



Hsin Chong Construction Group Ltd.

新昌營造集團有限公司

(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: 00404



Annual Report
年報 **2006/2007**

QUALITY & SERVICE
品質與服務

SINCE 1939

始自一九三九

新昌核心价值观
诚信 务实 廉正
品质 优良
服务 至上
创意 无限
贡献 社会

HSIN CHONG
CORE VALUES

**INTEGRITY • QUALITY • SERVICE
INNOVATION • SOCIAL RESPONSIBILITY**

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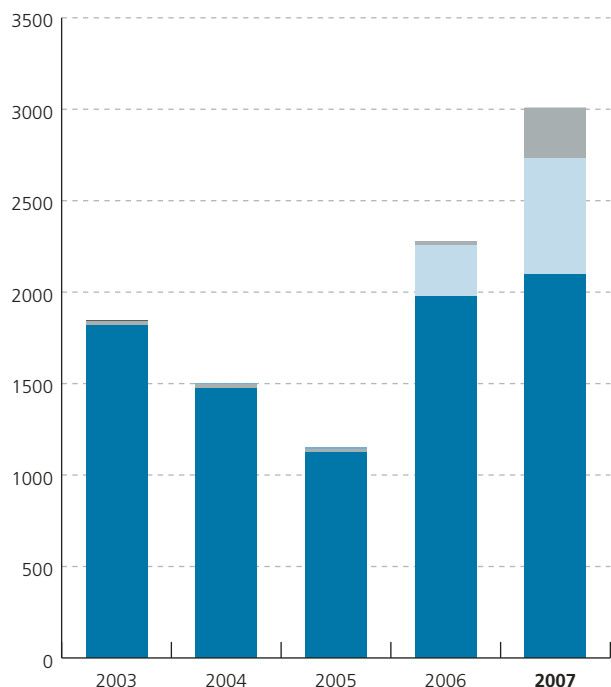
Financial Highlights

財務概要

Revenue by Activity*

按業務分類之收益*

(HK\$ million 港幣百萬元)

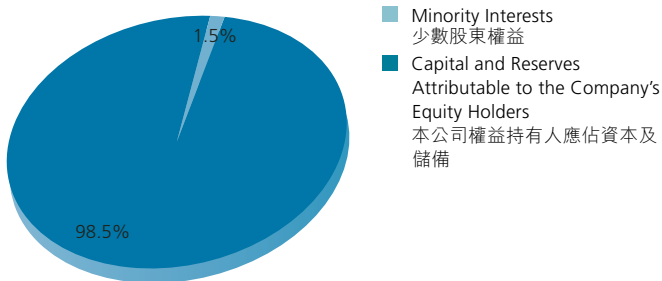


* Excluding revenue of associated companies and jointly controlled entities
不包括聯號及共同控制實體之收益

- Building Construction & Civil Engineering
樓宇建造及土木工程
- Electrical and Mechanical Installation
機電安裝工程
- Property Development & Rental
物業發展及租賃
- Other Operations
其他業務
- Piling & Foundations (ceased operation)
打樁及地基工程(已結業)

Source of Funds

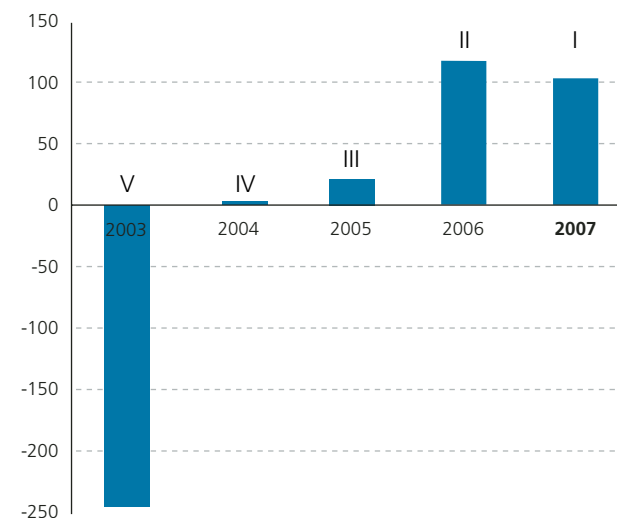
資金來源



Profit / (Loss) Attributable to Equity Holders of the Company

本公司權益持有人應佔溢利 / (虧損)

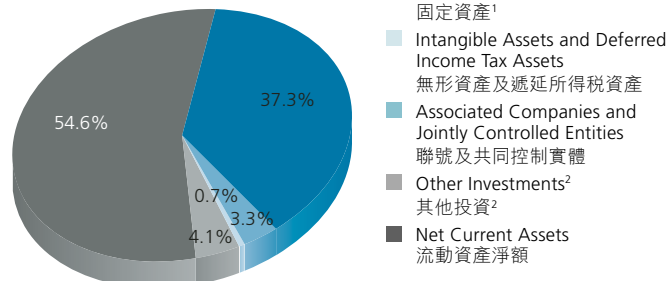
(HK\$ million 港幣百萬元)



- I Included a write-back of impairment loss of HK\$38 million for a property in Guangzhou, PRC. 包括對位於中國廣州物業作出之減值虧損撥回港幣 38,000,000 元。
- II Included total write-back of impairment loss of HK\$127 million for a property under development for sale in Guangzhou, PRC and attributable interest in a hotel property in Hong Kong. 包括對位於中國廣州之供出售發展中物業及一項位於香港之酒店物業應佔權益作出之減值虧損撥回港幣 127,000,000 元。
- III Included total write-back of impairment loss of HK\$55 million for a leasehold land and building and attributable interest in a hotel property in Hong Kong. 包括對位於香港之租約土地及樓宇及一項酒店物業應佔權益作出之減值虧損撥回港幣 55,000,000 元。
- IV Included a provision of HK\$109 million for impairment in value of a property under development in Guangzhou, as offset by the write-back of provision of HK\$60 million for a leasehold land and building in Hong Kong, HK\$32 million for gain on deconsolidation of liquidated subsidiaries and HK\$18 million for write-back of special retirement benefit costs. 包括對位於廣州之發展中物業作出之減值撥備港幣 109,000,000 元，並扣減對位於香港之租約土地及樓宇撥備回撥港幣 60,000,000 元，因不綜合計算清盤中附屬公司而產生之得益港幣 32,000,000 元及特殊退休福利費用回撥港幣 18,000,000 元。
- V Included a provision of HK\$26 million for accrued staff leave and retirement benefits, and total provisions of HK\$170 million for impairment in value of a leasehold land and building, an investment property, stock of car park property and attributable interest in a hotel property in Hong Kong. 包括為累積員工假期及退休福利撥備港幣 26,000,000 元，就租約土地及樓宇、投資物業、車位物業存貨及對一項位於香港之酒店物業應佔權益共作出之減值撥備港幣 170,000,000 元。

Assets Employed

資產運用



- Including property, plant and equipment, investment properties and prepaid premium for land lease. 包括物業、機器及設備、投資物業及預付土地租賃費用。
- Including non-current held-to-maturity investments and available-for-sale financial assets. 包括非流動持至到期之投資及可供出售之財務資產。

Financial Ratios

財務比率

		2007	2006	% Change 變動比率
Income Statement Ratios				
Operating margin (excluding financial and securities income)	經營邊際利潤 (不包括財務及證券收入)	3.1%	5.7%	-45.6
Pretax margin	除稅前邊際利潤	3.7%	6.2%	-40.3
Net margin (excluding jointly controlled entities and associated companies)	淨邊際利潤 (不包括共同控制實體及聯號)	3.5%	5.9%	-40.7
Interest coverage ratio	利息覆蓋率			
– basic	– 基本	16.9	12.0	40.8
– exclude non-cash assets impairment write back	– 未計及非現金性之資產減值回撥	11.2	2.9	286.2
Earnings per share (cents)	每股盈利(仙)	16.5	18.8	-12.2
Dividend per share (cents) (see note 13 to the consolidated financial statements)	每股股息(仙) (見綜合財務報表附註13)	14.0	12.0	16.7
Dividend payout ratio	派息比率	84.8%	63.8%	32.9
Balance Sheet Ratios				
Current ratio	流動比率	1.3	1.3	–
Quick ratio	速動比率	0.9	0.7	28.6
Assets coverage ratio	資產覆蓋比率	1.6	1.5	6.7
Debt to capitalisation ratio	負債對資本比率	4.0%	33.3%	-88.0
Net assets value per share (cents)	每股資產淨值(仙)	91.8	86.4	6.3
Cash Flow Statement Ratios				
Capital expenditures to depreciation ratio	資本開支對折舊比率	0.1	0.4	-75.0
Capital expenditures coverage ratio	資本開支覆蓋比率	183.0	44.7	309.4
Depreciation to cash flow	折舊對現金流量	4.2%	6.1%	-31.1
Cash flow from operation per share (cents)	每股業務現金流量(仙)	27.3	23.2	17.7
Rate of Return Ratios				
Return on average equity	回報比率 平均股東權益回報率	18.5%	23.7%	-21.9
Return on total capital and borrowings	資本及貸款總額回報率	20.6%	19.4%	6.2
Total Debt to Cash Flow Ratio				
Total debt to cash flow	總負債對現金流量比率 總負債對現金流量率	0.1	1.9	-94.7
Market Price Ratios				
Dividend yield	市價比率 股息率			
Year high	全年最高	25.9%	32.9%	NM
Year low	全年最低	12.5%	20.7%	NM
Price to earning ratio	市盈率			
Year high	全年最高	6.8	3.1	NM
Year low	全年最低	3.3	1.9	NM

Note:

Formula of certain financial ratios as set out above are presented on page 143 for easy reference.

NM: Not meaningful

附註:

上述若干財務比率之計算程式於第143頁刊出以方便參考。

NM: 此比率並無意義

Group Mission Statement

集團宗旨

Founded in 1939, the Group's primary business is in construction and related work mainly in Hong Kong, Macau and the mainland of The People's Republic of China ("PRC"), in both the private and public sectors. Being one of the few full-service and wholly independent (i.e. not corporately associated with any major property developer) construction businesses in Hong Kong, the Group undertakes a wide range of construction services including, inter-alia, (a) building construction, including design and build; (b) construction and project management; (c) specialist civil engineering projects; (d) electrical and mechanical installation; and (e) renovation and fitting-out projects.

The Group intends to continue to focus on its core business areas — construction and construction related value-added contracts — in which the Group has significant competitive advantages and high reputation, given its emphasis on "Quality & Service" to its clients and its performance track record throughout the last sixty eight years.

The Group's operational strategy of focusing on value-added work and offering creative contractual terms, maximises benefits to both the Group and its clients. Our market focus is very much on selective institutional clients, both private and public, who value build quality in the contractor and of the finished product, and are prepared to pay a premium for such quality, which ultimately reflects in their projects and brand reputation.

The Group's full-serviced integration and core competences permit it to compete for a very wide variety of projects. Though this often involves the higher costs associated with very experienced and skilled personnel involved. Such is usually justified either by our flexibility in targeting cyclical opportunities, market niches and undertaking more complex projects or where quality, timely completion and controlled budgets in projects are primary objectives.

A limited proportion of the Group's projects have been structured in joint ventures. In such joint ventures, the Group chooses to grow its core businesses by partnering with companies with complementary areas of expertise and similar quality objectives to meet special customer requirements in construction or construction-related fields. The Group is careful to limit such minority stakes in joint ventures. And with such associates' activities, the Group cannot reflect either its share of revenue or outstanding contracts in our Group business numbers, although it does equity account for the profits and the underlying economic benefits are no less than for the direct work the Group undertakes.

自一九三九年成立以來，本集團主要業務為在香港、澳門及中華人民共和國（「中國」）從事私人及公共建造及與建造相關之業務。作為香港提供一條龍服務和完全獨立（即並無與其他主要物業發展商有企業聯繫）的少數建築公司之一，本集團提供廣泛之建造服務，包括(a)樓宇建造（包括設計及承建）、(b)建造及項目管理、(c)土木工程、(d)機電安裝工程，及(e)修葺及裝修工程。

秉承過去六十八年來的佳績，以及對給予客戶「品質與服務」的堅持，本集團將繼續專注於其核心業務——建造業務及與建造業務有關之增值合約，本集團在此等業務上擁有顯著的競爭優勢及享有崇高的聲譽。

本集團的經營策略為專注於增值業務和提供更靈活的合約條款，旨在使本集團及其客戶均獲得最大利益。本集團的目標市場鎖定於特選的私人及公共機構客戶。彼等均注重承建商的建築質素及成品，並願為此支付較高的價格，使其項目及品牌聲譽最終能反映出等同的價值。

本集團的一條龍綜合服務及核心能力使其可競投多類型的工程。雖然本集團因而須聘用資深專才而使成本增加，但由於本集團能靈活地把握市場商機、擴大市場覆蓋範圍，及承建較複雜的項目或以品質、如期竣工及控制項目預算為主要目標，所得效益足以抵銷高昂的成本。

本集團的一些項目是透過合營企業方式經營。就該等合營企業，本集團選擇與具備不同專長但質素目標相若的公司合作，發揮互補效益，以滿足客戶的特定要求，從而推動本集團核心業務的發展。本集團審慎地控制於該等合營企業中所佔的少數權益。雖然本集團的賬項並未有反映其於該等合營企業應佔之收益或未完成合約額，惟本集團按股權會計法將有關溢利入賬，而相關經濟利益不比本集團直接承辦的工程為低。

Chairman's Statement

主席報告

Results

The Group's operating results continue to show an improved trading situation this year, which I am very pleased to report. Equally important, the consolidated balance sheet also reflects a strong and further improved financial position of the Group.

For the year ended 31 March 2007, profit attributable to equity holders of the Company was HK\$105.4 million and whilst down 12.4% on the reported figure last year, the profits from our core business showed a continued improvement. Recurrent pre-tax profits earned from our core business of construction, civil engineering and electrical and mechanical installation operations, inclusive of the Group's share of related joint venture projects, associated company results and finance costs, were HK\$40 million, significantly up on the comparable figure reported in last year of HK\$17.4 million. This is the second consecutive year of improvement, in that the comparable figure for the financial year of 2004/05, recorded a loss of HK\$35.9 million.

The other key figure to note is that the revenue also increased. In the year, total Group's revenue achieved was HK\$3,007 million or 32% higher than last year, which compared with the revenue recorded in 2005/06 of HK\$2,276 million which in turn was up 97% over the previous year of 2004/05 which recorded HK\$1,154 million. In our core construction activity, revenue in the year was HK\$2,732 million (2006: HK\$2,256 million). The increasing business is due to the slow but steady improvement in contracts available to a construction group such as ours, independent of any major property developer, allied to our ability to bid successfully for targeted projects which requires competitive pricing, yet demanding quality of work and service, which is our business focus. Our business activity included our increasing project workload in the Macau market, which has grown substantially. Our emphasis is on contracts and projects which require "Quality & Service" and which will provide satisfactory margins. It is encouraging for our future business to note that consolidated orders on hand at the financial year end amounted to approximately HK\$7.3 billion, which was a 9% increase over last year. Furthermore, at 30 June 2007, the order position had increased to approximately HK\$8.5 billion.

As a consequence of improved core business profitability, our pre-tax profit return on net assets employed in our core business has also shown significant better yields. In the year, the return was 19% which compared with 13% in 2005/06 – a much improved situation. Likewise, the share price of the Company has improved significantly from HK\$0.55 at last balance sheet date to HK\$1.05 at the end of this financial year. It has further increased to HK\$1.32 at the end of June 2007, reflecting much of the market's recognition of the regaining of strength by the Group on better profitability.

業績

本人欣然報告，本集團之業績顯示其經營狀況於年內持續改善。同樣重要地，綜合資產負債表亦反映本集團的財務狀況穩健且進一步獲提升。

截至二零零七年三月三十一日止年度，本公司權益持有人應佔溢利為港幣105,400,000元，雖較去年度呈報的溢利減少12.4%，但核心業務之溢利仍持續改善。來自本集團建造、土木工程及機電安裝工程等核心業務的經常性除稅前溢利（包括本集團所佔之相關合營企業項目、聯號業績及融資成本）為港幣40,000,000元，較去年度呈報之港幣17,400,000元出現大幅增長。本年度為本集團自二零零四／零五年財政年度（該年度之相對虧損為港幣35,900,000元）轉虧為盈後，連續第二年錄得增長。

另一值得關注之數字為本集團上升的收益。於本年度，本集團錄得總收益港幣3,007,000,000元，較去年度增加32%，二零零五／零六年度錄得的收益為港幣2,276,000,000元，而去年度相較於二零零四／零五年度錄得的港幣1,154,000,000元，則上升97%。本集團本年度的核心建造業務收益為港幣2,732,000,000元（二零零六年：港幣2,256,000,000元）。業務回升乃由於建造業工程項目數量正在緩慢但穩步增長中，故此使如本集團般非依賴於任何主要地產發展商之建造集團均能從中受惠；而本集團之業務重點為以其自身的實力，不單以造價取勝，並以其對工程品質與服務的嚴格要求，投得目標項目。本集團的業務範圍包括於澳門市場內日益增加的工程量，在這方面已呈現十分顯著的增長。本集團銳意爭取的為該等追求「品質與服務」且將提供可觀利潤的合約與項目。就未來業務而言，令人鼓舞的是於本財政年度末手頭接獲之綜合合約額約達港幣73億元，較去年度增加9%。於二零零七年六月三十日，合約額更進一步增加至約為港幣85億元。

由於核心業務的盈利能力改善，本集團核心業務之除稅前溢利對其資產淨值回報亦出現顯著上升，年內回報為19%，而二零零五／零六年度則為13%，顯示情況已大幅改善。同樣地，本公司股價由上年度結算日之港幣0.55元大幅上升至本財政年度末之港幣1.05元，並於二零零七年六月底持續上升至港幣1.32元，反映出市場普遍認同本集團已重建其提升盈利的能力。

Results (continued)

Following the appointment of our Managing Director, Mr. Ka-kui Chan, in August last year, we have further streamlined our business and implemented programmes to both improving our operating margins through better services/materials procurement and project control, whilst at the same time further reducing our overheads. Such action should further improve our core operating results in future years.

In respect of the assets utilised in the business, we have continued to benefit from the recovery in the local and Guangzhou property markets. This year we booked revaluation gains in Hong Kong of HK\$6.3 million (2006: HK\$6.3 million) on the investment property element of our head office building at Hsin Chong Center in Kwun Tong, in accordance with the current accounting standards. This property is now recorded in the balance sheet at approximately HK\$146 million, whereas the open market value of the property would be significantly higher. We also were able to book a further gain of some HK\$28.8 million, net of minorities, on the continued sale of our interests in the Wen Chang Pavilion project (2006: HK\$61.4 million, net of minorities).

The quality and liquidity of the balance sheet has markedly strengthened this year. The net shareholders' funds recorded were HK\$587 million (2006: HK\$552 million), whereas, given the sale of surplus property assets, the net cash position — taken as current deposits, cash and bank balances, net of both current short term and long term bank loans — has increased dramatically to HK\$651 million from the comparable figure of HK\$336 million last year.

Dividends

Having regard to the improved trading results and the balance sheet liquidity, and also to the likely business cash requirements in the new financial year, the board of directors of the Company (the "Board") recommended a final dividend of HK4.0 cents per share for the year (2006: HK3.0 cents per share). Given that again this year, as last, there were exceptional gains in realisation of properties, the Board also recommended the payment of a special dividend of HK6.0 cents per share (2006: HK6.0 cents per share). Together with the interim dividend of HK4.0 cents per share paid in the year (2006: HK3.0 cents per share), total dividends for the year (including the special dividend of HK6.0 cents per share) will amount to HK14.0 cents per share, which compares with the total dividends declared and paid last year of HK12.0 cents per share (including a special dividend of HK6.0 cents per share).

業績 (續)

自去年八月陳家駒先生獲委任為本公司之董事總經理後，本集團進一步精簡業務流程，並實施多項企劃，一方面透過提升服務質素／加強原料採購及項目控制以提高經營利潤，同時亦進一步降低本集團的間接開支。此舉應可進一步改善來年的核心業務業績。

至於業務所涉及的資產，本集團繼續因為本地及廣州物業市場復甦而受惠。本集團於年內根據現行會計標準將觀塘新昌中心總部大樓之投資物業部分的重估收益港幣6,300,000元（二零零六年：港幣6,300,000元）入帳。該物業現時在資產負債表價值約為港幣146,000,000元，而公開市值應當大幅高於賬面值。本集團亦就持續出售文昌雅居項目權益再錄得溢利（已扣除少數股東權益）為港幣28,800,000元（二零零六年：已扣除少數股東權益後為港幣61,400,000元）。

本年度資產負債表的結餘及流動資金水平均大幅改善，股東資金淨額錄得港幣587,000,000元（二零零六年：港幣552,000,000元），而由於出售剩餘物業資產，淨現金水平（包括活期存款、現金及銀行結餘，扣除流動短期及長期銀行貸款）與去年度的港幣336,000,000元比較，大幅增加至港幣651,000,000元。

股息

鑒於業績及於結算日之流動現金均有所改善，亦同時經考慮新財政年度業務將可能所需的現金後，本公司董事會（「董事會」）建議本年度派發末期股息每股港幣4.0仙（二零零六年：每股港幣3.0仙）。一如去年，由於出售多項物業為本年度帶來非經常性收益，董事會亦建議派發特別股息每股港幣6.0仙（二零零六年：每股港幣6.0仙）。連同年內已派發之中期股息每股港幣4.0仙（二零零六年：每股港幣3.0仙），本年度之股息總額（包括特別股息每股港幣6.0仙）將為每股港幣14.0仙，而去年度已宣派及已支付的股息總額（包括特別股息每股港幣6.0仙）為每股港幣12.0仙。

Appreciation

At 31 March 2007, the Group employed a total of 1,424 staff (31 March 2006: 1,097 staff). The increase in numbers reflects our increased construction activity and in particular our growing business with the Venetian group in Macau. The Group's main asset is the skill and expertise of its loyal staff and the Group has rightly invested much time and effort in improving the productivity, quality and competitiveness of our staff. The trading results in large part reflect their success.

The steady, continuous improvement in our underlying operating results, together with the improved quality of the assets under management in our consolidated balance sheet, has been the result of rigorous attention to detail by our management team, under the guidance of our committed Board including non-executive directors coming from diverse business and professional backgrounds – Mr. Tobias Josef BROWN; Mr. Ho-ming Herbert HUI; Mr. Kin-fung Jeffrey LAM; Mr. Kwok-kuen Peter LAU and Mr. Ki-chi KWONG – who have steered the Group through the very difficult economic conditions and trading period of recent years. The shareholders are fortunate to have had such loyal, conscientious and committed non-executive directors in the Board.

I would also wish to extend my sincere thanks and appreciation to our shareholders, suppliers and business partners, and customers – for their past and continuing confidence. Given the improvement in results, in dividends, and in our share price and market capitalisation, management will continue to work to ensure your continuing confidence.



V-nee YEH
Chairman


Hong Kong, 6 July 2007

致謝

於二零零七年三月三十一日，本集團合共僱用1,424名（二零零六年三月三十一日：1,097名）僱員，僱員人數增加反映本公司建造工程量的增加，特別是本集團與威尼斯人集團的澳門業務不斷增長。本集團的主要資產為其熟練及專業的忠誠僱員，因此本集團對僱員投放大量時間及資源，致力提高僱員的生產力、質素及競爭力。營運業績大部分有賴於彼等的超卓貢獻。

本集團的基本業績持續並穩定地增長以及綜合資產負債表內的資產管理質素得以提升，全有賴於董事會的領導，加上本集團管理團隊努力不懈和精益求精的成果。董事會成員當中包括來自不同行業及專業背景的非執行董事－Tobias Josef BROWN先生、許浩明先生、林健鋒先生、劉國權先生及鄺其志先生。在彼等的領導下，本集團順利渡過近年極為艱難的經濟狀況及經營環境。對股東而言，董事會擁有如此忠誠、勤勉及盡責之非執行董事，實屬榮幸。

本人亦同時衷心感謝我們的股東、供應商與業務夥伴，以及客戶對本集團一如既往的信任。鑒於本公司之業績、股息、股價和市值均有所提升，管理層定必繼續努力爭取閣下始終如一的信賴。



主席
葉維義

香港，二零零七年七月六日

Managing Director's Review

董事總經理報告

Review of Business Operating Results

業務回顧 營運業績

Financial Highlights	財務摘要	Year ended 31 March 截至三月三十一日止年度		Change 變動 %
		2007 HK\$ million 港幣百萬元	2006 HK\$ million 港幣百萬元	
Revenue	收益	3,007	2,276	+32
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	105	120	-12
		HK cents 港幣仙	HK cents 港幣仙	
Earnings per share	每股盈利	16.5	18.8	-12
Interim dividend per share	每股中期股息	4.0	3.0	+33
Final dividend per share	每股末期股息	4.0	3.0	+33
Special dividend per share	每股特別股息	6.0	6.0	-

The Group reported a significant increase in revenue to HK\$3,007.2 million in this year, of which 70% was derived from the building construction and civil engineering segment. The increase was due to higher revenue in electrical and mechanical projects, and the recognition of sale of the residential units of Wen Chang Pavilion in Guangzhou, The People's Republic of China ("PRC"). Other income recorded an increase of 37.0% to HK\$45.8 million, compared with last year, owing to higher financial income as a result of improved yields and gains on redemption and disposal of securities investments. With a new streamlined management structure and the implementation of continuous process improvement, the Group reported a further decrease of 11.8% in overheads and other operating expenses as compared with last year. In property development, a write-back of HK\$38.4 million (before minority interests) on the impairment provision in respect of Wen Chang Pavilion in Guangzhou, PRC was made in light of the current property market in Guangzhou and the satisfactory sales achieved to date. Furthermore, the disposal of Novotel Century Harbourview Hotel in the year also recorded a profit of HK\$10.9 million. Overall, the Group reported earnings of HK\$114.0 million for the year (2006: HK\$150.3 million) of which HK\$105.4 million was attributable to equity holders of the Company (2006: HK\$120.3 million).

本集團本年度錄得的收益大幅增加至港幣3,007,200,000元，而當中的70%來自樓宇建造及土木工程分類。上述升幅是由於機電安裝工程項目的收益增加，加上中華人民共和國（「中國」）廣州文昌雅居住宅單位的銷售確認入帳所致。其他收入較去年度增加37.0%至港幣45,800,000元，此乃由於贖回及出售證券投資的回報及收益增加而使財務收入增加。隨著本集團精簡管理架構及實施持續優化流程後，間接開支及其他經營開支較去年度進一步減少11.8%。物業發展方面，鑒於現時廣州物業市場暢旺加上截至現時銷售情況理想，故此就中國廣州文昌雅居作出之減值撥備回撥港幣38,400,000元（未扣除少數股東權益）。此外，年內出售諾富特世紀海景酒店亦錄得港幣10,900,000元之溢利。整體而言，本集團年內錄得溢利港幣114,000,000元（二零零六年：港幣150,300,000元），其中本公司權益持有人應佔溢利為港幣105,400,000元（二零零六年：港幣120,300,000元）。

Segment Analysis

(1) Building construction and civil engineering

Revenue for the building construction and civil engineering segment was HK\$2,096.1 million (after eliminating intra-group construction work of HK\$160.2 million), an increase of 6.0% compared with last year. The increase was attributable to higher revenue from Macau and China, offset by a corresponding decrease in the volume of construction work in Hong Kong due to completion of projects in the year. Profit after finance costs was HK\$53.1 million, an increase of 41.5% compared with last year. The increase was resulted from a combination of increased construction management activities in Macau and savings in overheads and other operating expenses. The effect of the improvements was partly offset by lower contribution of the Hong Kong building projects. Meanwhile, losses from jointly controlled entities were reduced to HK\$3.9 million or 84.3% compared with last year. Overall, the building construction and civil engineering segment performed satisfactorily during the year.

The Group was awarded the HSBC Data Centre construction project at Tseung Kwan O Industrial Estate from The Hongkong and Shanghai Banking Corporation Limited in 2006. Subsequent to the financial year end, the Group has also secured several new contracts, including the Design and Construction of Prince of Wales Hospital – Extension Block, from Architectural Services Department (in joint venture with another renowned construction group in Hong Kong); the Atrium Hotel at Pacific Place from the Swire Group; and the Reconstruction of Main Sewers from the Hong Kong Jockey Club. These contracts awarded to the Group's building construction and civil engineering business have demonstrated its competitiveness and premier position in the Hong Kong construction industry.

(2) Electrical and mechanical installation

Revenue for the electrical and mechanical installation segment was HK\$635.5 million, an increase of 127.5% compared with last year. The significant increase was attributable to higher revenue of projects awarded last year, reflecting the full interest in Hsin Chong Aster Building Services Limited (“Hsin Chong Aster”) after the increase of shareholding by the Group from 50% to 100% in last year. Loss after finance costs was HK\$8.9 million (2006: total profit of HK\$4.9 million, including equity share of net profit of HK\$0.4 million). The loss was mainly attributable to the share of loss in a joint venture project, together with a write-off of goodwill and intangible assets from the acquisition of the full interest in Hsin Chong Aster last year.

分類分析

(1) 樓宇建造及土木工程

樓宇建造及土木工程分類之收益為港幣2,096,100,000元（已扣除集團內部之建造工程收益港幣160,200,000元），較去年度上升6.0%。上述升幅乃由於澳門及中國業務的收益增加，但當中部分卻因本年度項目竣工使本地建造工程量減少而相應抵銷。扣除融資成本後的溢利為港幣53,100,000元，較去年度增加41.5%。上述增幅乃由於澳門的建造管理業務活動增加以及節省間接開支及其他經營開支兩者合共所致，惟部分增幅被香港樓宇建造項目的貢獻減少所抵銷。同時，來自共同控制實體之虧損較去年度減少84.3%至港幣3,900,000元。整體而言，樓宇建造及土木工程分類年內的業績表現令人滿意。

本集團於二零零六年取得香港上海滙豐銀行有限公司將軍澳工業邨滙豐銀行數據中心的建造工程合約。於財政年度結算日後，本集團亦取得多項新合約，包括建築署授予的威爾斯親王醫院擴建大樓設計及建造工程（此乃與另一香港著名建造集團成立合營企業承辦）、太古集團授予的太古廣場Atrium酒店項目及香港賽馬會授予的主排水系統重建項目。本集團獲授該等合約，顯示其樓宇建造及土木工程業務擁有雄厚的競爭力，並在香港建造業行內處於超卓地位。

(2) 機電安裝工程

機電安裝工程分類之收益為港幣635,500,000元，較去年度上升127.5%。此顯著升幅乃由於去年度接獲項目的收益增加，亦反映本集團於去年度增持新昌亞仕達屋宇設備有限公司（「新昌亞仕達」）權益由50%至100%後而擁有其全部權益所產生之影響。扣除融資成本後之虧損為港幣8,900,000元（二零零六年：溢利總額為港幣4,900,000元，包括按股權應佔之純利港幣400,000元）。此虧損主要是計入合營企業項目之應佔虧損及撇銷去年度因收購新昌亞仕達全部權益產生之商譽及無形資產所致。

Segment Analysis (continued)

(3) Property development and rental

Revenue for the property development and rental segment increased almost fourteen times to HK\$275.6 million from HK\$19.8 million of last year. The significant increase was mainly due to the recognition of sale of the residential units of Wen Chang Pavilion in Guangzhou, PRC in the consolidated income statement this year following obtaining the completion certificate for the development in February 2007. At the balance sheet date, 90% of the residential units had been sold at an average selling price slightly above RMB7,200 per square metre.

Rental income derived from Hsin Chong Center, No. 3 Lockhart Road, and Lung Mun Oasis, Tuen Mun, collectively accounted for 8% of the revenue in the property development and rental segment for the year. It showed slight increases, due to increased occupancy and rental rates reported from No. 3 Lockhart Road.

Profit after finance costs of HK\$62.3 million included a revaluation gain of HK\$6.3 million on the portion of Hsin Chong Center which was classified as an investment property; a profit of HK\$4.8 million on the disposal of property interests in Vietnam (that was fully written off in previous years); and a write-back of HK\$38.4 million on the impairment provision for Wen Chang Pavilion in Guangzhou, PRC (2006: HK\$95.9 million, including a write-back of HK\$87.8 million on the impairment provision for Wen Chang Pavilion in Guangzhou, PRC and a revaluation gain of HK\$6.3 million on the portion of Hsin Chong Center classified as an investment property).

(4) Other operations

Other operations mainly included results from the associated companies totalling HK\$13.5 million, being principally an HK\$10.9 million profit on the disposal of Novotel Century Harbourview Hotel and HK\$3.0 million profit on the disposal of minor property interests in Malaysia.

分類分析 (續)

(3) 物業發展及租賃

物業發展及租賃分類的收益由去年度的港幣19,800,000元增加約十四倍至港幣275,600,000元。此顯著升幅是主要由於中國廣州文昌雅居於二零零七年二月取得竣工證明書後，在本年度綜合收益表確認其住宅單位的銷售所致。於結算日，90%的住宅單位已經售出，平均售價稍高於每平方米人民幣7,200元。

新昌中心、駱克道3號及屯門龍門居之租金收入合共佔本年度物業發展及租賃分類收益的8%，較上年度稍為增加，此乃由於駱克道3號的出租率及租金有所上升所致。

扣除融資成本後之溢利為港幣62,300,000元，當中包括新昌中心列作投資物業部分的重估收益港幣6,300,000元、出售越南物業權益的溢利港幣4,800,000元（已於過去數年度全數撇銷）及中國廣州文昌雅居之減值撥備回撥港幣38,400,000元（二零零六年：港幣95,900,000元，包括中國廣州文昌雅居之減值撥備回撥港幣87,800,000元及新昌中心列作投資物業部分的重估收益港幣6,300,000元）。

(4) 其他業務

其他業務主要包括聯號的業績合共港幣13,500,000元，主要來自出售諾富特世紀海景酒店的溢利港幣10,900,000元及出售馬來西亞少數物業權益的溢利港幣3,000,000元。

Outlook

The Economy

Hong Kong's economic condition continued to remain robust in the last year and recorded a GDP (i.e. Gross Domestic Product) growth of 6.8%, with a much reduced unemployment rate down to 4.4% at the end of calendar year 2006. There was a significant growth in external trade because of expansion of the global economy allied to Mainland China's strong manufacturing capability. Domestic consumption was encouraging upon a stabilised interest rate and steady property market. Hong Kong also served well as an international financial centre, especially in assisting a number of major Mainland enterprises to raise funds through IPOs in the last year. Improvements and achievements were seen in most sectors.

We are optimistic about the near-term business outlook of Hong Kong. With closer integration with the Mainland's economy and our strategic proximity to the high growth area of Southern China, Hong Kong will continue to benefit through a number of policy measures like Closer Economic Partnership Arrangement (CEPA) and the Pan-Pearl River Delta regional cooperation from the Mainland. Due to Hong Kong's open economy, there is likely to be continuous impetus in external trade given a favourable macro-economic environment; a competitive Hong Kong Dollar linked as it is with a weak US Dollar; and a stable oil price. Hong Kong will increasingly depend on its service industries, in common with major Western developed countries' economic development. The financial services sector will undoubtedly be benefited with the broadening of the Qualified Domestic Institutional Investor (QDII) scheme.

The Industry

In spite of the strong domestic economy in Hong Kong, the construction industry has not yet noticeably improved. Expenditure in the construction industry continued to contract and recorded a negative growth of 7.2% in calendar year 2006 (2005: negative growth of 8.4%), mainly due to shortage of large-scale infrastructure projects and reduced private and public housing developments. The local construction output has plunged steadily throughout the last decade from HK\$99.3 billion in 1997 to only HK\$41.7 billion in 2006.

There are signs, however, that the Hong Kong construction industry is recovering gradually. The Financial Secretary has outlined, in his 2007-08 budget speech, that the Government will continue to earmark HK\$29 billion a year on average for infrastructure projects over the next few years and the Chief Executive has committed to speed up the process of execution of public construction projects to further improve local trade employment. The private developers have also indicated a much stronger interest in recent land auctions. We believe that the worst time for the Hong Kong construction industry has now passed, and construction will improve at a measured pace from year 2007.

展望

整體經濟

過去一年，香港的經濟狀況繼續保持強勁增長，截至二零零六年年底，本地生產總值上升6.8%，失業率更大幅降至4.4%。由於全球經濟擴張，加上中國的龐大生產力，令香港對外貿易額顯著提升。穩定的利率及穩健的物業市場亦激發本地消費。此外，香港亦善用其作為國際金融中心的地位，特別是於去年透過首次公開招股為多家大型國企在本地集資。在多個行業領域內，業務狀況均見改善並達到理想成績。

本集團對香港短期內的營商前景十分樂觀。由於香港與國內經濟日益融合，加上香港在策略性上地處鄰近迅速增長的華南地區，香港將可繼續受惠於如《內地與香港關於建立更緊密經貿關係的安排》(CEPA)及泛珠三角區域合作等多項國家政策措施。由於香港經濟開放，故有利的宏觀經濟環境，港元因美元弱勢而在匯率上佔優，加上油價穩定，將可繼續刺激本港對外貿易。恰似主要西方發達國家的普遍經濟發展情況，香港經濟將日益依賴服務行業，因此國內擴闊《合資格境內機構投資者計劃》(QDII)，無疑更有利本港金融服務業的發展。

建造業

儘管香港本地經濟增長強勁，但建造業卻未見明顯改善。建造業開支持續緊縮，於二零零六年錄得7.2%的負增長（二零零五年：負增長為8.4%），主要是由於缺乏大型基建項目，加上私人及公營房屋發展項目減少所致。在過去十年，本地建造工程總值由一九九七年港幣993億元持續下滑至二零零六年僅為港幣417億元。

然而，近期香港建造業呈現逐漸復甦的跡象。財政司司長於其二零零七年至二零零八年年度財政預算案演辭中，指出政府將於未來數年每年平均投放港幣290億元於基建項目，而行政長官亦承諾會加快開展公共建造項目，以進一步改善本地建造業的就業情況。私人發展商於近期的土地拍賣中亦表現活躍。本集團深信香港建造業已渡過其最困難時期，並將於二零零七年開始穩步增長。

Outlook (continued)

The Industry (continued)

The economy in Macau recorded a significant GDP growth of 16.6% alone in calendar year 2006. The opening up of the gaming industry has generated heavy demand on construction services in providing gaming and associated facilities. The improvement in economy will also generate construction demand for infrastructure, residential and public facilities. The Macau government has committed to bring forward non-gaming facilities to help support Macau's economic growth and steer Macau towards a more diversified and sustainable economy. Most sectors in Macau will benefit from the rapid economic development. The real estate market remained buoyant in the first quarter of year 2007, and both the transaction volume and the average transaction price of residential units climbed over those recorded in the fourth quarter of 2006.

The Group

During the last few years, the Group has successfully positioned itself in the Macau market. We shall seek to continue the alliance relationship with the Las Vegas Venetian group. The successful completion of the Sands Casino and now Parcel 1 of the Venetian Cotai project have earned the Group well respected reputation within the Macau property/construction community and elsewhere. We shall also develop other opportunities to compliment our existing business in Macau.

Our Hong Kong people and corporate structure will continue to be streamlined in order to be responsive to the market whilst maintaining cost and operational efficiency. The construction industry in Hong Kong will improve given the growing economy and commitment to capital expenditure by the Government. The Group is well positioned to capitalise on these opportunities, especially in Design and Build projects, and other construction projects which demand significant input on construction technique and electrical and mechanical engineering expertise.



Ka-kui CHAN

Managing Director

Hong Kong, 6 July 2007

展望 (續)

建造業 (續)

澳門本地生產總值於二零零六年錄得16.6%之大幅增長。開放博彩業帶來大量來自博彩場所及相關設施的建造服務需求。澳門經濟向好亦同時帶動當地對基建、住宅及公共設施的建造需求。澳門政府已承諾落實興建非博彩設施，以支持澳門的經濟發展，促使澳門經濟趨向更多元化及具持續性的發展。同時，高速經濟發展亦令澳門各行各業受惠。二零零七年首季度，房地產市場依然蓬勃，住宅單位成交量及平均成交價均攀升至高於二零零六年第四季度的水平。

本集團

過去數年，本集團成功地在澳門市場內穩佔一席位。我們會致力繼續與拉斯維加斯威尼斯人集團維持合作關係。在成功完成金沙娛樂場及新近完成之威尼斯人路氹地塊一之項目後，本集團在澳門物業／建造界及其他地區的聲譽日隆。本集團會積極拓展其他商機，以配合現有澳門業務的發展。

本集團會繼續精簡香港團隊及公司架構，以使其能在回應市場需求之同時亦可維持其成本效益及營運效率。隨著香港經濟增長，加上政府承諾增加資本開支，香港建造業的發展將會改善。本集團已準備就緒以把握有關商機，特別是「設計及承建」項目，以及其他需要大量投放建造技術及機電安裝工程專門技術的建造項目。



董事總經理

陳家駒

香港，二零零七年七月六日

Corporate Governance Report

企業管治報告

Corporate governance is the system by which Hsin Chong Construction Group Ltd. (the “Company”) is directed and controlled. The board of directors of the Company (the “Board”) is fully aware of its importance to the shareholders and has developed a rigorous system of checks and balances which allows management to respond to the strategic directions approved by the Board. The Board believes that a well balanced corporate governance system enables the Company to achieve business excellence and fulfill the Company’s mission of “Building Trust and Value”.

Long before implementing the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), the Company has taken the initiative to disclose its corporate governance practices in annual reports starting from the financial year 2000/2001.

企業管治是Hsin Chong Construction Group Ltd. (新昌營造集團有限公司*) (「本公司」) 的指導及監控系統。本公司董事會 (「董事會」) 充份明白其對股東的重要性，因此建立了一套嚴謹的制衡制度，使管理層能配合董事會批准的策略方針。董事會相信，建立一套均衡的企業管治系統，讓本公司可達致業務優越的目標，實現本公司「建立信任，締造價值」的宗旨。

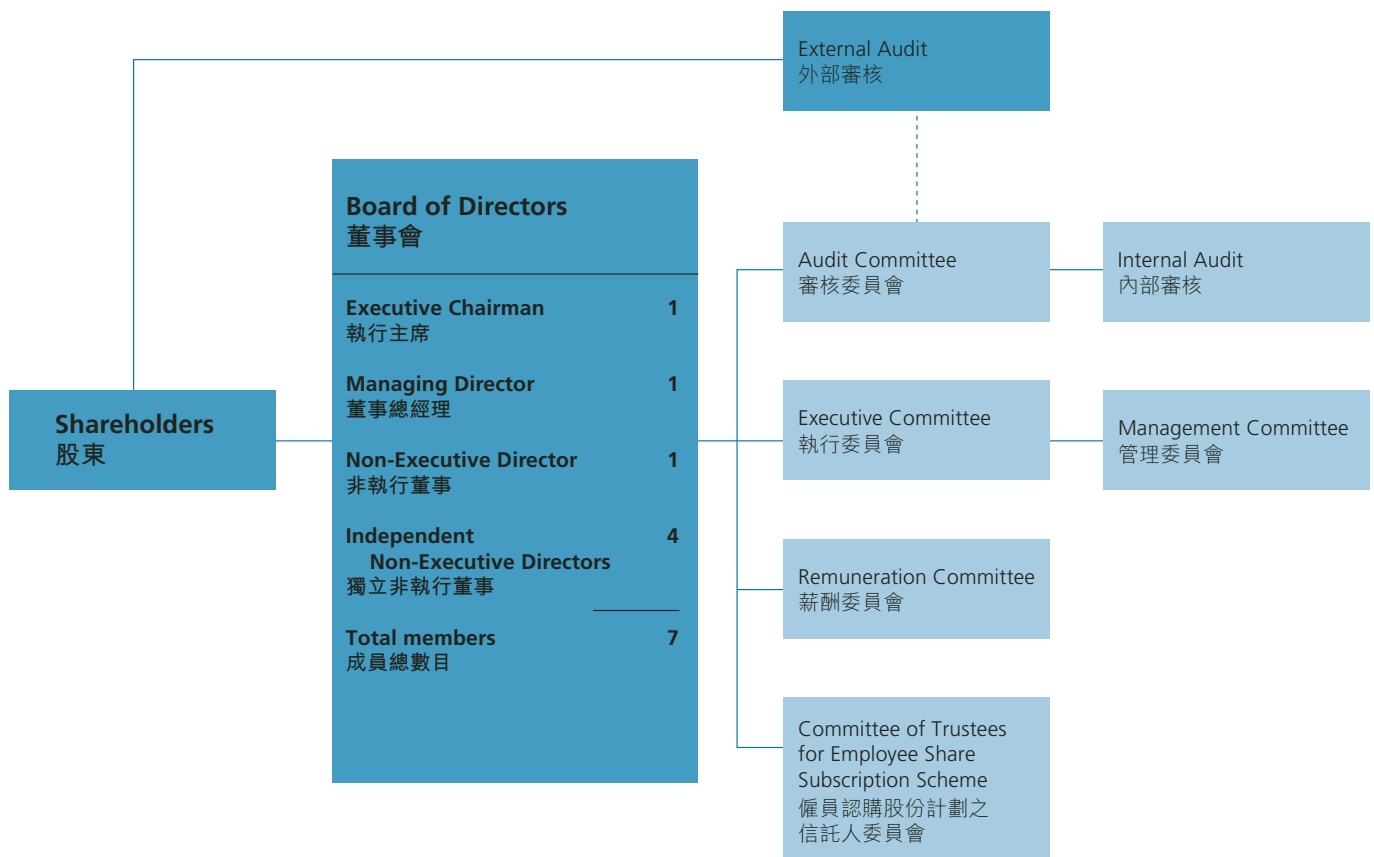
早於香港聯合交易所有限公司證券上市規則 (「上市規則」) 附錄十四所載的企業管治常規守則 (「企業管治守則」) 尚未落實執行之前，本公司已由二零零零／二零零一年財政年度開始，在其年報中主動披露其企業管治常規。

Corporate Governance Structure

At 6 July 2007

企業管治架構

於二零零七年七月六日



* For identification purpose only 僅供識別

Corporate Code of Conduct

Organisations are driven by their core values which for the Company, integrity is the most important core value. Since 1995, the Company has published and distributed its Corporate Code of Conduct to all staff to educate and reinforce the Company's commitment to the highest standards of business ethics and the seriousness with which the Board treats such matters. The Corporate Code of Conduct is a living document and is periodically updated to incorporate comments and suggestions from the Independent Commission Against Corruption and the other regulating authorities in Hong Kong.

Code on Corporate Governance Practices

In the light of the CG Code coming into effect on 1 January 2005, the Company has further enhanced its corporate governance by adoption of improved procedures and guidelines in different aspects.

The Company has applied the principles in and complied with the code provisions and certain recommended best practices set out in the CG Code in Appendix 14 of the Listing Rules throughout the year ended 31 March 2007, except for deviation from code provision A.4.2 of the CG Code. Code provision A.4.2 of the CG Code requires, inter alia, every director, including those appointed for a specific term, to be subject to retirement by rotation at least once every three years. In accordance with the old provisions of the bye-laws of the Company prior to the amendments made on 18 August 2006, both the chairman of the Board and the managing director of the Company were not subject to retirement by rotation and re-election. Hence for the purpose of compliance with the requirement under code provision A.4.2 of the CG Code, the Company has at its annual general meeting held on 18 August 2006 (the "2006 AGM") passed a special resolution to amend certain provisions of its bye-laws such that, inter alia, every director, including the chairman of the Board and the managing director of the Company, is now subject to retirement by rotation and re-election or subject to re-election (as the case may be) at least once every three years.

公司紀律守則

機構的運作，背後必有一套核心價值推動。對本公司來說，最重要的核心價值就是誠實廉正。本公司自一九九五年以來，已開始印製《公司紀律守則》並分發給全體僱員，藉此教育和鞏固僱員對本公司致力維繫最高商業道德標準的決心，並表明董事會對一切關乎商業道德事宜的認真態度。《公司紀律守則》是一份不斷更新的規管文件，內容定期修訂，並納入廉政公署及其他香港監管機構的意見和建議。

企業管治常規守則

為配合二零零五年一月一日生效的企業管治守則，本公司已進一步提升其企業管治水平，於各方面採納改良的程序及指引。

本公司於截至二零零七年三月三十一日止年度一直應用上市規則附錄十四所載之企業管治守則之原則及遵守各項守則條文及若干建議最佳常規，惟偏離企業管治守則第A.4.2條守則條文之規定。企業管治守則第A.4.2條守則條文規定（當中包括）每位董事（包括按指定年期獲委任者）均須最少每三年一次輪席告退。根據二零零六年八月十八日修訂前本公司細則原有條文規定，董事會主席及本公司董事總經理均毋須輪席告退及膺選連任。因此，為遵守企業管治守則第A.4.2條守則條文之規定，本公司已於二零零六年八月十八日舉行之股東週年大會（「二零零六年股東週年大會」）上通過一項特別決議案，以修訂其細則之若干條文，致使現時本公司每位董事（包括董事會主席及本公司董事總經理）均須最少每三年一次輪席告退並膺選連任或（視乎情況而定）重選連任。

Model Code for Securities Transactions by Directors and Executive Committee Members

On 28 June 2004, the Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of all the directors of the Company, all the directors confirmed that they have complied with the required standard set out in the Model Code throughout the financial year ended 31 March 2007.

On 29 March 2005, the Board has further adopted the Model Code as the written guidelines for regulating the securities transactions by members of the executive committee of the Board who by virtue of their positions may likely be in possession of unpublished price sensitive information of the Company and/or its subsidiaries (collectively, the “Group”). Having made specific enquiry of all the members of the executive committee of the Board, the Company was advised that all of them have complied with the required standard set out in the Model Code throughout the financial year ended 31 March 2007.

Board of Directors Composition

The Board is currently comprised of 7 directors, including 2 executive directors, 1 non-executive director and 4 independent non-executive directors. The chairman of the Board has appointed an alternate director.

The names of the directors are set out below:

Executive Chairman

Mr. V-nee YEH

Managing Director

Mr. Ka-kui CHAN

Non-Executive Director

Mr. Ki-chi KWONG

Independent Non-Executive Directors

Mr. Tobias Josef BROWN

Mr. Ho-ming Herbert HUI

Mr. Kin-fung Jeffrey LAM

Mr. Kwok-kuen Peter LAU

Alternate Director

Mr. Barry John BUTTIFANT (*alternate to Mr. V-nee YEH*)

董事及執行委員會成員進行證券交易的標準守則

董事會已於二零零四年六月二十八日採納上市規則附錄十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」)作為本公司董事進行證券交易之操守準則。經向本公司所有董事作出特定查詢後,所有董事均確認彼等於截至二零零七年三月三十一日止財政年度內一直遵守標準守則所載之規定準則。

於二零零五年三月二十九日,董事會進一步採納標準守則作為規管董事會轄下之執行委員會成員進行證券交易之書面指引,該等成員或可憑藉本身職位取得本公司及/或其附屬公司(統稱「本集團」)未刊發之股價敏感資料。經向董事會轄下執行委員會所有成員作出特定查詢後,本公司獲悉彼等於截至二零零七年三月三十一日止財政年度內一直遵守標準守則所載之規定準則。

董事會 組成

董事會目前由7名董事組成,包括2名執行董事、1名非執行董事及4名獨立非執行董事。董事會主席有委任替代董事。

各董事姓名載列如下:

執行主席

葉維義先生

董事總經理

陳家駒先生

非執行董事

鄭其志先生

獨立非執行董事

Tobias Josef BROWN先生

許浩明先生

林健鋒先生

劉國權先生

替代董事

Barry John BUTTIFANT先生(葉維義先生之替代董事)

Board of Directors (continued)

Composition (continued)

The Board is comprised of professionals from various disciplines, including construction, finance, banking and accounting, who possess a balance of skills, expertise and experience inside and outside the construction industry which can benefit the Group and the management. There is no relationship among members of the Board; and between the chairman of the Board and the managing director. The brief biographical details of the abovenamed directors are set out on pages 39 to 41 of this annual report.

The Company currently has 4 independent non-executive directors which accounts for more than half of the total number of Board members. The high proportion of independent non-executive directors appointed to the Board reflects that their views carry significant weight. The strong independent element also enables the Board to achieve an effective exercise of independent judgement, make objective decisions and act in the interests of the Company and its shareholders as a whole.

Each of the independent non-executive directors has given to the Company an annual confirmation of independence in compliance with Rule 3.13 of the Listing Rules and the Company considers that all the independent non-executive directors are and have remained independent. Mr. Tobias Josef BROWN, chairman of the audit committee, has the appropriate related financial management expertise required under Rule 3.10(2) of the Listing Rules.

Composition of the Board, including the names of the independent non-executive directors, is expressly identified in all corporate communications which disclose the names of the directors of the Company.

Functions

The Board has an ultimate oversight of the Group's activities. Its primary functions are to set and direct the Company's strategy and monitor and measure management's performance. It is accountable for the overall strategic development of the Group with the objective to enhance shareholder value. Material matters are reserved for the Board's considerations or decisions which include, among other things, overall strategy of the Group; business plans; annual budgets; significant capital expenditures; interim and annual results and reports; dividend policy and payments; material acquisitions, disposals or investment proposals; directors' appointments, re-appointments or removal; and other material transactions.

董事會 (續)

組成 (續)

董事會由來自各個不同範疇的專業人士組成，當中包括來自建造業、金融業、銀行業及會計業的專才，彼等所擁有建造業行內外的技能、專業知識和經驗，使本集團及管理層獲益良多。董事會成員之間以及董事會主席與董事總經理之間均概無任何關係。上述董事的履歷簡介載於本年報第39至41頁。

本公司目前共有4名獨立非執行董事，佔董事會成員人數超過半數。獨立非執行董事人數於董事會中所佔的比例較高，足以反映彼等的意見具有舉足輕重的影響力。強大的獨立元素亦確保董事會有效地作出獨立判斷、客觀決定及符合本公司及股東整體利益的行動。

每位獨立非執行董事已根據上市規則第3.13條向本公司就其獨立性作出年度書面確認，而本公司亦認為所有獨立非執行董事現時及一直以來均保持其獨立性。審核委員會主席Tobias Josef BROWN先生具備上市規則第3.10(2)條規定所需的相關財務管理專長。

董事會的組成（包括各獨立非執行董事的姓名）均明確地載於所有披露本公司董事姓名的企業通訊中。

職能

董事會為本集團業務的最高監督組織。董事會之主要職能是制定本公司的策略並提供指引，同時監察及評估管理層之表現。董事會負責本集團的整體策略發展，並以提升股東收益為目標。重大事項均須經董事會考慮或作出決定，其中包括本集團整體策略；年度預算；重大資本開支；中期與年度業績及報告；股息政策及股息分派；重大收購、出售或投資方案；委任、重新委任或罷免董事；以及其他重大交易。

Board of Directors (continued)

Board Chairman and the Managing Director

Mr. V-nee YEH is the chairman of the Board and Mr. Ka-kui CHAN is the managing director of the Company. The roles of the chairman of the Board and the managing director of the Company are taken by two separate directors who are not related to each other. There is a clear division of responsibilities between them with a view to achieving a balance of power and authority. The chairman of the Board provides leadership in terms of approving policies and strategies and also discharges the duties set out in the code provisions under A.2 of the CG Codes. The managing director of the Company has the overall responsibility of implementing all decisions, policies and strategies approved by the Board, and overseeing the Group's business and operations. His duties are set out in his service agreement entered into with the Company.

Attendance of Board Meetings

Regular Board meetings are held at least four times a year at approximately quarterly intervals. Tentative dates of regular Board Meetings for the next calendar year are scheduled approaching the end of the year in order to facilitate the directors to plan for attendance of the meetings. Additional Board meetings will be arranged, as and when required, to deal with ad hoc issues. Director who is not able to present physically at any Board meeting may participate by means of a conference telephone or other similar communications equipment in accordance with the Company's bye-laws.

董事會 (續)

董事會主席及董事總經理

葉維義先生為董事會主席，而陳家駒先生為本公司董事總經理。董事會主席與本公司董事總經理之職位分別由兩名互相並無關連的董事擔任。兩者的責任明確劃分，以達致權力及權限的平衡。董事會主席領導董事會對政策及策略作出審批，亦同時履行企業管治守則第A.2條守則條文所載職責。本公司董事總經理則負責全面執行董事會所通過的決定、政策及策略，並監察本集團的業務運作，其職責載於彼與本公司訂立的服務協議內。

董事會會議出席記錄

董事會每年最少舉行四次定期會議，約每季一次。翌年董事會定期會議之日期將於每年近年底時暫定，以便董事就出席有關會議作出安排。董事會亦會於有需要時舉行額外董事會會議，以處理緊急事務。根據本公司細則，無法親身出席董事會會議之董事，可透過電話會議或其他類似的通訊設備參與董事會會議。

Board of Directors (continued)

Attendance of Board Meetings (continued)

Four Board meetings were held during the financial year ended 31 March 2007. Attendance of directors to the Board meetings are set out below:

董事會 (續)

董事會會議出席記錄 (續)

於截至二零零七年三月三十一日止財政年度內共舉行了四次董事會會議，董事出席董事會會議之記錄載列如下：

Director 董事		Date of Meeting 會議日期			
		12/04/2006 二零零六年 四月十二日	07/07/2006 二零零六年 七月七日	06/10/2006 二零零六年 十月六日	01/12/2006 二零零六年 十二月一日
		Meetings Attended / Eligible to Attend 出席／具資格出席會議次數			
Executive Chairman V-nee YEH	執行主席 葉維義	✓	✓	✓	✓
Executive Directors Rodney Gordon FRANKS (resigned) ¹ Ka-kui CHAN ²	執行董事 Rodney Gordon FRANKS (已辭任) ¹ 陳家駒 ²	✓ n/a	✓ n/a	n/a ✓	n/a ✓
Non-Executive Director Ki-chi KWONG	非執行董事 鄺其志	✓	✓	✓	✓
Independent Non-Executive Directors Tobias Josef BROWN Ho-ming Herbert HUI Kin-fung Jeffrey LAM Kwok-kuen Peter LAU	獨立非執行 董事 Tobias Josef BROWN 許浩明 林健鋒 劉國權	✓ ✓ ✓ ✓	- ✓ ✓ ✓	✓ ✓ ✓ ✓	✓ ✓ ✓ ✓
No. of directors appointed	獲委任董事數目	7	7	7	7
Attendance in total	總出席人數	7/7	6/7	7/7	7/7
Percentage of attendance in total	總出席率	100%	85%	100%	100%

¹ Mr. Rodney Gordon FRANKS has resigned as an executive director and the managing director of the Company with effect from 12 July 2006.

² Mr. Ka-kui CHAN was appointed as an executive director and the managing director of the Company with effect from 19 August 2006.

n/a not applicable

¹ Rodney Gordon FRANKS先生已於二零零六年七月十二日起辭任本公司執行董事及董事總經理職務。

² 陳家駒先生於二零零六年八月十九日起獲委任為本公司執行董事及董事總經理。

n/a 不適用

Board of Directors (continued)

Board Proceedings

Directors have full and timely access to all relevant information, including reports from the Board committees and reports from the management. They are also provided with updates on the latest developments of the Listing Rules and other relevant legal and regulatory changes and matters of relevance to the directors in discharging their duties as and when appropriate.

Generally, notice of at least 14 days is given for each regular Board meeting and reasonable notice is given for all other Board meetings. The company secretary assists the Board chairman to prepare the meeting notice and agenda. Meeting agenda is circulated in draft form for directors' comment so that each director may include any item in the agenda. Agenda accompanied by meeting papers with sufficient and reliable information are sent to each director not less than 3 days before the meeting date to enable the directors to make informed decisions on the matters to be discussed.

The company secretary is responsible for taking minutes of the Board meetings, drafts and final versions of which will be circulated to directors for comment and record, respectively, and in both cases, within a reasonable time after each meeting. Minutes are recorded in sufficient detail the matters considered by the Board and decisions reached, including any concerns raised by the directors or dissenting view (if any) expressed. Minutes of Board meetings are kept by the company secretary and open for inspection to any director on request.

All directors of the Company have access to the company secretary who is responsible for ensuring that Board procedures are complied with and all applicable rules and regulations are followed.

The directors may seek independent professional advice in appropriate circumstances at the Company's expenses in order to assist them to discharge their duties to the Company.

Board approval is also given by circulation of resolution in writing pursuant to the bye-laws of the Company on urgent matter which requires decision in a very tight timeframe and hence convening a Board meeting is difficult or not practicable. In case resolution in writing is circulated, sufficient information and explanatory materials will also be provided to the directors at the same time. During the year ended 31 March 2007, three sets of resolutions in writing were passed by the directors for approving different matters. All these written resolutions were tabled at the next following Board meetings for directors' review and comment (if any).

董事會 (續)

董事會程序

董事均可適時取得所有相關資料，包括董事會轄下委員會之報告及管理層之報告，彼等按有需要時亦獲提供有關上市規則的最新發佈及其他適用法例及監管規則變動的最新信息，以及與董事履行職務有關之資料。

一般而言，董事會定期會議之通知會於最少14日前發出，而所有其他董事會會議則會於合理時間內發出通知。公司秘書協助董事會主席擬定董事會會議通知及議程。會議議程以初稿形式向董事傳閱，因此各董事可於議程內加入任何事項。會議議程連同載有充足且可靠資料會議文件將最少於會議前3天向董事寄發，使彼等能就須討論的事項作出知情的決定。

公司秘書須負責對董事會會議作出記錄。會議記錄的初稿及最終稿須在每次董事會會議結束後的合理時段內發送予每位董事，初稿供董事評議，最終稿則予以存檔之用。會議記錄須對會議上各董事所考慮的事項及達致的決定作出足夠詳細之記錄，其中包括董事提出之任何疑慮或表達之反對意見（如有）。董事會會議記錄由公司秘書備存，並將公開予任何董事查閱。

本公司所有董事均有接觸公司秘書之途徑，公司秘書有責任確保董事會程序獲遵行及所有適用規則及規例均獲遵守。

董事可於適當情況尋求獨立專業意見，以協助彼等履行對本公司之職責，費用則由本公司支付。

如有緊急事項須作出決定但礙於時間緊迫以致難以或不可能召開董事會會議時，董事會亦會根據本公司細則之規定，透過傳閱書面決議案方式批准該有關事項。倘向董事傳閱書面決議案時，充足的背景資料及說明材料亦會同時提供予董事。於截至二零零七年三月三十一日止年度內，董事曾通過三份傳閱的書面決議案以批准不同事項。所有該等書面決議案均於獲通過後的一次董事會會議上提呈董事會成員省覽及提出意見（如有）。

Board of Directors (continued)

Board Proceedings (continued)

If a substantial shareholder or a director has a conflict of interest in a matter (including material transaction with connected persons) which the Board determines to be material, the Board will hold a meeting instead of giving approval by way of circulation of resolution in writing.

Appropriate insurance cover on directors' and officers' liabilities has been arranged to protect the directors and officers of the Group.

Appointment, Re-election and Removal of Directors

The Board currently does not find it necessary to set up a nomination committee to consider the appointment, re-election and removal of directors of the Company. The Board as a whole has assumed this responsibility. During the year, the Board had resolved to appoint Mr. Ka-kui CHAN as the executive director and the managing director of the Company.

All the non-executive and independent non-executive directors of the Company are appointed for a term of two years subject to the requirements of the Listing Rules and the bye-laws of the Company, including the requirements of retirement by rotation and re-election or standing for re-election at annual general meetings of the Company at least once every three years.

In accordance with the old provisions of the bye-laws of the Company prior to the amendments made on 18 August 2006, both the chairman of the Board and the managing director of the Company were not subject to retirement by rotation and re-election. Hence for the purpose of compliance with the requirement under code provision A.4.2 of the CG Code, the Company has, at the 2006 AGM, passed a special resolution to amend certain provisions of its bye-laws such that, inter alia, every director, including the chairman of the Board and the managing director, are now subject to retirement by rotation and re-election or (as the case may be) subject to re-election at least once every three years.

The Company has also at the 2006 AGM amended bye-law 103 of its bye-laws such that the Company can now remove any director by passing an ordinary resolution at general meeting. The purpose of the aforesaid amendment is to bring the relevant provision of the bye-laws of the Company relating to removal of directors in line with the requirement of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong).

董事會 (續)

董事會程序 (續)

倘有主要股東或董事在某一事項(包括與關連人士之重大交易)中存在董事會認為重大的利益衝突,董事會將就此舉行董事會會議,而不會以傳閱書面決議案的方式作出批准。

本集團已購買合適之董事及高級職員責任保險,為其董事及高級職員提供保障。

委任、重選及罷免董事

董事會現時認為無需就考慮委任、重選及罷免本公司董事之事宜設立提名委員會。董事會已整體承擔是項責任。本年度內,董事會通過委任陳家駒先生為本公司執行董事及董事總經理。

本公司所有非執行及獨立非執行董事的任期均為兩年,及須遵守上市規則及本公司細則之規定,包括最少每三年一次於本公司股東週年大會上輪席告退並膺選連任或尋求重選連任之規定。

根據二零零六年八月十八日作出修訂前的本公司細則原有條文,董事會主席及本公司董事總經理均毋須輪席告退並膺選連任。因此,為遵守企業管治守則第A.4.2條守則條文的規定,本公司已於二零零六年股東週年大會上通過一項特別決議案,藉此修訂其細則之若干條文,致使(其中包括)每名董事(包括董事會主席及董事總經理)均須最少每三年一次輪席告退並膺選連任或(視乎情況而定)獲重選連任。

本公司亦同時於二零零六年股東週年大會上修訂其細則第103條條文,致使本公司現時可於股東大會上以通過普通決議案的方式罷免任何董事。上述修訂旨在使本公司細則有關罷免董事的相關條文與香港法例第32章公司條例所載規定一致。

Board of Directors (continued)

Delegation by the Board

The Board has delegated certain authority and responsibilities to the management for managing the Group within the control and authority framework set by the Board. The Board has also delegated its certain responsibilities to the executive committee, audit committee, remuneration committee and committee of trustees for the employee share subscription scheme.

Board Committees

Board committees are established pursuant to bye-law 124 of the Company's bye-laws, each of which is to assist in the execution of the Board's responsibilities and oversee particular aspect of the Group's affairs. Each Board committee is provided with sufficient resources to discharge its duties properly, and holds meetings in accordance with the Company's bye-laws, its respective specific written terms of reference (if any) and, where applicable, the proceedings of Board meeting.

Executive Committee

The executive committee of the Board was established since 1991. Currently, the executive committee comprises 4 members, namely, Mr. Ka-kui CHAN, the managing director of the Company, Mr. Barry John BUTTIFANT, the alternate director to the Board chairman, Mr. Wai-tai LAW, the assistant managing director of certain major subsidiaries of the Group and Mr. Yuk-fai Charles KAM, the financial controller and qualified accountant of the Group. The primary duties of the executive committee are to make decisions on approval of certain business transactions, allotment of shares pursuant to exercise of options under the Company's executive share option schemes, banking matters and other routine affairs within the normal business scope of the Group with a view to assisting the Board to discharge partially its functions.

The authority and duties of the executive committee are set out in its specific written terms of reference, the latest version of which was adopted by the Board on 13 April 2007 after review of the powers and duties delegated. Full text of the specific written terms of reference of the executive committee is posted on the Company's website.

The executive committee shall meet as and when required depending on business and operations needs. During the year ended 31 March 2007, the executive committee met eleven times to discharge their duties. Mr. Ka-kui CHAN and Mr. Barry John BUTTIFANT have attended ten times and eight times out of those meetings respectively.

董事會 (續)

董事會轉授權力

董事會將若干權限及責任轉授予管理層，使其在董事會制定的監控及權力架構下管理本集團。董事會亦向執行委員會、審核委員會、薪酬委員會及僱員認購股份計劃之信託人委員會轉授其若干責任。

董事會轄下的委員會

董事會根據本公司細則第124條成立多個董事委員會，每個委員會均為協助執行董事會的責任，並專責監督本集團特定範疇的事務。每個董事委員會均獲提供充裕資源，可適當地履行其職責，及根據本公司細則、彼等各自之具體書面職權範圍（如有）及董事會會議程序（如適用）舉行會議。

執行委員會

董事會轄下的執行委員會於一九九一年成立。目前，執行委員會共有4名成員，彼等為本公司之董事總經理陳家駒先生、董事會主席之替代董事Barry John BUTTIFANT先生、本集團若干主要附屬公司的助理董事總經理羅維弟先生及本集團財務總監兼合資格會計師甘沃輝先生。執行委員會的主要職責為就批准若干業務交易、因應行使根據本公司行政人員認股權計劃授出的認股權而配發股份、融資事務及本集團一般業務範圍的其他日常事務作出決定，旨在協助董事會履行其部分職能。

執行委員會的權限及職責載於其特定書面職權範圍內，最近期版本乃於二零零七年四月十三日經董事會審閱所轉授之權力及職責後採納。執行委員會特定書面職權範圍全文已登載於本公司網站。

執行委員會將按業務及營運所需舉行會議。截至二零零七年三月三十一日止年度，執行委員會共舉行十一次會議，以履行其職責。陳家駒先生及Barry John BUTTIFANT先生分別出席十次及八次有關會議。

Board Committees (continued)

Remuneration Committee

The remuneration committee of the Board was established on 1 April 2005 comprising Mr. V-nee YEH as the chairman and Mr. Tobias Josef BROWN and Mr. Ho-ming Herbert HUI as members.

The authority and duties of the remuneration committee are set out in the specific written terms of reference adopted by the Board, full text of which is posted on the Company's website.

The remuneration committee's written terms of reference are summarised as follows:

- (i) To conduct regular review of the Company's remuneration policy and procedures regarding the Company's directors and senior management's compensation.
- (ii) To make recommendations to the Board on the Company's policy and structure of all remuneration of the Company's directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration.
- (iii) To determine the remuneration packages of all executive directors and senior management and make recommendations to the Board on remuneration of the non-executive directors of the Company.
- (iv) To approve remuneration packages of senior management proposed by the managing director of the Company.
- (v) To review and determine performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time.
- (vi) To review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment.
- (vii) To review and approve compensation arrangement relating to dismissal or removal of the Company's directors for misconduct in accordance with relevant contractual terms.
- (viii) To advise shareholders on how to vote with respect to any service contract of director of the Company that requires shareholders' approval under the Listing Rules.
- (ix) To ensure that no director or any of his associates is involved in deciding his own remuneration.

The remuneration committee shall meet at least once a year. During the year ended 31 March 2007, one remuneration committee meeting was held on 27 June 2006 with all members present to perform the duties of the remuneration committees as summarised above.

董事會轄下的委員會 (續)

薪酬委員會

董事會轄下薪酬委員會於二零零五年四月一日成立，由葉維義先生出任主席，成員包括Tobias Josef BROWN先生及許浩明先生。

薪酬委員會的權限及職責載於董事會採納的特定書面職權範圍內，有關全文登載於本公司網頁。

薪酬委員會特定書面職權範圍概述如下：

- (i) 對有關本公司董事及高層管理人員報酬的薪酬政策及程序進行定期審閱。
- (ii) 就本公司董事及高層管理人員的所有薪酬政策及架構，以及就發展薪酬政策而訂立一套正式並具透明度的程序，向董事會提供推薦意見。
- (iii) 釐定所有執行董事及高層管理人員的薪酬待遇，以及就本公司非執行董事的薪酬待遇向董事會提供推薦意見。
- (iv) 批准由本公司董事總經理建議之高層管理人員薪酬待遇。
- (v) 參考董事會不時決議的企業目的及目標，檢討及釐定須與工作表現掛鈎的薪酬基準。
- (vi) 檢討及批准支付執行董事及高層管理人員有關離職或終止任期或委任的賠償。
- (vii) 檢討及批准有關根據相關合約條款解僱及罷免本公司行為不當的董事的賠償安排。
- (viii) 就根據上市規則任何需要股東批准之本公司董事服務合約向股東作出投票方面的建議。
- (ix) 確保並無董事或彼等聯繫人參與釐定其本身之薪酬。

薪酬委員會須每年至少舉行一次會議。於截至二零零七年三月三十一日止年度，薪酬委員會已於二零零六年六月二十七日舉行一次薪酬委員會會議，全體成員均有出席並已履行以上概述之薪酬委員會職責。

Board Committees (continued)

Remuneration Committee (continued)

During the year ended 31 March 2007, three sets of resolutions in writing were passed for approval of the services agreement and the supplemental deed to the services agreement of Mr. Ka-kui CHAN, the managing director of the Company as well as grant of options under the executive share option scheme of the Company. All these written resolutions were tabled at the subsequent Board meetings for Directors' review and comment (if any).

Remuneration Policy of the Group

The Group sets its remuneration policy by reference to the prevailing market conditions and a performance-based reward system. It is to ensure that the Group is able to attract, retain and motivate executives of the highest caliber essential to the successful leadership and effective management of the Group. The performance measure is balanced between financial measures and industry comparative measures to achieve maximum alignment between executives and the shareholder objectives. The total remuneration is made up of base salary, allowances, benefits in kind, incentive bonuses, contributions to retirement funds and long term rewards. In the course of the re-engineering process implemented by the Group during the financial year ended 31 March 2007, the previously established executive remuneration committee and management remuneration committee were replaced by a streamlined process as described below.

The remuneration packages of the directors of the Company are recommended by the remuneration committee and determined by the Board except that no directors are allowed to make recommendation on or determine his own remuneration package. Director's remuneration is determined by reference to each director's duties and responsibilities in the Group as well as the overall performance of the Company and the Group and the prevailing market situation.

The remuneration packages of the senior management are recommended by the managing director of the Company and determined by the remuneration committee by reference to their respective responsibilities and accountability, target achievement, business results and market competitiveness of the Group. The remuneration packages of the managerial and support staff are determined by the managing director of the Company.

The incentive bonus scheme for each major business sector is set up for senior management staff and employees with significant contributions to the business objectives. The scheme is business result oriented and performance based. Share options are granted to the directors, senior management and other employees based on individual performance and overall contributions to the Group. The number and terms of share options granted to each grantee are proposed by the executive directors (except for options granted to their own), reviewed by the remuneration committee and recommended for approval by the Board.

董事會轄下的委員會 (續)

薪酬委員會 (續)

於截至二零零七年三月三十一日止年度，薪酬委員會通過三份書面決議案以批准董事總經理陳家駒先生之服務合約及有關之修訂契約，以及根據本公司之行政人員認股權計劃授出認股權。所有該等書面決議案已於其後舉行之董事會會議提呈予董事審閱及評議（如有）。

本集團之薪酬政策

本集團在訂立薪酬政策時會參考當時之市場情況，並制定一套與工作表現掛鈎的獎賞制度，以確保本集團能吸引、挽留及激勵具有卓越才幹、可成功領導及有效管理本集團的人才。在評估表現時會就財政狀況及行業指標兩者取得平衡，於行政人員股東利益之間達致最佳共識。薪酬總額包括基本薪金、津貼、各種福利、獎勵花紅、退休金供款及長期服務獎金。為配合本集團於二零零七年三月三十一日財政年度進行之企業重整計劃，過往成立之薪酬執行委員會及薪酬管理委員會由下文所述之精簡程序所取替。

本公司董事的薪酬待遇由薪酬委員會作出建議，並由董事會釐定，惟各董事不得就本身薪酬待遇作出建議或決定。董事的薪酬乃參考各董事於本集團的職責及責任，以及本公司與本集團整體表現，加上當時市場情況而釐定。

高層管理人員的薪酬待遇乃由本公司董事總經理作出建議，並由薪酬委員會參考彼等各自之責任及權責、達標成績、業績及本集團的市場競爭力而釐定。經理級及後勤僱員的薪酬待遇由本公司董事總經理釐定。

本集團為各主要業務分類訂立獎勵花紅計劃，以激勵高層管理人員及僱員對達到業務目標而作出重大貢獻。該計劃以業績為根據，並與工作表現掛鈎。董事、高層管理人員及其他僱員會根據個人表現及對本集團的整體貢獻獲授認股權。各承授人獲授之認股權數目及條款由執行董事（惟獲授予彼等自身之認股權則除外）建議，及由薪酬委員會審閱後向董事會建議批准通過。

Board Committees (continued)

Remuneration Committee (continued)

The Group has sought to make the policy more transparent, aligning the business strategy an incentive with the interest of shareholders. The remuneration policy is well communicated to all levels of staff.

Details of remuneration payable to each director of the Company for the financial year ended 31 March 2007 are set out in note 9 to the consolidated financial statements on pages 90 to 91 of this annual report.

Audit Committee

The audit committee of the Board has been in place since 1998 to provide the Board with an independent and objective review of the financial reporting process, internal controls and audit function and to address specific management needs with emphasis on:

- (i) appraising the quality of the audit work of the Company's internal auditor and external auditors;
- (ii) serving as an independent and objective party to review the financial information presented by management to shareholders, regulators and the general public;
- (iii) ascertaining the adequacy of the Company's internal control system; and
- (iv) serving as a useful channel of communication between the Board and the external auditors and internal auditor on audit matters.

The audit committee currently comprises Mr. Tobias Josef BROWN as the chairman and Mr. Ho-ming Herbert HUI and Mr. Kin-fung Jeffrey LAM as members, all of whom are independent non-executive directors of the Company. None of the audit committee members are or have ever been a partner of the existing audit firm engaged by the Company.

The duties of the audit committee are set out in the specific written terms of reference adopted by the Board, full text of which is posted on the Company's website. Its principal duties include, inter alia, recommending the appointment or re-appointment, or removal of the Company's external auditors; reviewing their remuneration; reviewing the Company's interim and annual financial statements and other financial reports of the Group as prescribed in its specific written terms of reference; and reviewing the Company's financial reporting system, internal control procedures (including monitoring the effectiveness of the internal audit function) and risk management systems. The audit committee has explicit authority to investigate any activity within its specific written terms of reference and the authority to obtain outside legal or other independent professional advice if it considers necessary.

董事會轄下的委員會 (續)

薪酬委員會 (續)

本集團務求令政策更具透明度，成為一項符合股東利益的業務策略。薪酬政策明確地通知各階層僱員。

本公司各董事於截至二零零七年三月三十一日止財政年度之酬金詳情載於本年報第90至91頁之綜合財務報表附註9。

審核委員會

董事會轄下之審核委員會成立於一九九八年，負責協助董事會就財務報告程序、內部監控、審核效能作出獨立及客觀之檢討，及向管理層之既定所需按以下重點作出回應：

- (i) 評估本公司的內部審計師及外聘核數師之審核工作質素；
- (ii) 以獨立及客觀的身份審閱由管理層向股東、監管機構及公眾提交之財務資料；
- (iii) 確定本公司擁有令人滿意之內部監控系統；及
- (iv) 作為董事會與內部審計師及外聘核數師對於審核事宜之有效溝通橋樑。

審核委員會以Tobias Josef BROWN先生為主席及許浩明先生和林健鋒先生為成員。審核委員會成員現時及過去均非本公司現時核數師事務所之合夥人。

審核委員會的職責載於董事會採納的特定書面職權範圍，全文登載於本公司網站，其主要職責包括（當中包括）建議委任或重新委任或罷免本公司外聘核數師、釐定彼等薪酬；審閱本公司中期及年度財務報表以及其特定書面職權範圍所指定之本公司其他財務報告；並審閱本公司財務報告系統、內部監控程序（包括監管內部審核功能的有效性）及風險管理系統。審核委員會具清晰權限，可在其特定書面職權範圍內調查任何活動，並於其認為有必要時取得外聘法律或其他獨立專業意見。

Board Committees (continued)

Audit Committee (continued)

The audit committee shall meet at least twice a year. In the financial year ended 31 March 2007, four audit committee meetings were held.

Attendance of members to the audit committee meetings during the financial year ended 31 March 2007 is set out below:

董事會轄下的委員會(續)

審核委員會(續)

審核委員會須每年舉行至少兩次會議。於截至二零零七年三月三十一日止財政年度，審核委員會共召開四次會議。

於截至二零零七年三月三十一日止財政年度審核委員會成員出席會議之記錄載列如下：

Member of Audit Committee 審核委員會成員		Date of Meeting 會議日期			
		12/04/2006 二零零六年 四月十二日	27/06/2006 二零零六年 六月二十七日	06/10/2006 二零零六年 十月六日	27/11/2006 二零零六年 十一月二十七日
		Meetings Attended / Eligible to Attend 出席／具資格出席會議次數			
Chairman Tobias Josef BROWN	主席 Tobias Josef BROWN	✓	✓	✓	✓
Members Ho-ming Herbert HUI Kin-fung Jeffrey LAM	成員 許浩明 林健鋒	✓ ✓	✓ ✓	✓ ✓	✓ ✓
No. of members appointed	獲委任成員數目	3	3	3	3
Attendance in total	總出席人數	3/3	3/3	3/3	3/3
Percentage of attendance in total	總出席率	100%	100%	100%	100%

During the audit committee meetings held in the year ended 31 March 2007, the audit committee had reviewed the interim and annual results and the corresponding financial statements with a view to ensuring that the Company's financial statements are prepared in accordance with the accounting principles generally accepted in Hong Kong. The audit committee had considered the reports from the external auditors on the scope and findings for their independent review of the audit of the interim and annual financial statements.

There has not been any disagreement between the Board and the audit committee's view on re-appointment of external auditors, and they both agree to recommend the re-appointment of Messrs. PricewaterhouseCoopers as the Company's external auditors for the ensuing year at the 2007 annual general meeting of the Company.

於二零零七年三月三十一日止年度舉行的審核委員會會議，審核委員會已審閱中期及年度業績，以及相應財務報表，旨在確保本公司財務報表乃根據香港一般公認會計準則而編撰。審核委員會亦已省覽外聘核數師就彼等對中期與年度財務報表之獨立審核的範圍及結果作出之獨立審閱報告。

董事會及審核委員會對重新委任外聘核數師事宜之意見並無分歧，彼等均同意於本公司即將舉行之二零零七年股東週年大會上，建議重新委任羅兵咸永道會計師事務所為本公司來年之外聘核數師。

Board Committees (continued)

Committee of Trustees for Employee Share Subscription Scheme

Pursuant to rules of the employee share subscription scheme (the "Share Scheme") adopted by the Company on 23 August 2002, a committee comprising three trustees should be established with primary duties (i) to administer and carry out the provisions of the Share Scheme; and (ii) to act as custodian of the funds contributed by the participating employees for the purpose of subscribing on behalf of the said participating employees for the shares of the Company. As authorised by the Board, the said committee currently comprises Mr. V-nee YEH, Mr. Ka-kui CHAN and Mr. Yuk-fai Charles KAM as trustees to discharge the duties. As this committee is specifically established to deal with the administration of the Share Scheme and its duties have been clearly defined in the rules of the Share Scheme and the board resolutions for appointing the trustees, it is considered that another set of specific written terms of reference is not necessary for this committee.

Delegation to Management Management Committee

The monitoring of business operations and implementation of business plans and strategies adopted by the Board are performed by senior executives led primarily by the managing director of the Company. As such, the management committee focused on Hong Kong operations was established on 1 April 2001 comprising key senior executives and is chaired by the managing director of the Company. The management committee is responsible for the oversight and management of the Group's day-to-day operations. The management committee meets once a month to review and discuss the Group's performance against budget, progress of projects, business strategy and matters relating to environmental, health and safety, human resources and information technology. There are other management committees responsible for day-to-day operations in Macau, China and electrical and mechanical business set up with regular meetings to review and discuss the performance of such segments.

Tender Procedures and Investment Policy

In the course of the re-engineering process mentioned earlier, both the tender panel and the finance committee disclosed in the last Corporate Governance Report (as contained in the annual report for 2005/06 of the Company) were abolished but replaced by redefined tender procedures and investment policy.

Tender Procedure

The tendering department is responsible for the review of business opportunities and their associated risk; formulating viable business models; and deciding the strategy and tactic towards each opportunity. The tendering director or the managing director of the Company working together with the estimator, the proposal manager or other expertise shall review, discuss and approve business proposals submitted by various business divisions.

董事會轄下的委員會 (續)

僱員認購股份計劃之信託人委員會

根據本公司於二零零二年八月二十三日採納之僱員認購股份計劃(「認購計劃」)的規則,由三位受託人組成之委員會已成立,其主要職責包括:(i)管理及執行認購計劃之條款;及(ii)作為參與僱員所投入資金之託管人,以認購本公司股份。經董事會授權後,上述委員會目前由葉維義先生、陳家駒先生及甘沃輝先生擔任受託人,以履行上述職責。由於該委員會專為管理認購計劃而設,認購計劃的規則及董事會委任受託人之決議案已明確界定其職責,故此本公司認為毋須為該委員會另行訂立特定書面職權範圍。

轉授權力予管理層管理委員會

本公司董事總經理屬下之高層行政人員主要負責監管業務運作及執行董事會之業務計劃及策略。因此,於二零零一年四月一日成立主要負責香港營運之管理委員會,成員包括高層行政人員,並由董事總經理擔任主席。該管理委員會負責監督及管理本集團的日常營運,每月均會舉行會議,以檢討及討論本集團業務相對預算之表現、項目進度、業務策略及有關環保、健康及安全、人力資源及資訊科技等事項的事宜。負責中國澳門業務的日常運作及機電工程業務之其他管理委員會亦已成立,並定期舉行會議,檢討及討論各業務分部之表現。

投標程序及投資政策

根據於本報告早段所述之重整計劃,去年度之企業管治報告(載於本公司二零零五/零六年度年報)所披露之投標小組及財務委員會經已解散,並由重新制訂的投標程序及投資政策所取代。

投標程序

投標部門負責審視業務商機及相關風險;制定可行之業務模式;及因應每個商機出謀獻策。本公司的投標總監或董事總經理會與估價員、項目投標經理或其他專業人士共同檢討、討論及批核由各業務部門提交之業務計劃書。

Delegation to Management (continued)

Tender Procedures and Investment Policy (continued)

Investment Policy

As recommended by the management with a view to refining hierarchy of finance control, the finance committee is replaced by a group investment policy which set out the strategy and approval process for the Company's investment in securities and other financial instruments in Hong Kong and overseas.

Internal Audit

In April 2004, the audit committee of the Company resolved to develop its own internal audit function, as part of the ongoing effort to focus on greater efficiency within the Company and to quickly respond to the management's concerns and identify problem areas. The Group has appointed its own internal auditor. Internal audit adopts a risk and control based audit approach. The work plan of internal audit is reviewed and endorsed by the audit committee of the Company. Examination of the processes, practices and procedures of internal controls for business operations and corporate functions of the Group have been performed on a regular basis. Internal audit reports containing findings and recommendations on improvements are submitted to the audit committee of the Company for review. During the year ended 31 March 2007, the audit committee was satisfied with the internal audit works performed.

Technical Audit

The technical audit function is overseen by the contracts services department, which is independent of site operations, aiming at enhancing the production of quality and error free products in the production process. The technical audit plan is also formulated by the contracts services department, and the results of the technical audit together with any recommendation for improvement are reported to the relevant project director and executive management for necessary action.

Internal Control

The Board has overall responsibility for the Group's internal control system and for the assessment and management of risk.

In meeting its responsibility, the Board has defined a management structure with limits of authority that helps achieve the business objectives; safeguard assets against unauthorised use or disposition; ensure the maintenance of proper accounting records for the provision of reliable financial information; and ensure compliance with relevant legislation and regulations. Such management structure is regularly reviewed to accommodate for the defined or refined business objectives and changing market conditions. The Board also aims at increasing the risk awareness across the Group's business operations and hence has put in place policies and procedures that provide a framework for the identification and management of risk.

轉授權力予管理層 (續)

投標程序及投資政策 (續)

投資政策

為重整財務監管架構，管理層訂立投資政策藉以取代財務委員會，該政策載有本公司對香港及海外證券及其他財務工具投資的策略及審批程序。

內部審核

於二零零四年四月，本公司審核委員會議決自行發展其內部審核職能，繼續致力提高本公司的內部效率，迅速回應管理關注事項及確認問題所在。本集團聘用專屬的內部審計師。內部審核採納以風險及監控為基礎之審核方法。本公司的審核委員會負責審批及批准內部審核工作計劃，並會定期檢討本集團業務營運及企業職能之內部監控流程、常規與程序。內部審核報告包括調查發現及改善建議，並已提交予本公司審核委員會審議。截至二零零七年三月三十一日止年度，審核委員會對已進行之內部審核工作感到滿意。

技術審核

獨立於地盤施工的合約服務部負責監管技術審核，致力提高項目質素及減少在建造過程中出錯之成品。合約服務部亦負責制訂技術審核計劃，並向相關項目總監及行政管理人員匯報技術審核結果及提出任何改善建議，以採取所需行動。

內部監控

董事會全權負責本集團之內部監控制度及風險評估與管理。

董事會為履行其責任，制訂管理架構及權限，藉以協助達成業務目標；保障資產不得於未經許可的情況下運用或處置；確保妥善存置會計記錄以提供可靠財務資料；及確保遵守有關法例及規例。該管理架構將定期檢討，以配合已制訂或重訂的業務目標及不斷轉變的市場狀況。董事會亦積極加強本集團旗下各業務營運的風險意識，並透過制定政策及程序，建立一個可以確認及管理風險之架構。

Internal Control (continued)

Functional directors are appointed to the boards of all major operating entities in the Group to oversee daily operations of those entities. Proper authorisation procedures are put in place for the review and approval of significant projects and major capital investments. Budgets must be approved before adoption and will be reviewed regularly. Proper controls are in place for recording complete, accurate and timely accounting and management information.

The internal audit and technical audit functions described above also represent two key components of the internal control system of the Group. The internal audit function provides an independent assurance to the Board and executive management on the adequacy and effectiveness of internal controls for the Group on an on-going basis.

During the year under review, the Board has conducted a review of the effectiveness of the internal control system of the Group through discussion with the audit committee on any significant findings and control issues. These procedures provide reasonable, but not absolute, assurance against material errors, losses and fraud, and to manage rather than eliminate risks of failure in the Group's operational systems and in the achievement of the Group's business objectives.

Directors' Responsibility for Financial Reporting

The directors of the Company acknowledge their responsibility for preparing the consolidated financial statements which give a true and fair view of the state of affairs of the Company and the Group on a going concern basis. With the support of the accounting and finance functions led by the financial controller of the Group, the directors of the Company have ensured that the consolidated financial statements for the year ended 31 March 2007 are prepared in accordance with appropriate accounting policies applied consistently save for those new and amended accounting standards as disclosed in the notes to the consolidated financial statements. To the best of knowledge of the directors of the Company, there is no uncertainty relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

In preparing the interim and annual financial statements, announcements and other financial disclosures required under the Listing Rules, the Directors have presented a balanced, clear and understandable assessment of the Group's position and prospect.

The auditors' report, which contains the statement of the external auditors of the Company about their reporting responsibilities on the Company's financial statements, is set out in pages 62 to 63 of this annual report.

內部監控 (續)

本集團委派職能董事加入所有主要營運公司之董事會，負責監督該等公司的日常營運。審閱及審批重要項目及在主要資本投資方面均設立妥善之授權程序。預算案落實前必須先獲批准，而有關預算將會定期作出檢討。本公司已為完整、準確及適時記錄會計及管理資料實施妥善監控。

上述之內部審核及技術審核是本集團內部監控系統的兩個主要部分。內部審核職能向董事會及行政管理層就本集團持續實施充足及有效的內部監控提供獨立保證。

於回顧年度內，董事會透過與審核委員會討論任何重大的調查發現及監控事宜，從而檢討本集團的內部監控制度成效。訂立上述程序旨在可合理但非絕對確保本集團不會出現重大失誤、虧損及欺詐，並可管理但非消除本集團營運制度失誤及業務目標未能達成的風險。

董事的財務匯報責任

本公司董事明白彼等有責任以持續營運的基準編製真實兼公平地反映本公司及本集團經營狀況的綜合財務報表。本公司董事在本集團負責會計及財務職能的財務總監的協助下，確保截至二零零七年三月三十一日止年度之綜合財務報表已按貫徹應用的適當會計政策編製，惟綜合財務報表附註所披露之新增及經修訂會計準則除外。就本公司董事所知，概無任何不明朗因素或情況可能會嚴重影響本公司持續營運之能力。

在編製中期及年度財務報表、公佈及其他根據上市規則須予披露之其他財務資料時，董事會均以平衡、清晰及易於明白地評審本集團之狀況及前景為目標。

載有本公司外聘核數師就對本公司財務報表之匯報責任所作聲明的核數師報告載於本年報第62至63頁。

Auditors' Remuneration

The fees paid to Messrs. PricewaterhouseCoopers, the Company's external auditors, for services rendered for the financial year ended 31 March 2007 are set out as follows:

Services rendered		Fees paid
所提供服務		已付費用 HK\$'000 港幣千元
Audit services	審核服務	1,640
Non-audit services:	非審核服務:	
Taxation	稅務	297
		1,937

Non-audit services provided by Messrs. PricewaterhouseCoopers are considered insignificant and have not affected their independence.

Shareholders' Rights, Investor Relations and Communications with Shareholders

In addition to publishing interim and annual reports, announcements, circulars, and press releases of the Company, updates on the Group's developments are provided on the Company's website at <http://www.hsinchong.com> which is updated on a timely manner.

Annual general meeting is deemed as a forum for shareholders to communicate directly with the Board members, for which at least twenty-one clear days prior notice together with detailed agenda is given. Separate resolution is proposed at annual general meeting on each substantially separate issue, including the election of each individual director.

In accordance with the bye-laws of the Company, any shareholder holding not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meeting shall have the right, by written requisition served onto the Board or the company secretary, to require a special general meeting to be called by the Board for transaction of any business specified in such requisition.

Details of the right of shareholders to demand a poll and procedures of poll voting at general meeting will be included in each circular relating to the convening of a general meeting. The chairman of the meeting will also explain the poll voting procedures at the relevant general meeting.

Continuous Corporate Governance Enhancement

The Board is committed to continuous corporate governance enhancement including giving close attention to any regulatory changes.

核數師薪酬

截至二零零七年三月三十一日止財政年度，就本公司外聘核數師羅兵咸永道會計師事務所提供之服務就其已支付的費用載列如下：

羅兵咸永道會計師事務所提供之非審核服務被視為不重大，故並無影響其獨立身份。

股東權利、投資者關係及與股東之溝通

除透過刊發本公司之中期報告與年報、公佈、通函及新聞稿外，本集團之最新發展情況之信息亦會登載於本公司網站<http://www.hsinchong.com>，並經常更新資料。

股東週年大會被視為股東與董事會成員直接進行溝通之場合，召開股東週年大會須最少於二十一整日前寄發載有詳細會議議程之通告。於股東週年大會上，就各項重要的獨立事項（包括推選個別董事）會提呈獨立決議案。

根據本公司細則，任何持有本公司繳足股本不少於十分之一而有權在股東大會上投票的股東均可向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求列明的任何事項。

有關股東於股東大會上要求進行投票表決的權利及進行投票表決之程序詳情，會載於每份召開股東大會之有關通函內。大會主席亦會於有關股東大會上解釋投票表決之程序。

不斷提升企業管治水平

董事會承諾將不斷提升企業管治水平，包括密切留意任何法規變動。

Management's Discussion and Analysis

管理層論述及分析

Financial Position

The Group maintains its policy of conservative capital management. The debt to capitalisation was reduced to 4% at the balance sheet date (31 March 2006: 33%). The decrease in the gearing ratio was mainly due to the repayment of loans during the year given the available funds after the sale of several property assets and other securities investments. The construction bank loan of RMB129.8 million for Guangzhou Wen Chang Pavilion, the first phase development in which the Group has an effective interest of 42%, was fully repaid in this year. Total bank borrowing at the balance sheet date only amounted to HK\$25.0 million which is repayable within one year (31 March 2006: HK\$280.3 million, of which 64% was repayable within one year). Up to 30 June 2007, total credit facilities available to the Group amounted to HK\$480.0 million with unutilised balances of HK\$455.0 million. The Group's other financing requirements for the new financial year will be easily met by available cash and cash generated by operations and banking facilities.

At 31 March 2007, net working capital amounted to HK\$325.2 million (31 March 2006: HK\$281.9 million) and given the improvement in liquidity, the quick ratio has increased to 0.9 at the balance sheet date (31 March 2006: 0.7). Cash balances, held-to-maturity investments and financial assets at fair value through profit or loss were 2.1% higher at HK\$689.2 million compared with the last financial year end (HK\$674.8 million) with 87% (31 March 2006: 66%) as cash and cash equivalents. The Group's consolidated balance sheet is now significantly improved in liquidity and virtually ungeared – an enviable position amongst the construction companies in Hong Kong.

Financial Focus

Return on Equity

The Group pays close attention to return on equity for both current businesses and new investment opportunities. The Group appreciates just being more profitable than other companies in the same industry may not be good enough for some investors. As a manager of public shareholders' capital, the Group aims to generate risk-adjusted returns on capital that are systematically acceptable to investors taking into account that construction is a cyclical industry. Current year's profitability has achieved a return on equity of 18.5% (2006: 23.7%).

Capital Structure

The Group has historically adhered to a policy of conservative capital management. A strong balance sheet affords more opportunities upon an industry upturn, and instils greater confidence amongst its clients, bankers, sub-contractors, suppliers and employees. Furthermore since progress payments in the construction business inherently create high operating leverage, an overlay of high financial leverage over any extended period would not be prudent.

Executive and Management Remuneration

The Group sets its remuneration policy by reference to the prevailing market conditions and a performance-based reward system. It is to ensure that the Group is able to attract, retain and motivate executives of the highest caliber essential to the successful leadership and effective management of a company. The performance measure is balanced between financial measures and industry comparative measures to achieve maximum alignment between executives and the shareholder objectives. The total remuneration is made up of base salary, allowances, benefits in kind, incentive bonuses, contributions to retirement funds and long term rewards.

財務狀況

本集團貫徹採取謹慎之資金管理政策。於結算日，負債對資本比率減低至4%（二零零六年三月三十一日：33%）。資產負債比率減少主要是由於年內出售數項物業資產及其他證券投資後獲得資金清還貸款所致。本集團擁有42%實際權益之廣州文昌雅居第一期發展項目的建築銀行貸款人民幣129,800,000元已於年內全數清還。於結算日之銀行貸款總額僅為港幣25,000,000元，全須於一年內償還（二零零六年三月三十一日：港幣280,300,000元，其中64%須於一年內償還）。截至二零零七年六月三十日，本集團可動用之信貸融資總額為港幣480,000,000元，其中港幣455,000,000元尚未動用。本集團擁有之現金、經營業務所得現金及銀行信貸將足以輕易應付新財政年度之其他融資需求。

於二零零七年三月三十一日，營運資金淨額為港幣325,200,000元（二零零六年三月三十一日：港幣281,900,000元），隨著流動資金之改善，於結算日，速動比率增加至0.9（二零零六年三月三十一日：0.7）。現金結存、持至到期之投資及按公平值計入溢利或虧損之財務資產為港幣689,200,000元，較上年財政年度結算日之港幣674,800,000元增加2.1%，當中現金及現金等值佔87%（二零零六年三月三十一日：66%）。現時本集團綜合資產負債表內之流動資金大幅增加及負債率幾近零，足以成為令人欣羨之香港建築公司之一。

財務要點

股東權益回報

本集團注重現時業務發展及新的投資機會兩者所帶來之股東權益回報。本集團明白對一些投資者而言，單靠盈利能力較其他同業為強並不足夠。本集團作為公眾股東之資金管理人，經考慮建造業之週期循環特性及存在之風險後，旨在尋求對投資者合理之回報。本集團今年獲得溢利，股東權益回報率為18.5%（二零零六年：23.7%）。

資金結構

本集團素來對於資金管理方面採取保守政策，認為穩健之財務狀況可於市道復甦時把握更多機會，並給予客戶、銀行、分包建商、供應商及僱員更大信心。此外，由於建造業按工程進度付款形式導致高營運舉債，故任何長期性之高財務舉債不符審慎理財。

行政及管理人員薪酬

本集團的薪酬政策乃按市場狀況，並以工作表現掛鈎的獎勵制度為基礎，以確保本集團可招攬、挽留及激勵頂尖的管理人才，對於本公司建立成功及有效的領導管理至為重要。本集團務求平衡本集團整體表現和市場競爭狀況，使管理人員和股東雙方的利益達到一致。酬金總額包括基本薪酬、津貼、實物收益、獎勵性花紅、退休金供款及長期服務獎金。

Financial Focus (continued)

Executive and Management Remuneration (continued)

The remuneration packages of the directors of the Company are recommended by the remuneration committee and determined by the Board. The remuneration packages of the senior management are recommended by the managing director of the Company and determined by remuneration committee of the Company.

Financial Hedging and Other Financial Instruments

The Group's net borrowings and cash balances are primarily denominated in Hong Kong dollars, Macau Patacas, US dollars and Renminbi. The Group has no significant exposure to foreign currency fluctuations. In addition, the Group adopts hedging policies for mitigating interest rate risks and exchange rate risks associated with respective assets or liabilities, rights or obligations. Such policies ensure effective cost controls on construction cost as early as the tendering stage and controllable borrowing costs for operation and investment needs.

Interest rate risk and exchange rate risk, are risks to earnings or capital, arising from movement of respective rates. The former mainly arises from bank borrowings by the Group and the latter comprises exposure due to currency needs from normal business operation for material procurement and services requirements. The Group has established policies and procedures to the assessment, booking and monitoring of all such financial instruments. The controls and procedures governing such activities were considered overall to be adequate.

Gains or losses arising from relevant hedging transactions will be booked as a profit or loss associated with the underlying assets or liabilities.

At year end, the Group has outstanding forward exchange contracts to hedge HK\$87.2 million mainly against the US Dollar, GBP and Euro. Subsequent to year end, a HK\$50.0 million contract was closed and another three contracts totalled HK\$33.0 million* were entered into.

* Include equity share in a jointly controlled entity

Operational Review on Contracts

Subsidiaries

Over the past twelve months, the Group's building construction arm received new contracts of HK\$957.6 million, including the construction of HSBC Data Centre at Tseung Kwan O Industrial Estate from The Hongkong and Shanghai Banking Corporation Limited, and a renovation work contract at Cheung Fat Shopping Centre, Tsing Yi, New Territories from The Link Management Limited (total contracts received were HK\$1,291.2 million). In addition, a civil engineering contract of HK\$30.5 million from the Hong Kong Jockey Club for the extension of existing underpass at Sha Tin Racecourse, Sha Tin was secured in this year.

財務要點 (續)

行政及管理人員薪酬 (續)

本公司董事的薪酬待遇由薪酬委員會向董事會提出建議並由董事會決定。高級管理人員的薪酬待遇則由董事總經理提出建議並由薪酬委員會決定。

財務對沖及其他金融工具

本集團之淨借貸及現金結存主要以港元、澳門幣、美元及人民幣為單位。因此，本集團毋須承擔重大之外匯波動風險。此外，本集團採取之對沖政策，致力減低有關資產、負債及權責而產生之利率及滙率風險。該等政策可確保建築成本早於投標階段已收到成本控制之效，而營運及投資所需之借貸成本亦得以有效控制。

利率及滙率風險乃指因利率及滙率之變動而對盈利或資本所造成之風險。前者主要來自本集團之銀行借貸，後者為正常業務運作，即物料採購及服務所需而帶來之外滙風險。本集團已制訂政策及程序，用以評估、入賬及監察所有金融工具。整體而言，對該等活動之監控及規管程序已相當足夠。

對沖交易所帶來之收益或虧損將根據有關資產或負債入賬為溢利或虧損。

於年末時，本集團仍有若干尚未到期之外滙遠期合約，以港幣87,200,000元對沖美元、英鎊及歐元。於結算日後，一份總值港幣50,000,000元之合約已結算，另外簽訂了三份合共港幣33,000,000元*的合約。

* 包括共同控制實體之應佔部分

工程業務狀況

附屬公司

於過去十二個月，本集團之樓宇建造工程部新接獲合約總值為港幣957,600,000元，包括香港上海滙豐銀行有限公司將軍澳工業邨滙豐銀行數據中心建造工程合約，以及領匯管理有限公司新界青衣長發商場翻新工程合約（已收取的合約總值港幣1,291,200,000元）。此外，本集團亦取得香港賽馬會沙田馬場隧道擴建項目之土木工程合約港幣30,500,000元。

Operational Review on Contracts (continued)

Subsidiaries (continued)

The electrical and mechanical installation arm at 31 March 2007 increased its order book by 40.2% over last year's level to HK\$1,533.8 million. The principal contract awards included HK\$204.5 million MVAC Installation Subcontract for the Proposed Office Development on KTIL 242 at 102 How Ming Street, Kwun Tong, Kowloon; HK\$188.0 million HVAC and Electrical Installations Subcontract for Laboratory Buildings for Hong Kong Science Park Phase 2 Area A2 at TPTL No. 182; and HK\$59.0 million MVAC, Electrical, Fire Services and Plumbing & Drainage Installations Subcontract for Redevelopment of Lido Complex at 26-30 Beach Road, Repulse Bay, Hong Kong.

Contracts totalling HK\$1,216.3 million were completed with HK\$838.2 million derived from the building construction arm, mainly for two residential developments at STTL 526, No.2 Lok Kwai Path, Area 43, Shatin and at Lot No. 4784 in D.D. 104, Ngau Tam Mei, Yuen Long, and a build contract for the design and construction of Tong Ren Tang Chinese Medicine Manufacturing Factory at Tai Po Industrial Estate. Other works completed mainly included a civil engineering contract from Drainage Services Department in respect of the construction of the San Tin Eastern Main Drainage Channel and an electrical installation subcontract work for Centralized Science Laboratories at The Chinese University of Hong Kong.

Consolidated orders on hand at financial year end amounted to HK\$7,332.0 million, a 9.0% increase over the previous year.

The breakdown of incomplete contracts of the Group's construction subsidiaries is as follows:

工程業務狀況 (續)

附屬公司 (續)

截至二零零七年三月三十一日，機電安裝工程業務的合約總值較去年度增加40.2%至港幣1,533,800,000元。主要合約包括九龍觀塘巧明街102號觀塘內地段242號擬建寫字樓發展項目的通風空調系統安裝分判合約港幣204,500,000元、大埔市地段182號香港科技園第二期(實驗室大樓)工程A2區之空調採暖及電氣安裝分判合約港幣188,000,000元，以及香港淺水灣海灘道26-30號麗都重建項目的通風、空調、電氣、消防及管道排水系統安裝分判合約港幣59,000,000元。

竣工合約總值港幣1,216,300,000元，其中港幣838,200,000元來自樓宇建造業務，主要為沙田第43區樂葵徑2號沙田市地段526號及元朗牛潭尾104地段4784號之兩個住宅發展項目，以及大埔工業邨同仁堂國藥廠工程之設計及建造合約。其他竣工工程主要包括渠務署新田東主要排水道土木工程合約及香港中文大學實驗室專門大樓電氣安裝分判合約。

總括而言，於本財政年度末綜合手頭合約價值為港幣7,332,000,000元，較去年度上升9.0%。

本集團建造業務之附屬公司未完成合約分析如下：

		31 March 2006 二零零六年 三月三十一日 HK\$ million 港幣百萬元	Contracts received 接獲 合約額 HK\$ million 港幣百萬元	Contracts completed 完成 合約額 HK\$ million 港幣百萬元	31 March 2007 二零零七年 三月三十一日 HK\$ million 港幣百萬元
Building Construction/ Construction Management	樓宇建造/建造管理				
Hong Kong and Macau	香港及澳門	4,326.2	1,273.6	(824.4)	4,775.4
Mainland China	中國大陸	988.5	17.6	(13.8)	992.3
Civil Engineering	土木工程				
Hong Kong	香港	319.0	54.1	(342.6)	30.5
Electrical and Mechanical Installation	機電安裝工程				
Hong Kong	香港	1,094.1	475.2	(35.5)	1,533.8
		6,727.8	1,820.5	(1,216.3)	7,332.0

Operational Review on Contracts (continued)

Subsidiaries (continued)

The split of incomplete contracts at balance sheet date is as follows:

		Amount	
		金額	
		HK\$ million	%
		港幣百萬元	百分比
Government	政府	8.7	0.1
Public, Charitable or Non-Profit Institutions	公共、慈善或非牟利機構	470.0	6.4
Hospital	醫院	1,030.0	14.1
Private Developers	私人發展商	5,823.3	79.4
		7,332.0	100.0

Building Construction and Civil Engineering

Total revenue and outstanding orders for 2006/07 were HK\$2,096.1 million and HK\$5,798.2 million, increases of 6.0% and 2.9%, respectively over last year. Profit margins improved to 2.5% this year from 1.9% of last year.

Major contracts received during the year include:

工程業務狀況 (續)

附屬公司 (續)

於結算日之未完成合約總值分析如下:

樓宇建造及土木工程

二零零六/零七年度之總收益為港幣2,096,100,000元，較去年度增加6.0%，而未完成合約總值為港幣5,798,200,000元，較去年度增加2.9%。利潤幅度則由去年度1.9%升至本年度2.5%。

年內接獲之主要合約包括:

Contract	Location	Type	Amount
合約	地點	類別	金額
			HK\$ million
			港幣百萬元
HSBC Data Centre at Tseung Kwan O Industrial Estate 將軍澳工業邨滙豐數據中心	Tseung Kwan O, Hong Kong 香港將軍澳	Office building 辦公室大樓	908.3
Cheung Fat Shopping Centre 長發商場	Tsing Yi, Hong Kong 香港青衣	Commercial 商業	49.3
Extension of existing underpass at Sha Tin Racecourse 沙田馬場隧道擴建工程	Sha Tin, Hong Kong 香港沙田	Civil work 土木工程	30.5

Operational Review on Contracts (continued)

Building Construction and Civil Engineering (continued)

Major contracts completed during the year include:

Contract 合約	Location 地點	Type 類別	Amount 金額 HK\$ million 港幣百萬元
Residential Redevelopment at STTL 526, No.2 Lok Kwai Path, Area 43 第43區樂葵徑2號沙田市地段526號住宅重建項目	Sha Tin, Hong Kong 香港沙田	Residential 住宅	577.5
Proposed Residential Development at Lot No. 4784 in D.D. 104, Ngau Tam Mei 牛潭尾104地段4784號擬建住宅發展項目	Yuen Long, Hong Kong 香港元朗	Residential 住宅	160.8
Tong Ren Tang Chinese Medicine Manufacturing Factory at Tai Po Industrial Estate 大埔工業邨同仁堂國藥廠	Tai Po, Hong Kong 香港大埔	Design and build 設計及承建	97.0 [#]
San Tin Eastern Main Drainage Channel 新田東主要排水道	Yuen Long, Hong Kong 香港元朗	Civil work 土木工程	342.6

[#] Part of the contract has been sub-contracted to Hsin Chong Aster

工程業務狀況 (續)

樓宇建造及土木工程 (續)

年內完成之主要合約包括:

[#] 此合約其中部分已分判給新昌亞仕達

Electrical and Mechanical Installation

Total revenue and outstanding orders for 2006/07 are HK\$635.5 million and HK\$1,533.8 million, increases of 127.5% and 40.2% respectively over last year. Profit margins deteriorated from +1.6% in last year to -1.4% of this year.

Major contracts received during the year include:

Contract 合約	Location 地點	Type 類別	Amount 金額 HK\$ million 港幣百萬元
Proposed Office Development on KTIL 242, 102 How Ming Street 巧明街102號觀塘內地段242號擬建寫字樓發展項目	Kwun Tong, Hong Kong 香港觀塘	Electrical and mechanical 機電工程	204.5
Hong Kong Science Park Phase 2 Area A2 at TPTL No. 182 (Laboratory Buildings) 大埔市地段182號香港科技園第二期工程A2區 (實驗室大樓)	Tai Po, Hong Kong 香港大埔	Electrical and mechanical 機電工程	188.0
Redevelopment of Lido Complex at 26-30 Beach Road 海灘道26-30號麗都重建項目	Repulse Bay, Hong Kong 香港淺水灣	Electrical and mechanical 機電工程	59.0

機電安裝工程

二零零六/零七年度之總收益為港幣635,500,000元，較上年度增加127.5%，而未完成合約總值為港幣1,533,800,000元，較上年度增加40.2%。利潤幅度則由上年度正1.6%減至今年度負1.4%。

年內接獲之主要合約包括:

Operational Review on Contracts (continued)

Electrical and Mechanical Installation (continued)

Major contracts completed during the year include:

工程業務狀況 (續)

機電安裝工程 (續)

年內完成之主要合約包括：

Contract 合約	Location 地點	Type 類別	Amount 金額 HK\$ million 港幣百萬元
A Purpose – Designed Building for Centralized Science Laboratories at The Chinese University of Hong Kong 香港中文大學實驗室專門大樓	Sha Tin, Hong Kong 香港沙田	Electrical and mechanical 機電工程	19.8
Tong Ren Tang Chinese Medicine Manufacturing Factory at Tai Po Industrial Estate 大埔工業邨同仁堂國藥廠	Tai Po, Hong Kong 香港大埔	Electrical and mechanical 機電工程	10.9 [^]

[^] Sub-contract value being awarded by a group company

[^] 由集團內公司授出之分判合約額

Joint Ventures

No contract was received or completed during the year. The breakdown of incomplete contracts of the Group's construction joint ventures, is as follows:

合營企業

年內，並無接獲或完成任何合約。本集團建造業務之合營企業未完成合約總值分析如下：

		31 March 2006 二零零六年 三月三十一日 HK\$ million 港幣百萬元	Contracts received 接獲 合約額 HK\$ million 港幣百萬元	Contracts completed 完成 合約額 HK\$ million 港幣百萬元	31 March 2007 二零零七年 三月三十一日 HK\$ million 港幣百萬元
MBH Joint Venture	MBH合營企業	1,483.4	–	–	1,483.4
Maeda-Hitachi-Yokogawa -Hsin Chong Joint Venture	前田日立一橫河 一新昌聯營	2,760.0	–	–	2,760.0
		4,243.4	–	–	4,243.4

Note: The amounts shown above are gross figures and do not reflect the Group's net attributable share.

註： 以上所列為總額，並未反映本集團應佔淨額部分。

Construction Related Property Development

(1) Lung Mun Oasis, Tuen Mun, Hong Kong

At the balance sheet date, 257 car parking spaces remain unsold (last year 258 spaces) with carrying value of HK\$20.3 million, net of impairment provision of HK\$32.6 million. These car parking spaces are currently available for rental income either on a monthly or on an hourly basis.

與建造業相關之物業發展

(1) 香港屯門龍門居

截至結算日，257個停車場車位仍未售出（二零零六年：258個車位），經扣除減值撥備港幣32,600,000元後，該等車位之賬面值為港幣20,300,000元。現時車位以月租或時租出租作為租賃收入。

Operational Review on Contracts (continued)

Construction Related Property Development (continued)

(2) No. 3 Lockhart Road, Wanchai, Hong Kong

The development is a 26-storey office building. The Group has a 20-year freely-assignable master lease for the 11th - 30th floors, comprising approximately 77,000 square feet. The residual lease term is around 7 years. Occupancy rate has been improved to 97% this year (2006: 94%). Current carrying value stands at HK\$68.2 million after an impairment loss of HK\$2.0 million recognised this year.

(3) Novotel Century Harbourview, Sai Wan, Hong Kong

In June 2006, Cheer Star Development Limited (as vendor), being a 22.5% associated company of the Group, entered into a binding agreement with an independent third party to dispose of Novotel Century Harbourview Hotel at a consideration of HK\$588.4 million. The transaction was completed and recorded a profit of HK\$10.9 million in the year.

(4) Hsin Chong Center, Kwun Tong, Hong Kong

The property (which has approximately 107,000 square feet of space) has been used as headquarters of the Group since April 1999 with some office space taken up by certain related companies at market rentals. Under HKAS 40 "Investment Property", the area occupied by related companies is classified as an investment property and resulted this year in a revaluation gain of HK\$6.3 million recognised, leaving the carrying cost at HK\$48.8 million at year end date. The remaining area occupied by the group companies is carried at cost less accumulated depreciation and impairment of HK\$97.0 million. The total carrying value of this property in our books is therefore HK\$145.8 million, whereas the current open market value is significantly higher.

(5) Guangzhou Wen Chang Pavilion, PRC

The project comprises a total site area of 18,215 square metres (approximately 196,000 square feet) bound on the East by Wen Chang Road North and on the South by Yao Hua Jie North, Guangzhou City, PRC. The Group has an effective 42% interest in the project.

Phase I comprises a total saleable floor area of approximately 40,634 square metres with 98 car parks. At the balance sheet date, 49 car parks are held for rental yields and classified as an investment property with a carrying value of HK\$4.3 million. The remaining 49 car parks and unsold residential units are both classified as stock on sale with a carrying value of HK\$37.1 million, with the shop units remained shown as a property under development for sale with a carrying value of HK\$36.8 million (net of impairment provision of HK\$4.5 million).

Following the issuance of completion certificate of residential units in February 2007, the Group reported a revenue of HK\$253.1 million as a result of the confirmed sale of residential units and a write-back of the impairment in value of the property of HK\$38.4 million (before minority interests) this year. As at balance sheet date, 90% of the available residential units had been sold at an average selling price slightly above RMB7,200 per square metre.

工程業務狀況 (續)

與建造業相關之物業發展 (續)

(2) 香港灣仔駱克道3號

該項目為一幢樓高二十六層之辦公大廈，本集團擁有第十一至第三十層，面積約77,000平方呎，為期二十年之可自由轉讓之租賃權。剩餘租賃期約為七年，本年度之出租率升至97% (二零零六年：94%)。經扣除年內確認之減值港幣2,000,000元後，目前賬面值為港幣68,200,000元。

(3) 香港西環諾富特世紀海景酒店

於二零零六年六月，喧耀發展有限公司 (賣方，本集團擁有22.5%權益之聯號) 與一名獨立第三方訂立具約束力協議，以代價港幣588,400,000元出售諾富特世紀海景酒店。該項交易於年內已完成，並錄得溢利港幣10,900,000元。

(4) 香港觀塘新昌中心

該物業自一九九九年四月起用作本集團之總部，面積約107,000平方呎，當中部分單位以市值租金租予若干關連公司。根據香港會計準則第40號「投資物業」，將有關連公司佔用的部分分類為投資物業，以致本年度確認之重估收益為港幣6,300,000元，其於結算日之賬面值為港幣48,800,000元。餘下供本集團轄下公司佔用之部分按成本扣除累積折舊及減值入賬為港幣97,000,000元。該物業之現時市值顯著高於其賬面總值港幣145,800,000元。

(5) 中國廣州文昌雅居

該項目地盤總面積為18,215平方米 (約196,000平方呎)，位於中國廣州市，東臨文昌北路，南鄰耀華北約街。本集團佔該項目42%之實際權益。

第一期包括可售面積合共約40,634平方米及98個車位。於結算日，49個車位持作租賃，分類為投資物業，賬面值為港幣4,300,000元。餘下49個車位及未售住宅單位均分類為待售存貨，賬面值為港幣37,100,000元，而商舖單位仍列作供出售發展中物業，賬面值為港幣36,800,000元 (已扣除減值撥備港幣4,500,000元)。

於二零零七年二月住宅單位獲發竣工證明書後，本集團於年內錄得銷售住宅單位的收益為港幣253,100,000元及撥回物業減值港幣38,400,000元 (未扣除少數股東股權)。於結算日，90%可供出售住宅單位已出售，平均售價稍高於每平方米人民幣7,200元。

Operational Review on Contracts (continued)

Construction Related Property Development (continued)

(6) SuCasa Service Apartments, Kuala Lumpur, Malaysia

SuCasa is an 180-room service apartment development with dining, recreational and parking facilities which commenced operations in 1993. The Group has a 10% interest in SuCasa. During this year, Topway Investments Limited (as vendor), being a 33.33% associated company of the Group, entered into a sale and purchase agreement with an independent third party to dispose its interest in SuCasa Service Apartments. The sales transaction was completed which resulted in a share of profit of HK\$3.0 million from Topway Investments Limited.

Major Contracts and Projects Subsequent To Year End Consolidated

Subsequent to the year end, the Group has been awarded four contracts, including a building construction contract of HK\$577.0 million from a subsidiary of the Swire Group for Atrium Hotel at Pacific Place, 88 Queensway, Hong Kong; a construction management contract of HK\$37.1 million from a private client for Sai Kei Hou Yuen Development at Estrade Nova Do Miradouro No.1, Taipa, Macau; a civil engineering contract of HK\$15.5 million from the Hong Kong Jockey Club for Reconstruction of Main Sewer from Grandstand 2 to Mafoo Quarter at Sha Tin Racecourse, Sha Tin; and a building service installation subcontract of HK\$548.0 million from Hsin Chong - Yau Lee Joint Venture. Therefore, total incomplete contracts increased further from HK\$7,332.0 million to HK\$8,509.6 million as of 30 June 2007.

Joint Ventures

In April 2007, Hsin Chong - Yau Lee Joint Venture, in which Hsin Chong has a 50% interest, received a construction contract of HK\$1,654.3 million from Architectural Services Department for the Design and Construction of Prince of Wales Hospital - Extension Block. Part of the contract, at HK\$548.0 million, has been sub-contracted to a specialist subsidiary of the Group.

Human Capital Investment

External Recognition

The Group has been awarded the 5 years Caring Company Logo by the Hong Kong Council of Social Services for consistent commitment to corporate social responsibility. The Group encourages employees actively participating in voluntary services and charity activities by carrying out home maintenance for the elderly, planting trees, visiting care and attention home.

The Group has received 14 awards from 7 safety competitions and activities organized by the Occupation Safety & Health Council, Labour Department, Hong Kong Construction Association, Lighthouse Club, Environmental, Transport and Works Bureau.

Internal Recognition

To motivate employees towards continuous learning, the Group developed a recognition scheme "Outstanding Employee Award for Professional Advancement" to reward employees with commitment in enhancing their professional knowledge and contributing their learning to the jobs.

工程業務狀況 (續)

與建造業相關之物業發展 (續)

(6) 馬來西亞吉隆坡SuCasa服務式寓所

擁有180個房間並附設飲食、娛樂及泊車設施之SuCasa服務式寓所發展計劃於一九九三年開始營業。本集團擁有SuCasa的10%權益。年內，Topway Investments Limited (賣方，本集團擁有33.33%權益之聯號)與一名獨立第三方訂立買賣協議，出售其所持SuCasa服務式寓所之權益。該項交易已完成，錄得分佔Topway Investments Limited的溢利港幣3,000,000元。

結算日後之主要合約及工程

綜合

結算日後，本集團接獲四份合約，包括太古集團附屬公司授予之香港金鐘道88號太古廣場Atrium酒店之樓宇建造合約(合約值港幣577,000,000元)、私人客戶授予澳門氹仔昔日瞭望台馬路一號地段之世紀豪園發展項目之建築管理合約(合約值港幣37,100,000元)、香港賽馬會沙田馬場二號正面看台至馬伏宿舍主排水系統重建項目之土木工程合約(合約值港幣15,500,000元)及新昌一有利聯營之樓宇設施安裝分判合約(合約值港幣548,000,000元)。截至二零零七年六月三十日，本集團之未完成合約總值由港幣7,332,000,000元增加至港幣8,509,600,000元。

合營企業

二零零七年四月，新昌一有利聯營(新昌擁有50%股權)獲建築署授出總值港幣1,654,300,000元之威爾斯親王醫院擴建大樓設計及建造工程。該合約其中部分已分判(分判合約值港幣548,000,000元)予本集團之專門附屬公司。

人力資本投資

外界認同

本集團本着履行企業社會責任一貫的承諾，因此本集團榮獲香港社會服務聯會頒授「五年商界展關懷」標誌。本集團亦鼓勵員工積極參與義工服務和慈善活動，其中活動包括舉行老人家居保養、植樹及探訪安老院。

本集團在七個有關工作安全的比賽及活動中獲頒發十四個獎項，舉辦機構分別有：職業安全健康局、勞工處、香港建造商會、明建會及環境運輸及工務局。

內部認同

為促進員工持續進修，本集團舉辦了具認受性之「最上進員工獎」計劃以獎勵致力提高專業知識並學以致用之員工。

Human Capital Investment (continued)

Training and Development

To cultivate learning in the Group, a Lunch Seminar each month is organised for all employees. Soft and technical topics are covered to reinforce the communications among the employees and to provide a focus to enrich employees' corporate knowledge as well as their well being such as health and wealth management.

A Contract Administration Club has been formed. The Club serves as a platform for the young engineers to communicate, share knowledge and experience as well as learning through various gatherings, site visits and training programmes.

The Group is committed to developing our employees by providing training and development opportunities. Over 91 training courses have been sponsored for staff with in excess of 10,621 attendance hours during the year.

An analysis of the educational background of our total employees shows:

Qualification 資歷		Employees 員工	
		Number 人數	% 百分比
Master Degree or above	碩士學位或以上	113	8
Bachelor Degree or equivalent professional qualification	學士學位或相等的專業資格	345	24
Diploma or Higher Certificate holder	文憑或高級文憑持有人	243	17
Certificate holder	證書持有人	204	14
Others	其他	519	37
Total	合計	1,424	100

Health, Safety and Environmental Management

Our Group is a major construction organisation in Hong Kong and Macau; and also a premier builder operating in the Mainland. We recognise our social responsibility to create a safe and healthy working environment.

Continuous efforts will be made to improve the safety performance in our construction sites. More resources will be deployed to organise safety awareness programmes and implement regulatory procedures.

Our operations have been accredited to comply with the ISO 14001 Certified Environmental Management System. We shall continue to respond positively to measures that will contribute to a better environment.

Work safety and preservation of the environment are important parts of the management objectives under one of the core values of our Group – Social Responsibility.

人力資本投資 (續)

培訓及發展

本集團為所有員工每月舉辦午餐講座以培養學習文化，包括以專業技術為主及其他主題，藉以增進員工彼此間之溝通及加深員工對本集團的認識，同時提高員工之個人生活素質，如健康及財富管理。

本集團成立工程師小組，為年青工程師提供溝通、分享知識和交流經驗之平台，亦透過不同聚會、地盤參觀和訓練計劃，增加彼等之學習機會。

本集團亦致力提供培訓及發展計劃以培育人才。本年度內本集團資助員工參與超過91個訓練課程，合共超過10,621個訓練小時。

本集團全體員工的學歷分析如下：

健康、安全及環境管理

本集團是香港及澳門之一家大型建造商，亦為國內一家卓越的建築公司。我們重視企業的社會責任，致力創造一個安全及健康的工作環境。

本集團會繼續努力不懈，以提升地盤安全水平，同時投放更多資源籌辦多項活動以提高安全意識及實施合規格施工程序。

過去至今，我們的營運一直符合ISO 14001環境管理系統認證的規定，我們將繼續以積極的態度配合推動各項有助改善環境的措施。

「貢獻社會」是本集團核心價值觀之一，因此工作安全及保護環境為本集團重要的管理層目標之一。

Biographies of the Directors

董事簡介

Mr. V-nee YEH

BA, JD, American Attorney-at-law, aged 48

Mr. YEH joined the Company as a Non-Executive Director in May 1991 and is now the Chairman of the Board. He is also the chairman of the remuneration committee and a member of the committee of trustees of the employee share subscription scheme of the Company, and a director of a number of the subsidiaries of the Group. Mr. YEH graduated at the School of Law at Columbia University and was admitted a member of the California Bar Association in 1984. He has extensive experience in finance, capital markets and risk arbitrage. He is a co-founder of Value Partners Limited and the non-executive chairman of Argyle Street Management Limited. Mr. YEH currently sits on the Takeovers & Mergers Panel, the Takeovers Appeal Committee and SFC Dual Filing Advisory Group of Securities and Futures Commission and MPF Schemes Advisory Committee of Mandatory Provident Fund Schemes Authority. He is also an independent non-executive director of Arnhold Holdings Limited, Kingway Brewery Holdings Limited, Next Media Limited and Shun Tak Holdings Limited, all of which are listed on The Stock Exchange of Hong Kong Limited. Mr. YEH is a director of Hsin Chong International Holdings Limited and GHY Company Limited, both of which are substantial shareholders of the Company.

Mr. Ka-kui CHAN

B.B.S., JP, aged 57

Mr. CHAN was appointed as the Managing Director of the Company in August 2006. He is also a member of the executive committee and the committee of trustees of the employee share subscription scheme of the Company, the managing director of the Company's wholly owned subsidiaries, Hsin Chong Construction Company Limited and Hsin Chong Construction (Asia) Limited, and a director of a number of other subsidiaries of the Group. He was formerly the Managing Director of the Company since its flotation in 1991 until 1998 and then rejoined the Group in August 2006. He has 35 years' experience in the construction field and is an Honorary Professor of The University of Hong Kong and The Hong Kong Polytechnic University. Previously, he had served as the Chairman of the Construction Industry Training Authority, and a member of the Town Planning Board and other government advisory committees. He is a fellow member of the Royal Institution of Chartered Surveyors and The Chartered Institute of Arbitrators.

Mr. Tobias Josef BROWN

aged 43

Mr. Tobias Josef BROWN was appointed as an Independent Non-Executive Director of the Company in June 2003. He is also the chairman of the audit committee and a member of the remuneration committee of the Company. Mr. BROWN is the managing director of UCL Asia Limited, which is one of the largest direct investment groups in terms of liquid capital in Hong Kong. Mr. BROWN also sits on the boards of a number of corporations in Asia. He has over 21 years of experience in direct investments in Asia.

葉維義先生

BA, JD, 美國律師, 現年48歲

葉先生於一九九一年五月加入本公司擔任非執行董事一職及現為董事會主席。彼亦為本公司薪酬委員會主席及僱員認購股份計劃之信託人委員會成員，以及本集團多家附屬公司之董事。葉先生畢業於哥倫比亞大學法律學院，於一九八四年成為加州律師公會會員，擁有金融、資本市場及風險套戥方面之豐富經驗。彼為Value Partners Limited創辦人之一及Argyle Street Management Limited之非執行主席。葉先生目前亦為證券及期貨事務監察委員會之收購及合併委員會、收購上訴委員會、證監會雙重存檔事宜顧問小組及強制性公積金計劃管理局之強制性公積金計劃諮詢委員會成員。此外，彼為於香港聯合交易所有限公司上市的安利控股有限公司、金威啤酒集團有限公司、壹傳媒有限公司及信德集團有限公司的獨立非執行董事。葉先生分別為本公司主要股東Hsin Chong International Holdings Limited及GHY Company Limited之董事。

陳家駒先生

B.B.S., JP, 現年57歲

陳先生於二零零六年八月獲委任為本公司董事總經理。彼亦為本公司執行委員會及僱員認購股份計劃之信託人委員會之成員、本公司全資附屬公司新昌營造廠有限公司及新昌營造廠(亞洲)有限公司之董事總經理及本集團多家附屬公司之董事。彼曾於一九九一年(即本公司上市時)至一九九八年期間擔任本公司董事總經理一職，其後於二零零六年八月再次加入本集團。彼於建造界擁有35年經驗，現為香港大學及香港理工大學之名譽教授。彼亦曾擔任建造業訓練局主席，以及城市規劃委員會和其他多個政府諮詢委員會之委員。彼為英國皇家特許測量師學會及特許仲裁學會之資深會員。

Tobias Josef BROWN先生

現年43歲

Tobias Josef BROWN先生於二零零三年六月獲委任為本公司獨立非執行董事，亦是本公司審核委員會主席及薪酬委員會成員。Tobias Josef BROWN先生現為UCL Asia Limited之董事總經理，該公司為香港最大規模之直接投資集團之一(以流動資本計算)。Tobias Josef BROWN先生亦兼任多間亞洲企業之董事。彼擁有超過21年於亞洲區之直接投資經驗。

Mr. Ho-ming Herbert HUI

JP, FHKIoD, LLB (HK), aged 49

Mr. HUI was appointed as an Independent Non-Executive Director in June 1997. He is also a member of the audit committee and the remuneration committee of the Company. Mr. HUI has an extensive commercial experience in both corporate finance and securities regulations. Mr. HUI is the chairman and chief executive officer of China Supply Company Limited, the chairman of 1Chinalink Investment Company Limited. He is also the vice chairman of Ocean Grand Group of Companies (provisional liquidators appointed), which are listed on The Stock Exchange of Hong Kong Limited. He is the vice chairman of Hong Kong Council for the Academic Accreditation and a member of Advisory Committee on Human Resources Development in the Financial Services Sector. Mr. HUI is a board member of The Community Chest of Hong Kong and serves on the boards of a number of public and private companies. He was appointed a Justice of the Peace in Hong Kong in 2004.

Mr. Kin-fung Jeffrey LAM

SBS, JP, aged 55

Mr. LAM was appointed as an Independent Non-Executive Director in August 2002. He is also a member of the audit committee of the Company. Mr. LAM is the managing director of Forward Winsome Industries Limited, a toy manufacturing company, and an independent non-executive director of C C Land Holdings Limited, a company listed on The Stock Exchange of Hong Kong Limited. He is a member of the Legislative Council, a general committee member of the Hong Kong General Chamber of Commerce and a council member of Hong Kong Trade Development Council. He also holds a number of other public positions including chairman of the Hong Kong Export Credit Insurance Corporation Advisory Board.

Mr. Kwok-kuen Peter LAU

CA, CMA, MBA, aged 54

Mr. LAU was appointed as an Independent Non-Executive Director in August 2002. Mr. LAU is the chairman and chief executive of Giordano International Limited ("Giordano") and an independent non-executive director of Fairwood Holdings Limited, both of which are listed on The Stock Exchange of Hong Kong Limited. Prior to joining Giordano, Mr. LAU had over 12 years' accounting experience gained from both public and private sectors in Canada.

許浩明先生

JP, FHKIoD, LLB (HK), 現年49歲

許先生於一九九七年六月獲委任為本公司獨立非執行董事，亦是本公司審核委員會及薪酬委員會之成員。許先生擁有企業財務及證券規例方面之豐富商業經驗。彼現為China Supply Company Limited之主席兼行政總裁、1Chinalink Investment Company Limited的主席及於香港聯合交易所有限公司上市的海域集團轄下公司（已委任臨時清盤人）之副主席。許先生出任香港學術評審局副主席及財經界人力資源諮詢委員會成員。許先生為香港公益金之董事會成員並擔任多間公營及私營公司之董事。彼於二零零四年被委任為香港太平紳士。

林健鋒先生

SBS, JP, 現年55歲

林先生於二零零二年八月獲委任為本公司獨立非執行董事，亦為本公司審核委員會成員。林先生為玩具製造商永和實業有限公司之董事總經理及於香港聯合交易所有限公司上市的中渝置地控股有限公司之獨立非執行董事。彼亦為香港立法會議員及香港總商會理事會及香港貿易發展局理事會成員。彼亦身兼多項公職，包括香港出口信用保險局諮詢委員會主席。

劉國權先生

CA, CMA, MBA, 現年54歲

劉先生於二零零二年八月獲委任為本公司獨立非執行董事。劉先生為於香港聯合交易所有限公司上市的佐丹奴國際有限公司（「佐丹奴」）之主席兼行政總裁及大快活集團有限公司之獨立非執行董事。彼於加入佐丹奴前，曾於加拿大之公營及私營機構任職，擁有超過12年會計工作經驗。

Mr. Ki-chi KWONG

GBS, JP, aged 56

Mr. KWONG was appointed as a Non-Executive Director of the Company in August 2004. Prior to his said appointment in August 2004, Mr. KWONG acted initially as the alternate director to Mr. V-nee YEH in the Company since 2 January 2004. Mr. KWONG graduated from The University of Hong Kong and was awarded a Master of Philosophy degree in Economics and Politics of Development by the University of Cambridge, England. He served in the Government of the Hong Kong Special Administrative Region of The People's Republic of China ("HKSAR") for 27 years and held positions principally in the economic and financial fields, including as Secretary for the Treasury (1995 - 1998) and Secretary for Information Technology and Broadcasting (1998 - 2000), before he left in 2000. Mr. KWONG then served as the chief executive of the Hong Kong Exchanges and Clearing Limited until April 2003. He is now an executive director of Macau Legend Development Ltd., a company based in Macau and engaged in the leisure industry. He is also an independent non-executive director of Giordano International Limited and a non-executive director of Synergis Holdings Limited, both of which are listed on The Stock Exchange of Hong Kong Limited. Mr. KWONG is a non-official Justice of the Peace in Hong Kong and has been awarded the Gold Bauhinia Star by the Government of the HKSAR.

Mr. Barry John BUTTIFANT

FCCA, FCMI(UK), FCPA, FHKMA, FHKIoD, aged 62

Mr. Barry John BUTTIFANT was appointed as an Alternate Director to Mr. V-nee YEH in December 2004. He is currently the managing director of Hsin Chong International Holdings Limited, a substantial shareholder of the Company and an alternate director on the board of Synergis Holdings Limited. Mr. BUTTIFANT is also an independent non-executive director of Giordano International Limited, Daiwa Associate Holdings Limited and Alltronics Holdings Limited, companies listed on The Stock Exchange of Hong Kong Limited. He is also a non-executive director of a NYSE public company, Global-Tech Appliances, Inc.. Before joining the Group, Mr. BUTTIFANT was an operating partner of Baring Private Equity Asia Limited. He was also the managing director of Wo Kee Hong (Holdings) Limited ("Wo Kee Hong") from 2001 to 2002 and was the adviser to the board of directors of Wo Kee Hong from November 2002 to April 2004. Prior to joining Wo Kee Hong, he was the managing director of IDT International Limited for over eight years and had worked for Polly Peck Group and Sime Darby Hong Kong Limited for more than 11 years in the capacity of finance director and managing director. He has been resident in Hong Kong for over 28 years.

鄭其志先生

GBS, JP, 現年56歲

鄭先生於二零零四年八月獲委任為本公司非執行董事。彼於二零零四年八月獲上述委任前，自二零零四年一月二日起原為葉維義先生於本公司之替代董事。鄭先生畢業於香港大學，並獲取英國劍橋大學經濟及政治發展哲學碩士學位。鄭先生曾於中華人民共和國香港特別行政區（「香港特區」）政府服務27年，彼於二零零零年離任前，主要擔任處理經濟及金融事務之職位，包括於一九九五年至一九九八年出任庫務司／庫務局局長及於一九九八年至二零零零年出任資訊科技及廣播局局長。鄭先生其後擔任香港交易及結算所有限公司之行政總裁，直至二零零三年四月離任。彼現為澳門從事娛樂業務的澳門勵駿創建有限公司的執行董事，同時分別為香港聯合交易所有限公司上市的佐丹奴國際有限公司之獨立非執行董事及新昌管理集團有限公司及非執行董事。鄭先生現為香港非官守太平紳士及獲香港特區政府頒授金紫荊星章。

Barry John BUTTIFANT先生

FCCA, FCMI(UK), FCPA, FHKMA, FHKIoD, 現年62歲

Barry John BUTTIFANT先生於二零零四年十二月獲委任為葉維義先生之替代董事。彼現時為本公司主要股東Hsin Chong International Holdings Limited之董事總經理及新昌管理集團有限公司之替代董事。Barry John BUTTIFANT先生亦為於香港聯合交易所有限公司上市的佐丹奴國際有限公司、台和商事控股有限公司及華訊股份有限公司之獨立非執行董事，彼亦為於紐約交易所上市之Global-Tech Appliances, Inc.之非執行董事。於加入本集團前，Barry John BUTTIFANT先生為霸菱亞洲投資有限公司之營運合夥人。彼於二零零一年至二零零二年期間擔任和記行（集團）有限公司（「和記行」）之董事總經理，並於二零零二年十一月至二零零四年四月期間出任和記行之董事會顧問。於加入和記行前，彼於萬威國際有限公司擔任董事總經理超過八年及曾於寶麗碧集團和森那美香港有限公司工作超過11年，期間曾出任財務董事及董事總經理職務。彼在香港居住超過28年。

Senior Management Profile

高層管理人員簡介

Mr. Keith John BUCKLEY

BSc(Civil), CEng, MICE, aged 58

He is a Director of Hsin Chong Construction Company Limited ("HCC") and Hsin Chong Construction (Asia) Limited ("HCCA") and is additionally the Executive Project Director of the construction management services business in Macau. He joined the Group in 2003 and has over 38 years of experience in the field of building construction and civil engineering.

Mr. Chi-keung Cyras CHIN

MSc, MHKIE, RPE, aged 48

He is the Technical Director of the Group's Building Division. He is responsible for the performance and day-to-day operational management of the Group's building construction projects and managing the Technical Services Department and Contract Administration Department in Hong Kong. He joined the Group in 1994 and has over 24 years' experience in the field of structural design and project management.

Mr. Phillip Kenneth CLARKE

MRICS, aged 47

He is the Executive Commercial Manager of Hsin Chong Construction (Macau) Limited ("HCC(Macau)") and Hsin Chong Engineering (Macau) Limited ("HCE(Macau)"). He joined the Group in 2004 and has over 28 years' experience in providing commercial and technical support in the construction field.

Mr. Cho-ning Joseph FUNG

BSc(Eng), CEng, RPE, MIMechE, MCIBSE, MHKIE, aged 54

He is the Managing Director of Hsin Chong Aster Building Services Limited ("HC Aster"), the electrical and mechanical engineering specialists of the Group. He is responsible for the business of HC Aster. He joined the Group in 2003 and has over 31 years' experience in the engineering field as consultant, client's representative and contractor in Hong Kong, United Kingdom and Australia. Over the past 15 years before joining the Group, he engaged in general management of companies in Australia and Hong Kong before acting as the general manager of Jardine and Cathay Pacific groups of companies.

Mr. Kwok-lam Corum IP

BSc, MSc, MCIOB, MHKICM, MHKIE, aged 41

He is a Director and the General Manager of HCC(Macau) and a Director of HCE(Macau). He is responsible for the business development, operation and general management of all non-Venetian business in Macau and provides corporate management support for the operations of Venetian Macau projects. He joined the Group in 1990 and has about 17 years' experience in the construction industry.

Mr. Yuk-fai Charles KAM

MBA, FCCA, CPA, aged 43

He is the Financial Controller of the Group, a member of the Company's executive committee and a member of the committee of trustees of the employee share subscription scheme. He is responsible for managing the accounting, financial, information technology and human resources activities of the Group. He joined the Group in 1997 and has over 20 years' experience in the field of accounting, auditing and finance.

Keith John BUCKLEY先生

BSc(Civil), CEng, MICE, 現年58歲

彼為新昌營造廠有限公司(「新昌營造廠」)及新昌營造廠(亞洲)有限公司(「新昌營造廠(亞洲)」)之董事，亦為澳門建造管理業務之執行項目董事。彼於二零零三年加入本集團，擁有超過38年樓宇建造及土木工程經驗。

錢志強先生

MSc, MHKIE, RPE, 現年48歲

彼為本集團樓宇建造部之技術董事。彼負責本集團於香港之樓宇建造業務的履行及日常運作管理，及負責管理香港之技術服務部及合約行政部。彼於一九九四年加入本集團，擁有超過24年結構設計及項目管理經驗。

Phillip Kenneth CLARKE先生

MRICS, 現年47歲

彼為新昌營造(澳門)有限公司(「新昌營造(澳門)」)及新昌工程(澳門)有限公司(「新昌工程(澳門)」)之行政商務經理。彼於二零零四年加入本集團，擁有逾28年提供建造業上商業及技術支援經驗。

馮祖寧先生

BSc(Eng), CEng, RPE, MIMechE, MCIBSE, MHKIE, 現年54歲

彼為專責本集團機電工程業務的新昌亞仕達屋宇設備有限公司(「新昌亞仕達」)之董事總經理，負責新昌亞仕達之業務。彼於二零零三年加入本集團，在工程界擁有超過31年經驗，於香港、英國及澳洲出任工程顧問、客戶代表及承建商。彼於加入本集團前之15年期間，曾負責澳洲及香港公司之一般管理工作，其後亦曾出任怡和集團及國泰航空集團轄下公司之總經理。

葉國林先生

BSc, MSc, MCIOB, MHKICM, MHKIE, 現年41歲

彼為新昌營造(澳門)之董事及總經理，亦為新昌工程(澳門)之董事。彼負責本集團在澳門所有非威尼斯人項目之業務發展、營運和一般管理，亦為澳門威尼斯人項目提供企業管理支援。彼於一九九零年加入本集團，在建造業界擁有約17年經驗。

甘沃輝先生

MBA, FCCA, CPA, 現年43歲

彼為本集團之財務總監、本公司執行委員會成員及僱員認購股份計劃之信託人委員會成員。彼負責管理本集團之會計、財務、資訊科技及人力資源的活動。彼於一九九七年加入本集團，擁有超過20年會計、審核及財務經驗。

Mr. Wai-tai LAW

FRICS, FHKIS, RPS, aged 58

He is a Director and the Assistant Managing Director of HCC and HCCA. He is a member of the Company's executive committee and has overall responsibility for the strategic development of the Group's traditional construction business. He joined the Group in 1984 and has over 35 years' experience in the field of quantity surveying and construction. Mr. LAW holds a number of public service positions. He is currently a member of Building Sub-Committee of Land & Building Advisory Committee and a member in the Building & Civil Engineering Training Board under Vocational Training Council.

Mr. Kok-foo James LEE

BEng, MIEAust, MHKIE, aged 55

He is a Director of HCC and HCCA and has responsibility for the development of new business for the Design and Build Division and managing the Building Services Department. He joined the Group in 1981 and has over 33 years' experience in the field of electrical and mechanical engineering and building construction management. He was awarded 1975 G.t. Murray Memorial Award by New Zealand Institution of Engineers for the Best Young Engineer of the Year.

Mr. Shiu-chung Jacky POON

BSc (Civil), aged 50

He is a Director of HCC and HCCA and the Managing Director of Hsin Chong Construction Co. Ltd., a wholly owned foreign enterprise established in Beijing, The People's Republic of China. He is responsible for the operation of construction business in China. He joined the Group in 2001 and has over 24 years' experience in the construction field.

Mr. Kee-hock Baile SIAW

BSc, CPEng, MIEAust, aged 56

He is a Director of HCC and HCCA. He is responsible for providing contract services' supports, including plant, land surveying, quality assurance, environmental, site administration, health and safety to operating sites of the Group. He joined the Group in 1978 and has over 32 years' experience in the field of concrete industry, foundations construction and construction plant management. He is a member of Quality Scheme for the Production and Supply of Concrete (QSPSC) Technical Committee of Hong Kong Quality Assurance Agency.

Mr. Kin-sun Hermes WONG

MBA, LLB (Hon), MRICS, MHKIS, MCIQB, RPS, aged 48

He is a Director of HCC and HCCA. He is responsible for managing Commercial Department, Procurement Department and acted as project directors for designated building and civil engineering projects in Hong Kong. He joined the Group in 1988 and has over 24 years' experience in the field of quantity surveying and construction management.

羅維弟先生

FRICS, FHKIS, RPS, 現年58歲

彼為新昌營造廠及新昌營造廠(亞洲)之董事及助理董事總經理。彼亦為本公司之執行委員會成員。負責本集團傳統建造業務之整體策略性發展。彼於一九八四年加入本集團。擁有超過35年工料測量及建造經驗。羅先生亦身兼多項公職。目前為土地及建設諮詢委員會之建築小組委員會會員及職業訓練局轄下的土木工程及建築業訓練委員會會員。

李國富先生

BEng, MIEAust, MHKIE, 現年55歲

彼為新昌營造廠及新昌營造廠(亞洲)之董事。彼負責本集團「設計及承建」分類之新業務發展及管理建造服務部。李先生於一九八一年加入本集團。擁有超過33年機電工程及樓宇建造管理經驗。彼於一九七五年榮獲紐西蘭工程師學會頒發最佳青年工程師G.t. Murray紀念獎。

潘兆忠先生

BSc (Civil), 現年50歲

彼為新昌營造廠及新昌營造廠(亞洲)之董事。亦為一間於中華人民共和國在北京成立之外商獨資企業新昌營造建築有限公司之董事總經理。彼負責本集團在中國之建造業務的運作。彼於二零零一年加入本集團。擁有超過24年建造業經驗。

蕭紀福先生

BSc, CPEng, MIEAust, 現年56歲

彼為新昌營造廠及新昌營造廠(亞洲)之董事。彼負責本集團之合約支援服務。包括為本集團施工地盤提供機械設備、土地測量、品質保證、環境、地盤行政、健康及安全服務。蕭先生於一九七八年加入本集團。擁有逾32年混凝土、地基建造及建造機械管理經驗。彼為香港品質保證局混凝土生產和供應質量規範(QSPSC)技術委員會委員。

黃建新先生

MBA, LLB (Hon), MRICS, MHKIS, MCIQB, RPS, 現年48歲

彼為新昌營造廠及新昌營造廠(亞洲)之董事。彼負責管理商務部及採購部。及擔任本集團在香港多項特定之建造及土木工程項目之項目董事。彼於一九八八年加入本集團。擁有超過24年工料測量及建造管理經驗。

Report of the Directors

董事會報告

The directors (the "Board" or the "Directors") of Hsin Chong Construction Group Ltd. (the "Company") has pleasure in submitting to the shareholders their report and the consolidated financial statements of the Company and its subsidiaries (together, the "Group") for the financial year ended 31 March 2007.

Principal Activities

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are building construction (including design and build), specialist civil engineering, construction and project management, electrical and mechanical installation, renovation and fitting-out, property development and rental, and contractor finance.

Particulars of the Company's principal subsidiaries and associated companies are set out in note 41 to the consolidated financial statements and particulars of its jointly controlled entities are set out in note 23 to the consolidated financial statements.

Segment Information

Details of segment information are set out in note 5 to the consolidated financial statements.

Results and Appropriations

The results of the Group for the year ended 31 March 2007 are set out in the consolidated income statement on page 64 and the state of affairs of the Group and of the Company at 31 March 2007 are set out in the balance sheets on page 65.

An interim dividend of HK4.0 cents per share (2006: HK3.0 cents per share) for the six months ended 30 September 2006 was paid to the shareholders of the Company on Tuesday, 2 January 2007.

The Board recommended the payment of a final dividend of HK4.0 cents per share (2006: HK3.0 cents per share) and a special dividend of HK6.0 cents per share (2006: HK6.0 cents per share) for the year ended 31 March 2007. Subject to shareholders' approval at the forthcoming 2007 annual general meeting of the Company, the proposed final and special dividends will be paid on Friday, 24 August 2007 to shareholders whose names appear on the registers of members of the Company on Friday, 17 August 2007.

Together with the interim dividend already paid, total dividends for the year (including the special dividend of HK6.0 cents per share) will amount to HK14.0 cents per share (2006: HK12.0 cents per share, including a special dividend of HK6.0 cents per share), which represents a payout ratio of 84.8% on the earnings for the year.

Hsin Chong Construction Group Ltd. (新昌營造集團有限公司*) (「本公司」) 董事會 (「董事會」) 欣然向各股東提呈其報告連同本公司及其附屬公司 (統稱「本集團」) 截至二零零七年三月三十一日止財政年度之綜合財務報表。

主要業務

本公司之主要業務為投資控股，其附屬公司之主要業務為樓宇建造 (包括設計與建造)、土木工程、建造及項目管理、機電安裝工程、修葺及裝修工程、物業發展及租賃，及承建商融資。

本公司主要附屬公司及聯號之詳情載於綜合財務報表附註41及其共同控制實體之詳情載於附註23。

分類資料

分類資料詳情載於綜合財務報表附註5。

業績及分派

本集團截至二零零七年三月三十一日止年度之業績載於第64頁之綜合損益表。本集團及本公司於二零零七年三月三十一日之財政狀況載於第65頁之資產負債表。

本公司已於二零零七年一月二日 (星期二) 向股東派發截至二零零六年九月三十日止六個月之中期股息每股港幣4.0仙 (二零零六年: 每股港幣3.0仙)。

董事會建議就截至二零零七年三月三十一日止年度派發末期股息每股港幣4.0仙 (二零零六年: 每股港幣3.0仙) 及特別股息每股港幣6.0仙 (二零零六年: 每股港幣6.0仙)。待股東於本公司即將舉行之二零零七年股東週年大會上批准後，擬派之末期及特別股息將於二零零七年八月二十四日 (星期五) 派發予於二零零七年八月十七日 (星期五) 名列於本公司股東名冊之股東。

連同已派發之中期股息，本年度之股息總額 (包括特別股息每股港幣6.0仙) 將為每股港幣14.0仙 (二零零六年: 每股港幣12.0仙，當中包括特別股息每股港幣6.0仙)，即年內盈利的派息比率為84.8%。

* For identification purpose only 僅供識別

Results and Appropriations (continued)

The registers of members of the Company will be closed from Tuesday, 14 August 2007 to Friday, 17 August 2007 (both days inclusive) (Hong Kong time) during which period no transfer of shares will be registered. In order to ascertain shareholders' entitlement to the attendance of the forthcoming 2007 annual general meeting of the Company and the proposed final and special dividends, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrars, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:00 p.m. on Monday, 13 August 2007 (Hong Kong time). The principal share registrars of the Company is Butterfield Fund Services (Bermuda) Limited at Rosebank Centre, 11 Bermudiana Road, Pembroke, Bermuda.

Reserves

Details of movements in the reserves of the Group during the financial year are set out in note 35 to the consolidated financial statements.

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 pages 133 to 134. This summary does not form part of the consolidated financial statements.

Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group are set out in note 16 to the consolidated financial statements.

Group's Properties

A summary of the major properties of the Group held for investment/sale at 31 March 2007 is set out on page 142.

Share Capital

Details of movements in the share capital of the Company are set out in note 34 to the consolidated financial statements.

Distributable Reserves

Distributable reserves of the Company at 31 March 2007, calculated under the Companies Act 1981 of Bermuda (as amended), amounted to HK\$339,310,000 (2006: HK\$305,807,000).

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's bye-laws (the "Bye-laws") although there is no restriction against such rights under the laws of Bermuda.

業績及分派 (續)

本公司將於香港時間二零零七年八月十四日(星期二)起至二零零七年八月十七日(星期五)止(首尾兩天包括在內)期間暫停辦理股份過戶登記手續。為確認股東有權利出席本公司即將舉行之二零零七年股東週年大會及獲派擬派之末期及特別股息,股東最遲須於香港時間二零零七年八月十三日(星期一)下午四時正前將所有股份過戶文件連同有關股票送達本公司之香港股份過戶登記分處香港中央證券登記有限公司,地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室,辦理股份過戶登記手續。本公司之主要股份過戶登記處為Butterfield Fund Services (Bermuda) Limited,地址為Rosebank Centre, 11 Bermudiana Road, Pembroke, Bermuda。

儲備

本集團於本財政年度內之儲備變動詳情載於綜合財務報表附註35。

五年財務摘要

本集團於過去五個財政年度之經營業績與資產及負債摘要載於第133至134頁。此摘要並不構成綜合財務報表之一部分。

物業、機器及設備

本集團物業、機器及設備之變動詳情載於綜合財務報表附註16。

集團物業

本集團於二零零七年三月三十一日之主要投資/出售物業摘要載於第142頁。

股本

本公司之股本變動詳情載於綜合財務報表附註34。

可供分派儲備

本公司於二零零七年三月三十一日之可供分派儲備乃根據百慕達一九八一年公司法(經修訂)計算,金額為港幣339,310,000元(二零零六年:港幣305,807,000元)。

優先購股權

本公司細則(「細則」)並無優先購股權之條文,惟百慕達法例亦無就該等權力設有任何限制。

Directors

The directors of the Company during the financial year and up to the date of this report were:

Executive Chairman

V-nee YEH

Managing Director

Rodney Gordon FRANKS (resigned on 12 July 2006)
Ka-kui CHAN (appointed on 19 August 2006)

Non-Executive Director

Ki-chi KWONG

Independent Non-Executive Directors

Tobias Josef BROWN
Ho-ming Herbert HUI
Kin-fung Jeffrey LAM
Kwok-kuen Peter LAU

Alternate Director

Barry John BUTTIFANT (*alternate to V-nee YEH*)

The brief biographical details of the directors of the Company are set out on pages 39 to 41 of this annual report.

At the forthcoming 2007 annual general meeting of the Company, Mr. V-nee YEH shall be subject to re-election in accordance with Bye-law 98(A), Mr. Tobias Josef BROWN and Mr. Ho-ming Herbert HUI shall retire by rotation in accordance with Bye-law 98(A), and Mr. Ka-kui CHAN shall retire in accordance with Bye-law 101(B). All the aforesaid four directors, being eligible, have offered themselves for re-election at the forthcoming annual general meeting of the Company. Besides, Mr. Ki-chi KWONG has notified the Board in writing that he has decided to retire voluntarily at the forthcoming annual general meeting of the Company. Save for the aforesaid, the other remaining directors would continue in office.

Directors' Service Contracts

Pursuant to a letter of appointment dated 7 June 2007 issued by the Company and accepted by Mr. Tobias Josef BROWN, he has consented to continue to act as an independent non-executive director of the Company for a term of two years commencing from 13 June 2007 up to 12 June 2009. Pursuant to a letter of appointment dated 7 June 2007 issued by the Company and accepted by Mr. Ho-ming Herbert HUI, he has consented to continue to act as an independent non-executive director of the Company for a term of two years commencing from 16 June 2007 up to 15 June 2009.

董事

於本財政年度內及截至本報告日期止，本公司董事如下：

執行主席

葉維義

董事總經理

Rodney Gordon FRANKS (於二零零六年七月十二日辭任)
陳家駒 (於二零零六年八月十九日獲委任)

非執行董事

鄭其志

獨立非執行董事

Tobias Josef BROWN
許浩明
林健鋒
劉國權

替代董事

Barry John BUTTIFANT (*葉維義的替代董事*)

本公司董事之履歷簡介載於本年報第39至41頁。

於本公司即將舉行之二零零七年股東週年大會上，葉維義先生須根據細則第98(A)條之規定重選連任，Tobias Josef BROWN先生及許浩明先生須根據細則第98(A)條之規定輪值告退，及陳家駒先生須根據細則第101(B)條之規定依章告退。上述四位董事均符合資格並願意於本公司即將舉行之股東週年大會上膺選連任。此外，鄭其志先生已書面通知董事會彼決定於即將舉行之股東週年大會上自願退任。除上文所述，餘下的其他董事將繼續留任。

董事之服務合約

根據Tobias Josef BROWN先生接受本公司於二零零七年六月七日發出之委任函，彼願意繼續連任為本公司之獨立非執行董事，由二零零七年六月十三日起至二零零九年六月十二日止，為期兩年。根據許浩明先生接受本公司於二零零七年六月七日發出之委任函，彼願意繼續連任為本公司之獨立非執行董事，由二零零七年六月十六日起至二零零九年六月十五日止，為期兩年。

Directors' Service Contracts (continued)

Save as disclosed above, none of the directors of the Company offering themselves for re-election at the forthcoming 2007 annual general meeting of the Company have entered into a service contract with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation (other than statutory compensation).

Directors' Interests in Contracts

No contracts of significance in relation to the Group's business to which the Company, or any of its subsidiaries, fellow subsidiaries or holding companies 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' Emoluments

Details of directors' emoluments are set out in note 9 to the consolidated financial statements.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

At 31 March 2007, the interests and short positions of the directors and chief executive of the Company and their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or otherwise required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), were as follows:

Long positions in shares and underlying shares of the Company

董事之服務合約 (續)

除上文所披露者外，於本公司即將舉行之二零零七年股東週年大會上膺選連任之董事概無與本公司或其任何附屬公司簽訂任何不可於一年內終止而毋須支付賠償（法定賠償除外）之服務合約。

董事於合約之權益

於年末或年內任何時間，概無訂立與本集團業務有關，而本公司、或其任何附屬公司、同系附屬公司或控股公司為其中一方，且本公司董事於其中直接或間接擁有重大權益之重大合約。

董事酬金

董事酬金之詳情載於綜合財務報表附註9。

董事及行政總裁於本公司及其相聯法團的股份、相關股份及債券中擁有之權益及淡倉

於二零零七年三月三十一日，根據證券及期貨條例（「證券及期貨條例」）第352條本公司須予存置之登記冊所記錄，或根據香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十所載有關上市發行人董事進行證券交易之標準守則（「標準守則」）須通知本公司及香港聯合交易所有限公司（「聯交所」），本公司各董事及行政總裁及彼等之聯繫人於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債券中擁有之權益及淡倉如下：

於本公司股份及相關股份之好倉

Name of director	Capacity	Number of shares held				Number of underlying shares held	Total	Percentage of interest in the issued share capital
		Personal interests	Family interests	Corporate interests	Other interests			
董事名稱	身份	個人權益	家族權益	法團權益	其他權益	相關股份數目	總計	佔已發行股本之權益百分比
V-nee YEHL 葉維義	Beneficial owner and beneficiary of trust 實益擁有人及信託受益人	15,428,422	–	–	113,350,819 (Note 1) (附註1)	768,000 (Note 2) (附註2)	129,547,241	20.26
Ka-kui CHAN 陳家駒	Beneficial owner 實益擁有人	21,180,911	–	–	–	10,000,000 (Note 3) (附註3)	31,180,911	4.87

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations (continued)

Long positions in shares and underlying shares of the Company (continued)

Notes:

- (1) The shares were held by GHY Company Limited as trustee of a trust, the ultimate beneficiaries of which are Mr. V-nee YEH, the issue of Mr. V-nee YEH and The Hsin Chong – K.N. Godfrey Yeh Education Fund.
- (2) Number of underlying shares held referred to 768,000 share options granted to Mr. V-nee YEH under the executive share option scheme adopted by the Company on 23 August 2002. Please refer to the paragraph headed "Executive Share Option Schemes and Employee Share Subscription Scheme" for further details.
- (3) Number of underlying shares held comprised 6,000,000 share options granted to Mr. Ka-kui CHAN under the executive share option scheme adopted by the Company on 23 August 2002. Please refer to the paragraph headed "Executive Share Option Schemes and Employee Share Subscription Scheme" for further details. In addition, an offer of option to purchase 4,000,000 shares of the Company at a transfer price of HK\$0.751 per share subject to fulfilment of certain conditions was made by a substantial shareholder of the Company to Mr. Ka-kui CHAN and the offer was accepted by Mr. Ka-kui CHAN on 29 January 2007.
- (4) The percentage of interest in the issued share capital of the Company was calculated on the basis of 639,215,662 shares of the Company in issue as at 31 March 2007.

Save as disclosed above, none of the directors and chief executive of the Company or their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO or otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code at 31 March 2007.

Executive Share Option Schemes and Employee Share Subscription Scheme

The Company has two executive share option schemes adopted by its shareholders on 19 July 1991 (the "1991 Option Scheme") and 23 August 2002 (the "2002 Option Scheme"), respectively, and an employee share subscription scheme adopted by its shareholders on 23 August 2002 (the "2002 Share Scheme").

董事及行政總裁於本公司及其相聯法團的股份、相關股份及債券中擁有之權益及淡倉 (續)

於本公司股份及相關股份之好倉 (續)

附註:

- (1) 該等股份由 GHY Company Limited 以信託之受託人身份持有；而葉維義先生與其後嗣，以及新昌 — 葉庚年教育基金為該信託之最終受益人。
- (2) 持有之相關股份數目指葉維義先生根據本公司於一九九一年七月十九日採納之行政人員認股權計劃所獲授之 768,000 股認股權。詳情請參閱以『行政人員認股權計劃及僱員認購股份計劃』為標題之分段。
- (3) 持有之相關股份數目包括根據本公司於二零零二年八月二十三日採納之行政人員認股權計劃所授予陳家駒先生之 6,000,000 股認股權，詳情請參閱以『行政人員認股權計劃及僱員認購股份計劃』為標題之分段。此外，本公司一名主要股東授予陳家駒先生一項在達成若干條件下可以每股港幣 0.751 元之轉讓價購買 4,000,000 股本公司股份之購股權要約，而陳先生於二零零七年一月二十九日接受該項要約。
- (4) 佔已發行股本之權益百分比乃按本公司於二零零七年三月三十一日之已發行股份 639,215,662 股為計算基準。

除上文所披露者外，於二零零七年三月三十一日，本公司各董事及行政總裁或彼等之聯繫人概無於本公司或其任何相聯法團（定義見證券及期貨條例第 XV 部）的股份、相關股份及債券中擁有任何權益或淡倉而記錄於根據證券及期貨條例第 352 條本公司須予存置之登記冊內，或根據標準守則須知會本公司及聯交所。

行政人員認股權計劃及僱員認購股份計劃

本公司設有兩項行政人員認股權計劃，分別於一九九一年七月十九日（「一九九一年認股權計劃」）及二零零二年八月二十三日（「二零零二年認股權計劃」）由其股東所採納，以及一項僱員認購股份計劃於二零零二年八月二十三日由其股東所採納（「二零零二年認購計劃」）。

Executive Share Option Schemes and Employee Share Subscription Scheme (continued)

1991 Option Scheme

Pursuant to the 1991 Option Scheme, the Directors, at their absolute discretion, had made offer to grant option to any eligible person who might include any director, senior executive, manager or employee of the Group (“the Group” in the context describing the 1991 Option Scheme) to subscribe for shares in the capital of the Company (the “Shares”). The maximum number of Shares issuable for outstanding options granted under the 1991 Option Scheme is 4,914,000 Shares, representing approximately 0.77% of the issued share capital of the Company at the date of this annual report. The number of Shares issued and issuable to any grantee under the 1991 Option Scheme has not exceeded the maximum limit of grant as permitted by the rules of the 1991 Option Scheme. A consideration of HK\$10.00 was received for each grant of option. The exercise price was determined by the Directors at their absolute discretion provided that such price was not less than the greater of (i) the nominal value of a Share; or (ii) an amount equal to 80% of the average of the closing price of Shares on the Stock Exchange for each of the five trading days immediately preceding the day on which the option was granted. The 1991 Option Scheme had expired on 18 July 2001 and no options will further be granted under the 1991 Option Scheme. Notwithstanding expiry, outstanding options granted under the 1991 Option Scheme shall remain exercisable by the grantees pursuant to the rules of 1991 Option Scheme.

Details of the movements in the share options under the 1991 Option Scheme during the year and the options outstanding at the beginning and end of the year are set out in note 34 to the consolidated financial statements.

2002 Option Scheme

The 2002 Option Scheme was adopted by shareholders at the annual general meeting of the Company held on 23 August 2002.

(1) Summary of the 2002 Option Scheme

- (a) Purpose of the 2002 Option Scheme
The purpose of the 2002 Option Scheme is to provide an Eligible Person (as defined below) with the opportunity to acquire Shares in the Company, thus enabling them to participate in the Company's prosperity and consequently, such opportunity is an incentive for the Eligible Person to contribute further to the success of the Company.
- (b) Participants of the 2002 Option Scheme
Eligible persons entitled to participate in the 2002 Option Scheme (the “Eligible Persons”) shall include any executive directors, senior executive, manager or employee of the Group (“the Group” in the context describing the 2002 Option Scheme) shall have the definition ascribed to it under the rules of the 2002 Option Scheme) as the Directors may from time to time determine.

行政人員認股權計劃及僱員認購股份計劃

(續)

一九九一年認股權計劃

根據一九九一年認股權計劃，董事會有絕對酌情權向任何合資格人士，包括本集團（「本集團」之定義於一九九一年認股權計劃之說明內容中將使用於一九九一年認股權計劃規則所賦予的涵義）之任何董事、高級行政人員、經理或僱員，提呈可認購本公司股本中之股份（「股份」）之認股權要約。根據一九九一年認股權計劃授出而尚未行使之認股權其最高可予發行股份總數為4,914,000股，佔於本年報之日期已發行股本約0.77%。根據一九九一年認股權計劃授予任何一位承授人之認股權因行使時所發行及將發行的股份總數並無超逾一九九一年認股權計劃規則所定之授權限額。每一獲授認股權之代價為港幣10元。行使價由董事會以絕對酌情權釐定，惟該價格必須為以下兩者之較高者(i)股份之面值；或(ii)在緊接認股權授出當日前五個交易日每日股份在聯交所之平均收市價之80%的等同金額。一九九一年認股權計劃已於二零零一年七月十八日屆滿，其後並無根據一九九一年認股權計劃再授出任何認股權。儘管一九九一年認股權計劃已屆滿，惟根據一九九一年認股權計劃授出而尚未獲承授人行使之認股權可繼續根據一九九一年認股權計劃之規則行使。

於本年度內，根據一九九一年認股權計劃授出之認股權變動及於年初及年末時之未行使認股權之詳情，已載於綜合財務報表附註34。

二零零二年認股權計劃

本公司股東於二零零二年八月二十三日舉行之股東週年大會上採納二零零二年認股權計劃。

(1) 二零零二年認股權計劃之摘要

- (a) 二零零二年認股權計劃之目的
二零零二年認股權計劃旨在使合資格人士（定義見下文）有機會購買本公司股份，讓彼等分享本公司之發展成果，從而鼓勵彼等進一步為本公司之成功作出貢獻。
- (b) 二零零二年認股權計劃之參與者
任何經由董事會不時確定為有資格參與二零零二年認股權計劃之合資格人士（「合資格人士」），包括本集團（「本集團」之定義於二零零二年認股權計劃之說明內容中將使用於二零零二年認股權計劃規則所賦予的涵義）之執行董事、高級行政人員、經理或僱員。

Executive Share Option Schemes and Employee Share Subscription Scheme (continued)

2002 Option Scheme (continued)

- (c) Maximum number of Shares available for issue under the 2002 Option Scheme

The number of Shares available for issue of options under the 2002 Option Scheme (together with the number of Shares issued or to be issued for options granted under the 2002 Option Scheme and number of Shares allotted under the 2002 Share Scheme, but excluding the 1991 Option Scheme) shall not exceed 27,406,229 Shares, representing approximately 4.27% of the issued share capital of the Company at the date of this annual report.

- (d) Maximum entitlement of each Eligible Person under the 2002 Option Scheme

No option may be granted to any one Eligible Person which if accepted in full would result in the total number of Shares issued and to be issued upon exercise of the options already granted (including both exercised and outstanding options) in the 12-month period up to and including the date of such new grant exceeding 1% of the Shares in issue as at the date of such new grant. Any grant of further option above the aforesaid limit shall be subject to separate approval by shareholders of the Company in general meeting.

- (e) Period for and payment on acceptance of an option

An offer for grant of an option shall be accepted by an Eligible Person by signing and returning the duplicate of the offer letter together with a consideration of HK\$10.00 to the Company within the time specified in the offer letter.

- (f) The basis of determining the exercise price

The initial exercise price shall be such amount as the Directors may at their absolute discretion determine at the time when the option is granted or such other amount as the Directors may from time to time determine provided that such price for a Share must be in any event the higher of (i) the nominal value of a Share; (ii) the closing price of a Share as stated in the Stock Exchange's daily quotation sheets on the day of which the option is granted, which must be a business day; or (iii) the average of the closing price of a Share on the Stock Exchange for each of the five trading days immediately preceding the day on which the option is granted.

- (g) Minimum period for holding an option before exercise

Pursuant to the 2002 Option Scheme, the minimum holding period of an option granted shall be determined by the Directors which shall be a date falling not less than one year after the offer of the relevant option is duly accepted.

- (h) Remaining life

The 2002 Option Scheme shall be valid and effective for a period of 10 years commencing from 23 August 2002, the date of the adoption of the 2002 Option Scheme, unless otherwise terminated in accordance with the rules of the 2002 Option Scheme.

行政人員認股權計劃及僱員認購股份計劃

(續)

二零零二年認股權計劃(續)

- (c) 根據二零零二年認股權計劃可予發行之股份數目上限

根據二零零二年認股權計劃可授出之認股權之將予發行股份數目(包括根據二零零二年認股權計劃已授出之認股權已發行及將予發行之股份數目及根據二零零二年認購計劃已配受之股份數目,但不包括一九九一年認股權計劃)不可超過27,406,229股,佔本公司於本年報之日期已發行股本約4.27%。

- (d) 二零零二年認股權計劃下每位合資格人士可獲授認股權之上限

截至(及包括)授出新認股權日期止之前12個月期間,倘向任何一位合資格人士授出之認股權獲悉數行使時,將導致該合資格人士因過往獲發行的股份及行使獲授之認股權而須予發行之股份(包括已行使及未行使之認股權),合計總數超過新認股權授出當日本公司已發行股本之1%,則不可向該合資格人士授出有關認股權。任何進一步授出認股權而超過上述限額則必須獲得本公司股東於股東大會上批准。

- (e) 接納認股權之期限及付款

接納授出認股權要約之合資格人士須於要約函件上之指定時間內簽署要約函件副本連同獲授認股權之代價港幣10.00元交回本公司。

- (f) 釐定行使價之基準

最初行使價由董事會於授出認股權時以絕對酌情權釐定,或由董事會不時釐定其他金額,惟股份之價格必須為以下三者之較高者(i)股份之面值;(ii)有關股份在認股權授出當日(必須為營業日)的收市價(以聯交所每日報表所載者為準);或(iii)緊接認股權授出日期前五個交易日每日股份在聯交所之平均收市價。

- (g) 認股權行使前須持有之最短期限

根據二零零二年認股權計劃,授出之認股權在行使前必須持有之最短期限將由董事會決定,惟有關期限不得少於有關認股權之要約獲接納當日後起計一年。

- (h) 餘下之期限

除根據二零零二年認股權計劃規則予以終止外,二零零二年認股權計劃由二零零二年八月二十三日(即二零零二年認股權計劃之採納日期)起計十年期間內有效。

Executive Share Option Schemes and Employee Share Subscription Scheme (continued)

(2) Movements in Options

Details of movements in the share options under the 2002 Option Scheme during the year and the options outstanding at the beginning and end of the year are set out in note 34 to the consolidated financial statements.

(3) Fair Value of Share Options Granted

The fair value of share options granted during the year are set out in note 34 to the consolidated financial statements.

2002 Share Scheme

The 2002 Share Scheme was adopted by shareholders at the annual general meeting of the Company held on 23 August 2002.

(1) Summary of the 2002 Share Scheme

(a) Purpose of the 2002 Share Scheme

The purpose of the 2002 Share Scheme is to provide Qualifying Employees (as described below) with the opportunity to acquire Shares in the Company, thus enabling them to participate in the Company's prosperity and consequently, such opportunity is an incentive for them to contribute further to the success of the Company.

(b) Qualifying Employees under the 2002 Share Scheme

The Directors may make offers to subscribe for Shares to full-time employees and executive directors of the Group ("the Group" in the context describing the 2002 Share Scheme shall have the definition ascribed to it under the rules of the 2002 Share Scheme) who have worked for the Group for a period of not less than six months immediately before the commencement of any operating period whereas operating period shall mean every six-month period either from 1 January to 30 June or from 1 July to 31 December.

(c) Maximum number of Shares available for issue under the 2002 Share Scheme

The number of Shares available for making offers of subscription under the 2002 Share Scheme (together with number of Shares allotted under the 2002 Share Scheme and number of Shares issued or to be issued for options granted under the 2002 Option Scheme, but excluding the 1991 Option Scheme) shall not exceed 27,406,229 Shares, representing approximately 4.27% of the issued share capital of the Company at the date of this annual report.

(d) Maximum entitlement of each Qualifying Employee under the 2002 Share Scheme

A Qualifying Employee may elect to utilise not less than 1% nor exceed 20% of his basic monthly salary to subscribe for Shares for the relevant operating period (as explained above).

行政人員認股權計劃及僱員認購股份計劃

(續)

(2) 認股權變動詳情

於本年度內，根據二零零二年認股權計劃授出之認股權變動及於年初及年末時之未行使認股權之詳情，已載於綜合財務報表附註34。

(3) 授出認股權之公平值

本年度內授出認股權之公平值已載於綜合財務報表附註34。

二零零二年認購計劃

本公司股東於二零零二年八月二十三日舉行之股東週年大會上採納二零零二年認購計劃。

(1) 二零零二年認購計劃之摘要

(a) 二零零二年認購計劃之目的

二零零二年認購計劃旨在使合資格僱員(定義見下文)有機會購買本公司股份，讓彼等分享本公司之發展成果，從而鼓勵彼等進一步為本公司之成功作出貢獻。

(b) 二零零二年認購計劃之合資格僱員

由董事會向本集團(「本集團」之定義於二零零二年認購計劃之說明內容中將使用二零零二年認購計劃規則所賦予的涵義)之全職僱員及執行董事提呈購股要約，而彼等須於緊接任何運作期開始前經已在本集團任職不少於六個月；而運作期指由一月一日起至六月三十日止或七月一日起至十二月三十一日止之每六個月期間。

(c) 根據二零零二年認購計劃可予發行之股份數目上限

根據二零零二年認購計劃可供提呈購股要約之股份數目(包括二零零二年認購計劃下已配發之股份數目及根據二零零二年認股權計劃已授出之認股權已發行及將予發行之股份數目，但不包括一九九一年認股權計劃)不可超逾27,406,229股，佔本公司於本年報之日期已發行股本約4.27%。

(d) 二零零二年認購計劃下每位合資格僱員可認購股份之上限

合資格僱員可選擇在有關運作期內(見上文說明)以每月不少於1%或不超過20%之基本薪金用作認購股份。

Executive Share Option Schemes and Employee Share Subscription Scheme (continued)

2002 Share Scheme (continued)

- (d) Maximum entitlement of each Qualifying Employee under the 2002 Share Scheme (continued)

No offer may be granted to any Qualifying Employee which if accepted in full would result in the total number of Shares issued and to be issued upon offers already accepted or to be accepted by such Qualifying Employee (including both accepted and outstanding offers) in the 12-month period immediately preceding the date of such new grant exceeding 1% of the Shares of the Company in issue at the date of such new grant. Any grant of further offer above the aforesaid limit shall be subject to separate approval by shareholders of the Company in general meeting.

- (e) Period for and payment on acceptance of an offer
An offer may be accepted by an Qualifying Employee by completing, signing and returning the "Form of Notification of Employee Share Subscription Scheme" to the Company within the time period specified in the offer letter prior to the commencement date of each operating period. No payment shall be required to be made on acceptance of an offer.

- (f) The basis of determining the subscription price and Shares to be allotted

The number of Shares to be allotted to the Qualifying Employees and the relevant subscription price would be determined at the end of each operating period and the subscription price will be notified by the Directors to the Qualifying Employees, which shall be the higher of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the day of which the Shares are allotted, which must be a business day; and (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the day on which the Shares are allotted that shall be rounded down to avoid fractions of one Hong Kong cent. If the subscription price so determined is below the nominal value of a Share, Shares shall be allotted and issued at par.

行政人員認股權計劃及僱員認購股份計劃 (續)

二零零二年認購計劃 (續)

- (d) 二零零二年認購計劃下每位合資格僱員可認購股份之上限 (續)

如合資格僱員已完全接納購股要約後而導致於有關緊接新提呈之購股要約日期前12個月內，該合資格僱員接納或將接納購股要約（包括已接納或未行使的購股要約）時所發行及將發行的股份總數超逾於截至有關新提呈之購股要約日期止本公司已發行股份之1%，本公司不可再向任何該合資格僱員提呈購股要約。任何進一步提呈購股要約而超逾上述限額則必須獲得股東於股東大會上獨立批准。

- (e) 接納購股要約之期限及付款
接納購股要約之合資格僱員須填妥「僱員認購股份計劃通知書」並在其上簽署及於運作期開始前在購股要約函件上指定時間內交回本公司。接納購股要約毋須繳付代價。

- (f) 釐定認購價及配發股份之基準

配發股份數目及認購價均於有關運作期結束當日釐定，並由董事會通知合資格僱員有關認購價，其價格必須為以下兩者之較高者(i)有關股份在配發日期（必須為營業日）的收市價（以聯交所每日報表所載者為準）；及(ii)該等股份在緊接配發日期前五個營業日之平均收市價（以聯交所每日報表所載者為準），若尚有不足港幣一仙之數，則予撇除。倘所釐定之認購價低於股份之面值，則股份須按票面值予以配發及發行。

Executive Share Option Schemes and Employee Share Subscription Scheme (continued)

2002 Share Scheme (continued)

- (g) Remaining life
The 2002 Share Scheme shall be valid and effective for a period of ten years commencing from 23 August 2002, the date of the adoption of the 2002 Share Scheme, unless otherwise terminated in accordance with the rules of the 2002 Share Scheme.

(2) Acceptance of offer and allotment of Shares

During the year, no Qualifying Employee accepted the offer to subscribe for Shares under the 2002 Share Scheme for the operating period from 1 January 2006 to 30 June 2006 and for the operating period from 1 January 2007 to 30 June 2007. One Qualifying Employee has accepted the offer to subscribe for Shares under the 2002 Share Scheme for the period from 1 July 2006 to 31 December 2006, and 88,070 Shares were issued and allotted to the relevant Qualifying Employee at a subscription price of HK\$0.82 per Share in accordance with the rules of the 2002 Share Scheme.

Directors' Right to Acquire Shares or Debentures

The Company has two executive share option schemes adopted on 19 July 1991 (the "1991 Option Scheme") and 23 August 2002 (the "2002 Option Scheme") respectively and an employee share subscription scheme adopted on 23 August 2002 (the "2002 Share Scheme"). Details of share options granted to Mr. V-nee YEH, chairman of the Board, under the 1991 Option Scheme and to Mr. Ka-kui CHAN, the managing director of the Company, under the 2002 Option Scheme as well as shares of the Company allotted to Mr. V-nee YEH under the 2002 Share Scheme have been disclosed in the paragraphs headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations" and "Executive Share Option Schemes and Employee Share Subscription Scheme" above and in note 34 to the consolidated financial statements.

In addition, pursuant to the terms of the service agreement dated 19 August 2006 (as amended by the supplemental deed dated 26 January 2007) entered into between the Company and Mr. Ka-kui CHAN, Mr. Ka-kui CHAN is entitled to utilise a portion of his monthly remuneration to subscribe newly issued shares of the Company subject to compliance with all applicable provisions of the Listing Rules. During the period from 19 August 2006 (date of appointment of Mr. Ka-kui CHAN) to 31 March 2007, no share of the Company was subscribed by Mr. Ka-kui CHAN pursuant to his service agreement.

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

行政人員認股權計劃及僱員認購股份計劃 (續)

二零零二年認購計劃 (續)

- (g) 餘下之期限
除根據二零零二年認購計劃規則予以終止外，二零零二年認購計劃由二零零二年八月二十三日（即二零零二年認購計劃之採納日期）起計十年期間內有效。

(2) 接納購股要約及配發股份

於本年度內，概無任何合資格僱員接納根據二零零二年認購計劃授出可由二零零六年一月一日起至二零零六年六月三十日止及由二零零七年一月一日起至二零零七年六月三十日止兩段運作期內之購股要約。根據二零零二年認購計劃授出可由二零零六年七月一日起至二零零六年十二月三十一日止期間內認購股份之購股要約獲一位合資格僱員接納，而88,070股股份已根據二零零二年認購計劃以每股港幣0.82元之認購價發行及配發予該位合資格僱員。

董事認購股份或債券之權利

本公司設有兩項行政人員認股權計劃，分別於一九九一年七月十九日（「一九九一年認股權計劃」）及二零零二年八月二十三日（「二零零二年認股權計劃」）採納，以及一項僱員認購股份計劃，於二零零二年八月二十三日（「二零零二年認購計劃」）採納。有關根據一九九一年認股權計劃向董事會主席葉維義先生授出之認股權及根據二零零二年認股權計劃向本公司董事總經理陳家駒先生授出認股權，以及根據二零零二年認購計劃向葉維義先生配發股份之詳情已載於上文以「董事及行政總裁於本公司及其相聯法團的股份、相關股份及債券中擁有之權益及淡倉」及「行政人員認股權計劃及僱員認購股份計劃」為標題之分段及綜合財務報表附註34。

此外，根據本公司與陳家駒先生於二零零六年八月十九日簽訂之服務合約條款（其後於二零零七年一月二十六日簽訂補充契約予以修訂），陳先生有權利使用彼每月薪酬的一部分以認購本公司之新發行股份，而該等認購須遵守上市規則所有適用條文。由二零零六年八月十九日（陳先生獲委任日期）起至二零零七年三月三十一日止期間，陳先生概無根據彼之服務合約認購任何本公司股份。

除上文所披露者外，本公司或其任何附屬公司於年內任何時間概無訂立任何安排，致使本公司董事可透過購買本公司或任何其他法人團體之股份或債券而從中獲取利益。

Director's Interest in Competing Business

None of the directors of the Company were interested in any business apart from the Group's business which competed or was likely to compete, either directly or indirectly, with the business of the Group during the year.

Convertible Securities, Options, Warrants or Similar Rights

Other than the executive share option schemes and the employee share subscription scheme described in the paragraph headed "Executive Share Option Schemes and Employee Share Subscription Scheme" above and in note 34 to the consolidated financial statements, the Company had no outstanding convertible securities, options, warrants or similar rights at 31 March 2007. There was no issue or exercise of any convertible securities, options, warrants or similar rights during the year.

Management Contracts

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

Retirement Schemes

The Group operates two defined contribution retirement schemes, namely Hsin Chong Group Retirement Fund Scheme and Hsin Chong Group Mandatory Provident Fund Scheme. Particulars of these retirement schemes are set out in note 2(s) to the consolidated financial statements.

董事於競爭業務之權益

本公司董事於年內概無於本集團業務以外任何與本集團業務直接或間接構成競爭或可能構成競爭之業務中擁有權益。

可換股證券、認股權、認股權證或類似權利

除上文「行政人員認股權計劃及僱員認購股份計劃」一段及綜合財務報表附註34所載之行政人員認股權計劃及僱員認購股份計劃外，於二零零七年三月三十一日，本公司概無任何已發行之可換股證券、認股權、認股權證或類似權利。年內，概無任何可換股證券、認股權、認股權證或類似權利獲發行或行使。

管理合約

本公司於年內概無就其全部或任何主要業務部分訂立或訂有任何管理及行政合約。

退休計劃

本集團設有兩項界定供款退休計劃，分別為新昌集團退休金計劃及新昌集團強制性公積金計劃。該等退休計劃詳情載於綜合財務報表附註2(s)。

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company

At 31 March 2007, the interests or short positions of the following substantial shareholders (other than persons who were directors and chief executive of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

主要股東於本公司股份及相關股份中擁有之權益及淡倉

於二零零七年三月三十一日，根據證券及期貨條例第336條本公司須予存置之登記冊所記錄，下列的主要股東（本公司董事及行政總裁除外）於本公司股份及相關股份中擁有之權益或淡倉如下：

Long positions in the shares and underlying shares of the Company

本公司股份及相關股份中擁有之好倉

Name of shareholder 股東名稱	Capacity 身份	Number of shares held 持有 股份數目	Percentage of interest in the issued share capital 佔已發行股本之 權益百分比 (Note 5) (附註5)
Meou-tsen Geoffrey YEH 葉謀遵	Beneficial owner & interests of spouse and controlled corporation 實益擁有人及配偶與受控法團權益	165,914,773 (Note 1) (附註1)	25.95
Hsin Chong International Holdings Limited	Beneficial owner 實益擁有人	161,859,217 (Note 1) (附註1)	25.32
GHY Company Limited	Trustee of a trust 信託受託人	113,350,819 (Note 2) (附註2)	17.73
Shai-yun TUNG 董瑞筠	Founder and beneficiary of a trust 信託創立人及受益人	80,074,576 (Note 3) (附註3)	12.52
Howay Investment Ltd.	Beneficial owner 實益擁有人	80,074,576 (Note 3) (附註3)	12.52
J.P. Morgan Trust Company (Jersey) Limited	Trustee of a trust 信託受託人	80,074,576 (Note 3) (附註3)	12.52
HSBC International Trustee (BVI) Limited	Trustee of a trust 信託受託人	113,350,819 (Note 4) (附註4)	17.73
HSBC International Trustee Limited	Interests of controlled corporation & trustee of a trust 受控法團權益及信託受託人	113,350,819 (Note 4) (附註4)	17.73

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company

(continued)

Short positions in the shares and underlying shares of the Company

主要股東於本公司股份及相關股份中擁有之權益及淡倉 (續)

本公司股份及相關股份中擁有之淡倉

Name of shareholder 股東名稱	Capacity 身份	Number of shares held 持有 股份數目	Percentage of interest in the issued share capital 佔已發行股本之 權益百分比 (Note 5) (附註5)
Meou-tsen Geoffrey YEH 葉謀遵	Interest of a controlled corporation 受控法團權益	4,000,000 (Note 1) (附註1)	0.62
Hsin Chong International Holdings Limited	Beneficial owner 實益擁有人	4,000,000 (Note 1) (附註1)	0.62

Notes:

(1) The long position interests comprised 4,008,830 shares held beneficially by Dr. Meou-tsen Geoffrey YEH, 46,726 shares held beneficially by his wife and 161,859,217 shares held by Hsin Chong International Holdings Limited ("HCIH"). At 31 March 2007, Dr. Meou-tsen Geoffrey YEH owned approximately 47.78% of the issued share capital of HCIH and by virtue of the SFO, HCIH was his controlled corporation.

The short position interest in 4,000,000 shares of the Company represented an offer of option to purchase 4,000,000 shares of the Company at a transfer price of HK\$0.751 per share subject to fulfilment of certain conditions made by HCIH to Mr. Ka-kui CHAN, the managing director of the Company, who accepted the offer on 29 January 2007.

(2) 113,350,819 shares were held by GHY Company Limited ("GHY"), the trustee of a trust, the ultimate beneficiaries of which are Mr. V-nee YEH, the issue of Mr. V-nee YEH and The Hsin Chong – K.N. Godfrey Yeh Education Fund.

(3) These share interests represented 80,074,576 shares held by Howay Investment Ltd. ("Howay"). Howay is wholly owned by a trust. Ms. Shai-yun TUNG is the founder and has beneficial interests in the said trust. J.P. Morgan Trust Company (Jersey) Limited is the trustee of the same trust.

(4) HSBC International Trustee (BVI) Limited is controlled by HSBC International Trustee Limited and both of them are the trustees of trusts deemed to be interested in the same lot of 113,350,819 shares. These shares were the same lot of shares held by GHY.

(5) The percentage of interest in the issued share capital was calculated on the basis of 639,215,662 shares of the Company in issue at 31 March 2007.

Save as disclosed above, at 31 March 2007, no other interests or short positions in the shares or underlying shares of the Company were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

附註:

(1) 該等好倉之權益包括由葉謀遵博士實益持有之4,008,830股股份、其妻子實益持有之46,726股股份、及Hsin Chong International Holdings Limited (「新昌國際」)持有之161,859,217股股份。於二零零七年三月三十一日，葉謀遵博士擁有新昌國際約47.78%之已發行股本。根據證券及期貨條例，新昌國際為彼之受控法團。

於4,000,000股股份之淡倉權益乃新昌國際授予陳家駒先生(本公司董事總經理)之一項在達成若干條件下可以每股港幣0.751元之轉讓價購買4,000,000股本公司股份之購股權要約；而陳先生已於二零零七年一月二十九日接受該項要約。

(2) GHY Company Limited (「GHY」)以信託之受託人身份持有113,350,819股股份，而葉維義先生與其後嗣、及新昌 — 葉庚年教育基金為該信託之最終受益人。

(3) 該等股份權益為Howay Investment Ltd. (「Howay」)持有之80,074,576股股份。Howay乃由一信託全資擁有，而董瑞筠女士為該信託之創立人及擁有其實益權益。J.P. Morgan Trust Company (Jersey) Limited 則為該同一信託之受託人。

(4) HSBC International Trustee (BVI) Limited由HSBC International Trustee Limited控制，而兩者均為信託之受託人及被視為於同一批113,350,819股股份中擁有權益。該等股份為GHY所持有之同一批股份。

(5) 佔已發行股本之權益百分比乃按本公司於二零零七年三月三十一日之已發行股份639,215,662股為計算基準。

除上文所披露者外，於二零零七年三月三十一日，概無其他於本公司股份或相關股份中之權益或淡倉記錄於根據證券及期貨條例第336條本公司須予存置之登記冊內。

Continuing Connected Transactions

During the year ended 31 March 2007, the Group entered into (or continued to be a party to) certain continuing connected transactions which are subject to the annual review and reporting requirements under Chapter 14A of the Listing Rules.

(A) Pursuant to the business services agreement dated 22 July 2004 (the "Business Services Agreement") entered into between the Company and Hsin Chong International Holdings Limited ("HCIH"), the Group has from time to time provided Construction Services (as defined in the Business Services Agreement) to HCIH and/or its subsidiaries (together, the "HCIH Group") and requested for Project Services (as defined in the Business Services Agreement) to be provided by the HCIH Group to the Group. By virtue of the fact that HCIH is a substantial shareholder of the Company, HCIH and its subsidiaries are connected persons of the Company, and the Construction Services and Project Services contemplated under the Business Services Agreement have constituted continuing connected transactions of the Company. Details of the Business Services Agreement and the Construction Services and Project Services contemplated thereunder were disclosed in the announcement dated 22 July 2004 and the circular dated 3 August 2004 of the Company. The Business Services Agreement was approved by shareholders at the special general meeting of the Company held on 20 August 2004. During the year ended 31 March 2007, the value of Construction Services provided to and value of Project Services required from the HCIH Group were as follows:

- (i) Construction Services fees for HK\$89,740,500 were received from Firmwin Peak Limited ("Firmwin"), a wholly owned subsidiary of HCIH, for development of the construction work at Ngau Tam Mei, Yuen Long.
- (ii) Project Services fees were paid to the HCIH Group as follows:
 - (a) Agency fees paid by the Group to Hsin Chong Real Estate Agency Limited ("HCREA"), a wholly owned subsidiary of HCIH, for acting as sole agent relating to sub-letting of the leased premises at No. 3 Lockhart Road were HK\$906,650; and for appointment of HCREA as the selling agent for Lung Mun Oasis, the commercial areas of Tuen Mun Town Lot No. 395 Private Sector Participation Scheme, were HK\$3,000.
 - (b) No premium was paid to Summit Insurance (Asia) Limited ("Summit"), a non-wholly owned subsidiary of HCIH, for insurance services but a sum of HK\$17,793 was refunded to the Group for cancellation of a performance bond.

持續關連交易

於截至二零零七年三月三十一日止年度，本集團訂立若干持續關連交易（或繼續成為該等交易之交易方），而該等交易須遵守上市規則第14A章有關每年進行年度審核及申報之規定。

(A) 根據本公司與Hsin Chong International Holdings Limited（「新昌國際」）於二零零四年七月二十二日所簽訂之業務服務協議（「業務服務協議」），本集團不時向新昌國際及其附屬公司（統稱「新昌國際集團」）提供建造服務（定義見業務服務協議）及新昌國際集團不時按本集團之要求向本集團提供項目服務（定義見業務服務協議）。由於新昌國際為本公司主要股東，因此新昌國際及其附屬公司均為本公司之關連人士，而業務服務協議項下產生的建造服務及項目服務均構成本公司之關連交易。業務服務協議之詳情及其項下產生的建造服務及項目服務已於本公司二零零四年七月二十二日之公佈及二零零四年八月三日之通函內予以披露。業務服務協議已於二零零四年八月二十日本公司之股東特別大會獲股東通過。於截止二零零七年三月三十一日止年度，向新昌國際集團提供建造服務之價值及需求自新昌國際集團項目服務之價值如下：

- (i) 就興建元朗牛潭尾發展項目向新昌國際之一家全資擁有附屬公司Firmwin Peak Limited（「Firmwin」）收取港幣89,740,500元之建造服務費用。
- (ii) 就項目服務已支付予新昌國際集團之費用如下：
 - (a) 本集團就委任新昌地產代理有限公司（「新昌地產代理」）作為分租駱克道3號租賃物業的獨家代理支付予新昌地產代理港幣906,650元之代理人酬金；及就委任新昌地產代理為屯門市地段395號私人參建居屋計劃龍門居商業用途部分之銷售代理支付港幣3,000元之代理酬金。
 - (b) 本集團並無就保險服務向新昌國際之一家非全資擁有附屬公司健峯保險（亞洲）有限公司（「健峯」）支付保險費；但健峯就取消一項履約擔保而向本集團退款合共港幣17,793元。

Continuing Connected Transactions (continued)

- (c) Property and facility management services fees paid by the Group to Synergis Management Services Limited (“SMS”), a wholly owned subsidiary of Synergis Holdings Limited (“SHL”) which in turn is a 66.4% owned subsidiary of HCIH, were HK\$295,584 for provision of such services to No. 3 Lockhart Road; HK\$328,816 for provision of such services to Hsin Chong Center at 107-109 Wai Yip Street, Kwun Tong (“Hsin Chong Center”); and HK\$91,518 for provision of certain office administration services to Hsin Chong Center.
- (d) Security services fees of HK\$208,800 were paid by the Group to Hsin Sheng Security Services Limited, a wholly owned subsidiary of SHL, for provision of security services for a workshop in Hong Kong.
- (e) Cleaning services fees of HK\$1,119,904 were paid by the Group to Master Clean Services Limited, a wholly owned subsidiary of SHL, for provision of cleaning services to the Group.
- (B) Pursuant to three tenancy agreements all dated 1 April 2005 entered into between Deventer Limited (“Deventer”), a wholly owned subsidiary of the Company, with SMS (the “SMS Tenancy”), Summit (the “Summit Tenancy”) and Hsin Chong Holdings (H.K.) Limited (the “HCHK Tenancy”), certain portions of Hsin Chong Center were leased to SMS, Summit and Hsin Chong Holdings (H.K.) Limited (“HCHK”) for use as office spaces. Under the SMS Tenancy, Deventer also leased 11 car park spaces to SMS. SMS is a wholly owned subsidiary of SHL. Summit is a non wholly owned subsidiary of HCIH. HCHK is a wholly owned subsidiary of HCIH. By virtue of the aforesaid shareholding relationships, SMS, Summit and HCHK are all connected persons of the Company (as defined in the Listing Rules). The SMS Tenancy, Summit Tenancy and HCHK Tenancy (together, the “Tenancy Agreements”) and the transactions contemplated thereunder have constituted continuing connected transactions of the Company under Rule 14A.34 of the Listing Rules. Details of the Tenancy Agreements were disclosed in the announcement dated 4 April 2005 of the Company.

持續關連交易 (續)

- (c) 本集團向新昌管理集團有限公司(「新昌管理」)為新昌國際擁有66.4%權益之附屬公司)之一家全資擁有附屬公司新昌管理服務有限公司(「新昌管理服務」)支付物業及設施管理服務費用。當中港幣295,584元為向駱克道3號提供該等服務之管理服務費;港幣328,816元為向本集團位於觀塘偉業街107-109號新昌中心(「新昌中心」)提供該等服務之管理服務費;及港幣91,518元為向新昌中心提供若干寫字樓行政服務之費用。
- (d) 本集團已向新昌管理之一家全資擁有附屬公司新盛保安服務有限公司支付港幣208,800元,作為其為香港一貨倉提供保安服務之保安服務費。
- (e) 本集團已向新昌管理之一家全資擁有附屬公司宏潔服務有限公司支付港幣1,119,904元,作為其向本集團提供清潔服務之清潔服務費。
- (B) 根據三份日期同為二零零五年四月一日由本公司之一家全資擁有附屬公司Deventer Limited (「Deventer」)分別與新昌管理服務、健峯及新昌集團(香港)有限公司(「新昌集團香港」)訂立之新昌管理服務租賃協議(「新昌管理服務租賃協議」)、健峯租賃協議(「健峯租賃協議」)及新昌集團香港租賃協議(「新昌集團香港租賃協議」),新昌中心之若干部分已出租予新昌管理服務、健峯及新昌集團香港作寫字樓用途。根據新昌管理服務租賃協議,Deventer亦出租了11個泊車位予新昌管理服務。新昌管理服務為新昌管理之一家全資擁有附屬公司。健峯為新昌國際之一家非全資擁有附屬公司。新昌集團香港為新昌國際之一家全資擁有附屬公司。按照上述之股權關係,新昌管理服務、健峯及新昌集團香港均為本公司之關連人士(定義見上市規則)。新昌管理服務租賃協議、健峯租賃協議及新昌集團香港租賃協議(統稱「該等租賃協議」)及其項下產生之交易均構成上市規則第14A.34條本公司之持續關連交易。該等租賃協議之詳情已於本公司二零零五年四月四日之公佈內披露。

Continuing Connected Transactions (continued)

For the year ended 31 March 2007, Deventer received rental income (exclusive of management fees, air-conditioning fees, licencing fees and other outgoings) of HK\$1,539,634 from SMS; HK\$414,170 from Summit, and HK\$49,729 from HCHK. Licencing fees of HK\$294,000 were received from SMS for the lease of the car park spaces.

The directors (including the independent non-executive directors) of the Company have reviewed and confirmed that all the continuing connected transactions mentioned in (A) and (B) above conducted in the year were entered into on the following basis:

- (i) in the ordinary and usual course of the business of the Group;
- (ii) either on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and
- (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company have confirmed to the Board in writing that all the continuing connected transactions described in (A) and (B) above:

- (i) have received approval of the Board;
- (ii) were in accordance with the pricing policies of the Group if the relevant transactions involved provision of goods or services by the Group;
- (iii) have been entered into in accordance with the relevant agreements governing the relevant transactions;
- (iv) in respect of the Construction Services and the Project Services, their respective aggregate value for the year ended 31 March 2007 did not exceed the respective annual caps of HK\$200 million (for Construction Services) and HK\$89.5 million (for Project Services) for the relevant year as set out in the Business Services Agreement; and
- (v) in respect of the SMS Tenancy, Summit Tenancy and HCHK Tenancy, the aggregate rental income (including the licensing fees for the car park spaces) received from SMS, Summit and HCHK under the Tenancy Agreements for the year ended 31 March 2007 continued to comply with the criteria under Rule 14A.34 of the Listing Rules.

持續關連交易 (續)

於截至二零零七年三月三十一日止年度，Deventer向新昌管理服務收取租金收入港幣1,539,634元（不包括管理費、空調費、使用權收費及其他雜費）、向健峯收取租金收入港幣414,170元及向新昌集團香港收取租金收入港幣49,729元。此外，向新昌管理服務出租泊車位而收取使用權收費港幣294,000元。

本公司董事（包括獨立非執行董事）已對上文(A)段及(B)段所述之所有於年內進行之持續關連交易作出審閱，並確認該等交易乃按照下列原則訂立：

- (i) 於本集團日常業務範圍內進行；
- (ii) 按照一般商業條款或按不遜於給予獨立第三方或獨立第三方提供之條款訂立；及
- (iii) 根據有關之監管協議按公平合理並符合本公司股東整體利益的條款訂立。

本公司核數師已向董事會書面確認，上文(A)段及(B)段所述之所有持續關連交易：

- (i) 已經取得董事會批准；
- (ii) 如有關交易涉及由本集團提供貨品或服務，乃根據本集團的定價政策而進行；
- (iii) 乃根據監管有關交易之有關協議進行；
- (iv) 就建造服務及項目服務而言，於截止二零零七年三月三十一日止年度，其各自之總價值並未超逾業務服務協議內所載分別為建造服務設定之年度上限港幣200,000,000元及為項目服務設定之年度上限港幣89,500,000元；及
- (v) 就新昌管理服務租賃協議、健峯租賃協議及新昌集團香港租賃協議而言，於截止二零零七年三月三十一日止年度，本集團在該等租賃協議下向新昌管理服務、健峯及新昌集團香港收取之租金總收入（包括出租車位之使用權收費）繼續符合上市規則第14A.34條之限制。

Continuing Connected Transactions (continued)

In the last directors' report for the year ended 31 March 2006, the Company had disclosed that an advance of HK\$45,010,000 was made by Glenwell Orient Limited to Guangzhou Fengyu Real Estate Co. Ltd. ("Fengyu"), both being non-wholly owned subsidiaries of the Company. The management had further reviewed the transaction and formed the view that according to the Listing Rules (as amended in 2004), such advance made by the Group to Fengyu, a non-wholly owned subsidiary falling within Rule 14A.11(5), has no longer been treated as connected transaction of the Company. Therefore, no further disclosure will be made on this advance.

Major Customers and Suppliers

The five largest customers of the Group accounted for 63% (2006: 73%) of the Group's total revenue and the largest customer of the Group accounted for 27% (2006: 25%) of the Group's total revenue for the year.

The five largest suppliers of the Group accounted for less than 30% of the Group's total purchases for the year.

None of the directors, any of their associates or shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had an interest in any of the Group five largest customers.

Bank Borrowings

The particulars of bank borrowings of the Group at 31 March 2007 and 2006 respectively were as follows:

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Short term bank loan, secured	有抵押短期銀行貸款	–	2,417
Long term bank loans for which an analysis of the repayment schedule is set out in note 32 to the consolidated financial statements	長期銀行貸款·其還款期分析列於綜合財務報表附註32		
– secured	有抵押	25,000	235,931
– unsecured	無抵押	–	42,000
		25,000	280,348

持續關連交易 (續)

於截止二零零六年三月三十一日止年度之董事會報告書內·本公司曾披露一項由景惠東方有限公司向廣州豐裕房地產有限公司(「廣州豐裕」)(上述兩家均為本公司之非全資擁有附屬公司)提供墊支款項為數港幣45,010,000元。管理層已重新審閱此項交易·得出觀點為廣州豐裕屬於上則規則(經二零零四年修訂)第14A.11(5)條下定義之非全資擁有附屬公司·因此由本集團提供予廣州豐裕的該項墊支款項不再列為本公司之關連交易處理。因此·就該項墊支款項而言毋須再作披露。

主要客戶及供應商

於本年度·本集團最大五位客戶佔本集團總收益的63%(二零零六年:73%)·而本集團最大客戶則佔本集團總收益的27%(二零零六年:25%)。

於本年度·本集團最大五位供應商佔本集團之總採購額少於30%。

董事·任何彼等之聯繫人或股東(據董事所知擁有本公司已發行股本超過5%者)概無在本集團最大五位客戶中擁有任何權益。

銀行貸款

本集團分別於二零零七年三月三十一日及二零零六年三月三十一日之銀行借貸詳情如下:

Donations

During the year, donations by the Group for charitable and other purposes amounted to HK\$133,000 (2006: HK\$166,000).

Proforma Combined Balance Sheet of Affiliated Companies

A proforma combined balance sheet of certain affiliated companies with major financial assistance and the Group's attributable interest in these affiliated companies are set out on page 135.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (2006: the Company repurchased 662,000 shares at HK\$0.50 per share) during the year.

Public Float

At the date of this report, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and to the best of knowledge of its directors.

Auditors

The retiring auditors, Messrs. PricewaterhouseCoopers, have expressed their willingness to offer for re-appointment. A resolution will be proposed at the forthcoming 2007 annual general meeting of the Company to re-appoint Messrs. PricewaterhouseCoopers as the auditors of the Company for the ensuing year and to authorise the directors to fix their remuneration.

On behalf of the Board



Ka-kui CHAN
Managing Director

Hong Kong, 6 July 2007

捐款

本集團於年內作出之慈善及其他捐款合共港幣133,000元(二零零六年:港幣166,000元)。

聯屬公司之備考合併資產負債表

若干獲主要財務援助之聯屬公司之備考合併資產負債表及本集團所佔此等聯屬公司之權益載於第135頁。

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於年內概無購買、出售或贖回本公司之任何上市證券(二零零六年:本公司以每股港幣0.50元回購662,000股股份)。

公眾持股量

於本報告日期,據本公司所獲之公眾資料及董事所知悉,本公司維持上市規則所訂明之公眾持股量。

核數師

即將退任之核數師羅兵咸永道會計師事務所已表明願意膺選連任。本公司擬於即將舉行之二零零七年股東週年大會上提呈一項決議案,重新委聘羅兵咸永道會計師事務所為本公司來年之核數師,並授權董事釐定其酬金。

代表董事會



董事總經理
陳家駒

香港,二零零七年七月六日

Independent Auditor's Report

獨立核數師報告書

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**TO THE SHAREHOLDERS OF
HSIN CHONG CONSTRUCTION GROUP LTD.**
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Hsin Chong Construction Group Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages 64 to 132, which comprise the consolidated and company balance sheets as at 31 March 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.

致新昌營造集團有限公司股東

(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核列載於第64至132頁新昌營造集團有限公司(「貴公司」)及其子公司(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三月三十一日的綜合及貴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》(「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責或承擔任何責任。

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 31 March 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, 6 July 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。

審核涉及執程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三月三十一日的財務狀況及 貴集團截至該日止年度的溢利及現金流量，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
執業會計師

香港，二零零七年七月六日

Consolidated Income Statement

綜合損益表

For the year ended 31 March 2007 截至二零零七年三月三十一日止財政年度結算

		Note	2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
		附註		
Revenue	收益	5	3,007,166	2,275,911
Cost of sales	銷售成本	7	(2,835,492)	(2,093,422)
Gross profit	毛利		171,674	182,489
Other income	其他收入	6	45,820	33,438
General and administrative expenses	行政開支	7	(116,638)	(124,315)
Other operating expenses	其他經營開支	7	(20,428)	(31,146)
Impairment loss reversal	減值虧損回撥		38,403	87,780
Operating profit	經營盈利		118,831	148,246
Finance costs	融資成本	8	(6,320)	(7,132)
Share of (losses less profits)/ profits less losses of	應佔(虧損減溢利)/ 溢利減虧損			
– jointly controlled entities	– 共同控制實體		(3,920)	(25,035)
– associated companies	– 聯號		14,008	40,758
Profit before income tax	所得稅前溢利		122,599	156,837
Income tax expense	所得稅開支	11	(8,568)	(6,488)
Profit for the year	本年溢利		114,031	150,349
Dividends	股息	13	89,680	76,700
Profit attributable to:	應佔溢利:			
Equity holders of the Company	本公司權益持有人	12	105,399	120,296
Minority interests	少數股東權益		8,632	30,053
			114,031	150,349
Earnings per share (cents)	每股盈利(仙)	14	16.5	18.8

Balance Sheets

資產負債表

As at 31 March 2007 二零零七年三月三十一日結算

	Note 附註	Group 集團		Company 本公司	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Non-current assets					
Property, plant and equipment	16	63,011	69,556	1,109	2,136
Investment properties	17	121,277	112,720	-	-
Prepaid premium for land lease	18	37,663	38,599	-	-
Intangible assets	19	1,950	3,962	-	-
Goodwill	20	-	1,828	-	-
Investment in a subsidiary	21	-	-	125,921	62,468
Loan to a subsidiary	21	-	-	30,000	-
Associated companies	22	6,453	122,722	-	-
Jointly controlled entities	23	13,353	(1,211)	-	-
Held-to-maturity investments	24	18,574	20,084	18,574	20,084
Available-for-sale financial assets	25	5,729	10,069	-	-
Deferred income tax assets	31	2,140	1,288	-	-
		270,150	379,617	175,604	84,688
Current assets					
Amounts due from subsidiaries	21	-	-	446,257	626,458
Property under development for sale	27	36,800	202,288	-	-
Stocks and contracting work-in-progress	28	292,555	210,398	-	-
Receivables and prepayments	29	331,709	310,143	3,253	2,717
Amount due from a minority shareholder		3,249	3,216	-	-
Held-to-maturity investments	24	12,124	10,899	12,124	10,899
Financial assets at fair value through profit or loss	26	1,315	47,231	-	-
Deposits, cash and bank balances	30				
- restricted		75,900	172,926	-	-
- unrestricted		599,894	443,732	66,612	25,251
Current income tax recoverable		-	-	290	-
		1,353,546	1,400,833	528,536	665,325
Current liabilities					
Current portion of long term bank loans	32	(25,000)	(177,931)	-	-
Short term bank loan, secured	32	-	(2,417)	-	-
Payables and accruals	33	(961,483)	(891,636)	(7,278)	(2,917)
Amounts due to subsidiaries	21	-	-	(140,978)	(226,021)
Amounts due to minority shareholders		(36,805)	(33,512)	-	-
Current income tax liabilities		(5,059)	(13,443)	-	(576)
		(1,028,347)	(1,118,939)	(148,256)	(229,514)
Net current assets		325,199	281,894	380,280	435,811
Total assets less current liabilities		595,349	661,511	555,884	520,499
Non-current liabilities					
Long term bank loans	32	-	(100,000)	-	-
Net assets		595,349	561,511	555,884	520,499
Equity					
Capital and reserves attributable to the Company's equity holders					
Share capital	34	63,922	63,903	63,922	63,903
Other reserves	35	285,629	273,623	330,480	328,617
Retained profits	35	236,964	214,639	161,482	127,979
		586,515	552,165	555,884	520,499
Minority interests		8,834	9,346	-	-
Total equity		595,349	561,511	555,884	520,499

V-nee YEH
Director

葉維義
董事

Ka-kui CHAN
Director

陳家駒
董事

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31 March 2007 截至二零零七年三月三十一日止財政年度結算

	Note 附註	2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Operating activities	經營業務		
Net cash inflow generated from operations	經營產生之現金流入淨額	288,809	249,051
Interest received	已收利息	17,858	11,919
Interest paid	已付利息	(8,740)	(14,075)
Dividend income from financial assets at fair value through profit or loss	已收按公平值計入溢利或虧損 之財務資產股息	184	191
Income tax paid	已付所得稅	(17,682)	(6,842)
Net cash inflow from operating activities	經營業務之現金流入淨額	280,429	240,244
Investing activities	投資業務		
Purchase of property, plant and equipment	購置物業、機器及設備	(953)	(3,316)
Disposal of property, plant and equipment	出售物業、機器及設備	1,272	815
Disposal of available-for-sale financial assets	出售可供出售之財務資產	2,927	–
Purchase of held-to-maturity investments	購買持至到期之投資	(10,420)	(36,015)
Redemption of held-to-maturity investments	贖回持至到期之投資	10,850	4,960
Return of investment from an associated company	已收一聯號投資回報	435	–
Dividend income from associated companies	已收聯號股息	13,919	–
Dividend income from a jointly controlled entity	已收一共同控制實體股息	–	4,432
Disposal of subsidiaries, net of cash disposed of	出售附屬公司，扣除所出售之現金	3,211	(8,784)
Acquisition of a subsidiary, net of cash acquired	購買一附屬公司，扣除所購入之現金	–	1,803
Net repayment from/(advance to) associated companies and jointly controlled entities	聯號及共同控制實體 借款償還/(增加)淨額	97,316	(51,333)
Net cash inflow/(outflow) from investing activities	投資業務之現金 流入/(流出)淨額	118,557	(87,438)
Net cash inflow before financing	融資前之現金流入淨額	398,986	152,806
Financing activities	融資		
Repayment of bank loans	償還銀行貸款	(255,348)	(44,000)
Increase in bank loans	銀行貸款增加	–	78,130
Issue of shares	發行新股	152	145
Repurchase of shares	回購股份	–	(334)
(Repayment to)/advances from minority shareholders	(償還)/增加少數 股東貸款	(4,552)	37
Distribution to a minority shareholder on liquidation of a subsidiary	一附屬公司清盤分派予 一少數股東	(1)	(868)
Dividends paid	已派股息	(83,074)	(31,978)
Dividend paid to a minority shareholder of a subsidiary	已派予一附屬公司 一少數股東股息	–	(1,320)
Decrease/(increase) in restricted deposits	受限制銀行存款減少/(增加)	99,999	(158,147)
Net cash outflow from financing	融資之現金流出淨額	(242,824)	(158,335)
Increase/(decrease) in cash and cash equivalents	現金及現金等值之 增加/(減少)	156,162	(5,529)
Cash and cash equivalents at beginning of year	於年初之 現金及現金等值	443,732	449,261
Cash and cash equivalents at end of year	於年末之 現金及現金等值	599,894	443,732
Analysis of the balances of cash and cash equivalents	現金及現金等值 結存之分析		
Deposits, cash and bank balances – unrestricted	存款、現金及銀行結存 – 不受限制	599,894	443,732

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2007 截至二零零七年三月三十一日止財政年度結算

		Attributable to equity holders of the Company 屬於本公司權益持有人			
		Share capital 股本 HK\$'000 港幣千元	Reserves 儲備 HK\$'000 港幣千元 (Note 35) (附註35)	Minority interests 少數股東權益 HK\$'000 港幣千元	Total equity 權益總計 HK\$'000 港幣千元
At 1 April 2005	於二零零五年四月一日	63,940	400,742	9,694	474,376
Issue of shares	發行新股	29	–	–	29
Premium arising from issue of shares	發行新股所產生之溢價	–	116	–	116
Shares repurchased	股份回購	(66)	(268)	–	(334)
Exchange differences	滙兌差額	–	(815)	–	(815)
Profit retained for the year	本年度保留溢利	–	120,296	30,053	150,349
Disposal of a subsidiary	出售一附屬公司	–	–	(853)	(853)
Dividend paid to a minority shareholder of a subsidiary	已派予一附屬公司 一少數股東股息	–	–	(1,320)	(1,320)
Liquidation of a subsidiary	一附屬公司清盤	–	–	(817)	(817)
Distribution	分配	–	–	(27,411)	(27,411)
Fair value gain on available- for-sale financial assets	可供出售之財務資產 公平值溢利	–	169	–	169
Dividends	股息	–	(31,978)	–	(31,978)
At 31 March 2006	於二零零六年三月三十一日	63,903	488,262	9,346	561,511
At 1 April 2006	於二零零六年四月一日	63,903	488,262	9,346	561,511
Issue of shares	發行新股	19	–	–	19
Premium arising from issue of shares	發行新股所產生之溢價	–	133	–	133
Exchange differences	滙兌差額	–	10,312	–	10,312
Profit retained for the year	本年度保留溢利	–	105,399	8,632	114,031
Equity settled share-based transactions	以股份為基礎之 股權結算交易	–	1,730	–	1,730
Distribution	分配	–	–	(9,144)	(9,144)
Disposal of available-for-sale financial assets	出售可供出售之財務資產	–	(169)	–	(169)
Dividends	股息	–	(83,074)	–	(83,074)
At 31 March 2007	於二零零七年三月三十一日	63,922	522,593	8,834	595,349

Notes to the Consolidated Financial Statements

綜合財務報表附註

1. General information

Hsin Chong Construction Group Ltd. (the “Company”) and its subsidiaries (together the “Group”) are engaged in building construction (including design and build), specialist civil engineering, construction and project management, electrical and mechanical installation, renovation and fitting-out, property development and rental, and contractor finance.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda. The Company has its primary listing on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of Hong Kong dollars (HK\$'000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 6 July 2007.

2. Summary of significant accounting policies

The principal accounting policies adopted 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.

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, available-for-sale financial assets and financial assets at fair value through profit or loss, which are carried at fair value.

The preparation of 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 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.

In 2006/07, the Group has adopted the new standards, amendments and interpretations issued by the Hong Kong Institute of Certified Public Accountants that are effective for the accounting periods beginning on or after 1 January 2006. However, the adoption of these new standards does not have any significant effect on the results and financial position of the Group.

1. 一般資料

新昌營造集團有限公司(「本公司」)及其附屬公司(統稱為「本集團」)·從事樓宇建造(包括設計與承建)·土木工程·建造及項目管理·機電安裝工程·修葺及裝修工程·物業發展及租賃及承建商融資。

本公司為在百慕達註冊成立之有限責任公司。註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda。本公司以香港聯合交易所有限公司作第一上市。

除另有列明外·綜合財務報表以港幣千元為單位列示。董事會已於二零零七年七月六日通過刊發綜合財務報表。

2. 主要會計政策概要

編製綜合財務報表所採納之主要會計政策載列如下。除另有說明外·該等政策已於所有呈報年度內貫徹應用。

(a) 編製基礎

綜合財務報表乃根據香港財務報告準則編製。綜合財務報表按歷史成本慣例編製·惟已就按公平值列賬之投資物業重估·可供出售之財務資產及按公平值計入溢利或虧損之財務資產作出修訂。

在遵照香港財務報告準則編製財務報表時·須採用若干重大會計估計·管理層亦須在應用本集團會計政策的過程中作出判斷。附註4載述涉及較多判斷或較複雜的範疇·或假設及估計對綜合財務報表有重大影響的範疇。

於本年度·本集團採納香港會計師公會頒佈由二零零六年一月一日或其後開始的會計期間生效的新準則·修訂及詮釋。然而採用此等新準則對本集團的業績及財務狀況並無重大影響。

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

The following standards, amendments and interpretations to existing standards have been published that are mandatory for the accounting periods of the Group beginning on or after 1 January 2007 (unless otherwise stated) that the Group has not early adopted:

Amendments to HKAS 1	Presentation of Financial Statements – Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HKFRS 8	Operating Segments (effective from 1 January 2009)
HK(IFRIC) – Int 8	Scope of HKFRS 2
HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment
HK (IFRIC) – Int 11	HKFRS 2–Group and Treasury Share Transaction
HK (IFRIC) – Int 12	Service Concession Arrangements

The Group has not early adopted the above standards, amendments and interpretations and is not yet in a position to state whether substantial changes to the Group's accounting policies and presentation of the financial statements will be resulted.

(b) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31 March.

(i) Subsidiaries

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

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.

2. 主要會計政策概要 (續)

(a) 編製基礎 (續)

以下之準則、現有準則之修訂及詮釋已頒佈，並強制本集團必須於二零零七年一月一日或之後（除另有列明外）開始會計期間採用，惟本集團並無提早採納：

香港會計準則第1號(修訂)	財務報表的呈列—資本披露
香港財務報告準則第7號	金融工具：披露
香港財務報告準則第8號	營業分類（於二零零九年一月一日生效）
香港（國際財務報告詮釋委員會）—詮釋第8號	香港財務報告準則第2號的範圍
香港（國際財務報告詮釋委員會）—詮釋第9號	內在衍生工具重估
香港（國際財務報告詮釋委員會）—詮釋第10號	中期財務報告及減值
香港（國際財務報告詮釋委員會）—詮釋第11號	香港財務報告準則第2號—集團和庫存股交易
香港（國際財務報告詮釋委員會）—詮釋第12號	服務經營權協議

本集團並無提早採納以上準則、準則之修訂及詮釋及尚未能指出對本集團之會計政策及財務報表的呈報會否造成重大變動。

(b) 綜合基礎

綜合財務報表包括本公司及其所有附屬公司截至三月三十一日止之財務報表。

(i) 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的所有實體，一般附帶於超過半數投票權之股權。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。

附屬公司於其控制權轉移至本集團當日起全面綜合入賬，於控制權終止當日起不再綜合入賬。

2. Summary of significant accounting policies (continued)

(b) Basis of consolidation (continued)

(i) Subsidiaries (continued)

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

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised 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 by the Company on the basis of dividend received and receivable.

(ii) Associated companies

Associated companies 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 associated companies are accounted for by the equity method of accounting and are initially recognised at cost. The Group's investment in associated companies includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associated companies' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised 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 associated company equals or exceeds its interest in the associated company, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company.

2. 主要會計政策概要 (續)

(b) 綜合基礎 (續)

(i) 附屬公司 (續)

本集團採用收購會計法為本集團所收購之附屬公司列賬。收購成本為於交易當日所獲資產之公平值，所發行之股本工具及所產生或承擔之負債，加上直接歸屬予收購事項之成本。在業務合併過程中所收購之可辨別資產，所承擔之負債及或然負債，均於收購當日按其公平值作出初步計量，而毋須計及任何少數股東權益。收購成本超出本集團應佔所收購可辨別淨資產之公平值之差額乃列作商譽。倘收購成本低於所收購附屬公司淨資產之公平值，則有關差額將直接在損益表內確認。

集團內公司間之交易，結餘及集團公司之間進行交易之未變現收益均對銷。除非交易時有證據顯示所轉讓資產有所減值，否則未變現虧損亦會對銷。附屬公司之會計政策經已作出必要修改，以確保與本集團採用之會計政策一致。

本公司之資產負債表內之附屬公司投資乃成本扣除減值虧損撥備列賬。附屬公司之業績由本公司按已收及應收股息入賬。

(ii) 聯號

聯號為本集團對其有重大影響力但無控制權之公司，一般附帶有20%至50%投票權之股權。於聯號之投資以權益會計法入賬，初始以成本確認。本集團於聯號之投資包括收購時已識別之商譽（扣除任何累計減值虧損）。

本集團應佔收購後聯號之溢利或虧損於損益表內確認，而應佔收購後儲備之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號之虧損等於或超過其於該聯號之權益（包括任何其他無抵押應收款），則本集團不會確認進一步虧損，除非本集團已代聯號承擔責任或作出付款。

2. Summary of significant accounting policies (continued)

(b) Basis of consolidation (continued)

(iii) Jointly controlled entities

A jointly controlled entity is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to their joint control and none of the participating parties has unilateral control over the economic activity.

Investments in jointly controlled entities are accounted for by the equity method of accounting. The consolidated income statement includes the Group's share of the results of the jointly controlled entities for the year, and the consolidated balance sheet includes the Group's share of the net assets of the jointly controlled entities.

(c) Foreign currency translation

(i) 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.

(ii) 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 recognised in the income statement.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss and are included in equity directly.

2. 主要會計政策概要 (續)

(b) 綜合基礎 (續)

(iii) 共同控制實體

共同控制實體指由本集團與其他合作夥伴為進行經濟活動而訂立具有約束力之合約安排，其業務由所有合作夥伴共同管理，沒有任何一方可單方面控制其經濟活動。

於共同控制實體之投資按權益會計法入賬。綜合損益表內包括年度本集團應佔共同控制實體業績，而綜合資產負債表中則包括本集團所佔共同控制實體資產淨值。

(c) 外幣換算

(i) 功能及呈報貨幣

本集團各實體之財務報表所包括之項目，乃按該實體經營所在之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表以本公司之功能及呈報貨幣港元呈列。

(ii) 交易及結餘

外幣交易均按交易當日之發行滙率換算為功能貨幣。因上述交易結算及按結算日之滙率兌換以外幣計值之貨幣資產及負債而產生之滙兌盈虧，均於損益表確認。

非貨幣性財務資產及負債滙兌差額，已申報列為公平值損益之部分並直接計入權益內。

2. Summary of significant accounting policies (continued)

(c) Foreign currency translation (continued)

(iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

(d) Intangible assets

(i) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Trademarks and trade names

The use of trademarks and trade names are initially recognised at cost. Trademarks and trade names have a definite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks over their estimated useful lives of 5 years.

(iii) Secured contracts

Secured contracts are measured at fair value at the acquisition date. Secured contracts are amortised over the contract period and carried at cost less accumulated amortisation and accumulated impairment losses.

2. 主要會計政策概要 (續)

(c) 外幣換算 (續)

(iii) 集團公司

集團旗下所有實體如持有與呈報貨幣不一致之功能貨幣，其中並無任何公司持有通脹嚴重之經濟體系之貨幣，其業績和財務狀況均按以下方法換算為呈報貨幣：

- 每項資產負債表之資產及負債均按照該資產負債表結算日之匯率換算為呈報貨幣；
- 每項損益表之收入和開支均按照平均匯率換算為呈報貨幣，但若此平均匯率未能合理地反映各交易日之匯率所帶來之累計影響，則按照各交易日之匯率換算此等收入和開支；及
- 所有產生之滙兌差額均確認為股東權益之個別部分。

在綜合賬目時，換算海外公司投資淨額而產生之滙兌差異，均列入股東權益內。當出售海外業務時，此等滙兌差額將於損益表內確認為出售收益或虧損之一部分。

(d) 無形資產

(i) 商譽

商譽指收購成本高出收購日本集團所佔收購附屬公司之可辨認淨資產公平值之金額。商譽每年進行減值測試，並按成本減累計減值虧損列賬。計算出售企業之盈虧應包括與該企業相關之商譽之賬面值。

(ii) 商標及商號名稱

使用商標及商號名稱最初以成本確認。商標及商號名稱具有指定可使用年期並按成本減累計攤銷列賬。商標之成本分配乃根據其估計五年使用期以直線法攤銷。

(iii) 取得合約

取得合約於收購日按公平值計量。取得合約以合約期攤銷，並按成本減累計攤銷及累計減值虧損列賬。

2. Summary of significant accounting policies (continued)

(e) Properties

(i) 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 an investment property. Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment properties are 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 assets. 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 are reviewed annually by external valuers.

Subsequent expenditure is recognised 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 income statement during the financial period in which they are incurred.

Changes in fair values are charged in the income statement.

(ii) Properties under development

Properties under development which are not due for completion within one year from the balance sheet date are stated at cost less provisions for any foreseeable losses. Cost of property in the course of development comprises land costs and development costs including attributable interest and other related expenses capitalised during the development period.

Properties under development which are due for completion within one year from the balance sheet date and are intended to be held for sale are transferred to properties under development for sale and included in current assets. Upon completion, they are transferred to stock at the lower of cost and net realisable value.

(iii) Property under development for sale

Property under development for sale is included in current assets and stated at cost less provisions for any foreseeable losses. Cost comprises land cost, development costs, other attributable expenses and borrowing costs capitalised.

Revenue from sale of properties is recognised either when the sale agreement is completed or when the development is completed which is determined by the issuance of the completion certificate by the relevant government authorities, whichever is the later. Deposits and instalments received on properties sold prior to their completion are included in current liabilities.

2. 主要會計政策概要 (續)

(e) 物業

(i) 投資物業

投資物業是指持有作為長期收取租金或／及為資本增值，而並非由本集團內企業所佔用之物業。投資物業初步按成本列賬，並包括相關之交易費用。於初步確認後，投資物業會按公平值列賬。

公平值按活躍市價釐定，倘有需要，會就指定資產於性質、地點或狀況三方面之任何差異作出調整。倘並無有關資料，本集團將會採用其他估值方法，例如活躍程度稍遜市場之最近期價格或貼現現金流量預測。該等估值由外間估值師每年檢討。

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損益表支銷。

公平值之變動計入損益表。

(ii) 發展中物業

於結算日後非一年內完成之發展中物業以成本值扣除可預見虧損準備列賬。物業於發展期間之成本包括地價及發展成本，而發展成本則包括於發展期內已資本化之所佔利息及其他有關支出。

於結算日後一年內完成及計劃持作出售之發展中物業轉往為供出售發展中物業並歸納於流動資產項下。於完成時，供出售發展中物業轉往為存貨，按其成本及可變現淨值兩者中之較低者報值。

(iii) 供出售發展中物業

供出售發展中物業已包括在流動資產內，及按成本減可預見虧損準備列賬。成本包括土地成本、發展成本、其他應佔開支及已資本化之借貸成本。

物業銷售收益在銷售合同完成時或發展項目完成時（以有關政府部門發出完工證明書為準）兩者中之較遲日期入賬。在物業落成前出售物業已收取之按金及分期付款列作流動負債。

2. Summary of significant accounting policies (continued)

(e) Properties (continued)

(iv) Prepaid premium for land lease

Prepaid premium for land lease are up-front payments to acquire long-term interests in leasee-occupied properties. The premiums are stated at cost and are amortised on a straight-line basis over the lease period to the income statement.

(f) Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, 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 repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

Property, plant and equipment are depreciated at rates sufficient to write off their cost less accumulated impairment over their estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Property	5%
Leasehold improvements	over the unexpired period of the lease
Plant and machinery	10-50%
Furniture, fixtures and equipment	10-33.33%
Motor vehicles	25%

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

The gain or loss on disposal of property, plant and equipment other than investment properties is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the income statement.

(g) Stocks and contracting work-in-progress

Stocks are stated at the lower of the cost and net realisable value. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

Contracting work-in-progress is valued at cost incurred plus an appropriate proportion of profits after deducting progress payments and allowances for foreseeable losses. Cost comprises direct materials, labour and overheads expenses incurred in bringing the work-in-progress to its present condition.

2. 主要會計政策概要 (續)

(e) 物業 (續)

(iv) 預付土地租賃費用

預付土地租賃費用乃就收購承租人所佔物業長期權益而支付的預付款。預付款以成本值列賬，並於租賃期內以直線法於損益表攤銷。

(f) 物業、機器及設備

物業、機器及設備以成本值減累計折舊及累計減值虧損入賬。

當其後成本的未來經濟利益可流入本集團，而項目的成本又能可靠計算時，則其後的成本計入該資產賬面值或確認為獨立資產（倘適用）。其他維修及保養費用於產生的財政期間在損益表中支銷。

物業、機器及設備按資產預計可用年限以直線法平均攤銷資產之成本值減累積減值。主要折舊年率如下：

物業	5%
租賃物業裝修	按租約尚餘期間折舊
機械設備	10-50%
傢俬、固定裝置及設備	10-33.33%
汽車	25%

於每個結算日均會檢討及修訂（如適用）資產的餘值與其可使用年期。

出售投資物業以外的物業、機器及設備的盈虧，即銷售所得款淨額與相關資產的賬面值差額，會於損益表中確認入賬。

(g) 存貨及興建中工程

存貨是按其成本及可變現淨值兩者中之較低者報價。可變現淨值乃按預計銷售所得款項扣除估計營銷開支計算。

興建中工程則按成本加適當比例之應佔利潤減已收工程賬款及可預見虧損準備列值。成本包括使興建中工程達致現況所需支付之直接物料、勞工及間接開支。

2. Summary of significant accounting policies (continued)

(h) Investments

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, held-to-maturity investments and available-for-sale financial assets.

(i) *Financial assets at fair value through profit or loss*

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

(ii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. They are included in non-current assets, except for those with maturities within 12 months of the balance sheet date which are classified as current assets.

(iii) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Regular purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Held-to-maturity investments are carried at amortised cost using the effective interest method.

Gains and losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the income statement in the period in which they arise.

2. 主要會計政策概要 (續)

(h) 投資

本集團的投資分類如下：按公平值計入溢利或虧損之財務資產、持至到期之投資及可供出售之財務資產。

(i) *按公平值計入溢利或虧損之財務資產*

倘財務資產於收購時主要目的在於短期內出售，則分類為此類別。衍生工具除非被指定為對沖，否則亦分類為持作買賣用途。倘此類別的資產為持有作買賣，或預期會於結算日後十二個月內變現，則列為流動資產。

(ii) *持至到期之投資*

持至到期之投資為非衍生財務資產，有固定或可釐定收益及固定到期日，本集團的管理層有意及有能力持至到期日，該等項目計入非流動資產，惟結算日後十二個月內到期者則入賬列為流動資產。

(iii) *可供出售之財務資產*

可供出售財務資產即指定為這一類別或不屬於其他類別的非衍生工具。除非管理層有意於結算日起計十二個月內出售該等資產，否則該等項目入賬列為非流動資產。

一般的投資買賣於本集團承諾購買或出售該資產之交易日確認。所有並非按照公平值計入溢利或虧損之財務資產之投資初步按公平值加交易成本確認。按公平值計入溢利或虧損之財務資產初步按公平值確認，而交易成本則於損益表中支銷。投資會於收取投資現金流量的權利已屆滿或已轉讓，而本集團已將擁有權所涉的大部份風險與回報轉移時取消確認。可供出售之財務資產及按公平值計入溢利或虧損之財務資產其後按公平值入賬。持至到期之投資採用實際利率法按已攤銷成本入賬。

按公平值計入溢利或虧損之財務資產，如其公平值出現變動，所產生的收益及虧損均計入所產生期內的損益表。

2. Summary of significant accounting policies (continued)

(h) Investments (continued)

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences are recognised in income statement, and other changes in carrying amount are recognised in equity.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as “gains and losses from available-for-sale financial assets”. Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement. Dividends on available-for-sale equity instruments are recognised in the income statement when the Group’s right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm’s length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

2. 主要會計政策概要 (續)

(h) 投資 (續)

如以外幣計價及分類為可供出售之貨幣證券的公平值變動，應區分為證券之攤銷成本換算差異變動與證券賬面值其他變動。換算差異計入損益表，而賬面值其他變動則計入權益。

當被分類為可供出售的證券被出售或出現減值時，已計入權益的累積公平值調整將轉入損益表的「可供出售之財務資產溢利及虧損」。可供出售證券利息收入以實際利率法確認計入損益表內。可供出售股權工具股息在收取股息之權利確定後確認計入損益表內。

有報價的投資以其現時競價為公平值。倘財務資產的市場並不活躍（並非上市證券交易），本集團會利用估值技術釐定公平值。有關技術包括參考近期的公平交易、參考其他大致上相同的投資工具、貼現現金流量分析及股權定價模式，並盡最大程度使用市場數據及在可能情況下越少依據實體之個別數據。

本集團將於每年結算日評估財務資產或一組財務資產有否出現減值的客觀證據。若股票證券被劃分為可供出售財務資產，在判斷該證券有否減值時，須考慮其公平值是否大幅或長期低於其成本。如可供出售之財務資產出現此等跡象，其累積虧損（收購成本與現時公平值的差額，減去該財務資產以前已計入損益表的任何減值虧損）將從權益賬扣除，並計入於損益表。已計入損益表的股權工具減值虧損不會透過損益表回撥。

2. Summary of significant accounting policies (continued)

(i) Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessors are accounted for as operating leases. Payments made under operating leases net of any incentives received from the lessors are charged to the income statement on a straight-line basis over the lease periods.

(j) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade 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. 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 recognised in the income statement.

(k) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, cash investments with a maturity of three months or less from the date of investment and bank overdrafts.

(l) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised 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. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(m) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2. 主要會計政策概要 (續)

(i) 營運租約

資產擁有權之全部得益及風險實質由出租公司保留之租約皆以營運租約方式入賬。此等營運租約之款額在扣除自出租公司收取之任何獎勵金後，按租賃期於損益表中以直線攤銷法平均支銷。

(j) 貿易及其他應收賬款

貿易及其他應收賬款初期按公平值確認，其後以實際利率法攤銷成本扣除任何減值撥備計算。貿易及其他應收賬款之減值撥備於出現客觀證據表明本集團無法按應收賬款之原有條款收回所有金額時確認。撥備之金額為資產賬面值與估計未來現金流量之面值（按實際利率貼現計算）之差額。撥備金額於損益表內確認。

(k) 現金及現金等值

在現金流量表中，現金及現金等值包括庫存現金、銀行通知存款、由投資日起計三個月或以內到期之現金投資及銀行透支。

(l) 資產減值

當有事件出現或情況改變顯示資產賬面值可能無法收回時，該資產須就減值進行檢討。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。於評估減值時，資產將按可識辨現金流量（現金產生單位）的最低層次組合。

(m) 借款

借款初期以公平值扣除交易成本後確認。借款其後按攤銷成本列賬，所得款項（扣除交易成本）與贖回價值之任何差額則於借款期內以實際利率法於損益表內確認。

除非本集團有權無條件於結算日期後將負債之結算遞延至少十二個月，否則借款分類為流動負債。

2. Summary of significant accounting policies (continued)

(n) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(o) 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 realised or the deferred income tax liability is settled.

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

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associated companies and jointly controlled entities, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

(p) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

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 recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2. 主要會計政策概要 (續)

(n) 股本

普通股分類為權益。直接歸屬於發行新股份或認股權之新增成本於權益中列為所得款項之扣減項目（扣除稅項）。

(o) 遞延所得稅

遞延所得稅採用負債法就資產負債之稅基與它們在綜合財務報表之賬面值兩者之短暫時差作全數撥備。然而，於非業務合併的交易中初次確認資產或負債而產生遞延所得稅，而交易當時並無影響會計處理及應課稅溢利或虧損，則不會將遞延所得稅入賬。遞延所得稅按結算日前已實施或實際實施，並在變現有關遞延所得稅資產或清償遞延所得稅負債時預期將會適用之稅率（及法例）而釐定。

遞延所得稅資產乃就有可能將未來應課稅溢利與可動用之短暫時差抵銷而確認。

遞延所得稅乃就附屬公司、聯號及共同控制實體投資之短暫時差而撥備，但假若可以控制時差之撥回，並有可能在可預見未來不會撥回則除外。

(p) 撥備

當本集團因已發生之事件而產生現有的法律或推定責任；較可能需要有資源流出以償付責任；及金額已經能可靠地估計，即會確認撥備。未來經營虧損不作撥備。

如有多項類似責任會根據責任的類別整體考慮是否需要在償付中流出資源。即使在同一責任類別所包含的任何一個項目的相關資源流出的可能性極低，仍需確認撥備。

2. Summary of significant accounting policies (continued)

(q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

(r) Related company

A related company is a company in which a director or a major shareholder of the company has a significant direct or indirect beneficial interest.

(s) Employee benefits

(i) Retirement benefits

The Group contributes to two defined contribution retirement schemes, namely Hsin Chong Group Retirement Fund Scheme (“RFS”) and Hsin Chong Group Mandatory Provident Fund Scheme (“MPF”). The assets of the schemes are held separately from those of the Group in independently administered funds. The Group’s contributions to RFS and MPF are based on rates ranging from 5% to 10% of employees’ salaries depending on length of service and are expensed as incurred in the income statement. The contributions to RFS are not reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Such forfeited amounts are retained in the funds for the benefit of other employees.

Pursuant to the relevant regulations of the government in the People’s Republic of China (“PRC”), the subsidiaries in PRC participate in the municipal government contribution scheme whereby the subsidiaries are required to contribute to the scheme for the retirement benefit of eligible employees. The municipal government of the PRC is responsible for the entire benefit obligations payable to the retired employees. The only obligation of the Group with respect to the scheme is to pay the ongoing contributions required by the scheme. The Group’s contributions to the scheme are expensed as incurred.

2. 主要會計政策概要 (續)

(q) 或然負債

或然負債乃因過去事件而可能出現之責任，而僅視乎日後會否出現一項或多項非本集團可完全控制之事件而確實。因過去事件而產生之現有責任，由於未必需要流出經濟利益或不能就該責任之數額作可靠估計而未有確認。

雖然或然負債不予確認，但須於財務報表附註中披露。倘情況有變可能導致資源流出時，則或然負債確認為撥備。

(r) 有關連公司

有關連公司是本公司之董事或主要股東直接或間接持有重大實益權益之公司。

(s) 僱員福利

(i) 退休福利

本集團為兩項界定供款退休計劃供款，分別為新昌集團退休金計劃（「退休金計劃」）及新昌集團強制性公積金計劃（「強積金計劃」）。該等基金所持有資產由獨立信託人管理，並與本集團之資產分隔。本集團予退休金計劃及強積金計劃之供款是依據僱員月薪百分之五至百分之十計算，視乎僱員服務年資而定，並於損益表內列為開支。退休金計劃之供款並不會因沒收僱員因退出該計劃而未獲全數供款之部份而減少。被沒收之供款會保留於該基金內成為其他僱員之利益。

根據中華人民共和國（「中國」）政府之有關規例，中國內的附屬公司須參與市政府的供款計劃，據此，附屬公司須就該計劃為合資格僱員提供退休福利供款。中國市政府負責支付予退休僱員所有福利承擔，本集團就該項計劃所承擔之唯一責任是根據該計劃規定持續作出供款。本集團對該計劃之供款於產生時作開支支銷。

2. Summary of significant accounting policies (continued)

(s) Employee benefits (continued)

(ii) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised 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 recognised until the time of leave.

(iii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. At each balance sheet date, the Group revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

(v) Profit sharing and bonus plans

Provisions for profit sharing and bonus plans are recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

2. 主要會計政策概要 (續)

(s) 僱員福利 (續)

(ii) 僱員應享假期

僱員應享之年假及長期服務休假權利在僱員應該享有時確認。本集團截至結算日止已就僱員提供之服務作出僱員年假及長期服務休假估計負債撥備。

僱員之病假及產假在僱員正式休假時確認。

(iii) 以股份為基礎之補償

本集團設有一項以股份為基礎之股權結算補償計劃。就僱員提供服務而授予之認股權之公平值確認為開支。對於歸屬期內支銷的總金額乃參考所授予認股權之公平值釐定。於各結算日，本集團會修訂對預期可予以行使之認股權數目所作之估計，並在損益表確認調整原來估計所產生之影響（如有），及於餘下歸屬期內對權益作出相應調整。

已收款項（扣除任何直接應計交易成本）在行使認股權時撥入股本（面值）及股份溢價。

(iv) 終止服務費用

終止服務費用在本集團於僱員正常退休日期前終止聘用，或當僱員接受自願遣散以換取此等福利時支付。本集團在可證情況下有如下承諾時確認終止服務費用：根據一項詳細及沒有撤回可能之正式計劃而終止現有僱員之聘任；或因為提出一項要約以鼓勵自願遣散而提供的終止服務費用。

(v) 利潤分享和獎金計劃

當本集團因僱員已提供之服務而產生現有法律或推定性責任，而責任金額能可靠估算時，利潤分享和獎金計劃準備即予以確認。

2. Summary of significant accounting policies (continued)

(t) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. All other borrowing costs are charged to the income statement in the year in which they are incurred.

(u) Revenue recognition

Revenue from contracting work is recognised based on the stage of completion of the contracts, provided that the stage of contract completion and the gross billing value of contracting work can be measured reliably. The stage of completion of a contract is established by reference to the gross billing value of contracting work to date as compared to the total contract sum receivable under the contracts.

Income from sale of stock of property is recognised on completion of the sale and purchase agreements.

Operating lease rental income is recognised on a straight-line basis.

Plant and plant staff hire income, secondment fee income, secretarial and accountancy fee income, consultancy fee income and services centre charges are recognised when the services are rendered.

Interest income on bank deposits is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

Interest income on held-to-maturity investments is recognised on a time-proportion basis using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

(v) Segment reporting

In accordance with the Group's internal financial reporting and operating activities, the Group has determined that business segments be presented as the primary reporting format and geographical segments as secondary reporting format.

Unallocated costs represent corporate expenses. Segment assets consist primarily of intangible assets, investment properties, property, plant and equipment, inventories, receivables and operating cash. Segment liabilities comprise operating liabilities and exclude taxation. Capital expenditure comprises additions to property, plant and equipment and intangible assets.

2. 主要會計政策概要 (續)

(t) 借貸費用

倘一項資產需要一段頗長時間籌備才可投入預定用途或出售，則直接與其購置、興建或生產有關之借貸費用會被資本化成為該項資產之部份成本。其他所有借貸費用均於發生年度內在損益表支銷。

(u) 收益確認

合約工程收益是根據工程完工階段入賬，惟有關工程完工階段及已開單之合約工程總額必須能作出可靠之測算。工程完工階段是依據至現今已開單之合約工程總額及應收之合約總價兩者作比較而確定。

出售物業存貨所產生之收入於物業買賣合約完成後確認。

營運租約之租金收入以直線攤銷法確認。

機械設備租賃及機械技術員工之聘用收入、僱員借調服務收入、秘書及會計費收入、顧問費收入及服務中心收費均於服務提供時確認。

銀行存款利息收入依據未償還本金額及適用利率按時間比例確認。

持至到期之投資利息收入以實際利率法按時間比例確認。

股息收入在收取股息之權利確定後確認。

(v) 分類報告

按照本集團之內部財務報告及經營業務，本集團已決定將業務分類資料作為主要分類報告，而地區分佈資料則作為從屬形式呈列。

未分配成本指集團整體性開支。分類資產主要包括無形資產、投資物業、物業、機器及設備、存貨、應收款項及經營現金。分類負債指經營負債，而不包括稅項。資本性開支包括物業、機器及設備和無形資產。

2. Summary of significant accounting policies (continued)

(v) Segment reporting (continued)

In respect of geographical segment reporting, revenues are presented based on the country in which the customer is located and total assets and capital expenditure are presented based on where the assets are located.

(w) Dividend distribution

Dividend distribution to the Company's equity holders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's equity holders.

3. Financial risk management

The Group major financial instruments include receivables and prepayments, payables and accruals and bank loans. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(a) Currency risk

The Group is exposed to foreign exchange risk arising from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Exposure to movements in exchange rates due to currency needs from normal business operation for material procurements and services requirements is minimised using forward foreign exchange contracts where active markets for the relevant currencies exist and the cost is not prohibitively expensive in comparison to the underlying exposure.

Translation exposure arising on consolidation of the Group's foreign net assets is reduced, where practicable, by matching assets with borrowings in the same currency.

(b) Interest rate risk

The Group's interest rate risk relates primarily to variable-rate bank borrowings which exposed the Group to cash flow interest rate risk. It is the policy of the Group to monitor closely the interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

(c) Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that transactions are made to customers with an appropriate credit history.

2. 主要會計政策概要 (續)

(v) 分類報告 (續)

至於地區分類報告，收益乃按照客戶所在國家呈報，而總資產及資本性開支按資產所在地呈列。

(w) 派付股息

向本公司權益持有人派付之股息在股息獲本公司權益持有人批准之年度在本集團之財務報表中確認為負債。

3. 財務風險管理

本集團主要財務工具包括應收賬款及預付金、應付賬款及應計費用與銀行貸款，此等財務工具的詳情在相關附註披露。有關財務工具的風險及如何減低有關風險的政策載列於下文。本集團管理並監控所涉風險程度，以確保適當措施能及時及有效地執行。

(a) 貨幣風險

本集團會由於未來商業交易、確認海外資產及負債與淨投資而承受外匯風險。

本集團使用與有關外幣在活躍市場且成本與相關風險比較並不昂貴之遠期外匯合約，將因為正常業務運作（即物料採購及服務）所需之外匯而帶來的匯率變動風險減至最低。

本集團在可行情況下將相同貨幣之資產與借貸配對，從而減低本集團海外淨資產綜合入賬時所產生之換算風險。

(b) 利率風險

本集團之利率風險主要與浮息銀行借貸有關，該等借貸令本集團須承受現金流量利率風險。本集團政策乃密切監察利率風險，並於有需要時考慮就重大利率風險進行對沖。

(c) 信貸風險

本集團並無重大信貸集中之風險。本集團有既定政策以確保與信貸記錄合適之客戶進行交易。

3. Financial risk management (continued)

(d) Liquidity risk

The Group manages liquidity risk through continuous monitoring and matching of the funding requirement and position. It maintains sufficient cash and availability of funds through an adequate amount of undrawn committed credit facilities.

(e) Fair value estimation

The fair value of the Group's available-for-sale financial assets and financial assets at fair value through profit or loss that are traded in active markets (such as shares of publicly listed companies) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the closing price at year end date.

The fair value of available-for-sale financial assets that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing each balance sheet date.

4. Critical accounting estimates and assumptions

The Group make 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 effect on the carrying amounts of assets and liabilities are discussed below:

(a) Estimates of fair value of properties

In making its judgement, the Group considers information from a variety of sources including:

- (i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences.
- (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices.
- (iii) discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

3. 財務風險管理 (續)

(d) 流動現金風險

本集團透過不斷監察及配對資金需求及水平，以管理流動現金風險。本集團運用充足已承諾尚未提取之信貸融資金額，以維持足夠現金及可動用資金。

(e) 公平值估計

本集團於活躍市場買賣的可供出售之財務資產及按公平值計入溢利或虧損之財務資產的公平值乃根據結算日市價釐定。本集團所持財務資產的市價為年結日資產的收市價。

沒有於活躍市場買賣的可供出售之財務資產的公平值利用估值技術釐定。本集團利用多種方法，並根據每個結算日當時的市場情況作出假設。

4. 重大會計估計及假設

本集團對未來作出估計及假設。按照定義，所得出之會計估算甚少與有關的實際結果相同。對資產及負債賬面值有重大影響之估計及假設在下文論述：

(a) 物業之公平值估計

在作出判斷時，本集團考慮不同來源的資料，包括：

- (i) 不同性質、狀況或地點（或受限於不同租約或其他合約）的物業於活躍市場的現價，經調整以反映此等差別。
- (ii) 相類似物業於較不活躍市場的近期價格，附帶調整以反映該等價格出現的交易日後經濟狀況的任何變動。
- (iii) 根據對未來現金流量的可靠估計而計算的貼現現金流量預測，並源自任何現有租賃及其他合約的條款，並利用貼現率反映當時市場對現金流量的金額和時間方面不確定的評估。

4. Critical accounting estimates and assumptions

(continued)

(b) Construction contracts

As explained in note 2(u), revenue recognition on a project is dependent on management's estimation of the total outcome of the construction contract, as well as the work done to date. The actual outcomes in terms of total costs or revenue of the project may be higher or lower than estimated at the balance sheet date, which would affect the revenue and profit recognised.

(c) Depreciation and amortisation

The Group depreciates the property, plant and equipment on a straight-line basis over the estimated useful life and after taking into account their accumulated impairment in value. The estimated useful life reflects the management's best estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment.

5. Revenue and segment information

The Group is principally engaged in building construction (including design and build), specialist civil engineering, construction and project management, electrical and mechanical installation, renovation and fitting-out, property development and rental, and contractor finance.

Revenue represents gross billing value of contracting work to third parties, sales proceeds and rental income from development properties, rental income from investment properties and rental related income as follows:

		2007	2006
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Contract revenue	合約工程收益	2,731,595	2,256,089
Sales proceeds	銷售之所得款		
– stock of properties	– 物業存貨	253,202	298
Rental income	租金收入		
– stock of property	– 物業存貨	1,915	1,834
– investment properties	– 投資物業	14,531	12,007
Rental related income	與租賃相關之收入	5,923	5,683
		3,007,166	2,275,911

4. 重大會計估計及假設 (續)

(b) 建造合約

如在附註2(u)中說明，工程收益確認取決於管理層就建造工程最終結果的估計，與及至現今已完成的工程額。實際工程結果（以總成本或收益結算）可能比在結算日估計之結果較高或較低，因而影響確認之收益及溢利。

(c) 折舊及攤銷

本集團在扣除其累計減值後，以直線基準將物業、機器及設備按估計使用年期計算折舊。估計使用年期是反映管理層就本集團計劃透過使用本身的物業、機器及設備而獲得未來經濟收益之年期所作之最佳估計。

5. 收益及分類資料

本集團主要從事樓宇建造（包括設計與承建）、專業土木工程、建造及項目管理、機電安裝工程、修葺及裝修工程、物業發展及租賃及承建商融資。

收益乃來自已開單予第三者之合約工程總額、物業發展之銷售所得款及租金收入、投資物業之租金收入及與租賃相關之收入，詳情如下：

5. Revenue and segment information (continued)

Primary reporting format: business segments

The Group is organised into four major business segments, being building construction and civil engineering, electrical and mechanical installation, property development and rental and other operations (mainly associated companies).

5. 收益及分類資料 (續)

主要分類報告: 業務分類

本集團共分為四項主要業務, 分別為樓宇建造及土木工程、機電安裝工程、物業發展及租賃及其他業務 (主要為聯號)。

		Building construction and civil engineering 樓宇建造及土木工程	Electrical and mechanical installation 機電安裝工程	Property development and rental 物業發展及租賃	Other operations 其他業務	Total 總額
		2007 HK\$'000 港幣千元	2007 HK\$'000 港幣千元	2007 HK\$'000 港幣千元	2007 HK\$'000 港幣千元	2007 HK\$'000 港幣千元
Revenue	收益	2,096,080	635,515	275,571	-	3,007,166
Segment results	分類業績	59,368	(8,914)	62,330 [#]	(42)	112,742
Financial and securities income	財務及證券收入					21,374
Unallocated corporate expenses, net of income	未分配公司開支, 扣除收入					(15,285)
Operating profit	經營盈利					118,831
Finance costs	融資成本	(6,294)	(26)	-	-	(6,320)
Share of results of	應佔業績					
- Jointly controlled entities	- 共同控制實體	(3,920)	-	-	-	(3,920)
- Associated companies	- 聯號	-	-	428	13,580 [*]	14,008
Profit before income tax	所得稅前溢利					122,599
Income tax expense	所得稅開支					(8,568)
Profit for the year	本年溢利					114,031
Segment assets	分類資產	979,604	165,534	356,124	42	1,501,304
Associated companies	聯號	-	-	5,281	1,172	6,453
Jointly controlled entities	共同控制實體	13,353	-	-	-	13,353
Deferred income tax assets	遞延所得稅資產	304	1,609	227	-	2,140
Unallocated assets	未分配資產					100,446
Total assets	總資產					1,623,696
Segment liabilities	分類負債	(810,384)	(136,745)	(68,874)	(7)	(1,016,010)
Unallocated liabilities	未分配負債					(7,278)
Current income tax liabilities	當期所得稅負債					(5,059)
Total liabilities	總負債					(1,028,347)
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					(586,515)
Minority interests	少數股東權益					(8,834)
Total equity and liabilities	總權益及負債					(1,623,696)
Capital expenditure	資本性開支	(706)	(247)	-	-	(953)
Depreciation	折舊	(2,168)	(156)	(5,024)	(4)	(7,352)
Amortisation	攤銷	-	(2,012)	(936)	-	(2,948)
Write off of goodwill	商譽撇銷	-	(1,828)	-	-	(1,828)
Net fair value gain on investment properties	投資物業公平值溢利淨額	-	-	4,251	-	4,251
Write back of impairment loss of a property in Guangzhou, PRC	一項位於中國廣州物業減值虧損撥回	-	-	38,403	-	38,403

[#] Included HK\$38.4 million write back of impairment loss on a property in Guangzhou, PRC.

包括一項位於中國廣州物業之減值虧損撥回港幣38,400,000元。

^{*} Included HK\$10.9 million profit on disposal of a hotel property in Sai Wan, Hong Kong.

包括出售一項位於香港西環酒店物業之溢利港幣10,900,000元。

5. Revenue and segment information (continued)

Primary reporting format: business segments (continued)

5. 收益及分類資料 (續)

主要分類報告: 業務分類 (續)

		Building construction and civil engineering 樓宇建造及土木工程 2006 HK\$'000 港幣千元	Electrical and mechanical installation 機電安裝工程 2006 HK\$'000 港幣千元	Property development and rental 物業發展及租賃 2006 HK\$'000 港幣千元	Other operations 其他業務 2006 HK\$'000 港幣千元	Total 總額 2006 HK\$'000 港幣千元
Revenue	收益	1,976,689	279,400	19,822	–	2,275,911
Segment results	分類業績	44,622	4,550	95,912~	(1,072)	144,012
Financial and securities income	財務及證券收入					13,140
Unallocated corporate expenses, net of income	未分配公司開支, 扣除收入					(8,906)
Operating profit	經營盈利					148,246
Finance costs	融資成本	(7,113)	(19)	–	–	(7,132)
Share of results of	應佔業績					
– Jointly controlled entities	– 共同控制實體	(24,984)	767	–	(818)	(25,035)
– Associated companies	– 聯號	–	(399)	197	40,960^	40,758
Profit before income tax	所得稅前溢利					156,837
Income tax expense	所得稅開支					(6,488)
Profit for the year	本年溢利					150,349
Segment assets	分類資產	871,019	124,599	602,205	17	1,597,840
Associated companies	聯號	–	–	5,412	117,310	122,722
Jointly controlled entities	共同控制實體	(1,508)	–	–	297	(1,211)
Deferred income tax assets	遞延所得稅資產	508	–	780	–	1,288
Unallocated assets	未分配資產					59,811
Total assets	總資產					1,780,450
Segment liabilities	分類負債	(780,496)	(83,002)	(339,126)	(6)	(1,202,630)
Unallocated liabilities	未分配負債					(2,866)
Current income tax liabilities	當期所得稅負債					(13,443)
Total liabilities	總負債					(1,218,939)
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					(552,165)
Minority interests	少數股東權益					(9,346)
Total equity and liabilities	總權益及負債					(1,780,450)
Capital expenditure	資本性開支	(2,835)	(8,603)	(446)	–	(11,884)
Depreciation	折舊	(3,975)	(126)	(4,994)	(16)	(9,111)
Amortisation	攤銷	–	(2,778)	(941)	–	(3,719)
Net fair value loss on investment properties	投資物業公平值虧損淨額	–	–	(2,349)	–	(2,349)
Write back of impairment loss of a property under development for sale	供出售發展中 物業減值虧損回撥	–	–	87,780	–	87,780

~ Included HK\$87.8 million write back of impairment loss on a property under development for sale in Guangzhou, PRC.

包括一項位於中國廣州之供出售發展中物業之減值虧損回撥港幣87,800,000元。

^ Included HK\$38.7 million write back of impairment loss on a hotel property in Sai Wan, Hong Kong.

包括一項位於香港西環酒店物業之減值虧損回撥港幣38,700,000元。

5. Revenue and segment information (continued)
Secondary reporting format: geographical segments

5. 收益及分類資料(續)
從屬分類報告:地區分類

		Revenue	Total assets	Capital expenditure
		收益	總資產	資本性開支
		2007	2007	2007
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
Hong Kong	香港	1,575,359	1,012,326	(767)
Macau	澳門	803,440	184,783	(148)
PRC	中國	623,718	298,666	(38)
Other	其他	4,649	5,529	-
		3,007,166	1,501,304	(953)
Associated companies	聯號		6,453	
Jointly controlled entities	共同控制實體		13,353	
Deferred income tax assets	遞延所得稅資產		2,140	
Unallocated assets	未分配資產		100,446	
Total assets	總資產		1,623,696	

		Revenue	Total assets	Capital expenditure
		收益	總資產	資本性開支
		2006	2006	2006
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
Hong Kong	香港	1,633,249	981,938	(10,828)
Macau	澳門	388,265	89,983	-
PRC	中國	254,397	525,919	(1,056)
		2,275,911	1,597,840	(11,884)
Associated companies	聯號		122,722	
Jointly controlled entities	共同控制實體		(1,211)	
Deferred income tax assets	遞延所得稅資產		1,288	
Unallocated assets	未分配資產		59,811	
Total assets	總資產		1,780,450	

6. Other income

6. 其他收入

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Other gains – net	其他溢利 – 淨額		
Financial assets at fair value through profit or loss:	按公平值計入溢利或虧損之財務資產：		
– fair value gains	– 公平值溢利	–	6,848
– fair value losses	– 公平值虧損	(277)	(566)
Net gain on disposal and redemption of financial assets at fair value through profit or loss	出售及贖回按公平值計入溢利或虧損之財務資產溢利淨額	6,356	112
Gain on disposal of available-for-sale financial asset	出售可供出售之財務資產溢利	756	–
Fair value gain on investment property	投資物業公平值溢利	6,251	6,250
Gain on disposal of subsidiaries	出售附屬公司溢利	4,776	–
Net gain on disposal of property, plant and equipment	出售物業、機器及設備溢利淨額	1,126	–
Net exchange gain	兌換溢利淨額	1,543	–
		20,531	12,644
Other	其他		
Plant and plant staff hire income	機械設備租賃及機械技術員聘用收入	1,268	865
Bank interest income	銀行利息收入	19,869	13,066
Dividend income from financial assets at fair value through profit or loss	按公平值計入溢利或虧損之財務資產股息收入	184	191
Service centre charges received from related companies	收自提供服務予有關連公司之收入	824	1,261
Secondment fee received from jointly controlled entities	收自提供僱員借調服務予共同控制實體之收入	19	2,239
Secretarial and accountancy fee received from associated companies	收自聯號之秘書及會計費用	–	493
Consultancy fee received from a jointly controlled entity	收自提供顧問服務予一共同控制實體之收入	–	587
Miscellaneous	其他	3,125	2,092
		25,289	20,794
		45,820	33,438

7. Expenses by nature

7. 按性質劃分之開支

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Cost of construction	建造成本	2,581,279	2,092,177
Cost of stock of properties sold	物業存貨銷售之成本	253,131	157
Depreciation	折舊		
– building on medium term leasehold land	– 中期租約土地之樓宇	4,944	4,943
– owned property, plant and equipment	– 自置物業、機器及設備	2,408	4,168
Amortisation of prepaid premium for land lease	預付土地租賃費用攤銷	936	941
Amortisation of intangible assets	無形資產攤銷	2,012	2,778
Fair value loss on investment property	投資物業公平值虧損	2,000	8,599
Auditors' remuneration	核數師酬金	1,640	1,640
Legal and professional fees	法律及專業費用	6,401	3,249
Operating lease rentals for land and buildings	土地及樓宇之營運租約租金	6,730	4,510
Outgoings in respect of	下列物業之有關開支		
– investment properties in Hong Kong	– 在香港之投資物業	6,736	6,337
– owned property in Hong Kong	– 在香港之自置物業	3,350	3,310
Staff costs (note 15)	職工成本 (附註15)	83,130	103,050
Impairment loss on available-for-sale financial assets	可供出售之財務資產減值虧損	2,000	812
Net provision for impairment of receivables	應收賬款虧損準備淨額	2,785	1,050
Loss on disposal of a subsidiary	出售一附屬公司虧損	–	995
Net exchange loss	兌換虧損淨額	–	1,897
Write off of goodwill	商譽撇銷	1,828	–
Others	其他	11,248	8,270
Total cost of sales, general and administrative, and other operating expenses	銷售成本、行政及其他經營開支總額	2,972,558	2,248,883

8. Finance costs

8. 融資成本

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Interest on bank loans wholly repayable within five years and overdraft	須於五年內悉數償還之銀行貸款及透支利息	5,501	6,318
Interest paid on swap agreements	行使利率掉期合約之利息支出	–	73
Others	其他	819	741
		6,320	7,132

9. Directors' emoluments

The remuneration of the directors for the year ended 31 March 2007 is set out below:

Name of directors	董事姓名	Salaries, allowances and benefits		Contributions to retirement		Termination benefits	Share-based compensation	Total
		Fees	in kind	Bonus	scheme	benefits	tion	
		董事袍金	薪酬、津貼及實物收益	花紅	退休福利計劃供款	終止服務費用	以股份為基礎之補償	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
V-nee YEH	葉維義	100	894	-	34	-	-	1,028
Barry John BUTTIFANT (Alternate Director to V-nee YEH)	Barry John BUTTIFANT (葉維義之替代董事)	-	-	-	-	-	-	-
Rodney Gordon FRANKS (resigned on 12 July 2006)	Rodney Gordon FRANKS (於二零零六年七月十二日辭任)	28	1,022	-	4	1,000	-	2,054
Ka-kui CHAN (appointed on 19 August 2006)	陳家駒 (於二零零六年八月十九日委任)	62	2,047	1,965	84	-	1,140	5,298
Ki-chi KWONG	鄭其志	100	-	-	-	-	-	100
Tobias Josef BROWN	Tobias Josef BROWN	100	-	-	-	-	-	100
Ho-ming Herbert HUI	許浩明	100	-	-	-	-	-	100
Kin-fung Jeffrey LAM	林健鋒	100	-	-	-	-	-	100
Kwok-kuen Peter LAU	劉國權	100	-	-	-	-	-	100
		690	3,963	1,965	122	1,000	1,140	8,880

The remuneration of the directors for the year ended 31 March 2006 is set out below:

9. 董事酬金

各董事於截至二零零七年三月三十一日止年度的酬金如下：

各董事於截至二零零六年三月三十一日止年度的酬金如下：

Name of directors	董事姓名	Fees	Salaries, allowances and benefits in kind	Contributions to retirement scheme	Total
		董事袍金	薪酬、津貼及實物收益	退休福利計劃供款	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
V-nee YEH	葉維義	50	924	36	1,010
Barry John BUTTIFANT (Alternate Director to V-nee YEH)	Barry John BUTTIFANT (葉維義之替代董事)	-	-	-	-
Rodney Gordon FRANKS	Rodney Gordon FRANKS	50	3,588	12	3,650
Ki-chi KWONG	鄭其志	50	-	-	50
Tobias Josef BROWN	Tobias Josef BROWN	50	-	-	50
Ho-ming Herbert HUI	許浩明	50	-	-	50
Kin-fung Jeffrey LAM	林健鋒	50	-	-	50
Kwok-kuen Peter LAU	劉國權	50	-	-	50
		350	4,512	48	4,910

9. Directors' emoluments (continued)

No allotment of shares was made to directors of the Company under the two executive share option schemes of the Company adopted on 19 July 1991 and 23 August 2002 respectively during the year (2006: Nil).

No benefit arose on shares issued and allotted to a director of the Company under the employee share subscription scheme of the Company adopted on 23 August 2002 during the year (2006: Nil).

Except for Mr. V-nee YEH who has waived to receive HK\$491,250, being discretionary bonus for the year approved by the remuneration committee and the board of directors of the Company, none of the directors has waived his right to receive emoluments.

10. Five highest paid employees

There was one director (2006: one) whose emolument was among the five highest in the Group and included in the analysis set out in note 9.

Details of the emoluments paid to the other four (2006: four) individuals, who are not directors but whose emoluments were among the five highest in the Group are as follows:

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Salaries and other allowances	薪酬及其他津貼	7,537	8,100
Bonuses	花紅	918	4,017
Contributions to retirement scheme	退休福利計劃供款	230	296
Termination benefits	終止服務費用	468	672
		9,153	13,085

Emolument bands	酬金範圍	Number of individuals in each band 僱員人數	
		2007	2006
HK\$2,000,001 – HK\$2,500,000	港幣2,000,001元 – 港幣2,500,000元	3	–
HK\$2,500,001 – HK\$3,000,000	港幣2,500,001元 – 港幣3,000,000元	1	1
HK\$3,000,001 – HK\$3,500,000	港幣3,000,001元 – 港幣3,500,000元	–	2
HK\$3,500,001 – HK\$4,000,000	港幣3,500,001元 – 港幣4,000,000元	–	1
		4	4

9. 董事酬金 (續)

本年內並無根據本公司分別於一九九一年七月十九日及二零零二年八月二十三日採納的兩項行政人員認股權計劃配發股份予本公司董事(二零零六年:無)。

本年內根據本公司於二零零二年八月二十三日採納的一項僱員認購股份計劃發行及配發予本公司一位董事之股份並無產生任何利益(二零零六年:無)。

除葉維義先生已放棄本年內由本公司薪酬委員會及董事會授予之港幣491,250酌情性花紅外,本年度並無董事放棄其收取酬金之權利。

10. 五位最高薪酬僱員

本集團五位最高薪酬僱員中包括一位董事(二零零六年為一位),其酬金已披露於附註9內。

其餘四位(二零零六年為四位)最高薪酬人士,其職位並非本公司董事但屬於本集團五位最高薪酬僱員中,其酬金詳列如下:

11. Income tax expense

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profits for the year after application of available tax losses brought forward. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

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

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Hong Kong profits tax	香港利得稅		
– provision for the year	– 本年度準備	1,693	9,098
Overseas tax	海外稅項		
– provision for the year	– 本年度準備	11,324	2,647
Over provision in prior years	往年度超額準備	(3,597)	(4,571)
Net transfer from deferred income tax (note 31)	撥自遞延所得稅淨額 (附註31)	(852)	(686)
Income tax expense	所得稅開支	8,568	6,488

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the taxation rate of the home country of the Company as follows:

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Profit before income tax (excluding share of results of jointly controlled entities and associated companies)	所得稅前溢利 (不包括應佔共同控制實體及聯號業績)	112,511	141,114
Calculated at a taxation rate of 17.5% (2006: 17.5%)	按稅率17.5% (二零零六年: 17.5%) 計算之稅項	19,689	24,695
Effect of different taxation rates in other countries	其他國家不同稅率之影響	(1,835)	(1,172)
Over provision in prior years	往年度超額準備	(3,597)	(4,571)
Income not subject to taxation	無須課稅收入	(6,918)	(21,114)
Expenses not deductible for taxation purposes	不可扣稅之開支	4,552	7,474
Temporary differences not recognised	未有確認之暫時差異	(372)	1,123
Tax losses not recognised	未有確認之稅損	2,219	4,995
Utilisation of previously unrecognised tax losses	使用早前未有確認之稅損	(5,170)	(4,942)
Income tax expense	所得稅開支	8,568	6,488

12. 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 HK\$116,577,000 (2006: HK\$69,652,000).

11. 所得稅開支

是年所得稅是按本年度之估計應課稅溢利扣除往年認可之稅損後依稅率百分之十七點五(二零零六年為百分之十七點五)提撥香港利得稅準備。本集團之海外溢利稅項是按本年度估計應課稅溢利以其經營國家之現行稅率計算。

在綜合損益表扣除/(計入)之所得稅如下:

本集團有關所得稅前溢利之稅項與假若採用本公司本土國家之稅率而計算之理論稅額之差額如下:

12. 本公司權益持有人應佔溢利

計入本公司財務報表之本公司權益持有人應佔溢利為港幣116,577,000元(二零零六年為港幣69,652,000元)。

13. Dividends

The dividends paid during the year ended 31 March 2007 were HK\$83,074,000 (2006: HK\$31,978,000).

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Interim dividend paid of HK4.0 cents (2006: HK3.0 cents) per ordinary share	已派中期股息每股普通股 港幣4.0仙(二零零六年:港幣3.0仙)	25,561	19,187
Proposed final dividend of HK4.0 cents (2006: HK3.0 cents) per ordinary share	擬派末期股息每股普通股 港幣4.0仙(二零零六年:港幣3.0仙)	25,648	19,171
Proposed special dividend of HK6.0 cents (2006: HK6.0 cents) per ordinary share	擬派特別股息每股普通股 港幣6.0仙(二零零六年:港幣6.0仙)	38,471	38,342
		89,680	76,700

At the board meeting held on 6 July 2007, the board of directors of the Company has recommended the payment of a final dividend of HK4.0 cents per ordinary share and a special dividend of HK6.0 cents per ordinary share for the year ended 31 March 2007. These recommended dividends are not reflected as dividends payable in the financial statements until they are approved at the forthcoming 2007 annual general meeting of the Company, but will be reflected as an appropriation of retained profits for the year ending 31 March 2008.

14. Earnings per share

The calculation of earnings per share is based on the profit attributable to equity holders of the Company of HK\$105,399,000 (2006: HK\$120,296,000) and the weighted average of 639,056,000 shares (2006: weighted average of 639,357,000 shares) in issue during the year.

No diluted earnings per share for the years ended 31 March 2007 and 2006 are presented because there were no dilutive potential ordinary shares outstanding during these years.

15. Staff costs

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Wages, salaries and allowances (including directors' emoluments)	工資、薪酬及津貼 (已包括董事酬金)	492,742	355,727
Provision for unutilised annual leave	未使用年假準備	2,875	1,495
Termination benefits	終止服務費用	5,198	4,379
Annual retirement benefits costs	年度退休福利費用	16,006	13,692
Share-based compensation	以股份為基礎之補償	1,730	-
		518,551	375,293
Charged to cost of sales	已列支在銷售成本中	(435,114)	(270,954)
Capitalised in property under development for sale	已資本化在供出售發展中物業	(307)	(1,289)
		83,130	103,050

13. 股息

截至二零零七年三月三十一日止年度已派發股息為港幣83,074,000元(二零零六年為港幣31,978,000元)。

於二零零七年七月六日舉行之董事會會議上，本公司董事會建議就截至二零零七年三月三十一日止年度派發末期股息每股普通股港幣4.0仙及特別股息每股普通股港幣6.0仙。該等建議股息並未於本財務報表內反映為應付股息，直至股息於本公司即將舉行之二零零七年股東週年大會上通過後方會入賬，惟將反映為截至二零零八年三月三十一日止年度之保留溢利分派。

14. 每股盈利

每股盈利乃按本公司權益持有人應佔溢利港幣105,399,000元(二零零六年為港幣120,296,000元)及年內已發行之加權平均股數639,056,000股(二零零六年為加權平均股數639,357,000股)計算。

由於截至二零零七年及二零零六年三月三十一日止年度並無具攤薄影響的已發行普通股，故無呈列年內之每股攤薄盈利。

15. 職工成本

16. Property, plant and equipment

16. 物業、機器及設備

		Group 集團					
		Property	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		物業	物業裝修	機械設備	傢俬、固定裝置及設備	汽車	總額
		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
At 1 April 2005	於二零零五年四月一日						
Cost	成本	122,143	19,975	64,155	26,962	5,861	239,096
Accumulated depreciation and impairment	累積折舊及減值	(52,935)	(19,339)	(57,401)	(22,607)	(5,043)	(157,325)
Net book value	賬面淨值	69,208	636	6,754	4,355	818	81,771
Year ended 31 March 2006	截至二零零六年三月三十一日止年度						
Opening net book value	年初賬面淨值	69,208	636	6,754	4,355	818	81,771
Acquisition of a subsidiary	收購一附屬公司	–	58	–	316	–	374
Additions	添置	–	681	889	1,514	232	3,316
Depreciation	折舊	(4,943)	(240)	(1,522)	(2,127)	(279)	(9,111)
Disposal of a subsidiary	出售一附屬公司	–	–	(5,106)	(306)	(538)	(5,950)
Disposals	出售	–	–	(12)	(832)	–	(844)
Closing net book value	年末賬面淨值	64,265	1,135	1,003	2,920	233	69,556
At 31 March 2006	於二零零六年三月三十一日						
Cost	成本	122,143	22,794	49,476	29,705	4,502	228,620
Accumulated depreciation and impairment	累積折舊及減值	(57,878)	(21,659)	(48,473)	(26,785)	(4,269)	(159,064)
Net book value	賬面淨值	64,265	1,135	1,003	2,920	233	69,556
Year ended 31 March 2007	截至二零零七年三月三十一日止年度						
Opening net book value	年初賬面淨值	64,265	1,135	1,003	2,920	233	69,556
Additions	添置	–	239	245	469	–	953
Depreciation	折舊	(4,944)	(295)	(434)	(1,574)	(105)	(7,352)
Disposals	出售	–	–	(34)	(98)	(14)	(146)
Closing net book value	年末賬面淨值	59,321	1,079	780	1,717	114	63,011
At 31 March 2007	於二零零七年三月三十一日						
Cost	成本	122,143	21,435	42,547	24,710	2,398	213,233
Accumulated depreciation and impairment	累積折舊及減值	(62,822)	(20,356)	(41,767)	(22,993)	(2,284)	(150,222)
Net book value	賬面淨值	59,321	1,079	780	1,717	114	63,011

16. Property, plant and equipment (continued)

16. 物業、機器及設備 (續)

		Company 本公司			
		Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Total
		租賃物業裝修	傢俬、固定裝置及設備	汽車	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 1 April 2005	於二零零五年四月一日				
Cost	成本	8,167	13,100	2,897	24,164
Accumulated depreciation	累積折舊	(7,931)	(11,018)	(2,727)	(21,676)
Net book value	賬面淨值	236	2,082	170	2,488
Year ended 31 March 2006	截至二零零六年三月三十一日止年度				
Opening net book value	年初賬面淨值	236	2,082	170	2,488
Additions	添置	681	520	–	1,201
Depreciation	折舊	(136)	(1,309)	(84)	(1,529)
Disposals	出售	–	(24)	–	(24)
Closing net book value	年末賬面淨值	781	1,269	86	2,136
At 31 March 2006	於二零零六年三月三十一日				
Cost	成本	8,848	13,373	2,897	25,118
Accumulated depreciation	累積折舊	(8,067)	(12,104)	(2,811)	(22,982)
Net book value	賬面淨值	781	1,269	86	2,136
Year ended 31 March 2007	截至二零零七年三月三十一日止年度				
Opening net book value	年初賬面淨值	781	1,269	86	2,136
Additions	添置	25	209	–	234
Depreciation	折舊	(177)	(956)	(71)	(1,204)
Disposals	出售	–	(43)	(14)	(57)
Closing net book value	年末賬面淨值	629	479	1	1,109
At 31 March 2007	於二零零七年三月三十一日				
Cost	成本	7,275	9,015	1,172	17,462
Accumulated depreciation	累積折舊	(6,646)	(8,536)	(1,171)	(16,353)
Net book value	賬面淨值	629	479	1	1,109

17. Investment properties

17. 投資物業

		Group 集團	
		2007	2006
		HK\$'000	HK\$'000
		港幣千元	港幣千元
At 1 April	於四月一日	112,720	115,069
Transfer from property under development for sale	轉撥自供出售發展中物業	4,306	–
Fair value gain	公平值溢利	6,251	6,250
Fair value loss	公平值虧損	(2,000)	(8,599)
At 31 March	於三月三十一日	121,277	112,720

The Group's interests in investment properties are analysed as follows:

本集團投資物業權益分析如下：

		Group 集團	
		2007	2006
		HK\$'000	HK\$'000
		港幣千元	港幣千元
In Hong Kong, held on leases of below 10 years (note a)	在香港·持有之租期少於10年(附註a)	68,221	70,221
In Hong Kong, held on leases of between 10 years and 50 years (note b)	在香港·持有之租期介乎10年至50年(附註b)	48,750	42,499
In China, held on leases of between 10 years and 50 years (note a)	在中國·持有之租期介乎10年至50年(附註a)	4,306	–
		121,277	112,720

Notes:

附註：

- (a) The Group uses discounted cash flow projections to derive the fair value of this property. The calculation is derived based on reliable estimates of future cash flows, the terms of any existing lease and other contracts and discount rate that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.
- (b) The property was revalued on the basis of its open market value by an independent firm of surveyors, Knight Frank Petty Limited.

- (a) 本集團採用貼現現金流量預測而計算此物業之公平值。此計算法是根據對未來現金流量的可靠估計、任何現有租賃及其他合約的條款、及利用貼現率以反映當時市場對現金流量的金額和時間方面不確定的評估作出物業重估。

- (b) 物業由獨立測量師行萊坊測計師行有限公司按其公開市值重估。

In the consolidated income statement, general and administrative expenses included HK\$157,000 (2006: HK\$314,000) relating to the office units of an investment property in Hong Kong that was unlet.

在綜合損益表內·行政開支包括一項在香港之投資物業其尚未租出之商用單位有關費用共港幣157,000元(二零零六年為港幣314,000元)。

18. Prepaid premium for land lease

18. 預付土地租賃費用

		Group 集團	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
At 1 April	於四月一日	38,599	39,540
Amortisation	攤銷	(936)	(941)
At 31 March	於三月三十一日	37,663	38,599

The Group's interest in prepaid premium for land lease is analysed as follows:

本集團預付土地租賃費用之分析如下：

		Group 集團	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
In Hong Kong, held on lease of below 50 years	在香港·持有之 租期少於五十年	37,663	38,599

19. Intangible assets

19. 無形資產

		Group 集團		
		Trademarks and trade names 商標及商號名稱 HK\$'000 港幣千元	Secured contracts 取得合約 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Year ended 31 March 2006	截至二零零六年三月三十一日止年度			
Opening net book value	年初賬面淨值	–	–	–
Acquisition of a subsidiary	收購一附屬公司	3,000	3,740	6,740
Amortisation	攤銷	(450)	(2,328)	(2,778)
Closing net book value	年末賬面淨值	2,550	1,412	3,962
At 31 March 2006	於二零零六年三月三十一日			
Cost	按成本	3,000	3,740	6,740
Accumulated amortisation	累積攤銷	(450)	(2,328)	(2,778)
Net book value	賬面淨值	2,550	1,412	3,962
Year ended 31 March 2007	截至二零零七年三月三十一日止年度			
Opening net book value	年初賬面淨值	2,550	1,412	3,962
Amortisation	攤銷	(600)	(1,412)	(2,012)
Closing net book value	年末賬面淨值	1,950	–	1,950
At 31 March 2007	於二零零七年三月三十一日			
Cost	按成本	3,000	3,740	6,740
Accumulated amortisation	累積攤銷	(1,050)	(3,740)	(4,790)
Net book value	賬面淨值	1,950	–	1,950

19. Intangible assets (continued)

The use of trademarks and trade names is under the Trade Mark Licence Deed for the purpose of continuity of the brand name – “Hsin Chong Aster” in the electrical and mechanical industry in Hong Kong, Macau and the Mainland China for a fixed period of 5 years.

The secured contracts are amortised over the contract period and is fully amortised in the current year.

The amortisation for the year is included in other operating expenses in the consolidated income statement.

20. Goodwill

		Group 集團	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
At 1 April	於四月一日	1,828	–
Acquisition of subsidiaries	收購附屬公司	–	1,828
Write off	撇銷	(1,828)	–
At 31 March	於三月三十一日	–	1,828

The write off of goodwill during the year is included in other operating expenses in the consolidated income statement.

21. Subsidiaries

		Company 本公司	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Unlisted shares, at cost	非上市股本·按成本	210,468	210,468
Less: impairment in value	減:減值	(84,547)	(148,000)
		125,921	62,468
Loan to a subsidiary	貸款予一附屬公司	30,000	–
Amounts due from subsidiaries	應收附屬公司款項	625,366	821,554
Less: provision	減:撥備	(179,109)	(195,096)
		446,257	626,458
Amounts due to subsidiaries	應付附屬公司款項	(140,978)	(226,021)

19. 無形資產 (續)

使用商標特許使用契據下之商標及商號名稱之目的，是為了在五年固定期內於香港、澳門及中國大陸之機電工程業內持續使用「新昌亞仕達」之品牌名稱。

取得合約於合約期內攤銷，並於本年內全數被攤銷。

本年度的攤銷被計入在綜合損益表之其他經營開支項下。

20. 商譽

於本年度，商譽撇銷被計入在綜合損益表之其他經營開支項下。

21. 附屬公司

21. Subsidiaries (continued)

Loan to a subsidiary is unsecured, interest bearing at 3 month HIBOR plus 1% per annum and not repayable within one year. The effective interest rate at the balance sheet date was 5.18% per annum (2006: Not applicable).

Amounts due from/to subsidiaries are unsecured, non-interest bearing and have no fixed terms of repayment, except for an amount due from a subsidiary of HK\$162,744,000 (2006: HK\$165,527,000) which bears interest at Hong Kong prime rate less 2.5% (2006: Hong Kong prime rate less 2.5%) per annum.

Details of subsidiaries are set out in note 41.

22. Associated companies

		Group 集團	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Share of net assets	應佔資產淨值	6,382	6,601
Net loans (from)/to associated companies	貸款(自)/予聯號淨額	(452)	115,564
Amounts due from associated companies	應收聯號款項	523	557
		6,453	122,722

The net loans from and amounts due from associated companies of HK\$71,000 (2006: net loans to and amounts due from associated companies HK\$116,121,000) are unsecured, non interest bearing and not repayable within one year. The carrying amounts approximate their fair values.

During the year, dividends received from associated companies amounted to HK\$13,919,000 (2006: Nil).

The Group's share of assets and liabilities and results of associated companies are summarised below:

		Group 集團	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Assets	資產	9,618	138,987
Liabilities	負債	(3,236)	(132,386)
Net assets	資產淨值	6,382	6,601
Revenue	收益	25,236	58,977
Profit before income tax	所得稅前溢利	14,052	40,773
Income tax expense	所得稅開支	(44)	(15)
Profit for the year	本年溢利	14,008	40,758

Details of associated companies are set out in note 41.

21. 附屬公司 (續)

提供予一附屬公司之貸款乃無抵押，按年息以三個月香港銀行同業拆息加1%計算利息及無需一年內償還。在資產負債表結算日之實際利率為年息5.18%（二零零六年：不適用）。

除一附屬公司之應收款項港幣162,744,000元（二零零六年為港幣165,527,000元）按年息以香港最優惠利率減2.5%（二零零六年為香港最優惠利率減2.5%）計算利息外，其餘應收／應付附屬公司款項乃無抵押、免息及無固定還款期。

本集團之附屬公司資料詳列於附註41。

22. 聯號

借自及應收聯號淨額港幣71,000元（二零零六年為借予及應收聯號淨額港幣116,121,000元）為無抵押、免息及無需一年內償還。賬面值與其公平值相近。

於年內已收聯號股息為港幣13,919,000元（二零零六年：無）。

本集團應佔聯號之資產、負債及業績狀況撮要如下：

本集團之聯號資料詳列於附註41。

23. Jointly controlled entities

23. 共同控制實體

		Group 集團	
		2007	2006
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Share of net liabilities	應佔負債淨值	(81,283)	(77,113)
Net amounts due from jointly controlled entities	應收共同控制實體淨額	94,636	75,902
		13,353	(1,211)

The Group's share of assets and liabilities and results of jointly controlled entities are summarised below:

本集團應佔共同控制實體之資產、負債及業績狀況撮要如下：

		Group 集團	
		2007	2006
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Non-current assets	非流動資產	-	35
Current assets	流動資產	49,723	91,263
Non-current liabilities	非流動負債	(96,389)	(77,569)
Current liabilities	流動負債	(34,617)	(90,842)
Net liabilities	負債淨額	(81,283)	(77,113)
Income	收入	217,893	225,616
Expenses	開支	(221,813)	(250,651)
Loss for the year	本年虧損	(3,920)	(25,035)

Net amounts due from jointly controlled entities are unsecured, non-interest bearing and not repayable within one year. The carrying amounts approximate their fair values.

共同控制實體之欠款淨額乃無抵押、免息及無需一年內償還。賬面值與其公平值相近。

During the year, no dividend was received from jointly controlled entities (2006: HK\$4,432,000).

於年內無收取共同控制實體之股息（二零零六年為港幣4,432,000元）。

23. Jointly controlled entities (continued)

Details of the Group's interest in the jointly controlled entities are as follows:

Name 名稱	Place of incorporation and operation 註冊及經營地點	Principal activity 主要業務	Effective percentage of interest held		Proportion of voting power	
			持有實際權益之百分比		佔投票權之百分比	
			2007	2006	2007	2006
Hsin Chong – Yau Lee Joint Venture (note) 新昌－有利合營企業 (附註)	Unincorporated joint venture operating in Hong Kong 在香港經營之非屬法團 之合營企業	Building construction 樓宇建造	50%	–	50%	–
Hsin Chong Construction Company Limited & Taylor Woodrow International Limited Joint Venture for Kowloon Station (note) (附註)	Unincorporated joint venture operating in Hong Kong 在香港經營之非屬法團 之合營企業	Construction management 建造管理	60%	60%	50%	50%
Leighton – Hsin Chong Joint Venture (note) 禮頓－新昌合營企業 (附註)	Unincorporated joint venture operating in Hong Kong 在香港經營之非屬法團 之合營企業	Civil engineering 土木工程	50%	50%	50%	50%
Maeda-Hitachi-Yokogawa- Hsin Chong Joint Venture (note) 前田－日立－橫河－新昌聯營 (附註)	Unincorporated joint venture operating in Hong Kong 在香港經營之非屬法團 之合營企業	Civil engineering 土木工程	20%	20%	25%	25%
MBH Joint Venture (note) MBH 合營企業 (附註)	Unincorporated joint venture operating in Hong Kong 在香港經營之非屬法團 之合營企業	Civil engineering 土木工程	20%	20%	33.33%	33.33%

Note:

Pursuant to the terms of the joint venture agreements, the profit sharing for each year of the jointly controlled entities shall be distributed to the joint parties in proportion to their respective interests.

23. 共同控制實體 (續)

本集團所佔共同控制實體之權益資料詳列如下：

附註：

根據合營合約之條款，共同控制實體每年溢利之分配將可根據各合作夥伴所佔之權益按比例分配。

24. Held-to-maturity investments

Held-to-maturity investments represent bonds that are denominated in United States dollars ("US\$") and have a maturity of between 2 months to 2.5 years (2006: 3 months to 2.5 years) with nominal amounts of HK\$18,910,000, equivalent to US\$2,440,000 (2006: HK\$20,150,000, equivalent to US\$2,600,000) maturing more than one year and HK\$12,090,000, equivalent to US\$1,560,000 (2006: HK\$10,850,000, equivalent to US\$1,400,000) maturing within one year.

24. 持至到期之投資

持至到期之投資代表以美元為單位之債券，並於兩個月至兩年半內到期（二零零六年為三個月至兩年半），而到期日超過一年面額為港幣18,910,000元，等值美元2,440,000（二零零六年為港幣20,150,000元，等值美元2,600,000）及於一年內到期面額為港幣12,090,000元，等值美元1,560,000（二零零六年為港幣10,850,000元，等值美元1,400,000）。

25. Available-for-sale financial assets

25. 可供出售之財務資產

		Group 集團	
		2007	2006
		HK\$'000	HK\$'000
		港幣千元	港幣千元
At 1 April	於四月一日	10,069	2,171
Reclassifications	重新分類	-	8,541
Fair value gains transfer to equity	撥至權益之公平值收益	-	169
Impairment loss	減值虧損	(2,000)	(812)
Disposal	出售	(2,340)	-
At 31 March	於三月三十一日	5,729	10,069

The impairment loss charged for the year is included in other operating expenses in the consolidated income statement.

本年度的減值虧損被計入在綜合損益表之其他經營開支項下。

Available-for-sale financial assets include the followings:

可供出售之財務資產包括以下各項：

		Group 集團	
		2007	2006
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Equity securities	股本證券		
Listed in Hong Kong, at fair value	香港上市·按公平值	-	2,340
Unlisted, at fair value	非上市·按公平值	5,729	7,729
		5,729	10,069

26. Financial assets at fair value through profit or loss

26. 按公平值計入溢利或虧損之財務資產

		Group 集團	
		2007	2006
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Equity securities	股本證券		
Listed in Hong Kong, at fair value	香港上市·按公平值	-	15
Listed overseas, at fair value	海外上市·按公平值	1,315	5,987
Unlisted overseas, at fair value	海外非上市·按公平值	-	41,229
		1,315	47,231

Changes in fair values of financial assets at fair value through profit or loss are recorded in other income in the consolidated income statement.

按公平值計入溢利或虧損之財務資產之公平值變動已記錄在綜合損益表之其他收入項下。

27. Properties under development

(a) Property under development

		Group 集團	
		2007	2006
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Property under development, at cost	發展中物業·按成本	–	16,452
Less: accumulated impairment	減: 累積減值	–	(16,452)
		–	–

Property under development as at 31 March 2006 represented a project undertaken by a subsidiary which plans to construct and manage service apartments on a site of approximately 471 sq.m. in Ho Chi Minh City, Socialist Republic of Vietnam. During the year, the Group disposed of its interests in the subsidiary.

於二零零六年三月三十一日之發展中物業為一項由一附屬公司計劃興建及項目管理之酒店式寓所物業發展計劃，該物業位於越南胡志明市，地盤面積約471平方米。於本年內，本集團已出售該附屬公司之權益。

(b) Property under development for sale

		Group 集團	
		2007	2006
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Property under development for sale, at cost	供出售發展中物業·按成本	41,265	283,018
Less: accumulated impairment	減: 累積減值	(4,465)	(80,730)
		36,800	202,288

Property under development for sale represents a project undertaken by a subsidiary of the Group to develop, construct and sell residential units and shop units on a site of approximately 18,215 sq.m. at Wen Chang Pavilion located in Li Wan District, Guangzhou, China. The subsidiary was established in the form of a joint venture company under the laws of China with a period of operation of twenty years from 14 December 1995.

供出售發展中物業乃位於中國廣州荔灣區，地盤面積約18,215平方米之文昌雅居。由一集團附屬公司負責發展、興建及銷售住宅物業與商舖。該附屬公司根據中國法例以合資經營方式成立，其經營期為二十年由一九九五年十二月十四日起計。

Property under development for sale with carrying value of HK\$36,800,000 represented the shop units of Wen Chang Pavilion as at 31 March 2007.

二零零七年三月三十一日賬面值為港幣36,800,000元之供出售發展中物業為文昌雅居之商舖單位。

28. Stocks and contracting work-in-progress

28. 存貨及興建中工程

		Group 集團	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Gross amounts due from customers for contract work (Note)	應收客戶之工程款項毛額 (附註)	233,590	188,538
Raw materials, at cost	原料·按成本	1,574	1,514
Stocks of car park properties, at cost Less: impairment in value	物業車位存貨·按成本 減:減值	59,130 (33,265)	53,059 (32,713)
Stocks of car park properties, at net realisable value	物業車位存貨· 按可變現淨值	25,865	20,346
Stocks of residential properties, at cost Less: impairment in value	住宅物業存貨·按成本 減:減值	35,348 (3,822)	– –
Stocks of residential properties, at net realisable value	住宅物業存貨· 按可變現淨值	31,526	–
		292,555	210,398
Note: Cost plus attributable profit less foreseeable losses	附註: 成本加應佔溢利減可預見虧損	4,620,502	2,882,367
Less: progress payments received and receivable	減:已收及應收工程賬款	(4,400,863)	(2,693,829)
Contracting work-in-progress	興建中工程	219,639	188,538
Representing: Gross amounts due from customers for contract work included in stocks and contracting work-in-progress	代表: 存貨及興建中工程項下包括 應收客戶之工程款項毛額	233,590	188,538
Gross amounts due to customers for contract work included in payables and accruals	應付賬款及應計費用項下包括 應付客戶之工程款項毛額	(13,951)	–
		219,639	188,538

As at 31 March 2007, retentions held by customers for contract work included in receivables and prepayments amounted to HK\$137,332,000 (2006: HK\$122,007,000).

As at 31 March 2007, advances received from customers for contract work included in payables and accruals amounted to nil (2006: HK\$25,874,000).

於二零零七年三月三十一日，應收賬款及預付金項下包括被客戶保留之工程合約保固金合計為港幣137,332,000元（二零零六年為港幣122,007,000元）。

於二零零七年三月三十一日，應付賬款及應計費用項下並無已收客戶之工程合約墊款（二零零六年為港幣25,874,000元）。

29. Receivables and prepayments

29. 應收賬款及預付金

		Group 集團		Company 本公司	
		2007	2006	2007	2006
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Trade receivables	貿易應收賬款				
– third parties	– 第三方	149,449	123,745	–	–
– related company	– 有關連公司	243	8,623	–	–
– provision for impairment	– 虧損準備	–	(3,354)	–	–
Retention receivables	應收保固金				
– third parties	– 第三方	133,711	115,916	–	–
– related company	– 有關連公司	3,748	6,375	–	–
– provision for impairment	– 虧損準備	(127)	(284)	–	–
Forward exchange contracts (note)	外匯遠期合約 (附註)	895	290	895	290
Other receivables, deposits and prepayments	其他應收賬款、按金及預付金				
– third parties	– 第三方	55,079	69,489	2,259	2,310
– related companies	– 有關連公司	2,819	1,853	99	117
– jointly controlled entities	– 共同控制實體	2,573	1,315	–	–
– provision for impairment	– 虧損準備	(16,681)	(13,825)	–	–
		331,709	310,143	3,253	2,717

Note: The notional principal amounts of the related forward exchange contracts amounted to HK\$87,000,000 (2006: HK\$77,000,000). These forward exchange contracts do not qualify for hedge accounting.

附註：外匯遠期合約的名義本金額為港幣87,000,000元（二零零六年為港幣77,000,000元）。該等外匯遠期合約並不符合進行對沖會計處理。

As at 31 March 2007, approximately HK\$44,635,000 (2006: HK\$73,726,000) and HK\$20,595,000 (2006: HK\$36,013,000) of the receivables and prepayments of the Group were denominated in RMB and MOP respectively.

於二零零七年三月三十一日，本集團於應收賬款及預付金之人民幣及澳門幣面額分別大約為港幣44,635,000元及港幣20,595,000元（二零零六年分別大約為港幣73,726,000元及港幣36,013,000元）。

As at 31 March, the ageing analysis of trade and retention receivables is as follows:

於三月三十一日，貿易及保固金應收賬款之賬齡分析如下：

		Group 集團					Total
		Not yet due	1 to 30 days	31 to 90 days	91 to 180 days	Over 180 days	
		未到期	一天至	三十一天	九十一天至	一百八十天	總額
		HK\$'000	三十天	至九十天	一百八十天	以上	HK\$'000
		港幣千元	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
Balance at 31 March 2007	二零零七年三月三十一日結餘	222,561	10,635	274	12,314	41,240	287,024
Balance at 31 March 2006	二零零六年三月三十一日結餘	163,870	21,125	937	331	64,758	251,021

Interim application for progress payments in construction contracts are normally on a monthly basis and settled within one month with retention monies withheld but released on the issuance of relevant maintenance certificates. Rental income is billed in advance of the rental period.

建造合約之中期工程賬款申請一般是按月結算，並於一個月內扣除保固金後清繳，而保固金則留待有關保養證明書簽發後才發放。租務收入則於每月租賃期前開發賬單預收。

30. Deposits, cash and bank balances

30. 存款、現金及銀行結存

		Group 集團		Company 本公司	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Cash at bank and in hand	銀行結存及現金	45,184	74,692	468	597
Short term bank deposits (note i)	短期銀行存款 (附註i)	554,710	369,040	66,144	24,654
Unrestricted deposits, cash and bank balances	不受限制之存款、 現金及銀行結存	599,894	443,732	66,612	25,251
Restricted bank deposits (note ii)	受限制之銀行存款 (附註ii)	75,900	172,926	-	-
		675,794	616,658	66,612	25,251

The effective interest rates on bank deposits at the balance sheet date range from 0.50% to 5.24% per annum (2006: 0.50% to 4.66% per annum).

銀行存款在資產負債表結算日之實際利率範圍為年息0.50%至5.24% (二零零六年為年息0.50%至4.66%)。

Included in deposits, cash and bank balances are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

除了功能貨幣外，包括在存款、現金及銀行結存之其他款項貨幣面額如下：

		Group 集團		Company 本公司	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
US Dollars	美元	193,414	123,753	59,195	755
Renminbi	人民幣	105,687	172,869	-	-
Macau Pataca	澳門幣	93,229	13,925	-	-

Notes:

- (i) The short term bank deposits of the Group and the Company have original maturities of three months or less.
- (ii) Restricted bank deposits represent:
- Proceeds received from the sale of residential properties in PRC where the fund is confined in the usage of construction work until full completion.
 - Pledge given to the banks for granting banking facilities to group companies.

附註:

- (i) 本集團及本公司之短期銀行存款最初到期日為三個月或以下。
- (ii) 受限制之銀行存款乃：
- 收自位於中國供出售住宅物業之出售所得款。此項存款之用途受限制用於建築工程上，直至工程完全竣工為止。
 - 為銀行提供信貸額予集團內公司而向銀行作出抵押。

31. Deferred income tax

Deferred income tax are calculated in full on temporary differences under the liability method using a principal taxation rate of 17.5% (2006: 17.5%).

The movement of the deferred income tax assets is as follows:

		Group 集團	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
At 1 April	於四月一日		
Deferred income tax credited to consolidated income statement (note 11)	在綜合損益表內記賬之遞延所得稅(附註11)	(1,288)	(602)
		(852)	(686)
At 31 March	於三月三十一日	(2,140)	(1,288)

Deferred income tax assets are recognised for tax loss carried forward to the extent that realisation of the related tax benefit through future taxable profits is probable. The Group has unrecognised tax losses of HK\$144,171,000 (2006: HK\$141,660,000) to carry forward against future taxable income.

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:

		Group 集團					
		Accelerated tax depreciation 加速稅項折讓		Tax loss 稅損		Total 總額	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
At 1 April	於四月一日						
(Credited)/charged to consolidated income statement	在綜合損益表內(記賬)／扣除	(508)	(602)	(780)	–	(1,288)	(602)
		203	94	(1,055)	(780)	(852)	(686)
At 31 March	於三月三十一日	(305)	(508)	(1,835)	(780)	(2,140)	(1,288)

31. 遞延所得稅

遞延所得稅採用負債法就暫時性差按主要稅率17.5% (二零零六年為17.5%) 作全數撥備。

遞延所得稅資產之變動如下:

就結轉之稅損作遞延所得稅資產確認，以相關稅務利益在有可能透過未來應課稅溢利變現之數額為限。本集團有未確認稅損港幣144,171,000元(二零零六年為港幣141,660,000元)可結轉以抵銷未來應課稅收入。

年內遞延所得稅資產及負債之變動(與同一徵稅地區之結餘抵銷前)如下:

31. Deferred income tax (continued)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the consolidated balance sheet:

		Group 集團	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Deferred income tax assets	遞延所得稅資產	(2,140)	(1,288)

32. Bank loans

		Group 集團	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Bank loans, wholly payable within two years	須於兩年內悉數償還之銀行貸款		
– secured	– 有抵押	25,000	238,348
– unsecured	– 無抵押	–	42,000
		25,000	280,348
Long term bank loans due within one year included under current liabilities	須於一年內償還之長期銀行貸款歸納於流動負債項下	(25,000)	(177,931)
Secured short term bank loan	有抵押之短期銀行貸款	–	(2,417)
		–	100,000
The repayment schedule of bank loans is as follows:	銀行貸款之還款期列於如下:		
– within one year	– 於一年內到期	25,000	180,348
– in the second year	– 於第二年內到期	–	100,000
		25,000	280,348

As at 31 March 2007, the bank loan was denominated in Hong Kong dollar (2006: HK\$138,348,000 was denominated in RMB).

The effective interest rate of HK\$ loan at the balance sheet date was 5.1% per annum (2006: HK\$ loans 5.0% to 5.4% and RMB loans 4.7% to 5.7% per annum).

The carrying amounts of bank loans approximate their fair values.

31. 遞延所得稅 (續)

當有法定權利可將現有稅項資產與現有稅項負債抵銷，而遞延所得稅涉及同一財政機關，則可將遞延所得稅資產與遞延所得稅負債互相抵銷。在計入適當抵銷後，下列金額在綜合資產負債表內列賬：

32. 銀行貸款

於二零零七年三月三十一日，銀行貸款以港幣為單位（二零零六年以人民幣貸款面額為港幣138,348,000元）。

港幣貸款在資產負債表結算日之實際利率為年息5.1%（二零零六年港幣貸款為年息5.0%至5.4%及人民幣貸款為年息4.7%至5.7%）。

銀行貸款賬面值與其公平值相近。

33. Payables and accruals

33. 應付賬款及應計費用

		Group 集團		Company 本公司	
		2007	2006	2007	2006
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Trade payables	貿易應付賬款				
– third parties	– 第三方	703,854	530,760	–	–
Retention payables	應付保固金				
– third parties	– 第三方	146,846	124,209	–	–
Other payables, deposits and accruals	其他應付賬款、按金及應計費用				
– third parties	– 第三方	108,888	234,878	7,257	2,837
– related companies	– 有關連公司	1,895	1,789	21	80
		961,483	891,636	7,278	2,917

As at 31 March 2007, approximately HK\$100,517,000 (2006: HK\$259,323,000) and HK\$88,126,000 (2006: HK\$30,374,000) of the payables and accruals of the Group were denominated in RMB and MOP respectively.

於二零零七年三月三十一日，本集團於應付賬款及應計費用之人民幣及澳門幣面額分別大約為港幣100,517,000元及港幣88,126,000元（二零零六年分別大約為港幣259,323,000元及港幣30,374,000元）。

As at 31 March, the ageing analysis of trade and retention payables is as follow:

於三月三十一日，貿易及保固金應付賬款之賬齡分析如下：

		Group 集團					Total
		Not yet due	1 to 30 days	31 to 90 days	91 to 180 days	Over 180 days	
		未到期	一天至三十天	三十一天至九十天	九十一天至一百八十天	一百八十天以上	總額
		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
Balance at 31 March 2007	二零零七年三月三十一日結餘	830,652	6,198	561	1,347	11,942	850,700
Balance at 31 March 2006	二零零六年三月三十一日結餘	606,447	33,126	6,808	31	8,557	654,969

34. Share capital and share options

(a) Share capital

34. 股本及認股權

(a) 股本

		2007		2006	
		Number of shares 股份數目	HK\$'000 港幣千元	Number of shares 股份數目	HK\$'000 港幣千元
Authorised:	法定股本:				
Ordinary shares of HK\$0.1 each	每股普通股 港幣0.1元	1,000,000,000	100,000	1,000,000,000	100,000
Ordinary shares, issued and fully paid:	已發行及繳足普通股本:				
At the beginning of the year	於年初	639,027,592	63,903	639,407,500	63,940
Shares issued under 2002 employee share subscription scheme ¹	根據二零零二年僱員 認購股份計劃 發行股份 ¹	88,070	9	282,092	29
Shares issued under 1991 executive share option scheme ²	根據一九九一年 行政人員認股權計劃 發行股份 ²	100,000	10	–	–
Share repurchased	購回股份	–	–	(662,000)	(66)
At the end of the year	於年末	639,215,662	63,922	639,027,592	63,903

¹ During the year, one Qualifying Employee (as defined in rules of the employee share subscription scheme adopted by the Company on 23 August 2002 (the "2002 Share Scheme") accepted the offer to subscribe for shares of the Company under the 2002 Share Scheme, and 88,070 shares of the Company were issued and allotted to the relevant Qualifying Employee at a subscription price of HK\$0.82 per share in accordance with the rules of the 2002 Share Scheme. Details of the 2002 Share Scheme are set out in the report of the directors of this annual report.

² During the year, an employee had exercised his option to subscribe for 100,000 shares of the Company under the 1991 Option Scheme (as defined in note 34(b) below) at an exercise price of HK\$0.80 per share. Details of the 1991 Option Scheme are set out in the report of the directors of this annual report.

¹ 於本年度內，一位合資格僱員（定義見本公司於二零零二年八月二十三日採納之僱員認購股份計劃（「二零零二年認購計劃」）之規則）接納要約，根據二零零二年認購計劃認購本公司股份，而88,070股本公司股份已根據二零零二年認購計劃以每股港幣0.82元認購價發行及配發予該位有關之合資格僱員。有關二零零二年認購計劃之詳情已載於本年報之董事會報告內。

² 於本年度內，一位僱員根據一九九一年認股權計劃（定義見下文附註34(b)）行使認股權，以每股港幣0.80元之行使價認購100,000股本公司股份。有關一九九一年認股權計劃之詳情已載於本年報之董事會報告內。

34. Share capital and share options (continued)

(b) Share options

Executive Share Option Schemes

The Company has two executive share option schemes adopted on 19 July 1991 (the “1991 Option Scheme”) and 23 August 2002 (the “2002 Option Scheme”), respectively.

1991 Option Scheme

Details of the 1991 Option Scheme are set out in the report of the directors on page 49 of this annual report. Pursuant to the 1991 Option Scheme, the directors, at their absolute discretion, had made offers to grant options to eligible persons who might include executive directors, senior executive, managers or employees of the Group (“the Group” in the context describing the 1991 Option Scheme shall apply the definition ascribed to it under the rules of the 1991 Option Scheme) to subscribe for shares in the capital of the Company.

The movements in the share options under the 1991 Option Scheme during the year and the options outstanding at the beginning and end of the year are as follows:

Name of participant 參與人士名稱	Date of grant 授出日期 (dd/mm/yyyy)	Number of options held as at 1 April 2006 於二零零六年四月一日 持有之認股權數目	Changes during the financial year 本財政年度內之變動				Number of options held as at 31 March 2007 於二零零七年三月三十一日 持有之認股權數目	Exercise price 行使價 (HK\$ 港幣)	Exercisable period 行使期 (dd/mm/yyyy)
			Granted 授出	Exercised 行使	Lapsed 失效	Cancelled 註銷			
Director 董事									
V-nee YEH 葉維義	25/09/1996	384,000	-	-	-	-	384,000	0.80	25/09/1998 – 24/09/2008
	25/09/1996	384,000	-	-	-	-	384,000	0.80	25/09/1999 – 24/09/2009
Employees (in aggregate) 僱員 (總數)	25/09/1996	266,000	-	-	-	-	266,000	0.80	25/09/1997 – 24/09/2007
	25/09/1996	1,992,000	-	(100,000)	-	-	1,892,000	0.80	25/09/1998 – 24/09/2008
	25/09/1996	1,988,000	-	-	-	-	1,988,000	0.80	25/09/1999 – 24/09/2009
		5,014,000	-	(100,000)	-	-	4,914,000		

34. 股本及認股權 (續)

(b) 認股權

行政人員認股權計劃

本公司設有兩項行政人員認股權計劃，分別於一九九一年七月十九日（「一九九一年認股權計劃」）及二零零二年八月二十三日（「二零零二年認股權計劃」）採納。

一九九一年認股權計劃

一九九一年認股權計劃之詳情已載於本年報第49頁之董事會報告內。根據一九九一年認股權計劃，董事有絕對酌情權可向合資格人士（包括本集團（「本集團」之定義於一九九一年認股權計劃之說明內容中將使用於一九九一年認股權計劃規則所賦予的涵義）之執行董事、高級行政人員、經理或僱員，提呈可認購本公司股本中股份之有關授出認股權的要約。

於本年度內根據一九九一年認股權計劃授出之認股權變動及於年初及年末時之未行使認股權之詳情如下：

34. Share capital and share options (continued)

(b) Share options (continued)

2002 Option Scheme

Details of the 2002 Option Scheme are set out in the report of the directors on pages 49 to 51 of this annual report. Pursuant to the 2002 Option Scheme, the directors, at their absolute discretion, may offer to grant options to eligible persons who may include any executive directors, senior executive, managers or employees of the Group ("the Group" in the context describing the 2002 Option Scheme shall apply the definition ascribed to it under the rules of the 2002 Option Scheme) to subscribe for shares in the capital of the Company.

The movements in the share options under the 2002 Option Scheme during the year and the options outstanding at the beginning and end of the year are as follows:

Name of participant 參與人士名稱	Date of grant 授出日期 (dd/mm/yyyy)	Number of options held as at 1 April 2006 於二零零六年四月一日 持有之認股權數目	Changes during the financial year 本財政年度內之變動				Number of options held as at 31 March 2007 於二零零七年三月三十一日 持有之認股權數目	Exercise price 行使價 (HK\$ 港幣)	Exercisable period 行使期 (dd/mm/yyyy)
			Granted 授出	Exercised 行使	Lapsed 失效	Cancelled 註銷			
Director 董事									
Ka-kui CHAN 陳家駒	03/02/2007	-	3,000,000	-	-	-	3,000,000	0.82	03/03/2008 – 31/01/2017
	03/02/2007	-	1,500,000	-	-	-	1,500,000	0.82	03/03/2009 – 31/01/2017
	03/02/2007	-	1,500,000	-	-	-	1,500,000	0.82	03/03/2010 – 31/01/2017
Employees (in aggregate) 僱員 (總數)									
	03/02/2007	-	15,000,000	-	-	-	15,000,000	0.82	03/03/2008 – 31/01/2017
	03/02/2007	-	7,500,000	-	-	-	7,500,000	0.82	03/03/2009 – 31/01/2017
	03/02/2007	-	7,500,000	-	-	-	7,500,000	0.82	03/03/2010 – 31/01/2017
		-	36,000,000	-	-	-	36,000,000		

34. 股本及認股權 (續)

(b) 認股權 (續)

二零零二年認股權計劃

二零零二年認股權計劃之詳情已載於本年報第49至51頁之董事會報告內。根據二零零二年認股權計劃，董事有絕對酌情權可向合資格人士，包括本集團（「本集團」之定義於二零零二年認股權計劃之說明內容中將使用於二零零二年認股權計劃規則所賦予的涵義）之執行董事、高級行政人員、經理或僱員，提呈可認購本公司股本中股份之有關授出認股權的要約。

於本年度內根據二零零二年認股權計劃授出之認股權變動及於年初及年末時之未行使認股權之詳情如下：

34. Share capital and share options (continued)

(b) Share options (continued)

Fair values of share options under the 2002 Option Scheme and assumptions:

The fair values of the share options under the 2002 Option Scheme granted during the year were determined using the Black-Scholes-Merton Option Pricing Model. There were no share options granted in last year. The significant inputs into the model and assumptions were as follows:

		50% of options exercisable from 3 March 2008 to 31 January 2017 可於二零零八年 三月三日起至 二零一七年 一月三十一日止 行使百分之 五十之認股權	25% of options exercisable from 3 March 2009 to 31 January 2017 可於二零零九年 三月三日起至 二零一七年 一月三十一日止 行使百分之 二十五之認股權	25% of options exercisable from 3 March 2010 to 31 January 2017 可於二零一零年 三月三日起至 二零一七年 一月三十一日止 行使百分之 二十五之認股權
Fair value	公平值	HK\$0.23	HK\$0.26	HK\$0.25
Share price	股價	HK\$0.89	HK\$0.89	HK\$0.89
Exercise price	行使價	HK\$0.82	HK\$0.82	HK\$0.82
Expected volatility	預計波幅	45.07%	45.43%	41.97%
Expected life of the options	預計認股權有效期	3.9 years	4.9 years	5.9 years
Risk-free rate	無風險利率	4.24%	4.27%	4.29%

The expected volatilities were based on the historical volatilities of the share prices of the Company over the periods that are equal to the expected lives before the grant date.

34. 股本及認股權 (續)

(b) 認股權 (續)

根據二零零二年認股權計劃授出之認股權的公平值及假設：

根據二零零二年認股權計劃授出之認股權的公平值乃按Black-Scholes-Merton股權定價模型釐定。去年度內並無授出任何認股權。該模型採用之重要數據及假設如下：

預計波幅乃根據本公司股價於過去期間(由認股權授出日元起計算相等於預計有效期之期間)內之波幅釐定。

34. Share capital and share options (continued)

(c) Other share arrangement

The Company was informed by a shareholder that on 29 January 2007, it made an offer of option to purchase 4,000,000 shares of the Company from it at a transfer price of HK\$0.751 per share subject to fulfilment of certain conditions to Mr. Ka-kui CHAN, the managing director of the Company, and the offer was accepted by Mr. Ka-kui CHAN on 29 January 2007. In addition, such shareholder also transferred a total of 1,180,911 shares of the Company to Mr. Ka-kui CHAN at transfer prices ranging from HK\$0.713 per share to HK\$0.816 per share during the financial year ended 31 March 2007.

The Company was also informed by such shareholder that it made other offers to certain employees of the Group to purchase from it the shares of the Company subject to fulfilment of certain conditions. A total of 90,380 shares of the Company had been transferred to those employees who accepted the offers from such shareholder at transfer prices ranging from HK\$0.737 per share to HK\$0.816 per share during the financial year ended 31 March 2007.

Fair values of 4,000,000 share options and assumptions:

The fair values of the share options granted during the year were determined using the Black-Scholes-Merton Option Pricing Model. The significant inputs into the model and assumptions were as follows:

		25% of options exercisable from 29 January 2008 to 21 April 2008 可於二零零八年一月二十九日起至二零零八年四月二十一日止行使百分之二十五之認股權	25% of options exercisable from 29 January 2009 to 21 April 2009 可於二零零九年一月二十九日起至二零零九年四月二十一日止行使百分之二十五之認股權	25% of options exercisable from 29 January 2010 to 21 April 2010 可於二零一零年一月二十九日起至二零一零年四月二十一日止行使百分之二十五之認股權	25% of options exercisable from 29 January 2011 to 21 April 2011 可於二零一一年一月二十九日起至二零一一年四月二十一日止行使百分之二十五之認股權
Fair value	公平值	HK\$0.14	HK\$0.15	HK\$0.19	HK\$0.23
Share price	股價	HK\$0.83	HK\$0.83	HK\$0.83	HK\$0.83
Exercise price	行使價	HK\$0.75	HK\$0.75	HK\$0.75	HK\$0.75
Expected volatility	預計波幅	35.11%	33.93%	39.32%	44.63%
Expected life of the options	預計認股權有效期	1.2 years	2.2 years	3.2 years	4.2 years
Risk-free rate	無風險利率	4.03%	4.07%	4.09%	4.10%

The expected volatilities were based on the historical volatilities of the share prices of the Company over the periods that are equal to the expected lives before the grant date.

34. 股本及認股權 (續)

(c) 其他股份安排

一名股東於二零零七年一月二十九日通知本公司，該股東向本公司董事總經理陳家駒先生授出一項購股權的要約，據此在達成若干條件下可以每股港幣0.751元的轉讓價向該股東購買4,000,000股本公司股份，而該要約於二零零七年一月二十九日已獲陳家駒先生接納。此外，於截至二零零七年三月三十一日止財政年度，該股東亦以介乎每股港幣0.713元至每股港幣0.816元的轉讓價轉讓合共1,180,911股本公司股份予陳家駒先生。

該名股東亦通知本公司，該股東已向若干本集團僱員授出其他要約，據此有關僱員可在達成若干條件下向該名股東購買本公司股份。於截至二零零七年三月三十一日止財政年度，該股東以介乎每股港幣0.737元至每股港幣0.816元的轉讓價轉讓合共90,380股本公司股份予該等接納要約的僱員。

4,000,000認股權的公平值及假設：

本年內授出之認股權的公平值乃按Black-Scholes-Merton股權定價模型釐定。該模型採用之重要數據及假設如下：

預計波幅乃根據本公司股價於過去期間（由認股權授出日前提計算相等於預計有效期之期間）內之波幅釐定。

35. Reserves

35. 儲備

		Group 集團							Total
		Exchange reserve	Share premium	Capital redemption reserve	General reserve	Investment revaluation reserve	Capital reserve	Retained profits	
		匯兌儲備	股份溢價	贖回儲備	普通儲備	重估儲備	資本儲備	保留溢利	總額
		HK\$'000	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	港幣千元
		(Note i)		(Note ii)	(Note iv)	(Note v)	(Note vi)		
		(附註i)		(附註ii)	(附註iv)	(附註v)	(附註vi)		
At 31 March 2005	於二零零五年三月三十一日	309	148,314	4,354	121,110	-	-	126,655	400,742
Premium arising from issue of shares	發行新股所產生之溢價	-	116	-	-	-	-	-	116
Profit retained for the year	本年度保留溢利	-	-	-	-	-	-	120,296	120,296
Exchange differences	滙兌差額	(815)	-	-	-	-	-	-	(815)
Shares repurchased	回購股份	-	-	66	-	-	-	(334)	(268)
Fair value gain on available-for-sale financial assets	可供出售之財務資產 公平值溢利	-	-	-	-	169	-	-	169
Dividends	股息	-	-	-	-	-	-	(31,978)	(31,978)
At 31 March 2006	於二零零六年三月三十一日	(506)	148,430	4,420	121,110	169	-	214,639	488,262
Representing:	代表:								
Reserves	儲備	(506)	148,430	4,420	121,110	169	-	157,126	430,749
2006 final dividend proposed	二零零六年擬派末期股息	-	-	-	-	-	-	19,171	19,171
Special dividend proposed	擬派特別股息	-	-	-	-	-	-	38,342	38,342
At 31 March 2006	於二零零六年三月三十一日	(506)	148,430	4,420	121,110	169	-	214,639	488,262
At 31 March 2006	於二零零六年三月三十一日	(506)	148,430	4,420	121,110	169	-	214,639	488,262
Premium arising from issue of shares	發行新股所產生之溢價	-	133	-	-	-	-	-	133
Profit retained for the year	本年度保留溢利	-	-	-	-	-	-	105,399	105,399
Exchange differences	滙兌差額	10,312	-	-	-	-	-	-	10,312
Equity settled share-based transactions	以股份為基礎之股權 結算交易	-	-	-	-	-	1,730	-	1,730
Disposal of available-for-sale financial assets	出售可供出售之財務資產	-	-	-	-	(169)	-	-	(169)
Dividends	股息	-	-	-	-	-	-	(83,074)	(83,074)
At 31 March 2007	於二零零七年三月三十一日	9,806	148,563	4,420	121,110	-	1,730	236,964	522,593
Representing:	代表:								
Reserves	儲備	9,806	148,563	4,420	121,110	-	1,730	172,845	458,474
2007 final dividend proposed	二零零七年擬派末期股息	-	-	-	-	-	-	25,648	25,648
Special dividend proposed	擬派特別股息	-	-	-	-	-	-	38,471	38,471
At 31 March 2007	於二零零七年三月三十一日	9,806	148,563	4,420	121,110	-	1,730	236,964	522,593

35. Reserves (continued)

35. 儲備(續)

		Company 本公司						
		Share premium	Capital redemption reserve	Contributed surplus	General reserve	Capital reserve	Retained profits	Total
		股份溢價	資本贖回儲備	繳入盈餘	普通儲備	資本儲備	保留溢利	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
			(Note ii)	(Note iii)	(Note iv)	(Note vi)		
			(附註ii)	(附註iii)	(附註iv)	(附註vi)		
At 31 March 2005	於二零零五年三月三十一日	146,253	4,354	66,718	111,110	-	90,639	419,074
Premium arising from issue of shares	發行新股所產生之溢價	116	-	-	-	-	-	116
Profit retained for the year	本年度保留溢利	-	-	-	-	-	69,652	69,652
Shares repurchased	回購股份	-	66	-	-	-	(334)	(268)
Dividends	股息	-	-	-	-	-	(31,978)	(31,978)
At 31 March 2006	於二零零六年三月三十一日	146,369	4,420	66,718	111,110	-	127,979	456,596
At 31 March 2006	於二零零六年三月三十一日	146,369	4,420	66,718	111,110	-	127,979	456,596
Premium arising from issue of shares	發行新股所產生之溢價	133	-	-	-	-	-	133
Profit retained for the year	本年度保留溢利	-	-	-	-	-	116,577	116,577
Equity settled share-based transactions	以股份為基礎之股權結算交易	-	-	-	-	1,730	-	1,730
Dividends	股息	-	-	-	-	-	(83,074)	(83,074)
At 31 March 2007	於二零零七年三月三十一日	146,502	4,420	66,718	111,110	1,730	161,482	491,962

Notes:

- (i) See note 2(c) to the financial statements.
- (ii) Reserve created during the repurchase of shares.
- (iii) The contributed surplus of the Company arose as a result of the Group reorganisation in 1991 and represents the excess of the then consolidated net asset value of the subsidiaries acquired over the nominal value of the share capital of the Company issued in exchange thereof. Under the Companies Act 1981 of Bermuda, the Company may make distributions to its members out of the contributed surplus.
- (iv) The Company balance represents reserve created on exercise of scrip option by members of the Company in lieu of cash dividends while the Group balance also includes HK\$10,000,000 (2006: HK\$10,000,000) which was transferred from retained profits for general purpose.
- (v) Unrealised gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised in the investment revaluation reserve.
- (vi) Capital reserve comprises the fair value of the number of unexercised share options granted to employees of the Group recognised in accordance with the accounting policy adopted for share based compensation in note 2(s)(iii) to the financial statements.
- (vii) Distributable reserves of the Company at 31 March 2007 amounted to HK\$339,310,000 (2006: HK\$305,807,000).

附註:

- (i) 見財務報表附註2(c)。
- (ii) 因回購股份而產生之儲備。
- (iii) 本公司之繳入盈餘乃於一九九一年進行之集團重組而產生，為收購附屬公司之綜合資產淨值超出本公司為此發行以作交換之股本面值之差額。根據百慕達一九八一年公司法，本公司可自繳入盈餘中向股東作出分派。
- (iv) 本公司之普通儲備乃由於公司股東選擇以股代息而產生，而本集團之普通儲備另包括港幣10,000,000元（二零零六年為港幣10,000,000元）撥自保留溢利以作一般性用途。
- (v) 可供出售財務資產之公平值改變而產生之未變現溢利及虧損已確認計入投資重估儲備。
- (vi) 資本儲備包括根據財務報表附註2(s)(iii)載以股份為基礎之補償所採納的會計政策確認已給予本集團僱員但尚未行使之認股權數目之公平值。
- (vii) 於二零零七年三月三十一日本公司可供分派之儲備為港幣339,310,000元（二零零六年為港幣305,807,000元）。

36. Financial guarantees

		Group 集團		Company 本公司	
		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Guarantees given to banks for facilities granted to	為下列公司獲取銀行信貸額而給予銀行之擔保				
– associated companies	– 聯號	–	14,670	–	14,670
– subsidiaries	– 附屬公司	–	–	762,318	922,283
		–	14,670	762,318	936,953

36. 財務擔保

37. Contingent liabilities

In the normal course of its business, the Group is subject to various claims under its construction contracts. At 31 March 2007, the Group had various liquidated damages claims on certain contracts for which the Group has filed extension of time claims with the customers. The amount of the ultimate liquidated damages, if any, cannot be ascertained but the Directors are of the opinion that any resulting liability would not materially affect the financial position of the Group.

37. 或然負債

在日常業務過程中，本集團須面對就其建造合約而作出的各類索償。於二零零七年三月三十一日，本集團之部分合約被提出定額賠償索償，而本集團已就此向客戶遞交延期申請。定額賠償額之最終金額（如有）仍未能確定，惟董事認為任何由此而產生之負債不會對本集團之財政狀況構成任何重大影響。

38. Related party transactions

The following transactions were carried out with related parties:

- (a) In addition to the related party information disclosed elsewhere in the consolidated financial statements, the following is a summary of significant related party transactions entered in the ordinary course of business between the Group and its related parties during the year.

38. 有關連公司交易

與關連方的交易如下：

- (a) 除綜合財務報表內披露有關連公司資料外，是年內本集團及其有關連公司在日常業務往來中曾進行之重大有關連公司交易概要如下。

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Transactions with related companies			
Revenues			
Billing on contracts (note i)	開單合約工程款項 (附註i)	89,741	71,904
Rental income (note ii)	租金收入 (附註ii)	2,004	2,079
Service centre charges received (note iii)	服務中心費用 (附註iii)	824	1,261
Insurance premiums refund (note iv)	保險費退還 (附註iv)	18	16,702
Expenses			
Billing on contracts (note v)	開單合約工程款項 (附註v)	(2,954)	(1,537)
Insurance premiums and agency fee paid	保險費及代理費	–	(2,676)
Transactions with associated companies			
Revenue			
Secretarial and accountancy fee received	秘書及會計費用	–	493
Expenses			
Billing on contracts	開單合約工程款項	–	(78,605)

38. Related party transactions (continued)

Notes:

- (i) A subsidiary provided building construction services to a related company as the main contractor on terms and prices which were no less favourable than those offered to third parties employers or main contractors and concluded on arm's length basis.
- (ii) Rental income represents income on Hsin Chong Center rented by the Group to related companies as headquarters. The tenancy agreements were concluded at prevailing market rates.
- (iii) Service centre charges received from related companies represents administrative services provided by the Group and were reimbursed at cost based on time and expenses allocated to the related companies.
- (iv) Insurance premiums were refunded on normal commercial terms from a related insurance company to certain subsidiaries due to termination of the insurance policies.
- (v) Billing represents estate agency, estate management and other services rendered to several subsidiaries for investment properties and other properties. The terms and prices concluded were no less favourable than those obtainable from third parties.

Items (i) to (v) are connected transactions as defined under Chapter 14A of the Listing Rules of The Stock Exchange of Hong Kong Limited.

(b) Key management compensation

		2007	2006
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Salaries and other benefits	薪酬及其他福利	25,137	25,042
Bonuses	花紅	3,133	6,018
Contributions to retirement scheme	退休福利計劃供款	1,128	941
Termination benefits	終止服務費用	1,468	1,092
Share-based compensation	以股份為基礎之補償	1,569	-
		32,435	33,093

38. 有關連公司交易 (續)

附註:

- (i) 一附屬公司作為總承建商以不差於給予第三方僱主或總承建商之條款及價格提供樓宇建造服務予一有關連公司，有關交易均已按公平原則而訂立。
- (ii) 租金收入乃來自有關連公司向本集團租用新昌中心為其總部之收入。租賃協議乃按當時市值租金釐定。
- (iii) 收自有關連公司之服務中心費用為本集團向該等有關連公司提供行政管理服務。有關服務按該等有關連公司所需分攤之時間及開支之實際成本計算。
- (iv) 若干附屬公司按一般商業條款收自一有關連保險公司因終止保險單而退還之保險費。
- (v) 開單款項乃向若干附屬公司之投資物業及其他物業提供物業代理、物業管理及其他服務，有關交易均以不差於第三方給予之條款及價格而達成。

第(i)至(v)項均為香港聯合交易所有限公司之上市規則第十四A章所界定之關連交易。

(b) 主要管理人員之補償

39. Commitments under operating leases

At 31 March, the Group had future aggregate minimum lease payments payable under non-cancellable operating leases as follows:

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Company and subsidiaries	本公司及附屬公司		
Land and buildings	土地及樓宇		
– not later than one year	– 第一年內	5,930	1,992
– later than one year but not later than five years	– 第二年至第五年內	2,852	1,591
		8,782	3,583

At 31 March, the Group had future aggregate minimum lease payments receivable under non-cancellable operating leases, which typically run for a period of one to three years, as follows:

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Company and subsidiaries	本公司及附屬公司		
Land and buildings	土地及樓宇		
– not later than one year	– 第一年內	14,288	11,192
– later than one year but not later than five years	– 第二年至第五年內	5,273	8,551
		19,561	19,743

39. 營運租約承擔

於三月三十一日，本集團根據不可撤銷之營運租約需於未來支付之最低租賃款項總額如下：

於三月三十一日，本集團根據不可撤銷之營運租約（一般租賃期為一至三年）於未來應收之最低租賃款項總額如下：

40. Notes to the consolidated cash flow statement

(a) Reconciliation of profit before income tax to net cash inflow generated from operations

40. 綜合現金流量表附註

(a) 所得稅前溢利與經營產生之現金流入淨額對賬

		2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元
Profit before income tax	所得稅前溢利	122,599	156,837
Share of net profits of jointly controlled entities and associated companies	應佔共同控制實體及聯號之溢利淨額	(10,088)	(15,723)
Net interest income	利息收入淨額	(14,368)	(6,675)
Depreciation charges	折舊	7,352	9,111
Net fair value (gain)/loss on investment properties	投資物業之公平值(溢利)/虧損淨額	(4,251)	2,349
Amortisation on prepaid premium for land lease	預付土地租賃費用攤銷	936	941
Goodwill written off	商譽撇銷	1,828	-
Net (gain)/loss on disposal of property, plant and equipment	出售物業、機器及設備(溢利)/虧損淨額	(1,126)	29
(Gain)/loss on disposal of subsidiaries	出售附屬公司之(溢利)/虧損	(4,776)	995
(Gain)/loss on liquidation of a subsidiary	清盤一附屬公司之(溢利)/虧損	(6)	153
Loss on liquidation of an associated company	清盤一聯號之虧損	123	-
Net fair value loss/(gain) on financial assets at fair value through profit or loss	按公平值計入溢利或虧損之財務資產之公平值虧損/(溢利)淨額	277	(6,282)
Dividend income from financial assets at fair value through profit or loss	按公平值計入溢利或虧損之財務資產股息收入	(184)	(191)
Net gain on disposal and redemption of financial assets at fair value through profit or loss	出售與贖回按公平值計入溢利或虧損之財務資產溢利淨額	(6,356)	(112)
Impairment loss on available-for-sale financial assets	可供出售之財務資產減值虧損	2,000	812
Gain on disposal of available-for-sale financial assets	出售可供出售之財務資產溢利	(756)	-
Impairment loss reversal	減值虧損回撥	(38,403)	(87,780)
Impairment loss credited to cost of sales	已計入在銷售成本內之減值虧損	(32,840)	-
Net provision for impairment of receivables	應收賬款虧損準備淨額	2,785	1,050
Provision for unutilised annual leave	未使用年假準備	2,875	1,495
Amortisation of intangible assets	無形資產攤銷	2,012	2,778
Share-based compensation	以股份為基礎之補償	1,730	-
Operating profit before working capital changes	營運資金變動前之經營盈利	31,363	59,787
Increase in stocks and contracting work-in-progress	存貨及興建中工程增加	(45,033)	(58,966)
Decrease in financial assets at fair value through profit or loss	按公平值計入溢利或虧損之財務資產減少	50,526	1,151
(Increase)/decrease in receivables and prepayments	應收賬款及預付金(增加)/減少	(21,226)	20,835
Increase in payables and accruals	應付賬款及應計費用增加	68,529	283,068
Decrease/(increase) in property under development for sale	供出售發展中物業減少/(增加)	197,398	(58,693)
Exchange translation	滙兌換算	7,252	1,869
Net cash inflow generated from operations	經營產生之現金流入淨額	288,809	249,051

40. Notes to the consolidated cash flow statement (continued)

40. 綜合現金流量表附註(續)

(b) Disposal of subsidiaries

(b) 出售附屬公司

		2007
		HK\$'000
		港幣千元
Net liabilities disposed of	出售負債淨額	
Property under development	發展中物業	—
Receivables and prepayments	應收賬款及預付金	210
Cash and bank balances	現金及銀行結存	408
Payables and accruals	應付賬款及應計費用	(416)
Exchange reserves	滙兌儲備	(28)
Minority interests	少數股東權益	(1,331)
		(1,157)
Gain on disposal	出售之溢利	4,776
		3,619
Total consideration	總代價	3,619
Satisfied by:	由以下償付:	
Cash	現金	3,619
Net cash inflow arising on disposal:	出售之現金流入淨額	
Cash consideration	現金代價	3,619
Cash and bank balances disposed of	出售之現金及銀行結存	(408)
		3,211
Net cash inflow in respect of the disposal of subsidiaries	因出售附屬公司引致之現金流入淨額	3,211

40. Notes to the consolidated cash flow statement (continued)

(c) Analysis of changes in financing during the year

40. 綜合現金流量表附註(續)

(c) 本年度融資變動之分析

		Share capital (including premium)	Retained profits	Minority interests (including amount due from/(to) minority shareholders)	Bank loans	Restricted bank deposits	Total
		股本 (包括溢價)	保留溢利	少數股東權益(包括應收/(應付)少數股東款項)	銀行貸款	受限制銀行存款	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	HK\$'000 港幣千元
At 1 April 2005	於二零零五年四月一日	212,254	126,655	12,542	243,629	(13,803)	581,277
Cash (outflow)/inflow from financing	融資之現金 (流出)/流入	(189)	-	(831)	34,130	(158,147)	(125,037)
Shares repurchased	回購股份						
- paid out of retained profits	- 由保留溢利支付	334	(334)	-	-	-	-
- on cancellation	- 註銷	(66)	-	-	-	-	(66)
Profit retained for the year	本年度保留溢利	-	120,296	30,053	-	-	150,349
Dividends paid	已派股息	-	(31,978)	-	-	-	(31,978)
Dividends to a minority shareholder	已派予一少數股東股息	-	-	(1,320)	-	-	(1,320)
Acquisition of a subsidiary	收購一附屬公司	-	-	-	-	(676)	(676)
Disposal of a subsidiary	出售一附屬公司	-	-	(853)	-	-	(853)
Liquidation of a subsidiary	一附屬公司清盤	-	-	51	-	-	51
Exchange translation	滙兌換算	-	-	-	2,589	(300)	2,289
At 31 March 2006	於二零零六年三月三十一日	212,333	214,639	39,642	280,348	(172,926)	574,036
Cash inflow/(outflow) from financing	融資之現金 流入/(流出)	152	-	(4,553)	(255,348)	99,999	(159,750)
Profit retained for the year	本年度保留溢利	-	105,399	8,632	-	-	114,031
Dividends paid	已派股息	-	(83,074)	-	-	-	(83,074)
Disposal of subsidiaries	出售附屬公司	-	-	(1,331)	-	-	(1,331)
Exchange translation	滙兌換算	-	-	-	-	(2,973)	(2,973)
At 31 March 2007	於二零零七年三月三十一日	212,485	236,964	42,390	25,000	(75,900)	440,939

41. Principal subsidiaries and associated companies

41. 主要附屬公司及聯號

Company 公司	Country of incorporation/ registration/ operation 成立／註冊／ 經營地點	The Group's effective percentage of interest held by Company Subsidiaries 本集團所持 實際權益百分比 本公司 附屬公司		Issued and paid up capital 已發行及 繳足股本	Principal activities 主要業務
Subsidiaries: 附屬公司：					
+ All Achieve Limited + 全達有限公司	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金1元	Investment holding 投資控股
Ample Honour International Limited 得標國際有限公司	Hong Kong 香港	—	100%	HK\$1 港幣1元	Investment holding 投資控股
+~ Anber Limited	Hong Kong 香港	—	62.5%	HK\$200 港幣200元	Investment holding 投資控股
+@ Beijing Hsin Chong Project Management Consultant Ltd. +@ 北京新昌建設管理顧問 有限公司	PRC 中國	—	100%	US\$600,000 美金600,000元	Construction project management and consultancy services 建造項目管理及顧問服務
+ Bioneering Limited + 宝伊齡有限公司	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金1元	Investment holding 投資控股
Cogent Spring Limited	Hong Kong 香港	—	100%	HK\$2 港幣2元	Property investment 物業投資
+ Complete Limited + 完滿有限公司	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金1元	Investment holding 投資控股
Concrete Repairs (H.K.) Limited 混凝土維修工程 (香港)有限公司	Hong Kong 香港	—	100%	HK\$1,000,000 港幣1,000,000元	Concrete repairs 混凝土維修
Deventer Limited	Hong Kong 香港	—	100%	HK\$10 港幣10元	Property holding 物業持有

41. Principal subsidiaries and associated companies

(continued)

41. 主要附屬公司及聯號 (續)

Company 公司	Country of incorporation/ registration/ operation 成立／註冊／ 經營地點	The Group's effective percentage of interest held by Company Subsidiaries 本集團所持 實際權益百分比 本公司 附屬公司		Issued and paid up capital 已發行及 繳足股本	Principal activities 主要業務
Subsidiaries: (continued) 附屬公司：(續)					
▽ Easeway Engineering Limited 怡華工程有限公司	Hong Kong 香港	—	62.5%	HK\$10,000 港幣10,000元	Investment holding 投資控股
▽ Easeway Thaison Co. Limited	Socialist Republic of Vietnam 越南	—	43.75%	US\$2,000,000 美金2,000,000元	Property development 物業發展
Ever Apex Construction (Macau) Company Limited 永發建築(澳門)有限公司	Macau 澳門	—	100%	MOP25,000 澳門幣25,000元	Registered contractor services 承建商服務
Ever Gain Limited 永豐有限公司	Macau 澳門	—	100%	MOP25,000 澳門幣25,000元	Provision of labour agency services 提供招聘代理服務
Everich Construction (Macau) Limited 恆裕建築(澳門)有限公司	Macau 澳門	—	100%	MOP25,000 澳門幣25,000元	Registered contractor services 承建商服務
Glenwell Orient Limited 景惠東方有限公司	Hong Kong 香港	—	70%	HK\$100 港幣100元	Investment holding 投資控股
+# Guangzhou Fengyu Real Estate Co. Ltd. +# 廣州豐裕房地產有限公司	PRC 中國	—	42%	HK\$80,000,000 港幣80,000,000元	Real estate development 房地產發展

41. Principal subsidiaries and associated companies

(continued)

41. 主要附屬公司及聯號 (續)

Company 公司	Country of incorporation/ registration/ operation 成立／註冊／ 經營地點	The Group's effective percentage of interest held by Company 本公司	Subsidiaries 附屬公司	Issued and paid up capital 已發行及 繳足股本	Principal activities 主要業務
Subsidiaries: (continued) 附屬公司：(續)					
+@ Guangzhou Free Trade Zone Dongjing Property Co. Ltd. +@ 廣州保稅區東景置業有限公司	PRC 中國	—	70%	HK\$12,290,000 港幣 12,290,000元	Real estate investment 房地產投資
HCCG Building and Civil Engineering (Macau) Limited 新營房屋及土木工程(澳門)有限公司	Macau 澳門	—	100%	MOP25,000 澳門幣 25,000元	Building construction and civil engineering 樓宇建造及土木工程
HCCG China Construction Limited 新昌營造中國有限公司	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金 1元	Investment holding 投資控股
HCCG China Facility Management Limited 新昌營造中國設施管理有限公司	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金 1元	Investment holding 投資控股
HCCG China Holdings Limited 新昌營造中國控股有限公司	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金 1元	Investment holding 投資控股
HCCG China Investment Limited 新昌營造中國投資有限公司	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金 1元	Investment holding 投資控股

41. Principal subsidiaries and associated companies

(continued)

41. 主要附屬公司及聯號 (續)

Company	Country of incorporation/ registration/ operation	The Group's effective percentage of interest held by		Issued and paid up capital	Principal activities
公司	成立／註冊／ 經營地點	本公司	Subsidiaries 附屬公司	已發行及 繳足股本	主要業務
Subsidiaries: (continued)					
附屬公司：(續)					
Hsin Chong – Hsin Chong Aster Joint Venture 新昌－新昌亞仕達聯營	Hong Kong 香港	–	100%	–	Building construction and mechanical, electrical and building services 樓宇建造及機電工程及 屋宇設備
Hsin Chong Aster Building Services Limited 新昌亞仕達屋宇設備 有限公司	Hong Kong 香港	–	100%	HK\$2,050,000 (A) HK\$2,050,000 (B) 港幣2,050,000元(A) 港幣2,050,000元(B)	Mechanical, electrical and building services 機電工程及屋宇設備
Hsin Chong Aster Building Services (Asia) Limited 新昌亞仕達屋宇設備 (亞洲)有限公司	Hong Kong 香港	–	100%	HK\$2,000,000 港幣2,000,000元	Mechanical, electrical and building services 機電工程及屋宇設備
+ Hsin Chong Aster China Limited + 新昌亞仕達中國有限公司	British Virgin Islands 英屬處女群島	–	100%	US\$1 美金1元	Investment holding 投資控股
+ Hsin Chong Aster Macau Limited + 新昌亞仕達澳門 有限公司	Macau 澳門	–	100%	MOP25,000 澳門幣25,000元	Electrical and mechanical works and maintenance 機電工程及維修
Hsin Chong Civil Engineering Company Limited 新昌土木工程 有限公司	Hong Kong 香港	–	100%	HK\$2 港幣2元	Civil engineering 土木工程

41. Principal subsidiaries and associated companies

(continued)

41. 主要附屬公司及聯號 (續)

Company 公司	Country of incorporation/ registration/ operation 成立／註冊／ 經營地點	The Group's effective percentage of interest held by Company Subsidiaries 本集團所持 實際權益百分比 本公司 附屬公司		Issued and paid up capital 已發行及 繳足股本	Principal activities 主要業務
Subsidiaries: (continued) 附屬公司：(續)					
Hsin Chong Civil Engineering (Asia) Limited 新昌土木工程(亞洲)有限公司	Hong Kong 香港	—	100%	HK\$7,500,000 (A) HK\$7,500,000 (B) 港幣 7,500,000元(A) 港幣 7,500,000元(B)	Civil engineering 土木工程
Hsin Chong Construction Company Limited 新昌營造廠有限公司	Hong Kong 香港	—	100%	HK\$20,000,000 ¹ HK\$2,000 港幣 20,000,000元 ¹ 港幣 2,000元	Building construction and civil engineering 樓宇建造及土木工程
+@ Hsin Chong Construction Company Limited +@ 新昌營造建築有限公司	PRC 中國	—	100%	US\$6,100,000 美金 6,100,000元	Building construction and civil engineering 樓宇建造及土木工程
Hsin Chong Construction (Asia) Limited 新昌營造廠(亞洲)有限公司	Hong Kong 香港	—	100%	HK\$10,000,000 ¹ HK\$2,000 港幣 10,000,000元 ¹ 港幣 2,000元	Building construction and civil engineering 樓宇建造及土木工程
Hsin Chong Construction (BVI) Ltd.	British Virgin Islands 英屬處女群島	100%	—	HK\$150,000 港幣 150,000元	Investment holding 投資控股
Hsin Chong Construction (Macau) Limited 新昌營造(澳門)有限公司	Hong Kong 香港	—	100%	HK\$2 港幣 2元	Construction management services 建造管理服務
Hsin Chong Construction Management Limited 新昌項目管理有限公司	Hong Kong 香港	—	100%	HK\$1 港幣 1元	Construction management services 建造管理服務

41. Principal subsidiaries and associated companies

(continued)

41. 主要附屬公司及聯號 (續)

Company 公司	Country of incorporation/ registration/ operation 成立／註冊／ 經營地點	The Group's effective percentage of interest held by Company Subsidiaries 本集團所持 實際權益百分比 本公司 附屬公司		Issued and paid up capital 已發行及 繳足股本	Principal activities 主要業務
Subsidiaries: (continued) 附屬公司：(續)					
Hsin Chong Construction Management Services Limited 新昌營造管理服務有限公司	Hong Kong 香港	—	100%	HK\$1,000,000 港幣1,000,000元	Construction management services 建造管理服務
Hsin Chong Construction Management Services (China) Limited 新昌營造管理服務(中國)有限公司	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金1元	Construction management services 建造管理服務
Hsin Chong (Corporate Services) Limited 新昌(公司事務)有限公司	Hong Kong 香港	—	100%	HK\$2 港幣2元	Corporate services 公司事務
Hsin Chong Development (China) Limited 新昌發展(中國)有限公司	Hong Kong 香港	—	100%	HK\$10,000 港幣10,000元	Investment holding 投資控股
Hsin Chong Development (Vietnam) Limited 新昌發展(越南)有限公司	Hong Kong 香港	—	100%	HK\$2 港幣2元	Investment holding 投資控股
Hsin Chong Engineering (Macau) Limited 新昌工程(澳門)有限公司	Macau 澳門	—	100%	MOP25,000 澳門幣25,000元	Construction management services 建造管理服務
Hsin Chong Environmental Engineering Company Limited	Hong Kong 香港	—	100%	HK\$5,000,000 港幣5,000,000元	Environmental engineering 環境工程

41. Principal subsidiaries and associated companies

(continued)

41. 主要附屬公司及聯號 (續)

Company 公司	Country of incorporation/ registration/ operation 成立／註冊／ 經營地點	The Group's effective percentage of interest held by Company 本集團所持 實際權益百分比 本公司	Subsidiaries 附屬公司	Issued and paid up capital 已發行及 繳足股本	Principal activities 主要業務
Subsidiaries: (continued) 附屬公司：(續)					
+~# Hsin Chong Rocks Business Management and Consultant (Beijing) Limited +~# 北京新昌洛熾商務 管理諮詢有限公司	PRC 中國	—	99%	US\$166,700 美金 166,700元	Consultancy services in construction business 建築業務諮詢服務
+^ Hsin Chong (Singapore) Pte. Ltd.	Singapore 新加坡	—	100%	S\$1 新加坡幣 1元	Construction and provision of construction related services 建造及提供與建造相關 之服務
Hsin Chong Specialist Contractors Limited 新昌專業營造廠有限公司	Hong Kong 香港	—	100%	HK\$1,000,000 港幣 1,000,000元	Conversion, renovation and fitting-out 改建、修葺及裝修
Insight One Investments Limited 燕莎第一投資有限公司	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金 1元	Investment holding 投資控股
+ IT & T Builders Sdn. Bhd.	Malaysia 馬來西亞	—	55%	MR1,000,000 MR1,000,000 ^ 馬幣 1,000,000元 馬幣 1,000,000元 ^	Building construction 樓宇建造
+ Jadeport Enterprises Limited	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金 1元	Investment holding 投資控股
Key Future Limited 建富卓有限公司	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金 1元	Investment holding 投資控股

41. Principal subsidiaries and associated companies

(continued)

41. 主要附屬公司及聯號 (續)

Company	Country of incorporation/ registration/ operation	The Group's effective percentage of interest held by		Issued and paid up capital	Principal activities
公司	成立／註冊／ 經營地點	本公司	Subsidiaries 附屬公司	已發行及 繳足股本	主要業務
Subsidiaries: (continued)					
附屬公司：(續)					
Linders View Limited	British Virgin Islands/ Hong Kong 英屬處女群島／香港	—	92.79%	US\$652 美金652元	Holding and leasing plant and machinery 控股及機器租賃
+ New Strength Limited + 新強有限公司	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金1元	Investment holding 投資控股
Readon View Limited	British Virgin Islands/ Hong Kong 英屬處女群島／香港	—	100%	US\$1 美金1元	Holding and leasing plant and machinery 控股及機器租賃
Rife Yard Limited	Hong Kong 香港	—	100%	HK\$1,000 港幣1,000元	Real estate development 房地產發展
+ Rocheland Company Limited	Hong Kong 香港	—	100%	HK\$10,000 港幣10,000元	Investment holding 投資控股
+ Taxwood Limited + 德活有限公司	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金1元	Investment holding 投資控股
* Techtrade Limited	British Virgin Islands 英屬處女群島	—	100%	US\$1 美金1元	Investment holding 投資控股
Wellhurst Company Limited	Hong Kong 香港	—	100%	HK\$2 港幣2元	Investment holding 投資控股
~ Yik Shing Limited ~ 亦誠有限公司	Hong Kong 香港	—	100%	HK\$2 港幣2元	Investment holding 投資控股
Hsin Chong – Taylor Woodrow Joint Venture No. 1	Hong Kong 香港	—	60%	—	Building design and construction 樓宇設計及建築

41. Principal subsidiaries and associated companies

(continued)

41. 主要附屬公司及聯號 (續)

Company 公司	Country of incorporation/ registration/ operation 成立／註冊／ 經營地點	The Group's effective percentage of interest held by Company 本集團所持 實際權益百分比 本公司	Subsidiaries 附屬公司	Issued and paid up capital 已發行及 繳足股本	Principal activities 主要業務
Associated companies:					
聯號：					
γ+#^ Beijing Hsin Chong Facility Management Co., Ltd. γ+#^ 北京新昌設施管理有限公司	PRC 中國	—	25%	RMB6,000,000 人民幣6,000,000元	Facility management 設施管理
+* Budi Ikhtiar Sdn. Bhd.	Malaysia 馬來西亞	—	20%	MR18,000,000 馬幣18,000,000元	Real estate development 房地產發展
Cheer Star Development Limited 喧耀發展有限公司	Hong Kong 香港	—	22.5%	HK\$10,000 港幣10,000元	Hotel operations 酒店業務
CS Management Services Limited 斯誠管理服務有限公司	Hong Kong 香港	—	22.5%	HK\$2 港幣2元	Hotel management services 酒店管理服務
+* Globpac Development Limited	Hong Kong 香港	—	25%	HK\$10,000 港幣10,000元	Real estate development 房地產發展
Goldian Limited	Hong Kong 香港	—	25%	HK\$10,000 港幣10,000元	Investment holding and real estate development 投資控股及房地產發展
Infinity Goal Limited	Hong Kong 香港	—	30%	HK\$10,000 港幣10,000元	Real estate development and leasing of a building's roof 房地產發展及天台租賃
Topway Investments Limited	British Virgin Islands 英屬處女群島	—	33.33%	US\$6,000 美金6,000元	Investment holding 投資控股

41. Principal subsidiaries and associated companies

(continued)

41. 主要附屬公司及聯號 (續)

Company	Country of incorporation/ registration/ operation	The Group's effective percentage of interest held by		Issued and paid up capital	Principal activities
公司	成立／註冊／ 經營地點	本公司	Subsidiaries 附屬公司	已發行及 繳足股本	主要業務

Associated companies: (continued)

聯號：(續)

Victory Guide Limited 勝逸有限公司	Hong Kong 香港	—	30%	HK\$10 港幣10元	Property investment 物業投資
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1 Non-voting deferred shares

Δ Preference shares

Equity joint venture

^ Except for the companies incorporated or interest reduced during the year which are marked with " ^ ", percentage of equity interest are unchanged from 31 March 2006

▽ Disposed of during the year ended 31 March 2007

* Dissolved during the year ended 31 March 2007

@ Wholly foreign owned enterprise

~ In liquidation

+ Companies not audited by PricewaterhouseCoopers

γ Upon the reduction of the effective interest in the company from 50% to 25%, the company was regarded as an associated company in the year

1 無投票權遞延股

Δ 優先股

合資企業

^ 除於本年度成立或減持之公司權益(按標記符號^)外, 權益百分率由二零零六年三月三十一日起沒有改變

▽ 截至二零零七年三月三十一日止年度出售

* 截至二零零七年三月三十一日止年度解散

@ 外資獨資企業

~ 清盤中

+ 非由羅兵咸永道會計師事務所審核

γ 由於本集團持有其實際權益由50%減至25%, 此公司於本年度被視為聯號

Five Year Financial Summary

五年財務摘要

In HK\$ thousand except otherwise indicated 港幣千元·特別註明除外

		Year ended 31 March 截至三月三十一日止財政年度				
		2007	2006	2005	2004	2003
OPERATING RESULTS	經營業績					
Revenue	收益	3,007,166	2,275,911	1,153,656	1,502,816	1,846,717
Operating profit/(loss) after finance costs	扣除融資成本後之經營盈利/(虧損)	112,511⁽¹⁾	141,114 ⁽³⁾	45,983 ⁽⁵⁾	(40,289) ⁽⁷⁾	(179,659) ⁽⁸⁾
Share of profits less losses/ (losses less profits) of jointly controlled entities and associated companies	應佔共同控制實體及聯號之溢利減虧損/(虧損減溢利)	10,088⁽²⁾	15,723 ⁽⁴⁾	(8,154) ⁽⁶⁾	2,665	(26,860) ⁽⁹⁾
Profit/(loss) before income tax	所得稅前溢利/(虧損)	122,599	156,837	37,829	(37,624)	(206,519)
Income tax (expense)/credit	所得稅(開支)/抵免	(8,568)	(6,488)	(4,510)	691	5,416
Profit/(loss) after income tax	所得稅後溢利/(虧損)	114,031	150,349	33,319	(36,933)	(201,103)
Minority interests	少數股東權益	(8,632)	(30,053)	(10,329)	38,019	(45,791)
Profit/(loss) attributable to equity holders of the Company	本公司權益持有人應佔溢利/(虧損)	105,399	120,296	22,990	1,086	(246,894)
ASSETS AND LIABILITIES	資產及負債					
Total assets	總資產	1,623,696	1,780,450	1,277,559	1,351,451	1,502,799
Total liabilities	總負債	(1,028,347)	(1,218,939)	(803,183)	(904,572)	(997,922)
		595,349	561,511	474,376	446,879	504,877
PER SHARE FIGURES (Cents)	每股數字(仙)					
Earnings/(loss) per share	每股盈利/(虧損)	16.5	18.8	3.6	0.2	(38.6)
Dividend per share	每股股息	14.0⁽¹⁰⁾	12.0 ⁽¹⁰⁾	2.0	0.0	0.0
Cash flow from operation per share	每股業務現金流量	27.3	23.2	(8.5)	6.0	(2.6)
Net assets value per share	每股資產淨值	91.8	86.4	72.7	69.1	68.9
FINANCIAL RATIOS	財務比率					
Pretax margin	除稅前邊際利潤	3.7%	6.2%	4.0%	-2.7%	-9.7%
Dividend payout ratio	派息比率	84.8%	63.8%	55.6%	0.0%	0.0%
Debt to capitalisation ratio	負債對資本比率	4.0%	33.3%	33.8%	34.8%	28.5%
Return on average equity	平均股東權益回報率	18.5%	23.7%	5.1%	0.3%	-43.8%

Notes:	附註:
(1) Included HK\$38 million write back of impairment loss on a property in Guangzhou, PRC.	(1) 包括一項位於中國廣州物業之減值虧損回撥港幣38,000,000元。
(2) Included HK\$11 million profit on disposal of a hotel property in Sai Wan, Hong Kong.	(2) 包括出售一項位於香港西環酒店物業之溢利港幣11,000,000元。
(3) Included HK\$88 million write back of impairment loss on a property under development for sale in Guangzhou, PRC.	(3) 包括一項位於中國廣州之供出售發展中物業之減值虧損回撥港幣88,000,000元。
(4) Included HK\$39 million for equity share of write back of impairment loss on a hotel property in Sai Wan, Hong Kong.	(4) 包括一項位於香港西環酒店物業之權益股份減值虧損回撥港幣39,000,000元。
(5) Included a write back of impairment loss of HK\$25 million for a leasehold land and building in Hong Kong.	(5) 包括一項位於香港之租約土地及樓宇之減值虧損回撥港幣25,000,000元。
(6) Included HK\$30 million for equity share of write back of impairment loss on a hotel property in Sai Wan, Hong Kong.	(6) 包括一項位於香港西環酒店物業之權益股份減值虧損回撥港幣30,000,000元。
(7) Included a provision of HK\$109 million for impairment in value of a property under development in Guangzhou, as offset by the write back of provision of HK\$60 million for a leasehold land and building in Hong Kong, HK\$32 million for gain on deconsolidation of liquidated subsidiaries and HK\$18 million for write back of special retirement benefit costs.	(7) 包括對一項位於廣州之發展中物業作出之減值準備港幣109,000,000元，並扣減一項位於香港之租約土地及樓宇準備回撥港幣60,000,000元，因不綜合計算清盤中附屬公司而產生之得益港幣32,000,000元及特殊退休福利費用回撥港幣18,000,000元。
(8) Included a provision of HK\$26 million for accrued staff leave and retirement benefits and total provisions of HK\$155 million for impairment in value of a leasehold land and building, an investment property and stock of car park property.	(8) 包括為累積員工假期及退休福利撥備港幣26,000,000元及就一項租約之土地及樓宇、投資物業與車位物業存貨共作出之減值準備港幣155,000,000元。
(9) Included a provision of HK\$15 million for impairment in value of attributable interest in a hotel property in Sai Wan, Hong Kong.	(9) 包括一項位於香港西環酒店物業應佔權益作出之減值港幣15,000,000元。
(10) Included proposed special dividend of HK6.0 cents per ordinary share.	(10) 包括擬派特別股息每股普通股港幣6.0仙。

Proforma Combined Balance Sheet of Affiliated Companies

聯屬公司之備考合併資產負債表

The Group had amounts due from and loan to certain affiliated companies in a total sum of HK\$95.2 million and guarantee given to joint venture partners for banking facility granted of HK\$55.2 million totalling HK\$150.4 million as at 31 March 2007 which exceeds 8% of the Group's total assets. A proforma combined balance sheet of certain affiliated companies to which the Group provides major financial assistance and the Group's attributable interest in these affiliated companies are presented below:

於二零零七年三月三十一日本集團若干聯屬公司欠款及貸款額為港幣95,200,000元，另給予合營企業夥伴信貸擔保額為港幣55,200,000元，合共為港幣150,400,000元，有關款額超過本集團總資產百分之八。若干獲主要財務援助之聯屬公司之備考合併資產負債表及本集團所佔該等聯屬公司權益現呈報如下：

		Proforma combined balance sheet	Group's attributable interest
		備考合併 資產負債表	集團 所佔權益
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Current assets	流動資產	179,719	35,943
Current liabilities	流動負債	(169,719)	(33,943)
Joint venture partners' advances	合營企業夥伴貸款	(435,000)	(87,000)
Net liabilities	負債淨額	(425,000)	(85,000)

Major Projects

主要工程項目

Major Projects In-Progress

現時進行之主要工程

Description	Group's Interest	Contract Value (HK\$)	Commencement Date	Anticipated Completion Date	Client/Ultimate Employer
工程	本集團 所佔權益	合約金額 (港幣)	開工日期	預期竣工日期	客戶/ 最終僱主
CONSTRUCTION WORKS					
建造工程					
Design and Construction of Prince of Wales Hospital — Extension Block 威爾斯親王醫院 — 擴建大樓 建設及建造工程	50%	1,654,258,000 *	April 2007 二零零七年四月	October 2009 二零零九年十月	Architectural Services Department 建築署
Venetian Cotai Parcels 5/6 威尼斯人路氹Parcels 5/6	100%	1,268,118,000	October 2005 二零零五年十月	November 2008 二零零八年十一月	Venetian Orient Limited 東方威尼斯人有限公司
Pok Oi Hospital Redevelopment and Expansion at Yuen Long, N.T. 新界元朗博愛醫院重建及擴建工程	100%	1,029,963,000 *	September 2003 二零零三年九月	August 2007 二零零七年八月	Hospital Authority 醫院管理局
Venetian Cotai Parcel 1 威尼斯人路氹Parcel 1	100%	1,001,441,000	October 2004 二零零四年十月	December 2007 二零零七年十二月	Venetian Cotai Limited 威尼斯人路氹股份有限公司
Substructure & Superstructure Works for HSBC Data Centre at Tseung Kwan O Industrial Estate Lot No. 39 將軍澳工業邨39地段滙豐銀行數據中心	100%	908,338,000	July 2006 二零零六年七月	January 2008 二零零八年一月	The Hongkong and Shanghai Banking Corporation Limited 香港上海滙豐銀行有限公司
Main Contract for Atrium Hotel at Pacific Place, 88 Queensway, Hong Kong 香港金鐘道88號太古廣場 Atrium酒店項目	100%	577,021,000	June 2007 二零零七年六月	April 2009 二零零九年四月	Pacific Place Holdings Limited 太古廣場投資有限公司
Beijing Central Park Phase 3 北京新城國際公寓第三期	100%	494,093,000	September 2005 二零零五年九月	December 2007 二零零七年十二月	Beijing Premium Real Estate Limited 北京萬置房地產開發有限公司
Venetian Cotai Parcel 2 威尼斯人路氹Parcel 2	100%	489,234,000	October 2005 二零零五年十月	August 2008 二零零八年八月	Venetian Cotai Limited 威尼斯人路氹股份有限公司
Hong Kong Science Park Phase 2 Main Works (Area A) 香港科技園第二期工程A區	55%	470,000,000 +	April 2005 二零零五年四月	July 2007 二零零七年七月	Hong Kong Science & Technology Parks Corporation 香港科技園公司

Major Projects In-Progress (continued)

現時進行之主要工程 (續)

Description	Group's Interest	Contract Value (HK\$)	Commencement Date	Anticipated Completion Date	Client/Ultimate Employer
工程	本集團 所佔權益	合約金額 (港幣)	開工日期	預期竣工日期	客戶/ 最終僱主
CONSTRUCTION WORKS (continued)					
建造工程 (續)					
Beijing Central Park Phase 2 Group II 北京新城國際公寓第二期第二組團	100%	427,193,000	March 2005 二零零五年三月	May 2007 ~ 二零零七年五月 ~	Beijing Premium Real Estate Limited 北京萬置房地產開發有限公司
Sand's Podium & Tower	100%	125,299,000	March 2005 二零零五年三月	September 2007 二零零七年九月	Venetian Macau Limited 威尼斯人澳門股份有限公司
CIVIL ENGINEERING WORKS					
土木工程					
Stonecutters Bridge 昂船洲大橋	20%	2,760,000,000	April 2004 二零零四年四月	March 2009 二零零九年三月	Highways Department 路政署
Sha Tin New Town, Stage II, Road T3 and Associated Roadworks 沙田新市鎮第2階段T3號主幹道路 及相關工程	20%	1,483,400,000	March 2003 二零零三年三月	February 2008 二零零八年二月	Civil Engineering and Development Department 土木工程拓展署
Sha Tin Racecourse — Extension of Existing Underpass Contract 沙田馬場隧道擴建工程	100%	30,489,000	June 2006 二零零六年六月	February 2007 ~ 二零零七年二月 ~	The Hong Kong Jockey Club 香港賽馬會
BUILDING SERVICES WORKS					
屋宇設備工程					
Prince of Wales Hospital – Extension Block — Package Electrical and Mechanical Installation 威爾斯親王醫院 — 擴建大樓 綜合機電安裝	100%	548,000,000 #	April 2007 二零零七年四月	October 2009 二零零九年十月	Architectural Services Department 建築署
Hong Kong Science Park Phase 2 Main Works (Area A) 香港科技園第二期工程A區	45%	470,000,000 +	April 2005 二零零五年四月	July 2007 二零零七年七月	Hong Kong Science and Technology Parks Corporation 香港科技園公司

Major Projects In-Progress (continued)

現時進行之主要工程 (續)

Description	Group's Interest	Contract Value (HK\$)	Commencement Date	Anticipated Completion Date	Client/Ultimate Employer
工程	本集團 所佔權益	合約金額 (港幣)	開工日期	預期竣工日期	客戶/ 最終僱主
BUILDING SERVICES WORKS (continued)					
屋宇設備工程 (續)					
Pok Oi Hospital Redevelopment and Expansion at Yuen Long, N.T. —ACMV, Electrical, Fire Services, Pneumatic Tube Transportation System and Steam Services Installation 新界元朗博愛醫院重建及擴建工程 空調、通風、電氣、消防、氣壓運輸管及蒸氣系統安裝	100%	354,707,000 #	September 2003 二零零三年九月	August 2007 二零零七年八月	Hospital Authority 醫院管理局
Hong Kong Science Park Phase 2 Main Works (Area B) — HVAC, Electrical and Fire Services Installation 香港科技園第二期工程B區 空調採暖、電氣及消防系統安裝	100%	257,147,000	June 2005 二零零五年六月	August 2007 二零零七年八月	Hong Kong Science and Technology Parks Corporation 香港科技園公司
Proposed Office Development on KTIL 242 at 102 How Ming Street, Kwun Tong — MVAC Installation 觀塘巧明街102號觀塘內地段242號 擬建寫字樓發展項目通風空調系統安裝	100%	204,500,000	March 2007 二零零七年三月	July 2008 二零零八年七月	Begin Land Limited 始都有限公司
Hong Kong Science Park Phase 2 Area A2 at TPTL No. 182 (Laboratory Buildings) — HVAC and Electrical Installation 大埔市地段182號香港科技園第二期工程 A2區 (實驗室大樓) 空調採暖及電氣安裝	100%	188,000,000	December 2006 二零零六年十二月	April 2008 二零零八年四月	Hong Kong Science and Technology Parks Corporation 香港科技園公司

Major Projects In-Progress (continued)

現時進行之主要工程 (續)

Description	Group's Interest	Contract Value (HK\$)	Commencement Date	Anticipated Completion Date	Client/Ultimate Employer
工程	本集團 所佔權益	合約金額 (港幣)	開工日期	預期竣工日期	客戶/ 最終僱主
BUILDING SERVICES WORKS (continued)					
屋宇設備工程 (續)					
The Hong Kong side of Passenger Terminal Building at Shenzhen-Hong Kong Western Corridor — HVAC, Electrical and Plumbing & Drainage Installation 深港西部通道口岸旅檢大樓 (香港部份) 空調採暖、電氣及給排水系統安裝	100%	113,931,000	February 2006 二零零六年二月	December 2006 ~ 二零零六年十二月 ~	Shenzhen-Hong Kong Western Corridor Project Office 深圳市深港西部通道 工程建設辦公室
Hong Kong Science Park Phase 2 Main Works (Area C) — HVAC and Electrical Installation 香港科技園第二期工程C區 空調採暖及電氣安裝	100%	86,500,000	October 2005 二零零五年十月	August 2007 二零零七年八月	Hong Kong Science and Technology Parks Corporation 香港科技園公司
Redevelopment of Lido Complex at 26-30 Beach Road, Repulse Bay — MVAC, Electrical, Fire Services and Plumbing & Drainage Installation 淺水灣海灘道26-30號麗都重建項目 通風、空調、電氣、消防及給排水系統安裝	100%	59,000,000	March 2007 二零零七年三月	January 2008 二零零八年一月	Gold Shine Investment Limited 通耀投資有限公司
Retail Centre at Union Square — Plumbing and Drainage Installation 九龍站零售商場 給排水系統安裝	100%	33,700,000	August 2005 二零零五年八月	August 2007 二零零七年八月	MTR Corporation 地鐵公司

Major Projects Completed During the Financial Year and Subsequent to the Year End

本財政年度內及年結後完成之主要工程

Description	Group's Interest	Contract Value (HK\$)	Commencement Date	Completion Date	Client/Ultimate Employer
工程	本集團 所佔權益	合約金額 (港幣)	開工日期	竣工日期	客戶/ 最終僱主
CONSTRUCTION WORKS					
建造工程					
Residential Redevelopment at STTL 526, No. 2 Lok Kwai Path, Area 43, Shatin, N.T. 新界沙田第43區樂葵徑2號沙田市地段526號住宅重建	100%	577,487,000	April 2004 二零零四年四月	May 2006 二零零六年五月	Landyork Investment Limited 達華地產有限公司
Proposed Residential Development at Lot No. 4784 in D.D. 104, Ngau Tam Mei, Yuen Long 元朗牛潭尾104地段4784號擬建住宅工程	100%	160,769,000	May 2005 二零零五年五月	September 2006 二零零六年九月	Firmwin Peak Limited
Tong Ren Tang Chinese Medicine Manufacturing Factory at Tai Po Industrial Estate 大埔工業邨同仁堂國藥廠工程	100%	97,021,000 *	January 2005 二零零五年一月	July 2006 二零零六年七月	Beijing Tong Ren Tang Chinese Medicine Company Limited 北京同仁堂國藥有限公司
CIVIL ENGINEERING WORKS					
土木工程					
Construction of San Tin Eastern Main Drainage Channel 新田東主要排水道工程	100%	342,613,000	October 2002 二零零二年十月	September 2006 二零零六年九月	Drainage Services Department 渠務署
BUILDING SERVICES WORKS					
屋宇設備工程					
A Purpose-Designed Building for Centralized Science Laboratories of The Chinese University of Hong Kong — Electrical Installation 香港中文大學實驗室專門大樓 電氣安裝	100%	19,834,000	November 2004 二零零四年十一月	December 2006 二零零六年十二月	The Chinese University of Hong Kong 香港中文大學

Major Projects Completed During the Financial Year and Subsequent to the Year End (continued)

本財政年度內及年結後完成之主要工程 (續)

Description	Group's Interest	Contract Value (HK\$)	Commencement Date	Completion Date	Client/Ultimate Employer
工程	本集團 所佔權益	合約金額 (港幣)	開工日期	竣工日期	客戶/ 最終僱主

BUILDING SERVICES WORKS (continued)

屋宇設備工程 (續)

Tong Ren Tang Chinese Medicine Manufacturing Factory at Tai Po Industrial Estate — MVAC and Fire Services Installation 大埔工業邨同仁堂國藥廠工程 通風、空調及消防安裝	100%	10,921,000 #	October 2005 二零零五年十月	July 2006 二零零六年七月	Beijing Tong Ren Tang Chinese Medicine Company Limited 北京同仁堂國藥有限公司
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* Part of the contract has been sub-contracted to group companies
部份合約已分判予集團內公司

Sub-contract value being awarded by group companies or joint venture
集團內公司或合營企業授予之分判合約額

+ Undertaken by Hsin Chong – Hsin Chong Aster Joint Venture, a collaboration between the Group's construction arm and the electrical and mechanical installation division
由新昌—新昌亞仕達合營企業承建·其為本集團建造業務與機電安裝工程業務之合營企業

~ Awaiting PC certificate
待發完工紙

Major Properties

主要物業

Properties Held for Investment/Sale as at 31 March 2007

二零零七年三月三十一日之投資／出售物業

Description 物業詳述	Use 用途	Approximate Gross Floor Area 概約樓面總面積 (square feet) (平方呎)	Status 狀況	Lease Term 年期	Percentage of Group's Interest 本集團所佔權益 百分率
No. 3 Lockhart Road Wanchai, Hong Kong 香港灣仔駱克道3號	Office 商用	77,000	Rental 租賃	Short 短期	100%
Hsin Chong Center 107-109 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong 新昌中心 香港九龍觀塘偉業街107至109號	Office 商用	107,000	Head Office* 總部†	Medium 中期	100%
Carparks in Lung Mun Oasis 43 Lung Mun Road, Tuen Mun, New Territories, Hong Kong 龍門居之車位 香港新界屯門龍門路43號	Carpark 車位	257 carparks 257個車位	For Sale 出售	Medium 中期	100%
Guangzhou Wen Chang Pavilion No. 235-267 Wen Chang Road North, Li Wan District, Guangzhou City, PRC 廣州文昌雅居 中國廣州市荔灣區 文昌北路235-267號	Residential 住宅	45,000 (unsold area) (未出售面積)	For Sale 出售	Long 長期	42%
	Carpark 車位	98 units 98個車位	For Sale/Rental 出售／租賃	Medium 中期	42%

Note:

* The Group has leased 25,914 square feet of gross floor area to related companies.

The Group had disposed of its interest in Novotel Century Harbourview at 506-516 Queen's Road West, Hong Kong (held through its associated company) during the year. Completion of the sale had been taken place on 29 September 2006.

附註:

* 本集團已將25,914平方呎樓面面積租予有關連公司。

本集團已將香港皇后大道西506-516號諾富特世紀海景酒店之權益於本年度內出售(經由其聯號)。該酒店已於二零零六年九月二十九日完成出售。

Properties under Development as at 31 March 2007

二零零七年三月三十一日之發展中物業

Description 物業詳述	Use 用途	Approximate Saleable Area 概約可售面積 (square feet) (平方呎)	Estimated Completion Date 預計 完成日期	Development at 31 March 2007 於二零零七年 三月三十一日 之發展階段	Percentage of Group's Interest 本集團所佔權益 百分率
Guangzhou Wen Chang Pavilion No. 235-267 Wen Chang Road North, Li Wan District, Guangzhou City, PRC 廣州文昌雅居 中國廣州市荔灣區 文昌北路 235-267號	Shops 商舖	13,000	2nd half of 2007 2007年下半年	Construction work substantially completed 建築工程大致完成	42%

Note:

The Group had disposed of its interest in 179 Nguyen Cu Trinh Street, District 1, Ho Chi Minh City, Vietnam during the year. Completion of the sale had been taken place on 25 September 2006.

附註:

本集團已把越南胡志明市第一郡阮居貞街179號之權益於今年內出售。該權益已於二零零六年九月二十五日完成出售。

Formula of Financial Ratios

財務比率之計算程式

Operating margin (excluding financial and securities income) 經營邊際利潤 (不包括財務及證券收入)	=	$\frac{\text{Operating profit – Financial and securities income}}{\text{Revenue}}$ 經營盈利－財務及證券收入 收益
Pretax margin 除稅前邊際利潤	=	$\frac{\text{Operating profit after finance costs}}{\text{Revenue}}$ 扣除融資成本後之經營盈利 收益
Net margin (excluding jointly controlled entities and associated companies) 淨邊際利潤 (不包括共同控制實體及聯號)	=	$\frac{\text{Profit after income tax – Share of profits less losses of jointly controlled entities and associated companies}}{\text{Revenue}}$ 所得稅後溢利－應佔共同控制實體及聯號之溢利減虧損 收益
Interest coverage ratio 利息覆蓋率	=	$\frac{\text{Profit before income tax + Interest expenses}}{\text{Interest expenses + Capitalised interest}}$ 所得稅前溢利+利息開支 利息開支+已資本化之利息
Debt to capitalisation ratio 負債對資本比率	=	$\frac{\text{Total debt}}{\text{Total debt + Deferred income tax + Minority interests + Capital and reserves attributable to equity holders of the Company}}$ 總負債 總負債+遞延所得稅+少數股東權益+本公司權益持有人應佔資本及儲備
Net assets value per share 每股資產淨值	=	$\frac{\text{Capital and reserves attributable to equity holders of the Company}}{\text{Number of shares in issue at balance sheet date}}$ 本公司權益持有人應佔資本及儲備 於結算日已發行之股數
Capital expenditures to depreciation ratio 資本開支對折舊比率	=	$\frac{\text{Cash flow on capital expenditures for property, plant and equipment}}{\text{Depreciation}}$ 資本開支之物業、機器及設備之現金流量 折舊
Capital expenditures coverage ratio 資本開支覆蓋比率	=	$\frac{\text{Cash flow from operations}^{(1)}}{\text{Cash flow on capital expenditures for property, plant and equipment}}$ 經營業務之現金流量 ⁽¹⁾ 資本開支之物業、機器及設備之現金流量
Depreciation to cash flow 折舊對現金流量	=	$\frac{\text{Depreciation}}{\text{Cash flow from operations}^{(1)}}$ 折舊 經營業務之現金流量 ⁽¹⁾
Return on average equity 平均股東權益回報率	=	$\frac{\text{Profit attributable to equity holders of the Company}}{\text{Average capital and reserves attributable to equity holders of the Company}}$ 本公司權益持有人應佔溢利 平均本公司權益持有人應佔資本及儲備
Return on total capital and borrowings 資本及貸款總額回報率	=	$\frac{\text{Profit before income tax + Interest expenses}}{\text{Total debt + Capital and reserves attributable to equity holders of the Company + Minority interests}}$ 所得稅前溢利+利息開支 總負債+本公司權益持有人應佔資本及儲備+少數股東權益
Total debt to cash flow 總負債對現金流量率	=	$\frac{\text{Total debt}}{\text{Cash flow from operations}^{(1)}}$ 總負債 經營業務之現金流量 ⁽¹⁾

(1) Cash flow from operations exclude the movement of financial assets at fair value through profit or loss and property under development for sale together with the proceeds received from pre-sale of property under development for sale in order to reflect a more accurate position of cash flow from contracting and rental operations.

(1) 經營業務之現金流量不包括按公平值計入溢利或虧損之財務資產及供出售發展中物業之變動及已收供出售發展中物業預售進款，以便能夠更準確反映建造及租務業務之現金流量情況。

Corporate Information

公司資料

Directors 董事

V-nee YEH (Chairman)
葉維義 (主席)
Barry John BUTTIFANT
(Alternate Director to V-nee YEH)
(葉維義之替代董事)
Ka-kui CHAN (Managing Director)
陳家駒 (董事總經理)
Tobias Josef BROWN#
Ho-ming Herbert HUI#
許浩明#
Kin-fung Jeffrey LAM#
林健鋒#
Kwok-kuen Peter LAU#
劉國權#
Ki-chi KWONG##
鄭其志##

Independent Non-Executive Director
獨立非執行董事
Non-Executive Director
非執行董事

Audit Committee 審核委員會

Tobias Josef BROWN
(Chairman 主席)
Ho-ming Herbert HUI
許浩明
Kin-fung Jeffrey LAM
林健鋒

Remuneration Committee 薪酬委員會

V-nee YEH (Chairman)
葉維義 (主席)
Tobias Josef BROWN
Ho-ming Herbert HUI
許浩明

Qualified Accountant 合資格會計師

Yuk-fai Charles KAM
甘沃輝

Company Secretary 公司秘書

Wai-yee LEUNG
梁慧儀

Legal Advisors 法律顧問

F. Zimmern & Co.
施文律師行
Herbert Smith
史密夫律師事務所

Auditors 核數師

PricewaterhouseCoopers
羅兵咸永道會計師事務所

Principal Banker 主要往來銀行

The Hongkong and Shanghai
Banking Corporation Limited
香港上海滙豐銀行有限公司

Reference Banks and Financial Institutions 往來銀行及財務機構

Bank of China (Hong Kong) Limited
中國銀行(香港)有限公司
Standard Chartered Bank (Hong Kong) Limited
渣打銀行(香港)有限公司
Hang Seng Bank Limited
恒生銀行有限公司
CITIC Ka Wah Bank Limited
中信嘉華銀行有限公司
Chong Hing Bank Limited
創興銀行有限公司
China Merchants Bank Co., Ltd.
招商銀行股份有限公司
HSBC Private Bank (Suisse) SA
滙豐私人銀行(瑞士)有限公司

Registered Office 註冊辦事處

Clarendon House
2 Church Street
Hamilton, HM11
Bermuda

Principal Place of Business 主要辦事處

Hsin Chong Center
107-109 Wai Yip Street
Kwun Tong, Kowloon
Hong Kong
Tel: (852) 2579 8238
香港九龍觀塘
偉業街107-109號
新昌中心
電話:(852) 2579 8238

Principal Share Registrars and Transfer Office 主要股份過戶登記處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

Hong Kong Branch Share Registrars and Transfer Office 香港股份過戶登記分處

Computershare Hong Kong
Investor Services Limited
46th Floor, Hopewell Centre
183 Queen's Road East, Wan Chai
Hong Kong
香港中央證券登記有限公司
香港灣仔皇后大道東183號
合和中心46樓

Stock Code 股份代號

00404

Board Lot 買賣單位

2,000 shares
2,000股

Share Price 股價

Year High HK\$1.12
全年最高 港幣1.12元
Year Low HK\$0.54
全年最低 港幣0.54元

Website 網址

<http://www.hsinchong.com>

Investor Relations 投資者聯絡

Email: info@hcg.com.hk
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新昌營造集團有限公司

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