

# KB 建滔化工集團

KINGBOARD CHEMICAL HOLDINGS LIMITED

Stock Code 股份代號：148



Annual Report  
2007 年報



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## Corporate Information

### 公司資料

#### BOARD OF DIRECTORS

##### Executive Directors

Mr. Cheung Kwok Wing (*Chairman*)  
Mr. Chan Wing Kwan (*Managing Director*)  
Mr. Cheung Kwong Kwan  
Mr. Chang Wing Yiu  
Mr. Ho Yin Sang  
(appointed on 11 January 2007)  
Ms. Cheung Wai Lin, Stephanie  
(appointed on 11 January 2007)  
Mr. Mok Cham Hung, Chadwick

##### Independent Non-Executive Directors

Mr. Cheng Ming Fun, Paul  
Mr. Cheng Wai Chee, Christopher  
(appointed on 1 July 2007)  
Mr. Tse Kam Hung  
Mr. Henry Tan

#### COMPANY SECRETARY AND QUALIFIED ACCOUNTANT

Mr. Lo Ka Leong

#### PRINCIPAL BANKERS

Bank of America, N.A.  
Bank of Communications Co., Ltd., Hong Kong Branch  
China Construction Bank  
Citibank, N.A.  
DBS Bank Ltd., Hong Kong Branch  
The Hongkong and Shanghai Banking Corporation Limited  
Standard Chartered Bank (Hong Kong) Limited

#### AUDITOR

Deloitte Touche Tohmatsu  
Certified Public Accountants

#### 董事會

##### 執行董事

張國榮先生(*主席*)  
陳永銀先生(*董事總經理*)  
張廣軍先生  
鄭永耀先生  
何燕生先生  
(於二零零七年一月十一日獲委任)  
張偉連女士  
(於二零零七年一月十一日獲委任)  
莫湛雄先生

##### 獨立非執行董事

鄭明訓先生  
鄭維志先生  
(於二零零七年七月一日獲委任)  
謝錦洪先生  
陳亨利先生

#### 公司秘書及合資格會計師

羅家亮先生

#### 主要往來銀行

美國銀行  
交通銀行股份有限公司香港分行  
中國建設銀行  
花旗銀行  
星展銀行香港分行  
香港上海滙豐銀行有限公司  
渣打銀行(香港)有限公司

#### 核數師

德勤•關黃陳方會計師行  
執業會計師

## Corporate Information 公司資料

### HONG KONG LEGAL ADVISORS

Mallesons Stephen Jaques

### 香港法律顧問

萬盛國際律師事務所

### REGISTERED OFFICE

Ground Floor, Caledonian House  
Mary Street, P.O. Box 1043  
George Town  
Grand Cayman  
Cayman Islands  
British West Indies

### 註冊辦事處

Ground Floor, Caledonian House  
Mary Street, P.O. Box 1043  
George Town  
Grand Cayman  
Cayman Islands  
British West Indies

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

5th Floor, Block K  
Valiant Industrial Centre  
2-12 Au Pui Wan Street  
Fo Tan  
Shatin  
Hong Kong

### 總辦事處及主要營業地點

香港  
沙田  
火炭  
坳背灣街2-12號  
威力工業中心  
5樓K座

### PRINCIPAL SHARE REGISTRAR

The Harbour Trust Co. Ltd.  
3rd Floor  
One Regis Place  
P.O. Box 1787  
George Town  
Grand Cayman Islands  
British West Indies

### 股份登記處總處

The Harbour Trust Co. Ltd.  
3rd Floor  
One Regis Place  
P.O. Box 1787  
George Town  
Grand Cayman Islands  
British West Indies

### BRANCH SHARE REGISTRAR IN HONG KONG

Tricor Secretaries Limited  
26/F, Tesbury Centre  
28 Queen's Road East  
Wanchai, Hong Kong

### 股份登記處香港分處

卓佳秘書商務有限公司  
香港灣仔  
皇后大道東二十八號  
金鐘匯中心二十六樓

## Financial Highlights

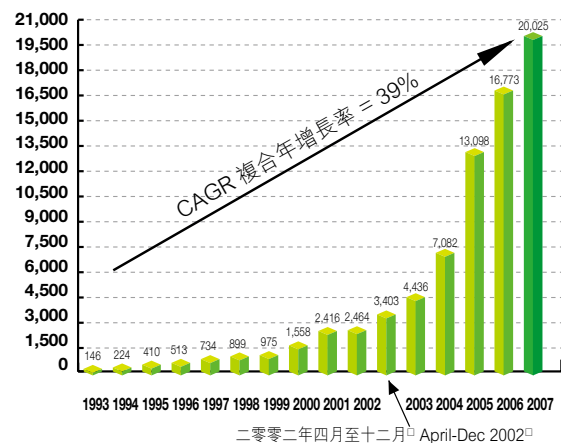
### 財務摘要

		Year ended 31 December 2007 截至二零零七年 十二月三十一日止年度 HK\$ Million 百萬港元	Year ended 31 December 2006 截至二零零六年 十二月三十一日止年度 HK\$ Million 百萬港元
Revenue	營業額	20,025	16,773
Profit Attributable to Equity Holders of the Company	本公司權益持有人應佔溢利	2,619 <sup>#</sup>	2,187 <sup>**</sup>
Equity Attributable to Equity Holders of the Company	本公司權益持有人應佔權益	18,291	15,969
Basic Earnings Per Share (HK\$)	每股基本盈利(港元)	3.139 <sup>#</sup>	2.756 <sup>**</sup>
Pre-tax Profit Margin	除稅前邊際溢利率	16.3% <sup>#△</sup>	16.0% <sup>**△</sup>
Current Ratio	流動比率	1.89	2.90
Return on Equity Attributable to Equity Holders of the Company	本公司權益持有人應佔權益回報率	15.3% <sup>#</sup>	22.6% <sup>**</sup>

#### Revenue

##### 營業額

HK\$ Million  
百萬港元



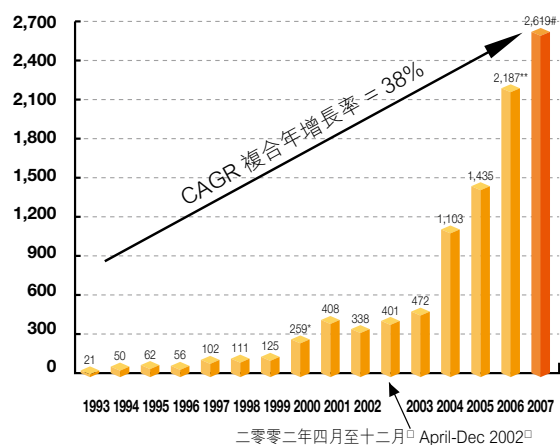
Note: Changed financial year end to December from March 2002 onwards

- \* Excluding the gain from the spin off of copper foil business of HK\$178.4 million
- Annualized
- \*\* Excluding the gain from the spin off of laminate business of HK\$4.8 billion and discount on acquisition of HK\$49.7 million
- △ Excluding share results of associates and jointly controlled entities
- # Excluding:
  - (1) gain on fair value change of conversion and redemption option derivative of HK\$182.4 million
  - (2) loss on disposal and deemed disposal of interest in an associate of HK\$23.7 million
  - (3) discount on acquisition of HK\$1.0 million

#### Profit Attributable to Equity Holders of the Company

##### 本公司權益持有人應佔溢利

HK\$ Million  
百萬港元



附註：自二零零二年三月起，財政年度年結日改為十二月

- \* 不包括分拆銅箔業務所得之178,400,000港元之收益
- 按年度基準計算
- \*\* 不包括分拆覆銅面板業務所得之4,800,000,000港元之收益及收購折讓49,700,000港元
- △ 不包括應佔聯營公司及共同控制實體之業績
- # 不包括：
  - (1) 可換股及贖回選擇權衍生工具之公平值變動收益一億八千二百四十萬港元
  - (2) 出售及視作出售一間聯營公司權益之虧損二千三百七十萬港元
  - (3) 收購折讓一百萬港元

## Chairman's Statement

### 主席報告

#### BUSINESS REVIEW

Having rallied as a team against a challenging business environment, I am pleased to report that Kingboard Chemical Holdings Limited (the "Group") concluded another landmark performance for the financial year ended 31 December 2007 with both record-breaking revenue and profit. During the year, we have further strengthened the growth platform across our core businesses and scaled up our production capabilities. Our relentless efforts resulted in encouraging payoffs. On the back of strong revenue of HK\$20.0 billion, the Group posted a new record of HK\$2,618.7 million net profit, representing an increase of 20% over 2006 (excluding one-off exceptional items\* in both financial years). The strong results are a solid testament to our persistent focus on sustainable growth following the successful implementation of our business model of vertical integration and diverse revenue sources.

Leveraging on the premier position in the market place, our laminate and printed circuit board ("PCB") divisions continued to advance market share and make positive contributions to the Group. In addition, the Group's chemical division posted impressive growth of 150% in earnings contribution over 2006 after accounting for the share of profits of our Hainan methanol joint venture. This clearly demonstrates that our chemical investments have started to bring in excellent returns. We have unwavering confidence in the Group's ability to shape the future as we have all the right ingredients in place to drive long-term sustainable growth and create ever increasing value for our shareholders.

The new glass yarn plant in Qingyuan, Guangdong province further enhances our vertical integration development. 位於廣東省清遠之新玻璃紗廠，進一步提升集團之垂直整合發展。

#### 業務回顧

本人欣然公佈，建滔化工集團(「集團」)於截至二零零七年十二月三十一日止財政年度，再次錄得破紀錄之全年業績，營業額及純利均創新高。集團能取得此豐碩成果，有賴全體員工上下共同努力，克服充滿挑戰的經營環境。集團在年內進一步強化核心業務的增長平台，提升生產能力。員工的不懈努力得到令人鼓舞的回報，集團錄得強勁的銷售額，達二百億港元。純利亦再創新高至二十六億一千八百七十萬港元，較二零零六年增加20%(不包括兩個財政年度內一次性特殊項目\*)。此等亮麗業績正好印證集團銳意透過垂直整合及擴闊收入來源的經營模式去維持長期增長的核心價值之成功。

集團的覆銅面板及印刷線路板部門憑藉本身在市場上優於同儕的領導地位，繼續擴大其市場佔有率，為集團業績帶來理想貢獻。在計入所佔海南省合營公司的盈利後，集團化工部門的盈利貢獻較二零零六年大幅增長150%。此等輝煌成就反映化工項目投資開始為集團帶來豐厚的回報。管理層對集團未來發展前景充滿信心，集團現時具備充分條件，以保持長遠增長動力，及不斷為股東創造價值。



Chairman's Statement 主席報告

FINANCIAL HIGHLIGHTS	財務摘要
<ul style="list-style-type: none"> <li>Revenue recorded strong growth of 19% to exceed HK\$20.0 billion</li> </ul>	<ul style="list-style-type: none"> <li>營業額錄得19%之強勁增長，突破二百億港元</li> </ul>
<ul style="list-style-type: none"> <li>Profit attributable to equity holders of the Company was up 20% to a record high of HK\$2.6 billion *</li> </ul>	<ul style="list-style-type: none"> <li>本公司權益持有人應佔溢利增長20%至二十六億港元紀錄新高*</li> </ul>
<ul style="list-style-type: none"> <li>Return on equity attributable to equity holders of the Company stayed healthy at 15.3%*</li> </ul>	<ul style="list-style-type: none"> <li>本公司權益持有人應佔權益回報率維持在15.3%的健康水平*</li> </ul>
<ul style="list-style-type: none"> <li>Proposed final dividend per share up 84% to HK70 cents</li> </ul>	<ul style="list-style-type: none"> <li>建議派發每股末期股息增加84%至七十港仙</li> </ul>

\* Excluding:

2007 - (1) gain on fair value change of conversion and redemption option derivative of HK\$182.4 million  
 (2) loss on disposal and deemed disposal of partial interest in an associate of HK\$23.7 million  
 (3) discount on acquisition of HK\$1.0 million

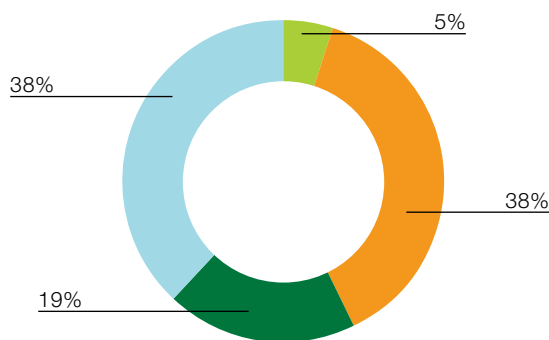
2006 - (1) gain on disposal and deemed disposal of interest in a subsidiary of HK\$4.8 billion  
 (2) discount on acquisition of HK\$49.7 million

\* 不包括：

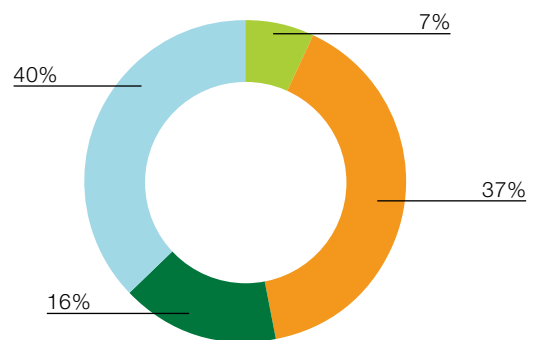
二零零七年 - (1) 可換股及贖回選擇權衍生工具之公平值變動收益一億八千二百四十萬港元  
 (2) 出售及視作出售一間聯營公司部分權益之虧損二千三百七十萬港元  
 (3) 收購折讓一百萬港元

二零零六年 - (1) 出售及視作出售一間附屬公司權益之收益四十八億港元  
 (2) 收購折讓四千九百七十萬港元

Revenue Breakdown by Product 營業額分佈



FY 2007  
二零零七年財政年度



FY 2006  
二零零六年財政年度

■ Laminates 覆銅面板     
 ■ Chemicals 化工產品     
 ■ Printed Circuit Boards 印刷線路板     
 ■ Others 其他

## Chairman's Statement 主席報告

### Performance

To capitalize on the thriving demand for our quality laminate products, the Group continued to expand the laminate division in both southern and eastern parts of China in 2007. Being the largest global laminate supplier backed by the reliable support from upstream material production capabilities, the Group was able to make further penetration into both existing and new customers. As a result, revenue (including inter-segment sales) for the laminate division recorded a 25% growth to HK\$10,276.2 million. Earnings before interest and tax ("EBIT") was up 18% to HK\$2,126.8 million over the previous year. Volume sales were up around 13% with the average monthly shipment reaching 8.3 million sq. meters. Revenue growth outpaced volume growth largely due to faster sales growth of glass epoxy laminates which commanded higher selling price than paper laminates. The capacity expansion in the new glass epoxy laminate plant in Jiangyin, Jiangsu province on top of our existing foothold at Kunshan, Jiangsu province has reinforced our presence in eastern China which accommodates an enlarging electronic industry cluster.

### 業務表現

為了滿足市場對集團優質覆銅面板產品之殷切需求，集團的覆銅面板部門在二零零七年繼續在華南及華東地區擴展。集團作為全球最大的覆銅面板供應商，加上擁有自行生產上游物料能力的強大支持，能進一步深化集團在現有及新客戶的認授性。故此，覆銅面板部門的營業額（包括分部間之銷售）增長25%至一百零二億七千六百二十萬港元，未扣除利息及稅項之盈利亦較上年度上升18%至二十一億二千六百八十萬港元。銷售量增長13%，每月的平均付運量達八百三十萬平方米。營業額增幅較付運量增長為高，主要由於銷售單價高於紙覆銅面板的環氧玻璃纖維覆銅面板之銷售在年度內有所增加。集團在江蘇省江陰新設的環氧玻璃纖維覆銅面板廠在年內擴充產能，再加上在江蘇省昆山原有的生產基地，進一步強化集團在華東此一電子工業樞紐中心的市場之地位。





## Chairman's Statement 主席報告

With regard to PCB division, we encountered some softening demand in the computer and peripherals segment in the first half of 2007. However, the computer market rebounded sharply in the second half. Together with steadily growing automotive and consumer electronic sectors, revenue for PCB division was up 14% to HK\$7,601.2 million. However, EBIT slipped by 16% to HK\$578.6 million from the previous financial year owing to (a) high volatility in raw materials prices; (b) under performance of Kaiping plants of Elec & Eltek; and (c) soft pricing environment in the first half of the year.

印刷線路板部門方面，電腦及周邊行業需求在二零零七年上半年略為放緩。然而，隨著電腦市場於下半年出現強勁反彈，加上電子消費品及汽車行業平穩增長，印刷線路板部門的收入增加14%至七十六億零一百二十萬港元。然而，未扣除利息及稅項之盈利則為五億七千八百六十萬港元，較上一財政年度下降16%，盈利下降是由於(a)原料價格大幅波動；(b)依利安達的開平廠房在年內之表現未如理想；以及(c)產品價格上半年偏軟。



Elec & Eltek and Techwise actively participate in trade exhibitions.  
依利安達及科惠積極參與展覽會。



## Chairman's Statement 主席報告



Our new natural gas based methanol plant in Chongqing adds positive growth momentum to the Group.  
位於重慶之天然氣甲醇廠為集團帶來另一增長動力。



The chemical division continued to reap the benefits from a series of investments made in the past few years and achieved remarkable results in 2007. Revenue soared 35% to approximately HK\$5,425.7 million and EBIT increased by 92% to HK\$658.1 million in 2007. The coke/methanol plant in Hebei province excelled in its performance with EBIT surging 102% against 2006 because the ongoing coke industry consolidation in China has created a favourable operating environment for suppliers. Meanwhile, our new natural gas based methanol plant in Chongqing which commenced production in September 2007 contributed positively to the Group after some initial teething problems. The caustic soda plant in Hengyang, Hunan province also saw substantial earnings growth as a result of robust domestic demand. The new phenol/acetone plant in Huizhou, Guangdong province which started production in December 2007 created another growth dimension to our expanding chemical division. Our joint venture with China BlueChemical Limited yielded excellent return to our investment in spite of temporary disruption of natural gas supply in late 2007.

在二零零七年，集團的化工部門繼續受惠於過去數年持續進行的投資，取得極其驕人的業績。二零零七年營業額較上年攀升35%，至五十四億二千五百七十萬港元，未扣除利息及稅項之盈利較上年增長92%，至六億五千八百一十萬港元。由於中國焦炭行業持續進行整合，為供應商提供了一個較有利的經營環境，河北省焦炭／甲醇廠因而取得驕人佳績，未扣除利息及稅項之盈利較二零零六年大幅上升102%。與此同時，位於重慶之天然氣甲醇廠在二零零七年九月投產，在克服磨合期若干障礙後，已為集團帶來理想貢獻。由於國內市場需求強勁，湖南省衡陽的燒碱廠亦錄得可觀的盈利增長。廣東省惠州新建之苯酚及丙酮廠已於二零零七年十二月投產，該廠可為正在擴展的化工部門創造另一增長領域。集團與中海石油化學股份有限公司在海南省的合營項目，雖然在二零零七年底受到短暫的天然氣暫停供應所影響，但仍然為集團的投資帶來了豐厚的回報。

## Chairman's Statement 主席報告



Kingboard expands its chemical division to meet the thriving demand of chemical products in China.  
建滔積極擴展化工部門以滿足中國市場對化工產品的需求。



### LIQUIDITY AND CAPITAL RESOURCES

Our financial and liquidity position continued to be strong. As at 31 December 2007, net current assets and current ratio of the Group were approximately HK\$6,377.6 million (31 December 2006 – HK\$9,467.1 million) and 1.89 (31 December 2006 – 2.90) respectively.

The net working capital cycle shortened from 96 days as at 31 December 2006 to 84 days as at 31 December 2007 on the following key metrics:

- Inventories, in terms of stock turnover days, reduced to 64 days (31 December 2006 – 73 days)
- Trade receivables, in terms of debtors turnover days, improved to 90 days (31 December 2006 – 97 days)
- Trade and bills payables, in terms of creditors turnover days, decreased to 70 days (31 December 2006 – 74 days)

### 流動資金及財務狀況

集團的財務狀況持續保持穩健。集團於二零零七年十二月三十一日之流動資產淨值約為六十三億七千七百六十萬港元(二零零六年十二月三十一日：九十四億六千七百一十萬港元)，流動比率則為1.89(二零零六年十二月三十一日：2.90)。

淨營運資金週轉期由二零零六年十二月三十一日的九十六日縮短至二零零七年十二月三十一日的八十四日，細分如下：

- 存貨週轉期縮短至六十四日(二零零六年十二月三十一日：七十三日)
- 貿易應收款項的週轉期改善至九十日(二零零六年十二月三十一日：九十七日)
- 貿易及票據應付帳款的週轉期縮短至七十日(二零零六年十二月三十一日：七十四日)

## Chairman's Statement 主席報告

In 2007, the Group invested HK\$4 billion in new production capacity and made deposits of HK\$993.2 million for properties, plant and equipment. The Group also invested HK\$1,084.5 million in investment properties so as to generate an inflow of steady and recurrent rental income. Furthermore, during the year, we paid the final and special dividend for the year ended 31 December 2006 of HK\$832.8 million in May 2007 and interim dividend for the year ended 31 December 2007 of HK\$251.4 million in September 2007 respectively. As a result, the Group's net gearing ratio (ratio of interest bearing borrowings net of cash and cash equivalents to total equity) was approximately 17%. Net gearing ratio of the retained group (excluding Kingboard Laminates Holdings Limited and Elec & Eltek International Company Limited) was approximately 7%.

The proportion of bank borrowings between short term and long term stood at 24%: 76% (31 December 2006: 24%: 76%). In December 2007, we successfully arranged a HK\$4 billion 5-year term loan of which HK\$500 million was drawn as of 31 December 2007. Together with other bank facilities around HK\$1 billion plus cash on hand of HK\$3.5 billion, the Group is in a strong financial position to invest in future earnings growth. Only 7% of the bank borrowings was denominated in Renminbi and the rest in Hong Kong or US dollars.

The Group continued to adopt a prudent financial management policy. Subsequent to the 2007 year end, we have entered interest rate swap agreements of notional amount of HK\$3.5 billion with reputable financial institutions in order to secure lower interest rates for part of our bank borrowings in the next few years. There was no material foreign exchange exposure to the Group during the year under review. The Group's revenue, mostly dominated in Hong Kong dollars, Renminbi and US dollars, was fairly matched with the currency requirement of operating expenses.

於二零零七年，集團投資了四十億港元來擴大各個核心業務之產能，並為物業、廠房及設備支付了九億九千三百二十萬港元訂金。此外，集團投資了十億八千四百五十萬港元購買投資物業，使集團有穩定和經常性的租金收入。此外，在年度內，集團於二零零七年五月派發截至二零零六年十二月三十一日止年度之末期及特別股息共八億三千二百八十萬港元，並於二零零七年九月派發截至二零零七年十二月三十一日止年度之中期股息二億五千一百四十萬港元。因此，集團之淨負債比率(扣除現金及現金等值項目後之附息借貸與資本總額比率)約為17%。保留集團(不包括建滔積層板控股有限公司及依利安達集團有限公司)之淨負債比率約為7%。

短期與長期借貸的比例維持24%：76%(二零零六年十二月三十一日：24%：76%)。集團於二零零七年十二月成功簽訂一項四十億港元之五年期貸款，其中有五億港元已於年底前提取，加上其他銀行之融資額度約十億港元，以及手頭現金三十五億港元，集團具備充足的財務資源，繼續投資以維持未來之盈利增長。銀行借貸中僅7%為人民幣貸款，其餘的則為港元或美元貸款。

集團繼續採取審慎的財務政策。於二零零七年年底後，集團與具良好信譽之金融機構簽訂面值為三十五億港元之利率掉期合約，藉以保證未來數年部份銀行貸款享有較低息率。在回顧年度內，集團並無面對重大的外匯風險。集團的收入主要以港元、人民幣及美元結算，與營運開支的貨幣要求比例大致相符。

## Chairman's Statement 主席報告

### HUMAN RESOURCES

As at 31 December 2007, the Group had a global workforce of over 47,200 (31 December 2006: 42,900). The increase in headcount was in line with our ongoing expansion plan. In addition to offering competitive salary package, the Group grants share options and discretionary bonuses to eligible employees based on our overall financial achievement and their individual performance.

### 人力資源

於二零零七年十二月三十一日，集團在全球合共聘用員工約47,200人(二零零六年十二月三十一日：42,900人)，員工人數增加主要為配合集團業務擴展之步伐。集團除了提供具競爭力的薪酬待遇外，亦會根據公司整體財政狀況和個別員工的表現，發放優先購股權及特別獎金予合資格員工。



The caustic soda plant in Hengyang, Hunan province provides new impetus to our chemical business.

位於湖南省衡陽的燒碱廠為集團化工業務發展締造新動力。

### PROSPECTS

2008 marks the 20th anniversary of the Group and 15th anniversary of its listing in Hong Kong. With an excellent growth track record, we are confident that the competitive advantages gained in the past will enable the Group to seize new opportunities and continue to invest for sustainable growth. Although the recent slow down in the US economy has posted a challenge to the entire manufacturing sector, we believe, in light of our financial strength and well balanced business portfolio, the Group will continue to create shareholders value and, similar to other downturns in the past, make further advancement against our competitors.

### 前景

二零零八年標誌著建滔化工集團成立二十週年和在香港上市十五週年。管理層相信，憑藉集團過往卓越的增長及過往累積的市場競爭優勢，可抓緊未來業務的新機遇及持續投資以維持未來之盈利增長。儘管近期美國經濟增長放緩為整個製造行業帶來挑戰，但管理層相信，像過往出現行業的低潮時期一樣，集團憑藉強勁的財務狀況及均衡的業務組合，仍將繼續為股東創造價值及進一步超越競爭對手。

## Chairman's Statement 主席報告

Demand for laminates at the start of 2008 experienced brief softness due to seasonal effect of Chinese Lunar New Year. The power shortage and logistic bottleneck caused by the snowstorm in eastern and southern China provinces had caused temporary disruption to certain production facilities located in the north of Guangdong province for about one week. The affected operations have since then resumed full production. In view of fast growing PCB demand in emerging markets including China, we will continue capacity expansion at our laminate plants in Fogang, Guangdong province and Jiangyin, Jiangsu province to bring total laminate monthly production capacity to 11.3 million sq. meters, up 9.3% by the end of 2008. To capitalize on our broad customer base with diverse product requirements, the Group is continuously developing high end laminate products including thin and high performance laminates.

受農曆新年的季節性影響，二零零八年初的覆銅面板需求略為放緩。內地華東及華南地區的雪災造成了電力供應短缺和物流瓶頸阻礙，導致集團於粵北地區部分廠房運作短暫停頓約一星期，但受影響的生產設施已迅速恢復正常運作。鑑於新興市場包括中國對覆銅面板需求增長迅速，集團在廣東省佛岡及江蘇省江陰的廠房將繼續擴充產能，至二零零八年年底，覆銅面板之每月總產能將達一千一百三十萬平方米，較去年底升9.3%。為了善用集團廣泛的客戶基礎，切合他們對不同產品的需求，集團將繼續開發各種高端覆銅面板產品，包括薄板及高效能覆銅面板。



Our chairman, Mr. Cheung Kwok Wing, and managing director, Mr. Chan Wing Kwan, and the management team are fully committed to the future growth of the Group.

本公司主席張國榮先生、董事總經理陳永鋸先生及管理層一直專注推動集團未來發展。

## Chairman's Statement 主席報告

For the PCB division, the Group, similar to the laminate division, began the year with softening orders. Nevertheless, the rationalization efforts undertaken last year by Elec & Eltek which accounted for about 57% of total PCB division's turnover have laid down a concrete foundation for performance improvement. Moreover, our major expansion focus in the current year will be two high density interconnect ("HDI") PCB plants currently under construction in Kaiping, Guangdong province and Kunshan, Jiangsu province. Both plants are expected to be fully operational by year end of 2008. These new production facilities will address our untapped segments and hence add new momentum to the growth for the PCB division in due course.

Chemical division continues to be the strongest growth driver for the Group in coming years. The methanol demand in China is expected to grow robustly in the near future as the central government is interested in clean and alternative fuel to reduce pollution and reliance on crude oil import. The Group gains valuable know-how and experience from our successful coke/methanol project in Hebei. We will complete three more coal based methanol projects with total new monthly capacity of 34,800 tonnes during 2008, namely, phase two of the coke/methanol plant in Hebei province and the two joint venture coke gas based methanol projects in Shanxi province. Furthermore, in the first half of 2008, phase three of the caustic soda plant in Hengyang, Hunan province will commence operation, providing 8,300 tonnes new monthly capacity each of caustic soda and polyvinylchloride ("PVC").

Pursuant to a sale and purchase agreement dated 1 February 2008, the Group sold its entire holding of 740,518,325 shares in G-Prop (Holdings) Limited ("G-Prop"), a company listed on the main board of the Stock Exchange, to Mass Rise Limited, an indirect wholly-owned subsidiary of Chinese Estates Holdings Limited at a consideration of HK\$120,777,000. As a result, the Group no longer holds any shares in G-Prop.

印刷線路板部門方面，與覆銅面板部門情況相若，於今年初的訂單需求略為放緩。儘管如此，佔集團印刷線路板總銷售57%的依利安達於去年進行優化整合，為改進業務表現打下穩固的基礎。此外，部門今年主要業務擴展重點為位於廣東省開平及江蘇省昆山正在興建的兩家高密度互連印刷線路板廠。預計兩家新廠在今年年底全面投產。屆時新的生產設施可鎖定尚待開發的新市場，並為未來數年的收入及盈利增長注入新動力。

化工部門依然是集團未來最強勁的增長動力。中國對甲醇的需求未來數年將穩步上升，主要由於中央政府有意發展潔淨及可替代能源，以減少對環境的污染及降低對進口原油的依賴。管理層從成功開展的河北省焦炭／甲醇廠項目中獲取寶貴的生產技術及營運經驗。部門將於二零零八年完成興建三個以煤炭為基礎的甲醇項目，即河北省焦炭／甲醇廠第二期，以及在山西省的兩個以焦炭尾氣為原料的甲醇合營項目，將額外增加甲醇每月產能共三萬四千八百噸。此外，湖南省衡陽燒碱廠的第三期預計於二零零八年上半年開始投產，將額外提供燒碱及聚氯乙烯(PVC)每月新產能各八千三百噸。

根據集團於二零零八年二月一日與華人置業集團的間接全資附屬公司—巨昇有限公司所簽訂的買賣合同，集團以總代價120,777,000港元將集團所持有金匡企業有限公司(「金匡企業」)(一間於聯交所主板上市的公司)的740,518,325股股份全數賣給巨昇有限公司。交易完成後，集團再沒有持有任何金匡企業的股份。

## Chairman's Statement 主席報告

### APPRECIATION

Finally, on behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our shareholders, customers, banks, the management and employees for their unreserved support to the Group in the past year.

**CHEUNG Kwok Wing**

*Chairman*

Hong Kong, 17 March 2008

### 致謝

最後，本人謹代表董事會藉此機會向各位股東、客戶、銀行、管理人員及員工過去一年對本集團毫無保留的支持致以衷心感謝。

*主席*

**張國榮**

香港，二零零八年三月十七日



## Directors' and Senior Management's Biographies

### 董事及高級管理人員之資歷

#### EXECUTIVE DIRECTORS

Mr. CHEUNG Kwok Wing, aged 52, is the chairman and a co-founder of the Group, the chairman of Kingboard Copper Foil Holdings Limited ("KCFH") as well as Elec & Eltek International Company Limited ("EEIC"), both of which are subsidiaries of the Company listed on the Singapore Exchange Securities Trading Limited ("SGX"). Mr. Cheung is the brother of Ms. Cheung Wai Lin, Stephanie, the cousin of Mr. Cheung Kwong Kwan and the brother-in-law of Mr. Chang Wing Yiu and Mr. Ho Yin Sang. Mr. Cheung had over 13 years' experience in the sales and distribution of electronic components including laminates prior to the establishment of the Group. Mr. Cheung is responsible for the overall strategic planning of the Group and sets the general direction and goals for the Group. Mr. Cheung won the Young Industrialist Award of Hong Kong 1993, which was organized by the Federation of Hong Kong Industries and was described as "far-sighted, enterprising, and having insight in the business". Mr. Cheung was the winner of the DHL/SCMP Hong Kong Business Award, accredited with the Owner-Operator Award in 2006.

Mr. CHAN Wing Kwan, aged 62, is the managing director and a co-founder of the Group, the managing director of KCFH and a non-executive director of EEIC. Mr. Chan acquired a degree of Doctor of Business Science from Pacific Western University L.A.. Prior to the establishment of the Group, Mr. Chan had over 22 years' experience in the sales and distribution of electronic components, industrial chemicals and printed circuit boards. Mr. Chan is responsible for the overall implementation of the strategic plans and goals of the Group.

Mr. CHEUNG Kwong Kwan, aged 43, is the cousin of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie. He joined the Group in 1988 and has been working in the PCB industry since 1984 with particularly extensive experience in marketing components and materials required for PCB production. Mr. Cheung is responsible for the Group's chemical business operations in the southern region of China.

Mr. CHANG Wing Yiu, aged 41, is the brother-in-law of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie. He joined the Group in 1989 and has over 18 years' experience in laminates production. Mr. Chang graduated from the Hong Kong Polytechnic University with a higher diploma in marine electronics. He is responsible for the Group's methanol plant in Chongqing and phenol/acetone plant in Huizhou, Guangdong province. He is also a non-executive director of EEIC.

#### 執行董事

張國榮先生，52歲，本集團主席及創辦人之一，兼Kingboard Copper Foil Holdings Limited (「KCFH」)及依利安達集團有限公司(「EEIC」)(兩者均為本公司之附屬公司，並於新加坡證券交易所有限公司(「SGX」)上市)之主席。張先生為張偉連女士之兄；張廣軍先生之堂兄；而鄭永耀先生及何燕生先生則為其妹夫。創立本集團前，張先生於銷售及分銷電子零件(包括覆銅面板)有超過13年經驗。張先生現負責本集團整體策略規劃及為本集團制定整體方向及目標。張先生於一九九三年獲香港工業總會頒發香港青年工業家獎，並獲大會評審委員會評為「有遠見卓識」及「富有企業家精神和洞察力」工業家。張先生亦為二零零六年DHL／南華早報香港商業獎之東主營運獎得主。

陳永錕先生，62歲，本集團董事總經理及創辦人之一，兼KCFH之董事總經理及EEIC之非執行董事。陳先生持有洛杉磯Pacific Western University商業科學系博士學位。創立本集團之前，陳先生對銷售及分銷電子零件、工業化工產品及印刷線路板有超過22年經驗。陳先生現負責本集團策略規劃及目標之整體執行工作。

張廣軍先生，43歲，為張國榮先生之堂弟及張偉連女士之堂兄，於一九八八年加盟本集團。張先生自一九八四年起投身印刷線路板行業，對推廣生產印刷線路板所需零件及材料之經驗尤其豐富。張先生主要負責本集團中國華南地區之化工業務。

鄭永耀先生，41歲，為張國榮先生之妹夫及張偉連女士之姐夫。一九八九年加盟本集團，於製造覆銅面板方面累積逾18年經驗。鄭先生畢業於香港理工大學，持有航海電子高級文憑。鄭先生負責本集團位於重慶的甲醇廠和廣東省惠州的苯酚及丙酮廠之業務。彼亦為EEIC之非執行董事。

## Directors' and Senior Management's Biographies 董事及高級管理人員之資歷

Mr. MOK Cham Hung, Chadwick, aged 43, joined the Group in 2000 and is responsible for the Group's financial management. Prior to this he worked in the financial services industry for over 11 years. Mr. Mok is an associate member of the Institute of Chartered Accountants in England & Wales and a fellow member of Hong Kong Institute of Certified Public Accountants. He holds an MA in Electrical and Information Engineering from the University of Cambridge and an MBA with distinction from Imperial College, the University of London. He is also an executive director of EEIC and responsible for the strategic planning of EEIC.

Mr. HO Yin Sang, aged 53, is the brother-in-law of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie. He joined the Group in 1989 and is responsible for the Group's chemical business operations in Hebei and Shanxi province. He is also a non-executive director of KCFH.

Ms. CHEUNG Wai Lin, Stephanie, aged 37, is the sister of Mr. Cheung Kwok Wing. She joined the Group in 2002 and is responsible for the Group's logistic, procurement and purchasing function. Prior to joining the Group, she worked as an administration assistant manager in a listed company for about 5 years.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHENG Ming Fun, Paul, aged 71, was appointed an independent non-executive Director of the company in 2003. He was formerly a member of the Hong Kong Legislative Council and Chairman of the Link Management Ltd., Inchcape Pacific Ltd., N M Rothschild & Sons (Hong Kong) Ltd., the Hong Kong General Chamber of Commerce and the American Chamber of Commerce in Hong Kong. He currently serves as an independent non-executive director for several listed companies including Esprit Holdings Ltd. and is an honorary steward of the Hong Kong Jockey Club as well as an adjunct professor at the Hong Kong University of Science & Technology.

莫湛雄先生，43歲，於二零零零年加盟本集團，負責本集團之財務管理。於加盟本集團前，莫先生於金融服務業工作逾11年。莫先生為英格蘭及威爾斯特許會計師公會會員和香港會計師公會資深會員。彼持有劍橋大學頒授之電子及資訊工程碩士學位，並以優異成績獲倫敦大學帝國學院頒授之工商管理碩士學位。彼亦為EEIC之執行董事，負責EEIC之策略規劃工作。

何燕生先生，53歲，為張國榮先生之妹夫及張偉連女士之姐夫，自一九八九年起加盟於本集團，現時負責本集團於河北省及山西省之化工業務營運。彼亦為KCFH之非執行董事。

張偉連女士，37歲，為張國榮先生之胞妹，於二零零二年加盟本集團，現時負責本集團之物流、採購及購買工作。於加盟本集團前，彼於一家上市公司任職助理行政經理約五年。

### 獨立非執行董事

鄭明訓先生，71歲，於二零零三年獲委任為獨立非執行董事。彼曾擔任香港立法會議員及領匯管理有限公司、英之傑太平洋有限公司、洛希爾父子(香港)有限公司、香港總商會和香港美國商會之主席。彼現為數間上市公司，包括思捷環球控股有限公司之獨立非執行董事，香港賽馬會名譽董事及香港科技大學兼任教授。

## Directors' and Senior Management's Biographies 董事及高級管理人員之資歷

Mr. CHENG Wai Chee, Christopher, aged 59, was appointed as an independent non-executive Director in 2007. He holds directorships in various listed companies in the last three years. He is currently the chairman of two listed companies in Hong Kong, namely USI Holdings Limited and Winsor Properties Holdings Limited, and also an independent non-executive director of a number of listed companies in Hong Kong, including New World China Land Limited, NWS Holdings Limited and PICC Property and Casualty Company Limited. Mr. Cheng is also an independent director of DBS Group Holdings Limited which is listed in Singapore. Mr. Cheng was appointed a Justice of the Peace in 1985, and awarded an OBE and a Gold Bauhinia Star in 1992 and 2004 respectively. He is a member of the Exchange Fund Advisory Committee of the HKSAR Government, a Steward of the Hong Kong Jockey Club and a member of the Council of the University of Hong Kong. He is also an independent director of Temasek Foundation CLG Limited and a non-executive director of the Securities and Futures Commission.

Mr. TSE Kam Hung, aged 55, has over 30 years of experience in the field of electronic industry. He was appointed as an independent non-executive director of the Company in 2004.

Mr. Henry TAN, aged 54, is the chief executive officer of Luen Thai Holdings Limited, a company listed on the Stock Exchange. Mr. Tan has over 23 years of experience in apparel and logistics industries. Mr. Tan is an active leader and contributor to charity and community programmes. He is the chairman of the Hong Kong General Chamber of Textiles Limited and is the former chairman of the board of directors of Po Leung Kuk of the year 2004-2005, an authorised charitable organization in Hong Kong. He also acts as committee member of the Chinese People's Political Consultative Conference in Fujian Province, the PRC and is a member of Election Committee (Textiles and Garment Subsector). Mr. Tan obtained his Master's Degree in Business Administration in 1980 and Bachelor's Degree in Business Administration in 1975 from the University of Guam, the United States of America. Mr. Tan was also an independent non-executive director of China Resources Peoples Telephone Company Limited, a company formerly listed on the Stock Exchange. Mr. Tan was appointed as an independent non-executive director of the Company in 2005.

鄭維志先生，59歲，於二零零七年獲委任為獨立非執行董事。彼過去三年在多家上市公司擔任董事職位。彼現為香港兩家上市公司富聯國際集團有限公司及南聯地產控股有限公司之主席，亦為多家香港上市公司之獨立非執行董事，包括新世界中國地產有限公司、新創建集團有限公司及中國人民財產保險股份有限公司。鄭先生同時為新加坡上市公司DBS Group Holdings Limited之獨立董事。彼於一九八五年獲委任為太平紳士，並分別於一九九二年及二零零四年獲頒授OBE勳銜及金荊星章。彼為香港政府外匯基金諮詢委員會委員、香港賽馬會董事及香港大學校務委員會成員。彼亦為Temasek Foundation CLG Limited之獨立董事及證券及期貨事務監察委員會之非執行董事。

謝錦洪先生，55歲，於電子業有30年以上經驗。彼於二零零四年獲本公司委任為獨立非執行董事。

陳亨利先生，54歲，為聯泰控股有限公司(於聯交所上市之公司)之行政總裁，於服裝及物流行業擁有逾23年經驗。彼為活躍於慈善及社區活動之領袖及善長。陳先生為香港紡織商會會長。彼於二零零四年至二零零五年間出任香港認可慈善機構保良局之主席，並為中國人民政治協商會議福建省委員會委員及選舉委員會委員(紡織及製衣界)。陳先生於一九七五年及一九八零年分別於美國關島大學獲得工商管理學士學位及工商管理碩士學位。陳先生曾為前聯交所上市公司華潤萬眾電話有限公司之獨立非執行董事。彼於二零零五年獲本公司委任為獨立非執行董事。

## Directors' and Senior Management's Biographies 董事及高級管理人員之資歷

### SENIOR MANAGEMENT

Mr. LO Ka Leong, aged 34, the Company Secretary, joined the Group in May 1999. Prior to that, he was an accountant at an international accounting firm. Mr. Lo is a fellow member of Hong Kong Institute of Certified Public Accountants. He holds a Bachelor's Degree in Professional Accountancy from The Chinese University of Hong Kong. He is in charge of the company secretarial work and financial management of the Group. He is a non-executive director of Kingboard Laminates Holdings Limited ("KLHL"), a 74.77%-owned subsidiary listed on the main board of the Stock Exchange.

### 高級管理人員

羅家亮先生，34歲，公司秘書，於一九九九年五月加盟本集團。於加盟本集團前，羅先生於一所國際會計師行任職會計師。彼為香港會計師公會資深會員，並持有香港中文大學專業會計學學士學位。彼現負責處理本集團之公司秘書工作及財務管理。羅先生同時為建滔積層板控股有限公司（「建滔積層板」，本公司擁有74.77%權益的附屬公司，其股份於聯交所主板上市）之非執行董事。

## Directors' Report

### 董事會報告

The directors have pleasure in presenting their report and the audited consolidated financial statements of the Group for the year ended 31 December 2007.

#### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of associates, jointly controlled entities and principal subsidiaries of the Company are set out in notes 22, 25 and 41 respectively to the consolidated financial statements.

#### RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 54.

An interim dividend of HK30 cents per ordinary share was paid to the shareholders of the Company during the year. The Directors now recommend the payment of a final dividend of HK70 cents per ordinary share to the Company's shareholders whose names appear on the register of members of the Company on 5 May 2008, and the retention of the remaining profit in the Company.

#### SHARE CAPITAL

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

#### PURCHASE, SALE OR REDEMPTION OF SHARES

During the year, there was no purchases, sale or redemption by the Company or any of its subsidiaries of the Company's listed securities.

董事會欣然提呈本集團截至二零零七年十二月三十一日止年度之年報及經審核綜合財務報表。

#### 主要業務

本公司為投資控股公司，其聯營公司、共同控制實體及主要附屬公司之業務分別載於綜合財務報表附註22、25及41。

#### 業績及分派

本集團之本年度業績載於第54頁綜合收益表內。

年內，本公司已派付中期股息每股普通股30港仙予本公司股東。董事現建議向於二零零八年五月五日名列本公司股東名冊之股東派付末期股息每股普通股70港仙，並保留剩餘的溢利於本公司。

#### 股本

本公司已發行股本於年內之變動詳情載於綜合財務報表附註34。

#### 購買、出售或贖回股份

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司上市之證券。

## Directors' Report 董事會報告

### RESERVES

Details of the movements during the year in the reserves of the Group are set out in the consolidated statement of changes in equity on pages 57 and 58.

In addition to the retained profits of the Company, the share premium and the special surplus account of the Company are also available for distribution to shareholders provided that the Company will be able to pay its debts as they fall due in the ordinary course of business immediately following the date on which any such distribution is proposed to be paid.

At 31 December 2007, the sum of the retained profits, the share premium and the special surplus account of the Company amounted to approximately HK\$5,614 million.

### INVESTMENT PROPERTIES

The Group's investment properties were revalued as at 31 December 2007, resulting in an increase in fair value of approximately HK\$5,118,000 which has been credited to the consolidated income statement.

### PROPERTIES, PLANT AND EQUIPMENT

Expenditure of approximately HK\$4,004 million was incurred during the year primarily to expand the production capacity of the Group. Details of all the changes during the year are set out in note 19 to the consolidated financial statements.

### PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 31 December 2007 are set out in note 41 to the consolidated financial statements.

### DONATIONS

During the year, the Group made charitable and other donations totalling HK\$11,442,000.

### 儲備

年內，本集團之儲備變動詳情載於第57頁及58頁綜合權益變動表內。

除本公司之保留溢利外，本公司之股份溢價及特別盈餘賬目亦可向股東分派，惟於緊隨建議進行上述分派當日之後，本公司必須仍有能力償還在日常業務中到期支付之欠款。

於二零零七年十二月三十一日，本公司之保留溢利、股份溢價及特別盈餘賬目之總額約為5,614,000,000港元。

### 投資物業

本集團之投資物業於二零零七年十二月三十一日重新估值，導致公平值增加約5,118,000港元，已計入綜合收益表內。

### 物業、廠房及設備

年內主要因提高本集團生產力之支出約為4,004,000,000港元。年內所有變動詳情載於綜合財務報表附註19。

### 主要附屬公司

本公司主要附屬公司於二零零七年十二月三十一日之詳情載於綜合財務報表附註41。

### 捐款

年內，本集團作出之慈善及其他捐款共11,442,000港元。

## DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company ("Directors") during the year and up to the date of this report were:

### Executive Directors:

Mr. Cheung Kwok Wing (*Chairman*)  
Mr. Chan Wing Kwan (*Managing Director*)  
Mr. Cheung Kwong Kwan  
Mr. Chang Wing Yiu  
Mr. Ho Yin Sang  
(appointed on 11 January 2007)  
Ms. Cheung Wai Lin, Stephanie  
(appointed on 11 January 2007)  
Mr. Mok Cham Hung, Chadwick

### Independent non-executive Directors:

Mr. Cheng Ming Fun, Paul  
Mr. Cheng Wai Chee, Christopher  
(appointed on 1 July 2007)  
Mr. Henry Tan  
Mr. Tse Kam Hung

In accordance with Article 92 of the Company's Articles of Association, Messrs. Cheung Kwok Wing and Chang Wing Yiu, being the executive Directors, and Mr. Tse Kam Hung, being an independent non-executive Director, will retire from directorship by rotation and will offer themselves for re-election at the forthcoming annual general meeting of the Company.

Mr. Cheng Wai Chee, Christopher was appointed by the board of Directors as a new independent non-executive Director with effect from 1 July 2007. In accordance with Article 84 of the Company's Articles of Association, Mr. Cheng Wai Chee, Christopher will hold directorship only until the annual general meeting of the Company following his appointment and will be eligible for re-election. Accordingly, Mr. Cheng Wai Chee, Christopher will retire at the forthcoming annual general meeting of the Company and will be eligible for re-election as independent non-executive Director.

Biographical details of the above Directors are set out in the section "Directors' and Senior Management's Biographies" on pages 16 to 19.

No Director proposed for re-election at the forthcoming annual general meeting of the Company has a service contract which is not terminable by the Group within one year without payment of compensation (other than statutory compensation).

## 董事及董事之服務合約

年內及直至本報告日期止之本公司董事(「董事」)如下:

### 執行董事:

張國榮先生(主席)  
陳永鋕先生(董事總經理)  
張廣軍先生  
鄭永耀先生  
何燕生先生  
(於二零零七年一月十一日獲委任)  
張偉連女士  
(於二零零七年一月十一日獲委任)  
莫湛雄先生

### 獨立非執行董事:

鄭明訓先生  
鄭維志先生  
(於二零零七年七月一日獲委任)  
陳亨利先生  
謝錦洪先生

執行董事張國榮先生及鄭永耀先生;以及獨立非執行董事謝錦洪先生將依據本公司之公司組織章程第九十二條於本公司應屆股東週年大會上輪值退任,並願意膺選連任。

董事會委任鄭維志先生為新任獨立非執行董事,由二零零七年七月一日起生效。根據本公司之公司組織章程第八十四條,鄭維志先生之董事任期僅直至其獲委任後之本公司股東週年大會為止,惟其將符合資格膺選連任。因此,鄭維志先生將於本公司應屆股東週年大會退任,並願意膺選連任獨立非執行董事。

上述董事之履歷詳情載於第16頁至19頁之「董事及高級管理人員之資歷」一節。

擬在本公司應屆股東週年大會重選連任之董事概無與本集團訂有任何不可於一年內毋須賠償(法定賠償除外)而終止之服務合約。

## Directors' Report 董事會報告

**DIRECTORS' INTERESTS IN SHARES**

At 31 December 2007, the interests or short positions of the Directors and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

**Long position**

(a) Ordinary shares of HK\$0.10 each of the Company ("Shares")

**董事之股份權益**

於二零零七年十二月三十一日，董事及彼等之聯繫人士於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份或債券中，擁有本公司根據證券及期貨條例第352條存置之登記冊所記錄之權益或短倉，或根據上市發行人董事進行證券交易的標準守則已知會本公司及香港聯合交易所有限公司(「聯交所」)之權益或短倉如下：

**長倉**

(a) 本公司每股面值0.10港元之普通股(「股份」)

Name of Director 董事姓名	Capacity 權益性質	Number of issued Shares held 所持已發行 股份數目	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本之 概約百分比
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	3,880,685	0.46
Mr. Chan Wing Kwan (Note 1) 陳永錕先生(附註1)	Beneficial owner 實益擁有人	791,000	0.09
Mr. Cheung Kwong Kwan 張廣軍先生	Beneficial owner 實益擁有人	860,709	0.10
Mr. Chang Wing Yiu (Note 2) 鄭永耀先生(附註2)	Beneficial owner 實益擁有人	2,769,174	0.33
Mr. Ho Yin Sang (Note 3) 何燕生先生(附註3)	Beneficial owner 實益擁有人	1,504,079	0.17
Mr. Mok Cham Hung, Chadwick 莫湛雄先生	Beneficial owner 實益擁有人	960,000	0.11
Mr. Cheng Ming Fun, Paul 鄭明訓先生	Beneficial owner 實益擁有人	120,000	0.01



Directors' Report 董事會報告

**DIRECTORS' INTERESTS IN SHARES** (continued)

**Long position** (continued)

(a) Ordinary shares of HK\$0.10 each of the Company ("Shares") (continued)

Notes:

- (1) Out of the 791,000 Shares, 731,000 Shares were held by Mr. Chan Wing Kwan and 60,000 Shares were held by his spouse.
- (2) Out of the 2,769,174 Shares, 1,928,974 Shares were held by Mr. Chang Wing Yiu and 840,200 Shares were held by his spouse.
- (3) Out of the 1,504,079 Shares, 477,079 Shares were held by Mr. Ho Yin Sang and 1,027,000 Shares were held by his spouse.

(b) Share options of the Company

**董事之股份權益** (續)

**長倉** (續)

(a) 本公司每股面值0.10港元之普通股(「股份」)(續)

附註：

- (1) 於該791,000股股份當中，其中731,000股股份乃由陳永錕先生本人持有，而60,000股股份則由其配偶持有。
- (2) 於該2,769,174股股份當中，其中1,928,974股股份乃由鄭永耀先生本人持有，而840,200股股份則由其配偶持有。
- (3) 於該1,504,079股股份當中，其中477,079股股份乃由何燕生先生本人持有，而1,027,000股股份則由其配偶持有。

(b) 本公司優先購股權

Name of Director 董事姓名	Capacity 權益性質	Interest in underlying Shares pursuant to share options of the Company 本公司優先購股權項下相關股份權益
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	210,600
Mr. Chan Wing Kwan 陳永錕先生	Beneficial owner 實益擁有人	2,558,800
Mr. Chang Wing Yiu 鄭永耀先生	Beneficial owner 實益擁有人	3,175,800
Mr. Ho Yin Sang (Note) 何燕生先生(附註)	Beneficial owner 實益擁有人	5,104,800
Mr. Cheung Kwong Kwan 張廣軍先生	Beneficial owner 實益擁有人	2,951,800

Note: Out of the 5,104,800 share options, 3,120,800 share options were held by Mr. Ho Yin Sang and 1,984,000 share options were held by his spouse.

附註：於該5,104,800份優先購股權當中，其中3,120,800份乃由何燕生先生本人持有，而1,984,000份則由其配偶持有。

## Directors' Report 董事會報告

**DIRECTORS' INTERESTS IN SHARES** (continued)

**Long position** (continued)

(c) Ordinary shares of HK\$0.10 each ("KLHL Shares") in Kingboard Laminates Holdings Limited ("KLHL")

**董事之股份權益** (續)

**長倉** (續)

(c) 建滔積層板控股有限公司(「建滔積層板」)每股面值0.10港元之普通股(「建滔積層板股份」)

Name of Director 董事姓名	Capacity 權益性質	Number of issued KLHL Shares held 所持已發行建滔積層板股份數目	Approximate percentage of the issued share capital of KLHL 佔建滔積層板已發行股本之概約百分比
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	934,500	0.03
Mr. Chan Wing Kwan (Note 1) 陳永鋹先生(附註1)	Beneficial owner 實益擁有人	100,000	0.003
Mr. Chang Wing Yiu (Note 2) 鄭永耀先生(附註2)	Beneficial owner 實益擁有人	100,000	0.003
Mr. Ho Yin Sang (Note 3) 何燕生先生(附註3)	Beneficial owner 實益擁有人	540,000	0.01
Ms. Cheung Wai Lin, Stephanie 張偉連女士	Beneficial owner 實益擁有人	804,000	0.02

## Notes:

- (1) The 100,000 KLHL Shares were held by the spouse of Mr. Chan Wing Kwan.
- (2) The 100,000 KLHL Shares were held by the spouse of Mr. Chang Wing Yiu.
- (3) The 540,000 KLHL Shares were held by the spouse of Mr. Ho Yin Sang.

## 附註：

- (1) 陳永鋹先生之配偶持有該100,000股建滔積層板股份。
- (2) 鄭永耀先生之配偶持有該100,000股建滔積層板股份。
- (3) 何燕生先生之配偶持有該540,000股建滔積層板股份。

## Directors' Report 董事會報告

**DIRECTORS' INTERESTS IN SHARES** (continued)

**Long position** (continued)

- (d) Non-voting deferred shares of HK\$1 each in the share capital of Kingboard Laminates Limited, a non wholly-owned subsidiary of the Company

**董事之股份權益** (續)

**長倉** (續)

- (d) 本公司非全資擁有附屬公司建滔積層板有限公司股本中每股面值1港元之無投票權遞延股份

Name of Director 董事姓名	Capacity 權益性質	Number of non-voting deferred shares held 所持無投票權遞延股份數目
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	1,904,400
Mr. Chan Wing Kwan 陳永鋌先生	Beneficial owner 實益擁有人	1,481,200
Mr. Cheung Kwong Kwan 張廣軍先生	Beneficial owner 實益擁有人	846,400
Mr. Ho Yin Sang 何燕生先生	Beneficial owner 實益擁有人	529,000
Mr. Chang Wing Yiu 鄭永耀先生	Beneficial owner 實益擁有人	423,200

- (e) Ordinary shares ("EEIC Shares") in the share capital of Elec & Eltek International Company Limited ("EEIC"), a 70.77% owned subsidiary of the Company

- (e) 本公司擁有70.77%權益之附屬公司依利安達集團有限公司(「EEIC」)股本中之普通股(「EEIC股份」)。

Name of Director 董事姓名	Capacity 權益性質	Number of issued EEIC Shares held 所持已發行EEIC股份數目	Approximate percentage of the issued share capital of EEIC 佔EEIC已發行股本之概約百分比
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	60,000	0.03
Mr. Mok Cham Hung, Chadwick 莫湛雄先生	Beneficial owner 實益擁有人	74,000	0.04

Directors' Report 董事會報告

**DIRECTORS' INTERESTS IN SHARES** (continued)

**Long position** (continued)

(f) Share options of EEIC

**董事之股份權益** (續)

**長倉** (續)

(f) EEIC之優先購股權

Name of Director 董事姓名	Capacity 權益性質	Interest in underlying EEIC Shares pursuant to share options (Note) 優先購股權項下 相關EEIC股份權益 (附註)
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	973,200
Mr. Chan Wing Kwan 陳永錕先生	Beneficial owner 實益擁有人	973,200
Mr. Chang Wing Yiu 鄭永耀先生	Beneficial owner 實益擁有人	973,200
Mr. Mok Cham Hung, Chadwick 莫湛雄先生	Beneficial owner 實益擁有人	973,200

Note: The interests are held by virtue of an aggregate of 3,244,000 share options of EEIC accepted by the Directors on 24 June 2005. The number of share options were subsequently adjusted pursuant to the 1 for 5 bonus issue effected on 13 October 2005. The relevant Directors are entitled to subscribe for EEIC Shares at an adjusted subscription price of US\$2.033 per EEIC Share. The share options are exercisable in whole or in part at the staggered manner within 5 option periods, commencing on 26 November 2006, 26 November 2007, 26 November 2008, 26 November 2009 and 26 March 2010 respectively and all ending on 24 May 2010.

附註：該等權益基於董事於二零零五年六月二十四日接納合共3,244,000份EEIC優先購股權而擁有。優先購股權數目，其後因二零零五年十月十三日按一比五基準進行之紅股發行而調整。有關董事可按經調整認購價每股EEIC股份2.033美元認購EEIC股份。優先購股權分別自二零零六年十一月二十六日、二零零七年十一月二十六日、二零零八年十一月二十六日、二零零九年十一月二十六日及二零一零年三月二十六日至二零一零年五月二十四日止五個優先購股權行使期間內分段行使全部或其中部分。

Directors' Report 董事會報告

**DIRECTORS' INTERESTS IN SHARES** (continued)

**Long position** (continued)

(g) Ordinary shares ("KCFL Shares") of US\$0.10 each in Kingboard Copper Foil Holdings Limited ("KCFL"), a non wholly-owned subsidiary of the Company

**董事之股份權益** (續)

**長倉** (續)

(g) 本公司非全資擁有附屬公司Kingboard Copper Foil Holdings Limited (「KCFL」) 每股面值0.10美元之普通股 (「KCFL股份」)

Name of Director 董事姓名	Capacity 權益性質	Number of issued KCFL Shares held 所持已發行 KCFL股份數目	Approximate percentage of the issued share capital of KCFL 佔KCFL已發行 股本之概約 百分比
Mr. Ho Yin Sang (Note) 何燕生先生(附註)	Beneficial owner 實益擁有人	2,000	0.0003

Note: The 2,000 KCFL Shares were held by the spouse of Mr. Ho Yin Sang.

附註：何燕生先生之配偶持有該2,000股KCFL股份。

Other than as disclosed above, none of the Directors nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 31 December 2007.

除上述披露者外，於二零零七年十二月三十一日，概無董事或彼等之聯繫人士於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券中擁有任何權益或短倉。

## Directors' Report 董事會報告

**SHARE OPTIONS**

Particulars of the share option schemes of the Company, EEIC and KLHL are set out in note 35 to the consolidated financial statements.

The following table discloses movements in the Company's share options during the year:

**優先購股權**

本公司、EEIC及建滔積層板之優先購股權計劃詳情載於綜合財務報表附註35。

下表披露本公司優先購股權於年內之變動：

	Outstanding as at 1.1.2007 於二零零七年 一月一日	Reclassifications	Exercised during the year 已於 本年度行使	Outstanding as at 31.12.2007 於二零零七年 十二月三十一日
Category 1: Directors 第1類：董事	尚未行使	重新分類		尚未行使
Mr. Cheung Kwok Wing 張國榮先生	1,145,000	–	(934,400)	210,600
Mr. Chan Wing Kwan 陳永錕先生	3,026,000	–	(467,200)	2,558,800
Mr. Cheung Kwong Kwan 張廣軍先生	3,419,000	–	(467,200)	2,951,800
Mr. Chang Wing Yiu 鄭永耀先生	3,643,000	–	(467,200)	3,175,800
Mr. Ho Yin Sang (Note) 何燕生先生(附註)	–	3,588,000	(467,200)	3,120,800
	11,233,000	3,588,000	(2,803,200)	12,017,800
Category 2: Employees 第2類：僱員	19,989,000	(3,588,000)	(2,496,800)	13,904,200
Total all categories 所有類別合計	31,222,000	–	(5,300,000)	25,922,000

Note: Mr. Ho Yin Sang was appointed as an executive Director with effect from 11 January 2007.

附註：何燕生先生獲委任為執行董事，由二零零七年一月十一日起生效。

The weighted average closing price of the Shares on the five trading days immediately before the date on which the options were exercised was HK\$33.50.

於緊接行使優先購股權之前五個交易日，股份之加權平均收市價為33.50港元。

## Directors' Report 董事會報告

**SHARE OPTIONS** (continued)

The following table discloses movements in EEIC's share options during the year:

**優先購股權** (續)

下表披露EEIC優先購股權於年內之變動：

	Outstanding as at 1.1.2007 於二零零七年 一月一日 尚未行使	Exercised during the year 已於 本年度行使	Lapsed during the year 年內已失效	Outstanding as at 31.12.2007 於二零零七年 十二月三十一日 尚未行使
Category 1: Directors 第1類：董事				
Mr. Cheung Kwok Wing 張國榮先生	973,200	–	–	973,200
Mr. Chan Wing Kwan 陳永銀先生	973,200	–	–	973,200
Mr. Chang Wing Yiu 鄭永耀先生	973,200	–	–	973,200
Mr. Mok Cham Hung, Chadwick 莫湛雄先生	973,200	–	–	973,200
	3,892,800	–	–	3,892,800
Category 2: Employees 第2類：僱員	8,013,600	(780,600)	(438,800)	6,794,200
Total all categories 所有類別合計	11,906,400	(780,600)	(438,800)	10,687,000

During the year ended 31 December 2007, no share option was granted pursuant to the employees' share option scheme of KLHL.

截至二零零七年十二月三十一日止年度，並無根據建滔積層板僱員優先購股權計劃授出任何優先購股權。

**ARRANGEMENTS TO PURCHASE SHARES**

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

**購買股份之安排**

除上文披露所持優先購股權外，本公司或其任何附屬公司於年內任何時間概無參與訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

## Directors' Report 董事會報告

**DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE**

No contract of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

**SUBSTANTIAL SHAREHOLDERS**

As at 31 December 2007, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, other than the interests disclosed above in respect of certain Directors, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

**Long position**

Ordinary shares of HK\$0.10 each of the Company ("Shares")

**董事之重大合約權益**

本公司或其任何附屬公司概無訂立任何於年度終結或年內任何時間仍然生效而本公司董事直接或間接擁有重大權益之重大合約。

**主要股東**

根據本公司按證券及期貨條例第336條須存置之主要股東登記冊所記錄，於二零零七年十二月三十一日，下列股東(上文所披露若干董事之權益除外)已知會本公司彼等於本公司已發行股本之相關權益。

**長倉**

本公司每股面值0.10港元之普通股(「股份」)

Name of shareholder 股東名稱	Nature of interest 權益性質	Number of issued Shares held 所持已發行 股份數目	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本 之概約百分比
Hallgain Management Limited ("Hallgain") (Note)(附註)	Beneficial owner 實益擁有人	259,968,929	31.01
Capital Research and Management Company	Investment manager 投資經理	79,651,400	9.50
Commonwealth Bank of Australia 澳洲聯邦銀行	Interests of controlled corporations 受控制法團權益	50,011,030	5.96

Note: As at 31 December 2007: (i) no shareholder of Hallgain is entitled to exercise, or control the exercise of, directly or indirectly, one-third or more of the voting power at general meetings of Hallgain, and Hallgain and its directors are not accustomed to act in accordance with any shareholder's direction; and (ii) Messrs. Cheung Kwok Wing and Chan Wing Kwan, being Directors, are also directors of Hallgain.

附註：於二零零七年十二月三十一日(i)概無Hallgain股東有權於Hallgain股東大會行使或直接或間接控制行使三分之一或以上之表決權，而Hallgain及其董事並不慣常根據任何股東指示行事；及(ii)董事張國榮先生及陳永銀先生亦為Hallgain之董事。



## **SUBSTANTIAL SHAREHOLDERS** *(continued)*

### **Long position** *(continued)*

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31 December 2007.

## **CORPORATE GOVERNANCE**

In the opinion of the Directors, the Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange throughout the year ended 31 December 2007 save for the deviation that all independent non-executive Directors were not appointed for specific terms but are subject to retirement by rotation and will be eligible for re-election at the Company's annual general meeting in accordance with the Company's Articles of Association.

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by directors adopted by the Company.

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors are independent for the purposes of Rule 3.13 of the Listing Rules.

## **MAJOR CUSTOMERS AND SUPPLIERS**

During the year, the aggregate sales or purchases attributable to the Group's five largest customers combined or suppliers combined were less than 30% of the Group's sales or purchases respectively.

## **主要股東** *(續)*

### **長倉** *(續)*

除上述披露者外，本公司概無獲知會於二零零七年十二月三十一日之本公司已發行股本之任何其他相關權益或短倉。

## **企業管治**

董事認為，除全體獨立非執行董事並無按指定任期獲委任而須根據本公司之公司組織章程細則於本公司股東週年大會輪值退任及符合資格膺選連任有所偏離外，本公司於截至二零零七年十二月三十一日止年度一直遵守聯交所證券上市規則(「上市規則」)附錄14所載之企業管治常規守則。

本公司已採納條款不寬鬆於上市規則附錄10所載規定標準(「標準守則」)之有關董事進行證券交易之操守守則。經向全體董事作出特定查詢後，全體董事確認，彼等一直遵守標準守則所載規定標準及本公司所採納有關董事進行證券交易之操守守則。

本公司已接獲各獨立非執行董事根據上市規則第3.13條作出有關其獨立身分之年度確認。本公司認為，就上市規則第3.13條而言，全體獨立非執行董事均為獨立人士。

## **主要客戶及供應商**

年內，本集團五名最大客戶合計或供應商合計之總銷售額或購貨額分別少於本集團之銷售額或購貨額之30%。

## CONNECTED TRANSACTIONS

During the year, Techwise Circuits Company Limited (“Techwise”) and its subsidiaries (“Techwise Group”) sold printed circuit boards (“PCBs”) to and purchased laminates from Shirai Electronics Industrial Co., Ltd. (“Shirai”) and its subsidiaries (“Shirai Group”) amounting to approximately HK\$556,420,000 and HK\$123,218,000 respectively. The Techwise Group also sub-contracted the services of the Shirai Group, namely the drilling of laminates by the Shirai Group on Techwise Group’s behalf, amounting to approximately HK\$27,008,000 during the year. Techwise is a non-wholly owned subsidiary of the Company, while Shirai is a substantial shareholder of Techwise Shirai Circuits Limited (a 70% owned subsidiary of Techwise). As such, Shirai and its subsidiaries are connected persons of the Company pursuant to Chapter 14A of the Listing Rules.

The sale of PCBs to the Shirai Group and the subcontracting transactions with the Shirai Group did not exceed the revised corresponding annual caps for the financial year ended 31 December 2007 amounting to HK\$618,585,000 and HK\$29,260,000, respectively, which was approved by the shareholders of the Company at an extraordinary general meeting held on 10 December 2007. The purchase of laminates from the Shirai Group during the year did not exceed the corresponding annual cap for the financial year ended 31 December 2007 as announced by the Company on 27 October 2006, namely an amount of HK\$161,000,000.

The Directors have engaged the auditor of the Company to perform certain agreed upon procedures in respect of the continuing connected transactions of the Group. The auditor of the Company has reported its factual findings on these procedures to the board of Directors (“Board”). The independent non-executive Directors, for the purpose of Rule 14A.37 of the Listing Rules, have reviewed the continuing connected transactions and the report of the auditor and have confirmed that the aforesaid continuing connected transactions have been entered into by the Group in the ordinary course of its business, on normal commercial terms, and in accordance with the terms of the agreements governing such transactions that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

## 關連交易

年內，科惠線路有限公司(「科惠」)及其附屬公司(統稱「科惠集團」)向Shirai Electronics Industrial Co., Ltd. (「Shirai」)及其附屬公司(統稱「Shirai集團」)出售為數約556,420,000港元之印刷線路板(「印刷線路板」)及購買為數約123,218,000港元之覆銅面板。科惠集團另於年內向Shirai集團外判為數約27,008,000港元之服務，即由Shirai集團代科惠集團為覆銅面板鑽孔。科惠為本公司非全資擁有附屬公司，而Shirai則為科惠擁有70%權益之附屬公司科惠白井電路有限公司之主要股東。因此，根據上市規則第14A章，Shirai及其附屬公司為本公司關連人士。

向Shirai集團銷售印刷線路板及與Shirai集團進行外判交易分別不超過本公司股東於二零零七年十二月十日舉行之股東特別大會所批准截至二零零七年十二月三十一日止財政年度經修訂相關年度上限618,585,000港元及29,260,000港元。年內向Shirai集團購買覆銅面板不超過本公司於二零零六年十月二十七日所宣布截至二零零七年十二月三十一日止財政年度之相關年度上限161,000,000港元。

董事已聘用本公司核數師對本集團之持續關連交易進行若干已協定程序。本公司核數師亦已向董事會(「董事會」)報告此等程序所得之實際結果。就上市規則第14A.37條而言，獨立非執行董事已審閱持續關連交易及核數師之報告，並確認上述持續關連交易乃由本集團於一般業務過程中訂立，且按一般商業條款及就該等交易所訂協議之條款進行，有關條款屬公平合理，並符合本公司股東之整體利益。

## Directors' Report 董事會報告

### CONNECTED TRANSACTIONS (continued)

Other than as disclosed above, the Company has also provided guarantees to financial institutions to secure general credit facilities for a non-wholly owned subsidiary, namely Techwise, in the amounts of approximately HK\$193 million during the year.

### EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the Directors are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees. Details of the scheme is set out in note 35 to the consolidated financial statements.

### PRE-EMPTIVE RIGHTS

There are no provision for pre-emptive rights under the Company's Articles of Association although there are no restrictions against such rights under company laws in the Cayman Islands.

### SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2007.

### POST BALANCE SHEET EVENT

Details of significant event occurring after the balance sheet date are set out in note 43 to the consolidated financial statements.

### 關連交易(續)

除上文所披露者外，本公司年內亦為一間非全資擁有附屬公司(科惠)取得一般信貸額而向財務機構提供擔保，涉及款額約193,000,000港元。

### 薪酬政策

薪酬委員會根據本集團僱員之表現、資歷及工作能力制定員工之薪酬政策。

薪酬委員會經參考本公司經營業績、個別董事之表現及可比較之市場統計數據後決定董事之薪酬。

本公司已採納優先購股權計劃，作為對董事及合資格僱員之獎勵。計劃詳情載於綜合財務報表附註35。

### 優先權

本公司之公司組織章程並無關於優先權之規定，儘管開曼群島公司法例並無對優先權作出任何限制。

### 充足公眾持股量

截至二零零七年十二月三十一日止年度，本公司一直維持充足公眾持股量。

### 結算日後事件

結算日後發生之重大事件之詳情，載於綜合財務報表附註43。

Directors' Report 董事會報告

**AUDITOR**

A resolution to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company will be proposed for approval by shareholders of the Company at the forthcoming annual general meeting of the Company.

On behalf of the Board  
**Cheung Kwok Wing**  
CHAIRMAN

17 March 2008

**核數師**

續聘德勤·關黃陳方會計師行為本公司核數師之決議案將於本公司應屆股東週年大會上提呈以供本公司股東審批。

承董事會命  
**張國榮**  
主席

二零零八年三月十七日

## Corporate Governance Report

### 企業管治報告

The Board of Kingboard Chemical Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) recognises the importance of corporate governance practice of a listed company. It is in the interest of the stakeholders and shareholders for a listed company to operate in a transparent manner with the adoptions of various self-regulatory policies, procedures and monitoring mechanisms and a clear definition of accountability of directors and management.

During the year under review, the Board has complied with the provisions of the Code on Corporate Governance Practices (the “Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) except with a deviation from code provision A.4.1 of the Code. Under code provision A.4.1 of the Code, non-executive directors should be appointed for a specific term, subject to re-election. Currently, the Company does not have any non-executive director and the independent non-executive directors of the Company were not appointed for specific terms but are subject to retirement by rotation and are eligible for re-election.

In addition to the Code, which is mandatory in nature, the Board also observes certain recommended best practices (“Recommended Best Practices”) contained in Appendix 14 to the Listing Rules and has adopted certain Recommended Best Practices which are suitable to the Company’s current situation. The Board will continuously enhance the corporate governance standard of the Company by reference to the Recommended Best Practices whenever suitable and appropriate.

The Company has adopted a code of conduct regarding directors’ securities transactions on terms no less exacting than the required standard set out in Appendix 10 to the Listing Rules (the “Model Code”). Having made specific enquiry of all directors, all directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding directors’ securities transactions adopted by the Company.

建滔化工集團(「本公司」及其附屬公司(統稱「本集團」))董事會明瞭上市公司企業管治常規之重要性。上市公司之營運具透明度，採納各種自行規管政策與程序以及監控機制，並清楚界定董事與管理層權責，乃符合權益持有人及股東之利益。

於回顧年度，董事會一直遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14所載之企業管治常規守則(「守則」)之條文，惟偏離守則條文A.4.1條除外。根據守則條文A.4.1條，非執行董事的委任應有指定任期，並須接受重新選舉。本公司現時並無任何非執行董事，而本公司獨立非執行董事之委任並無指定任期，惟須輪值退任及符合資格膺選連任。

除屬強制性質之守則外，董事會亦參考上市規則附錄14所載之建議最佳常規(「建議最佳常規」)，並採納適合本公司現行情況之若干建議最佳常規。董事會將於合適及適當情況下參考建議最佳常規，從而不斷提升本公司之企業管治水平。

本公司已採納條款不寬鬆於上市規則附錄10所載規定標準(「標準守則」)之有關董事進行證券交易之操守守則。經向全體董事作出特定查詢後，全體董事確認，彼等一直遵守標準守則所載規定標準及本公司所採納有關董事進行證券交易之操守守則。

## A. DIRECTORS

### The Board

The Board is responsible for the leadership and control of the Group and is entrusted with the responsibility to supervise the management of the business and the affairs of the Group. The Group has adopted internal guidelines in setting forth matters that require the Board's approval. Apart from its statutory responsibilities, the Board approves the Group's strategic plan, annual budget, key operational initiatives, major investments and funding decisions. It also reviews the Group's financial performance, identifies principal risks of the Group's business and ensures implementation of appropriate systems to manage these risks. Daily business operations and administrative functions of the Group are delegated to the management.

The Board meets regularly and as warranted by particular circumstances. Notices and agendas are prepared by the Company Secretary as delegated by the Chairman of the Board and distributed to the Board members within reasonable time before the meetings. Relevant meeting papers are also sent to directors well before the meetings, informing them of the background and giving explanation on matters to be brought before the Board. All directors are given the opportunity to include matters in the agendas for Board meetings. To ensure the directors make decisions objectively and in the interests of the Company, the Company's articles of association provide that any director shall abstain from voting on any resolutions in which he or his associates is/are materially interested nor be counted in the quorum of the meeting. Draft and final versions of the minutes of Board meetings are sent to all directors for their comment and records respectively within a reasonable time after the Board meetings and are kept by the Company Secretary.

## A. 董事

### 董事會

董事會負責領導及監控本集團，同時亦授責監督本集團之業務及事務管理事宜。本集團已採納內部指引訂明需經董事會批准之事項。除法定責任外，董事會亦負責批准本集團之策略計劃、年度預算、主要營運措施、重大投資及集資決定。董事會同時審閱本集團財務表現、識別本集團業務之主要風險及確保實施適當措施以管理有關風險。本集團日常業務運作及行政職能之職責已委派予管理層負責。

董事會定期及於特定情況所需時舉行會議。召開董事會會議之通告及議程由董事會主席委派公司秘書負責編製並於會議前合理時間內派發予董事會成員。相關會議文件亦會於開會前儘早送交董事，令彼等獲知將提呈董事會之事項之背景資料及說明。各董事可於董事會會議議程上加入事項提出討論。為確保董事作出客觀及符合本公司利益之決定，本公司之組織章程細則規定，倘董事會會議上任何決議案涉及董事或其關聯人士的重大權益，有關董事必須放棄投票，且不得計入會議法定人數。董事會會議記錄初稿及最終定稿將於董事會會議後合理時間內發送予全體董事，分別作表達意見及記錄之用，並由公司秘書存檔。

## Corporate Governance Report 企業管治報告

During the year under review, the Board had held four meetings and the directors' attendance at Board meetings and Board committees' meetings were as follows:

於回顧年度內，董事會舉行了四次會議，董事於董事會會議及董事委員會會議之出席記錄如下：

		Board Meeting 董事會會議	Audit Committee Meeting 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Remuneration Committee Meeting 薪酬委員會會議
<b>Number of Meeting</b>	<b>會議數目</b>	4	3	2	2
<b>Executive directors</b>	<b>執行董事</b>				
Cheung Kwok Wing ( <i>Chairman</i> )	張國榮( <i>主席</i> )	4	-	-	-
Chan Wing Kwan ( <i>Managing Director</i> )	陳永錕( <i>董事總經理</i> )	4	2	2	2
Cheung Kwong Kwan	張廣軍	4	-	-	-
Chang Wing Yiu	鄭永耀	4	-	-	-
Mok Cham Hung, Chadwick	莫湛雄	4	2	2	2
Ho Yin Sang (appointed on 11 January 2007)	何燕生(於二零零七年一月十一日獲委任)	4	-	-	-
Cheung Wai Lin, Stephanie (appointed on 11 January 2007)	張偉連(於二零零七年一月十一日獲委任)	4	-	-	-
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>				
Cheng Ming Fun, Paul	鄭明訓	4	3	2	2
Cheng Wai Chee, Christopher (appointed on 1 July 2007)	鄭維志(於二零零七年七月一日獲委任)	3	-	-	-
Tse Kam Hung	謝錦洪	4	3	2	2
Henry Tan	陳亨利	4	3	2	2

The directors have observed the importance of directing and supervising the Company's affairs at a more regular interval. After consulting all directors, Board meetings have been preliminarily scheduled to be held at quarterly interval and no less than four times in the coming year.

董事明瞭更頻密地定期領導及監管本公司事務之重要性。經徵詢全體董事後，董事會初步計劃來年董事會將每季度舉行及全年舉行不少於四次會議。

## Corporate Governance Report 企業管治報告

### Division and responsibilities

The Board of the Company is headed by the Chairman whose role differs from that of the Managing Director of the Company. The roles of the Chairman and Managing Director are segregated and are not exercised by the same individual.

The duties of the Chairman include (but not limited to) the following:

- schedule meetings that enable the Board to perform its duties and responsibilities and to ensure all key and appropriate issues are discussed by the Board in a timely manner without interfering the Company's operations;
- prepare meeting agenda after consultation with the Managing Director;
- exercise control over quality, quantity and timeliness of the flow of information between Management and the Board and to ensure decisions made by the directors are made on a fully informed basis; and
- assist in ensuring compliance with the Listing Rules and the Company's guidelines on corporate governance.

The Managing Director is mainly responsible for the overall strategic planning and day-to-day management of the Group.

### 分工及職責

本公司董事會由主席領導，其職務有別於本公司董事總經理。主席及董事總經理各有獨立職務，且非由同一名人士擔任。

主席職責包括但不限於：

- 安排會議以便董事會履行職責，並確保董事會及時討論所有重要及適當事宜，而不會干擾本公司之營運；
- 經與董事總經理磋商後編製會議議程；
- 控制管理層與董事會之間及時進行溝通和其質量，確保董事於知情情況下作出決定；及
- 協助確保遵從上市規則及本公司之企業管治指引。

董事總經理主要負責整體策略規劃及本集團日常管理工作。



## Corporate Governance Report 企業管治報告

### Board composition

The Board currently comprises eleven members, four of whom are independent non-executive directors who are expressly identified in all corporate communications that disclose the names of directors of the Company. One of the independent non-executive directors possesses appropriate professional qualifications (or accounting or related financial management expertise) as required by the Listing Rules. The composition of the Board is as follows:

### Executive Directors

Cheung Kwok Wing (*Chairman*)  
Chan Wing Kwan (*Managing Director*)  
Cheung Kwong Kwan  
Chang Wing Yiu  
Mok Cham Hung, Chadwick  
Ho Yin Sang  
(appointed on 11 January 2007)  
Cheung Wai Lin, Stephanie  
(appointed on 11 January 2007)

### Independent non-executive Directors

Cheng Ming Fun, Paul  
Cheng Wai Chee, Christopher  
(appointed on 1 July 2007)  
Tse Kam Hung  
Henry Tan

Ms. Cheung Wai Lin, Stephanie is the sister of Mr. Cheung Kwok Wing. Mr. Cheung Kwong Kwan is a cousin of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie. Mr. Chang Wing Yiu and Mr. Ho Yin Sang are brothers-in-law of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie.

### 董事會成員

董事會現由十一名成員組成，其中四名為獨立非執行董事，彼等之獨立非執行董事身分均於所有載有董事姓名的公司通訊中明確說明。其中一名獨立非執行董事具備上市規則規定之適當專業資格或會計或相關財務管理專業知識。董事會由下列成員組成：

### 執行董事

張國榮(*主席*)  
陳永錕(*董事總經理*)  
張廣軍  
鄭永耀  
莫湛雄  
何燕生  
(於二零零七年一月十一日獲委任)  
張偉連  
(於二零零七年一月十一日獲委任)

### 獨立非執行董事

鄭明訓  
鄭維志  
(於二零零七年七月一日獲委任)  
謝錦洪  
陳亨利

張偉連女士為張國榮先生之胞妹。張廣軍先生為張國榮先生及張偉連女士之堂兄弟。鄭永耀先生及何燕生先生為張國榮先生及張偉連女士之妹夫／姐夫。

## Corporate Governance Report 企業管治報告

Currently, the Company does not have any non-executive director and the independent non-executive directors of the Company were not appointed for specific terms but are subject to retirement by rotation and are eligible for re-election. The Company has received from each of the independent non-executive directors an annual confirmation of his independence as required under Rule 3.13 of the Listing Rules.

The Board comprises directors who collectively provide core competencies, sales and marketing experience and technical knowledge in laminates, printed circuit boards and chemical products, administration and management experience in the PRC factories, financial and accounting skills, as well as in-house advices to comply with international laws and regulations. The current Board size of eleven directors with a balance of skills and experience is appropriate for effective decision making, taking into account the nature and scope of the operations of the Company.

### Appointment, re-election and removal

The Company's Articles of Association set out a formal, considered and transparent procedure for the appointment of new directors to the Board. Any director appointed by the Board either to fill a casual vacancy or as addition to the Board, shall retire and be eligible for re-appointment at the next following annual general meeting after appointment. The appointment of directors are not fixed for a specified term, but at every annual general meeting one-third of the directors, including the Chairman, shall be subject to retirement by rotation and re-appointment by shareholders. The directors appointed by the Board who are subject to retirement and re-appointment as mentioned above shall be taken into account in calculating the total number of directors for the time being but shall not be taken into account in calculating the number of directors who are to retire by rotation. All directors eligible for re-appointment shall have their biographical details made available to the shareholders to enable them to make an informed decision on their re-appointment. Any appointment, resignation, removal or re-designation of director shall be timely disclosed to the shareholders by announcement and shall include in such announcement, the reasons given by the director for his resignation.

本公司現時並無任何非執行董事，而本公司獨立非執行董事之委任並無指定任期，惟須輪值退任並符合資格膺選連任。本公司已按上市規則第3.13條的規定，取得每名獨立非執行董事之年度獨立性確認書。

董事會由多名董事組成，共同提供有關覆銅面板、印刷線路板及化工產品之核心能力、銷售及市場推廣經驗及技術知識、中國工廠之行政及管理經驗、財務及會計技巧以及有關遵守國際法律及規例之內部顧問。董事會現有十一名成員，擁有不同資歷及經驗，考慮到本公司之業務性質及規模，董事會成員人數對其決策效率而言實屬合適。

### 委任、重選及罷免

本公司之組織章程細則訂明一套正式、考慮周詳及具透明度之委任新董事程序。董事會委任之任何董事(不論為填補臨時空缺或屬董事會新增成員)均須於獲委任後首個股東週年大會退任並合資格膺選連任。董事之委任並無固定任期，惟於每屆股東週年大會上，三分之一之董事(包括主席)均須輪值退任及由股東重新委任。於計算當時董事總數時，將會計入按上文所述由董事會委任而須輪值退任及獲重新委任之董事，惟於計算將輪值退任董事人數時則不予計算。所有符合資格獲重新委任之董事均須向股東披露個人履歷，以便股東於重新委任時作出知情決定。任何董事委任、辭任、罷免或調任事宜均須以公佈形式及時向股東披露，並須在公佈中注明該董事辭任之理由。

### Responsibilities of Directors

The Company and the Board require each director to keep abreast of his responsibilities as a director of the Company and of the conduct, business activities and development of the Company. Every director is required to devote sufficient time and involvement in the affairs of the Board and the material matters of the Company and to serve the Board with such degree of care and due diligence given his own expertise, qualification and professionalism.

Every newly appointed director shall receive a comprehensive, formal and tailored induction on the first occasion of his appointment. All directors shall be updated and briefed on continuing professional development as is necessary to ensure that they have a proper understanding of the operations and the business of the Company and that they are fully aware of their responsibilities under the applicable laws and regulations. The Board has a procedure for directors, either individually or as a group, in the furtherance of their duties, to take independent professional advice, if necessary, at the Company's expenses to enable and facilitate the directors to make well considered decisions. Appropriate insurance coverage for directors' and officers' liability has been arranged against possibility of legal action to be taken against the directors and the management.

### Supply of and access to information

The management of the Company has an obligation to furnish the Board with complete, adequate and appropriate information in such form and such quality in a timely manner so as to enable them to make an informed decision and to discharge their duties and responsibilities as directors of the Company. All the directors are given separate and independent access to the Company's senior management.

### 董事責任

本公司及董事會要求每名董事清楚彼作為本公司董事之職責，以及了解本公司之經營方式、業務活動及發展。每名董事均須投入足夠時間及精神處理董事會事務及本公司重要事宜，並按照各自之專門知識、資歷及專業技能，以謹慎盡責之態度為董事會服務。

每名新委任董事於首次獲委任時均會獲得一份全面兼特為其而設的正式就任須知。全體董事於有需要時將參與持續專業發展計劃，以確保彼等清楚了解本公司之營運及業務，且充分明瞭彼等於適用法律及規定下之責任。董事會設立既定程序，董事於履行職務時，在有需要的情況下可個別或共同徵詢獨立專業顧問意見，以作出充份考慮的決定，有關費用由本公司承擔。本公司已就董事及管理人員可能面對之法律行動而為董事及管理人員安排適當責任保險。

### 資料提供及使用

本公司管理層有責任及時向董事會提供完整、充足及適當形式和質量的資料，以便董事會作出知情決定及履行作為本公司董事之職務。全體董事均可個別地及獨立地接觸本公司高級管理人員。

All the directors are given separate and independent access to the Company Secretary, whose role includes ensuring that Board procedures are observed and followed, and that applicable rules and regulations are complied with. The Company Secretary attends all the meetings of the Board and Board committees and is responsible for drafting minutes and keeping minutes records which can be accessed by any director for inspection.

## B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

### The level and make-up of remuneration and disclosure

The Board has set up a remuneration committee (the "Remuneration Committee") which comprises three independent non-executive directors, namely Mr. Tse Kam Hung (Chairman), Mr. Cheng Ming Fun, Paul and Mr. Henry Tan, to formulate policies and procedures for determining the remuneration of directors and senior management and other remuneration related matters. The Remuneration Committee is set up with written terms of reference which set out clearly its duties and authorities delegated by the Board of directors, including the following specific duties:

- formulate the framework or Board policy for determining the remuneration of the Company's Board and senior management. The objective of such policy should ensure that members of the senior management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and reasonable manner, rewarded for their individual contributions to the success of the Company;
- recommend specific remuneration packages including, where appropriate, allowances, bonuses, benefits in kind, incentive payments, and share options, if any, for each executive director and the Managing Director and such other members of senior management as it is designated to consider;

全體董事均可個別及獨立地接觸公司秘書。公司秘書之職責包括確保貫徹遵循董事會程序，同時遵守適用規則及規例。公司秘書出席董事會及董事委員會所有會議，負責編寫及存檔會議記錄，以供董事查閱。

## B. 董事及高級管理人員薪酬

### 薪酬及披露的水平及組成

董事會已成立薪酬委員會（「薪酬委員會」），由三名獨立非執行董事：謝錦洪先生（主席）、鄭明訓先生及陳亨利先生組成，負責制定董事及高級管理人員薪酬之政策及程序以及其他薪酬相關事宜。薪酬委員會已書面訂明其職權範圍，明確列示董事會委派予其之職責及權力，包括下列特定職務：

- 制定薪酬架構或董事會政策以釐定本公司董事會及高級管理人員之薪酬。該等政策旨在確保本公司高級管理人員獲提供適當獎勵，以鼓勵彼等提升表現，並保證本公司以公平合理方式獎勵高級管理人員對本公司成就所作之貢獻；
- 就每名執行董事、董事總經理及其他指定高級管理人員，建議特定薪酬待遇，包括（如適用）津貼、花紅、實物利益、獎金及優先購股權（如有）；

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- recommend targets for any performance-linked pay schemes operated by the Company, taking into account remuneration and employment conditions within the industry and in comparable companies; and
- recommend to the Board the remuneration of independent non-executive directors (including non-executive directors, if any), taking into account factors such as effort, time spent and responsibilities.
- 按照業內及同類型公司之薪酬水平及就業狀況，為本公司任何與表現掛鈎的獎勵計劃建議目標；及
- 參考獨立非執行董事(包括非執行董事(如有))所付出之時間、精力及職責，就彼等之薪酬向董事會提出建議。

When recommending the remuneration package for each individual director, the Remuneration Committee will consider his qualification and experience, specific duties and responsibilities assigned to him by the Board and the prevailing market packages available for similar position. The emolument of the Directors on a named basis for the year under review is set out on page 116 and 117 in note 15 to the financial statements. Review and comparison in terms of Directors' emolument package and net profits of the Group are made from time to time with comparable listed industrial companies with similar capitalisation to the Group. Considering all such factors, the Remuneration Committee would make recommendation on the remuneration package for each Director after consultation with the Chairman.

During the year under review, the Remuneration Committee had convened two meetings during which, among other things, the remuneration packages for all Directors, including Mr. Cheng Wai Chee, Christopher, who was appointed to the Board on 1 July 2007, were considered.

薪酬委員會為個別董事建議薪酬待遇時，將考慮彼之資格及經驗、董事會指派予彼之特定職責以及市場現行給予同類職位之待遇。於回顧年度內，每名董事之酬金詳列於第116及117頁財務報表附註15。本公司不時就董事薪酬待遇及集團純利狀況，與本集團市值相若之上市工業公司進行檢討及比較。考慮上述因素後，薪酬委員會經諮詢主席意見後將就每名董事之薪酬待遇提出建議。

於回顧年度內，薪酬委員會召開兩次會議，並已考慮(其中包括)所有董事(包括於二零零七年七月一日獲委任加入董事會之鄭維志先生)之薪酬待遇。

## C. ACCOUNTABILITY AND AUDIT

### Financial reporting

The directors acknowledge their responsibilities for preparing the Company's account which gives a true and fair view of the financial position of the Group. The Company deploys appropriate and sufficient resources to prepare unaudited half-yearly account and audited yearly account. Senior management is required to present and explain the financial reporting and matters that materially affect or may have material impact on the financial performance and operations of the Company to the Audit Committee and the Board and respond to the queries and concerns raised by the Audit Committee and the Board to their satisfaction. The statement of the auditor of the Company about their reporting responsibilities on the financial statements is set out in Independent Auditor's Report on pages 52 and 53 of this annual report.

### Internal controls

The Group has in place a system of internal controls, the key elements of which are as follows:

- formal policies and procedures are in place, including the documentation of key processes, procedures and rules relating to the delegation of authorities. These allow the monitoring of controls and restrict the unauthorised use of the Group assets;
- experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established to maintain standards of performance;
- monthly business and financial reports are prepared, providing relevant, timely, reliable and up-to-date financial and other information; budget variances are investigated as appropriate; and
- an internal audit function, which reports directly to the Audit Committee, is in place to determine whether the above procedures are properly carried out.

## C. 問責及核數

### 財務匯報

董事確認編製能真實及公平反映本集團的財務狀況之賬目乃彼等之責任。本公司調配合適及足夠的資源編製未經審核半年度賬目及經審核年度賬目。高級管理層須向審核委員會及董事會呈報及闡釋對本公司財務表現及營運構成或可能構成重大影響之財務匯報及事宜，並就審核委員會及董事會提出之查詢及關注作出令彼等信納之回應。本公司核數師就其對財務報表承擔之申報責任作出之聲明載於本年報第52及53頁之獨立核數師報告。

### 內部監控

本集團已設立內部監控制度，其主要要點如下：

- 設立正式政策及程序，包括有關授權之主要過程、程序及規則。上述措施令本集團得以監控及防止未經授權而挪用本集團資產；
- 由具備經驗及合適資格之員工擔任重要業務職責。本集團已設立每年評審程序，以維持表現水準；
- 編製每月業務及財務報告，提供相關、適時、可靠及最新財務及其他資料，並於適當時調查預算偏差；及
- 設立內部核數職能，直接向審核委員會匯報，以確定上述程序已適當執行。

## Corporate Governance Report 企業管治報告

The Board has conducted a review on the effectiveness of the above internal control system of the Group including financial, operational and compliance controls and risk managements and will conduct such review at least once a year, so as to ensure the shareholders' investment and the Group's assets are properly safeguarded. The Board is satisfied that, based on the information supplied, coupled with its own observations and with the assistance of the Audit Committee, the present internal controls and risk management processes are satisfactory for the nature and size of the Group's operations and business.

In addition to the internal control system, the Board has established an internal audit team that reports directly to the Audit Committee. The internal audit team will independently audit various functions, operations and systems existed in the Company according to their weight of significance to the Company as well as the priority list recommended by the Audit Committee. The internal audit team will prepare an internal audit report highlighting the deficiencies and weaknesses in existing audit functions, operations and systems for discussion by the Audit Committee and the Board, and based on these findings the Board will instruct senior management to take appropriate corrective and improvement actions.

### Audit Committee

The Board has established the Audit Committee with specific written terms of reference setting out duties, responsibilities and authorities delegated to them by the Board of directors. The major duties and responsibilities of the Audit Committee include the following:

- review with the external auditor, the audit plan;
- review with the external auditor, their evaluation of the system of internal accounting controls;
- review the scope and results of the internal audit procedures;

董事會已檢討上述本集團內部監控制度之效能，包括財務、營運及規章監控及風險管理功能，並將每年至少進行一次該等檢討，以確保妥善保障股東的投資及本集團資產。董事會根據獲提供之資料，連同其本身觀察及在審核委員會協助下，信納就本集團營運及業務之性質及規模而言，現行內部監控及風險管理程序達滿意水平。

除內部監控制度外，董事會已設立內部核數隊伍，直接向審核委員會匯報。內部核數隊伍將會按照本公司現存各項職能、運作及系統之重要性，以及審核委員會建議之優先次序，獨立審核該等職能、運作及系統。內部核數隊伍將會編製內部核數報告，指出現時經審核職能、運作及系統之漏洞及缺點，以供審核委員會及董事會討論，而董事會將根據該等核數結果指示高級管理層採取適當糾正及改善措施。

### 審核委員會

董事會已設立審核委員會，並已書面訂明其具體職權範圍，載列董事會委派予其之職責及權力。審核委員會之主要職責包括下列各項：

- 與外聘核數師審閱核數計劃；
- 與外聘核數師檢討彼等對內部會計監控制度之評審；
- 檢討內部核數程序之範圍及成效；

## Corporate Governance Report 企業管治報告

- review the balance sheet and profit and loss account of the Company and the consolidated balance sheet and profit and loss account of the Group and submit them to the Board;
  - nominate persons as auditor;
  - review with the internal and external auditors their findings on their evaluation of the Company's system of internal controls for the purpose of assisting the Board in developing policies that would enhance the controls and operating systems of the Company; and
  - review connected transactions and examine the adequacy of internal controls of the Group as part of the standard procedures.
- 審閱本公司之資產負債表及損益表以及本集團之綜合資產負債表及損益表，並呈交董事會；
  - 提名核數師；
  - 與內部及外聘核數師檢討彼等對本公司內部控制制度之評審結果，以協助董事會制訂有助提升本公司監控及運作制度之政策；及
  - 作為正常程序之一部分，審閱關連交易及審查本集團內部監控是否足夠。

The duties of the Audit Committee include reviewing the scope and results of the audit and its cost effectiveness, and the independence and objectivity of the Company's auditor, Deloitte Touche Tohmatsu. The Audit Committee will review the independence of the Company's auditor, the resources and adequacy of the internal audit function, at least once a year. Where the auditor also supply non-audit services to the Company, the Committee will keep the nature and extent of such services under review, seeking to balance between the maintenance of objectivity and value for money. During the year under review, the fees paid/payable to the Company's auditor in respect of audit and non-audit services provided by the Company's auditor to the Group were as follows:

審核委員會之職責包括檢討核數之範疇、結果以及成本效益，以及本公司外聘核數師德勤•關黃陳方會計師行之獨立性及客觀性。審核委員會每年至少一次檢討本公司外聘核數師之獨立性、內部核數職能有否足夠資源及稱職。倘若核數師向本公司提供非核數服務，委員會亦會檢討該等服務之性質及所涉範圍，務求在保持客觀性及成本之間取得平衡。於回顧年度內，就本公司外聘核數師向本集團提供之核數及非核數服務而已付／應付本公司核數師費用如下：

Nature of services	服務性質	Amount (HK\$) 金額(港元)
Audit services	核數服務	9,264,000
Non-audit services	非核數服務	
(i) Tax services	(i) 稅務服務	1,619,000
(ii) Other services	(ii) 其他服務	242,000



## Corporate Governance Report 企業管治報告

The Audit Committee has undertaken a review of all the non-audited services provided by the Company's auditor and concluded that in their opinion such services did not affect the independence of the auditor. The Board has appointed an accountant to be responsible for the accounting and financial matters of the Group and the Audit Committee has free access to the accountant and senior management of the Group and to any financial and relevant information which enable them to discharge their audit committee function effectively and efficiently. Besides internal assistance being available, the Audit Committee may request for assistance and advice from external auditor as and when they think necessary at the expenses of the Company. The Audit Committee shall meet with external auditor without the presence of executive directors to discuss the Group's financial reporting and any major and financial matters arising during the year under review at least once a year.

In addition, the Audit Committee is authorised:

- to investigate any matter within its written terms of reference;
- to have full access to and co-operation by the management;
- to have full discretion to invite any director or executive officer to attend its meetings; and
- to have reasonable resources to enable it to discharge its functions properly.

The Board will ensure that the members of the Audit Committee are appropriately qualified to discharge their responsibilities and at least one member has accounting and related financial management expertise or experience. The Audit Committee comprises three independent non-executive directors, namely Mr. Cheng Ming Fun, Paul (Chairman), Mr. Tse Kam Hung and Mr. Henry Tan.

審核委員會已檢討本公司外聘核數師所提供之全部非核數服務，並認為該等服務並不影響核數師之獨立性。董事會已內部委任一名會計師負責本集團會計及財務事宜，而審核委員會有權隨時接觸本集團會計師及高級管理層，以及索取任何財務及相關資料，以便能夠有效地履行其作為審核委員會之職責。除獲得內部協助外，審核委員會亦可於彼等認為有需要時要求外聘核數師提供協助及建議，費用由本公司承擔。審核委員會每年至少一次在執行董事不在場之情況下與外聘核數師會面，以討論本集團之財務申報及回顧年度內出現之任何重大及財務事宜。

此外，審核委員會獲授權：

- 在其書面訂明職權範圍內調查任何事宜；
- 與管理層全面接觸及獲其衷誠合作；
- 全權酌情邀請任何董事或行政總裁出席其會議；及
- 獲得合理資源讓其能夠適當地履行職責。

董事會將確保審核委員會成員具備合適資格履行職務，及至少一名成員具備會計及相關財務管理專業知識或經驗。審核委員會由三名獨立非執行董事：鄭明訓先生(主席)、謝錦洪先生及陳亨利先生組成。

## Corporate Governance Report 企業管治報告

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters, including the review of the audited annual financial statements for the year ended 31 December 2007.

### D. DELEGATION BY THE BOARD

#### Management function

The Company's articles of association set out matters which are specifically reserved to the Board for its decision. Executive directors normally meet on an informal basis every two weeks and participate in senior management meetings on a regular basis to keep abreast of the latest operations and performance of the Group and to monitor and ensure the management carry out the directions and strategies set by the Board of directors correctly and appropriately. Clear instructions are given to the management as to the matters which should bring to the attention and be determined by the Board on behalf of the Company.

#### Board committees

The Board has set up three Board committees, namely Audit Committee, Nomination Committee and Remuneration Committee, each chaired by different independent non-executive director, to assist the Board in discharging functions specific to each committee. Each Board committee has its own written terms of reference setting out the principles, procedures and arrangements which are substantially the same as those for the Board.

The Nomination Committee comprises three members who are independent non-executive directors, namely Mr. Henry Tan (Chairman), Mr. Cheng Ming Fun, Paul, and Mr. Tse Kam Hung. According to the written terms of reference of the Nomination Committee, the major responsibilities of the Nomination Committee include:

- regularly review the structure, size and composition of the Board and make recommendations to the Board with regard to any adjustments that are deemed necessary;

審核委員會與管理層已檢討本集團採納之會計原則及常規，並已討論核數、內部監控及財務匯報事宜，包括審閱截至二零零七年十二月三十一日止年度之經審核年度財務報表。

### D. 董事會權力的轉授

#### 管理功能

本公司之組織章程載列指明須由董事會決定之事項。執行董事一般每兩星期舉行非正式會議，並定期參與高級管理層之會議，以便掌握本集團近期之營運及表現，且監察及確保管理層正確及恰當地執行董事會制訂之指示及策略。管理層已獲清晰指示，得知須提呈董事會垂注並由董事會代表本公司作出決定之事宜。

#### 董事委員會

董事會已設立三個委員會，分別為審核委員會、提名委員會及薪酬委員會，分別由不同獨立非執行董事出任主席，以協助董事會履行各委員會獲委派之特定職能。各董事委員會均書面訂明其特定的職權範圍，所載列之原則、程序及安排均與董事會之原則、程序及安排大致相同。

提名委員會由三名獨立非執行董事：陳亨利先生(主席)、鄭明訓先生及謝錦洪先生組成。根據提名委員會書面訂明的職權範圍，提名委員會之主要職責包括：

- 定期就董事會之架構、人數及組成作出檢討，並就任何認為需作出的調整向董事會提供推薦建議；

## Corporate Governance Report 企業管治報告

- review whether or not an independent non-executive director is independent for the purpose of the Listing Rules on annual basis;
  - be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;
  - assess the effectiveness of the Board as a whole and the contribution by each individual director to the effectiveness of the Board; and
  - be responsible for re-nomination having regard to the director's contribution and performance, including, if applicable, as an independent director.
- 就上市規則而言，每年檢討獨立非執行董事是否屬獨立人士；
  - 在董事會出現空缺時負責物色及提名人選，以供董事會批准，藉以填補有關空缺；
  - 評估董事會整體成效及各董事對董事會效能之貢獻；及
  - 負責就董事之貢獻及表現重新提名其(視情況而定)為獨立董事。

During the year under review, the Nomination Committee had convened two meetings during which, among other things, the nomination of Mr. Cheng Wai Chee, Christopher, as additional director of the Company was considered. Mr. Cheng Wai Chee, Christopher was appointed as independent non-executive director by the Board with effect from 1 July 2007 and pursuant to the Company's articles of association, Mr. Cheng Wai Chee, Christopher, will retire, and be eligible for re-election at the forthcoming annual general meeting. The Nomination Committee had also considered the directors who should retire by rotation pursuant to the Company's articles of association and the Code. The Nomination Committee had resolved that Mr. Cheung Kwok Wing, Mr. Chang Wing Yiu and Mr. Tse Kam Hung, shall be subject to retirement by rotation at the forthcoming annual general meeting of the Company. All the above-named directors were nominated by the Nomination Committee to stand for re-election at the forthcoming annual general meeting of the Company.

於回顧年度，提名委員會召開兩次會議，考慮(其中包括)鄭維志先生為本公司新增董事之提名。鄭維志先生獲董事會委任為獨立非執行董事，自二零零七年七月一日起生效。根據本公司組織章程細則，鄭維志先生將於應屆股東週年大會退任，並符合資格膺選連任。提名委員會亦已考慮應根據本公司之組織章程細則及守則輪值退任之董事名單。提名委員會議決，張國榮先生、鄭永耀先生及謝錦洪先生須於本公司應屆股東週年大會輪值退任。上述全部董事均獲提名委員會提名於本公司應屆股東週年大會膺選連任。

## E. COMMUNICATION WITH SHAREHOLDERS

The Board endeavours to maintain an on-going dialogue with shareholders. All directors are encouraged to attend the general meetings to have personal communication with shareholders. In annual general meeting, Chairman of the Board and the chairman of each committee are required to attend and answer questions from shareholders in respect of the matters that they are responsible and accountable for. The external auditor is also required to be present to assist the directors in addressing any relevant queries by shareholders. The Company has also set up a public relations website which enables the shareholders and public to post their questions, comments and opinions in relation to the Group to the Board.

The Company's annual general meeting ("AGM") and extraordinary general meeting ("EGM") provide good opportunities for shareholders to air their views and ask directors and management questions regarding the Company. All shareholders of the Company receive the annual report, circulars and notices of AGM and EGM and other corporate communications. The notices are also published in newspapers. Separate resolutions are required at general meetings on each distinct issue. Each shareholder is permitted to appoint a proxy to attend and vote in his stead.

### Voting by poll

Pursuant to the articles of association of the Company, the Chairman shall demand a poll in the Company's general meetings whenever voting by poll is required under the Listing Rules. The Company's articles of association has set out the procedures, requirements and circumstances where voting by poll is required, and in corporate communications to shareholders for matters where shareholders' voting are required, the procedures for and shareholders' right to demand a poll shall be specified. Such procedure and shareholders' right would be reiterated and explained by the Chairman at the commencement of the general meeting of shareholders.

## E. 與股東的溝通

董事會致力與股東保持持續對話。本集團鼓勵全體董事出席股東大會並與股東進行個人溝通。董事會主席及各委員會主席均須出席股東週年大會，並回應股東就彼等負責之事宜所作出之提問。外聘核數師亦須出席股東週年大會以協助董事回應股東任何有關提問。本公司亦已設立一公共關係網站，供股東及公眾向董事會發表有關本集團之問題、評論及意見。

藉本公司股東週年大會及股東特別大會，股東可表達彼等對本公司之意見及向董事及管理層提問。本公司全體股東均獲寄發年報、通函、股東週年大會及股東特別大會通告以及其他公司通訊。通告亦會於報章刊登。本公司須就各項不同事項於股東大會上個別提呈決議案。每名股東可委派一名代表出席大會及代其投票。

### 以投票方式表決

根據本公司之組織章程細則，於上市規則規定須以投票方式表決之情況下，主席須於本公司股東大會上要求以投票方式表決。本公司之組織章程細則已載列須以投票方式表決之程序、規定及情況，以及在需要股東投票之情況下於致股東之公司通訊載列股東以投票方式表決之程序及股東要求投票方式表決之權利。於股東大會開始時主席亦會重申及闡釋該等程序及股東權利。

## Independent Auditor's Report

獨立核數師報告

# Deloitte. 德勤

TO THE SHAREHOLDERS OF  
KINGBOARD CHEMICAL HOLDINGS LIMITED  
*(Incorporated in the Cayman Islands with limited liability)*

We have audited the consolidated financial statements of Kingboard Chemical Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 54 to 179, which comprise the consolidated balance sheet as at 31 December 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

致建滔化工集團股東  
*(於開曼群島註冊成立的有限公司)*

吾等已完成審核載於第54至179頁的建滔化工集團(「貴公司」)及其附屬公司(統稱「貴集團」)綜合財務報表，此等綜合財務報表包括於二零零七年十二月三十一日的綜合資產負債表及截至該日止年度的綜合收益表、綜合權益變動表及綜合現金流量表以及主要會計政策概要及其他附註解釋。

### 董事就綜合財務報表須承擔的責任

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

### 核數師的責任

吾等的責任是根據吾等的審核對綜合財務報表作出意見，並只向作為法人團體的股東報告。除此以外，吾等的報告書不可用作其他用途。吾等概不會就本報告書的內容，對任何其他人士負責或承擔法律責任。吾等已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求吾等遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

## Independent Auditor's Report 獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 2007 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong  
17 March 2008

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

吾等相信，吾等所獲得的審核憑證是充足和適當地為吾等的審核意見提供基礎。

### 意見

吾等認為，該等綜合財務報表已根據香港財務申報準則真實而公平地反映 貴集團於二零零七年十二月三十一日的事務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港公司條例的披露規定妥為編製。

**德勤·關黃陳方會計師行**  
執業會計師  
香港  
二零零八年三月十七日

## Consolidated Income Statement

### 綜合收益表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

			2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
		NOTES 附註		
Revenue	營業額	7	<b>20,025,112</b>	16,773,348
Cost of sales	銷售成本		<b>(15,178,498)</b>	(12,495,937)
Gross profit	毛利		<b>4,846,614</b>	4,277,411
Other income	其他收入	9	<b>84,453</b>	50,275
Investment income	投資收入	10	<b>339,102</b>	144,597
Distribution costs	分銷成本		<b>(550,279)</b>	(457,526)
Administrative costs	行政成本		<b>(1,171,926)</b>	(1,024,102)
Loss on disposal and deemed disposal of interest in an associate	出售及視作出售一間聯營公司權益之虧損		<b>(23,658)</b>	-
Gain on fair value change of conversion and redemption option derivative	可換股及贖回選擇權衍生工具之公平值變動收益	24	<b>182,367</b>	-
Gain on disposal and deemed disposal of partial interest in a subsidiary	出售及視作出售一間附屬公司部分權益之收益	11	-	4,830,916
Discount on acquisition of an associate	收購一間聯營公司折讓		-	48,182
Discount on acquisition of additional interest in a subsidiary	收購一間附屬公司額外權益折讓		<b>962</b>	1,498
Finance costs	融資成本	12	<b>(287,664)</b>	(313,266)
Share of results of associates	應佔聯營公司業績		<b>298,283</b>	39,924
Share of results of jointly controlled entities	應佔共同控制實體業績		<b>(1,070)</b>	(1,755)
Profit before taxation	除稅前溢利		<b>3,717,184</b>	7,596,154
Income tax expense	所得稅開支	13	<b>(245,030)</b>	(240,435)
Profit for the year	本年度溢利	14	<b>3,472,154</b>	7,355,719
Attributable to:	應佔份額：			
Equity holders of the Company	本公司權益持有人		<b>2,778,321</b>	7,068,015
Minority interests	少數股東權益		<b>693,833</b>	287,704
			<b>3,472,154</b>	7,355,719
Dividends	股息	16	<b>1,084,229</b>	382,648
Earnings per share	每股盈利	17		
Basic	基本		<b>HK\$3.330</b>	HK\$8.904
Diluted	攤薄		<b>HK\$3.232</b>	HK\$8.527

## Consolidated Balance Sheet

### 綜合資產負債表

At 31 December 2007 於二零零七年十二月三十一日

		NOTES	2007	2006
		附註	二零零七年 HK\$'000 千港元	二零零六年 HK\$'000 千港元
Non-current assets	非流動資產			
Investment properties	投資物業	18	<b>1,197,952</b>	40,220
Properties, plant and equipment	物業、廠房及設備	19	<b>13,752,739</b>	10,254,325
Prepaid lease payments	預付租賃款項	20	<b>1,265,127</b>	471,727
Goodwill	商譽	21	<b>2,005,658</b>	1,717,519
Investments in associates	於聯營公司之投資	22	<b>741,128</b>	486,929
Available-for-sale investments	可供出售投資	23	<b>564,657</b>	395,150
Convertible bond – loan portion	可換股債券 – 借貸部分	24	<b>86,188</b>	–
Interests in jointly controlled entities	於共同控制實體之權益	25	<b>14,284</b>	15,354
Non-current deposits	非流動訂金	26	<b>993,168</b>	265,430
Intangible assets	無形資產	27	<b>725,884</b>	2,185
Deferred tax assets	遞延稅項資產	33	<b>21,994</b>	19,499
			<b>21,368,779</b>	13,668,338
Current assets	流動資產			
Inventories	存貨	28	<b>2,648,216</b>	2,498,354
Trade and other receivables and prepayments	貿易及其他應收賬款及預付款項	29	<b>7,182,019</b>	5,805,993
Prepaid lease payments	預付租賃款項	20	<b>28,029</b>	9,513
Conversion and redemption option derivative	可換股及贖回選擇權衍生工具	24	<b>205,461</b>	–
Derivative financial instruments	衍生金融工具	30	<b>2,812</b>	39,183
Taxation recoverable	可收回稅項		<b>12,074</b>	2,439
Bank balances and cash	銀行結餘及現金	29	<b>3,494,596</b>	6,097,231
			<b>13,573,207</b>	14,452,713
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	31	<b>4,191,715</b>	2,751,777
Bills payable	應付票據	31	<b>880,992</b>	653,608
Derivative financial instruments	衍生金融工具	30	<b>1,184</b>	195
Taxation payable	應繳稅項		<b>362,422</b>	283,583
Bank borrowings – amount due within one year	銀行借貸 – 一年內到期之款項	32	<b>1,759,340</b>	1,296,421
			<b>7,195,653</b>	4,985,584
Net current assets	流動資產淨值		<b>6,377,554</b>	9,467,129
Total assets less current liabilities	資產總值減流動負債		<b>27,746,333</b>	23,135,467



## Consolidated Balance Sheet 綜合資產負債表

At 31 December 2007 於二零零七年十二月三十一日

		NOTES	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
		附註		
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	33	<b>29,165</b>	36,323
Bank borrowings – amount due after one year	銀行借貸—一年後 到期之款項	32	<b>5,490,372</b>	4,086,223
			<b>5,519,537</b>	4,122,546
			<b>22,226,796</b>	19,012,921
Capital and reserves	股本及儲備			
Share capital	股本	34	<b>83,810</b>	83,280
Share premium and reserves	股份溢價及儲備		<b>18,193,893</b>	15,875,645
Equity attributable to equity holders of the Company	本公司權益持有人 應佔權益		<b>18,277,703</b>	15,958,925
Equity component of share option reserve of a subsidiary	一間附屬公司優先 購股權儲備之權益	35	<b>12,862</b>	9,764
Minority interests	少數股東權益		<b>3,936,231</b>	3,044,232
Total equity	資本總額		<b>22,226,796</b>	19,012,921

The consolidated financial statements on pages 54 to 179 were approved and authorised for issue by the Board on 17 March 2008 and are signed on its behalf by:

第54頁至第179頁之綜合財務報表已於二零零八年三月十七日獲董事會批准及授權刊發，並由下列董事代表簽署：

**Cheung Kwok Wing**  
張國榮  
DIRECTOR  
董事

**Chan Wing Kwan**  
陳永鋸  
DIRECTOR  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔權益													
		Share capital	Share premium	Capital redemption reserve	Goodwill reserve	Special surplus account	Statutory reserve	Hedging reserve	Investment revaluation reserve	Translation reserve	Retained profits	Share option reserve of a subsidiary	Minority interests	Total equity	
		股本	股份溢價	資本贖回儲備	商譽儲備	特別盈餘賬目	法定儲備	對沖儲備	投資重估儲備	換算儲備	保留溢利	公司之優先購股權儲備	少數股東權益	資本總額	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Balance at 1 January 2006	於二零零六年一月一日之結餘	78,477	3,616,879	897	(791)	10,594	3,466	117,193	(10,332)	127,379	4,268,405	8,232,167	3,047	1,411,529	9,646,743
Decrease in fair value changes of derivatives under cash flow hedge	現金流對沖下衍生工具公平值變動之減少	-	-	-	-	-	-	(73,370)	-	-	-	(73,370)	-	-	(73,370)
Increase in fair value changes of available-for-sale investments	可供出售投資公平值變動之增加	-	-	-	-	-	-	-	12,072	-	-	12,072	-	-	12,072
Share of changes in reserve of associates	應佔聯營公司儲備變動	-	-	-	-	-	-	-	-	13,862	-	13,862	-	-	13,862
Exchange differences on translation of foreign operations	兌換海外業務所產生之匯兌差額	-	-	-	-	-	-	-	-	309,059	-	309,059	-	104,535	413,594
Net income recognised directly in equity	收益淨額 (直接在資本中確認)	-	-	-	-	-	-	(73,370)	12,072	322,921	-	261,623	-	104,535	366,158
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	7,068,015	-	7,068,015	-	287,704	7,355,719
Hedging reserve released in respect of cash flow hedge	現金流對沖撥回之對沖儲備	-	-	-	-	-	-	(43,823)	-	-	-	(43,823)	-	-	(43,823)
Investment revaluation reserve released on disposal/transfer	出售/轉讓撥回之投資重估儲備	-	-	-	-	-	-	-	8,591	-	-	8,591	-	-	8,591
Total recognised income and expenses for the year	本年度已確認之收益及開支總額	-	-	-	-	-	-	(117,193)	20,663	322,921	7,068,015	7,294,406	-	392,239	7,686,645
Issue of new shares	發行新股份														
- from exercise of warrants	一行使認股權證	4,273	850,365	-	-	-	-	-	-	-	-	854,638	-	-	854,638
- from exercise of share options	一行使優先購股權	530	19,292	-	-	-	-	-	-	-	-	19,822	-	-	19,822
Recognition of equity-settled share based payments	確認以股份形式付款	-	-	-	-	-	-	-	-	-	-	-	6,717	-	6,717
Final dividend for the year ended 31 December 2005	截至二零零五年十二月三十一日止年度之末期股息	-	-	-	-	-	-	-	-	-	(219,927)	(219,927)	-	-	(219,927)
Interim dividend for the year ended 31 December 2006	截至二零零六年十二月三十一日止年度之中期股息	-	-	-	-	-	-	-	-	-	(162,721)	(162,721)	-	-	(162,721)
Disposal and deemed disposal of partial interest in a subsidiary	出售及視作出售一間附屬公司部分權益	-	-	-	-	-	-	-	-	(59,460)	-	(59,460)	-	1,326,557	1,267,097
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	-	-	-	-	7,845	7,845
Acquisition of additional interests in subsidiaries	增持附屬公司權益	-	-	-	-	-	-	-	-	-	-	-	-	(58,032)	(58,032)
Contribution from minority shareholders	少數股東出資款項	-	-	-	-	-	-	-	-	-	-	-	-	87,591	87,591
Dividend paid to minority shareholders	支付予少數股東之股息	-	-	-	-	-	-	-	-	-	-	-	-	(123,497)	(123,497)
Transfers	轉撥	-	-	-	-	-	6,185	-	-	-	(6,185)	-	-	-	-
		4,803	869,657	-	-	-	6,185	-	-	(59,460)	(388,833)	432,352	6,717	1,240,464	1,679,533
Balance at 31 December 2006	於二零零六年十二月三十一日之結餘	83,280	4,486,536	897	(791)	10,594	9,651	-	10,331	390,840	10,967,587	15,968,925	9,764	3,044,232	19,012,921

## Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔權益											Share option reserve of a subsidiary 一間附屬公司之優先 購股權儲備		Minority interests 少數股東權益	Total equity 資本總額
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Capital redemption reserve 資本 贖回儲備 HK\$'000 千港元	Goodwill reserve 商譽儲備 HK\$'000 千港元	Special surplus account 特別 盈餘賬目 HK\$'000 千港元 (Note a) (附註a)	Statutory reserve 法定儲備 HK\$'000 千港元 (Note b) (附註b)	Hedging reserve 對沖儲備 HK\$'000 千港元	Property revaluation reserve 物業 重估儲備 HK\$'000 千港元 (Note c) (附註c)	Investment revaluation reserve 投資 重估儲備 HK\$'000 千港元	Translation reserve 換算儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total a subsidiary 一間附屬 公司之優先 購股權儲備 HK\$'000 千港元	Minority interests 少數 股東權益 HK\$'000 千港元	Total equity 資本總額 HK\$'000 千港元	
Balance at 1 January 2007	於二零零七年一月 一日之結餘	83,280	4,486,536	897	(791)	10,594	9,651	-	-	10,331	390,840	10,967,587	15,958,925	9,764	3,044,232	19,012,921
Decrease in fair value changes of available-for-sale investments	可供出售投資公平值變動之減少	-	-	-	-	-	-	-	16,930	-	-	16,930	-	-	-	16,930
Share of changes in reserve of associates	應佔聯營公司儲備變動	-	-	-	-	-	-	-	-	26,232	-	26,232	-	-	-	26,232
Exchange differences on translation of foreign operations	兌換海外業務所產生之匯兌差額	-	-	-	-	-	-	-	-	641,484	-	641,484	-	199,015	-	840,499
Fair value gain on properties transferred to investment properties	物業轉撥至投資物業之公平值收益	-	-	-	-	-	-	6,583	-	-	-	6,583	-	-	-	6,583
Net income recognised directly in equity	收益淨額 (直接在資本中確認)	-	-	-	-	-	-	6,583	16,930	667,716	-	691,229	-	199,015	-	890,244
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	2,778,321	-	2,778,321	-	693,833	-	3,472,154
Reserves released upon disposal of associates	出售聯營公司撥回之儲備	-	-	-	-	-	-	-	-	(1,131)	-	(1,131)	-	-	-	(1,131)
Investment revaluation reserve released on disposal	出售撥回之投資重估儲備	-	-	-	-	-	-	-	(85,664)	-	-	(85,664)	-	-	-	(85,664)
Total recognised income and expenses for the year	本年度已確認之收益及開支總額	-	-	-	-	-	-	6,583	(68,734)	666,585	2,778,321	3,382,755	-	892,848	-	4,275,603
Issue of new shares from exercise of share options	因行使認股權證而發行新股份	530	19,292	-	-	-	-	-	-	-	-	19,822	-	-	-	19,822
Recognition of equity-settled share based payments	確認以股份形式付款	-	-	-	-	-	-	-	-	-	-	-	4,448	-	-	4,448
Final dividend for the year ended 31 December 2006	截至二零零六年十二月三十一日止年度之末期股息	-	-	-	-	-	-	-	-	-	(316,464)	(316,464)	-	-	-	(316,464)
Special dividend for the year ended 31 December 2006	截至二零零六年十二月三十一日止年度之特別股息	-	-	-	-	-	-	-	-	-	(516,335)	(516,335)	-	-	-	(516,335)
Interim dividend for the year ended 31 December 2007	截至二零零七年十二月三十一日止年度之中期股息	-	-	-	-	-	-	-	-	-	(251,430)	(251,430)	-	-	-	(251,430)
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	-	-	-	-	263,447	-	263,447
Acquisition of additional interests in subsidiaries	增持附屬公司權益	-	-	-	-	-	-	-	-	-	-	-	-	(162,789)	-	(162,789)
Contribution from minority shareholders	少數股東出資款項	-	-	-	-	-	-	-	-	-	-	-	-	104,436	-	104,436
Dividend paid to minority shareholders	支付予少數股東之股息	-	-	-	-	-	-	-	-	-	-	-	-	(206,863)	-	(206,863)
Transfer upon exercise of share option	因行使優先購股權而轉撥	-	-	-	-	-	-	-	-	-	-	-	(920)	920	-	
Transfer upon lapse of share option	因優先購股權失效而轉撥	-	-	-	-	-	-	-	-	-	430	430	(430)	-	-	
Transfers	轉撥	-	-	-	-	22,077	-	-	-	-	(22,077)	-	-	-	-	
		530	19,292	-	-	22,077	-	-	-	-	(1,105,876)	(1,063,977)	3,098	(849)	(1,061,728)	
Balance at 31 December 2007	於二零零七年十二月三十一日之結餘	83,810	4,505,828	897	(791)	10,594	31,728	6,583	(58,403)	1,057,425	12,640,032	18,277,703	12,862	3,936,231	22,226,796	

Notes:

附註:

- |  |   |
|--|---|
| <p>(a) Special surplus account represents the difference between the nominal amount of the shares issued by the Company and the nominal amount of the issued share capitals of the subsidiaries which were acquired by the Company under the group reorganisation in 1993.</p> <p>(b) Statutory reserve represents the Enterprise Expansion Fund and General Reserve set aside by certain subsidiaries in accordance with the relevant laws and regulations of the People's Republic of China.</p> <p>(c) The property revaluation reserve of the Group represents the gain on revaluation of certain properties for own use of the Group as a result of transfer of those properties for own use from properties, plant and equipment to investment properties.</p> | <p>(a) 特別盈餘賬目指本公司發行的股份面值與本公司於一九九三年根據集團重組收購之附屬公司已發行股本面值之差額。</p> <p>(b) 法定儲備指若干附屬公司根據中華人民共和國相關法律及法規撥出之企業擴充基金和一般儲備金。</p> <p>(c) 本集團物業重估儲備指由於將若干自用之物業、廠房及設備轉撥至投資物業所產生之重估收益。</p> |
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## Consolidated Cash Flow Statement

### 綜合現金流量表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前溢利	3,717,184	7,596,154
Adjustments for:	調整：		
Share of results of associates	應佔聯營公司業績	(298,283)	(39,924)
Share of results of jointly controlled entities	應佔共同控制實體業績	1,070	1,755
Amortisation of intangible assets	無形資產攤銷	632	500
Depreciation of properties, plant and equipment	物業、廠房及設備折舊	1,169,731	1,031,198
Impairment loss recognised in respect of trade and other receivables	就貿易及其他應收賬款 確認之減值虧損	89,004	34,010
Dividends from available-for-sale investments	可供出售投資之股息	(15,092)	(1,002)
Interest expenses and finance charges	利息支出及其他融資費用	287,664	313,266
Gain on disposal and deemed disposal of partial interest in a subsidiary	出售及視作出售一間附屬公司 部分權益之收益	-	(4,830,916)
Gain on disposal of available-for-sale investments	出售可供出售投資之收益	(85,664)	(6,876)
Gain on fair value change of conversion and redemption option derivative	可換股及贖回選擇權衍生工具之 公平值變動收益	(182,367)	-
Gain on fair value changes of investment properties	投資物業公平值變動之收益	(5,118)	(7,163)
Gain on fair value changes of foreign currency forward contracts	遠期外匯合約公平值變動之收益	(86)	(23)
Gain on fair value change of commodity forward contract	遠期商品合約公平值變動之收益	(368)	-
Discount on acquisition of additional interest in a subsidiary	收購一間附屬公司額外權益折讓	(962)	(1,498)
Discount on acquisition of an associate	收購一間聯營公司折讓	-	(48,182)
Release of prepaid lease payments	預付租賃款項撥回	14,463	8,595
Interest income	利息收入	(129,682)	(51,499)
Imputed interest income on convertible bond	可換股債券應計利息收入	(1,282)	-
Loss on disposal and deemed disposal of interest in an associate	出售及視作出售一間聯營公司 權益之虧損	23,658	-
Loss (gain) on disposal and write off of properties, plant and equipment	出售及撇銷物業、廠房及設備之 虧損(收益)	10,864	(144)
Share based payment expenses	股份形式支付開支	4,448	6,717
Operating cash flows before movement in working capital	未計營運資金變動前之經營現金流量	4,599,814	4,004,968
Increase in inventories	存貨增加	(102,034)	(627,438)
Increase in trade and other receivables and prepayments	貿易及其他應收賬款及預付款項增加	(1,206,368)	(637,246)
Increase in trade and other payables	貿易及其他應付賬款增加	985,586	103,123
Increase in bills payable	應付票據增加	227,384	244,297
Cash generated from operations	經營業務所得現金	4,504,382	3,087,704
Hong Kong Profits Tax paid	已繳香港利得稅	(50,816)	(14,411)
Hong Kong Profits Tax refunded	已退香港利得稅	2,225	1,301
Other taxes paid	其他已繳稅項	(135,691)	(81,935)
NET CASH FROM OPERATING ACTIVITIES	經營業務所得現金淨額	4,320,100	2,992,659

## Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
	NOTE 附註		
INVESTING ACTIVITIES	投資業務		
Purchase of properties, plant and equipment	購買物業、廠房及設備	(3,518,081)	(2,026,971)
Purchase of investment properties	購買投資物業	(1,084,477)	-
Purchase of available-for-sale investments	購買可供出售投資	(616,905)	(350,271)
Deposits paid for acquisition of properties, plant and equipment	購買物業、廠房及設備 所付訂金	(993,168)	(265,430)
Acquisition of associates	收購聯營公司	(335,712)	(121,852)
Prepaid lease payments made	已付預付租賃款項	(784,506)	(106,071)
Acquisition of subsidiaries	收購附屬公司	(324,468)	(69,747)
Consideration paid for acquisition of additional interests in subsidiaries	增購附屬公司權益所付代價	(449,728)	(66,078)
Purchase of convertible bond	購買可換股債券	(108,000)	-
Purchase of intangible assets	購買無形資產	(245)	(907)
Net proceeds from disposal of partial interest in a subsidiary	出售一間附屬公司部分權益 之所得款項淨額	-	4,985,909
Proceeds from disposal of interest in an associate	出售一間聯營公司權益之 所得款項	6,543	-
Proceeds from settlements of foreign currency forward contracts	結算外匯遠期合約之所得款項	23	-
Proceeds from disposal of properties, plant and equipment	出售物業、廠房及設備 之所得款項	88,222	30,173
Proceeds from disposal of available-for-sale investments	出售可供出售投資之所得款項	678,393	28,969
Proceeds from settlements of interest rate swaps	結算利率掉期之所得款項	44,427	-
Interest received	已收利息	129,682	51,499
Dividend received from an associate	已收一間聯營公司股息	160,631	-
Dividends received from available-for-sale investments	已收可供出售投資股息	15,092	1,002
NET CASH (USED IN) FROM INVESTING ACTIVITIES	投資業務(所用)所得現金淨額	(7,092,277)	2,090,225

## Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
New bank borrowings raised	新增銀行借貸	4,157,458	4,272,733
Proceeds from exercise of warrants	行使認股權證所得款項	-	854,638
Capital contributions from minority shareholders	少數股東出資款項	104,436	87,591
Proceeds from exercise of share options	行使優先購股權所得款項	19,822	19,822
Proceeds from issue of new shares of a subsidiary	一間附屬公司發行新股份所得款項	-	1,159,500
Repayment of bank borrowings	償還銀行借貸	(2,490,470)	(5,561,252)
Dividend paid on ordinary shares	已派普通股股息	(1,084,229)	(382,648)
Interest and other finance charges paid	已付利息及其他融資費用	(328,371)	(355,204)
Dividend paid to minority shareholders	已付少數股東股息	(206,863)	(123,497)
Expenses incurred in connection with issue of new shares of a subsidiary	一間附屬公司發行新股份產生之開支	-	(47,396)
NET CASH FROM (USED IN) FINANCING ACTIVITIES	融資活動所得(所用)現金淨額	171,783	(75,713)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目(減少)增加淨額	(2,600,394)	5,007,171
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	年初之現金及現金等值項目	6,094,405	1,087,234
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	年末之現金及現金等值項目	3,494,011	6,094,405
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘分析		
Bank balances and cash	銀行結餘及現金	3,494,596	6,097,231
Bank overdrafts	銀行透支	(585)	(2,826)
		3,494,011	6,094,405

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

#### 1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section of the annual report.

The functional currency of the Group is Renminbi (“RMB”) while the consolidated financial statements are presented in Hong Kong Dollars, which the management of the Company considered is more beneficial for the users of the consolidated financial statements.

The principal activities of the Group are the manufacture of laminates, copper foil, glass fabric, glass yarn, bleached kraft paper, printed circuit boards (“PCBs”), chemicals, liquid crystal displays (“LCDs”) and magnetic products.

#### 1. 一般資料

本公司在開曼群島註冊成立為受豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）之主板上市。本公司註冊辦事處之地址及主要營業地點於本年報「公司資料」一節中披露。

本集團的功能貨幣為人民幣（「人民幣」）。綜合財務報表則以港元呈列，本公司管理層認為此舉對綜合財務報表的使用者更有幫助。

本集團主要從事覆銅面板、銅箔、玻璃纖維布、玻璃紗、漂白木漿紙、印刷線路板（「印刷線路板」）、化工產品、液晶體顯示屏（「液晶體顯示屏」）及磁電產品製造業務。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied, for the first time, the following new standard, amendment and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are effective for the Group’s financial year beginning on 1 January 2007.

HKAS 1 (Amendment)	Capital disclosures
HKFRS 7	Financial instruments: Disclosures
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 – Financial reporting in hyperinflationary economies
HK(IFRIC) – INT 8	Scope of HKFRS 2
HK(IFRIC) – INT 9	Reassessment of embedded derivatives
HK(IFRIC) – INT 10	Interim financial reporting and impairment

The adoption of the new HKFRSs has had no material effect on how the results and financial position of the Group for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior year under the requirements of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

### 2. 應用新增及經修訂之香港財務申報準則(「香港財務申報準則」)

於本年度，本集團首次應用以下多項由香港會計師公會(「香港會計師公會」)頒佈並於集團二零零七年一月一日開始之財政年度生效的新準則、修訂及詮釋(「新香港財務申報準則」)。

香港會計準則第1號(修訂本)	資本披露
香港財務申報準則第7號	金融工具：披露
香港(國際財務申報準則詮釋委員會)–詮釋第7號	應用香港會計準則第29號–嚴重通脹經濟中之財務報告之重列方法
香港(國際財務申報準則詮釋委員會)–詮釋第8號	香港財務申報準則第2號之範圍
香港(國際財務申報準則詮釋委員會)–詮釋第9號	內置衍生工具之重新評估
香港(國際財務申報準則詮釋委員會)–詮釋第10號	中期財務報告及減值

採納該等新香港財務申報準則對如何編製及呈列本期間或過往會計期間業績及財務狀況之方法並無重大影響。因此，本集團無須對過往期間進行調整。

本集團追溯應用了香港會計準則第1號(修訂本)及香港財務申報準則第7號的披露要求。在以前年度根據香港會計準則第32號的要求而呈報的部份資料已撤去，而根據香港會計準則第1號(修訂本)及香港財務申報準則第7號要求的相關比較資料在本年度首次呈報。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

The Group has not early applied the following new or revised standards or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of financial statements <sup>1</sup>
HKAS 23 (Revised)	Borrowing costs <sup>1</sup>
HKFRS 8	Operating segments <sup>1</sup>
HK(IFRIC) – INT 11	HKFRS 2: Group and treasury share transactions <sup>2</sup>
HK(IFRIC) – INT 12	Service concession arrangements <sup>3</sup>
HK(IFRIC) – INT 13	Customer loyalty programmes <sup>4</sup>
HK(IFRIC) – INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction <sup>3</sup>

- |   |  |
|---|--|
| 1 | Effective for annual periods beginning on or after 1 January 2009. |
| 2 | Effective for annual periods beginning on or after 1 March 2007.   |
| 3 | Effective for annual periods beginning on or after 1 January 2008. |
| 4 | Effective for annual periods beginning on or after 1 July 2008.    |

The directors of the Company anticipate that the application of these new or revised standards or interpretations will have no material impact on the results and the financial position of the Group.

### 2. 應用新增及經修訂之香港財務申報準則(「香港財務申報準則」)

(續)

本集團並無提前應用下列已頒佈但尚未生效之新或經修訂的準則或詮釋。

香港會計準則第1號(經修訂)	財務報表的呈列 <sup>1</sup>
香港會計準則第23號(經修訂)	借貸成本 <sup>1</sup>
香港財務申報準則第8號	經營分部 <sup>1</sup>
香港(國際財務申報準則詮釋委員會)–詮釋第11號	香港財務申報準則第2號–集團及庫存股份交易 <sup>2</sup>
香港(國際財務申報準則詮釋委員會)–詮釋第12號	服務經營權安排 <sup>3</sup>
香港(國際財務申報準則詮釋委員會)–詮釋第13號	客戶忠誠度計劃 <sup>4</sup>
香港(國際財務申報準則詮釋委員會)–詮釋第14號	香港會計準則第19號–設定受益資產的上限，最低資金要求規定及其相互關係 <sup>3</sup>

- |   |                         |
|---|-------------------------|
| 1 | 於二零零九年一月一日或其後開始之年度期間生效。 |
| 2 | 於二零零七年三月一日或其後開始之年度期間生效。 |
| 3 | 於二零零八年一月一日或其後開始之年度期間生效。 |
| 4 | 於二零零八年七月一日或其後開始之年度期間生效。 |

本公司董事預期應用此等新及經修訂的準則或詮釋對本集團之業績及財務狀況並無重大影響。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared using the historical cost basis except for certain properties and certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

### 3. 主要會計政策

綜合財務報表乃按歷史成本基準編製，惟如下列會計政策所闡述，若干物業及若干金融工具則按公平值計量。

綜合財務報表乃按香港會計師公會頒佈之香港財務申報準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例規定之適用披露。

#### 綜合賬目基準

綜合財務報表包括本公司及本公司控制之實體(附屬公司)截至每年十二月三十一日止之財務報表。當本公司有權力操縱某實體之財政及經營政策以藉其活動之中獲益，將視為擁有控制權。

於年內收購或出售之附屬公司之業績，自實際收購日期起或結算至實際出售日期止(視適用情況而定)列入綜合收益表內。

如需要，將會就附屬公司之財務報表作出調整，致使其會計政策與本集團其他成員公司所用者貫徹一致。

所有集團內公司間交易、結餘、收入及開支於綜合賬目時對銷。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Basis of consolidation (continued)

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

On acquisition of additional interest in subsidiaries, goodwill was calculated as the difference between the consideration paid for the additional interest and the carrying amount of the net assets of the subsidiaries attributable to the additional interest acquired. If the Group's additional interest in the net assets of the subsidiaries exceeds the consideration paid for the additional interest, the excess is recognised immediately in the consolidated income statement.

#### Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 "Business combinations" are recognised at their fair values at the acquisition date.

### 3. 主要會計政策 (續)

#### 綜合賬目基準 (續)

綜合附屬公司資產淨值之少數股東權益與本集團於其中之權益分開呈列。資產淨值之少數股東權益包括在原業務合併日期之有關權益數額，以及自合併日期起計少數股東應佔之權益變動。少數股東應佔虧損超出少數股東於附屬公司之股本權益之金額乃與本集團權益對銷，惟少數股東具有約束力責任及其有能力作出額外投資以彌補該等虧損則除外。

增持附屬公司權益時，商譽按就額外權益所付代價與所收購額外權益應佔附屬公司資產淨值之賬面值間差額計算。倘本集團應佔附屬公司資產淨值之額外權益超逾就額外權益所支付之代價，超額部分即時於綜合收益表內確認。

#### 業務合併

收購附屬公司採用購買會計處理法入賬。收購成本按交換當日所給予之資產、所產生或承擔之負債，以及本集團為控制被收購方而已發行股本工具之公平值總額，另加業務合併直接應佔之任何成本計量。符合香港財務申報準則第3號「業務合併」確認條件之被收購方之可識別資產、負債及或然負債，均以收購日之公平值確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Business combinations (continued)

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

#### Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or jointly control over those policies.

The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associates, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

### 3. 主要會計政策(續)

#### 業務合併(續)

因收購而產生之商譽確認為資產，初步按成本(即業務合併成本超逾本集團所佔之已確認之可識別資產、負債及或然負債之公平值淨額之權益)計量。倘於重新評估後，本集團應佔被收購方之可識別資產、負債及或然負債之公平值淨額之權益高於業務合併成本，超出部分即時於損益內確認。

少數股東於被收購方之權益初步按少數股東於已確認資產、負債及或然負債之公平值淨額所佔比例計量。

#### 於聯營公司之投資

聯營公司指本集團對其有重大影響力之實體，且不屬於附屬公司或合資企業之權益。重大影響力指參與投資對象之財務及經營政策決策之權力，但並無控制或共同控制該等政策。

聯營公司之業績及資產與負債乃按權益會計法納入綜合財務報表內。根據權益法，於聯營公司之投資乃按成本於綜合資產負債表列賬，並就本集團應佔該聯營公司之資產淨值之收購後變動作出調整，以及減去任何已識別之減值虧損。當本集團應佔聯營公司之虧損相等於或超出其於該聯營公司之權益(包括實質上構成本集團於該聯營公司之投資淨額一部分之任何長期權益)，則本集團不再確認其應佔之進一步虧損。額外應佔虧損會作出撥備及確認負債，惟僅以本集團已產生法定或推定責任或代表該聯營公司支付之款項為限。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Investments in associates (continued)

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition after reassessment, is recognised immediately in profit or loss.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

#### Deemed disposal of interests in associates

Gain or loss on deemed disposal of interests in associates represents the increase or decrease, respectively in the Group's share of the respective associate's net assets and adjusted for the release of goodwill and reserves attributable to such change.

### 3. 主要會計政策 (續)

#### 於聯營公司之投資 (續)

任何收購成本超出本集團應佔於收購日期已確認之聯營公司可識別資產、負債及或然負債中之公平值淨額，均確認為商譽。商譽乃計入投資之賬面值中，並以投資之一部分進行減值評估。

任何本集團應佔可識別資產、負債及或然負債之公平值淨額超出收購成本之部分，經重估後即時於損益中確認。

當集團實體與本集團聯營公司進行交易時，損益會按本集團應佔有關聯營公司之權益予以對銷。

#### 視作出售聯營公司權益

視作出售聯營公司權益之收益或虧損分別為本集團應佔有關聯營公司資產淨值之增加或減少，並作撥回商譽及有關支出應佔儲備之調整。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which ventures have joint control over the economic activity of the entity are referred to as jointly controlled entities.

The results and assets and liabilities of jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in jointly controlled entities are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the jointly controlled entities, less any identified impairment loss. When the Group's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the jointly controlled entity), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition after reassessment, is recognised immediately in profit or loss.

When a group entity transacts with a jointly controlled entity of the Group, unrealised profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity.

### 3. 主要會計政策 (續)

#### 共同控制實體

合營企業安排涉及成立獨立實體，而當中各經營方對該實體之經濟活動擁有共同控制權者乃列作共同控制實體。

共同控制實體之業績及資產與負債乃按權益會計法列入綜合財務報表內。根據權益法，於共同控制實體之投資乃按成本就本集團應佔該共同控制實體之資產淨值之收購後變動調整，減任何已識別之減值虧損於綜合資產負債表列賬。當本集團應佔共同控制實體之虧損相等於或超出其於該共同控制實體之權益(包括實質上構成本集團於該共同控制實體之投資淨額之一部分之任何長期權益)，則本集團不再確認其應佔之進一步虧損。額外應佔虧損會作出撥備及確認負債，惟僅以本集團已產生法定或推定責任或代表該共同控制實體支付之款項為限。

任何本集團應佔可識別資產、負債及或然負債之公平值淨額超出收購成本之部分，經重估後即時於損益中確認。

當集團實體與本集團共同控制實體進行交易時，未變現之損益會按本集團佔有關共同控制實體之權益予以撇銷。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Goodwill

*Goodwill arising on acquisitions after 1 January 2001 and prior to 1 January 2005*

Goodwill arising on an acquisition of a subsidiary for which the agreement date is before 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant acquiree at the date of acquisition.

For previously capitalised goodwill arising on acquisitions after 1 January 2001, the Group has discontinued amortisation from 1 January 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired.

*Goodwill arising on acquisitions on or after 1 January 2005*

Goodwill arising on an acquisition of a subsidiary for which the agreement date is on or after 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant subsidiary at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the consolidated balance sheet.

### 3. 主要會計政策(續)

#### 商譽

於二零零一年一月一日後及二零零五年一月一日前因收購所產生之商譽

收購一間附屬公司(協議日期為二零零五年一月一日前)所產生之商譽，乃指收購成本超出本集團於收購日期應佔有關被收購方之可識別資產及負債公平值之權益之數額。

就於二零零一年一月一日後收購所產生並原先已資本化之商譽，本集團自二零零五年一月一日起不再攤銷，而有關商譽每年及凡與商譽有關之現金產生單位有跡象顯示出現減值時進行減值測試。

於二零零五年一月一日或之後收購所產生之商譽

收購一間附屬公司(協議日期為二零零五年一月一日或之後)所產生之商譽，乃指收購成本超出本集團於收購日期應佔有關附屬公司之可識別資產、負債及或然負債公平值之權益之數額。該商譽乃按成本減任何累計減值虧損列賬。

收購一間附屬公司所產生並已資本化之商譽於綜合資產負債表內獨立呈列。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Goodwill (continued)

Goodwill arising on acquisitions on or after 1 January 2005 (continued)

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

#### Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

### 3. 主要會計政策(續)

#### 商譽(續)

於二零零五年一月一日或之後收購所產生之商譽(續)

就減值測試而言，收購所產生之商譽分配到預期從收購之協同效應中受益之各有關現金產生單位，或現金產生單位之組別。已獲分配商譽之現金產生單位每年及凡該單位有跡象顯示出現減值時進行減值測試。就於財政年度之收購所產生之商譽而言，已獲分配商譽之現金產生單位於該財政年度完結前進行減值測試。當現金產生單位之可收回金額少於該單位之賬面值，則減值虧損被分配，以首先削減分配到該單位之任何商譽之賬面值，及其後以單位各資產之賬面值為基準，按比例分配到該單位之其他資產。商譽之任何減值虧損乃於綜合收益表內直接確認。商譽之減值虧損於其後期間不予撥回。

其後出售一間附屬公司時，則被資本化之商譽應佔金額於出售時計入釐定損益之金額。

#### 投資物業

投資物業乃持作賺取租金及/或資本增值之物業。

於初步確認時，投資物業乃按成本計量，包括任何直接應佔開支。於初步確認後，投資物業按公平值以公平值模式計量。投資物業公平值變動產生之盈虧計入其產生期間之損益內。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Investment properties (continued)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement in the year in which the item is derecognised.

#### Properties, plant and equipment

Properties, plant and equipment (other than properties, plant and equipment under construction) at cost less subsequent accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write off the cost of items of properties, plant and equipment other than the properties, plant and equipment under construction over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method. (see note 19 for the depreciation rates per annum of the items of properties, plant and equipment)

### 3. 主要會計政策(續)

#### 投資物業(續)

投資物業於出售後，或當永久停止使用該投資物業，或預期出售該資產不會產生未來經濟利益時剔除確認。剔除確認該資產所產生之任何盈虧乃按出售所得款項淨額與該資產賬面值間之差額計算，並計入剔除確認項目年度之綜合收益表內。

#### 物業、廠房及設備

物業、廠房及設備(不包括在建物業、廠房及設備)，乃按成本減其後累計折舊及任何累計減值虧損。

物業、廠房及設備項目(不包括在建物業、廠房及設備)之折舊乃根據其估計可使用年期，於計及其估計剩餘價值後，以直線法撇銷其成本。(有關物業、廠房及設備項目每年折舊率，見附註19)

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Properties, plant and equipment (continued)

Properties, plant and equipment under construction, representing property, plant and equipment in the course of construction for production or for its own use purposes, are carried at cost less any recognised impairment loss. Properties, plant and equipment under construction is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An owner-occupied property is transferred to investment property at fair value when it is evidenced by end of owner-occupation. The difference between the fair value and the carrying amount at the date of transfer is recognised in property revaluation reserve in accordance with HKAS 16 "Property, plant and equipment". On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to retained profits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

### 3. 主要會計政策 (續)

#### 物業、廠房及設備 (續)

在建物業、廠房及設備(即為生產或自用而在建之物業、廠房及設備)按成本減任何已確認減值虧損列賬。在建物業、廠房及設備在竣工及可作擬定用途時分類為物業、廠房及設備之適當類別。該等資產在可作擬定用途時按其他物業資產之基準開始計提折舊。

於業主結束佔用物業時，由業主佔用之物業則按公平值轉撥至投資物業。公平值與賬面值於轉撥日期之差額則根據香港會計準則第16號「物業、廠房及設備」於物業重估儲備中確認。於其後出售資產或資產退廢時，有關重估儲備則直接轉撥至保留溢利。

物業、廠房及設備項目於出售或預期持續使用該資產不會產生未來經濟利益時剔除確認。剔除確認資產時所產生之任何盈虧(按出售所得款項淨額與項目賬面值間之差額計算)將計入剔除確認項目年度之綜合收益表內。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Properties, plant and equipment (continued)

*Leasehold land and buildings under development for future owner-occupied purpose*

When the leasehold land and buildings are in the course of development for production or for administrative purposes, the leasehold land component is classified as a prepaid lease payment and amortised over a straight-line basis over the lease term. During the construction period, the amortisation charge provided for the leasehold land is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### Intangible assets

*Intangible assets acquired separately*

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

### 3. 主要會計政策(續)

#### 物業、廠房及設備(續)

*發展中供日後業主使用之租約土地及樓宇*

倘租約土地及樓宇正在發展作生產或行政用途，則租約土地部分乃分類為預付租約付款，並於租約年期以直線法攤銷。在建期間，就租約土地計提之攤銷支出，乃列作在建樓宇成本部分。在建樓宇以成本減任何已識別減值虧損列賬。樓宇於可供使用(即其達致管理層預期方式之所需運作地點及狀況)時開始計提折舊。

#### 存貨

存貨按成本或可變現淨值兩者中之較低者入賬。成本包括直接物料及(如適用)直接勞工成本及使存貨達致現有位置及狀況所產生之間接成本。成本按加權平均法計算。可變現淨值指估計售價減估計完成所需之全部成本以及市場推廣、銷售及分銷將予產生之成本。

#### 無形資產

*個別收購之無形資產*

個別收購並具有有限使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬。具有有限使用年期之無形資產於估計可使用年期內以直線法攤銷。

剔除確認無形資產時所產生之任何盈虧(按出售所得款項淨額與資產賬面值間之差額計算)，於資產剔除確認年度之綜合收益表確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Intangible assets (continued)

##### Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight-line basis over its useful life, and carried at cost less subsequent accumulated amortisation and any accumulated impairment losses.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible asset is reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

##### Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses.

### 3. 主要會計政策 (續)

#### 無形資產 (續)

##### 研究及開發費用

研究活動費用於產生期間確認為開支。

開發費用產生之內部產生無形資產，在預期清晰界定計劃項目產生之開發成本將可透過日後商業活動收回之情況下，方會確認。因而產生之資產於其估計可用年期按直線法攤銷，按成本減其後累計攤銷及任何累計減值虧損入賬。

就內部產生無形資產初步確認之金額為該等無形資產首次符合確認標準當日起產生之開支總額。倘未能確認內部產生無形資產，則開發費用於產生期間在損益扣除。

於初次確認後，內部產生無形資產以個別購入之無形資產之相同基準按成本減累計攤銷及累計減值虧損列賬。

##### 於業務合併中收購之無形資產

倘於業務合併中收購之無形資產符合無形資產之定義，而其公平值能可靠計算，該等資產則獨立於商譽識別及確認。有關無形資產之成本為其於收購日期之公平值。

於初步確認後，具有有限使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Intangible assets (continued)

##### Impairment

Intangible assets with finite useful lives are tested for impairment when there is an indication that an asset may be impaired (see the accounting policies in respect of impairment losses for tangible and intangible assets below).

#### Impairment losses (other than goodwill (see the accounting policies in respect of goodwill))

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

### 3. 主要會計政策 (續)

#### 無形資產(續)

##### 減值

倘有跡象顯示具有有限可使用年期之無形資產可能出現減值，則對有關資產進行減值測試(請參閱下文有關有形資產及無形資產減值虧損之會計政策)。

#### 減值虧損(商譽除外(請參閱有關商譽之會計政策))

於各結算日，本集團須審閱其有形及無形資產之賬面值，以確定是否有任何跡象顯示該等資產出現減值虧損。倘某項資產之可收回金額估計低於其賬面值，則該項資產之賬面值須削減至其可收回金額。減值虧損即時確認為開支。

倘日後轉出減值虧損，有關資產之賬面值須增至其經重新估計之可收回金額，惟增加之賬面值不得超出倘有關資產並無於以往年度確認任何減值虧損所應釐定之賬面值。轉出之減值虧損即時確認為收入。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### *The Group as lessor*

Rental income from operating leases is recognised in the consolidated income statement on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

#### *The Group as lessee*

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis over the term of relevant lease.

#### *Leasehold land and building*

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire contract is treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted as operating leases.

### 3. 主要會計政策 (續)

#### 租約

當租約條款將涉及擁有權之絕大部分風險及回報轉讓予承租人時，該租約乃分類為融資租約。所有其他租約均分類為經營租約。

#### *由本集團出租*

經營租約之租金收入乃按相關租約年期以直線法於綜合收益表內確認。於磋商及安排經營租約所產生之初步直接成本乃加至租約資產之賬面值，並按租約年期以直線法確認作開支。

#### *由本集團承租*

根據經營租約之應付租金於有關租約年期以直線法在損益中扣除。訂立經營租約時已收及應收作為獎勵之利益按直線法於有關租約之年期確認為該租約年期下租金開支減少。

#### *租約土地及樓宇*

就租賃分類而言，租賃土地及樓宇中土地及樓宇部分乃分開計算，除非租金支出無法可靠地在土地及樓宇部分之間作出分配，則在此情況下，整項合約則當作融資租賃處理，並列作物業、廠房及設備。倘能可靠分配租金支出，土地的租約權益則列作經營租約。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchange prevailing on the dates of the transactions. At each balance sheet dates, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Group's net investment in a foreign operation, in which case, such exchange differences are recognised in equity in the consolidated financial statements. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

### 3. 主要會計政策 (續)

#### 外幣

編製各集團實體之財務報表時，以該實體之功能貨幣以外貨幣(外幣)進行之交易乃按其功能貨幣(即實體主要經營之經濟環境之貨幣)於交易日期當時之匯率記錄。於各結算日，以外幣列值之貨幣項目以結算日當日之匯率重新換算。按公平值列賬且按外幣列值之非貨幣項目乃按釐定公平值當日匯率重新換算。以外幣過往成本計算之非貨幣項目不予重新換算。

結算貨幣項目及換算貨幣項目所產生之匯兌差額會於產生期間在損益中確認，惟組成本集團海外業務投資淨額部分之貨幣項目所產生之匯兌差額除外，在此情況下，該等匯兌差額乃於綜合財務報表之股本確認。重新換算按公平值列賬之非貨幣項目產生之匯兌差額計入期內損益，惟重新換算非貨幣項目產生之差額則除外，有關盈虧於股本直接確認，在此情況下，匯兌差額亦於股本直接確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Foreign currencies (continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rates of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the balance sheet date. Exchange differences arising are recognised in the translation reserve.

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 3. 主要會計政策 (續)

#### 外幣 (續)

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按結算日當日匯率換算為本集團之呈列貨幣（即港元），而彼等之收入及開支項目乃按年內平均匯率換算，除非期內匯率出現重大波幅，則於此情況下，將採用交易日之匯率。所產生匯兌差額（如有）確認為股本權益之獨立部分（換算儲備）。有關換算差額於該項海外業務出售期間在損益中確認。

於二零零五年一月一日或之後收購海外業務時產生之所收購可識別資產之商譽及公平值調整被視作該海外業務之資產及負債，並按結算日之匯率換算。所產生匯兌差額於換算儲備確認。

#### 借貸成本

與收購、建造或生產合資格資產直接有關之借貸成本均撥充資本，作為該等資產之部分成本。當資產大致可作其擬定用途或可供銷售時，該等借貸成本將不再撥充為資本。特定借貸中，在其應用於合資格的資產之前所作的臨時投資所賺取的收入，須於資本化的借貸成本中扣除。

所有其他借貸成本均於產生期間於損益中確認。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Retirement benefit costs

Payments to defined contribution retirement benefit plans, state-managed retirement benefit schemes and the Mandatory Provident Fund Schemes are charged as an expense when employees have rendered service entitling them to the contributions.

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

### 3. 主要會計政策(續)

#### 退休福利成本

向定額供款退休福利計劃、國家管理退休福利計劃及強積金計劃支付之供款均於僱員提供服務致使其有權獲得有關供款時以開支形式扣除。

#### 稅項

所得稅開支指現時應繳稅項及遞延稅項之總和。

現時應繳稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合收益表中所申報之溢利不同，乃由於前者不包括在其他年度應課稅或可扣稅收入或開支，並且不包括從未課稅或扣稅之項目。本集團即期稅項之債務乃按結算日已頒佈或實際已頒佈之稅率計算。

遞延稅項乃根據綜合財務報表資產及負債賬面值與計算應課稅溢利所採用相應稅基間之差額確認，以資產負債表負債法處理。遞延稅項負債一般會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時差額扣稅之應課稅溢利時確認。因商譽或因業務合併以外交易初步確認其他資產及負債且不影響應課稅溢利亦不影響會計溢利而引致之臨時差額，則不會確認該等資產及負債。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

#### Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### 3. 主要會計政策(續)

#### 稅項(續)

遞延稅項負債乃按於附屬公司及聯營公司之投資及於合資企業之權益而引致之應課稅臨時差額而確認，惟若本集團可控制臨時差額之撥回及臨時差額有可能未必於可見將來之撥回之情況則除外。

遞延稅項資產之賬面值於各結算日作檢討，並在沒可能會有足夠應課稅溢利收回全部或部分資產時加以遞減。

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項於損益中扣除或計入損益，惟倘遞延稅項與直接在權益中扣除或計入權益之項目有關則除外，在此情況下，遞延稅項亦會於權益中處理。

#### 金融工具

當集團實體成為工具訂約條文之訂約方時，財務資產及財務負債於資產負債表確認。財務資產及財務負債初步按公平值計算。因收購或發行財務資產及財務負債(按公平值計入損益之財務資產及財務負債除外)而直接應佔之交易成本於初步確認時，按適用情況加入或扣自該項財務資產或財務負債之公平值。因收購按公平值計入損益之財務資產或財務負債而直接應佔之交易成本即時於損益確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Financial assets

The Group's financial assets are classified into (i) financial assets at fair value through profit or loss ("FVTPL"), (ii) loans and receivables and (iii) available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for debt instruments.

##### Financial assets at fair value through profit or loss

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 財務資產

本集團之財務資產分類為(i)按公平值計入損益(「按公平值計入損益」)之金融資產；(ii)貸款及應收賬款；及(iii)可供出售財務資產。所有日常買賣之財務資產於交易日確認及剔除確認。日常買賣指須根據市場規則或慣例訂立之時間內交收資產之財務資產買賣。

##### 實際利率法

實際利率法是一種計算攤銷財務資產成本與分派利息收入到相關期間之方法。實際利率率是以精確估計財務資產期間未來現金收入(包括所有在時點支付之費用，或者實際利率整體之收入、交易成本或者其他溢價或折價)之折現比率，或適用於更短期間。

債務工具的收入乃按實際利率基準確認。

##### 按公平值計入損益之財務資產

按公平值計入損益之財務資產分為兩個分類，包括持作買賣財務資產及指定於初步確認時按公平值計入損益之財務資產。

倘屬下列情況，財務資產則分類為屬持作買賣：

- 所收購之財務資產主要用於在不久將來銷售；或
- 屬於本集團整體管理之可辨別金融工具組合之一部份，且近期事實上有出售以賺取短期溢利的模式；或
- 屬於衍生工具(除指定及具有有效對沖作用之工具之外)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

Financial assets (continued)

#### Financial assets at fair value through profit or loss (continued)

At each balance sheet date subsequent to initial recognition, financial assets at FVTPL are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including convertible bond – loan portion, non-current deposits, trade and other receivables and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses (See accounting policy on impairment loss on financial assets below).

#### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments.

At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss (see accounting policy on impairment loss on financial assets below).

### 3. 主要會計政策 (續)

#### 金融工具 (續)

財務資產 (續)

#### 按公平值計入損益之財務資產 (續)

於初次確認後各結算日，按公平值計入損益之財務資產按公平價值計量，公平值之變動於產生變動期間直接在損益中確認。於損益確認之收益或虧損淨額不包括任何財務資產所賺取之股息或利息。

#### 貸款及應收賬款

貸款及應收賬款為在活躍市場上並無報價而具有固定或待定付款之非衍生金融資產。於初次確認後之各個結算日，貸款及應收賬款(包括可換股債券—借貸部分、非流動訂金、貿易及其他應收賬款及銀行結餘)以實際利率法按攤銷成本減任何已識別減值虧損列賬(請參閱下文有關財務資產減值虧損之會計政策)。

#### 可供出售財務資產

可供出售財務資產為非衍生工具，其須指定或非分類為按公平值計入損益之財務資產、貸款及應收賬款或持至到期投資。

於首次確認後之各個結算日，可供出售財務資產按公平值計算。公平值之變動於股本確認，直至該財務資產售出或釐定有所減值，屆時過往於股本確認之累計盈虧將自股本剔除，並於損益中確認(請參閱下文有關財務資產減值虧損之會計政策)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

Financial assets (continued)

#### Available-for-sale financial assets (continued)

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition (see accounting policy on impairment loss on financial assets below).

#### Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include significant financial difficulty of the issuer or counterparty; or it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

財務資產 (續)

#### 可供出售財務資產 (續)

在活躍市場上並無報價而其公平值未能可靠計量之可供出售股本投資，與該等無報價股本工具有關並須以交付該等工具作結算之衍生工具，則於首次確認後之各個結算日，按成本減任何已識別減值虧損計算。(請參閱下文有關財務資產減值虧損之會計政策)。

#### 財務資產減值

財務資產(除該等按公平值計入損益外)，於各結算日獲評估是否存有減值跡象。倘出現客觀證據，即因財務資產初步確認後產生之一項或多項事件，財務資產估計未來現金流量受到影響，則財務資產列作減值。

就可供出售的股本投資而言，該項投資的公平值大幅或長期跌至低於其成本值被視為減值的客觀證據。

就所有其他財務資產而言，減值的客觀證據可能包括發行人或對手出現重大財政困難；或借款人有可能面臨破產或財務重組。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Impairment of financial assets (continued)

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 120 days and observable changes in National or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 財務資產減值 (續)

就若干類別的財務資產(如貿易應收賬款)而言, 估定不會單獨作出減值的資產會於其後彙集一併評估減值。應收賬款組合出現減值的客觀證據包括本集團過往收款經驗、組合內逾期超過平均信貸期120日之還款數目上升、國家或地區經濟狀況出現明顯變動導致應收賬款未能償還。

就按已攤銷成本計值的財務資產而言, 當有客觀證據顯示資產已減值時, 減值虧損金額會於損益表中確認, 並以資產的賬面值與估計未來現金流量的現值(以財務資產的原始實際利率折現)間的差額計算。

就按成本計值的財務資產而言, 減值虧損的金額以資產的賬面值與估計未來現金流量的現值(以類似財務資產的當前市場回報率折現)間的差額計算。該等減值虧損不會於其後期間回撥。

與所有財務資產有關的減值虧損會直接於財務資產的賬面值中作出扣減, 惟貿易應收賬款除外, 其賬面值會透過撥備賬作出扣減。撥備賬內的賬面值變動會於損益中確認。當貿易應收賬款被視為不可收回時, 其將於撥備賬內撇銷。於其後重新收取的先前撇銷的款項將計入損益表。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Impairment of financial assets (continued)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in equity. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

##### Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The Group's financial liabilities are generally classified into financial liabilities at FVTPL and other financial liabilities.

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 財務資產減值 (續)

就以已攤銷成本計算的財務資產而言，倘於隨後期間減值虧損的數額減少，而此項減少可客觀地與確認減值後的某一事件聯繫，則先前確認的減值虧損於損益表中予以撥回，惟於撥回減值當日的資產賬面值不得超逾假設未確認減值時的已攤銷成本。

可供出售的股本投資的減值虧損不會於其後期間在損益內回撥。減值虧損後公平值的任何增加將直接確認為股本。就可供出售的債務投資而言，倘該投資公平值的增加可客觀地與確認減值虧損後的某一事件聯繫，減值虧損將隨後回撥。

##### 財務負債及權益

由集團實體發行之財務負債及權益工具按所訂立之合約安排內容，以及財務負債及權益工具之定義而分類。

權益工具為證明本集團資產剩餘權益(經扣除其所有負債)之任何合約。本集團之財務負債一般分類為按公平值計入損益之財務負債及其他財務負債。

##### 實際利率法

實際利率法是一種計算攤銷財務負債成本與分派利息支出到相關期間之方法。實際利率是以精確估計財務負債期間未來現金支出之現值比率，或適用於更短期間。

利息支出乃按實際利率基準確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

Financial liabilities and equity (continued)

#### Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated at FVTPL on initial recognition.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

At each balance sheet date subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any interest paid on the financial liabilities.

#### Other financial liabilities

Other financial liabilities including trade and other payables, bills payable and bank borrowings are subsequently measured at amortised cost, using the effective interest method.

#### Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

財務負債及權益 (續)

#### 按公平值計入損益之財務負債

按公平值計入損益之財務負債分為兩個分類，包括持作買賣財務負債及指定於初次確認時按公平值計入損益之財務負債。

倘屬下列情況，財務負債則分類為持作買賣：

- 所收購之財務資產主要用於在不久將來購回；或
- 屬於本集團整體管理之可辨別金融工具組合之一部份，且近期事實上有出售以賺取短期溢利的模式；或
- 屬於衍生工具 (除指定及具有有效對沖作用之工具之外)。

於初次確認後各結算日，按公平值計入損益之財務負債按公平值計量，公平值之變動於產生變動期間直接在損益中確認。於損益確認之收益或虧損淨額不包括就任何財務負債所支付之利息。

#### 其他財務負債

其他財務負債包括其後以實際利率法按攤銷成本計量之貿易及其他應付賬款、應付票據及銀行借貸。

#### 權益工具

本公司所發行之權益工具乃按已收取之所得款項減直接發行成本入賬。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Derivative financial instruments and hedging

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Derivatives that do not qualify for hedge accounting are deemed as financial assets held for trading or financial liabilities held for trading.

The Group designates certain derivatives as hedges of the cash flow of floating-rate bank borrowings (i.e. interest rate swaps).

##### Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss.

##### Hedge accounting

The Group designates certain derivatives as hedging instruments as cash flow hedges.

At the inception of the hedging relationship the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

### 3. 主要會計政策 (續)

#### 金融工具(續)

##### 衍生金融工具及對沖

衍生工具以衍生工具合約簽訂日之公平值作初次確認及其後以各結算日之公平值重新計量。所產生的收益或虧損將即時於損益內確認。除非該衍生工具是指定而有效之對沖工具，在此情況下，於損益內確認的時間取決於對沖關係的類別。

不符合對沖會計法之衍生工具被視為持作買賣之財務資產或財務負債。

本集團利用若干衍生工具(即利率掉期)作為浮息銀行借貸現金流量之對沖。

##### 內置衍生工具

非衍生合約之內置衍生工具當其之風險及特徵與主要合約之風險及特徵並非密切相關時，作為獨立衍生工具處理，而主要合約並非按公平值計算，而公平值變動於損益表中確認。

##### 對沖會計法

本集團指定某些衍生工具為對沖工具，用作現金流量對沖。

於對沖關係之開始，實體記錄對沖工具和被對沖項目的關係，及進行各類對沖交易之風險管理目標及其策略。此外，於對沖開始和進行期間，本集團記錄用於對沖關係之對沖工具是否能高度有效地抵銷被對沖項目的公平值或現金流量變動。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Hedge accounting (continued)

##### Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss as other gains or losses.

Amounts deferred in equity are recycled in profit or loss in the periods when the hedged item is recognised in profit or loss.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in profit or loss.

##### Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 對沖會計法(續)

##### 現金流量對沖

指定和符合現金流量對沖之衍生工具公平值變動，其有效部分遞延於權益，其無效部分之收益或虧損，即時於損益內確認為其他收益或虧損。

當被對沖項目確認於損益內確認時，遞延於權益之金額則在該期間之損益內重新確認。

當本集團解除對沖關係、對沖工具已屆滿、售出、終止、行使或不再符合對沖會計法，對沖會計法將被終止。當時遞延於權益之任何累計盈虧將保留於權益內，並在預測交易最終於損益內確認時確認。倘預測交易預期不再進行，遞延於權益之累計盈虧即時於損益內確認。

##### 剔除確認

若從資產收取現金流量之權利已到期，或財務資產已轉讓及本集團已將其於財務資產擁有權之絕大部份風險及回報轉移，則財務資產將剔除確認。於剔除確認財務資產時，資產賬面值與已收及應收代價及已直接於股本確認之累計損益之差額，將於損益中確認。

倘於有關合約之指定責任獲解除、註銷或到期時，則會剔除確認財務負債。剔除確認之財務負債賬面值與已付及應付代價之差額於損益中確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Share-based payment transactions

Share options granted and vested prior to 1 January 2005

The financial impact of share options granted is not recorded in the consolidated financial statements until such time as the options are exercised, and no charge is recognised in the consolidated income statement in respect of the value of option granted. Upon the exercise of the share options, the resulting shares issued are recorded as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded in the share premium account. Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options.

Share options granted and vested on or after 1 January 2005

Equity-settled share-based payment transactions

#### Share options granted to directors and employees of the Group

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in the share option reserve.

At each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss, with a corresponding adjustment to share options reserve.

At the time when the share options are exercised, the amount previously recognised in the share option reserve will be transferred to share premium. When the share options are forfeited after vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

### 3. 主要會計政策 (續)

#### 以股份形式付款交易

於二零零五年一月一日前授出及歸屬之優先購股權

直至優先購股權獲行使前，已授優先購股權之財務影響並無記錄在綜合財務報表內，因此，並無於綜合收益報表內確認已授優先購股權之價值。行使優先購股權時，因行使優先購股權而發行之股份按股份面值記錄為額外股本，每股行使價超出股份面值之部分記錄於股份溢價賬內。於行使日期前失效或註銷之優先購股權將自尚未行使優先購股權登記冊內刪除。

於二零零五年一月一日或之後授出及歸屬之優先購股權

以股份形式付款交易

#### 授予本集團董事及僱員之優先購股權

所獲服務之公平值乃參考優先購股權於授出日期之公平值釐定，倘優先購股權即時歸屬，將於授出日期全數確認為開支，並於優先購股權儲備中作相應增加。

於各結算日，本集團修訂對預期最終可歸屬之購股權數目的估計，並將修訂於原先估計的影響(如有)即時於損益內確認，優先購股權儲備亦作相應之調整。

優先購股權獲行使時，過往於優先購股權儲備中確認之數額將轉移至股份溢價。當優先購股權於歸屬日後被沒收或於屆滿日仍未獲行使，則過往於優先購股權儲備中確認之數額將撥至保留溢利。

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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivables for goods sold and services provided in the normal course of business, net of discounts, return and sales related taxes.

Revenue from sales of goods is recognised when the goods are delivered and title has passed.

Service income is recognised when services are provided.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

### 3. 主要會計政策 (續)

#### 營業額確認

營業額乃按已收或應收代價之公平值計算，並指於一般業務過程中銷售貨品及提供服務之應收金額，減折扣、退貨及銷售相關稅項後計算。

銷售貨品營業額於貨品付運及擁有權移交時確認。

服務收入於提供服務時確認。

財務資產利息收入乃根據未償還本金及適用實際利率按時間基準累計，有關利率乃將估計未來所收現金按財務資產估計可使用年期折讓至該資產賬面淨值之利率。

投資之股息收入於股東收取該等股息之權利獲確立時確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies which are described in Note 3, management has made the following estimation that have significant effect on the amounts recognised in the consolidated financial statements. The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

#### Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, an impairment loss may arise. At 31 December 2007, the carrying amounts of goodwill arising from acquisition of subsidiaries and associates were approximately HK\$2,005,658,000 and HK\$152,820,000 respectively. Details of the recoverable amount calculations of subsidiaries and associates are disclosed in Notes 21 and 22 respectively.

#### Income taxes

At 31 December 2007, deferred tax assets of approximately HK\$9,303,000 (2006: HK\$9,678,000) in relation to unused tax losses has been recognised in the Group's consolidated balance sheet. No deferred tax asset has been recognised on the tax losses of HK\$20,085,000 (2006: HK\$6,258,000) due to the unpredictability of future profit stream. The realisability of the deferred tax asset mainly depends on whether sufficient future assessable profits or taxable temporary differences will be available in the future. In cases where the actual future assessable profits generated are less or more than expected, a reversal or further recognition of deferred tax assets may arise, which would be recognised in profit and loss for the period in which such a reversal or recognition takes place.

### 4. 估計不明朗因素之主要來源

管理層在應用本集團之會計政策(於附註3載述)過程中作出以下估計，該等估計對綜合財務報表內確認之款額造成重大影響。下文詳述有關日後主要假設及於結算日估計不明朗因素之其他主要來源，而該等假設及不確定估計或會造成須對資產賬面值作出重大調整之重大風險。

#### 商譽減值估計

釐定商譽是否出現減值時，須估計商譽所獲分配之現金產生單位使用價值。本集團計算使用價值時須就預期源自該現金產生單位之日後現金流量及合適之折現率作出估計，以計算現值。倘實際未來現金流量少於預期數額，則可能會產生減值虧損。於二零零七年十二月三十一日，收購附屬公司及聯營公司所產生之商譽之賬面值分別約為2,005,658,000港元及152,820,000港元。附屬公司及聯營公司之可收回款項計算詳情分別於附註21及22披露。

#### 所得稅

於二零零七年十二月三十一日，有關未動用稅項虧損之遞延稅項資產約9,303,000港元(二零零六年：9,678,000港元)已於本集團綜合資產負債表中確認。由於不能確定未來溢利，故未就20,085,000港元(二零零六年：6,258,000港元)之稅務虧損確認遞延稅項資產。變現遞延稅項資產主要視乎是否有足夠未來可評估溢利或將來可供利用之應課稅暫時差額而定。倘產生之未來實際可評估溢利少於或多於預期溢利，則遞延稅項資產可能須作撥回或進一步確認，並於該撥回或確認期間於損益中確認。

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### 5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the group entities will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of bank borrowings, cash and cash equivalents and equity attributable to equity holders of the Company, comprising share capital, reserves and retained earnings as disclosed in the consolidated statement of changes in equity.

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors of the Company consider the cost of capital and will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

### 5. 資本風險管理

本集團管理其資本以確保通過優化債務與股本結存為股東爭取最高回報，使集團實體能夠持續經營。

誠如綜合權益變動表所披露，本集團之資本結構包括銀行借貸、現金及現金等值項目及本公司權益持有人應佔權益（包括股本、儲備及保留盈利）。

本公司董事每半年審核資本結構。作為審核一部分，本公司董事將考慮資本成本，並通過支付股息、發行新股、回購股份、發行新債或者贖回現有債項，以平衡整體資本結構。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS

#### 6a. Categories of financial instruments

### 6. 金融工具

#### 6a. 金融工具類別

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Financial assets	財務資產		
Fair value through profit or loss (FVTPL) – held for trading	持作買賣且按公平值計入損益之財務資產		
– conversion and redemption option derivative	– 可換股及贖回選擇權衍生工具	205,461	–
– derivative financial instruments	– 衍生金融工具	2,812	39,183
		<b>208,273</b>	39,183
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款（包括現金及現金等值項目）		
– convertible bond – loan portion	– 可換股債券 – 借貸部分	86,188	–
– non-current deposits	– 非流動訂金	993,168	265,430
– trade and other receivables	– 貿易及其他應收賬款	6,102,586	5,210,028
– bank balances and cash	– 銀行結餘及現金	3,494,596	6,097,231
		<b>10,676,538</b>	11,572,689
Available-for-sale investments	可供出售投資	564,657	395,150
Financial liabilities	財務負債		
Fair value through profit or loss (FVTPL) – held for trading	持作買賣且按公平值計入損益之財務負債	1,184	195
Amortised cost	攤銷成本		
– trade and other payables	– 貿易及其他應付賬款	2,759,661	2,392,112
– bills payable	– 應付票據	880,992	653,608
– bank borrowings	– 銀行借貸	7,249,712	5,382,644
		<b>10,890,365</b>	8,428,364

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### 6b. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, convertible bond – loan portion, derivative financial instruments, conversion and redemption option derivative, non-current deposits, bank balances and cash, bank borrowings, trade and other receivables, trade and other payables and bills payable. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

##### Market risk

##### Currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 33.5% of the Group's sales are denominated in currencies other than the functional currency of the group entity making the sale, whilst almost 32.7% of purchases are denominated in currencies other than the group entity's functional currency.

The carrying amount of the Group's foreign currency denominated monetary assets and liabilities at the balance sheet dates are disclosed in respective notes. During the year, the Group has entered into certain foreign currency forward contracts to hedge against part of its exposure to potential variability of foreign currency risk arising from changes in foreign exchange exposure. The management continuously monitors the foreign exchange exposure and will consider hedging foreign currency risk should the need arise.

### 6. 金融工具(續)

#### 6b. 財務風險管理目標及政策

本集團之主要金融工具包括權益及負債投資、可換股債券－借貸部分、衍生金融工具、可換股及贖回選擇權衍生工具、非流動訂金、銀行結餘及現金、銀行借貸、貿易及其他應收賬款、貿易及其他應付賬款及應付票據。該等金融工具詳情於各附註披露。下文載列與該等金融工具相關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

##### 市場風險

##### 貨幣風險

本公司若干附屬公司以外幣進行銷售及採購，令本集團承擔外幣風險。本集團約33.5%的銷售以非集團實體功能貨幣列值，而約32.7%的採購量以非集團實體的功能貨幣列值。

本集團以外幣列值的貨幣資產及負債於結算日之賬面值於相關附註披露。年內，本集團已訂立若干外匯遠期合約，以對沖因外匯變動而產生之部分外幣風險潛在波動。管理層持續監控外幣風險，並將於有需要時考慮進一步對沖外幣風險。



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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### 6b. Financial risk management objectives and policies (continued)

Market risk (continued)

Currency risk (continued)

##### Sensitivity analysis

The Group mainly exposes to currency of United States Dollars and Euro. The following table details the Group's sensitivity to a 5% increase and decrease in RMB against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. The sensitivity analysis includes trade and other receivables, bank balances, trade and other payables, bills payables as well as bank borrowings. A positive number below indicates an increase in profit before taxation where RMB strengthen 5% against the relevant currency for net asset position and vice versa. For a 5% weakening of RMB against the relevant currency, there would be an equal and opposite impact on the profit before taxation.

### 6. 金融工具(續)

#### 6b. 財務風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

##### 敏感度分析

本集團主要面對美元及歐元的貨幣風險。下表詳述本集團對人民幣兌相關外幣升跌5%的敏感度。5%為本集團內部向主要管理人員匯報外幣風險所用的敏感度比率，亦是管理層對外匯匯率可能出現之合理變動的評估。敏感度分析包括尚未結算以外幣列值的貨幣項目，對年末匯率5%變動作兌換調整。敏感度分析包括貿易及其他應收賬款、銀行結餘、貿易及其他應付賬款、應付票據及銀行借貸。在淨資產的情形下，正數指人民幣兌相關貨幣升值5%時，除稅前溢利有所增加，在淨負債的情形下則相反。當人民幣兌相關貨幣跌5%時，可能對除稅前溢利有同等相反的影響。

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
United States Dollars	美元	(74,429)	(14,780)
Euro	歐元	12,535	638

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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### 6b. Financial risk management objectives and policies (continued)

##### Market risk (continued)

##### Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to floating-rate bank borrowings (see Note 32 for details of these borrowings). In relation to these floating-rate borrowings, the Group aims at keeping certain borrowings at fixed rates. In order to achieve this result, the Group entered into interest rate swaps to hedge against part of its exposure to potential variability of cash flows arising from changes in floating rate (see Note 30 for details). The management continuously monitors interest rate fluctuation and will consider further hedging interest rate risk should the need arise.

The Group is also exposed to fair value interest rate risk in relation to fixed-rate bank borrowings (see Note 32 for details of these borrowings). The management monitors interest rate exposure and will consider repay the fixed-rate bank borrowings when significant interest rate exposure is anticipated.

The Group's bank balances have exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank balances. The directors consider the Group's exposure of the short-term bank deposits to interest rate risk is not significant as interest bearing bank balances are within short maturity period.

### 6. 金融工具(續)

#### 6b. 財務風險管理目標及政策(續)

##### 市場風險(續)

##### 利率風險

本集團就浮息銀行借貸承擔現金流量利率風險(該等借貸詳情見附註32)。就該等浮息借貸而言,本集團致力將若干借貸利率保持穩定。為達致此目的,本集團訂立利率掉期安排,以對沖因浮息變動而產生之現金流量潛在變動(詳情見附註30)。管理層持續監控利率波動,並將於有需要時考慮進一步對沖利率風險。

本集團須承受由定息銀行借貸所產生之公平值利率風險(該等借貸詳情見附註32)。管理層監控利率風險,如預期出現重大利率風險,本集團將考慮償還定息銀行借貸。

由於適用於銀行結餘之現行市場利率波動,本集團之銀行結餘具現金流量利率風險。董事認為,由於計息銀行結餘之到期期間較短,故本集團短期銀行存款所承受之利率風險並不重大。

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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### 6b. Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk (continued)

##### Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for interest bearing bank balances and bank borrowings at the balance sheet date and the stipulated changes taking place at the beginning of the financial year and held constant throughout the financial year to floating rates.

If interest rates on interest bearing bank balances and bank borrowings had been 50 basis points higher/ lower and all other variables were held constant, the profit before taxation for the year ended 31 December 2007 would decrease/ increase by approximately HK\$18,277,000 (2006: increase/decrease by approximately HK\$3,562,000). This is mainly attributable to the Group's exposure to interest rates on its interest bearing bank balances and variable-rate bank borrowings.

##### Equity price risk

The Group is exposed to equity price risk through its investments in listed equity securities. The management manages this exposure by maintaining a portfolio of investments with different risk profiles and the Group has a team to monitor the price risk and will consider hedging the risk exposure should the need arise.

### 6. 金融工具(續)

#### 6b. 財務風險管理目標及政策(續)

市場風險(續)

利率風險(續)

##### 敏感度分析

釐定敏感度分析，其根據為結算日計息銀行結餘及銀行借貸的利率風險，以及於財政年度初出現的假設變動，變動於整個財政年度維持不變，直至變為浮息。

倘計息銀行結餘及銀行借貸利率升/跌50個點子，而所有其他因素不變，截至二零零七年十二月三十一日止年度的除稅前溢利將減少/增加約18,277,000港元(二零零六年：增加/減少約3,562,000港元)，主要理由是本集團承擔計息銀行結餘及浮息銀行借貸之利率風險。

##### 股本價格風險

本集團因投資於上市股本證券而承擔股本價格風險。管理層藉持有不同風險之投資組合管理此類風險。本集團有一支團隊監控價格風險，有需要時將考慮對沖風險。

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### 6. FINANCIAL INSTRUMENTS (continued)

#### 6b. Financial risk management objectives and policies (continued)

Market risk (continued)

Equity price risk (continued)

##### Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the reporting date.

If the prices of the respective equity instruments had been 5% higher/lower, investment valuation reserve for the Group would be increased/decreased by approximately HK\$27,217,000 (2006: increase/decrease by approximately HK\$11,150,000) as a result of the changes in fair value of available-for-sale investments.

##### Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations at 31 December 2007 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet. In order to minimise the credit risk, the board of directors has delegated the management to be responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk for bank deposits and bank balances exposed is considered minimal as such amounts are placed with banks with good credit ratings.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

### 6. 金融工具(續)

#### 6b. 財務風險管理目標及政策(續)

市場風險(續)

股本價格風險(續)

##### 敏感度分析

下文的敏感度分析，乃根據報告日所承擔的股本價格風險而釐定。

倘相關股本工具的價格升/跌5%，本集團的投資估值儲備因可供出售投資公平值的變動，增加/減少約27,217,000港元(二零零六年：增加/減少約11,150,000港元)。

##### 信貸風險

倘交易方於二零零七年十二月三十一日未能履行彼等就各類已確認財務資產之承擔，則本集團須承受之最高信貸風險為於綜合資產負債表所載該等資產賬面值。為將信貸風險降至最低，董事會已委派管理層負責制訂信貸限額、信貸審批及其他監控程序，以確保採取跟進措施收回逾期未付之債項。此外，於各結算日，本集團審閱每項個別貿易負債之可收回金額，以確保就不可收回金額作出足夠減值虧損。就此而言，本公司董事認為，本集團之信貸風險已大幅降低。

由於銀行存款及銀行結餘乃存放於信譽良好之銀行，故該等款項之信貸風險屬微不足道。

本集團並無高度集中之信貸風險，有關風險由多個交易方及客戶分攤。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### 6b. Financial risk management objectives and policies (continued)

##### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensure compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As at 31 December 2007, the Group has available unutilised bank borrowings facilities of approximately HK\$8,968,937,000 (2006: HK\$5,083,919,000).

The following table details the Group's remaining contractual maturity for its financial liabilities. For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

For derivative instruments settled on a net basis, undiscounted net cash outflows are presented.

### 6. 金融工具(續)

#### 6b. 財務風險管理目標及政策(續)

##### 流動資金風險

本集團為管理流動資金風險，監控現金及現金等值項目的水平，將其維持於管理層認為合適的水平，以撥支本集團的業務，亦減低現金流量波動的影響。管理層監控銀行借貸的使用情況，確保符合貸款契約。

本集團依賴銀行借貸作為流動資金的主要來源。於二零零七年十二月三十一日，本集團未動用的銀行信貸額度約為8,968,937,000港元(二零零六年：5,083,919,000港元)。

下表詳述本集團餘下合約財務負債的到期情況。就非衍生財務負債而言，乃根據本集團須付財務負債最早之日的非折現現金流量以制定表格。表格包括利息及本金現金流量。

按淨額基準結算的衍生工具，呈報其非折現現金流出淨額情況。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### 6b. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity and interest risk tables

### 6. 金融工具(續)

#### 6b. 財務風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險表

	Weighted average effective interest rate	Less than 3 months	Over 3 months	Over 1 year	Over 5 years	Total undiscounted cash flows	Carrying amount
			but not more than 1 year	but not more than 5 years			
	加權平均實際利率	三個月內	三個月以上但不超過一年	一年以上但不超過五年	超過五年	非折現現金流量總額	賬面值
	%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
<b>As at 31 December 2007</b>							
<i>Non-derivative financial liabilities</i>	<i>非衍生財務負債</i>						
Trade and other payables	貿易及其他應付賬款	-	2,322,518	437,143	-	2,759,661	2,759,661
Bills payable	應付票據	-	880,992	-	-	880,992	880,992
Bank borrowings	銀行貸款						
- fixed rate	- 定息	4.3	42,870	5,512	56,840	105,222	101,452
- variable rate	- 浮息	4.7	496,559	1,285,655	6,240,411	8,137,780	7,148,260
			<b>3,742,939</b>	<b>1,728,310</b>	<b>6,297,251</b>	<b>115,155</b>	<b>11,883,655</b>
							<b>10,890,365</b>
<i>Derivative - net settlement</i>	<i>衍生工具 - 結算淨額</i>						
Foreign currency forward contracts	外匯遠期合約	-	60	291	894	1,245	1,184

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### 6b. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity and interest risk tables (continued)

### 6. 金融工具(續)

#### 6b. 財務風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險表(續)

			Over 3 months but not more than 1 year	Over 1 year but not more than 5 years	Total undis- counted cash flows	Carrying amount
	Weighted average effective interest rate	Less than 3 months	三個月以上 但不超過 一年	一年以上 但不超過 五年	非折現 現金流量 總額	賬面值
	%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
As at 31 December 2006						
<i>Non-derivative financial liabilities</i>						
Trade and other payables		2,067,364	324,748	-	2,392,112	2,392,112
Bills payable		653,608	-	-	653,608	653,608
Bank borrowings						
- variable rate	5.2	658,651	685,463	5,002,697	6,346,811	5,382,644
		3,379,623	1,010,211	5,002,697	9,392,531	8,428,364
<i>Derivative - net settlement</i>						
Foreign currency forward contracts		34	167	-	201	195

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### 6c. Fair value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively;
- the fair value of other financial assets and financial liabilities (except for derivatives) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input;
- the fair value of conversion and redemption option derivative is estimated using Black-Scholes Option Pricing Model and Binomial Model; and
- the fair value of other derivative financial instruments are determined based on the valuation provided by counterparty financial institutions for equivalent instruments.

The director of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

### 6. 金融工具(續)

#### 6c. 公平值

財務資產及財務負債之公平值按下列方式釐定:

- 擁有標準條款及條件並於活躍流通市場買賣之財務資產及財務負債之公平值分別參考市場所報之買盤價及賣盤價釐定;
- 根據普遍接受的定價模式, 按折現現金流量分析, 釐定其他財務資產及財務負債(衍生工具除外)的公平值, 折現現金流量分析使用現時市場已有的價格或利率作為資料;
- 以柏力克-舒爾斯期權定價模式及二項模式, 估計可換股及贖回選擇權衍生工具公平值; 及
- 根據另一方金融機構提供對等工具的估值, 釐定其他衍生金融工具的公平值。

本公司董事認為, 以攤銷成本記錄於綜合財務報表之財務資產及財務負債之賬面值與其公平值相若。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 7. REVENUE

Revenue represents the net amounts received and receivable by the Group from the sale of goods to outside customers, net of discounts, returns and sales related taxes and services rendered by the Group, for each year is analysed as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Sale of laminates	銷售覆銅面板	7,590,476	6,288,922
Sale of PCBs	銷售印刷線路板	7,601,201	6,649,997
Sale of chemicals	銷售化工產品	3,806,630	2,725,653
Others (Note)	其他(附註)	1,026,805	1,108,776
		<b>20,025,112</b>	<b>16,773,348</b>

Note: Amount included service income amounted to HK\$28,637,000 (2006: HK\$24,320,000).

### 7. 營業額

營業額指本集團於各年內自對外客戶銷售貨品(減折扣、退貨及銷售相關稅項)及提供服務之所收及應收金額淨額，分析如下：

附註：包括服務收入28,637,000港元(二零零六年：24,320,000港元)。

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS

#### Business segments

For management purposes, the Group is currently organised into four operating divisions – laminates, PCBs, chemicals and others. These divisions are the basis on which the Group reports its primary segment information.

### 8. 業務及地區分部

#### 業務分部

在管理方面，本集團目前分成四大營運部門—覆銅面板、印刷線路板、化工產品及其他。此等部門為本集團申報其主要分部資料之基準。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued) 8. 業務及地區分部(續)

#### Business segments (continued)

Segment information about these divisions is presented below.

#### 業務分部(續)

該等部門之分部資料如下呈列。

		Laminates 覆銅面板 HK\$'000 千港元	PCBs 印刷線路板 HK\$'000 千港元	Chemicals 化工產品 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>Year ended 31 December 2007</b>	<b>截至二零零七年 十二月三十一日止年度</b>						
Segment revenue	分部收益						
External sales	對外銷售額	7,590,476	7,601,201	3,806,630	1,026,805	-	20,025,112
Inter-segment sales	分部間之銷售額	2,685,747	-	1,619,058	277,527	(4,582,332)	-
<b>Total</b>	<b>合計</b>	<b>10,276,223</b>	<b>7,601,201</b>	<b>5,425,688</b>	<b>1,304,332</b>	<b>(4,582,332)</b>	<b>20,025,112</b>
Result	業績						
Segment result	分部業績	2,126,782	578,574	658,061	90,891	-	3,454,308
Loss on disposal and deemed disposal of interest in an associate	出售及視作出售一間聯營公司權益之虧損	-	(23,658)	-	-	-	(23,658)
Gain on fair value change of conversion and redemption option derivative	可換股及贖回選擇權衍生工具之公平值變動收益	-	-	-	-	-	182,367
Discount on acquisition of additional interest in a subsidiary	收購一間附屬公司額外權益折讓	-	-	-	962	-	962
Unallocated corporate income	未分配之公司收入						349,673
Unallocated corporate expenses	未分配之公司支出						(256,017)
Finance costs	融資成本						(287,664)
Share of results of associates	應佔聯營公司業績	-	2,182	296,101	-	-	298,283
Share of results of jointly controlled entities	應佔共同控制實體業績	-	-	-	(1,070)	-	(1,070)
Profit before taxation	除稅前溢利						3,717,184
Income tax expense	所得稅支出						(245,030)
Profit for the year	年內溢利						3,472,154

Inter-segment sales are charged by reference to market prices.

分部間之銷售乃參考市價計算。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued) 8. 業務及地區分部(續)

Business segments (continued)

業務分部(續)

		Laminates	PCBs	Chemicals	Others	Consolidated
		覆銅面板	印刷線路板	化工產品	其他	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>Year ended 31 December 2007</b>	<b>截至二零零七年十二月三十一日止年度</b>					
Other information	其他資料					
Capital additions	資本增添	1,515,028	756,006	2,623,316	1,233,569	6,127,919
Depreciation and amortisation	折舊及攤銷	492,876	440,737	178,045	58,705	1,170,363
Impairment loss recognised in respect of trade and other receivables	就貿易及其他應收賬款確認之減值虧損	19,854	39,107	30,043	-	89,004
Loss on disposal and write off of properties, plant and equipment	出售及撇銷物業、廠房及設備之虧損	896	6,279	3,689	-	10,864
<b>At 31 December 2007</b>	<b>於二零零七年十二月三十一日</b>					
Assets	資產					
Segment assets	分部資產	10,827,245	9,633,504	8,205,951	2,270,417	30,937,117
Interests in jointly controlled entities	於共同控制實體之權益	-	-	-	14,284	14,284
Investments in associates	於聯營公司之投資	-	-	741,128	-	741,128
Unallocated corporate assets	未分配之公司資產					3,249,457
Consolidated total assets	綜合資產總值					34,941,986
Liabilities	負債					
Segment liabilities	分部負債	(1,300,323)	(1,409,256)	(1,122,152)	(736,652)	(4,568,383)
Unallocated corporate liabilities	未分配之公司負債					(8,146,807)
Consolidated total liabilities	綜合負債總值					(12,715,190)

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Business segments (continued)

業務分部(續)

		Laminates 覆銅面板 HK\$'000 千港元	PCBs 印刷線路板 HK\$'000 千港元	Chemicals 化工產品 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Year ended 31 December 2006	截至二零零六年 十二月三十一日止年度						
Segment revenue	分部收益						
External sales	對外銷售額	6,288,922	6,649,997	2,725,653	1,108,776	-	16,773,348
Inter-segment sales	分部間之銷售額	1,954,390	-	1,285,722	15,571	(3,255,683)	-
<b>Total</b>	<b>合計</b>	<b>8,243,312</b>	<b>6,649,997</b>	<b>4,011,375</b>	<b>1,124,347</b>	<b>(3,255,683)</b>	<b>16,773,348</b>
Result	業績						
Segment result	分部業績	1,807,375	686,182	342,027	80,248	-	2,915,832
Gain on disposal and deemed disposal of partial interest in a subsidiary	出售及視作出售一間 附屬公司部分權益 之收益	4,830,916	-	-	-	-	4,830,916
Discount on acquisition of an associate	收購一間聯營公司折讓	-	48,182	-	-	-	48,182
Discount on acquisition of additional interest in a subsidiary	收購一間附屬 公司額外權益折讓	1,498	-	-	-	-	1,498
Unallocated corporate income	未分配之公司收入						156,853
Unallocated corporate expenses	未分配之公司支出						(82,030)
Finance costs	融資成本						(313,266)
Share of results of associates	應佔聯營公司業績	-	90	39,834	-	-	39,924
Share of results of jointly controlled entities	應佔共同控制 實體業績	-	-	-	(1,755)	-	(1,755)
Profit before taxation	除稅前溢利						7,596,154
Income tax expense	所得稅支出						(240,435)
Profit for the year	年內溢利						7,355,719

Inter-segment sales are charged by reference to market prices.

分部間之銷售乃參考市價計算。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued) 8. 業務及地區分部(續)

Business segments (continued)

業務分部(續)

		Laminates	PCBs	Chemicals	Others	Consolidated
		覆銅面板	印刷線路板	化工產品	其他	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Year ended 31 December 2006	截至二零零六年 十二月三十一日止年度					
Other information	其他資料					
Capital additions	資本增添	799,415	788,840	780,546	122,707	2,491,508
Depreciation and amortisation	折舊及攤銷	444,331	385,049	148,367	53,951	1,031,698
Impairment loss recognised in respect of trade and other receivables	就貿易及其他應收賬款 確認之減值虧損	30,687	1,185	2,138	-	34,010
At 31 December 2006	於二零零六年 十二月三十一日					
Assets	資產					
Segment assets	分部資產	8,337,233	9,342,019	4,733,011	537,846	22,950,109
Interests in jointly controlled entities	於共同控制實體之權益	-	-	-	15,354	15,354
Investments in associates	於聯營公司之投資	-	247,158	239,771	-	486,929
Unallocated corporate assets	未分配之公司資產					4,668,659
Consolidated total assets	綜合資產總值					28,121,051
Liabilities	負債					
Segment liabilities	分部負債	(1,053,065)	(1,183,719)	(1,054,577)	(107,024)	(3,398,385)
Unallocated corporate liabilities	未分配之公司負債					(5,709,745)
Consolidated total liabilities	綜合負債總值					(9,108,130)

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued) 8. 業務及地區分部 (續)

#### Geographical segments

The analysis of the Group's revenue by geographical market based on geographical location of customers for each year is as follows:

#### 地區分部

於各年度內，本集團根據客戶所在地區按市場地域來劃分之營業額分析如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
The People's Republic of China (the "PRC")	中華人民共和國 (「中國」)	15,574,595	12,506,931
Other Asian countries	其他亞洲國家	2,735,260	2,556,456
Europe	歐洲	1,290,959	1,222,052
America	美洲	424,298	487,909
		<b>20,025,112</b>	16,773,348

An analysis of segment assets and capital additions by geographical area in which the assets are located has not been presented as the Group's assets are substantially located in the PRC.

由於本集團之資產大部分位於中國，故並無按資產所在地域呈報分部資產及資本增添分析。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 9. OTHER INCOME

### 9. 其他收入

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Other income comprises:	其他收入包括：		
Rental income	租金收入	<b>30,341</b>	6,014
Gain on fair value changes of investment properties	投資物業公平值變動之收益	<b>5,118</b>	7,163
Gain on disposal of properties, plant and equipment	出售物業、廠房及設備之收益	-	144
Net exchange gain	匯兌收益淨額	<b>46,703</b>	28,787
Others	其他	<b>2,291</b>	8,167
		<b>84,453</b>	50,275

### 10. INVESTMENT INCOME

### 10. 投資收入

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Dividends from available-for-sale investments	可供出售投資之股息	<b>15,092</b>	1,002
Interest income on listed debt security classified as available-for-sale investments	視作可供出售投資之上市債務證券之利息收入	<b>32,263</b>	-
Gain on disposal of available-for-sale investments	出售可供出售投資之收益		
– listed equity securities	– 上市股本證券	<b>81,063</b>	6,876
– listed debt security	– 上市債務證券	<b>4,601</b>	-
Imputed interest income on convertible bond	可換股債券應計利息收入	<b>1,282</b>	-
Gain on disposal of investments held for trading	出售持作買賣投資之收益	<b>107,296</b>	85,197
Gain on fair value changes of foreign currency forward contracts	外匯遠期合約公平值變動之收益	<b>86</b>	23
Interest income on bank deposits	銀行存款利息收入	<b>97,419</b>	51,499
		<b>339,102</b>	144,597

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 11. GAIN ON DISPOSAL AND DEEMED DISPOSAL OF PARTIAL INTEREST IN A SUBSIDIARY

During the year ended 31 December 2006, the Group spun off its interests in Kingboard Laminates Holdings Limited (“KLHL”), a subsidiary of the Company principally engaged in the manufacture and sale of laminates and laminate-related products, for a separate listing on the main board of the Stock Exchange (the “Spin-off”). The Group disposed of 675,000,000 shares in KLHL to the public investors at a price of HK\$7.73 per share in KLHL, giving a total consideration of approximately HK\$5,217,750,000 before expenses, which amounted to approximately HK\$231,841,000. It resulted in a gain on disposal of partial interest in KLHL of approximately HK\$4,166,273,000, including a gain on release of translation reserve of approximately HK\$59,460,000.

In addition, KLHL also issued a total of 150,000,000 new shares to the public investors at an issue price of HK\$7.73 per share in KLHL, resulting in a gain on deemed disposal of partial interest in KLHL by the Group of approximately HK\$664,643,000.

As a result of the Spin-off, the Group’s interest in KLHL was reduced from 100% to 72.5%.

### 11. 出售及視作出售一間附屬公司部分權益之收益

於截至二零零六年十二月三十一日止年度內，本集團分拆其於建滔積層板控股有限公司（「建滔積層板」）之權益於聯交所主板獨立上市（「分拆」）。建滔積層板為本公司附屬公司，主要從事製造及銷售覆銅面板及覆銅面板相關產品。本集團按每股建滔積層板股份7.73港元向公眾投資者出售675,000,000股建滔積層板股份，扣除相關開支約231,841,000港元前之總代價約為5,217,750,000港元。出售建滔積層板部分權益之收益約為4,166,273,000港元，其中包括換算儲備收入撥回約59,460,000港元。

此外，建滔積層板亦按發行價每股7.73港元向公眾投資者發行合共150,000,000股建滔積層板新股份，因此，本集團視作出售建滔積層板部分權益之收益約為664,643,000港元。

分拆後，本集團於建滔積層板之權益由100%減至72.5%。



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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 12. FINANCE COSTS

### 12. 融資成本

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Interest on bank borrowings wholly repayable within five years	須於五年內全數償還之銀行借貸之利息	<b>289,932</b>	382,622
Interest on bank borrowings not wholly repayable within five years	非於五年內全數償還之銀行借貸之利息	<b>4,203</b>	-
Other finance charges	其他融資費用	<b>3,177</b>	36,637
		<b>297,312</b>	419,259
Release of hedging reserve	對沖儲備之撥回	-	(43,823)
Fair value changes of interest rate swap contracts	利率掉期合約公平值變動	<b>(6,636)</b>	(59,126)
		<b>290,676</b>	316,310
Less: Interests capitalised	減：資本化利息	<b>(3,012)</b>	(3,044)
		<b>287,664</b>	313,266

Borrowing costs capitalised during the year arose on the general borrowing pool and were calculated by applying a capitalisation rate of 5% for 2007 (2006: 5%) to expenditures on qualifying assets.

年內之資本化借貸成本乃於一般借貸中產生，於二零零七年以合資格資產開支之資本化率5%(二零零六年：5%)計算。

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### 13. INCOME TAX EXPENSE

### 13. 所得稅開支

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
The amount comprises:	稅項包括：		
Hong Kong Profits Tax	香港利得稅		
Charge for the year	本年度之稅項支出	94,330	16,310
Overprovision in previous years	過往年度超額撥備	(4,558)	(8,433)
		<b>89,772</b>	7,877
Taxation arising in other jurisdictions	其他司法權區之稅項		
Charge for the year	本年度之稅項支出	167,258	246,190
(Over)underprovision in previous years	過往年度(超額撥備) 撥備不足	(3,544)	4,404
		<b>163,714</b>	250,594
Deferred taxation (Note 33)	遞延稅項(附註33)		
Credit for the year	本年度撥回	(9,622)	(18,036)
Attributable to a change in tax rate	稅率變動之影響	1,166	-
		<b>(8,456)</b>	(18,036)
		<b>245,030</b>	240,435

Hong Kong Profits Tax is calculated at 17.5% on the estimated assessable profits for both years.

香港利得稅乃按該兩年內估計應課稅溢利並按17.5%之稅率計算。

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

其他司法權區之稅項乃按有關司法權區之適用稅率計算。

On 16 March 2007, the PRC promulgated the Law of the People's Republic of China on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the People's Republic of China. On 6 December 2007, the State Council of the PRC issued Implementation Regulations of the New Law. The New Law and Implementation Regulations will change the tax rates for certain subsidiaries of the Group from current tax rates ranging from 15% to 33% to 25% starting from 1 January 2008. The deferred tax balance has been adjusted to reflect the tax rates that are expected to apply to the respective periods when the asset is realised or the liability is settled.

於二零零七年三月十六日，中國頒佈中華人民共和國主席令第63號《中華人民共和國企業所得稅法》(「新稅法」)。於二零零七年十二月六日，中國國務院頒佈新稅法實施條例。按照新稅法及實施條例，自二零零八年一月一日起，適用於集團若干附屬公司之稅率將由現時介乎15%至33%逐步劃一為25%。遞延稅項結餘已作調整，以反映預期於變現資產或結清負債之各期間適用之稅率。

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### 13. INCOME TAX EXPENSE (continued)

Taxation for the year can be reconciled to the profit before taxation as follows:

### 13. 所得稅開支(續)

本年度之稅項支出與除稅前溢利之對賬如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit before taxation	除稅前溢利	<b>3,717,184</b>	7,596,154
Tax charge at the domestic income tax rate of 33% (2006: 33%) (Note a)	以當地所得稅率33% (二零零六年：33%) 計算之稅款(附註a)	<b>1,226,671</b>	2,506,731
Tax effect of expenses not deductible for tax purpose	不可扣稅費用之稅務影響	<b>34,029</b>	60,506
Tax effect of income not taxable for tax purpose	毋須課稅收益之稅務影響	<b>(107,276)</b>	(999,641)
Tax effect of share of results of associates	分佔聯營公司業績之稅務影響	<b>(98,433)</b>	(13,175)
Tax effect of share of results of jointly controlled entities	分佔共同控制實體業績之稅務影響	<b>353</b>	579
Overprovision in previous years	過往年度超額撥備	<b>(8,102)</b>	(4,029)
Tax effect of tax holiday (Note b)	免稅期之稅務影響(附註b)	<b>(309,091)</b>	(287,014)
Tax effect of tax losses not recognised	未予確認稅項虧損之稅務影響	<b>4,563</b>	1,639
Effect of different tax rates of subsidiaries operating in other jurisdictions/areas other than the PRC	於中國以外其他司法權區/地區經營附屬公司之不同稅率之影響	<b>(108,080)</b>	(709,560)
Tax exempted profits (Note c)	免稅溢利(附註c)	<b>(390,770)</b>	(315,601)
Decrease in opening deferred tax asset resulting from decrease in applicable tax rate	適用稅率減少導致年初遞延稅項資產減少	<b>1,166</b>	-
<b>Tax expense for the year</b>	<b>本年度之稅務開支</b>	<b>245,030</b>	240,435

Notes:

- (a) The domestic income tax rate of 33% represents the PRC Enterprise Income Tax of which the Group's operations are substantially based.
- (b) Pursuant to relevant laws and regulations in the PRC, certain subsidiaries of the Company in the PRC are exempted from PRC Enterprise Income Tax for two years starting from the first profit-making year in which profits exceed any carried forward tax losses followed by a 50% reduction in the income tax rate in the following three years.
- (c) Profits arising from certain subsidiaries of the Company in Macau are exempted from profit tax.

附註：

- (a) 當地所得稅率33%指本集團大部分業務所在地區之中國企業所得稅。
- (b) 根據中國相關法律及法規，本公司若干中國附屬公司自首個獲利年度(即溢利超逾任何結轉之稅務虧損)起計兩年內獲豁免繳納中國所得稅，其後三年所得稅率獲減免50%。
- (c) 本公司若干澳門附屬公司之溢利獲豁免利得稅。

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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 14. PROFIT FOR THE YEAR

### 14. 本年度溢利

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit for the year has been arrived at after charging (crediting):	本年度溢利已經扣除(加上)以下項目：		
Depreciation of properties, plant and equipment	物業、廠房及設備折舊	<b>1,169,731</b>	1,031,198
Amortisation of intangible assets (included in administrative costs)	無形資產攤銷(已計入行政成本)	<b>632</b>	500
		<b>1,170,363</b>	1,031,698
Net exchange gain	匯兌收益淨額		
– included in cost of sales	– 已計入銷售成本	<b>(59,226)</b>	(21,474)
– included in other income	– 已計入其他收入	<b>(46,703)</b>	(28,787)
		<b>(105,929)</b>	(50,261)
Auditor's remuneration	核數師酬金	<b>9,264</b>	7,800
Impairment loss recognised in respect of trade and other receivables	就貿易及其他應收賬款確認之減值虧損	<b>89,004</b>	34,010
Gain on fair value change of commodity forward contract (included in cost of sales)	商品遠期合約公平值變動之收益(已計入銷售成本)	<b>(368)</b>	–
Loss on disposal and write off of properties, plant and equipment	出售及撇銷物業、廠房及設備之虧損	<b>10,864</b>	–
Release of prepaid lease payments	預付租賃款項之撥回	<b>14,463</b>	8,595
Total staff costs, including directors' emoluments (see Note 15)	員工成本總額，包括董事酬金(見附註15)	<b>1,444,868</b>	1,357,187
Cost of inventories sold	已售存貨成本	<b>10,080,845</b>	8,040,870

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### 15. DIRECTORS' AND EMPLOYEES' EMOLUMENTS 15. 董事及僱員酬金

The emoluments paid or payable to each of the eleven (2006: thirteen) directors were as follows:

已付或應付十一名(二零零六年：十三名)董事之酬金如下：

		Year ended 31 December 2007 截至二零零七年十二月三十一日止年度											
		Cheung Kwok Wing	Chan Kwan Kwan	Cheung Kwong Kwan	Chang Wing Yiu	Mok Cham Hung, Chadwick	Ho Yin Sang	Cheung Wai Lin, Stephanie	Cheng Ming, Paul	Tse Kam Hung	Henry Tan	Cheng Wai Chee, Christopher	Total
		張國榮	陳永規	張廣軍	鄭永耀	莫港雄	何燕生	張偉達	鄭明訓	謝錦洪	陳亨利	鄭維志	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Fees	袍金	-	-	-	-	-	-	-	480	180	180	240	1,080
Other emoluments:	其他酬金：												
Salaries and other benefits	薪金及其他福利	2,374	2,078	2,226	2,226	2,404	2,078	703	-	-	-	-	14,089
Contributions to retirement benefits scheme	退休福利計劃供款	102	89	95	95	103	89	30	-	-	-	-	603
Performance related incentive payment (Note)	工作表現獎勵款項(附註)	27,261	15,361	13,500	13,361	13,361	13,000	2,225	100	200	100	-	98,469
Total emoluments	酬金總額	29,737	17,528	15,821	15,682	15,868	15,167	2,958	580	380	280	240	114,241

		Year ended 31 December 2006 截至二零零六年十二月三十一日止年度													
		Cheung Kwok Wing	Chan Kwan Kwan	Cheung Lam Ka Po	Cheung Kwok Keung	Cheung Kwok Wa	Cheung Kwong Kwan	Cheung Kwok Ping	Chang Mok Cham Wing, Hung, Yiu Chadwick	Lum Gum Wun	Cheng Ming, Paul	Tse Kam Hung	Henry Tan	Total	
		張國榮	陳永規	林家寶	張國強	張國華	張廣軍	張國平	鄭永耀 莫港雄	林根穩	鄭明訓	謝錦洪	陳亨利	合計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Fees	袍金	-	-	-	-	-	-	-	-	-	480	180	180	840	
Other emoluments:	其他酬金：														
Salaries and other benefits	薪金及其他福利	2,755	2,485	1,490	1,739	2,523	2,022	1,739	2,620	2,782	-	-	-	20,155	
Contributions to retirement benefits scheme	退休福利計劃供款	100	87	66	74	86	93	80	94	101	-	-	-	781	
Performance related incentive payment (Note)	工作表現獎勵款項(附註)	26,900	15,000	13,000	13,000	13,850	13,500	13,620	13,000	13,000	-	100	200	100	135,270
Total emoluments	酬金總額	29,755	17,572	14,556	14,813	16,459	15,615	15,439	15,714	15,883	-	580	380	280	157,046

Note: The performance related incentive payment is determined with reference to the operating results, individual performance and comparable market statistics during both years.

附註：工作表現相關獎勵款項乃參考該兩個年度之經營業績、個人表現及比較市場數據而釐定。

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### 15. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

No directors of the Company had waived any emoluments during the years ended 31 December 2007 and 2006 and the five highest paid individuals in the Group for the year ended 31 December 2007 including four (2006: five) directors of the Company. The emoluments of the remaining one (2006: Nil) individual were as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,300	—
Contributions to retirement benefits scheme	退休福利計劃供款	99	—
Performance related incentive payments	工作表現獎勵	13,850	—
		<b>16,249</b>	—

During both years, no emoluments were paid to or receivable by the directors or the Group's five highest paid individuals, including directors as an inducement to join or upon joining the Group or as compensation for loss of office.

### 15. 董事及僱員酬金(續)

概無本公司董事於截至二零零七年及二零零六年十二月三十一日止年度放棄任何酬金。本集團於截至二零零七年十二月三十一日止年度五名最高薪人士有四名(二零零六年：五名)為本公司之董事。餘下一名人士(二零零六年：沒有)之酬金如下：

於兩個年度內，董事或本集團五名最高薪人士(包括董事)概無已收或應收任何酬金，作為吸引彼等加盟或加盟時支付之獎勵或作為離職之補償。

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### 16. DIVIDENDS

### 16. 股息

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>Dividends paid</b>	<b>已派發股息</b>		
Interim dividend for 2007 of HK30 cents (2006: HK20 cents) per ordinary share	二零零七年中期股息 每股普通股30港仙 (二零零六年：20港仙)	<b>251,430</b>	162,721
Final dividend for 2006 of HK38 cents (2006: final dividend for 2005 of HK28 cents) per ordinary share	二零零六年末期股息 每股普通股38港仙 (二零零六年派發之 二零零五年末期股息： 28港仙)	<b>316,464</b>	219,735
Special dividend for 2006 of HK62 cents (2006: no special dividend for 2005) per ordinary share	二零零六年特別股息 每股普通股62港仙 (二零零六年：二零零五年 沒有特別股息)	<b>516,335</b>	-
Additional dividend paid in respect of the previous period as a result of new shares issued subsequent to the approval of the previous period's consolidated financial statements	因於批准過往期間 綜合財務報表後發行 新股份而就過往 期間派發之額外股息	-	192
		<b>1,084,229</b>	382,648
<b>Dividends proposed</b>	<b>建議股息</b>		
Proposed final dividend for 2007 of HK70 cents (2006: HK38 cents) per ordinary share	建議二零零七年末期股息 每股普通股70港仙 (二零零六年：38港仙)	<b>586,669</b>	316,464
Proposed special dividend for 2006 of HK62 cents (2007: Nil) per ordinary share	建議二零零六年特別股息 每股普通股62港仙 (二零零七年：沒有)	-	516,335
		<b>586,669</b>	832,799

The final dividend of HK70 cents per share has been proposed by the directors of the Company and is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

本公司董事建議派發末期股息每股70港仙，惟須待本公司股東於應屆股東週年大會批准，方可作實。

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### 17. EARNINGS PER SHARE

The calculations of the basic and diluted earnings per share attributable to equity holders of the Company are based on the following data:

### 17. 每股盈利

本公司權益持有人應佔基本及攤薄每股盈利按下列數據計算：

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
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Earnings for the purpose of calculating basic and diluted earnings per share	計算基本及攤薄每股盈利之盈利	<b>2,778,321</b>	7,068,015
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	Number of shares 股份數目	
	2007 二零零七年	2006 二零零六年

Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	計算基本每股盈利之普通股加權平均數	<b>834,294,662</b>	793,798,250
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Effect of dilutive potential ordinary shares relating to:	具潛在攤薄效應之普通股：		
— outstanding share options	— 未行使之優先購股權	<b>25,207,611</b>	29,654,784
— outstanding warrants	— 未行使之認股權證	-	5,422,518

Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	計算攤薄每股盈利之普通股加權平均數	<b>859,502,273</b>	828,875,552
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The effect of dilutive potential shares on share of results of a non wholly-owned subsidiary, Elec & Eltek International Company Limited ("EEIC"), based on the dilution of its earnings per share for both years are insignificant.

於該兩個年度內，因應佔一間非全資擁有附屬公司依利安達集團有限公司(「EEIC」)之攤薄每股盈利而產生之具攤薄效應之股份數目並不重大。

	2007 二零零七年	2006 二零零六年
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Additional information on adjusted earnings per share:	經調整每股盈利之附加資料：		
Basic	基本	<b>HK\$3.139</b>	HK\$2.756

Diluted	攤薄	<b>HK\$3.047</b>	HK\$2.639
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## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 17. EARNINGS PER SHARE (continued)

Additional information on adjusted basic and diluted earnings per share figures have also been presented, based on the profit for the year attributable to equity holders of the Company less any non-recurring items, which are calculated as follows:

### 17. 每股盈利(續)

經調整基本及攤薄每股盈利之附加資料乃由本公司權益持有人應佔本年度溢利扣除任何非經常性項目而作額外呈列，詳細計算如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit for the year attributable to equity holders of the Company	本公司權益持有人應佔本年度溢利	<b>2,778,321</b>	7,068,015
Non-recurring items:	非經常性項目：		
Add: Loss on disposal and deemed disposal of interest in an associate	加：出售及視作出售一間聯營公司權益之虧損	<b>23,658</b>	-
Less: Gain on fair value change of conversion and redemption option derivative	減去：可換股及贖回選擇權衍生工具之公平值變動收益	<b>(182,367)</b>	-
Gain on disposal and deemed disposal of partial interest in a subsidiary	出售及視作出售一間附屬公司部分權益之收益	-	(4,830,916)
Discount on acquisition of an associate	收購一間聯營公司折讓	-	(48,182)
Discount on acquisition of additional interest in a subsidiary	收購一間附屬公司額外權益折讓	<b>(962)</b>	(1,498)
Earnings for the purposes of calculating adjusted basic and diluted earnings per share	計算經調整基本及攤薄每股盈利之盈利	<b>2,618,650</b>	2,187,419

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

上述計算所用之分母和計算基本及攤薄每股盈利之分母相同。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 18. INVESTMENT PROPERTIES

### 18. 投資物業

		HK\$'000 千港元
FAIR VALUE	公平值	
At 1 January 2006	於二零零六年一月一日	33,057
Increase in fair value	公平值增加	7,163
At 31 December 2006 and 1 January 2007	於二零零六年十二月三十一日 及二零零七年一月一日	40,220
Additions	添置	1,084,477
Transfer from properties, plant and equipment (Note)	轉撥自物業、廠房及設備 (附註)	68,137
Increase in fair value	公平值增加	5,118
At 31 December 2007	於二零零七年十二月三十一日	1,197,952

Note: The fair value of the properties transferred from properties, plant and equipment at the date of transfer had been arrived at on the basis of a valuation carried out on that day by Messrs. Chung, Chan & Associates, independent qualified valuers not connected to the Group.

附註：該等轉撥自物業、廠房及設備之物業於轉撥日期之公平值，乃按與本集團並無關連之獨立合資格估值師衡量行於該日進行估值之基準達致。

The fair value of the Group's investment properties at 31 December 2006 had been arrived at on the basis of a valuation carried out on that date by Messrs. B.I. Appraisals Limited, independent qualified valuers not connected with the Group. At 31 December 2007, the fair value of the Group's investment properties had been arrived at on the basis of a valuation carried out on that date by Messrs. Chung, Chan & Associates, independent qualified valuers not connected with the Group. Messrs. B.I. Appraisals Limited and Chung, Chan & Associates are members of the Institute of Valuers. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

本集團投資物業於二零零六年十二月三十一日之公平值乃按與本集團並無關連之獨立合資格估值師保柏國際評估有限公司於該日進行估值之基準達致。截至二零零七年十二月三十一日止本集團投資物業之公平值乃按與本集團並無關連之獨立合資格估值師衡量行於該日進行估值之基準達致。保柏國際評估有限公司與衡量行為估值師協會會員。是次估值乃參考類似物業交易價值之市場憑證釐定。

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

本集團為賺取租金或資本增值並根據經營租約持有之所有物業權益，均利用公平值模式計量，並分類及列作投資物業。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 18. INVESTMENT PROPERTIES (continued)

The carrying value of investment properties shown above comprises:

### 18. 投資物業(續)

以上所示投資物業賬面值包括：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Property interests situated in Hong Kong under:	按下列租約於香港持有之物業權益：		
Medium-term lease	中期租約	<b>4,047</b>	4,480
Property interests situated outside Hong Kong under:	按下列租約於香港以外持有之物業權益：		
Medium-term lease	中期租約	<b>1,169,375</b>	12,000
Long lease	長期租約	<b>24,530</b>	23,740
		<b>1,193,905</b>	35,740
		<b>1,197,952</b>	40,220

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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 19. PROPERTIES, PLANT AND EQUIPMENT

### 19. 物業、廠房及設備

		Freehold land 永久產權土地 HK\$'000 千港元	Buildings for own use 自用樓宇 HK\$'000 千港元	Leasehold improvements 租約物業裝修 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Properties, plant and equipment under construction 在建中物業、廠房及設備 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>COST</b>	<b>成本</b>								
At 1 January 2006	於二零零六年一月一日	55,653	1,828,502	197,325	7,726,392	195,161	111,146	878,498	10,992,677
Exchange adjustments	匯兌調整	5,054	18,639	52,797	118,383	11,342	4,641	35,137	245,993
Additions	添置	-	367,221	28,150	764,753	60,092	39,190	1,133,826	2,393,232
Acquired from acquisition of subsidiaries	收購附屬公司而獲取	-	3,382	-	33,148	1,198	1,089	387	39,204
Disposals and write off	出售及撇銷	-	(29,407)	(20,343)	(109,912)	(28,735)	(19,992)	-	(208,389)
Reclassifications	重新分類	-	133,418	4,801	591,153	4,145	297	(733,814)	-
At 31 December 2006 and 1 January 2007	於二零零六年十二月三十一日及二零零七年一月一日	60,707	2,321,755	262,730	9,123,917	243,203	136,371	1,314,034	13,462,717
Exchange adjustments	匯兌調整	2,457	121,374	20,999	719,183	20,640	9,708	180,737	1,075,098
Additions	添置	-	105,026	19,458	1,428,526	69,647	18,674	2,362,768	4,004,099
Acquired from acquisition of subsidiaries	收購附屬公司而獲取	-	3,382	-	44,010	446	811	6,463	55,112
Disposals and write off	出售及撇銷	-	(7,169)	(5,158)	(207,150)	(48,615)	(21,656)	-	(289,748)
Transferred to investment properties (Note)	轉撥至投資物業 (附註)	-	(61,554)	-	-	-	-	-	(61,554)
Reclassifications	重新分類	-	79,925	14,071	1,259,817	33,081	(640)	(1,386,254)	-
At 31 December 2007	於二零零七年十二月三十一日	63,164	2,562,739	312,100	12,368,303	318,402	143,268	2,477,748	18,245,724
<b>DEPRECIATION AND IMPAIRMENT</b>	<b>折舊及減值</b>								
At 1 January 2006	於二零零六年一月一日	-	176,409	50,104	1,951,612	73,231	51,047	-	2,302,403
Exchange adjustments	匯兌調整	-	9,774	8,682	25,091	1,405	8,199	-	53,151
Provided for the year	本年度撥備	-	72,851	35,111	868,426	29,461	25,349	-	1,031,198
Eliminated on disposals and write off	出售時註銷及撇銷	-	(4,947)	(18,022)	(108,443)	(27,044)	(19,904)	-	(178,360)
At 31 December 2006 and 1 January 2007	於二零零六年十二月三十一日及二零零七年一月一日	-	254,087	75,875	2,736,686	77,053	64,691	-	3,208,392
Exchange adjustments	匯兌調整	-	20,260	11,662	258,609	9,317	5,676	-	305,524
Provided for the year	本年度撥備	-	44,701	20,611	1,045,377	41,026	18,016	-	1,169,731
Eliminated on disposals and write off	出售時註銷及撇銷	-	(7,040)	(5,059)	(144,992)	(21,779)	(11,792)	-	(190,662)
At 31 December 2007	於二零零七年十二月三十一日	-	312,008	103,089	3,895,680	105,617	76,591	-	4,492,985
<b>CARRYING VALUES</b>	<b>賬面值</b>								
At 31 December 2007	於二零零七年十二月三十一日	63,164	2,250,731	209,011	8,472,623	212,785	66,677	2,477,748	13,752,739
At 31 December 2006	於二零零七年十二月三十一日	60,707	2,067,668	186,855	6,387,231	166,150	71,680	1,314,034	10,254,325

Note: During the year, the Group rented out certain of its leasehold properties to independent third parties for rental income. When there was a change in use, upon the transfer from properties, plant and equipment to investment properties, these properties were revalued at fair value with a gain on revaluation of approximately HK\$6,583,000, which has been credited to the property revaluation reserve.

附註：年內，本集團向獨立第三方出租若干永久產權土地，獲取租金收入。倘用途有變，在將物業、廠房及設備轉撥至投資物業時，該等物業按公平值重估，重估收益約為6,583,000港元，計入物業重估儲備。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 19. PROPERTIES, PLANT AND EQUIPMENT

(continued)

The above items of properties, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Freehold land	Nil
Buildings for own use	Over the remaining unexpired terms of the leases or fifty years, whichever is the shorter
Leasehold improvements	Over shorter of lease terms or 10 – 20%
Plant and machinery	10 – 20%
Furniture, fixtures and equipment	10 – 33 $\frac{1}{3}$ %
Motor vehicles	20%

### 20. PREPAID LEASE PAYMENTS

All of the Group's prepaid lease payments are prepaid for medium-term lease leasehold land outside Hong Kong.

### 19. 物業、廠房及設備(續)

上述物業、廠房及設備項目以直線基準按下列年度比率計提折舊：

永久業權土地	無
自用樓宇	按照租約內剩餘未完的年期或50年(以較短者為準)
租約物業裝修	按照租約年期或10–20%(以較短者為準)
廠房及機器	10–20%
傢俬、裝置及設備	10–33 $\frac{1}{3}$ %
汽車	20%

### 20. 預付租賃款項

本集團全部預付租賃款項均為香港以外租賃土地之中期租約預付款。

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Analysed for reporting purposes as:	就報告分析如下：		
Current asset	流動資產	<b>28,029</b>	9,513
Non-current asset	非流動資產	<b>1,265,127</b>	471,727
		<b>1,293,156</b>	481,240

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 21. GOODWILL

### 21. 商譽

		HK\$'000 千港元
CARRYING VALUE	<b>賬面值</b>	
At 1 January 2006	於二零零六年一月一日	1,659,354
Arising on acquisition of subsidiaries (see Note 37)	收購附屬公司產生(見附註37)	48,621
Arising on acquisition of additional interests in subsidiaries (Note)	收購附屬公司額外權益產生 (附註)	9,544
At 31 December 2006 and 1 January 2007	於二零零六年十二月三十一日 及二零零七年一月一日	1,717,519
Arising on acquisition of subsidiaries (see Note 37)	收購附屬公司產生(見附註37)	238
Arising on acquisition of additional interests in subsidiaries (Note)	收購附屬公司額外權益產生 (附註)	287,901
At 31 December 2007	於二零零七年十二月三十一日	2,005,658

Note: Goodwill was calculated as the difference between the consideration paid for the additional interests and the carrying amount of the net assets of the subsidiaries attributable to the additional interests acquired.

附註：商譽按就額外權益所付代價與所收購額外權益應佔附屬公司資產淨值之賬面值間差額計算。

Particulars regarding impairment testing on goodwill arising from acquisition of subsidiaries are disclosed as follows:

有關收購附屬公司所產生之商譽之減值測試詳情披露如下：

As explained in Note 8, the Group uses business segments as its primary segment for reporting segment information. For the purposes of impairment testing, goodwill has been allocated to the cash generating units ("CGU") of laminates and PCBs business segments. The carrying amounts of goodwill allocated to the CGUs of laminates and PCBs business segments are approximately HK\$288,139,000 (2006: Nil) and HK\$1,717,519,000 (2006: HK\$1,717,519,000), respectively.

誠如附註8所闡釋，本集團以業務分部作為申報分部資料之主要分部。就減值測試而言，商譽已分配予覆銅面板及印刷線路板業務分部之現金產生單位（「現金產生單位」）。分配予覆銅面板及印刷線路板業務分部之現金產生單位之商譽賬面值分別約為288,139,000港元（二零零六年：沒有）及1,717,519,000港元（二零零六年：1,717,519,000港元）。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 21. GOODWILL (continued)

The recoverable amounts of the laminates' and PCBs' CGUs have been determined from value-in-use calculation. Goodwill is expected to generate cash flow for indefinite period. To calculate this, cash flow projections are based on five year periods financial budgets approved by senior management. The key assumption for the value-in-use calculations is the budgeted gross margin at a discount rate of 10% and growth rate of 7%, which is determined based on the unit's past performance and management's expectations for the market development. Since the recoverable amount of the cash generating unit is higher than its carrying amount, the directors consider that the carrying value of goodwill at the balance sheet date is not significantly impaired.

### 21. 商譽(續)

覆銅面板及印刷線路板現金產生單位之可收回金額按使用價值計算法釐定。預期商譽將無限期產生現金流量。為計算使用價值，現金流量預測以經高級管理層所批准之五年期財政預算為基準。使用價值計算法之主要假設為預算毛利率之折現率及增長率分別為10%及7%，乃按該單位過往表現及管理層對市場發展之期望釐定。由於現金產生單位之可收回金額高於其賬面值，故董事認為，於結算日之商譽賬面值並無出現重大減值。

### 22. INVESTMENTS IN ASSOCIATES

### 22. 於聯營公司之投資

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Cost of investments in associates	於聯營公司之投資成本		
Listed in Hong Kong	於香港上市	<b>122,668</b>	196,824
Unlisted in the PRC	於中國非上市	<b>401,182</b>	188,137
Share of post-acquisition profits, net of dividends received	應佔收購後溢利 (扣除已收股息)	<b>178,315</b>	88,106
Share of reserve	應佔儲備	<b>38,963</b>	13,862
		<b>741,128</b>	486,929
Fair value of listed investments	上市投資之公平值	<b>718,303</b>	171,794

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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 22. INVESTMENTS IN ASSOCIATES (continued)

At 31 December 2007 and 2006, the Group had interests in the following associates:

### 22. 於聯營公司之投資(續)

於二零零六年及二零零七年十二月三十一日，本集團擁有以下聯營公司權益：

Name of entity 實體名稱	Form of business structure 業務架構形式	Place of registration/ incorporation 註冊/ 註冊成立地點	Principle place of operation 主要營業地點	Proportion of nominal value of registered capital/ issued share capital held by the Group 本集團所持註冊資本/已發行股本面值比例		Principal activities 主要業務
				2007 二零零七年	2006 二零零六年	
CNOOC Kingboard Chemical Limited <sup>#</sup> 中海石油建滔化工有限公司 <sup>#</sup>	Incorporated 註冊成立	PRC 中國	PRC 中國	40%	40%	Manufacture and sales of methanol 製造及分銷甲醇
G-Prop (Holdings) Limited ("G-Prop") <sup>*</sup> 金匡企業有限公司 (「金匡」) <sup>*</sup>	Incorporated 註冊成立	Bermuda 百慕達	Hong Kong 香港	36.51%	–	Property investment and leasing 物業投資及租賃
實友化工(揚州)有限公司 <sup>#</sup>	Incorporated 註冊成立	PRC 中國	PRC 中國	25%	–	Refining of heavy oil and sales of chemicals 提煉重油及分銷化工產品
Topsearch International (Holdings) Limited ("Topsearch") <sup>*</sup> 至卓國際(控股)有限公司 (「至卓」) <sup>*</sup>	Incorporated 註冊成立	Bermuda 百慕達	PRC 中國	–	25.04%	Manufacture and sales of PCBs 製造及分銷印刷線路板
<sup>*</sup> Companies with their shares listed on the main board of the Stock Exchange.						<sup>*</sup> 股份於聯交所主板上市之公司。
<sup>#</sup> These companies were established in the PRC in the form of Sino-Foreign Equity Joint Ventures.						<sup>#</sup> 此等公司乃以中外合資合營企業形式在中國成立。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 22. INVESTMENTS IN ASSOCIATES (continued)

During the year ended 31 December 2007, the Group entered into subscription agreements with G-Prop to subscribe for (i) 740,518,325 ordinary shares of G-Prop, which represented 36.51% of the enlarged issued share capital of G-Prop, at a consideration of approximately HK\$119,964,000 and (ii) a three-year zero coupon convertible bond with a principal amount of HK\$108,000,000. Details of the convertible bond are set out in Note 24.

The Group also acquired 25% registered capital of 實友化工(揚州)有限公司 at a consideration of approximately HK\$213,045,000 during the year ended 31 December 2007.

In addition, during the year ended 31 December 2007, Topsearch issued new ordinary shares to the public through placement and diluted the equity interest of the Group in Topsearch from 25.04% to 21.15%. The Group also disposed of certain shares of Topsearch in the market and thus Topsearch ceased to be an associate of the Group and has been accounted for as available-for-sale investments as at 31 December 2007. The loss on disposal and deemed disposal of interest in the associate amounted to approximately HK\$23,658,000 for the year ended 31 December 2007.

Included in the cost of investments in associates is goodwill of approximately HK\$152,820,000 (2006: Nil) arising on acquisition of associates during the year. The movement of goodwill is set out below.

### 22. 於聯營公司之投資(續)

截至二零零七年十二月三十一日止年度，本公司與金匡訂立認購協議，以認購(i)金匡740,518,325股普通股，佔金匡經擴大已發行股本36.51%，代價約為119,964,000港元；及(ii)三年零息可換股債券，本金額為108,000,000港元。可換股債券之詳情載於附註24。

截至二零零七年十二月三十一日止年度，本集團亦收購實友化工(揚州)有限公司註冊資本25%，代價約為213,045,000港元。

此外，於截至二零零七年十二月三十一日止年度，至卓透過向公眾配售，發行新普通股，將本集團於至卓的股權由25.04%攤薄至21.15%。本集團亦於市場出售若干至卓股份，因此，至卓不再為本集團聯營公司，於二零零七年十二月三十一日入賬列作可供出售投資。截至二零零七年十二月三十一日止年度，出售及視作出售該聯營公司權益之虧損約為23,658,000港元。

於聯營公司之投資成本包括年內收購聯營公司引起之商譽約152,820,000港元(二零零六年：沒有)。商譽變動載列如下。

		HK\$'000 千港元
At 1 January 2006, 31 December 2006 and 1 January 2007	於二零零六年一月一日、 二零零六年十二月三十一日 及二零零七年一月一日	-
Arising on acquisition of associates	收購聯營公司引起	152,820
At 31 December 2007	於二零零七年十二月三十一日	152,820

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### 22. INVESTMENTS IN ASSOCIATES (continued)

The recoverable amounts of the interests in associates including goodwill have been determined from value-in-use calculation. To calculate this, cash flow projections are based on five year periods financial budgets approved by senior management. The key assumption for the value-in-use calculations is the budgeted gross margin at a discount rate of 10% and growth rate of 7%, which is determined based on the unit's past performance and management's expectations for the market development. Since the recoverable amount of the associates is higher than its carrying amount, the directors consider that the carrying value of goodwill at the balance sheet date is not significantly impaired.

The summarised financial information in respect of the Group's associates is set out below:

### 22. 於聯營公司之投資(續)

於聯營公司之權益(包括商譽)之可收回金額按使用價值計算法釐定。為計算使用價值，現金流量預測以經高級管理層所批准之五年期財政預算為基準。使用價值計算法之主要假設為預算毛利率之折現率及增長率分別為10%及7%，乃按該單位過往表現及管理層對市場發展之期望釐定。由於聯營公司可收回金額高於其賬面值，故董事認為，於結算日之商譽賬面值並無出現重大減值。

本集團聯營公司之財務資料概述如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Total assets	資產總值	<b>2,306,348</b>	3,716,266
Total liabilities	負債總值	<b>(702,738)</b>	(2,067,384)
Net assets	資產淨值	<b>1,603,610</b>	1,648,882
Group's share of net assets of associates	本集團應佔聯營公司 資產淨值	<b>588,308</b>	486,929
Revenue (Note)	營業額(附註)	<b>2,123,579</b>	294,607
Profit for the year (Note)	本年度溢利(附註)	<b>757,672</b>	99,945
Group's share of results of associates for the year (Note)	本集團應佔聯營公司 本年度業績(附註)	<b>298,283</b>	39,924

Note: The amounts included the revenue and profit of Topsearch for the period from 1 January 2007 to the date of which Topsearch ceased to be an associate of the Group.

附註：該等金額包括至卓由二零零七年一月一日至至卓不再為本集團聯營公司期間之營業額及溢利。

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### 23. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprises:

### 23. 可供出售投資

可供出售投資包括：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Listed investments:	上市投資：		
– Equity securities listed in Hong Kong	– 於香港上市之股本證券	<b>544,332</b>	230,206
– Debt security listed in overseas with fixed interest of 4.625% per annum and maturity date on 15 November 2016	– 於海外上市之債務 證券，固定年息 4.625厘，於 二零一六年十一月 十五日到期	–	155,419
		<b>544,332</b>	385,625
Unlisted equity investments	非上市股本投資	<b>20,325</b>	9,525
Total	合計	<b>564,657</b>	395,150

At the balance sheet date, all listed available-for-sale investments are stated at fair value. The unlisted equity investments are stated at cost as their fair values cannot be measured reliably. Fair values of those investments have been determined by reference to bid prices quoted in active markets.

The above unlisted investments represent investments in unlisted equity securities issued by private entities established in PRC which are engaged in property development and hotel operation. They are measured at cost less impairment at each balance sheet date because the range of reasonable fair value estimates is so significant that the directors are of the opinion that their fair values cannot be measured reliably.

於結算日，所有可供出售上市投資均按公平值列賬。由於不能可靠計算非上市股本投資公平值，故按成本列賬。該等投資之公平值乃經參考交投活躍市場所報競投價釐定。

上述非上市投資指於私人實體所發行非上市股本證券之投資。該等私人實體於中國成立，從事物業發展及酒店營運業務。由於公平值之合理估算幅度龐大，致使董事認為未能可靠計算其公平值，故非上市投資於各個結算日按成本扣除減值計算。

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### 24. CONVERTIBLE BOND

### 24. 可換股債券

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Unlisted convertible bond	非上市可換股債券		
– loan portion	– 借貸部分	86,188	–
– conversion and redemption option derivative – fair value	– 可換股及贖回選擇 權衍生工具 – 公平值	205,461	–
		<b>291,649</b>	–

During the year ended 31 December 2007, the Group subscribed a three-year zero coupon convertible bond with a principal amount of HK\$108,000,000 from G-Prop, an associate of the Group. The convertible bond can be converted in whole or in part into new ordinary shares of G-Prop at any time from the issue date (i.e. 25 October 2007) to the maturity date (i.e. 24 October 2010) at a conversion price of HK\$0.162 per share.

The convertible bond cannot be redeemed by G-Prop prior to the maturity date and the Group may request G-Prop to redeem the convertible bond at its face value, at any time during the period from the day immediately after the second anniversary of the issue date and expiring on the maturity date.

The convertible bond comprised of two components – (i) loan portion and (ii) conversion and redemption option. Since the economic characteristics and risks of the conversion and redemption option are not closely related to the host contract, it is separated from the host contract as conversion and redemption option derivative on initial recognition.

截至二零零七年十二月三十一日止年度，本集團認購其聯營公司金匡之三年零息可換股債券，本金額為108,000,000港元。可換股債券可自發行日期(即二零零七年十月二十五日)起至到期日(即二零一零年十月二十四日)止任何時間內，按轉換價每股0.162港元全部或部分轉換為金匡之新普通股。

金匡不可於到期日前贖回可換股債券，而本集團可於緊隨發行日期第二週年後之日起至到期日止期間內，隨時要求金匡按面值贖回可換股債券。

可換股債券包括兩個部分 – (1)借貸部分；及(2)可換股及贖回選擇權。由於可換股及贖回選擇權之經濟特性及風險與主合約並無密切關係，故於初步確認時與主合約分開並列賬為可換股及贖回選擇權衍生工具。

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### 24. CONVERTIBLE BOND (continued)

On application of HKAS 39, the fair value of the convertible bond – loan portion is determined based on an effective interest rate of 8.35% per annum on initial recognition and the fair value of the conversion and redemption option derivative is determined by using Black-Scholes Option Pricing Model and Binomial Model, respectively.

During the year ended 31 December 2007, the gain arising from change in fair value of conversion and redemption option derivative amounted to approximately HK\$182,367,000 (2006: Nil).

### 24. 可換股債券(續)

採用香港會計準則第39號時，於初步確認可換股債券－借貸部分之公平值時按實際年利率8.35厘計算，而可換股及贖回選擇權衍生工具之公平值則按柏力克－舒爾斯期權定價模式及二項式模型釐定。

截至二零零七年十二月三十一日止年度，可換股及贖回選擇權衍生工具之公平值變動收益約為182,367,000港元（二零零六年：沒有）。

### 25. INTERESTS IN JOINTLY CONTROLLED ENTITIES

### 25. 於共同控制實體之權益

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Cost of unlisted investment in jointly controlled entities	共同控制實體之非上市投資成本	15,953	15,953
Share of post-acquisition losses	應佔收購後虧損	(19,891)	(18,821)
		(3,938)	(2,868)
Amounts due from jointly controlled entities (Note)	應收共同控制實體款項（附註）	18,222	18,222
		14,284	15,354

Note: Amounts due from jointly controlled entities are unsecured, interest-free, with no fixed repayment terms and are not repayable in the foreseeable future.

附註：應收共同控制實體款項為無抵押、免息，且無固定還款期，毋須於可見將來償還。

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### 25. INTERESTS IN JOINTLY CONTROLLED ENTITIES (continued) 25. 於共同控制實體之權益(續)

Included in the cost of investment in jointly controlled entities is goodwill of approximately HK\$10,943,000 (2006: HK\$10,943,000) arising on the acquisition of jointly controlled entities in prior years. The movement of goodwill is set out below:

於共同控制實體投資成本包括過往年度收購共同控制實體所產生為數約10,943,000港元(二零零六年：10,943,000港元)之商譽。商譽變動載列如下：

		Goodwill 商譽 HK\$'000 千港元
CARRYING VALUE	賬面值	
At 1 January 2006, 31 December 2006 and 31 December 2007	於二零零六年一月一日、二零零六年十二月三十一日及二零零七年十二月三十一日	10,943

At 31 December 2007 and 2006, the Group had interests in the following significant jointly controlled entities:

於二零零七年及二零零六年十二月三十一日，本集團於下列重大共同控制實體擁有權益：

Name of jointly controlled entity 共同控制實體名稱	Form of business structure 業務架構形式	Place of registration/incorporation and operation 註冊/註冊成立及營業地點	Proportion of nominal value of registered/issued capital held by the Group 本集團所持有註冊資本/已發行股本面值比例		Proportion of voting power 表決比例		Principal activities 主要業務
			2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年	
Guangzhou Express Logistics Limited ("GZ Express") <sup>#</sup> 廣州智恆物流服務有限公司 (「廣州智恆」) <sup>#</sup>	Incorporated 註冊成立	PRC 中國	49%*	49%*	50%	50%	Provision of logistic services 提供物流服務
Concord Modern Technology Limited 康美科技有限公司	Incorporated 註冊成立	Hong Kong 香港	50%	50%	50%	50%	Manufacture and sales of optical discs 製造及銷售光碟
Full Summit Development Limited 溢峰發展有限公司	Incorporated 註冊成立	Hong Kong 香港	50%	50%	50%	50%	Manufacture and sales of optical discs 製造及銷售光碟

\* Under the joint venture agreement of GZ Express, the joint venture partners have joint control over the entity's daily operating and financial decisions.

\* 根據廣州智恆之合營協議，合營夥伴於實體之日常營運及財務決策擁有共同控制權。

<sup>#</sup> The company was established in the PRC in the form of Sino-Foreign Equity Joint Venture.

<sup>#</sup> 該公司以中外合資合營企業形式在中國成立。

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### 25. INTERESTS IN JOINTLY CONTROLLED ENTITIES (continued) 25. 於共同控制實體之權益(續)

The summarised financial information in respect of the Group's jointly controlled entities which are accounted for using the equity method is set out below:

以權益法列賬之本集團之共同控制實體之財務資料概述如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Total assets	資產總值	79,183	95,889
Total liabilities	負債總值	(108,945)	(123,509)
Net liabilities	負債淨額	(29,762)	(27,620)
Group's share of net liabilities of jointly controlled entities	本集團應佔共同控制實體負債淨額	(14,881)	(13,811)
Revenue	營業額	32,430	94,649
Loss for the year	本年度虧損	(2,140)	(3,509)
Group's share of loss of jointly controlled entities for the year	年內本集團應佔共同控制實體虧損	(1,070)	(1,755)

### 26. NON-CURRENT DEPOSITS

Non-current deposits represent deposits paid for the acquisition of properties, plant and equipment and investment properties, and the deposits will not be realised within twelve months from the balance sheet date. Accordingly, the amounts were included in the non-current assets. The deposits can only be refundable to the Group when the suppliers fail to deliver the assets to the Group within the timeframe as agreed with the Group. The directors of the Company expected that the assets will be received by the Group within next two years.

### 26. 非流動訂金

非流動訂金指就購買物業、廠房及設備以及投資物業已支付之訂金。該等訂金在結算日起計12個月內不能變現。因此，該等款項計入非流動資產。該等訂金在供應商未能在與本集團協定的時間內將資產交付予本集團時，方可退回。本公司董事預期，本集團將於未來兩年內收取該等資產。

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### 27. INTANGIBLE ASSETS

### 27. 無形資產

		Mining right 採礦權 HK\$'000 千港元	Know-how fee 專業知識費 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>COST</b>	<b>成本</b>			
At 1 January 2006	於二零零六年 一月一日	–	2,329	2,329
Additions	增添	–	907	907
At 31 December 2006 and 1 January 2007	於二零零六年 十二月三十一日 及二零零七年 一月一日	–	3,236	3,236
Acquired from acquisition of a subsidiary	收購一間附屬公司 而獲取	695,847	–	695,847
Exchange adjustments	匯兌調整	28,239	–	28,239
Additions	添置	–	245	245
Disposals	出售	–	(6)	(6)
At 31 December 2007	於二零零七年 十二月三十一日	724,086	3,475	727,561
<b>AMORTISATION</b>	<b>攤銷</b>			
At 1 January 2006	於二零零六年 一月一日	–	551	551
Charge for the year	本年度支出	–	500	500
At 31 December 2006 and 1 January 2007	於二零零六年 十二月三十一日 及二零零七年 一月一日	–	1,051	1,051
Charge for the year	本年度支出	–	632	632
Eliminated on disposals	出售時註銷	–	(6)	(6)
At 31 December 2007	於二零零七年 十二月三十一日	–	1,677	1,677
<b>CARRYING VALUES</b>	<b>賬面值</b>			
At 31 December 2007	於二零零七年 十二月三十一日	724,086	1,798	725,884
At 31 December 2006	於二零零六年 十二月三十一日	–	2,185	2,185



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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 27. INTANGIBLE ASSETS (continued)

Mining right has finite useful life of 40 years and is amortised using the units of production method over the total proven reserves of the coal mines of approximately 93 million tonnes. No amortisation of mining right was provided during the year ended 31 December 2007 as the coal mining site is still under construction and no production of coal has been commenced.

Know-how was acquired from third parties, has finite useful life and is amortised on a straight-line basis over 5 years.

The recoverable amount of intangible assets had been determined based on the value-in-use calculation. Cash flow projections are based on five year periods financial budgets approved by senior management. The key assumption for the value-in-use calculation is the budgeted gross margin at a discount rate of 8% and growth rate of 5% which is determined based on the management's expectation and past performance of the industry. The cash flow beyond the five-year period are extrapolated using a steady 5% growth rate. Since the recoverable amount of the intangible assets is higher than its carrying amount, the directors of the Company consider that the carrying value of intangible assets at the balance sheet date is not significantly impaired.

### 28. INVENTORIES

### 27. 無形資產(續)

採礦權之固定可用年期為40年，使用單位生產法按煤礦總探明儲量約93,000,000噸攤銷。截至二零零七年十二月三十一日止年度，由於煤礦仍然在建中，並未開始生產煤炭，故並無就採礦權進行攤銷。

向第三方收購之專業知識有固定可用年期，並按直線法於五年內攤銷。

無形資產之可收回金額按使用價值計算法釐定。現金流量預測以經高級管理層所批准之五年期財政預算為基準。使用價值計算法之主要假設為預算毛利率之折現率及增長率分別為8%及5%，乃按管理層期望及行業過往表現釐定。五年以上期間之現金流量以5%穩定增長率推斷。由於無形資產之可收回金額高於其賬面值，故本公司董事認為，於結算日之無形資產賬面值並無出現重大減值。

### 28. 存貨

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Raw materials	原料	1,926,465	1,861,387
Work in progress	在製品	526,894	456,599
Finished goods	製成品	194,857	180,368
		<b>2,648,216</b>	2,498,354

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### 29. OTHER FINANCIAL ASSETS

#### Trade and other receivables and prepayments

### 29. 其他財務資產

#### 貿易及其他應收賬款及預付款項

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Trade receivables	貿易應收賬款	<b>4,925,821</b>	4,456,464
Bills receivables	應收票據	<b>857,508</b>	466,178
Other receivables and prepayments	其他應收賬款及預付款項	<b>1,398,690</b>	883,351
		<b>7,182,019</b>	5,805,993

The Group allows credit periods of up to 120 days, depending on the products sold, to its trade customers. The following is an aged analysis of trade receivables at the balance sheet dates:

本集團給予貿易客戶之信貸賬期最長為120日，視乎所售產品而定。於結算日，貿易應收賬款之賬齡分析如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
0 – 90 days	0至90日	<b>3,935,709</b>	3,664,990
91 – 180 days	91至180日	<b>939,195</b>	750,160
Over 180 days	180日以上	<b>50,917</b>	41,314
		<b>4,925,821</b>	4,456,464

All bills receivables are aged within 90 days at the balance sheet dates.

所有應收票據賬齡均為結算日起的90日之內。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 29. OTHER FINANCIAL ASSETS (continued)

#### Trade and other receivables and prepayments (continued)

Before accepting any new customers, the Group has an internal credit grading system to assess the potential customers' credit quality and the board of directors has delegated the management to be responsible for determination of credit limits and credit approvals for any customers. Limits and scoring attributed to customers are reviewed every year. 87% (2006: 89%) of the trade receivables that neither past due nor impaired have the best credit scoring attributable under the credit grading system used by the Group.

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$626,320,000 (2006: HK\$504,551,000) which were past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The average age of these receivables is 121 days (2006: 119 days).

The following is an aged analysis of trade receivables which are past due but not impaired at the balance sheet dates:

### 29. 其他財務資產(續)

#### 貿易及其他應收賬款及預付款項(續)

在接納任何新客戶前，本集團內部信用評級制度會評估潛在客戶之信用，董事會已任命管理層負責為任何客戶釐定信貸限額及信貸批准。客戶之限額及評分每年審閱。87% (二零零六年：89%) 無逾期或減值之貿易應收賬款獲本集團所採用之信用評級制度之最高信用評分。

本集團貿易應收賬款餘額包括的應收賬款，總賬面值為626,320,000港元(二零零六年：504,551,000港元)，於申報日期已經逾期，本集團並無就該等款項作出減值虧損撥備。本集團就該等餘額並無持有任何抵押品。該等應收賬款之平均賬齡為121日(二零零六年：119日)。

於結算日，逾期但無減值之貿易應收賬款之賬齡分析如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
91 – 120 days	91至120日	<b>276,256</b>	259,139
121 – 150 days	121至150日	<b>239,424</b>	166,789
151 – 180 days	151至180日	<b>59,723</b>	37,309
Over 180 days	180日以上	<b>50,917</b>	41,314
		<b>626,320</b>	504,551

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 29. OTHER FINANCIAL ASSETS (continued)

#### Trade and other receivables and prepayments (continued)

The Group has provided fully for all receivables that are past due beyond 240 days because historical experience is such that these receivables are generally not recoverable. Allowance on trade receivables between 120 and 240 days are made based on estimated irrecoverable amounts by reference to past default experience and objective evidences of impairment determined by the difference between the carrying amount and the present value of the estimate future cash flow discounted at the original effective interest rate.

In determining the recoverability of the trade receivables, the Group monitors any change in the credit quality of the trade receivables since the credit was granted and up to the reporting date. The directors of the Company considered that the Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

#### Movement in the allowance for doubtful debts

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	286,285	252,275
Impairment losses recognised	確認之減值虧損	89,004	34,010
Amounts written off as uncollectible	撇銷不可收回之款項	(54,674)	-
Balance at end of the year	年末結餘	<b>320,615</b>	286,285

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of HK\$320,615,000 (2006: HK\$286,285,000) which have either been placed under liquidation or in severe financial difficulties. The Group does not hold any collateral over these balances.

### 29. 其他財務資產(續)

#### 貿易及其他應收賬款及預付款項(續)

過往經驗顯示逾期240日以上之應收賬款一般無法收回，故本集團對該等應收賬款全數作出撥備。賬齡介乎120至240日之貿易應收賬款之準備，乃參考過往欠賬經驗釐訂之估計不可收回金額後釐訂，減值之客觀證據根據賬面值與以原有實際利率折現估計日後現金流量現值間之差額計算。

在釐定貿易應收賬款之可收回性時，自在早前授出信貸起至申報日期，本集團監察貿易應收賬款信用質素之任何變動。本公司董事認為，就客戶而言，本集團並無重大集中信貸風險，風險由多個交易方及客戶分攤。

#### 呆壞賬準備之變動

呆壞賬準備包括之個別已減值之貿易應收賬款，總結餘為320,615,000港元(二零零六年：286,285,000港元)，該等款項為清盤或重大財務困難項下之款項。本集團就該等結餘並無持有任何抵押品。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 29. OTHER FINANCIAL ASSETS (continued)

Included in trade and other receivables and prepayments are the following amounts denominated in a currency other than the functional currency of the group entities to which they relate:

	2007 二零零七年 Amount 金額 '000 千元	2006 二零零六年 Amount 金額 '000 千元
United States Dollars	230,494	136,119

#### Bank balances and cash

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. At 31 December 2007, the bank deposits carry interest at the prevailing market interest rate which range from 0.18% to 3.4% (2006: 0.72% to 5.17%) per annum.

At 31 December 2007 and 2006, the Group had bank balances and cash that were not freely convertible or were subject to exchange controls in the PRC amounting to approximately HK\$1,316.4 million and HK\$865.4 million, respectively.

### 29. 其他財務資產(續)

貿易及其他應收賬款及預付款項包括下列以集團實體之功能貨幣以外貨幣計值之款額：

#### 銀行結餘及現金

銀行結餘及現金包括本集團持有之現金及原到期日為三個月或以下之短期銀行存款。於二零零七年十二月三十一日，銀行存款按現行市場年利率介乎0.18厘至3.4厘(二零零六年：介乎0.72厘至5.17厘)計息。

於二零零七年及二零零六年十二月三十一日，本集團不可自由兌換或須受中國外匯管制所規限之銀行結餘及現金分別約為1,316,400,000港元及865,400,000港元。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 29. OTHER FINANCIAL ASSETS (continued)

#### Bank balances and cash (continued)

Included in the bank balances and cash are the following amounts denominated in currencies other than the functional currency of the group entities to which they relate:

		2007 二零零七年 Amount 金額 '000 千元	2006 二零零六年 Amount 金額 '000 千元
United States Dollars	美元	115,963	22,619
Euro	歐元	767	-
Japanese Yen	日圓	12,786	3,144
Macau Pataca	澳門幣	373	-

### 29. 其他資產(續)

#### 銀行結餘及現金(續)

銀行結餘及現金包括下列以集團實體之功能貨幣以外貨幣計值之款額：

### 30. DERIVATIVE FINANCIAL INSTRUMENTS

### 30. 衍生金融工具

		2007 二零零七年		2006 二零零六年	
		Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元
Interest rate swaps	利率掉期				
- derivatives not under hedge accounting	- 並非以對沖會計法 列賬之衍生工具	1,174	-	38,966	-
Commodity forward contract	遠期商品合約	368	-	-	-
Foreign currency forward contracts	遠期外匯合約	1,270	(1,184)	217	(195)
		<b>2,812</b>	<b>(1,184)</b>	39,183	(195)

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 30. DERIVATIVE FINANCIAL INSTRUMENTS

*(continued)*

During the year ended 31 December 2006, the Group used interest rate swaps to minimise its exposure to cash flow changes of its floating-rate Hong Kong dollar bank borrowings by swapping borrowings from floating rates to fixed rates. The critical terms of these interest rate swaps were similar to those of the hedged bank borrowings and the directors designated the derivatives as cash flows hedging instruments and considered they were highly effective.

During the year ended 31 December 2006, the loss on fair value change of approximately HK\$73,370,000 (2007: Nil) had been deferred in equity.

In December 2006, the Group repaid all floating-rate Hong Kong dollars bank borrowings, which were effectively hedged by the interest rate swaps. However, the Group did not terminate those interest rate swaps at the same time. As a result, the hedging accounting was discontinued and the credit balance of approximately HK\$43,823,000 included in the hedging reserve was released to the consolidated income statement during the year ended 31 December 2006.

### 30. 衍生金融工具(續)

截至二零零六年十二月三十一日止年度，本集團透過將借貸由浮息轉為定息，利用利率掉期減低按浮息計算之港元銀行借貸現金流量變動之風險。該等利率掉期之主要條款與對沖銀行借貸之主要條款相似，董事指定該衍生工具為現金流量對沖工具，並認為該等工具極有效。

截至二零零六年十二月三十一日止年度，為數約73,370,000港元之公平值變動虧損(二零零七年：沒有)已於股本遞延處理。

於二零零六年十二月，本集團已悉數償還以利率掉期有效對沖之按浮息計算之港元銀行借貸。然而，本集團並無同時終止該等利率掉期。因此對沖會計經已終止，已計入對沖儲備中約43,823,000港元之結餘已於截至二零零六年十二月三十一日止年度之綜合收益表中撥回。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 30. DERIVATIVE FINANCIAL INSTRUMENTS 30. 衍生金融工具(續)

(continued)

At the balance sheet date, major terms of the interest rate swaps are as follows:

於結算日，利率掉期之主要條款如下：

Outstanding contracts as at 於以下日期尚未到期之合約	Notional amount 面值 HK\$'000 千港元	Maturity 到期日	Receive floating 所收浮息	Pay fixed 所付定息
31 December 2007 二零零七年 十二月三十一日	300,000	Within 1 year 一年內	HIBOR 香港銀行同業拆息	2.55% 2.55厘
	300,000	Within 1 to 2 years 一至兩年內	HIBOR 香港銀行同業拆息	3.40% to 3.74% 3.40至3.74厘
31 December 2006 二零零六年 十二月三十一日	3,250,000	Within 1 year 一年內	HIBOR 香港銀行同業拆息	2.18% to 3.43% 2.18至3.43厘
	300,000	Within 1 to 2 years 一至兩年內	HIBOR 香港銀行同業拆息	2.55% 2.55厘
	300,000	Within 2 to 3 years 兩至三年內	HIBOR 香港銀行同業拆息	3.40% to 3.74% 3.40至3.74厘

At the balance sheet date, the Group entered into commodity forward contract. The major terms of the outstanding contract are as follows:

於結算日，本集團訂立遠期商品合約。該尚未到期之合約之主要條款如下：

Currency 貨幣	Quantity 數量	Maturity 到期日	Commodity Forward price 商品遠期價
US\$ 美元	Copper 100 Metric Tonnes 100公噸銅	31 January 2008 二零零八年一月三十一日	US\$7,125/metric tonne 7,125美元/公噸



## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 30. DERIVATIVE FINANCIAL INSTRUMENTS 30. 衍生金融工具(續)

(continued)

At the balance sheet date, major terms of the outstanding foreign currency forward contracts are as follows:

於結算日，尚未到期之遠期外匯合約之主要條款如下：

At 31 December 2007

於二零零七年十二月三十一日

Notional amount 面值	Maturity 到期日	Forward contract rates 遠期合約匯率
9 contracts to buy US\$1,000,000 each 九份每份購買1,000,000美元之合約	Within 1 year 一年內	US\$1 to HK\$7.732 1美元兌7.732港元
12 contracts to buy US\$1,000,000 each 十二份每份購買1,000,000美元之合約	Within 1 to 2 years 一至兩年內	US\$1 to HK\$7.695 1美元兌7.695港元
9 contracts to sell US\$1,000,000 each 九份每份出售1,000,000美元之合約	Within 1 year 一年內	US\$1 to HK\$7.732 1美元兌7.732港元
12 contracts to sell US\$1,000,000 each 十二份每份出售1,000,000美元之合約	Within 1 to 2 years 一至兩年內	US\$1 to HK\$7.695 1美元兌7.695港元

At 31 December 2006

於二零零六年十二月三十一日

Notional amount 面值	Maturity 到期日	Forward contract rates 遠期合約匯率
1 contract to buy US\$20,000,000 一份購買20,000,000美元之合約	Within 1 month 一個月內	US\$1 to HK\$7.778 1美元兌7.778港元
6 contracts to buy US\$1,000,000 each 六份每份購買1,000,000美元之合約	Within 6 months 六個月內	US\$1 to HK\$7.728 1美元兌7.728港元
6 contracts to sell US\$1,000,000 each 六份每份出售1,000,000美元之合約	Within 6 months 六個月內	US\$1 to HK\$7.728 1美元兌7.728港元
6 contracts to sell US\$1,000,000 each 六份每份出售1,000,000美元之合約	Within 6 months 六個月內	US\$1 to HK\$7.750 1美元兌7.750港元

The above derivatives were measured at fair value at each balance sheet dates. Their fair values were determined based on the valuation provided by counterparty financial institutions for equivalent instruments at the balance sheet dates.

上述衍生工具於各結算日按公平值計算。其公平值按有關交易方金融機構於結算日就對等工具確認之估值方法釐定。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 31. TRADE AND OTHER PAYABLES AND BILLS PAYABLE 31. 貿易及其他應付賬款及應付票據

The following is an aged analysis of the trade payables at the balance sheet dates:

貿易應付賬款於結算日之賬齡分析如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
0 – 90 days	0至90日	1,657,401	1,468,344
91 – 180 days	91至180日	289,407	303,117
Over 180 days	180日以上	102,222	94,413
		<b>2,049,030</b>	<b>1,865,874</b>

All bills payable are aged within 90 days at the balance sheet dates.

所有應付票據賬齡均為結算日起的90日之內。

Included in trade and other payables and bills payable are the following amounts denominated in currencies other than the functional currency of the group entities to which they relate:

貿易及其他應付賬款及應付票據包括下列以集團實體之功能貨幣以外貨幣計值之款額：

		2007 二零零七年 Amount 金額 '000 千元	2006 二零零六年 Amount 金額 '000 千元
United States Dollars	美元	98,571	59,536
Japanese Yen	日圓	351,606	193,922
Swiss Franc	瑞士法郎	–	2,568
Macau Pataca	澳門幣	14	19
Euro	歐元	17,358	1,186

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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 32. BANK BORROWINGS

### 32. 銀行借貸

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Bank loans	銀行貸款	<b>6,811,850</b>	4,867,286
Trust receipt loans	信託收據貸款	<b>437,277</b>	512,532
Bank overdrafts	銀行透支	<b>585</b>	2,826
		<b>7,249,712</b>	5,382,644
Carrying amounts repayable:	須於下列期間償還之賬面值：		
On demand or within one year	應要求或於一年內	<b>1,759,340</b>	1,296,421
More than one year but not more than two years	一年以上但不超過兩年	<b>1,465,643</b>	676,550
More than two years but not more than five years	兩年以上但不超過五年	<b>3,939,295</b>	3,409,673
More than five years	五年以上	<b>85,434</b>	–
		<b>5,490,372</b>	4,086,223
Total	合計	<b>7,249,712</b>	5,382,644

The bank borrowings are unsecured and bear interest at market rates.

銀行借貸為無抵押，並按市場利率計息。

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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 32. BANK BORROWINGS (continued)

Included in the above bank borrowings are the fixed-rate bank borrowings which are repayable as follows:

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Fixed-rate bank borrowings repayable: 須於下列期間償還		
之定息銀行借貸:		
Within one year 一年內	48,382	-
More than one year but not more than two years 一年以上但不超過兩年	26,698	-
More than two years but not more than five years 兩年以上但不超過五年	26,372	-
	<b>101,452</b>	-

The fixed-rate bank borrowings carry interest ranging from 4.21% to 5.67% per annum.

The rest of the bank borrowings are variable-rate borrowings which carry interest ranging from HIBOR+0.4% to HIBOR+1.0% (2006: HIBOR+0.575% to HIBOR+1.0%) per annum.

The range of effective interest rates (which are also equal to contracted interest rates) on the Group's bank borrowings are as follow:

	2007 二零零七年	2006 二零零六年
Effective interest rates 實際利率		
Fixed-rate borrowings 定息借貸	<b>4.21% to 5.67%</b>	-
Variable-rate borrowings 浮息借貸	<b>3.8% to 5.4%</b>	4.675% to 5.5%

### 32. 銀行借貸(續)

上述銀行借貸包括須按下列期間償還的定息銀行借貸：

定息銀行借貸年息率介乎4.21至5.67厘。

餘下銀行借貸為具有浮息借貸，年息率介乎香港銀行同業拆息加0.4厘至香港銀行同業拆息加1.0厘(二零零六年：香港銀行同業拆息加0.575厘至香港銀行同業拆息加1.0厘)不等。

本集團銀行借貸之實際利率(相當於已訂約利率)範圍如下：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 32. BANK BORROWINGS (continued)

Included in bank borrowings are the following amounts denominated in currencies other than the functional currency of the group entities to which they relate:

### 32. 銀行借貸(續)

銀行借貸包括下列以集團實體之功能貨幣以外貨幣計值之款額：

		2007 二零零七年 Amount 金額 '000 千元	2006 二零零六年 Amount 金額 '000 千元
United States Dollars	美元	57,042	61,304
Euro	歐元	6,727	-
Japanese Yen	日圓	50,700	1,082,024

### 33. DEFERRED TAXATION

The following are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior reporting periods:

### 33. 遞延稅項

下表為本申報期及以前申報期內已予確認之主要遞延稅項負債及資產以及當中之變動：

		Accelerated tax depreciation 加速稅務折舊 HK\$'000 千港元	Tax losses 稅務虧損 HK\$'000 千港元	Write-down of inventories 存貨撇減 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2006	於二零零六年一月一日	60,040	(10,447)	(14,239)	35,354
Exchange adjustments	匯兌調整	(212)	(282)	-	(494)
(Credit) charge for the year	本年度(撥回)支出	(18,746)	1,051	(341)	(18,036)
At 31 December 2006 and 1 January 2007	二零零六年十二月 三十一日及 二零零七年一月一日	41,082	(9,678)	(14,580)	16,824
Exchange adjustments	匯兌調整	(617)	(580)	-	(1,197)
(Credit) charge for the year	本年度(撥回)支出	(901)	955	(9,676)	(9,622)
Effect of change in tax rate	稅率變動之影響	-	-	1,166	1,166
At 31 December 2007	於二零零七年 十二月三十一日	39,564	(9,303)	(23,090)	7,171

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### 33. DEFERRED TAXATION (continued)

For the purposes of balance sheet presentation, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

### 33. 遞延稅項(續)

若干遞延稅項資產及負債因應資產負債表呈示用途而作出抵銷。以下為該等遞延稅項結餘用作財務報表的用途時作出的分析：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	29,165	36,323
Deferred tax assets	遞延稅項資產	(21,994)	(19,499)
		<b>7,171</b>	16,824

At 31 December 2007, deferred tax assets of approximately HK\$9,303,000 (2006: HK\$9,678,000) in relation to unused tax losses and approximately HK\$23,090,000 (2006: HK\$14,580,000) in relation to write-down of inventories have been recognised in the Group's consolidated balance sheet, and the Group has unrecognised deferred tax assets due to the unpredictability of the future profit streams arising from tax losses amounting to approximately HK\$20,085,000 (2006: HK\$6,258,000). All tax losses can be carried forward indefinitely.

於二零零七年十二月三十一日，有關未動用稅項虧損及存貨撇減為數分別約9,303,000港元(二零零六年：9,678,000港元)及約23,090,000港元(二零零六年：14,580,000港元)之遞延稅項資產已於本集團綜合資產負債表確認，而本集團並無未確認遞延稅項資產，原因為無法預計為數約20,085,000港元(二零零六年：6,258,000港元)之稅項虧損所產生未來溢利來源。所有稅項虧損可無限期結轉。

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### 34. SHARE CAPITAL

### 34. 股本

		Number of shares 股數		Share capital 股本	
		2007 二零零七年	2006 二零零六年	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元之 普通股				
Authorised	法定	<b>1,200,000,000</b>	1,200,000,000	<b>120,000</b>	120,000
Issued and fully paid	已發行及繳足股款				
At beginning of the year	於年初	<b>832,799,046</b>	784,767,161	<b>83,280</b>	78,477
Exercise of share options (see Note 35)	行使優先購股權 (見附註35)	<b>5,300,000</b>	5,300,000	<b>530</b>	530
Exercise of warrant subscription rights (see Note 36)	行使認股權證之認購 權利(附註36)	-	42,731,885	-	4,273
At end of the year	於年終	<b>838,099,046</b>	832,799,046	<b>83,810</b>	83,280

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### 35. SHARE OPTIONS

#### (a) Employees' share option scheme of the Company

Under the Company's share option scheme (the "Scheme") adopted on 2 July 2002, which is valid for a period of ten years, the board of directors of the Company may, at its discretion, grant options to subscribe for shares in the Company to eligible participants ("Eligible Participants") who contributes to the long-term growth and profitability of the Company. Eligible Participants includes (i) any employee (whether full time or part time) of the Company, any of its subsidiaries or any entity in which the Group holds any equity interests ("Invested Entity"), including any executive director of the Company, any of such subsidiaries or any Invested Entity; (ii) any non-executive directors (including independent non-executive directors) of the Company, its subsidiaries or any Invested Entity; (iii) any supplier of goods or services to any member of the Group or any Invested Entity; (iv) any customer of the Group or any Invested Entity; (v) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; and (vi) any person or entity who from time to time determined by the Board as having contributed or may contribute to the development and growth of the Group based on his or its performance and/or years of service, or is regarded as valuable resources of the Group based on his/its working experience, knowledge in the industry and other relevant factors. The subscription price for the Company's shares shall be a price at least equal to the highest of the nominal value of the Company's shares, the average of the closing prices of the Company's shares quoted on the Stock Exchange on the five trading days immediately preceding the date of an offer of the grant of the options and the closing price of the Company's shares quoted on the Stock Exchange on the date of an offer of the grant of the options. The options must be taken up within 28 days from the date of grant upon payment of HK\$1 and are exercisable over a period to be determined and notified by the directors to each grantee, which period may commence from the date of acceptance of the offer of the grant of the options but shall end in any event not later than ten years from the date of adoption of the Scheme.

### 35. 優先購股權

#### (a) 本公司僱員優先購股權計劃

根據本公司於二零零二年七月二日採納有效期為十年之優先購股權計劃(「該計劃」)，本公司董事會可酌情向對本公司長遠增長及盈利作出貢獻之合資格參與者(「合資格參與者」)授出優先購股權，以認購本公司股份。合資格參與者包括(i)本公司、其任何附屬公司或本集團持有任何股權之任何實體(「受投資實體」)之任何全職或兼職僱員，包括本公司、任何該等附屬公司或任何受投資實體之任何執行董事；(ii)本公司、其附屬公司或任何受投資實體任何非執行董事，包括獨立非執行董事；(iii)本集團任何成員公司或任何受投資實體之任何貨品或服務供應商；(iv)本集團或任何受投資實體之任何客戶；(v)本集團任何成員公司或任何受投資實體之任何股東或本集團任何成員公司或受投資實體之任何已發行證券持有人；及(vi)董事會不時按其表現及／或服務年期而認為曾經或可能對本集團發展及增長作出貢獻，或按其於業內工作經驗、知識及其他相關因素而被視為本集團寶貴資源之任何人士或實體。本公司股份之認購價須為至少相等於本公司股份面值、本公司股份於緊接要約授出優先購股權日期前五個交易日於聯交所報平均收市價及本公司股份於要約授出優先購股權日期於聯交所報收市價之最高者。優先購股權須於授出日期28日內接納，接納時須支付1港元，優先購股權可於董事會釐定並通知各承授人之期間內行使，該期間可由接納要約授出優先購股權之日起，惟無論如何須不遲於該計劃採納日期起計十年止。



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### 35. SHARE OPTIONS (continued)

#### (a) Employees' share option scheme of the Company (continued)

The total number of the Company's shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes of the Group (excluding options lapsed in accordance with the terms of the Scheme and any other schemes of the Group) must not in aggregate exceed 10% of the Company's shares in issue as at the date of adoption of the Scheme. The limit on the number of the Company's shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Group must not exceed 30% of the Company's shares in issue from time to time. The total number of the Company's shares issued and to be issued upon exercise of the options granted to each grantee (including both exercised and outstanding options) under the Scheme or other schemes of the Group in any 12-month period up to the date of grant must not exceed 1% of the Company's shares in issue at the date of grant unless approved by the Company's shareholders in general meeting.

In accordance with the terms of the Scheme, share options of the Company issued vest at the date of grant.

At 31 December 2007, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 25,922,000 (2006: 31,222,000), representing 3.09% (2006: 3.75%) of the shares of the Company in issue on that date.

### 35. 優先購股權(續)

#### (a) 本公司僱員優先購股權計劃(續)

因根據該計劃及本集團任何其他計劃所有將予授出之優先購股權(不包括根據該計劃及本集團任何其他計劃之條款已失效之優先購股權)獲行使而可發行之本公司股份總數,合共不得超過本公司於採納該計劃日期已發行股份10%。因根據該計劃及本集團任何其他計劃所有已授出尚未行使及有待行使之優先購股權獲行使而可發行之本公司股份數目限額,不得超過本公司不時已發行股份30%。於截至授出日期止任何十二個月期間,因根據該計劃或本集團任何其他計劃授予各承授人之優先購股權(包括已行使及尚未行使之優先購股權)獲行使而發行及將予發行之本公司股份總數,不得超過本公司於授出日期已發行股份1%,除非獲本公司股東於股東大會批准,則作別論。

根據該計劃之條款,本公司所發行之優先購股權於授出日期歸屬。

於二零零七年十二月三十一日,根據該計劃已授出而尚未行使之優先購股權涉及之股份數目為25,922,000股(二零零六年:31,222,000股),相當於本公司於當日之已發行股份3.09%(二零零六年:3.75%)。

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### 35. SHARE OPTIONS (continued)

#### (a) Employees' share option scheme of the Company (continued)

A summary of the movements of the share options under the Scheme for the year is as follows:

		Granted to directors 授予董事	Granted to employees 授予僱員	Total 合計
Balance at 1 January 2006	於二零零六年 一月一日之結餘	29,280,800	7,241,200	36,522,000
Exercised during the year (Note)	於年內行使(附註)	(4,258,800)	(1,041,200)	(5,300,000)
Reclassifications	重新分類	(13,789,000)	13,789,000	-
Balance at 31 December 2006 and 1 January 2007	於二零零六年 十二月三十一日 及二零零七年 一月一日之結餘	11,233,000	19,989,000	31,222,000
Exercised during the year (Note)	於年內行使(附註)	(2,803,200)	(2,496,800)	(5,300,000)
Reclassifications	重新分類	3,588,000	(3,588,000)	-
Balance at 31 December 2007	於二零零七年十二月 三十一日之結餘	12,017,800	13,904,200	25,922,000

Note:

The share options were granted on 11 October 2002 at an exercise price of HK\$3.74 per share. These options are exercisable during the period from 15 October 2002 to 2 July 2012.

During the year, options to subscribe for 5,300,000 shares in the Company at HK\$3.74 per share were exercised. The weighted average closing prices of the Company's shares quoted on the Stock Exchange on the five trading days immediately before the exercise date of 18 May 2007 was HK\$33.50.

#### (b) Employees' share option scheme of EEIC

The 2002 Elec & Eltek Employees' Share Option Scheme (the "2002 Scheme") was approved by the shareholders of EEIC at the Extraordinary General Meeting held on 8 November 2002 and was adopted and took effect from 12 November 2002 upon fulfillment of all the conditions precedent as set out in Rule 3 of the 2002 Scheme.

### 35. 優先購股權(續)

#### (a) 本公司僱員優先購股權計劃(續)

年內，該計劃項下之優先購股權變動概述如下：

附註：

於二零零二年十月十一日授出之優先購股權行使價為每股3.74港元。該等優先購股權可於二零零二年十月十五日至二零一二年七月二日期間行使。

可按每股3.74港元價格認購5,300,000股本公司股份之優先購股權已於年內行使。本公司股份於緊接行使日期二零零七年五月十八日前五個交易日在聯交所所報之加權平均收市價為33.50港元。

#### (b) EEIC僱員優先購股權計劃

二零零二年依利安達僱員優先購股權計劃(「二零零二年計劃」)於二零零二年十一月八日舉行之股東特別大會獲EEIC股東批准，並於二零零二年計劃規則3所載所有先決條件達成後自二零零二年十一月十二日起獲採納及生效。

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### 35. SHARE OPTIONS (continued)

#### (b) Employees' share option scheme of EEIC (continued)

The 2002 Scheme was implemented for the purpose of attracting, retaining and motivating talented directors and employees of EEIC to strive towards long-term performance targets and allowing the participants to enjoy the results of EEIC.

The 2002 Scheme, administered by the committee of directors of EEIC (the "Committee") as authorised by EEIC's directors, is open to full-time employees and directors of any company within EEIC and its subsidiaries, the parent group and of an associated company of EEIC, subject to certain conditions being satisfied.

The 2002 Scheme entitles the option holders to exercise their options and subscribe for new ordinary shares in EEIC either at a "Subscription Price", which equals to the average of the last dealt price of EEIC's shares for the last 5 market days immediately preceding the relevant date of grant, or at a "Discounted Subscription Price", whereby the discount shall not exceed 20% of the Subscription Price as defined earlier.

Options granted at the Subscription Price may be exercised commencing on a date not earlier than the first anniversary date of the date of grant and ending on a date not later than 5 years after the date of grant. Options granted at the Discounted Subscription Price may only be exercised commencing on a date not earlier than the second anniversary date of the date of grant and ending on a date not later than 5 years after the date of grant.

### 35. 優先購股權(續)

#### (b) EEIC僱員優先購股權計劃(續)

二零零二年計劃之推行目的旨在吸引、留聘及激勵有才幹之EEIC董事及僱員努力實現長遠表現目標，並讓參與人士從EEIC業績中受惠。

二零零二年計劃由EEIC董事授權之EEIC董事委員會(「委員會」)管理，可供EEIC旗下任何公司及其附屬公司、母公司集團及EEIC聯營公司之全職僱員及董事參與，並須待若干條件達成後，方可作實。

二零零二年計劃賦予優先購股權持有人權利，以相等於緊接相關授出日期前五個開市日EEIC股份最後買賣價平均數之「認購價」，或折讓不得超過先前所界定認購價20%之「折讓認購價」，行使彼等之優先購股權及認購EEIC新普通股。

按認購價授出之優先購股權可由不早於授出日期滿一週年當日至不遲於授出日期起計五年內行使。按折讓認購價授出之優先購股權只可由不早於授出日期滿第二週年當日至不遲於授出日期起計五年內行使。

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### 35. SHARE OPTIONS (continued)

#### (b) Employees' share option scheme of EEIC (continued)

The duration of the 2002 Scheme is 5 years and the total number of shares in EEIC that may be issued shall not exceed 10% of the issued share capital of EEIC as at the adoption date or subject to certain conditions being satisfied, 15% of the issued share capital of EEIC as at the adoption date. The total number of EEIC Shares issued and to be issued upon the exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the total number of EEIC Shares in issue from time to time. The 2002 Scheme has accordingly terminated in November 2007 without affecting the rights of holders of any options granted and outstanding under the 2002 Scheme.

Share options may be accepted within 30 days from the date of offer upon payment of S\$1.00 as a nominal consideration by the participants, but the grant of share options do not confer rights on the option holders to any dividend entitlement or to vote at any shareholders' meeting.

A summary of the movements of the share options under the 2002 Scheme for the year is as follows:

### 35. 優先購股權(續)

#### (b) EEIC僱員優先購股權計劃(續)

二零零二年計劃之年期為五年，可發行之EEIC股份總數不得超過採納日期EEIC已發行股本10%，或待若干條件達成後，不得超過採納日期EEIC已發行股本15%。每名參與者於任何十二個月期間獲授之優先購股權(包括已經及尚未行使之優先購股權)獲行使時已經及將予發行之EEIC股份總數，不得超過不時已發行EEIC股份總數之1%。二零零二年計劃於二零零七年十一月終止，此舉不會影響二零零二年計劃項下已授出未行使之任何優先購股權持有人之權利。

優先購股權可於要約日期起計30日內由參與者支付1.00新加坡元作為象徵代價予以接納，惟優先購股權不會賦予持有人收取股息或於股東大會表決之權利。

年內二零零二年計劃項下優先購股權之變動概要如下：

		Granted to directors 授予董事	Granted to employees 授予僱員	Total 總計
Balance at 1 January 2006 (Note a)	於二零零六年一月一日之 結餘(附註a)	4,866,000	6,798,000	11,664,000
Granted during the year (Note b)	於年內授出(附註b)	-	1,020,000	1,020,000
Exercised during the year	於年內行使	-	(9,600)	(9,600)
Reclassifications	重新分類	(973,200)	973,200	-
Lapsed during the year	於年內失效	-	(768,000)	(768,000)
Balance at 31 December 2006 and 1 January 2007	於二零零六年十二月 三十一日及二零零七年 一月一日之結餘	3,892,800	8,013,600	11,906,400
Exercised during the year	於年內行使	-	(780,600)	(780,600)
Lapsed during the year	於年內失效	-	(438,800)	(438,800)
Balance at 31 December 2007	於二零零七年十二月 三十一日之結餘	3,892,800	6,794,200	10,687,000

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### 35. SHARE OPTIONS (continued)

#### (b) Employees' share option scheme of EEIC (continued)

Notes:

- (a) The interests in share options arise by virtue of
- (i) 4,055,000 share options accepted by the directors of the Company and 5,745,000 share options accepted by the employees of the Group on 24 June 2005, and would entitle the relevant directors and employees to subscribe for shares in EEIC at an adjusted subscription price of US\$2.033 per share after the 1 for 5 bonus issue effected by EEIC on 13 October 2005 ("Bonus Issue"). The share options are exercisable in whole or in part at the staggered manner within 5 option periods, commencing on 26 November 2006, 26 November 2007, 26 November 2008, 26 November 2009 and 26 March 2010 respectively and all ending on 24 May 2010; and
- (ii) 150,000 share options accepted by the independent non-executive directors of EEIC on 29 September 2005, would entitle the relevant directors to subscribe for shares in EEIC at an adjusted subscription price of US\$2.375 per share after the Bonus Issue. The share options are exercisable in whole or in part at the staggered manner within 5 option periods, commencing on 5 September 2006, 5 September 2007, 5 September 2008, 5 September 2009 and 5 July 2010 respectively and all ending on 4 September 2010.
- (b) The interests in share options arise by virtue of 1,020,000 share options accepted by the full-time employees of EEIC and its subsidiaries on 12 December 2006, would entitle the relevant employees to subscribe for shares in EEIC at a subscription price of US\$2.400 per share. The share options are exercisable in whole or in part at the staggered manner within 4 option periods, commencing on 13 November 2008, 13 November 2009, 13 November 2010 and 13 September 2011 respectively and all ending on 12 November 2011.

### 35. 優先購股權(續)

#### (b) EEIC僱員優先購股權計劃(續)

附註：

- (a) 該等優先購股權權益由以下方式產生：
- (i) 該等權益乃基於在二零零五年六月二十四日獲本公司董事及本集團僱員分別接納4,055,000份及5,745,000份優先購股權而擁有。該等優先購股權賦予有關董事及僱員權利，於EEIC於二零零五年十月十三日按一比五基準進行的紅股發行(「紅股發行」)後按經調整認購價每股2.033美元認購EEIC股份。優先購股權分別自二零零六年十一月二十六日、二零零七年十一月二十六日、二零零八年十一月二十六日、二零零九年十一月二十六日及二零一零年三月二十六日起至二零一零年五月二十四日止五個優先購股權期間內分段行使全部或其中部分。
- (ii) 該等權益基於EEIC獨立非執行董事於二零零五年九月二十九日接納150,000份優先購股權而擁有。該等優先購股權賦予有關董事權利，於紅股發行後按經調整認購價每股股份2.375美元認購EEIC股份。優先購股權可分別自二零零六年九月五日、二零零七年九月五日、二零零八年九月五日、二零零九年九月五日及二零一零年七月五日起至二零一零年九月四日止五個優先購股權期間內分段行使全部或其中部分。
- (b) 該等優先購股權權益基於EEIC及其附屬公司全職僱員於二零零六年十二月十二日接納1,020,000份優先購股權而擁有。該等優先購股權賦予有關僱員權利，按認購價每股2.400美元認購EEIC股份。優先購股權可分別自二零零八年十一月十三日、二零零九年十一月十三日、二零一零年十一月十三日及二零一一年九月十三日起至二零一一年十一月十二日止四個優先購股權期間內分段行使全部或其中部分。

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### 35. SHARE OPTIONS (continued)

#### (b) Employees' share option scheme of EEIC (continued)

The average of the closing prices of EEIC's shares quoted on The Singapore Exchange Securities Trading Limited on the five trading days immediately before the various exercise dates during the year was US\$2.68 (2006: US\$2.76).

The share options were granted on 24 June 2005, 29 September 2005 and 12 December 2006. The estimated fair value of each share option granted on those dates were approximately HK\$1.58, HK\$1.55 and HK\$2.56 per share respectively.

These fair values were calculated using the Trinomial Lattice Model. The inputs into the model are as follows:

		Share option grant date 優先購股權授出日期		
		12 December 2006 二零零六年 十二月十二日	29 September 2005 二零零五年 九月二十九日	24 June 2005 二零零五年 六月二十四日
Share price at grant date	授出日期之股價	US\$2.740美元	US\$2.920美元	US\$2.530美元
Subscription price	認購價	US\$2.400美元	US\$2.85美元*	US\$2.44美元*
Expected volatility	預期波幅	36.6%	21.2%	25.4%
Expected life	預計年期	5 years年	5 years年	5 years年
Risk-free rate	無風險利率	3.7%	4.2%	3.7%
Expected dividend yield	預期股息率	7.5%	7.5%	7.5%

\* The original subscription price of the share options granted on 29 September 2005 and 24 June 2005 were adjusted to US\$2.375 and US\$2.033 respectively as a result of the Bonus Issue.

年內，EEIC股份於緊接多個行使日期前五個交易日於新加坡證券交易所有限公司所報之平均收市價為2.68美元(二零零六年：2.76美元)。

優先購股權已於二零零五年六月二十四日、二零零五年九月二十九日及二零零六年十二月十二日授出。於該等日期授出之各份購股權之預計公平值分別約為每股1.58港元、1.55港元及2.56港元。

該等公平值乃按三項模式計算。模式內計算之項目如下：

\* 由於進行紅股發行，故於二零零五年九月二十九日及二零零五年六月二十四日授出之優先購股權之原認購價已分別調整為2.375美元及2.033美元。

### 35. 優先購股權(續)

#### (b) EEIC僱員優先購股權計劃(續)

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### 35. SHARE OPTIONS (continued)

#### (b) Employees' share option scheme of EEIC (continued)

Expected volatility was determined by using the historical volatility of EEIC's share price over the previous five years. The expected life used in the model has been adjusted, based on management's best estimate for the effects of non transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of approximately HK\$4,448,000 for the year ended 31 December 2007 (2006: HK\$6,717,000) in relation to the share options granted by EEIC.

#### (c) Employees' share option scheme of KLHL

The share option scheme of KLHL (the "KLHL Scheme") was approved by the shareholders of KLHL and the shareholders of the Company on 18 May 2007 and 25 June 2007 respectively. The KLHL Scheme has been taken effect after obtaining the approval from the Listing Committee of the Stock Exchange on 6 July 2007.

### 35. 優先購股權(續)

#### (b) EEIC僱員優先購股權計劃(續)

預期波幅按EEIC股價過往五年之歷史波幅釐定。模式所用預計年期按管理層之最佳估算就非轉讓性、行使限制及表現考慮因素而獲調整。

本集團於截至二零零七年十二月三十一日止年度就EEIC授出之優先購股權確認約4,448,000港元(二零零六年：6,717,000港元)開支總額。

#### (c) 建滔積層板僱員優先購股權計劃

建滔積層板股東及本公司股東已分別於二零零七年五月十八日及二零零七年六月二十五日批准採納建滔積層板優先購股權計劃(「建滔積層板優先購股權計劃」)。建滔積層板優先購股權計劃於二零零七年七月六日獲得聯交所上市委員會批准後，現已生效。

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### 35. SHARE OPTIONS (continued)

#### (c) Employees' share option scheme of KLHL (continued)

The KLHL Scheme would be valid for a period of ten years. The directors of KLHL may, at its discretion, grant options to subscribe for shares in KLHL to eligible participants who contribute to the long-term growth and profitability of KLHL and include (i) any employee or proposed employee (whether full-time or part-time and including any executive director), consultants or advisers of or to KLHL, any of its subsidiaries or any entity ("KLHL's Invested Entity") in which KLHL and its subsidiaries (collectively referred to as the "KLHL Group") holds an equity interest; (ii) any non-executive directors (including independent non-executive directors) of KLHL, any of its subsidiaries or any KLHL's Invested Entity; (iii) any supplier of goods or services to any member of the KLHL Group or any KLHL's Invested Entity; (iv) any customer of the KLHL Group or any KLHL's Invested Entity; (v) any person or entity that provides research, development or other technological support to the KLHL Group or any KLHL's Invested Entity; and (vi) any shareholder of any member of the KLHL Group or any KLHL's Invested Entity or any holder of any securities issued by any member of the KLHL Group or any KLHL's Invested Entity.

The subscription price of KLHL's share in respect of any option granted under the KLHL Scheme must be at least the highest of (i) the closing price of the shares of KLHL as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average closing price of the shares of KLHL as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of the shares of KLHL.

### 35. 優先購股權 (續)

#### (c) 建滔積層板僱員優先購股權計劃 (續)

建滔積層板優先購股權計劃有效期為十年。建滔積層板董事會可酌情向合資格參與人士授出可認購建滔積層板股份之優先購股權。合資格參與人士為對建滔積層板長遠增長及盈利有貢獻之人士，包括(i)建滔積層板、其任何附屬公司統稱「建滔積層板集團」或任何建滔積層板集團持有股本權益之實體(「建滔積層板投資實體」)之任何僱員或擬聘用僱員(不論全職或兼職，且包括任何執行董事)、諮詢顧問或顧問；(ii)建滔積層板、其任何附屬公司或任何建滔積層板投資實體之任何非執行董事(包括獨立非執行董事)；(iii)任何向建滔積層板集團任何成員公司或任何建滔積層板投資實體提供貨品或服務之供應商；(iv)建滔積層板集團或任何建滔積層板投資實體之任何客戶；(v)任何向建滔積層板集團或任何建滔積層板投資實體提供研究、開發或其他技術支援之人士或實體；及(vi)建滔積層板集團任何成員公司或任何建滔積層板投資實體之任何股東或建滔積層板集團或任何建滔積層板投資實體所發行任何證券之持有人。

任何根據建滔積層板優先購股權計劃授出之優先購股權所涉及建滔積層板股份之最低認購價必須不能低於以下最高價格：(i)建滔積層板股份於優先購股權授出日期(必須為營業日)之聯交所每日報價表所報收市價；(ii)建滔積層板股份於緊接優先購股權授出日期前五個營業日之聯交所每日報價表所報收市價之平均價；及(iii)建滔積層板股份之面值。



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### 35. SHARE OPTIONS (continued)

#### (c) Employees' share option scheme of KLHL (continued)

The option may be accepted by a participant within 28 days from the date of the offer for the grant of the option upon the payment of a consideration of HK\$1. An option may be exercised at any time during a period to be determined and notified by the directors of KLHL to each grantee, and in the absence of such determination, from the date upon which the offer for the grant of the option is accepted but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. The directors of KLHL may, at their absolute discretion, fix any minimum period for which an option must be held, any performance targets that must be achieved and any other conditions that must be fulfilled before the options can be exercised upon the grant of an option to a participant.

The total number of shares of KLHL which may be issued upon exercise of all options to be granted under the KLHL Scheme and any other share option scheme of KLHL (excluding, for this purpose, options lapsed in accordance with the terms of the KLHL Scheme and any other share option scheme of KLHL) must not in aggregate exceed 10% of the total number of shares of KLHL in issue as at the date of approval of the KLHL Scheme.

The maximum number of shares of KLHL which may be issued upon exercise of all outstanding options granted and yet to be exercised under the KLHL Scheme and any other share option scheme of KLHL must not exceed 30% of the issued share capital of KLHL from time to time.

### 35. 優先購股權 (續)

#### (c) 建滔積層板僱員優先購股權計劃 (續)

參與人士可於獲提呈授出優先購股權之日起計28天內，透過支付代價1港元接納優先購股權。優先購股權可於建滔積層板董事釐定及通知各承授人之期間內隨時行使，倘無釐定有關期間，則由優先購股權授出建議獲接納之日開始，並於任何情況下不遲於優先購股權授出日期起計十年之日為止，惟須受建滔積層板優先購股權計劃之提早終止條文所限。建滔積層板董事可全權酌情向參與人士訂定授出行使優先購股權之條件，行使優先購股權前必須持有之最短期間，任何須予達成之表現目標及任何其他須予達成之條件。

根據建滔積層板優先購股權計劃及建滔積層板任何其他優先購股權計劃授出之所有優先購股權(就此而言不包括按照建滔積層板優先購股權計劃及建滔積層板任何其他優先購股權計劃之條款已失效之優先購股權)獲行使時可予發行之建滔積層板股份總數，合共不得超過建滔積層板於批准該計劃當日已發行股份總數之10%。

根據建滔積層板優先購股權計劃及建滔積層板任何其他優先購股權計劃所有授出而尚未行使及有待行使之優先購股權獲行使時可予發行之建滔積層板股份數目，最多不得超過建滔積層板不時之已發行股本30%。

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### 35. SHARE OPTIONS (continued)

#### (c) Employees' share option scheme of KLHL (continued)

The total number of shares of KLHL issued and to be issued upon exercise of the options granted (including both exercised and outstanding options) to each participant in any 12-month period must not exceed 1% of the share capital of KLHL then in issue unless approved by the shareholders of KLHL and the Company in general meetings.

During the year ended 31 December 2007, no share option was granted pursuant to the KLHL Scheme.

### 36. WARRANTS

At an extraordinary general meeting of the Company held on 30 September 2004, a bonus issue of warrants to the shareholders of the Company ("Warrants"), in the proportion of one Warrant for every ten shares held in the share capital of the Company, was proposed and approved. Consequently, 65,447,638 Warrants were issued, conferring rights to the holders of the Warrants until 31 December 2006 to subscribe for up to an aggregate of 65,447,638 shares at a fixed subscription price of HK\$20 per share, representing an aggregate subscription price of HK\$1,308,952,760.

During the year ended 31 December 2006, 42,731,885 new shares were issued on exercise of the Warrants and all of the remaining Warrants were expired.

### 35. 優先購股權(續)

#### (c) 建滔積層板僱員優先購股權計劃(續)

於任何十二個月期內向各參與人士授出之優先購股權(包括已行使及未行使優先購股權)獲行使而已發行及將予發行之建滔積層板股份總數，不得超過建滔積層板當時已發行股本之1%，除非獲建滔積層板及本公司之股東於股東大會批准則作別論。

截至二零零七年十二月三十一日止年度，並無根據建滔積層板優先購股權計劃授出任何優先購股權。

### 36. 認股權證

於二零零四年九月三十日舉行之本公司股東特別大會上，本公司建議按每持有本公司股本中十股股份獲配一份認股權證之比例向本公司股東發行紅股認股權證(「認股權證」)，並獲得批准。因此，本公司已發行65,447,638份認股權證，其持有人獲賦予權利可於二零零六年十二月三十一日之前，按每股20港元之固定認購價，認購最多合共65,447,638股股份，相當於認購價合共1,308,952,760港元。

截至二零零六年十二月三十一日止年度，因行使認股權證而已發行42,731,885股新股份，全部剩餘認股權證經已到期。

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### 37. ACQUISITIONS OF SUBSIDIARIES

- (a) In July 2007, the Group acquired 60% equity interest in 中陽縣鑫隆煤源有限公司, a company principally engaged in mining of coal, for a cash consideration of approximately HK\$365,764,000. This transaction has been reflected as purchases of assets and liabilities rather than as a business combination.

The net assets acquired in the transaction are as follows:

### 37. 收購附屬公司

- (a) 於二零零七年七月，本集團收購中陽縣鑫隆煤源有限公司(該公司主要從事開採煤炭)之60%股權，現金代價約為365,764,000港元。此項交易反映為購買資產及負債，而並非業務合併。

此項交易所購入之資產淨值如下：

		HK\$'000 千港元
Net assets acquired:	購入資產淨值：	
Properties, plant and equipment	物業、廠房及設備	17,959
Prepaid lease payments	預付租賃款項	3,549
Intangible asset – mining right	無形資產 – 採礦權	695,847
Trade and other receivables and prepayments	貿易及其他應收賬款及 預付款項	24,024
Bank balances and cash	銀行結餘及現金	61,576
Trade and other payables	貿易及其他應付賬款	(24,117)
Bank borrowings	銀行借貸	(169,232)
Minority interests	少數股東權益	(243,842)
		365,764
Total consideration satisfied by cash	以現金支付之總代價	365,764
Net cash outflow arising on acquisition of assets and liabilities through purchase of a subsidiary:	透過購買一家附屬公司之資產及負債於收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	365,764
Bank balances and cash acquired	購入銀行結餘及現金	(61,576)
		304,188
Net outflow of cash and cash equivalents in respect of the acquisition of assets and liabilities through purchase of a subsidiary	就透過購買一家附屬公司之資產及負債於收購附屬公司之現金及現金等值項目流出淨額	304,188

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### 37. ACQUISITIONS OF SUBSIDIARIES (continued)

- (b) In April 2007, the Group acquired 51% equity interest in 江西省宏豐塑膠有限公司, a company principally engaged in manufacture of plastic components, for a cash consideration of approximately HK\$20,643,000. This acquisition has been accounted for by the acquisition method of accounting. The amount of goodwill arising as a result of the acquisition was approximately HK\$238,000.

The net assets acquired in the acquisition, and the goodwill arising, are as follows:

### 37. 收購附屬公司(續)

- (b) 二零零七年四月，本集團收購江西省宏豐塑膠有限公司(該公司主要從事製造塑料元件)之51%股權，現金代價約為20,643,000港元。此項收購以收購會計法列賬。收購所產生之商譽約為238,000港元。

收購所購入之資產淨值及所產生之商譽如下：

		Acquiree's carrying amount before combination and fair value 被收購方於合併前 之賬面值及公平值 HK\$'000 千港元
Net assets acquired:	購入資產淨值：	
Properties, plant and equipment	物業、廠房及設備	37,153
Prepaid lease payments	預付租賃款項	2,076
Inventories	存貨	140
Trade and other receivables and prepayments	貿易及其他應收賬款及 預付款項	1,212
Bank balances and cash	銀行結餘及現金	363
Trade and other payables	貿易及其他應付賬款	(934)
		40,010
Minority interests	少數股東權益	(19,605)
Goodwill on acquisition	收購所產生之商譽	238
		20,643
Total consideration satisfied by cash	以現金支付之總代價	
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	20,643
Bank balances and cash acquired	購入銀行結餘及現金	(363)
		20,280
Net outflow of cash and cash equivalents in respect of the acquisition of subsidiary	收購附屬公司之現金及 現金等值項目流出淨額	20,280

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### 37. ACQUISITIONS OF SUBSIDIARIES (continued)

(b) (continued)

The goodwill arising from the acquisition of subsidiaries is attributable to the anticipated profitability of the distribution of the Group's products from the combination.

The subsidiaries acquired in 2007 contributed revenue of approximately HK\$23,186,000 and profit of approximately HK\$2,169,000 to the Group during the period from date of acquisition to 31 December 2007.

If the acquisition had been completed on 1 January 2007, total group's revenue for the year would have been approximately HK\$20,027,934,000, and profit for the year would have been approximately HK\$3,471,749,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2007, nor is it intended to be a projection of future results.

### 37. 收購附屬公司(續)

(b) (續)

收購附屬公司所產生之商譽源自合併後分銷本集團產品之預計盈利能力。

於二零零七年收購之附屬公司自收購日期起至二零零七年十二月三十一日止期間對本集團營業額貢獻約為23,186,000港元及對本集團溢利貢獻約2,169,000港元。

倘收購於二零零七年一月一日完成，本年度集團總營業額將約為20,027,934,000港元，本年度溢利將約為3,471,749,000港元。備考資料僅供說明之用，並不表示假設收購已於二零零七年一月一日完成後本集團實際可達致之營業額及經營業績，亦不擬作為未來業績之預測。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 37. ACQUISITIONS OF SUBSIDIARIES (continued)

- (c) In 2006, the Group acquired 80% equity interest in Smark Foundate (H.K.) Limited, a company and its subsidiaries principally engaged in manufacture of PCBs, for a consideration of HK\$80,000,000. This acquisition has been accounted for by the acquisition method of accounting. The amount of goodwill arising as a result of the acquisition was approximately HK\$48,621,000.

The net assets acquired in the acquisition, and the goodwill arising, are as follows:

### 37. 收購附屬公司(續)

- (c) 於二零零六年，本集團收購杰基(香港)有限公司(該公司及其附屬公司主要從事製造印刷線路板)之80%股權，代價為80,000,000港元。此項收購以收購會計法列賬。收購所產生之商譽約為48,621,000港元。

收購所購入之資產淨值及所產生之商譽如下：

		Acquiree's carrying amount before combination and fair value 被收購方於合併前 之賬面值及公平值 HK\$'000 千港元
Net assets acquired:	購入資產淨值：	
Properties, plant and equipment	物業、廠房及設備	39,204
Prepaid lease payments	預付租賃款項	6,128
Inventories	存貨	20,943
Trade and other receivables and prepayments	貿易及其他應收賬款及預付款項	72,228
Bank balances and cash	銀行結餘及現金	10,253
Trade and other payables	貿易及其他應付賬款	(96,544)
Taxation payable	應繳稅項	(116)
Bank borrowings	銀行借貸	(12,872)
		39,224
Minority interests	少數股東權益	(7,845)
Goodwill on acquisition	收購所產生之商譽	48,621
		80,000
Total consideration satisfied by cash	以現金支付之總代價	
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	80,000
Bank balances and cash acquired	購入銀行結餘及現金	(10,253)
		69,747
Net outflow of cash and cash equivalents in respect of the acquisition of subsidiaries	收購附屬公司之現金及現金等值項目流出淨額	69,747

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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 37. ACQUISITIONS OF SUBSIDIARIES (continued)

(c) (continued)

The goodwill arising from the acquisition of subsidiaries is attributable to the anticipated profitability of the distribution of the Group's products (i.e. PCBs) from the combination.

The subsidiaries acquired in 2006 contributed revenue of approximately HK\$201,175,000 and profit of approximately HK\$2,745,000 to the Group during the period from date of acquisition to 31 December 2006.

If the acquisition had been completed on 1 January 2006, total group's revenue for the year would have been approximately HK\$17,017,427,000, and profit for the year would have been approximately HK\$7,390,219,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually have been achieved had the acquisition been completed on 1 January 2006, nor is intended to be a projection of future results.

### 37. 收購附屬公司(續)

(c) (續)

收購附屬公司所產生之商譽源自合併後分銷本集團產品(即：印刷線路板)之預計盈利能力。

於二零零六年收購之附屬公司自收購日期起至二零零六年十二月三十一日止期間對本集團營業額貢獻約為201,175,000港元及對本集團溢利貢獻約2,745,000港元。

倘收購於二零零六年一月一日完成，本年度集團總營業額將約為17,017,427,000港元，本年度溢利將約為7,390,219,000港元。備考資料僅供說明之用，並不表示假設收購已於二零零六年一月一日完成後本集團實際可達致之營業額及經營業績，亦不擬作為未來業績之預測。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 38. COMMITMENTS

### 38. 承擔

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of properties, plant and equipment	943,580	382,439
Capital expenditure authorised but not contracted for in respect of acquisition of properties, plant and equipment	-	44,413
	<b>943,580</b>	<b>426,852</b>

### 39. OPERATING LEASES

### 39. 經營租約

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
The Group as lessee:		
Lease payments charged to the consolidated income statement during the year		
– for premises	15,738	13,908
– for plant and machinery	722	450
	<b>16,460</b>	<b>14,358</b>

Under the leases entered into by the Group, all lease payments are fixed and predetermined.

根據本集團訂立之租約，所有租約付款之金額均為固定及預早釐定。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 39. OPERATING LEASES (continued)

At the balance sheet date, the Group's future lease payments under non-cancellable operating leases are payable as follows:

### 39. 經營租約(續)

於結算日，本集團根據不可撤銷之經營租約於日後支付之租約付款須於下列期間支付：

		Premises 物業		Plant and machinery 廠房及機器	
		2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Within one year	於一年內	7,565	14,186	20	617
After one year but not later than five years	於一年後但於五年內	6,287	8,632	30	-
After five years	於五年後	26,315	24,310	66	-
		<b>40,167</b>	47,128	<b>116</b>	617

		2007 二零零七年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元
The Group as lessor:	由本集團出租：		
Rental income credited to the consolidated income statement during the year, net of outgoing amount of approximately HK\$157,000 (2006: HK\$120,000)	於年內計入綜合收益表之租金收入，已扣除支銷約157,000港元（二零零六年：120,000港元）	<b>30,184</b>	5,894

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 39. OPERATING LEASES (continued)

The Group's investment properties are rented to outside parties for periods up to seven years at fixed predetermined amounts. At the balance sheet date, the Group had contracted with tenants to receive the following future minimum lease payments:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within one year	於一年內	45,281	4,249
After one year but not later than five years	於一年後但於五年內	37,885	7,645
After five years	於五年後	2,420	-
		<b>85,586</b>	11,894

### 40. RETIREMENT BENEFITS SCHEME

The Group participates in both a defined contribution scheme which was registered under the Occupational Retirement Scheme Ordinance (the "ORSO Scheme") and a Mandatory Provident Fund Scheme (the "MPF Scheme") which was established under the Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group and are invested in funds under the control of independent trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme are members of both the ORSO Scheme and the MPF Scheme, whereas all new employees joining the Group on or after December 2000 are required to join the MPF Scheme.

Employees of subsidiaries in the PRC are members of the state-sponsored pension scheme operated by the PRC government. The subsidiaries are required to contribute a certain percentage of their payroll to the pension scheme to fund the benefits. The only obligation of the Group with respect to the pension scheme is to make the required contributions.

Payments to the ORSO Scheme, the MPF Scheme and the state-sponsored pension schemes of approximately HK\$53,896,000 (2006: HK\$37,513,000) are charged to the consolidated income statement.

### 39. 經營租約(續)

本集團之投資物業均按預早釐定之定額租金租予外界人士，租期最長為七年。於結算日，本集團已與租戶訂立合約，可於日後收取之最低租約付款如下：

### 40. 退休福利計劃

本集團同時參加一項根據職業退休計劃條例註冊之定額供款計劃(「職業退休計劃」)及根據強制性公積金條例於二零零零年十二月成立之強制性公積金計劃(「強積金計劃」)。該等計劃之資產與本集團之資產分開持有，並投資於由獨立信託人控制之基金。於成立強積金計劃之前已參加職業退休計劃之僱員，同時成為職業退休計劃及強積金計劃之成員，而所有於二零零零年十二月或之後加入本集團之新僱員必須參加強積金計劃。

中國附屬公司之僱員為中國政府運作之國家資助退休福利計劃成員。該等附屬公司須將薪金支出之某一百分比投入退休計劃，以支付有關福利。本集團就退休計劃履行之唯一責任為支付所需供款。

向職業退休計劃、強積金計劃及國家資助退休福利計劃支付之供款約為53,896,000港元(二零零六年：37,513,000港元)，並自綜合收益表中扣除。

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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY 41. 本公司主要附屬公司詳情

Details of the Company's principal subsidiaries at 31 December 2007 are as follows:

本公司主要附屬公司於二零零七年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of the ownership interest held by the Group 本集團持有 權益比例		Principal activities 主要業務
			2007	2006	
			二零零七年 %	二零零六年 %	
Fogang Kingboard Industry Ltd. 佛岡建滔實業有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	RMB878,100,000 人民幣878,100,000元	46.47 <sup>+</sup>	45.06 <sup>+</sup>	Manufacture and distribution of copper foil 製造及分銷銅箔
Guangzhou Chung Shun Century Fibre Glass Co., Ltd. 廣州忠信世紀玻纖有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$44,595,000 44,595,000美元	74.77	72.50	Manufacture and distribution of glass yarn 製造及分銷玻璃紗
Jamplan (BVI) Limited	British Virgin Islands <sup>2</sup> 英屬處女群島 <sup>2</sup>	US\$1,000 1,000美元	100 <sup>*</sup>	100 <sup>*</sup>	Investment holding 投資控股
King Board (Panyu) Chemical Co., Ltd. 建滔(番禺)化工有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	HK\$100,000,000 100,000,000港元	100	100	Manufacture and distribution of chemicals 製造及分銷化工產品
Kingboard (Fogang) Insulated Material Company Limited 建滔(佛岡)絕緣材料有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$6,115,000 6,115,000美元	74.77	72.50	Manufacture and distribution of bleached kraft paper 製造及分銷漂白木漿紙
Kingboard (Fogang) Laminates Co. Limited 建滔(佛岡)積層板有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$29,466,000 29,466,000美元	74.77	72.50	Manufacture and distribution of laminates 製造及分銷覆銅面板

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### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of the ownership interest held by the Group 本集團持有 權益比例		Principal activities 主要業務
			2007 二零零七年 %	2006 二零零六年 %	
Kingboard (Fogang) Paper Laminates Co. Ltd. 建滔(佛岡)積層紙板有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$17,936,546 17,936,546美元	<b>74.77</b>	72.50	Manufacture and distribution of laminates 製造及分銷覆銅面板
Kingboard (Hebei) Cokechem Co. Ltd. 建滔(河北)焦化有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	RMB96,000,000 人民幣96,000,000元	<b>100</b>	100	Manufacture and distribution of coke 製造及分銷焦炭
Kingboard (Hebei) Chemical Co. Limited 建滔(河北)化工有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	RMB179,000,000 人民幣179,000,000元	<b>100</b>	100	Manufacture and distribution of chemicals 製造及分銷化工產品
Kingboard Natural Gas Chemical (Chong Qing) Limited 建滔天然氣化工(重慶) 有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$18,500,000 18,500,000美元	<b>100</b>	100	Manufacture and distribution of methanol 製造及分銷甲醇
Heng Yang Kingboard Chemical Co., Ltd. 衡陽建滔化工有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	HK\$30,000,000 30,000,000港元	<b>100</b>	100	Manufacture and distribution of caustic soda 製造及分銷燒碱
Kingboard (Lianzhou) Fibre Glass Co. Limited 建滔(連州)玻璃纖維有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$13,700,000 13,700,000美元	<b>74.77</b>	72.50	Manufacture and distribution of glass fabric 製造及分銷玻璃纖維布
Kingboard (Lianzhou) Copper Foil Limited 建滔(連州)銅箔有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$27,000,000 27,000,000美元	<b>46.47<sup>+</sup></b>	45.06 <sup>+</sup>	Manufacture and distribution of copper foil 製造及分銷銅箔

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### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of the ownership interest held by the Group 本集團持有 權益比例		Principal activities 主要業務
			2007	2006	
			二零零七年 %	二零零六年 %	
Kingboard (Panyu Nansha) Petrochemical Company Limited 建滔(番禺南沙)石化有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	RMB250,000,000 人民幣250,000,000元	<b>74.77</b>	72.50	Manufacture and distribution of chemicals 製造及分銷化工產品
Kingboard Copper Foil Holdings Limited	Bermuda <sup>#</sup> 百慕達 <sup>#</sup>	US\$72,250,000 72,250,000美元	<b>46.47<sup>+</sup></b>	45.06 <sup>+</sup>	Investment holding 投資控股
Kingboard Investments Limited 建滔投資有限公司	Hong Kong <sup>#</sup> 香港 <sup>#</sup>	HK\$8,000 8,000港元	<b>100</b>	100	Investment holding 投資控股
Kingboard Laminates Holdings Limited 建滔積層板控股有限公司	Cayman Islands <sup>#</sup> 開曼群島 <sup>#</sup>	HK\$300,000,000 300,000,000港元	<b>74.77</b>	72.50	Investment holding 投資控股
Kingboard Copper Foil (Macao Commercial Offshore) Limited 建滔銅箔(澳門離岸商業服務) 有限公司	Macau 澳門	MOP100,000 澳門幣100,000元	<b>46.47<sup>+</sup></b>	45.06 <sup>+</sup>	Distribution of copper foil 分銷銅箔

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### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of the ownership interest held by the Group 本集團持有 權益比例		Principal activities 主要業務
			2007 二零零七年 %	2006 二零零六年 %	
Kingboard Laminates (Macao Commercial Offshore) Limited 建滔積層板(澳門離岸商業服務)有限公司	Macao 澳門	MOP100,000 澳門幣100,000元	74.77	72.50	Distribution of laminates 分銷覆銅面板
Kingboard Laminates (Jiangmen) Co., Ltd. 江門建滔積層板有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	HK\$189,491,052 189,491,052港元	74.77	72.50	Manufacture and distribution of laminates 製造及分銷覆銅面板
Kingboard Laminates (Kunshan) Co., Ltd. 建滔積層板(昆山)有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$32,010,000 32,010,000美元	74.77	72.50	Manufacture and distribution of laminates 製造及分銷覆銅面板
Kingboard Laminates (Shaoguan) Co. Ltd. 建滔積層板(韶關)有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	RMB7,490,000 人民幣7,490,000元	74.77	72.50	Manufacture and distribution of laminates 製造及分銷覆銅面板
Kunshan Yattoo Chemical Co., Ltd. 昆山日滔化工有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$12,500,000 12,500,000美元	74.77	72.50	Manufacture and distribution of laminates 製造及分銷覆銅面板
Techwise Circuits Company Limited 科惠線路有限公司	Hong Kong <sup>#</sup> 香港 <sup>#</sup>	HK\$4,000,000 4,000,000港元	90	90	Investment holding 投資控股

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### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of the ownership interest held by the Group 本集團持有 權益比例		Principal activities 主要業務
			2007	2006	
			二零零七年 %	二零零六年 %	
Techwise Shirai (Fogang) Circuits Limited 科惠白井(佛崗)電路有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	HK\$135,000,000 135,000,000港元	<b>63</b>	63	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Elec & Eltek International Holdings Limited 依利安達國際集團有限公司	Bermuda/Hong Kong <sup>#</sup> 百慕達/香港 <sup>#</sup>	HK\$122,467,240 122,467,240港元	<b>100</b>	100	Investment holding 投資控股
Elec & Eltek Display Technology (Guangzhou) Company Limited 依利安達(廣州)顯示器有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$14,700,000 14,700,000美元	<b>98</b>	88	Manufacture and sales of LCDs 製造及銷售液晶體顯示屏
Avatex (Guangzhou) Communication Company Limited 愛華特(廣州)通訊有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$5,400,000 5,400,000美元	<b>89.67</b>	98	Manufacture of magnetic products 製造磁電產品
Elec & Eltek International Company Limited 依利安達集團有限公司	Singapore <sup>#</sup> 新加坡 <sup>#</sup>	US\$98,656,000 98,656,000美元	<b>70.77</b>	70.89	Investment holding 投資控股
Kai Ping Elec & Eltek Company Limited 開平依利安達電子有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$27,850,000 27,850,000美元	<b>67.23</b>	67.35	Manufacture and distribution of PCBs 製造及分銷印刷線路板

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of the ownership interest held by the Group 本集團持有 權益比例		Principal activities 主要業務
			2007	2006	
			二零零七年 %	二零零六年 %	
Kaiping Elec & Eltek No.2 Company Limited 開平依利安達電子第二有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$21,670,000 21,670,000美元	<b>67.23</b>	67.35	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Kaiping Elec & Eltek No.3 Company Limited 開平依利安達電子第三有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$86,960,000 86,960,000美元	<b>67.23</b>	67.55	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Kaiping Elec & Eltek No.5 Company Limited 開平依利安達電子第五有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$30,075,100 30,075,100美元	<b>67.23</b>	67.35	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Elec & Eltek (Guangzhou) Electronic Company Limited 依利安達(廣州)電子有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$70,596,000 70,596,000美元	<b>69.35</b>	69.47	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Elec & Eltek (Guangzhou) Technology Company Limited 依利安達(廣州)電子科技有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$6,000,000 6,000,000美元	<b>69.35</b>	69.47	Research and development, manufacture and distribution of PCBs 研究及開發, 製造及分銷 印刷線路板



## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of the ownership interest held by the Group 本集團持有 權益比例		Principal activities 主要業務
			2007 二零零七年 %	2006 二零零六年 %	
Guangzhou Elec & Eltek Microvia Technology Limited 廣州依利安達微通科技有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$24,800,000 24,800,000美元	<b>69.35</b>	69.47	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Guangzhou Elec & Eltek High Density Interconnect Technology No. 1 Company Limited 廣州依利安達精密互連科技第一 有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$25,000,000 25,000,000美元	<b>69.35</b>	69.47	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Elec & Eltek (Thailand) Limited	Thailand 泰國	Baht780,000,000 780,000,000泰銖	<b>70.77</b>	70.89	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Pacific Insulating Material (Thailand) Limited	Thailand 泰國	Baht650,000,000 650,000,000泰銖	<b>70.77</b>	70.89	Manufacture and distribution of PCB raw materials 製造及分銷印刷線路板 原材料

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For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of the ownership interest held by the Group 本集團持有權益比例		Principal activities 主要業務
			2007 二零零七年 %	2006 二零零六年 %	
Shenzhen Pacific Insulating Material Co., Ltd. 深圳太平洋絕緣材料有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	RMB67,491,458 人民幣67,491,458元	<b>66.17</b>	66.28	Manufacture and distribution of PCB raw materials 製造及分銷印刷線路板原材料
Kaiping Pacific Insulating Material Company Limited 開平太平洋絕緣材料有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$15,000,000 15,000,000美元	<b>70.77</b>	70.89	Manufacture and distribution of high-end PCB raw materials 製造及分銷高端印刷線路板原材料
*	The Company directly holds the interest in Jamplan (BVI) Limited. The Company's interest in all other subsidiaries is held indirectly through Jamplan (BVI) Limited.		*		本公司直接持有Jamplan (BVI) Limited之權益。本公司於所有其他附屬公司之權益均透過Jamplan (BVI) Limited間接持有。
#	These are investment holding companies which have no specific principal place of operation.		#		此等為投資控股公司，並無特定之主要經營地點。
+	These companies were non wholly-owned subsidiaries of Kingboard Laminates Holdings Limited.		+		該等公司為建滔積層板控股有限公司之非全資擁有附屬公司。
1	These companies were established in the PRC in the form of Wholly Foreign-owned Enterprises.		1		此等公司乃以外商獨資企業形式在中國成立。
2	These companies were established in the PRC in the form of Sino-Foreign Equity Joint Ventures.		2		此等公司乃以中外合資合營企業形式在中國成立。
3	Included treasury shares of US\$896,000.		3		包括庫存股份896,000美元。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

### 42. RELATED PARTY TRANSACTIONS

The Group entered into the following significant transactions with related parties during the year:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Sales of goods to a minority shareholder of a subsidiary	向一間附屬公司之少數股東銷售貨品	556,420	486,661
Purchase of goods from a minority shareholder of a subsidiary	向一間附屬公司之少數股東採購貨品	123,218	110,683
Drilling service provided by a minority shareholder of a subsidiary	一間附屬公司之少數股東提供鑽孔服務	27,008	18,693
Purchase of goods from an associate	向一間聯營公司採購貨品	450,296	178,896
Sales of goods to an associate	向一間聯營公司銷售貨品	66,412	9,941

Included in trade and other receivables and prepayments are amount due from a minority shareholder of a subsidiary of approximately HK\$155,408,000 (2006: HK\$143,098,000). The Group allows credit periods of up to 120 days, depending on the products sold, to its related parties.

### 41. 本公司主要附屬公司詳情(續)

上表所列為本公司董事認為主要影響本集團業績或資產之本公司附屬公司。本公司董事認為列出其他附屬公司之詳情會過於冗長。

各附屬公司於年終結時概無發行任何債務證券。

### 42. 有關連人士交易

本集團與有關連人士在年內進行之重大交易如下：

貿易及其他應收賬款及預付款項包括應收附屬公司少數股東款項約155,408,000港元(二零零六年：143,098,000港元)。本集團向有關連人士授出之信貸賬期最長為120日，視乎所銷售之產品而定。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

### 42. RELATED PARTY TRANSACTIONS

(continued)

Included in trade and other payables was an amount due to an associate of approximately HK\$38,392,000 (2007: nil) as at 31 December 2006. The related party offers credit periods of up to 120 days to the Group.

#### Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Short-term benefits	短期福利	209,851	189,711
Post-employment benefits	退休後福利	1,735	1,415
Share-based payments	以股份形式付款	2,776	5,100
		<b>214,362</b>	196,226

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

### 43. POST BALANCE SHEET EVENT

Subsequent to 31 December 2007, the Group sold its entire holding of 740,518,325 ordinary shares in G-Prop, an associate of the Company, to an independent third party namely Mass Rise Limited, an indirect wholly-owned subsidiary of Chinese Estates Holdings Limited, at a consideration of approximately HK\$120,777,000.

### 42. 有關連人士交易(續)

於二零零六年十二月三十一日，貿易及其他應付賬款包括應付一間聯營公司款項約38,392,000港元(二零零七年：沒有)。有關連人士向本集團授出之信貸期最長為120日。

#### 主要管理人員酬金

年內，董事及其他主要管理人員之酬金如下：

董事及主要行政人員之酬金經薪酬委員會考慮個別員工表現及市場趨勢後釐定。

### 43. 結算日後事件

二零零七年十二月三十一日後，本集團以總代價約120,777,000港元將集團所持有之金匡企業(本公司之聯營公司)的740,518,325股普通股全數賣給獨立第三方華人置業集團的間接全資擁有附屬公司一巨昇有限公司。

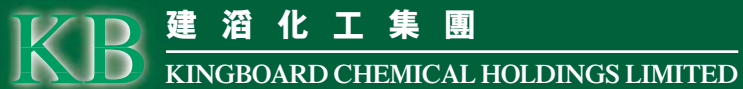
## Financial Summary

### 財務概要

Results		Year ended 31 December				
		截至十二月三十一日止年度				
業績		2003	2004	2005	2006	2007
		二零零三年	二零零四年	二零零五年	二零零六年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue	營業額	4,435,503	7,082,390	13,098,354	16,773,348	<b>20,025,112</b>
Profit before taxation	除稅前溢利	559,994	1,257,497	1,788,802	7,596,154	<b>3,717,184</b>
Income tax expense	所得稅開支	(37,601)	(61,184)	(139,970)	(240,435)	<b>(245,030)</b>
Profit for the year	本年度溢利	522,393	1,196,313	1,648,832	7,355,719	<b>3,472,154</b>
Attributable to:	應佔份額：					
Equity holders of the Company	本公司權益持有人	472,366	1,103,845	1,435,809	7,068,015	<b>2,778,321</b>
Minority interests	少數股東權益	50,027	92,468	213,023	287,704	<b>693,833</b>
		522,393	1,196,313	1,648,832	7,355,719	<b>3,472,154</b>

Assets and liabilities		At 31 December				
		於十二月三十一日				
資產及負債		2003	2004	2005	2006	2007
		二零零三年	二零零四年	二零零五年	二零零六年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	資產總值	7,625,277	16,489,146	19,360,822	28,121,051	<b>34,941,986</b>
Total liabilities	負債總額	(3,421,807)	(9,345,642)	(9,714,079)	(9,108,130)	<b>(12,715,190)</b>
		4,203,470	7,143,504	9,646,743	19,012,921	<b>22,226,796</b>
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	3,554,655	5,505,064	8,232,167	15,958,925	<b>18,277,703</b>
Equity component of share option reserve of a subsidiary	一間附屬公司優先購股權儲備之權益	–	–	3,047	9,764	<b>12,862</b>
Minority interests	少數股東權益	648,815	1,638,440	1,411,529	3,044,232	<b>3,936,231</b>
		4,203,470	7,143,504	9,646,743	19,012,921	<b>22,226,796</b>



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