬公司於回顧期間內概無購買、出售或贖回本公司任何上市股份。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Appreciation

The Group's impressive performance in the past period was the result of the dedicated work by the management and its employees. The Directors would like to take this opportunity to express our sincere gratitude to our employees, customers, bankers, professional consultants and shareholders for their support.

By order of the Board

Hon Kwok Lung

Chairman

Hong Kong

9 September 2009



管理層討論及分析(續)

致意

本集團於過去期間表現優異，全賴管理層和全體僱員竭誠工作。董事謹此對本集團僱員、客戶、各往來銀行、專業顧問及股東之鼎力支持衷心致謝。

承董事會命

主席

韓國龍

香港

二零零九年九月九日

**CONDENSED CONSOLIDATED STATEMENT
OF COMPREHENSIVE INCOME**

For the six months ended 30 June 2009

簡明綜合全面收入表

截至二零零九年六月三十日止六個月

		Six months ended 30 June 六月三十日止六個月	
		2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2008 二零零八年 (Unaudited) (未經審核) HK\$'000 千港元
	Notes 附註		
Continuing operations:			
Revenue	5	437,358	426,596
Cost of sales		(263,525)	(350,500)
Gross profit		173,833	76,096
Other income	6	2,612	10,041
Selling and distribution expenses		(72,128)	(26,993)
Administrative expenses		(54,822)	(43,727)
Gain/(Loss) on fair value changes in financial assets at fair value through profit or loss, net		38,722	(24,815)
Net surplus on revaluation of investment properties	14	4,002	-
Dividend income from available- for-sale financial assets	15	8,238	73,624
Operating profit		100,457	64,226
Financial income	6	205	983
Finance costs	7	(4,745)	(3,380)
Share of (loss)/profit of an associate		(2,586)	1,655
Profit before income tax	8	93,331	63,484
Income tax expense	9	(14,889)	(4,866)
Profit after income tax from continuing operations		78,442	58,618
Discontinued operations:			
Profit/(Loss) for the period from discontinued operations	12.1	231,493	(12,749)
Profit for the period		309,935	45,869
Other comprehensive income/(loss)			
- Exchange gain on translation of financial statements of foreign operations		11	3,813
- Change in fair value of available- for-sale financial assets		924,729	(372,525)

**CONDENSED CONSOLIDATED STATEMENT
OF COMPREHENSIVE INCOME (Continued)**

For the six months ended 30 June 2009

簡明綜合全面收入表(續)

截至二零零九年六月三十日止六個月

		Six months ended 30 June 六月三十日止六個月	
		2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2008 二零零八年 (Unaudited) (未經審核) HK\$'000 千港元
		Notes 附註	
Other comprehensive income/(loss) for the period	本期間其他全面收入/(虧損)	924,740	(368,712)
Total comprehensive income/(loss) for the period	本期間全面收入/(虧損)總額	1,234,675	(322,843)
Profit for the period attributable to: Equity holders of the Company Minority interests	以下人士應佔本期間溢利: 本公司權益持有人 少數股東權益	306,926 3,009	45,869 -
		309,935	45,869
Total comprehensive income/(loss) attributable to: Equity holders of the Company Minority interests	以下人士應佔本期間 全面收入/(虧損)總額: 本公司權益持有人 少數股東權益	1,231,664 3,011	(323,006) 163
		1,234,675	(322,843)
Dividends	股息	10a 35,420	-
Earnings per share for profit from continuing operations attributable to equity holders of the Company	本公司權益持有人應佔 持續經營業務溢利之 每股盈利		
Basic	基本	11 HK cents 2.13港仙	HK cents 3.27港仙
Diluted	攤薄	HK cents 2.11港仙	N/A不適用
Earnings/(loss) per share for profit/(loss) from discontinued operations attributable to equity holders of the Company	本公司權益持有人 應佔已終止經營業務 溢利/(虧損)之每股 盈利/(虧損)		
Basic	基本	11 HK cents 6.54港仙	HK cents (0.71)港仙
Diluted	攤薄	HK cents 6.48港仙	N/A不適用

**CONDENSED CONSOLIDATED STATEMENT
OF FINANCIAL POSITION**

As at 30 June 2009

簡明綜合財務狀況表

於二零零九年六月三十日

		30 June 2009 二零零九年 六月三十日 (Unaudited) (未經審核)	31 December 2008 二零零八年 十二月三十一日 (Audited) (經審核)
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		180,240	159,147
Investment properties	14	73,608	69,606
Prepaid land lease payments	13	26,188	20,742
Goodwill		621,382	621,382
Interests in associates		31,995	34,582
Available-for-sale financial assets	15	1,337,739	413,010
Prepayments and deposits	16	282,058	84,360
Deferred tax assets		1,207	1,207
		2,554,417	1,404,036
Current assets			
Inventories	17	205,085	217,949
Trade and bill receivables	18	136,291	103,651
Prepaid land lease payments	13	605	444
Prepayments, deposits and other receivables		36,083	469,323
Financial assets at fair value through profit or loss		94,413	29,059
Due from a related company		2,492	-
Cash and cash equivalents	19	379,305	62,340
		854,274	882,766
Non-current assets held for sale	12.2	-	116,893
		854,274	999,659

**CONDENSED CONSOLIDATED STATEMENT
OF FINANCIAL POSITION (Continued)**

As at 30 June 2009

簡明綜合財務狀況表(續)

於二零零九年六月三十日

		30 June 2009 二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2008 二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
	Notes 附註		
Current liabilities	流動負債		
Trade payables	應付賬款	20 139,647	86,318
Other payables and accruals	其他應付款及應計費用	106,250	150,469
Dividend payables	應付股息	10b 88,551	-
Tax payables	應付稅項	129,266	61,992
Derivative financial instruments	衍生金融工具	497	7,588
Borrowings	借貸	21 100,206	147,779
Due to a related company	應付一間有關連公司欠款	445	256,288
		564,862	710,434
Net current assets	流動資產淨值	289,412	289,225
Total assets less current liabilities	總資產減流動負債	2,843,829	1,693,261
Non-current liabilities	非流動負債		
Borrowings	借貸	21 22,273	25,614
Net assets	資產淨值	2,821,556	1,667,647
EQUITY	權益		
Equity attributable to equity holders of the Company	本公司權益持有人 應佔權益		
Share capital	股本	354,203	354,203
Proposed dividends	擬派股息	10 35,420	88,551
Reserves	儲備	2,420,975	1,216,946
		2,810,598	1,659,700
Minority interests	少數股東權益	10,958	7,947
Total equity	權益總額	2,821,556	1,667,647

CONDENSED CONSOLIDATED STATEMENT
OF CHANGES IN EQUITY

For the six months ended 30 June 2009

簡明綜合權益變動表

截至二零零九年六月三十日止六個月

		Equity attributable to equity holders of the Company 本公司權益持有人應佔權益										
		Share capital	Share premium account*	Share option reserve*	Goodwill arising on consolidation*	Statutory reserves*	Exchange fluctuation reserve*	Investment revaluation reserves*	Retained profits*	Total	Minority interests	Total equity
		股本	股份溢價賬*	認購股份權儲備*	綜合賬目所產生之商譽*	法定儲備*	外匯波動儲備*	投資重估儲備*	保留溢利*	總計	少數股東權益	權益總額
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2008	於二零零八年一月一日	179,203	23,700	-	(15,300)	19,793	21,128	241,797	743,053	1,213,374	2,392	1,215,766
Total comprehensive income for the period	本期間全面收入總額	-	-	-	-	-	3,650	(372,525)	45,869	(323,006)	163	(322,843)
Transactions with equity holders - Transfer to statutory reserve	與權益持有人之交易 - 轉撥至法定儲備	-	-	-	-	3,756	-	-	(3,756)	-	-	-
At 30 June 2008	於二零零八年六月三十日	179,203	23,700	-	(15,300)	23,549	24,778	(130,728)	785,166	890,368	2,555	892,923

		Equity attributable to equity holders of the Company 本公司權益持有人應佔權益											
		Share capital	Share premium account*	Share option reserve*	Goodwill arising on consolidation*	Statutory reserves*	Exchange fluctuation reserve*	Investment revaluation reserves*	Retained profits*	Proposed dividends	Total	Minority interests	Total equity
		股本	股份溢價賬*	認購股份權儲備*	綜合賬目所產生之商譽*	法定儲備*	外匯波動儲備*	投資重估儲備*	保留溢利*	擬派股息	總計	少數股東權益	權益總額
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2009	於二零零九年一月一日	354,203	513,700	968	(15,300)	23,721	23,846	(270,776)	940,787	88,551	1,659,700	7,947	1,667,647
Total comprehensive income for the period	本期間全面收入總額	-	-	-	-	-	9	924,729	306,926	-	1,231,664	3,011	1,234,675
Recognition of equity-settled share-based compensation	確認以權益結算之股份補償	-	-	7,785	-	-	-	-	-	-	7,785	-	7,785
2008 final dividend approved (Note 10a)	已批准二零零八年度末期股息 (附註10a)	-	-	-	-	-	-	-	-	(88,551)	(88,551)	-	(88,551)
2009 interim dividend declared (Note 10a)	已宣派二零零九年度中期股息 (附註10a)	-	-	-	-	-	-	-	(35,420)	35,420	-	-	-
Transactions with equity holders	與權益持有人之交易	-	-	7,785	-	-	-	-	(35,420)	(53,131)	(80,766)	-	(80,766)
At 30 June 2009	於二零零九年六月三十日	354,203	513,700	8,753	(15,300)	23,721	23,855	653,953	1,212,293	35,420	2,810,598	10,958	2,821,556

* These reserve accounts comprise the consolidated reserves of HK\$2,420,975,000 (31 December 2008: HK\$ 1,216,946,000) in the condensed consolidated statement of financial position.

* 該等儲備賬目包括簡明綜合財務狀況表內之綜合儲備2,420,975,000港元(二零零八年十二月三十一日: 1,216,946,000港元)。

CONDENSED CONSOLIDATED STATEMENT
OF CASH FLOW

For the six months ended 30 June 2009

簡明綜合現金流量表

截至二零零九年六月三十日止六個月

		Six months ended 30 June	
		六月三十日止六個月 2009 二零零九年 (Unaudited) (未經審核) HK'000 千港元	二零零八年 (Unaudited) (未經審核) HK'000 千港元
Net cash outflow from operating activities of continuing and discontinued operations	持續經營及已終止經營業務之經營業務產生之現金流出淨額	(39,370)	(73,517)
Net cash inflow from investing activities of continuing and discontinued operations	持續經營業務及已終止經營業務之投資活動產生之現金流入淨額	611,782	16,676
Net cash (outflow)/inflow from financing activities of continuing and discontinued operations	持續經營業務及已終止經營業務之融資活動產生之現金(流出)/流入淨額	(250,104)	18,263
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物之增加/(減少)淨額	322,308	(38,578)
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	54,680	82,362
Effect of foreign exchange rate changes, net	匯率變動影響淨額	11	(11,865)
Cash and cash equivalents at end of period	期末之現金及現金等價物	376,999	31,919
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘分析		
Cash at banks and in hand	銀行結存及庫存現金	379,305	31,919
Bank overdrafts	銀行透支	(2,306)	-
		376,999	31,919

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2009

1. General Information

As disclosed in notes 1 and 11 to the financial statements of the Company for the year ended 31 December 2008 (the “2008 Annual Financial Statements”), Seti Timber Industry (Shenzhen) Co., Ltd. (“Seti”), a wholly-owned subsidiary of the Company, established in the People’s Republic of China (“the PRC”), entered into a land resumption agreement with the Shenzhen Municipal Government, under which, in 2008, the Shenzhen Municipal Government resumed a piece of the land in Shenzhen that was leased to Seti (the “PRC Land”) and Seti had ceased its production operations. In this regard, Seti had significantly scaled down its operations in manufacture and distribution of timber products (the “Discontinued Timber Business”) since 2007. Details of this transaction were set out in the Company’s circular dated 24 December 2007.

As the Discontinued Timber Business carried out by Seti represented components of the Group’s business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represented a separate major line of businesses, the Group presented, in its unaudited condensed consolidated interim financial statements for the six months ended 30 June 2009 (the “Unaudited Interim Financial Statements”), the operations of the Discontinued Timber Business as discontinued operations in accordance with Hong Kong Financial Reporting Standard (“HKFRS”) 5 – Discontinued Operations.



未經審核簡明綜合中期財務報表 附註

截至二零零九年六月三十日止六個月

1. 一般資料

誠如本公司截至二零零八年十二月三十一日止年度之財務報表(「二零零八年年度財務報表」)附註1及附註11所披露，本公司於中華人民共和國(「中國」)成立之全資附屬公司森帝木業(深圳)有限公司(「森帝」)與深圳市政府訂立收回土地協議(「收回土地協議」)，據此，深圳市政府於二零零八年收回一幅位於深圳已租予森帝之土地(「中國土地」)，而森帝已終止其生產業務運作。就此，自二零零七年起森帝已大幅縮減其木材產品製造及分銷業務之規模(「已終止木材業務」)。有關是項交易之詳情載於本公司日期為二零零七年十二月二十四日之通函。

由於森帝從事之已終止木材業務為本集團業務一部分，其營運及現金流量可清晰地與本集團其餘業務區分，為獨立主要業務。根據香港財務申報準則第5號—已終止經營業務，本集團在其截至二零零九年六月三十日止六個月之未經審核簡明綜合中期財務報表(「未經審核中期財務報表」)中，將已終止木材業務呈列為已終止經營業務。

1. General Information (Continued)

During the six months ended 30 June 2009, the restoration of the PRC Land was completed and the compensation was fully settled by the Shenzhen Municipal Government. Seti had demolished the buildings on the PRC Land and disposed of the property, plant and equipment of the Discontinued Timber Business on the PRC Land. Further details regarding the Discontinued Timber Business is set out in note 12 to the Unaudited Interim Financial Statements.

2. Basis of Preparation

The Unaudited Interim Financial Statements of the Group have been prepared in accordance with the Hong Kong Accounting Standard (the “HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the disclosure requirements in Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Unaudited Interim Financial Statements are presented in Hong Kong Dollars (“HK\$”), which is also the functional currency of the Company and all values are rounded to the nearest thousand (“HK\$’000”) unless otherwise stated.

The Unaudited Interim Financial Statements should be read in conjunction with the 2008 Annual Financial Statements.

The Unaudited Interim Financial Statements for the six months ended 30 June 2009 was approved for issue by the board of directors on 9 September 2009.

1. 一般資料(續)

於截至二零零九年六月三十日止六個月，深圳市政府完成收回中國土地，並支付補償全額。森帝已拆卸建於中國土地之樓宇，並將已終止木材業務在中國土地之物業、廠房及設備出售。有關已終止木材業務之進一步詳情載於未經審核中期財務報表之附註12。

2. 編製基準

本集團之未經審核中期財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第34號「中期財務報告」及香港聯合交易所有限公司證券上市規則附錄16之披露規定編製。

未經審核中期財務報表乃以本公司功能貨幣港元(「港元」)呈列，除另有註明外，所有價值均調整至最接近千位(「千港元」)。

未經審核中期財務報表應與二零零八年年度財務報表一併閱讀。

截至二零零九年六月三十日止六個月之未經審核中期財務報表已獲董事會於二零零九年九月九日批准刊發。

3. Summary of Significant Accounting Policies

The Unaudited Interim Financial Statements have been prepared in accordance with the accounting policies and method of comparatives used in the 2008 Annual Financial Statements, except for the adoption of the new or amended Hong Kong Financial Reporting Standards (“HKFRSs”), which include individual HKFRSs, HKASs and Interpretations (“Int”) as disclosed below.

In the current period, the Group has applied for the first time the following new or amended HKFRSs issued by the HKICPA, which are relevant to and effective for the Group’s financial statements for the annual financial period beginning on 1 January 2009.

HKAS 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32, HKAS 39 and HKFRS 7 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 and HKAS 27 (Amendment)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or an Associate
HKFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellations
HKFRS 8	Operating Segments
HK(IFRIC) – Int 9 and HKAS 39 (Amendment)	Reassessment of Embedded Derivatives
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
Various	Annual Improvements to HKFRSs 2008

3. 主要會計政策概要

除採納下文所披露之新訂或經修訂香港財務申報準則(包括個別香港財務申報準則、香港會計準則及詮釋)外，未經審核中期財務報表乃根據二零零八年年度財務報表所用之會計政策及比較方法編製。

於本期間，本集團已首次應用以下由香港會計師公會頒佈之新訂或經修訂香港財務申報準則，該等準則與本集團於二零零九年一月一日開始之年度財政期間之財務報表相關及有效。

香港會計準則第1號 (二零零七年經修訂)	財務報表呈報
香港會計準則第23號 (經修訂)	借貸成本
香港會計準則第32號、 香港會計準則第39號及 香港財務申報準則 第7號(修訂本)	可沽售金融工具及 清盤所產生責任
香港財務申報準則 第1號及香港會計準則 第27號(修訂本)	投資一間附屬公司、 共同控制實體或 一間聯營公司之 成本
香港財務申報準則第2號 (修訂本)	股份付款—歸屬條件 及註銷
香港財務申報準則第8號 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)	經營分部 重新評估內含 衍生工具
香港(國際財務報告詮釋 委員會)—詮釋第13號	顧客長期支持計劃
香港(國際財務報告詮釋 委員會)—詮釋第15號	房地產建造協議
其他	二零零八年度香港 財務申報準則之 改進

3. Summary of Significant Accounting Policies (Continued)

Other than as noted below, the adoption of these new or amended HKFRSs has had no material effect on the Unaudited Interim Financial Statements.

HKAS 1 (Revised 2007) – Presentation of financial statements

The adoption of HKAS 1 (Revised 2007) makes certain changes to the format and titles of the primary financial statements and to the presentation of some items within these statements. It also gives rise to additional disclosures. The measurement and recognition of the Group's assets, liabilities, income and expenses are unchanged. However, some items that were recognised directly in equity are now recognised in other comprehensive income. HKAS 1 affects the presentation of owner changes in equity and introduces a "Statement of comprehensive income". Comparatives have been restated to conform with the revised standard.

HKFRS 8 Operating segments

The adoption of HKFRS 8 has not affected the identified and reportable operating segments for the Group. However, reported segment information is now based on internal management reporting information that is regularly reviewed by the chief operating decision maker. In the 2008 Annual Financial Statements, segments were identified by reference to the dominant source and nature of the Group's risks and returns.



3. 主要會計政策概要(續)

除下文所述者外，採納該等新訂或經修訂香港財務申報準則並無對未經審核中期財務報表構成重大影響。

香港會計準則第1號(二零零七年經修訂)－財務報表呈報

採納香港會計準則第1號(二零零七年經修訂)對主要財務報表之格式和項目標題及該等財務報表內部分項目之呈列作出若干修訂，並要求作出額外披露。本集團資產、負債及收支之計量及確認維持不變，但於權益直接確認之部分項目現時於其他全面收入項下確認。香港會計準則第1號影響擁有人權益變動之呈列，並引入「全面收入表」。比較數字已經重列以符合該項經修訂準則之規定。

香港財務申報準則第8號經營分部

採納香港財務申報準則第8號並無影響本集團之已識別及可呈報經營分部，但呈報分部資料現時乃基於內部管理呈報資料編製，該等資料由主要營運決策者定期審閱。就二零零八年年度財務報表而言，有關分部是參照本集團風險及回報之主要來源及性質確定。

3. Summary of Significant Accounting Policies (Continued)

Adoption of new or amended HKFRSs

The Group has not early adopted the following new and amended HKFRSs, which have been published but are not yet effective:

HKAS 27 (Revised)	Consolidated and Separate Financial Statements ¹
HKAS 39 (Amendment)	Eligible Hedged Items ¹
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards ¹
HKFRS 2 (Amendment)	Group Cash-Settled Share-Based Payment Transactions ³
HKFRS 3 (Revised)	Business Combinations ¹
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners ¹
HK(IFRIC) – Int 18	Transfer of Assets from Customers ²
Various	Annual Improvements to HKFRS 2009 ⁴

- ¹ Effective for annual periods beginning on or after 1 July 2009
- ² Effective for transfer received on or after 1 July 2009
- ³ Effective for annual periods beginning on or after 1 January 2010
- ⁴ Generally effective for annual periods beginning on or after 1 January 2010 unless otherwise stated in the specific HKFRS

The directors of the Company anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement.

3. 主要會計政策概要(續)

採納新訂或經修訂香港財務申報準則

本集團並無提早採納下列已頒佈但尚未生效之新訂及經修訂香港財務申報準則：

香港會計準則第27號 (經修訂)	綜合及獨立 財務報表 ¹
香港會計準則第39號 (修訂本)	合資格對沖項目 ¹
香港財務申報準則第1號 (經修訂)	首次採納香港財務 申報準則 ¹
香港財務申報準則第2號 (修訂本)	集團之現金結算股份 付款交易 ³
香港財務申報準則第3號 (經修訂)	業務合併 ¹
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 ¹
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 ²
其他	二零零九年度香港 財務申報準則之 改進 ⁴

- ¹ 於二零零九年七月一日或之後開始之年度期間生效
- ² 適用於二零零九年七月一日或之後接獲之轉讓
- ³ 於二零一零年一月一日或之後開始之年度期間生效
- ⁴ 除特定香港財務申報準則另有說明外，一般於二零一零年一月一日或之後開始之年度期間生效

本公司董事預計所有頒佈之規定將於其生效日期後開始之首段期間納入本集團之會計政策。

4. Segment Information

On adoption of HKFRS 8 Operating segments, the Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the Group's executive directors for their decisions about resources allocation to the Group's business components and review of these components' performance.

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

- (a) manufacture and distribution of watches and timepieces;
- (b) manufacture and distribution of enamelled copper wires (carried out by the Group's jointly controlled entity);
- (c) property investments; and
- (d) manufacture and distribution of timber products carried out by the Discontinued Timber Business which has been classified as discontinued operations for the period (note 12).

4. 分部資料

於採納香港財務申報準則第8號經營分部後，本集團根據定期向本集團執行董事呈報之內部財務資料確定其經營分部及編製分部資料，該等財務資料乃供本集團執行董事決定分配資源至本集團各業務環節及檢討該等業務環節之表現之基準。

本集團經營之業務按經營業務之性質及業務提供之產品及服務個別分類及管理。本集團各業務分類均為策略性業務單位，所提供之產品及服務之風險及回報與其他業務分類不同。業務分類之詳情概述如下：

- (a) 鐘錶及時計產品製造及分銷；
- (b) 漆包銅線製造及分銷(由本集團共同控制實體經營)；
- (c) 物業投資；及
- (d) 已終止木材業務經營之木材產品製造及分銷已分類為期內已終止經營業務(附註12)。

4. Segment Information (Continued)

The segment information is presented as follows:

4. 分部資料(續)

分部資料呈列如下：

		Six months ended 30 June 2009 二零零九年六月三十日止六個月				Discontinued operations 已終止 經營業務
		Continuing operations 持續經營業務			Total	Discontinued Business 已終止 木材業務 (Unaudited) (未經審核) HK\$'000 千港元
		Watches and timepieces 鐘錶及 時計產品 (Unaudited) (未經審核) HK\$'000 千港元	Enamelled copper wires 漆包銅線 (Unaudited) (未經審核) HK\$'000 千港元	Property investments 物業投資 (Unaudited) (未經審核) HK\$'000 千港元	Total (Unaudited) (未經審核) HK\$'000 千港元	
Segment revenue and gains:	分部收入及收益：					
Sales to external customers	向外界客戶銷售	243,553	191,061	2,744	437,358	4,536
Other income and financial income	其他收入及財務收入	932	1,709	10	2,651	2,114
Total	總計	<u>244,485</u>	<u>192,770</u>	<u>2,754</u>	<u>440,009</u>	<u>6,650</u>
Segment results	分部業績	<u>71,407</u>	<u>10,140</u>	<u>4,783</u>	86,330	293,319
Unallocated corporate income and expenses, net	未分配公司收入及支出淨額				14,332	-
Share of loss of an associate	應佔一間聯營公司虧損				100,662	293,319
Finance costs	財務費用				(2,586)	-
					(4,745)	(158)
Profit before income tax	除所得稅前溢利				93,331	293,161
Income tax expense	所得稅開支				(14,889)	(61,668)
Profit for the period	本期間溢利				<u>78,442</u>	<u>231,493</u>

4. Segment Information (Continued)

4. 分部資料(續)

Six months ended 30 June 2008

二零零八年六月三十日止六個月

		Continuing operations				Discontinued operations
		持續經營業務				已終止經營業務
		Watches and timepieces	Enamelled copper wires	Property investments	Total	Discontinued Timber Business
		鐘錶及時計產品	漆包銅線	物業投資	總計	已終止木材業務
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		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
Segment revenue and gains:	分部收入及收益：					
Sales to external customers	向外界客戶銷售	91,047	333,265	2,284	426,596	20,325
Other income and financial income	其他收入及財務收入	1,879	1,400	1	3,280	2,128
Total	總計	92,926	334,665	2,285	429,876	22,453
Segment results	分部業績	25,277	10,644	779	36,700	(11,757)
Unallocated corporate income and expense, net	未分配公司收入及支出淨額				28,509	-
Share of profit of an associate	應佔一間聯營公司溢利				65,209	(11,757)
Finance costs	財務費用				1,655	-
					(3,380)	(992)
Profit/(Loss) before income tax	除所得稅前溢利/(虧損)				63,484	(12,749)
Income tax expense	所得稅開支				(4,866)	-
Profit/(Loss) for the period	本期間溢利/(虧損)				58,618	(12,749)

5. Revenue

Revenue on continuing operations, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts and rental income received and receivable. Revenue recognised during the period is as follows:

Continuing operations	持續經營業務
Sale of goods	貨品銷售
Gross rental income	租金收入總額

5. 收入

持續經營業務之收入亦即本集團營業額，乃指扣除退款及貿易折扣之售出貨品發票淨值，及已收及應收租金收入。期內確認之收入如下：

Six months ended 30 June	
六月三十日止六個月	
2009	2008
二零零九年	二零零八年
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
HK\$'000	HK\$'000
千港元	千港元
434,614	424,312
2,744	2,284
437,358	426,596

6. Other Income and Financial Income

6. 其他收入及財務收入

Six months ended 30 June
六月三十日止六個月

2009	2008
二零零九年	二零零八年
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
HK\$'000	HK\$'000
千港元	千港元

Continuing operations	持續經營業務		
Other income	其他收入		
Exchange gain	匯兌收益	30	8,562
Write back of provision for obsolete inventories	陳舊存貨撥備撥回	1,236	-
Others	其他	1,346	1,479
		2,612	10,041
Financial income	財務收入		
Interest income	利息收入	59	121
Dividend income from financial assets at fair value through profit or loss	按公平值計入溢利或 虧損之金融資產之 股息收入	146	862
		205	983

7. Finance Costs

Continuing operations	持續經營業務
Interests on bank loans wholly repayable within five years	須於五年內悉數償付之銀行貸款利息

Six months ended 30 June	
六月三十日止六個月	
2009	2008
二零零九年	二零零八年
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
HK\$'000	HK\$'000
千港元	千港元

4,745	3,380
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8. Profit Before Income Tax

The Group's profit before income tax was arrived at after charging/(crediting):

Continuing operations	持續經營業務
Depreciation	折舊
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷
Equity-settled share-based compensation	以權益結算之股份補償
Gain on derivative financial instruments	衍生金融工具之收益

Six months ended 30 June	
六月三十日止六個月	
2009	2008
二零零九年	二零零八年
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
HK\$'000	HK\$'000
千港元	千港元

6,428	4,518
126	114
7,785	-
(7,091)	(1,077)

7. 財務費用

8. 除所得稅前溢利

本集團之除所得稅前溢利已扣除／(計入)下列各項：

9. Income Tax Expense

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the period (Six months ended 30 June 2008: Nil). The subsidiaries and jointly controlled entity established in the PRC are subject to income taxes ranging between 20% and 25% (Six months ended 30 June 2008: between 18% and 25%).

Income tax on overseas profit has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

9. 所得稅開支

由於本集團於期內並無在香港產生任何應課稅溢利，故並無就香港利得稅作出撥備(二零零八年六月三十日止六個月：無)。於中國成立之附屬公司及共同控制實體須按介乎20%至25%(二零零八年六月三十日止六個月：介乎18%至25%)之稅率繳納所得稅。

海外溢利之所得稅乃就期內估計應課稅溢利按本集團經營業務之國家之現行稅率計算。

**Six months ended 30 June
六月三十日止六個月**

2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2008 二零零八年 (Unaudited) (未經審核) HK\$'000 千港元
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Continuing operations

Current tax for the period
– the PRC

持續經營業務

期內即期稅項
– 中國

14,889**4,866**

10. Dividends

(a) Dividend attributable to the interim period

Interim dividend of HK1.0 cent per share (Six months ended 30 June 2008: Nil)	中期股息每股1.0港仙 (二零零八年六月三十日 止六個月：無)
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The interim dividend was declared after the reporting date and has not been recognised as a liability at the reporting date.

- (b) Dividend payables as at 30 June 2009 represented the final dividend for the year ended 31 December 2008 and recognised as distribution during the period:

Final dividend for the year ended 31 December 2008 of HK2.5 cents per share	截至二零零八年 十二月三十一日止 年度之末期股息 每股2.5港仙
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10. 股息

(a) 中期期間之應佔股息

Six months ended 30 June 六月三十日止六個月	
2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2008 二零零八年 (Unaudited) (未經審核) HK\$'000 千港元
35,420	-

是項中期股息乃於申報日期之後宣派，且並無確認為於申報日期之負債。

- (b) 於二零零九年六月三十日之應派股息為截至二零零八年十二月三十一日止年度之末期股息，並確認為本期間之分派：

30 June 2009 二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2008 二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
88,551	-

11. Earnings/(Loss) Per Share

The calculation of the basic and diluted earnings/(loss) per share attributable to the equity holders of the Company are based on the information as follows:

Earnings/(Loss) for the purpose of calculating basic and diluted earnings/(loss) per share:	計算每股基本及攤薄盈利/(虧損)所依據之盈利/(虧損)：
- continuing operations	- 持續經營業務
- discontinued operations	- 已終止經營業務

Weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share	計算每股基本盈利/(虧損)所依據之普通股加權平均數
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Effect of dilutive potential ordinary shares:	潛在普通股之攤薄影響：
- outstanding share options	- 未行使優先認購股份權

Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	計算每股攤薄盈利所依據之普通股加權平均數
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11. 每股盈利/(虧損)

本公司權益持有人應佔每股基本及攤薄盈利/(虧損)乃根據以下資料計算：

Six months ended 30 June
六月三十日止六個月

2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2008 二零零八年 (Unaudited) (未經審核) HK\$'000 千港元
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75,432	58,618
231,494	(12,749)

Number of shares
Six months ended 30 June
股份數目
六月三十日止六個月

2009 二零零九年 (Unaudited) (未經審核)	2008 二零零八年 (Unaudited) (未經審核)
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3,542,031,000	1,792,031,000
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28,380,000	-
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3,570,411,000	1,792,031,000
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12. Discontinued Operations and Non-current Assets Held for Sale

12.1 The unaudited results of the discontinued operations, the Discontinued Timber Business for the periods were as follows:

12. 已終止經營業務及持作出售之非流動資產

12.1 期內已終止經營業務(即已終止木材業務)之未經審核業績如下:

		Six months ended 30 June 六月三十日止六個月	
		2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2008 二零零八年 (Unaudited) (未經審核) HK\$'000 千港元
Revenue	收入	4,536	20,325
Cost of sales	銷售成本	(12,265)	(22,718)
Gross loss	毛損	(7,729)	(2,393)
Other income	其他收入	1,995	2,116
Selling and distribution expenses	銷售及分銷費用	(144)	(145)
Administrative expenses	行政費用	(10,721)	(11,347)
Gain on disposal of non-current assets held for sale (Note)	出售持作出售之非流動資產所得收益(附註)	309,799	-
Operating profit/(loss)	經營溢利/(虧損)	293,200	(11,769)
Financial income	財務收入	119	12
Finance costs – interest on bank loans wholly repayable within five years	財務費用—須於五年內悉數償還之銀行貸款利息	(158)	(992)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	293,161	(12,749)
Income tax expense	所得稅開支	(61,668)	-
Profit/(loss) for the period	本期間溢利/(虧損)	231,493	(12,749)

12. Discontinued Operations and Non-current Assets Held for Sale (Continued)

12.1 The unaudited results of the discontinued operations, the Discontinued Timber Business for the periods were as follows: (Continued)

Note:

Gain on disposal of non-current assets held for sale was analysed as follows:

Proceeds from disposals of non-current assets held for sale	出售持作出售之非流動資產所得款項	406,818	-
Carrying amounts of non-current assets held for sale	持作出售之非流動資產賬面值	(85,317)	-
Other relevant income and expenses related to the disposal, net	涉及出售之其他相關收入及支出淨額	(11,702)	-
		309,799	-

12.2 Non-current assets held for sale

The restoration of the PRC Land was completed during the six months ended 30 June 2009 and the compensation was fully settled by the Shenzhen Municipal Government. Seti had demolished the buildings on the PRC Land and disposed of the property, plant and equipment of the Discontinued Timber Business on the PRC Land. As at 30 June 2009, all of the non-current assets held for sale had been disposed of (31 December 2008: non-current assets held for sale was HK\$116,893,000, including property, plant and equipment of HK\$89,671,000 and prepaid land lease payment of HK\$27,222,000).



12. 已終止經營業務及持作出售之非流動資產(續)

12.1 期內已終止經營業務(即已終止木材業務)之未經審核業績如下:(續)

附註:

出售持作出售之非流動資產所得收益分析如下:

Six months ended 30 June 六月三十日止六個月	
2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2008 二零零八年 (Unaudited) (未經審核) HK\$'000 千港元
406,818	-
(85,317)	-
(11,702)	-
309,799	-

12.2 持作出售之非流動資產

於截至二零零九年六月三十日止六個月,深圳市政府完成收回中國土地,並支付補償全額。森帝已拆卸建於中國土地之樓宇,並將已終止木材業務在中國土地之物業、廠房及設備出售。於二零零九年六月三十日,所有持作出售之非流動資產均已出售(於二零零八年十二月三十一日:持作出售之非流動資產為116,893,000港元,包括物業、廠房及設備89,671,000港元及預付土地租賃款項27,222,000港元)。

13. Property, Plant and Equipment and Prepaid Land Lease Payments

During the six months ended 30 June 2009, the Group acquired property, plant and equipment of HK\$4,636,000 (Six months ended 30 June 2008: HK\$6,909,000). Property, plant and equipment with carrying amount of HK\$140,000 were disposed of during the six months ended 30 June 2009 (Six months ended 30 June 2008: Nil)

As at 30 June 2009, certain of the Group's buildings with carrying amount of HK\$887,000 have been pledged to secure certain banking facilities granted to the Group (31 December 2008: HK\$906,000) (note 21).

As at 30 June 2009, certain of the Group's prepaid land lease payment and buildings with carrying amount of HK\$54,731,000 have been pledged to secure banking facilities granted to the joint venturer (31 December 2008: HK\$55,399,000).

As at 30 June 2009, the Group has not yet obtained the title certificates for certain prepaid land lease payments in the PRC with an aggregate carrying amount of approximately HK\$9,565,000 (31 December 2008: HK\$10,127,000). The Group's legal advisors have confirmed that the Group is the rightful and equitable owner of these prepaid land lease payments. The directors are now in process of obtaining the title certificates from the relevant government authorities.

14. Investment Properties

As at 30 June 2009, certain of the Group's investment properties with carrying amount of HK\$ 13,850,000 (31 December 2008: HK\$12,450,000) have been pledged to secure banking facilities granted to the Group (note 21).

Investment properties were revalued on 30 June 2009 by independent, professionally qualified valuers, Asset Appraisal Limited and Chung, Chan & Associates, at HK\$73,608,000 (31 December 2008: HK\$ 69,606,000) in aggregate on market approach by reference to market prices for similar properties. A net surplus of HK\$4,002,000 has been recognised in the condensed consolidated statement of comprehensive income for the six months ended 30 June 2009 (Six months ended 30 June 2008: Nil).



13. 物業、廠房及設備以及預付土地租賃款項

於截至二零零九年六月三十日止六個月內，本集團購入物業、廠房及設備4,636,000港元(二零零八年六月三十日止六個月：6,909,000港元)。賬面值140,000港元之物業、廠房及設備於截至二零零九年六月三十日止六個月內出售(二零零八年六月三十日止六個月：無)。

於二零零九年六月三十日，本集團賬面值為887,000港元之若干樓宇已抵押，以為本集團取得若干銀行融資(二零零八年十二月三十一日：906,000港元)(附註21)。

於二零零九年六月三十日，本集團賬面值54,731,000港元之若干預付土地租賃款項及樓宇已抵押，以為合營方取得銀行融資(二零零八年十二月三十一日：55,399,000港元)。

於二零零九年六月三十日，本集團尚未就其於中國賬面總值約9,565,000港元(二零零八年十二月三十一日：10,127,000港元)之若干預付土地租賃款項取得任何業權證明。本集團法律顧問確認，本集團為該等預付土地租賃款項之公平及合法擁有人。董事現正向有關政府機關申請業權證明。

14. 投資物業

於二零零九年六月三十日，本集團賬面值為13,850,000港元(二零零八年十二月三十一日：12,450,000港元)之若干投資物業已抵押，以為本集團取得若干銀行融資(附註21)。

投資物業於二零零九年六月三十日由獨立專業認可估值師資產評估顧問有限公司及衡量行參考同類物業市價後採用市場法重估為合共73,608,000港元(二零零八年十二月三十一日：69,606,000港元)。為數4,002,000港元之淨額盈餘已於截至二零零九年六月三十日止六個月之簡明綜合全面收入表中確認(二零零八年六月三十日止六個月：無)。

15. Available-for-Sale Financial Assets

Listed equity investments in the PRC, at fair value	於中國之上市股本投資，公平值
Unlisted equity investment, at cost	非上市股本投資，成本值
– 合肥光大木材工業有限公司	– 合肥光大木材工業有限公司
– Others	– 其他
Less: Provision for impairment	減：減值撥備

As at 30 June 2009, the listed equity investment in the PRC represented 14.78% equity interest in Citychamp Dartong Company Ltd (“Citychamp”) which is listed in the Shanghai Stock Exchange in the PRC.

On 20 May 2009, Citychamp declared a cash dividend of RMB0.8 for every 10 Citychamp shares. Cash dividend of HK\$8,238,000 was receivable by the Group and recognised in the condensed consolidated statement of comprehensive income for the six months ended 30 June 2009 (Six months ended 30 June 2008: HK\$73,624,000 including bonus dividend of HK\$ 72,128,000 and cash dividend of HK\$1,496,000).

15. 可供出售金融資產

30 June 2009 二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2008 二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
1,337,665	412,936
3,477	3,477
74	74
(3,477)	(3,477)
<u>74</u>	<u>74</u>
<u>1,337,739</u>	<u>413,010</u>

於二零零九年六月三十日，於中國之上市股本投資指於中國上海證券交易所上市之冠城大通股份有限公司(「冠城」)之14.78%股本權益。

於二零零九年五月二十日，冠城就每10股冠城股份宣派現金股息人民幣0.8元。本集團可收取現金股息8,238,000港元，並於截至二零零九年六月三十日止六個月之簡明綜合全面收入表中確認(二零零八年六月三十日止六個月：73,624,000港元，包括紅股股息72,128,000港元及現金股息1,496,000港元)。

16. Prepayments and Deposits

As at 30 June 2009, the prepayments and deposits included a prepayment of HK\$272,727,000 (31 December 2008: HK\$81,818,000) for acquisition of a PRC Land.

17. Inventories

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品

16. 預付款項及按金

於二零零九年六月三十日，預付款項及按金包括收購一幅中國土地之預付款項272,727,000港元(二零零八年十二月三十一日：81,818,000港元)。

17. 存貨

30 June 2009 二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2008 二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
67,937	80,543
12,218	12,612
124,930	124,794
205,085	217,949

18. Trade and Bills Receivables

The Group's trading terms with its customers are mainly on credit, except for certain customers, where payment in advance is normally required. The credit period is generally for a period of three months for major customers, except for customers of the Group's discontinued operations where settlements were made in accordance with the sales contract entered into between the Group and the customers. Each customer has a maximum credit limit.

18. 應收賬款及票據

除若干客戶一般需要預先付款外，本集團與其客戶訂立之買賣條款主要為記賬方式，主要客戶一般可獲三個月之信貸期，惟本集團已終止經營業務客戶之間交易乃按本集團與客戶訂立之銷售合約付款。每個客戶設有信貸上限。

18. Trade and Bills Receivables (Continued)

Ageing analysis of trade and bills receivables (including amounts due from related parties of trading in nature as disclosed in note 25.1(iii)) as at the dates of the statement of financial position, based on invoice dates, and net of provisions, is as follows:

1 to 3 months	1至3個月
4 to 6 months	4至6個月
Over 6 months	6個月以上

18. 應收賬款及票據(續)

應收賬款及票據(包括附註25.1(iii)所述應收有關連人士之貿易性質款項)於財務狀況表日按照發票日期及扣減撥備後之賬齡分析如下:

30 June 2009 二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2008 二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
125,079	99,779
8,261	2,998
2,951	874
136,291	103,651

19. Cash and Cash Equivalents

Included in the cash and cash equivalents of the Group are RMB307,294,000 denominated in a currency other than the functional currency of the entity to which it relates (31 December 2008: RMB 50,117,000). All the bank balances denominated in RMB were placed with banks in the PRC. RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business in the PRC.

19. 現金及現金等價物

本集團現金及現金等價物包括按有關實體功能貨幣以外之其他貨幣為單位之人民幣307,294,000元(二零零八年十二月三十一日:人民幣50,117,000元)。以人民幣為單位之銀行結存已全部存於中國多家銀行。人民幣不得自由兌換為其他貨幣。然而,根據中國關於外匯管理及結匯、售匯及付匯管理規定,本集團可在獲授權於中國進行外匯業務之銀行將人民幣兌換為其他貨幣。

20. Trade Payables

Ageing analysis of trade payables as at the dates of the statement of financial position, based on invoice dates is as follows:

		30 June 2009 二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2008 二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
1 to 3 months	1至3個月	123,261	83,552
4 to 6 months	4至6個月	16,013	988
Over 6 months	6個月以上	373	1,778
		139,647	86,318

21. Borrowings

		30 June 2009 二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2008 二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Within one year	一年內	100,206	147,779
In the second year	第二年	7,796	7,796
In the third to fifth year	第三至第五年	14,477	17,818
Repayable within five years	須於五年內償還	122,479	173,393
Portion due within one year included under current liabilities	於一年內到期並計入 流動負債之部分	(100,206)	(147,779)
Non-current portion included under non-current liabilities	計入非流動負債之 非即期部分	22,273	25,614

20. 應付賬款

應付賬款於財務狀況表日按發票日期計算之賬齡分析如下：

21. 借貸

21. Borrowings (Continued)

At the dates of the statement of financial position, the Group's bank borrowings were secured by:

- (i) a legal charge over certain of the Group's buildings situated in the PRC (note 13);
- (ii) a legal charge over certain of the Group's investment properties (note 14); and
- (iii) guarantees granted by a director of the Company, a joint venturer, a related party and certain independent third parties.

22. Contingent Liabilities

As at 30 June 2009, the Group had no material contingent liabilities (31 December 2008: Nil).

23. Capital Commitments

Contracted, but not provided for:	已訂約但未撥備：		
Investment in a joint venture company	於一間合營公司之投資	27,273	34,091
Acquisition of a PRC Land	收購一幅中國土地	-	190,909
Purchases of property, plant and equipment	購買物業、廠房及設備	-	3,229



21. 借貸(續)

於財務狀況表日，本集團銀行借貸以下列各項作抵押：

- (i) 本集團位於中國之若干樓宇之法定押記(附註13)；
- (ii) 本集團若干投資物業之法定押記(附註14)；及
- (iii) 本公司一名董事、一名合營方、一名有關連人士及若干獨立第三方作出的擔保。

22. 或然負債

於二零零九年六月三十日，本集團並無重大或然負債(二零零八年十二月三十一日：無)。

23. 資本承擔

30 June 2009 二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2008 二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
27,273	34,091
-	190,909
-	3,229
27,273	228,229

24. Financial Guarantee Contracts

As at 30 June 2009, the Group's jointly controlled entity executed guarantees amounting to approximately HK\$43,182,000 (31 December 2008: HK\$43,182,000) with respect to bank loans to the joint venturer. Under the guarantees, the Group's jointly controlled entity shall be liable to the bank if the bank is unable to recover the loan. As at 30 June 2009 and 31 December 2008, no provision for the obligation of the Group's jointly controlled entity under the guarantee contracts has been made as the directors considered that it is not probable that the repayments of the loan will be in default.

25. Related Party Transactions

25.1 Other than those disclosed elsewhere in the Unaudited Interim Financial Statements, the following material transactions were carried out with related parties during the periods:

Sales of goods to the joint venturer	向合營方銷售貨物
Rental income received from a related company	已收一間有關連公司之租金收入

Notes:

- (i) Certain directors of the company are also directors of the joint venturer of the Group's jointly controlled entity.
- (ii) The rental income was received from a company of which a director of the Company is also a director and it was charged at HK\$82,000 per month on average during the six months ended 30 June 2009 (Six months ended 30 June 2008: HK\$124,000).

24. 財務擔保合約

於二零零九年六月三十日，本集團之共同控制實體就銀行授予合營方銀行貸款簽立金額約43,182,000港元(二零零八年十二月三十一日：43,182,000港元)擔保。根據該等擔保，倘銀行無法收回貸款，則本集團之共同控制實體須還款給銀行。於二零零九年六月三十日及二零零八年十二月三十一日，由於董事認為合營方不可能會拖欠償還貸款，故本集團之共同控制實體並無就擔保合約項下之責任作出撥備。

25. 有關連人士交易

25.1 除未經審核中期財務報表其他部分所披露外，本集團於期內曾與有關連人士進行以下重大交易：

	Six months ended 30 June 六月三十日止六個月	
	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2008 二零零八年 (Unaudited) (未經審核) HK\$'000 千港元
Notes 附註		
(i)	124,286	290,948
(ii)	492	746

附註：

- (i) 本公司若干董事亦為本集團共同控制實體之合營方之董事。
- (ii) 於截至二零零九年六月三十日止六個月內，來自本公司一名董事亦為其董事之公司之平均租金收入為每月82,000港元(二零零八年六月三十日止六個月：124,000港元)。

25. Related Party Transactions (Continued)

25.1 Other than those disclosed elsewhere in the Unaudited Interim Financial Statements, the following material transactions were carried out with related parties during the periods: (Continued)

Notes: (Continued)

(iii) Outstanding balances with related parties:

- (a) As at 30 June 2009, amounts due from the joint venturer arising from the sales of goods and included in trade and bills receivables are approximately HK\$46,645,000 (31 December 2008: HK\$43,536,000).
- (b) As at 30 June 2009, there was no amount due from subsidiaries of the joint venturer included in other receivables (31 December 2008: HK\$5,117,000).
- (c) As at 30 June 2009, there was no amount due to a subsidiary of the joint venturer included in other payables (31 December 2008: HK\$5,114,000).

25.2 Compensation of key management personnel of the Group:

Short term employee benefits	短期僱員福利
Post-employment benefits	離職後福利
Equity-settled share-based compensation	以權益結算之股份補償



25. 有關連人士交易(續)

25.1 除未經審核中期財務報表其他部分所披露外，本集團於期內曾與有關連人士進行以下重大交易：(續)

附註：(續)

(iii) 與有關連人士之未償還結餘：

- (a) 於二零零九年六月三十日，就銷售貨物而計入應收賬款及票據之應收合營方款項約為46,645,000港元(二零零八年十二月三十一日：43,536,000港元)。
- (b) 於二零零九年六月三十日，並無任何已計入其他應收款之應收合營方附屬公司款項(二零零八年十二月三十一日：5,117,000港元)。
- (c) 於二零零九年六月三十日，並無任何已計入其他應付款之應付合營方一間附屬公司款項(二零零八年十二月三十一日：5,114,000港元)。

25.2 本集團主要管理人員之補償：

**Six months ended 30 June
六月三十日止六個月**

	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2008 二零零八年 (Unaudited) (未經審核) HK\$'000 千港元
	3,030	3,764
	42	48
	870	—
	3,942	3,812

