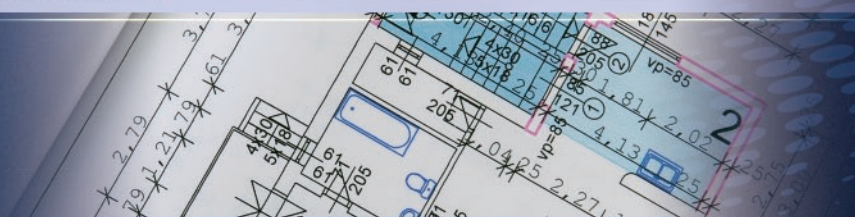
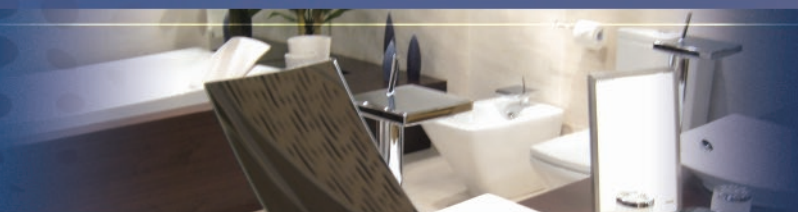


安利

ARNHOLD HOLDINGS LIMITED

安利控股有限公司

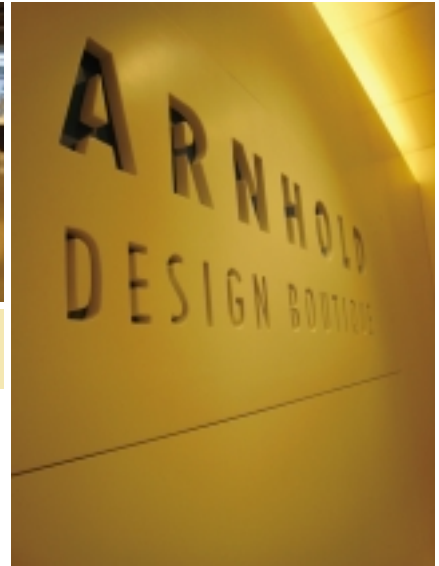
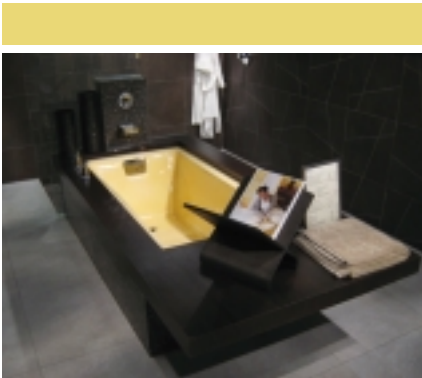
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Highlights 摘要

- Turnover up by 30% to HK\$387.9M
營業額上升 30% 至港幣 387.9 百萬元
- Gross profit up by 30% to HK\$85.3M
毛利上升 30% 至港幣 85.3 百萬元
- Outstanding order book up by 5.9% to HK\$174.3M
未完成訂單金額增加 5.9% 至港幣 174.3 百萬元
- Significant growth in marble export and retail businesses
雲石出口及零售業務錄得顯著增長
- Strong cash reserve for future growth opportunities
大量現金儲備以供日後發展



2007 was a year of growth and development for the Group. Turnover was up by 30% to HK\$387.9 million with net profit before tax increasing to HK\$17.0 million. With the support of our experienced management team, we believe we have established a solid foundation for sustainable growth.

Listed below are some highlights of our Operating Divisions:

Plumbing Fixtures

1. We have further improved our market position in the dealer market, and expanded our coverage of the refurbishment sector in Hong Kong.
2. We have plans to open a luxury showroom in Shanghai to serve the high-end market in Eastern China. This is an important step for our retail activities and will be a blueprint for future retail expansion in the Mainland.
3. We secured orders for high profile projects including The Vineyard, The Palazzo, The Lake W and The Regency Park in Shanghai.

二零零七年是本集團增長及發展的一年。營業額上升 30% 至約港幣 387,900,000 元，除稅前純利增加至約港幣 17,000,000 元。憑藉我們管理層的豐富經驗，相信本集團已奠下穩固根基，為日後持續增長做好準備。

下文載列各營業部門之部份摘要：

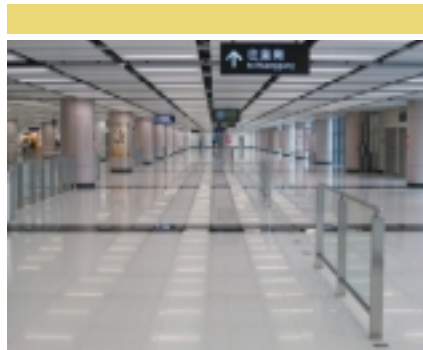
衛浴潔具

1. 本集團進一步鞏固其於經銷商市場之地位，並將業務拓展至香港的裝修市場。
2. 本集團計劃於上海開設一所高級陳列室以針對華東的高檔市場。此舉為本集團零售業務的重要里程碑，並將成為本集團日後進軍內地零售市場之藍圖。
3. 本集團已落實多項市場大型項目之訂單包括葡萄園、The Palazzo、The Lake W 及上海御翠園。



Chairman's Statement

主席報告



Tiles

The strong order intake in 2006 enabled us to deliver improved results in 2007. We are maintaining our leading position in the Hong Kong market and secured a number of prestigious projects including the MTR stations at Jordan Road, West Kowloon, East Tsim Sha Tsui, as well as One Island East and Windsor House.

磁磚

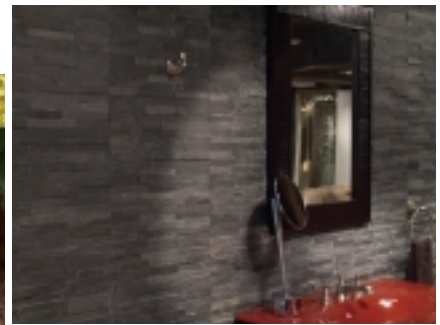
本集團於二零零七年的理想業績，亦有賴於二零零六年的強勁訂單數目。本集團繼續穩佔香港市場領導地位，取得多項焦點項目包括位於佐敦道、西九龍、尖沙咀東之港鐵站以及港島東中心及皇室堡之工程。

Marble Export

Our new marble processing plant in DongGuan is now in full operation. The additional production capacity enabled us to increase our turnover by more than 100% in 2007. We are continuing to expand our customer base by targeting international customers who require the highest quality products and designs.

雲石出口

本集團於東莞新建之雲石加工廠房已全面投入運作，於二零零七年，廠房之新增產能使本集團之營業額增加逾倍。本集團以追求頂級產品及設計之國際客戶為目標，務求進一步擴展客戶層面。



Chairman's Statement 主席報告

Engineering

We focused on our distribution and services of imported filters, air handling units, calorifiers, strainers and Internal Air Quality equipment. We secured a number of landmark projects in 2007 including Science Park (Phase 2), One Island East, The Lisboa Casino and the Sheung Shui Slaughterhouse.

Building Materials Export

We made good progress in 2007 and opened new accounts across Europe and the United States. We expanded our sourcing capabilities to cover a wider range of products and this has opened up new opportunities with new and existing customers.

We believe we have established a firm foundation for the traditional trading business and structured ourselves effectively for growing opportunities in marble processing and building materials export. While recent economic changes in the United States and the Mainland have created additional challenges to our business, we remain confident of maintaining our growth momentum in 2008.

Michael John Green

Chairman

Hong Kong, 20 March 2008

工程設備

本集團專注於進口空氣淨化器、風櫃、換熱器、過濾器及室內空氣質素設備之分銷及服務。於二零零七年，本集團取得多項重點工程包括科學園（第二期）、港島東中心、葡京娛樂場及上水屠房。

建築材料出口

二零零七年的業務理想，於歐洲及美國均吸納了新客戶，並提升採購範圍至覆蓋更多元化的商品，成功為集團與新舊客戶開展新合作關係。

我們相信已為傳統貿易業務奠下穩固基礎，並已有效調整架構，為吸納雲石加工及建築材料出口之商機作好準備。儘管美國經濟近期出現波動，而內地環境亦增加對我們業務的挑戰，本集團仍有信心可於二零零八年維持增長動力。

米高·葛林

主席

香港，二零零八年三月二十日

Management Discussion and Analysis

管理層討論與分析

Review of Operations

The Group continued to be engaged principally in its core business of trading of building materials and engineering equipment. The Group also established a processing factory in the PRC to process and export marble products.

During the year, the Group recorded a turnover of HK\$387.9 million with a gross profit of HK\$85.3 million (2006: HK\$297.6 million and HK\$65.7 million respectively). The improvement was mainly attributable to the increase in turnover of tiles trading, marble export and retail operations. Gross profit margin remained at around 22% despite the pressure of rising materials costs. Operating expenses increased to HK\$75.7 million (2006: HK\$65.4 million) mainly because of staff compensation and depreciation charges of the new marble factory. Taking into account the net gain on disposal after share of loss of associate for the year 2007 of HK\$1.6 million (2006: share of loss of associate of HK\$1.8 million) and gain on disposal of an investment property of HK\$0.4 million, the Group's profit attributable to shareholders for the year improved to HK\$16.8 million (2006: HK\$2.1 million).

The Group continued to improve its market coverage with new products and a wider customer base. Growth was also achieved in our manufacturing and export operations, resulting in outstanding orders on hand at the year end amounting to HK\$174.3 million, representing an increase of 5.9% over the end of last year (At December 2006: HK\$164.6 million).

業務回顧

本集團繼續專注經營建築材料及工程設備貿易，另本集團在中國開設了一所加工廠房以加工及分銷雲石產品。

年內，本集團錄得營業額約港幣 387,900,000 元及總溢利約港幣 85,300,000 元（二零零六年：分別為約港幣 297,600,000 元及約港幣 65,700,000 元）。營業額改善，主要由於磁磚貿易、雲石出口及零售業務營業額上升所致。在原材料成本上漲的壓力下，邊際毛利率仍維持在約 22% 的水平。營運開支增加至約港幣 75,700,000 元（二零零六年：約港幣 65,400,000 元），主要是受薪金及新廠房之折舊開支影響所致。經計及（包括二零零七年應佔虧損）出售聯營公司淨收益約港幣 1,600,000 元（二零零六年：應佔聯營公司虧損約港幣 1,800,000 元）及出售投資物業收益約港幣 400,000 元後，本集團於本年度之股東應佔溢利增加至約港幣 16,800,000 元（二零零六年：約港幣 2,100,000 元）。

本集團進一步以新產品拓展市場並擴闊客戶層面，同時在生產及出口業務上取得增長，以致年終之未完成訂單金額為約港幣 174,300,000 元，較去年底增加 5.9%（二零零六年十二月：約港幣 164,600,000 元）。

Management Discussion and Analysis

管理層討論與分析

Segmental Information

From 2007 onwards, the Group has re-organised its operations around three business segments. The segmental analysis has therefore been restated and the original two segments (being the trading in and the supply of building products and engineering equipment) have been replaced by (i) trading (ii) manufacturing and export and (iii) retail and renovation operations. Management believes that this analysis better reflects the way in which the business is now managed and its future strategic direction.

Trading operations represent the traditional business of distributing engineering equipment and building products. Manufacturing and export operations mainly include the manufacturing and exporting of natural stone products. Retail and renovation operations consist of the Group's two retail outlets in Hong Kong and the wholesale business to local dealers.

Revenue from trading operations increased by HK\$13.1 million to HK\$241.6 million with the gross profit contribution decreasing by HK\$2.2 million to HK\$39.8 million (2006: HK\$228.5 million and HK\$42.0 million respectively). During the year, new residential property projects in Hong Kong reduced substantially which adversely affected our sales of plumbing fixtures to new projects. Gross margin was also under pressure because of the rising import prices from overseas suppliers.

分部資料

自二零零七年起，本集團將其業務重組為三個業務分部。因此，分部分析已作重列，原有之兩個分部（即建築產品及工程設備之貿易及供應）已由(i)貿易、(ii)生產及出口及(iii)零售及裝修業務取代。管理層相信，此項分析能更有效地反映現行之業務管理模式及其未來政策方向。

貿易業務指分銷工程設備及建築產品之傳統業務。生產及出口業務主要包括加工及出口天然石材產品。零售及裝修業務則包括本集團在香港設立的兩家零售門市及對本地經銷商進行之批發業務。

來自貿易業務之收入增加約港幣 13,100,000 元至約港幣 241,600,000 元，毛利貢獻減少約港幣 2,200,000 元至約港幣 39,800,000 元（二零零六年：分別約為港幣 228,500,000 元及約港幣 42,000,000 元）。年內，香港住宅物業的新項目大幅減少，以致影響本集團對新項目出售衛浴潔之銷售額，另毛利率亦受到海外供應商調高進口價格而影響。

Management Discussion and Analysis

管理層討論與分析

Segmental Information (cont'd)

Revenue from manufacturing and export increased from HK\$32.9 million in 2006 to HK\$78.3 million in 2007. This was mainly due to the completion of the marble processing factory in Dongguan at the end of last year. With the increase in capacity, the Group was able to benefit from the increasing demand from overseas clients.

The recent recovery of the secondary property market in Hong Kong also provided the Group with growth opportunities in the renovation market. Strong sales were recorded through the Group's retail outlets and local dealers. Turnover increased by 88.3% from HK\$36.1 million in 2006 to HK\$68.0 million in 2007. As a result, overall gross profit increased from HK\$12.6 million in 2006 to HK\$22.3 million in 2007.

Disposal of associates

On 23 July 2007, Arnhold & Company, Limited ("ACL"), a wholly-owned subsidiary of the Company, entered into a Deed with Bostik Australia Pty Ltd ("Bostik") and Bostik Holding Hong Kong Limited ("Joint Venture" or "Bostik HK") in relation to the termination of the Joint Venture established by ACL and Bostik. It was agreed that ACL would transfer 4,000 ordinary shares of HK\$1 each in the Joint Venture to Bostik, and Bostik would in return pay ACL a sum of HK\$11.4 million, which includes the consideration for the transfer of shares in the Joint Venture and the amount owed by the Joint Venture to ACL. The disposal was completed on 1 August 2007, whereupon Bostik HK became wholly owned by Bostik and ceased to be an associate of the Group. Details of the disposal were disclosed in a circular of the Company dated 14 August 2007.

On 11 January 2008, the Group completed a share disposal transaction in the capital of Kingspan China Limited ("KCL"), an associate company in which the Group had a 20% equity interest, whereby the Group transferred its entire interest represented by 2,000 ordinary shares in KCL to Kingspan Holdings (Insulation) Limited (formerly as Kootherm Holdings Limited). Upon completion of the disposal, KCL is no longer an associate of the Group.

分部資料 (續)

來自生產及出口業務之收入由二零零六年約港幣 32,900,000 元上升至二零零七年約港幣 78,300,000 元，這主要因為隨着去年年底落成的東莞雲石加工廠房而提高的生產力，使本集團可配合海外客戶不斷增加的需求而受惠。

香港二手物業市場近期的復甦亦為本集團的裝修業務提供增長機會。本集團零售門市及本地經銷商均錄得理想銷售額，營業額由二零零六年約港幣 36,100,000 元增長 88.3% 至二零零七年約港幣 68,000,000 元。因此，整體毛利由二零零六年約港幣 12,600,000 元增至二零零七年約港幣 22,300,000 元。

出售聯營公司

於二零零七年七月二十三日，安利有限公司（本公司全資附屬公司）（「安利」）與 Bostik Australia Pty Ltd.（「Bostik」）及 Bostik Holding Hong Kong Limited（「合營公司」或「Bostik HK」）就終止安利與 Bostik 成立之合營公司訂立契據。三方協定，安利將向 Bostik 轉讓其於合營公司內所有股本權益，即 4,000 股每股面值港幣 1 元之普通股，而 Bostik 則向安利支付港幣 11,400,000 元，當中包括轉讓合營公司股份之代價及合營公司應付予安利之債項。出售事項已於二零零七年八月一日完成，其後，Bostik HK 由 Bostik 全資擁有，且不再為本集團之聯營公司。出售事項之詳情已載於本公司日期為二零零七年八月十四日之通函內。

於二零零八年一月十一日，本集團完成出售固溫中國有限公司（「固溫中國」）（本集團持有 20% 股權利益的聯營公司）的股份，藉此，本集團出售其於固溫中國的全部權益（即固溫中國普通股份 2,000 股）予 Kingspan Holdings (Insulation) Limited（前稱為 Kootherm Holdings Limited）。出售完成後，固溫中國不再為本集團的聯營公司。

Management Discussion and Analysis

管理層討論與分析

Foreign Exchange Exposure and Financial Hedging

The Group adopts hedging policies for managing its risk exposure to foreign currency fluctuations and forward exchange contracts have been arranged with the Group's principal bankers to mitigate exchange risks. Further information of the forward exchange contracts is disclosed in the notes to the financial statements.

Liquidity and Financial Resources

The Group maintained a healthy balance sheet with no bank borrowing and zero gearing as at year end (At 31 December 2006: Nil). The Group remained conservative in working capital management, and generated a positive cash flow of HK\$12.0 million from operating activities with cash balances of HK\$74.5 million as at year end (At 31 December 2006: HK\$52.7 million). Most of the Group's cash balances are placed in time deposits with reputable financial institutions. We will continue to manage our cash flow cautiously and expect to meet our future financial requirements by internal resources and bank credit facilities.

Contingent Liabilities

Certain subsidiaries have given undertakings to the banks that they will perform certain contractual non-financial obligations to third parties. In return, the banks have provided performance bonds and letters of guarantee to third parties on behalf of these subsidiaries. As at 31 December 2007, the amount of guarantees outstanding was HK\$3.0 million (At 31 December 2006: HK\$3.1 million).

Banking facilities with assets pledged

A property with net book value of HK\$50.1 million at year end held by a subsidiary of the Group is pledged to a bank to obtain banking facilities.

外匯風險及財務對沖

本集團採納對沖政策以管理外匯波動，並與其主要往來銀行訂定遠期外匯合約以減輕兌換風險。有關遠期外匯合約之其他資料已在財務報表附註中作出披露。

流動資金及財政資源

本集團維持穩健的資產負債狀況，於年終時並無任何銀行借貸，且資本負債比率為零（二零零六年十二月三十一日：零）。本集團將繼續謹慎管理流動現金，並從經營活動中流入流動現金約港幣 12,000,000 元，而年終之現金結餘約港幣 74,500,000 元（二零零六年十二月三十一日：約港幣 52,700,000 元）。本集團大部份現金結餘均以定期存款形式存於信譽良好之財務機構。我們將貫徹審慎流動現金管理政策，並將以內部資源及銀行信貸融資，應付日後財務需要。

或然負債

若干附屬公司曾向銀行承諾會向第三方履行若干非財務性質之合約責任。該等銀行已就此代表有關附屬公司向第三方提供履約保證及擔保書。於二零零七年十二月三十一日，未償還之擔保金額為約港幣 3,000,000 元（二零零六年十二月三十一日：約港幣 3,100,000 元）。

以資產作抵押之銀行信貸

一項由本集團旗下附屬公司持有並於年終時之賬面淨值為約港幣 50,100,000 元之物業，已為取得銀行信貸而抵押予銀行。

Management Discussion and Analysis

管理層討論與分析

Employees

At the end of 2007, the Group had approximately 452 employees in the Mainland and approximately 132 employees in Hong Kong and Macau. The Group continues to provide remuneration packages and training programmes to employees with reference to prevailing market practices. Under the existing share option scheme of the Group, subject to compliance with the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the directors were authorised to grant share options to eligible persons as incentives. Details of share options granted are disclosed in the Report of the Directors annexed to this annual report.

Outlook

The Group has achieved encouraging growth in 2007 and will continue to focus on improving its market position in Hong Kong, Macau and the Mainland. The credit crunch in the USA and the inflation pressures in Hong Kong and the Mainland will make the coming year an extremely challenging one, but with the support of our well experienced management team, we have confidence in our growth strategy and remain optimistic about the future.

僱員

於二零零七年年終，本集團在內地僱用約 452 名僱員及在香港和澳門僱用約 132 名僱員。本集團繼續參考現行市場慣例為僱員提供整套薪酬福利及培訓計劃。按本集團之現行購股權計劃，在遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）之規限下，本公司董事獲授權向合資格人士授予購股權以作獎勵。所授出購股權之詳情附載於本年報的董事會報告內。

展望

本集團於二零零七年的成績令人鼓舞，往後，仍將繼續專注開拓香港、澳門及內地市場。美國的信貸危機以及香港和內地通脹壓力使來年更具挑戰性，唯靠著經驗豐富的管理層，我們定必能實踐增長策略，對前景充滿信心。

Profiles of Directors and Senior Management

董事及高級管理人員履歷



MICHAEL JOHN GREEN, aged 68, is the Chairman of the Group. Mr. Green obtained a bachelor's degree in electrical engineering from McGill University in Canada in 1962 and is a member of various engineering institutions and associations. He is responsible for the strategic planning and overall management of the Group. Mr. Green joined the Group in 1962.

米高·葛林，現年 68 歲，為本集團主席。葛林先生於一九六二年畢業於加拿大 McGill University，取得電機工程學士學位，現為多個工程師學會及協會的會員。彼負責本集團之策略規劃及整體管理。葛林先生於一九六二年加入本集團。



DANIEL GEORGE GREEN, aged 34, an executive director and the Managing Director of the Group. After gaining his degree in Manufacturing Systems Engineering at the University of Pennsylvania, Mr. Green worked in New York as a strategy consultant for Andersen Consulting (now Accenture), and as an equity analyst for Sofaer Capital's Global Hedge Fund. Mr. Green joined the Group in 2002 and is the son of the Chairman.

丹尼·葛林，現年34歲，本集團之執行董事兼任董事總經理。葛林先生從賓夕凡尼亞大學取得製造系統工程學位後，在紐約安盛顧問公司（現稱埃森哲）任職策略顧問，並曾於 Sofaer Capital's Global Hedge Fund 任職證券分析員。葛林先生於二零零二年加入本集團，彼乃集團主席之子。

Corporate Information 公司資料



LAI KA TAK, PATRICK, aged 43, is the Finance Director of the Group. Mr. Lai graduated from the Hong Kong Polytechnic and the University of Warwick with a professional diploma in management accountancy and a master's degree in business administration. He is an associate member of the Chartered Institute of Management Accountants and the Hong Kong Institute of Certified Public Accountants. Before joining the Group, he was with the Astron Group Ltd., a subsidiary of Flextronics Group, for 3 years as Chief Financial Officer. Mr. Lai joined the Group in November 1998.

黎嘉得，現年43歲，為本集團財務董事。黎先生畢業於香港理工學院及University of Warwick，分別獲頒管理會計專業文憑及工商管理碩士學位。現為英國特許管理會計師公會及香港會計師公會之會員。黎先生在加入本集團之前，任職超毅電子集團有限公司（偉創力集團附屬公司）之高級財務總監3年。彼於一九九八年十一月加入本集團。



CHRISTOPHER JOHN DAVID CLARKE, aged 58, is a non-executive director of the Company since September 2004 and was an independent non-executive director from 2002 until 2004. He also serves on the Audit Committee and Remuneration Committee of the Company. Mr. Clarke is the Managing Partner of DLA Piper Hong Kong, the Hong Kong office of a leading international law firm. He has over 34 years of experience as a solicitor in England and Hong Kong with extensive experience in commercial litigation and corporate and commercial law and regulation.

簡基華，現年58歲，自二零零四年起擔任本公司非執行董事，從二零零二年至二零零四年止彼則為本公司獨立非執行董事。彼亦為本公司審核委員會及薪酬委員會成員。簡基華先生為國際知名律師行香港歐華律師行香港辦事處之合夥人。彼於英國及香港任執業律師逾34年，於商業訴訟、公司及商業法律及法則方面擁有豐富經驗。



SIMON MURRAY, CBE, aged 68, has been an independent non-executive director of the Company since September 2004 and was a non-executive director of the Company from 2002 until 2004. He is the Chairman of General Enterprise Management Services (International) Limited (GEMS Ltd), a private equity fund management company owned by Simon Murray and Associates Limited. He is also a director of a number of public listed companies including Cheung Kong (Holdings) Limited and Orient Overseas (International) Limited.

馬世民，*CBE*，現年68歲，自二零零四年起擔任本公司獨立非執行董事，二零零二年至二零零四年則為本公司非執行董事。彼為私人股票基金管理公司湛思投資管理有限公司（該公司乃Simon Murray and Associates Limited所擁有）的主席，亦為多間香港上市公司之董事，包括長江實業（集團）有限公司及東方海外（國際）有限公司。



AUGUSTUS RALPH MARSHALL, aged 56, is an Associate of the Institute of Chartered Accountants in England and Wales and a Member of the Malaysian Institute of Certified Public Accountants, and has some 30 years' experience in financial and general management. He was appointed to the board of Arnhold Holdings Limited as an Executive Director in May 2000 and since February 2002, he has been serving as a Non- Executive Director. He also serves on the Boards of several companies listed on the Bursa Malaysia Securities Berhad viz. ASTRO ALL ASIA NETWORKS plc ("Astro") as Executive Deputy Chairman; Tanjong Public Limited Company ("Tanjong") also listed on the London Stock Exchange plc as Executive Director; MEASAT Global Berhad and KLCC Property Holdings Berhad as Non-Executive Director; and Overseas Union Enterprise Ltd ("OUE") which is listed on the Singapore Exchange Securities Trading Limited. He is also an Executive Director of Usaha Tegas Sdn. Bhd. which has significant interests in Astro, Tanjong and OUE among others.

AUGUSTUS RALPH MARSHALL，現年 56 歲，乃英格蘭及威爾斯特許會計師公會會員及馬來西亞註冊會計師公會會員。彼從事財務及管理業務 30 多年。彼曾於二零零零年五月獲委任為本集團之執行董事，並由二零零二年二月起為非執行董事。彼於多間於 Bursa Malaysia Securities Berhad 上市之公司任職，包括 ASTRO ALL ASIA NETWORKS plc（「Astro」）之行政副主席；Tanjong Public Limited Company（「Tanjong」）（亦為倫敦證券交易所上市公司）之執行董事；MEASAT Global Berhad 以及 KLCC Property Holdings Berhad 之非執行董事，以及星加坡證券交易所上市的 Overseas Union Enterprise Ltd（「OUE」）。彼亦為於 Astro、Tanjong 及 OUE 佔其中重大權益的 Usaha Tegas Sdn. Bhd. 之執行董事。



LIM GHEE KEONG, aged 40, was appointed as an alternate director of Mr Augustus Ralph Marshall in September 2006. Mr. Lim graduated with a Bachelor of Business Administration (Distinction), majoring in Finance from the University of Hawaii at Manoa. He is the Group Treasurer of Malaysia based Usaha Tegas Sdn. Bhd., which has significant investments in telecommunications, media, power, energy, marine logistics, gaming, real estate and other sectors. Prior to joining Usaha Tegas, he held various credit and treasury positions in General Electric Capital Corporation in the USA and in a local bank in Malaysia. He has more than 18 years' experience in treasury and credit management. His other directorships include Paxys Inc., a business process outsourcing company (listed on the Philippine Stock Exchange) and Overseas Union Enterprise Ltd., which is involved in hotel operation and investment holding (listed on the Singapore Exchange Securities Trading Limited).

林义強，現年 40 歲，於二零零六年九月獲委任為 Augustus Ralph Marshall 先生之替代董事。林先生畢業於 Manoa 的夏威夷大學，並取得主修財務之工商管理學士學位（一級）。彼現為註馬來西亞 Usaha Tegas Sdn. Bhd. 的集團司庫，該企業於電訊、媒體、電力能源、航海物流、博彩、房地產等其他範疇均有重大投資。加入 Usaha Tegas 集團以前，彼曾於美國 General Electric Capital Corporation 及馬來西亞的本地銀行擔任各種信貸及財務職務，彼於財務及信貸管理擁有超過 18 年經驗。林先生的其他董事職務包括菲律賓證券交易所上市的商業營運外判公司 Paxys Inc.，以及主營酒店營運和投資控股並於星加坡證券交易所上市的 Overseas Union Enterprise Ltd.。

Corporate Information 公司資料



V-NEE YEH *B.A., J.D.* American Attorney-at-law, aged 49, has been an independent non-executive director of the Company since 1999. He also serves on the Audit Committee and Remuneration Committee of the Company. Mr. Yeh was graduated from the School of Law at Columbia University and was admitted a member of the California Bar Association in 1984. He worked with the Lazard Houses (New York, Hong Kong and London) in corporate finance, capital markets and risk arbitrage from 1984 onwards, until his resignation from Lazard Brothers Capital Markets as a partner in 1990. He is also a co-founder of Value Partners Limited, and chairman of Argyle Street Management Limited and Cheetah Investment Management Limited. He was the chairman of Hsin Chong Construction Group Limited until December 2007, and a council member of The Stock Exchange of Hong Kong Limited until its merger into the Hong Kong Exchanges and Clearing Limited. He was a member of the Listing Committee of the China Securities Regulatory Commission from 1999 through 2003. Mr. Yeh also sits on the Takeovers & Mergers Panel, the Takeovers Appeal Committee and SFC Dual Filing Advisory Group of Securities and Futures Commission. Mr. Yeh is also a director of Next Media Limited and Kingway Brewery Holdings Limited, listed companies in Hong Kong; and a director of Uni-Asia Finance Corporation, a listed company in Singapore.

葉維義 *B.A., J.D.* 美國律師，現年 49 歲，自一九九九年擔任本公司獨立非執行董事。彼亦為本公司審核委員及薪酬委員會成員。葉先生畢業於哥倫比亞大學法律學院，於一九八四年成為加州律師公會會員。彼自一九八四年起任職於 Lazard Houses（紐約、香港及倫敦）參與公司融資、資本市場及投資風險套戥事務，直至於一九九零年辭任 Lazard Brothers Capital Markets 合夥人一職止。彼為 Value Partners Limited 創辦人之一，並為 Argyle Street Management Limited 及 Cheetah Investment Management Limited 之主席。直至二零零七年十二月，葉先生為新昌營造集團有限公司之主席。葉先生曾任香港聯合交易所有限公司之委員，直至該公司被合併為香港交易及結算所有限公司止。一九九九年至二零零三年，彼為中國證券監督管理委員會成員。同時葉先生亦為證券及期貨事務監察委員會收購及合併委員會、收購上訴委員會及證監會雙重存檔事宜顧問小組成員。另葉先生亦為香港上市公司壹傳媒有限公司及金威啤酒集團有限公司以及新加坡上市公司聯亞金融有限公司之董事。



THADDEUS THOMAS BECZAK, aged 57, is an independent non-executive director of the Company since 2004. He also serves on the Audit Committee and Remuneration Committee of the Company. Mr Beczak was the Chairman of Nomura Asia Holding N.V. and the Senior Advisor to Nomura International (Hong Kong) Limited. Currently, he is the Chairman of the Cowen Latitude Advisors Limited. He is also the non-executive Chairman of ACR Capital Holdings Pte. Ltd. and an independent non-executive director of a number of listed companies, including Phoenix Satellite Television Holdings Limited, Advanced Semiconductor Manufacturing Corp Limited and Namtai Electronic & Electrical Products Limited.

From November 1997 until December 2002, Mr. Beczak was Chairman of the Listing Committee of the Hong Kong Stock Exchange and a member of the Hong Kong Stock Exchange Board of Directors from 1998 until 2001. Currently, he is a member of the Advisory Committee of the Securities and Futures Commission in Hong Kong. He is also a member of the Advisory Committee of the China Securities Regulatory Commission (CSRC).

From September 1997 until December 2003, Mr. Beczak was a Director of Kerry Holdings Limited. During this time he also held various Board and operating positions within the group, including Deputy Chairman of SCMP Holdings Limited and Publisher of South China Morning Post Publishers Limited, Deputy Chairman of Shangri-La Asia Limited, Deputy Chairman of Kuok Philippines Properties, a Director of China World Trade Center Limited and a Director of Kerry Properties Limited.

Prior to joining the Kerry Group, Mr. Beczak was a Managing Director of J.P. Morgan Inc., and President of J.P. Morgan Securities Asia from 1990 until 1997. While at J.P. Morgan, Hong Kong, he was a Director of the Bank of the Philippine Islands and a Committee Member of the Hong Kong Association of Banks. Mr. Beczak has over 20 years of experience in Asia.

Mr. Beczak is a graduate of Georgetown University (B.S.F.S.), and Columbia University (M.B.A.). He is a member of the Board of Advisors of the School of Foreign Service at Georgetown.

白泰德，現年57歲，於二零零四年起出任本公司的獨立非執行董事。彼亦為本公司審核委員會及薪酬委員會成員。白泰德先生曾為 Normua Asia Holding N.V. 之主席及野村國際（香港）有限公司的高級顧問。彼現為 Cowen Latitude Advisors Limited 之主席，以及 ACR Capital Holdings Pte. Ltd. 之非執行主席，同時亦為多間上市公司的獨立非執行董事，包括鳳凰衛視控股有限公司、上海先進半導體製造股份有限公司及 Namtai Electronic & Electrical Products Limited。

白泰德先生於一九九七年十一月至二零零二年十二月曾任香港聯合交易所有限公司上市委員會主席，並於一九九八年至二零零一年為香港聯交所董事會成員。彼現為香港證券及期貨事務監察委員會諮詢委員會委員。彼亦為中國證券監督管理委員會（中國證監會）之國際諮詢委員會委員。

白泰德先生於一九九七年九月至二零零三年十二月期間出任嘉里控股有限公司的董事，同期出任該集團內的多個董事局及營運職位，包括 SCMP 集團有限公司副主席，南華早報出版有限公司的出版人、香格里拉（亞洲）有限公司及郭氏菲律賓地產的副主席以及中國世界交易中心有限公司董事及嘉里建設有限公司董事。

加盟嘉里集團前，從一九九零年至一九九七年，白泰德先生為 J.P. Morgan Inc. 之董事總經理，以及 J.P. Morgan Securities Asia 之總裁。任職香港 J.P. Morgan 期間，彼為菲律賓群島銀行之董事及香港銀行協會之委員會成員。白泰德先生在亞洲擁有超過二十年之經驗。

白泰德先生於哥倫比亞大學（Columbia University）取得工商管理碩士學位，他在佐治城大學（Georgetown University）取得國際政治學學士學位，並且是該大學國際政治學學院顧問委員會的成員。

Corporate Information 公司資料

Registered Office

Clarendon House
Church Street
Hamilton HM 11
Bermuda

Company Secretary

Lai Ka Tak, Patrick

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited
CALYON

Auditors

PricewaterhouseCoopers

Head Office and Principal Place of Business

6/F Victoria Centre
15 Watson Road
North Point, Hong Kong

Shanghai Office

Unit 1109, 11/F, Tower I
Kerry Everbright City
218 Tian Mu West Road
Shanghai
The People's Republic of China

Macau Office

Alameda Dr. Carlos d' Assumpcao
Nos. 411-417, Edificio Dynasty Plaza
19 andar R, em Macau

Principal Share Registrar and Transfer Agent

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre, 11 Bermudiana Road
Pembroke, Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Unit 1712-1716, 17th Floor, Hopewell Centre,
183 Queen's Road East
Hong Kong

Website

<http://www.arnhold.com.hk>

註冊辦事處

Clarendon House
Church Street
Hamilton HM 11
Bermuda

公司秘書

黎嘉得

主要往來銀行

香港上海滙豐銀行有限公司
東方滙理銀行

核數師

羅兵咸永道會計師事務所

總辦事處及主要營業地點

香港北角
屈臣道 15 號
維多利中心 6 字樓

上海辦事處

中華人民共和國
上海市閘北區
天目西路 218 號
嘉里不夜城第一座
11 字樓 1109 室

澳門辦事處

澳門宋玉生廣場 411-417 號
皇朝廣場 19 樓 R 座

主要股份登記及過戶代理

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre, 11 Bermudiana Road
Pembroke, Bermuda

香港股份登記及過戶分處

香港中央證券登記有限公司
香港皇后大道東 183 號
合和中心 17 樓, 1712-1716 室

網址

<http://www.arnhold.com.hk>

Report of the Directors

董事會報告

The board of directors (the “Board”) of Arnhold Holdings Limited (the “Company”) has pleasure in submitting their report together with the audited consolidated financial statements of the Company and its subsidiaries (together the “Group”) for the year ended 31 December 2007.

Principal Activities and Geographical Analysis of Operations

The principal activity of the Company is investment holding. The principal activities and other particulars of the subsidiaries are shown in note 21 to the financial statements.

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

Major Customers and Suppliers

The percentages of sales and purchases for the year attributable to the Group’s major customers and suppliers during the financial year are as follows:

		Percentage of the Group’s total 佔本集團總額百分比	
		Sales 銷貨	Purchases 購貨
The largest customer	最大客戶	7.8%	
Five largest customers in aggregate	最大五個客戶合計	25.7%	
The largest supplier	最大供應商		20.2%
Five largest suppliers in aggregate	最大五個供應商合計		49.9%

At no time during the year have the directors, their associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company’s share capital) had an interest in these major customers or suppliers.

安利控股有限公司（「本公司」）董事會謹此呈奉二零零七年年報以及本公司及其附屬公司（合稱「本集團」）截至二零零七年十二月三十一日止年度之經審核綜合財務報表，敬祈省覽。

主要業務及營運地區之分析

本公司之主要業務為投資控股。各主要附屬公司之主要業務及其他詳情列載於財務報表附註21。

本年度按業務及地區分類之集團業績表現所作之分析載於財務報表附註5。

主要客戶及供應商

本集團年內之主要客戶及供應商佔有年度之銷貨及購貨之百分比如下：

本公司的董事、其聯繫人士或任何股東（據董事所知悉持有本公司股本百份之五或以上者），並無於本年度任何時間擁有上述主要客戶或供應商的任何權益。

Report of the Directors 董事會報告

Results and Appropriations

The results of the Group for the year ended 31 December 2007 are set out in the consolidated profit and loss account on page 42.

The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2007.

The Board has resolved to recommend the payment of a final dividend of HK4.4 cents per ordinary share, totalling HK\$9,913,000, for the year ended 31 December 2007 (2006: Nil) subject to the approval of the shareholders at the 2008 annual general meeting of the Company. If approved, the final dividend will be distributed on or about 19 May 2008.

Reserves

Movements in the reserves of the Group and of the Company during the year are set out in note 32 to the financial statements.

Charitable Donations

Donations made by the Group during the year amounted to HK\$37,500 (2006: HK\$22,500).

Property, Plant and Equipment

Details of the movements in property, plant and equipment of the Group are set out in note 17 to the financial statements.

Principal Properties

Details of the principal properties held for investment purposes are set out on page 132.

Share Capital

Details of the movements in share capital of the Company are set out in note 31 to the financial statements.

Distributable Reserves

Distributable reserve of the Company at 31 December 2007, under the Companies Act 1981 of Bermuda, amounted to HK\$86,500,000 (2006: HK\$77,026,000).

業績及分派

本集團於二零零七年十二月三十一日之業績列於第 42 頁之綜合損益表內。

董事會議決不派發截至二零零七年六月三十日止六個月之中期股息。

董事會議決建議待股東於二零零八年股東週年大會通過後，派發截至二零零七年十二月三十一日止年度之末期股息每股普通股港幣 4.4 仙，合共約港幣 9,913,000 元（二零零六年：無）。倘獲通過，末期股息將約於二零零八年五月十九日派發。

儲備

年內本集團及本公司之儲備變動詳情列載於財務報表附註 32。

慈善捐款

年內，本集團之捐款金額約港幣 37,500 元（二零零六年：約港幣 22,500 元）。

物業、機器及設備

本集團的物業、機器及設備之變動詳情列載於財務報表附註 17。

主要物業

持作投資用途之主要物業詳情載於第 132 頁。

股本

本公司股本之變動詳情列載於財務報表附註 31。

可供分派之儲備

根據百慕達一九八一年公司法，於二零零七年十二月三十一日本公司可供分派之儲備約港幣 86,500,000 元（二零零六年：約港幣 77,026,000 元）。

Five-year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 131.

Retirement Schemes

Particulars of the retirement schemes of the Group and the Company as at 31 December 2007 are set out in note 11 to the financial statements.

Purchase, Sale or Redemption of Shares

The Company has not redeemed any of its shares during the year ended 31 December 2007. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

Pre-emptive Rights

No pre-emptive rights exist under the laws of Bermuda in relation to issue of new shares by the Company.

Directors

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

Executive directors:

Michael John Green (*also appointed as alternate director to Simon Murray*)
Daniel George Green
Lai Ka Tak, Patrick

Non-executive directors:

Augustus Ralph Marshall
Lim Ghee Keong (*alternate director to Augustus Ralph Marshall*)
Christopher John David Clarke

Independent non-executive directors:

V-Nee Yeh
Thaddeus Thomas Beczak
Simon Murray

五年財務摘要

本集團最近五個財政年度之業績及資產負債摘要載於第 131 頁。

退休金計劃

本集團及本公司於二零零七年十二月三十一日的退休金計劃詳情載於財務報表附註 11。

購入、出售或贖回股份

於截至二零零七年十二月三十一日止年度，本公司並無贖回任何本公司股份。年內本公司或其各附屬公司亦概無購買或出售任何本公司股份。

優先購買權

百慕達法例概無就本公司發行新股有關之優先購買權作出規定。

董事

於本年內及截至本報告日期止，本公司之董事如下：

執行董事：

米高·葛林 (*亦委任為馬世民之替代董事*)
丹尼·葛林
黎嘉得

非執行董事：

Augustus Ralph Marshall
林义強 (*Augustus Ralph Marshall 之替代董事*)
簡基華

獨立非執行董事：

葉維義
白泰德
馬世民

Report of the Directors

董事會報告

Directors (cont'd)

In accordance with bye-law 87(1) of the Company's bye-laws, Messrs Lai Ka Tak, Patrick, Christopher John David Clarke and Thaddeus Thomas Beczak retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election. All remaining directors shall continue in office.

The Company has received annual confirmation of independence from each of Messrs V-Nee Yeh, Simon Murray and Thaddeus Thomas Beczak and considered them as independent in accordance with the Listing Rules.

Directors' Service Contracts

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

Directors' Interests in Contracts

No contracts of significance in relation to the Group's business to which the Company or 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.

Related Party Transactions

Significant related party transactions entered into by the Group during the year ended 31 December 2007, which do not constitute connected transactions under the Listing Rules are disclosed in note 37 to the financial statements.

董事 (續)

根據本公司組織章程細則 87(1)條，黎嘉得先生、簡基華先生及白泰德先生將於來屆股東週年大會輪值告退，並膺選連任。餘下董事繼續留任。

本公司已接獲各獨立非執行董事之年度獨立身分確認書，並認為葉維義先生、馬世民先生及白泰德先生各符合上市條例定義之獨立人士。

董事之服務合約

擬於應屆股東週年大會上重選之董事概無與本公司簽訂不可於一年內免付補償（法定補償除外）而終止之服務合約。

董事之合約權益

於年終或在本年度任何期間內，本公司或其附屬公司概無訂立有關本公司業務之重要合約而使本公司董事直接或間接擁有重大權益。

與有關連人士之交易

本集團於截至二零零七年十二月三十一日止年度內所訂立，且根據上市規則之規定並不構成關連交易之有關連人士重大交易於財務報表附註 37 披露。

Share Option Scheme

A Share Option Scheme (“the Scheme”) was approved and adopted by the shareholders at a special general meeting of the Company on 11 July 2002. The following information relating to the Scheme are made pursuant to the requirements as contained in Chapter 17 of the Listing Rules (reference is made to the circular of the Company dated 24 June 2002 (the “Circular”). Terms defined in the Circular have the same meanings when used in the following summary unless the context requires otherwise):

i) Purpose of the Scheme

The purpose of the Scheme is to recognise and acknowledge the contribution that Eligible Persons have made or may make to the Company and to attract and retain and motivate talented staff.

ii) Participants of the Scheme

The participants of the Scheme shall be such Eligible Persons as the Board in its absolute discretion determines.

iii) Maximum number of Shares available for issue under the Scheme

The maximum number of the Shares which may be issued upon exercise of all outstanding Options to subscribe for Shares granted and yet to be exercised under the Scheme and any other share option scheme shall not exceed 10% of the total number of Shares in issue of the Company as at the date of approval of the Scheme. As at 20 March 2008, being the date of the annual report, 8,949,600 Shares were available for issue under the Scheme representing 3.97% of the issued share capital of the Company.

購股權計劃

本公司股東於二零零二年七月十一日之股東特別大會上批准及採納一項購股權計劃（「該計劃」）。以下有關該計劃之資料乃根據上市規則第17章所載之規定而刊載（僅此提述本公司二零零二年六月二十四日刊發通函（「該通函」）。除非文義另有所指，否則該通函所載詞彙與以下概要所用者相同）：

i) 該計劃之目的

該計劃旨在確認及嘉許合資格人士對本公司已作出或可能作出之貢獻，以及吸納、挽留及鼓勵能幹之員工。

ii) 該計劃之參與者

該計劃之參與者乃由董事會酌情決定之合資格人士。

iii) 根據該計劃可予發行之股數上限

就全面行使根據該計劃及任何其他購股權計劃以認購授出股份之尚未行使購股權而予發行之最大股份數目不得超逾本公司於批准該計劃日期之已發行股份總數之10%。於二零零八年三月二十日，即本報告日期止，根據該計劃可予發行之股份為 8,949,600 股，佔本公司已發行股本總額 3.97%。

Report of the Directors

董事會報告

Share Option Scheme (cont'd)

iv) Maximum entitlement to any one participant

Under the Scheme, the maximum entitlement to Options of each Eligible Person shall be such that the total number of Shares issued and to be issued upon exercise of Options granted and to be granted to him/her in any 12 months period up to each Commencement Date must not exceed 1% of the issued share capital of the Company at the relevant Commencement Date.

v) Period and payment on acceptance of Options

Under the Scheme, an Offer may be accepted by an Eligible Person in whole or in part in respect of all Shares for which it is offered to such Eligible Person when the duplicate letter comprising acceptance of the Offer duly signed by the Eligible Person together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within forty days from the Offer Date.

vi) The basis of determining the exercise price

The Subscription Price in respect of any Option shall be not less than the highest of (i) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the relevant Commencement Date in respect of such Option, which must be a Business Day; (ii) an amount equivalent to the mean closing price of a Share as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the relevant Commencement Date in respect of such Option, which must be a Business Day, and (iii) the nominal value of a Share.

vii) Remaining life of the Scheme

The Scheme is valid and effective for a period of 10 years commencing on the Adoption Date unless otherwise terminated under the terms of the Scheme.

購股權計劃（續）

iv) 參與者獲授購股權之上限

根據該計劃，於任何十二個月期間至有關購股權之開始日期內，每名合資格人士最多可獲授予之購股權（已授予或將授予）總數於行使時已發行或將予發行之股份總數不得超過本公司於有關購股權之開始日期已發行股本之 1%。

v) 接納購股權之期間及付款

根據該計劃，合資格人士可於接獲要約後四十日內，將接納函件副本正式簽妥及連同抬頭人為本公司而款額為港幣1.00元（獲授購股權之代價，須於接納要約時支付）之支票交予本公司，以就其獲提呈之股份接納全部或部份建議。

vi) 釐定行使價之基準

該購股權之認購價不會低於下列三項之最高者(i)該購股權有關當日（必須為營業日）列載於聯交所日報表之每股股份收市價；(ii)等同緊接該購股權有關當日（必須為營業日）前五個營業日列載於聯交所日報表之每股股份平均收市價及(iii)每股股份之面值。

vii) 該計劃之尚餘年期

除根據該計劃之終止條款外，該計劃將由獲採納日期起十年期間內適用及有效。

Report of the Directors

董事會報告

Share Option Scheme (cont'd)

Details of Options granted to directors and employees under the Scheme as at 31 December 2007 are as follows:

購股權計劃 (續)

於二零零七年十二月三十一日，根據該計劃向本公司董事及僱員授出購股權之詳情如下：

		Date of Options granted 授出購股權日期	Outstanding Options as at 1 January 2007 於二零零七年 一月一日 尚未行使之 購股權	Granted during the year 於年內授出	Exercised/ lapsed/ cancelled during the year 於年內行使/ 作廢/註銷	Outstanding Options as at 31 December 2007 於二零零七年 十二月三十一日 尚未行使之 購股權	Subscription price per Share 每股認購價 HK\$ 港幣
Directors	董事						
Daniel George Green	丹尼·葛林	18 September 2003 二零零三年九月十八日	1,200,000	-	-	1,200,000	0.500
		19 November 2004 二零零四年十一月十九日	2,000,000	-	-	2,000,000	0.602
		21 November 2005 二零零五年十一月二十一日	2,200,000	-	-	2,200,000	0.700
Lai Ka Tak, Patrick	黎嘉得	18 September 2003 二零零三年九月十八日	1,500,000	-	-	1,500,000	0.500
		19 November 2004 二零零四年十一月十九日	1,700,000	-	-	1,700,000	0.602
		21 November 2005 二零零五年十一月二十一日	1,800,000	-	-	1,800,000	0.700
Employees	僱員						
		18 September 2003 二零零三年九月十八日	1,000,000	-	(800,000)	200,000	0.500
		21 November 2005 二零零五年十一月二十一日	500,000	-	-	500,000	0.700
			11,900,000	-	(800,000)	11,100,000	

Report of the Directors

董事會報告

Share Option Scheme (cont'd)

At the dates before the Options were granted, 17 September 2003, 18 November 2004 and 20 November 2005, the market value per share was HK\$0.50, HK\$0.60 and HK\$0.70 respectively.

The Options granted on 18 September 2003 can be exercised in two instalments, 50% of which at any time between 1 September 2005 and 30 August 2010 and the remaining 50% at any time between 1 September 2006 and 30 August 2010.

The Options granted on 19 November 2004 can be exercised in two instalments, 50% of which at any time between 1 November 2006 and 30 August 2010 and the remaining 50% at any time between 1 November 2007 and 30 August 2010.

The Options granted on 21 November 2005 can be exercised in two instalments, 50% of which at any time between 1 November 2007 and 30 August 2010 and the remaining 50% at any time between 1 November 2008 and 30 August 2010.

Apart from the Scheme mentioned above, at no time during the year was the Company or its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate. None of the directors (including their spouse and children under 18 years of age) have been granted, or have exercised, any rights to subscribe for shares of the Company.

購股權計劃 (續)

在購股權授出前一日，即二零零三年九月十七日、二零零四年十一月十八日及二零零五年十一月二十日，股份每股市值分別為港幣0.50元、港幣0.60元及港幣0.70元。

於二零零三年九月十八日授出之購股權可分兩期行使，購股權之50%可由二零零五年九月一日至二零一零年八月三十日止期間行使，餘下之50%可由二零零六年九月一日至二零一零年八月三十日止期間行使。

於二零零四年十一月十九日授出之購股權可分兩期行使，購股權之50%可由二零零六年十一月一日至二零一零年八月三十日止期間行使，餘下之50%可由二零零七年十一月一日至二零一零年八月三十日止期間行使。

於二零零五年十一月二十一日授出之購股權可分兩期行使，購股權之50%可由二零零七年十一月一日至二零一零年八月三十日止期間行使，餘下之50%可由二零零八年十一月一日至二零一零年八月三十日止期間行使。

除以上詳述之該計劃外，年內本公司或其附屬公司概無訂立任何安排，致使本公司之董事透過購入本公司或其他法人團體之股份或債券而獲得利益，各董事（包括彼等之配偶及十八歲以下子女）並無獲授予或行使任何可認購本公司股份之權利。

Share Option Scheme (cont'd)

Based on the binomial option pricing model, the fair value of the Options granted on 18 September 2003, 19 November 2004 and 21 November 2005 are HK\$0.248, HK\$0.141 and HK\$0.180 respectively. However, since the valuation relies on subjective assumptions such as the estimated volatility of the Share price, the binomial option pricing model does not necessarily provide a reliable measure of the fair value of the Options.

The weighted average assumptions used are as follows:

購股權計劃（續）

按二項式購股權定價模式計算，於二零零三年九月十八日、二零零四年十一月十九日以及二零零五年十一月二十一日授出購股權之公平價值分別為港幣0.248元、港幣0.141元及港幣0.180元。由於該購股權定價模式需要作出極主觀假設，例如預期股價波幅，因此二項式購股權定價模式未必提供可靠的購股權公平價值。

加權平均使用的假設如下：

		Options granted on 購股權授出日期		
		21 November 2005 二零零五年 十一月二十一日	19 November 2004 二零零四年 十一月十九日	18 September 2003 二零零三年 九月十八日
Risk free interest rate (in %)	無風險利率(%)	4.4	2.8	3.8
Expected life (in years)	預計年期 (年)	5.0	6.0	6.9
Volatility (in %)	波幅(%)	51.2	49.2	77.5
Expected dividend per share (cents)	預期每股股息 (仙)	4.4	4.4	4.4

Report of the Directors

董事會報告

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

As at 31 December 2007, the interests and short positions of each director in the shares, underlying shares and 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 under Section 352 of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

Ordinary shares of HK\$0.10 each

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於二零零七年十二月三十一日，根據本公司按照證券及期貨條例（「證券及期貨條例」）第352條而存置之登記冊所載，或根據本公司董事進行證券交易的標準守則而知會本公司及聯交所，各董事於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券之權益及淡倉如下：

每股港幣0.10元之普通股

		Number of shares held 持有股份數目				Equity derivatives (Note iii) 股本 衍生工具 (附註 iii)		Percentage of issued share capital 佔已發行股本總額 百分比	
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 法團權益	Trusts and similar interests 信託及類似權益	Total interests 權益總計			
<i>Executive directors:</i>		<i>執行董事：</i>							
Michael John Green	米高·葛林	1,272,000	–	–	166,093,617 (Note i) (附註 i)	–	167,365,617	74.29%	
Daniel George Green	丹尼·葛林	–	–	–	166,093,617 (Note ii) (附註 ii)	5,400,000	171,493,617	76.12%	
Lai Ka Tak, Patrick	黎嘉得	–	–	–	–	5,000,000	5,000,000	2.22%	
<i>Non-executive directors:</i>		<i>非執行董事：</i>							
Christopher John	簡基華								
David Clarke		200,000	–	–	–	–	200,000	0.09%	
Augustus Ralph Marshall	Augustus Ralph Marshall	–	–	–	–	–	–	–	
Lim Ghee Keong (alternate director)	林義強 (替代董事)	–	–	–	–	–	–	–	
<i>Independent non-executive directors:</i>		<i>獨立非執行董事：</i>							
V-Nee Yeh	葉維義	74,444	–	–	–	–	74,444	0.03%	
Thaddeus Thomas Beczak	白泰德	–	–	–	–	–	–	–	
Simon Murray	馬世民	343,487	–	–	–	–	343,487	0.15%	

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures (cont'd)

Notes:

- (i) Such shares were held through corporations on behalf of the Michael Green Family Trust.
- (ii) Such shares were held through corporations on behalf of the Michael Green Family Trust in which Mr Daniel George Green has a beneficial interest.
- (iii) These represented interests of Options granted to directors under a share option scheme to subscribe for shares of the Company, further details of which are set out in the section "Share Option Scheme" of this report.

All interests in the shares and underlying shares of equity derivatives of the Company are long positions. None of the directors held any short position in the shares, underlying shares of equity derivatives or debentures of the Company.

Saved as disclosed above, as at 31 December 2007, none of the directors and chief executives of the Company and/or any of their respective associates had any interest and their position in the shares, underlying shares owners and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Substantial Shareholders' Interests and Short Positions in Shares, Underlying Shares and Debentures

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 31 December 2007, the Company had been notified of the following substantial shareholder's interests, being 5% or more of the Company's issued ordinary share capital. These interests are in addition to those disclosed above in respect of the directors and chief executives:

Name of shareholder 股東名稱	Ordinary shares held 所持普通股股份	Percentage of total issued shares 佔已發行股份 總數百分比
Pacific Investments (BVI) Limited	16,957,431	7.53%

董事及主要行政人員於股份、相關股份及債券之權益及淡倉 (續)

附註：

- (i) 該等股份乃透過代表米高·葛林家族信託之法團持有。
- (ii) 該等股份乃透過代表米高·葛林家族信託之法團持有，而丹尼·葛林先生擁有該信託之實益權益。
- (iii) 此為根據購股權計劃授予董事以認購本公司股份之購股權權益，詳情載於本報告「購股權計劃」一節內。

所有本公司股份及股本衍生工具相關股份之權益均屬好倉。董事概無於本公司股份、股本衍生工具相關股份或債券中持有任何淡倉。

除上文披露者外，於二零零七年十二月三十一日，概無本公司董事及主要行政人員及／或彼等各自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）之股份，相關股份及債權中擁有任何權益及淡倉。

主要股東於股份、相關股份及債券之權益及淡倉

根據證券及期貨條例第 336 條規定須予存置之主要股東登記冊所顯示，於二零零七年十二月三十一日，本公司已獲知會下列佔本公司已發行股本百分之五或以上主要股東權益。此等權益乃上文所披露之董事及主要行政人員權益以外之權益：

Report of the Directors 董事會報告

Substantial Shareholders' Interests and Short Positions in Shares, Underlying Shares and Debentures (cont'd)

Pacific Investments (BVI) Limited is a wholly-owned subsidiary of Usaha Tegas Sdn. Bhd.

Save as disclosed above, as at 31 December 2007, the directors are not aware of any other persons who have interests or short positions in the shares, underlying shares of equity derivatives or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would be required to disclose to the Company pursuant to Part XV of the SFO.

Management Contracts

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

Corporate Governance

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 30 to 39.

Closure of Register of Members

The register of members of the Company will be closed from 6 May 2008 to 9 May 2008 (both days inclusive) during which period no transfer of shares can be registered. In order to qualify for the final dividend and to determine the entitlement to attend and vote at the 2008 annual general meeting of the Company to be held on 9 May 2008, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at Unit 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 pm on 5 May 2008.

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of its directors as at the date of this annual report, at least 25% of the Company's total issued share capital was held in public hands.

主要股東於股份、相關股份及債券之權益及淡倉 (續)

Pacific Investments (BVI) Limited為Usaha Tegas Sdn. Bhd.之全資附屬公司。

除上文披露者外，於二零零七年十二月三十一日，董事並不知悉任何其他人士於本公司或任何相聯法團（定義見證券及期貨條例第 XV 部）之股份、股本衍生工具相關股份或債券中擁有須根據證券及期貨條例向本公司披露之權益或淡倉。

管理合約

年內，本公司並沒有或簽訂任何有關其所有或重大部分業務的任何管理或行政合約。

公司管治

本公司遵照的主要企業管治規則詳列於 30 至 39 頁「企業管治報告」內。

暫停辦理股份過戶登記手續

本公司將於二零零八年五月六日至二零零八年五月九日（包括首尾兩日）期間暫停辦理股份過戶登記手續。倘股東欲享有末期股息以及確定有權出席將於二零零八年五月九日舉行的二零零八年股東週年大會並於會上投票，則必須把股份過戶文件連同有關股票，於二零零八年五月五日下午四時半或以前送達本公司股份過戶登記分處香港中央證券登記有限公司，香港灣仔皇后大道東一八三號合和中心十七樓一七一二至一七一六室，以辦理過戶手續。

公眾持股量之充足性

據本公司公開所得之資料及就董事所知，於本年報刊發日期，本公司至少百分之二十五已發行股本總額一直由公眾持有。

Subsequent Event

On 11 January 2008, the Group completed a share disposal transaction in the capital of Kingspan China Limited (“KCL”), an associate company in which the Group had a 20% equity interest, whereby the Group transferred its entire interest represented by 2,000 ordinary shares in KCL to Kingspan Holdings (Insulation) Limited (formerly as Kootherm Holdings Limited). Upon completion of the disposal, KCL is no longer an associate of the Group.

Audit Committee

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

Auditors

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

On behalf of the Board

Michael John Green

Chairman

Hong Kong, 20 March 2008

結算日後事項

於二零零八年一月十一日，本集團完成出售固溫中國有限公司（「固溫中國」）（本集團持有20%股權利益的聯營公司）的股份，藉此，本集團出售其於固溫中國的全部權益（即固溫中國普通股份2,000股）予 Kingspan Holdings (Insulation) Limited（前稱為Kootherm Holdings Limited）。出售完成後，固溫中國不再為本集團的聯營公司。

審核委員會

審核委員會已與管理層審閱本集團採納之會計準則及常規，並與董事討論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綜合財務報表。

核數師

本綜合財務報表已由羅兵咸永道會計師事務所審核，該核數師任滿告退，惟願膺選連任。

董事會代表

米高·葛林

主席

香港，二零零八年三月二十日

Corporate Governance Report

企業管治報告

The Company is committed to maintaining high standards of corporate governance in fulfilling the responsibilities to shareholders. Our business culture and practices are founded upon a common set of values that govern our relationships with customers, employees, shareholders, suppliers and the communities in which we operate. The Company also acknowledges and appreciates its responsibility towards the society at large and has embarked upon various initiatives to effectuate this.

The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) has promulgated the Code on Corporate Governance Practices (the “CG Code”) which came into effect in January 2005. Throughout the year under review, the Company has complied itself with the code provisions of the CG Code except in certain circumstances where in the opinion of the directors of the Company (the “Directors”) are unsuitable to be adopted by the Company at this stage. Details of such non-compliance are discussed later in this section.

Directors’ Securities Transactions

The Company has adopted a code of conduct regarding Directors’ securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The Company, having made specific enquiry, confirms that all Directors complied throughout the year with the required standard set out in the Model Code and the Company’s code of conduct regarding Directors’ securities transactions.

The Board

Composition of the Board

The board of Directors (the “Board”) comprises nine members. Apart from the Chairman who is an executive Director, the Board comprises two executive Directors and six non-executive Directors (including one alternate Director) of which three are independent. The composition of the Board is in conformity with rules 3.10(1) and 3.10(2) of the Listing Rules which stipulates a minimum of three independent non-executive Directors with at least one of the independent non-executive Director possesses professional appropriate qualifications and expertise.

本公司承諾以高水平企業管治履行其對股東之責任。我們的企業文化乃建基於維繫我們與客戶、僱員、股東、供應商以及社會關係的共同價值上。本公司亦瞭解並樂意承擔回饋社會之責任，並已推行多項計劃以實踐承諾。

香港聯合交易所有限公司（「聯交所」）已頒佈於二零零五年一月生效之企業管治常規守則（「企業管治常規守則」）。於回顧年度，除本公司董事（「董事」）認為本公司於現階段採納並不恰當之若干情況外，本公司一直遵守企業管治常規守則之守則條文。未有採納之有關守則詳情於較後篇章討論。

董事進行證券交易

本公司已採納董事進行證券交易的操守準則，而有關條款不比聯交所證券上市規則（「上市規則」）所載上市公司董事進行證券交易的標準守則（「標準守則」）所載規定準則條文寬鬆。經作出具體查詢後，本公司確認，全體董事於年內一直遵守標準守則所載規定準則以及本公司有關董事進行證券交易的操守準則。

董事會

董事會組成

本公司董事會（「董事會」）由九名成員組成。除主席為執行董事外，董事會成員包括其餘兩名執行董事及五名非執行董事（包括一名替代董事），其中三名為獨立非執行董事。董事會之組成乃符合上市規則第3.10(1)及3.10(2)條所規定須有最少三名獨立非執行董事，且最少一名須具備合適專業資格及專業知識。

The Board (cont'd)

Composition of the Board (cont'd)

The executive Directors are Messrs Michael John Green (Chairman), Daniel George Green (Managing Director) and Lai Ka Tak, Patrick; the non-executive Directors are Messrs Augustus Ralph Marshall (Mr Lim Ghee Keong being the alternate Director to Mr Marshall) and Christopher John David Clarke; and the independent non-executive Directors are Messrs V-Nee Yeh, Thaddeus Thomas Beczak and Simon Murray CBE. Mr Michael John Green is the father of Mr Daniel George Green and has certain investments made in common with Mr Simon Murray. Biographies of the Directors are set out on pages 11 to 15 of this Annual Report.

Throughout the year, the Board held 4 meetings. Details of Directors' attendance to board meetings are set out below:

董事會 (續)

董事會組成 (續)

執行董事為米高•葛林先生(主席)、丹尼•葛林先生(董事總經理)及黎嘉得先生;非執行董事為Augustus Ralph Marshall先生(林義強先生為Augustus Ralph Marshall先生之替代董事)及簡基華先生;獨立非執行董事為葉維義先生、白泰德先生及馬世民先生。米高•葛林先生為丹尼•葛林先生之父親,並與馬世民先生共同擁有若干投資。董事之履歷載於本年報第11至15頁內。

年內,董事會曾舉行四次會議。各董事出席董事會會議之記錄:

Name of Directors 董事姓名	Designation in the Board 董事會內之職銜	Category 類別	No. of meetings 會議	
			Held during the year 年內舉行次數	Attended 出席次數
Michael John Green 米高•葛林	Chairman 主席	Executive Director 執行董事	4	4
Daniel George Green 丹尼•葛林	Managing Director 副董事總經理	Executive Director 執行董事	4	4
Lai Ka Tak Patrick 黎嘉得	Finance Director 財務董事	Executive Director 執行董事	4	4
Augustus Ralph Marshall	Director 董事	Non-executive Director 非執行董事	4	0
Lim Ghee Keong 林義強	Alternate Director to Augustus Ralph Marshall Augustus Ralph Marshall之 替代董事	Non-executive Director 非執行董事	4	3
Christopher John David Clarke 簡基華	Director 董事	Non-executive Director 非執行董事	4	3
V-Nee Yeh 葉維義	Director 董事	Independent non-executive Director 獨立非執行董事	4	4
Thaddeus Thomas Beczak 白泰德	Director 董事	Independent non-executive Director 獨立非執行董事	4	4
Simon Murray 馬世民	Director 董事	Independent non-executive Director 獨立非執行董事	4	4*

* Attended by Mr Michael John Green as alternate Director.

* 為米高•葛林先生以替代董事身份出席。

Corporate Governance Report

企業管治報告

Division of Responsibilities

The Board is chaired by the Chairman and daily management is overseen by the Managing Director (“MD”) whose role is similar to that of a CEO. The Board members meet from time to time to discharge their duties effectively including setting corporate strategic objectives; identifying potential risk and affirming that available policies are in hand; delivering standards of Directors, chief executives’ ethical behaviour; ensuring the financial statements of the Group are prepared on going concern; and disclosures are communicated to authorities and public on a timely basis. The management formulates and implements the Board’s decisions while the Board ratifies and monitors the same.

Mr Michael John Green and Mr Daniel George Green hold posts of the Chairman and the MD respectively. This segregation ensures a clear distinction between the Chairman’s responsibility to manage the Board and the MD’s responsibility to manage the Company’s business.

As the Chairman of the Company, Mr Michael John Green not only oversees the effective running of the Board but also plays a full and constructive part in the development and determination of the Group’s strategies and overall commercial objectives. With close consultation with the Chairman, other Board members and the management team, the MD develops the Group’s strategies and implements the decision of the Board and its committees. The Board also comprises independent non-executive Directors who bring strong independent judgement, knowledge and experiences to the Board’s deliberations.

職權劃分

董事會以主席為首，日常管理工作由董事總經理（「董事總經理」）監督，彼之職務與行政總裁相若。董事會成員不時會面，以有效履行彼等之職務，包括制定企業策略目標；辨識潛在風險及掌握政策；制定董事及行政人員道德操守準則；確保本集團財務報表按持續經營基準編制並及時向有關機構及公眾人士作出披露。管理層負責制定及推行董事會決策，而董事會則批准及監控有關決策。

主席及董事總經理職位分別由米高·葛林先生及丹尼·葛林先生擔任。此職位劃分能確保主席監管董事會與董事總經理監管本公司業務之職責清晰明確。

本公司主席米高·葛林先生不單監督董事會之有效運作，於發展及訂定本集團策略與整體商業目標方面，亦擔當全面且具建設性之角色。透過與主席、其他董事會成員及管理層緊密洽詢，董事總經理致力發展本集團策略及推行董事會及屬下委員會之決策。董事會成員亦包括獨立非執行董事，彼等精明獨立之判斷、豐富知識及經驗，均有助董事會審議決策。

Directors' Appointment

Notwithstanding the provisions of the CG Code, the non-executive Directors are not appointed for a specific term and no specific provisions are available under the Bye-laws of the Company (the "Bye-laws") where Directors are obliged to retire by rotation at least once every three years. The Bye-laws provided that save that the Board shall have the absolute discretion to determine whether or not the Chairman and/or the Managing Director of the Company shall be subject to retirement by rotation, each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest but not less than one-third) shall retire from office by rotation. To ensure the smooth running and continuous adhering to the strategic view of the Company, the Board believes that it is more practical for the Chairman/Managing Director not to be subject to retirement by rotation. Though the Bye-laws deviate from the CG Code, the Board considers it appropriate as all Directors, including those non-executives, at present are effectively subject to retirement by rotation at least once every three years. A retiring Director is eligible for re-election.

Pursuant to Bye-law 86(2), any Director appointed to fill a casual vacancy on the Board or as an addition to the existing Board shall hold office until the following general meeting of the Company and shall then be eligible for re-election thereat.

During the year, there was neither resignation from nor new appointment to the Board and all those Directors who retired by rotation at the 2007 Annual General Meeting were re-elected by shareholders. In this circumstance, the Board was not called upon to consider new appointees to fill Board vacancies.

Remuneration Committee

The Company established the Remuneration Committee in 2005 with its members comprising two independent non-executive Directors and one non-executive Director. Mr Thaddeus Thomas Beczak was appointed Chairman of the Committee.

董事委任

縱使企業管治常規守則之條文有所規定，非執行董事並無特定委任期，本公司之公司細則（「公司細則」）亦無特定條文，規定董事須最少每三年輪值告退一次。本公司之公司細則規定，除董事會可全權酌情決定本公司主席及／或董事總經理是否須輪值告退外，於各股東週年大會，當時三分之一董事（或，倘人數並非三(3)之倍數，則最接近但不少於三分之一之人數）須輪值告退。為確保運作順暢及持續堅守本公司之策略目標，董事會認為，本公司主席／董事總經理毋須輪值告退認為為較切實可行之做法。儘管公司細則偏離企業管治常規守則之規定，董事會認為現時全體董事（包括非執行董事）實際為最少每三年輪值告退一次已為恰當做法。退任董事可膺選連任。

根據公司細則第 86(2)條，任何獲委任填補董事會臨時空缺或作為現行董事會之新增人選之董事，任期至本公司下次股東週年大會止，屆時將可膺選連任。

年內，董事會內並無成員辭任或新獲委任，所有該等於二零零七年股東週年大會輪值告退之董事均由股東膺選連任。

薪酬委員會

本公司於二零零五年成立薪酬委員會。委員會由兩名獨立非執行董事及一名非執行董事組成。白泰德先生則為委員會主席。

Corporate Governance Report

企業管治報告

Remuneration Committee (cont'd)

The Remuneration Committee make recommendations to the Board in respect of the Company's policy on Directors' remuneration packages. The Committee helps to establish and maintain an appropriate and competitive level of remuneration to attract, retain and motivate people of highest caliber and experience needed to shape and execute strategy and deliver shareholder value in the context of an ever more competitive employment market. Remuneration packages to staff members and Directors are determined with reference to the Company's remuneration policy, remuneration benchmark in the industry and the prevailing market conditions.

The Company has not adopted the terms of reference of the Remuneration Committee as prescribed in the CG Code in full but has duly adopted its own terms of reference that better suits the practical situation of the Company. The Board considers that the key responsibilities of the Remuneration Committee shall focus on assessing the reasonableness of the remuneration of and fixing the remuneration packages for all Directors. The Board understands that the terms of reference adopted by the Remuneration Committee deviates from rules B.1.3(a)-(e) of the CG Code as its scope does not cover the senior management of the Company. However, the Board considers that it is not practical for the Remuneration Committee to adopt the full terms stipulated in the CG Code because the management structure of the Group is relatively simple and its scale of operations is modest. It is also noted that the executive Directors have extensive experience in the industry and are fully qualified to determine the remuneration packages of employees of the Company including the senior management. It has always been the Company's practice to provide compensation with reference to the prevailing market conditions. The remuneration details, together with the financial statements of the Company, are also subject to review and approval by the Board annually. As a result, it is considered more practical not to delegate the responsibility to the Remuneration Committee to determine any specific remuneration packages of the senior management. The Board believes that such arrangement a) will maintain a formal and transparent procedure for setting policy on executive Directors' remuneration and for fixing the remuneration packages for all Directors; b) will not affect the Company in providing transparent information of the Directors' remuneration to the public; c) will give adequate authority to the Remuneration Committee to protect the interest of the Company and the minority shareholders; d) will enable the Company to maintain a reasonable balance of cost and benefit. Adopted terms of reference of the Remuneration Committee is available on the website of the Company.

薪酬委員會 (續)

薪酬委員會就本公司有關董事酬金政策向董事會提出推薦意見。委員會協助訂定及維持適當且具競爭力之酬金水平，以於競爭日益劇烈之就業市場上吸納、挽留及推動具才幹及豐富經驗之人才，從而籌劃並推行策略，為股東帶來價值。給予員工及董事的薪酬乃根據本公司酬金政策，業內報酬標準與現行市場情況而釐定。

本公司並無全面採納企業管治常規守則所規定之薪酬委員會職權範圍，惟已正式採納更能配合本公司實際情況之職權範圍。董事會認為，薪酬委員會之主要職責為集中評估全體董事酬金之合理程度及釐定酬金待遇。董事會瞭解到，由於薪酬委員會所採納之職權範圍並無涵蓋本公司高級管理人員，故偏離企業管治常規守則第 B.1.3(a)至(e)條。然而，董事會認為，鑑於本集團管理層結構較為精簡，營運規模亦屬一般，故薪酬委員會採納企業管治常規守則所訂明全部條款，並不切實可行。另執行董事已於業內積累豐富經驗以釐定本公司僱員（包括高級管理人員）之酬金待遇。本公司一直亦有參考市場狀況以釐定酬金水平，而酬金詳情，連同本公司之財務報表亦須每年經董事會審閱及批准。因此，董事會認為不授權予薪酬委員會釐定高級管理人員之酬金待遇乃較為切實可行。董事會相信有關安排 a) 將能就制定執行董事酬金政策及釐定全體董事酬金待遇方面維持正式兼具透明度之程序； b) 不會就向公眾提供董事酬金資料之透明度對本公司造成影響； c) 將給予薪酬委員會充足權力，以保障本公司及少數股東之利益； d) 將確保本公司於成本與利益間取得合理平衡。經採納之薪酬委員會成員職權範圍可於本公司網站閱覽。

Remuneration Committee (cont'd)

During the year, the Remuneration Committee members met once to determine the remuneration policies of the Group. No executive Director takes part in any discussion about his own remuneration. Details of Directors' and senior management's emoluments and retirement benefits and the granting of share options during the year are disclosed on pages 89 to 91 and 23 of this Annual Report respectively.

Composition of the Remuneration Committee and details of members' attendance to the Committee meeting are set out below:

Name of members 成員姓名	Designation in the Committee 委員會內之職銜	No. of meetings 會議	
		Held during the year 年內舉行次數	Attended 出席次數
Thaddeus Thomas Beczak 白泰德	Chairman 主席	1	1
V-Nee Yeh 葉維義	Member 成員	1	1
Christopher John David Clarke 簡基華	Member 成員	1	1
Michael John Green 米高·葛林	Advisor 諮詢顧問	1	1

Audit Committee

The Audit Committee was established with written terms of reference that describe the authority and duties of the Committee. Such terms of reference were prepared and adopted with reference to "A Guide for Effective Audit Committees" published by the Hong Kong Institute of Certified Public Accountants and in compliance with the code provisions stipulated in the CG Code. The Audit Committee comprises two independent non-executive Directors, namely Messrs. V-Nee Yeh and Thaddeus Thomas Beczak and a non-executive Director, Mr Christopher John David Clarke, who among themselves possess appropriate professional qualifications or expertise as required under rule 3.21 of the Listing Rules. Mr V-Nee Yeh is the Chairman of the Audit Committee.

Adopted terms of reference of the Audit Committee is available on the website of the Company.

薪酬委員會 (續)

年內，薪酬委員會成員曾舉行一次會議，以檢視集團薪酬政策。概無執行董事就彼本身酬金參與任何討論。年內有關董事及高級管理人員之酬金以及授出購股權之詳情分別於本年報第 89 至 91 頁及第 23 頁內披露。

薪酬委員會成員組成及各會員出席委員會會議之記錄：

審核委員會

本公司已成立審核委員會，並書面訂明職權範圍，闡釋委員會權力及職責。職權範圍乃參考香港會計師公會頒佈之「審核委員會有效運作指引」及企業管治常規守則條文後編製及採納。委員會成員包括兩名獨立非執行董事葉維義先生及白泰德先生以及一名非執行董事簡基華先生，彼等當中亦具備上市規則第3.21條所規定之合適專業資格或專業知識。葉維義先生為委員會主席。

經採納之審核委員會職權範圍可於本公司網站閱覽。

Corporate Governance Report

企業管治報告

Audit Committee (cont'd)

The Audit Committee is accountable to the Board. It provides an important link between the Board and the Company's auditors in matters coming within the scope of the Group audit. It also reviews the effectiveness of the external audit and of internal controls and risk evaluation. In fulfilling its responsibilities, the work of the Audit Committee during the year include the followings:

- i) a review of the draft annual and interim financial statements and the draft results announcements of the Company focusing on main areas of judgment, consistency of and changes in accounting policies and adequacy of information disclosure prior to recommending them to the Board for approval;
- ii) a review of the results of external audit and discussion with the external auditors;
- iii) identify and mitigate potential risks in areas of operation and financial information systems as well as the industry environment as a whole;
- iv) a review of the adequacy and effectiveness of the Group's system of internal controls, through review of the work undertaken by the management and external auditors.

Composition of the Audit Committee and details of members' attendance to the Committee meetings are set out below:

Name of members 成員姓名	Designation in the Committee 委員會內之職銜	No. of meetings 會議	
		Held during the year 年內舉行次數	Attended 出席次數
V-Nee Yeh 葉維義	Chairman 主席	2	2
Thaddeus Thomas Beczak 白泰德	Member 成員	2	2
Christopher John David Clarke 簡基華	Member 成員	2	1

審核委員會 (續)

審核委員會須向董事會負責，為董事會與本公司核數師就本集團審核範圍內有關事務之主要溝通橋樑，亦須審閱外部審核、內部監控及風險評估。於履行職責時，審核委員會於回顧年度之工作包括以下各項：

- i) 推薦予董事會批准前，審閱本公司年度及中期財務報表草擬本以及本公司業績公佈草擬本，集中處理會計政策之判斷範圍、貫徹應用與變動，以及充足之資料披露；
- ii) 檢閱外聘核數師的核數結果並與其討論有關事宜；
- iii) 辨識及減輕營運及財務資訊系統以及整體行業環境之潛在風險；
- iv) 透過審閱管理層及外聘核數師進行之工作，檢討本集團內部監控系統之足夠及有效程度。

審核委員會成員組成及各會員出席會議之記錄：

Auditor's Remuneration

During the year, the fees paid/payable to the auditors in respect of audit and non-audit services provided by the auditors to the Group were as follows:

Nature of services	服務性質	Amount (HK\$) 金額 (港元)
Audit services	審核服務	1,648,692
Non-audit services	非審核服務	
(i) Tax services	(i) 稅務服務	371,900
(ii) Other services	(ii) 其他服務	-

Directors' Acknowledgement to Prepare Financial Statements

The Directors acknowledge their responsibilities for preparing the financial statements of the Group. In the statements, the generally accepted accounting standards in Hong Kong have been adopted, appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made, and relevant financial disclosure obligations under the Listing Rules have been taken into account.

Relevant responsibility statement from the external auditors made pursuant to the CG Code is set out in the Auditor's Report on pages 40 to 41.

The Board has reviewed the business plan of the Group in respect of the forthcoming financial year and is not aware of any material uncertainties relating to events or conditions which may cast significant doubt over the Group's ability to continue as a going concern. Accordingly, the Board has continued to adopt the going concern basis in preparing the financial statements.

核數師酬金

年內，就核數師向本集團提供之審核及非審核服務已付／應付予核數師之費用如下：

董事知悉須編制財務報表

董事知悉彼等有責任編制本集團財務報表。有關報表採納香港普遍採納之會計準則編製，貫徹應用合適的會計政策，作出合理審慎判斷及估計，並考慮上市規則之有關財務披露責任。

外聘核數師根據企業管治常規守則所作出之有關責任聲明載於第 40 至 41 頁之核數師報告。

董事會已檢討下個財政年度之業務計劃，惟並不知悉任何可能對本集團持續經營能力造成重大疑慮之事件或情況之重大不確定因素。因此，董事會已繼續採用持續經營基準編製財務報表。

Corporate Governance Report

企業管治報告

Internal Controls

The Board has conducted a review of the effectiveness of the system of internal control of the Company and its subsidiaries. The Board is ultimately responsible for the Group's system of internal control and for reviewing its effectiveness. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Company maintains a well-established control framework comprising clear structures and accountabilities, well-understood policies and procedures and budgeting and review process. The management meets monthly with the executive Directors to review divisional financial performance, business development plans, management issues, financial budgets and forecasts and capital expenditure proposals. The executive Directors also regularly receive reports from executives and functional heads on key risk subjects.

The Board works together with the Audit Committee to discharge its internal control responsibility for the ongoing oversight of the internal control framework which provides an important key to reinforcing the organization's commitment to internal control.

The Company has implemented an annual programme to conduct an in-depth review of financial, operational and compliance controls and compliance with company financial policies at business units. The Board reports its findings to the Audit Committee and any material issues are reported and discussed with the Board.

內部監控

董事會已對本公司及其附屬公司內部監控系統之成效進行檢討。董事會須就本集團之內部監控系統負最終責任，並檢討其效能。內部監控系統旨在管理未能達到業務目標之風險而非消除該等風險，且僅可提供合理而非絕對保證可防範重大錯誤申報或損失。

本公司設有完善監控架構，包括清晰可靠的結構、簡明政策及程序、預算以及檢討程序。管理層與執行董事每月檢討分部財務表現、業務發展計劃、管理事宜、財務預算與預測以及資本開支建議。執行董事亦會定期接收行政人員及職能主管之主要風險項目報告。

董事會與審核委員會緊密合作，履行其內部監控職責，持續監管內部監控架構，加強組織對內部監控之承擔。

本公司實施年度計劃，對業務單位財務、營運及守規監控進行深入檢討。這項檢討工作的結果須向審核委員會呈報，再由審核委員會向董事會轉述。

Investor Relations

The Chairmen of the Company and of the Committees are available at annual general meetings to answer questions raised by shareholders of the Company or other parties. To facilitate enforcement of shareholders' rights, substantially separate issues at general meetings are dealt with under separate resolutions.

Changes to constitutional documents

The Company has adopted at the annual general meeting held on 6 May 2005 a new set of Bye-laws to incorporate the changes promulgated by the new Listing Rules effective on 1 January 2004, bringing it up to date with the Securities and Futures Ordinance and in line with current best practices.

General meetings

General meetings provides a forum for the board to communicate with the shareholders. During the year, the Company held one general meeting on 25 May 2007. The following ordinary resolutions were passed at the meeting by a show of hands:

- To receive and consider the audited consolidated financial statements and the Reports of the Directors and auditors for the year ended 31 December 2006.
- To re-elect the following retiring Directors:
 - Mr Daniel George Green;
 - Mr Simon Murray;
 - Mr Augustus Ralph Marshall;
 - to authorize the Board of Directors to fix the remuneration of the Directors.
- To re-appoint Messrs. PricewaterhouseCoopers as auditors of the Company and authorize the Board of Directors to fix their remuneration.
- To grant a general mandate to the Directors to issue securities.
 - To grant a general mandate to the Directors to repurchase the Company's securities;
 - To extend the securities issue mandate granted to the Directors to include securities repurchased by the Company.

投資者關係

本公司主席與委員會主席於股東週年大會回應本公司股東或其他人士之提問。為鞏固股東權益，股東大會上之重大個別事項將以個別決議案處理。

組織章程文件變動

本公司已於二零零五年五月六日舉行之股東週年大會採納新公司細則，納入新上市規則所頒佈之變動同時符合最新證券及期貨條例及現行最佳守則。

股東大會

股東大會為董事會提供與股東溝通之渠道。年內，本公司於二零零七年五月二十五日舉行股東大會，會上以舉手表決方式通過以下普通決議案：

- 省覽截至二零零六年十二月三十一日止年度之經審核綜合財務報表、董事會及核數師報告書。
- 重選下列退任董事：
 - 丹尼·葛林先生；
 - 馬世民先生；
 - Augustus Ralph Marshall 先生；
 - 授權董事會釐定董事酬金。
- 再度委任羅兵咸永道會計師事務所為本公司核數師，並授權董事會釐定其酬金。
- 授予董事發行證券之一般授權；
 - 授予董事購回本公司證券之一般授權；
 - 擴大授予董事發行證券之一般授權以包括本公司所購回之證券在內。

Auditor's Report

核數師報告

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ARNHOLD HOLDINGS LIMITED (Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Arnhold Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 42 to 130, which comprise the consolidated and company balance sheets as at 31 December 2007, and the consolidated profit and loss account, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

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

Auditor's responsibility

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

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

獨立核數師報告 致安利控股有限公司股東 (於百慕達註冊成立的有限公司)

本核數師（以下簡稱「我們」）已審核列載於第42至130頁安利控股有限公司（「公司」）及其附屬公司（以下合稱「集團」）的綜合財務報表，此綜合財務報表包括於二零零七年十二月三十一日的綜合及公司資產負債表與截至該日止年度的綜合損益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

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

核數師的責任

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

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

Auditor's Report

核數師報告

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 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.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 20 March 2008

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

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映公司及集團於二零零七年十二月三十一日的事務狀況及集團截至該日止年度的利潤及現金流量，並已按照香港公司條例的披露規定妥為編製。

羅兵咸永道會計師事務所

執業會計師

香港，二零零八年三月二十日

Consolidated Profit and Loss Account

綜合損益表

		For the year ended 31 December 截至十二月三十一日止年度		
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	
	Note 附註			
Turnover	營業額	5	387,904	297,550
Cost of sales	銷售成本	6	(302,634)	(231,860)
Gross profit	總溢利		85,270	65,690
Other revenues	其他收入	5	5,588	6,329
Operating expenses	經營開支	7	(75,697)	(65,398)
Gain on disposal of an investment property	出售投資物業收益	16	439	–
Fair value loss on revaluation of investment properties	重估投資物業之 公平值虧損	16	–	(801)
Loss on disposal of a subsidiary	出售附屬公司虧損	19	–	(503)
Loss on disposal of a property	出售物業虧損	20	–	(1,031)
Gain on disposal of an associate	出售聯營公司收益	22	2,667	–
Operating profit	經營溢利		18,267	4,286
Finance costs	財務費用	8	(146)	(196)
Share of loss of associates	應佔聯營公司虧損		(1,101)	(1,767)
Profit before income tax	除所得稅前溢利		17,020	2,323
Income tax expense	所得稅	12	(215)	(182)
Profit attributable to shareholders	股東應佔溢利	13	16,805	2,141
Basic earnings per share	每股基本盈利	14	7.47 cents 港仙	0.95 cents 港仙
Diluted earnings per share	每股攤薄盈利	14	7.28 cents 港仙	0.95 cents 港仙
Dividend	股息	15	9,913	–
Dividend per share	每股股息	15	4.4 cents 港仙	–

The notes on pages 49 to 130 are an integral part of these consolidated financial statements.

第 49 至 130 頁的附註為綜合財務報表的整體部份。

Consolidated Balance Sheet

綜合資產負債表

		At 31 December 於十二月三十一日	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
	Note 附註		
Non-current assets	非流動資產		
Investment properties	投資物業	16	9,850
Property, plant and equipment	物業、機器及設備	17	43,807
Lease prepayments	租賃預付款	18	48,886
Interest in associates	聯營公司權益	22	–
Available-for-sale financial assets	可供出售之財務資產	23	3,159
Trade and other receivables	貿易及其他應收款	26	–
			467
			105,702
Current assets	流動資產		117,455
Inventories	存貨	24	25,514
Construction contracts	建築合約	25	–
Trade and other receivables	貿易及其他應收款	26	115,177
Derivative financial instruments	衍生金融工具	27	2,597
Deferred income tax assets	遞延所得稅資產	33	1,000
Current income tax recoverable	當期所得稅可收回款項		–
Cash and cash equivalents	現金及現金等價物	28	–
			22
			74,524
			218,812
Current liabilities	流動負債		150,434
Trade and other payables	貿易及其他應付款	29	104,822
Derivative financial instruments	衍生金融工具	27	58
Provisions	撥備	30	1,677
Current income tax liabilities	當期所得稅負債		292
			–
			106,849
Net current assets	流動資產淨值		68,445
			111,963

Consolidated Balance Sheet

綜合資產負債表

		At 31 December 於十二月三十一日	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
	Note 附註		
Total assets less current liabilities	資產總值減流動負債	217,665	199,444
Non-current liabilities	非流動負債		
Deferred income tax liabilities	遞延所得稅負債	214	425
Net assets	資產淨值	217,451	199,019
Capital and reserves	資本及儲備		
Share capital	股本	22,530	22,450
Reserves	儲備		
Proposed final dividend	建議之末期股息	9,913	–
Others	其他	185,008	176,569
Shareholders' funds	股東資金	217,451	199,019

Approved by the Board of Directors on 20 March 2008.

已於二零零八年三月二十日獲董事會批核。

Michael John Green

米高•葛林

Chairman

主席

Lai Ka Tak, Patrick

黎嘉得

Finance Director

財務董事

The notes on pages 49 to 130 are an integral part of these consolidated financial statements.

第 49 至 130 頁的附註為綜合財務報表的整體部份。

Balance Sheet

資產負債表

		At 31 December 於十二月三十一日	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
	Note 附註		
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	附屬公司投資	21	86,131
			86,131
CURRENT ASSETS	流動資產		
Trade and other receivables	貿易及其他應收款	26	245
Amounts due from subsidiaries	附屬公司欠款	21	115,449
Cash and cash equivalents	現金及現金等價物	28	180
			115,874
			106,853
CURRENT LIABILITIES	流動負債		
Trade and other payables	貿易及其他應付款	29	265
			265
			1,119
			1,119
NET CURRENT ASSETS	流動資產淨值		115,609
			105,734
NET ASSETS	資產淨值		201,740
			191,865
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	31	22,530
Reserves	儲備	32	
Proposed final dividend	建議之末期股息		9,913
Others	其他		169,297
SHAREHOLDERS' FUNDS	股東資金		201,740
			191,865

Approved by the Board of Directors on 20 March 2008.

已於二零零八年三月二十日獲董事會批核。

Michael John Green

米高·葛林

Chairman

主席

Lai Ka Tak, Patrick

黎嘉得

Finance Director

財務董事

The notes on pages 49 to 130 are an integral part of these consolidated financial statements.

第 49 至 130 頁的附註為綜合財務報表的整體部份。

Consolidated Cash Flow Statement

綜合現金流量表

		For the year ended 31 December 截至十二月三十一日止年度	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
	Note 附註		
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務產生之現金流量		
Profit before income tax	除稅前溢利	17,020	2,323
Depreciation of property, plant and equipment	物業、機器及設備折舊	3,770	2,995
Amortisation of lease prepayments	租賃預付款	1,049	1,016
Interest income	利息收入	(1,540)	(1,750)
Interest expenses	利息支出	146	196
Share of loss of associates	應佔聯營公司虧損	1,101	1,767
Loss on disposal of property, plant and equipment	出售物業、機器及設備虧損	8	15
Loss on disposal of a property	出售物業虧損	20	1,031
Gain on disposal of an investment property	出售投資物業收益	16	–
Loss on disposal of a subsidiary	出售附屬公司虧損	19	503
Gain on disposal of an associate	出售聯營公司收益	22	–
Fair value loss on revaluation of investment properties	重估投資物業之公平值虧損	16	801
Net unrealised fair value gain on derivative financial instruments	衍生金融工具之未變現公平值淨盈利		(1,927)
Employee share-based compensation benefits	僱員應享購股權計劃之福利	386	649
Impairment loss of available-for-sale financial assets	可供出售財務資產減值虧損	–	190
Reversal of surplus on revaluation of impaired available-for-sale financial assets to consolidated profit and loss account	重估已減值可供出售財務資產之盈利轉撥至綜合損益表	–	(65)
CHANGES IN WORKING CAPITAL	經營資本變動	16,990	7,744
(Increase)/decrease in amount due from associates	應收聯營公司之欠款(增加)/減少	(131)	191
Decrease/(increase) in inventories	存貨減少/(增加)	284	(6,668)
Decrease/(increase) in construction contracts	建築合約減少/(增加)	18	(5)
Increase in trade and other receivables	貿易及其他應收款增加	(43,879)	(110)
Increase/(decrease) in trade and other payables	貿易及其他應付款增加/(減少)	38,428	(2,702)
Decrease in provisions	撥備減少	(6)	(47)
CASH GENERATED FROM/ (USED IN) OPERATIONS	經營業務產生/(使用)之現金淨額	11,704	(1,597)
Interest received	所得利息	1,540	1,750
Interest paid	已付利息	(146)	(196)
Hong Kong profits tax paid	香港利得稅支出	(355)	(34)
Overseas tax paid	海外稅項支出	(757)	(112)
NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES	經營業務所產生/(使用)之現金淨額	11,986	(189)

Consolidated Cash Flow Statement

綜合現金流量表

		For the year ended 31 December 截至十二月三十一日止年度	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
	Note 附註		
CASH FLOWS FROM			
INVESTING ACTIVITIES			
Payments for purchase of property, plant and equipment		(2,717)	(14,341)
Proceeds from disposal of a property	20	–	2,254
Proceeds from disposal of property, plant and equipment		15	–
Proceeds from disposal of an investment property	16	5,339	–
Proceeds from disposal of a subsidiary	19	–	1,555
Proceeds from disposal of an associate	22	11,199	–
Loan to an associate		(4,400)	(6,996)
NET CASH GENERATED FROM/ (USED IN) INVESTING ACTIVITIES		9,436	(17,528)
CASH FLOWS FROM			
FINANCING ACTIVITY			
Proceeds from issuance of ordinary shares		400	–
NET CASH GENERATED FROM FINANCING ACTIVITY		400	–
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		21,822	(17,717)
Cash and cash equivalents at the beginning of the year		52,702	70,419
Cash and cash equivalents at the end of the year		74,524	52,702

The notes on pages 49 to 130 are an integral part of these consolidated financial statements.

第 49 至 130 頁的附註為綜合財務報表的整體部份。

Consolidated Statement of Changes in Equity

綜合權益變動報表

		For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度						
		Share capital 股本 HK\$'000 港幣千元	Share premium 股份溢價 HK\$'000 港幣千元	Available- for-sale investment reserve 可供出售之 財務資產儲備 HK\$'000 港幣千元	Employee share-based compensation reserve 僱員股份 報酬儲備 HK\$'000 港幣千元	Retained earnings 保留盈利 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2006	於二零零六年一月一日	22,450	92,389	(334)	1,100	79,327	808	195,740
Profit attributable to shareholders	股東應佔溢利	-	-	-	-	2,141	-	2,141
Employee share-based compensation benefits	僱員應享購股權計劃之 福利	-	-	-	649	-	-	649
Surplus on revaluation	重估溢利	-	-	554	-	-	-	554
Reversal of surplus on revaluation of impaired available-for-sale financial assets to consolidated profit and loss account	重估已減值可供出售財務 資產之盈利轉撥至 綜合損益表	-	-	(65)	-	-	-	(65)
At 31 December 2006	於二零零六年十二月三十一日	22,450	92,389	155	1,749	81,468	808	199,019
Profit attributable to shareholders	股東應佔溢利	-	-	-	-	16,805	-	16,805
Employee share-based compensation benefits	僱員應享購股權計劃之 福利	-	-	-	386	-	-	386
Employee share option scheme: Issuance of ordinary shares	僱員購股權計劃： 配發普通股股份	80	320	-	-	-	-	400
Surplus on revaluation	重估溢利	-	-	841	-	-	-	841
At 31 December 2007	於二零零七年十二月三十一日	22,530	92,709	996	2,135	98,273	808	217,451
Representing:	實現為：							
2007 Proposed final dividend	二零零七年度建議之末期息					9,913		
Others	其他					88,360		
Retained earnings as at 31 December 2007	於二零零七年十二月三十一日之 保留盈利					98,273		

The notes on pages 49 to 130 are an integral part of these consolidated financial statements.

第 49 至 130 頁的附註為綜合財務報表的整體部份。

Notes to the Consolidated Financial Statements

綜合財務報表附註

1 General Information

The principal activities of Arnhold Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) are (i) trading, (ii) manufacturing and export and (iii) retail and renovation operations.

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

The Company has its primary listing on the main board of The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$'000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 20 March 2008.

2 Summary of Significant Accounting Policies

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

2.1 Basis of Preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRSs), Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss and investment properties, which are carried at fair value.

1 一般資料

安利控股有限公司（「本公司」）及其附屬公司（合稱「本集團」）主要經營及從事(i)貿易；(ii)生產及出口；及(iii)零售及裝修業務。

本公司為一家在百慕達註冊成立的有限責任公司，註冊辦事處地址為Clarendon House, Church Street, Hamilton HM11, Bermuda。

本公司的股份主要在香港聯合交易所有限公司主板上市。

本綜合財務報表以港幣千元列報（另有說明除外）。本綜合財務報表已於二零零八年三月二十日經由董事會批准刊發。

2 重要會計政策摘要

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

2.1 編制基準

本綜合財務報表是根據香港會計師公會頒佈之香港財務報告準則《香港財務準則》，香港會計準則《香港會計準則》及其詮釋編制。綜合財務報表已按照歷史成本法編制，並就樓宇、可供出售財務資產、按公平值透過損益記賬的財務資產和財務負債（包括衍生工具）的重估而作出修訂。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.1 Basis of Preparation (cont'd)

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

(a) Standard, amendments and interpretations effective in 2007

- HKFRS 7, "Financial instruments: Disclosures", and the complementary amendment to HKAS 1, 'Presentation of financial statements – Capital disclosures', introduces new disclosures relating to financial instruments and does not have any impact on the classification and valuation of the Group's financial instruments, or the disclosures relating to taxation and trade and other payables.
- HK(IFRIC) – Int 8, "Scope of HKFRS 2", requires consideration of transactions involving the issuance of equity instruments, where the identifiable consideration received is less than the fair value of the equity instruments issued in order to establish whether or not they fall within the scope of HKFRS 2. This standard does not have any impact on the Group's financial statements.

2 重要會計政策摘要 (續)

2.1 編制基準 (續)

編制符合《香港財務準則》的財務報表需要使用若干關鍵會計估算。這亦需要管理層在應用本集團的會計政策過程中行使其判斷。涉及高度判斷或高度複雜性的範疇，或涉及對綜合財務報表屬重大假設和估算的範疇，在附註 4 中披露。

(a) 在二零零七年已生效的準則、修訂及詮釋

- 香港財務準則 7「金融工具：披露」，及香港會計準則 1「財務報表的呈報－資本披露」的補充修訂引入了有關金融工具的新披露規定，對本集團金融工具的分類和估值，或稅項和貿易及其他應付款相關的披露並無任何影響。
- 香港（國際財務報告詮釋委員會）－詮釋 8「香港財務準則 2 的範圍」規定凡涉及發行權益工具的交易，而當中所收取的可識別代價低於所發行權益工具的公平值，則必須確定其是否屬於香港財務報告準則 2 的範圍內。此項準則並無對本集團的財務報表有任何影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.1 Basis of Preparation (cont'd)

(a) Standard, amendments and interpretations effective in 2007 (cont'd)

- HK(IFRIC) – Int 10, “Interim financial reporting and impairment”, prohibits the impairment losses recognised in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date. This standard does not have any impact on the Group’s financial statements.

(b) Standards, amendments and interpretations effective in 2007 but not relevant for the Group’s operations

The following standards, amendments and interpretations to published standards are mandatory for accounting periods beginning on or after 1 January 2007 but they are not relevant to the Group’s operations:

- HK(IFRIC) – Int 7, “Applying the restatement approach under HKAS 29, Financial reporting in hyper-inflationary economies”; and
- HK(IFRIC) – Int 9, “Re-assessment of embedded derivatives”.

2 重要會計政策摘要 (續)

2.1 編制基準 (續)

(a) 在二零零七年已生效的準則、修訂及詮釋 (續)

- 香港 (國際財務報告詮釋委員會) – 詮釋10「中期財務報告和減值」禁止在中期期間確認按成本值列賬的商譽、權益工具的投資和財務資產投資的減值虧損在之後的結算日撥回。此項準則並無對本集團的財務報表有任何影響。

(b) 在二零零七年生效但不適用於本集團營運的準則、修訂及詮釋

以下準則、修訂及對已公佈準則的詮釋必須在二零零七年一月一日或之後開始的會計期間採納，但不適用於本集團的營運：

- 香港 (國際財務報告詮釋委員會) – 詮釋7「香港會計準則29「嚴重通脹經濟中的財務報告」下的重列法」；及
- 香港 (國際財務報告詮釋委員會) – 詮釋9「重新評估勘入式衍生工具」。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.1 Basis of Preparation (cont'd)

(c) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

The following standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2008 or later periods, but the Group has not early adopted them:

- HKAS 1 (Revised), "Presentation of Financial Statements" (effective from 1 January 2009);
- HKAS 23 (Revised), "Borrowing costs" (effective from 1 January 2009);
- HKFRS 8, "Operating segments" (effective from 1 January 2009);
- HK(IFRIC) – Int 11, "HKFRS 2 – Group and treasury share transactions" (effective from 1 March 2007);

2 重要會計政策摘要 (續)

2.1 編制基準 (續)

(c) 仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋

以下為已公佈的準則、修訂及對現有準則的詮釋，而本集團必須在二零零八年一月一日或之後開始的會計期間或較後期間採納，但本集團並無提早採納：

- 香港會計準則1 (修訂)「財務報表的呈報」(由二零零九年一月一日起生效)
- 香港會計準則23 (修訂)「借貸成本」(由二零零九年一月一日起生效)
- 香港財務準則 8「營運分部」(由二零零九年一月一日起生效)
- 香港 (國際財務報告詮釋委員會) – 詮釋11, 香港財務準則 2「集團及庫存股份交易」(由二零零七年三月一日起生效)

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.1 Basis of Preparation (cont'd)

(c) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (cont'd)

- HK(IFRIC) – Int 12, “Service Concession Arrangements” (effective from 1 January 2008);
- HK(IFRIC) – Int 13, “Customer Loyalty Programmes” (effective from 1 July 2008); and
- HK(IFRIC) – Int 14, “HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” (effective from 1 January 2008).

The Group has already commenced an assessment of the impact of the above new standards, amendments and interpretations to existing standards but is not yet in a position to state whether they would have a significant impact on the Group's financial statements.

2.2 Consolidation

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

2 重要會計政策摘要 (續)

2.1 編制基準 (續)

(c) 仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋 (續)

- 香港 (國際財務報告詮釋委員會) – 詮釋12「服務特許權的安排」(由二零零八年一月一日起生效)
- 香港 (國際財務報告詮釋委員會) – 詮釋13「客戶忠誠及計劃」(由二零零八年七月一日起生效) 及
- 香港 (國際財務報告詮釋委員會) – 詮釋14, 香港會計準則 19「界定福利資產限額、最低資金要求及兩者相互關係」(由二零零八年一月一日起生效)

本集團已開始評估該等新訂準則、修訂及詮釋的影響，現階段未能確定該等準則、修訂及詮釋對本集團之財務報表有任何影響。

2.2 綜合賬目

綜合財務報表包括本公司及其所有附屬公司截至十二月三十一日止的財務報表。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.3 Subsidiaries

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

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

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

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

2 重要會計政策摘要 (續)

2.3 附屬公司

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

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

集團內公司之間的交易、交易的結餘及未實現收益均予以對銷。除非交易提供所轉讓資產減值之憑證，否則未實現虧損亦予以對銷。附屬公司的會計政策已按需要作出改變，以確保與本集團採用的政策一致。

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.4 Associates

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

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

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

2.5 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

2 重要會計政策摘要 (續)

2.4 聯營公司

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

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

本集團與其聯營公司之間交易的未實現收益按集團在聯營公司權益的數額對銷。除非交易提供所轉讓資產減值之憑證，否則未實現虧損亦予以對銷。聯營公司的會計政策已按需要作出改變，以確保與本集團採用的政策一致。

2.5 分類呈報

業務分部指從事提供產品或服務的一組資產和業務，而產品或服務的風險和回報與其他業務分部的不同。地區分部指在某個特定經濟環境中從事提供產品或服務，其產品或服務的風險和回報與在其他經濟環境中營運的分部的不同。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.6 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated profit and loss account.

(c) Group companies

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

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

2 重要會計政策摘要 (續)

2.6 外幣匯兌

(a) 功能和列賬貨幣

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

(b) 交易及結餘

外幣交易採用交易日的匯率換算為功能貨幣。結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在綜合損益表確認。

(c) 集團公司

功能貨幣與列賬貨幣不同的所有集團實體（當中沒有嚴重通脹貨幣）的業績和財務狀況按如下方法換算為列賬貨幣：

- (i) 每份呈報的資產負債表內的資產和負債按該資產負債表日期的收市匯率換算；

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.6 Foreign currency translation (cont'd)

(c) Group companies (cont'd)

- (ii) income and expenses for each profit and loss account are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the consolidated profit and loss account as part of the gain or loss on sale.

2.7 Property, plant and equipment

Buildings comprise mainly factory, warehouses and offices. Buildings are shown at cost less accumulated depreciation and impairment losses. All other property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged in the consolidated profit and loss account during the financial period in which they are incurred.

2 重要會計政策摘要 (續)

2.6 外幣匯兌 (續)

(c) 集團公司 (續)

- (ii) 每份損益表內的收入和費用按平均匯率換算 (除非此匯率並不代表交易日期匯率的累計影響的合理約數; 在此情況下, 收支項目按交易日期的匯率換算); 及
- (iii) 所有由此產生的匯兌差額確認為權益的獨立組成項目。

在綜合賬目時, 換算海外業務的淨投資, 以及換算借貸及其他指定作為該等投資對沖的貨幣工具所產生的匯兌差額列入股東權益。當售出一項海外業務時, 該等匯兌差額在綜合損益表確認為出售盈虧的一部份。

2.7 物業、機器及設備

樓宇主要包括廠房、倉庫和辦公室。樓宇按成本減累計折舊及減值列賬。所有其他物業、機器及設備按歷史成本減折舊和減值虧損列賬。歷史成本包括收購該項目直接應佔的開支。

其後成本只有在與該項目有關的未來經濟利益有可能流入本集團, 而該項目的成本能可靠計量時, 才包括在資產的賬面值或確認為獨立資產 (按適用)。所有其他維修及保養在產生的財政期間內於綜合損益表支銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.7 Property, plant and equipment (cont'd)

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

Leasehold buildings	50 years
Leasehold improvements	2 – 5 years
Furniture and equipment	3 – 5 years
Plant and machinery	5 – 10 years
Motor vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within operating expenses, in the consolidated profit and loss account.

2.8 Lease prepayments

Lease prepayments represents interest in leasehold land and land use rights and are carried at cost less accumulated amortisation and impairment losses. Amortisation is provided to write off cost of lease prepayments on a straight-line basis over the respective lease periods.

2.9 Construction in progress

Construction in progress represents investment in land and buildings on which construction work has not been completed, and is carried at cost which includes construction expenditure incurred, interest and other direct costs attributable to the construction less impairment losses. Capitalisation of these costs ceases and the construction in progress is transferred to property, plant and equipment when the asset is substantially ready for its intended use. No amortisation is provided in respect of construction in progress.

2 重要會計政策摘要 (續)

2.7 物業、機器及設備 (續)

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

租賃樓宇	50 年
租賃物業裝修	2 年 – 5 年
傢俬及設備	3 年 – 5 年
廠房及機器設備	5 年 – 10 年
汽車	5 年

資產的剩價值及可使用年期在每個結算日進行檢討，及在適當時調整。若資產的賬面值高於其估計可收回價值，其賬面值即時撇減至可收回金額。

出售盈虧按所得款與賬面值的差額釐定，並在綜合損益表內的經營開支中確認。

2.8 租賃預付款

租賃預付款為租賃土地及土地使用權並以成本值減去累計攤銷及減值列帳。租賃預付款的成本在其有關租賃期限及使用期限以直線法攤銷。

2.9 在建工程

在建工程是指建築工程仍未完成之土地及物業之投資，此等在建工程以成本值列帳，包括建築費用及屬於該工程其他之直接成本，扣除減值虧損。當有關工程達到可使用狀態時，其成本將停止資本化，在建工程亦會轉入物業、機器及設備項目內。在建工程不計提折舊。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.10 Investment properties

Investment properties are land and buildings which are owned or held under a leasehold interest to earn rental income and/or capital appreciation or both, and that is not occupied by the companies in the consolidated Group.

After initial recognition, investment properties are stated at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset, determined annually by independent qualified valuers.

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

Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in the consolidated profit and loss account. Rental income from investment properties is accounted for as described in Note 2.24.

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

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

2 重要會計政策摘要 (續)

2.10 投資物業

投資物業乃為根據租賃權益以獲得租金收益及／或資本增值或兩者兼備而擁有或持有，且並非由綜合集團內的公司佔用的物業。

在初步確認後，投資物業按公平值列賬。公平值根據活躍市場價格計算，如有需要就個別資產的性質、地點或狀況的任何差異作出調整，則每年由獨立估值師決定。

投資物業的公平值其中反映來自現租賃的租金收入，及在現時市場情況下未來租金收入假設。

投資物業公平值改變或因出售投資物業而導致的任何盈虧於綜合損益表中確認。已入賬投資物業租賃收入於附註 2.24 中詳述。

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.10 Investment properties (cont'd)

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment under HKAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the consolidated profit and loss account.

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

2.11 Impairment of investments in subsidiaries, associates and non-financial assets

Assets that have an indefinite useful life or have not yet available for use are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 重要會計政策摘要 (續)

2.10 投資物業 (續)

根據《香港會計準則》第16號，若物業、機器及設備的某個項目因其用途改變而成為投資物業，該項目於轉撥日期的賬面值與公平值的任何差額在權益中確認為物業、機器及設備的重估。該項目出售後的盈利轉撥至保留盈餘，因此而產生的任何虧損即時在綜合損益表中確認。

其後開支只有在與該項目有關的未來經濟利益很有可能流入本集團，而該項目的成本能可靠計量時，才包括在資產的賬面值。所有其他維修及保養在產生的財政期間內於綜合損益表支銷。

2.11 附屬公司、聯營公司及非財務資產減值

沒有確定使用年期之資產無需攤銷，但最少每年就減值進行測試。須作攤銷之資產，當有事件出現或情況改變顯示賬面值可能無法收回時就減值進行檢討。減值虧損按資產之賬面值超出其可收回金額之差額確認。可收回金額以資產之公平值扣除銷售成本或使用價值兩者之較高者為準。於評估減值時，資產將按可識辨現金流量（現金產生單位）的最低層次組合（除商譽外，已減值的資產在每個報告日期均就減值是否可以撥回進行檢討。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.12 Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivable and available-for-sale. The classification depends on the purposes for which the financial assets were acquired. Management determine the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as trade and other receivables in the balance sheet (Note 2.15).

2 重要會計政策摘要 (續)

2.12 財務資產

本集團將其財務資產分類如下：按公平值透過損益記賬的財務資產、貸款及應收款及可供出售財務資產。分類方式視乎購入投資目的而定。管理層在初步確認時釐定其投資的分類。

(a) 按公平值透過損益列賬的財務資產

持作買賣的財務資產，及開始時指定按公平值透過損益記賬的財務資產。財務資產若在購入時主要用作在短期內出售則分類為此類別。衍生工具除非被指定為對沖，否則亦分類為持作買賣用途。此類別的資產分類為流動資產。

(b) 貸款及應收款

貸款及應收款為有固定或可釐定付款且沒有在活躍市場上報價的非衍生財務資產。此等款項包括在流動資產內，但到期日由結算日起計超過12個月者，則分類為非流動資產。貸款及應收款列在資產負債表中貿易及其他應收款內。(附註 2.15)

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.12 Financial assets (cont'd)

(c) Available-for-sale financial assets

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

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

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the consolidated profit and loss account in the period in which they arise.

2 重要會計政策摘要 (續)

2.12 財務資產 (續)

(c) 可供出售財務資產

可供出售財務資產為被指定作此類別或並無分類為任何其他類別之非衍生工具。除非管理層有意在結算日後12個月內出售該項投資，否則此等資產列在非流動資產內。

定期購入及出售的財務資產在交易日確認 – 交易日指本集團承諾購入或出售該資產之日。對於並非按公平值透過損益記賬的所有財務資產，其投資初步按公平值加交易成本確認。按公平值透過損益記賬的財務資產，初步按公平值確認，而交易成本則在綜合損益表支銷。當從投資收取現金流量的權利經已到期或經已轉讓，而本集團已將擁有權的所有風險和回報實際轉讓時，財務資產即終止確認。可供出售財務資產及按公平值透過損益記賬的財務資產其後則按公平值列賬。貸款及應收款利用實際利息法按攤銷成本列賬。

來自「按公平值透過損益記賬的財務資產」類別的公平值變動所產生的盈虧，列入產生期間之綜合損益表的經營開支內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.12 Financial assets (cont'd)

(c) Available-for-sale financial assets (cont'd)

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in equity.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated profit and loss account as gains or losses from investment securities.

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

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

2 重要會計政策摘要 (續)

2.12 財務資產 (續)

(c) 可供出售財務資產 (續)

分類為可供出售的貨幣性及非貨幣性證券的公平值變動在權益中確認。

當證券被分類為可供出售的證券售出或減值時，在權益中確認的累計公平值調整列入綜合損益表內作為投資證券的盈虧。

報價投資的公平值根據當時的買盤價計算。若某項財務資產的市場並不活躍（及就非上市證券而言），本集團利用重估技術設定公平值。這些技術包括利用近期公平原則交易、參考大致相同的其他工具、貼現現金流量分析和期權定價權式，充份利用市場數據而儘量少依賴實體特有的數據。

本集團在每個結算日評估是否有客觀證據證明某項財務資產或某組財務資產經已減值。對於分類為可供出售的股權證券，在釐定證券是否已經減值時，會考慮證券公平值有否大幅或長期跌至低於其成本值。若可供出售財務資產存在此等證據、累計虧損（按收購成本與當時公平值的差額，減該財務資產之前在綜合損益表確認的任何減值虧損計算）自權益中剔除並在綜合損益表記賬。在綜合損益表確認的股權工具減值虧損不會透過損益表撥回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost formula. The cost of finished goods and work in progress comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.14 Construction contracts

Contract costs are recognised when incurred. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract. When it is probable total contract costs will exceed total contract revenue, the expected loss is recognised as an expenses immediately.

The Group uses the 'percentage of completion method' to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the balance sheet date as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceed progress billings. Progress billings not yet paid by customers and retention are included within trade and other receivables.

2 重要會計政策摘要 (續)

2.13 存貨

存貨乃以成本及可變現淨值兩者中的較低者入賬。成本以加權平均法計算，其中包括所有採購成本、加工成本以及令存貨變成現狀和運輸的成本。可變現淨值乃按預計一般銷售所得款項扣除估計營銷費用計算。

2.14 建築合約

合約成本於發生時記賬。當建築合約之結果未能可靠估算，合約收入只按照有可能收回之已發生合約成本記賬。當建築合約之結果能可靠估算而合約有可能獲得盈利時，合約收入按合約期分別記賬為收入。當總合約成本有可能超過總合約收入時，預期之虧損即時列為開支。

本集團使用「百分比完成方法」來決定某時段確認的適當金額。完成階段乃根據直至資產負債表日止每份合約開支對比合同預算成本總額百分比。於釐定完成階段時，於合約中呈現有關合約將來活動的成本已於合約成本中扣除。該等項目按性質呈現為存貨，須付款或其他資產。

倘未完成合約中已發生，成本加已確認溢利的總和（減已確認虧損）超過進度收費單，本集團把該差額列作資產下的應收客戶之建築合約款。客戶未繳付的進度收費單及保留金已列入貿易及應收款內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.14 Construction contracts (cont'd)

The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

2.15 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated profit and loss account. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the consolidated profit and loss account.

2.16 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 重要會計政策摘要 (續)

2.14 建築合約 (續)

當進度收費單之款額超過已發生成本加已確認之溢利(減已確認之虧損)，本集團把該差額列作負債下的應付客戶之建築合約款。

2.15 貿易及其他應收款

貿易及其他應收款初步以公平值確認，其後利用實際利息法按攤銷成本扣除減值撥備計量。當有客觀證據證明本集團將無法按應收款的原有條款收回所有款項時，即就貿易及其他應收款設定減值撥備。債務人之重大財務困難、債務人可能破產或進行財務重組，以及拖欠或逾期付款，均被視為是貿易應收款已減值的跡象。撥備金額為資產之賬面值與按原實際利率折現之估計未來現金流量之現值之差額。資產的賬面值透過使用備付賬戶削減，而有關的虧損數額則在綜合損益表的經營開支內。如一項貿易應收款無法收回，其會與貿易應收款內的備付賬戶撇銷。之前已撇銷的款項如其後收回，將撥回綜合損益表中以經營開支註銷。

2.16 當期及遞延所得稅

當期所得稅支出根據本公司及其附屬公司及聯營公司營運及產生應課稅收入的國家於結算日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.16 Current and deferred income tax (cont'd)

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

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

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

2.17 Borrowings

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

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

2 重要會計政策摘要 (續)

2.16 當期及遞延所得稅 (續)

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

遞延所得稅資產是就可能有未來應課稅盈利而就此可使用暫時差異而確認。

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

2.17 貸款

貸款初步按公平值並扣除產生的交易成本確認。貸款其後按攤銷成本列賬：所得款（扣除交易成本）與贖回價值的任何差額利用實際利息法於貸款期間內在綜合損益表確認。

除非本集團有無條件權利將負債的結算遞延至結算日後最少12個月，否則貸款分類為流動負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.18 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.19 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.20 Employee benefits

(a) Long service payments

Provision for long service payments is recognised for the best estimate of the long service payments that are required to be made to the employees of the Group in respect of their services to date less any amounts that would be expected to be met out of the Group's retirement schemes.

(b) Employee leave entitlements

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

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

2 重要會計政策摘要 (續)

2.18 貿易及其他應付款

貿易及其他應付款初步以公平值確認，其後利用實際利息法按攤銷成本計量。

2.19 現金及現金等價物

現金及現金等價物包括手頭現金、短期銀行存款及其他高流量短期原有限為三個月或以下的投資，以及銀行透支。

2.20 僱員福利

(a) 長期服務金

長期服務金乃按須就本集團僱員迄今之服務年期所作之長期服務金最佳估算，再減預計可從本集團退休金計劃中支付之任何款額後列賬。

(b) 僱員應享假期

僱員之年假權利在僱員應享有時確認。本集團為截至結算日止僱員已提供之服務而產生之年假之估計負債作出撥備。

僱員之病假及產假須待休假當日方予以確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.20 Employee benefits (cont'd)

(c) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the consolidated profit and loss account, with a corresponding adjustment to equity.

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

(d) Profit sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2 重要會計政策摘要 (續)

2.20 僱員福利 (續)

(c) 購股權計劃

本集團設有一項以權益償付、以股份為基礎的補償計劃。僱員為獲取授予購股權而提供的服務的公平值確認為費用。在歸屬期間內將予支銷的總金額參考授予的購股權的公平值釐定，不包括任何非市場既定條件（例如盈利能力和銷售增長目標）的影響。非市場既定條件包括在有關預期可予以行使的購股權數目的假設中。在每個結算日，本集團修訂其對預期可予以行使購股權數目的估計。本集團在綜合損益表確認對原估算修訂（如有）的影響，並按餘下歸屬期對權益作出相應調整。

在購股權行使時，收取的所得款扣除任何應佔的交易成本後，撥入股本（面值）和股本溢價。

(d) 盈利分享及獎金計劃

本集團依據一條方程式就獎金及盈利分享確認負債和費用，該方程式考慮了本公司股東的應佔盈利（作出若干調整後）。本集團就合約責任或據過往經驗已產生推定責任而確認撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.20 Employee benefits (cont'd)

(e) Pension obligations

The Group's contributions to the defined contribution retirement scheme regulated under the Occupational Retirement Schemes Ordinance ("ORSO") and AIA-JF Premium Mandatory Provident Fund Scheme ("MPF"), collectively known as ("Retirement Schemes") which are available to all employees. Contributions to the Retirement Schemes by the Group and employees are calculated as a percentage of the employees' basic salaries. The Retirement Schemes cost charged to the consolidated profit and loss account represents contributions paid or payable by the Group to the Retirement Schemes.

The Group's contributions to Retirement Schemes are expensed as incurred. Contributions to the ORSO scheme are reduced by contributions forfeited by those employees who leave the ORSO scheme prior to vesting fully in the contributions. The assets of the Retirement Schemes are held separately from those of the Group in an independently administered fund.

(f) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

2 重要會計政策摘要 (續)

2.20 僱員福利 (續)

(e) 退休金責任

本集團為所有僱員提供受職業退休計劃條例（「退休條例」）監管之界定供款退休計劃及 AIA-JF Premium 強積金計劃（「強積金」），合稱（「退休金計劃」）作出供款。本集團及僱員向退休金計劃所作之供款乃按僱員基本薪酬之某個百分比計算。計入綜合損益表內之退休金計劃費用乃指本集團已付或應付予退休金計劃之供款。

本集團對退休金計劃之供款於產生時列作開支。倘僱員於可全數取得供款前退出退休條例計劃，則彼等被沒收之供款將用作減低本集團之供款。退休金計劃之資產由獨立於本集團之管理基金持有，並與本集團之資產分開處理。

(f) 終止服務權益

終止服務權益於僱用在正常退休日期前被本集團終止，或當僱員接受自願遣散以換取此等福利時支付。本集團在可證明承諾如下時確認終止服務權益：根據一項詳細的正式計劃終止現有僱員的僱用，而該計劃將沒有撤回的可能；或因為提出一項要約以鼓勵自願遣散而提供的終止服務權益。在結算日後超過12個月支付的福利則貼現為現值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.21 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.22 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

2.23 Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated profit and loss account on a straight-line basis over the period of the lease.

When assets are leased out under an operating lease, the asset is included in the balance sheet based on the nature of the asset.

2 重要會計政策摘要 (續)

2.21 撥備

當本集團因過往事件而須負上法律或推定責任，在解除責任時可能需要消耗資源和能夠對所涉及數額作出可靠預計時，須為確認有關責任作出撥備。未來營運虧損不會確認撥備。

撥備採用稅前利率按照預期需償付有關責任的開支的現值計量，該利率反映當時市場對金錢時間值和有關責任固有風險的評估。隨著時間過去而增加的撥備確認為利息開支。

2.22 或然負債

或然負債為過往事件引致之潛在責任，其存在與否只可由日後一件或多件非本集團所能完全控制之不確定事件之出現與否而落實。此外，或然負債亦可能是過往事件引致之現有責任，而此等事件則因未能確定是否需要付出經濟資源或責任之款額未能以可靠方式衡量而未有確認。或然負債不予確認，惟會在綜合賬目之附註內披露。如出現款項支出之可能性有變以致可能出現款項支出，則會確認為撥備。

2.23 營運租賃

如租賃擁有權的重大部份風險和回報由出租人保留，則分類為營運租賃。根據營運租賃支付的款項（扣除自出租人收取之任何獎勵金後）於租賃期內以直線法在綜合損益表支銷。

當資產根據營運租賃出租，資產於資產負債表按該資產性質入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.24 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue from the sale of goods is recognised when the goods are delivered at customers' premises which is taken to be the point in time when customers have accepted the goods and the related risks and rewards of ownership.

Revenue from individual construction contract is recognised by using the percentage of completion method, measured by reference to the revenue earned to date as determined by surveyors compared with the total estimated revenue of the contract.

Revenue from sale of services is recognised in the accounting period in which the services are rendered.

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

2 重要會計政策摘要 (續)

2.24 收入確認

收益指本集團在通常活動過程中出售貨品及服務的已收或應收代價的公平值。收益在扣除增值稅、退貨、回扣和折扣，以及對銷集團內部銷售後列賬。

當收益的數額能夠可靠計量、未來經濟利益很有可能流入有關實體，而本集團每項活動均符合具體條件時（如下文所述），本集團便會將收益確認。除非與銷售有關的所有或然事項均已解決，否則收益的數額不被視為能夠可靠計量。本集團會根據其往績並考慮客戶類別、交易種類和每項安排的特點作出估計。

銷售貨品之收入在貨品送至客戶場地（假定客戶已接納貨品及其擁有權相關的風險及回報）時確認。

個別建築合約之收入乃以完成階段方法為基準確認，此乃參照測量師比較合約預計總收入後釐定迄今為止所得收入計算。

服務銷售之收入乃於提供服務時於該會計年度確認。

利息收入採用實際利息法按時間比例基準確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 Summary of Significant Accounting Policies (cont'd)

2.24 Revenue recognition (cont'd)

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

Rental income from investment properties is recognised in the consolidated profit and loss account in equal instalments over the period of the lease.

2.25 Dividend distribution

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

2.26 Derivative financial instruments

Derivatives are initially recognised at fair value on the date the financial derivative contracts are entered into and are subsequently remeasured at their fair value. The fair value is determined based on the market prices in active markets including recent market transactions or valuation techniques using discounted cash flow and options pricing models, as appropriate. For derivative instruments that do not qualify for hedge accounting, changes in fair value are recognised immediately in the consolidated profit and loss account.

2.27 Share capital

Ordinary shares are classified as equity.

3 Financial Risk Management

3.1 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

2 重要會計政策摘要 (續)

2.24 收入確認 (續)

股息收入在收取款項的權利確定時確認。

投資物業租金收入因應租賃期涵蓋之會計期間按等額方式記入綜合損益表。

2.25 股息分派

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

2.26 衍生金融工具

衍生工具初步按金融衍生工具合約訂立日之公平值確認，其後按公平值重新計量。公平值是根據來自交投活躍市場的市場報價包括近期的市場交易或適用於評估技巧（例如估計貼現現金流量及期權定價模式）。若不符合會計處理之衍生工具則以其公平價值於損益表入賬，公平值的變動即時於綜合損益表內確認。

2.27 股本

普通股被列為權益。

3 財務風險管理

3.1 財務風險因素

本集團的活動承受著多種的財務風險：市場風險（包括外匯風險，價格風險及利率風險）、信貸風險及流動資金風險。本集團的整體風險管理計劃專注於財務市場的難預測性，並尋求儘量減低對本集團財務表現的潛在不利影響。本集團利用衍生金融工具對沖若干承受的風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 Financial Risk Management (cont'd)

3.1 Financial risk management (cont'd)

Under the Group's risk management programme, each department identifies and documents their key tasks and the risks associated with their tasks. The risks are summarised in a risk assessment program where they are graded by likelihood and consequence and where the procedures and controls for managing the risks are recorded.

(a) Market risk

(i) Foreign exchange risk

The operation of the Group is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. To mitigate risks arising from fluctuations in exchange rates, forward foreign exchange contracts are used to hedge the currency exposure of the Group.

The Group's risk management policy is to hedge the anticipated cash flows (mainly purchase of merchandise and inventory) in each major foreign currency for the subsequent 12 months.

At 31 December 2007, if HK dollar had weakened/strengthened by 3% against the Euro with all other variables held constant, pre-tax profit for the year would have been HK\$1,370,000 (2006: HK\$823,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of Euro-denominated cash and cash equivalents and foreign exchange losses/gains on translation of Euro-denominated trade payables offset by gains/losses on derivative financial instruments at fair value through profit or loss.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

根據本集團風險管理政策，每個部門需分辨及記錄其主要任務及與其工作有關的風險。該等風險的概要載於風險評估，而該風險評估乃以該風險可能發生的程度及其後果，以處理該等風險時記錄下來的程序及控制而評級。

(a) 市場風險

(i) 外匯風險

本集團承受多種不同貨幣產生的外匯風險。外匯風險來自未來商業交易、已確認資產和負債以及海外業務的淨投資。為減低匯率波動所帶來的風險，本集團使用遠期外匯合約對沖匯價風險。

本集團的風險管理政策是對沖未來 12 個月每種主要外幣的預計現金流量（主要包括購買商品及存貨）。

於二零零七年十二月三十一日，假若港元兌歐元貶值／升值 3%，而所有其他因素維持不變，則該年度的除稅前利潤應高出／少了約港幣 1,370,000（二零零六年：約港幣 823,000 元），主要來自換算以歐元為單位的現金及現金等價物及以歐元換算為單位的應付貿易賬款抵銷按公平值透過損益記賬的財務資產後的外匯兌換虧損／收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 Financial Risk Management (cont'd)

3.1 Financial risk management (cont'd)

(a) Market risk (cont'd)

(i) Foreign exchange risk (cont'd)

At 31 December 2007, if HK dollar had weakened/strengthened by 5% against the RMB with all other variable held constant, pre-tax profit for the year would have been HK\$2,097,000 (2006: HK\$1,327,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of RMB-denominated trade receivables and cash and cash equivalents.

(ii) Price risk

The Group is exposed to price risk because investments held by the Group are classified on the consolidated balance sheet either as available-for-sale or at fair value through profit and loss.

(iii) Interest rate risk

The Group has no significant interest-bearing assets and liabilities. The Group's income and operating cash flows are substantially independent of changes in market interest rates.

(b) Credit risk

The Group has no significant concentration of credit risk. It has policies in place to ensure that sales of goods and services are provided to customers with an appropriate credit history. The Group manages its exposure to derivative counter-parties by taking into account their financial strength and are limited to high-credit-quality financial institutions.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(i) 外匯風險 (續)

於二零零七年十二月三十一日，假若港元兌人民幣貶值／升值 5%，而所有其他因素維持不變，則該年度的除稅前利潤應高出／少了約港幣 2,097,000 元（二零零六年：約港幣 1,327,000 元），主要來自換算以人民幣為單位的應收貿易賬款及現金及現金等價物。

(ii) 價格風險

本集團須承受價格風險，其原因在於本集團把投資以可供出售之財務資產列入綜合資產負債表或透過損益賬按公平價值入賬。

(iii) 利率風險

由於本集團並無重大計息資產或負債，故本集團的收入和營運現金流量基本上不受市場利率波動的影響。

(b) 信貸風險

本集團並無重大集中的信貸風險。本集團有政策確保產品及服務的銷售對象為擁有適當信貸歷史的客戶。本集團以衍生交易方來管理風險，考慮其財政實力，並僅限於高信貸質素的財務機構，方作出交易的決定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 Financial Risk Management (cont'd)

3.1 Financial risk management (cont'd)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and making available an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity reserves and cash and cash equivalents on the basis of expected cash flow. All trade payables and customers' deposits as at 31 December 2007 and 2006 are expected to be settled within one year. The impact of discounting is not significant on the basis of expected cash flow.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity', as shown in the consolidated balance sheet, plus net debt.

The Group maintained no bank borrowing and zero gearing as at 31 December 2007 and 2006.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 流動資金風險

審慎的流動資金風險管理，是指保持足夠的現金、持有足夠的已承諾貸款組合。由於基本業務的多變性質，集團致力透過保持已承諾的可用信貸額以維持資金的靈活性。

管理層根據預期現金流量，監控集團的流動資金儲備的滾存預測和現金等價物。本集團於二零零七年及二零零六年十二月三十一日之貿易應付款及客戶預付款將於一年內償付。貼現於預期現金流量之影響不大。

3.2 資金風險管理

本集團的資金管理政策，是保障集團能繼續營運，以為股東提供回報和提供利益，同時維持最佳的資本結構以減低資金成本。

為了維持或調整資本結構，本集團可能會調整支付予股東的股息數額、發行新股或出售資產以減低債務。

與業內其他公司一樣，本集團利用負債比率監察其資本。此比率按照債務淨額除以總資本計算。債務淨額為總借貸（包括綜合資產負債表所列的即期及非即期貸款）減去現金及現金等價物。總資本為「權益」（如綜合資產負債表所列）加債務淨額。

本集團於二零零七年及二零零六年十二月三十一日並無任何銀行借貸，且資本負債比率為零。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 Financial Risk Management (cont'd)

3.3 Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale financial assets) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the balance sheet date.

The carrying value less impairment provision of trade receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities of disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

3 財務風險管理 (續)

3.3 公平值估計

在活躍市場買賣的金融工具（例如公開買賣的可供出售證券）之公平值根據結算日的市場報價列賬。本集團持有的財務資產的市場報價為當時買盤價；而財務負債的適當市場報價為當時賣盤價。

沒有在活躍市場買賣的金融工具的公平值利用估值技術釐定。本集團利用多種方法，並根據每個結算日當時的市場情況作出假設。長期債務利用市場報價或類似工具的交易商報價釐定。其他技術，例如估計貼現現金流量，用以釐定其餘金融工具的公平值。遠期外匯合約的公平值利用結算日遠期市場匯率釐定。

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 Critical Accounting Estimates and Judgements

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

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

(a) Impairment of assets

The Group conducts impairment reviews of assets when events of changes in circumstances indicate that their carrying amounts may not be recoverable or annually in accordance with relevant accounting standards. An impairment loss is recognised when the carrying amount of an asset is lower than the greater of its net selling price or the value in use. In determining the value in use, management assess the present value of the estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Estimates and judgements are applied in determining these future cash flows and the discount rate.

(b) Impairment of receivables

The impairment of receivables is assessed based on the evaluation of the collectibility and aging analysis, including the creditworthiness and the collection history of each customer. Judgement is required when assessing the realisability of these receivables.

4 關鍵會計估算及判斷

估算和判斷會被持續評估，並根據過往經驗和其他因素進行評價，包括在有關情況下相信為合理的對未來事件的預測。

本集團對未來作出估算和假設。按定義所得的會計估算很少會與其實際結果相同。將導致下個財政年度的資產和負債的賬面值需作出重大調整的估算和假設討論如下。

(a) 資產減值

本集團在出現可能使資產賬面金額無法收回的事項或情況轉變時，檢討有關資產的減值狀況，並會按照相關的會計準則，每年進行減值評估。當資產賬面值低於可變現淨值及使用價值兩者中較高者時，減值虧損便予以確認。管理層在決定資產之使用價值時，須就該資產使用期間產生的未來現金流量及可使用年期作出評估。未來現金流量及適用的貼現率須作出估計及判斷。

(b) 應收賬款減值

應收賬款減值是根據可收賬款評估及賬戶之賬齡分析，並包括個別賬戶之信譽及過往催收紀錄。在評估該等應收賬款之最終變現時需作出判斷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 Critical Accounting Estimates and Judgements (cont'd)

(c) Estimates of fair value of investment properties

The investment properties of the Group are revalued at the balance sheet date on market value basis by independent professional valuers. Such valuations are based on certain assumptions, which are subject to uncertainty and may differ from the actual results. In making the judgement, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at each balance sheet date.

(d) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4 關鍵會計估算及判斷（續）

(c) 投資物業公平值估計

投資物業已由獨立專業估值師於結算日按其現有用途以市值基準重新估價。有關估值乃根據若干假設進行，故當中仍有不明確因素且或會與實際結果有重大差異。於作出判斷時，本集團已考慮活躍市場中類似物業之當前市價，並運用主要根據各結算日之市況作出之假設。

(d) 所得稅

本集團需要在多個司法權區繳納所得稅。在釐定全球所得稅撥備時，需要作出重大判斷。在一般業務過程中，有許多交易和計算所涉及的最終稅務釐定都是不確定的。本集團根據對是否需要繳付額外稅款的估計，就預期稅務審計項目確認負債。如此等事件的最終稅務後果與最初記錄的金額不同，此等差額將影響作出此等釐定期間的所得稅和遞延稅撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 Turnover, Other Revenues and Segment Information

The principal activities of the Group are (i) trading, (ii) manufacturing and export and (iii) retail and renovation operations. The principal activities of the subsidiaries are set out in note 21 of the consolidated financial statements.

5 營業額、其他收入及分類資料

本集團主要經營從事(i)貿易，(ii)生產及出口及(iii)零售及裝修業務。附屬公司之主要業務列載於綜合財務報表附註 21。

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Turnover	營業額		
Sales of inventories	銷售存貨收入	387,904	297,550
Other revenues	其他收入		
Interest income from bank deposits	來自銀行存款 之利息收入	1,540	1,750
Administration fee received from the associates (note 37(a))	向聯營公司收取之行政費用 (附註 37(a))	1,261	1,117
Gross rental income from investment properties	投資物業之總租金收入	883	665
Sundry income	雜項收入	1,904	2,797
		5,588	6,329
Total revenues	總收入	393,492	303,879

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 Turnover, Other Revenues and Segment Information (cont'd)

The analysis of the Group's performance for the year by business and geographical segment is set out below.

Primary reporting format – business segments

From 2007 onwards, the Group has re-organised its operations around three business segments. The segmental analysis below has therefore been restated and the original two segments (being the trading in and the supply of buildings products and engineering equipment) have been replaced by (i) trading (ii) manufacturing and export and (iii) retail and renovation operations. Management believes that this analysis better reflects the way in which the business is now managed and its future strategic direction. The comparative figures for year ended 31 December 2006 is then restated in conformity for presentation.

Other operations of the Group mainly comprise holding of investment properties and other properties, neither of which are of a sufficient size to be reported separately.

Segment assets consist primarily of investment properties, property, plant and equipment, lease prepayments, investments in associates, inventories and trade and other receivables. Unallocated assets comprise deferred income tax assets, current income tax recoverable, available-for-sale financial assets, derivative financial instruments and cash and cash equivalents.

Segment liabilities comprise trade and other payables and provisions. Unallocated liabilities comprise deferred income tax liabilities, current income tax liabilities and derivative financial instruments.

Secondary reporting format – geographical segments

The operation of the business is mainly carried in three main geographical areas, (i) Hong Kong and Macau, (ii) Mainland China and (iii) Overseas.

5 營業額、其他收入及分類資料 (續)

本集團年內表現按業務及地區所作之分析載列如下。

首要呈報方式 – 業務分類

自二零零七年起，本集團重新將其業務按三個業務分部重組。因此，分部分分析已予以重列，原有之兩個分部（即建築產品及工程設備之貿易及供應）已由(i)貿易、(ii)生產及出口及(iii)零售及裝修業務取代。管理層相信，此項分析能更有效反映現行之業務管理模式及其未來政策方向。截至二零零六年十二月三十一日止年度之比較數字已作重列以整合作列報。

本集團之其他業務主要為持有投資及其他物業，惟該等項目規模不足以作獨立呈報。

分部資產主要包括投資物業、物業、機器及設備、租賃預付款、聯營公司投資、存貨及貿易及其他應收款。未分配資產包括遞延所得稅資產、當期所得稅可收回款項、可供出售財務資產、衍生金融工具、以及現金及現金等價物。

分部負債包括貿易及其他應付款以及撥備。未分配負債包括遞延所得稅負債、當期所得稅負債及衍生金融工具。

次要呈報方式 – 地區分類

業務主要在三地經營，分別為(i)香港及澳門、(ii)中國內地及(iii)海外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 Turnover, Other Revenues and Segment Information (cont'd)

Primary reporting format – business segments

5 營業額、其他收入及分類資料 (續)

首要呈報方式 – 業務分類

		Trading 2007 二零零七年 HK\$'000 港幣千元	Manufacturing and export 2007 生產及出口 二零零七年 HK\$'000 港幣千元	Retail and renovation 2007 零售及裝修 二零零七年 HK\$'000 港幣千元	Other operations 2007 其他業務 二零零七年 HK\$'000 港幣千元	Unallocated 2007 未分配 二零零七年 HK\$'000 港幣千元	Total 2007 總額 二零零七年 HK\$'000 港幣千元
Total segment turnover	分部收益總額	242,430	115,699	68,008	–	–	426,137
Inter-segment turnover	分部間收益	(857)	(37,376)	–	–	–	(38,233)
		241,573	78,323	68,008	–	–	387,904
Segment results and operating profit	分部業績及經營溢利	18,873	5,869	12,768	(203)	(19,040)	18,267
Finance costs	財務費用						(146)
Share of loss of associates	應佔聯營公司虧損						(1,101)
Profit before income tax	除所得稅前溢利						17,020
Income tax expense	所得稅						(215)
Profit attributable to shareholders	股東應佔溢利						16,805
Segment assets	分部資產	93,542	52,270	19,638	76,684	82,380	324,514
Segment liabilities	分部負債	(63,684)	(15,418)	(21,160)	(949)	(5,852)	(107,063)

Segment assets and liabilities are reconciled to consolidated assets and liabilities as follows:

分部資產及負債與綜合資產及負債對賬如下：

		Assets 資產 HK\$'000 港幣千元	Liabilities 負債 HK\$'000 港幣千元
Segment assets/liabilities	分部資產／負債	242,134	101,211
Unallocated:	未分配：		
Deferred income tax	遞延所得稅	1,000	214
Current income tax	當期所得稅	–	292
Available-for-sale financial assets	可供出售財務資產	3,159	–
Derivative financial instruments	衍生金融工具	2,597	58
Cash and cash equivalents	現金及現金等價物	74,524	–
Others	其他	1,100	5,288
Total	總計	324,514	107,063

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 Turnover, Other Revenues and Segment Information (cont'd)

Primary reporting format – business segments (cont'd)

5 營業額、其他收入及分類資料 (續)

首要呈報方式 – 業務分類 (續)

		Trading 2007 貿易 二零零七年 HK\$'000 港幣千元	Manufacturing and export 2007 生產及出口 二零零七年 HK\$'000 港幣千元	Retail and renovation 2007 零售及裝修 二零零七年 HK\$'000 港幣千元	Other operations 2007 其他業務 二零零七年 HK\$'000 港幣千元	Unallocated 2007 未分配 二零零七年 HK\$'000 港幣千元	Total 2007 總額 二零零七年 HK\$'000 港幣千元
Capital expenditure	資本開支	(82)	(1,304)	(191)	(1,140)	–	(2,717)
Other non-cash expenses	其他非現金開支						
Depreciation of property, plant and equipments	物業、機器及 設備折舊	(282)	(1,358)	(882)	(1,248)	–	(3,770)
Amortisation of lease prepayments	租賃預付款攤銷	–	(87)	–	(962)	–	(1,049)
Provision for impairment of receivables	應收款減值撥備	(484)	–	–	–	–	(484)
Write back of provision for impairment of receivables	應收款減值撥備 撥回	527	–	–	–	–	527
Provision for stock obsolescence	過時存貨撥備	28	(1,708)	(10)	–	–	(1,690)
Write back of provision for stock obsolescence	過時存貨撥備撥回	94	–	–	–	–	94
Provision for long service payments	長期服務金撥備	111	34	35	95	–	275
Provision for employee leave entitlements	僱員應享假期撥備	(196)	(60)	(40)	(64)	–	(360)
Gain on disposal of an investment property	出售投資物業收益	–	–	–	439	–	439
Gain on disposal of an associate	出售聯營公司收益	–	–	–	2,667	–	2,667
Employee share-based compensation benefits	僱員應享購股權 計劃之福利	–	–	–	(386)	–	(386)

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 Turnover, Other Revenues and Segment Information (cont'd)

Primary reporting format – business segments (cont'd)

5 營業額、其他收入及分類資料 (續)

首要呈報方式 – 業務分類 (續)

		(Restated) (重列)					
		Trading 2006 貿易 二零零六年 HK\$'000 港幣千元	Manufacturing and export 2006 生產及出口 二零零六年 HK\$'000 港幣千元	Retail and renovation 2006 零售及裝修 二零零六年 HK\$'000 港幣千元	Other operations 2006 其他業務 二零零六年 HK\$'000 港幣千元	Unallocated 2006 未分配 二零零六年 HK\$'000 港幣千元	Total 2006 總額 二零零六年 HK\$'000 港幣千元
Total segment turnover	分部收益總額	228,682	58,116	36,123	–	–	322,921
Inter-segment turnover	分部間收益	(189)	(25,182)	–	–	–	(25,371)
		228,493	32,934	36,123	–	–	297,550
Segment results and operating profit	分部業績及經營溢利	21,498	73	4,851	(6,056)	(16,080)	4,286
Finance costs	財務費用						(196)
Share of loss of associates	應佔聯營公司虧損						(1,767)
Profit before income tax	除所得稅前溢利						2,323
Income tax expense	所得稅						(182)
Profit attributable to shareholders	股東應佔溢利						2,141
Segment assets	分部資產	75,764	39,323	8,047	82,484	57,169	262,787
Interest in associates	聯營公司權益	–	–	–	5,102	–	5,102
							267,889
Segment liabilities	分部負債	(48,973)	(6,670)	(7,454)	(1,819)	(3,954)	(68,870)

Segment assets and liabilities are reconciled to consolidated assets and liabilities as follows:

分部資產及負債與綜合資產及負債對賬如下：

		Assets 資產 HK\$'000 港幣千元	Liabilities 負債 HK\$'000 港幣千元
Segment assets/liabilities	分部資產／負債	210,720	64,916
Unallocated:	未分配：		
Deferred income tax	遞延所得稅	–	425
Current income tax	當期所得稅	22	–
Available-for-sale financial assets	可供出售財務資產	2,318	368
Derivative financial instruments	衍生金融工具	1,063	–
Cash and cash equivalents	現金及現金等價物	52,702	–
Others	其他	1,064	3,161
Total	總計	267,889	68,870

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 Turnover, Other Revenues and Segment Information (cont'd)

Primary reporting format – business segments (cont'd)

5 營業額、其他收入及分類資料 (續)

首要呈報方式 – 業務分類 (續)

		(Restated) (重列)					
		Trading 2006 貿易 二零零六年 HK\$'000 港幣千元	Manufacturing and export 2006 生產及出口 二零零六年 HK\$'000 港幣千元	Retail and renovation 2006 零售及裝修 二零零六年 HK\$'000 港幣千元	Other operations 2006 其他業務 二零零六年 HK\$'000 港幣千元	Unallocated 2006 未分配 二零零六年 HK\$'000 港幣千元	Total 2006 總額 二零零六年 HK\$'000 港幣千元
Capital expenditure	資本開支	(298)	(13,293)	(306)	(444)	–	(14,341)
Other non-cash expenses	其他非現金開支						
Depreciation of property, plant and equipment	物業、機器及 設備折舊	(347)	(744)	(730)	(1,174)	–	(2,995)
Amortisation of lease prepayments	租賃預付款攤銷	–	(21)	–	(995)	–	(1,016)
Provision for impairment of receivables	應收款減值撥備	(1,186)	–	–	–	–	(1,186)
Write back of provision for impairment of receivables	應收款減值撥備撥回	322	–	34	–	–	356
Provision for stock obsolescence	過時存貨撥備	(62)	(355)	(53)	–	–	(470)
Write back of provision for stock obsolescence	過時存貨撥備撥回	89	–	–	–	–	89
Provision for long service payments	長期服務金撥備	(93)	7	(12)	25	–	(73)
Provision for employee leave entitlements	僱員應享假期撥備	46	(44)	(50)	(68)	–	(116)
Loss on disposal of a subsidiary	出售附屬公司虧損	–	–	–	(503)	–	(503)
Loss on disposal of a property	出售物業虧損	–	–	–	(1,031)	–	(1,031)
Fair value loss on revaluation of investment properties	重估投資物業之 公平值虧損	–	–	–	(801)	–	(801)
Employee share-based compensation benefits	僱員應享購股權 計劃之福利	–	–	–	(649)	–	(649)

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 Turnover, Other Revenues and Segment Information (cont'd)

Secondary reporting format – geographical segments

5 營業額、其他收入及分類資料 (續)

次要呈報方式 – 地區分類

		Turnover 2007 營業額 二零零七年 HK\$'000 港幣千元	Segment results 2007 分類業績 二零零七年 HK\$'000 港幣千元	Total assets 2007 總資產 二零零七年 HK\$'000 港幣千元	Capital expenditure 2007 資本開支 二零零七年 HK\$'000 港幣千元
Hong Kong and Macau	香港及澳門	282,803	54,914	171,705	1,437
Mainland China	中國內地	26,778	7,176	58,037	1,280
Overseas	海外	78,323	23,180	12,392	–
		387,904	85,270		2,717
Unallocated costs	未分配成本		(67,003)		
Operating profit	經營溢利		18,267		
Unallocated assets	未分配資產			82,380	
Total assets	總資產			324,514	
(Restated) (重列)					
		Turnover 2006 營業額 二零零六年 HK\$'000 港幣千元	Segment results 2006 分類業績 二零零六年 HK\$'000 港幣千元	Total assets 2006 總資產 二零零六年 HK\$'000 港幣千元	Capital expenditure 2006 資本開支 二零零六年 HK\$'000 港幣千元
Hong Kong and Macau	香港及澳門	240,600	49,903	157,632	900
Mainland China	中國內地	24,013	4,750	40,869	13,441
Overseas	海外	32,937	11,037	7,117	–
		297,550	65,690		14,341
Unallocated costs	未分配成本		(61,404)		
Operating profit	經營溢利		4,286		
Interest in an associate	聯營公司權益			5,102	
Unallocated assets	未分配資產			57,169	
Total assets	總資產			267,889	

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 Cost of Sales

6 銷售成本

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Cost of inventories sold	銷售存貨成本	301,513	233,824
Cost of construction contracts	建築合約成本	—	(1,981)
Cost of consumable inventories	消耗存貨成本	2,965	1,944
Net unrealised fair value gain on derivative financial instruments	衍生金融工具之未變現 公平值淨盈利	(1,844)	(1,927)
		302,634	231,860

Notes to the Consolidated Financial Statements

綜合財務報表附註

7 Operating Expenses

7 經營開支

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Administrative expenses:	行政費用：		
Employee benefit expenses (note 9)	僱員福利開支 (附註 9)	38,020	32,909
Directors' remuneration (note 10)	董事酬金 (附註 10)	7,442	7,245
Depreciation of property, plant and equipment	物業、機器及設備折舊	3,625	2,995
Amortisation of lease prepayments	租賃預付款攤銷	1,049	1,016
Operating lease rentals on properties paid to third parties	就樓宇已付第三者之 經營租約租金	3,654	3,579
Travelling expenses	交通費	2,959	2,491
Entertainment expenses	交際費	1,126	893
Management fee	管理合約費	1,440	1,440
Stamps, postage and telephone	郵票、郵資及電話費	878	1,090
Auditor's remuneration	核數師酬金	1,649	1,628
Legal and professional fees	法律及專業服務費	2,856	296
Advertising & promotion expenses	廣告及推廣費	474	625
		65,172	56,207
Other operating expenses:	其他經營開支：		
Write back of provision for impairment of receivables	應收款減值撥備 撥回	(527)	(356)
Provision for impairment of receivables	應收款減值撥備	484	1,186
Write back of provision for stock obsolescence	過時存貨撥備 撥回	(94)	(89)
Provision for stock obsolescence	過時存貨撥備	1,690	470
Provision for long service payments	長期服務金撥備	(275)	73
Provision for employee leave entitlements	僱員應享假期 撥備	360	116
Loss on disposal of property, plant and equipment	出售物業、機器及設備 之虧損	8	15
Exchange difference	兌換差額	14	3
Impairment loss of available-for-sale financial assets	可供出售財務資產 之減值虧損	-	190
Reversal of surplus on revaluation of impaired available-for-sale financial assets to consolidated profit and loss account	重估已減值可供出售財務 資產之盈利轉撥至 綜合損益表	-	(65)
Sundry expenses	雜項開支	8,865	7,648
		10,525	9,191
		75,697	65,398

Notes to the Consolidated Financial Statements

綜合財務報表附註

8 Finance Costs

8 財務費用

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Interest expenses on bank overdrafts	銀行透支利息開支	146	196

9 Employee Benefit Expenses

9 僱員福利開支

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Wages and salaries	工資及薪酬	36,318	31,020
Termination benefits	解僱補償	109	472
Contributions to ORSO scheme (note 11)	退休條例計劃供款 (附註 11)	1,027	885
Contributions to MPF scheme (note 11)	強積金計劃供款 (附註 11)	531	465
Employee share-based compensation benefits (note 32)	僱員應享購股權計劃之福利 (附註 32)	35	67
		38,020	32,909

Notes to the Consolidated Financial Statements

綜合財務報表附註

10 Directors' and Senior Management's Emoluments

(a) Directors' remuneration

The aggregate amounts of emoluments paid or payable to directors pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Fees	袍金	750	750
Salaries and other benefits	薪金及其他福利	5,221	4,717
Discretionary bonus	酌情花紅	282	639
Year end bonus	年終花紅	427	198
Retirement Schemes contributions	退休金計劃供款	411	359
Employee share-based compensation benefits (note 32)	僱員應享購股權計劃之福利 (附註 32)	351	582
		7,442	7,245

Included in the directors' remuneration were fees of HK\$750,000 (2006: HK\$750,000) paid to non-executive directors and independent non-executive directors during the year.

10 董事及高級管理人員之酬金

(a) 董事酬金

根據香港公司條例第 161 條披露應付予董事的酬金總額如下：

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Fees	袍金	750	750
Salaries and other benefits	薪金及其他福利	5,221	4,717
Discretionary bonus	酌情花紅	282	639
Year end bonus	年終花紅	427	198
Retirement Schemes contributions	退休金計劃供款	411	359
Employee share-based compensation benefits (note 32)	僱員應享購股權計劃之福利 (附註 32)	351	582
		7,442	7,245

董事酬金中包括本年度內支付予非執行董事及獨立非執行董事之袍金約港幣 750,000 元（二零零六年：約港幣 750,000 元）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

10 Directors' and Senior Management's Emoluments (cont'd)

(a) Directors' remuneration (cont'd)

The remuneration of every director for the year ended 31 December 2007 is set out below:

Director	董事	Fee 袍金 HK\$'000 港幣千元	Salary 薪金 HK\$'000 港幣千元	Discretionary bonus 酌情花紅 HK\$'000 港幣千元	Year end bonus 年終花紅 HK\$'000 港幣千元	Pension scheme contribution 退休金 計劃供款 HK\$'000 港幣千元	Employee share-based compensation benefits 僱員應享購 股權計劃 之福利 HK\$'000 港幣千元	Other benefit in kind 其他福利 HK\$'000 港幣千元	2007 Total 二零零七年 總額 HK\$'000 港幣千元
Michael John Green	米高•葛林	-	1,669	-	139	167	-	310	2,285
Daniel George Green	丹尼•葛林	-	983	-	148	118	192	576	2,017
Lai Ka Tak, Patrick	黎嘉得	-	1,683	282	140	126	159	-	2,390
Augustus Ralph Marshall		150	-	-	-	-	-	-	150
Lim Ghee Keong	林義強	-	-	-	-	-	-	-	-
Christopher John David Clarke	簡基華	150	-	-	-	-	-	-	150
Simon Murray	馬世民	150	-	-	-	-	-	-	150
V-Nee Yeh	葉維義	150	-	-	-	-	-	-	150
Thaddeus Thomas Beczak	白泰德	150	-	-	-	-	-	-	150
		750	4,335	282	427	411	351	886	7,442

The remuneration of every director for the year ended 31 December 2006 is set out below:

Director	董事	Fee 袍金 HK\$'000 港幣千元	Salary 薪金 HK\$'000 港幣千元	Discretionary bonus 酌情花紅 HK\$'000 港幣千元	Year end bonus 年終花紅 HK\$'000 港幣千元	Pension scheme contribution 退休金 計劃供款 HK\$'000 港幣千元	Employee share-based compensation benefits 僱員應享購 股權計劃 之福利 HK\$'000 港幣千元	Other benefit in kind 其他福利 HK\$'000 港幣千元	2006 Total 二零零六年 總額 HK\$'000 港幣千元
Michael John Green	米高•葛林	-	1,668	-	70	167	-	115	2,020
Daniel George Green	丹尼•葛林	-	828	321	64	77	310	576	2,176
Lai Ka Tak, Patrick	黎嘉得	-	1,530	318	64	115	272	-	2,299
Augustus Ralph Marshall		150	-	-	-	-	-	-	150
Lim Ghee Keong	林義強	-	-	-	-	-	-	-	-
Christopher John David Clarke	簡基華	150	-	-	-	-	-	-	150
Simon Murray	馬世民	150	-	-	-	-	-	-	150
V-Nee Yeh	葉維義	150	-	-	-	-	-	-	150
Thaddeus Thomas Beczak	白泰德	150	-	-	-	-	-	-	150
		750	4,026	639	198	359	582	691	7,245

10 董事及高級管理人員之酬金 (續)

(a) 董事酬金 (續)

截至二零零七年十二月三十一日止年度，每名董事的酬金如下：

截至二零零六年十二月三十一日止年度，每名董事的酬金如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

10 Directors' and Senior Management's Emoluments (cont'd)

(b) Five highest paid individuals

Of the five individuals with the highest emoluments, three (2006: three) were directors whose emoluments are disclosed in note (a) above. The highest emoluments payable to the remaining two (2006: two) individuals during the year is as follows:

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	1,795	1,554
Discretionary bonuses	酌情花紅	434	357
Year end bonus	年終花紅	152	65
Retirement Schemes contributions	退休金計劃供款	76	85
Employee share-based compensation benefits	僱員應享購股權計劃之福利	-	38
		2,457	2,099

The emoluments of the two (2006: two) individuals with the highest emoluments are within the following band:

Emoluments' band	酬金之範圍	Number of individuals 人數	
		2007 二零零七年	2006 二零零六年
HK\$1,000,001 – HK\$1,500,000	港幣 1,000,001 元 – 港幣 1,500,000 元	2	2

The Group usually determines and pays discretionary bonus to employees (including directors) around January/February each year based on the actual financial results of the Group for the preceding year. The discretionary bonuses shown above therefore represent actual payments to the employees (including directors) during the current financial year in relation to performance for the preceding year.

10 董事及高級管理人員之酬金 (續)

(b) 五位最高酬金之人士

五位最高酬金人士包括三位 (二零零六年: 三位) 董事, 彼等之酬金已於上文附註(a)披露。年內, 應付其餘兩位 (二零零六年: 兩位) 最高酬金人士如下:

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	1,795	1,554
Discretionary bonuses	酌情花紅	434	357
Year end bonus	年終花紅	152	65
Retirement Schemes contributions	退休金計劃供款	76	85
Employee share-based compensation benefits	僱員應享購股權計劃之福利	-	38
		2,457	2,099

兩位 (二零零六年: 兩位) 最高酬金人士之酬金範圍如下:

Emoluments' band	酬金之範圍	Number of individuals 人數	
		2007 二零零七年	2006 二零零六年
HK\$1,000,001 – HK\$1,500,000	港幣 1,000,001 元 – 港幣 1,500,000 元	2	2

本集團通常於每年約一月或二月根據上年度之實際財務業績來決定所派付的酌情花紅予僱員 (包括董事)。因此上述酬金實為本年度實際支付予僱員 (包括董事) 有關前一年度業績的酌情花紅。

Notes to the Consolidated Financial Statements

綜合財務報表附註

11 Retirement Schemes

The Group's contributions to the ORSO Scheme were reduced by contributions forfeited on those employees who left the ORSO Scheme prior to vesting fully in the contributions. Forfeited contributions totalling HK\$81,000 (2006: HK\$203,000) were fully utilised during the year.

Contributions of HK\$268,000 (2006: HK\$251,000) were payable to the Retirement Schemes at the year-end.

12 Income Tax Expense

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

The amount of taxation (charged)/credited to the audited consolidated profit and loss account represents:

11 退休金計劃

倘僱員於可全數取得供款前退出退休條例計劃，則彼等被沒收之供款將用作減低本集團之供款。被沒收之供款合共約港幣 81,000 元（二零零六年：約港幣 203,000 元）全部已於年內動用。

於年結時，應付予退休金計劃之供款約港幣 268,000 元（二零零六年：約港幣 251,000 元）。

12 所得稅

本年度之應課所得稅已就估計應課稅溢利按香港所得稅率 17.5%（二零零六年：17.5%）作撥備。海外溢利稅項乃根據本年度內之估計應課稅溢利按本集團經營業務所在國家之適用稅率計算。

經審核綜合損益表已（扣除）／計入下列之稅項支出：

		For the year ended 31 December 截至十二月三十一日止年度	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Company and subsidiaries	本公司及附屬公司		
Current income tax	當期所得稅		
Hong Kong profits tax	香港利得稅	(468)	(70)
Overseas taxation	海外稅項	(958)	(112)
Deferred income tax (note 33)	遞延所得稅（附註 33）	1,211	-
		(215)	(182)

Notes to the Consolidated Financial Statements

綜合財務報表附註

12 Income Tax Expense (cont'd)

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

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Profit before income tax	除所得稅前溢利	17,020	2,323
Calculated at a taxation rate of 17.5%	按稅率 17.5% 計算之稅項	2,979	407
Effect of different taxation rates in other countries	其他國家不同稅率之影響	(239)	(351)
Income not subject to tax	無須課稅之收入	(576)	(309)
Expenses not deductible for tax purposes	不可就稅項扣除的開支	432	981
Tax loss for which no deferred income tax asset was recognised	沒有確認遞延所得稅資產的稅損	1,760	1,045
Utilisation of previously unrecognised tax losses	使用早前未確認之稅損	(2,930)	(1,591)
Recognition of previously unrecognised temporary differences	確認早前未確認之稅項時差	(211)	-
Recognition of previously unrecognised tax losses	確認早前未確認之稅損	(1,000)	-
Income tax expense	所得稅	215	182

13 Profit Attributable to Shareholders

The profit attributable to shareholders includes a profit of HK\$9,475,000 (2006: loss of HK\$550,000) which has been dealt with in the financial statements of the Company.

12 所得稅 (續)

本集團有關除稅前溢利之稅項與本公司以本港稅率計算的理論金額的偏差如下：

13 股東應佔溢利

股東應佔溢利已列入本公司財務報表內為數約港幣 9,475,000 元的溢利 (二零零六年：約港幣 550,000 元的虧損)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 Earnings per Share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the Group's profit attributable to ordinary shareholders of HK\$16,805,000 (2006: Group's profit attributable to ordinary shareholders of HK\$2,141,000) and the weighted average number of 224,951,000 (2006: 224,496,000) ordinary shares in issue during the year.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the Group's profit attributable to ordinary shareholders of HK\$16,805,000 (2006: Group's profit attributable to ordinary shareholders of HK\$2,141,000) and the weighted average number of 230,974,000 (2006: 225,180,000) ordinary shares after adjusting for the effects of all dilutive potential ordinary shares.

(c) Reconciliation

14 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據本集團年內普通股股東應佔溢利約港幣 16,805,000 元（二零零六年：本集團之普通股股東應佔溢利為港幣 2,141,000 元）及年內已發行普通股之加權平均數 224,951,000 股（二零零六年：224,496,000 股）計算。

(b) 每股攤薄盈利

每股攤薄盈利乃根據本集團年內普通股股東應佔溢利約港幣 16,805,000 元（二零零六年：本集團之普通股股東應佔溢利約為港幣 2,141,000 元）及經就所有潛在普通股之攤薄效應作出調整後之普通股加權平均數 230,974,000 股（二零零六年：225,180,000 股）計算。

(c) 對賬

		2007 二零零七年 Number of shares 股份數目	2006 二零零六年 Number of shares 股份數目
Weighted average number of ordinary shares used in calculating basic earnings per share	用作計算每股基本盈利的普通股加權平均數	224,951,000	224,496,000
Deemed issue of ordinary shares for no consideration	設定發行無代價普通股	6,023,000	684,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	用作計算每股攤薄盈利的普通股加權平均數	230,974,000	225,180,000

Notes to the Consolidated Financial Statements

綜合財務報表附註

15 Dividend

A dividend in respect of the year ended 31 December 2007 of HK\$0.044 (2006: Nil) per share, amounting to a total dividend of HK\$9,913,000, is proposed on 20 March 2008, which is subject to approval at the Annual General Meeting to be held on 9 May 2008. This proposed dividend is not reflected as a dividend payable in these consolidated financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2007.

15 股息

於二零零八年三月二十日，董事會建議派發截至二零零七年十二月三十一日止年度之末期股息為每股普通股港幣0.044元（二零零六年：無）合共約港幣9,913,000元。此等股息將於二零零八年五月九日舉行之股東週年大會上經股東批核。建議末期股息並未在截至二零零七年十二月三十一日止年度之綜合財務報表反映此項應付股息，但於儲備內反映為保留盈餘之撥備。

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Proposed final dividend of HK\$0.044 (2006: Nil) per ordinary share	擬派末期股息每股普通股 港幣0.044元（二零零六年：無）	9,913	—

16 Investment Properties

16 投資物業

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
At 1 January	於一月一日	14,750	17,601
Disposal	出售	(4,900)	(2,050)
Fair value loss on revaluation	重估投資物業之公平值虧損	—	(801)
At 31 December	於十二月三十一日	9,850	14,750

The investment properties are held under long-term lease and are situated in the PRC. The investment properties were revalued as at 31 December 2007 on the basis of its open market value by DTZ Debenham Tie Leung Ltd, an independent firm of qualified property valuers. Net fair value loss for the year 2006 amounted to HK\$801,000 was charged to the consolidated profit and loss account.

投資物業乃內地物業並根據長期租賃持有。投資物業已於二零零七年十二月三十一日由獨立合格物業評估公司戴德梁行有限公司以公開市場價值基準進行重估，二零零六年止年度之公平值虧損約港幣801,000元已撥入綜合損益表內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

16 Investment Properties (cont'd)

At 31 December 2007, the Group had no unprovided contractual obligation for future repairs and maintenance.

The Group's interest in investment properties at their net book values are analysed as follows:

Outside Hong Kong, held on: 在香港以外持有：
Leases of between 10 to 50 years 10 年至 50 年之租約

During the year 2007, the Group disposed an investment property in Guangzhou and a gain of HK\$439,000 is credited to the consolidated profit and loss account

16 投資物業（續）

於二零零七年十二月三十一日，本集團並沒有任何就未來維修和保養而未作撥備的合約責任。

本集團在投資物業的權益按其賬面淨值分析如下：

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
		9,850	14,750

於二零零七年內，本集團出售一項位於廣州之投資物業，約港幣 439,000 元之出售投資物業收益已計入綜合損益賬內。

		The Group 本集團 2007 二零零七年 HK\$'000 港幣千元
Net book value of investment property held for sale	持作出售投資物業之賬面淨值	4,900
Add: Gain on disposal of an investment property	加：出售投資物業收益	439
Net cash consideration	現金代價淨額	5,339

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 Property, Plant and Equipment The Group

17 物業、機器及設備 本集團

		Construction in progress 在建工程 HK\$'000 港幣千元	Leasehold improvements buildings 租賃物業 裝修 HK\$'000 港幣千元	Leasehold improvements 租賃物業 裝修 HK\$'000 港幣千元	Furniture and equipment 傢俬及設備 HK\$'000 港幣千元	Plant and machinery 廠房及 機器設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2006	於二零零六年一月一日							
Cost	成本	11,102	29,780	17,715	28,907	13,912	1,334	102,750
Accumulated depreciation	累計折舊	-	(8,052)	(15,189)	(27,627)	(13,115)	(427)	(64,410)
Net book value	賬面淨值	11,102	21,728	2,526	1,280	797	907	38,340
Year ended 31 December 2006	截至二零零六年 十二月三十一日止年度							
Opening net book value	期初賬面淨值	11,102	21,728	2,526	1,280	797	907	38,340
Additions	添置	12,321	-	511	718	677	114	14,341
Depreciation (note 7)	折舊 (附註 7)	-	(659)	(1,084)	(547)	(440)	(265)	(2,995)
Written off/disposals	撤銷/出售	-	(413)	(27)	(16)	(2)	-	(458)
Transfer	轉撥	(19,078)	15,582	-	358	3,138	-	-
Transfer to lease prepayments (Note 18)	轉撥至租賃預付款 (附註 18)	(4,345)	-	-	-	-	-	(4,345)
Closing net book value	期終賬面淨值	-	36,238	1,926	1,793	4,170	756	44,883
At 31 December 2006	於二零零六年 十二月三十一日							
Cost	成本	-	44,837	16,987	29,764	17,446	1,448	110,482
Accumulated depreciation	累計折舊	-	(8,599)	(15,061)	(27,971)	(13,276)	(692)	(65,599)
Net book value	賬面淨值	-	36,238	1,926	1,793	4,170	756	44,883
Year ended 31 December 2007	截至二零零七年 十二月三十一日止年度							
Opening net book value	期初賬面淨值	-	36,238	1,926	1,793	4,170	756	44,883
Additions	添置	-	697	174	1,443	403	-	2,717
Depreciation (note 7)	折舊 (附註 7)	-	(910)	(1,121)	(759)	(695)	(285)	(3,770)
Written off/disposals	撤銷/出售	-	-	(5)	(18)	-	-	(23)
Closing net book value	期終賬面淨值	-	36,025	974	2,459	3,878	471	43,807
At 31 December 2007	於二零零七年 十二月三十一日							
Cost	成本	-	45,534	16,512	31,164	17,849	1,448	112,507
Accumulated depreciation	累計折舊	-	(9,509)	(15,538)	(28,705)	(13,971)	(977)	(68,700)
Net book value	賬面淨值	-	36,025	974	2,459	3,878	471	43,807

Note: A depreciation charge for property, plant and equipment of HK\$145,000 (2006: Nil) has been charged to cost of sales.

附註：約港幣145,000元（二零零六年：無）之物業、機器及設備之折舊已於銷售成本扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 Property, Plant and Equipment (cont'd)

All property, plant and equipment at 31 December 2007 and 2006 of the Group are stated at cost.

18 Lease Prepayments

The Group's lease prepayments represent interests in leasehold land and land use rights under operating lease and their net book values are analysed as follows:

17 物業、機器及設備 (續)

於二零零七年及二零零六年十二月三十一日止年度全部物業、機器及設備按成本列賬。

18 租賃預付款

本集團於租賃預付款的權益為租賃土地及土地使用權，其賬面淨值分析如下：

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
In Hong Kong, held on:	在香港持有：		
Leases of between 10 to 50 years	10 年至 50 年之租約	44,648	45,611
Outside Hong Kong, held on:	在香港以外持有：		
Leases of between 10 to 50 years	10 年至 50 年之租約	4,238	4,324
		48,886	49,935
		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Net book value at 1 January	於一月一日之賬面淨值	49,935	49,456
Transfer from property, plant and equipment (Note 17)	從物業、機器及設備轉撥 (附註 17)	—	4,345
Amortisation	攤銷	(1,049)	(1,016)
Disposal	出售	—	(2,850)
Net book value at 31 December	於十二月三十一日之賬面淨值	48,886	49,935

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 Lease Prepayments (cont'd)

At 31 December 2007, a property held by a subsidiary of the Group which was charged to a bank to obtain banking facilities as follows:

	The Group 本集團
	2007 二零零七年 HK\$'000 港幣千元
Lease prepayments	41,568
Leasehold building	8,516
Carrying value of property charged to a bank to obtain banking facilities	50,084

18 租賃預付款 (續)

於二零零七年十二月三十一日，本集團之附屬公司持有的物業已給予銀行作貸款抵押。

	2006 二零零六年 HK\$'000 港幣千元
Lease prepayments	42,452
Leasehold building	8,759
Carrying value of property charged to a bank to obtain banking facilities	51,211

19 Disposal of a Subsidiary

	The Group 本集團
	2006 二零零六年 HK\$'000 港幣千元
Disposal of a subsidiary	
Investment property	2,050
Leasehold improvements	8
Aggregate net assets disposed at date of disposal	2,058
Loss on disposal	(503)
Net cash consideration	1,555

Loss on disposal of a subsidiary for the year ended 31 December 2006 represents loss arising from the disposal of a 100% interest in an investment property holding company. The investment property is located in Guangzhou.

19 出售附屬公司

於二零零六年十二月三十一日止年度出售附屬公司虧損為本集團全資擁有的投資物業所導致之虧損。該投資物業位於廣州。

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 Disposal of a Property

For the year ended 31 December 2006, the Group disposed a property in Shanghai and a loss of HK\$1,031,000 is charged to the consolidated profit and loss account.

20 出售物業

於二零零六年十二月三十一日止年度，本集團出售一項位於上海的物業，約港幣1,031,000元之虧損已撥入綜合損益表內。

		The Group 本集團 2006 二零零六年 HK\$'000 港幣千元
Lease prepayment	租賃預付款	2,850
Leasehold building	租賃樓宇	415
Leasehold improvements	租賃裝修	20
Net book value of property held for sale	持作出售物業賬面淨值	3,285
Less: Loss on disposal	減：出售虧損	(1,031)
Net cash consideration	現金代價淨額	2,254

21 Investment in Subsidiaries

21 附屬公司

		The Company 本公司	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Investment, at cost	投資，按成本	86,131	86,131
Amounts due from subsidiaries	附屬公司欠款	115,449	106,620
		201,580	192,751

The amounts due from subsidiaries are unsecured, interest free and have no fixed terms of repayment.

附屬公司欠款為無抵押、免息及無固定還款期。

Notes to the Consolidated Financial Statements

綜合財務報表附註

21 Investment in Subsidiaries (cont'd)

The following is a list of the principal subsidiaries as at 31 December 2007:

21 附屬公司 (續)

於二零零七年十二月三十一日，本公司旗下附屬公司之詳情如下：

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 營業地點	Group equity interest held by 本集團透過以下公司 所持股本權益 the Company Subsidiaries 本公司 附屬公司		Issued and paid up ordinary share capital 已發行及 繳足普通股本	Principal activities 主要業務
		%	%		
Anagram Company Limited	British Virgin Islands 英屬處女群島	–	100	US\$1 1 美元	Investment holding 投資控股
Arnhold & Company, Limited 安利有限公司	Hong Kong 香港	–	100	HK\$20,000,000 港幣 20,000,000 元	Trading and engineering 貿易及工程
Arnhold & Company (Shanghai) Limited* 貿邦建材國際貿易 (上海) 有限公司 *	Shanghai 上海	–	100	US\$200,000 200,000 美元	Trading 貿易
Arnhold (B.V.I.) Limited	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	100	–	US\$1,000 1,000 美元	Investment holding 投資控股
Arnhold China Limited 安利中國有限公司	Hong Kong 香港	–	100	HK\$2 港幣 2 元	Inactive 暫無營業
Arnhold Design Centres Limited 安利家麗有限公司	Hong Kong 香港	–	100	HK\$2 港幣 2 元	Retailing 零售

Notes to the Consolidated Financial Statements

綜合財務報表附註

21 Investment in Subsidiaries (cont'd)

21 附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 營業地點	Group equity interest held by 本集團透過以下公司 所持股本權益 the Company Subsidiaries		Issued and paid up ordinary share capital 已發行及 繳足普通股本	Principal activities 主要業務
		本公司	附屬公司		
		%	%		
Arnhold Investments Limited 安利投資有限公司	Hong Kong 香港	–	100	Ordinary HK\$1 Non-voting deferred HK\$1,000,000 普通股港幣 1 元 無投票權遞延股份 港幣 1,000,000 元	Investment holding 投資控股
Arnhold (Macau) Limited 安法 (澳門) 有限公司	Macau 澳門	–	100	MOP25,000 葡幣 25,000	Trading of construction materials 建築材料貿易
Arnhold Marble China Limited 安利雲石中國有限公司	Hong Kong 香港	–	100	HK\$12 港幣 12 元	Trading and management services 貿易及管理服務
Arnhold Marble Limited 安利雲石有限公司	Hong Kong 香港	–	100	HK\$2 港幣 2 元	Design and supply of natural stones 設計及供應天然石材
Arnhold Properties (B.V.I.) Limited	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	–	100	US\$1 1 美元	Property holding 物業持有
Bain d'Or Building Materials Limited 安法建築材料有限公司	Hong Kong 香港	–	100	HK\$2 港幣 2 元	Inactive 暫無營業
Bain d'Or Inc.	USA 美國	–	100	US\$2,000 2,000 美元	Inactive 暫無營業

Notes to the Consolidated Financial Statements

綜合財務報表附註

21 Investment in Subsidiaries (cont'd)

21 附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 營業地點	Group equity interest held by 本集團透過以下公司 所持股本權益 the		Issued and paid up ordinary share capital 已發行及 繳足普通股本	Principal activities 主要業務
		Company 本公司	Subsidiaries 附屬公司		
		%	%		
Bain d'Or Trading Limited 香港安利有限公司	Hong Kong 香港	–	100	HK\$1 港幣 1 元	Inactive 暫無營業
Diction Limited 的信有限公司	Hong Kong 香港	–	100	HK\$2 港幣 2 元	Property holding 物業持有
Dongguan Arnhold Marble Limited* 東莞安利石材有限公司*	Dongguan 中國/東莞	–	100	RMB17,546,951 人民幣 17,546,951	Natural stones processing 天然石材加工
Grandful Limited 津福有限公司	Hong Kong 香港	–	100	HK\$2 港幣 2 元	Property investment 物業持有
Palatial Properties Limited	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	–	100	US\$1 1 美元	Property holding 物業持有
Keen Smart Trading Limited	Hong Kong 香港	–	100	HK\$1 港幣 1 元	Inactive 暫無營業
Worldpole Investments Limited 匯柱投資有限公司	Hong Kong 香港	–	100	HK\$2 港幣 2 元	Property investment 物業持有

* Wholly-owned foreign enterprise, which is incorporated in Mainland China as a limited liability company.

* 於中國內地註冊成立的有限責任外商獨資企業。

Notes to the Consolidated Financial Statements

綜合財務報表附註

22 Interest in Associates

22 聯營公司權益

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Share of net liabilities	應佔負債淨值	—	(1,763)
Amount due from associates	聯營公司欠款	—	6,865
		—	5,102

The Group's interest in the associates all of which are unlisted, was as follows:

本集團在聯營公司（非上市）的權益如下：

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

Name of Company 公司名稱	Particulars of issued shares held 持有已發行股份資料	Country of incorporation 成立地點	Assets	Liabilities	Revenues	Profit/(loss)	Interest held 權益 %
			資產 HK\$'000 港幣千元	負債 HK\$'000 港幣千元	收入 HK\$'000 港幣千元	盈利(虧損) HK\$'000 港幣千元	
Kingspan China Limited* 固溫中國有限公司	2,000 Ordinary shares of HK\$100 each 2,000 股每股港幣 100 元 之普通股股份	Hong Kong 香港	182	(315)	192	(5)	20
			182	(315)	192	(5)	

* Disposed on 11 January 2008.

* 於二零零八年一月十一日出售

For the year ended 31 December 2006

截至二零零六年十二月三十一日止年度

Name of Companies 公司名稱	Particulars of issued shares held 持有已發行股份資料	Country of incorporation 成立地點	Assets	Liabilities	Revenues	Profit/(loss)	Interest held 權益 %
			資產 HK\$'000 港幣千元	負債 HK\$'000 港幣千元	收入 HK\$'000 港幣千元	盈利(虧損) HK\$'000 港幣千元	
Kingspan China Limited 固溫中國有限公司	2,000 Ordinary shares of HK\$100 each 2,000 股每股港幣 100 元之 普通股股份	Hong Kong 香港	490	619	2,567	377	20
Bostik Holding Hong Kong Limited	4,000 Ordinary shares of HK\$1 each 4,000 股每股港幣 1 元之 普通股股份	Hong Kong 香港	6,435	8,198	3,462	(1,767)	40
			6,925	8,817	6,029	(1,390)	

Notes to the Consolidated Financial Statements

綜合財務報表附註

22 Interest in Associates (cont'd)

No dividend was received during the year from the associates (2006: Nil). The amount due from the associates is unsecured, interest free and has no fixed terms of repayment.

There was unrecognised share of losses of Kingspan China Limited in the year while the cumulative unrecognised share of losses were HK\$132,000.

On 23 July 2007, Arnhold & Company Limited (“ACL”), a wholly-owned subsidiary of the Company, entered into a Deed with Bostik Australia Pty Ltd (“Bostik”) and Bostik Holding Hong Kong (“Joint Venture” or Bostik HK”) in relation to the termination of Joint Venture established by the ACL and Bostik. It was agreed that ACL should transfer 4,000 ordinary shares of HK\$1 each in the Joint Venture to Bostik, Bostik should in return pay ACL a sum of HK\$11.4 million, which includes the consideration for the transfer of shares in the Joint Venture and the amount owned by the Joint Venture to ACL. The disposal was completed on 1 August 2007, whereupon Bostik HK became wholly owned by Bostik and ceased to be an associate of the Group. A disposal gain of HK\$2,667,000 is credited to the consolidated profit and loss account for the year ended 31 December 2007.

22 聯營公司權益 (續)

本年度並無來自聯營公司之股息（二零零六年：無）。聯營公司之欠款為無抵押、免息及無固定還款期。

固溫中國有限公司於年內存在未確認虧損，而累積應佔未確認虧損為約港幣 132,000 元。

於二零零七年七月二十三日，安利有限公司（本公司全資附屬公司）（「安利」）與Bostik Australia Pty Ltd.（「Bostik」）及 Bostik Holding Hong Kong Limited（「合營公司」或「Bostik HK」）就終止安利與Bostik成立之合營公司訂立契據。據此，安利向Bostik轉讓其於合營公司內所有股本權益，即 4,000 股每股面值港幣 1 元之普通股，而 Bostik 則向安利支付港幣 11,400,000 元，當中包括轉讓合營公司股份之代價及合營公司應付予安利之債項。出售事項已於二零零七年八月一日完成，約港幣 2,667,000 元之出售收益已於二零零七年十二月三十一日止年度綜合損益表內記賬。

		The Group 本集團 2007 二零零七年 HK\$'000 港幣千元
Disposal of an associate	出售聯營公司	
Share of net liabilities upon disposal	於出售時應佔聯營公司負債淨值	(2,864)
Amount due from associate	聯營公司欠款	11,396
Net book value of associate held for sale	聯營公司持作出售之賬面淨值	8,532
Net cash consideration received from disposal of an associate	出售聯營公司之現金代價淨額	11,199
Gain on disposal	出售收益	2,667

Notes to the Consolidated Financial Statements

綜合財務報表附註

23 Available-for-sale Financial Assets

At 1 January	於一月一日
Revaluation surplus transfer to reserve (Note 32)	重估盈利轉撥至儲備 (附註 32)
Less: provision for impairment loss	減：減值虧損撥備
At 31 December	於十二月三十一日

Available-for-sale financial assets represent the unlisted equity securities and unlisted club debenture of the Group, and are stated at fair value at year ended 31 December 2007.

23 可供出售之財務資產

The Group 本集團	
2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
2,318	1,954
841	554
—	(190)
3,159	2,318

可供出售之財務資產為本集團於二零零七年十二月三十一日按公平值列賬之非上市證券投資及非上市會藉債券。

24 Inventories

Merchandise	商品
Consumable inventories	消耗存貨
Raw materials	原材料
Work in progress	在製品
Finished goods	完成品

The cost of inventories recognised as expense and included in cost of sales amounted to HK\$304,478,000 (2006: HK\$235,768,000). The Group reversed HK\$94,000 (2006: HK\$89,000) of a previous write-down in December 2007. The amount reversed has been included in the operating expenses in the consolidated profit and loss account.

24 存貨

The Group 本集團	
2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
11,309	16,731
4,399	3,648
5,074	2,839
3,893	2,151
839	429
25,514	25,798

存貨成本中確認費用列入銷售成本的金額合共約港幣 304,478,000 元 (二零零六年：約港幣 235,768,000 元)。本集團於二零零七年十二月撥回約港幣 94,000 元 (二零零六年：約港幣 89,000 元) 的存貨減值撥備。撥回的金額已包括在綜合損益表內的經營開支中。

Notes to the Consolidated Financial Statements

綜合財務報表附註

25 Construction Contracts

25 建築合約

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Contract costs incurred plus attributable profits less foreseeable losses to date	建築合約成本加應佔溢利減可預見虧損	—	81,026
Less: progress billings to date	減：已發出之進度收費單	—	(82,908)
		—	(1,882)
Included in current assets/(liabilities):	流動資產／（負債）包括：		
Due from customers on construction contracts (included in construction contracts)	應收客戶之建築合約款項（包括建築合約）	—	18
Due to customers on construction contracts (included in trade and other payables)	應付客戶之建築合約款項（包括在貿易及其他應付款）	—	(1,900)
		—	(1,882)

At 31 December 2007, there was no retention held by customers for contract work included in trade and other receivables of the Group (2006: HK\$4,535,000).

於二零零七年十二月三十一日，本集團並無由客戶持有之合約工程保留金（二零零六年：約港幣 4,535,000 元）。

At 31 December 2007, there were no advances received from customers for contract work included in other payables of the Group as disclosed in note 29 (2006: Nil).

附註 29 所披露之本集團於二零零七年十二月三十一日的其他應付款並無包含就建築工程向客戶收取之預付款（二零零六年：無）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 Trade and Other Receivables

26 貿易及其他應收款

		The Group 本集團		The Company 本公司	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Trade receivables	應收貿易賬款	103,779	61,770	—	—
Retention receivables	應收保留金賬款	4,626	9,519	—	—
Receivables from related parties (note 37)	應收關連人士賬款 (附註 37)	97	611	—	—
Total trade and retention receivables	應收貿易賬款及 應收保留金總額	108,502	71,900	—	—
Less: provision for impairment of receivables	減：應收賬款減值撥備	(1,368)	(3,039)	—	—
Net trade and retention receivables	應收貿易賬款及 應收保留金淨額	107,134	68,861	—	—
Prepayments and other receivables	預付賬款及其他應收款	8,043	2,437	245	108
		115,177	71,298	245	108
Less: non-current portion	減：非流動部份	—	(467)	—	—
		115,177	70,831	245	108

All non-current receivables are due within two years from the balance sheet date. The carrying amounts of trade and other receivables approximate their fair values.

所有非流動應收款均以資產負債表日起兩年內到期支付。貿易及其他應收款賬面值與其公平價值相若。

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 Trade and Other Receivables (cont'd)

The Group normally allows a credit period ranging from 30 to 90 days. Debtors with balances that are long overdue are normally requested to settle all outstanding balances before any further credit is granted.

There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers.

The aging analysis of trade and retention receivables, net of provisions, is as follows:

Current	未逾期
One to three months overdue	逾期一至三個月
Three to twelve months overdue	逾期三個月至十二個月
Overdue more than twelve months	逾期超過十二個月
Net trade and retention receivables	應收貿易賬款及應收保留金淨額

The trade and retention receivables included in the above aging are considered not impaired as these relate to a number of independent customers for whom there is no recent history of default. All the impaired overdue trade and retention receivables have been provided for. As at 31 December 2007, trade and retention receivables of HK\$1,368,000 (2006: HK\$3,039,000) were impaired and provided for.

26 貿易及其他應收款 (續)

本集團一般給予30至90天的付款期，如有逾期賬款餘額，有關的債務人須先行清償所有未付結餘，方可再給予信貸額。

本集團擁有大量客戶，因此貿易應收款的信貸風險並不集中。

除撥備後貿易應收款及應收保留金的賬齡分析如下：

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Current	未逾期	60,105	35,368
One to three months overdue	逾期一至三個月	35,713	20,362
Three to twelve months overdue	逾期三個月至十二個月	8,597	3,123
Overdue more than twelve months	逾期超過十二個月	2,719	10,008
Net trade and retention receivables	應收貿易賬款及應收保留金淨額	107,134	68,861

由於有關逾期應收貿易賬款及應收保留金的多名獨立客戶並無拖欠賬款，上述賬齡包括的應收貿易賬款及應收保留金並不視為減值，所有已減值逾期應收貿易賬款及應收保留金已作撥備。於二零零七年十二月三十一日，應收貿易賬款及應收保留金約港幣1,368,000元（二零零六年：約港幣3,039,000元）為已減值及已作撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 Trade and Other Receivables (cont'd)

Movements on the provision for impairment of trade and retention receivables are as follows:

At 1 January	於一月一日
Provision for impairment of receivables	應收款減值撥備
Receivables written off during the year as uncollectible	年內列為未能收回的應收款撤銷
Write back of provision for impairment of receivables	應收款減值撥備撥回
At 31 December	於十二月三十一日

As at 31 December 2006 and 2007, other than the trade and retention receivables as disclosed above, all other classes within trade and other receivables do not contain impaired assets.

The carrying amounts of the Group's trade and retention receivables are denominated in the following currencies:

HKD	港幣
RMB	人民幣
MOP	澳門幣
USD	美金
Other currencies	其他貨幣

26 貿易及其他應收款 (續)

貿易應收款及應收保留金減值撥備的變動如下：

The Group 本集團	
2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
3,039	3,730
484	1,186
(1,628)	(1,521)
(527)	(356)
1,368	3,039

於二零零六年及二零零七年十二月三十一日，除以上披露的應收貿易賬款及應收保留金外，在應收貿易賬款其他應收款項內的所有其他類別沒有包含逾期或減值資產。

本集團的應收貿易賬款及應收保留金的賬面值以下列貨幣為單位：

The Group 本集團	
2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
80,762	55,626
18,649	6,977
2,824	7,394
6,267	1,460
—	443
108,502	71,900

Notes to the Consolidated Financial Statements

綜合財務報表附註

27 Derivative Financial Instruments

27 衍生金融工具

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Forward foreign exchange contracts	遠期外匯合約		
– held for trading	– 以供買賣		
– Assets	– 資產	2,597	1,063
– Liabilities	– 負債	(58)	(368)

Trading derivatives are classified as a current asset or liability.

交易衍生工具分類為流動資產或負債。

The net unrealised fair value gain/(loss) on forward exchange contracts as at 31 December 2006 and 2007 which are not qualified as hedges has been accounted for in the consolidated profit and loss account.

於二零零六年及二零零七年十二月三十一日，不符合對沖的遠期外匯合約之未變現公平價值淨盈利／（虧損）已於綜合損益表中確認。

Details of the outstanding forward foreign contracts held by the Group as at 31 December 2007 are disclosed in note 36(c). These contracts expire through 2008.

於二零零七年十二月三十一日，本集團持有的尚未到期遠期外匯合約已在附註 36(c)中披露。該等合約於二零零八年內屆滿。

Notes to the Consolidated Financial Statements

綜合財務報表附註

28 Cash and cash equivalents

28 現金及現金等價物

		The Group 本集團		The Company 本公司	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Bank deposits with original maturity of three months or less	原有到期日為三個月或以下之銀行存款	54,935	37,668	—	—
Cash at bank and in hand	銀行存款及現金	19,589	15,034	180	125
		74,524	52,702	180	125

The effective interest rate on short-term bank deposits is ranging from 0.63% to 5.2% (2006: ranging from 1.62% to 5.19%). These deposits have an average maturity of 54 days (2006: 52 days).

短期銀行存款的實際利率為0.63厘至5.2厘不等（二零零六年：1.62厘至5.19厘不等），此等存款的平均到期日為54天（二零零六年：52天）。

The carrying amounts of the Group's cash and cash equivalents are denominated in the following currencies:

本集團的現金及現金等價物的賬面值以下列貨幣為單位：

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
HKD	港幣	21,562	8,930
RMB	人民幣	23,286	19,561
EUR	歐元	10,763	1,044
USD	美金	17,223	22,098
Other currencies	其他貨幣	1,690	1,069
		74,524	52,702

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 Trade and Other Payables

29 貿易及其他應付款

		The Group 本集團		The Company 本公司	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Trade and bills payables	應付貿易賬款及 應付票據	62,857	35,600	-	-
Accruals and other payables	應付費用及其他應付款	30,671	26,588	265	1,119
Advances received from customers	客戶預付款	11,294	4,206	-	-
		104,822	66,394	265	1,119

All of the above trade and other payables are expected to be settled within one year.

以上所有貿易及其他應付款預期將於一年內償付。

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

貿易及其他應付款賬面值與其公平價值相若。

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

應付貿易賬款及應付票據的賬齡分析如下：

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Current	未逾期	36,607	25,794
One to three months overdue	逾期一至三個月	22,052	7,519
Overdue more than three months	逾期超過三個月	4,198	2,287
Total trade and bills payables	應付貿易賬款及應付票據總額	62,857	35,600

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 Trade and Other Payables (cont'd)

The carrying amounts of the Group's trade and bills payables are denominated in the following currencies:

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
HKD	港幣	4,063	4,625
RMB	人民幣	4,343	2,029
EUR	歐元	28,412	16,811
USD	美金	21,264	10,832
Other currencies	其他貨幣	4,775	1,303
		62,857	35,600

30 Provisions

		Long service payments 長期服務金 HK\$'000 港幣千元	Employee leave entitlements 僱員 應享假期 HK\$'000 港幣千元	Total 總數 HK\$'000 港幣千元
At 1 January 2007	於二零零七年一月一日	633	1,050	1,683
Additional provisions	額外撥備	(275)	1,454	1,179
Less: Amounts utilised	減：已動用款項	-	(1,094)	(1,094)
Charged to consolidated profit and loss account	自綜合損益表扣除	(275)	360	85
Less: Amounts settled	減：已支付款項	-	(91)	(91)
Net effect on provisions	撥備淨額	(275)	269	(6)
At 31 December 2007	於二零零七年十二月三十一日	358	1,319	1,677

29 貿易及其他應付款 (續)

本集團貿易及其他應付款賬面額以下列貨幣為單位：

30 撥備

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 Share Capital

31 股本

Ordinary shares of HK\$0.10 each	每股港幣 0.10 元 之普通股股份	Authorised 法定 (Number of shares) 股份數目	Issued and fully paid 已發行及已繳足	Ordinary shares 普通股 HK\$'000 港幣千元	Share premium 股份溢價 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2006 and 31 December 2006	於二零零六年一月一日及 二零零六年十二月三十一日	800,000,000	224,496,000	22,450	92,389	114,839
Employees share option scheme – issuance of ordinary shares	僱員購股權計劃 – 配發普通股股份	–	800,000	80	320	400
At 31 December 2007	於二零零七年十二月三十一日	800,000,000	225,296,000	22,530	92,709	115,239

A Share Option Scheme (“the Scheme”) was approved and adopted by the shareholders at a special general meeting of the Company on 11 July 2002 under which the Board may, at its discretion, invite Eligible Persons to take up options to subscribe for shares of the Company.

Details of options granted to directors and employees of the Company under the Scheme were as follows:

本公司股東於二零零二年七月十一日之股東特別大會上批准及採納一項購股權計劃（「該計劃」）。據此，董事會可酌情授予合資格人士購股權以認購本公司股份。

根據該計劃向本公司董事及僱員授出的股權之詳情如下：

Date of options granted	授出購股權日期	Outstanding options as at 1 January 2007 二零零七年 一月一日 尚未行使 之購股權	Granted during the year 於年內授出	Exercised/ lapsed/ cancelled during the year 於年內行使/ 作廢/註銷	Outstanding options as at 31 December 2007 二零零七年 十二月 三十一日 尚未行使 之購股權	Subscription price per share 每股認購價 HK\$ 港幣
18 September 2003	二零零三年九月十八日	3,700,000	–	(800,000)	2,900,000	0.500
19 November 2004	二零零四年十一月十九日	3,700,000	–	–	3,700,000	0.602
21 November 2005	二零零五年十一月二十一日	4,500,000	–	–	4,500,000	0.700
		11,900,000	–	(800,000)	11,100,000	

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 Share Capital (cont'd)

31 股本 (續)

Date of options granted	授出購股權日期	Outstanding options as at 1 January 2006 二零零六年一月一日尚未行使之購股權	Granted during the year 於年內授出	Exercised/lapsed/cancelled during the year 於年內行使/作廢/註銷	Outstanding options as at 31 December 2006 二零零六年十二月三十一日尚未行使之購股權	Subscription price per share 每股認購價 HK\$ 港幣
18 September 2003	二零零三年九月十八日	3,700,000	—	—	3,700,000	0.500
19 November 2004	二零零四年十一月十九日	3,700,000	—	—	3,700,000	0.602
21 November 2005	二零零五年十一月二十一日	4,500,000	—	—	4,500,000	0.700
		11,900,000	—	—	11,900,000	

Based on the binomial option pricing model, the fair value of the options granted on 18 September 2003, 19 November 2004 and 21 November 2005 are HK\$0.248, HK\$0.141 and HK\$0.180 respectively. However, since the valuation relies on subjective assumptions such as the estimated volatility of the share price, the binomial option pricing model does not necessarily provide a reliable measure of the fair value of the options. The weighted average assumptions used are as follows:

按二項式購股權定價模式計算，於二零零三年九月十八日、二零零四年十一月十九日以及二零零五年十一月二十一日授出購股權之公平價值分別為港幣0.248元、港幣0.141元及港幣0.180元。由於該購股權定價模式需要作出極主觀假設，例如預期股價波幅，因此二項式購股權定價模式未必提供可靠的購股權公平價值。

		Options granted on 21 November 2005 二零零五年 十一月二十一日	Options granted on 19 November 2004 購股權授出日期 二零零四年 十一月十九日	Options granted on 18 September 2003 二零零三年 九月十八日
Risk free interest rate (in %)	無風險利率 (%)	4.4	2.8	3.8
Expected life (in years)	預計年期 (年)	5.0	6.0	6.9
Volatility (in %)	波幅 (%)	51.2	49.2	77.5
Expected dividend per share (cents)	預期每股股息 (仙)	4.4	4.4	4.4

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 Share Capital (cont'd)

At the dates before the options were granted, being 17 September 2003, 18 November 2004 and 20 November 2005, the market value per share was HK\$0.50, HK\$0.60 and HK\$0.70 respectively.

The Options granted on 18 September 2003 can be exercised in two instalments, 50% of which at any time between 1 September 2005 and 30 August 2010 and the remaining 50% at any time between 1 September 2006 and 30 August 2010.

The Options granted on 19 November 2004 can be exercised in two instalments, 50% of which at any time between 1 November 2006 and 30 August 2010 and the remaining 50% at any time between 1 November 2007 and 30 August 2010.

The Options granted on 21 November 2005 can be exercised in two instalments, 50% of which at any time between 1 November 2007 and 30 August 2010 and the remaining 50% at any time between 1 November 2008 and 30 August 2010.

Employee share option benefits represent fair value at grant date of share options issued under the Scheme that amortised to the consolidated profit and loss account during the year disregarding whether the options have been vested/exercised or not.

31 股本 (續)

在購股權授出前一日，即二零零三年九月十七日、二零零四年十一月十八日及二零零五年十一月二十日，股份每股市值分別為港幣 0.50 元、港幣 0.60 元及港幣 0.70 元。

於二零零三年九月十八日授出之購股權可分兩期行使，購股權之 50% 可由二零零五年九月一日至二零一零年八月三十日止期間行使，餘下之 50% 可由二零零六年九月一日至二零一零年八月三十日止期間行使。

於二零零四年十一月十九日授出之購股權可分兩期行使，購股權之 50% 可由二零零六年十一月一日至二零一零年八月三十日止期間行使，餘下之 50% 可由二零零七年十一月一日至二零一零年八月三十日止期間行使。

於二零零五年十一月二十一日授出之購股權可分兩期行使，購股權之 50% 可由二零零七年十一月一日至二零一零年八月三十日止期間行使，餘下之 50% 可由二零零八年十一月一日至二零一零年八月三十日止期間行使。

僱員購股權權益為根據該購股權計劃於授出日期之公平值而於年內於綜合損益表內攤銷 (不論該購股權已被授出/行使與否)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

32 RESERVES

32 儲備

The Group	本集團	Share premium 股份溢價 HK\$'000 港幣千元	Available-for-sale investment reserve 可供出售之財務資產儲備 HK\$'000 港幣千元	Employee share-based compensation reserve 僱員股份報酬儲備 HK\$'000 港幣千元	Retained earnings 保留盈利 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2006	於二零零六年一月一日	92,389	(334)	1,100	79,327	808	173,290
Profit attributable to shareholders	股東應佔溢利	-	-	-	2,141	-	2,141
Employee share-based compensation benefits	僱員應享購股權計劃之福利	-	-	649	-	-	649
Surplus on revaluation	重估盈利	-	554	-	-	-	554
Reversal of surplus on revaluation of impaired available-for-sale financial assets to consolidated profit and loss account	重估已減值可供出售財務資產之盈利轉撥至綜合損益表	-	(65)	-	-	-	(65)
At 31 December 2006	於二零零六年十二月三十一日	92,389	155	1,749	81,468	808	176,569
Profit attributable to shareholders	股東應佔溢利	-	-	-	16,805	-	16,805
Employee share-based compensation benefits	僱員應享購股權計劃之福利	-	-	386	-	-	386
Employee share option scheme: Issuance of ordinary shares	僱員購股權計劃：配發普通股股份	320	-	-	-	-	320
Surplus on revaluation	重估盈利	-	841	-	-	-	841
At 31 December 2007	於二零零七年十二月三十一日	92,709	996	2,135	98,273	808	194,921
Representing:	實現為：						
2007 Proposed final dividend	二零零七年建議之末期股息				9,913		
Others	其他				88,360		
Retained earnings as at 31 December 2007	於二零零七年十二月三十一日之保留盈利				98,273		

Notes to the Consolidated Financial Statements

綜合財務報表附註

32 RESERVES (cont'd)

32 儲備 (續)

The Company	本公司	Share premium 溢價 HK\$'000 港幣千元	Retained earnings 保留盈利 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2006	於二零零六年一月一日	92,389	2,509	75,067	169,965
Loss for the year	年度虧損	-	(550)	-	(550)
At 31 December 2006	於二零零六年 十二月三十一日	92,389	1,959	75,067	169,415
Profit for the year	年度盈利	-	9,475	-	9,475
Employee share option scheme: Issuance of ordinary shares	僱員購股權計劃： 配發普通股股份	320	-	-	320
At 31 December 2007	於二零零七年 十二月三十一日	92,709	11,433	75,067	179,210
Representing:	實現為：				
2007 Proposed final dividend	二零零七年建議之 末期股息		9,913		
Others	其他		1,520		
Retained earnings as at 31 December 2007	於二零零七年 十二月三十一日 之保留盈利		11,433		

The distributable reserves of the Company at 31 December 2007, under the Companies Act 1981 of Bermuda, amounted to HK\$86,500,000 (2006: HK\$77,026,000).

於二零零七年十二月三十一日，本公司依據百慕達一九八一年公司法可供分配儲備共達約港幣86,500,000元（二零零六年：約港幣77,026,000元）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

32 RESERVES (cont'd)

The contributed surplus of the Group represents the excess of the nominal value of the shares of Arnhold (B.V.I.) Limited and the nominal value of the deferred shares of Arnhold Investments Limited acquired over the nominal value of the Company's shares issued in exchange therefore pursuant to the Group's re-organisation in December 1993.

The contributed surplus of the Company represents the undistributed excess of the net assets of the subsidiaries acquired over the nominal value of the Company's shares issued in exchange therefore pursuant to the Group's reorganisation in December 1993. Under the Companies Act 1981 of Bermuda, the contributed surplus is distributable.

33 Deferred Income Tax

Deferred income tax were calculated in full on temporary differences under the liability method using a principal taxation rate ranging from 16.5% to 17.5% (2006: 17.5%).

32 儲備 (續)

本集團之實繳盈餘是指購入Arnhold (B.V.I.) Limited 之股份面值與安利投資有限公司之遞延股份面值超逾本公司根據一九九三年十二月本集團重組而發行之股份 (作為交換上述股份) 面值之盈餘。

本公司之實繳盈餘是指購入該等附屬公司之資產淨值超逾本公司根據一九九三年十二月集團重組發行之股份 (以交換該等附屬公司之資產淨值) 面值之未分派盈餘。根據百慕達一九八一年公司法，實繳盈餘可予分派。

33 遞延所得稅

遞延所得稅項採用負債法就短暫時差按主要稅率 16.5% 至 17.5% (二零零六年：17.5%) 作全數撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

33 Deferred Income Tax (cont'd)

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

		Tax loss 稅損 HK\$'000 港幣千元	Accelerated depreciation allowance 加速折舊 免稅額 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2006 and at 31 December 2006	於二零零六年一月一日及 二零零六年十二月三十一日	–	(425)	(425)
Deferred income tax credited to the consolidated profit and loss account	遞延所得稅在綜合損益表 內記賬	1,000	211	1,211
At 31 December 2007	於二零零七年十二月三十一日	1,000	(214)	786

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts shown in the consolidated balance sheet include the following:

33 遞延所得稅 (續)

年內遞延所得稅資產／(負債)之變動如下：

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

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Deferred income tax assets to be recovered within 12 months	在 12 個月內收回的 遞延稅項資產	1,000	–
Deferred income tax liabilities to be settled after more than 12 months	超過 12 個月後償還的 遞延稅項負債	(214)	(425)
Deferred income tax assets/ (liabilities) – net	遞延稅項資產／ (負債) 淨額	786	(425)

Notes to the Consolidated Financial Statements

綜合財務報表附註

33 Deferred Income Tax (cont'd)

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realization of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of HK\$4,881,000 (2006: HK\$8,960,000) in respect of losses amount HK\$27,890,000 (2006: HK\$51,200,000) that can be carried forward against future taxable income.

The potential deferred income tax assets which have not been accounted for in the consolidated financial statements amount to:

33 遞延所得稅（續）

就結轉的稅損而確認的遞延所得稅資產僅限於有關之稅務利益很有可能透過未來應課稅利潤實現的部分。本集團並無就可結轉以抵銷未來應課稅收益的虧損約港幣4,881,000元（二零零六年：約港幣8,960,000元）確認遞延所得稅資產約港幣27,890,000元（二零零六年：約港幣51,200,000元）。

並未計入綜合財務報表內之潛在遞延所得稅務資產：

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Accelerated depreciation allowance	減速折舊免稅額	—	229
Other timing differences	其他時差	4,881	8,731
		4,881	8,960

Notes to the Consolidated Financial Statements

綜合財務報表附註

34 Financial Instruments by Category

34 金融工具（按類別）

Group	本集團	Loans and receivables HK\$'000 港幣千元	Assets at fair value through profit and loss 按公平值 透過損益 記賬的資產 HK\$'000 港幣千元	Available- for-sale 財務資產 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Assets as per consolidated balance sheet 31 December 2007	根據綜合資產負債表 的資產 二零零七年 十二月三十一日				
Available-for-sale financial assets (Note 23)	可供出售財務資產 (附註 23)	–	–	3,159	3,159
Derivative financial instruments (Note 27)	衍生金融工具 (附註 27)	–	2,597	–	2,597
Trade and retention receivables (Note 26)	貿易賬款及保留金 應收款 (附註 26)	108,405	–	–	108,405
Receivables from related parties (Note 26)	關連人士應收款 (附註 26)	97	–	–	97
Cash and cash equivalents (Note 28)	現金及現金等價物 (附註 28)	74,524	–	–	74,524
Total	總額	183,026	2,597	3,159	188,782
Assets as per consolidated balance sheet 31 December 2006	根據綜合資產負債表 的資產 二零零六年 十二月三十一日				
Available-for-sale financial assets (Note 23)	可供出售財務資產 (附註 23)	–	–	2,318	2,318
Derivative financial instruments (Note 27)	衍生金融工具 (附註 27)	–	1,063	–	1,063
Trade and retention receivables (Note 26)	貿易賬款及保留金 應收款 (附註 26)	71,289	–	–	71,289
Receivables from related parties (Note 26)	關連人士應收款 (附註 26)	611	–	–	611
Cash and cash equivalents (Note 28)	現金及現金等價物 (附註 28)	52,702	–	–	52,702
Total	總額	124,602	1,063	2,318	127,983

Notes to the Consolidated Financial Statements

綜合財務報表附註

34 Financial Instruments by Category (cont'd)

34 金融工具（按類別）（續）

Group	本集團	Loans and receivables 貸款及應收款 HK\$'000 港幣千元	Assets at fair value through profit and loss 按公平值透過損益記賬的資產 HK\$'000 港幣千元	Available-for-sale 可供出售財務資產 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Liabilities as per consolidated balance sheet	根據綜合資產負債表的負債				
31 December 2007	二零零七年十二月三十一日				
Trade and bill payables (Note 29)	貿易賬款及應付票據 (附註 29)	62,857	–	–	62,857
Derivative financial instruments (Note 27)	衍生金融工具 (附註 27)	–	58	–	58
Total	總額	62,857	58	–	62,915
Liabilities as per consolidated balance sheet	根據綜合資產負債表的負債				
31 December 2006	二零零六年十二月三十一日				
Trade and bill payables (Note 29)	貿易賬款及應付票據 (附註 29)	35,600	–	–	35,600
Derivative financial instruments (Note 27)	衍生金融工具 (附註 27)	–	368	–	368
Total	總額	35,600	368	–	35,968

Notes to the Consolidated Financial Statements

綜合財務報表附註

34 Financial Instruments by Category (cont'd)

34 金融工具（按類別）（續）

Company	本公司	Loans and receivables 貸款及應收款 HK\$'000 港幣千元	Assets at fair value through profit and loss 按公平值 透過損益 記賬的資產 HK\$'000 港幣千元	Available- for-sale 可供出售 財務資產 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Assets as per balance sheet 31 December 2007		根據資產負債表的資產 二零零七年 十二月三十一日			
Amount due from subsidiaries (Note 21)	附屬公司欠款 (附註 21)	115,449	-	-	115,449
Cash and cash equivalents (Note 28)	現金及現金等價物 (附註 28)	180	-	-	180
Total	總額	115,629	-	-	115,629
Assets as per balance sheet 31 December 2006		根據資產負債表的資產 二零零六年 十二月三十一日			
Amount due from subsidiaries (Note 21)	附屬公司欠款 (附註 21)	106,620	-	-	106,620
Cash and cash equivalents (Note 28)	現金及現金等價物 (附註 28)	125	-	-	125
Total	總額	106,745	-	-	106,745

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 Contingent Liabilities

- (a) At 31 December 2007, there were contingent liabilities in respect of the following:

	The Group 本集團		The Company 本公司	
	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Guarantees for credit facilities granted by a bank on behalf of subsidiaries 代表附屬公司向銀行提供貸款擔保	—	—	279,000	279,000

- (b) Certain subsidiaries have given undertakings to banks that they will perform certain contractual non-financial obligations to third parties. In return, the banks have provided performance bonds and letters of guarantee to third parties on behalf of these subsidiaries. As at 31 December 2007, the amount of guarantees outstanding was HK\$3,038,000 (2006: HK\$3,144,000).

36 Commitments

(a) Commitments under operating lease

The Group leases various retail outlets and offices under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

35 或然負債

- (a) 於二零零七年十二月三十一日，或然負債如下：

	The Group 本集團		The Company 本公司	
	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Guarantees for credit facilities granted by a bank on behalf of subsidiaries 代表附屬公司向銀行提供貸款擔保	—	—	279,000	279,000

- (b) 若干附屬公司曾向銀行承諾會向第三方履行若干非財務性質之合約責任。該等銀行已就此代表有關附屬公司向第三方提供履約保證及擔保書。於二零零七年十二月三十一日，擔保金額為約港幣3,038,000元（二零零六年：約港幣3,144,000元）。

36 或然承擔

(a) 營運租賃承擔

本集團根據不可撤銷的營運租賃租用多個零售點和辦公室。此等租賃之年期、加租條款及續約權均不同。

Notes to the Consolidated Financial Statements

綜合財務報表附註

36 Commitments (cont'd)

(a) Commitments under operating lease (cont'd)

At 31 December 2007, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

Land and buildings	土地及樓宇
– Not later than one year	– 於一年內屆滿
– Later than one year and not later than five years	– 於第二至第五年屆滿

At 31 December 2007, the Group had future aggregate minimum lease payments receivable under non-cancellable operating leases as follows:

Land and buildings	土地及樓宇
– Not later than one year	– 於一年內屆滿
– Later than one year and not later than five years	– 於第二至第五年屆滿

The Company leases land and buildings under various agreements which terminate between 2008 and 2009. The agreements do not include an extension option.

36 或然承擔 (續)

(a) 營運租賃承擔 (續)

於二零零七年十二月三十一日，本集團根據不可撤銷經營租約之日後應付最低租金總額如下：

The Group 本集團	
2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
2,702	2,558
3,973	795
6,675	3,353

於二零零七年十二月三十一日，本集團根據不可撤銷經營租約之日後應收最低租金總額如下：

The Group 本集團	
2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
521	700
–	495
521	1,195

本公司根據不同協議租賃土地及樓宇，並於二零零八年及二零零九年間終止，該等協議並沒有延期條款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

36 Commitments (cont'd)

(b) Capital commitments

Contracted but not provided	已簽約但未作撥備
– property, plant and equipment	– 物業、機器及設備
– investment in an associate	– 聯營公司投資

(c) Forward exchange contracts

At 31 December 2007, the Group had outstanding forward exchange contracts to buy EUR5,713,000 (2006: EUR4,305,000) at various rates totaling approximately HK\$63,323,000 (2006: HK\$43,206,000); to buy JPY109,971,000 (2006: JPY140,563,000) at various rates totaling approximately HK\$7,415,000 (2006: HK\$9,584,000); to buy GBP224,000 (2006: GBP97,000) at various rates totaling approximately HK\$3,497,000 (2006: HK\$1,439,000); to buy US\$6,593,000 (2006: US\$8,105,000) at various rates totaling approximately HK\$51,143,000 (2006: HK\$62,607,000).

36 或然承擔 (續)

(b) 資本承擔

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
		–	182
		–	5,484
		–	5,666

(c) 遠期外匯合約

於二零零七年十二月三十一日，本集團持有可按不同匯率購入5,713,000歐元（二零零六年：4,305,000歐元）的尚未到期遠期外匯合約總額約港幣63,323,000元（二零零六年：約港幣43,206,000元）；按不同匯率購入109,971,000日元（二零零六年：140,563,000日元）的尚未到期遠期外匯合約總額約港幣7,415,000元（二零零六年：約港幣9,584,000元）；按不同匯率購入224,000英鎊（二零零六年：97,000英鎊）的尚未到期遠期外匯合約總額約港幣3,497,000元（二零零六年：約港幣1,439,000元）；按不同匯率購入6,593,000美元（二零零六年：8,105,000美元）的尚未到期遠期外匯合約總額約港幣51,143,000元（二零零六年：約港幣62,607,000元）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

37 Related Party Transactions

Significant related party transactions, which were carried out in the normal course of the Group's business, are as follows:

37 與有關連人士之交易

以下所列為本集團與有關連人士在日常業務中進行之重大交易：

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Sales of goods and services	商品與服務銷售		
Administration fee received from the associates (note a)	從聯營公司收取之行政費用 (附註(a))	1,261	1,117
Gross rental income received from the associate (note b)	向聯營公司收取之總租金收入 (附註(b))	107	181
Sales of goods to related party (note c)	向關連人士銷售商品 (附註(c))	9,526	1,200
Purchases of goods and services	購買商品與服務		
Professional fee paid to related party (note c)	支付予關連人士專業費用 (附註(c))	179	142
Key management compensation	主要管理人員酬金		
Salaries and other emoluments	薪金及其他酬金	5,221	4,717
Discretionary bonus	酌情花紅	282	639
Year end bonus	年終花紅	427	198
Retirement Schemes contributions	退休金計劃供款	411	359
Employee share-based compensation benefits	僱員應享購權計劃之福利	351	582
Year-ended balance arising from sales of goods	銷售產生之年終結餘		
Receivable from related party	應收關連人士賬款	97	611
Year-ended balance arising from associates	聯營公司產生之年終結餘		
Receivable from the associates	應收聯營公司賬款	-	6,865

Notes to the Consolidated Financial Statements

綜合財務報表附註

37 Related Party Transactions (cont'd)

- (a) A subsidiary of the Group provided management services to the associates for which it charged an administration fee at a fixed monthly amount.
- (b) During the year, the associates paid rental expenses of HK\$107,000 (2006: HK\$181,000) to the subsidiaries of the Group.
- (c) In addition to transactions with related companies as disclosed above, professional fees of HK\$179,000 (2006: HK\$142,000) were paid to a firm in which a non-executive director is a partner. Besides, sales of consumer goods of HK\$9,526,000 (2006: HK\$1,200,000) were made to a listed group of companies in which an independent non-executive director is also a director of the listed group.

It is the intention of the directors of the Company that the Group will continue its business relationships with related parties under similar bases as adopted in previous years. In the opinion of the directors of the Company, the transactions with the related companies were carried out in the ordinary course of business on normal commercial terms.

38 Events after Balance Sheet Date

On 11 January 2008, the Group completed a share disposal transaction in the capital of Kingspan China Limited (“KCL”), an associate company in which the Group had a 20% equity interest, whereby the Group transferred its entire interest represented by 2,000 ordinary shares in KCL to Kingspan Holdings (Insulation) Limited (formerly as Kootherm Holdings Limited). Upon completion of the disposal, KCL is no longer an associate of the Group.

37 與有關連人士之交易（續）

- (a) 本集團之附屬公司提供管理服務予其聯營公司，並每月收取固定之行政費用。
- (b) 於年內，聯營公司支付租金費用約港幣 107,000 元（二零零六年：約港幣 181,000 元）予一間本集團之附屬公司。
- (c) 除上述與有關連公司之交易外，本集團向一家本公司一名非執行董事為合夥人之公司支付專業費用為約港幣 179,000 元（二零零六年：約港幣 142,000 元）；另本集團向一上市公司集團銷售建築材料約港幣 9,526,000 元（二零零六年：約港幣 1,200,000 元），本公司一名獨立非執行董事亦為該上市集團之董事。

本公司董事相信本集團將按以往所採用之相若基準，繼續與有關連人士維持業務關係。本公司董事認為與上述有關連公司進行之交易乃於日常業務過程中按一般商業條款進行。

38 結算日後事項

於二零零八年一月十一日，本集團完成出售固溫中國有限公司（「固溫中國」）（本集團持有20%股權利益的聯營公司）的股份，藉此，本集團出售其於固溫中國中的全部權益（即固溫中國普通股份2,000股）予Kingspan Holdings (Insulation) Limited（前稱為Kootherm Holdings Limited）。出售完成後，固溫中國不再為本集團的聯營公司。

Other Financial Information 其他財務資料

(I) Five-year Financial Summary

(I) 五年財務摘要

		(Restated) (重列) 2003 二零零三年 HK\$'000 千港元	(Restated) (重列) 2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Results	業績					
Turnover	營業額	373,443	321,156	292,438	297,550	387,904
Operating profit/(loss)	經營溢利／(虧損)	3,082	485	1,948	4,286	18,267
Finance costs	財務費用	(75)	(54)	(23)	(196)	(146)
Share of profit/(loss) of associates	應佔聯營公司溢利／(虧損)	(263)	(1,065)	–	(1,767)	(1,101)
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	2,744	(634)	1,925	2,323	17,020
Taxation	稅項	(305)	(226)	(301)	(182)	(215)
Profit/(loss) attributable to shareholders	股東應佔溢利／(虧損)	2,439	(860)	1,624	2,141	16,805
Dividend	股息	9,878	9,878	–	–	9,913
Assets and liabilities	資產及負債					
Total assets	總資產	322,321	278,993	268,216	267,889	324,514
Total liabilities	總負債	(119,552)	(86,501)	(72,476)	(68,870)	(107,063)
Shareholders' funds	股東資金	202,769	192,492	195,740	199,019	217,451

Total assets as at 31 December 2003 and 2004 have been restated as a result of the prior year adjustment in respect of the adoption of Hong Kong Accounting Standards 17 “Leases” and Interpretation 21 “Income Taxes – Recovery of Revalued Non-Depreciated Assets” issued by the Hong Kong Institute of Certified Public Accountants.

在採納香港會計師公會發出之《香港會計準則》第17號「租賃」和詮釋21「所得稅－經重估非折舊資產的收回」而作出上年度調整後，於二零零四年及二零零三年十二月三十一日的總資產已作重列。

Other Financial Information 其他財務資料

(II) Schedule of Principal Properties

Investment properties

Address 地址	Use 用途	Term of lease 租約期限
Units 01 and 02, 26/F, and car parking spaces nos. 30 and 31 on Basement 1, Super Ocean Finance Centre Building, 2067, Yan An Xi Road, Hongqiao Economic & Technology Development Zone, Shanghai, The People's Republic of China 中華人民共和國上海虹橋經濟技術開發區延安西路 2067 號仲盛金融中心 26 樓 01 及 02 室及地庫 1 之 30 及 31 號泊車位	Office premise 辦公室	47 years expiring in 2043 至二零四三年 為四十七年

(II) 主要物業一覽表

投資物業

Leasehold land and buildings

租賃土地及物業

Address 地址	Use 用途	Gross floor area 建築面積	Term of lease 租約期限	Attributable interest of the Group 本集團應佔權益
(a) Unit B on 6/F, Portion of Flat roof on 1/F, and car parking spaces nos. 58, 59, 60, 61 and 62 on 3/F, Victoria Centre, 15 Watson Road, North Point, Hong Kong 香港北角屈臣道 15 號維多利中心 6 樓 B 單位、1 樓部分平台及 3 樓 58、59、60、61 及 62 號泊車位	Office premises 辦公室	1,678 square meters 1,678 平方米	75 years expiring in 2054 至二零五四年 為七十五年	100%
(b) 5/F, Block A and car parking space No. L11 on 1/F, Kerry BCI Godown Centre, 3 Kin Chuen Street, Kwai Chung, New Territories, Hong Kong 香港新界葵涌健全街 3 號嘉里中銀貨倉中心 A 座 5 樓及 1 樓 L11 號泊車位	Godown 貨倉	2,548 square meters 2,548 平方米	58 years expiring in 2047 至二零四七年 為五十八年	100%
(c) Yaoshan Village, Xiegang Town, Dongguan City, Guangdong Province, The People's Republic of China 中華人民共和國廣東省東莞市謝崗鎮鎮窯山村	Factory 廠房	30,000 square meters 30,000 平方米	50 years expiring in 2055 至二零五五年 為五十年	100%