

UNIVERSE

寰宇

UNIVERSE INTERNATIONAL HOLDINGS LIMITED

寰宇國際控股有限公司

Incorporated in Bermuda with limited liability

於百慕達註冊成立之有限公司

Stock Code 股份代號: 1046



ANNUAL
REPORT

2007

年報

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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

LAM Shiu Ming, Daneil (*Chairman*)
CHIU Suet Ying
YEUNG Kim Piu

INDEPENDENT NON-EXECUTIVE DIRECTORS

NG Kwok Tung
CHIU Shin Koi
MA Ting Hung

COMPANY SECRETARY

CHAN Hau Chuen

AUTHORIZED REPRESENTATIVES

LAM Shiu Ming, Daneil
CHAN Hau Chuen

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Wing Hang Bank, Limited
Chong Hing Bank Limited

AUDITORS

PricewaterhouseCoopers
Certified Public Accountants

LEGAL ADVISERS

So Keung Yip & Sin
802-805, 8th Floor
Wheelok House
20 Pedder Street
Central
Hong Kong

SHARE REGISTRAR

Tricor Abacus Limited
Level 25, Three Pacific Place
1 Queen's Road East
Hong Kong

AUDIT COMMITTEE

NG Kwok Tung (*Chairman*)
CHIU Shin Koi
MA Ting Hung

執行董事

林小明 (*主席*)
趙雪英
楊劍標

獨立非執行董事

伍國棟
趙善改
馬廷雄

公司秘書

陳孝泉

授權代表

林小明
陳孝泉

主要往來銀行

香港上海滙豐銀行有限公司
永亨銀行有限公司
創興銀行有限公司

核數師

羅兵咸永道會計師事務所
香港執業會計師

法律顧問

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香港
中環
畢打街20號
會德豐大廈
8樓802-805室

股份登記處

卓佳雅柏勤有限公司
香港
皇后大道東1號
太古廣場三座25樓

審核委員會

伍國棟 (*主席*)
趙善改
馬廷雄

CORPORATE INFORMATION

公司資料

REMUNERATION COMMITTEE

MA Ting Hung (*Chairman*)
NG Kwok Tung
CHIU Shin Koi
LAM Shiu Ming, Daneil
CHIU Suet Ying

NOMINATION COMMITTEE

CHIU Shin Koi (*Chairman*)
NG Kwok Tung
MA Ting Hung
LAM Shiu Ming, Daneil
CHIU Suet Ying

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

18th Floor
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192-200 Tai Lin Pai Road
Kwai Chung
New Territories
Hong Kong

WEBSITE

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www.u333.com

薪酬委員會

馬廷雄 (主席)
伍國棟
趙善改
林小明
趙雪英

提名委員會

趙善改 (主席)
伍國棟
馬廷雄
林小明
趙雪英

註冊辦事處

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2 Church Street
Hamilton HM 11
Bermuda

總辦事處及主要營業地點

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**Chairman's
Statement**
主席報告

CHAIRMAN'S STATEMENT

主席報告



LAM Shiu Ming, Daneil 林小明
Chairman 主席

On behalf of the board of directors (the "Director(s)") (the "Board") of Universe International Holdings Limited (the "Company"), I am pleased to present the 2006/2007 annual results of the Company and its subsidiaries (collectively the "Group").

DIVIDENDS

The Board does not recommend the payment of a final dividend for the year ended 30th June 2007 (2006: HK0.9 cent per ordinary share).

OPERATING RESULTS

For the year ended 30th June 2007, the turnover and gross profit for the Group rose by 45.9% and 18.4% over the same period last year, to HK\$136.2 million and HK\$31.7 million respectively. Gross profit margin has however decreased to 23.3% from 28.7% in the same period last year.

本人謹代表寰宇國際控股有限公司(「本公司」)董事(「董事」)會(「董事會」)，欣然提呈本公司及其附屬公司(統稱「本集團」)之二零零六/二零零七年度全年業績。

股息

董事會不建議派發截至二零零七年六月三十日止年度之末期股息(二零零六年：每股普通股0.9港仙)。

營運業績

截至二零零七年六月三十日止年度，本集團之營業額及毛利分別為港幣136,200,000元及港幣31,700,000元，較去年同期分別上漲45.9%及18.4%。惟毛利率由去年同期之28.7%下跌至23.3%。

CHAIRMAN'S STATEMENT

主席報告



Profit attributable to equity holders of the Company declined by HK\$15.8 million to HK\$11.5 million compared to the previous year mainly due to a lesser increase in fair value of investment properties (after deducting income tax) of HK\$1.3 million when compared to that of the previous year of HK\$24.7 million. Such significant decrease was partly offset by gains on disposals of the two investment properties amounting to an aggregate of HK\$5.4 million and a reversal of taxable temporary differences of HK\$5.6 million arising from these two investment properties upon their disposals during the year. Consequently, the Group was able to maintain its profitability despite the various challenges it faced. Earnings per share was HK0.71 cent compared to that of HK1.68 cents during the corresponding period in 2006.

During the year under review, the performance of the video distribution business continued to be hindered by an unfavourable market environment. Nevertheless, the turnover from film exhibition, licensing and sub-licensing of film rights showed an encouraging growth of 99.7% as more films were released during the year. In particular, the turnover contribution from the market of the People's Republic of China (the "PRC") in the year under review was outstanding.

Looking ahead, the management expects the operating environment in the PRC will continue to be conducive to the business of film exhibition, licensing and sub-licensing of film rights as a result of further relaxation of regulations governing the film industry as well as in line with overall economic growth. To capture such growth opportunity, the Group aims to continue with its strategy of investing in the production of high quality films and television series catering to the mass market. Meanwhile, the management will continue to refine its business strategies where necessary to meet with various challenges in the future.

主要由於投資物業公平值增加(扣除所得稅後)與去年比較由港幣24,700,000元減至港幣1,300,000元,令本公司權益持有人應佔盈利較去年減少港幣15,800,000元至港幣11,500,000元。惟此等顯著減幅已由出售兩項投資物業之收益合共港幣5,400,000元,以及該等投資物業於年內出售時產生之港幣5,600,000元之應課稅暫時性差異回撥作出部份抵銷。因此,儘管本集團面臨諸多挑戰情況下,仍能保持盈利能力。每股盈利為0.71港仙,而二零零六年同期則為1.68港仙。

於回顧年度,不利的市場環境繼續對錄像發行業務之表現造成影響。惟受惠於期內發行電影增加,電影放映、授出及轉授電影版權的營業額錄得99.7%增長之理想表現。於回顧年度中華人民共和國(「中國」)之市場之營業額貢獻尤為顯著。

展望未來,由於政府針對電影行業之管治進一步放寬以及經濟增長整體表現理想,管理層預期中國的營運環境將繼續利好電影放映、授出及轉授電影版權業務之發展。為充分把握該等發展機遇,本集團計劃繼續實施其投資生產優質電影及電視連續劇之策略,以滿足大眾市場之需求。同時,管理層將繼續於必要時改善業務策略,以應對未來之各種挑戰。



CHAIRMAN'S STATEMENT

主席報告

APPRECIATION

I would like to take this opportunity to express my deepest gratitude and sincere thanks to my fellow directors and our staff for their dedication and contribution to the Group in the past year. I would also like to thank all our customers and our shareholders for their continued support.

By Order of the Board
Lam Shiu Ming, Daneil
Chairman

Hong Kong, 18th October 2007

鳴謝

本人謹藉此機會向董事會全人及全體員工在過去一年為本集團作出之努力及貢獻致以由衷謝意。本人亦謹此感激全體客戶及股東一直以來之鼎力支持。

承董事會命
林小明
主席

香港，二零零七年十月十八日



**Management Discussion
and Analysis**
管理層討論及分析



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

Video distribution

Turnover contribution from the video distribution business segment has been gradually decreasing over the past few years as this business segment remained to be hindered by an adverse operating environment. During the year, it accounted for 25.0% (2006: 41.5%) of the Group's total turnover, where it recorded a decline of 12.2% to HK\$34.1 million compared to the previous year.

Despite the pressure of a stagnant market and keen competition in the local video distribution business, the gross profit of this business segment improved from approximately HK\$3.4 million to approximately HK\$5.1 million, as a result of our stringent cost control measures.

Film exhibition, licensing and sub-licensing of film rights

Turnover contribution from this business segment was HK\$96.6 million, representing an increase of 99.7% over the same period last year and contributed 70.9% (2006: 51.8%) of the Group's total turnover. The significant increase in turnover from this business segment reflects the positive results of the success of the strategy of investing in production of films and television series as well as the Group's efforts in strengthening its distribution network.

Turnover contribution from film exhibition business was HK\$12.8 million, representing an increase of HK\$10.5 million, compared to the same period last year. Such increase was mainly driven by more films being produced and released during the year. However, the operating loss widened to HK\$3.4 million from HK\$1.2 million as a result of the increase in promotional and marketing costs incidental to the film releases and the continual contraction of the local Chinese language film exhibition business.

業務回顧

錄像發行

受到不利營運環境之持續影響，錄像發行業務分部之營業額貢獻於過往數年逐步減少。年內，此業務分部之營業額佔本集團總營業額之25.0%（二零零六年：41.5%），較去年減少12.2%至港幣34,100,000元。

儘管面臨市場低迷以及本地錄像發行業務競爭加劇之壓力，惟受惠於本集團嚴格的成本控制政策，此業務分部之毛利仍由約港幣3,400,000元改善至約港幣5,100,000元。

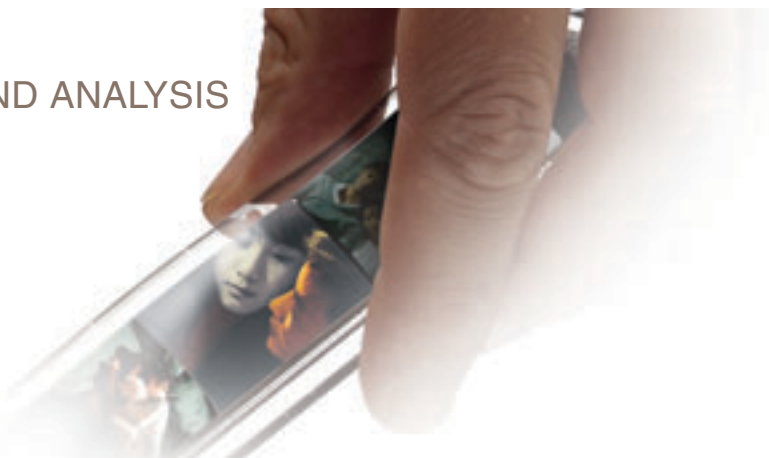
電影放映、授出及轉授電影版權

此業務分部之營業額貢獻為港幣96,600,000元，較去年同期增長99.7%，佔本集團總營業額之70.9%（二零零六年：51.8%）。此業務分部營業額之大幅增長反映了本集團投資於電影及電視連續劇製作策略之成功以及致力鞏固其發行網絡之成果。

電影放映業務之營業額貢獻為港幣12,800,000元，較去年同期增長港幣10,500,000元。此等增長主要是由年內製作及發行之電影數量增加所帶動。惟由於電影發行所投入之宣傳及推廣成本亦隨之增加，以及本地華語電影放映業務持續收縮，故營運虧損由港幣1,200,000元擴闊至港幣3,400,000元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



Turnover contribution from licensing and sub-licensing of film rights rose by 81.8% to HK\$83.8 million, representing 61.5% of the Group's total turnover. Gross profit from licensing and sub-licensing of film rights recorded an encouraging growth of 40.8%, to a level of HK\$26.0 million. Such considerable increases in turnover and gross profit contribution was a result of our continual efforts of implementing the strategies of geographical diversification and investing in production of films and television series.

As we continually expand our marketing channel and distribution network, the Group has been successful in capturing the sales growth across overseas markets. Contribution from these overseas markets to the Group has been growing and is expected to be increasingly important. During the year, sales to overseas market in this business segment increased by HK\$33.5 million to HK\$60.7 million, representing 44.5% (2006: 29.1%) of the Group's consolidated turnover.

Leasing of investment properties

On 1st August 2006, the Group completed the disposal transaction of investment properties (which were presented as non-current assets held for sale in the consolidated balance sheet as at 30th June 2006) at a consideration of HK\$33.3 million and recorded a profit of HK\$1.6 million. On 18th December 2006, the Group completed another disposal transaction of investment properties at a consideration of HK\$31.1 million and recorded a profit of HK\$3.8 million.

Following the disposals of the aforesaid investment properties during the year, turnover from this business segment decreased correspondingly by 44.7% to HK\$2.6 million.

授出及轉授電影版權之營業額貢獻增長81.8%至港幣83,800,000元，佔本集團總營業額之61.5%。授出及轉授電影版權之毛利亦錄得理想增長達40.8%，至港幣26,000,000元的水平。營業額及毛利之可觀增長乃由於本集團不斷致力於實施地區多元化及投資於電影及電視連續劇製作之策略所致。

由於我們一直致力於擴展推廣渠道及發行網絡，致令本集團成功取得海外市場之銷售增長。海外市場對本集團之貢獻不斷增長及預期日益重要。年內，此業務分部的海外市場銷售額增長港幣33,500,000元至港幣60,700,000元，佔本集團綜合營業額之44.5%（二零零六年：29.1%）。

出租投資物業

於二零零六年八月一日，本集團以港幣33,300,000元之代價完成出售一項投資物業交易（該投資物業於二零零六年六月三十日之綜合資產負債表中呈列為持作出售之非流動資產）錄得盈利港幣1,600,000元。於二零零六年十二月十八日，本集團以港幣31,100,000元之代價完成另一項投資物業之出售交易，錄得盈利港幣3,800,000元。

隨着於年內出售上述投資物業之後，此業務分部之營業額相應減少44.7%至港幣2,600,000元。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK

Going forward, the management believes the Group has developed a solid foundation to facilitate its future expansion and is well positioned to leverage on this to meet the potential and increasing demand from different markets, particularly the PRC. The PRC economy is expected to continue to prosper which in turn should benefit the film industry as a whole. In line with this, the management expects that demand for films and television series of high quality will continue to grow.

To respond to the adverse operating environment of the video distribution business, the Group strives to continually to manage its operating cost and enhance operational efficiency and productivity.

Leveraging on our experience, we are confident that the Group can overcome the market challenges and bring satisfactory returns to shareholders in the future.

FINANCIAL RESOURCES/LIQUIDITY AND CAPITAL STRUCTURE

As at 30th June 2007, the Group had cash balances of HK\$146.9 million and unutilized banking facilities amounted to HK\$30.0 million while the corresponding figures in last year were HK\$118.4 million and HK\$50.0 million respectively.

As at 30th June 2007, the Group had total assets of approximately HK\$366.1 million, representing a slight decrease of HK\$9.3 million over that of 30th June 2006.

The Group's gearing ratio as at 30th June 2007 was approximately 0.1% (2006: 0.1%), which was calculated on the basis of the Group's long term borrowings of approximately HK\$106,400 (of which HK\$40,400, HK\$28,600 and HK\$37,400 are repayable within one year, in the second year and in the third to fifth year respectively) and on the total equity of the Company of approximately HK\$313.9 million.

展望

展望未來，管理層認為本集團已建立有利於未來擴展的穩固根基，並已處於有利位置藉此迎合不同市場（特別是中國）的潛在及不斷加大之需求。中國經濟預期將繼續快速增長，亦有利於電影行業之整體發展。有鑑於此，管理層預期優質電影及電視連續劇之需求將繼續增長。

同時，因應錄像發行業務所面臨的不利營運環境，本集團將繼續努力加強營運成本管理，以及提高營運效率及生產力。

我們深信，憑藉我們豐富經驗，本集團可克服未來各種市場的挑戰，並為股東提供滿意回報。

財務資源/流動資金及資本結構

於二零零七年六月三十日，本集團之現金結存及尚未使用之銀行融資分別約為港幣146,900,000元及港幣30,000,000元，而去年同期金額分別為港幣118,400,000元及港幣50,000,000元。

於二零零七年六月三十日，本集團之資產總值約為港幣366,100,000元，較於二零零六年六月三十日輕微減少港幣9,300,000元。

本集團於二零零七年六月三十日之資產負債比率約為0.1%（二零零六年：0.1%），乃根據本集團之長期借貸約港幣106,400元（其中港幣40,400元須於一年內償還、港幣28,600元須於第二年內償還以及港幣37,400元須於第三年至第五年內償還），以及本公司總權益約港幣313,900,000元計算。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



There was no finance costs incurred for the year ended 30th June 2007 (2006: HK\$2,000).

In light of the fact that most of the Group's transactions are denominated in Hong Kong dollars and US dollars, the management considered the exposure to fluctuation in exchange rates is limited and no financial instruments for hedging purposes are used by the Group.

THE PLEDGE OF GROUP'S ASSETS

As at 30th June 2007, certain assets of the Group with aggregate carrying value of HK\$4.0 million (2006: HK\$107.5 million) were pledged to secure banking facilities utilized by subsidiaries.

EMPLOYEES AND REMUNERATION POLICIES

As at 30th June 2007, the Group employed 68 staff (2006: 69). Remuneration is reviewed annually and certain staffs are entitled to commission. In addition to the basic salaries, staff benefits included discretionary bonus, medical insurance scheme and mandatory provident fund.

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed in the annual general meeting held on 26th November 2003, the Company conditionally approved and adopted a share option scheme (the "Scheme") in compliance with Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules").

There were no share options granted by the Company under the Scheme for the period from 26th November 2003 to 30th June 2007.

於截至二零零七年六月三十日止年度內，並無財務成本支出(二零零六年：港幣2,000元)。

因本集團大部份交易均以港幣及美元結算，故管理層認為外匯波動風險有限及本集團並無採用任何財務工具對沖外匯風險。

集團資產抵押

於二零零七年六月三十日，本集團名下賬面值合共約港幣4,000,000元(二零零六年：港幣107,500,000元)之若干資產已用作其附屬公司取得銀行融資之抵押。

僱員及薪酬政策

於二零零七年六月三十日，本集團僱用68名(二零零六年：69名)僱員。僱員之薪酬會每年檢討，其中部份僱員亦可享有佣金。除基本薪金外，僱員福利亦包括酌情花紅、醫療保險計劃及強制性公積金。

購股權計劃

根據於二零零三年十一月二十六日舉行之股東週年大會上通過之一項普通決議案，本公司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」)，有條件批准及採納一項購股權計劃(「購股權計劃」)。

於二零零三年十一月二十六日至二零零七年六月三十日期間，本公司並無根據購股權計劃授出任何購股權。

**Directors and
Senior Management Profile**
董事及高級管理人員簡介



DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員簡介



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr LAM Shiu Ming, Daneil, aged 45, is the founder and Chairman of the Group. He is involved in marketing, corporate strategy, business planning and development and overall management of the Group. Mr Lam has 26 years' experience in the film industry in Hong Kong. He was awarded the "Young Industrialist Awards of Hong Kong" by the Federation of Hong Kong Industries in 2002.

Ms CHIU Suet Ying, aged 45, is responsible for the formulation of sales and marketing strategies. Ms Chiu is the wife of Mr Lam Shiu Ming, Daneil. She joined the Group in 1993.

Mr YEUNG Kim Piu, aged 46, is mainly responsible for overseeing the operation of artiste management division. Mr Yeung joined the Group in 1993 and has over 10 years of experience in the film distribution industry in Hong Kong.

Independent Non-executive Directors

Mr NG Kwok Tung, aged 57, is a practising accountant. He holds a Bachelor of Commerce degree and a licentiate in accountancy from McGill University, Canada and a diploma in Chinese law from the University of East Asia, Macau. Mr Ng is a member of the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants of British Columbia, the Order of Chartered Accountants of Quebec, the Canadian Institute of Chartered Accountants and the Taxation Institute of Hong Kong. He joined the Group in 1999.

董事及高級管理人員個人資料

執行董事

林小明先生，45歲，本集團創辦人及主席。彼參與本集團之市場推廣、企業策略、業務計劃與發展及本集團之整體管理。林先生在電影行業方面擁有26年經驗。彼於二零零二年榮獲香港工業總會頒發「香港青年工業家獎」。

趙雪英女士，45歲，負責製定銷售及市場推廣策略，趙女士為林小明先生之妻子。彼於一九九三年加入本集團。

楊劍標先生，46歲，主要負責管理藝人管理部門之運作。楊先生於一九九三年加入本集團，並於香港之電影發行業有逾10年之經驗。

獨立非執行董事

伍國棟先生，57歲，執業會計師，持有加拿大麥基爾大學頒授之商學士學位及會計學高級文憑，並且持有澳門東亞大學中國法律文憑。伍先生為香港會計師公會、加拿大英屬哥倫比亞省特許會計師公會、加拿大魁北克省特許會計師公會、加拿大特許會計師公會及香港稅務學會之會員。彼於一九九九年加入本集團。



DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員簡介

Mr CHIU Shin Koi, aged 71, is a tax consultant in a certified public accounting firm in Hong Kong. Mr Chiu has worked for the Inland Revenue Department for over 17 years. After retirement from the Hong Kong government, he joined an international accounting firm. From June 1988 to February 1990, Mr Chiu was the financial controller of a large organisation. He later joined the Securities and Futures Commission and served there from March 1991 to March 1993. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Taxation Institute of Hong Kong. He joined the Group in 1999.

Mr MA Ting Hung, aged 44, is the non-executive director of CITIC Resources Holdings Limited. He holds a Bachelor of Arts Degree majoring in Economics from the University of Southern California. Mr Ma has over 20 years of experience in the banking, finance and natural resources industries. He joined the Group in 2004.

Senior Management

Mr LAM Siu Keung, Alvin, aged 37, is the Chief Operation Officer of the Group. He is responsible for overseeing the daily operation of the Group. Prior to joining the Group in 2002, he has over eight years experience in finance and internal control consulting for both Hong Kong and US listed companies in Arthur Andersen. He earned his Bachelor of Accountancy at the Hong Kong Polytechnic University. He is a fellow member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He is the younger brother of Mr Lam Shiu Ming, Daneil.

Mr CHAN Hau Chuen, aged 37, is the Financial Controller and Company Secretary of the Group. He is responsible for the financial and accounting functions of the Group. Prior to joining the Group in 1998, he has over six years of experience in finance and accounting in an international accounting firm and a publicly listed company in Hong Kong. He is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants.

趙善改先生，71歲，香港一間執業會計師行之稅務顧問。趙先生曾在香港稅務局工作逾17年。退休離開香港政府後，他便加入一間國際會計師行。由一九八八年六月至一九九零年二月，趙先生曾擔任一間大型機構之財務總監；其後自一九九一年三月至一九九三年三月在證券及期貨事務監察委員會任職。彼乃香港會計師公會及香港稅務學會之資深會員。彼於一九九九年加入本集團。

馬廷雄先生，44歲，中信資源控股有限公司之非執行董事。彼持有美國南加州大學文學士學位，主修經濟。馬先生於銀行、金融及天然資源行業具超過20年經驗。彼於二零零四年加入本集團。

高級管理人員

林小強先生，37歲，本集團之營運總裁，負責管理本集團之日常經營運作。於二零零二年加入本集團前，林先生已於安達信會計師事務所累積逾八年為香港及美國上市公司提供財務及內部監管顧問服務之經驗。林先生持有香港理工大學頒授之會計學學士學位。林先生為英國特許公認會計師公會及香港會計師公會之資深會員。彼為林小明先生之弟。

陳孝泉先生，37歲，本集團之財務總監兼公司秘書，負責本集團之財務及會計事務。於一九九八年加入本集團前，陳先生已在一間國際會計師行及香港一間公眾上市公司累積逾六年財務及會計經驗。陳先生為英國特許公認會計師公會之資深會員及香港會計師公會之會員。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to the establishment of a good standard of corporate governance practices by emphasizing transparency, accountability and responsibility to our shareholders.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has, throughout the year ended 30th June 2007, complied with the Code Provisions on the Code on Corporate Governance Practices (the "Code") set out in Appendix 14 to the Listing Rules except for the code provision A.2.1 of the Code for the separation of the roles of Chairman and Chief Executive Officer ("CEO") as described in the following.

The Company does not at present have any officer holding the position of CEO. Mr Lam Shiu Ming, Daneil is the founder and Chairman of the Company and has also carried out the responsibilities of CEO. Mr Lam possesses the essential leadership skills to manage the Board and extensive knowledge in the business of the Group. The Board considers the present structure to be more suitable to the Group because it can promote the efficient formulation and implementation of the Group's strategies.

THE BOARD

Duties and composition of the Board

The Board is collectively responsible for the oversight of the management of business, strategic decisions and financial performance of the Group for the best interests of the shareholders. The Board has delegated the day-to-day management power of the Group to the Executive Directors and the senior management of the Company. The Board reviews its arrangement on delegation of responsibilities and authority regularly to ensure that such delegations are appropriate in view of the Company's prevailing circumstances.

企業管治常規

本公司致力於透過著重對全體股東之透明度，問責性及責任制訂良好的企業管治常規。

企業管治常規守則

本公司於截至二零零七年六月三十日止年度內已遵守上市規則附錄14所載之企業管治常規守則(「守則」)之守則條文，除下列守則條文第A.2.1條有關主席與行政總裁(「行政總裁」)角色區分所述外。

本公司目前並無任何高級職員擔任行政總裁一職。林小明先生為本公司創辦人及主席，亦已履行行政總裁之職責。林先生具備管理董事會所須之領導才能及對本集團之業務擁有深厚認識。董事會認為目前架構更為合適本集團，因該架構可令本集團之策略更有效地制定及落實。

董事會

董事會之職責及組成

董事會為股東之最佳利益而共同負責監察本集團之業務管理，策略決定及財務表現。董事會已將本集團的日常管理權力授予本公司之執行董事及高級管理人員。董事會會定期就此權責授權安排作出檢討，以確保該授權合適本公司之當時情況。

CORPORATE GOVERNANCE REPORT

企業管治報告

The following matters (including changes to any such matters) are reserved for the approval by the Board:

- (a) any matter determined by the Board to be material involving any conflict of interest for a substantial shareholder of the Company or a Director;
- (b) any matter relating to the formulation of the Company's strategies and directions including:
 - (i) policies relating to the overall strategic direction and strategic plans of the Company;
 - (ii) policies relating to key business and financial objectives of the Company ;
 - (iii) policies relating to the declaration of dividend; and
 - (iv) the entering into of contracts involving acquisitions, investments, disposal of assets or any significant capital expenditure which are deemed to be material by the Board.
- (c) financial controls, compliance and risk management:
 - (i) the approval of annual operating and capital expenditure budgets for the Company;
 - (ii) the approval of the Company's financial statements and published reports;
 - (iii) the establishment and review of the effectiveness of the Company's systems of internal control and risk management process; and
 - (iv) the adoption of, or approval for any significant changes in, accounting policies or procedures of the Company and its subsidiaries.
- (d) changes to the Company's capital structure, including reductions of share capital, share buy-backs or issue of new securities, other than in accordance with the terms of the share option scheme(s) or other incentive schemes adopted by the Company from time to time;

下列事項(包括任何該等事項之變動)保留予董事會以作批准：

- (a) 任何董事會決定為重大並涉及與本公司大股東或董事之利益衝突之事項；
- (b) 任何與本公司制定策略及方向之事項，包括：
 - (i) 與本公司整體策略性方向及策略性計劃有關之政策；
 - (ii) 與本公司主要業務及財務目標有關之政策；
 - (iii) 與宣派股息有關之政策；及
 - (iv) 訂立董事認為涉及收購、投資、出售資產或任何重大資本支出的合約。
- (c) 財務控制、監察及風險管理：
 - (i) 批准本公司年度之營運及資本支出預算；
 - (ii) 批准本公司之財務報表及公佈的報告；
 - (iii) 建立及檢討本公司之內部監控系統及風險管理程序之有效性；及
 - (iv) 採納或批准本公司或其附屬公司之任何於會計政策或程序之重大變動。
- (d) 本公司資本架構之變動，包括股本減少，股份購回或新證券發行；惟除根據購股權計劃或其他經本公司不時採納之鼓勵性計劃之條款而發行之新證券外；

CORPORATE GOVERNANCE REPORT

企業管治報告

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| <p>(e) major appointments and removal:</p> <p>(i) appointments to the Board, taking into account any recommendations of the Nomination Committee;</p> <p>(ii) the appointment of the Chairman;</p> <p>(iii) recommendation to the shareholders on the appointment or removal of external auditors after taking into consideration the recommendations of the Audit Committee; and</p> <p>(iv) the appointment or removal of the Company Secretary.</p> <p>(f) delegation of authority:</p> <p>(i) changes to terms of reference or membership of any committee of the Board;</p> <p>(ii) changes to the authority delegated to the Chairman and the senior management; and</p> <p>(iii) matters which exceed the authority delegated to the Chairman and the senior management.</p> <p>(g) the adoption, review and approval of changes to the Corporate Governance Practice Manual of the Company, the Code of Ethics and Securities Transactions applicable to the Directors and senior management of the Group.</p> | <p>(e) 主要委任及罷免：</p> <p>(i) 參考提名委員會之任何建議，委任董事會成員；</p> <p>(ii) 主席之委任；</p> <p>(iii) 參考審計委員會之建議，就外聘核數師之委任或罷免向股東作出建議；及</p> <p>(iv) 公司秘書之委任及罷免。</p> <p>(f) 授予權限：</p> <p>(i) 任何董事會委員會之職權範圍或會員之變動；</p> <p>(ii) 授予主席及高級管理人員權限之變動；及</p> <p>(iii) 超出已授予主席及高級管理人員權限之事項。</p> <p>(g) 採納、審閱及批准本公司之企業管治常規手冊、適用於董事及本集團之高級管理人員之道德與證券交易守則之變動。</p> |
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The Board currently comprises a total of six Directors, with three Executive Directors and three Independent Non-executive Directors. The names and biographies of the Directors are set out on pages 14 and 15 of this annual report.

The Independent Non-executive Directors are all experienced individuals, of whom two have accounting professional qualification. Their mix of professional skills and experience is beneficial to the Board to formulate the long-term business strategies and monitor the operational and financial matters of the Group.

董事會現時由六名董事組成，包括三名執行董事及三名獨立非執行董事。董事之名稱及個人資料載於本年報第14頁及第15頁內。

所有獨立非執行董事皆為擁有豐富經驗之人士，而其中兩位擁有會計專業資格。集合彼等之專業技能及經驗對董事會就制定長遠業務策略及監察本集團之營運及財務事項有莫大幫助。

CORPORATE GOVERNANCE REPORT

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The Company has received, from each of the Independent Non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the Independent Non-executive Directors to be independent.

The Company has arranged for appropriate liability insurance to cover the liabilities of the Directors that may arise out of the corporate activities. The insurance coverage is reviewed on an annual basis.

APPOINTMENT AND RE-ELECTION

The appointment of a new Director is made on the recommendation of the Nomination Committee of the Company or by shareholders in general meeting. Any Director who is appointed by the Board shall retire at the next annual general meeting.

Currently, all Independent Non-executive Directors are appointed for a specific term of three years. All Directors are subject to retirement by rotation at least every three years and re-election in accordance with the provision of the Listing Rules and the bye-laws of the Company (the "Bye-law(s)"). At least one-third of Directors shall retire from office every year at the Company's annual general meeting.

Messrs Yeung Kim Piu, Ng Kwok Tung and Chiu Sin Koi will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting of the Company.

本公司已收到各獨立非執行董事根據上市規則第3.13條就其身份之獨立性發出之週年確認書。本公司認為各獨立非執行董事確屬獨立人士。

本公司已就保障董事因企業事務所產生之責任作出適當責任保險安排。保險責任範圍會每年作出檢討。

委任及重選

本公司乃根據提名委員會之建議或通過股東於股東大會委任新董事。凡董事會委任之董事均須於下一屆股東週年大會上退任。

現時，所有獨立非執行董事皆以指定三年任期委任。根據上市規則及本公司細則（「公司細則」）條文，全體董事皆須最少每三年輪值退任及重選連任。於每屆本公司之股東週年大會上，最少三份之一董事須退任。

楊劍標先生、伍國棟先生及趙善改先生將於本公司應屆股東週年大會上輪值退任，惟彼等符合資格並願意膺選連任。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD MEETINGS

Each year, the Board normally held four regular board meetings at approximately quarterly interval. Eight board meetings were convened during the year ended 30th June 2007 and the attendances of individual Directors at these meetings are set out as follows:

	Attendance
Executive Directors	
Mr Lam Shiu Ming, Daneil (<i>Chairman</i>)	8/8
Ms Chiu Suet Ying	8/8
Mr Yeung Kim Piu	8/8
Independent Non-executive Directors	
Mr Ng Kwok Tung	7/8
Mr Chiu Shin Koi	7/8
Mr Ma Ting Hung	7/8

BOARD COMMITTEES

The Board has established a Remuneration Committee, Nomination Committee and an Audit Committee.

Remuneration Committee

A Remuneration Committee with specific written terms of reference was established by the Company on 15th July 2005. The Remuneration Committee currently comprises three Independent Non-executive Directors, namely Mr Ma Ting Hung (as Chairman), Mr Ng Kwok Tung and Mr Chiu Shin Koi, and two Executive Directors, namely, Mr Lam Shiu Ming, Daneil and Ms Chiu Suet Ying. The terms of reference of the Remuneration Committee are available on the Company's website.

The principal duties of the Remuneration Committee include making recommendations to the Board on the remuneration policy and structure of the Directors and senior management and reviewing the specific remuneration package of all Executive Directors and senior management from time to time.

董事會會議

董事會每年一般會舉行四次定期董事會會議，大約每季一次。於截至二零零七年六月三十日止之年度內，本公司共舉行了八次董事會會議及各董事於此等會議之出席記錄如下：

	出席記錄
執行董事	
林小明先生 (主席)	8/8
趙雪英女士	8/8
楊劍標先生	8/8
獨立非執行董事	
伍國棟先生	7/8
趙善改先生	7/8
馬廷雄先生	7/8

董事會委員會

董事會已成立薪酬委員會、提名委員會及審核委員會。

薪酬委員會

本公司於二零零五年七月十五日成立具有特定成文權責範圍的薪酬委員會。薪酬委員會現由三名獨立非執行董事，分別為馬廷雄先生(擔任主席)，伍國棟先生及趙善改先生及兩名執行董事，分別為林小明先生及趙雪英女士所組成。薪酬委員會之職權範圍可於本公司之網址查閱。

薪酬委員會之主要職責包括就本公司董事及高級職員之薪酬政策及架構作出建議及不時審閱全體執行董事及高級管理人員之特定薪酬待遇。

CORPORATE GOVERNANCE REPORT

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The main principles of the Group's remuneration policies are:

- (a) no Director should be involved in deciding his or her own remuneration;
- (b) remuneration should be determined by taking into consideration factors such as salaries paid by comparable companies, time commitment, levels of responsibilities, employment conditions elsewhere in the Group and desirability of performance-based remuneration; and
- (c) performance-based remuneration should be reviewed and approved by reference to corporate goal and objectives resolved by the Board from time to time.

Two committee meetings were convened during the year ended 30th June 2007 and the attendances of individual committee member at these meetings are set out as follows:

Independent Non-executive Directors

Mr Ma Ting Hung (<i>Chairman</i>)	2/2
Mr Ng Kwok Tung	2/2
Mr Chiu Shin Koi	2/2

Executive Directors

Mr Lam Shiu Ming, Daneil	2/2
Ms Chiu Suet Ying	2/2

The Remuneration Committee has reviewed and discussed the remuneration of the Directors and senior management. The Committee has also approved the remuneration and the discretionary bonuses of the Executive Directors by reference to their respective levels of responsibilities and performance, industry benchmarks, prevailing marketing conditions and Group's financial performance and delegated the Executive Directors to determine and formulate the remuneration policy for the senior management of the Group. No Director is involved in deciding his or her own remuneration.

本集團薪酬政策之主要原則包括下列各項：

- (a) 董事不會參與釐訂其自身之薪酬；
- (b) 薪酬應考慮如同類公司支付的薪酬、付出時間、職責、集團內其他職位的僱用條件及應否按表現釐訂薪酬等因素而釐訂；及
- (c) 按表現而釐定的薪酬應透過參照董事會不時通過的公司目標而用作檢討及批准。

於截至二零零七年六月三十日止年度內，本公司共舉行了兩次委員會會議及各委員會成員於此等會議之出席記錄如下：

Attendance

出席記錄

獨立非執行董事

馬廷雄先生 (主席)	2/2
伍國棟先生	2/2
趙善改先生	2/2

執行董事

林小明先生	2/2
趙雪英女士	2/2

薪酬委員會已就董事及高級管理人員之薪酬作出審閱及討論。委員會亦參照各執行董事之責任及表現水平，行業指標，當時之市場情況及本集團之財務表現而批准彼等之薪酬及酌情性花紅，並亦已授權執行董事決定及制定本集團之高級管理人員之薪酬政策。概無董事參與釐訂其自身之薪酬。

CORPORATE GOVERNANCE REPORT

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Nomination Committee

A Nomination Committee with specific written terms of reference was established by the Company on 15th July 2005. The Nomination Committee currently comprises three Independent Non-executive Directors, namely Mr Chiu Shin Koi (as Chairman), Mr Ng Kwok Tung and Mr Ma Ting Hung, and two Executive Directors, namely, Mr Lam Shiu Ming, Daneil and Ms Chiu Suet Ying. The terms of reference of the Nomination Committee are available on the Company's website.

The principal duties of the Nomination Committee include reviewing the structure, size and composition of the Board on a regular basis and making recommendations to the Board regarding any proposed changes.

The Nomination Committee did not hold any meeting during the year ended 30th June 2007.

Audit Committee

The Company established an Audit Committee on 11th October 1999. The written terms of reference which describe the authority and duties of the Audit Committee were prepared and adopted with reference to "A Guide for Effective Audit Committee" published by the Hong Kong Institute of Certified Public Accountants and in accordance with the Code. The terms of reference of the Audit Committee are available on the Company's website.

The Audit Committee is responsible for the appointment of external auditor, review of the Group's financial information and oversight of the Group's financial and accounting practices, internal control and risk management. It is also responsible for reviewing the interim and final results of the Group.

The audited financial statements for the year ended 30th June 2007 have been reviewed by the Audit Committee.

Five committee meetings were convened during the year ended 30th June 2007 and the attendances of the individual committee member at these meetings are set out as follows:

	Attendance		出席記錄
Independent Non-executive Directors			
Mr Ng Kwok Tung (<i>Chairman</i>)	5/5	伍國棟先生 (主席)	5/5
Mr Chiu Shin Koi	5/5	趙善改先生	5/5
Mr Ma Ting Hung	5/5	馬廷雄先生	5/5

提名委員會

本公司於二零零五年七月十五日成立具有特定成文職權範圍的提名委員會。提名委員會現由三名獨立非執行董事，分別為趙善改先生(擔任主席)，伍國棟先生及馬廷雄先生及兩名執行董事，分別為林小明先生及趙雪英女士所組成。提名委員會之職權範圍可於本公司之網址查閱。

提名委員會之主要職責包括定期檢討董事會之架構、人數及組成及就任何擬作出的變動向董事會提出建議。

於截至二零零七年六月三十日止年度內，提名委員會並無舉行任何會議。

審核委員會

本公司已於一九九九年十月十一日成立審核委員會。詳述審核委員會之權力及職責之成文職責範圍乃參考香港會計師公會頒佈之「審核委員會有效運作指引」及根據守則而編製並作出採納。審核委員會之職責範圍可於本公司之網址查閱。

審核委員會負責外聘核數師之委任、本集團財務資料之審閱及監管本集團之財務及會計慣例、內部監控及風險管理。審核委員會亦會負責審閱本集團的中期及全年業績。

截至二零零七年六月三十日止年度之經審核財務報表已由審核委員會審閱。

於截至二零零七年六月三十日止年度內，本公司共舉行了五次委員會會議及各委員會成員於此等會議之出席記錄如下：

CORPORATE GOVERNANCE REPORT

企業管治報告

The Audit Committee has reviewed the terms of engagement of the external auditor, the revised accounting standards, the financial year 2006/2007 interim financial report and annual financial statements. The Audit Committee also reviewed the internal control systems and met with the external auditor to discuss with them the nature and scope of the audit and reporting obligation prior to the commencement of and after the completion of the audit.

INTERNAL CONTROL

The Directors have the overall responsibility for internal control and sets appropriate policies. The Board, through the Audit Committee, has reviewed the effectiveness of the Group's system of internal control.

In compliance with code provision C.2.1 of the Code and to further improve the effectiveness of the internal control, the Company engaged an independent accounting firm (the "Consultant") to conduct a review of the effectiveness of the system control of the Group for the year ended 30th June 2007 on 5th December 2006. All findings for improvement and recommendations made by the Consultant, which require management's attention, have been properly addressed and implemented by the Company during the year.

The system of internal control aims to help achieving the Group's business objectives, effective and efficient operations, safeguarding assets and maintaining proper accounting records for provision of reliable financial information. The design of system is to provide reasonable, but not absolute, assurance against material misstatement in the financial statement or loss of assets and to manage rather than eliminate all risks of failure in the Group's operational systems and in the achievement of the Group's business objectives. No material suspected frauds and irregularities, internal control deficiencies or infringement of relevant regulations and rules have come to the attention of Board to cause the Board to believe that the system of internal control is inadequate.

審核委員會已審閱外聘核數師之聘用條款、已修訂之會計準則、二零零六/二零零七年財政年度之中期財務報告及週年財務報表。審核委員會亦已審閱內部監控及於審計開始前及完成後與外聘核數師會面討論審計性質及範圍及申報責任。

內部監控

董事有內部監控及制定合適政策之整體責任。董事會已透過審核委員會檢討本集團之內部監控制度之效用。

為符合守則條文第C.2.1條及進一步改善內部監控的效能，本公司已於二零零六年十二月五日委聘一獨立會計師事務所（「顧問」）就本集團截至二零零七年六月三十日止年度之內部監控系統之效能進行檢討。所有由顧問提出須要管理層關注的改善及提議結果已經由本公司於年內妥善處理及推行。

內部監控制度旨在達成本集團之業務目標、有效及具效率的營運、保障資產及妥善保存會計記錄，以提供可靠之財務資料。制度之設計旨在提供合理而非絕對之保證，確保財務報表並無重大錯誤陳述或資產虧損，以及管理而非消除本集團營運系統失效及未能達成業務目標之所有風險。董事會並無發現任何重大涉嫌欺詐及違規情況、內部監控不足之處或違反有關規例及規則，致使董事會相信內部監控制度有所不足。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors acknowledge their responsibilities for the preparation of the consolidated financial statements of the Group and ensure that the consolidated financial statements of the Group for the year ended 30th June 2007 have been prepared in accordance with Hong Kong Financial Reporting Standards, Hong Kong Accounting Standard and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and disclosure requirements of the Hong Kong Companies Ordinance.

The statement of external auditor of the Company, PricewaterhouseCoopers, about their reporting responsibilities on the consolidated financial statements of the Group is set in the Auditor's Report on pages 37 and 38 of this annual report.

AUDITOR'S REMUNERATION

PricewaterhouseCoopers was appointed as the external auditor of the Company by the shareholders at the last annual general meeting of the Company. For the year ended 30th June 2007, the remuneration payable to PricewaterhouseCoopers is set out as follows:

Services rendered	所提供服務	Fees payable 應付費用 HK\$'000 港幣千元
Audit services	審計費用	650
Non-audit services	非審計費用	50
		700

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the year ended 30th June 2007, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the code for dealing in securities of the Company by the Directors. Having made specific enquiry, all the Directors confirmed that they have complied with the Model Code throughout the year.

董事對財務報表之責任

董事明白彼等編製本集團綜合財務報表之責任，並確保截至二零零七年六月三十日止年度之綜合財務報表乃按照由香港會計師公會頒佈之香港財務報告準則、香港會計準則及詮釋、香港公認會計原則及香港公司法例的披露規定而編製。

本公司外聘核數師羅兵咸永道會計師事務所，就有關本集團之綜合財務報表之其中申報責任聲明已載於本年報第37頁及第38頁的核數師報告內。

核數師酬金

於上一屆股東週年大會，羅兵咸永道會計師事務所獲股東委任為本公司之外聘核數師。截至二零零七年六月三十日止年度，支付予羅兵咸永道會計師事務所之酬金如下：

董事進行證券交易的標準守則

於截至二零零七年六月三十日止年度內，本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則（「標準守則」）為本公司董事關於證券交易的規則。在向所有董事作出特定查詢後，所有董事確認於年內已遵守守則規定所載之要求標準。

REPORT OF THE DIRECTORS

董事會報告書

The Board submit its report together with the audited consolidated financial statements of Universe International Holdings Limited (the “Company”) and its subsidiaries (the “Group”) for the year ended 30th June 2007.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in Note 11 to the consolidated financial statements.

An analysis of the Group’s performance for the year by business and geographical segments is set out in Note 5 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 42.

The directors do not recommend the payment of a final dividend (2006: HK0.9 cent per ordinary share).

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 112.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in Note 19 to the consolidated financial statements.

DONATIONS

No charitable and other donation was made by the Group during the year (2006: HK\$nil).

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in Note 7 to the consolidated financial statements.

董事會茲提呈寰宇國際控股有限公司(「本公司」)及其附屬公司(「本集團」)截至二零零七年六月三十日止年度之報告及經審核綜合財務報表。

主要業務及按地域劃分之營運分析

本公司之主要業務為投資控股。其附屬公司之業務載於綜合財務報表附註11。

本集團本年度按業務及地域分部之表現分析載於綜合財務報表附註5。

業績及盈利分配

本集團本年度之業績載於第42頁之綜合損益表內。

董事不建議派發末期股息(二零零六年：每股普通股0.9港仙)。

五年財務摘要

本集團過去五年財政年度之業績、資產及負債之摘要載於第112頁。

儲備

本集團及本公司儲備於年內之變動載於綜合財務報表附註19。

捐款

本集團在本年度並無作出慈善及其他捐款(二零零六年：無)。

物業、機器及設備

本集團之物業、機器及設備之變動詳情載於綜合財務報表附註7。

REPORT OF THE DIRECTORS

董事會報告書

PRINCIPAL PROPERTIES

Details of the principal properties held for investment purposes are set out on page 111.

SHARE CAPITAL

Details of the share capital of the Company are set out in Note 18 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 30th June 2007 amounted to HK\$56,304,000 (2006: HK\$70,888,000) including contributed surplus of HK\$51,852,000 (2006: HK\$51,852,000) which is only distributable subject to conditions as set out in Note 19 to the consolidated financial statements.

PARTICULARS OF BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings as at 30th June 2007 are set out in Note 35 to the consolidated financial statements.

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed in the annual general meeting held on 26th November 2003, the Company conditionally approved and adopted the Scheme in compliance with the Listing Rules. Details of the Scheme are as follows:

(a) Purpose of the Scheme

The purpose of the Scheme is to enable the Company to grant options to selected Participants (as defined below) as incentive and/or rewards for their contribution and support to the Group and any invested entity.

(b) Participants of the Scheme

The Board may, at its discretion, invite any person belonging to any of the following classes of participants for their contribution and support to the Group and any invested entity (the "Participants" and individually, a "Participant") to take up options to subscribe for shares of the Company (the "Share(s)").

主要物業

持有作投資用途之主要物業詳情載於第111頁。

股本

本公司之股本詳情載於綜合財務報表附註18。

可分派儲備

本公司於二零零七年六月三十日之可分派儲備為港幣56,304,000元(二零零六年:港幣70,888,000元),包括實繳盈餘港幣51,852,000元(二零零六年:港幣51,852,000元),而實繳盈餘只在符合綜合財務報表附註19所載各項條件方可予以分派。

銀行貸款及其他借貸之詳情

於二零零七年六月三十日,銀行貸款及其他借貸之詳情載於綜合財務報表附註35。

購股權計劃

根據於二零零三年十一月二十六日舉行之股東週年大會上通過之一項普通決議案,本公司根據上市規則有條件批准及採納購股權計劃。購股權計劃之細節詳列如下:

(a) 購股權計劃之目的

購股權計劃之目的是使本公司可向經過選定之參與人(定義見下文)授出購股權,作為其對本集團及投資實體之貢獻及支持之獎勵及/或獎賞。

(b) 購股權計劃的參與人

董事會可酌情邀請屬於以下任何類別,對本集團及任何投資實體有貢獻及作出支持之參與人(「參與人」),藉接納購股權以認購本公司股份(「股份」)。

REPORT OF THE DIRECTORS

董事會報告書

- | | |
|---|--|
| (i) any full-time employee of the Company, any of its subsidiary or any invested entity, including (without limitation) any Executive Director of the Company, any of its subsidiary or invested entity (individually, an “Employee”); | (i) 本公司、其任何附屬公司或任何投資實體之任何全職僱員，包括(但不限於)本公司、其任何附屬公司或任何投資實體之任何執行董事(個別稱為「僱員」)； |
| (ii) any Non-executive Director (including Independent Non-executive Directors) of the Company, any of its subsidiary or any invested entity; | (ii) 本公司、其任何附屬公司或任何投資實體之任何非執行董事(包括獨立非執行董事)； |
| (iii) any supplier of goods or services to any member of the Group or any invested entity; | (iii) 本集團任何成員公司或任何投資實體之任何貨品或服務供應商； |
| (iv) any customer of the Group or any invested entity; | (iv) 本集團或任何投資實體之任何客戶； |
| (v) any person or entity that provides research, development or other technical support to the Group or any invested entity; | (v) 向本集團或任何投資實體提供研究、發展或其他技術支援之任何人士或實體； |
| (vi) any shareholder of any member of the Group or any invested entity or any holder of any securities issued by any member of the Group or any invested entity; | (vi) 本集團任何成員公司或任何投資實體之股東或本集團任何成員公司或任何投資實體所發行之證券之持有人； |
| (vii) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any invested entity; and | (vii) 本集團任何成員公司或任何投資實體任何業務範圍或業務發展之任何顧問(專業或非專業)或諮詢人；及 |
| (viii) any joint venture partner or counter-party to business operation or business arrangements of the Group, and for the purposes of the Scheme, the options may be granted to any company wholly owned by one or more persons belonging to any of the above classes of the Participants. | (viii) 本集團業務運作或業務安排之任何合夥人或合作人，及就購股權而言，可向上述任何類別之參與人(一位或以上)全資附屬擁有之公司授出購股權。 |

REPORT OF THE DIRECTORS

董事會報告書

(c) Maximum number of shares available for issue under the Scheme

- (i) The maximum number of shares which may be issued upon exercise of all outstanding option granted and yet to be exercised under the Scheme and any other schemes for the time being of the Company shall not exceed 30% of the shares in issue from time to time. Options lapsed or cancelled for the time being of the Company shall not be counted for the purpose of calculating the said 30% limit; and
- (ii) The maximum number of shares available for issue under the Scheme is 143,460,537 shares of the Company, representing 10% of the shares of the Company in issue as at the date the shareholders conditionally approved and adopted the Scheme.

(d) Maximum entitlement of each Participant

The total number of shares issued upon exercise of the options granted and to be granted to each grantee under the Scheme and any other schemes for the time being of the Company (including both exercised and outstanding options) in any 12-month period up to the date of grant to each grantee must not exceed 1% of the aggregate number of shares for the time being in issue.

(e) Remaining life and exercisable period of the options

There is no general requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular option. An option may be exercised in accordance with the terms of the Scheme at any time during a period of 10 years commencing on the date of grant and expiring on the last day of the said 10-year period.

(f) Payment on acceptance of the options offer

A sum of HK\$1 is payable by the Participant on acceptance of the option offer.

(c) 根據購股權計劃可供發行股份數目上限

- (i) 根據購股權計劃及本集團當時任何其他計劃授出之所有未行使購股權，於行使時可發行股份數目，最多不得超過本公司不時已發行股份之30%。按購股權計劃或本公司當時任何其他計劃之條款作廢或取消之購股權，於計算以上之30%上限時，不得計算在內；及
- (ii) 根據購股權計劃可供發行股份數目上限為143,460,537股本公司之股份，相當於股東在有條件批准及採納購股權計劃當日本公司之已發行股份之10%。

(d) 各參與人之權利上限

於截至向每位獲授人之授出日期為止之任何12個月期間內，根據購股權計劃及本集團當時任何其他計劃向獲授人授出之購股權（包括已行使及未行使之購股權）獲行使而已發行及可予發行之股份總數，合共不得超過當時已發行股份總數之1%。

(e) 購股權之剩餘壽命及行使時限

現時並無一般規定限制購股權必須於持有任何最短期限後方可行使，惟董事會獲授權於授出任何特定購股權時，可酌情施加該等最短期限限制。由授出日期起計10年至該段10年期間最後一日內任何時間，購股權可根據購股權計劃之條款行使。

(f) 接納購股權建議時之應付代價

參與人於接納購股權建議時應付港幣1元之代價。

REPORT OF THE DIRECTORS

董事會報告書

(g) Basis of determining the subscription price

The subscription price for the shares under the Scheme shall be a price notified by the Board to a Participant to whom any offer of the grant of an option is made and shall be at least the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant which must be a business day; and (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant, provided that the subscription price shall not be the lower than the nominal value of a share.

There were no share options granted under the Scheme for the period from 26th November 2003 to 30th June 2007.

On 21st August 2007, the Company granted 143,460,537 share options, which represented 8.83% of the issued share capital of the Company as at 30th June 2007, to the Employees at the subscription price of HK\$0.264 per share option which were vested immediately and exercisable for a two-year period between 21st August 2007 and 20th August 2009 (both days inclusive). Each share option gives the holder the right to subscribe for one ordinary share of the Company. The Directors of the Company individually and other employees of the Group in aggregated had the following personal interests in share option to subscribe for ordinary shares of the Company on 21st August 2007:

(g) 訂明認購價之基準

購股權計劃訂明之股份認購價須為董事會向已獲任何授出購股權建議之參與人所知會之價格，惟不得低於以下各項之最高數值：(i)於授出日期(必須為營業日)股份在聯交所每日報價表所報之收市價；及(ii)於緊接授出日期前五個營業日股份於聯交所每日報價表所報之平均收市價，惟認購價不得低於股份之面值。

於二零零三年十一月二十六日至二零零七年六月三十日期間，並無根據購股權計劃授出任何購股權。

於二零零七年八月二十一日，本公司以每股認購價港幣0.264元授出143,460,537份即時歸屬及可於兩年限期(於二零零七年八月二十一日與二零零九年八月二十日期間，包括首尾兩天)內行使之購股權予僱員，該等購股權相等於二零零七年六月三十日本公司已發行股份之8.83%。每份購股權給予持有人有權認購本公司之一股普通股份。於二零零七年八月二十一日，個別本公司董事及其他本集團之僱員在可認購本公司普通股之購股權中擁有之個人利益如下：

REPORT OF THE DIRECTORS

董事會報告書

Participants	參與人	Date of grant	Period during which share options are exercisable	Price per share on exercise of share options	Number of share options granted	Market value per share on grant of share options
		授出日期	購股權行使期	行使購股權時須付之每股價格	授出購股權之數量	授出購股權時之每股市價
				HK\$ 港幣		HK\$ 港幣
Directors	董事					
Mr Lam Shiu Ming, Daneil	林小明先生	21/8/2007	21/8/2007-20/8/2009	0.264	16,245,000	0.243
Ms Chiu Suet Ying	趙雪英女士	21/8/2007	21/8/2007-20/8/2009	0.264	16,245,000	0.243
Mr Yeung Kim Piu	楊劍標先生	21/8/2007	21/8/2007-20/8/2009	0.264	16,245,000	0.243
Eligible employees working under employment contracts	根據僱傭合約工作之合資格僱員	21/8/2007	21/8/2007-20/8/2009	0.264	94,725,537	0.243
					143,460,537	

DIRECTORS

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

Mr LAM Shiu Ming, Daneil
Ms CHIU Suet Ying
Mr YEUNG Kim Piu
Mr NG Kwok Tung ¹
Mr CHIU Shin Koi ¹
Mr MA Ting Hung ¹

¹ Independent Non-executive Directors

Messrs Yeung Kim Piu, Ng Kwok Tung and Chiu Shin Koi, retire by rotation in accordance with Articles 87(1) and (2) of the Bye-laws and, being eligible, offer themselves for re-election.

董事

年內及截至本報告書之日止在任董事如下：

林小明先生
趙雪英女士
楊劍標先生
伍國棟先生¹
趙善改先生¹
馬廷雄先生¹

¹ 獨立非執行董事

楊劍標先生、伍國棟先生及趙善改先生根據公司細則第87(1)條及(2)條任滿將會輪值退任，惟彼等符合資格並願意膺選連任。

REPORT OF THE DIRECTORS

董事會報告書

All Independent Non-executive Directors have been appointed for a specific term and subject to retirement by rotation as specified by the provision of the Listing Rules and the Bye-laws.

The Company has received from each of the above Independent Non-executive Directors a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Company is satisfied that they are independent as such.

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in Note 39 to the consolidated financial statements, no contracts of significance in relation to the Group's business to which the Company, its holding company, its subsidiaries or its fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors has an interest in a business which competes or may compete with the business of the Group.

所有獨立非執行董事之委任均有指定任期並須按照上市規則及公司細則條文輪值告退。

根據上市規則第3.13條，本公司已向各上述獨立非執行董事收取其獨立性之確認書及本公司亦確信彼等為獨立人仕。

董事服務合約

擬於應屆股東週年大會上膺選連任之董事並無與本公司訂立本公司在一年內不可在不予賠償(法定賠償除外)的情況下終止之服務合約。

董事之重大合約權益

除於綜合財務報表附註39所披露者外，本公司、其控股公司、其附屬公司或同系附屬公司概無參與訂立於結算日或年內任何時間仍然生效、對本集團業務有重要影響而董事直接或間接擁有重大實際權益之合約。

董事於競爭性業務的權益

董事概無對於本集團業務構成競爭或可能構成直接或間接競爭之業務擁有權益。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY OR DEBT SECURITIES

As at 30th June 2007, the interests which are all long position of each of the Directors and chief executives of the Company in the share capital of the Company (within the meaning of the Securities and Futures Ordinance ("SFO")) which were required to be (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest which any such Director was taken or deemed to have under such provisions of the SFO) or (b) entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or; (c) notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director	Nature of interest	Number of shares of the Company held	Percentage of shareholding
董事姓名	權益性質	所持本公司股份數目	持股百分比
Mr Lam Shiu Ming, Daneil 林小明先生	Founder of a discretionary trust (Note) 一項全權信託之創立人(註)	872,406,705	53.70%

Note: The trustee of the discretionary trust is Central Core Resources Limited which owns the entire issued share capital of Globalcrest Enterprises Limited which in turn is interested in 872,406,705 shares of the Company.

董事及主要行政人員於股本證券或債務證券之權益

於二零零七年六月三十日，本公司各董事及主要行政人員於本公司(定義見證券及期貨條例(「證券及期貨條例」))的股份擁有所有好倉的權益，而須(a)根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所(包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益)或(b)記載於本公司按證券及期貨條例第352條置存之登記冊內或(c)根據標準守則知會本公司及聯交所如下：

註：該全權信託之受託人為Central Core Resources Limited。該公司擁有Globalcrest Enterprises Limited全部已發行股本，而Globalcrest Enterprises Limited則擁有本公司872,406,705股股份。

Save as disclosed above, as at 30th June 2007, none of the Directors or chief executives of the Company had any interests or a short position in the share, underlying shares and debentures of the Company or any of its associated corporations which were required to be (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they were deemed or taken to have under such provisions of the SFO) or (b) notified to the Company and the Stock Exchange pursuant to the Model Code or (c) entered in the register kept by the Company pursuant to Section 352 of the SFO.

除上文所披露者外，於二零零七年六月三十日，本公司各董事或主要行政人員概無於本公司或其任何相聯法團的股份、相關股份及債權證中擁有任何權益或淡倉，而須(a)根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所(包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉)或(b)根據標準守則知會本公司及聯交所或(c)記載於本公司按證券及期貨條例第352條置存之登記冊內。

REPORT OF THE DIRECTORS

董事會報告書

At no time during the year, the Directors (including their spouse and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for shares of the Company and its associated corporations.

In addition, at no time during the year was the Company, its holding company, its subsidiaries, its associated company or its fellow subsidiaries a party to any arrangement to enable the directors of the Company to hold any interests or short position in the shares or underlying shares in or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS

As at 30th June 2007, in accordance with the register kept by the Company under Section 336 of the SFO, the following corporations were interested in the issued share capital of the Company (including short positions) representing 5% or more of the issued share capital of the Company:

Name of shareholders 股東名稱	Number of shares of the Company held 所持本公司股份數目	Percentage of shareholding 持股百分比
Globalcrest Enterprises Limited (Note) (註)	872,406,705	53.70%
Central Core Resources Limited (Note) (註)	872,406,705	53.70%

All the interests disclosed above represent long positions in the shares of the Company.

Save as disclosed above, as at 30th June 2007, no other person has any interests or short position in the shares, underlying shares and debentures of the Company as recorded in the register required to be kept by Company under section 336 of the SFO.

Note: The entire issued share capital of Globalcrest Enterprises Limited is held by Central Core Resources Limited, the trustee of a discretionary trust under which certain immediate family members of Mr Lam Shiu Ming, Daneil and Ms Chiu Suet Ying are discretionary objects.

本年度內，各董事（包括彼等之配偶及18歲以下之子女）並無擁有，或獲授予或行使任何可認購本公司及其相聯法團之股份之權利。

此外，本年度內，本公司、其控股公司、其附屬公司、其聯營公司或其同系附屬公司於年內並無訂立任何安排，使本公司董事可藉購買本公司或任何其他法人團體之股份或債券而獲益。

主要股東

於二零零七年六月三十日，按本公司根據證券及期貨條例第336條存置之登記冊所記錄，下列人士擁有佔本公司已發行股本5%或以上之本公司已發行股本權益（包括淡倉）：

上述披露之所有權益全為本公司股份之好倉。

除上文所披露者外，於二零零七年六月三十日，概無其他人士擁有根據證券及期貨條例第336條而須記載於本公司之登記冊內之本公司的股份、相關股份及債權證中之權益或淡倉。

註：Globalcrest Enterprises Limited 之全部已發行股本由Central Core Resources Limited持有，而Central Core Resources Limited乃林小明先生及趙雪英女士之若干直系親屬為受益人之全權信託之受託人。

REPORT OF THE DIRECTORS

董事會報告書

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

PRE-EMPTIVE RIGHTS

There are no provision for pre-emptive rights under the Bye-laws and there are no restrictions against such rights under the laws in Bermuda.

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

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the year.

MAJOR SUPPLIERS AND CUSTOMERS

The percentage of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

Purchases

— the largest supplier	15.22%
— five largest suppliers combined	50.01%

Sales

— the largest customer	16.09%
— five largest customers combined	42.22%

None of the Directors, their associates or any shareholder (which to the knowledge of the directors owns more than 5% of the Company's share capital) had an interest in the major suppliers and customers noted above.

管理合約

本年度內，本公司並無就整體業務或任何重要業務之管理或行政工作簽訂或存在任何合約。

優先購買權

儘管百慕達法律並無限制優先購買權，但公司細則並無有關權利之規定。

購買、出售或贖回本公司之上市證券

本公司於年內並無贖回其任何股份。本公司及其任何附屬公司於年內概無購買或出售本公司任何上市證券。

主要供應商及客戶

年內本集團主要供應商及客戶所佔之購貨額及銷售額百分比如下：

購貨額

— 最大供應商	15.22%
— 五大供應商合計	50.01%

銷售額

— 最大客戶	16.09%
— 五大客戶合計	42.22%

各董事、彼等之聯繫人士或任何股東(就董事所知擁有本公司逾5%之股本)概無擁有上述主要供應商或客戶之任何權益。

REPORT OF THE DIRECTORS

董事會報告書

CONNECTED TRANSACTIONS

As announced on 19th December 2006, Universe Laser & Video Co. Limited (“ULV”), an indirect wholly owned subsidiary of the Company, entered into a transaction which constituted a continuing connected transaction for the Company under Rule 14A.14 of the Listing Rules, the details of which are set out as follows:

On 19th December 2006, ULV entered into a tenancy agreement with Rainbow Nice Limited (“RNL”) whereby ULV agreed to lease a premises (the “Premises”) from RNL for a term of 3 years commencing from 1st January 2007 for the use of Mr Lam Shiu Ming, Daneil and Ms Chiu Suet Ying (both are the Directors) for residential purpose. The monthly rental payable by ULV is HK\$200,000 which is inclusive of furniture, fixtures and home electronic appliances but excluding government rent, rates, taxes and all other outgoings.

The entire issued share capital of RNL, the landlord of the Premises, is beneficially owned by Ms Chiu Suet Ying. By virtue of the interest of Ms Chiu Suet Ying in RNL, the entering into of the tenancy agreement constituted a continuing connected transaction for the Company under Rule 14A.14 of the Listing Rules.

As the continuing connected transaction satisfied the exemption under Rule 14A.32(2) of the Listing Rules, it was only subject to the annual review requirement and reporting and the announcement requirements set out in Rules 14A.37 to 14A.41 and 14A.45 to 14A.47 of the Listing Rules respectively and was exempted from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

The Independent Non-executive Directors of the Company have reviewed the continuing connected transaction and confirmed that the transaction has been (i) entered into in the ordinary and usual course of business of the Group; (ii) either on normal commercial terms or terms no less favourable to the Group than terms available to or from independent third parties; and (iii) in accordance with the tenancy agreement governing it on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

關連交易

誠如於二零零六年十二月十九日之公佈：本公司之間接全資附屬公司，寰宇鐳射錄影有限公司（「寰宇鐳射」）訂立了一項交易，根據上市規則第14A.14條，該交易構成本公司之持續關連之交易，詳情如下：

於二零零六年十二月十九日，寰宇鐳射與彩慧有限公司（「彩慧」）訂立租賃協議，據此，寰宇鐳射同意向彩慧租用一物業（「該物業」），為期三年，自二零零七年一月一日開始，以供林小明先生及趙雪英女士（彼等均為董事）用作住宅用途。寰宇鐳射應付之月租為港幣200,000元（包括傢俬、裝置及家庭電器，但不包括地稅、差餉、稅項及所有其他支出）。

彩慧（該物業之業主）之全部已發行股本由趙雪英女士實益擁有。由於趙雪英女士於彩慧之權益，根據上市規則第14A.14條，訂立此租賃協議構成本公司之持續關連之交易。

由於此項持續關連交易符合上市規則第14A.32(2)條之豁免要求，故僅須分別遵守上市規則第14A.37至第14A.41條之年度檢討規定，以及上市規則第14A.45至第14A.47條之申報及公佈規定，並豁免遵守上市規則第14A章之獨立股東批准規定。

本公司之獨立非執行董事已審核持續關連交易及確認該交易：(i) 屬本集團的日常業務；(ii) 是按照一般商務條款進行或該等交易的條款對本集團而言不遜於由獨立第三方取得或向其提供的條款；及(iii) 是根據有關交易的租賃協議條款進行，而交易條款公平合理，並且符合本公司股東的整體利益。

REPORT OF THE DIRECTORS

董事會報告書

The auditor of the Company has also confirmed that for the year ended 30th June 2007, the continuing connected transaction (i) has received the approval of the Board; and (ii) has been entered into in accordance with the relevant agreement governing the transaction, and (iii) has not exceeded the cap disclosed in the related announcement.

Apart from the above, there are other related party transactions entered into by the Group during the year ended 30th June 2007, certain of which constituted exempted connected transactions for the Company under the Listing Rules, the details of these are disclosed in Note 39 to the consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

AUDITOR

The consolidated financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

Lam Shiu Ming, Daneil

Chairman

Hong Kong, 18th October 2007

本公司之核數師亦已確認截至二零零七年六月三十日止之年度，該持續關連交易：(i)經由董事會批准；(ii)乃根據有關交易的協議條款進行；及(iii)並無超逾有關公告披露的上限。

除上文所述外，本集團於截至二零零七年六月三十日止年度內進行之其他關連人士交易，根據上市規則，其中若干交易構成獲豁免關連交易，該等交易之詳情於綜合財務報表之附註39中披露。

公眾持股量

根據截至本年報日期本公司所得悉及董事亦知悉之公開資料，本公司一直維持上市規則所訂明之公眾持股量。

核數師

本綜合財務報表已經由羅兵咸永道會計師事務所審核，該核數師任滿告退，惟符合資格並願受聘連任。

承董事會命

林小明

主席

香港，二零零七年十月十八日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



羅兵咸永道會計師事務所

PricewaterhouseCoopers
33rd Floor
Cheung Kong Center
2 Queen's Road Central
Hong Kong

TO THE SHAREHOLDERS OF UNIVERSE INTERNATIONAL HOLDINGS LIMITED *(incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Universe International Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 39 to 110, which comprise the consolidated and Company balance sheets as at 30th June 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致寰宇國際控股有限公司 全體股東 *(於百慕達註冊成立之有限公司)*

我們已審核列載於第39至110頁寰宇國際控股有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零零七年六月三十日的綜合及公司資產負債表與截至該日止年度的綜合損益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港《公司條例》的披露規定編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見，並按照百慕達一九八一年《公司法》第90條僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the 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 financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30th June 2007 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 disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 18th October 2007

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行情序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零零七年六月三十日的事務狀況及 貴集團截至該日止年度的盈利及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
香港執業會計師

香港，二零零七年十月十八日

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 30th June 2007
於二零零七年六月三十日

			2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
		Note 附註		
ASSETS	資產			
Non-current assets	非流動資產			
Leasehold land	租賃土地	6	8,793	9,031
Property, plant and equipment	物業、機器 及設備	7	16,438	16,016
Investment properties	投資物業	8	26,107	51,845
Film rights and films in progress	電影版權及 製作中之電影	10	112,654	95,735
Interest in an associated company	聯營公司 權益	12	—	—
Deferred income tax assets	遞延所得稅資產	24	5,762	5,447
Long-term bank deposit	長期銀行存款	14	7,800	7,800
			177,554	185,874
Current assets	流動資產			
Film deposits	電影訂金		2,947	9,330
Inventories	存貨	16	8,997	12,004
Accounts receivable	應收賬款	15	25,638	16,309
Deposits paid and prepayments	已付按金 及預付款項		11,942	9,660
Pledged bank deposits	已抵押銀行存款	35	4,000	2,000
Cash and cash equivalents	現金及現金等價物	17	135,054	108,623
Non-current assets held for sale	持作出售之 非流動資產	9	—	31,650
			188,578	189,576
Total assets	總資產		366,132	375,450
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	本公司權益 持有人應佔 資本及 儲備			
Share capital	股本	18	32,492	32,492
Share premium	股份溢價	19(a)	127,211	127,211
Other reserves	其他儲備	19(a)	1,274	2,494
Retained earnings	保留盈利			
— Proposed final dividend	— 擬派末期股息	33	—	14,621
— Others	— 其他		152,886	139,881
Total equity	總權益		313,863	316,699

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 30th June 2007
於二零零七年六月三十日

		Note 附註	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Other long-term liabilities	其他長期負債	23	66	99
Deferred income tax liabilities	遞延所得稅負債	24	3,446	8,892
			3,512	8,991
Current liabilities	流動負債			
Accounts payable	應付賬款	21	5,142	9,684
Other payables and accrued charges	其他應付賬款及應計支出		9,639	7,258
Deposits received	已收訂金		33,923	32,629
Amount due to the ultimate holding company	應付最終控股公司款項	20	3	86
Obligations under finance leases	融資租賃承擔	22	40	95
Taxation payable	應繳稅項		10	8
			48,757	49,760
Total liabilities	總負債		52,269	58,751
Total equity and liabilities	總權益及負債		366,132	375,450
Net current assets	流動資產淨值		139,821	139,816
Total assets less current liabilities	總資產減流動負債		317,375	325,690

On behalf of the Board
承董事會命

Lam Shiu Ming, Daneil
Director
林小明
董事

Chiu Suet Ying
Director
趙雪英
董事

The Notes on pages 45 to 110 are an integral part of these consolidated financial statements.
載於第45頁至第110頁之附註為此等綜合財務報表之一部份。

BALANCE SHEET

資產負債表

As at 30th June 2007
於二零零七年六月三十日

	Note	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
ASSETS			
Non-current assets			
Investments in subsidiaries	11	52,052	52,052
Deferred income tax assets	24	302	264
		52,354	52,316
Current assets			
Amounts due from subsidiaries	20	186,645	171,233
Prepayments and other receivables		134	170
Cash and cash equivalents	17	2,551	7,860
		189,330	179,263
Total assets		241,684	231,579
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	18	32,492	32,492
Share premium	19(b)	127,211	127,211
Other reserves	19(b)	51,852	51,852
Retained earnings			
— Proposed final dividend	33	—	14,621
— Others		4,452	4,415
Total equity		216,007	230,591
Current liabilities			
Amount due to a subsidiary	20	24,870	—
Accrued charges		807	988
Total liabilities		25,677	988
Total equity and liabilities		241,684	231,579

On behalf of the Board
承董事會命

Lam Shiu Ming, Daneil
Director
林小明
董事

Chiu Suet Ying
Director
趙雪英
董事

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CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 30th June 2007
截至二零零七年六月三十日止年度

		Note(s) 附註	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Turnover	營業額	5	136,240	93,405
Cost of turnover	營業額成本	26	(105,017)	(66,634)
Other gains — net	其他收益 — 淨額	25	6,364	5,813
Gain on disposal of investment properties	出售投資物業之收益	8 & 34	3,776	—
Gain on disposal of non-current assets held for sale	出售持作出售之非流動資產之收益	9 & 34	1,653	—
Selling expenses	銷售費用	26	(2,841)	(1,748)
Administrative expenses	行政費用	26	(27,516)	(22,938)
Other operating expenses	其他經營費用	26	(8,233)	(5,877)
Finance costs	財務成本	28	—	(2)
Increase in fair value of investment properties	投資物業之公平值增加	8	1,611	29,950
Share of (loss)/profit of an associated company	應佔聯營公司之(虧損)/盈利	12	(3)	20
Profit before income tax	除所得稅前盈利		6,034	31,989
Income tax credit/(expense)	所得稅回撥/(費用)	29	5,492	(4,684)
Profit for the year	年度盈利		11,526	27,305
Attributable to equity holders of the Company	本公司權益持有人應佔盈利		11,526	27,305
Earnings per share for profit attributable to the equity holders of the Company during the year (expressed in HK cents)	年內本公司權益持有人應佔盈利之每股盈利 (以每股港仙計)			
— basic	— 基本	32	0.71	1.68
— diluted	— 攤薄	32	N/A 不適用	N/A 不適用
Dividends	股息	33	—	14,621

The Notes on pages 45 to 110 are an integral part of these consolidated financial statements.
載於第45頁至第110頁之附註為此等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 30th June 2007
截至二零零七年六月三十日止年度

	Note 附註	Attributable to equity holders of the Company 本公司權益持有人應佔				Total 總額 HK\$'000 港幣千元	
		Share capital 股本 HK\$'000 港幣千元	Share premium 股份溢價 HK\$'000 港幣千元	Other reserves 其他儲備 HK\$'000 港幣千元	Retained earnings 保留盈利 HK\$'000 港幣千元		
Balance at 1st July 2005							
		於二零零五年七月一日 之結餘	32,492	127,211	2,041	127,197	288,941
Fair value adjustments upon transfer from leasehold land and buildings to investment properties	19	由租賃土地及 樓宇轉撥往 投資物業之 公平值調整	—	—	549	—	549
Deferred tax effect on fair value adjustment upon transfer from leasehold land and buildings to investment properties	19	由租賃土地及 樓宇轉撥往 投資物業之 公平值調整之 遞延稅項影響	—	—	(96)	—	(96)
Net income recognized directly in equity		在權益直接確認的 淨收入	—	—	453	—	453
Profit for the year		年度盈利	—	—	—	27,305	27,305
Total recognized income for 2006		於二零零六年確認之 總收入	—	—	453	27,305	27,758
Balance at 30th June 2006		於二零零六年六月三十日 之結餘	32,492	127,211	2,494	154,502	316,699
Balance at 1st July 2006, as per above		於二零零六年七月一日， 之結餘(如上)	32,492	127,211	2,494	154,502	316,699
Revaluation reserve adjustment upon disposal of investment properties	19	出售投資物業 所引起之 重估儲備 調整	—	—	(1,220)	1,220	—
Deferred income tax adjustment upon disposal of investment properties	24	出售投資物業 所引起之 所得稅 調整	—	—	—	259	259
Net income recognized directly in equity		在權益直接確認之 淨收入	—	—	(1,220)	1,479	259
Profit for the year		年度盈利	—	—	—	11,526	11,526
Total recognized income for 2007		於二零零七年確認之 總收入	—	—	(1,220)	13,005	11,785
Dividends related to 2005/2006 paid in December 2006		於二零零六年十二月支付 之二零零五/ 二零零六年度股息	—	—	—	(14,621)	(14,621)
Balance at 30th June 2007		於二零零七年六月三十日 之結餘	32,492	127,211	1,274	152,886	313,863

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載於第45頁至第110頁之附註為此等綜合財務報表之一部份。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 30th June 2007
截至二零零七年六月三十日止年度

	Note 附註	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Cash flows from operating activities	營運活動之現金流量		
Cash generated from operations	34	65,889	91,374
Tax paid		(8)	—
Interest on bank loans		—	(2)
Net cash generated from operating activities		65,881	91,372
Cash flows from investing activities	投資活動之現金流量		
Purchase of property, plant and equipment	7	(2,076)	(2,180)
Purchase of an investment property	8	—	(5,745)
Proceeds from disposal of property, plant and equipment	34	—	72
Proceeds from disposal of investment properties	34	31,125	—
Proceeds from disposal of non-current assets held for sale	34	33,303	—
Purchase of film rights and films in progress	10	(93,147)	(61,308)
Interest received	25	6,054	4,310
Net cash used in investing activities		(24,741)	(64,851)
Cash flows from financing activities	融資活動之現金流量		
Dividend paid		(14,621)	—
Inception of finance leases		—	93
Capital element of finance lease payments		(88)	(78)
Net cash (used in)/ generated from financing activities		(14,709)	15
Net increase in cash and cash equivalents	現金及現金等價物之淨增加	26,431	26,536
Cash and cash equivalents at beginning of the year	於年初現金及現金等價物	108,623	82,087
Cash and cash equivalents at end of the year	於年終現金及現金等價物	135,054	108,623

The Notes on pages 45 to 110 are an integral part of these consolidated financial statements.
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 GENERAL INFORMATION

Universe International Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in distribution of films in various videogram formats, film exhibition, licensing and sub-licensing of film rights and leasing of investment properties.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company is listed on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$’000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 18th October 2007.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which is a collective term referred to all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (“Ints”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, which are carried at fair value.

1 一般資料

寰宇國際控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要從事發行不同制式錄像產品、電影放映、授出及轉授電影版權及出租投資物業之業務。

本公司乃於百慕達註冊成立之有限公司，本公司之註冊辦事處為 Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司於香港聯合交易所有限公司上市。

除另有說明外，此等綜合財務報表以港幣千元呈列。此等綜合財務報表已經由董事會於二零零七年十月十八日批准發出。

2 重要會計政策摘要

編製此等綜合財務報表採用的主要會計政策載於下文。除另有說明外，此等政策在所呈報的所有年度內貫徹應用。

2.1 編製基準

本集團的綜合財務報表是根據香港財務報告準則(「財務準則」)而編製，財務準則為統稱詞彙，當中有關於香港會計師公會(「香港會計師公會」)頒佈的所有適用的個別香港財務報告準則、香港會計準則(「會計準則」)及詮釋(「詮釋」)。綜合財務報表已按照歷史成本法編製，並就投資物業的重估均按公平值列賬而作出修訂。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.1 Basis of preparation** (Continued)

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The actual results may differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

The HKICPA has issued certain new and revised HKFRSs that are first effective for the current accounting period of the Group. The Group has adopted the new HKFRS below, which is relevant to its operations, in the preparation of the consolidated financial statements.

- HKFRS-Int 4
Determining whether an Arrangement contains a Lease

The adoption of this new HKFRS has no material effect on the Group's results and financial position for the current or prior accounting periods reflected in these consolidated financial statements.

The Group has not adopted any new standard or interpretation that is not effective for the current accounting period, details of which are set out in Note 42.

2 重要會計政策摘要 (續)**2.1 編製基準** (續)

編製符合財務準則的綜合財務報表需要使用若干關鍵會計估算。這亦需要管理層在應用本集團之會計政策過程中行使其判斷。涉及較高程度判決及複雜的範圍或對綜合財務報表有重大影響之假設及估計已於附註4披露。

香港會計師公會已發出若干於本集團本會計年度初次生效的新訂/經修訂財務準則。本集團於編製綜合財務報表時已採納以下與其營運有關之新訂的財務準則：

- 財務準則詮釋4
釐定一項安排是否包含租賃

採納此新訂財務準則對在此綜合財務報表中反映之本集團本期或過往會計期間的業績及財務狀況並無重大影響。

本集團並無採納於本會計期間並未生效的新準則及詮釋，有關詳情載於附註42。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to 30th June.

(a) Subsidiaries

Subsidiaries are all entities (including special purpose 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.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

2 重要會計政策摘要 (續)

2.2 綜合賬目

綜合財務報表包括本公司及其所有附屬公司截至六月三十日止的財務報表。

(a) 附屬公司

附屬公司指本集團有權管控其財政及營運政策而控制所有實體（包括特殊目的實體），一般附帶超過半數投票權的股權。在評定本集團是否控制另一實體時，目前可行使或可兌換之潛在投票權之存在及影響均予考慮。

附屬公司在控制權轉移至本集團之日全面綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

集團內公司之間的交易、交易的結餘及未實現收益予以對銷。除非交易提供所轉讓資產減值之憑證，否則未實現虧損亦予以對銷。附屬公司的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

在本公司之資產負債表內，於附屬公司之投資按成本值扣除減值虧損準備列賬。附屬公司之業績由本公司按已收及應收股息入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***2.2 Consolidation** *(Continued)***(b) Associates**

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognized at cost.

The Group's share of its associates' post-acquisition profits or losses is recognized in the consolidated income statement, and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 重要會計政策摘要 *(續)***2.2 綜合賬目** *(續)***(b) 聯營公司**

聯營公司指所有本集團對其有重大影響力而無控制權的實體，通常附帶有20% — 50%投票權的股權。聯營公司投資以權益會計法入賬，初始以成本確認。

本集團應佔收購後聯營公司的盈利或虧損於綜合損益表內確認，而應佔收購後儲備的變動則於儲備賬內確認。投資賬面值會根據累計之收購後儲備變動而作出調整。如本集團應佔一家聯營公司之虧損等於或超過其在該聯營公司之權益，包括任何其他無抵押應收款，本集團不會確認進一步虧損，除非本集團已代聯營公司承擔責任或作出付款。

本集團與其聯營公司之間交易的未實現收益按集團在聯營公司權益的數額對銷。除非交易提供所轉讓資產減值之憑證，否則未實現虧損亦予以對銷。聯營公司的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Consolidation (Continued)

(b) Associates (Continued)

In the Company's balance sheet, the investment in an associated company is stated at cost less provision for impairment losses. The result of an associated company is accounted for by the Company on the basis of dividend received and receivable.

(c) Jointly controlled assets

Jointly controlled assets are assets of a joint venture over which the Group has joint control with other venturers in accordance with contractual arrangements and through the joint control of which the Group has control over its share of future economic benefits earned from the assets.

The Group's share of jointly controlled assets and any liabilities incurred jointly with other venturers are recognized in the consolidated balance sheet and classified according to their nature. Liabilities and expenses incurred directly in respect of its interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Group's share of the output of the jointly controlled assets together with its share of any expenses incurred by the joint ventures, are recognized in the consolidated income statement when it is probable that the economic benefits associated with the transactions will flow to or from the Group.

2 重要會計政策摘要 (續)

2.2 綜合賬目 (續)

(b) 聯營公司 (續)

在本公司之綜合資產負債表內，於聯營公司之投資按成本值扣除減值虧損準備列賬。聯營公司之業績由本公司按已收及應收股息入賬。

(c) 共同控制資產

共同控制資產指本集團與其他合營者根據合約安排共同控制的資產，集團並可透過共同控制，從而控制本集團可分佔由該些資產將來賺取的經濟利益。

集團應佔共同控制資產及與其他合營者產生的所有負債，根據有關性質分類，已在綜合資產負債表內確認。而因共同控制資產上的權益而直接產生的負債及費用均已在年結時以應計基準入賬，出售或運由集團應佔共同控制資產產品的收入，及應佔由合營項目所產生的所有費用，而當該些交易附有的經濟利益可能流入或流出集團時，均已在綜合損益表內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***2.3 Segment reporting**

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these consolidated financial statements.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses and segment performance include transactions between segments. Inter-segment pricing is based on similar terms as those available to other external parties for similar services. These transactions are eliminated upon consolidation.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets (both tangible and intangible) that are expected to be used for more than one year.

Unallocated items mainly comprise financial and corporate assets and liabilities, cash and cash equivalent, deferred income tax assets, deferred income tax liabilities and interest income.

2 重要會計政策摘要 (續)**2.3 分部報告**

每項分類乃本集團一項可作區別的組成部分，主要為從事提供特定產品或服務(業務分類)，或於個別的經濟環境下提供產品或服務(地區分類)，亦附帶與其他分類不同的風險及回報。

根據本集團的內部財務申報制度，就此等綜合財務報表而言，本集團選擇業務分類資料作為首要報告形式，並以地區分類資料作為次要報告形式。

分類收益、開支、業績、資產及負債包括一項分類直接應佔的項目及可合理分配至該分類的項目。分類收益、分類開支及分類表現包括分類間交易。分類間價格乃按為類似服務的其他外界人士提供的類似條款釐定。該等交易在綜合時抵銷。

分類資本開支指年內產生以購買分類資產(有形及無形)的總成本，有關資產預期將可使用一年以上。

未分配項目主要包括財務及公司資產與負債、現金及現金等價物、遞延所得稅資產、遞延所得稅負債及利息收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in HK dollars, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Translation differences on non-monetary items are reported as part of the fair value gain or loss.

2.5 Property, plant and equipment

The following items of property, plant and equipment are stated in the consolidated balance sheet at cost less accumulated depreciation and impairment losses:

- buildings held for own use which are situated on leasehold land, where the fair value of the building could be measured separately from the fair value for the leasehold land at the inception of the lease (Note 2.7(a)); and
- other items of plant and equipment.

2 重要會計政策摘要 (續)

2.4 外幣匯兌

(a) 功能和列賬貨幣

本集團每個實體的財務報表所列項目均以該實體營運所在的主要經濟環境的貨幣計量(「功能貨幣」)。綜合財務報表以港幣呈報，港幣為本公司的功能及列賬貨幣。

(b) 交易及結餘

外幣交易採用交易日的匯率換算為功能貨幣。結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在損益表確認。非貨幣項目的換算差額在損益表中呈報為公平值盈虧的一部份。

2.5 物業、機器及設備

下列物業、機器及設備項目按成本減累計折舊及減值虧損在綜合資產負債表列賬：

- 位於租賃土地之上持作自用的樓宇，其公平價值可在租賃開始時與租賃土地的公平價值分開計量(見附註2.7(a))；及
- 其他機器及設備項目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.5 Property, plant and equipment** (Continued)

The cost of an item of property, plant and equipment comprises (i) its purchase price, (ii) any directly attributable costs of bringing the asset to its working condition and location for its intended use, and (iii) the initial estimate at the time of installation and during the period of use, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located.

Subsequent costs are included in the carrying amount of an item of property, plant and equipment or recognized as a separate item of property, plant and equipment, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs, such as repairs and maintenance and overhaul costs, are recognized in the consolidated income statement as an expense in the period in which they are incurred.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in the income statement on the date of retirement or disposal.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Leasehold land and buildings	Over the unexpired term of land lease
Leasehold improvements	2 — 5 years
Machinery and equipment	3 — 5 years
Others	5 years

2 重要會計政策摘要 (續)**2.5 物業、機器及設備** (續)

物業、機器及設備項目的成本包括(i)其購買價、(ii)按設定用途令資產達致可營運狀況及安設於營運地點的任何直接應佔成本、(iii)安裝時及使用期間(倘有關)、拆除及搬遷項目以及恢復項目所在地原貌成本的初步估計。

只有當與物業、機器及設備項目相關的未來經濟利益有可能流入本集團，且項目成本能可靠計量時，其後成本方計入該項目的賬面金額，或在物業、機器及設備(倘適合)中單獨確認。所有其他成本(例如維修、保養及檢修成本)則於產生期間在綜合損益表內確認為一項開支。

退廢或出售物業、機器及設備項目所產生的盈虧乃按出售所得款項淨額與有關項目賬面金額的差額釐定，並於退廢或出售當日在損益表內確認。

物業、機器及設備的折舊採用以下的估計可使用年期將成本或重估值按直線法分攤至剩餘價值計算：

租賃土地及樓宇	按租賃土地之剩餘年期
租賃物業裝修	2至5年
機器及設備	3至5年
其他	5年

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Property, plant and equipment (Continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.8).

2.6 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations of the investment properties are performed in accordance with the guidance issued by the Hong Kong Institute of Surveyors. These valuations are reviewed annually by external valuers.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions.

2 重要會計政策摘要 (續)

2.5 物業、機器及設備 (續)

資產的剩餘價值及可使用年期在每個結算日進行檢討，及在適當時調整。

若資產的賬面值高於其估計可收回價值，其賬面值即時撇減至可收回金額（附註 2.8）。

2.6 投資物業

為獲得長期租金收益或資本增值或兩者兼備而持有，且並非由綜合集團內的公司佔用的物業列為投資物業。

投資物業初步按其成本計量，包括相關的交易成本。

在初步確認後，投資物業按公平值列賬。公平值根據活躍市場價格計算，如有需要就個別資產的性質、地點或狀況的任何差異作出調整。如沒有此項資料，本集團利用其他估值方法，例如較不活躍市場的近期價格或貼現現金流量預測法。物業估值乃根據香港測量師學會所發出之指引進行。外聘估值師會每年檢討此等估值。

投資物業的公平值反映（包括其他）來自現有租賃的租金收入，及在現時市場情況下未來租賃的租金收入假設。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.6 Investment properties** (Continued)

The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognized as a liability, including finance lease liabilities in respect of land classified as investment property; others, including contingent rent payments, are not recognized in the financial statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated income statement during the financial period in which they are incurred.

Changes in fair values are recognized in the consolidated income statement.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognized in equity as a revaluation of property, plant and equipment under HKAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognized in the consolidated income statement. On subsequent disposal of the investment property, the revaluation surplus included in equity may be transferred to retained earnings. The transfer from revaluation surplus to retained earnings is not made through profit and loss.

2 重要會計政策摘要 (續)**2.6 投資物業** (續)

公平值亦反映，在類似基準下物業預期的任何現金流出。此等現金流出部份確認為負債，包括列為投資物業的土地有關的融資租賃負債；而其他，包括或然租金款項，不在財務報表列賬。

其後支出只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠衡量時，才計入在資產的賬面值中。所有其他維修及保養成本在產生的財政期間內於綜合損益表支銷。

公平值變動在綜合損益表列賬。

若投資物業變成業主自用，會被重新分類為物業、機器及設備，其於重新分類日期的公平值，就會計目的而言變為其成本。

根據會計準則16，若物業、機器及設備的某個項目因其用途改變而成為投資物業，該項目於轉撥日期的賬面值與公平值的任何差額在權益中確認為物業、機器及設備的重估。然而，若公平值收益將以往的減值虧損撥回，該收益於綜合損益表確認。於出售投資物業後，計算在權益內之重估盈餘將轉撥往保留盈利。由重估盈餘至保留盈利之轉撥將不會計入損益內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Investment properties (Continued)

Investment property held for sale without redevelopment is classified as current assets, under HKFRS 5, because the sale is expected to be completed generally within one year.

2.7 Leased assets

(a) Operating lease

Where the Group has the use of assets held under operating leases, payment made under the leases are charged to the consolidated income statement over the accounting periods covered by the lease term except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognized in the consolidated income statement as an integral part of the aggregate net lease payments made. Contingent rentals are charged to the consolidated income statement in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is stated in the consolidated balance sheet as "Leasehold land" and is amortized to the consolidated income statement on a straight-line basis over the period of the lease term except where the property is classified as an investment property.

2 重要會計政策摘要 (續)

2.6 投資物業 (續)

根據財務準則5，持作出售而不重建的投資物業將分類為流動資產，因銷售一般預期於一年內完成。

2.7 租賃資產

(a) 營運租賃

倘本集團擁有經營租賃項下持有資產的使用權，根據租賃支付的款項於租約年期所涵蓋的會計期間內分期按同等比例在綜合損益表扣除，除非其他基準更能代表租賃資產所產生的收益模式，則作別論。收取的租賃優惠在綜合損益表內確認，作為所付總租賃款項淨額的必需部分。或然租金於其產生的會計期間在綜合損益表扣除。

收購經營租賃項下持有土地的成本於綜合資產負債表內入賬列為「租賃土地」，並以直線法於租約年期內在綜合損益表攤銷，惟倘該物業分類為投資物業，則作別論。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.7 Leased assets** (Continued)**(b) Finance lease**

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in current and non-current borrowings. The interest element of the finance cost is recognized in the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The investment properties acquired under finance leases are carried at their fair value.

2.8 Impairment of assets

Assets that have an indefinite useful life are not subject to amortization, which are at least tested annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

2 重要會計政策摘要 (續)**2.7 租賃資產** (續)**(b) 融資租賃**

如本集團持有租賃資產擁有權的差不多所有風險及回報，分類為融資租賃。融資租賃在租賃開始時按租賃物業之公平值及最低租賃付款現值兩者之較低者入賬。每項租金均分攤為負債及財務開支，使財務費用佔融資結欠額之常數比率。相應租賃責任在扣除財務開支後計入流動及非流動貸款內。財務費用的利息部份於租約期內在綜合損益表確認，使財務費用與每個期間的負債餘額之比為常數定期利率。根據融資租賃取得的投資物業按公平值列賬。

2.8 資產減值

沒有確定使用年期之資產無需攤銷，但最少每年就減值進行測試，及當有事件出現或情況改變顯示賬面值可能無法收回時就減值進行檢討。須作攤銷之資產，當有事件出現或情況改變顯示賬面值可能無法收回時就減值進行檢討。減值虧損按資產之賬面值超出其可收回金額之差額於損益表內確認。可收回金額以資產之公平值扣除銷售成本或使用價值兩者之較高者為準。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average basis. The cost of finished goods comprises raw materials, direct labour and an appropriate proportion of all production overhead. It excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.10 Film rights and films in progress

(i) Film rights

Film rights comprise fees paid and payable under agreements and direct expenses incurred during the production of films, for the reproduction and/or distribution of films in various videogram formats, film exhibition, licensing and sub-licensing of film titles.

Film rights are stated at cost less accumulated amortization and accumulated impairment losses.

The cost of film rights is amortized over the shorter of the underlying license period and their economic lives, with reference to projected revenues.

(ii) Films in progress

Films in progress are stated at cost less any provision for impairment losses. Cost includes all direct costs associated with the production of films. Cost of films is transferred to film rights upon completion.

2 重要會計政策摘要 (續)

2.9 存貨

存貨按成本及可變現淨值兩者的較低者列賬。成本以加權平均基準釐定。製成品的成本包括原材料、直接勞工和應佔所有生產間接費用之適當比例。這不包括貸款成本。可變現淨值為在通常業務過程中的估計銷售價，減適用的變動銷售費用。

2.10 電影版權及製作中之電影

(i) 電影版權

電影版權指就複製及發行不同錄像制式電影、電影放映及授出及轉授電影版權而根據協議支付及應付之費用及在拍攝電影期間產生之直接開支。

電影版權乃按成本減累計攤銷及累計減值虧損列賬。

電影版權成本乃參考預算收入，按版權期限及其經濟年期(以較短者為準)而攤銷。

(ii) 製作中之電影

製作中之電影乃按成本減任何減值虧損準備列賬。成本包括所有涉及電影製作之直接成本。電影成本於完成後轉撥至電影版權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.10 Film rights and films in progress**
(Continued)**(iii) Impairment**

At each balance sheet date, both internal and external market information are considered to assess whether there is any indication that assets included in film rights and films in progress are impaired. If any such indication exists, the carrying amount of such assets is assessed and where relevant, an impairment loss is recognized to reduce the asset to its recoverable amount. Such impairment losses are recognized in the consolidated income statement.

2.11 Film deposits

Film deposits comprise deposits paid for the acquisition of film rights and deposits paid to production houses, artistes and others prior to the production of films. The balance payable under agreements for acquisition of film rights is disclosed as a commitment. Provision for film deposits is made to the extent that they are not expected to generate any future revenue for the Group.

2.12 Accounts and other receivables

Accounts and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of accounts and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the accounts receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized in the consolidated income statement.

2 重要會計政策摘要 (續)**2.10 電影版權及製作中之電影**
(續)**(iii) 減值**

在每年結算日，電影版權及製作中之電影皆透過內部及外界所獲得的資訊，評核該等資產有否耗蝕。如有跡象顯示該等資產出現耗蝕，則估算其可收回價值，及在合適情況下將減值虧損入賬以將資產減至其可收回價值。此等減值虧損在綜合損益表入賬。

2.11 電影訂金

電影訂金指購買電影版權之訂金及於電影開拍前支付給製作公司、藝人及其他之訂金。餘款則根據協議應付費用以承擔形式披露。倘預期電影訂金日後不會為本集團帶來任何收入，則須就電影訂金作出撥備。

2.12 應收賬款及其他應收款

應收賬款及其他應收款初步以公平值確認，其後利用實際利息法按攤銷成本扣除減值撥備計量。當有客觀證據證明本集團將無法按應收款的原有條款收回所有款項時，即就應收及其他應收款設定減值撥備。應收賬款客戶面對嚴重財政困難、應收賬款客戶將會破產或財務重組、及違約未付或逾期未付款項均被視為應收賬款出現減值的跡象。撥備金額為資產賬面值與按實際利率貼現的估計未來現金流量的現值兩者的差額。撥備金額在綜合損益表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

2.14 Share capital

Ordinary shares are classified as equity.

2.15 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and jointly controlled assets, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2 重要會計政策摘要 (續)

2.13 現金及現金等價物

現金及現金等價物包括現金及銀行通知存款。

2.14 股本

普通股分類為權益。

2.15 遞延所得稅

遞延所得稅利用負債法就資產和負債的稅基與在資產和負債在綜合財務報表的賬面值之差產生的暫時差異全數撥備。然而，若遞延所得稅來自在交易(不包括企業合併)中對資產或負債的初步確認，而在交易時不影響會計損益或應課稅盈虧，則不作記賬。遞延所得稅採用在結算日前已頒佈或實質頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率(及法例)而釐定。

遞延所得稅資產是就可能有未來應課稅盈利而就此可使用暫時差異而確認。

遞延所得稅就附屬公司、聯營公司及共同控制實體投資產生之暫時差異而撥備，但假若本集團可以控制暫時差異之撥回時間，而暫時差異在可預見將來有可能不會撥回則除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***2.16 Employee benefits****(i) Employee leave entitlements**

Employee entitlements to annual leave and long service leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognized until the time of leave.

(ii) Pension obligations

The Group contributes to Mandatory Provident Fund in Hong Kong, the assets of which are held in separate trustee-administered funds. The pension plan is funded by payments from employees and by the relevant Group companies.

The Group's contributions to the defined contribution retirement scheme are expensed as incurred and are not reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions.

2.17 Provisions

Provisions are recognized when: (i) the Group has a present legal or constructive obligation as a result of past events; (ii) it is probable that an outflow of resources will be required to settle the obligation; and (iii) the amount has been reliably estimated. Provisions are not recognized for future operating losses.

2 重要會計政策摘要 (續)**2.16 僱員福利****(i) 僱員應享假期**

僱員在年假和長期服務休假之權利在僱員應享有時確認。本集團為截至結算日止僱員已提供之服務而產生之年假和長期服務休假之估計負債作出撥備。

僱員之病假及產假不作確認，直至僱員正式休假為止。

(ii) 退休金責任

本集團向香港的強制性公積金作出供款，有關資產以獨立形式由託管人管理之基金持有。強積金由僱員及有關集團公司所作供款提供資金。

集團向該界定供款退休計劃作出之供款在發生時作為費用支銷，而員工在全數取得既得之利益前退出計劃而被沒收之僱主供款將不會用作扣減此供款。

2.17 撥備

在出現以下情況下會作出撥備：(i)本集團因已發生的事件而產生現有的法律或推定責任；(ii)較可能需要有資源流出以償付責任；及(iii)金額已經可靠估計。撥備將不會於未來之營運虧損中獲得確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Provisions (Continued)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.18 Revenue recognition

- (i) Revenue from the sale of goods is recognized on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title has passed.
- (ii) Income from the licensing and sub-licensing of film rights is recognized upon the delivery of the pre-recorded audio visual products and the materials for video features including the master tapes to the customers, in accordance with the terms of the underlying contracts.
- (iii) Film exhibition income is recognized when the right to receive payment is established.
- (iv) Operating lease and other rental income is recognized on a straight-line basis.
- (v) Interest income is recognized on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

2.19 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Company's shareholders.

2 重要會計政策摘要 (續)

2.17 撥備 (續)

如有多項類似責任，其需要在償付中流出資源的可能性，根據責任的類別整體考慮。即使在同一責任類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

2.18 收益確認

- (i) 銷售貨品所得收益於擁有權之風險及回報轉移後確認。風險及回報之轉移通常與貨品付運予客戶及所有權轉讓同時發生。
- (ii) 授出及轉授電影版權之收入根據有關合約之條款於預錄影音產品及母帶等錄像正片使用之素材付運予客戶後確認入賬。
- (iii) 電影放映之收入乃於收取款項之權利獲確定時確認入賬。
- (iv) 經營租賃及其他租金收入乃按直線法確認入賬。
- (v) 利息收入乃按時間比例基準，以未償還本金與適用利率計算確認入賬。

2.19 股息分派

向本公司股東分派的股息在股息獲本公司股東批准的期間內於本集團的綜合財務報表內列為負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT**3.1 Financial risk factors**

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and credit risk), liquidity risk and cash flow interest-rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The policies for managing these risks are summarized below.

(a) Market risk**(i) Foreign exchange risk**

Most of the Group's transactions are denominated in Hong Kong dollars and United States dollars, the Group is exposed to foreign exchange risk arising from these currency exposures. Hong Kong dollars is pegged to United States dollars and the foreign exchange exposure to fluctuation in exchange rate is considered limited.

(ii) Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that wholesale sales of products and license of films are made to customers with an appropriate credit history respectively. The Group obtains bank guarantees from certain customers.

(b) Liquidity risk

The Group manages its liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and monitoring the liquidity requirements from time to time.

3 財務風險管理**3.1 財務風險因素**

本集團的活動承受著多種的財務風險：市場風險（包括外匯風險及信貸風險）、流動資金風險及現金流量利率風險。本集團的整體風險管理計劃專注於財務市場的難預測性，並尋求儘量減低對本集團財務表現的潛在不利影響。管理該等風險之政策總括如下。

(a) 市場風險**(i) 外匯風險**

本集團之大部份交易均以港元及美元計算，故此本集團將主要面對該等貨幣所產生之外匯風險。由於港元與美元掛鈎，故該等貨幣面對之外匯風險有限。

(ii) 信貸風險

本集團並無重大集中的信貸風險。本集團有政策分別確保僅向擁有適當信貸歷史的客戶批發銷售產品及授出電影版權。本集團已向若干客戶取得銀行擔保。

(b) 流動資金風險

本集團透過保持充足現金及足夠資金信貸額之可用資金管理其流動資金風險，並不時監控其流動資金需求。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Cash flow interest rate risk

As the Group has cash balances placed with various reputable banks, which generate interest income for the Group. The Group manages its interest rate risk by placing such balances on various maturities and interest rate terms.

The Group has no interest-bearing borrowings, the exposure to the interest-rate risk from borrowing is considered limited, the Group will monitor this risk on a continuous basis where necessary.

3.2 Fair value estimation

The nominal value less estimated credit adjustments of accounts receivable and payable are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 現金流量利率風險

因本集團於多間信譽良好的銀行存放現金，故會為本集團帶來利息收入。本集團透過將該等款項以不同的存款期及利率存放。

本集團並無具利息借貸，故面對該等利率風險有限，本集團將不時按需要監控該等風險。

3.2 公平值估計

應收賬款和應付賬款的賬面值減估計信貸調整，被假定接近其公平值。作為披露目的，財務負債公平值的估計按未來合約現金流量以本集團類似金融工具可得的現有市場利率貼現計算。

4 關鍵會計估算及判斷

估算和判斷會被持續評估，並根據過往經驗和其他因素進行評價，包括在有關情況下相信未來事情的合理預測。

本集團對未來作出估算和假設。所得的會計估算如其定義，很少會與其實際結果相同。很大機會導致下個財政年度的資產和負債的賬面值作出重大調整的估算和假設討論如下。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)**(a) Impairment of film rights, films in progress and film deposits**

The Group assesses annually whether the film rights, films in progress and film deposits have suffered any impairment, in accordance with the accounting policy stated in Note 2. Such annual assessment is performed at each balance date with reference to current market conditions and each film deposit recipient's reputation, trade history and current financial position. According to the management's cash inflow forecast in respect of each film title and realization of each film deposit, an impairment loss of HK\$4,640,000 (2006: HK\$3,977,000) was recognized in the consolidated income statement to reduce the carrying amounts of certain film rights and film deposits to their recoverable amounts. If projected cash inflow from these films were to deteriorate, additional provision for impairment may be required. As at 30th June 2007, the carrying value of film rights, films in progress and film deposits amounted to approximately HK\$115,601,000 (2006: HK\$105,065,000).

(b) Provision for impairment of accounts receivable

The provision policy for accounts receivable of the Group is based on the evaluation of recoverability of those receivables and management's judgment. A considerable judgment is required in assessing the ultimate realization of these receivables, including the current creditworthiness and the past collection history of each customer, and the realization of any repayment pattern promised. During the year, an impairment losses of HK\$2,000,000 (2006: HK\$395,000) was recognized in the consolidated income statement to reduce the carrying amount of certain receivables of the Group to their recoverable amounts. If the financial conditions of these customers were to deteriorate, additional provision for impairment may be required. As at 30th June 2007, the carrying value of accounts receivable amounted to approximately HK\$25,638,000 (2006: HK\$16,309,000).

4 關鍵會計估算及判斷 (續)**(a) 電影版權、製作中之電影及電影按金之減值**

誠如附註2所載，電影版權、製作中之電影及電影按金乃於各結算日參考現時之市場狀況及每個收取電影訂金者之聲譽、交易歷史及現時財政狀況而進行減值評估。根據管理層就個別電影版權而作出之現金流量預測及每筆電影訂金的可變現性，已於綜合收益表確認減值虧損港4,640,000元(二零零六年：港幣3,977,000元)，以將若干電影版權及電影按金之賬面值減至其可收回數額。倘來自該等電影之預測現金流入減少，則可能需作出額外減值撥備。電影版權、製作中電影及電影按金於二零零七年六月三十日之賬面值約為港幣115,601,000元(二零零六年：港幣105,065,000元)。

(b) 應收賬款之減值撥備

本集團應收賬款之撥備政策乃以對該等應收款項可收回性作出之評估及管理層之判斷為基礎。評估該等應收款項之最終可變現性時需要作出大量判斷，包括每名客戶之目前信譽及過往收款歷史，以及任何已承諾還款模式有否實現。於年內，已於綜合收益表確認之減值虧損為港幣2,000,000元(二零零六年：港幣395,000元)。倘該等客戶之財務狀況變差，導致其付款能力減低，則可能需要額外減值撥備。應收賬款於二零零七年六月三十日之賬面值約為港幣25,638,000元(二零零六年：港幣16,309,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(c) Useful lives of property, plant and equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment in order to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands or service output of the assets. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid.

(d) Amortization of film rights

The Group estimates the projected revenue of the film rights within the shorter of the underlying license period and their economic lives in order to ascertain the amount of amortization charges for each reporting period. The Group performs the reviews to assess the appropriateness of the amortization estimate with reference to prevailing and future market conditions. The Group has revised its amortization estimate of film rights for video distribution business segment for the year to reflect the expected cashflow pattern of the projected revenue within the shorter of the underlying license period and their economic lives of the film rights.

4 關鍵會計估算及判斷 (續)

(c) 物業、機器及設備之可使用年限

本集團根據會計準則第16號之規定估計物業、機器及設備之可使用年限，從而釐定所須列賬之折舊開支。本集團於購入資產之時，根據以往經驗、資產之預期使用量、損耗程度，以及技術會否因市場需求或資產服務產量有變而變成過時，估計其可使用年限。本集團亦會於每年作出檢討，以判斷就可使用年限所作出之假設是否仍然合理。

(d) 電影版權之攤銷

本集團會估計電影版權於版權期限或其可用年期內(以較短者為準)之預計收入，以確定各呈報期間的攤銷金額。本集團會參考當時及未來市場狀況進行檢討以評估有關攤銷估計是否適當。於年內，本集團已更改錄像發行業務分部之電影版權攤銷估計以作反映電影版權於版權期限或其可用年期內(以較短者為準)之預計收入之預期現金流量模式。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION

Primary reporting format — business segments

The Group is organized into the following main business segments for the current year:

- Distribution of films in various videogram formats
- Film exhibition, licensing and sub-licensing of film rights
- Leasing of investment properties

The Group's inter-segment transactions mainly consist of licensing of film rights, which are transferred at cost.

Secondary reporting format — geographical segments

Distribution of films in various videogram formats is solely operated in Hong Kong and Macau, while the Group operates its film exhibition, licensing and sub-licensing of film rights in five (2006: five) main geographical segments.

There are no sales between geographical segments.

5 分部資料

主要分部報告 — 業務分部資料

本年度本集團可分為以下主要業務分部：

- 以不同錄像制式發行電影
- 電影放映、授出及轉授電影版權
- 出租投資物業

本集團之分部間交易主要包括授出電影版權，乃按成本互相轉讓。

從屬分部報告 — 地域分部資料

以不同錄像產品制式發行電影只在香港及澳門兩地經營，而本集團之電影放映、授出及轉授電影版權業務則分佈五個(二零零六年：五個)主要地域。

各地域分部之間並無進行任何銷售交易。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

Primary reporting format — business segments (Continued)

		Sale of goods	Film exhibition, licensing and sub-licensing of film rights 電影放映、授出及轉授 電影版權	Leasing of investment properties 出租投資物業	Others	Elimination	Group
		2007 二零零七年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Turnover	營業額						
External sales	對外之銷售	34,066	96,582	2,639	2,953	—	136,240
Inter-segment sales	分部間之銷售	—	12,143	—	340	(12,483)	—
		34,066	108,725	2,639	3,293	(12,483)	136,240
Results	業績						
Segment results before impairment losses	減值虧損前之分部業績	(2,594)	(1,043)	1,394	(174)	—	(2,417)
Impairment losses of film rights and film deposits	電影版權及電影訂金之減值虧損	(120)	(4,520)	—	—	—	(4,640)
Segment results	分部業績	(2,714)	(5,563)	1,394	(174)	—	(7,057)
Gain on disposal of investment properties	出售投資物業之收益	—	—	3,776	—	—	3,776
Gain on disposal of non-current assets held for sale	出售持作出售之非流動資產之收益	—	—	1,653	—	—	1,653
Increase in fair value of investment properties	投資物業之公平值增加	—	—	1,611	—	—	1,611
Interest income	利息收入	—	—	—	—	—	6,054
Share of loss of an associated company	應佔聯營公司之虧損	—	—	—	—	—	(3)
Profit before income tax	除所得稅前盈利	—	—	—	—	—	6,034
Income tax credit	所得稅回撥	—	—	—	—	—	5,492
Profit attributable to equity holders of the Company	本公司權益持有人應佔盈利	—	—	—	—	—	11,526
Assets	資產						
Segment assets	分部資產	27,438	41,478	26,755	5,003	—	100,674
Unallocated assets	未分配資產	—	—	—	—	—	265,458
Total assets	總資產	—	—	—	—	—	366,132
Liabilities	負債						
Segment liabilities	分部負債	4,280	34,229	385	5,753	—	44,647
Unallocated liabilities	未分配負債	—	—	—	—	—	7,622
Total liabilities	總負債	—	—	—	—	—	52,269

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

Primary reporting format — business segments
(Continued)

5 分部資料 (續)

主要分部報告 — 業務分部資料 (續)

		Sale of goods	Film exhibition, licensing and sub-licensing of film rights 電影放映、 授出及轉授 電影版權	Leasing of investment properties 出租投資 物業	Others	Group
		2007 二零零七年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Other information	其他資料					
Capital expenditures	資本性開支	7,152	762	—	4	7,918
Unallocated capital expenditures	未分配資本性開支					87,305
Total capital expenditures	總資本性開支					95,223
Depreciation and amortization of leasehold land	折舊及 租賃土地之攤銷	1,090	45	20	4	1,159
Unallocated depreciation and amortization of leasehold land	未分配折舊及 租賃土地之攤銷					619
Total depreciation and amortization of leasehold land	總折舊及 租賃土地之攤銷					1,778
Amortization charge of film rights	電影版權攤銷	16,405	55,810	—	—	72,215

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

Primary reporting format — business segments (Continued)

		Sale of goods	Film exhibition, licensing and sub-licensing of film rights 電影放映、授出及轉授 電影版權	Leasing of investment properties	Others	Elimination	Group
		2006	2006	2006	2006	2006	2006
		二零零六年	二零零六年	二零零六年	二零零六年	二零零六年	二零零六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Turnover	營業額						
External sales	對外之銷售	38,794	48,359	4,772	1,480	—	93,405
Inter-segment sales	分部間之銷售	—	11,789	—	195	(11,984)	—
		38,794	60,148	4,772	1,675	(11,984)	93,405
Results	業績						
Segment results before impairment losses	減值虧損前 之分部業績	(2,541)	(103)	3,829	503	—	1,688
Impairment losses of film rights and film deposits	電影版權及電影訂金 之減值虧損	(2,733)	(1,244)	—	—	—	(3,977)
Segment results	分部業績	(5,274)	(1,347)	3,829	503	—	(2,289)
Increase in fair value of investment properties	投資物業 之公平值增加	—	—	29,950	—	—	29,950
Interest income	利息收入						4,310
Finance costs	財務成本						(2)
Share of profit of an associated company	應佔聯營公司 之盈利						20
Profit before income tax	除所得稅前盈利						31,989
Income tax expense	所得稅費用						(4,684)
Profit attributable to equity holders of the Company	本公司權益持有人 應佔盈利						27,305
Assets	資產						
Segment assets	分部資產	35,864	27,302	83,744	4,362	—	151,272
Unallocated assets	未分配資產						224,178
Total assets	總資產						375,450
Liabilities	負債						
Segment liabilities	分部負債	6,617	27,467	4,701	4,244	—	43,029
Unallocated liabilities	未分配負債						15,722
Total liabilities	總負債						58,751

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

Primary reporting format — business segments
(Continued)

5 分部資料 (續)

主要分部報告 — 業務分部資料 (續)

		Sale of goods	Film exhibition, licensing and sub-licensing of film rights 電影放映、 授出及轉授 電影版權	Leasing of investment properties 出租投資物業	Others	Group
		2006 二零零六年	2006 二零零六年	2006 二零零六年	2006 二零零六年	2006 二零零六年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Other information	其他資料					
Capital expenditures	資本性開支	11,156	3,555	5,745	—	20,456
Unallocated capital expenditures	未分配資本性開支					48,777
Total capital expenditures	總資本性開支					69,233
Depreciation and amortization of leasehold land	折舊及 租賃土地之攤銷	1,128	46	66	4	1,244
Unallocated depreciation and amortization of leasehold land	未分配折舊及 租賃土地之攤銷					640
Total depreciation and amortization of leasehold land	總折舊及 租賃土地之攤銷					1,884
Amortization charge of film rights	電影版權攤銷	15,818	25,055	—	—	40,873

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

Secondary reporting format — geographical segments

		Turnover 營業額 2007 二零零七年 HK\$'000 港幣千元	Total assets 總資產 2007 二零零七年 HK\$'000 港幣千元	Capital expenditures 資本性開支 2007 二零零七年 HK\$'000 港幣千元
Hong Kong and Macau	香港及澳門	72,582	338,166	95,223
Asia (other than Hong Kong and Macau)	亞洲(香港及澳門除外)	53,337	25,367	—
North America	北美洲	3,886	2,320	—
Australia and New Zealand	澳洲及紐西蘭	115	—	—
Europe	歐洲	5,869	241	—
Others	其他	451	38	—
		136,240	366,132	95,223

		Turnover 營業額 2006 二零零六年 HK\$'000 港幣千元	Total assets 總資產 2006 二零零六年 HK\$'000 港幣千元	Capital expenditures 資本性開支 2006 二零零六年 HK\$'000 港幣千元
Hong Kong and Macau	香港及澳門	64,963	360,620	63,488
Asia (other than Hong Kong and Macau)	亞洲(香港及澳門除外)	23,016	14,524	5,745
North America	北美洲	260	4	—
Australia and New Zealand	澳洲及紐西蘭	200	—	—
Europe	歐洲	4,491	160	—
Others	其他	475	142	—
		93,405	375,450	69,233

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 LEASEHOLD LAND

6 租賃土地

Group	本集團	2007	2006
		二零零七年 HK\$'000 港幣千元	二零零六年 HK\$'000 港幣千元
Cost	成本		
Beginning of the year	年初	10,068	12,941
Revaluation upon transfer to investment properties (Note 19)	轉撥至投資物業之重估(附註19)	—	164
Transfer to investment properties (Note 8)	轉撥至投資物業(附註8)	—	(3,037)
End of the year	年終	10,068	10,068
Accumulated amortization	累計攤銷		
Beginning of the year	年初	1,037	820
Amortization for the year	年度攤銷	238	254
Transfer to investment properties (Note 8)	轉撥至投資物業(附註8)	—	(37)
End of the year	年終	1,275	1,037
Net book value	賬面淨值		
End of the year	年終	8,793	9,031
Beginning of the year	年初	9,031	12,121

The Group's interests in leasehold land represents prepaid operating lease payments and their net book value are analyzed as follows:

本集團在租賃土地的權益指預付營運租賃款，按其賬面淨值分析如下：

		2007	2006
		二零零七年 HK\$'000 港幣千元	二零零六年 HK\$'000 港幣千元
Held in Hong Kong on:	在香港持有：		
Leases of between 10 to 50 years	10至50年期的租賃	8,793	9,031

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 PROPERTY, PLANT AND EQUIPMENT

7 物業、機器及設備

Group	本集團	Buildings	Leasehold improvements	Machinery and equipment	Furniture and fixtures	Motor vehicles	Office equipment	Total
		樓宇	租賃物業裝修	機器及設備	傢俬及裝置	汽車	辦公室設備	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Cost or valuation	成本或估值							
At 1st July 2006	於二零零六年七月一日	14,309	6,573	26,006	1,492	762	6,925	56,067
Additions	增添	—	—	529	—	1,411	136	2,076
Disposals (Note 34)	出售(附註34)	—	(283)	(22)	(57)	—	(46)	(408)
At 30th June 2007	於二零零七年六月三十日	14,309	6,290	26,513	1,435	2,173	7,015	57,735
Accumulated depreciation	累計折舊							
At 1st July 2006	於二零零六年七月一日	1,306	6,171	24,307	1,387	279	6,601	40,051
Charge for the year	年度折舊	325	82	599	27	317	190	1,540
Disposals (Note 34)	出售(附註34)	—	(212)	(22)	(17)	—	(43)	(294)
At 30th June 2007	於二零零七年六月三十日	1,631	6,041	24,884	1,397	596	6,748	41,297
Net book value	賬面淨值							
At 30th June 2007	於二零零七年六月三十日	12,678	249	1,629	38	1,577	267	16,438
At 30th June 2006	於二零零六年六月三十日	13,003	402	1,699	105	483	324	16,016

At 30th June 2007, net book value of machinery and equipment held by the Group under finance leases is HK\$97,000 (2006: HK\$187,000).

於二零零七年六月三十日，本集團根據融資租賃持有之機器及設備之賬面淨值為港幣97,000元(二零零六年：港幣187,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 PROPERTY, PLANT AND EQUIPMENT 7 物業、機器及設備 (續)
(Continued)

Group	本集團	Buildings	Leasehold improvements	Machinery and equipment	Furniture and fixtures	Motor vehicles	Office equipment	Total
		樓宇	租賃物業裝修	機器及設備	傢俬及裝置	汽車	辦公室設備	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Cost or valuation	成本或估值							
At 1st July 2005	於二零零五年七月一日	20,413	6,193	25,275	1,537	450	6,936	60,804
Additions	增添	—	380	1,158	16	458	168	2,180
Disposals (Note 34)	出售(附註34)	—	—	(427)	(61)	(146)	(179)	(813)
Transfer to investment properties (Note 8)	轉撥至投資物業(附註8)	(6,489)	—	—	—	—	—	(6,489)
Revaluation upon transfer to investment properties (Note 19)	轉至投資物業之重估(附註19)	385	—	—	—	—	—	385
At 30th June 2006	於二零零六年六月三十日	14,309	6,573	26,006	1,492	762	6,925	56,067
Accumulated depreciation	累計折舊							
At 1st July 2005	於二零零五年七月一日	1,023	6,059	24,052	1,379	222	6,557	39,292
Charge for the year	年度折舊	372	112	682	69	174	221	1,630
Disposals (Note 34)	出售(附註34)	—	—	(427)	(61)	(117)	(177)	(782)
Transfer to investment properties (Note 8)	轉撥至投資物業(附註8)	(89)	—	—	—	—	—	(89)
At 30th June 2006	於二零零六年六月三十日	1,306	6,171	24,307	1,387	279	6,601	40,051
Net book value	賬面淨值							
At 30th June 2006	於二零零六年六月三十日	13,003	402	1,699	105	483	324	16,016

The carrying value amount of buildings of the Group is analyzed as follows:

本集團之樓宇賬面值分析如下：

	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Held in Hong Kong on: Leases of between 10 to 50 years	於香港持有： 10至50年期的租賃 12,678	13,003

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8 INVESTMENT PROPERTIES

8 投資物業

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Beginning of the year	年初	51,845	38,400
Addition	增添	—	5,745
Transfer from leasehold land and building (Notes 6 and 7)	由租賃土地及樓宇轉撥(附註6及7)	—	9,400
Change in fair value	公平值變動	1,611	29,950
Disposals	出售	(27,349)	—
Transfer to non-current assets held for sale	轉撥至持作出售之非流動資產	—	(31,650)
End of the year	年終	26,107	51,845

The carrying value amount of investment properties of the Group is analyzed as follows:

本集團之投資物業賬面值分析如下：

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Held in Hong Kong: On medium-term lease (10 to 50 years)	於香港持有： 10至50年期的 中期租賃	20,030	46,100
Held outside Hong Kong: On medium-term lease (10 to 50 years)	於香港以外持有： 10至50年期的 中期租賃	6,077	5,745
		26,107	51,845

All investment properties were revalued at 30th June 2007 by an independent, professionally qualified valuer, BMI Appraisals Limited, a member of the Hong Kong Institute of Surveyors engaged by the Group. Valuations were based on current prices in an active market.

所有投資物業於二零零七年六月三十日已由本集團聘用一間具專業資格之獨立估價者，中和邦盟評估有限公司(為香港測量師學會之會員)作出重估。估值乃按照活躍市場之現行格價基礎而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 NON-CURRENT ASSETS HELD FOR SALE

On 22nd March 2006, Universe Property Investment Limited (“UPI”), an indirect wholly owned subsidiary of the Company entered into a provisional agreement with an independent third party whereby UPI agreed to sell the following investment property. The formal agreement was signed on 4th April 2006. In accordance with HKFRS 5, the investment properties were presented as non-current assets held for sale in the consolidated balance sheet as at 30th June 2006.

**Property
物業**

20th Floor and car parking no. P59 on 2nd Floor,
Wylar Centre, Phase II, 192-200 Tai Lin Pai Road,
Kwai Chung, New Territories, Hong Kong
香港新界葵涌大連排道192至200號
偉倫中心二期20樓及2樓車位P59號

On 1st August 2006, the transaction was completed and a gain on disposal of approximately HK\$1,653,000 has been credited to the consolidated income statement for the year ended 30th June 2007.

9 持作出售之非流動資產

於二零零六年三月二十二日，本公司之間接全資附屬公司，寰宇物業投資有限公司（「寰宇物業」）與一獨立第三者訂立臨時協議，據此寰宇物業同意出售下列投資物業，正式協議已於二零零六年四月四日簽訂。根據財務準則5，該等投資物業已於二零零六年六月三十日之綜合資產負債表中呈列為持作出售之非流動資產。

**Consideration
代價**

HK\$33,303,400

港幣33,303,400元

**Completion date
完成日期**

1st August 2006

二零零六年八月一日

該交易為於二零零六年八月一日完成及出售之收益約港幣1,653,000元已計入截至二零零七年六月三十日止年度之綜合損益表內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10 FILM RIGHTS AND FILMS IN PROGRESS

10 電影版權及製作中之電影

		Film rights	Films in progress	Total
		電影版權	製作中之電影	總額
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
Group	本集團			
Cost	成本			
At 1st July 2006	於二零零六年七月一日	659,061	62,851	721,912
Additions	增添	7,110	86,037	93,147
Transfers	轉撥	81,112	(81,112)	—
Write-off of expired film rights	到期電影版權之撇銷	(193,351)	—	(193,351)
At 30th June 2007	於二零零七年六月三十日	553,932	67,776	621,708
Accumulated amortization and impairment	累計攤銷及減值			
At 1st July 2006	於二零零六年七月一日	626,177	—	626,177
Amortization for the year	年度攤銷	72,215	—	72,215
Impairment losses	減值虧損	4,006	—	4,006
Write-off of expired film rights	到期電影版權之撇銷	(193,344)	—	(193,344)
At 30th June 2007	於二零零七年六月三十日	509,054	—	509,054
Net book value	賬面淨值			
At 30th June 2007	於二零零七年六月三十日	44,878	67,776	112,654
At 30th June 2006	於二零零六年六月三十日	32,884	62,851	95,735

Amortization of approximately HK\$72,215,000 (2006: HK\$40,873,000) is included in the cost of turnover in the consolidated income statement.

攤銷金額約港幣72,215,000元(二零零六年：港幣40,873,000元)已包括在綜合損益表之營業額成本內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10 FILM RIGHTS AND FILMS IN PROGRESS
(Continued)

10 電影版權及製作中之電影 (續)

Group	本集團	Film rights	Films in progress	Total
		電影版權 HK\$'000 港幣千元	製作中之電影 HK\$'000 港幣千元	總額 HK\$'000 港幣千元
Cost	成本			
At 1st July 2005	於二零零五年七月一日	704,941	40,586	745,527
Additions	增添	13,382	47,926	61,308
Transfers	轉撥	25,661	(25,661)	—
Write-off of expired film rights	到期電影版權之撇銷	(84,923)	—	(84,923)
At 30th June 2006	於二零零六年六月三十日	659,061	62,851	721,912
Accumulated amortization and impairment	累計攤銷及減值			
At 1st July 2005	於二零零五年七月一日	668,171	—	668,171
Amortization for the year	年度攤銷	40,873	—	40,873
Impairment losses	減值虧損	1,928	—	1,928
Write-off of expired film rights	到期電影版權之撇銷	(84,795)	—	(84,795)
At 30th June 2006	於二零零六年六月三十日	626,177	—	626,177
Net book value	賬面淨值			
At 30th June 2006	於二零零六年六月三十日	32,884	62,851	95,735

11 INVESTMENTS IN SUBSIDIARIES

11 附屬公司投資

	本公司	Company	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Unlisted shares, at cost	非上市股份，按成本值	52,052	52,052

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 INVESTMENTS IN SUBSIDIARIES (Continued)

The following is a list of the subsidiaries as at 30th June 2007:

11 附屬公司投資 (續)

以下為於二零零七年六月三十日之附屬公司名單：

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點 及法定實體類別	Particulars of issued share capital 已發行 股本摘要	Percentage of equity held by the Company 本公司所持 股本百分比		Principal activities and place of operation 主要業務 及營業地點
			Direct 直接	Indirect 間接	
*Universe Films (Holdings) Limited	British Virgin Islands, limited liability company 英屬處女群島， 有限責任公司	Ordinary US\$100 普通股股本100美元	100	—	Investment holding in Hong Kong 投資控股，香港
Universe Laser & Video Co. Limited	Hong Kong, limited liability company	Ordinary HK\$1,000,000	—	100	Distribution of films in various videogram formats in Hong Kong
寰宇鐳射錄影有限公司	香港，有限責任公司	普通股股本 港幣1,000,000元	—	100	以不同錄像制式發行電影， 香港
Universe Films Distribution Company Limited	Hong Kong, limited liability company	Ordinary HK\$2	—	100	Sub-licensing of film rights and film exhibition in Hong Kong
寰宇影片發行有限公司	香港，有限責任公司	普通股股本港幣2元	—	100	轉授電影版權及電影放映，香港
Universe Interactive Limited	Hong Kong, limited liability company	Ordinary HK\$100	—	100	Operation of a web site in Hong Kong
寰宇電腦科技有限公司	香港，有限責任公司	普通股股本港幣100元	—	100	經營網站，香港
Universe Information Technology Limited	Hong Kong, limited liability company	Ordinary HK\$10,000 5% deferred HK\$10,000	—	100	Distribution of films in various videogram formats in Hong Kong
寰宇資訊科技有限公司	香港，有限責任公司	普通股股本 港幣10,000元 5%遞延股本 港幣10,000元	—	100	以不同錄像制式發行電影， 香港
Universe Management Services Limited	Hong Kong, limited liability company	Ordinary HK\$10,000 5% deferred HK\$10,000	—	100	Provision of management services for the Group in Hong Kong
寰宇企業管理有限公司	香港，有限責任公司	普通股股本 港幣10,000元 5%遞延股本 港幣10,000元	—	100	向本集團提供管理服務，香港

* No registered Chinese names for these companies

*此等公司並無註冊中文名稱

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 INVESTMENTS IN SUBSIDIARIES (Continued)

11 附屬公司投資 (續)

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點 及法定實體類別	Particulars of issued share capital 已發行 股本摘要	Percentage of equity held by the Company 本公司所持 股本百分比		Principal activities and place of operation 主要業務 及營業地點
			Direct 直接	Indirect 間接	
Universe Entertainment Limited 寰宇娛樂有限公司	British Virgin Islands, limited liability company 英屬處女群島， 有限責任公司	Ordinary US\$2 普通股股本2美元	—	100	Investment in films production and licensing of film rights in Hong Kong 投資電影製作及授出電影版權， 香港
*Universe Pictures International Limited	British Virgin Islands, limited liability company 英屬處女群島， 有限責任公司	Ordinary US\$2 普通股股本2美元	—	100	Film acquisition agent for the Group in Hong Kong 本集團之影片收購代理，香港
Universe Property Investment Limited 寰宇物業投資有限公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Properties holding and rental in Hong Kong 持有及出租物業，香港
Universe (China) Development Limited 寰宇(中國)拓展有限公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Investment holding in Hong Kong and investment in television series production in the PRC 投資控股，香港及投資製作電視 連續劇，中國
*Globalink Advertising Limited	Hong Kong, limited liability company 香港，有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Advertising agent for the Group in Hong Kong 本集團之廣告代理，香港
Century Creator Company Limited 世紀創作室有限公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Investment in films production in Hong Kong 投資電影製作，香港
Matrix Productions Company Limited 縱橫製作有限公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Investment in films production in Hong Kong 投資電影製作，香港
Digital Programme Production Limited 數碼節目製作有限公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Production of infotainment programme in Hong Kong 製作娛樂資訊節目，香港
Universe International Technology Limited 寰宇國際科技有限公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Purchasing agent for the Group in Hong Kong 本集團之採購代理，香港

* No registered Chinese names for these companies

*此等公司並無註冊中文名稱

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 INVESTMENTS IN SUBSIDIARIES (Continued)

11 附屬公司投資 (續)

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點 及法定實體類別	Particulars of issued share capital 已發行 股本摘要	Percentage of equity held by the Company 本公司所持 股本百分比		Principal activities and place of operation 主要業務 及營業地點
			Direct 直接	Indirect 間接	
Universe Artiste Management Limited 寰宇藝人管理有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$10 普通股股本港幣10元	—	100	Management of contracted artists in Hong Kong 管理合約藝人, 香港
*Films Station Production Limited	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Films production in Hong Kong 電影製作, 香港
Universe Music Limited 寰宇音樂有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Licensing & sublicensing of music programmes in Hong Kong 授出及轉授音樂節目版權, 香港
Universe Information & Entertainment Limited 寰宇國際控股有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Inactive 暫無營業
Universe Industrial Development Limited 寰宇工業發展有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Inactive 暫無營業
Universe Intellectual Property Limited 寰宇知識產權有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Inactive 暫無營業
Joy Talent Investment Limited 俊宜投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$1 普通股股本港幣1元	—	100	Property holding and rental in the PRC 物業持有及租賃, 中國
*Universe Films Acquisition Limited	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本港幣2元	—	100	Sublicensing of film rights in Hong Kong 轉授電影版權, 香港
Mutual Faith Investment Limited 普信投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$100 普通股股本港幣100元	—	100	Property development in Hong Kong 物業發展, 香港

* No registered Chinese names for these companies

*此等公司並無註冊中文名稱

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 INTEREST IN AN ASSOCIATED COMPANY

12 聯營公司權益

			Group 本集團	
			2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
		Note 附註		
Share of net liabilities	應佔淨負債	(a)	(715)	(712)
Amount due from an associated company	應收聯營公司款項	(b)	1,505	1,487
Less: Provision for impairment	減：減值撥備		(790)	(775)
			—	—
Investment at cost: Unlisted shares	投資按成本值： 非上市股份		1	1

The following is the details of the associated company as at 30th June 2007:

以下為於二零零七年六月三十日有關聯營公司的詳情：

Name	Place of incorporation and operation	Principal activities	Particulars of issued shares held	Interest held indirectly
名稱	註冊成立及營業之地點	主要業務	持有已發行股份摘要	間接持有之權益
Elite Master Holdings Limited	Hong Kong	Production of television series	400 ordinary share of HK\$1 each	40%
美浩集團有限公司	香港	製作電視連續劇	400股每股港幣1元之普通股股份	40%

The financial position of the associated company was as below:

以下為有關聯營公司的財務狀況：

	Assets	Liabilities	Revenue	(Loss)/ Profit
	資產	負債	收益	(虧損)/ 盈利
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
2007	27	1,815	—	(9)
2006	65	1,843	—	47

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 INTEREST IN AN ASSOCIATED COMPANY (Continued)

Note:

- (a) The result of this associated company has been equity accounted for based on its audited financial statements for the year ended 30th June 2006 and unaudited financial statements for the year ended 30th June 2007.
- (b) The amount due is unsecured, interest-free and repayable on demand.

12 聯營公司權益 (續)

註：

- (a) 聯營公司業績乃基於彼之截至二零零六年六月三十日已審核之財務報表及截至二零零七年六月三十日止之未經審核財務報表按權益會計法入賬。
- (b) 所欠款項均無抵押，免息及須於通知時償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13 INTEREST IN JOINTLY CONTROLLED ASSETS

The Group has entered into three jointly controlled asset arrangements to produce television series and a film (2006: four). The Group has participating interests ranging from 60% to 80% in these joint ventures. As at 30th June 2007, the aggregate amounts of assets and liabilities recognized in the consolidated financial statements relating to the Group's interests in these jointly controlled asset arrangements are as follows:

13 共同控制資產權益

本集團已訂立三項共同控制資產安排以製作電視連續劇及電影(二零零六年：四項)。本集團於此等合營項目擁有由60%至80%之參與權益。於二零零七年六月三十日，有關本集團於此項共同控制資產安排之權益中，已於綜合財務報表中確認之累計資產及負債如下：

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Assets	資產		
Television series in progress	製作中之電視連續劇	—	28,083
Television series rights	電視連續劇版權	3,196	—
Film in progress	製作中之電影	—	14,426
Accounts receivable	應收賬款	4,884	4,765
Prepayments	預付款項	747	512
Cash and bank balances	現金及銀行結存	—	39
		8,827	47,825
Liabilities	負債		
Accounts payable	應付賬款	4,579	1,818
Accruals	應計款項	—	393
Deposits received	已收訂金	335	10,789
		4,914	13,000
Income	收入	41,836	—
Expenses	費用	(41,445)	—
Profit after income tax	除所得稅後盈利	391	—

14 LONG-TERM BANK DEPOSIT

The long-term bank deposit is fixed, denominated in United States Dollars and will be matured on 4th March 2009. Interest is receivable semi-annually and interest rate is linked to the London Inter-Bank Offer Rate. The carrying amount of long term bank deposit approximates to its fair value.

14 長期銀行存款

長期銀行存款為固定，並以美元為結算單位及將於二零零九年三月四日到期。利息為每半年支付一次及利率是以倫敦銀行同業拆息相連。長期銀行存款之賬面值與其公平值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 ACCOUNTS RECEIVABLE

15 應收賬款

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Accounts receivable	應收賬款	27,928	16,704
Less: Provision for impairment of accounts receivable	減：應收賬款減值 撥備	(2,290)	(395)
Accounts receivable — net	淨應收賬款	25,638	16,309

The carrying amount of accounts receivable approximates to its fair value.

應收賬款之賬面值與其公平值相若。

As at 30th June 2007, the ageing analysis of the accounts receivable was as follows:

於二零零七年六月三十日，應收賬款之賬齡分析如下：

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Current to 90 days	即期至90日	11,808	10,014
91 days to 180 days	91日至180日	10,920	1,028
Over 180 days	180日以上	2,910	5,267
		25,638	16,309

Sales of videogram products is with credit terms of 7 days to 60 days. Sales from film exhibition, licensing and sub-licensing of film rights are on open account terms.

銷售錄像產品之信貸期為由7日至60日不等。電影放映、授出及轉授電影版權之銷售交易均以記賬形式進行。

There is no concentration of credit risk with respect to accounts receivable, as the Group has a large number of customers, and are internationally dispersed.

應收賬款並無集中的信貸風險，因為本集團擁有眾多客戶，且遍佈世界各地。

The Group has recognized a loss of HK\$2,000,000 (2006: HK\$395,000) for the impairment of its accounts receivable during the year ended 30th June 2007. The loss has been included in other operating expenses in the consolidated income statement. The receivables charged to the allowance account of HK\$105,000 (2006: HK\$nil) are written off as there is no expectation that the amount can be recovered.

在截至二零零七年六月三十日止年度內，本集團就其應收賬款的減值確認虧損港幣2,000,000元（二零零六年：港幣395,000元）。此項虧損已包括在綜合損益表內之其他經營費用中。由於並無預期能夠取回該筆款項，故將價值港幣105,000元（二零零六年：無）的應收款項於備付賬戶撇銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 INVENTORIES

16 存貨

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Raw materials	原料	1,725	1,732
Finished goods	製成品	11,721	13,478
		13,446	15,210
Less: Provision for slow-moving inventories	減：滯銷存貨撥備	(4,449)	(3,206)
		8,997	12,004

The cost of inventories recognized as expenses and included in cost of turnover amounted to approximately HK\$12,577,000 (2006: HK\$19,584,000).

存貨成本中確認為費用並列入營業額成本的金額共計約港幣12,577,000元(二零零六年：港幣19,584,000元)。

17 CASH AND CASH EQUIVALENTS

17 現金及現金等價物

		Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Cash at bank and in hand	銀行及庫存現金	4,635	3,776	78	60
Short-term bank deposits	短期銀行存款	130,419	104,847	2,473	7,800
		135,054	108,623	2,551	7,860

The effective annual interest rate on short-term bank deposits is ranged from 2.65% to 4.65% (2006: ranged from 4.32% to 4.80%); these deposits have an average maturity of 193 days (2006: 178 days).

短期銀行存款的實際年利率為2.65厘至4.65厘(二零零六年：4.32厘至4.80厘)；此等存款的平均到期日為193天(二零零六年：178天)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 SHARE CAPITAL

18 股本

		Number of ordinary shares 普通股數目	Ordinary shares 普通股 HK\$'000 港幣千元
At 30th June 2006 and 30th June 2007	於二零零六年六月三十日及 於二零零七年六月三十日	1,624,605,370	32,492

The total authorized number of ordinary shares is 5,000 million shares (2006: 5,000 million shares) with a par value of HK\$0.02 per share (2006: HK\$0.02 per share). All shares issued are fully paid.

普通股的法定數目總額為 5,000,000,000 股 (二零零六年：5,000,000,000 股)，每股面值為港幣 0.02 元 (二零零六年：每股面值港幣 0.02 元)。所有已發行股份均已全數繳足。

Share options

Pursuant to an ordinary resolution passed in the annual general meeting held on 26th November 2003, the Company conditionally approved and adopted a share option scheme (the "Scheme") in compliance with the Listing Rules.

購股權

根據於二零零三年十一月二十六日股東週年大會上獲得通過之一項普通決議案，本公司根據上市規則有條件批准及採納一購股權計劃 (「購股權計劃」)。

There were no share options granted under the Scheme for the period from 26th November 2003 to 30th June 2007.

於二零零三年十一月二十六日至二零零七年六月三十日期間，並無根據購股權計劃授出任何購股權。

On 21st August 2007, the Company granted 143,460,537 share options to its employees at the subscription price of HK\$0.264 per shares option which were vested immediately and exercisable for a two-year period between 21st August 2007 and 20th August 2009 (both days inclusive). Each share option gives the holder the right to subscribe for one ordinary share of the Company.

於二零零七年八月二十一日，本公司以每股認購價港幣 0.264 元授出 143,460,537 份即時歸屬及可於兩年限期 (於二零零七年八月二十一日與二零零九年八月二十日期間，包括首尾兩天) 內行使之購股權予其僱員。每份購股權給予持有人有權認購本公司之一股普通股份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 SHARE PREMIUM AND OTHER RESERVES

(a) Group

19 股份溢價及其他儲備

(a) 本集團

		Share premium	Reserve arising on consolidation	Revaluation reserve	Total
		股份溢價	綜合賬目 所得儲備	重估儲備	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
At 1st July 2006	於二零零六年七月一日	127,211	821	1,673	129,705
Revaluation reserve adjustment upon disposal of investment properties	出售投資物業所引起之 重估儲備 調整	—	—	(1,220)	(1,220)
At 30th June 2007	於二零零七年六月三十日	127,211	821	453	128,485
At 1st July 2005	於二零零五年七月一日	127,211	821	1,220	129,252
Fair value adjustment upon transfer from leasehold land and buildings to investment properties (Note 7)	租賃土地及樓宇 轉撥至投資物業 之公平值調整 (附註7)	—	—	549	549
Deferred tax effect on fair value adjustment upon transfer from leasehold land and buildings to investment properties (Note 24)	遞延稅項於由租賃 土地及樓宇轉撥 至投資物業之公平值 調整之影響(附註24)	—	—	(96)	(96)
At 30th June 2006	於二零零六年六月三十日	127,211	821	1,673	129,705

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 SHARE PREMIUM AND OTHER RESERVES

(Continued)

(b) Company

	Share premium 股份溢價 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Total 總數 HK\$'000 港幣千元
At 30th June 2006 and 30th June 2007	127,211	51,852	179,063

於二零零六年六月三十日及
二零零七年六月三十日

The contributed surplus of the Company represents the difference between the nominal value of the Company's shares issued in exchange for the issued shares of Universe Films (Holdings) Limited and the value of net assets of the underlying subsidiaries acquired on 28th June 1999. Under the Companies Act of 1981 of Bermuda (as amended), the contributed surplus shall not be distributed to the shareholders if there are reasonable grounds for believing that:

- (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realizable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

At Group level, the contributed surplus is reclassified into its components of reserves of the underlying subsidiaries.

20 AMOUNTS DUE FROM/(TO) SUBSIDIARIES AND THE ULTIMATE HOLDING COMPANY

The amounts due are unsecured, interest-free and repayable on demand.

19 股份溢價及其他儲備 (續)

(b) 本公司

Share premium 股份溢價 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Total 總數 HK\$'000 港幣千元
127,211	51,852	179,063

本公司實繳盈餘乃本公司為換取 Universe Films (Holdings) Limited 之已發行股份而發行本公司股份之面值與於一九九九年六月二十八日所收購附屬公司之資產淨值之差額。根據百慕達一九八一年公司法(修訂本)，假若有理由相信會出現下列情況，則實繳盈餘不得分派予股東：

- (i) 本公司當時或於派付後無力償還到期之負債；或
- (ii) 本公司之資產可變賣價值會因派付而降至低於負債與已發行股本及股份溢價賬之總值。

於本集團而言，實繳盈餘重新列入有關附屬公司之儲備。

20 應收/(應付)附屬公司及最終控股公司款項

所欠款項為無抵押、免息及須於通知時償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 ACCOUNTS PAYABLE

As at 30th June 2007, the ageing analysis of the accounts payable was as follows:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Current to 90 days	即期至90日	1,551	4,335
91 days to 180 days	91日至180日	138	296
Over 180 days	180日以上	3,453	5,053
		5,142	9,684

22 OBLIGATIONS UNDER FINANCE LEASES

As at 30th June 2007, the Group's obligations under finance leases were repayable as follows:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Within one year	一年內	40	95
In the second year	第二年	29	44
In the third to fifth year	第三至第五年	37	55
		106	194
Future finance charges on obligations under finance leases	融資租賃承擔之未來融資支出	—	—
Present value of obligations under finance leases	融資租賃承擔之現值	106	194
The present value of obligations under finance leases was as follows:	融資租賃承擔之現值如下：		
Within one year	一年內	40	95
In the second year	第二年	29	44
In the third to fifth year	第三至第五年	37	55
		106	194

21 應付賬款

於二零零七年六月三十日，應付賬款之賬齡分析如下：

22 融資租賃承擔

於二零零七年六月三十日，本集團之融資租賃承擔須於如以下年期限內償還：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23 OTHER LONG-TERM LIABILITIES

23 其他長期負債

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Obligations under finance leases (Note 22)	融資租賃承擔 (附註22)	66	99

24 DEFERRED INCOME TAX

24 遞延所得稅

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

當有法定可執行權力將現有稅項資產與現有稅務負債抵銷，且遞延所得稅涉及同一財政機關，則可將遞延所得稅資產與負債互相抵銷。抵銷的金額如下：

		Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Deferred income tax assets	遞延所得稅資產	(5,762)	(5,447)	(302)	(264)
Deferred income tax liabilities	遞延所得稅負債	3,446	8,892	—	—
		(2,316)	3,445	(302)	(264)

The amounts shown in the consolidated balance sheet include the following:

於綜合資產負債表中反映數額包括以下：

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Deferred tax income assets to be recovered after more than 12 months	超過12個月後 收回之遞延 所得稅資產	(5,762)	(5,447)
Deferred tax income liabilities to be settled after more than 12 months	超過12個月後 支銷之遞延 所得稅負債	3,446	8,892

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 DEFERRED INCOME TAX (Continued)

The movement of the deferred income tax (assets)/liabilities during the year is as follows:

24 遞延所得稅 (續)

於年內遞延所得稅(資產)/負債之變動如下：

		Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Beginning of the year	年初	3,445	(1,335)	(264)	(206)
Deferred income tax (credited)/charged to consolidated income statement (Note 29)	在綜合損益表之遞延所得稅(回撥)/扣除(附註29)	(5,502)	4,684	(38)	(58)
Deferred income tax transferred to retained earnings upon the disposal of investment properties	出售投資物業所引起轉撥至保留盈利之遞延所得稅	(259)	—	—	—
Deferred income tax arising from surplus on revaluation of investment properties charged to equity (Note 19(a))	投資物業重估盈餘所引起之遞延所得稅於權益中扣除(附註19(a))	—	96	—	—
End of the year	年終	(2,316)	3,445	(302)	(264)

Deferred income tax assets are recognized for tax losses carried forward to the extent that realization of the related tax benefit through the future taxable profit is probable. The Group has unrecognized tax losses of HK\$6,073,000 (2006: HK\$5,415,000) to carry forward against future taxable income.

遞延所得稅資產乃因應相關稅務利益可透過未來應課稅溢利變現而就所結轉之稅項虧損作確認。本集團有未確認稅項虧損港幣6,073,000元(二零零六年：5,415,000元)可結轉以抵銷未來應課收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 DEFERRED INCOME TAX (Continued)

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year is as follows:

Deferred income tax liabilities	遞延所得稅負債	Group 本集團					
		Prepayment and others		Accelerated tax depreciation		Total	
		預付款項及其他		加速稅項折舊		總額	
		2007	2006	2007	2006	2007	2006
二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元		
Beginning of the year	年初	—	17	9,317	3,628	9,317	3,645
(Credited)/charged to income statement	於損益表 (計入)/扣除	—	(17)	(5,348)	5,593	(5,348)	5,576
Transferred to retained earnings	轉撥至保留盈利	—	—	(259)	—	(259)	—
Charged to revaluation reserve (Note 19(a))	於重估儲備扣除 (附註19(a))	—	—	—	96	—	96
End of the year	年終	—	—	3,710	9,317	3,710	9,317

Deferred income tax assets	遞延所得稅資產	Group 本集團					
		Tax losses		Provisions		Total	
		稅項虧損		撥備		總額	
		2007	2006	2007	2006	2007	2006
二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元		
Beginning of the year	年初	(5,872)	(4,970)	—	(10)	(5,872)	(4,980)
(Credited)/charged to income statement	於損益表 (計入)/扣除	(154)	(902)	—	10	(154)	(892)
End of the year	年終	(6,026)	(5,872)	—	—	(6,026)	(5,872)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 DEFERRED INCOME TAX (Continued)

24 遞延所得稅 (續)

Deferred income tax assets	遞延所得稅資產	Company 本公司	
		Tax losses and total 稅項虧損及總額	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Beginning of the year	年初	(264)	(206)
Credited to income statement	於損益表計入	(38)	(58)
End of the year	年終	(302)	(264)

25 OTHER GAINS – NET

25 其他收益 – 淨額

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Interest income	利息收入	6,054	4,310
Gain on disposal of property, plant and equipment	出售物業、機器 及設備之收益	—	41
Sponsorship income for film exhibition	影片贊助費 收益	76	240
Deposits forfeited	訂金沒收	153	229
Net exchange gain	淨兌換收益	—	169
Bad debt written back	壞賬回撥	—	242
Overprovision for long service payment	長期服務金超額 撥備	—	11
Others	其他	81	571
		6,364	5,813

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 EXPENSES BY NATURE

Expenses included in cost of turnover, selling expenses, administrative expenses and other operating expenses, are analyzed as follows:

26 按性質分類之費用

列在營業額成本、銷售費用、行政費用及其他營運費用內的費用分析如下：

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Amortization of film rights (Note 10)	電影版權攤銷 (附註10)	72,215	40,873
Amortization of leasehold land (Note 6)	租賃土地攤銷 (附註6)	238	254
Depreciation of owned assets (Note 7)	自置資產之折舊 (附註7)	1,450	1,552
Depreciation of leased assets (Note 7)	租賃資產之折舊 (附註7)	90	78
Impairment losses of film rights (Note 10)	電影版權之減值虧損 (附註10)	4,006	1,928
Impairment losses of film deposits	電影訂金 之減值虧損	627	2,049
Impairment losses of accounts receivable	應收賬款 之減值虧損	2,000	395
Provision for slow-moving inventories	滯銷存貨 之撥備	1,243	1,342
Provision for investment in an associated company	於聯營公司 之投資撥備	15	—
Loss on disposal of property, plant and equipment	出售物業、機器及 設備之虧損	114	—
Write-off of expired film rights	到期電影版權之撇銷	7	128
Write-off of inventories	存貨撇銷	143	35
Employee benefits expenses (Note 27)	僱員福利開支 (附註27)	21,118	17,147
Cost of inventories sold	已售存貨成本	12,577	19,584
Advertising costs	廣告成本	1,441	880
Direct operating expenses arising from investment properties that generate rental income	產生租金收入的 投資物業的 直接營運費用	445	758
Auditor's remuneration	核數師酬金	650	600

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 EMPLOYEE BENEFITS EXPENSES

On 1st December 2000, a Mandatory Provident Fund scheme (“the MPF scheme”) was set up for employees, including executive directors. Under the MPF scheme, the Group’s contributions are at 5% of employees’ relevant income as defined in the Hong Kong Mandatory Provident Fund Schemes Ordinance up to a maximum of HK\$1,000 per employee per month. The employees also contribute a corresponding amount to the MPF scheme if their relevant income is more than HK\$4,000 per month before 1st February 2003 and HK\$5,000 after 1st February 2003. The MPF contributions are fully and immediately vested in the employees as accrued benefits once they are paid.

27 僱員福利開支

於二零零零年十二月一日，本公司已為僱員(包括執行董事)訂立一項強制性公積金計劃(「強積金計劃」)。根據強積金計劃，本集團之供款額按僱員之有關收入(定義見香港強制性公積金計劃條例)5%計算，每名僱員每月之供款上限為港幣1,000元。倘僱員於二零零三年二月一日之前之有關收入每月超過港幣4,000元及於二零零三年二月一日之後之有關收入每月超過港幣5,000元，亦須向強積金計劃作出相應數目之供款。當強積金供款支付後，即完全及即時屬於僱員之累計福利。

		Group 本集團	
		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Wages and salaries	工資及薪酬	18,132	14,380
Unutilized annual leave	未用年假	—	110
Staff welfare	員工福利	2,528	2,217
Pension costs	退休金成本		
— defined contribution plan	— 界定供款計劃	458	440
Total (including directors' emoluments)	總額(包括董事酬金)	21,118	17,147

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 EMPLOYEE BENEFITS EXPENSES (Continued)

(a) Directors' and senior management's emoluments

The remuneration of each Director for the year ended 30th June 2007 is set out below:

Name of Directors	董事姓名	Salary, housing allowances, and benefits in kind		Discretionary bonuses	Employer's contribution to retirement scheme	Total
		Fees	in kind			
		袍金	薪金、房屋津貼及實物利益	酌情獎金	僱主供款	總額
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Mr Lam Shiu Ming, Daneil	林小明先生	—	2,640	2,500	12	5,152
Ms Chiu Suet Ying	趙雪英女士	—	2,640	150	12	2,802
Mr Yeung Kim Piu	楊劍標先生	—	569	44	12	625
Mr Ng Kwok Tung	伍國棟先生	80	—	—	—	80
Mr Chiu Shin Koi	趙善改先生	80	—	—	—	80
Mr Ma Ting Hung	馬廷雄先生	80	—	—	—	80

The remuneration of each Director for the year ended 30th June 2006 is set out below:

Name of Directors	董事姓名	Salary, housing allowances, and benefits in kind		Discretionary bonuses	Employer's contribution to retirement scheme	Total
		Fees	in kind			
		袍金	薪金、房屋津貼及實物利益	酌情獎金	僱主供款	總額
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Mr Lam Shiu Ming, Daneil	林小明先生	—	1,950	125	12	2,087
Ms Chiu Suet Ying	趙雪英女士	—	1,940	150	12	2,102
Mr Yeung Kim Piu	楊劍標先生	—	517	22	12	551
Mr Ng Kwok Tung	伍國棟先生	80	—	—	—	80
Mr Chiu Shin Koi	趙善改先生	80	—	—	—	80
Mr Ma Ting Hung	馬廷雄先生	80	—	—	—	80

Directors' fees disclosed above include HK\$240,000 (2006: HK\$240,000) paid to the independent non-executive directors.

No directors waived emoluments in respect of the years ended 30th June 2007 and 2006.

27 僱員福利開支 (續)

(a) 董事及高級管理人員之酬金

截至二零零七年六月三十日止年度，各董事的薪酬如下：

截至二零零六年六月三十日止年度，各董事的薪酬如下：

上述董事袍金包括已付予獨立非執行董事之袍金港幣240,000元(二零零六年：港幣240,000元)。

概無董事放棄收取截至二零零七年及二零零六年六月三十日止年度之酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 EMPLOYEE BENEFITS EXPENSES (Continued)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year included three directors (2006: three) whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2006: two) individuals during the year are as follows:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Basic salaries, housing allowances, other allowances and benefits in kind	基本薪金、房屋津貼、其他津貼及實物利益	1,629	1,369
Contributions to retirement scheme	退休計劃供款	24	24
		1,653	1,393

The emoluments of each of these individuals fall within the emolument band of HK\$nil to HK\$1,000,000.

27 僱員福利開支 (續)

(b) 五名最高薪人士

本集團五名最高薪人士包括三名(二零零六年：三名)本公司董事，彼等之酬金詳情已於上段披露。其餘兩名最高薪人士(二零零六年：兩名)之酬金總額如下：

該等人士之酬金屬於港幣0元至港幣1,000,000元之組別。

28 FINANCE COSTS

Interest on bank loans wholly repayable within five years	須於五年內悉數償還之銀行貸款之利息	—	2
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28 財務成本

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Interest on bank loans wholly repayable within five years	須於五年內悉數償還之銀行貸款之利息	—	2

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29 INCOME TAX (CREDIT)/EXPENSE

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profit for the year.

The amount of income tax (credit)/expense (credited)/charged to the consolidated income statement represents:

29 所得稅(回撥)/費用

香港利得稅已按照於本年度之估計應課稅盈利以稅率17.5%(二零零六年: 17.5%)提撥準備。

在綜合損益表所得稅(回撥)/費用金額(計入)/支銷如下:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Hong Kong profits tax	香港利得稅	10	—
Deferred income tax (Note 24)	遞延所得稅(附註24)	(5,502)	4,684
		(5,492)	4,684

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated subsidiaries as follows:

本集團就除所得稅前盈利的稅項，與採用綜合附屬公司盈利適用的加權平均稅率而應產生之理論稅額的差額如下:

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Profit before income tax	除所得稅前盈利	6,034	31,989
Tax calculated at domestic tax rates applicable to profits in the respective countries	在各有關國家的盈利按適用的當地稅率計算的稅項	1,131	5,598
Income not subject to taxation	無須課稅之收入	(1,297)	(864)
Expenses not deductible for taxation purpose	不可扣稅之費用	203	11
Reversal of taxable temporary differences	應課稅暫時性差異回撥	(5,644)	—
Unrecognized tax losses	未有確認之稅項虧損	115	—
Utilization of previously unrecognized tax loss	使用早前未有確認之稅項虧損	—	(61)
Income tax (credit)/expense	所得稅(回撥)/費用	(5,492)	4,684

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 NET FOREIGN EXCHANGE (LOSSES)/GAINS

The exchange differences recognized in the consolidated income statement are included as follows:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Other gains — net	其他收益 — 淨額	—	169
Other operating expenses	其他經營費用	(62)	—

31 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of a profit of approximately HK\$37,000 (2006: profit of approximately HK\$19,726,000).

30 匯兌(損失)/收益淨額

在綜合損益表確認的匯兌差額包括在下列項目內：

31 本公司權益持有人應佔盈利

本公司權益持有人應佔盈利在本公司財務報表中處理的數額約為盈利港幣37,000元(二零零六年：盈利約港幣19,726,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company over the weighted average number of ordinary shares in issue during the year.

		2007 二零零七年	2006 二零零六年
Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔盈利(港幣千元)	11,526	27,305
Weighted average number of ordinary shares in issue	已發行普通股的加權平均數	1,624,605,370	1,624,605,370
Basic earnings per share (HK cent per share)	每股基本盈利(每股港仙)	0.71	1.68

The diluted earnings per share is not presented as there were no dilutive potential ordinary shares outstanding during the years ended 30th June 2007 and 2006.

由於二零零七年及二零零六年六月三十日止兩年內並無具潛力攤薄影響之已發行普通股故此並無呈列之每股攤薄盈利。

33 DIVIDENDS

Proposed final dividend — HK\$nil (2006: 0.9 HK cent) per ordinary share
擬派末期股息每股普通股 — 無(二零零六年：0.9港仙)

33 股息

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
		—	14,621

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 CASH GENERATED FROM OPERATIONS

34 營運產生之現金

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Profit for the year	年度盈利	11,526	27,305
Adjustment for:	調整項目：		
— Income tax (credit)/expense (Note 29)	— 所得稅(回撥)/ 費用(附註29)	(5,492)	4,684
— Depreciation of owned assets	— 自置資產之折舊	1,450	1,552
— Depreciation of leased assets	— 租賃資產之折舊	90	78
— Amortization of leasehold land	— 租賃土地攤銷	238	254
— Amortization of film rights	— 電影版權攤銷	72,215	40,873
— Impairment losses of film rights	— 電影版權之減值虧損	4,006	1,928
— Write-off of expired film rights	— 到期電影版權之撇銷	7	128
— Increase in fair value of investment properties	— 投資物業 之公平值增加	(1,611)	(29,950)
— Write-off of inventories	— 存貨撇銷	143	35
— Loss/(gain) on disposal of property, plant and equipment	— 出售物業、機器及 設備之虧損/(收益)	114	(41)
— Gain on disposal of investment properties	— 出售投資物業 之收益	(3,776)	—
— Gain on disposal of non-current assets held for sale	— 出售持作出售之 非流動資產之收益	(1,653)	—
— Interest income	— 利息收入	(6,054)	(4,310)
— Interest on bank loans	— 銀行貸款利息	—	2
— Provision/(reversal of provision) for investment in an associated company	— 於聯營公司 投資撥備/ (撥備回撥)	15	(18)
— Share of loss/(profit) of an associated company	— 應佔聯營公司 虧損/(盈利)	3	(20)
— Impairment losses of accounts receivable	— 應收賬款之 減值虧損	2,000	395
— Impairment losses of film deposits	— 電影訂金之 減值虧損	627	2,049
— Provision for slow-moving inventories	— 滯銷存貨 撥備	1,243	1,342
Changes in working capital:	營運資金變動：		
— Film deposits	— 電影訂金	5,756	5,639
— Inventories	— 存貨	1,621	3,977
— Accounts receivable	— 應收賬款	(11,329)	15,515
— Deposits paid and prepayments	— 已付訂金及預付款項	(2,282)	(4,595)
— Pledged bank deposits	— 已抵押銀行存款	(2,000)	2,000
— Accounts payable	— 應付賬款	(4,542)	2,139
— Other payable and accrued charges	— 其他應付賬款及 應計支出	2,381	1,550
— Deposits received	— 已收訂金	1,294	17,531
— Amount due to the ultimate holding company	— 應付最終控股 公司款項	(83)	—
— Amount due from an associated company	— 應收聯營 公司款項	(18)	1,332
Cash generated from operations	營運產生之現金	65,889	91,374

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 CASH GENERATED FROM OPERATIONS (Continued)

In the consolidated cash flow statement, proceeds from sale of property, plant and equipment, investment properties and non-current assets held for sale comprise:

34 營運產生之現金 (續)

在綜合現金流量表內，出售物業、機器及設備、投資物業及持作出售之非流動資產的所得款包括：

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Property, plant and equipment	物業、機器及設備		
Net book amount (Note 7)	賬面淨值(附註7)	114	31
(Loss)/gain on disposal of property, plant and equipment	出售物業、機器及設備之(虧損)/收益	(114)	41
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之所得款	—	72

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Investment properties	投資物業		
Net book amount (Note 8)	賬面淨值(附註8)	27,349	—
Gain on disposal of investment properties	出售投資物業之收益	3,776	—
Proceeds from disposal of investment properties	出售投資物業之所得款	31,125	—

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Non-current assets held for sale	持作出售之非流動資產		
Net book amount (Note 9)	賬面淨值(附註9)	31,650	—
Gain on disposal of non-current assets held for sale	出售持作出售之非流動資產之收益	1,653	—
Proceeds from disposal of non-current assets held for sale	出售持作出售之非流動資產之所得款	33,303	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 BANKING FACILITIES

At 30th June 2007, banking facilities of approximately HK\$30 million (2006: HK\$50 million) granted by banks to the Group, of which none (2006: HK\$nil) have been utilized by the Group, were secured by the following:

- (i) charge on the time deposits of a subsidiary of the Company of HK\$4 million (2006: HK\$2 million); and
- (ii) corporate guarantees given by the Company.

36 PENDING LITIGATIONS

A Court of First Instance was commenced in Hong Kong on 17th April 2002 by Star Overseas Limited (“Star”), an independent third party, against Universe Entertainment Limited (“UEL”), an indirect wholly owned subsidiary of the Company.

By the above action, Star alleges that a sum of US\$935,871.65 (equivalent to HK\$7,299,798.84) was payable by UEL to Star as its share of the revenue of the movie entitled “Shaolin Soccer” (the “Movie”).

Pursuant to an Order (the “Order”) made by High Court on 21st February 2003, the Company was ordered and has paid to Star a sum of HK\$5,495,699.80, being part of the licence fee of the Movie received by UEL from Miramax Films (being the licensee of the Movie) and which was also part of the sum claimed by Star. Pursuant to the Order, UEL is also liable to pay Star interest in the sum of HK\$350,905.30 and some of the costs of the application leading to the making of the Order, all of which have been settled. As the Order has not disposed of all the claims of US\$935,871.65 (equivalent to HK\$7,299,798.84) by Star, UEL is entitled to continue to defend the claim by Star for recovering the remaining balance in the sum of approximately HK\$1,804,099.04 (HK\$7,299,798.84 less HK\$5,495,699.80).

35 銀行融資

於二零零七年六月三十日，本集團獲多間銀行提供銀行融資約港幣30,000,000元（二零零六年：港幣50,000,000元），並以下列各項作抵押，當中本集團並無動用銀行融資（二零零六年：無）：

- (i) 以本公司一間附屬公司之定期存款港幣4,000,000元（二零零六年：港幣2,000,000元）作抵押；及
- (ii) 由本公司提供公司擔保。

36 未決訴訟

於二零零二年四月十七日，獨立第三者星輝海外有限公司（「星輝」）對本公司間接全資附屬公司寰宇娛樂有限公司（「寰宇娛樂」）提出之原訟法庭訴訟在香港展開。

星輝在上述訴訟中指稱寰宇娛樂應向其支付935,871.65美元（相等於港幣7,299,798.84元），作為分享一齣名為「少林足球」之電影（「該電影」）之部份收入。

根據香港高等法院於二零零三年二月二十一日頒發之指令（「指令」），寰宇娛樂遭頒令及已向星輝支付港幣5,495,699.80元，即寰宇娛樂就該電影而從Miramax Films（即該電影之版權持有人）收取之部份版權費及星輝索償之部份金額。根據該指令，寰宇娛樂亦須向星輝支付金額港幣350,905.30元之利息及申請該指令所耗部份費用，有關費用已支付。由於指令並無解除星輝為數935,871.65美元（相等於港幣7,299,798.84元）之所有索償，故此寰宇娛樂有權繼續就星輝追討餘下為數約港幣1,804,099.04元（即港幣7,299,798.84元減港幣5,495,699.80元）之款項進行抗辯。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 PENDING LITIGATIONS (Continued)

On 30th April 2002, UEL issued a Writ of Summons against the Star above for the latter's wrongful exploitation of certain rights in the Movie co-owned by both parties. UEL claimed to recover loss and damages suffered by UEL as a result of the wrongful exploitation.

On 9th September 2002, Universe Laser & Video Co. Limited ("ULV"), an indirect wholly owned subsidiary of the Company issued a Writ of Summons against Star for the latter's infringement of the licensed rights in the Movie held by ULV. ULV claimed to recover all loss and damages suffered by ULV as a result of the said infringement.

In the opinion of legal counsel, it is premature to predict the outcome of the claim against UEL. The Board is of the opinion that the outcome of the claim against UEL will have no material financial impact to the Group.

Save as disclosed above, as at 30th June 2007, no litigation or claim of material importance is known to the Directors to be pending against either the Company or any of its subsidiaries.

37 COMMITMENTS

(a) Operating leases

As at 30th June 2007, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Land and buildings	土地及樓宇		
Not later than one year	不超過一年	2,400	—

36 未決訴訟(續)

於二零零二年四月三十日，寰宇娛樂向星輝發出傳訊令狀，其中包括指後者不當地使用屬於雙方共同擁有之該電影中之若干權利。寰宇娛樂現追討因該不當利用權利而令寰宇娛樂蒙受之一切損失及損害。

於二零零二年九月九日，本公司之間接全資附屬公司寰宇鐳射錄影有限公司(「寰宇鐳射」)因指星輝侵犯寰宇鐳射就該電影所持的特許權利而向其發出傳訊令狀。寰宇鐳射現追討因上述侵權行為而蒙受之一切經濟損失及損害。

根據法律顧問之意見，現階段預測對寰宇娛樂的索償結果尚屬言之過早。而且，董事會認為對寰宇娛樂的索償之結果並不會對集團構成重大財務影響。

除上文所披露者外，於二零零七年六月三十日，就董事所知，本公司或其任何附屬公司並無面對任何重大訴訟或索償。

37 承擔

(a) 經營租賃

於二零零七年六月三十日，本集團根據不可撤銷之經營租賃而於未來支付之最低租賃付款總額如下：

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綜合財務報表附註

37 COMMITMENTS (Continued)

(b) Others

As at 30th June 2007, the Group had commitments contracted but not provided for in these consolidated financial statements as follows:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Purchase of film rights and production of films	購買電影版權及電影製作	22,010	39,016

Note: As at 30th June 2007, the Group had no any commitment in respect of jointly controlled assets (2006: HK\$nil).

37 承擔 (續)

(b) 其他

於二零零七年六月三十日，本集團已訂約但未於綜合財務報表撥備之承擔如下：

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Purchase of film rights and production of films	購買電影版權及電影製作	22,010	39,016

註：於二零零七年六月三十日，本集團並無任何關於共同控制資產的應佔承擔（二零零六年：無）。

38 FUTURE OPERATING LEASE ARRANGEMENTS

As at 30th June 2007, the Group had future aggregate minimum lease receipts under non-cancellable operating leases as follows:

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Not later than one year	不超過一年	1,059	3,594
Later than one year and not later than five years	超過一年及不超過五年	352	1,127
		1,411	4,721

38 未來經營租賃安排

於二零零七年六月三十日，本集團有以下不可撤銷之經營租賃而於未來收取之最低租賃款項：

		Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Not later than one year	不超過一年	1,059	3,594
Later than one year and not later than five years	超過一年及不超過五年	352	1,127
		1,411	4,721

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 RELATED PARTY TRANSACTIONS

- (a) On 19th December 2006, ULV entered into a tenancy agreement with Rainbow Nice Limited (“RNL”) whereby ULV agreed to lease a premises (the “Premises”) from RNL for a term of 3 years commencing from 1st January 2007 for the use of Mr Lam Shiu Ming, Daneil and Ms Chiu Suet Ying, the directors of the Company, for residential purpose. The monthly rental payable by ULV is HK\$200,000 which is inclusive of furniture, fixtures and home electronic appliances but excluding government rent, rates, taxes and all other outgoings. The entire issued share capital of RNL, the landlord of the Premises, is beneficially owned by Ms Chiu Suet Ying.

During the year ended 30th June 2007, ULV had paid rental on apartment leased for directors of HK\$1,200,000 (2006: HK\$nil) to RNL.

- (b) During the year ended 30th June 2007, ULV had paid rental on motor vehicles and apartment leased for directors of HK\$125,000 (2006: HK\$300,000) and HK\$480,000 (2006: HK\$840,000) to Mightlong Investments Limited (a company incorporated under the Hong Kong Companies Ordinance with limited liability) (“MIL”) and Mass Express Development Limited (a company incorporated under the Hong Kong Companies Ordinance with limited liability) (“MEDL”), respectively. The entire issued share capital of MIL is owned by Globalcrest Enterprises Limited (“Globalcrest”), a substantial shareholder of the Company, and the entire issued share capital of MEDL is beneficially owned by Ms Chiu Suet Ying.

39 關連人士之交易

- (a) 於二零零六年十二月十九日，寰宇鐳射與彩慧有限公司(「彩慧」)訂立租賃協議，據此，寰宇鐳射同意向彩慧租用一物業(「該物業」)，為期三年，自二零零七年一月一日開始，以供林小明先生及趙雪英女士(本公司之董事)用作住宅用途。寰宇鐳射應付之月租為港幣200,000元(包括傢俬、裝置及家庭電器，但不包括地稅、差餉、稅項及所有其他支出)。彩慧(該物業之業主)之全部已發行股本由趙雪英女士實益擁有。

截至二零零七年六月三十日止之年度，寰宇鐳射曾就董事租用之住宅單位向彩慧支付租金港幣1,200,000元(二零零六年：無)。

- (b) 截至二零零七年六月三十日止之年度，寰宇鐳射曾就董事租用之汽車及住宅單位分別向萬朗投資有限公司(一間根據香港公司條例註冊成立之有限公司)(「萬朗」)及大捷發展有限公司(一間根據香港公司條例註冊成立之有限公司)(「大捷」)以有關人士共同協議之條款下支付租金港幣125,000元(二零零六年：港幣300,000元)及港幣480,000元(二零零六年：港幣840,000元)。萬朗之全部已發行股本由Globalcrest Enterprises Limited(「Globalcrest」)擁有，Globalcrest為本公司主要股東，而大捷之全部已發行股本由趙雪英女士實益擁有。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 RELATED PARTY TRANSACTIONS (Continued)

(c) Details of key management compensation

	Group 本集團	
	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	10,172	6,073
Employer's contribution to retirement scheme	60	60
	10,232	6,133

Save as disclosed above and elsewhere in these consolidated financial statements, no other material related party transactions have been entered into by the Group. The transactions were carried out after negotiations between the Group and the related parties in the ordinary course of business.

除上文所披露者及此綜合財務報表中外，本集團並無訂立其他重大有關連人士交易。該等交易屬一般日常業務及經本集團及關連人士商議後進行。

40 EVENTS AFTER THE BALANCE SHEET DATE

Save as disclosed in Note 18, on 21st August 2007, the Company granted new share options to its employees. The Group is in the process of making an assessment of the accounting impact to the consolidated financial statement for the year ended 30th June 2008.

40 結算日後事項

誠如附註18所披露，於二零零七年八月二十一日，本公司授出新購股權予其僱員。本集團現正就截至二零零八年六月三十日止年度之綜合財務報表之會計影響進行評估。

41 ULTIMATE HOLDING COMPANY

The directors regard Globalcrest, a company incorporated in the British Virgin Islands, as being the ultimate holding company of the Company.

41 最終控股公司

董事認為，於英屬處女群島註冊成立之Globalcrest為本公司之最終控股公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

42 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 30TH JUNE 2007

Up to the date of approval of these consolidated financial statements, the HKICPA has issued the following amendments, new standards and interpretations which are not yet effective for the accounting period ended 30th June 2007 and which have not been adopted in these consolidated financial statements:

42 已頒佈但於截至二零零七年六月三十日止年度會計期間尚未生效的修訂、新準則及詮釋的潛在影響

截至此綜合財務報表的批准日期，香港會計師公會已頒佈以下修訂、新準則及詮釋，但該等修訂、新準則及詮釋於截至二零零七年六月三十日止會計期間尚未生效，亦並未於此綜合財務報表中採納：

		Effective for accounting periods beginning on or after 於以下日期或之後 開始的會計期間生效
HKFRS 7 財務準則 7	Financial Instruments: Disclosures 金融工具：披露	1st January 2007 二零零七年一月一日
Amendment to HKAS 1 會計準則1修訂	Presentation of Financial Statements — Capital Disclosures 財務報表的呈報 — 資本披露	1st January 2007 二零零七年一月一日
HKAS 23(Revised) 會計準則23(經修訂)	Borrowing Costs 借貸成本	1st January 2009 二零零九年一月一日
HK(IFRIC) — Int 10 香港(國際財務報告 詮釋委員會) — 詮釋10	Interim Financial Reporting and Impairment 中期財務報告及減值	1st November 2006 二零零六年十一月一日
HK(IFRIC) — Int 11 香港(國際財務報告 詮釋委員會) — 詮釋11	HKFRS 2 — Group and Treasury Share Transactions 財務準則2 — 集團及庫存股份交易	1st March 2007 二零零七年三月一日
HK(IFRIC) — Int 12 香港(國際財務報告 詮釋委員會) — 詮釋12	Service Concession Arrangements 服務特許權安排	1st January 2008 二零零八年一月一日
HK(IFRIC) — Int 13 香港(國際財務報告 詮釋委員會) — 詮釋13	Customer Loyalty Programmes 客戶忠誠度項目	1st July 2008 二零零八年七月一日
HK(IFRIC) — Int 14 香港(國際財務報告 詮釋委員會) — 詮釋14	HKAS19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction 會計準則19 — 設定受益資產的上限、 最低注資要求及其相互影響	1st January 2008 二零零八年一月一日
HKFRS 8 財務準則8	Operating Segments 營運分部	1st January 2009 二零零九年一月一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

42 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 30TH JUNE 2007 *(Continued)*

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations would be in the period of initial application, but not yet in a position to state whether these amendments, new standards and new interpretations would have a significant impact on the Group's results of operations and financial position.

42 已頒佈但於截至二零零七年六月三十日止年度會計期間尚未生效的修訂、新準則及詮釋的潛在影響 *(續)*

本集團正在評估該等修訂、新準則及新詮釋於首次採用期間將會造成的影響，但仍未能確定該等修訂、新準則及新詮釋會否對本集團的經營業績及財務狀況造成重大影響。

PRINCIPAL PROPERTIES HELD FOR INVESTMENT PURPOSES

主要物業持有作投資用途

Hong Kong		香港	
Location 地點	Lot number 地段	Type 種類	Lease term 租賃年期
Unit A, 17th Floor, Wylar Centre Phase II, 192-200 Tai Lin Pai Road, Kwai Chung, New Territories Hong Kong 香港新界葵涌大連排道 192至200號 偉倫中心第二期 十七樓A座	Kwai Chung Town Lot number 130 葵涌市區地段130號	Industrial 工業	2047 二零四七年
Unit B, 17th Floor, Wylar Centre Phase II, 192-200 Tai Lin Pai Road, Kwai Chung, New Territories Hong Kong 香港新界葵涌大連排道 192至200號 偉倫中心第二期 十七樓B座	Kwai Chung Town Lot number 130 葵涌市區地段130號	Industrial 工業	2047 二零四七年
The People's Republic of China		中華人民共和國	
Location 地點		Type 種類	Lease term 租賃年期
No. 1501, 15th Floor, Block 24, 建外(Jianwai) SOHO, 39 Dongsanhuan Zhonglu Road, Chaoyang District, Beijing, the PRC 中國北京朝陽區東三環中路39號 建外SOHO 24號樓第15層1501號		Commercial 商業	2052 二零五二年

FIVE YEAR FINANCIAL SUMMARY

五年財務摘要

Results

業績

		Year ended 30th June 截至六月三十日止年度				
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Turnover	營業額	136,240	93,405	175,951	227,605	251,246
Profit/(loss) before income tax	除所得稅前 盈利/(虧損)	6,034	31,989	11,854	(23,644)	(34,112)
Income tax credit/ (expense)	所得稅 回撥/(費用)	5,492	(4,684)	(2,016)	4,126	5,802
Profit/(loss) attributable to the equity holders of the Company	本公司權益 持有人應佔 盈利/(虧損)	11,526	27,305	9,838	(19,518)	(28,310)
Proposed final dividend	擬派末期股息	—	14,621	—	—	—

Assets and liabilities

資產及負債

		As at 30th June 於六月三十日				
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Total assets	總資產	366,132	375,450	321,500	347,048	292,043
Total liabilities	總負債	(52,269)	(58,751)	(32,559)	(69,165)	(71,117)

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