



Results Highlights 業績摘要

Results Highlights

(For the six months ended 30th September 2007)

- The Group's turnover increased by 13.1% to HK\$1,516.0 million from HK\$1,340.7 million in the same period last year
- The Group's retail and wholesale business recorded turnover of HK\$1,399.0 million, representing a 13.2% rise over the same period last year
- Sa Sa's retail and wholesale business in Hong Kong and Macau registered turnover of HK\$1,185.7 million, an 12.3% increase as compared to the same period last year
- EBITDA of the Group increased by 14.1% to HK\$150.7 million
- Profit attributable to equity holders of the Company was HK\$90.7 million, as compared to HK\$75.3 million in the same period last year, a rise of 20.4%
- Basic earnings per share were 6.6 HK cents, as compared to 5.6 HK cents in the same period last year
- Dividend per share was 6.0 HK cents, same as that of the corresponding period last year

業績摘要

(截至二零零七年九月三十日止六個月)

- 集團營業額由十三億四千零七十萬港元增至十五億一千六百萬港元，較去年同期上升百分之十三點一
- 集團零售及批發業務營業額增至十三億九千九百萬港元，較上一財政年度上半年增長百分之十三點二
- 莎莎港澳地區零售及批發業務的營業額達十一億八千五百七十萬港元，較去年同期增長百分之十二點三
- 集團除利息、稅項、折舊及攤銷前溢利增至一億五千零七十萬港元，較去年同期增長百分之十四點一
- 本公司的權益持有人應佔溢利由七千五百三十萬港元增至九千零七十萬港元，較去年同期增長百分之二十點四
- 每股基本盈利為六點六港仙，去年同期則為五點六港仙
- 每股股息為六港仙，與去年同期持平

Corporate Information 公司資料

Board of Directors

Executive Directors

Mr. KWOK, Siu Ming, Simon

(Chairman and Chief Executive Officer)

Mrs. KWOK LAW, Kwai Chun, Eleanor *(Vice-Chairman)*

Mr. LOOK, Guy *(Chief Financial Officer)*

Non-executive Director

Mrs. LEE LOOK, Ngan Kwan, Christina

Independent Non-executive Directors

Professor CHAN, Yuk Shee, *J.P.*

Ms. KI, Man Fung, Leonie, *SBS, J.P.*

Dr. LEUNG, Kwok Fai, Thomas, *J.P.*

Ms. TAM, Wai Chu, Maria, *GBS, J.P.*

Qualified Accountant

Mr. LOOK, Guy

Company Secretary

Ms. HO, Sze Nga, Maggie

Head Office

14th Floor, Block B, MP Industrial Centre

18 Ka Yip Street

Chai Wan, Hong Kong

Registered Office

P.O. Box 309GT

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

Auditors

PricewaterhouseCoopers

Certified Public Accountants

董事會成員

執行董事

郭少明先生

(主席及行政總裁)

郭羅桂珍女士 *(副主席)*

陸楷先生 *(首席財務總監)*

非執行董事

利陸雁群女士

獨立非執行董事

陳玉樹教授，*太平紳士*

紀文鳳小姐，*銀紫荊星章，太平紳士*

梁國輝博士，*太平紳士*

譚惠珠小姐，*金紫荊星章，太平紳士*

合資格會計師

陸楷先生

公司秘書

何詩雅小姐

總辦事處

香港柴灣

嘉業街18號

明報工業中心B座14樓

註冊辦事處

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South Church Street

George Town

Grand Cayman

Cayman Islands

核數師

羅兵咸永道會計師事務所

執業會計師

Corporate Information 公司資料

Principal Share Registrar and Transfer Office

Butterfield Fund Services (Cayman) Limited
Butterfield House
68 Fort Street
P. O. Box 705
Grand Cayman KY1-1107
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Tricor Abacus Limited
26/F Tesbury Centre
28 Queen's Road East
Hong Kong

Principal Bankers

Bank of China (Hong Kong) Limited
Citibank, N.A.
Credit Suisse
Deutsche Bank AG, Hong Kong Branch
Standard Chartered Bank (Hong Kong) Limited
Sumitomo Mitsui Banking Corporation, Hong Kong Branch

Listing Information

Listing : The Stock Exchange of Hong Kong Limited
Stock code : 178
Ticker symbol
 Bloomberg : 178HK
 Reuters : 178.HK
Board lot size : 2,000 shares

Investor Relations

E-mail address: ir@sasa.com

Website

Corporate information: www.sasa.com/corporate

主要股份過戶及登記處

Butterfield Fund Services (Cayman) Limited
Butterfield House
68 Fort Street
P. O. Box 705
Grand Cayman KY1-1107
Cayman Islands

香港股份過戶及登記處

卓佳雅柏勤有限公司
香港
皇后大道東28號
金鐘匯中心26樓

主要往來銀行

中國銀行(香港)有限公司
花旗銀行
瑞信
德意志銀行香港分行
渣打銀行(香港)有限公司
三井住友銀行香港支店

上市資料

上市 : 香港聯合交易所有限公司
股份代號 : 178
股票代號
 彭博資訊 : 178HK
 路透社 : 178.HK
每手買賣股數 : 2,000股

投資者關係

電郵地址 : ir@sasa.com

網站

集團資訊 : www.sasa.com/corporate

Management Discussion and Analysis 管理層討論及分析

Interim Results

The Board of Directors (“Board”) of Sa Sa International Holdings Limited (“Company”) has pleasure in presenting the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (“Group”) for the six months ended 30th September 2007. The unaudited condensed consolidated interim financial information for the six months ended 30th September 2007 has been reviewed by the Company’s Audit Committee and the Company’s auditors, PricewaterhouseCoopers.

For the six months ended 30th September 2007, the Group’s consolidated turnover amounted to HK\$1,516.0 million, representing an increase of 13.1% from HK\$1,340.7 million in the corresponding period last year.

The Group’s unaudited profit attributable to equity holders of the Company was HK\$90.7 million, an increase of 20.4% over the first half of last fiscal year. Basic earnings per share amounted to 6.6 HK cents.

The Board resolved to declare an interim dividend of 3.0 HK cents (2006: 3.0 HK cents) (“Interim Dividend”) and a special dividend of 3.0 HK cents (2006: 3.0 HK cents) (“Special Dividend”) per share.

Operations Review

Turnover in all our markets and business units continued to grow. The Group’s enhanced gross profits in Hong Kong and Macau were due to an improved product portfolio and sales mix, and helped offset higher rental and operational costs. This led to a higher recurring net profit margin at the operating level in Hong Kong and Macau.

中期業績

莎莎國際控股有限公司(「本公司」)之董事會(「董事會」)欣然公佈本公司及其附屬公司(「本集團」)截至二零零七年九月三十日止六個月的未經審核簡明綜合中期財務資料。截至二零零七年九月三十日止六個月的未經審核簡明綜合中期財務資料已由本公司審核委員會及本公司之核數師(羅兵咸永道會計師事務所)審閱。

截至二零零七年九月三十日止六個月，集團的綜合營業額為十五億一千六百萬港元，較去年同期的十三億四千零七十萬港元上升百分之十三點一。

集團的未經審核權益持有人應佔綜合溢利則為九千零七十萬港元，較上一財政年度的上半年增加百分之二十點四。每股基本盈利為六點六港仙。

董事會經議決宣佈派發中期股息(「中期股息」)每股三港仙(二零零六年：三港仙)及特別股息(「特別股息」)每股三港仙(二零零六年：三港仙)。

業務回顧

集團所有市場及業務單位的營業額均繼續增長。集團港澳地區毛利因改進貨品組合與銷售搭配而獲提升，有助抵銷租金與經營成本上漲的影響。港澳地區在營運層面的經常性邊際淨利亦因而上升。

Management Discussion and Analysis 管理層討論及分析

Retail & Wholesale Business

The Group's retail and wholesale business saw growth in turnover of 13.2%, reaching HK\$1,399.0 million. The overall gross profit margin increased to 42.2% as compared to 41.3% in the same period last year, due to continuous improvement in product mix. Our inventory turnover days were 123 days as at 30th September 2007 as compared to 115 days on 30th September 2006. A higher level of stock was required to support the high turnover growth planned in the latter part of the year.

We continued to strengthen our brand building efforts for both "Sa Sa" as a widely recognisable name and the "beauty specialist" image of Sa Sa in the region. Measures included increased marketing and public relations activities such as the sponsorship of beauty contests in both Hong Kong and Malaysia.

Hong Kong and Macau

Turnover rose by 12.3% to HK\$1,185.7 million for the six months ended 30th September 2007, with same store growth increasing by 9.0%. Turnover growth was driven by a 15.0% increase in the number of transactions. This improved performance reflected increasing spending from both Mainland China tourists and local residents. At the beginning of the first quarter, there was widespread negative publicity in the Mainland concerning the dishonest practices of a small number of Hong Kong retailers. However, the prompt remedial measures taken by the Hong Kong tourism industry encouraged Mainland tourists to seek out reputable and trustworthy retailers such as Sa Sa.

零售及批發業務

期內集團的零售及批發業務營業額達十三億九千九百萬港元，增長百分之十三點二。整體毛利率因持續改進銷售貨品組合而由去年同期的百分之四十一點三提升至百分之四十二點二。預計本年度下半年的營業額增長率會提高，集團須提高存貨水平以作配合，集團的存貨週期由二零零六年九月三十日的一百一十五天增至二零零七年九月三十日的一百二十三天。

集團繼續加強建立及推廣整體「莎莎」品牌及其區內「化粧品及美容專家」形象；包括加強市場推廣與公關活動，例如贊助香港及馬來西亞兩地的選美活動。

香港及澳門

截至二零零七年九月三十日止六個月港澳地區營業額上升百分之十二點三至十一億八千五百七十萬港元，而相同店舖營業額增長百分之九。營業額上升主要由交易宗數增加百分之十五所帶動，並且中國內地旅客和港澳居民的消費均有上升。第一季初內地媒體曾廣泛報導少數香港零售商的不良經營手法。不過，香港旅遊業界迅速採取補救措施，鼓勵內地旅客光顧口碑載道、深受信賴的零售商，莎莎因而受惠。

Management Discussion and Analysis 管理層討論及分析

Our strategy of rebalancing our growth rate and gross profit margin growth led to strong turnover growth in the second quarter. Reflecting the continuous improvement in our product portfolio, the gross profit margin of our retail business in Hong Kong and Macau improved to 43.2% from 42.3% in the corresponding period last year. Although rental costs continued to be a major challenge, the increase in our turnover and gross profit margin helped offset their impact. Retail branding was reinforced through various sponsorship activities including the Miss Hong Kong Pageant 2007. During the period under review, the Group had a net increase of two stores. As at 30th September 2007, there were 55 Sa Sa stores (including four in Macau), one La Colline specialty store and one Elizabeth Arden counter in Hong Kong and Macau.

Mainland China

With our retail outlets still in the investment stage, the Mainland market incurred a loss during the period under review. The limited product selection affected the performance of our stores in Mainland China. However, several exclusive brands such as Giovanni and fragrances of Blumarine, Pal Zileri and Police were launched during the period. The Group built up the management team and adopted a prudent store opening strategy. As at 30th September 2007, there were five Sa Sa stores and six Suisse Programme beauty counters in department stores in the Mainland market.

Singapore and Malaysia

Our core business strategy for the Singapore and Malaysia market continues to focus on gaining market share through increased sales and enhancing our network to provide improved service to Sa Sa's customers and beauty brands. During the period, turnover for the overall Singapore and Malaysia market grew by 17.5% to HK\$103.0 million, while same store growth increased by 4.7%. A small overall contribution to the Group was recorded.

期內集團調整增長率與毛利率增長的策略，帶動集團第二季營業額大幅提升。期內港澳地區零售業務毛利率由去年同期的百分之四十二點三提升至百分之四十三點二，反映貨品組合持續改進的成效。儘管租金成本仍為這市場的主要挑戰，營業額與毛利率上升卻有助抵銷有關影響。集團更透過多項贊助活動加強莎莎零售品牌形象，其中包括贊助二零零七年香港小姐選美活動。期內集團增設兩間新店。於二零零七年九月三十日，集團在港澳區共有五十五間莎莎化粧品店舖（包括四間澳門店舖），另有一間La Colline專門店和一個伊莉莎伯雅頓「Elizabeth Arden」專櫃。

中國大陸

由於集團內地零售店舖仍處於投資階段，大陸市場業務於期內錄得虧損。集團由於產品選擇方面有待改善，所以影響內地店舖的表現。然而，期內仍推出Giovanni以及Blumarine、Pal Zileri及Police香水等若干獨家銷售品牌。期內集團加強管理團隊並採取審慎開店策略。於二零零七年九月三十日，集團在內地市場共設有五間莎莎店舖，以及六個位於百貨公司的Suisse Programme美容專櫃。

新加坡及馬來西亞

集團在星馬市場仍維持其核心業務策略：即是通過提高銷售額提升市場佔有率，另一方面則加強銷售網絡以便向莎莎顧客及各化粧品品牌提供更佳服務。期內星馬市場營業額較去年同期增加百分之十七點五，達一億零三百萬港元，相同店舖營業額則增長百分之四點七，而整體星馬零售業務為集團提供貢獻。

Management Discussion and Analysis 管理層討論及分析

In Singapore, consumer sentiment in the second quarter was affected by an increase in the Goods & Services Tax (GST) that took effect in July 2007. In addition, our performance was further hampered by a necessary adjustment in our product portfolio following the ASEAN-directed change in the regulations governing cosmetics retailing, which will come into effect in 2008. As at 30th September 2007, the total number of Sa Sa stores in Singapore remained at 13.

In Malaysia, our performance continued to improve on the back of strengthened marketing activities, increased sales productivity and enhanced customer service. Three new stores were added to our portfolio. As at 30th September 2007, the number of Sa Sa stores in Malaysia stood at 17.

Taiwan

Turnover in the Group's Taiwan business increased by 12.8% to HK\$64.1 million during the first six months of the fiscal year. Same store growth decreased by 2.8% and a small loss was recorded. Our performance was affected by the weakness of the local consumption. In order to highlight our unique positioning as a beauty specialty store and strengthen our retail image, we increased the number of marketing and public relations activities, including hosting a fragrance festival. The Group opened three new stores, bringing the total number of stores in Taiwan to 14 as at 30th September 2007.

第二季度新加坡消費意欲因當局由二零零七年七月起增加商品及服務稅而受到影響。此外，當地政府將於二零零八年按照東盟指示而對銷售化粧品的規例作出更改，集團因而正為貨品組合作出所需調整，以致表現進一步受影響。於二零零七年九月三十日，莎莎在新加坡的店舖總數仍為十三間。

馬來西亞方面，集團表現因市場推廣活動加強、銷售效率提高與客戶服務改善而續見提升。期內增添三間新店，於二零零七年九月三十日，莎莎在馬來西亞的店舖數目共有十七間。

台灣

集團於本財政年度首六個月的台灣市場營業額增加百分之十二點八至六千四百一十萬港元，但相同店舖營業額下跌百分之二點八，並整體錄得輕微虧損。集團表現因當地消費疲弱而蒙受影響。期內集團加強市場推廣及公關活動，包括舉辦香水節，藉以帶出其為當地的化粧品專門店的獨特市場定位及提升集團的零售店形象。期內增設三間新店，令集團於二零零七年九月三十日在台灣의店舖總數增至十四間。

Management Discussion and Analysis 管理層討論及分析

E-commerce – Sasa.com

Turnover for Sasa.com amounted to HK\$34.0 million, representing an increase of 22.0% over the corresponding period of the previous fiscal year. A small profit was recorded. We expanded the product range and bolstered marketing activities in order to increase sales. We also began to enhance the performance of the e-commerce platform during the period, which helped facilitate browsing traffic and increase conversion of this traffic to sales. The number of unique visitors reached more than 477,000 per month, an increase of 19.3% over the same period last year. The growth rate of 54.0% for the sales generated from online VIP customers reflected our success in turning our international customers into loyalty customers.

Brand Management

Sales of own-branded and exclusively distributed products increased by 25.9% and contributed to 35.2% of the Group's total retail sales. New brands secured for exclusive distributorship during this period included Annayake and Caudalie from France, Collistar from Italy, A'Kin from Australia, Body Farm from Greece, and Dr. G from Korea. We made special efforts to broaden and diversify the product range and enhance the product portfolio by introducing more upcoming and popular international beauty brands. We also put special emphasis on the product development of Sa Sa's own brands, including the introduction of more new products and expansion of the Sasa product range. We stepped up product launches and increased promotional activities as part of our strengthened marketing efforts for our exclusive products.

電子商貿 – Sasa.com

Sasa.com期內營業額為三千四百萬港元，較去年同期增加百分之二十二，並錄得微利。期內集團擴大貨品種類及加強市場推廣活動，藉以提升銷售額。集團並於回顧期內著手提升Sasa.com電子商貿平台的表現，有助提升瀏覽人次及吸引瀏覽用戶進行銷售交易。非重覆瀏覽人次期內每月超過四十七萬七千，較去年同期增加百分之十九點三。網上貴賓客戶帶來的銷售額增長率高達百分之五十四，反映集團成功將國際客戶吸納為忠誠客戶。

品牌管理

期內專有品牌與獨家貨品銷售額增加百分之二十五點九，並佔集團零售總營業額的百分之三十五點二。期內取得獨家代理權的新品牌包括法國Annayake及Caudalie、意大利Collistar、澳洲A'Kin、希臘Body Farm及韓國Dr. G。集團致力擴大貨品種類及加強貨品組合，引進更多備受歡迎的新進國際美容品牌。集團亦特別著重莎莎專有品牌的產品開發，包括為「Sasa」品牌加入更多新產品以及擴大產品系列。期內集團加強獨家代理貨品的市場推廣，包括籌辦更多新產品發佈會及促銷活動。

Management Discussion and Analysis 管理層討論及分析

Beauty Services

During the period, turnover for beauty services was HK\$117.0 million, representing an increase of 11.1% over the corresponding period in the previous fiscal year. There was an improvement in the contribution of beauty services to the Group. Marketing efficiency and the sales mix were further improved. New treatments introduced during the period included 24K Gold Ion Ultra Time Face Lift Therapy, Bergman Metamorphose Facial and Moxibustion Therapy.

Awards

Sa Sa continues to be the largest cosmetics specialty store chain in the Asia Pacific region, as ranked by KPMG, Euromonitor and Retail Asia magazine in the “2007 Asia-Pacific Top 500” retailers.

In a competition organised by Ming Pao and the Department of Marketing of the Chinese University of Hong Kong, Sa Sa received the Jury Prize for Personal Care Category in the Hong Kong Corporate Branding Award 2007. This prize was judged by a distinguished panel of marketing professionals and academics.

Sa Sa's beauty consultant and store supervisor won the grand awards in both Junior Frontline Level and Supervisory Level of the 2007 Service & Courtesy Award for Beauty Products/Cosmetics Category organised by the Hong Kong Retail Management Association. La Colline shop, managed by Sa Sa, was the Category Winner in the Beauty Products/Cosmetics Category of the 2007 Mystery Shoppers Programme organised by the Hong Kong Retail Management Association.

美容服務

期內美容服務營業額達一億一千七百萬港元，較去年同期增加百分之十一點一。美容服務業務對集團貢獻有所提升。市場推廣效率與銷售組合亦進一步加強。期內引進的新護理療程包括24K金離子超時空面部提升療程、Bergman肌生蛻變面部護理療程及古法艾灸熱療等。

獎項

根據二零零七年畢馬威會計師事務所、Euromonitor國際調研公司與Retail Asia雜誌共同編制的「亞太區首500家零售商」排名，莎莎蟬聯亞太區最具規模化粧品專門店席位。

在明報與香港中文大學市場學系合辦的比賽中，莎莎榮膺二零零七年香港驕傲企業品牌評選團大獎(個人護理類別)。獎項乃由傑出市務專業人士與學者組成的小組評選。

莎莎的美容顧問及店舖主管在香港零售管理協會的2007傑出服務獎中，取得化粧品店組別的基層級別及主管級別兩項大獎。莎莎管理的La Colline專門店亦在香港零售管理協會舉辦的2007神秘顧客計劃中成為化粧品店組別服務領袖。

Management Discussion and Analysis 管理層討論及分析

Outlook

We remain optimistic about the growth of our retail business for the rest of the fiscal year. We will continue our strategic and prudent approach towards network expansion by closely monitoring local market circumstances. We intend to add more stores in the better performing markets and to adjust our store opening plan for markets that are performing less well. We will continue to place a strong emphasis on same store growth across the region by improving our operational efficiency.

Hong Kong and Macau

With the economies in the Mainland, Hong Kong and Macau continuing to be strong and growth in Mainland tourist arrivals remaining steady, the Group is optimistic about turnover growth in Hong Kong and Macau for the rest of the year. To capture these opportunities, the Group will open more stores in both cities, including two in Macau, later this year. We will also continue to adopt a disciplined approach towards managing rental pressures in Hong Kong. Leveraging on the strong brand name of Sa Sa, we will consider store relocation as an option in order to control rental costs upon lease renewal.

Mainland China

In contrast to the maturity and concentration of the Hong Kong and Macau market, the Mainland market is vast and fragmented with hugely differing levels of demand and affordability. The Group will adopt a different approach to this market by focusing on a two-fold expansion strategy: multi-brand Sa Sa stores; and, single-brand beauty counters/stores under exclusive brands.

展望

集團對旗下零售業務在本財政年度下半年的增長保持樂觀；並將密切留意各地市況，繼續採取審慎及策略性方針在當地拓展銷售網絡。集團計劃在表現較佳市場增設更多店舖，並對表現較為遜色市場的店舖拓展計劃作出調整。集團將繼續通過改善營運效率，致力提升相同店舖的營業額增長。

香港及澳門

隨著中港澳三地經濟持續暢旺，訪港內地旅客穩步增長，集團對本財政年度下半年港澳區的營業額增長充滿信心。為了把握機遇，集團將會在港澳兩地增設更多店舖，包括今年底在澳門新增兩間店舖。集團並會繼續以嚴謹態度處理香港的租金壓力。憑藉莎莎強大的品牌知名度，集團在續訂租約時會考慮搬遷店舖作為控制租金成本的方案之一。

中國大陸

中國大陸市場既廣大亦分割而不一，需求與購買能力均非常參差，與港澳市場的成熟和集中剛好形成鮮明對照。集團會對內地市場採取不同方針，著重雙管齊下的拓展策略：一方面設立多品牌的莎莎店舖，並同時為獨家代理品牌設立單一品牌的美容專櫃／專門店。

Management Discussion and Analysis 管理層討論及分析

We are devoting increased resources to improving product development and speeding up the product registration process in the Mainland. The Group will also seek to expand by setting up beauty counters under our exclusive brands, such as Suisse Programme, in department stores. We have recently created a dedicated team responsible for the establishment of beauty counters/stores under exclusive brands as well as their brand management, thereby increasing both awareness and penetration of these brands in the Mainland. The improved sales performance in October and November reflected these changes. We will put more efforts in the marketing of our exclusive brands in China in order to increase their brand awareness. Two new Sa Sa stores have been secured in Beijing and positions for four beauty counters under Suisse Programme have been confirmed in Chengdu, Wuxi and Ansan.

Singapore, Malaysia and Taiwan

While the strong growth momentum in Malaysia continues, the Group will continue its expansion plan by adding more stores in this market. We will improve our operational efficiency and strengthen our marketing activities in the Singapore and Taiwan markets. The adjustment in our product portfolio as required by the change in the local regulations concerning cosmetics retailing in Singapore will continue to affect the performance of our Singapore stores in the next six months.

Brand Management

Sa Sa is one of the major sole agents in the beauty trade in Hong Kong, representing more than 100 international brands. Brand management will continue to be a major driving force for turnover growth and network expansion. We will also continue to introduce more upcoming and popular international beauty brands; for example, we introduced Nuxe in October in Hong Kong and Macau, one of the most famous dermo-cosmetic brands in France.

集團正投入更多資源以改進產品開發及加快在中國內地的產品衛檢過程。集團亦會透過在百貨公司裡為Suisse Programme等獨家品牌設立美容專櫃以拓展銷售網絡。近期集團已設立專責團隊，負責為獨家品牌設立美容專櫃／專門店以及品牌管理事宜，藉以加強此等品牌在內地的知名度與滲透率。內地市場十月與十一月份銷售表現有所提升，反映此等措施取得成效。集團將會更著重在中國內地推廣獨家品牌，務求提高獨家品牌的知名度。北京方面兩間莎莎新店的地點已經落實，並已在成都、無錫及鞍山覓得四個Suisse Programme美容專櫃位。

星馬及台灣

馬來西亞增長動力充沛，集團將繼續推行在當地增設店舖的擴展計劃。莎莎將致力提升新加坡及台灣市場的營運效率，並加強當地的市場推廣活動。由於新加坡有關化粧品零售的規例有所改變，集團因而需要調整貨品組合，預料這些調整措施將會繼續影響新加坡店舖於未來六個月的表現。

品牌管理

莎莎乃香港化粧品業最具規模總代理之一，其擔任總代理的國際美容品牌逾一百個。品牌管理將仍是支持未來營業額增長與擴展銷售網絡的主要推動力量。集團將繼續引進更多受歡迎的新進國際美容品牌；例如於十月份在港澳地區獨家銷售的Nuxe，即屬法國最著名護膚品牌之一。

Management Discussion and Analysis 管理層討論及分析

Overall, we will strengthen our brand and product portfolio, expand the product range of our own-brands and improve the product development function. In addition to enhancing the brand awareness of our exclusive brands, we will strengthen the partnership with our suppliers and improve the distribution of our exclusive brands by adding counters in department stores and standalone stores as well as expanding the Sa Sa store network.

Human Resources

As at 30th September 2007, the Group had a total of 2,737 employees. Staff costs for the period under review were HK\$266.1 million. To ensure that the Group is able to attract and retain staff capable of attaining the best performance levels, remuneration packages are reviewed on a regular basis. Discretionary performance bonus and/or share options (details of the share options of the company are stated in the section titled “Share Options” under “Supplementary Information”) are then offered to qualified employees. A performance-based element is included in the discretionary performance bonus for staff as well as in share options for supervisory and managerial staff. The Group places strong emphasis on staff training and development in order to realise the full potential of its employees. In addition to supporting the graduate trainee programme, various staff development initiatives were implemented during the period through in-house and external training programmes. Financial subsidies for further studies in related fields were also provided.

整體而言，集團將會加強其品牌與貨品組合，拓展專有品牌貨品系列，以及改進產品開發。除了提高獨家貨品的品牌知名度外，集團並加強與供應商的夥伴關係，並增設百貨公司專櫃與品牌專門店，拓展莎莎店舖網絡，藉此改進獨家品牌的銷售網絡。

人力資源

於二零零七年九月三十日，集團共聘有二千七百三十七名員工。期內的員工成本為二億六千六百一十萬港元。為確保莎莎能夠吸引及保留表現優秀的員工，集團定期檢討員工薪酬及福利，並向合資格員工發放酌情表現花紅及／或授予購股權（有關購股權詳情見於「其他資料」內之「購股權」部份）。集團在向員工發放酌情表現花紅、以及向主管及經理級員工授予購股權時，均會考慮有關員工的表現。集團極之重視員工培訓和發展，務求發揮員工的潛能。除設立大學畢業生見習計劃外，期內集團更推行各種員工發展計劃，包括舉辦內部培訓課程及提供外間培訓課程，並為員工在相關範疇繼續進修而提供資助。

Management Discussion and Analysis 管理層討論及分析

Financial Review

Capital Resources and Liquidity

As at 30th September 2007, the Group's total equity funds were HK\$904.8 million including reserves of HK\$767.2 million. The Group continued to maintain a strong financial position with cash and bank balances of HK\$566.6 million. The Group's working capital was HK\$688.7 million. Based on the Group's steady cash inflow from operations and coupled with its existing cash and bank facilities, the Group has adequate financial resources to fund its future expansion.

During the period, the majority of the Group's cash and bank balances was in Hong Kong or U.S. dollars and deposited in leading banks with maturity dates falling within one year. This is in line with the Group's policy to maintain liquidity of its funds and continue to contribute a stable yield to the Group.

Financial Position

Subsequent to the payment of final and special dividends, total funds employed (representing total equity) as at 30th September 2007 were HK\$904.80 million, which represented a 4.8% decrease over the total funds employed of HK\$950.6 million as at 31st March 2007.

The gearing ratio, defined as the ratio of total loans less cash and bank balances to total assets, was nil as at 30th September 2007 and 31st March 2007.

財務概況

資本及流動資金

於二零零七年九月三十日止，本集團股東權益總額為九億零四百八十萬港元，其中包括七億六千七百二十萬港元之儲備金。本集團繼續維持穩健財務狀況，現金及銀行結存達五億六千六百六十萬港元，本集團營運資金為六億八千八百七十萬港元。基於本集團有穩定的經營業務現金流入，加上現時手持之現金及銀行信貸，本集團掌握充裕財務資源以應付未來發展。

期內，本集團大部分現金及銀行結存均為港元或美元，並以一年內到期之存款存放於數間大銀行。此與本集團維持其資金之流動性之政策相符，並將繼續對本集團帶來穩定收益。

財務狀況

於派發末期及特別股息後，二零零七年九月三十日運用的資金總額(等同股東權益總額)為九億零四百八十萬港元，較二零零七年三月三十一日之九億五千零六十萬港元運用資金總額下降百分之四點八。

本集團於二零零七年九月三十日及二零零七年三月三十一日之槓桿比率均為零。槓桿比率為總負債減去現金及銀行結存後與總資產之比例。

Management Discussion and Analysis 管理層討論及分析

Treasury Policies

It is the Group's treasury management policy not to engage in any highly leveraged or speculative derivative products. In this respect, the Group continued to adopt a conservative approach to financial risk management with no significant borrowing during the period. Most of the assets, receipts and payments of the Group are denominated either in Hong Kong or U.S. dollars. Due to the volatility of the foreign exchange market and the potential downside exposure arising from the forward foreign exchange contracts, the Group minimised its non U.S. dollar foreign exchange exposure by way of hedging against order at spot and maintaining no long position. These hedging policies are regularly reviewed by the Group.

Charge on Group Asset

As at 30th September 2007, no Group asset was under charge to a financial institution.

Contingent Liabilities

The Group had no significant contingent liability as at 30th September 2007.

Capital Commitments

As at 30th September 2007, the Group had total capital commitments in respect of acquisition of property, plant and equipment of HK\$52.90 million.

庫務政策

本集團之理財政策是不參與高風險之投資或投機性衍生工具。期內，本集團於財務風險管理方面繼續維持審慎態度，並無重大借貸。本集團大部分資產、收款及付款均以港元或美元計值。由於面對外匯市場之波幅及遠期外匯合約潛在損失之風險，本集團以即時對沖方式減低其非美元外幣風險，且不維持長倉。本集團會定期檢討對沖政策。

本集團資產之抵押

於二零零七年九月三十日，本集團並無資產於財務機構作抵押。

或然負債

本集團於二零零七年九月三十日並無重大或然負債。

資本承擔

於二零零七年九月三十日，本集團於購買物業、機器及設備有資本承擔合共五千二百九十萬港元。

Report on Review of Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料的審閱報告



羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

TO THE BOARD OF DIRECTORS OF SA SA INTERNATIONAL HOLDINGS LIMITED

(incorporated in Cayman Islands with limited liability)

Introduction

We have reviewed the condensed consolidated interim financial information set out on pages 17 to 44, which comprises the condensed consolidated interim balance sheet of Sa Sa International Holdings Limited (the "Company") and its subsidiaries (together, the "Group") as at 30th September 2007 and the related condensed consolidated interim income statement, cash flow statement and statement of changes in equity for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致莎莎國際控股有限公司董事會

(於開曼群島註冊成立之有限公司)

引言

本核數師(以下簡稱「我們」)已審閱列載於第17至44頁的簡明綜合中期財務資料，此中期財務資料包括莎莎國際控股有限公司(「貴公司」)及其子公司(合稱「貴集團」)於二零零七年九月三十日的簡明綜合中期資產負債表與截至該日止六個月期間的相關簡明綜合中期收益表、現金流量表和權益變動表，以及主要會計政策概要和其他附註解釋。香港聯合交易所有限公司主板證券上市規則規定，就中期財務資料編製的報告必須符合以上規則的有關條文以及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」。貴公司董事須負責根據香港會計準則第34號「中期財務報告」編製及列報該等中期財務資料。我們的責任是根據我們的審閱對該等中期財務資料作出結論，並按照委聘之條款僅向整體董事會報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

Report on Review of Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料的審閱報告

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 29th November 2007

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。審閱中期財務資料包括主要向負責財務和會計事務的人員作出查詢，及應用分析性和其他審閱程序。審閱的範圍遠較根據香港審計準則進行審核的範圍為小，故不能令我們可保證我們將知悉在審核中可能被發現的所有重大事項。因此，我們不會發表審核意見。

結論

按照我們的審閱，我們並無發現任何事項，令我們相信中期財務資料在各重大方面未有根據香港會計準則第34號「中期財務報告」編製。

羅兵咸永道會計師事務所

執業會計師

香港，二零零七年十一月二十九日

Condensed Consolidated Interim Income Statement

簡明綜合中期收益表

Unaudited
未經審核
Six months ended
30th September
截至九月三十日止六個月

		Note 附註	2007 二零零七年 HK\$'000 港幣千元	As restated 重新列示 2006 二零零六年 HK\$'000 港幣千元
Turnover	營業額	4	1,516,026	1,340,694
Cost of sales	銷售成本		(852,044)	(764,256)
Gross profit	毛利		663,982	576,438
Other income	其他收入		10,112	10,533
Selling and distribution costs	銷售及分銷成本		(499,747)	(443,008)
Administrative expenses	行政費用		(75,159)	(67,750)
Other net (losses)/gains	其他(虧損)/利潤淨額		(984)	4,122
Operating profit	經營溢利		98,204	80,335
Interest income	利息收入		14,263	13,056
Profit before income tax	除所得稅前溢利	5	112,467	93,391
Income tax expense	所得稅開支	6	(21,795)	(18,082)
Profit for the period, attributable to equity holders of the Company	本公司權益持有人應佔本期間溢利		90,672	75,309
Earnings per share for profit attributable to equity holders of the Company during the period (expressed in HK cents per share)	本公司權益持有人應佔本期間溢利之每股盈利(以港仙為每股單位)	7		
Basic	基本		6.6	5.6
Diluted	攤薄		6.6	5.5
Dividends	股息	8	82,596	81,360

The notes on pages 23 to 44 form an integral part of this condensed consolidated interim financial information.

第23至第44頁之附註為此等簡明綜合中期財務資料之組成部分。

Condensed Consolidated Interim Balance Sheet

簡明綜合中期資產負債表

			Unaudited 未經審核 30th September 2007 二零零七年 九月三十日 HK\$'000 港幣千元	Audited 經審核 31st March 2007 二零零七年 三月三十一日 HK\$'000 港幣千元
	Note 附註			
ASSETS		資產		
Non-current assets		非流動資產		
Property, plant and equipment	9	物業、機器及設備	127,280	138,771
Leasehold land	9	租賃土地	29,158	29,556
Investment property		投資物業	8,600	8,600
Rental deposits and other assets	10	租金按金及其他資產	60,498	55,606
Deferred income tax assets		遞延所得稅資產	17,220	16,683
			242,756	249,216
Current assets		流動資產		
Inventories		存貨	551,633	384,034
Trade receivables	11	應收賬款	38,161	30,824
Other receivables, deposits and prepayments		其他應收款項、按金 及預付款項	82,938	62,554
Income tax recoverable		預繳所得稅	93	105
Bank deposits over three months to maturity		三個月後到期 之銀行存款	82,701	125,862
Cash and cash equivalents		現金及現金等值項目	483,913	569,985
			1,239,439	1,173,364
LIABILITIES		負債		
Current liabilities		流動負債		
Trade and bills payables	12	應付賬款及票據	170,065	121,272
Other payables and accruals		其他應付款項及應計費用	123,503	92,217
Current portion of receipts in advance		預收款項之流動負債部分	215,599	203,423
Income tax payable		應付所得稅	41,533	28,189
			550,700	445,101
Net current assets		淨流動資產	688,739	728,263
Total assets less current liabilities		資產總額減流動負債	931,495	977,479

Condensed Consolidated Interim Balance Sheet

簡明綜合中期資產負債表

			Unaudited 未經審核 30th September 2007 二零零七年 九月三十日 HK\$'000 港幣千元	Audited 經審核 31st March 2007 二零零七年 三月三十一日 HK\$'000 港幣千元
	Note 附註			
Non-current liabilities		非流動負債		
Receipts in advance		預收款項	7,921	7,891
Retirement benefit obligations		退休福利承擔	10,075	9,965
Deferred income tax liabilities		遞延所得稅負債	2,049	2,693
Other payables		其他應付款項	6,673	6,340
			26,718	26,889
Net assets		淨資產	904,777	950,590
EQUITY		權益		
Capital and reserves attributable to the Company's equity holders		本公司權益持有人應佔股本及儲備		
Share capital	13	股本	137,563	136,862
Reserves		儲備	684,618	662,899
Proposed dividends		擬派股息	82,596	150,829
Total equity		權益總額	904,777	950,590

The notes on pages 23 to 44 form an integral part of this condensed consolidated interim financial information.

第23至第44頁之附註為此等簡明綜合中期財務資料之組成部分。

Condensed Consolidated Interim Cash Flow Statement

簡明綜合中期現金流量表

Unaudited
 未經審核
Six months ended
30th September
 截至九月三十日止六個月

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Net cash generated from/(used in) operating activities	經營業務產生/ (所用)之現金淨額	21,415	(10,668)
Net cash generated from/(used in) investing activities	投資業務產生/ (所用)之現金淨額	31,789	(43,100)
Net cash used in financing activities	融資業務所用之現金淨額	(139,392)	(143,472)
Net decrease in cash and cash equivalents	現金及現金等值項目 減少淨額	(86,188)	(197,240)
Cash and cash equivalents at 1st April	於四月一日之現金及 現金等值項目	569,985	590,678
Effect of foreign exchange rate changes	匯率變動之影響	116	(587)
Cash and cash equivalents at 30th September	於九月三十日之現金及 現金等值項目	483,913	392,851

The notes on pages 23 to 44 form an integral part of this condensed consolidated interim financial information.

第23至第44頁之附註為此等簡明綜合中期財務資料之組成部分。

Condensed Consolidated Interim Statement of Changes in Equity

簡明綜合中期權益變動表

		Unaudited 未經審核							
		Employee							
		Share capital	Share premium	Capital redemption reserve	share-based compensation reserve	Building revaluation reserve	Exchange fluctuation reserve	Retained earnings	Total
		股本	股份溢價	資本贖回儲備	以股份支付僱員酬金儲備	樓宇重估儲備	外匯波動儲備	滾存盈利	總計
		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
At 1st April 2007	於二零零七年四月一日	136,862	623,080	11,783	18,854	3,763	(22,220)	178,468	950,590
Exchange differences recognised directly in equity	直接於權益確認之匯兌差額	-	-	-	-	-	689	-	689
Depreciation transfer on buildings, net of tax	自樓宇轉撥之折舊，扣除稅項	-	-	-	-	(220)	-	266	46
Profit for the period	本期間溢利	-	-	-	-	-	-	90,672	90,672
Total recognised income for the six months ended 30th September 2007	截至二零零七年九月三十日止六個月確認之收入總額	-	-	-	-	(220)	689	90,938	91,407
Employee share option scheme:	僱員購股權計劃：								
Value of employee services	僱員服務價值	-	-	-	2,172	-	-	-	2,172
Shares issued upon exercise of options	行使購股權而發行股份	701	11,170	-	-	-	-	-	11,871
Transfer of reserve upon exercise of options	行使購股權時轉撥儲備	-	3,791	-	(3,791)	-	-	-	-
Final and special dividends paid	已派末期及特別股息	-	-	-	-	-	-	(151,263)	(151,263)
At 30th September 2007	於二零零七年九月三十日	137,563	638,041	11,783	17,235	3,543	(21,531)	118,143	904,777
Representing:	組成如下：								
Share capital	股本								137,563
Reserves	儲備								684,618
Proposed dividends	擬派股息								82,596
At 30th September 2007	於二零零七年九月三十日								904,777

The notes on pages 23 to 44 form an integral part of this condensed consolidated interim financial information.

第23至第44頁之附註為此等簡明綜合中期財務資料之組成部分。

Condensed Consolidated Interim Statement of Changes in Equity

簡明綜合中期權益變動表

		Unaudited 未經審核						
		Employee				Exchange	Retained	Total
		Share	Share	Capital	share-based	fluctuation	earnings	
		capital	premium	redemption	compensation	reserve		
				reserve	reserve			
				以股份	以股份			
				資本	支付僱員	外匯		
		股本	股份溢價	贖回儲備	酬金儲備	波動儲備	滾存盈利	總計
		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
At 1st April 2006	於二零零六年四月一日	134,711	731,906	11,783	22,733	(25,549)	38,243	913,827
Exchange differences recognised	直接於權益確認之							
directly in equity	匯兌差額	-	-	-	-	59	-	59
Profit for the period	本期間溢利	-	-	-	-	-	75,309	75,309
Total recognised income	截至二零零六年							
for the six months ended	九月三十日止六個月							
30th September 2006	確認之收入總額	-	-	-	-	59	75,309	75,368
Employee share option scheme:	僱員購股權計劃:							
Value of employee services	僱員服務價值	-	-	-	1,784	-	-	1,784
Shares issued upon exercise	行使購股權而							
of options	發行股份	294	4,671	-	-	-	-	4,965
Transfer of reserve upon exercise	行使購股權時							
of options	轉撥儲備	-	1,519	-	(1,519)	-	-	-
Final and special dividends paid	已派末期及特別股息	-	(148,437)	-	-	-	-	(148,437)
At 30th September 2006	於二零零六年九月三十日	135,005	589,659	11,783	22,998	(25,490)	113,552	847,507
Representing:	組成如下:							
Share capital	股本							135,005
Reserves	儲備							631,142
Proposed dividends	擬派股息							81,360
At 30th September 2006	於二零零六年九月三十日							847,507

The notes on pages 23 to 44 form an integral part of this condensed consolidated interim financial information.

第23至第44頁之附註為此等簡明綜合中期財務資料之組成部分。

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

1. General information

Sa Sa International Holdings Limited (“the Company”) and its subsidiaries (together “the Group”) are principally engaged in the retailing and wholesaling of cosmetic products and the provision of beauty and health club services.

The Company is a limited liability company incorporated in Cayman Islands. The address of its registered office is P.O. Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands.

The Company has its listing on The Stock Exchange of Hong Kong Limited (“Stock Exchange”).

As at 30th September 2007, 50.7% of the total issued shares of the Company is owned by Sunrise Height Incorporated, a company incorporated in the British Virgin Islands. The directors regard Sunrise Height Incorporated as being the ultimate holding company of the Company. The ultimate controlling party of the Group is a private company owned 50% each by Mr. KWOK, Siu Ming, Simon and Mrs. KWOK LAW, Kwai Chun, Eleanor.

This condensed consolidated interim financial information is presented in thousands of units of Hong Kong dollars (HK\$'000), unless otherwise stated. This condensed consolidated interim financial information has been approved for issue by the Board of Director on 29th November 2007.

1. 一般資料

莎莎國際控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要從事化粧品零售及批發，以及提供美容及健美中心服務。

本公司為於開曼群島註冊成立之有限公司，註冊辦事處地址為P.O. Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands。

本公司於香港聯合交易所有限公司(「聯交所」)上市。

於二零零七年九月三十日，本公司全部已發行股份之50.7%由於英屬處女群島註冊成立之公司Sunrise Height Incorporated擁有。董事認為Sunrise Height Incorporated為本公司最終控股公司。本集團之最終控股公司為私人公司，由郭少明先生及郭羅桂珍女士各自擁有50%。

除另有註明者外，此等簡明綜合中期財務資料均以港幣千元計值。此等簡明綜合中期財務資料已於二零零七年十一月二十九日獲董事會批准刊發。

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

2. Basis of preparation

This condensed consolidated interim financial information for the half-year ended 30th September 2007 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, ‘Interim financial reporting’. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31st March 2007.

3. Accounting policies

(a) The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31st March 2007.

The following new standards, amendments to standards and interpretations are mandatory for financial year ending 31st March 2008:

HKAS1 (Amendment)	Presentation of Financial Statements: Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives

2. 編製基準

此等截至二零零七年九月三十日止半年度之簡明綜合中期財務資料乃按照香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。此等簡明綜合中期財務資料應與截至二零零七年三月三十一日止年度之年度財務報表一併閱讀。

3. 會計政策

(a) 所採納會計政策與截至二零零七年三月三十一日止年度之年度財務報表所用者一致。

以下新準則、準則修訂及詮釋須於截至二零零八年三月三十一日止財政年度強制實行：

香港會計準則 第1號(修訂)	財務報表的呈報： 資本披露
香港財務報告 準則第7號	金融工具：披露
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號之範圍
香港(國際財務 報告詮釋委 員會)－詮釋 第9號	重新評估嵌入式 衍生工具

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

3. Accounting policies (continued)

(a) HK(IFRIC)-Int 10 Interim Financial Reporting and Impairment

HK(IFRIC)-Int 11 HKFRS 2 – Group and Treasury Share Transactions

The adoption of these new standards, amendments to standards and interpretations has no significant impact on the Group interim results and financial positions.

The following new standards, amendments to standards and interpretations, that have been issued but are not effective for the year ending 31st March 2008 and have not been early adopted by the Group:

HKAS 23 (Revised) Borrowing Costs

HKFRS 8 Operating Segments

HK(IFRIC)-Int 12 Service Concession Arrangements

HK(IFRIC)-Int 13 Customer Loyalty Programmes

3. 會計政策(續)

(a) 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–集團及 庫務股份交易

採納該等新準則、準則修訂及詮釋對本集團之中期業績及財務狀況並無構成任何重大影響。

以下已頒佈之新準則、準則修訂及詮釋於截至二零零八年三月三十一日止年度尚未生效，且本集團並無提早採納：

香港會計準則 借貸成本 第23號(經修訂)

香港財務報告 業務分部 準則第8號

香港(國際財務 報告詮釋委 員會)–詮釋 第12號 服務特許權協議

香港(國際財務 報告詮釋委 員會)–詮釋 第13號 顧客忠誠計劃

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

3. Accounting policies (continued)

(b) Comparative figures

Where necessary, prior period amounts have been reclassified to conform with changes in presentation in the current period. The major reclassifications for the 2006/2007 comparative figures represent mainly reclassification of certain expenses from selling and distribution costs to cost of sales.

4. Segment information

The Group is principally engaged in the retailing and wholesaling of cosmetic products and the provision of beauty and health club services. Turnover represents the invoiced sales value of goods and of services supplied to customers.

Segment assets consist primarily of property, plant and equipment, leasehold land, investment property, inventories, receivables and operating cash, and exclude certain corporate assets and tax. Segment liabilities comprise operating liabilities and exclude tax. Capital expenditure comprises additions to property, plant and equipment, leasehold land and investment property.

3. 會計政策(續)

(b) 比較數據

過往期間金額已於有需要時重新分類，以符合本期間呈列方式之變動。二零零六／二零零七年比較數據之主要重新分類主要指將若干開支由銷售及分銷成本重新分類至銷售成本。

4. 分部資料

本集團主要業務為從事化粧品零售及批發，及提供美容及健美中心服務。營業額指向客戶提供貨品及服務之發票銷售價值。

分部資產主要包括物業、機器及設備、租賃土地、投資物業、存貨、應收款項及經營現金，不包括若干集團資產及稅項。分部負債指經營負債，不包括稅項。資本性開支包括添置物業、機器及設備、租賃土地及投資物業。

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

4. Segment information (continued)

(a) Primary reporting format – business segments

- (i) The segment results and other segment information are as follows:

4. 分部資料(續)

(a) 主要分部報告－業務分部

- (i) 分部業績及其他分部資料如下：

Six months ended 30th September 2007
截至二零零七年九月三十日止六個月

		Retail and wholesale 零售及批發 HK\$'000 港幣千元	Beauty and health club services 美容及健美 中心服務 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Turnover	營業額	1,399,012	117,014	1,516,026
Results	業績			
Segment results	分部業績	97,090	1,114	98,204
Interest income	利息收入			14,263
Profit before income tax	除所得稅前溢利			112,467
Income tax expense	所得稅開支			(21,795)
Profit for the period	本期間溢利			90,672
Other information	其他資料			
Capital expenditure	資本性開支	23,521	2,792	26,313
Depreciation	折舊	32,457	5,372	37,829
Amortisation	攤銷開支	398	-	398
Provision for slow moving inventories and stock shrinkage	滯銷存貨及損耗 存貨撥備	18,697	57	18,754

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

4. Segment information (continued)

(a) Primary reporting format – business segments

(continued)

- (i) The segment results and other segment information are as follows: (continued)

4. 分部資料(續)

(a) 主要分部報告 – 業務分部(續)

- (i) 分部業績及其他分部資料如下：(續)

Six months ended 30th September 2006
截至二零零六年九月三十日止六個月

		Retail and wholesale 零售及批發 HK\$'000 港幣千元	Beauty and health club services 美容及健美 中心服務 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Turnover	營業額	1,235,358	105,336	1,340,694
Results	業績			
Segment results	分部業績	81,926	(1,591)	80,335
Interest income	利息收入			13,056
Profit before income tax	除所得稅前溢利			93,391
Income tax expense	所得稅開支			(18,082)
Profit for the period	本期間溢利			75,309
Other information	其他資料			
Capital expenditure	資本性開支	31,946	3,171	35,117
Depreciation	折舊	31,221	7,216	38,437
Amortisation	攤銷開支	215	–	215
Provision for/(reversal of provision for) slow moving inventories and stock shrinkage	滯銷存貨及損耗存貨撥備/(撥回滯銷存貨及損耗存貨撥備)	9,713	(87)	9,626

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

4. Segment information (continued)

(a) Primary reporting format – business segments

(continued)

(ii) The segment assets and liabilities are as follows:

4. 分部資料(續)

(a) 主要分部報告－業務分部(續)

(ii) 分部資產及負債如下：

As at 30th September 2007

二零零七年九月三十日

		Retail and wholesale	Beauty and health club services	Total
		零售及批發 HK\$'000 港幣千元	美容及健美 中心服務 HK\$'000 港幣千元	總額 HK\$'000 港幣千元
Segment assets	分部資產	1,350,746	113,386	1,464,132
Unallocated corporate assets	未分配集團資產			18,063
Total assets	資產總額			1,482,195
Segment liabilities	分部負債	279,479	254,357	533,836
Unallocated corporate liabilities	未分配集團負債			43,582
Total liabilities	負債總額			577,418

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

4. Segment information (continued)

(a) Primary reporting format – business segments

(continued)

- (ii) The segment assets and liabilities are as follows: (continued)

4. 分部資料(續)

(a) 主要分部報告－業務分部(續)

- (ii) 分部資產及負債如下：(續)

As at 31st March 2007
於二零零七年三月三十一日

		Retail and wholesale 零售及批發 HK\$'000 港幣千元	Beauty and health club services 美容及健美 中心服務 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Segment assets	分部資產	1,311,522	93,520	1,405,042
Unallocated corporate assets	未分配集團資產			17,538
Total assets	資產總額			1,422,580
Segment liabilities	分部負債	201,304	239,804	441,108
Unallocated corporate liabilities	未分配集團負債			30,882
Total liabilities	負債總額			471,990

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

4. Segment information (continued)

(b) Secondary reporting format – geographical segments

The Group operates in Mainland China and Special Administrative Regions (“SAR”), Taiwan and South Asia. SAR includes Hong Kong and Macau. South Asia comprises Thailand, Malaysia and Singapore.

- (i) The Group’s turnover and capital expenditure are as follows:

Turnover is allocated based on the places in which the customers are located.

Capital expenditure, comprising additions to property, plant and equipment, leasehold land and investment property, is allocated based on where the assets are located.

4. 分部資料(續)

(b) 從屬分部報告－地區分部

本集團於中國大陸及特別行政區、台灣及南亞地區經營業務。特別行政區包括香港及澳門。南亞地區包括泰國、馬來西亞及新加坡。

- (i) 本集團營業額及資本性開支如下：

營業額之分類乃按客戶所在地計算。

資本性開支包括添置物業、機器及設備、租賃土地以及投資物業，其分類乃按資產所在地計算。

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

4. Segment information (continued)

(b) Secondary reporting format – geographical segments (continued)

(i) The Group's turnover and capital expenditure are as follows: (continued)

4. 分部資料(續)

(b) 從屬分部報告－地區分部(續)

(i) 本集團營業額及資本性開支如下：(續)

Six months ended 30th September 2007

截至二零零七年九月三十日止六個月

		Mainland China and SAR 中國大陸 及特別行政區 HK\$'000 港幣千元	Taiwan 台灣 HK\$'000 港幣千元	South Asia 南亞地區 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Turnover	營業額	1,310,150	64,122	141,754	1,516,026
Capital expenditure	資本性開支	17,742	3,897	4,674	26,313

Six months ended 30th September 2006

截至二零零六年九月三十日止六個月

		Mainland China and SAR 中國大陸 及特別行政區 HK\$'000 港幣千元	Taiwan 台灣 HK\$'000 港幣千元	South Asia 南亞地區 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Turnover	營業額	1,162,997	56,847	120,850	1,340,694
Capital expenditure	資本性開支	25,652	2,989	6,476	35,117

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

4. Segment information (continued)

(b) Secondary reporting format – geographical segments (continued)

(ii) The segment assets are as follows:

Total assets are allocated based on where the assets are located.

4. 分部資料(續)

(b) 從屬分部報告—地區分部(續)

(ii) 分部資產如下：

資產總額之分類乃按資產所在地計算。

As at 30th September 2007

二零零七年九月三十日

		Mainland China and SAR 中國大陸 及特別行政區 HK\$'000 港幣千元	Taiwan 台灣 HK\$'000 港幣千元	South Asia 南亞地區 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Segment assets	分部資產	1,253,116	56,268	154,748	1,464,132
Unallocated corporate assets	未分配集團資產				18,063
Total assets	資產總額				1,482,195

As at 31st March 2007

二零零七年三月三十一日

		Mainland China and SAR 中國大陸 及特別行政區 HK\$'000 港幣千元	Taiwan 台灣 HK\$'000 港幣千元	South Asia 南亞地區 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Segment assets	分部資產	1,203,837	54,915	146,290	1,405,042
Unallocated corporate assets	未分配集團資產				17,538
Total assets	資產總額				1,422,580

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

5. Profit before income tax

Profit before income tax is stated after crediting and charging the following:

5. 除所得稅前溢利

除所得稅前溢利已計入及扣除下列項目：

Six months ended
30th September
截至九月三十日止六個月

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Crediting	計入		
Net exchange gains	匯兌收益淨額	-	1,297
Provision for discretionary bonus made in previous years written back	撥回過往年度所作酌情發放之獎金撥備	-	2,825
Charging	扣除		
Depreciation of property, plant and equipment	物業、機器及設備折舊	37,829	38,437
Amortisation of leasehold land	攤銷租賃土地	398	215
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租約租金		
– minimum lease payments	– 最低租賃付款	155,972	134,654
– contingent rent	– 或然租金	3,290	2,544
Provision for slow moving inventories and stock shrinkage	滯銷存貨及損耗存貨撥備	18,754	9,626
Net exchange losses	匯兌虧損淨額	984	-

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

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

The amount of income tax charged to the condensed consolidated interim income statement represents:

6. 所得稅開支

香港利得稅乃按照期內估計應課稅溢利以稅率17.5%(二零零六年: 17.5%)提撥準備。海外溢利稅款則按照期內估計應課稅溢利以本集團經營業務地區之現行稅率計算。

在簡明綜合中期收益表內扣除之所得稅款額如下：

		Six months ended 30th September 截至九月三十日止六個月	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Hong Kong profits tax	香港利得稅		
Current	本期	20,836	17,160
Over provision in previous periods	過往期間超額撥備	(6)	-
Overseas taxation	海外稅項		
Current	本期	2,651	1,219
Over provision in previous periods	過往期間超額撥備	(777)	-
Deferred income tax relating to origination and reversal of temporary differences	暫時差異之產生及撥回 相關遞延所得稅	(942)	(297)
Decrease in opening net deferred tax assets resulting from decrease in tax rate	稅率下降產生之期初遞延 稅項資產淨額減少	33	-
		21,795	18,082

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

7. Earnings per share

- (a) The calculation of basic and diluted earnings per share is based on the Group's profit attributable to equity holders of the Company during the period of HK\$90,672,000 (2006: HK\$75,309,000).
- (b) The calculation of basic earnings per share is based on the weighted average of 1,371,363,331 (2006: 1,348,641,566) shares in issue during the period.
- (c) The calculation of diluted earnings per share is based on the weighted average of 1,371,363,331 (2006: 1,348,641,566) shares in issue during the period plus the weighted average of 4,195,014 (2006: 15,766,137) shares deemed to be issued if all outstanding share options granted under the share option scheme of the Company had been exercised.

7. 每股盈利

- (a) 每股基本及攤薄盈利乃根據本公司權益持有人應佔本集團期間溢利90,672,000港元(二零零六年：75,309,000港元)計算。
- (b) 每股基本盈利乃按期內已發行股份之加權平均數1,371,363,331(二零零六年：1,348,641,566)股計算。
- (c) 每股攤薄盈利乃按期內已發行股份之加權平均數1,371,363,331(二零零六年：1,348,641,566)股，另加根據本公司購股權計劃授出之所有未行使購股權一旦獲行使而視作發行之股份之加權平均數4,195,014(二零零六年：15,766,137)股計算。

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

8. Dividends

8. 股息

Six months ended
30th September
截至九月三十日止六個月

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Interim, proposed – 3.0 HK cents (2006: 3.0 HK cents) per share	擬派中期股息 – 每股3.0港仙 (二零零六年：3.0港仙)	41,298	40,680
Special, proposed – 3.0 HK cents (2006: 3.0 HK cents) per share	擬派特別股息 – 每股3.0港仙 (二零零六年：3.0港仙)	41,298	40,680
		82,596	81,360

At a meeting held on 29th November 2007, the Directors declared an interim dividend of 3.0 HK cents and a special dividend of 3.0 HK cents per share. These proposed dividends are not reflected as dividend payables in this condensed consolidated interim financial information, but will be reflected as an appropriation of distributable reserve for the year ending 31st March 2008.

於二零零七年十一月二十九日舉行之會議上，董事宣佈派發中期股息每股3.0港仙及特別股息每股3.0港仙。此等擬派股息並無於本簡明綜合中期財務資料中列作應付股息，惟將於截至二零零八年三月三十一日止年度列作可分派儲備之撥款。

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

9. Capital expenditure

9. 資本性開支

		Property, plant and equipment 物業、機器及設備 HK\$'000 港幣千元	Leasehold land 租賃土地 HK\$'000 港幣千元
Six months ended 30th September 2007	截至二零零七年九月三十日 止六個月		
Opening net book amount as at 1st April 2007	於二零零七年四月一日 之期初賬面淨值	138,771	29,556
Exchange differences	匯兌差額	355	-
Additions	添置	26,313	-
Disposals	出售	(7)	-
Write-off	撇賬	(323)	-
Depreciation/amortisation	折舊／攤銷開支	(37,829)	(398)
Closing net book amount as at 30th September 2007	於二零零七年九月三十日 之期終賬面淨值	127,280	29,158
Six months ended 30th September 2006	截至二零零六年九月三十日 止六個月		
Opening net book amount as at 1st April 2006	於二零零六年四月一日 之期初賬面淨值	155,012	17,892
Exchange differences	匯兌差額	334	-
Additions	添置	35,117	-
Disposals	出售	(8)	-
Write-off	撇賬	(807)	-
Depreciation/amortisation	折舊／攤銷開支	(38,437)	(215)
Closing net book amount as at 30th September 2006	於二零零六年九月三十日 之期終賬面淨值	151,211	17,677

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

10. Rental deposits and other assets

		30th September 2007 二零零七年 九月三十日 HK\$'000 港幣千元	31st March 2007 二零零七年 三月三十一日 HK\$'000 港幣千元
Rental deposits	租金按金	59,748	54,856
Others	其他	750	750
		60,498	55,606

Rental deposits are carried at amortised cost using the effective interest rate of 2.4% – 4.2% per annum. As at 30th September 2007, the carrying amounts of rental deposits approximate their fair values.

11. Trade receivables

The Group's turnover are mainly cash and credit card sales. Certain wholesale customers are granted credit terms ranging from 7 to 30 days. The ageing analysis of trade receivables is as follows:

		30th September 2007 二零零七年 九月三十日 HK\$'000 港幣千元	31st March 2007 二零零七年 三月三十一日 HK\$'000 港幣千元
Within 1 month	一個月內	34,645	27,843
1 to 3 months	一至三個月	2,943	2,326
Over 3 months	超過三個月	573	655
		38,161	30,824

The fair values of trade receivables approximate their carrying amounts.

10. 租金按金及其他資產

租金按金採用實際利率每年2.4厘至4.2厘按攤銷成本列賬。於二零零七年九月三十日，租金按金之賬面值與其公平值相若。

11. 應收賬款

本集團營業額主要為現金及信用卡銷售。若干批發客戶獲給予7至30天信貸期。應收賬款之賬齡分析如下：

應收賬款之公平值與其賬面值相若。

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

12. Trade and bills payables

The ageing analysis of trade and bills payables is as follows:

		30th September 2007 二零零七年 九月三十日 HK\$'000 港幣千元	31st March 2007 二零零七年 三月三十一日 HK\$'000 港幣千元
Within 1 month	一個月內	110,849	68,576
1 to 3 months	一至三個月	50,866	46,655
Over 3 months	超過三個月	8,350	6,041
		170,065	121,272

The fair values of trade and bills payables approximate their carrying amounts.

12. 應付賬款及票據

應付賬款及票據之賬齡分析如下：

應付賬款及票據之公平值與其賬面值相若。

13. Share capital

		Note 附註	No. of shares 股份數目	HK\$'000 港幣千元
Authorised shares of HK\$0.1 each	每股面值0.1港元之法定股份			
At 31st March 2007 and 30th September 2007	於二零零七年三月三十一日 及二零零七年九月三十日		8,000,000,000	800,000
Issued and fully paid shares of HK\$0.1 each	每股面值0.1港元之 已發行及繳足股份			
At 1st April 2006	於二零零六年四月一日		1,347,112,731	134,711
Issue of shares upon exercise of share options	按行使購股權而發行之股份	(a)	21,506,395	2,151
At 31st March 2007 and 1st April 2007	於二零零七年三月三十一日 及二零零七年四月一日		1,368,619,126	136,862
Issue of shares upon exercise of share options	按行使購股權而發行之股份	(a)	7,012,804	701
At 30th September 2007	於二零零七年九月三十日		1,375,631,930	137,563

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

13. Share Capital (continued)

Notes:

(a) Issue of shares upon exercise of share options

During the period, a total of 7,012,804 (2006: 2,939,067) shares were issued to certain staff members of the Company pursuant to the exercises of share options under the 1997 Share Option Scheme and the 2002 Share Option Scheme respectively. The proceeds of the issues totalling HK\$11,871,000 (2006: HK\$4,965,000) included share premium amounting to HK\$11,170,000 (2006: HK\$4,671,000) and the amount was taken to the share premium account.

(b) Share options

The share options of the Company were granted under:-

- (i) the 1997 Share Option Scheme;
- (ii) the 2002 Share Option Scheme; and
- (iii) the Service Agreement with an ex-director.

Movements in the number of shares options outstanding are as follows:

13. 股本(續)

附註：

(a) 按行使購股權而發行之股份

於期內，本公司分別因根據一九九七年購股權計劃及二零零二年購股權計劃授出購股權獲行使而發行共7,012,804股(二零零六年：2,939,067股)股份予若干僱員。該等發行所得款項合共11,871,000港元(二零零六年：4,965,000港元)，其中11,170,000港元(二零零六年：4,671,000港元)為股份溢價，並已撥入股份溢價賬之內。

(b) 購股權

本公司之購股權通過以下授出：

- (i) 一九九七年購股權計劃；
- (ii) 二零零二年購股權計劃；及
- (iii) 與一名前董事簽訂之服務協議。

尚未行使之購股權數目變動如下：

		2007 二零零七年	2006 二零零六年
No. of share options Six months ended 30th September 截至九月三十日止六個月 之購股權數目			
At beginning of the period	於期初	36,335,099	54,531,608
Granted	授出	-	13,488,844
Exercised	行使	(7,012,804)	(2,939,067)
Lapsed	失效	(713,332)	(10,101,371)
At end of the period	於期終	28,608,963	54,980,014

Options exercised during the six months ended 30th September 2007 resulted in 7,012,804 (2006: 2,939,067) shares issued.

於截至二零零七年九月三十日止六個月內因購股權獲行使而發行之股份為7,012,804股(二零零六年：2,939,067股)。

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

13. Share Capital (continued)

The expiry dates and exercise prices of the share options outstanding as at 30th September 2007 were set out as follows:

13. 股本(續)

於二零零七年九月三十日尚未行使之購股權之到期日及行使價如下：

Expiry date 到期日	Exercise price per share 每股行使價 (HK\$) (港幣)	No. of shares As at 30th September 於九月三十日之購股權數目	
		2007 二零零七年	2006 二零零六年
1997 Share Option Scheme	一九九七年購股權計劃		
8th September 2007	二零零七年九月八日	1.90	-
			456,000
2002 Share Option Scheme	二零零二年購股權計劃		
1st October 2013	二零一三年十月一日	1.88	-
29th October 2013	二零一三年十月二十九日	1.68	11,443,454
28th February 2014	二零一四年二月二十八日	2.85	268,333
2nd March 2014	二零一四年三月二日	2.78	775,333
28th June 2014	二零一四年六月二十八日	3.00	1,000,000
1st August 2014	二零一四年八月一日	3.12	321,333
30th November 2014	二零一四年十一月三十日	3.85	1,096,333
21st December 2014	二零一四年十二月三十一日	4.15	215,333
25th May 2016	二零一六年五月二十五日	2.965	13,488,844
			13,488,844
Share option under an ex-director's service agreement	前董事服務協議之購股權		
2nd February 2007	二零零七年二月二日	0.928	-
			5,013,587
			28,608,963
			54,980,014

Fair value of share options, measured at the grant date of the options, are determined using the binominal lattice model that is based on the underlying assumptions of one of the commonly used employee share option pricing model. The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitations of the model used. The value of an option varies with different variables of certain subjective assumptions. Any change in variables so adopted may materially affect the estimation of the fair value of an option.

購股權於授出日期之公平值採用二項格子法估計，該計算方法乃按常用之僱員購股權估值模式為基準。基於作出的假設和所用模式的限制，所計算的公平值必然是主觀和不確定的。購股權的價值會隨著某些主觀假設的不同變數而改變。所採用的變數的任何改變可能會影響購股權公平值的估算。

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

14. Commitments

- (a) Capital commitments in respect of the acquisition of property, plant and equipment:

		30th September 2007 二零零七年 九月三十日 HK\$'000 港幣千元	31st March 2007 二零零七年 三月三十一日 HK\$'000 港幣千元
Contracted but not provided for	已簽約但未作出撥備	1,892	3,900
Authorised but not contracted for	已批准但未簽約	50,989	71,153
		52,881	75,053

The amount of capital commitments authorised but not contracted for represents the Group's estimated capital expenditure based on the annual budget approved by directors.

已批准但未簽約之資本承擔款項，為本集團根據經董事批准之年度預算所估計資本性開支。

(b) Commitments under operating leases

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

(b) 經營租約承擔

於二零零七年九月三十日，本集團根據不可撤銷之經營租賃而須於未來支付之最低租賃付款總額如下：

		30th September 2007 二零零七年 九月三十日 HK\$'000 港幣千元	31st March 2007 二零零七年 三月三十一日 HK\$'000 港幣千元
Land and buildings	土地及樓宇		
Within one year	一年內	292,743	265,297
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	310,514	255,862
After the fifth year	五年後	149	447
		603,406	521,606

Notes to Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

15. Related-party transactions

Key management personnel compensation:

15. 關連人士交易

主要管理人員之酬金：

Six months ended
30th September
截至九月三十日止六個月

		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Directors' fees	董事袍金	668	531
Basic salaries, housing allowances and other allowances	基本薪金、房屋津貼及 其他津貼	12,980	13,316
Retirement benefit costs	退休福利成本	732	744
Share-based payment	以股份支付的支出	2,132	15
		16,512	14,606

Supplementary Information 其他資料

Interim Dividend and Special Dividend

The Board resolved to declare the interim dividend of 3.0 HK cents (2006: 3.0 HK cents) per share and the Special Dividend of 3.0 HK cents (2006: 3.0 HK cents) per share for the six months ended 30th September 2007, payable to shareholders whose names appear on the register of members of the Company ("Register of Members") on 18th December 2007.

The Interim Dividend and Special Dividend will be paid around 28th December 2007.

Closure of Register of Members

The Register of Members will be closed from 17th December 2007 to 18th December 2007, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the Interim Dividend and Special Dividend, all valid documents in respect of transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrars, Tricor Abacus Limited, 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:00 p.m. on 14th December 2007.

Directorate

At the annual general meeting of the Company held on 23rd August 2007, Mrs. LEE LOOK, Ngan Kwan, Christina retired as non-executive director of the Company and Ms. KI, Man Fung, Leonie, Professor CHAN, Yuk Shee and Dr. LEUNG, Kwok Fai, Thomas retired as independent non-executive directors of the Company and they, being eligible for re-election, were re-elected as non-executive and independent non-executive directors of the Company respectively.

中期股息及特別股息

董事會議決宣佈派發截至二零零七年九月三十日止六個月之中期股息每股3.0港仙(二零零六年：3.0港仙)及特別股息每股3.0港仙(二零零六年：3.0港仙)給予於二零零七年十二月十八日名列本公司股東名冊之股東。

中期股息及特別股息將約於二零零七年十二月二十八日派發。

暫停辦理股份過戶登記手續

本公司將於二零零七年十二月十七日至二零零七年十二月十八日期間(包括首尾兩日)暫停辦理股份過戶登記手續。為享有上述宣派之中期股息及特別股息，所有有效過戶文件連同有關股票必須於二零零七年十二月十四日下午四時前送交本公司之香港股份過戶分處卓佳雅柏勤有限公司，地址為香港皇后大道東28號金鐘匯中心26樓。

董事會

於二零零七年八月二十三日舉行之股東週年大會上，利陸雁群女士退任本公司非執行董事，而紀文鳳小姐、陳玉樹教授及梁國輝博士則退任本公司獨立非執行董事，他們均合資格連任並分別獲膺選連任為本公司非執行董事及獨立非執行董事。

Supplementary Information 其他資料

Directorate (continued)

As at 30th September 2007 and at the date of this report, the members of the Board were as follows:

Executive Directors

Mr. KWOK, Siu Ming, Simon

(Chairman and Chief Executive Officer (“CEO”))

Mrs. KWOK LAW, Kwai Chun, Eleanor *(Vice-Chairman)*

Mr. LOOK, Guy *(Chief Financial Officer (“CFO”))*

and qualified accountant

Non-executive Director

Mrs. LEE LOOK, Ngan Kwan, Christina

Independent Non-executive Directors

Professor CHAN, Yuk Shee, *J.P.*

Ms. KI, Man Fung, Leonie, *SBS, J.P.*

Dr. LEUNG, Kwok Fai, Thomas, *J.P.*

Ms. TAM, Wai Chu, Maria, *GBS, J.P.*

Issue of Shares

During the six months ended 30th September 2007, the Company issued and allotted a total of 7,012,804 shares of HK\$0.10 each of the Company to certain staff members pursuant to their exercise of share options under the 1997 share option scheme (“1997 Share Option Scheme”) and the 2002 share option scheme (“2002 Share Option Scheme”).

董事會(續)

於二零零七年九月三十日及本報告刊印日期，董事會成員為：

執行董事

郭少明先生

(主席及行政總裁(「行政總裁」))

郭羅桂珍女士*(副主席)*

陸楷先生*(首席財務總監(「首席財務總監」)及*

合資格會計師)

非執行董事

利陸雁群女士

獨立非執行董事

陳玉樹教授，*太平紳士*

紀文鳳小姐，*銀紫荊星章，太平紳士*

梁國輝博士，*太平紳士*

譚惠珠小姐，*金紫荊星章，太平紳士*

發行股份

於截至二零零七年九月三十日止六個月期間，本公司根據一九九七年購股權計劃(「一九九七年購股權計劃」)、二零零二年購股權計劃(「二零零二年購股權計劃」)發行及配發本公司每股面值0.10港元之股份合共7,012,804股予若干員工。

Supplementary Information 其他資料

Share Options

(i) 1997 Share Option Scheme

In view of the changes of Chapter 17 of the rules (“Listing Rules”) governing the listing of securities on the Stock Exchange which govern the operation of share option schemes, the Company adopted the 2002 Share Option Scheme and the operation of the 1997 Share Option Scheme was terminated on 29th August 2002 (such that no further options could be offered under the 1997 Share Option Scheme but the provisions of the 1997 Share Option Scheme continued to govern options granted under that scheme up to and including 28th August 2002). All the outstanding share options granted under the 1997 Share Option Scheme as at 1st April 2007 were exercised during the period and there was no outstanding share option under the scheme as at 30th September 2007. Details of share options granted under the 1997 Share Option Scheme and their movements during the period were set out below:–

購股權

(i) 一九九七年購股權計劃

鑑於監管購股權計劃運作的聯交所上市規則(「上市規則」)第十七章有所修訂，本公司採納了二零零二年購股權計劃，而一九九七年購股權計劃的運作則於二零零二年八月二十九日終止(故再無購股權可根據一九九七年購股權計劃予以授出，惟一九九七年購股權計劃的條文繼續對截至並包括二零零二年八月二十八日已授出的購股權具有約束力)。所有根據一九九七年購股權計劃授出而於二零零七年四月一日未獲行使的購股權已於期內行使，於二零零七年九月三十日，已沒有該計劃下之未獲行使之購股權。一九九七年購股權計劃授出之購股權詳情及於期內之變動載列如下：–

Name 姓名	Date of grant 授出日期	Subscription price 每股股份 認購價 (HK\$) (港元)	Exercisable period 行使期 行使前持有期 (自授出日起計)	Vesting period (from the date of grant) 股份認購接 購股權行使 日期前一天 之收市價 (HK\$) (港元)	*Closing price of the shares immediately before the date on which the options were exercised 購股權行使 日期前一天 之收市價 (HK\$) (港元)	Number of Share Options 購股權數目				
						Outstanding as at 1st April 2007 於二零零七年 四月一日 未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period 於期內失效	Outstanding as at 30th September 2007 於二零零七年 九月三十日 未獲行使
Employees Under Continuous Employment Contract 連續性合約僱員	9th September 1997 一九九七年九月九日	1.90	9th September 1998 to 8th September 2007 一九九八年九月九日至 二零零七年九月八日	1 year 一年	2.72 (AVG) (平均價)	406,000	-	(406,000)	-	-
						406,000	-	(406,000)	-	-

* The weighted average closing price (“AVG”) is shown where appropriate.

* 加權平均收市價(平均價)已適當顯示。

There is no share option cancelled during the period.

期內並無購股權被註銷。

Supplementary Information 其他資料

Share Options (continued)

(II) 2002 Share Option Scheme

The 2002 Share Option Scheme was approved by the shareholders of the Company at the annual general meeting held on 29th August 2002. Details of share options granted under the 2002 Share Option Scheme and their movements during the period were set out below:—

購股權(續)

(II) 二零零二年購股權計劃

本公司之股東於二零零二年八月二十九日召開之股東週年大會上通過了二零零二年購股權計劃，按二零零二年購股權計劃授出之購股權詳情及於期內之變動載列如下：—

Name 姓名	Date of grant 授出日期	Subscription price per share 每股股份 認購價 (HK\$) (港元)	Exercisable period 行使期	Vesting period (from the date of grant) 行使前 持有期(自授 出日起計)	*Closing price of the shares immediately before the date on which the options were exercised *股份於緊接 購股權行使日期 前一日之收市價 (HK\$) (港元)	Number of Share Options 購股權數目				
						Outstanding as at 1st April 2007 於二零零七年 四月一日 未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period 於期內失效	Outstanding as at 30th September 2007 於二零零七年 九月三十日 未獲行使
Director 董事										
Mr. LOOK, Guy 陸楷先生	26th May 2006 二零零六年 五月二十六日	2,965	28th February 2007 to 25th May 2016 二零零七年二月二十八日至 二零一六年五月二十五日	0.75 year 0.75年	-	2,248,141	-	-	-	2,248,141
			29th February 2008 to 25th May 2016 二零零八年二月二十九日至 二零一六年五月二十五日	1.75 years 1.75年	-	2,248,141	-	-	-	2,248,141
			28th February 2009 to 25th May 2016 二零零九年二月二十八日至 二零一六年五月二十五日	2.75 years 2.75年	-	2,248,140	-	-	-	2,248,140
			note 附註(1)	note 附註(1)	-	2,248,141	-	-	-	2,248,141
			note 附註(1)	note 附註(1)	-	2,248,141	-	-	-	2,248,141
			note 附註(1)	note 附註(1)	-	2,248,140	-	-	-	2,248,140

Supplementary Information 其他資料

Share Options (continued)

(II) 2002 Share Option Scheme (continued)

購股權(續)

(II) 二零零二年購股權計劃(續)

Name 姓名	Date of grant 授出日期	Subscription price per share 每股股份 認購價 (HK\$) (港元)	Exercisable period 行使期	Vesting period (from the date of grant) 行使前 持有期(自授 出日起計)	*Closing price of the shares immediately before the date on which the options were exercised *股份於緊接 購股權行使日期 前一日之收市價 (HK\$) (港元)	Number of Share Options 購股權數目				Outstanding as at 30th September 2007 於二零零七年 九月三十日 未獲行使
						Outstanding as at 1st April 2007 於二零零七年 四月一日 未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period 於期內失效	
Director (continued) 董事(續)										
Ms. TAM, Wai Chu, Maria 譚惠珠小姐	29th June 2004 二零零四年 六月二十九日	3.00	29th June 2005 to 28th June 2014 二零零五年六月二十九日至 二零一四年六月二十八日	1 year 一年	-	1,000,000	-	-	-	1,000,000
Employees Under Continuous Employment Contract 連續性合約僱員	2nd October 2003 二零零三年十月二日	1.88	note 附註(2)	note 附註(2)	-	333,333	-	-	(333,333)	-
	2nd October 2003 二零零三年十月二日	1.88	note 附註(2)	note 附註(2)	-	333,333	-	-	(333,333)	-
	30th October 2003 二零零三年十月三十日	1.68	30th October 2004 to 29th October 2013 二零零四年十月三十日至 二零一三年十月二十九日	1 year 一年 note 附註(3)	2.72 (AVG) (平均價)	519,442	-	(111,736)	-	407,706
	30th October 2003 二零零三年十月三十日	1.68	30th October 2005 to 29th October 2013 二零零五年十月三十日至 二零一三年十月二十九日	2 years 二年 note 附註(3)	2.73 (AVG) (平均價)	2,336,143	-	(453,371)	-	1,882,772
	30th October 2003 二零零三年十月三十日	1.68	30th October 2006 to 29th October 2013 二零零六年十月三十日至 二零一三年十月二十九日	3 years 三年 note 附註(3)	2.76 (AVG) (平均價)	5,153,666	-	(2,321,695)	-	2,831,971

Supplementary Information 其他資料

Share Options (continued)

(II) 2002 Share Option Scheme (continued)

購股權(續)

(II) 二零零二年購股權計劃(續)

Name 姓名	Date of grant 授出日期	Subscription price per share 每股股份 認購價 (HK\$) (港元)	Exercisable period 行使期	Vesting period (from the date of grant) 行使前 持有期(自授 出日起計)	*Closing price of the shares immediately before the date on which the options were exercised *股份於緊接 購股權行使日期 前一日之收市價 (HK\$) (港元)	Number of Share Options 購股權數目				Outstanding as at 30th September 2007 於二零零七年 九月三十日 未獲行使
						Outstanding as at 1st April 2007 於二零零七年 四月一日 未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period 於期內失效	
Employees Under Continuous Employment Contract (continued)	30th October 2003 二零零三年十月三十日	1.68	note 附註(4)	note 附註(4)	2.86 (AVG) (平均價)	1,341,364	-	(395,334)	-	946,030
連續性合約僱員 (續)	30th October 2003 二零零三年十月三十日	1.68	note 附註(4)	note 附註(4)	2.83 (AVG) (平均價)	1,983,303	-	(810,666)	-	1,172,637
	30th October 2003 二零零三年十月三十日	1.68	30th October 2006 to 29th October 2013 二零零六年十月三十日至 二零一三年十月二十九日	3 years 三年	2.83 (AVG) (平均價)	6,763,006	-	(2,514,002)	(46,666)	4,202,338
	1st March 2004 二零零四年三月一日	2.85	14th January 2007 to 28th February 2014 二零零七年一月十四日至 二零一四年二月二十八日	3 years from date of employment 僱用日期 起計三年	-	183,333	-	-	-	183,333
	1st March 2004 二零零四年三月一日	2.85	note 附註(5)	note 附註(5)	-	85,000	-	-	-	85,000
	3rd March 2004 二零零四年三月三日	2.78	5th July 2007 to 2nd March 2014 二零零七年七月五日至 二零一四年三月二日	3 years from the date of employment 僱用日期 起計三年	-	333,333	-	-	-	333,333

Supplementary Information 其他資料

Share Options (continued)

(II) 2002 Share Option Scheme (continued)

購股權(續)

(II) 二零零二年購股權計劃(續)

Name 姓名	Date of grant 授出日期	Subscription price per share 每股股份 認購價 (HK\$) (港元)	Exercisable period 行使期	Vesting period (from the date of grant) 持有期(自授 出日起計)	*Closing price of the shares immediately before the date on which the options were exercised *股份於緊接 購股權行使日期 前一日之收市價 (HK\$) (港元)	Number of Share Options 購股權數目				Outstanding as at 30th September 2007 於二零零七年 九月三十日 未獲行使
						Outstanding as at 1st April 2007 於二零零七年 四月一日 未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period 於期內失效	
Employees Under Continuous Employment Contract (continued) 連續性合約僱員(續)	3rd March 2004 二零零四年三月三日	2.78	note 附註(6)	note 附註(6)	-	140,000	-	-	-	140,000
	3rd March 2004 二零零四年三月三日	2.78	note 附註(6)	note 附註(6)	-	302,000	-	-	-	302,000
	2nd August 2004 二零零四年八月二日	3.12	28th July 2007 to 1st August 2014 二零零七年七月二十八日至 二零一四年八月一日	3 years from date of employment 僱用日期 起計三年	-	183,333	-	-	-	183,333
	2nd August 2004 二零零四年八月二日	3.12	note 附註(7)	note 附註(7)	-	40,000	-	-	-	40,000
	2nd August 2004 二零零四年八月二日	3.12	note 附註(7)	note 附註(7)	-	98,000	-	-	-	98,000
	1st December 2004 二零零四年十二月一日	3.85	13th September 2007 to 30th November 2014 二零零七年九月十三日至 二零一四年十一月三十日	3 years from date of employment 僱用日期 起計三年	-	116,667	-	-	-	116,667
	1st December 2004 二零零四年十二月一日	3.85	note 附註(8)	note 附註(8)	-	26,000	-	-	-	26,000

Supplementary Information 其他資料

Share Options (continued)

(II) 2002 Share Option Scheme (continued)

購股權(續)

(II) 二零零二年購股權計劃(續)

Name 姓名	Date of grant 授出日期	Subscription price per share 每股股份 認購價 (HK\$) (港元)	Exercisable period 行使期	Vesting period (from the date of grant) 行使前 持有期(自授 出日起計)	*Closing price of the shares immediately before the date on which the options were exercised *股份於緊接 購股權行使日期 前一天之收市價 (HK\$) (港元)	Number of Share Options 購股權數目				Outstanding as at 30th September 2007 於二零零七年 九月三十日 未獲行使
						Outstanding as at 1st April 2007 於二零零七年 四月一日 未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period 於期內失效	
Employees Under Continuous Employment Contract (continued)	1st December 2004 二零零四年十二月一日	3.85	2nd December 2004 to 30th November 2014 二零零四年十二月二日至 二零一四年十一月三十日	-	-	278,666	-	-	-	278,666
連續性合約僱員(續)	1st December 2004 二零零四年十二月一日	3.85	30th October 2005 to 30th November 2014 二零零五年十月三十日至 二零一四年十一月三十日	2 years from 20th October 2003 二零零三年 十月二十日 起計二年	-	278,667	-	-	-	278,667
	1st December 2004 二零零四年十二月一日	3.85	30th October 2006 to 30th November 2014 二零零六年十月三十日至 二零一四年十一月三十日	3 years from 20th October 2003 二零零三年 十月二十日 起計三年	-	278,667	-	-	-	278,667
	1st December 2004 二零零四年十二月一日	3.85	1st October 2007 to 30th November 2014 二零零七年十月一日至 二零一四年十一月三十日	3 years from 1st October 2004 二零零四年 十月一日 起計三年	-	66,666	-	-	-	66,666
	1st December 2004 二零零四年十二月一日	3.85	note 附註(9)	note 附註(9)	-	26,000	-	-	-	26,000

Supplementary Information 其他資料

Share Options (continued)

(II) 2002 Share Option Scheme (continued)

購股權(續)

(II) 二零零二年購股權計劃(續)

Name 姓名	Date of grant 授出日期	Subscription price per share 每股股份 認購價 (HK\$) (港元)	Exercisable period 行使期	Vesting period (from the date of grant) 持有期(自授 出日起計)	*Closing price of the shares immediately before the date on which the options were exercised *股份於緊接 購股權行使日期 前一日之收市價 (HK\$) (港元)	Number of Share Options 購股權數目				Outstanding as at 30th September 2007 於二零零七年 九月三十日 未獲行使
						Outstanding as at 1st April 2007 於二零零七年 四月一日 未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period 於期內失效	
Employees Under Continuous Employment	1st December 2004 二零零四年十二月一日	3.85	note 附註(9)	note 附註(9)	-	25,000	-	-	-	25,000
Contract (continued) 連續性合約僱員(續)	22nd December 2004 二零零四年十二月二十二日	4.15	22nd December 2007 to 21st December 2014 二零零七年十二月二十二日至 二零一四年十二月三十一日	3 years from date of employment 僱用日期 起計三年	-	183,333	-	-	-	183,333
	22nd December 2004 二零零四年十二月二十二日	4.15	note 附註(10)	note 附註(10)	-	32,000	-	-	-	32,000
						35,929,099	-	(6,606,804)	(713,332)	28,608,963

* The weighted average closing price ("AVG") is shown where appropriate.

* 加權平均收市價(平均價)已適當顯示。

There is no share option cancelled during the period.

期內並無購股權被註銷。

Supplementary Information 其他資料

Share Options (continued)

(II) 2002 Share Option Scheme (continued)

Notes:

- (1) The exercise of the share options is subject to certain performance targets that must be achieved by the director. The share options shall be exercised by the director not later than 25th May 2016.
- (2) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 1st October 2013.
- (3) On 30th October 2003, the Company granted share options to employees who had completed a minimum of 5 years of employment with the Group as at 30th September 2003 to subscribe for shares at an exercise price of HK\$1.68 per share in order to reward them for contributing to the long term success of the business of the Group and to encourage and motivate them to continue to contribute to the success of the business of the Group.
- (4) On 30th October 2003, the Company granted share options to employees of the Company who are of managerial level or above to subscribe for shares at an exercise price of HK\$1.68 per share in order to encourage and motivate them to continue to contribute to the success of the business of the Group. The exercise of the share options is subject to certain performance targets that must be achieved by the employees.
- (5) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 28th February 2014.
- (6) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 2nd March 2014.
- (7) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 1st August 2014.

購股權(續)

(II) 二零零二年購股權計劃(續)

附註：

- (1) 該名董事必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一六年五月二十五日行使。
- (2) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一三年十月一日行使。
- (3) 本公司於二零零三年十月三十日授出購股權予於截至二零零三年九月三十日止服務本集團不少於五年之僱員，以獎賞該等僱員對本集團業務長線發展作出貢獻和鼓勵及推動該等僱員對集團業務長線發展繼續作出貢獻，其行使價為每股1.68港元。
- (4) 本公司於二零零三年十月三十日授出購股權予經理級或以上之僱員，以鼓勵及推動該等僱員對集團業務長線發展繼續作出貢獻，其行使價為每股1.68港元。有關僱員必須達到若干表現指標才符合資格行使購股權。
- (5) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一四年二月二十八日行使。
- (6) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一四年三月二日行使。
- (7) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一四年八月一日行使。

Supplementary Information 其他資料

Share Options (continued)

(II) 2002 Share Option Scheme (continued)

- (8) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 30th November 2014.
- (9) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 30th November 2014.
- (10) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 21st December 2014.

Fair value of share options, measured at the grant date of the options, are determined using the binominal lattice model that is based on the underlying assumptions of one of the commonly used employee share option pricing model. The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitations of the model used. The value of an option varies with different variables of certain subjective assumptions. Any change in variables so adopted may materially affect the estimation of the fair value of an option.

Purchase, Sale or Redemption of Shares

During the six months ended 30th September 2007, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

購股權(續)

(II) 二零零二年購股權計劃(續)

- (8) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零零四年十一月三十日行使。
- (9) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零零四年十一月三十日行使。
- (10) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零零四年十二月二十一日行使。

購股權於授出日期之公平值採用二項格子法估計，該計算方法乃按常用之僱員購股權估值模式為基準。基於作出的假設和所用模式的限制，所計算的公平值必然是主觀和不確定的。購股權的價值會隨著某些主觀假設的不同變數而改變。所採用的變數的任何改變可能會影響購股權公平值的估算。

購回、出售或贖回股份

本公司或其任何附屬公司於截至二零零七年九月三十日止六個月內概無購回、出售或贖回本公司任何上市證券。

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

As at 30th September 2007, the interests and short positions of the directors and chief executives 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")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") were set out below:

於二零零七年九月三十日，本公司董事及最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券條例」)第XV部)擁有根據證券條例第XV部第7及第8分部須知會本公司及聯交所的股份、相關股份及債券之權益及淡倉(包括彼等根據證券條例之該等條文被假設或視為擁有之權益或淡倉)，或記載於本公司按證券條例第352條須置存之登記冊內的權益或淡倉，或根據上市公司董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益或淡倉如下：

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

(I) Long Position in the Shares, Underlying Shares and Debentures of the Company

(I) 擁有公司股份、相關股份及債券之好倉

Name of director 董事姓名	Capacity 身份	Number of shares in the Company 本公司之股份數目				Total 總權益	Approximate percentage of shareholding 約佔持股百分比
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益		
Mr. KWOK, Siu Ming, Simon 郭少明先生	Interests of a controlled corporation (Note 1) 所控制法團的權益(附註1)	-	-	898,506,400	-	898,506,400	65.32%
	Beneficial Owner 實益擁有人	20,364,000	-	-	-	20,364,000	1.48%
Mrs. KWOK LAW, Kwai Chun, Eleanor 郭羅桂珍女士	Interests of a controlled corporation (Note 1) 所控制法團的權益(附註1)	-	-	898,506,400	-	898,506,400	65.32%
Mrs. LEE LOOK, Ngan Kwan, Christina 利陸雁群女士	Interests of a controlled corporation 所控制法團的權益	-	-	148,000	-	148,000	0.01%
	Beneficial Owner 實益擁有人	1,000,000	-	-	-	1,000,000	0.07%
Professor CHAN, Yuk Shee 陳玉樹教授	Beneficial Owner 實益擁有人	1,150,000	-	-	-	1,150,000	0.08%

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

(I) Long Position in the Shares, Underlying Shares and Debentures of the Company (continued)

Note 1: These shares are held as to 696,780,000 shares by Sunrise Height Incorporated and as to 201,726,400 shares by Green Ravine Limited. Both Sunrise Height Incorporated and Green Ravine Limited are owned as to 50% each by Mr. KWOK, Siu Ming, Simon and Mrs. KWOK LAW, Kwai Chun, Eleanor.

Details of the interests of directors and chief executive in the derivatives interests in the Company for the six months ended 30th September 2007 were disclosed under the section headed "Share Options" under "Supplementary Information" ("Option Section").

(II) Long position in the Shares, Underlying Shares and Debentures of Associated Corporations

Mr. KWOK, Siu Ming, Simon and Mrs. KWOK LAW, Kwai Chun, Eleanor are each taken to be interested in all the issued non-voting deferred shares ("Deferred Shares") of Base Sun Investment Limited, Matford Trading Limited, Sa Sa Cosmetic Company Limited and Sa Sa Investment Limited, all wholly-owned subsidiaries of the Company. Mrs. KWOK LAW, Kwai Chun, Eleanor is also taken to be interested in all the Deferred Shares of Vance Trading Limited, a wholly-owned subsidiary of the Company. Details of interests in the Deferred Shares were set out below:

(I) 擁有公司股份、相關股份及債券之好倉(續)

附註1：該等股份其中696,780,000股由Sunrise Height Incorporated持有而201,726,400股由Green Ravine Limited持有。郭少明先生及郭羅桂珍女士各持有Sunrise Height Incorporated及Green Ravine Limited 50%權益。

各董事及最高行政人員於截至二零零七年九月三十日止六個月期間擁有本公司衍生工具權益之詳情已於「其他資料」項下「購股權」一欄(「購股權部份」)披露。

(II) 擁有相聯法團股份、相關股份及債券之好倉

郭少明先生及郭羅桂珍女士分別被視為擁有鵬日投資有限公司、美福貿易有限公司、莎莎化粧品有限公司及莎莎投資有限公司之全部已發行無投票權遞延股份(「遞延股份」)之權益，前述公司均為本公司全資附屬公司。郭羅桂珍女士亦被視為擁有本公司全資附屬公司榮森貿易有限公司全部已發行無投票權遞延股份之權益。遞延股份之權益詳情載列如下：—

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

(II) Long position in the Shares, Underlying Shares and Debentures of Associated Corporations

(continued)

Mr. KWOK, Siu Ming, Simon

(II) 擁有相聯法團股份、相關股份及債券之好倉(續)

郭少明先生

Name of associated corporation 相聯法團名稱	Capacity 身份	Number of Deferred Shares in the associated corporation 相聯法團之遞延股份數目					Total interests 總權益	Percentage of shareholding to all the Deferred Shares of associated corporation 佔相聯法團之所有遞延股份百分比
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益			
Base Sun Investment Limited 鵬日投資有限公司	Interests of a controlled corporation (Note 1) 所控制法團的權益(附註1)	-	-	2	-	2	100%	
Matford Trading Limited 美福貿易有限公司	Beneficial owner (Note 2) 實益擁有人(附註2)	3	-	-	-	3	50%	
Sa Sa Cosmetic Company Limited 莎莎化粧品有限公司	Beneficial owner 實益擁有人	1	-	-	-	1	50%	
Sa Sa Investment Limited 莎莎投資有限公司	Beneficial owner 實益擁有人	1	-	-	-	1	50%	

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

(II) Long position in the Shares, Underlying Shares and Debentures of Associated Corporations

(continued)

Mrs. KWOK LAW, Kwai Chun, Eleanor

(II) 擁有相聯法團股份、相關股份及債券之好倉(續)

郭羅桂珍女士

Name of associated corporation	Capacity	Number of Deferred Shares in the associated corporation					Total interests	Percentage of shareholding to all the Deferred Shares of associated corporation
		Personal interests	Family interests	Corporate interests	Other interests	相聯法團之遞延股份數目		
相聯法團名稱	身份	個人權益	家族權益	公司權益	其他權益	總權益	佔相聯法團之所有遞延股份百分比	
Base Sun Investment Limited 鵬日投資有限公司	Interest of a controlled corporation (Note 1) 所控制法團的權益(附註1)	-	-	2	-	2	100%	
Matford Trading Limited 美福貿易有限公司	Beneficial owner (Note 3) 實益擁有人(附註3)	3	-	-	-	3	50%	
Sa Sa Cosmetic Company Limited 莎莎化粧品有限公司	Beneficial owner 實益擁有人	1	-	-	-	1	50%	
Sa Sa Investment Limited 莎莎投資有限公司	Beneficial owner 實益擁有人	1	-	-	-	1	50%	
Vance Trading Limited 榮森貿易有限公司	Beneficial owner 實益擁有人	1,600,000	-	-	-	1,600,000	100%	

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

(II) Long position in the Shares, Underlying Shares and Debentures of Associated Corporations

(continued)

Note 1: Mr. KWOK, Siu Ming, Simon and Mrs. KWOK LAW, Kwai Chun, Eleanor hold 2 shares in Base Sun Investment Limited through Link Capital Investment Limited and Modern Capital Investment Limited. Link Capital Investment Limited and Modern Capital Investment Limited are companies owned as to 50% each by Mr. KWOK, Siu Ming, Simon and Mrs. KWOK LAW, Kwai Chun, Eleanor.

Note 2: Mr. KWOK, Siu Ming, Simon holds 3 shares in Matford Trading Limited through Mr. YUNG, Leung Wai who acts as a nominee shareholder.

Note 3: Mrs. KWOK LAW, Kwai Chun, Eleanor holds 3 shares in Matford Trading Limited through Ms. KWOK, Lai Yee, Mable who acts as a nominee shareholder.

Note 4: Certain qualifying share was held by Mr. KWOK, Siu Ming, Simon in trust for a wholly-owned subsidiary of the Company.

Save as disclosed above, no directors or chief executives have any interests or short position 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) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(II) 擁有相聯法團股份、相關股份及債券之好倉(續)

附註1：郭少明先生及郭羅桂珍女士透過 Link Capital Investment Limited 及 Modern Capital Investment Limited 持有 鵬日投資有限公司兩股股份。郭少明先生及郭羅桂珍女士各持有 Link Capital Investment Limited 及 Modern Capital Investment Limited 50% 權益。

附註2：郭少明先生透過容良偉先生(作為其代理人股東)持有美福貿易有限公司三股股份。

附註3：郭羅桂珍女士透過郭麗儀小姐(作為其代理人股東)持有美福貿易有限公司三股股份。

附註4：郭少明先生受託代本公司一間全資附屬公司持有若干董事資格股份。

除上文所披露者外，各董事及最高行政人員概無在本公司或其相聯法團(定義見證券條例第XV部)擁有根據證券條例第XV部第7及第8分部須知會本公司及聯交所的股份、相關股份及債券之權益或淡倉(包括彼等根據證券條例之該等條文被假設或視為擁有之權益或淡倉)，或記載於本公司按證券條例第352條須置存之登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

(III) Share Options

The interest of the directors and chief executive in the share options (being regarded as unlisted physically settled equity derivatives) of the Company are detailed in the Option Section.

Directors' benefits from rights to acquire shares or debentures

Save as disclosed under the Option Section, at no time during the period was the Company, its holding company or its subsidiaries or a subsidiary of the Company's holding company, a party to any arrangements which enabled the directors of the Company (including their spouses or children under 18 years of age), to acquire benefits by means of acquisition of shares in or debenture of the Company or any other body corporate.

(III) 購股權

董事及最高行政人員持有之本公司購股權權益(被界定為非上市之實貨交易股票衍生產品)之詳情已於購股權部份內予以詳盡披露。

董事購買股份或債券權利之利益

除於購股權部份內披露者外，本公司、其控股公司或其附屬公司於期內任何時間概無參與訂立任何協議，令本公司之董事(包括彼等之配偶或十八歲以下之子女)可藉收購本公司或任何其他法人團體之股份或債券而獲得利益。

Shareholder's Interests and Short Positions in Shares and Underlying Shares

股東於股份及相關股份之權益及淡倉

So far as is known to any director or chief executive of the Company, as at 30th September 2007, shareholders, other than a director or chief executive, who had interests and short positions in the shares and underlying shares of the Company which would have to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions), or which were recorded in the register of interests required to be kept by the Company under Section 336 of the SFO were as follows:

就本公司董事或最高行政人員所知，於二零零七年九月三十日，擁有根據證券條例第XV部第2及第3分部須向本公司及聯交所披露的股份及相關股份之權益及淡倉（包括彼等根據證券條例之該等條文被假設或視為擁有之權益或淡倉），或記載於本公司按證券條例第336條須置存之登記冊內的權益或淡倉之股東如下：

Long Position of Substantial Shareholders in the Shares of the Company

主要股東擁有本公司股份之好倉

Name of company 公司名稱	Capacity 身份	No. of shares held 持股量	Approximate percentage of shareholding 約佔持股百分比
Sunrise Height Incorporated	Beneficial owner 實益擁有人	696,780,000 (Note) (附註)	50.65%
Green Ravine Limited	Beneficial owner 實益擁有人	201,726,400 (Note) (附註)	14.66%

Note: Both Sunrise Height Incorporated and Green Ravine Limited are owned as to 50% each by Mr. KWOK, Siu Ming, Simon and Mrs. KWOK LAW, Kwai Chun, Eleanor.

附註：郭少明先生及郭羅桂珍女士各擁有Sunrise Height Incorporated及Green Ravine Limited 50%股權。

Save as disclosed above, the Company has not been notified by any person (other than the directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would have to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions), or which were recorded in the register of interests required to be kept by the Company under Section 336 of the SFO.

除上文所披露者外，本公司並無知悉任何人士擁有根據證券條例第XV部第2及第3分部須向本公司及聯交所披露的股份或相關股份（除本公司董事或最高行政人員外）之權益或淡倉（包括彼等根據證券條例之該等條文被假設或視為擁有之權益或淡倉），或記載於本公司按證券條例第336條須置存之登記冊內的權益或淡倉。

Gearing Up from **Corporate Responsibility** to **Good Governance** 推進企業責任以達致良好管治

Corporate responsibility embraces ethical behavior, transparency, respect for diverse stockholder groups and a commitment to create economic, social and environmental values

企業責任涵蓋道德行為、透明度、尊重不同股東組別以及致力創建經濟、社會及環境價值

The Company is committed to good corporate governance principles and practice. The Board appreciates that corporate responsibility initiatives can scale up their impact by linking to corporate governance frameworks and recognizes that it is essential to safeguard the interests of stockholders, customers and employees and uphold accountability, transparency and responsibility of the Company.

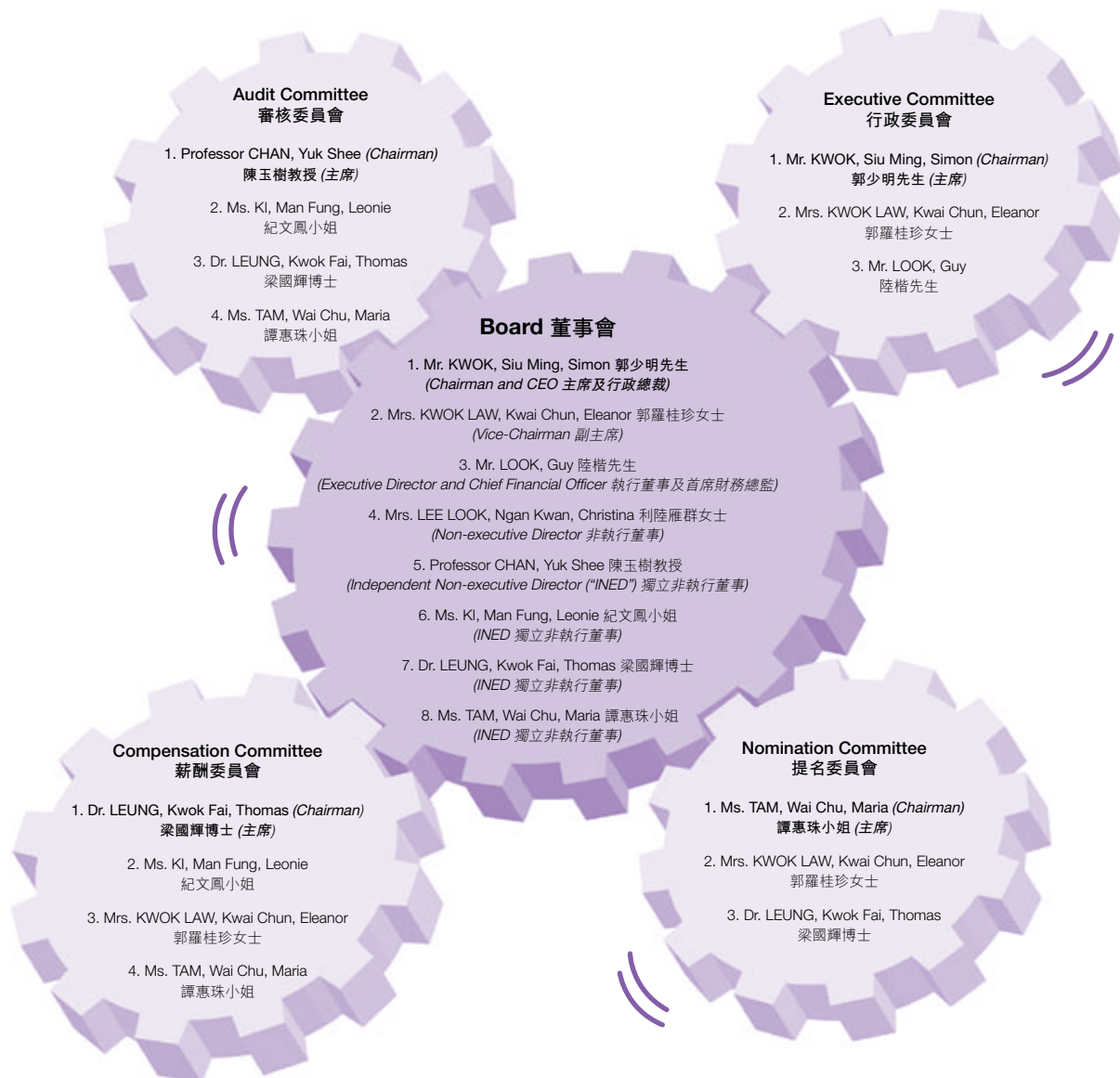
The Company has complied with the code provisions (“Code Provisions”) in the Code on Corporate Governance Practices (“CG Code”) set out in Appendix 14 of the Listing Rules throughout the six months ended 30th September 2007 except for deviation from the Code Provision A.2.1, particulars of which are set out below. With a view to monitor and continuously improve its performance, the Company reviews its corporate governance practices from time to time and always aims to enhance its corporate governance practices to be in line with local and international practices.

本公司致力維持良好企業管治原則及常規。董事會透過企業責任方針與企業管治框架之連繫提升影響力，深信保障股東、客戶與僱員之權益，並提升公司問責、透明度及責任感尤為重要。

截至二零零七年九月三十日止六個月期內，本公司已遵守聯交所上市規則附錄十四所載企業管治常規守則（「管治守則」）的所有守則條文（「守則條文」），惟偏離守則條文第A.2.1條者則除外，有關詳情載於下文。為了監察及持續改善表現，本公司不時檢討其企業管治守則，並不斷致力提升本公司之企業管治守則達到本地及國際常規之水平。

(I) Composition of the Board and various Board Committees

(I) 董事會及董事委員會之組成



Board

The Board currently comprises three executive directors, namely Mr. KWOK, Siu Ming, Simon, Mrs. KWOK LAW, Kwai Chun and Mr. LOOK, Guy, and five non-executive directors in which four of them are INEDs, representing more than one-third of the Board. The INEDs are Professor CHAN, Yuk Shee, Ms. KI, Man Fung, Leonie, Dr. LEUNG, Kwok Fai, Thomas and Ms. TAM, Wai Chu, Maria who offer diversified expertise and serve to advise the Board and management on strategy development and provide checks and balances for safeguarding the interest of the shareholders and the Group as a whole.

The business and affairs of the Company and its subsidiaries shall be under the direction of and vest with the Board pursuant to the articles of association of the Company. The Board is elected by the shareholders and is the ultimate decision making body of the Group except in respect of matters reserved for shareholders. The Board accepts that it is ultimately accountable and responsible for the performance and affairs of the Group. However, while the Board retains oversight responsibility, certain of that authority is necessarily delegated by the Board to the management in order to enable the management to develop and implement the Company's strategic plans and annual operating plans, and to conduct the Company's day-to-day activities. The Board diligently monitors the management's performance in that regard but responsibility for conducting the Company's day-to-day operations rests with the management.

The Board appointed four Board committees, namely executive committee, audit committee, compensation committee and nomination committee to oversee particular aspects of the Group's affairs. The Company shall review the said delegation arrangements on a periodic basis to ensure that they remain appropriate to its needs. The Board and the Board committees work under well established corporate governance practices and its terms of reference which reinforces the responsibilities of directors in accordance with the requirements of the Listing Rules and other relevant statutory requirements.

董事會

董事會現包括三名執行董事，分別為郭少明先生、郭羅桂珍女士與陸楷先生，以及五名非執行董事，其中四人為獨立非執行董事，佔董事會人數超過三分之一。獨立非執行董事為陳玉樹教授、紀文鳳小姐、梁國輝博士與譚惠珠小姐，彼等提供不同之專業知識及向董事會和管理層提供策略發展之意見，並為保障股東及本集團整體利益擔當審核及協調工作。

本公司及其附屬公司之業務及事務乃根據本公司組織章程細則由董事會領導及授權。董事會乃由股東選出，且為本集團最終決策單位，惟須由股東處理之事宜則除外。董事會須就本集團之表現及事務最終問責及負責。儘管董事會保留監察責任，其若干權力仍須下放予管理層，使管理層可以發展和推行本公司的策略性計劃和年度營運方案與及進行本公司日常之活動。董事會盡心監察管理層之表現，惟本公司日常運作則留待管理層處理。

董事會已委任四個董事委員會，分別為行政委員會、審核委員會、薪酬委員會及提名委員會，以監察集團事務的各特定範疇。本公司會定期檢討上述委派權力之安排，以確保其切合所需。董事會及董事委員會按照良好的企業管治常規及其職權範圍運作，此等常規及職權範圍乃根據上市規則及其他有關法定要求規定，旨在加強董事之責承。

Corporate Governance 企業管治

The directors' attendance at the Board and Board committee meetings of the Company during the six months ended 30th September 2007 are set out in the following table ("Meeting Attendance"):

截至二零零七年九月三十日止六個月期間，董事出席本公司董事會及董事委員會會議之記錄載於下表（「會議出席記錄」）：

Meeting Attendance

會議出席記錄

Name of directors 董事姓名	Board meeting 董事會會議	Executive committee meeting 行政委員會會議	Audit committee meeting 審核委員會會議	Compensation committee meeting 薪酬委員會會議	Nomination committee meeting 提名委員會會議
Executive Directors 執行董事					
Mr. KWOK, Siu Ming, Simon 郭少明先生	2	5	2 (Note 1) (附註1)	1 (Note 2) (附註2)	n/a 不適用
Mrs. KWOK LAW, Kwai Chun, Eleanor 郭羅桂珍女士	2	5	n/a 不適用	1	-
Mr. LOOK, Guy 陸楷先生	2	5	2 (Note 1) (附註1)	n/a 不適用	n/a 不適用
Non-Executive Director 非執行董事					
Mrs. LEE LOOK, Ngan Kwan, Christina 利陸雁群女士	2	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用
INEDs 獨立非執行董事					
Professor CHAN, Yuk Shee 陳玉樹教授	2	n/a 不適用	2	n/a 不適用	n/a 不適用
Ms. KI, Man Fung, Leonie 紀文鳳小姐	2	n/a 不適用	2	1	n/a 不適用
Dr. LEUNG, Kwok Fai, Thomas 梁國輝博士	1	n/a 不適用	1	1	-
Ms. TAM, Wai Chu, Maria 譚惠珠小姐	2	n/a 不適用	2	1	-
Total meetings held 會議總數	2	5	2	1	-

Note 1: Mr. KWOK, Siu Ming, Simon and Mr. LOOK, Guy attended two audit committee meetings as invitees.

附註1：郭少明先生與陸楷先生以受邀者身分出席兩次審核委員會會議。

Note 2: Mr. KWOK, Siu Ming, Simon attended the compensation committee meeting as invitee.

附註2：郭少明先生以受邀者身分出席薪酬委員會會議。

Executive Committee

Being part of the management team, the executive committee held meetings on a regular basis. The members of the executive committee are Mr. KWOK, Siu Ming, Simon, who presides as the chairman, Mrs. KWOK LAW, Kwai Chun, Eleanor and Mr. LOOK, Guy.

Audit Committee

The Company established an audit committee with written terms of reference on 13th October 1999. The current audit committee members are Professor CHAN, Yuk Shee who presides as chairman, Ms. KI, Man Fung, Leonie, Dr. LEUNG, Kwok Fai, Thomas and Ms. TAM, Wai Chu, Maria, all of which are INEDs and at least one of whom possess the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules.

The audit committee is responsible for, inter alia, reviewing and monitoring the relationship between the Company and its auditors, reviewing of the financial information of the Company and overseeing the Company's financial controls, internal control and risk management systems. The audit committee members have met with external auditor and internal control consultants and discussed the general scope of the audit works and reviewed the audit reports and the interim and annual accounts of the Group. During the period, the audit committee met privately with the external auditors, without the presence of the executive directors of the Company, to discuss matters or issues arising from the audit and any other matters the external auditor may wish to raise.

行政委員會

行政委員會作為管理團隊之一部分，會定期舉行會議。行政委員會成員為郭少明先生(主席)、郭羅桂珍女士及陸楷先生。

審核委員會

本公司於一九九九年十月十三日成立審核委員會，並訂明其職權範圍。審核委員會現有成員為陳玉樹教授(主席)、紀文鳳小姐、梁國輝博士及譚惠珠小姐，彼等均為獨立非執行董事，彼等中最少一人擁有上市規則第3.10(2)條要求的適當專業資格或會計或相關財務管理專業知識。

審核委員會須負責(其中包括)檢討及監察本公司與其核數師之關係、審閱本公司財務資料、監管本公司財務監控、內部監控及風險管理制度。審核委員會成員須與外聘核數師及內部監控顧問會面，商討審核工作一般範疇及審閱本集團審核報告、中期及全年賬目。期內，審核委員會曾單獨與外聘核數師會面，商討審核出現的事宜或事項以及外聘核數師可能提出的任何其他事宜，而本公司執行董事並無出席有關會議。

Compensation Committee

A compensation committee had been formed in December 1999 and was then formally established in March 2000. There are four compensation committee members currently, namely Dr. LEUNG, Kwok Fai, Thomas, who presides as the chairman, Ms. KI, Man Fung, Leonie, Mrs. KWOK LAW, Kwai Chun, Eleanor and Ms. TAM, Wai Chu, Maria, the majority of which are INEDs.

The role and authorities of the compensation committee, including those set out in B.1.3 of the Code Provision in the CG Code, were clearly set out in its terms of reference which are available at the Company's website and on request. Pursuant to its terms of reference, the compensation committee should be provided with sufficient resources to discharge its duties, including obtaining independent professional advice in appropriate circumstances as and when deem necessary and fit pursuant to the independent professional advice guideline adopted by the Company from time to time.

薪酬委員會

薪酬委員會最初於一九九九年十二月成立，其後於二零零零年三月正式組成。現有的四名薪酬委員會成員包括梁國輝博士(主席)、紀文鳳小姐、郭羅桂珍女士及譚惠珠小姐，其大部分成員均為獨立非執行董事。

薪酬委員會之角色及權力，包括管治守則中之守則條文第B.1.3條所載者，清楚載列於其職權範圍內，有關文件已於本公司網站登載，並可於作出要求時供查閱。按有關職權範圍，薪酬委員會應獲提供充足資源，包括根據本公司不時採納之獨立意見指引，以及被視為有需要及適當時於適當情況獲取獨立專業意見，以履行其責任。

Nomination Committee

The Board had established a nomination committee on 31st March 2005, whose members are Ms. TAM, Wai Chu, Maria, being the chairman, Mrs. KWOK LAW, Kwai Chun, Eleanor and Dr. LEUNG, Kwok Fai, Thomas. The terms of reference of the nomination committee adopted on 31st March 2005, which is made available on the website of the Group, has set out details of its role and functions, nomination procedures and the process and criteria adopted for selection and recommendation of candidates for directorship of the Company, summary of which is set out below.

The nomination committee is responsible for, inter alia:-

- (i) determining the policy for the nomination of directors;
- (ii) reviewing the structure, size and composition (including the skills, knowledge and expertise) of the Board on a regular basis and making recommendations to the Board regarding any proposed changes;
- (iii) identifying individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorship;
- (iv) assessing the independence of INEDs; and
- (v) making recommendations to the Board on the relevant matters relating to the appointment or re-appointment of directors.

提名委員會

董事會於二零零五年三月三十一日成立提名委員會，成員為譚惠珠小姐（主席）、郭羅桂珍女士及梁國輝博士。本集團網站已登載於二零零五年三月三十一日獲採納之提名委員會職權範圍，載有該委員會角色和職能、以及挑選及建議合適人選加入本公司董事會之提名程序、過程及準則概述如下。

提名委員會負責，其中包括：

- (i) 釐定提名董事之政策；
- (ii) 定期檢討董事會之架構、人數及組成（包括技能、知識及經驗方面），並就任何擬作出之變動向董事會作出建議；
- (iii) 物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會作出建議；
- (iv) 評核獨立非執行董事之獨立性；及
- (v) 就董事委任或重新委任向董事會作出建議。

Management Meetings

Executive committee and the management team meet together regularly to review, discuss and make decisions on financial and operational matters. During the period, five management meetings were held and chaired by the chairman and CEO of the Company which enhanced and strengthened departmental communications and co-operation within the Group.

(II) CG Code in Appendix 14

The Code Provision A.2.1 of the CG Code stipulated that the roles of chairman and CEO should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing.

Mr. KWOK, Siu Ming, Simon has been both the chairman and CEO of the Company whose responsibilities were clearly set out in writing and approved by the Board effective on 1st April 2005. Given the Group's current stage of development, the Board considers that vesting the roles of chairman and CEO in the same person facilitates the execution of the Group's business strategies and maximizes effectiveness of its operation. The Board shall nevertheless review the structure from time to time and it will consider the appropriate move to take should suitable circumstance arise.

管理層會議

行政委員會及管理層團隊定期會面，檢討、商討及就財務及營運事項作出決策。於期內，曾舉行五次管理層會議，由本公司主席及行政總裁主持，以提高及鞏固集團部門間之溝通及合作。

(II) 附錄十四之管治守則

管治守則中守則條文A.2.1條指明主席與行政總裁的角色應有區分，並不應由一人同時兼任。主席與行政總裁之間職責的分工應清楚界定並以書面列載。

郭少明先生一直身兼本公司主席及行政總裁兩職，其職責已清楚界定並以書面列載，並獲董事會通過於二零零五年四月一日起生效。按本集團目前之發展情形，董事會認為由同一人身兼主席及行政總裁，有利執行本集團之商業策略和發揮本集團之最高營運效益，惟董事會不時檢討有關架構，當情況合適時，會考慮作出適當的安排。

(III) Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) in Appendix 10

The Company has adopted a code of conduct regarding directors’ securities transactions on terms no less exacting than the required standard set out in the Model Code (“Company’s Code”). Having made specific enquiry of all directors, all directors confirmed that they had complied with the required standard set out in the Model Code and the Company’s Code throughout the period.

(IV) Internal Control and Risk Management

Recognising that a well-designed system of internal control is crucial to safeguard the assets of the Company and to ensure the reliability of financial reporting as well as compliance with laws and regulations, the Company is committed to set up and maintain a good system of internal control which is devised to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievement of the Group’s objectives. The Board also acknowledges that it has overall responsibility for the Company’s internal control, financial control and risk management system and shall monitor its effectiveness from time to time.

(III) 附錄十之上市發行人董事進行證券交易的標準守則(「標準守則」)

本公司已就董事進行的證券交易，採納一套不低於標準守則所訂標準的守則(「本公司守則」)。經向全體董事作出特定查詢，全體董事均確認已於期內遵守標準守則及本公司守則規定之標準。

(IV) 內部監控及危機管理

設計完善之內部監控制度對保障本公司財產、確保財務報告可靠性以及遵守法例及規則甚為重要，所以本公司致力設立並維持一個良好的內部監控系統，以提供合理，惟非絕對之保證，以防出現嚴重誤報或損失的情況，並管理，而非杜絕運作系統及達成集團目標出現失誤之風險。董事會亦明白其對本公司內部監控、財務控制及風險管理制度之整體責任，並不時監察其效能。

Internal audit function

The Group has maintained an internal audit function that is responsible for assisting the Board in maintaining effective internal controls by evaluating their effectiveness and efficiency and by promoting continuous improvement. The internal audit function of the Group which is independent of management reports directly to the audit committee quarterly and has access to the Chairman of the audit committee if appropriate during the period.

To further enhance the objectivity and competency of the internal audit function, starting from January 2007, the Group outsourced the internal audit function to an independent risk consulting firm which is not the auditor of any members of the Group ("Internal Control Consultants").

The Internal Control Consultants perform regular reviews of the Group's internal controls based on a risk-based annual audit plan approved by the audit committee. The annual audit plan was arrived at using a risk-based approach to determine the priorities of the internal audit activity. The audit committee has the final authority to review and approve the annual audit plan and all major changes to the plan. In addition, special reviews may also be performed on areas of concern identified by management or the audit committee from time to time.

內部審核功能

本集團的內部審核功能負責協助董事會維持有效內部監控，以評核其效力和效率，並促進連續性的改善。本集團的內部審核功能獨立於管理層，於期內按季度直接向審核委員會報告，並可於適當時候主動向審核委員會主席匯報。

為進一步提高內部審核功能的客觀性和能力，自二零零七年一月起，本集團將內部審核功能外發予獨立風險顧問公司（「內部監控顧問」）（該公司並非本集團任何成員之核數師）。

內部監控顧問以審核委員會通過的以風險為基礎的年度審核計劃，進行本集團內部監控檢討。該年度審核計劃使用以風險為基礎的方法決定內部審核活動的優先次序。審核委員會有最終權力審閱及批准有關之年度審核計劃以及計劃的所有重大修改。此外，亦可按管理層或審核委員會不時的指示，對其關注的範圍進行指定的審核。

Risk assessment

The Company is committed to conduct a quality and comprehensive review of the effectiveness of the internal control systems. During the period, the Internal Control Consultants updated the risk assessment for the Group and followed up the risk mitigation plans designed by management in response to the risk assessment exercise carried out in the previous financial year.

In conducting the risk assessment, management embraces a “top-down” approach as recommended by the Committee of Sponsoring Organisations of the Treadway Commission (“COSO”). Management defined the objectives of the Company and the related risk categories impacting those objectives.

The Internal Control Consultants have been appointed to facilitate the risk assessment exercise. Interviews with selected key members of management team have been arranged to revisit the strategic objectives of the Group and to identify major updates in the risk profile of the organization resulted from the changing internal and external environment. The Internal Control Consultants have also followed up with the management on the implementation status of the strategies and mitigation plans with respect to each key risk identified in prior year’s risk assessment exercise.

風險評估

本公司致力就內部監控系統之效能進行高質素及全面的檢討。於期內，內部監控顧問就本集團的風險作出最新評估，並就上個財務年度進行的風險評估工作，按管理層制定的減輕風險計劃進行跟進的工作。

管理人員採用 Committee of Sponsoring Organisations of the Treadway Commission (「COSO」) 建議的「由上而下」的方法進行風險評估。管理人員界定本公司目標及影響該等目標的有關風險種類。

內部監控顧問獲委任以進行風險評估的工作。為達到本集團的策略目標和按內部和外環境的改變而找出機構風險重點的主要變更，本公司已安排管理層的指定主要成員與顧問會面商討有關情況。內部監控顧問亦曾就上年度風險評估工作中找出的個別主要風險，與管理層跟進策略和減輕風險計劃的執行情況。

(V) Investor Relations

The Group is committed to fostering productive and long-term relationships with shareholders and investors through open and prompt communication. Various channels have been established to facilitate transparency. Key information on the Group, which is continuously updated (including a separate Corporate Governance section), annual reports and web casts of results presentations are available on our corporate web site (www.sasa.com/corporate). In addition to the Annual General Meeting in which shareholders can put questions to directors about the Group's performance, press and analysts' conferences are held at least twice a year subsequent to the interim and final results announcements. At these conferences, our management team explains the Group's business performance and future direction. The Group also seeks opportunities to communicate its strategies to investors and the public through active participation at investors' conferences, regular meetings with fund managers and potential investors, as well as through press interviews and timely press releases. Other than individual meetings with analysts, institutional investors and fund managers, the Group also participated in various road shows and conferences during the period. These are summarised as follows:

(V) 投資者關係

集團致力與股東及投資者建立良好而長遠的關係，因此設立多種溝通渠道作迅速和坦誠的溝通，以增加透明度。集團網頁 (www.sasa.com/corporate) 載有集團之重要資訊(包括獨立的「公司管治」章節)，而且不斷更新，亦載有業績報告及記者招待會上發佈的業績簡報及年度業績報告。除在股東週年大會上股東可向董事提出有關集團表現的意見外，集團亦每年最少於公佈中期及年度業績後舉行兩次記者招待會及分析員研討會，由管理層講解集團的業績及未來發展方向。此外集團亦透過積極參與投資者會議，定期與基金經理及潛在投資者會面，接受報章訪問及發出新聞稿向投資者及公眾闡釋業務策略。期內，集團管理層除與分析員、機構投資者及基金經理會面外，亦曾參加以下巡迴推介及大型投資者會議：

Corporate Governance 企業管治

Date 日期	Event 活動	Organiser 主辦機構	Location 地點
September 2007 二零零七年九月	Road show 巡迴推介	Bear Stearns 貝爾斯登	New York & San Francisco 紐約及三藩市
September 2007 二零零七年九月	Asia Pacific & Emerging Markets Equities Conference 亞太區及新興市場資本會議	JP Morgan 摩根大通	New York 紐約
September 2007 二零零七年九月	Road show 巡迴推介	CIBC 加拿大帝國商業銀行	Toronto & Montreal 多倫多及蒙特利爾
July 2007 二零零七年七月	China/Hong Kong Consumer Corporate Day 中國／香港消費企業推介日	BNP Paribas 法國巴黎百富勤	Singapore 新加坡
June 2007 二零零七年六月	Road show 巡迴推介	Lehman Brothers 雷曼兄弟	Hong Kong 香港
May 2007 二零零七年五月	Investors luncheon 投資者午餐會	CIMB-GK 聯昌國際證券	Hong Kong 香港
April 2007 二零零七年四月	Consumer Corporate Day 消費企業推介日	Deutsche Bank 德意志銀行	London 倫敦

By Order of the Board
Kwok Siu Ming, Simon
Chairman and CEO

承董事會命
 主席及行政總裁
郭少明

Hong Kong, 29th November 2007

香港，二零零七年十一月二十九日



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Shares of Sa Sa International Holdings Limited are traded on
The Stock Exchange of Hong Kong Limited (Stock Code: 178)
莎莎國際控股有限公司股份於香港聯合交易所有限公司買賣（股份代號：178）