



卓健亞洲有限公司 Quality HealthCare Asia Limited

Annual Report 2007 年報



Quality HealthCare Asia Limited is a physician led provider group offering an integrated range of healthcare services including facilities management, third party plan administration and paramedical support. The Group provides care for our private and corporate contract patients through a network of more than 560 Western and Chinese medical centres, and 45 dental and physiotherapy centres. In 2007, our network recorded more than 2.3 million healthcare visits. We operate seven elderly care homes and Hong Kong's longest-established international nursing agency. One of our medical practices has been serving Hong Kong people for over 135 years.

Quality HealthCare became the first healthcare provider listed on The Stock Exchange of Hong Kong Limited (HKSE ticker 593) in 1998. The Group's healthcare turnover in 2007 exceeded HK\$940 million.

卓健亞洲有限公司是一個由醫生主導的醫療集團。本集團提供一系列的綜合醫療及保健服務，包括設施管理、第三者醫療計劃管理及輔助醫療服務。本集團透過其五百六十多間中西醫療中心，四十五間牙科及物理治療中心，為個別人士及公司合約病人提供醫護服務。於二零零七年，集團醫療保健網絡錄得逾二百三十萬投診人次。此外，卓健經營七間護理老院及香港歷史最悠久的國際護理介紹所，而卓健其中一間醫務所更為香港市民服務超過一百三十五年之久。

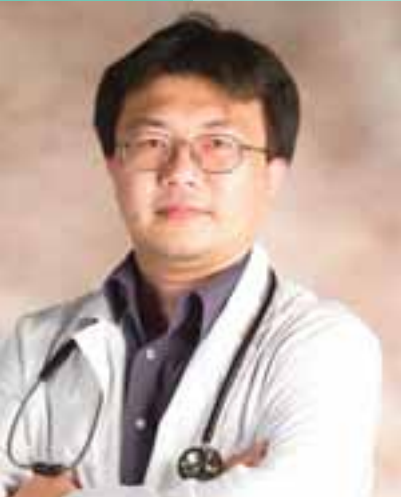
於一九九八年，卓健成為首間在香港聯合交易所有限公司上市（編號：593）的醫療保健服務集團。本集團於二零零七年錄得醫療保健業務營業額逾 940,000,000 港元。

	<i>Page</i> 頁次
CHAIRMAN'S STATEMENT 主席報告	2
MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析	10
CORPORATE INFORMATION 公司資料	19
BOARD OF DIRECTORS AND SENIOR MANAGEMENT 董事會及高級管理層	21
CORPORATE GOVERNANCE REPORT 企業管治報告	29
REPORT OF THE DIRECTORS 董事會報告	43
INDEPENDENT AUDITORS' REPORT 獨立核數師報告	56
AUDITED FINANCIAL STATEMENTS 經審核財務報告	
CONSOLIDATED INCOME STATEMENT 綜合收益表	58
CONSOLIDATED BALANCE SHEET 綜合資產負債表	59
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表	60
CONSOLIDATED CASH FLOW STATEMENT 綜合現金流動報表	61
BALANCE SHEET 資產負債表	63
NOTES TO FINANCIAL STATEMENTS 財務報告附註	64



Chairman's Statement

主席報告



I am pleased to present the Company's annual report for 2007 to our shareholders. The period has provided challenges for the Group as a result of the escalation of costs, particularly rentals and staff costs. Accordingly, although the Group has achieved revenue growth of 6.0%, it recorded an overall reduction in net profit of 2.9%.

FINANCIAL REVIEW

- (i) The Group delivered a net profit of HK\$63.2 million in 2007, a 2.9% decrease compared to HK\$65.1 million in 2006. Basic earnings per share for 2007 were HK26.6 cents compared to HK32.8 cents in 2006.
- (ii) Revenue for the Group in 2007 increased by 6.0% to HK\$947.7 million from HK\$893.7 million in 2006.
- (iii) Profit before tax was HK\$71.6 million in 2007 compared to HK\$78.3 million in 2006. Quality HealthCare Medical Services ("QHMS") delivered divisional profit of HK\$54.9 million in 2007, and Quality HealthCare Services ("QHS") delivered divisional profit of HK\$6.7 million. Divisional profit for Quality HealthCare Elderly Services ("QHES") was HK\$7.9 million.

本人欣然向股東提呈本公司二零零七年年報。由於本期間成本遞增，尤其是租金及員工成本之漲幅，為本集團帶來挑戰。因此，雖然本集團收入增長6.0%，但純利則整體下降2.9%。

財務回顧

- (i) 本集團於二零零七年純利為63,200,000港元，較二零零六年之65,100,000港元下降2.9%。二零零七年每股基本盈利為26.6港仙，二零零六年則為32.8港仙。
- (ii) 於二零零七年，本集團收入為947,700,000港元，較二零零六年之893,700,000港元上升6.0%。
- (iii) 二零零七年除稅前溢利為71,600,000港元，二零零六年則為78,300,000港元。二零零七年卓健醫療服務的分部溢利為54,900,000港元，卓健綜合保健服務的分部溢利為6,700,000港元，而卓健護老服務的分部溢利則為7,900,000港元。



Finance costs of the Group remained at HK\$1,000 as the Group had no further borrowings during the year.

Net cash inflow from operating activities for the year was HK\$63.8 million (2006: HK\$59.3 million). Cash and bank balances at 31 December 2007 were HK\$240.1 million (2006: HK\$177.3 million).

Net assets at 31 December 2007 increased to HK\$307.4 million from HK\$238.7 million at 31 December 2006.

由於本集團年內再無作出任何借貸，融資費用維持於1,000港元。

本年度源自經營業務之現金流入淨額為63,800,000港元(二零零六年：59,300,000港元)。於二零零七年十二月三十一日之現金及銀行結餘為240,100,000港元(二零零六年：177,300,000港元)。

二零零七年十二月三十一日之淨資產由二零零六年十二月三十一日之238,700,000港元增加至307,400,000港元。

OPERATIONS

Quality HealthCare Medical Services

In 2007, QHMS achieved growth in revenue from sales to external customers of 8.3% compared to 2006 but notwithstanding this growth, experienced a drop in divisional profit of 17.8%. 2007 was a challenging year for QHMS with the escalation in rental expenses and staff remuneration impacting on financial performance. Our business development initiatives resulted in a 5% growth in the total number of corporate clients enrolled. Our medical network also experienced a positive growth in attendance for both corporate and community patients.

QHMS continued to strengthen its medical network in 2007 with expansion and relocation of existing centres and establishment of new centres. The division also sought to create additional value through the integration of different services to provide holistic care. The recognition of our capacity in Third Party Administration is increasing and we are expanding this service in Mainland China and Hong Kong.

QHMS has deployed additional resources towards the upgrading of our people skills, systems, and facilities, with focus on the development of a more robust management system using the balanced scorecard approach and customer service quality programs. A series of IT initiatives were implemented in 2007 to automate internal processes and integrate data thereby facilitating further accuracy and efficiency. The Laboratory Information System Integration eliminated manual data entry and enhanced communication with the frontline staff. Our existing system, renamed Q-Link, was re-developed to improve its user-friendliness for our affiliate medical network, streamlining functions and navigation for more efficient transaction and billing procedures. Further IT initiatives will continue in 2008 with the objective of improving productivity as well as maintaining our leading position in delivering cost effective health administration.

業務

卓健醫療服務

於二零零七年，卓健醫療服務銷售予外來客戶的收入較二零零六年增長8.3%，儘管錄得增長，分部溢利卻下降17.8%。二零零七年是卓健醫療服務充滿挑戰的一年，租金開支及員工薪酬上漲，影響財務表現。在本集團業務發展政策推動下，已登記企業客戶總數增長5%，企業及社區病人使用我們的醫療網絡方面亦有增長。

於二零零七年，卓健醫療服務繼續擴充其醫療網絡，開設新的中心、擴充及喬遷現有中心至其他地點。分部亦尋求透過整合不同服務提供身心全人護理以創造附加價值。卓健醫療服務在第三者管理服務的能力得到更大認同，現正於中國內地及香港擴展該服務。

卓健醫療服務在提升員工技能、系統及設施方面投放更多資源，集中發展更健全的績效管理系統，採用平衡計分卡方法及客戶服務質量計劃。二零零七年實施一系列資訊科技方案，將內部工序自動化及綜合數據處理，以提高準確度和效率。化驗室資訊系統整合以減省人手輸入數據，及增強與前綫員工的溝通。本集團現有系統經重新開發，易名為Q-Link，以精簡聯屬醫療網絡系統，使其更方便，令交易及開立賬單程序更具效率。二零零八年將繼續推行更多資訊科技方案，旨在提高生產力及保持本集團在提供具成本效益的健康管理方面的領先地位。

QHMS continued to focus on providing improved service standards for our clients. More than 80 training sessions consisting of over 4,000 hours were conducted in 2007 with over 700 participants to assist our staff in customer service, clinical and administrative skills. We are pleased to record a significant increase in compliments from our clients in recognition of our services and dedication of the staff. Through our annual customer satisfaction survey conducted at 38 of our medical centres interviewing over 3,000 clients, we are pleased to observe an improvement in their rating of our centres' performances compared to last year, including accessibility, servicing hours and overall ambience of the centres. 93% of the responding clients rated us above average in their overall satisfaction, and 95% stated that they would be pleased to use our services in future. 71% of the responding clients indicated that they would recommend our services to others.

Quality HealthCare Services

QHS recorded a drop of 19.9% in divisional profit in 2007 compared to the prior year with a decrease in revenue from sales to external customers of 2.6%. The division experienced significant increases in rental expenses and staff remuneration. It also allocated resources to continue the strategic expansion and upgrading of its current network of dental and physiotherapy centres, as well as the establishment of a counseling service centre in Macau.

Nursing continued to deliver improvement in 2007 with significant growth in placing relief staff for homes operated by Non-Government Organisations and hospitals. It also achieved a growing trend in other business lines including drug screening and cross border repatriation. Dental continued to expand its network with the addition of three new centres and achieved growth in both General and Specialists dental services. Physiotherapy expanded and upgraded four of its centres and continued to expand its core network with the addition of a new centre in Central Kowloon. Our physiotherapists continued to participate in corporate wellness programs and delivered onsite occupational health and safety evaluation services for our clients. Eye Centre continued to deliver the full range of ophthalmic care including medical eye consultations and LASIK services, and experienced a significant growth in the number of cataract surgeries performed. Our psychological services expanded into Macau and there was continuous growth in the clients provided with individual counseling as well as corporate enrolment through the Employee Assistance Program.

卓健醫療服務繼續專注為客戶提供高服務水平。二零零七年舉辦逾80項超過4,000小時逾700人參與的培訓課程，以協助本集團員工提高客戶服務、臨床及行政技能。我們的服務及員工的工作表現獲得客戶更熱烈的嘉許。在本集團的38間醫療中心進行的年度客戶滿意程度調查中，受訪客戶逾3,000位，他們對中心服務的滿意程度較去年上升，其中包括方便程度、服務時間及中心的整體環境，對此我們感到高興。93%受訪客戶在對我們的整體滿意程度的評價高於平均水平，而95%表示將來樂意再使用我們的服務。71%表示會推薦其他人使用我們的服務。

卓健綜合保健服務

於二零零七年，卓健綜合保健服務的分部溢利及銷售予外來客戶的收入較去年分別下降19.9%及2.6%。分部的租金開支及員工薪酬大幅度增加。卓健綜合保健服務亦繼續投放資源進行策略性擴展，及提升現有的牙科及物理治療中心的網絡，並於澳門成立輔導服務中心。

護理介紹服務於二零零七年持續改善，為非政府組織經營的護老院及醫院安排替假員工的服務大幅增加。其他業務亦有增長趨勢，如藥物測試工作及接待跨境客戶等。牙科服務繼續擴充網絡，增設三間新中心，普通科及專科牙科服務亦取得增長。物理治療擴展及提升其四間中心，以及繼續擴充核心網絡，在九龍中部增設新中心。本集團的物理治療師繼續參與企業保健計劃，並為我們的客戶提供臨床職業健康與安全評估服務。眼科中心繼續提供全面眼科專科服務，包括眼科醫療諮詢及激光矯視，而進行白內障手術的次數亦大幅增加。本集團的心理健康服務已拓展至澳門，接受個別輔導的客戶人數及登記僱員援助計劃的企業數目亦不斷增加。

Quality HealthCare Elderly Services

QHES recorded a small drop of 0.2% in divisional profit in 2007 compared to the prior year with a decrease in revenue from sales to external customers of 2.1%. The occupancy rate in our homes declined slightly in 2007 and continuing efforts were directed towards cost control, restructuring and consolidation. We closed our smallest home and amalgamated most of its residents and staff with another. 2007 remained a challenging year for the elderly care industry. The key challenges have been difficulties in recruiting registered or enrolled nurses and the increase in rental and salary costs. The division devoted significant effort towards obtaining additional bed places under the Enhanced Bought Place Scheme ("EBPS") of the Social Welfare Department ("SWD") and was successful in obtaining an additional 40 places. Our team will continue to work closely with SWD on the quality standards of the EBPS homes.

GROWTH AND DEVELOPMENT INITIATIVES

As we enter the tenth year of operation under the brand name of Quality HealthCare, we believe that the Company has built a solid platform and appropriate infrastructure to benefit from opportunities arising from the health care reform program and the developing needs of the society. We believe that we may experience an increase in individual spending in private healthcare especially if a social insurance plan is introduced.

We anticipate that in the future, controlled relaxation of advertising restrictions for the medical profession will be introduced. When appropriate, we will devote more resources to branding and communication programs to enhance the communities awareness and recognition of our services and the services we deliver.

We will continue to develop our medical network in Hong Kong, and the management team will continue to look for opportunities in the local market for organic expansion, and expansion or acquisition opportunities in Hong Kong, Macau, China or elsewhere.

卓健護老服務

於二零零七年，卓健護老服務的分部溢利較去年略為減少0.2%，而銷售予外來客戶的收入亦下降2.1%。於二零零七年，我們的護老院入住率輕微下跌。我們不斷致力於成本控制、重組及合併。我們已關閉規模最小的護老院，其大部分院友及員工已合併到另一間護老院。二零零七年仍是護老服務界充滿挑戰的一年。其主要挑戰是招聘註冊或登記護士的困難，以及租金及薪酬成本上漲。分部着力根據社會福利署(「社署」)的改善買位計劃獲得更多宿位，並成功獲得額外40個宿位。我們的團隊將就參與改善買位計劃的護老院的服務水平，繼續與社署緊密聯繫。

發展業務，推動增長

本集團的「卓健」品牌昂然踏入第十年，我們相信，本集團已構建穩固平台及適切的基礎設施，能從醫療改革計劃及社會的發展需要帶來的機遇中受惠。我們相信，個人在私營醫療保健領域的開支將會增加，尤其若決定推行社會保險計劃之後。

本集團預測，將來醫療行業的廣告限制會適度放寬。在合適時，我們將投放更多資源在品牌經營及訊息傳達工作上，加強社區對我們的服務及我們所提供服務的認知及認同。

本集團將繼續在香港發展醫療網絡，管理層隊伍將繼續找尋擴充本地市場的機會，及於香港、澳門、中國或其他地方擴展或收購的機會。

PUBLIC SECTOR OPPORTUNITIES

The Group was pleased to participate in the Public Private Interface – Electronic Patient Record, a collaborative project initiated by the Hospital Authority to enhance collaboration between the public and private sectors and to allow timely access of information for better care of the patients. More than 20,000 patients have signed up for this project, and eight of our medical centres have participated in the pilot phase.

We have successfully renewed the Public Private Initiative contract to operate evening and weekend private physiotherapy services at Prince of Wales Hospital, and will continue to participate in similar schemes in future.

The Group is well poised to actively participate in the health care reform program where private sector health care services may expand in market size. We will work closely and support the Government's initiatives to develop future sustainable healthcare financing programs and services that meet community needs.

PEOPLE

The Group is proud to congratulate the 28 awardees for 10-year, 15-year, 20-year and 25-year Long Service Awards, and the 22 Service Champions awardees. Pursuant to internal measurements and grading from our clients, six of our medical centres, one dental centre and one physiotherapy centre were recognised as Centres of Excellence, while five centres received Centre Service Improvement Awards in recognition of their efforts to introduce positive changes directed towards enhancing their customer service standards. Service Ambassadors will be awarded on a quarterly basis to give recognition to the continuous devotion of our staff in their service excellence.

We are pleased that our Medical Affairs Team and Billing Team have jointly won this year's Win-Win Award through their successful revamping of the outpatient claims adjudication process with a 20% gain in efficiency. In addition, our Central Laboratory was awarded The Hong Kong Laboratory Accreditation Scheme ("HOKLAS") accreditation for Medical Testing in Chemical Pathology, Haematology and Clinical Microbiology and Infection. HOKLAS is a scheme designed with accreditation criteria based on an international standard, ISO 15189: 2003 "Medical laboratories – Particular requirements for quality and competence".

公共保健服務機遇

本集團積極參與醫院管理局發起的「公私營醫療合作計劃－醫療病歷互聯試驗計劃」，以增強公私營機構之間的合作，並讓資料及時傳送，以加強對病人的照料。逾20,000位病人已參加該計劃，本集團的八間醫療中心已參與試行階段。

本集團已成功續訂公私合營政策下的合約，在威爾斯親王醫院提供夜間及周末私家物理治療服務，並在將來會繼續參與類似計劃。

本集團已準備就緒，積極參與醫療改革計劃，拓展私營保健服務的市場規模。我們將與政府緊密聯繫並支持政府政策，以發展未來符合社會需要的可持續醫療融資計劃及服務。

僱員

本集團祝賀28名分別獲頒10年、15年、20年及25年長期服務獎的員工，以及22名獲頒真誠服務大使獎的員工，我們對他們的表現引以為榮。根據內部評審及客戶評級，本集團有六間醫療中心、一間牙科中心及一間物理治療中心獲嘉許為卓越服務中心，另有五間中心獲頒服務躍進獎，以表揚他們對提高客戶服務水平所作出的努力。我們將於每季度頒發服務大使獎，以表彰長期提供卓越服務的員工作出的貢獻。

本集團祝賀醫療事務組及收費組憑藉成功改良門診病人申索程序而帶來20%效率提升，共同獲得年度雙贏大獎。另外，本集團中央化驗室的醫學測試獲得「香港實驗所認可計劃」認可，包括化學病理學、血液學、臨床微生物及傳染病學。「香港實驗所認可計劃」是根據國際標準化組織2003年發表的ISO 15189號－「醫務化驗所－質量及能力的特別規定」而制定認可準則的計劃。

The Group appreciates the loyalty and dedication of each and every one of our staff and it is only through the teamwork and perseverance of all that we can achieve quality standards and gain recognition from our clients and international bodies.

DIVIDEND POLICY

The Board has reviewed its dividend policy. We have adopted a policy of paying approximately 40% of after tax profits as dividend. The Board has therefore recommended a final dividend of HK5.25 cents per share. In addition, given the Group's strong cash position, the Board is also recommending a special dividend of HK14.4 cents per share for this particular year. This proposed final dividend and special dividend, together with the 2007 interim dividend paid of HK5.35 cents per share, represents a total dividend for the year 2007 of HK25 cents per share (2006: HK25 cents per share). The Board will continue to adopt an ongoing dividend policy, which it considers appropriate to the Group's overall financial position.

COMMUNITY OBLIGATIONS

In 2007, over 500 staff participated in the Group's community projects, including Walk Up Jardine House, Pink Revolution, and the Heart-to-Heart Charity Walk organised by the Children's Heart Foundation. We have also supported a charitable organisation "Bring Me A Book" in the donation of a "Large Bookcase Library" to bring books to children who need them most. A total of HK\$168,000 in contributions were distributed.

We are pleased that we have been awarded "The Best Integrated HealthCare Service Organisation" by the Capital Magazine Best of the Best Award. In recognition of our commitment to the maintenance of excellent standards in operations, we obtained high scores on safety and tidiness in operating shops at MTR Stations in the "Shop Mystery Safety Checking 2007" organised by MTR Corporation, and a number of our staff and medical centres were awarded "Best Performance Staff" and "Best POS Merchant Outlet" in the "Visa Preferred Merchants Tourist Offers 2007 Merchant Incentive Program". The Company also sponsored a series of radio programs hosted by our doctors for public health education.

OUTLOOK

The Group has established a solid foundation in the private healthcare market in Hong Kong. Our integrated range of services has been well received by insurance companies, corporations and the community. We will continue to expand our business based on this successful model both in the local market as well as applying it to other markets where appropriate.

本集團感謝每位員工的忠誠服務和貢獻，只有透過所有員工的團隊合作及堅持不懈的精神，本集團方能達到標準水平及獲得客戶及國際機構的認同。

股息政策

董事會已檢討其股息政策。本集團採納之政策為派付除稅後溢利約40%作為股息。董事會因此建議派發末期股息每股5.25港仙。此外，由於本集團現金狀況雄厚，董事會亦建議就此特殊年度派發特別股息每股14.4港仙。此建議之末期股息及特別股息連同二零零七中期股息每股5.35港仙，相當於二零零七年度總股息每股25港仙(二零零六年：每股25港仙)。董事會將繼續採納適合本集團整體財務狀況之股息政策。

社會責任

於二零零七年，本集團逾500位員工參與多個社區計劃，包括「齊步上怡廈」、「粉紅革命」及兒童心臟基金會的心連心慈善步行日。本集團亦支持慈善機構書伴我行(香港)基金會大型書架圖書館的捐獻活動，贈送書籍給最需要的兒童。全年捐獻為168,000港元。

本集團欣然榮獲由資本雜誌頒發的「資本傑出綜合醫療服務機構」大獎。為表彰本集團致力在營運中保持卓越標準，由港鐵主辦的「地鐵商舖神秘安全調查2007」活動中，本集團在港鐵車站營運的商舖取得安全及潔淨項目最高得分。多名員工及醫療中心在「Visa精選商戶旅客優惠2007之商戶獎勵計劃」中分別獲得「最佳員工」及「最佳商店」獎。本集團亦贊助由本集團旗下醫生主持有關公共健康教育的一系列電台節目。

展望

本集團已在香港私營保健市場建立穩固基礎。我們一系列綜合服務深受保險公司、企業及社會大眾歡迎。我們將繼續在該成功模式上，擴展在本地市場及其他合適市場之業務。

With a buoyant economy and a competitive labour market, 2007 has been a challenging year in terms of cost pressure. We will continue to build value for our customers through our professional care, innovative IT solutions, value-added programs, and the professionalism of the management team. We are pleased to observe a continuous improvement in the ratings we receive from our clients and in their loyalty to our services. We will continue to provide quality care for our clients as well as ensuring a satisfactory working environment for our staff which provides career prospects, self-growth and work life balance.

2008 will continue to pose challenges to the Group in terms of cost escalation. We will manage this through stringent cost control, enhanced efficiency, development of specialty services and the review of fee schedules with clients. The medical network will be expanded to ensure adequate coverage in appropriate population areas to allow the public easy and convenient access to our services and to prepare us for further growth in demand for private healthcare services pursuant to the health care reform program.

I would like to express the Group's appreciation to all our staff for their efforts in 2007 in providing the professional and quality services that we have delivered. I would also like to thank my fellow Directors, our network of doctors, our professional advisors and finally our shareholders for their support during the year.

Arthur George Dew
Chairman

Hong Kong, 28 March 2008

由於經濟蓬勃及勞動力市場的競爭激烈，二零零七年我們面對成本上漲帶來的挑戰。我們將透過專業護理、創新的資訊科技解決方案、增值計劃及管理層的專業精神，繼續為客戶創造價值。客戶對我們的評價不斷提高而且繼續使用我們的服務，為此我們深感欣慰。我們將繼續為客戶提供優質的護理服務，亦確保為員工提供滿意的工作環境，給予職業發展、自我成長及工作與生活平衡。

本集團於二零零八年將繼續面對成本上漲帶來的挑戰。我們將透過嚴格的成本控制、效率提升、發展專科服務，並與客戶檢討收費，而設法應付該挑戰。我們將擴充醫療網絡，根據人口的分佈擴大服務領域，以便公眾使用我們的服務，使本集團能把握在醫療改革計劃下，對私營保健服務需求帶來的進一步增長。

本人謹代表本集團，感謝全體員工於二零零七年為提供專業及高質素服務而付出的努力。對於董事會全人、醫療網絡內的各位醫生、專業顧問及全體股東於年內的鼎力支持，本人亦深表謝意。

主席
狄亞法

香港，二零零八年三月二十八日

Management Discussion and Analysis

管理層討論及分析



OPERATIONAL REVIEW

Quality HealthCare Medical Services (“QHMS”)

Revenue from sales to external customers for 2007 achieved an increase of 8.3% to HK\$765.0 million, compared to HK\$706.6 million in 2006, representing continued growth in patient visits and client endorsement. QHMS divisional profit in 2007 was HK\$54.9 million, a decrease of 17.8% compared to HK\$66.8 million in 2006. We experienced significant cost inflation in 2007. Cost pressures on medical items such as drugs' cost and substantial increases in rental and staff costs contributed to a higher operating costs and reduction in our profit margin. These cost pressures were partially mitigated through increase in charges where possible. QHMS will continue to seek to recover its increased costs through increased charges, cost reductions and operational efficiencies.

業務回顧

卓健醫療服務

二零零七年來自銷售予外來客戶的收入由二零零六年之706,600,000港元上升8.3%至765,000,000港元，反映病人求診次數及客戶支持繼續增加。二零零七年卓健醫療服務錄得分部溢利54,900,000港元，較二零零六年之66,800,000港元下降17.8%。我們於二零零七年經歷了重大成本通脹。醫療物品如藥物的成本大幅增加，以及租金及員工成本帶來的壓力而導致經營成本上升，利潤減少。該等成本壓力部分可藉增加收費而得到緩和。卓健醫療服務將繼續透過增加收費、節省成本及提高效率來尋求解決成本上漲問題。



Network and Facilities Enhancement

In 2007, we continued our facilities upgrading and centre expansion initiatives to create additional capacity for our growing portfolio of clients. We have taken up an additional 5,600 square feet for the expansion of specialists' and other value-added services. This initiative will be continued in 2008 to provide our clients with well-equipped, customer-centric medical centres offering an integrated range of services. We have also expanded our affiliate network by the addition of 39 doctors, enhancing convenience and access for our clients.

提升網絡及設備

於二零零七年，我們繼續改善設備及擴充中心的方案，以容納不斷擴大的客戶組合。本集團已增加5,600平方呎面積供擴展專科及其他增值服務。有關方案於二零零八年將繼續，為客戶提供設備完善、以客為本之綜合醫療服務中心。本集團亦增加39名醫生以擴充聯屬醫療網絡，為客戶提供更多便利。

Management Discussion and Analysis 管理層討論及分析

With the increased demand for minor operations at our centres and continued growth in physical check up procedures, we have further upgraded our facilities and invested in new medical equipment and X-ray facilities. We currently operate more than 40 fully owned integrated centres and will continue to expand our geographical presence according to our patients' needs. The current model of integrating our Chinese Medicine service within a multi-disciplinary medical centre has been well received by our customers. Quality HealthCare Chinese Medicine continued to grow its network and its popularity amongst corporate clients. In 2007, the revenue for Quality HealthCare Chinese Medicine increased by 34% and the total number of visits has increased by 19% as compared to the prior year.

隨着在醫療中心進行小型手術及身體檢查的需求增加，本集團已進一步改善設備，及購入新醫療儀器及X光設備。我們現營運共逾40間全資擁有的綜合中心，並將繼續根據病人需要而擴充營業點。現時把中醫服務合併到多元醫療中心的模式深受顧客歡迎。卓健中醫繼續擴充其網絡，其受企業客戶歡迎之程度亦不斷攀升。二零零七年，卓健中醫的收入增加34%，總求診人數較去年增長19%。



Process Automation and Program Re-development

A number of key IT initiatives were completed in 2007 to enhance data integration and automation, resulting in improved efficiency and service quality. The Laboratory Information System Integration eliminated manual data entry and the integration of the laboratory system with the clinic systems also enhanced the efficiency of information flow to the centres thereby providing better service to our clients.

To improve the user-friendliness of our system for the affiliate medical centres, the existing system, renamed as Q-Link, was re-developed to streamline its functions and navigation so that our medical centres can more easily handle all the transactions and billing procedures. Q-Link has now been rolled out to over 500 affiliate doctors. Further process automation and improvement will be undertaken in critical areas in 2008 and 2009 to reduce costs and enhance productivity.

程序自動化及重新開發計劃

二零零七年完成多個重要的資訊科技方案，提升數據整合及自動化，令效率及服務質素得以提高。化驗室資訊系統整合以減省人手輸入數據，而化驗室系統及診所系統的整合亦有效提升資訊流動至各中心，從而提供更完善的客戶服務。

本集團現有系統經重新開發，易名為Q-Link，以精簡聯屬醫療網絡系統，使其更方便，令交易及開立賬單程序更具效率。現有逾500名聯營醫生已使用Q-Link。進一步的程序自動化及改良將於二零零八年及二零零九年在各主要地區進行，以降低成本及提高生產力。

Management Systems

In 2007, the management team continued its development of a more robust management system adopting the balanced scorecard approach and customer service quality programs for more effective performance management. This will position the company for further growth of our local business and new business initiatives in other regions. In one of the business projects undertaken by the Medical Affairs Team and Billing Team in the revamping of the outpatient claims adjudication, there was a 20% gain in efficiency and the two teams were granted the Win-Win Award for 2007.

As a knowledge based service company, the Central Resources Library ("Library") was initiated as a knowledge management tool to bring all employees under QHMS together using a common platform to communicate and share up-to-date information, thereby increasing transparency, efficiency and reciprocal alignment. The Library will continue to be developed and enhanced in 2008.

管理系統

二零零七年，管理層隊伍採取平衡計分卡方法及客戶服務質量計劃，繼續發展更健全的管理系統，以達到更有效的績效管理。這將為本集團在本地業務及其他地區新業務進一步的發展作好準備。醫療事務組及收費組負責的一個項目中，憑藉成功改良門診病人申索程序而帶來20%效率提升，共同獲得二零零七年雙贏大獎。

作為一家以知識主導的服務集團，我們設立中央資料庫作為知識管理工具，為卓健醫療服務所有員工提供一個平台以交流及分享最新資訊，從而增加透明度，提高效率及達致互助互利。二零零八年我們將繼續發展及擴充該中央資料庫。



External Recognition

Through our annual client satisfaction survey carried out at 38 of our medical centres interviewing over 3,000 clients, we were pleased to note the rise in satisfaction amongst our clients. Over 93% of our responding clients rated us above average in their overall satisfaction, 95% of the responding customers were keen to use our services in future and 71% of respondents stated that they would recommend our services to others. We believe that this encouraging result was a product of the efforts of all our clinical and back office staff, as well as our continuous efforts to build a knowledgeable workforce. In 2007, over 80 classes were organised totaling more than 4,000 training hours for more than 700 participants undertaking training in customer service skills, professional knowledge enhancement, and management training programs.

外界認可

在本集團的38間醫療中心進行的年度客戶滿意程度調查中，受訪客戶逾3,000位，我們高興看到客戶對我們的滿意程度上升。逾93%受訪客戶對我們的整體滿意程度評價高於平均水平，而95%表示將來樂意再使用我們的服務，71%表示會推薦其他人使用我們的服務。我們相信這個振奮人心的結果是所有前綫員工及後勤辦事處員工共同努力取得的，亦是我們不斷努力強化員工知識的成果。二零零七年，我們開辦逾80項總計逾4,000個培訓小時的課程，逾700人參與提升客戶服務技能、專業知識及管理培訓計劃。

Our Central Laboratory was awarded The Hong Kong Laboratory Accreditation Scheme (“HOKLAS”) accreditation for Medical Testing in Chemical Pathology, Haematology and Clinical Microbiology and Infection. HOKLAS is a scheme designed with accreditation criteria based on an international standard, ISO 15189: 2003 “Medical laboratories – Particular requirements for quality and competence”. Gaining this accreditation required the full commitment of the team to complying with the world standard management and technical systems in medical testing, particularly in policies, standard operating procedures, internal quality control and external quality assurance programs, as well as total customer satisfaction. We are proud of attaining this world-class recognition. In 2007, QHMS was also awarded “The Best Integrated HealthCare Service Organisation” by Capital Magazine Best of the Best Award. Our commitment to maintaining excellent operational standards also received recognition and high score in the “Shop Mystery Safety Checking 2007” organised by the MTR Corporation, and a number of our medical centres and staff were awarded “Best Performance Staff” and “Best POS Merchant Outlet” in the “Visa Preferred Merchants Tourist Offers 2007 Merchant Incentive Program”.

Further Collaboration with Local Health Authorities and Universities

Five of our medical centres participated in a 6-month research project conducted by the University of Hong Kong on the prevention of the spread of influenza in the community. This study was funded by the U.S. Centre for Disease Control and Prevention and we assisted them in recruiting over 100 patients and our doctors participated in screening the patients.

Eight of our medical centres participated in the Private Public Interface – Electronic Patient Record initiated by the Hospital Authority in order to enhance the collaboration between the public and private sectors, to allow for continuity of care for the patients, to facilitate a free flow of patients between the two sectors and to allow timely access of information. More than 20,000 patients have signed up with the Hospital Authority for this project, and QHMS will continue to play its part in enabling more seamless care between the public and private sectors. We continue to collaborate with think tanks, the Legislative Council and other professional bodies to provide our input into ongoing healthcare reform discussions.

本集團中央化驗室的醫學測試獲得「香港實驗所認可計劃」認可，包括化學病理學、血液學、臨床微生物及傳染病學。「香港實驗所認可計劃」是根據國際標準化組織2003年發表的ISO 15189號—「醫療化驗所—質量及能力的特別規定」而制定認可準則的計劃。取得該認可要求團隊符合醫療測試的世界標準管理及技術系統，特別是政策、標準操作程序、內部質量控制、外部質量保證計劃以及客戶總滿意程度。我們對獲得世界級認同感到驕傲。二零零七年，卓健醫療服務亦榮獲由資本雜誌頒發的「資本傑出綜合醫療服務機構」大獎。由港鐵主辦之「地鐵商舖神秘安全調查2007」活動中，本集團亦憑藉致力在營運中保持卓越標準得到認可並取得高分。多個醫療中心及多名員工在「Visa精選商戶旅客優惠2007之商戶獎勵計劃」中分別獲得「最佳商店」及「最佳員工」獎。

與本地醫療機構及大學加強合作

本集團的五間醫療中心參與由香港大學進行為期六個月有關預防流感在社區散播的研究項目。該研究由美國疾病控制及預防中心贊助，並由我們協助他們招募逾100名病人，及由我們的醫生參與甄別病人之工作。

本集團的八間醫療中心參與醫院管理局發起的「公私營醫療合作計劃—醫療病歷互聯試驗計劃」，以加強公營與私營醫療機構的合作，令病人護理得以延續，促進病人於公營及私營兩個界別自由流動，並讓資料及時傳送。逾20,000位病人與醫院管理局簽署同意參與該計劃。卓健醫療服務將繼續緊守崗位，促進公私營機構在保健服務上的合作。我們繼續與智囊團、立法會及其它專業團體合作，積極參與醫療改革討論。

Optimising Opportunities

Consultations on healthcare reforms began in March 2008. It is expected that these reforms together with an aging society, increasing healthcare needs and improvements in medical technology, QHMS is well poised to build on such opportunities. We will continue our policy of business development as well as people development and we will also invest resources in building our brand and investigating opportunities in China and Macau in the coming year.

Quality HealthCare Services (“QHS”)

The revenue from sales to external customers of QHS decreased by 2.6% in 2007. Divisional profit decreased by 19.9% over the prior year due to the significant impact of cost escalation in rental and staff remuneration costs as well as start up costs in the strategic expansion of its service network.

Quality HealthCare Nursing Agency (“QHNA”)

QHNA continued to deliver a steady growth in 2007 and saw a significant increase in the need for placement of relief staff for Non-Government Organisations (“NGO”) homes and hospitals. Other business lines including baby-sitting services for hotels and nursing teams for research projects also saw an increasing trend. QHNA continued to be invited by Hospital Authority and Department of Health to participate in a number of tenders.

To maintain its competitiveness, QHNA will continue to focus on adhering to its core values of delivering high quality care to the customers and to provide training opportunities for the staff. QHNA will continue its initiative in implementing a customised software solution for nurse scheduling to improve its capabilities and efficiency in matching the appropriate nurse for the clients, and will further explore cross border repatriation opportunities.

Quality HealthCare Dental (“QHD”)

QHD continued to strengthen its reputation as a leading provider of both high quality and good value care in Hong Kong. As a result of growing customer needs, three new centres were opened in 2007, covering Hong Kong Island, Kowloon and New Territories respectively. There was further growth in both the General Practitioners’ and Specialists’ services.

In addition to network expansion in 2008, QHD will continue to develop innovative and customised dental plans for different tiers of clients to better meet their needs.

抓緊機遇

有關醫療改革的諮詢於二零零八年三月展開。預期隨著社會人口不斷老化，醫療需求不斷增加，醫療技術不斷改善，卓健醫療服務已作好迎接醫療改革帶來的機遇。來年我們將繼續業務發展及員工發展並行的政策，及投資資源樹立品牌，並抓緊在中國及澳門的機遇。

卓健綜合保健服務

於二零零七年，來自銷售予外來客戶的收入下降2.6%。分部溢利較去年減少19.9%，乃由於租金及員工薪金成本上漲以及策略性擴充服務網絡的開設成本增加所致。

卓健護理介紹所

於二零零七年，卓健護理介紹所的溢利保持穩定增長，而非政府組織的護老院及醫院對替假員工的需求大幅增加。而其他業務，包括於酒店提供保姆服務及為研究工作提供支援護士亦有增加趨勢。卓健護理介紹所繼續獲醫院管理局及衛生署之邀請，參與多個投標。

為保持競爭力，卓健護理介紹所將繼續集中於其核心價值，為客戶提供高質素護理服務，及為員工提供培訓機會。卓健護理介紹所將繼續為護理安排推行合適的軟件解決方案，以提高服務能力及效率，為客戶配對適合的護士，亦會進一步發掘接待跨境客戶的機遇。

卓健牙科

卓健牙科繼續增強作為在香港之高質素及高價值護理提供者的領先地位。由於客戶需求不斷增長，於二零零七年開設三間新中心，分別位於香港島、九龍及新界。普通科及專科牙科服務均錄得進一步增長。

於二零零八年，除擴充網絡外，卓健牙科將繼續為不同客戶發展創新及合適的牙科計劃，以更能迎合客戶的需求。

Quality HealthCare Physiotherapy (“QHP”)

QHP continued the upgrading and expansion of four of its centres and the opening of a new centre in Kowloon. There was a 7% increase in attendance in 2007 and Pilates service was introduced to two of the centres. QHP continued to provide evening and weekend physiotherapy services at the premises of the Prince of Wales Hospital and has developed special rehabilitation classes and hydrotherapy services for the clients.

Our physiotherapists continued to deliver corporate wellness programs through health talks, exercise workshops and onsite occupational health and safety evaluation programs for our corporate clients. QHP will continue to expand its range of corporate wellness programs to serve the clients in Hong Kong and will explore similar opportunities in other markets.

Quality HealthCare LASIK & Ophthalmic Centre

This centre continued to deliver a full range of ophthalmic services for our clients, including medical eye consultations and a number of operative procedures including LASIK service. In 2007, we have enhanced the range of care to include paediatric ophthalmology care.

There was a significant growth in the number of cataract procedures carried out in 2007 partially as a result of increased waiting times in the Hospital Authority. The majority of our patients are word of mouth referrals demonstrating a growing reputation in the market place.

Quality HealthCare Psychological Services (“QHPS”)

In 2007, QHPS saw an increase in the number of individual counseling sessions provided as well as significant growth in corporate enrolment under the Employee Assistance Program. Enrolment has increased by 591% in 2007. A new counseling centre was established in Macau to service the clients there.

QHPS will continue to market its range of services to the corporate clients in Hong Kong and Macau, and is working closely with international partners and providers in China to ensure a seamless service delivery for multinational corporations.

Quality HealthCare Elderly Services (“QHES”)

QHES achieved a divisional profit of HK\$7.9 million comparable with 2006, with a slight decrease of 2.1% in revenue from sales to external customers to HK\$95.8 million. While there was a drop in occupancy rates, QHES was able to maintain its profit level through continuing efforts in cost control, restructuring and consolidation in Tuen Mun resulting in the closure of our smallest home.

卓健物理治療

卓健物理治療繼續提升及擴展其四間中心，並於九龍增設一間新中心。於二零零七年，求診人數上升7%，而有兩間中心已引入普拉提訓練。卓健物理治療繼續在威爾斯親王醫院內提供夜間及周末物理治療服務，並為客人提供特別康復課程及水療服務。

本集團的物理治療師繼續提供企業保健計劃，為企業客戶開辦健康講座及工作坊，臨床職業健康與安全評估服務。卓健物理治療將繼續拓展一系列的企業保健計劃，服務香港的客戶及開拓其他有類似商機的市場。

卓健激光矯視及眼科中心

該中心繼續為客戶提供全面眼科專科服務，包括眼科醫療諮詢及激光矯視等手術。於二零零七年，我們已擴展業務至兒童眼科專科服務。

二零零七年進行白內障手術的次數大幅增加，部分原因為醫院管理局輪候時間延長。本集團大部分病人是經口碑轉介之病人，證明本集團在市場上的名聲不斷提升。

卓健心理健康

於二零零七年，卓健心理健康提供的個別人士輔導及透過僱員援助計劃登記的企業數目顯著增加。登記數目於二零零七年大增591%。一間新心理輔導中心於澳門開設，以服務當地客戶。

卓健心理健康將繼續為香港及澳門企業客戶推廣一系列服務，並與國際及中國之夥伴緊密聯繫，確保為跨國企業提供無微不至的服務。

卓健護老服務

卓健護老服務的分部溢利為7,900,000港元，銷售予外來客戶的收入較二零零六年輕微減少2.1%至95,800,000港元。雖然入住率有所下降，卓健護老服務透過不斷努力控制成本、重組及於屯門進行合併而關閉規模最小的護老院，仍能保持利潤水平。

Dual Challenges

With the upturn of the economy and an active employment market, QHES faces the dual challenges of staff shortages and cost escalation. The high demand for nurses in the market resulted in significant difficulties in recruitment even at escalated salaries. In addition, rental and other operating costs also increased. However, we managed to transfer part of the cost pressure by an increase in monthly service fees in December 2007.

Quality Care

QHES continued to conduct stringent quality assurance activities and regular facility enhancement programs. Recognition was duly received with the successful bidding of 40 bed places under the Enhanced Bought Place Scheme ("EBPS") of the Social Welfare Department ("SWD") for our homes in North Point and Prince Edward Road. Another 40 bed places were granted to these two homes in the first quarter of 2008.

The SWD is committed to the continuous enhancement of the quality of EBPS homes. We believe that we are well positioned to participate in future tenders for beds funded by SWD and to apply for renewals of our current EBPS programs.

Having built the reputation as a quality and reliable home operator, QHES will continue to explore opportunities to conduct cooperative projects with other NGO homes in future.

FINANCIAL RESOURCES AND LIQUIDITY

As at 31 December 2007, the equity attributable to equity holders of the Company amounted to HK\$307.4 million, representing an increase of HK\$68.7 million from that of 31 December 2006. The Group's cash and bank balances amounted to HK\$240.1 million (31 December 2006: HK\$177.3 million). It is the Group's objective to ensure there are adequate funds to meet its liquidity requirements in the short and longer term.

The Group made no bank borrowings during the year. As at 31 December 2007, the only outstanding borrowing was an obligation under a hire purchase contract of approximately HK\$8,000 (2006: HK\$13,000).

Since the Group was in a positive net cash position (cash and bank balances available were in excess of borrowings), gearing ratio comparing net debt (borrowings net of cash and bank balances available) to equity was not applicable at 31 December 2007 and 31 December 2006.

雙重挑戰

由於經濟轉好及僱傭市場活躍，卓健護老服務面對員工短缺及成本上漲的雙重挑戰。市場對護士的需求龐大而造成招聘工作非常困難，即使高薪也難以聘請到合適的護士。另外，租金及其它營運成本亦有所增加。然而，我們自二零零七年十二月開始透過增加服務月費轉嫁部分成本壓力。

高質素護理

卓健護老服務繼續實施嚴格的質素保證活動及定期設施改善計劃。已確定根據社會福利署（「社署」）的改善買位計劃為北角及太子道的護老院成功投得40個宿位。另外40個宿位已於二零零八年第一季度配予以上兩間護老院。

社署致力不斷提升參與改善買位計劃的護老院之質素。本集團相信，我們已作好準備參加未來由社署資助的宿位投標及申請續訂現行改善買位計劃。

卓健護老服務已建立其優質可靠之護老院營運商的口碑，今後將繼續探索機遇與其他非政府組織之護老院合作。

財務資源及流動資金

於二零零七年十二月三十一日，本集團股本持有人應佔權益為307,400,000港元，較二零零六年十二月三十一日增加68,700,000港元。本集團現金及銀行結餘為240,100,000港元（二零零六年十二月三十一日：177,300,000港元）。本集團目標為確保有足夠資金應付短期及較長期流動資金的需要。

於本年內，本集團並無作出銀行借貸。於二零零七年十二月三十一日，本集團有一項租購合約項下為數約8,000港元（二零零六年：13,000港元）之未償還借貸。

由於本集團保持淨現金狀況（可動用現金及銀行結餘超過借貸總額），比較債項淨額（扣除可動用的現金及銀行結餘之借貸）與股本權益之資本負債比率於二零零七年十二月三十一日及二零零六年十二月三十一日並不適用。

Management Discussion and Analysis

管理層討論及分析

CURRENCY AND FINANCIAL RISK MANAGEMENT

The Group's main operating subsidiaries are located in Hong Kong and over 90% of the Group's revenue and purchases during the year were denominated in Hong Kong dollars.

All bank facilities are denominated in Hong Kong dollars. Interest is chargeable on a floating rate basis with reference to Hong Kong Best Lending Rate or HIBOR.

Most cash and bank balances are denominated in Hong Kong dollars. Short-term time deposits are made for varying periods between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

The Group's foreign currency assets are immaterial. The Group's exposure to foreign exchange risk is minimal, and accordingly, it did not have any requirement to use financial instruments for hedging purposes.

PLEDGE OF ASSETS

At 31 December 2007, the Group had property, plant and equipment with a net book value of approximately HK\$7,000 (31 December 2006: HK\$12,000) held under a hire purchase contract.

CONTINGENT LIABILITIES

Details regarding the contingent liabilities of the Group at 31 December 2007 are set out in note 27 to the financial statements.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATES

During the year, the Group disposed of its 30% equity interest in SkinCentral Limited to the other shareholder at a consideration of HK\$5.3 million.

Apart from the above, there was no material acquisition or disposal of subsidiaries and associates by the Group in 2007.

MANAGEMENT AND STAFF

At 31 December 2007, the total number of employees was approximately 1,080. Total staff costs amounted to approximately HK\$336.4 million (2006: HK\$319.5 million). The Group offers competitive remuneration packages, together with discretionary bonuses to its staff, based on industry practices, individual and Group performances. The Group also offers training courses and continuous education sessions as part of the Group's emphasis on staff training and development.

貨幣及財務風險管理

本集團之主要營運附屬公司均位於香港，年內本集團超過90%之收入及採購均以港元定值。

所有銀行信貸額均以港元定值。利息乃按浮息為基準，經參考港元最優惠利率或香港銀行同業拆息計算後支出。

大部份現金及銀行結餘乃以港元定值。短期存款的存款期不一，介乎一日至三個月不等，視乎本集團當時的現金需要而定，並按相關短期存款利率賺取利息。

本集團並無重大外幣資產。本集團所承受之外匯風險極小，因此無須運用任何金融工具作對沖之用。

資產抵押

於二零零七年十二月三十一日，本集團以租購合約持有賬面淨值約7,000港元(二零零六年十二月三十一日：12,000港元)之物業、廠房及設備。

或然負債

有關本集團於二零零七年十二月三十一日之或然負債之詳情，載列於財務報告附註27。

重大收購及出售附屬及聯營公司

於年度內，本集團以5,300,000港元的代價出售其於SkinCentral Limited之30%權益予另一股東。

除上文所披露者外，本集團於二零零七年內並無任何重大收購或出售附屬及聯營公司。

管理層及職員

於二零零七年十二月三十一日，本集團共有員工約1,080名。總員工成本約為336,400,000港元(二零零六年：319,500,000港元)。本集團按行業慣例、員工個人及本集團之表現為僱員提供具競爭力的薪酬待遇及酌情花紅。本集團亦非常注重員工培訓及發展，為他們提供培訓課程及持續教育進修機會。

BOARD OF DIRECTORS

Arthur George Dew
(Chairman and Non-Executive Director)

Dr. Lincoln Chee Wang Jin
(Chief Executive Officer and Executive Director)

Mark Wong Tai Chun
(Executive Director)

Francis J. Chang Chu Fai
(Deputy Chairman and Independent Non-Executive Director)

Li Chak Hung
(Independent Non-Executive Director)

Carlisle Caldwell Procter
(Independent Non-Executive Director)

EXECUTIVE COMMITTEE

Dr. Lincoln Chee Wang Jin *(Chairman)*

Mark Wong Tai Chun

AUDIT COMMITTEE

Li Chak Hung *(Chairman)*

Francis J. Chang Chu Fai

Carlisle Caldwell Procter

REMUNERATION COMMITTEE

Li Chak Hung *(Chairman)*

Francis J. Chang Chu Fai

Carlisle Caldwell Procter

COMPANY SECRETARY

Hester Wong Lam Chun

AUTHORISED REPRESENTATIVES

Mark Wong Tai Chun

Hester Wong Lam Chun

AUDITORS

Ernst & Young
Certified Public Accountants

LEGAL ADVISORS

Mallesons Stephen Jaques

P. C. Woo & Co.

Conyers Dill & Pearman

董事會

狄亞法
(主席兼非執行董事)

徐旺仁醫生
(行政總裁兼執行董事)

王大鈞
(執行董事)

鄭鑄輝
(副主席兼獨立非執行董事)

李澤雄
(獨立非執行董事)

Carlisle Caldwell Procter
(獨立非執行董事)

執行委員會

徐旺仁醫生 *(主席)*

王大鈞

審核委員會

李澤雄 *(主席)*

鄭鑄輝

Carlisle Caldwell Procter

薪酬委員會

李澤雄 *(主席)*

鄭鑄輝

Carlisle Caldwell Procter

公司秘書

黃霖春

獲授權代表

王大鈞

黃霖春

核數師

安永會計師事務所
執業會計師

法律顧問

萬盛國際律師事務所

胡百全律師事務所

Conyers Dill & Pearman

PRINCIPAL SHARE REGISTRAR

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

BRANCH SHARE REGISTRAR

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

PRINCIPAL BANKERS

CITIC Ka Wah Bank Limited
Public Bank (Hong Kong) Limited
Standard Chartered Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

6/F., China Merchants Steam Navigation Building
303-307 Des Voeux Road Central
Sheung Wan, Hong Kong

TICKER SYMBOL

Listed on The Stock Exchange of Hong Kong Limited
under the share ticker number 593

WEBSITE

www.qualityhealthcareasia.com

股份過戶登記總處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

股份過戶登記分處

卓佳登捷時有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓

主要往來銀行

中信嘉華銀行有限公司
大眾銀行(香港)有限公司
渣打銀行(香港)有限公司
香港上海滙豐銀行有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及主要營業地點

香港上環
德輔道中303至307號
招商局大廈6樓

股票代號

香港聯合交易所有限公司掛牌
股份代號593

網址

www.qualityhealthcareasia.com

BOARD OF DIRECTORS

Arthur George Dew

Chairman, Non-Executive Director

Mr. Dew (66) was appointed a Non-Executive Director of the Company on 17 December 2002 and became an Executive Director and the Deputy Chairman of the Company on 13 February 2003. He was appointed the Chairman of the Company on 18 March 2003 and re-designated as a Non-Executive Director of the Company on 1 July 2007. Mr. Dew graduated from the Law School of the University of Sydney, Australia, and was admitted as a solicitor and later as a barrister of the Supreme Court of New South Wales, Australia. He is currently a non-practising barrister. He has a broad range of corporate and business experience and has served as a director, and in some instances chairman of the board of directors, of a number of public companies listed in Australia, Hong Kong and elsewhere. Mr. Dew is a non-executive director and the chairman of Allied Group Limited (“Allied Group”) and Allied Properties (H.K.) Limited (“Allied Properties”), the ultimate holding company and the intermediate holding company of the Company respectively. He was appointed a non-executive director of Yu Ming Investments Limited (“Yu Ming”) on 30 November 2007. He was also a director of Sun Hung Kai & Co. Limited (“SHK”), the holding company of the Company, between 1996 and 2006. Allied Group, Allied Properties, Yu Ming and SHK are companies listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

董事會

狄亞法

主席、非執行董事

狄先生(66歲)，於二零零二年十二月十七日獲委任為本公司之非執行董事，並於二零零三年二月十三日成為本公司之副主席兼執行董事。彼於二零零三年三月十八日獲委任為本公司之主席，並於二零零七年七月一日調任為本公司之非執行董事。狄先生畢業於澳洲雪梨大學法律系，並取得澳洲新南威爾斯最高法院之律師及大律師資格，現為非執業大律師。彼於企業及商業方面擁有豐富經驗，曾於澳洲、香港及各地多間上市公司擔任董事，並出任若干公司之董事會主席。狄先生分別為本公司最終控股公司聯合集團有限公司(「聯合集團」)及間接控股公司聯合地產(香港)有限公司(「聯合地產」)之非執行董事及主席。彼於二零零七年十一月三十日獲委任為禹銘投資有限公司(「禹銘」)之非執行董事。彼於一九九六年至二零零六年亦曾擔任本公司之控股公司新鴻基有限公司(「新鴻基」)之董事。聯合集團、聯合地產、禹銘及新鴻基均為於香港聯合交易所有限公司(「聯交所」)上市之公司。

Board of Directors and Senior Management 董事會及高級管理層

Dr. Lincoln Chee Wang Jin MBBS, FRCS, FAMS

Chief Executive Officer, Executive Director

Managing Director of Quality HealthCare Medical Services

Dr. Chee (43) was appointed an Alternate Director in March 2003 and subsequently an Executive Director of the Company on 6 June 2003. He was appointed the Chief Executive Officer of the Company on 1 July 2007. He graduated with a Bachelor of Medicine and Bachelor of Surgery Degree (MBBS) from National University of Singapore and was a Ear, Nose and Throat Consultant Surgeon at Singapore General Hospital, the largest tertiary hospital in Singapore. Dr. Chee is a Fellow of the Royal College of Surgeons Edinburgh, Fellow of the Academy of Medicine Singapore and Fellow of the American Academy of Otorhinolaryngology and Head and Neck Surgery. He was sponsored by the Singapore Government to complete a clinical fellowship in Rhinology at the University of Iowa Hospitals and Clinics ENT Programme. Dr. Chee was also a clinical lecturer in National University of Singapore. He has published in prestigious peer reviewed journals and conducted international courses in Endoscopic Sinus Surgery. Dr. Chee has also attended executive education courses for healthcare at Harvard Business School and finance at Michigan Ross School of Business. With over 18 years of healthcare experience, Dr. Chee has been active in the management and strategy planning at the Group. Since his appointment to the Board, he has been the managing director of Quality HealthCare Medical Services. Dr. Chee was appointed a non-executive director of Arana Therapeutics Limited (previously known as Peptech Limited), a company listed on the Australian Securities Exchange, in April 2007.

徐旺仁醫生 MBBS, FRCS, FAMS

行政總裁, 執行董事

卓健醫療服務董事總經理

徐醫生(43歲)，於二零零三年三月獲委任為替任董事，其後於二零零三年六月六日獲委任為本公司之執行董事。彼於二零零七年七月一日獲委任為本公司之行政總裁。彼畢業於新加坡國立大學，取得內外全科醫學士學位，並曾任新加坡中央醫院(新加坡之最大三級醫院)耳鼻喉科顧問醫生。徐醫生為英國愛丁堡皇家外科醫學院院士、新加坡醫學院院士及美國耳鼻喉科及頭頸外科學院院士。他曾獲新加坡政府資助於衣阿華大學完成醫院及診所ENT計劃之鼻科臨床研究課程。徐醫生亦曾任新加坡國立大學臨床講師。彼曾於著名醫學雜誌發表文章，並講授內窺鏡鼻竇手術的國際課程。徐醫生亦曾分別於哈佛管理學院及密西根羅絲商學院修讀有關醫療保健及財務之行政人員進修課程。徐醫生於醫療保健方面擁有逾十八年經驗，一直積極參與本集團之管理及策略計劃工作。彼獲委任為董事會成員後，一直擔任卓健醫療服務之董事總經理。徐醫生於二零零七年四月獲委任為Arana Therapeutics Limited (前稱Peptech Limited) (一間於澳洲證券交易所上市之公司)之非執行董事。

Mark Wong Tai Chun

Executive Director

Mr. Wong (43) was appointed an Executive Director of the Company on 5 April 2000. He joined the Group in 1997 and is also the Finance Director of the Group. Prior to joining the Group, Mr. Wong had been the financial controller of other listed companies in Hong Kong. Mr. Wong has a Master's Degree in Business Administration and is a Fellow of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants and a Chartered Secretary. He has taken up the post of Director of Investment of Allied Group, the ultimate holding company of the Company, with effect from 1 September 2007 and was appointed an alternative director to Mr. Arthur George Dew of Yu Ming on 30 November 2007, both are companies listed on the Stock Exchange.

Francis J. Chang Chu Fai

Deputy Chairman, Independent Non-Executive Director

Mr. Chang (53) was appointed an Independent Non-Executive Director of the Company on 28 October 2004 and became the Deputy Chairman of the Company on 24 November 2006. Mr. Chang is a registered person under the Securities and Futures Ordinance and since 2000 has been the managing director of Ceres Capital Limited. He has over 30 years of experience in banking, corporate finance, investment and management. Mr. Chang holds a Bachelor's Degree in Commerce from Concordia University in Montreal, Canada since 1976 and a Master's Degree in Business Administration from York University in Toronto, Canada since 1977. He is currently an independent non-executive director of Tian An China Investments Company Limited, Royale Furniture Holdings Limited (formerly known as Chitaly Holdings Limited) and APAC Resources Limited (appointed on 6 July 2007), all are companies listed on the Stock Exchange. He was an executive director of Golden 21 Investment Holdings Limited (now known as China Financial Leasing Group Limited) from May 2002 to April 2007 and Trasy Gold Ex Limited from January 2006 to November 2007, both are companies listed on the Stock Exchange.

王大鈞

執行董事

王先生(43歲)，於二零零零年四月五日獲委任為本公司之執行董事。彼於一九九七年加入本集團，現為本集團之財務董事。在加入本集團前，王先生曾任香港其他上市公司之財務總監。王先生持有工商管理碩士學位，亦為香港會計師公會及特許公認會計師公會之資深會員及為一名特許秘書。彼於二零零七年九月一日起於本公司最終控股公司聯合集團擔任投資總監一職，及於二零零七年十一月三十日獲委任為狄亞法先生於禹銘之替任董事，二者均為於聯交所上市之公司。

鄭鑄輝

副主席、獨立非執行董事

鄭先生(53歲)，於二零零四年十月二十八日獲委任為本公司之獨立非執行董事，並於二零零六年十一月二十四日成為本公司之副主席。鄭先生現為根據證券及期貨條例註冊之投資顧問。自二零零零年，鄭先生擔任昱豐融資有限公司之董事總經理。彼擁有逾三十年銀行、企業融資、投資行業及企業管理之經驗。鄭先生於一九七六年取得加拿大蒙特利爾孔科爾迪亞大學的商學學士學位，並於一九七七年於加拿大多倫多約克大學取得工商管理碩士學位。彼現時為天安中國投資有限公司、皇朝傢俬控股有限公司(前稱中意控股有限公司)及亞太資源有限公司(於二零零七年七月六日獲委任)之獨立非執行董事，該等公司均為於聯交所上市之公司。彼由二零零二年五月至二零零七年四月曾為金豐21投資控股有限公司(現稱中國金融租賃集團有限公司)之執行董事，及由二零零六年一月至二零零七年十一月為卓施金網有限公司之執行董事，二者均為於聯交所上市之公司。

Board of Directors and Senior Management 董事會及高級管理層

Li Chak Hung

Independent Non-Executive Director

Mr. Li (43) was appointed an Independent Non-Executive Director of the Company on 12 October 2004. He holds a Bachelor's Degree of Business Administration and is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a Fellow of The Association of Chartered Certified Accountants in the United Kingdom. He has over 18 years' experience in auditing, accounting and financial management. Mr. Li is also an independent non-executive director of Shanghai Allied Cement Limited and Smart Union Group (Holdings) Limited, both are companies listed on the Stock Exchange. He was an independent non-executive director of Xian Yuen Titanium Resources Holdings Limited (formerly known as Aurora Global Investment Holdings Limited) from September 2005 to April 2007 and The Hong Kong Building and Loan Agency Limited from October 2005 to July 2007, both are companies listed on the Stock Exchange.

Carlisle Caldwell Procter

Independent Non-Executive Director

Mr. Procter (67) was appointed an Independent Non-Executive Director of the Company on 30 September 2004. He graduated from the University of Sydney, Australia with a Bachelor's Degree and a Master's Degree in Economics. He is a Fellow of the Financial Services Institute of Australasia (FFin.). Based in Australia, Mr. Procter worked in the Reserve Bank of Australia for over 30 years, holding various senior management positions. Since leaving the Bank, he has worked as a consultant to the International Monetary Fund (IMF) and the Asian Development Bank (ADB) and has also undertaken private consulting work in the Philippines, Indonesia and Papua New Guinea in the areas of bank supervision, anti-money laundering and corporate governance respectively. Mr. Procter is currently a non-executive director of Bank South Pacific Limited, a company listed on the Port Moresby Stock Exchange, and an independent non-executive director of SHK, a company listed on the Stock Exchange and the holding company of the Company.

李澤雄

獨立非執行董事

李先生(43歲)，於二零零四年十月十二日獲委任為本公司之獨立非執行董事。彼持有工商管理學士學位，並為香港會計師公會會計師及英國特許公認會計師公會資深會員。彼於審計、會計及財務管理工作方面擁有逾十八年經驗。李先生亦為上海聯合水泥股份有限公司及合俊集團(控股)有限公司之獨立非執行董事，二者均為於聯交所上市之公司。彼由二零零五年九月至二零零七年四月曾擔任森源鈦礦控股有限公司(前稱旭日環球投資控股有限公司)之獨立非執行董事，及由二零零五年十月至二零零七年七月擔任香港建屋貸款有限公司之獨立非執行董事，二者均為於聯交所上市之公司。

Carlisle Caldwell Procter

獨立非執行董事

Procter先生(67歲)，於二零零四年九月三十日獲委任為本公司之獨立非執行董事。彼畢業於澳洲雪梨大學，獲經濟學學士及碩士學位。彼亦為Financial Services Institute of Australasia之資深會員。Procter先生居於澳洲，在Reserve Bank of Australia工作逾三十年，歷任該銀行多個高級管理職位。離任該銀行後，彼曾任國際貨幣基金組織(IMF)及亞洲開發銀行(ADB)之顧問，亦在菲律賓、印尼及巴布亞新畿內亞分別就銀行監管、反洗黑錢及企業管治各方面擔任私人顧問工作。Procter先生現為Bank South Pacific Limited(在莫爾茲比港證券交易所上市)之非執行董事及新鴻基(於聯交所上市之公司及為本公司之控股公司)之獨立非執行董事。

SENIOR MANAGEMENT

Dr. David Abdullah

Director of Quality HealthCare Dental Services

Dr. Abdullah (48) graduated from the University of Manchester in 1984 with a Bachelor of Dental Surgery Degree. Dr. Abdullah joined Dr. Sandra Lee & Associates in 1998.

Dr. Chan Kin Ling

Medical Director of Quality HealthCare Medical Services

Chairman of Medical Standards and Compliance Committee

Dr. Chan (54) graduated from the University of Hong Kong in 1978 with Bachelor of Medicine and Bachelor of Surgery Degrees (MBBS). He was admitted as a Fellow of Royal Australian College of General Practitioners (FRACGP) and Fellow of Hong Kong College of Family Physicians (FHKCFP) in 1993. Dr. Chan attained the Graduate Diploma in Family Medicine from Monash University in 1995 and registered as a Specialist in Family Medicine. Dr. Chan obtained his Master's Degree in Family Medicine from Monash University in 1999 and successfully completed the Diploma in Occupational Medicine from Chinese University of Hong Kong in 2000. Dr. Chan was elected as a Fellow of the Hong Kong Academy of Medicine (Family Medicine) i.e. FHKAM (Family Medicine) in 1995. He joined Dr. Henry Lee and Associates in 1983 and he has practiced for over 28 years.

Julie Chow Chi Lei

Executive Director of Quality HealthCare Physiotherapy

Director of Quality HealthCare Services

Director of Corporate Communications of Quality HealthCare Asia Limited

Ms. Chow (43) graduated from the Hong Kong Polytechnic University in 1987 with Professional Diploma in Physiotherapy and in 2005 she attained a MBA – International Hospital Management from Nations HealthCareer School of Management and HfB – Business School of Finance and Management in Frankfurt, Germany. Her extensive clinical and administrative experience covers hospitals and clinics in private and community settings both in Hong Kong and Canada, including a period with the Hong Kong Government's Medical & Health Department. Ms. Chow joined Drs. Anderson & Partners physiotherapy clinic in 1994 and has led its transformation and expansion into Quality HealthCare Physiotherapy.

Ms. Chow's duties also extend to overseeing the division of Quality HealthCare Services as well as the Group's Corporate Communications affairs.

高級管理層

石大偉醫生

卓健牙科服務董事

石醫生(48歲)，於一九八四年畢業於英國曼徹斯特大學，持有牙科學士學位。石醫生於一九九八年加入李瑜牙科。

陳健靈醫生

卓健醫療服務醫務董事

醫療標準監察委員會主席

陳醫生(54歲)，於一九七八年畢業於香港大學，持有內外全科醫學士學位(MBBS)。彼於一九九三年獲得澳洲皇家全科醫學院院士(FRACGP)及香港家庭醫學學院院士(FHKCFP)資格。陳醫生於一九九五年於Monash University取得家庭醫學文憑，並註冊成為家庭醫學專科醫生。陳醫生於一九九九年於Monash University取得家庭醫學碩士學位，並於二零零零年成功完成香港中文大學職業醫學文憑課程。陳醫生於一九九五年獲選為香港醫學專科學院院士(家庭醫學)。彼於一九八三年加入李稚麟醫生醫務所，行醫逾二十八年。

周至莉

卓健物理治療執行董事

卓健綜合保健服務董事

卓健亞洲有限公司企業傳訊董事

周女士(43歲)，於一九八七年畢業於香港理工大學，持有物理治療專業文憑。於二零零五年，彼獲得德國國家健康職業學院及法蘭克福金融及管理商學院頒發之工商管理(國際醫院管理)碩士學位。彼於香港及加拿大的私家及社區醫院及診所擁有豐富的臨床及行政經驗，包括曾任職香港政府醫務衛生署。周女士於一九九四年加入晏打臣醫生醫務所物理治療診所，並帶領其改革及擴充成為卓健物理治療。

周女士之職責亦包括監督卓健綜合保健服務及本集團之企業傳訊事務。

Board of Directors and Senior Management 董事會及高級管理層

Kevin Chu Chun Kai

Internal Audit & Compliance Manager of Quality HealthCare Asia Limited

Mr. Chu (32) holds a Bachelor degree of Arts in Accountancy. He is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants. Mr. Chu joined the Group in January 2006. Prior to joining the Group, he has worked in a listed group as internal audit manager and worked in audit department of major international accounting firms for over 5 years.

Jessica Keung Wing Yan

Legal Officer of Quality HealthCare Asia Limited

Ms. Keung (34) graduated from the University of Hong Kong with a Bachelor Degree in Law and she was admitted as a solicitor of the High Court of Hong Kong SAR in December 2000. Prior to joining the Group, Ms. Keung had served as (assistant) in-house legal counsel in other listed companies in Hong Kong. She had also worked in the Credit Risk Control Department of Standard Chartered Bank (Hong Kong) Limited. Ms. Keung was appointed as the Legal Officer of Quality HealthCare Asia Limited in September 2005.

Leo Lam Hon Yiu

*General Manager (Operations) of Quality HealthCare Asia Limited
Executive Director of Quality HealthCare Elderly Services*

Mr. Lam (42) has joined the Group since 1994. He is currently the General Manager (Operations) of Quality HealthCare Asia Limited and an executive director of Quality HealthCare Elderly Division. Mr. Lam holds a Bachelor's degree in Law from Tsinghua University and a Master's degree in Business Administration. Mr. Lam is also a Fellow of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

朱俊佳

卓健亞洲有限公司內部稽核及法規監核經理

朱先生(32歲)，持有文學士(會計)學位。彼為香港會計師公會之執業會計師。朱先生於二零零六年一月加入本集團。在加入本集團前，彼曾任職於一間上市集團，擔任內部審計經理，亦曾於大型國際會計師行的審計部門任職逾五年。

姜穎欣

卓健亞洲有限公司法律主任

姜女士(34歲)，畢業於香港大學，持有法學士學位，於二零零零年十二月獲得香港特別行政區高等法院律師之資格。加入本集團前，姜女士曾擔任香港其他上市公司之(助理)公司法律顧問。彼亦曾任職於渣打銀行(香港)有限公司之信貸風險管理部。姜女士於二零零五年九月獲委任為卓健亞洲有限公司之法律主任。

林翰堯

*卓健亞洲有限公司營運總經理
卓健護老服務部之執行董事*

林先生(42歲)，自一九九四年起加盟本集團。彼現為卓健亞洲有限公司之營運總經理及卓健護老服務部之執行董事。林先生持有清華大學頒發之法律學士學位及工商管理碩士學位，林先生並為香港會計師公會及特許公認會計師公會之資深會員。

Stanley Lee Hei Yau

Operations Manager of Quality HealthCare Elderly Services

Mr. Lee (69) graduated from the School of Nursing, Medical and Health Department, Hong Kong Government, in 1962 with a Certificate of Graduation. He has obtained a State Registered Nurse Certificate from General Nursing Council for England and Wales in 1963, Diploma in Nursing Education from College of Nursing, Australia in 1972, Registered Nurse Teacher Certificate from General Nursing Council for England and Wales in 1980 and a Post Registration Diploma in Nursing Administration from the Hong Kong Polytechnic University in 1988. Mr. Lee is the Operations Manager in the Elderly Services Division, and is responsible for maintaining the nursing standards and operations of the elderly care homes and also provides in-service staff training and onsite coaching.

Dr. Sandra Christina Lee

Chief Executive Officer of Quality HealthCare Dental Services

Dr. Lee (48) graduated from the University of Manchester in 1983 with a Bachelor of Dental Surgery Degree. She has practiced in the United Kingdom and Hong Kong and established Dr. Sandra Lee & Associates in 1988. Dr. Lee joined Quality HealthCare in 1999 to establish the dental division of the Group.

Dr. Horace Lee Yan Wang

Medical Director of Quality HealthCare Medical Services

Dr. Lee (44) commenced practice at Cathay City and The Central Medical Practice in Prince's Building since 2004. He is the head of the Medical Affairs Team and a member of Medical Standards and Compliance Committee. Dr. Lee works closely with various departments in Sheung Wan and he is responsible for the planning and organisation of the Continuous Medical Education programme for the Group.

Dr. Lee graduated from the University of Adelaide in 1989. Since then, he obtained the Diploma of Occupational Medicine, Diploma of Family Medicine and Diploma of Diabetic Management and Education at the Chinese University of Hong Kong. Dr. Lee was admitted to the Membership of Royal College of General Practitioner (UK) in 2002. He also obtained the Master of Family Medicine at the Monash University (Australia) in 2003, the Master of Science in Endocrinology, Diabetes and Metabolism at the Chinese University of Hong Kong in 2006 and the Master in Aviation Medicine at the University of Otago (New Zealand) in 2008.

李熙祐

卓健護老服務部營運經理

李先生(69歲)，於一九六二年畢業於香港政府醫務衛生署護士學校，並取得畢業證書。彼於一九六三年取得英格蘭及威爾士普通科護理學會之國家註冊護士證書，彼其後於一九七二年取得澳洲護理學院之護理教育文憑，及於一九八零年取得英格蘭及威爾士普通科護理學會之註冊護士教師證書，並於一九八八年取得香港理工大學護理行政學專修文憑。李先生為護老服務部之營運經理，負責維持護老院的護理服務水準及運作，並負責提供職員在職培訓及臨床輔導。

李瑜醫生

卓健牙科服務行政總裁

李醫生(48歲)，於一九八三年畢業於英國曼徹斯特大學，持有牙科學士學位。李醫生分別在英國及香港執業，於一九八八年成立李瑜牙科。李醫生於一九九九年加入卓健，協助成立本集團的牙科部門。

李恩宏醫生

卓健醫療服務醫務董事

李醫生(44歲)，自二零零四年起於國泰城及位於太子大廈之中區醫務所執業。彼為醫療事項組之主管及醫療標準監察委員會成員。李醫生亦與上環多個部門有緊密的合作關係及負責規劃和組織本集團之延續醫學進修項目。

李醫生於一九八九年畢業於University of Adelaide。其後彼於香港中文大學取得職業醫學文憑、家庭醫學文憑及糖尿病管理及教育文憑。李醫生於二零零二年獲得英國皇家全科醫學院院士資格，彼亦於二零零三年取得澳洲Monash University家庭醫學碩士學位、於二零零六年取得香港中文大學理學碩士(內分泌、糖尿病及新陳代謝)學位，以及於二零零八年取得紐西蘭Otago University 航空醫學碩士學位。

Board of Directors and Senior Management 董事會及高級管理層

Dickson Lo Chun Fai

Finance Director of Quality HealthCare Medical Services

Mr. Lo (40) obtained his Bachelor degree in Economics (major in Accounting and Finance) from Monash University, Australia. He is a Certified Practising Accountant of CPA Australia and a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants.

Mr. Lo spent seven years with PricewaterhouseCoopers Hong Kong in providing consulting services to a wide range of corporate clients investing in the PRC. Subsequent to this, Mr. Lo held various senior management positions, including finance, corporate and strategic business development roles, in a restaurant group which operated KFC and Pizza Hut franchise restaurants in various countries in Asia as well as in the US. In addition to financial management at corporate level, Mr. Lo also worked in a private equity firm with experience in merger and acquisition and portfolio management.

Tam Kit Ling

Senior Finance Manager of Quality HealthCare Asia Limited

Senior Finance Manager of Quality HealthCare Elderly Services

Ms. Tam (42) is a member of the Association of Chartered Certified Accountants and a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants. She joined the Company in February 2000. She has over 18 years of experience in Finance and Accounting. Prior to joining the Company, Ms. Tam had been the Accounting/Finance Manager of other listed companies.

Hester Wong Lam Chun

Company Secretary of Quality HealthCare Asia Limited

Ms. Wong (48) has been the Company Secretary of the Company since June 2003. She is also the Company Secretary of SHK, the holding company of the Company. She is a fellow member of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries. She has over 20 years' experience in the company secretarial field.

Dr. Dominic Yan Wai Man

Medical Director of Quality HealthCare Medical Services

Dr. Yan (56) graduated from the University of Queensland in 1977 with Bachelor of Medicine and Bachelor of Surgery Degrees (MBBS). He obtained the Diploma of Occupational Medicine from Chinese University of Hong Kong in 2001. Dr. Yan has practiced in Australia and Hong Kong as a General Practitioner for over 30 years. He co-founded the Allied Medical Practices Guild in 1982.

羅俊輝

卓健醫療服務財務董事

羅先生(40歲)，於澳洲Monash University取得經濟學學士學位(主修會計及財務)。彼為澳洲會計師公會之執業會計師及香港會計師公會之執業會計師。

羅先生曾任職香港羅兵咸永道會計師事務所七年，負責向中國投資之企業客戶提供多種諮詢服務。其後，羅先生在一間於亞洲多個國家及美國經營肯德基及必勝客特許經營餐廳之飲食集團歷任高級管理職位，包括財務、企業及策略性業務發展方面。除企業層面之財務管理外，羅先生亦曾任職於一間私人投資公司，具備併購及投資組合管理之經驗。

譚潔玲

卓健亞洲有限公司高級財務經理

卓健護老服務部高級財務經理

譚女士(42歲)，為特許公認會計師公會會員及香港會計師公會之執業會計師。彼於二零零零年二月加盟本公司，擁有逾十八年財務及會計經驗。在加入本公司前，譚女士曾任其他上市公司之會計/財務經理。

黃霖春

卓健亞洲有限公司公司秘書

黃女士(48歲)，自二零零三年六月起擔任本公司之公司秘書。彼亦為本公司之控股公司新鴻基之公司秘書。彼為英國特許秘書及行政人員公會及香港特許秘書公會之資深會員。彼擁有逾二十年公司秘書經驗。

忻維民醫生

卓健醫療服務醫務董事

忻醫生(56歲)，於一九七七年畢業於澳洲昆士蘭大學，持有內外全科醫學士學位(MBBS)。彼於二零零一年於香港中文大學取得職業醫學文憑。忻醫生以普通科醫生身份於澳洲及香港行醫逾三十年。彼於一九八二年與他人共同創立雅聯醫務協會。

The Company is committed to maintaining a high standard of corporate governance within a sensible framework with an emphasis on the principles of integrity, transparency and accountability. The board of directors of the Company (the “Board”) believes that good corporate governance is essential to the success of the Company and to the enhancement of shareholder value.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the light of the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) which came into effect on 1 January 2005, the Board has reviewed the corporate governance practices of the Company. The Company has applied the principles of the CG Code and complied with the applicable code provisions of the CG Code during the year ended 31 December 2007, except for certain deviations as specified, the reasons for such deviations as explained below. The Board will review the current practices at least annually, and make appropriate changes if considered necessary.

THE BOARD

The Board currently comprises six Directors in total, with two Executive Directors, one Non-Executive Director and three Independent Non-Executive Directors (“INEDs”). The composition of the Board during the year and up to the date of this report is set out as follows:

Executive Directors:	Dr. Lincoln Chee Wang Jin (Chief Executive Officer)* Mark Wong Tai Chun
Non-Executive Director:	Arthur George Dew (Chairman)**
INEDs:	Francis J. Chang Chu Fai (Deputy Chairman) Li Chak Hung Carlisle Caldwell Procter

* Appointed as the Chief Executive Officer with effect from 1 July 2007.

** Re-designated from an Executive Director to a Non-Executive Director with effect from 1 July 2007.

The brief biographical details of the Directors are set out in the “Board of Directors and Senior Management” section on pages 21 to 24.

本公司致力於切合實際之範圍內維持高水平之企業管治，以強調廉正、高透明度及問責性為原則。本公司董事會（「董事會」）相信優良之企業管治對本公司之成功及提升股東價值乃非常重要。

企業管治常規守則

根據已於二零零五年一月一日起生效之香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之企業管治常規守則（「企業管治守則」），董事會已審閱本公司之企業管治常規。除下文解釋之若干已闡明原因之偏離行為外，於截至二零零七年十二月三十一日止年度，本公司已應用企業管治守則之原則及遵守適用之守則條文。董事會將至少每年檢討現行常規，並於認為有需要時作出適當改動。

董事會

董事會目前合共由六名董事組成，兩位執行董事、一位非執行董事及三位獨立非執行董事。於年內及截至本報告日期止的董事會成員名單載列如下：

執行董事：	徐旺仁醫生 (行政總裁)* 王大鈞
非執行董事：	狄亞法(主席)**
獨立非執行董事：	鄭鑄輝 (副主席) 李澤雄 Carlisle Caldwell Procter

* 由二零零七年七月一日起，獲委任為行政總裁。

** 由二零零七年七月一日起，由執行董事調任為非執行董事。

各董事之簡歷載於第21至24頁之「董事及高級管理層」一節內。

During the year, the Non-Executive Directors (a majority of whom are independent) provided the Group with a wide range of expertise and experience. Their active participation in the Board and committee meetings brings independent judgment on issues relating to the Group's strategy, performance and management process, taking into account the interests of all shareholders.

Throughout the year, the Company had three INEDs representing not less than one-third of the Board. Two of the three INEDs have the appropriate professional qualifications or accounting or related financial management expertise under Rule 3.10 of the Listing Rules. The Board has received from each INED an annual confirmation of his independence and considers that all the INEDs are independent under the guidelines set out in Rule 3.13 of the Listing Rules.

The Board meets regularly to discuss the overall strategy as well as the operation and financial performance of the Group in addition to the meetings for reviewing and approving the Group's annual and interim results. During the year, seven Board meetings were held and attendance of each Director at the Board meetings is set out as follows:

	Number of Board meetings attended/held		出席／舉行 董事會會議之次數
Arthur George Dew	7/7	狄亞法	7/7
Dr. Lincoln Chee Wang Jin	7/7	徐旺仁醫生	7/7
Mark Wong Tai Chun	7/7	王大鈞	7/7
Francis J. Chang Chu Fai	7/7	鄭鑄輝	7/7
Li Chak Hung	7/7	李澤雄	7/7
Carlisle Caldow Procter	7/7	Carlisle Caldow Procter	7/7

The Board has reserved for its decision or consideration matters covering mainly the Group's overall strategy, annual operating budget, annual and interim results, recommendations on Directors' appointment or re-appointment, material contracts and transactions as well as other significant policy and financial matters. The Board has delegated the daily operations and administration to the executive management under the supervision of the Executive Committee which has its specific written terms of reference. The respective functions of the Board and management of the Company have been formalised and set out in writing. These procedures were approved by the Board in June 2005 and revised in August 2007. The Board will review the same once a year.

於年內，非執行董事(其中大多為獨立董事)為本集團提供廣泛專業知識及經驗。彼等積極參與董事會及委員會會議，在顧及全體股東利益之情況下，就本集團之策略、表現及管理程序之事宜提供獨立判斷。

於整個年度內，本公司之三名獨立非執行董事佔董事會人數不少於三分之一。其中兩名獨立非執行董事均具備上市規則第3.10條所列的適當專業資格、會計或相關財務管理專長。董事會已接獲每名獨立非執行董事有關其獨立性之年度確認書，並認為所有獨立非執行董事均具備上市規則第3.13條所載指引下之獨立性。

董事會定期召開會議，討論本集團之整體策略、營運及財務表現，並審閱及批准本集團之全年及中期業績。董事會於年內共舉行七次會議，各董事之出席率如下：

經董事會決定或考慮之事宜包括本集團整體策略、全年營運預算，全年及中期業績，董事委任或重新委任之推薦建議、重大合約及交易，以及其他重大政策及財務事宜。董事會已將日常營運及行政事務委派予行政管理人員處理，並由執行委員會(其具有明確之書面職權範圍)監督。董事會及本公司管理層之職能已分別確立並以書面列載。該等程序已於二零零五年六月及二零零七年八月分別獲董事會批准及修改。董事會將每年對上述職能作出檢討。

Regular Board meetings each year are scheduled in advance to facilitate maximum attendance of Directors. At least 14 days' notice of a Board meeting is normally given to all Directors who are given an opportunity to include matters for discussion in the agenda. The Company Secretary assists the Chairman in preparing the agenda for meetings, and ensures that all applicable rules and regulations are complied with. The agenda and the accompanying Board papers are normally sent to all Directors at least 3 days before the intended date of a regular Board meeting (and so far as practicable for such other Board meetings). Draft minutes of each Board meeting are circulated to all Directors for their comment before being tabled at the following Board meeting for approval. All minutes are kept by the Company Secretary and are open for inspection at any reasonable time on reasonable notice by any Director.

According to the current Board practice, any transaction which involves a conflict of interests for a substantial shareholder or a Director and which is considered by the Board to be material, will be dealt with by the Board at a duly convened Board meeting. Bye-laws of the Company also stipulate that a Director should abstain from voting and not be counted in the quorum at meetings for approving transactions in which such Director or any of his associates have a material interest therein.

Every Director is entitled to have access to Board papers and related materials and has access to the advice and services of the Company Secretary. The Board and each Director also have separate and independent access to the Company's senior management. Directors will be continuously updated on the major development of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices. In addition, a written procedure was established in June 2005 to enable the Directors, in the discharge of their duties, to seek independent professional advice in appropriate circumstances at a reasonable cost to be borne by the Company.

董事會定期會議之開會日期每年預先編定，以便更多董事出席會議。召開董事會會議一般會給予所有董事至少十四天之通知，彼等皆有機會提出商討事項以列入會議議程內。公司秘書協助主席編製會議議程，以及確保已遵守所有適用規則及規例。議程及隨附之董事會文件一般最少在擬舉行董事會定期會議之日期（及就可行情況下，其他董事會會議）前三天送呈所有董事。每份董事會會議記錄之初稿於提交下一次董事會會議審批前，先供所有董事傳閱並提出意見。所有會議記錄均由公司秘書保存，並供任何董事於發出合理通知時，於任何合理時間內查閱。

根據現行之董事會常規，任何與主要股東或董事涉及利益衝突之交易及董事會考慮為重大之交易，將由董事會於正式召開的董事會會議上處理。本公司的公司細則亦載有條文規定，倘有關董事或其任何聯繫人士於交易中擁有重大利益，有關董事須放棄表決，且不得計入批准交易的會議的法定人數之內。

每名董事有權查閱董事會文件及相關資料，及可向公司秘書尋求意見及服務。董事會及各董事亦可個別及獨立地接觸本公司之高級管理人員。董事將持續獲給予上市規則及其他適用監管規定之最新發展之資料，以確保彼等遵守及秉持良好之企業管治常規。此外，書面程序已於二零零五年六月制定，讓各董事在履行其職務時，可在適當之情況下尋求獨立專業意見，有關合理費用由本公司承擔。

ROLES OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and the Chief Executive Officer (“CEO”) are separate to reinforce their respective independence and accountability. The Chairman of the Company is Mr. Arthur George Dew who is primarily responsible for the leadership of the Board, ensuring that all significant policy issues are discussed by the Board in a timely and constructive manner, that all Directors are properly briefed on issues arising at Board meetings, and that the Directors receive accurate, timely and clear information. Dr. Lincoln Chee Wang Jin was appointed the CEO of the Company with effect from 1 July 2007 and is primarily responsible for the day-to-day management, administration, development and growth of the Group’s business. Their responsibilities are clearly segregated and have been set out in writing and approved by the Board in June 2007.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

In June 2005, the Board established and adopted a written nomination procedure (the “Nomination Procedure”) specifying the process and criteria for the selection and recommendation of candidates for directorship of the Company. The Chairman of the Board shall, based on those criteria as set out in the Nomination Procedure (such as appropriate experience, personal skills and time commitment etc.), identify and recommend the proposed candidate to the Board for approval. The Nomination Procedure was revised in August 2007 to provide for the case of filling a vacancy of the Chairman of the Board where the recommendation of the proposed candidate shall then be made by the Executive Committee.

New Directors, on appointment, will be given an induction package containing all key applicable legal and Listing Rules’ requirements as well as guidelines on the responsibilities and obligations to be observed by a director. The package will also include the latest published financial reports of the Company and the documented corporate governance practices adopted by the Board. Senior management will subsequently conduct such briefing as is necessary to give the new Directors more detailed information on the Group’s businesses and activities.

主席及行政總裁之角色

主席及行政總裁的角色有所區分，以加強彼此之獨立及問責性。本公司之主席為狄亞法先生，彼主要負責領導董事會，確保董事會對所有重要政策作出及時及具建設性之討論，而全體董事均對董事會會議上商討之事項獲得恰當簡報，且董事適時接收到正確及清晰的資訊。徐旺仁醫生於二零零七年七月一日起獲委任為本公司之行政總裁，主要負責日常管理、行政、發展及本集團業務之增長。上述角色之職責已清楚區分及以書面列載，並於二零零七年六月獲董事會批准。

董事的委任及重選

於二零零五年六月，董事會已設立並採納一套以書面列載之提名程序（「提名程序」），具體列明本公司董事候選人之挑選準則及推薦程序。董事會主席須以提名程序所載之該等準則（如恰當資歷、個人專長及可投放時間等）作為基準以物色及向董事會推薦人選，以予批准。提名程序於二零零七年八月作出修訂，列明倘為填補董事會主席臨時空缺之情況，則繼任人選須由執行委員會推薦。

新任董事在接受委任時將會獲得一套入職資料文件，當中載有所有主要適用之法律及上市規則規定，以及董事應履行責任之有關指引。資料文件亦將會包括本公司最新刊發之財務報告及董事會所採納之企業管治常規文件。高層管理人員其後將會向新任董事作所需之簡介，以提供有關本集團業務及運作之更詳細資料。

Each of the Non-Executive Directors (including INEDs) of the Company was appointed for a specific term of one year ending 31 December 2007, subject to the relevant provisions of the Bye-laws of the Company or any other applicable laws whereby the Directors shall vacate or retire from their office. Such term for each of the Non-Executive Directors has been renewed for a further one year from 1 January 2008.

According to the Bye-laws of the Company, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) should retire from office by rotation. Any Director appointed as an addition to the Board should hold office only until the next following annual general meeting and would then be eligible for re-election at that meeting. Further, any Director appointed to fill a casual vacancy should hold office only until the next following general meeting and would then be eligible for re-election at that meeting. Every Director shall be subject to retirement by rotation at least once every three years.

BOARD COMMITTEES

The Board has established three committees, being the Remuneration Committee, Audit Committee and Executive Committee, each of which has its specific written terms of reference. Copies of minutes of all meetings and resolutions of the committees, which are kept by the Company Secretary, are circulated to all Board members and the committees are required to report back to the Board on their decision and recommendations where appropriate. The procedures and arrangements for a Board meeting, as mentioned above, have been adopted for committee meetings so far as practicable.

Remuneration Committee

The Remuneration Committee has been established since September 1997 and currently consists of the three INEDs, including Messrs. Li Chak Hung (Chairman of the Committee), Francis J. Chang Chu Fai and Carlisle Caldwell Procter. The Remuneration Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice in accordance with the Company's policy if considered necessary.

本公司之每位非執行董事(包括獨立非執行董事)之任期固定為一年直至二零零七年十二月三十一日為止，而彼等之撤職或退任須受本公司的公司細則內有關條文或任何其他適用法例所規限。每位非執行董事之任期由二零零八年一月一日起獲再續一年。

根據本公司之公司細則，在本公司每一屆股東週年大會上，三分之一當時在任之董事(或，倘其人數並非三之倍數，則最接近惟不少於三分之一之數目)須輪值退任。任何獲委任以作董事會新成員之董事僅可任職至下屆股東週年大會為止，屆時彼可於該大會上膺選連任。此外，任何填補臨時空缺而獲委任之董事僅可任職至下屆股東大會為止，屆時彼可於該大會上膺選連任。每名董事須至少每三年輪值退任一次。

董事委員會

董事會已成立三個委員會，即薪酬委員會、審核委員會及執行委員會，並以書面具體列明其職權範圍。所有委員會之會議記錄及決議案均由公司秘書保存，並提供副本予全體董事會成員傳閱，而各委員會須向董事會匯報其決定及建議(倘適合)。於上文提述的董事會會議之程序及安排已於可行情況下在委員會會議上採納。

薪酬委員會

薪酬委員會自一九九七年九月起成立，目前由三名獨立非執行董事組成，包括李澤雄先生(委員會主席)、鄭鑄輝先生及Carlisle Caldwell Procter先生。薪酬委員會獲給予充裕資源以履行其職務，並可按本公司之政策於有需要時尋求獨立專業意見。

The major roles and functions of the Remuneration Committee are:

- (i) to review and recommend to the Board the remuneration policy and packages of the Directors and, where appropriate, to consult the Chairman and/or CEO about the committee's proposals relating to the remuneration of other Executive Directors;
- (ii) to review and recommend performance-based remuneration by reference to corporate goals and objectives approved by the Board from time to time;
- (iii) to review and recommend the compensation payable to Executive Directors relating to any loss or termination of their office or appointment;
- (iv) to review and recommend compensation arrangements relating to dismissal or removal of Directors for misconduct; and
- (v) to ensure that no Director is involved in deciding his own remuneration.

The terms of reference of the Remuneration Committee of the Company were revised in June 2005 to comply with the code provision B.1.3 of the CG Code, but with a deviation from the code provision of the remuneration committee's responsibilities to determine the specific remuneration packages of all executive directors and senior management of a listed company. The Board considers that the Remuneration Committee of the Company should review (as opposed to determine) and make recommendations to the Board on the remuneration packages of Executive Directors only and not senior management for the following reasons:

- (i) the Board believes that the Remuneration Committee is not properly in a position to evaluate the performance of senior executives and that this evaluation process is more effectively carried out by the Executive Directors;
- (ii) the Remuneration Committee members are INEDs who come from differing professions and backgrounds, and are not involved in the daily operation of the Company. They may have little direct knowledge of industry practice and standard compensation packages. The Remuneration Committee is thus not in a position to properly determine the remuneration of the Executive Directors;

薪酬委員會之主要角色及職能如下：

- (i) 檢討並向董事會建議董事之薪酬政策及待遇，及(倘適合)就有關本公司其他執行董事薪酬之委員會建議，諮詢主席(如有)及／或行政總裁；
- (ii) 透過參照董事會不時批准之公司宗旨及目標以檢討並建議按表現釐定之薪酬；
- (iii) 檢討並建議向執行董事支付與其任何喪失或終止職務或委任有關之賠償；
- (iv) 檢討並建議因董事行為失當而解僱或罷免董事所涉及之賠償安排；及
- (v) 確保概無董事參與釐定其本身之薪酬。

為遵守企業管治守則之守則條文B.1.3，本公司薪酬委員會之職權範圍已於二零零五年六月作出修訂，惟就該守則條文在薪酬委員會須釐定上市公司所有執行董事及高層管理人員之薪酬待遇之職責方面有所偏離。董事會認為，本公司之薪酬委員會僅會就執行董事(不包括高層管理人員)之薪酬待遇作出檢討(而非釐定)，並僅向董事會提出建議，理由如下：

- (i) 董事會認為薪酬委員會並不適宜評估高級行政人員之表現，而有關評估程序由執行董事進行將更為有效；
- (ii) 薪酬委員會之成員均為獨立非執行董事，彼等來自不同行業及背景，並無參與本公司之日常運作，彼等對業界慣例及薪酬待遇之標準亦可能無直接認識。薪酬委員會因此並不適宜釐定執行董事之薪酬；

- (iii) the Executive Directors must be in a position to supervise and control senior management and thus must be able to control their compensation; and
- (iv) there is no reason for Executive Directors to pay senior management more than industry standards and thus shareholders will benefit by reducing costs in the fixing of such compensation packages.

The revised terms of reference of the Remuneration Committee are available at the Company's website.

The Remuneration Committee shall meet at least once a year. Two committee meetings were held in 2007 and the attendance of each member is set out as follows:

Committee member	Number of committee meeting attended/held
Li Chak Hung (<i>Chairman</i>)	2/2
Francis J. Chang Chu Fai	2/2
Carlisle Caldwell Procter	2/2

In addition to the committee meetings, the Remuneration Committee also dealt with matters by way of circulation during 2007. In 2007, the Remuneration Committee performed the work summarised as below:

- (i) reviewed the structure of the remuneration of the Directors;
- (ii) reviewed the performance of the Executive Directors and recommended the remuneration packages of the Executive Directors to the Board for approval;
- (iii) reviewed and recommended the reimbursement arrangements for the consultancy fee of Mr. Arthur George Dew and remuneration of Mr. Mark Wong Tai Chun to the Board for approval; and
- (iv) reviewed and recommended the proposed services fees of the INEDs and the renewal of terms of appointment of the Non-Executive Directors for one year commencing from 1 January 2008 to the Board for approval.

- (iii) 執行董事負責監管高層管理人員，因而須有權力操控彼等之薪酬；及

- (iv) 執行董事並無理由會向高層管理人員支付高於業界標準之薪酬，而由彼等釐定其薪酬待遇可減省支出，將有利於股東。

薪酬委員會經修訂之職權範圍已登載於本公司網站。

薪酬委員會每年須至少舉行一次會議。於二零零七年已舉行兩次委員會會議，而各成員的出席率如下：

委員會成員	出席／舉行委員會會議之次數
李澤雄 (<i>主席</i>)	2/2
鄭鑄輝	2/2
Carlisle Caldwell Procter	2/2

除舉行委員會會議外，薪酬委員會亦於二零零七年以傳閱文件方式處理事宜。於二零零七年，薪酬委員會已履之工作概述如下：

- (i) 檢討董事之薪酬結構；
- (ii) 檢討執行董事之表現及向董事會提出建議，以批准執行董事之薪酬組合；
- (iii) 檢討及向董事會提出建議，以批准安排償付狄亞法先生之顧問費及王大鈞先生之薪酬；及
- (iv) 檢討及向董事會提出建議，以批准獨立非執行董事之建議服務費，及續訂非執行董事之任期，由二零零八年一月一日起計為期一年。

The remuneration payable to Directors will depend on their respective contractual terms under their service contracts as approved by the Board on the recommendation of the Remuneration Committee. Details of the Directors' remuneration are set out in note 8 to the financial statements.

Subsequent to the balance sheet date, a committee meeting was held to review and discuss the structure of the remuneration of Directors and the performance of the Executive Directors, Dr. Lincoln Chee Wang Jin and Mr. Mark Wong Tai Chun. The bonuses for the said two Executive Directors in respect of the year 2007 were recommended by the Remuneration Committee and subsequently approved by the Board. Further details of which are also set out in note 8 to the financial statements.

Audit Committee

The Audit Committee has been established since September 1997 and currently consists of the three INEDs. To retain independence and objectivity, the Audit Committee has been chaired by an INED (with appropriate professional qualifications or accounting or related financial management expertise) since October 2004. The current members of the Audit Committee are Messrs. Li Chak Hung (Chairman of the Committee), Francis J. Chang Chu Fai and Carlisle Caldwell Procter. The Audit Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice according to the Company's policy if considered necessary.

The major roles and functions of the Audit Committee are:

- (i) to consider and recommend to the Board the appointment, re-appointment, or removal of the external auditors; to approve the remuneration and terms of engagement of the external auditors, and any questions of resignation or dismissal of those auditors;
- (ii) to consider and discuss with the external auditors the nature and scope of each year's audit;
- (iii) to review and monitor the external auditors' independence and objectivity;
- (iv) to review the interim and annual financial statements before submission to the Board;

董事之薪酬將視乎薪酬委員會向董事會提出之建議獲批准後，並按各自之服務合約內之條款而釐定。董事薪酬之詳情載於財務報告附註8。

在結算日後，委員會舉行了一次會議，檢討及商議董事之薪酬結構，以及執行董事徐旺仁醫生和王大鈞先生之表現。該兩名執行董事之二零零七年度花紅由薪酬委員會向董事會建議，並其後獲董事會批准。進一步詳情亦列載於財務報告附註8。

審核委員會

審核委員會自一九九七年九月起成立，目前由三名獨立非執行董事組成。為保持獨立性及客觀性，審核委員會自二零零四年十月起，由一名具備合適專業資格、會計或相關財務管理專長之獨立非執行董事擔任主席。審核委員會之現有成員為李澤雄先生(委員會主席)、鄭鑄輝先生及 Carlisle Caldwell Procter 先生。審核委員會獲給予充裕資源以履行其職務，並可按本公司之政策在有需要時尋求獨立專業意見。

審核委員會之主要角色及職能如下：

- (i) 考慮並向董事會建議外聘核數師之委任，重新委任或罷免，以及批准外聘核數師之薪酬及聘用條款，並處理任何有關該等核數師辭任或辭退之問題；
- (ii) 考慮及與外聘核數師討論每年核數之性質及範疇；
- (iii) 檢討及監察外聘核數師之獨立性及客觀性；
- (iv) 於中期及全年財務報告提交董事會前先行審議；

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| <p>(v) to discuss any problems and reservation arising from the interim review and final audit, and any matters the external auditors may wish to discuss;</p> | <p>(v) 商議就中期審閱及最終核數而產生之任何問題及保留事項，及外聘核數師擬商討之任何事宜；</p> |
| <p>(vi) to review the external auditors' management letters and management's response;</p> | <p>(vi) 審議外聘核數師之致管理層函件及管理層之回應；</p> |
| <p>(vii) to review the Group's financial controls, internal control and risk management systems;</p> | <p>(vii) 檢討本集團之財務監控、內部監控及風險管理制度；</p> |
| <p>(viii) to review the internal audit plan, ensure co-ordination between the internal and external auditors, and ensure that the internal audit function is adequately resourced and has appropriate standing within the Group; and</p> | <p>(viii) 審議內部稽核計劃，確保內部及外聘核數師的協調，以及確保內部稽核功能有充足資源及在本集團內具有適當地位；及</p> |
| <p>(ix) to consider any matters arising from internal audit's investigation and management's responses.</p> | <p>(ix) 考慮內部稽核調查所發現的問題和管理層的回應。</p> |

The terms of reference of the Audit Committee of the Company were revised in June 2005 to comply with the code provision C.3.3 of the CG Code, but with a deviation from the code provision of the audit committee's responsibility to implement the policy on the engagement of the external auditors to supply non-audit services. The Board considers that the Audit Committee of the Company should recommend (as opposed to implement) the policy for the following reasons:

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| <p>(i) it is proper, and appropriate for the Board and its committees to develop policy and make appropriate recommendations;</p> | <p>(i) 由董事會及其下設之委員會制定政策及作出合適之建議乃屬恰當；</p> |
| <p>(ii) the proper and appropriate mechanism for implementation of such policy and recommendations is through the Executive Directors and management; and</p> | <p>(ii) 由執行董事及管理層執行該政策及建議乃屬恰當及合適之機制；及</p> |
| <p>(iii) INEDs are not in an effective position to implement policy and follow up the same on a day-to-day basis.</p> | <p>(iii) 獨立非執行董事並不適宜執行日常之政策及跟進工作。</p> |

The revised terms of reference of the Audit Committee are available at the Company's website.

為遵守企業管治守則之守則條文C.3.3，本公司審核委員會之職權範圍已於二零零五年六月作出修訂，惟就該守則條文在審核委員會須執行政策以委任外聘核數師提供非核數服務之職責方面有所偏離。董事會認為本公司之審核委員會應該政策作出建議（而非執行），理由如下：

審核委員會經修訂之職權範圍已登載於本公司網站。

The Audit Committee shall meet at least three times a year. Four committee meetings were held in 2007 and the attendance of each member is set out as follows:

Committee member	Number of committee meetings attended/held
Li Chak Hung (<i>Chairman</i>)	4/4
Francis J. Chang Chu Fai	4/4
Carlisle Caldow Procter	4/4

In addition to the committee meetings, the Audit Committee also dealt with matters by way of circulation during 2007. In 2007, the Audit Committee performed the work as summarised below:

- (i) reviewed and approved the audit scope and fees proposed by the external auditors regarding the final audit of the Group for the year ended 31 December 2006 and the 2007 interim review for the six months ended 30 June 2007;
- (ii) reviewed the reports from the external auditors and management letters in relation to the final audit of the Group for the year ended 31 December 2006 and the interim results review for the six months ended 30 June 2007;
- (iii) reviewed the financial reports for the year ended 31 December 2006 and for the six months ended 30 June 2007 and recommended the same to the Board for approval;
- (iv) reviewed and approved the 2007 audit plan of the Group;
- (v) reviewed the internal control and compliance activities submitted by the Head of Internal Audit and Compliance on the operations and performance of the Group; and
- (vi) considered the proposal for the engagement of an external professional firm to conduct an evaluation of the corporate governance compliance of the Group.

審核委員會每年須至少舉行三次會議。二零零七年已舉行四次委員會會議，而各成員的出席率如下：

委員會成員	出席／舉行委員會會議之次數
李澤雄(主席)	4/4
鄭鑄輝	4/4
Carlisle Caldow Procter	4/4

除舉行委員會會議外，審核委員會於二零零七年以傳閱文件方式處理事宜。於二零零七年，審核委員會已履行之工作概述如下：

- (i) 審議及批准外聘核數師就截至二零零六年十二月三十一日止年度最終審核及截止二零零七年六月三十日止六個月期間的二零零七年中期審閱建議的核數範圍及費用；
- (ii) 審議外聘核數師就有關本集團截至二零零六年十二月三十一日止年度最終審核及截至二零零七年六月三十日止六個月期間的中期審閱而作出的報告及致管理層的說明函件；
- (iii) 審議截至二零零六年十二月三十一日止年度及截至二零零七年六月三十日止六個月期間的財務報告，並就該等報告向董事會提出建議，以供董事會批准；
- (iv) 審議及批准本集團二零零七年年度的審核計劃；
- (v) 審議由內部稽核及法規監核主管就本集團營運及表現所提交的內部監控及法規監核活動；及
- (vi) 考慮委聘外聘顧問公司評估本集團的企業管治法規。

Executive Committee

The Executive Committee has been established since September 2003 and currently consists of two Executive Directors, being Dr. Lincoln Chee Wang Jin (Chairman of the Committee) and Mr. Mark Wong Tai Chun. Upon the re-designation from an Executive Director to a Non-Executive Director with effect from 1 July 2007, Mr. Arthur George Dew ceased to act as the chairman and a member of the Executive Committee. The Executive Committee is vested with all the general powers of management and control of the activities of the Group as are vested in the Board of the Company, save for those matters which are reserved for the Board's decision and approval pursuant to the written terms of reference of the Executive Committee.

The Executive Committee is mainly responsible for undertaking and supervising the day-to-day management and is empowered:

- (i) to formulate and implement policies for the business activities, internal control and administration of the Group; and
- (ii) to plan and decide on strategies to be adopted for the business activities of the Group within the overall strategy of the Group as determined by the Board.

CODES FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code.

To comply with the code provisions A.5.4 of the CG Code, the Company has also established and adopted in June 2005 a Code for Securities Transactions by Relevant Employees, on no less exacting terms than the Model Code, to regulate dealings in the securities of the Company by certain employees of the Company or any of its subsidiaries who are considered to be likely in possession of unpublished price sensitive information in relation to the Company or its securities.

執行委員會

執行委員會自二零零三年九月起成立，目前由兩名執行董事組成，包括徐旺仁醫生(委員會主席)及王大鈞先生。狄亞法先生自二零零七年七月一日由執行董事調任為非執行董事起，已停止擔任執行委員會主席及成員。執行委員會獲授予本公司董事會所獲授予關於本集團業務活動的所有一般管理及監控權，惟根據執行委員會之書面職權範圍須留待董事會決定及批准之該等事宜除外。

執行委員會主要負責處理及監察日常管理事宜，並有權：

- (i) 制定及執行有關本集團之商業活動、內部監控及行政政策；及
- (ii) 按董事會所釐定本集團之整體策略下，規劃及決定就本集團商業活動將予採納之策略。

董事及相關僱員進行證券交易的守則

本公司已採納上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》(「標準守則」)，作為董事進行證券交易之行為守則。經本公司作出特定查詢後，所有董事已確認彼等已遵照標準守則所載之規定標準。

為遵守企業管治守則之守則條文A.5.4，本公司亦已於二零零五年六月就有關僱員之證券交易設定及採納一套準則，而該準則之內容不比標準守則寬鬆，以規管若干被認為可能會擁有關於本公司或其證券之未公開股價敏感資料之本公司或其任何附屬公司之僱員於本公司證券之買賣。

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibility for preparing, with the support from Finance Department, the financial statements of the Group. In preparing the financial statements for the year ended 31 December 2007, the accounting principles generally accepted in Hong Kong have been adopted and the requirements of the Hong Kong Financial Reporting Standards (which also include Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance have been complied with. Appropriate accounting policies have also been applied consistently.

The reporting responsibilities of the Company's external auditors, Messrs. Ernst & Young, are set out in the Independent Auditors' Report on pages 56 and 57.

Internal Control

The Group's internal control system are designed to provide reasonable, but not absolute, assurance against material misstatement or loss and manage rather than eliminate risks of failure in operational systems.

In 2007, the Board, through the Audit Committee and the Internal Audit and Compliance Department, has reviewed the effectiveness of the internal control systems of the Group.

In 2007, the Board also engaged an external professional firm to assist in the evaluation of the corporate governance and compliance structure of the Group and in particular the internal control system. This additional measure was adopted to assist in further strengthening the internal control system and to improve overall corporate governance culture. The evaluation of the corporate governance and compliance structure was completed in early 2008 and a report issued by the external professional firm has been received by the Audit Committee and the Board.

問責性及審核

財務報告

於財務部之協助下，董事確認彼等編製本集團財務報告之責任。於編製截至二零零七年十二月三十一日止年度之財務報告時，已採用香港普遍接納之會計原則，並按照香港會計師公會頒佈之香港財務報告準則(當中包括香港會計準則及詮釋)，以及遵守公司條例之披露規定。並已貫徹地應用適當之會計政策。

本公司外聘核數師安永會計師事務所之匯報責任載於第56及57頁之獨立核數師報告內。

內部監控

本集團之內部監控系統專為提供合理(但非絕對)保證，以防出現重大誤報或損失，及監控(而非消除)對業務系統可能出現失誤之風險。

於二零零七年，董事會已透過審核委員會及內部稽核及法規監核部檢討本集團內部監控系統之效能。

於二零零七年，董事會亦委聘外聘顧問公司，以協助評估本集團的企業管治及法規監核結構，並特別針對內部監控系統。此項額外措施旨在進一步加強內部監控系統，以及改進企業管治文化。企業管治及法規監核結構之評估已於二零零八年初完成，而一份由外聘顧問公司發出的報告已由審核委員會及董事會省覽。

Internal Audit

The Internal Audit and Compliance Department carries out a systematic approach to improve the effectiveness of the internal control systems of the Group. The Head of Internal Audit and Compliance presents his report and findings and the annual audit plan at the Audit Committee meetings for approval. The Head of Internal Audit and Compliance reports to the Chairman and the Audit Committee. Copies of the minutes of the Audit Committee meetings are also sent to the Board for information.

External Auditors' Remuneration

During the year, the remuneration paid/payable to the Company's external auditors, Messrs. Ernst & Young, is set out as follows:

Services rendered for the Group	Fee paid/payable HK\$'000	向本集團提供的服務	已付／應付費用 千港元
Audit services	1,248	核數服務	1,248
Non-audit services (including taxation compliance and advisory service fees, review of interim results, reports on factual findings and evaluation of corporate governance compliance)	623	非核數服務(包括稅務法規監察及諮詢服務費、審閱中期業績、事實調查報告及企業管治法規之評估)	623
Total	1,871	合計	1,871

COMMUNICATION WITH SHAREHOLDERS

The Board recognises the importance of good communication with shareholders. Information in relation to the Group is disseminated to shareholders in a timely manner through a number of formal channels, which include interim and annual reports, announcements and circulars. Such published documents together with the latest corporate information as well as the recent development of the Group are also made available on the Company's website.

內部稽核

內部稽核及法規監核部進行系統性方式以改善本集團內部監控系統之效能。內部稽核及法規監核主管提交其報告及調查結果和年度審核計劃於審核委員會會議上以待批准。內部稽核及法規監核主管向主席及審核委員會匯報。審核委員會的會議記錄亦會送交董事會以供參考。

外聘核數師的酬金

於年內，已支付／應付予本公司外聘核數師安永會計師事務所之酬金載列如下：

與股東溝通

董事會瞭解與股東保持良好溝通之重要性。有關本集團之資料乃按時透過多種正式途徑(包括中期及年度報告、公佈及通函等)向股東傳達。該等公佈文件連同最近期的公司資料，以及本集團之最新發展，均在本公司的網站上可供查閱。

The Company's Annual General Meeting (the "AGM") is a valuable forum for the Board to communicate directly with the shareholders. The Chairman actively participates in the AGM and personally chairs the meeting to answer any questions from the shareholders. The Chairman of the Audit Committee and Remuneration Committee or in his absence, other members of the respective committees, are also available to answer questions at the AGM. A separate resolution is proposed by the Chairman in respect of each issue to be considered at the AGM. An AGM circular is distributed to all shareholders at least 21 days prior to the AGM, setting out details of each proposed resolution, voting procedures (including procedures for demanding and conducting a poll) and other relevant information. The Chairman explains the procedures for demanding and conducting a poll again at the beginning of the AGM, and (except where a poll is demanded) reveals how many proxies for and against have been received in respect of each resolution.

CORPORATE GOVERNANCE ENHANCEMENT

Enhancing corporate governance is not simply a matter of applying and complying with the CG Code of the Stock Exchange but about promoting and developing an ethical and healthy corporate culture. We will continue to review and, where appropriate, improve our current practices on the basis of our experience, regulatory changes and developments. Any views and suggestions from our shareholders to promote and improve our transparency are also welcome.

On behalf of the Board

Arthur George Dew
Chairman

Hong Kong, 28 March 2008

本公司股東週年大會(「股東週年大會」)乃董事會直接與股東聯繫之寶貴機會。主席積極參與並親身主持股東週年大會以回應股東之任何提問。審核委員會及薪酬委員會之主席(或於彼等缺席之情況下,各委員會之其他成員)亦於股東週年大會上回答提問。主席就每項在股東週年大會上審議之議題提呈個別之決議案。股東週年大會通函於股東週年大會舉行至少二十一天前發送予全體股東,該通函載列每項擬提呈決議案之詳情、投票程序(包括要求以股數投票方式進行表決之程序)及其他相關資料。主席於股東週年大會開始時,會再次解釋要求以股數投票方式進行表決之程序,及(除要求以股數投票方式表決外)宣佈就每項決議案已接獲委任代表之贊成及反對之票數。

提升企業管治水平

提升企業管治水平並非只為應用及遵守聯交所之企業管治守則,乃為推動及發展具道德與健全之企業文化。吾等將按經驗、監管變動及發展,不斷檢討及於適當時改善現行常規。本公司亦歡迎股東提供任何意見及建議以促進及改善本公司之透明度。

承董事會命

主席
狄亞法

香港, 二零零八年三月二十八日

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries are set out in note 16 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

An analysis of the business segments of the Group during the year is set out in note 4 to the financial statements.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2007 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 58 to 136.

An interim dividend of HK5.35 cents per ordinary share was paid to shareholders on 3 October 2007. The Directors recommend the payment of a final dividend of HK5.25 cents and a special dividend of HK14.4 cents per ordinary share in respect of the year payable on 18 June 2008 to shareholders on the register of members of the Company on 4 June 2008, making a total dividend for the year 2007 of HK25 cents per ordinary share.

董事會欣然提呈本公司及本集團截至二零零七年十二月三十一日止年度之報告及經審核財務報告。

主要業務

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詳情載於財務報告附註16。年內，本集團之主要業務性質概無重大變動。

本集團於年內之業務分類分析載列於財務報告附註4。

業績及股息

本集團截至二零零七年十二月三十一日止年度之溢利，以及本公司及本集團於該日之財政狀況載列於第58至136頁之財務報告內。

中期股息每股普通股5.35港仙已於二零零七年十月三日向股東派發。董事建議於二零零八年六月十八日派發本年度末期股息每股普通股5.25港仙及特別股息每股普通股14.4港仙予於二零零八年六月四日登記在本公司股東名冊內之股東，二零零七年全年派發股息每股普通股合共25港仙。

SUMMARY OF FINANCIAL INFORMATION

A summary of the results and assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements and reclassified/restated as appropriate, is set out below. This summary does not form part of the audited financial statements.

財政資料概要

下文所載為摘錄自己公佈之經審核財務報告並按需要重新分類／重新呈列之本集團於過去五個財政年度之業績及資產負債之概要。本概要並不構成經審核財務報告之一部份。

		Year ended 31 December 截至十二月三十一日止年度				
		2007	2006	2005	2004	2003
		二零零七年	二零零六年	二零零五年	二零零四年	二零零三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
RESULTS	業績					
REVENUE	收入	947,701	893,698	822,844	788,348	743,522
Profit before tax	除稅前溢利	71,593	78,300	66,440	53,909	33,372
Tax	稅項	(8,360)	(13,151)	(10,300)	(8,891)	(8,933)
PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司股本持有人應佔本年度溢利	63,233	65,149	56,140	45,018	24,439
		31 December 十二月三十一日				
		2007	2006	2005	2004	2003
		二零零七年	二零零六年	二零零五年	二零零四年	二零零三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總額	439,619	365,772	262,335	254,707	222,559
Total liabilities	負債總額	132,207	127,080	112,048	108,823	114,729
Equity attributable to equity holders of the Company	本公司股本持有人應佔權益	307,412	238,692	150,287	145,884	107,830
Total liabilities and equity attributable to equity holders of the Company	負債總額及本公司股本持有人應佔權益	439,619	365,772	262,335	254,707	222,559

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 14 to the financial statements.

CHARITABLE DONATIONS

The total donations made by the Group for charitable purposes during the year amounted to approximately HK\$168,000.

SHARES, WARRANTS AND SHARE OPTIONS

Details of movements in the Company's share capital and warrants during the year, together with the reasons therefor, are set out in note 24 to the financial statements.

There were no outstanding share options throughout the year. A summary of the Company's share incentive plan is set out in note 25 to the financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to the existing shareholders.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities during the year ended 31 December 2007.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 26 to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2007, the Company's reserves available for distribution, calculated in accordance with the Bermuda Companies Act 1981, amounted to HK\$479,636,000, of which HK\$46,951,000 has been proposed as final and special dividends for the year. In addition, the Company's share premium account, in the amount of HK\$103,034,000, may be distributed in the form of fully paid bonus shares.

物業、廠房及設備

本集團物業、廠房及設備於年內之變動詳情載列於財務報告附註14。

慈善捐款

本集團於年內就慈善用途捐出之款項總額約168,000港元。

股份、認股權證及購股權

本公司股本及認股權證於年內之變動詳情及其變動原因載列於財務報告附註24。

年內並無尚未行使之購股權。本公司之股份獎勵計劃之概要載列於財務報告附註25。

優先購股權

本公司之公司細則或百慕達法例並無有關優先購股權之條款，以規定本公司須按比例向現有股東提呈發售新股份。

購買、出售或贖回證券

本公司或其任何附屬公司於截至二零零七年十二月三十一日止年度內概無購買、出售或贖回本公司任何證券。

儲備

本公司及本集團於年內之儲備變動詳情分別載列於財務報告附註26及綜合權益變動表。

可分派儲備

截至二零零七年十二月三十一日，本公司根據百慕達一九八一年公司法計算之可供分派儲備為479,636,000港元，其中46,951,000港元已建議作為本年度末期及特別股息。此外，本公司股份溢價賬103,034,000港元可以繳足股款紅股方式分派。

MAJOR CUSTOMERS AND SUPPLIERS

In 2007, the aggregate purchases attributable to the Group's five largest suppliers accounted for less than 30% of the Group's total purchases for the year. Revenue attributable to the Group's largest customer and the five largest customers in aggregate accounted for 14.5% and 33.4% respectively of the Group's total revenue for the year.

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

DIRECTORS

The Directors of the Company during the year were:

Executive Directors:

Dr. Lincoln Chee Wang Jin (*Chief Executive Officer*)
Mark Wong Tai Chun

Non-Executive Director:

Arthur George Dew (*Chairman*)

Independent Non-Executive Directors:

Francis J. Chang Chu Fai (*Deputy Chairman*)
Li Chak Hung
Carlisle Caldwell Procter

Mr. Arthur George Dew was re-designated from an Executive Director to a Non-Executive Director of the Company with effect from 1 July 2007. Dr. Lincoln Chee Wang Jin was appointed as the Chief Executive Officer of the Company with effect from 1 July 2007.

In accordance with the Company's bye-laws 87(1) and (2), Mr. Francis J. Chang Chu Fai and Mr. Carlisle Caldwell Procter will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' SERVICE CONTRACTS

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

主要客戶及供應商

於二零零七年，本集團首五名最大供應商之採購總額少於本集團全年採購總額之30%。本集團最大客戶及首五名客戶合共之收入分別佔本集團全年收入總額之14.5%及33.4%。

本公司董事或其任何聯繫人士或任何股東（據董事所知，擁有本公司已發行股本逾5%之股東），概無於本集團五大客戶中擁有任何實益權益。

董事

於年內，本公司之董事如下：

執行董事：

徐旺仁醫生 (*行政總裁*)
王大鈞

非執行董事：

狄亞法 (*主席*)

獨立非執行董事：

鄭鑄輝 (*副主席*)
李澤雄
Carlisle Caldwell Procter

自二零零七年七月一日起，狄亞法先生由本公司之執行董事調任為本公司之非執行董事。徐旺仁醫生自二零零七年七月一日起獲委任為本公司之行政總裁。

根據本公司之公司細則第87(1)及(2)條，鄭鑄輝先生及Carlisle Caldwell Procter先生於將召開之股東週年大會上輪值告退，惟彼等符合資格並願意膺選連任。

董事之服務合約

擬於將召開之股東週年大會上膺選連任之董事，概無與本公司訂立不可於一年內毋須補償（法定補償除外）而可予以終止之未到期之服務合約。

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 30 to the financial statements, no Director had a material interest in, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2007, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register (the "Register of Directors' Interests") required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

董事之合約權益

除財務報告附註30所披露者外，年內各董事概無於本公司或其任何附屬公司所訂立對本集團業務而言屬重大之任何合約中直接或間接擁有重大權益。

董事於股份及相關股份之權益及淡倉

於二零零七年十二月三十一日，根據證券及期貨條例(「證券期貨條例」)第352條規定所存放之登記冊(「董事權益登記冊」)，或根據上市發行人董事進行證券交易之標準守則(「標準守則」)而須通知本公司及香港聯合交易所有限公司(「聯交所」)，本公司董事及主要行政人員於本公司或其任何相聯法團(定義見證券期貨條例第XV部)之股份、相關股份或債券擁有之權益或淡倉如下：

Name of Directors 董事姓名	Interests in the Company/ associated corporations 於本公司/ 相聯法團之權益	Nature of interest 權益性質	Number of shares and underlying shares held 所持股份及 相關股份數目	Approximate percentage of the relevant issued share capital as at 31 December 2007 佔二零零七年 十二月三十一日 相關已發行股本 概約百分比	Notes 附註
Dr. Lincoln Chee Wang Jin 徐旺仁醫生	Allied Group Limited (“Allied Group”) 聯合集團有限公司 (「聯合集團」)	Personal 個人	68,000	0.03%	1
	Allied Properties (H.K.) Limited (“Allied Properties”) 聯合地產(香港)有限公司 (「聯合地產」)	Personal 個人	2,960,000	0.05%	2
	Sun Hung Kai & Co. Limited (“SHK”) 新鴻基有限公司(「新鴻基」)	Personal 個人	258,000	0.02%	3
Mark Wong Tai Chun 王大鈞	Company 本公司	Personal 個人	119,202	0.05%	4

Notes:

1. This represents an interest in 68,000 shares of Allied Group, the ultimate holding company of the Company.
2. This represents an interest in 2,960,000 shares of Allied Properties, the holding company of SHK.
3. This represents an interest in 200,000 shares of SHK and 58,000 underlying shares attached to the physically-settled listed warrants of SHK, the holding company of the Company.
4. This represents an interest in 119,202 shares of the Company.
5. All interests stated above represented long positions. As at 31 December 2007, no short positions were recorded in the Register of Directors' Interests.

Save as disclosed above, as at 31 December 2007, neither the Directors nor the chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the Register of Directors' Interests or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

During the year and as at 31 December 2007, none of the Directors of the Company had any personal interests in the options to subscribe for shares in the Company's ultimate holding company, Allied Group, granted under the share option scheme of the said company.

At no time during the year was the Company or any of its subsidiary companies a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate with the exception of granting of share options to subscribe for shares in the Company under its share incentive plan as set out in note 25 to the financial statements.

附註：

1. 該權益指於聯合集團(本公司之最終控股公司) 68,000 股股份之權益。
2. 該權益指於聯合地產(新鴻基之控股公司) 2,960,000 股股份之權益。
3. 該權益指於新鴻基(本公司之控股公司) 200,000 股股份及實物交收上市認股權證所附之 58,000 股新鴻基相關股份之權益。
4. 該權益指於本公司 119,202 股股份之權益。
5. 上述所有權益均為長倉。於二零零七年十二月三十一日，根據董事權益登記冊所載，並無淡倉記錄。

除上文所披露者外，於二零零七年十二月三十一日，本公司各董事及主要行政人員概無於本公司或其任何相聯法團(定義見證券期貨條例第XV部)之任何股份、相關股份或債券中擁有須記錄於董事權益登記冊內，或根據標準守則須另行知會本公司及聯交所之任何權益或淡倉。

董事認購股份或債券之權利

於本年度內及截至二零零七年十二月三十一日，概無本公司之董事於本公司之最終控股公司聯合集團的購股權計劃所授出的購股權中擁有任何個人權益。

本公司或其任何附屬公司於本年度內並無參與任何安排，使本公司之董事可藉收購本公司或任何其他公司組織之股份或債券而得益，惟根據股份獎勵計劃授予購股權以認購本公司之股份(載列於財務報告附註25)除外。

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2007, shareholders (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which were recorded in the register (the "Register of Substantial Shareholders' Interests") required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

主要股東於股份及相關股份之權益及淡倉

於二零零七年十二月三十一日，根據本公司按照證券期貨條例第336條規定所存放之登記冊（「主要股東權益登記冊」）之記錄，持有本公司股份或相關股份中擁有權益或淡倉之股東（本公司董事或主要行政人員除外）如下：

Name of substantial shareholders 主要股東名稱	Nature of interest 權益性質	Number of shares held 所持股份數目	Approximate percentage of the issued share capital as at 31 December 2007 佔二零零七年十二月三十一日已發行股本概約百分比	Notes 附註
SHK 新鴻基	Interest of controlled corporation 受控制法團之權益	122,213,776	51.15%	1
Allied Properties 聯合地產	Interest of controlled corporation 受控制法團之權益	122,213,776	51.15%	2
Allied Group 聯合集團	Interest of controlled corporation 受控制法團之權益	122,213,776	51.15%	3
Lee and Lee Trust ("LL Trust")	Interest of controlled corporation 受控制法團之權益	122,213,776	51.15%	4

Notes:

1. This represents an interest in 122,213,776 shares of the Company held by Wah Cheong Development (B.V.I.) Limited ("Wah Cheong"), a wholly-owned subsidiary of SHK. SHK was therefore deemed, by virtue of the SFO, to have an interest in the shares in which Wah Cheong was interested.
2. Allied Properties, through its direct and indirect wholly-owned subsidiaries, AP Jade Limited and AP Emerald Limited, owned approximately 58.29% interest in the issued share capital of SHK and was therefore deemed, by virtue of the SFO, to have an interest in the shares in which SHK was interested.
3. Allied Group owned approximately 73.85% interest in the issued share capital of Allied Properties and was therefore deemed, by virtue of the SFO, to have an interest in the shares in which Allied Properties was interested.
4. Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of LL Trust, being a discretionary trust. They together owned approximately 42.60% interest in the issued share capital of Allied Group and were therefore deemed, by virtue of the SFO, to have an interest in the shares in which Allied Group was interested.
5. All interests stated above represented long positions. As at 31 December 2007, no short positions were recorded in the Register of Substantial Shareholders' Interests.

Save as disclosed above, as at 31 December 2007, so far as was known to the Directors, no other person had interests or short positions in the shares and underlying shares of the Company which are required to be recorded in the Register of Substantial Shareholders' Interests.

附註：

1. 該權益指 Wah Cheong Development (B.V.I.) Limited (「Wah Cheong」) (新鴻基之全資附屬公司) 所持 122,213,776 股本公司股份之權益。根據證券期貨條例，新鴻基因此被視為擁有該等由 Wah Cheong 擁有之股份之權益。
2. 聯合地產透過其直接及間接全資附屬公司 AP Jade Limited 及 AP Emerald Limited 於新鴻基已發行股本中擁有約 58.29% 權益，因此根據證券期貨條例被視為擁有該等由新鴻基擁有之股份之權益。
3. 聯合集團於聯合地產已發行股本中擁有約 73.85% 權益，因此根據證券期貨條例被視為擁有該等由聯合地產擁有之股份之權益。
4. 李成輝先生、李淑慧女士及李成煌先生為 LL Trust 之信託人，該信託乃一項全權信託。彼等於聯合集團已發行股本中合共擁有約 42.60% 權益，因此根據證券期貨條例被視為擁有該等由聯合集團擁有之股份之權益。
5. 上述所有權益均為長倉。於二零零七年十二月三十一日，根據主要股東權益登記冊所載，並無淡倉記錄。

除上文所披露者外，於二零零七年十二月三十一日，據董事所知，概無其他人士於本公司之股份或相關股份中擁有須記錄於主要股東權益登記冊內之權益或淡倉。

CONTINUING CONNECTED TRANSACTIONS

As disclosed in the announcement of the Company dated 7 February 2007, the Company entered into the following three agreements (the “Agreements”) with certain subsidiaries of SHK, a controlling shareholder and a connected person of the Company as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), all on 7 February 2007:

(1) Insurance Brokerage Services Agreement

An Insurance Brokerage Services Agreement was entered with Sun Hung Kai Insurance Consultants Limited (“SHK Insurance”), an indirect wholly-owned subsidiary of SHK, pursuant to which, SHK Insurance would agree to provide packaged insurance brokerage services to the Group for a term of eleven months commencing from 1 February 2007. SHK Insurance would assist the Group in procuring insurance policies to be taken out with third party insurers. The provision of such services by SHK Insurance would be on SHK Insurance’s usual terms for provision of the same services to an independent third party and the premium for any insurance policy procured would be the prevailing premium charged by SHK Insurance to an independent third party when dealing on an arm’s length basis having regard to any other special circumstances such as arm’s length negotiated volume discounts. The aggregate amount payable by the Group under this agreement for the eleven-month period ended 31 December 2007 should not exceed the annual cap of HK\$5,000,000. The total amount of insurance premium paid to SHK Insurance for the term of the agreement was approximately HK\$3,000,000.

持續關連交易

誠如本公司於二零零七年二月七日之公佈所披露，本公司於二零零七年二月七日與新鴻基（為本公司控股股東及關連人士）（定義見香港聯合交易所有限公司證券上市規則（「上市規則」））之若干附屬公司訂立以下三項協議（「該等協議」）：

(1) 保險經紀服務協議

與新鴻基保險顧問有限公司（「新鴻基保險」）（新鴻基之間接全資附屬公司）訂立保險經紀服務協議，據此，新鴻基保險同意向本集團提供保險經紀服務，由二零零七年二月一日起，為期十一個月。新鴻基保險將協助本集團獲得由第三方承保人提供之保單。新鴻基保險提供該等服務之條款，將會為新鴻基保險向獨立第三方提供相同服務時所採用之慣用條款，而就任何保單所收取之保費，則將會為新鴻基保險經公平磋商，並計及任何特殊情況（如公平磋商下之總額折扣）後收取獨立第三方之現行保費。本集團根據此項協議於截至二零零七年十二月三十一日止十一個月期間內應付之總金額將不超過每年上限金額5,000,000港元。協議期內，向新鴻基保險支付之保費總額約為3,000,000港元。

(2) Corporate Secretarial Services Agreement

A Corporate Secretarial Services Agreement was entered with Wineur Secretaries Limited (“Wineur Secretaries”), an indirect wholly-owned subsidiary of SHK, pursuant to which, Wineur Secretaries would agree to provide the companies in the Group with the services of a company secretary and with the corporate secretarial services for a term of eleven months commencing from 1 February 2007. The services provided by Wineur Secretaries was classified into two types, namely, routine services and non-routine services. The retainer fee for the routine services was HK\$1,050,000 and the service fee for the provision of non-routine services would be agreed on an arm’s length basis separately for each task having regard to the work involved. The aggregate amount payable by the Group under this agreement for the eleven-month period ended 31 December 2007 should not exceed the annual cap of HK\$1,800,000. The total amount paid to Wineur Secretaries, for both routine and non-routine services together with related disbursements, for the term of the agreement was approximately HK\$1,229,000.

(3) Internal Audit and Compliance Consultancy Services Agreement

An Internal Audit and Compliance Consultancy Services Agreement was entered with SHK Consultancy Services Limited (“SHKCS”), an indirect wholly-owned subsidiary of SHK, pursuant to which SHKCS would agree to provide the companies in the Group with internal audit and compliance consultancy services for a term of eleven months commencing from 1 February 2007. The fee for the services provided by SHKCS, charged on a time-cost basis, was estimated to be around HK\$150,000. Furthermore, the fee for any requested audit and compliance work would be pre-estimated and agreed separately on an arm’s length basis in view of the work involved. The aggregate amount payable by the Group under this agreement for the eleven-month period ended 31 December 2007 should not exceed the annual cap of HK\$150,000. The total amount of the internal audit and compliance consultancy fee paid to SHKCS for the term of the agreement was nil.

(2) 公司秘書服務協議

與偉略秘書有限公司(「偉略秘書」)(新鴻基之間接全資附屬公司)訂立公司秘書服務協議，據此，偉略秘書同意向本集團旗下各公司提供一名公司秘書連同有關之秘書服務，由二零零七年二月一日起，為期十一個月。偉略秘書所提供之服務可分為兩類，分別為常規服務及非常規服務。常規服務之聘用費為1,050,000港元，而非常規服務之服務收費，則會考慮個別服務所需之工作，按公平磋商基準協定。本集團根據此項協議於截至二零零七年十二月三十一日止十一個月期間內應付之總金額將不超過每年上限金額1,800,000港元。協議期內，就常規及非常規服務以及相關代支費向偉略秘書支付之總金額約為1,229,000港元。

(3) 內部稽核及法規監核顧問服務協議

與SHK Consultancy Services Limited (「SHKCS」)(新鴻基之間接全資附屬公司)訂立內部稽核及法規監核顧問服務協議，據此，SHKCS同意向本集團旗下各公司提供內部稽核及法規監核顧問服務，由二零零七年二月一日起，為期十一個月。SHKCS所提供之服務將會按工時收費，估計收費約為150,000港元。此外，任何應要求而進行之稽核及法規監核工作之費用均會考慮個別服務所涉及之工作，按公平磋商基準事前估計及協定。本集團根據此項協議於截至二零零七年十二月三十一日止十一個月期間內應付之總金額將不超過每年上限金額150,000港元。協議期內，並無向SHKCS支付內部稽核及法規監核顧問費。

The transactions contemplated under the Agreements constitute continuing connected transactions of the Company (the “Continuing Connected Transactions”) under Rule 14A.14 of the Listing Rules. Details of the Continuing Connected Transactions were published in the Company’s announcement dated 7 February 2007 and are included in this Annual Report in accordance with the requirements of Rules 14A.45 and 14A.46 of the Listing Rules.

Pursuant to Rule 14A.37 of the Listing Rules, the Independent Non-Executive Directors of the Company, being Messrs. Francis J. Chang Chu Fai, Li Chak Hung and Carlisle Caldwell Procter, have reviewed the Continuing Connected Transactions and confirmed that the Continuing Connected Transactions were entered into:

- (i) in the ordinary and usual course of business of the Company;
- (ii) on normal commercial terms; and
- (iii) in accordance with the relevant Agreements governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

In the opinion of the Board of Directors, the Continuing Connected Transactions have been entered into in the manners stated above.

Pursuant to Rule 14A.38 of the Listing Rules, the Board of Directors has also received a letter from the Company’s auditors confirming that the Continuing Connected Transactions:

- (i) have received the approval of the Company’s Board of Directors;
- (ii) had been entered into in accordance with the relevant Agreements; and
- (iii) the aggregate amount of the fees paid or payable by the Group under the Agreements have not exceeded the relevant annual caps as disclosed in the Company’s announcement dated 7 February 2007.

根據該等協議進行的交易按上市規則第14A.14條，構成本公司持續關連交易（「該等持續關連交易」）。該等持續關連交易之詳情已刊載於二零零七年二月七日刊發之本公司公佈內，並按照上市規則第14A.45條及第14A.46條載列於本年報內。

根據上市規則第14A.37條，本公司獨立非執行董事鄭鑄輝先生、李澤雄先生及Carlisle Caldwell Procter先生已審閱該等持續關連交易，並確認該等持續關連交易乃符合下列各項條件而訂立：

- (i) 屬本公司之日常及一般業務；
- (ii) 按一般商業條款；及
- (iii) 根據該等協議相關之條款進行，而交易條款乃屬公平合理，且符合本公司股東之整體利益。

董事會認為，該等持續關連交易已按上文訂明方式訂立。

根據上市規則第14A.38條，董事會亦接獲本公司核數師之函件，確認該等持續關連交易：

- (i) 已獲得本公司之董事會批准；
- (ii) 乃根據相關之該等協議進行；及
- (iii) 本集團根據該等協議已付或應付的費用總金額並未超過本公司於二零零七年二月七日作出之公佈所披露之相關每年上限金額。

The Continuing Connected Transactions also constitute related party transactions of the Group during the year which are detailed in note 30 to the financial statements pursuant to the requirements under the Hong Kong Accounting Standard 24 and falls under the definition of “continuing connected transaction” in Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements, where appropriate, in accordance with Chapter 14A of the Listing Rules.

Subsequent to the balance sheet date, on 31 January 2008, the Company entered into two new agreements (the “New Agreements”) with SHK Insurance and Wineur Secretaries respectively for a term of one year commencing from 1 January 2008. The annual caps for the transactions under the New Agreements were set at HK\$5,800,000 and HK\$1,300,000 respectively. The Directors (including the Independent Non-Executive Directors) are of the view that the New Agreements were entered into, after arm’s length negotiations, on normal commercial terms and that the terms of the New Agreements are fair and reasonable so far as the shareholders of the Company and the Company as a whole are concerned. Further details of the New Agreements have been published in the announcement of the Company dated 31 January 2008.

On 31 January 2008, the Company also entered into a sharing of management services agreement (the “Management Services Agreement”) with Allied Group, the ultimate holding company and a connected person of the Company as defined under the Listing Rules, for a term of three years commencing from 1 January 2008. The annual caps for the transactions under the Management Services Agreement were set at HK\$1,440,000, HK\$1,584,000 and HK\$1,740,000 for each of the three financial years ending 31 December 2010 respectively. Further details of the Management Services Agreement have been published in the announcement of the Company dated 1 February 2008.

根據香港會計準則第24條之規定，該等持續關連交易亦構成本集團於年內之有關連人士交易，其詳情載列於財務報告附註30，及符合上市規則第14A章「持續關連交易」之定義。本公司已遵照上市規則第14A章之披露規定（如適用）。

於結算日後，本公司於二零零八年一月三十一日，分別與新鴻基保險及偉略秘書訂立兩份新協議（「該等新協議」），由二零零八年一月一日起，為期一年。該等新協議項下之每年交易上限金額分別為5,800,000港元及1,300,000港元。董事（包括獨立非執行董事）認為該等新協議乃經公平磋商後按照一般商業條款而簽訂，該等新協議之條款就本公司股東及本公司整體而言屬公平合理。該等新協議之進一步詳情已刊載於二零零八年一月三十一日刊發之本公司公佈內。

本公司於二零零八年一月三十一日與聯合集團（為本公司之最終控股公司及根據上市規則定義為本公司之關連人士）訂立管理服務分攤協議（「該管理服務協議」），由二零零八年一月一日起，為期三年。於截至二零一零年十二月三十一日止三個財政年度，該管理服務協議項下之各年年度上限分別為1,440,000港元、1,584,000港元及1,740,000港元。該管理服務協議之進一步詳情已刊載於二零零八年二月一日刊發之本公司公佈內。

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the "Corporate Governance Report" on pages 29 to 42.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is available to the Company and within the knowledge of its Directors as at the date of this report, the Company has maintained sufficient public float as required under the Listing Rules.

AUDITORS

Ernst & Young retire and a resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Dr. Lincoln Chee Wang Jin

Chief Executive Officer & Executive Director

Hong Kong, 28 March 2008

企業管治

本公司致力維持高水平之企業管治常規。有關本公司所採納之企業管治常規之資料，載列於第29至42頁之「企業管治報告」內。

足夠公眾持股量

於本報告日期，按本公司可獲得之資料所示及據董事所知，本公司已按上市規則要求下維持足夠公眾持股量。

核數師

安永會計師事務所將任滿告退，而有關續聘其為本公司核數師之決議案將於應屆股東週年大會上提呈。

承董事會命

行政總裁及執行董事

徐旺仁醫生

香港，二零零八年三月二十八日



To the shareholders of Quality HealthCare Asia Limited
(Incorporated in Bermuda with limited liability)

We have audited the financial statements of Quality HealthCare Asia Limited set out on pages 58 to 136, which comprise the consolidated and company balance sheets as at 31 December 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, 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.

致 Quality HealthCare Asia Limited
(於百慕達註冊成立之有限公司)
列位股東

本核數師已完成審核刊載於第58頁至第136頁之卓健亞洲有限公司財務報告，包括於二零零七年十二月三十一日之綜合及公司資產負債表，及截至該日止年度之綜合收益表、綜合權益變動表及綜合現金流動報表，以及主要會計政策及其他說明附註之概要。

董事對財務報告之責任

貴公司董事須負責按照香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製真實與公平之財務報告。此責任包括設計、實施及維持與編製及真實與公平地呈列財務報告相關之內部監控，以使財務報告不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當之會計政策；及按情況作出合理之會計估計。

核數師之責任

本核數師之責任是按照百慕達一九八一年公司法第90條之規定，根據本核數師的審核，對該等財務報告作出意見並僅向全體股東報告，除此之外本報告別無其他目的。本核數師不會就本報告之內容向任何其他人士負上或承擔任何責任。

本核數師已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求本核數師遵守職業道德規範，並規劃及執行審核，以合理確定此等財務報告是否不存有任何重大錯誤陳述。

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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 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.

Ernst & Young

Certified Public Accountants
18th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong

28 March 2008

審核涉及執行程序以獲取有關財務報告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之判斷，包括評估由於欺詐或錯誤而導致財務報告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與公平地呈列財務報告相關之內部監控，以設計適合當時情況之審核程序，但並非為對公司的內部監控之有效性發表意見。審核亦包括評價董事所採用的會計政策之合適性及所作出的會計估計之合理性，以及評價財務報告的整體呈列方式。

本核數師相信所獲得的審核憑證充足及適當地為本核數師之審核意見提供基礎。

意見

本核數師認為，該等財務報告已按照香港財務報告準則真實與公平地反映 貴公司及 貴集團於二零零七年十二月三十一日之財務狀況，及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露要求而適當編製。

安永會計師事務所

執業會計師
香港
中環
金融街八號
國際金融中心二期
十八樓

二零零八年三月二十八日

Consolidated Income Statement

綜合收益表

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

		Notes 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
REVENUE	收入	5	947,701	893,698
Other income and gains	其他收入及收益		22,281	15,163
Changes in inventories of finished goods and dispensary supplies consumed	製成品存貨之變動及 已耗用之藥物		(44,928)	(37,463)
Employee benefits expense	僱員福利開支		(336,413)	(319,500)
Depreciation	折舊		(16,161)	(15,228)
Other expenses, net	其他開支淨額		(501,382)	(458,810)
Finance cost	融資費用	7	(1)	(1)
Share of profits and losses of:	應佔溢利及虧損：			
A jointly-controlled entity	一間共同控制企業		42	(10)
An associate	一間聯營公司		454	451
PROFIT BEFORE TAX	除稅前溢利	6	71,593	78,300
Tax	稅項	10	(8,360)	(13,151)
PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司股本持有人 應佔本年度溢利	11	63,233	65,149
DIVIDENDS	股息	12		
Interim	中期		12,783	6,624
Proposed final	擬派末期		12,544	19,474
Proposed special	擬派特別		34,407	32,495
			59,734	58,593
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通股本 持有人應佔每股盈利	13		
Basic	基本		26.6 cents 港仙	32.8 cents 港仙
Diluted	攤薄		26.5 cents 港仙	31.3 cents 港仙

Consolidated Balance Sheet 綜合資產負債表

31 December 2007 二零零七年十二月三十一日

			2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
	Notes 附註			
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	14	物業、廠房及設備	42,437	38,199
Goodwill	15	商譽	1,358	1,358
Interest in a jointly-controlled entity	17	於一間共同控制企業之權益	352	467
Interest in an associate	18	於一間聯營公司之權益	-	2,506
Deposits for purchases of items of property, plant and equipment		購入物業、廠房及設備項目之按金	597	-
Total non-current assets		非流動資產總值	44,744	42,530
CURRENT ASSETS		流動資產		
Inventories	19	存貨	11,341	9,684
Accounts receivable	20	應收賬項	114,948	108,731
Prepayments, deposits and other receivables		預付款項、按金及其他應收款項	28,523	27,544
Cash and bank balances		現金及銀行結餘	240,063	177,283
Total current assets		流動資產總值	394,875	323,242
CURRENT LIABILITIES		流動負債		
Accounts payable, other payables, accruals and deposits received	21	應付賬項、其他應付款項、應計款項及已收按金	126,605	117,544
Deferred revenue		遞延收入	3,978	3,607
Hire purchase contract payable	22	應付租購合約	5	5
Tax payable		應繳稅項	483	4,547
Total current liabilities		流動負債總額	131,071	125,703
NET CURRENT ASSETS		流動資產淨值	263,804	197,539
TOTAL ASSETS LESS CURRENT LIABILITIES		總資產減流動負債	308,548	240,069
NON-CURRENT LIABILITIES		非流動負債		
Hire purchase contract payable	22	應付租購合約	3	8
Deferred tax liabilities	23	遞延稅項負債	1,133	1,369
Total non-current liabilities		非流動負債總額	1,136	1,377
Net assets		資產淨值	307,412	238,692
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		本公司股本持有人應佔權益		
Issued capital	24	已發行股本	23,893	21,038
Reserves	26(a)	儲備	236,568	165,685
Proposed final and special dividends	12	擬派末期及特別股息	46,951	51,969
Total equity		權益總計	307,412	238,692

Dr. Lincoln Chee Wang Jin
徐旺仁醫生
Director
董事

Mark Wong Tai Chun
王大鈞
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Notes	Issued capital 已發行股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Proposed final and special dividends 擬派末期及特別股息 HK\$'000 千港元	Total equity 權益總計 HK\$'000 千港元
At 1 January 2006	於二零零六年一月一日		19,533	914	123,492	6,348	150,287
Final 2005 dividend declared	宣派二零零五年末期股息		-	-	-	(6,361)	(6,361)
Adjustment for final 2005 dividend	二零零五年末期股息調整		-	-	(13)	13	-
Issue of shares upon exercise of share options	因行使購股權發行股份	24(ii)	81	1,106	-	-	1,187
Issue of shares upon exercise of warrants	因行使認股權證發行股份	24(iii)	1,424	33,630	-	-	35,054
Profit for the year	本年度溢利		-	-	65,149	-	65,149
Interim 2006 dividend	二零零六年中期股息	12	-	-	(6,624)	-	(6,624)
Proposed final and special 2006 dividends	擬派二零零六年末期及特別股息	12	-	-	(51,969)	51,969	-
At 31 December 2006 and at 1 January 2007	於二零零六年十二月三十一日及二零零七年一月一日		21,038	35,650	130,035	51,969	238,692
Final and special 2006 dividends declared	宣派二零零六年末期及特別股息		-	-	-	(51,969)	(51,969)
Issue of shares upon exercise of warrants	因行使認股權證發行股份	24(i)	2,855	67,384	-	-	70,239
Profit for the year	本年度溢利		-	-	63,233	-	63,233
Interim 2007 dividend	二零零七年中期股息	12	-	-	(12,783)	-	(12,783)
Proposed final and special 2007 dividends	擬派二零零七年末期及特別股息	12	-	-	(46,951)	46,951	-
At 31 December 2007	於二零零七年十二月三十一日		23,893	103,034*	133,534*	46,951	307,412

* These reserve accounts comprise the consolidated reserves of HK\$236,568,000 (2006: HK\$165,685,000) in the consolidated balance sheet.

* 此等儲備賬項包括綜合資產負債表內之綜合儲備236,568,000港元(二零零六年: 165,685,000港元)。

Consolidated Cash Flow Statement

綜合現金流動報表

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

	Notes 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動之現金流量		
Profit before tax	除稅前溢利	71,593	78,300
Adjustments for:	經調整：		
Finance cost	融資成本	1	1
Share of profits and losses of a jointly-controlled entity and an associate	應佔共同控制企業及聯營公司之溢利及虧損	(496)	(441)
Bank interest income	銀行利息收入	(8,782)	(4,429)
Gain on disposal of an associate	出售一間聯營公司之收益	(2,460)	-
Dividend income from unlisted investments	來自非上市投資之股息收入	-	(630)
Depreciation	折舊	16,161	15,228
Impairment of goodwill	商譽減值	-	2,169
Impairment of accounts receivable	應收賬項減值	1,120	1,776
Loss/(gain) on disposal/write-off of items of property, plant and equipment	出售/撤銷物業、廠房及設備之虧損/(收益)	(333)	305
		76,804	92,279
Increase in an amount due to a jointly-controlled entity	應付一間共同控制企業款項增加	157	10
Increase in inventories	存貨增加	(1,657)	(1,803)
Increase in accounts receivable	應收賬項增加	(7,337)	(27,237)
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加	(979)	(5,796)
Increase in accounts payable, other payables, accruals and deposits received	應付賬項、其他應付款項、應計款項及已收按金增加	9,061	15,771
Increase/(decrease) in deferred revenue	遞延收入增加/(減少)	371	(135)
		76,420	73,089
Cash generated from operations	經營業務所得現金	(1)	(1)
Interest paid	已繳利息	(12,660)	(13,750)
Hong Kong profits tax paid	已繳納香港利得稅		
Net cash inflow from operating activities	經營活動所得現金流入淨額	63,759	59,338
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量		
Purchases of items of property, plant and equipment	購買物業、廠房及設備	(21,570)	(27,563)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備所得款項	1,504	-
Proceeds from disposal of an associate	出售一間聯營公司所得款項	5,300	-
Deposits paid for purchases of property, plant and equipment	購買物業、廠房及設備已付按金	(597)	-
Repayment from an associate	聯營公司還款	120	226
Repayment from a jointly-controlled entity	共同控制企業還款	-	332
Dividend received from unlisted investments	來自非上市投資之已收股息	-	630
Interest received	已收利息	8,782	4,429
Net cash outflow from investing activities	投資活動現金流出淨額	(6,461)	(21,946)

Consolidated Cash Flow Statement

綜合現金流動報表

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

		Note 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量			
Issue of shares upon exercise of share options	因行使購股權發行股份		-	1,187
Issue of shares upon exercise of warrants	因行使認股權證發行股份	24(i)	70,239	35,054
Capital element of a hire purchase contract payable	應付租購合約之資本部份		(5)	(5)
Dividends paid	已付股息		(64,752)	(12,985)
Net cash inflow from financing activities	融資活動之現金流入淨額		5,482	23,251
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及等同現金資產 之淨增加		62,780	60,643
Cash and cash equivalents at beginning of year	年初之現金及等同 現金資產		177,283	116,640
CASH AND CASH EQUIVALENTS AT END OF YEAR	年底之現金及等同 現金資產		240,063	177,283
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及等同現金資產 結餘分析			
Cash and bank balances	現金及銀行結存		240,063	177,283

Balance Sheet

資產負債表

31 December 2007 二零零七年十二月三十一日

		Notes 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Interests in subsidiaries	於附屬公司之權益	16	497,525	531,132
CURRENT ASSETS	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		550	493
Cash and bank balances	現金及銀行結存		120,180	57,070
Total current assets	流動資產總額		120,730	57,563
CURRENT LIABILITIES	流動負債			
Other payables and accruals	其他應付款項及應計款項		10,269	9,758
Tax payable	應繳稅項		1,423	541
Total current liabilities	流動負債總額		11,692	10,299
NET CURRENT ASSETS	流動資產淨值		109,038	47,264
Net assets	資產淨值		606,563	578,396
EQUITY	權益			
Issued capital	已發行股本	24	23,893	21,038
Reserves	儲備	26(b)	535,719	505,389
Proposed final and special dividends	擬派末期及特別股息	12	46,951	51,969
Total equity	權益總計		606,563	578,396

Dr. Lincoln Chee Wang Jin

徐旺仁醫生
Director
董事

Mark Wong Tai Chun

王大鈞
Director
董事

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

1. CORPORATE INFORMATION

Quality HealthCare Asia Limited is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

During the year, the Group was involved in the following principal activities:

- provision of medical services
- provision of nursing agency, physiotherapy, dental and other services
- provision of elderly care services

In the opinion of the directors, the immediate holding company of the Company is Wah Cheong Development (B.V.I.) Limited, which is incorporated in the British Virgin Islands, and the ultimate holding company of the Company is Allied Group Limited ("AGL"), which is incorporated in Hong Kong.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2007. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

1. 集團資料

卓健亞洲有限公司為一間於百慕達註冊成立的有限公司。本公司註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

年內，本集團從事下列主要業務：

- 提供醫療服務
- 提供護理介紹所、物理治療、牙科及其他服務
- 提供護老服務

董事認為，本公司之直接控股公司為於英屬處女群島註冊成立之Wah Cheong Development (B.V.I.) Limited，而本公司之最終控股公司為於香港註冊成立之聯合集團有限公司（「聯合集團」）。

2.1 編製基準

該等財務報告乃根據由香港會計師公會所頒佈之香港財務報告準則（當中包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港普遍接納之會計原則及香港公司條例之披露規定而編製。該等財務報告乃根據歷史成本計價編製，並以港元呈列，除另有註明外，所有價值均四捨五入至最接近千位數。

綜合基準

綜合財務報告將本公司及旗下所有附屬公司（統稱「本集團」）於截至二零零七年十二月三十一日止年度之財務報告均包括在內。附屬公司之業績由收購日（即本集團取得控制權之日期）起至該項控制權終止之日綜合計算。集團內各公司間之重大交易及結餘已於綜合賬目中對銷。

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new and revised standards and interpretations has had no material effect on these financial statements.

HKFRS 7	Financial Instruments: Disclosures
HKAS 1 Amendment	Capital Disclosures
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment

The principal effects of adopting these new and revised HKFRSs are as follows:

(a) HKFRS 7 Financial Instruments: Disclosures

This standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments. The new disclosures are included throughout the financial statements. While there has been no effect on the financial position or results of operations of the Group, comparative information has been included/ revised where appropriate.

(b) Amendment to HKAS 1 Presentation of Financial Statements – Capital disclosures

This amendment requires the Group to make disclosures that enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital. These new disclosures are shown in note 32 to the financial statements.

2.2 新訂及經修訂香港財務報告準則的影響

本集團已於本年度之財務報告首次採納以下新訂及經修訂香港財務報告準則。除若干情況因應新訂及經修訂會計政策而作出額外披露外，採納該等新訂及經修訂準則及詮釋對財務報告並無構成重大影響。

香港財務報告準則第7號	金融工具：披露
香港會計準則第1號(修訂本)	資本披露
香港(國際財務報告詮釋委員會)－詮釋第8號	香港財務報告準則第2號之範圍
香港(國際財務報告詮釋委員會)－詮釋第9號	重新評估嵌入式衍生工具
香港(國際財務報告詮釋委員會)－詮釋第10號	中期財務報告及減值

採用這些新頒佈和經修訂的香港財務報告準則之主要影響為：

(a) 香港財務報告準則第7號 金融工具：披露

本準則要求本集團提供相關披露，以便令報表使用者能夠評價有關金融工具對本集團財務報表之重要性，及金融工具產生之風險性質和範圍。該等披露已包含於這些財務報表中。該準則對本集團之財務狀況及經營業績並無影響，若干比較數字已重新載列／更新。

(b) 香港會計準則第1號(修訂本) 財務報表之呈報－資本披露

本修訂要求本集團提供相關披露，以便令報表使用者能夠評價本集團資本管理之目的、政策及程序。此等新披露載於財務報告附註32。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

(c) HK(IFRIC)-Int 8 Scope of HKFRS 2

This interpretation requires HKFRS 2 to be applied to any arrangement in which the Group cannot identify specifically some or all of the goods or services received, for which equity instruments are granted or liabilities (based on a value of the Group's equity instruments) are incurred by the Group for a consideration, and which appears to be less than the fair value of the equity instruments granted or liabilities incurred. As the Company has only issued equity instruments to the Group's employees in accordance with the Company's share option scheme, the interpretation has had no effect on these financial statements.

(d) HK(IFRIC)-Int 9 Reassessment of Embedded Derivatives

This interpretation requires that the date to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative is the date that the Group first becomes a party to the contract, with reassessment only if there is a change to the contract that significantly modifies the cash flows. As the Group has no embedded derivative requiring separation from the host contract, the interpretation has had no effect on these financial statements.

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

The Group has adopted this interpretation as of 1 January 2007, which requires that an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument classified as available-for-sale or a financial asset carried at cost is not subsequently reversed. As the Group had no impairment losses previously reversed in respect of such assets, the interpretation has had no impact on the financial position or results of operations of the Group.

2.2 新訂及經修訂香港財務報告準則的影響 (續)

(c) 香港(國際財務報告詮釋委員會)－詮釋第8號 香港財務報告準則第2號之範圍

此詮釋規定，在本集團以授出權益工具或引致負債(以本集團於權益工具之價值為基準)作代價收取貨物或服務的安排上，無法確定部份或全部已收取的貨物或服務，是否有可能少於所授予權益工具或所引致負債之公平值，則須應用香港財務報告準則第2號。由於本公司只根據本公司購股權計劃向本集團僱員發出權益工具，故有關詮釋對此等財務報告並無影響。

(d) 香港(國際財務報告詮釋委員會)－詮釋第9號 重新評估嵌入式衍生工具

此詮釋規定，釐定嵌入式衍生工具是否需要自主合約分離及視為衍生工具之評估日期，為集團首次訂立合同的日期。並只有在合同有所修改並嚴重影響現金流量時，方需要進行重估。由於本集團並無嵌入式衍生工具需要自主合約分離，故有關詮釋對此等財務報告並無影響。

(e) 香港(國際財務報告詮釋委員會)－詮釋第10號 中期財務報告及減值

本集團於二零零七年一月一日開始採用該詮釋。該詮釋要求如果於以往年中曾為可供出售的權益工具的投資或以成本計量的金融資產的投資，確認了一項商譽減值損失，則該減值損失其後不得撥回。由於本集團過往未有撥回該等資產的減值損失，該詮釋對本集團之財務狀況及經營業績無影響。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 8	Operating Segments ¹
HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ⁵
HKFRS 2 Amendments	Share-based Payment – Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combinations ⁵
HK(IFRIC)-Int 11	HKFRS 2 – Group and Treasury Share Transactions ²
HK(IFRIC)-Int 12	Service Concession Arrangements ⁴
HK(IFRIC)-Int 13	Customer Loyalty Programmes ³
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ⁴

- ¹ Effective for annual periods beginning on or after 1 January 2009
- ² Effective for annual periods beginning on or after 1 March 2007
- ³ Effective for annual periods beginning on or after 1 July 2008
- ⁴ Effective for annual periods beginning on or after 1 January 2008
- ⁵ Effective for annual periods beginning on or after 1 July 2009

HKFRS 8, which will replace HKAS 14 *Segment Reporting*, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group expects to adopt HKFRS 8 from 1 January 2009.

2.3 已頒佈但尚未生效的香港財務報告準則的影響

本集團並無於財務報告應用以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第8號	業務分部 ¹
香港會計準則第1號(經修訂)	財務報表的呈列 ¹
香港會計準則第23號(經修訂)	借貸成本 ¹
香港會計準則第27號(經修訂)	綜合及獨立財務報表 ⁵
香港財務報告準則第2號(修訂本)	以股份形式付款—歸屬條件及註銷 ¹
香港財務報告準則第3號(經修訂)	業務合併 ⁵
香港(國際財務報告詮釋委員會)—詮釋第11號	香港財務報告準則第2號—集團及財資股份交易 ²
香港(國際財務報告詮釋委員會)—詮釋第12號	服務特許權安排 ⁴
香港(國際財務報告詮釋委員會)—詮釋第13號	客戶忠誠計劃 ³
香港(國際財務報告詮釋委員會)—詮釋第14號	香港會計準則第19號—界定福利資產之限制、最低資金需要及其相互關係 ⁴

- ¹ 於二零零九年一月一日或之後開始之年度期間生效
- ² 於二零零七年三月一日或之後開始之年度期間生效
- ³ 於二零零八年七月一日或之後開始之年度期間生效
- ⁴ 於二零零八年一月一日或之後開始之年度期間生效
- ⁵ 於二零零九年七月一日或之後開始之年度期間生效

香港財務報告準則第8號將取代香港會計準則第14號*分部報告*，要求在作出業務分部報告時，需根據各分部可供主要經營決策者分配資源和評估績效的資料。該準則同時要求披露各分部提供的產品和服務、營運地區及與主要顧客交易的資料。本集團預計於二零零九年一月一日開始應用該準則。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKAS 1 has been revised to separate owner and non-owner changes in equity. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, the revised standard introduces the statement of comprehensive income: it presents all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Group is still evaluating whether it will have one or two statements.

HKAS 23 has been revised to require capitalisation of borrowing costs when such costs are directly attributable to the acquisition, construction or production of a qualifying asset. As the Group's current policy for borrowing costs aligns with the requirements of the revised standard, the revised standard is unlikely to have any financial impact on the Group.

HKAS 27 has been revised to require that a change in the ownership interest of a subsidiary is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the revised standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by the revised standard must be applied prospectively and will affect future acquisitions and transactions with minority interests.

HKFRS 2 has been amended to restrict the definition of "vesting condition" to a condition that includes an explicit or implicit requirement to provide services. Any other conditions are non-vesting conditions, which have to be taken into account to determine the fair value of the equity instruments granted. In the case that the award does not vest as the result of a failure to meet a non-vesting condition that is within the control of either the entity or the counterparty, this must be accounted for as a cancellation. The Group has not entered into share-based payment schemes with non-vesting conditions attached and, therefore, does not expect significant implications on its accounting for share-based payments.

HKFRS 3 has been revised to introduce a number of changes in the accounting for business combinations that will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The changes introduced by the revised standard must be applied prospectively and will affect future acquisitions, and transactions with minority interests.

2.3 已頒佈但尚未生效的香港財務報告準則的影響(續)

香港會計準則第1號已修改，並將股東權益及非股東權益變動分開。權益變動表僅載有與股東進行交易的詳情，並於同一行呈列所有非股東的權益變動。此外，該準則亦引入全面收益表：呈列所有確認為溢利或虧損之收入及開支，及其他所有已確認收入及開支項目（無論以單一報表或以兩個相連報表呈列）。本集團仍在評估是否採用一份或兩份報表。

修訂後的香港會計準則第23號要求將購置、建造或生產符合條件的資產相關的借款費用予以資產化。本集團目前關於借貸成本之政策符合修訂後準則的要求，該經修訂準則將不會對本集團產生財務影響。

經修訂的香港會計準則第27號要求將附屬公司所有權權益的變更入賬為權益性交易。因此，該變更不會影響商譽，亦不會產生收益或虧損。另外，對附屬公司產生虧損及對附屬公司喪失控制權的會計處理方法因經修訂準則而有所變更。經修訂準則適用於將來期間，這會對將來收購及與少數股東之交易產生影響。

香港財務報告準則第2號修訂本限制「歸屬條件」的定義，包括明示或隱含要求提供服務之條件。其他任何條件為非歸屬條件，須列入作為釐定所授予權益工具公平價值的考慮因素。在因實體或對手方所能控制的情況下，未能符合非歸屬條件而不授予的，須列為取消。本集團並無訂立以股份形式付款並附有非歸屬條件的計劃，因此，預期對以股份形式付款的會計處理方法不會有重大影響。

經修訂的香港財務報告準則第3號推出了企業合併會計處理方法的若干變化，這將對收購期間確認的商譽數額、報告業績及未來的報告業績產生影響。經修訂準則所作變更適用於將來期間，這會對將來的收購及與少數股東之交易產生影響。

**2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE
HONG KONG FINANCIAL REPORTING STANDARDS
(continued)**

HK(IFRIC)-Int 11 requires arrangements whereby an employee is granted rights to the Group's equity instruments, to be accounted for as an equity-settled scheme, even if the Group acquires the instruments from another party, or the shareholders provide the equity instruments needed. HK(IFRIC)-Int 11 also addresses the accounting for share-based payment transactions involving two or more entities within the Group.

HK(IFRIC)-Int 12 requires an operator under public-to-private service concession arrangements to recognise the consideration received or receivable in exchange for the construction services as a financial asset and/or an intangible asset, based on the terms of the contractual arrangements. HK(IFRIC)-Int 12 also addresses how an operator shall apply existing HKFRSs to account for the obligations and the rights arising from service concession arrangements by which a government or a public sector entity grants a contract for the construction of infrastructure used to provide public services and/or for the supply of public services.

HK(IFRIC)-Int 13 requires that loyalty award credits granted to customers as part of a sales transaction are accounted for as a separate component of the sales transaction. The consideration received in the sales transaction is allocated between the loyalty award credits and the other components of the sale. The amount allocated to the loyalty award credits is determined by reference to their fair value and is deferred until the awards are redeemed or the liability is otherwise extinguished.

HK(IFRIC)-Int 14 addresses how to assess the limit under HKAS 19 "Employee Benefits", on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, in particular, when a minimum funding requirement exists.

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application but is not yet in a position to state whether these new and revised HKFRSs would have a significant impact on the Group's results of operations and financial position.

2.3 已頒佈但尚未生效的香港財務報告準則的影響(續)

香港(國際財務報告詮釋委員會)－詮釋11要求將向僱員授出本集團股本權益工具之安排列為股權結算計劃，即使該等工具乃由本集團向另一方購買或由股東提供。香港(國際財務報告詮釋委員會)－詮釋11亦註明涉及本集團內兩個或以上實體的以股份支付交易之會計方法。

香港(國際財務報告詮釋委員會)－詮釋12要求公共及私人服務特許權安排項下之營運商，根據合約安排的條款，將交換建造服務的已收代價或應收代價確認為一項金融資產及／或一項無形資產。香港(國際財務報告詮釋委員會)－詮釋12亦註明營運商如何應用現行香港財務報告準則，將自服務特許權安排所產生之責任及權利(據此政府或公共部門實體就建造用作提供公共服務及／或供應公共服務的基本建設授予一份合約)列賬。

香港(國際財務報告詮釋委員會)－詮釋13要求如授予客戶忠誠度獎勵作為銷售交易一部份，須以銷售交易之獨立部份入賬。銷售交易中所得的代價需分配與忠誠度獎勵及其他銷售部份。分配予忠誠度獎勵之金額乃經參考其公平值釐訂及遞延直至該獎勵獲贖回或負債已失效。

香港(國際財務報告詮釋委員會)－詮釋14註明如何根據香港會計準則第19號「僱員福利」，評估界定福利計劃(特別是存在最低資金規定時)在未來供款時退款或減額可確認為資產的限額。

本集團現正評估首次應用此等新訂及經修訂香港財務報告準則之影響，惟目前仍未能評定此等新訂及經修訂之香港財務報告準則對本集團之經營業績及財務狀況會否造成重大影響。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Joint ventures

A joint venture is an entity set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture entity and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

A joint venture is treated as:

- (a) a subsidiary, if the Group has unilateral control, directly or indirectly, over the joint venture;
- (b) a jointly-controlled entity, if the Group does not have unilateral control, but has joint control, directly or indirectly, over the joint venture;
- (c) an associate, if the Group does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture's registered capital and is in a position to exercise significant influence over the joint venture; or
- (d) an equity investment accounted for in accordance with HKAS 39, if the Group holds, directly or indirectly, less than 20% of the joint venture's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture.

2.4 主要會計政策概要

附屬公司

附屬公司為本公司直接或間接控制其財務及經營政策，藉此從其業務中取得利益之公司。

附屬公司之業績已計入本公司收益表，惟以已收及應收股息為限。本公司於附屬公司之權益乃按成本減任何減值虧損列賬。

合營公司

合營公司指本集團與其他人士透過合營安排進行經濟活動而設立之企業。合營公司以獨立實體之形式經營，本集團與其他人士於當中擁有權益。

合營夥伴間訂立之合營協議內訂明合營各方之出資額、合營公司之期限，以及於解散時變現資產之基準。合營公司業務之損益及任何剩餘資產分派乃根據合營夥伴各自之出資比例或根據合營協議之條款攤分。

一間合營公司被視為：

- (a) 附屬公司，如本集團對該合營公司直接或間接地擁有單獨控制權；
- (b) 共同控制企業，如本集團並無擁有單獨控制權，惟對該合營公司直接或間接地擁有共同控制權；
- (c) 聯營公司，如本集團並無擁有單獨或共同控制權，惟一般直接或間接地持有該合營公司不少於20%註冊資本，且可對該合營公司發揮重要影響力；或
- (d) 按香港會計準則第39號列賬之股本投資，如本集團直接或間接地持有該合營公司少於20%註冊資本，而且並無擁有共同控制權，對該合營公司亦不具重要影響力。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Jointly-controlled entity

A jointly-controlled entity is a joint venture that is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's interest in a jointly-controlled entity is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of a jointly-controlled entity is included in the consolidated income statement and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its jointly-controlled entity are eliminated to the extent of the Group's interest in the jointly-controlled entity, except where unrealised losses provide evidence of an impairment of the asset transferred.

Associate

An associate is an entity, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's interest in an associate is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of an associate is included in the consolidated income statement and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred.

Goodwill

Goodwill arising on the acquisition of subsidiaries or businesses represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' or businesses' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

Goodwill on acquisitions for which the agreement date is on or after 1 January 2005

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset, initially measured at cost and subsequently at cost less any accumulated impairment losses.

2.4 主要會計政策概要 (續)

共同控制企業

共同控制企業為一間受共同控制之合營公司，使任何一個參與方不會對共同控制企業之經濟活動有單一控制權。

本集團於共同控制企業之權益，乃以權益會計法，按本集團應佔之資產淨值減去減值虧損後，列於綜合資產負債表內。本集團應佔共同控制企業之收購後業績及儲備分別計入綜合收益表及綜合儲備內。本集團與其共同控制企業之間交易所產生的未變現收益及虧損已被對銷，以本集團於該共同控制企業的權益為限，惟在未變現虧損證實所轉移資產出現減值的情況下則除外。

聯營公司

聯營公司乃本集團長期一般性地持有其不少於20%之股本投票權並可對其發揮重要影響力，但並非歸類為附屬公司或共同控制企業之實體。

本集團於聯營公司之權益，乃以權益會計法，按本集團應佔之資產淨值減去減值虧損後，列於綜合資產負債表內。本集團應佔聯營公司之收購後業績及儲備分別計入綜合收益表及綜合儲備內。本集團與其聯營公司之間交易所產生的未變現收益及虧損已被對銷，以本集團於該聯營公司的權益為限，惟在未變現虧損證實所轉移資產出現減值的情況下則除外。

商譽

收購附屬公司或業務而產生之商譽乃是於收購日，業務合併成本較本集團佔被收購方或該等業務之可識別之已收購資產、已承擔負債及或然負債淨公平值之權益超出之數額。

協議日期為二零零五年一月一日或以後之收購有關的商譽

收購產生之商譽乃於綜合資產負債表內確認為資產，初步按成本值及其後按成本值減任何累計減值虧損列賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill (continued)

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Goodwill previously eliminated against consolidated reserves
Prior to the adoption of the HKICPA's Statement of Standard Accounting Practice 30 "Business Combinations" ("SSAP 30") in 2001, goodwill arising on acquisition was eliminated against consolidated reserves in the year of acquisition. On the adoption of HKFRS 3, such goodwill remains eliminated against consolidated reserves and is not recognised in the income statement when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

2.4 主要會計政策概要 (續)

商譽 (續)

商譽之賬面金額每年進行減值檢討，或如發生某些事件或情況變化顯示可能出現賬面減值，則會更頻密地進行減值檢討。本集團於每年十二月三十一日進行商譽減值測試。為進行減值測試，因業務合併而購入的商譽自購入之日起分配至預期可從合併產生之協同效益中獲益之本集團各個現金產生單位或現金產生單位組別，而無論本集團的資產或負債是否已分配予該等單位或單位組別。

減值乃通過評估與商譽有關的現金產生單位(或現金產生單位組別)的可收回金額來確定。凡現金產生單位(或現金產生單位組別)的可收回金額低於賬面值，即確認減值虧損。已確認的商譽減值虧損不會於繼後期間撥回。

倘商譽構成現金產生單位(或現金產生單位組別)的部份而該單位的部份業務已出售，則在釐定所出售業務的收益或虧損時，與所出售業務相關的商譽計入該業務的賬面值。在這種情況下出售的商譽根據所出售業務的相對價值和現金產生單位的保留份額進行計量。

過往於綜合儲備內對銷的商譽

於二零零一年採納香港會計師公會之會計實務準則第30號「業務合併」之前，收購產生之商譽乃於收購年度內在綜合儲備中扣除。於採納香港財務報告準則第3號後該項商譽仍然在綜合儲備中扣除，於與商譽有關的全部或部份業務被出售或與商譽有關的現金產生單位減值時亦不會於收益表內確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such impairment loss is credited to the income statement in the period in which it arises.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

2.4 主要會計政策概要(續)

商譽以外之非金融資產減值

倘有跡象顯示出現減值或須就資產進行年度減值測試(存貨、金融資產及商譽除外)，則會估計該資產的可收回金額。可收回金額按資產或現金產生單位的使用價值或其公平值(以較高者為準)減銷售成本而計算，並就個別資產而釐定，除非有關資產並無產生現金流入，且在頗大程度上獨立於其他資產或資產組別。在此情況下，可收回金額就資產所屬的現金產生單位而釐定。

減值虧損僅於資產賬面值超出其可收回金額時予以確認。於評估使用價值時，估計日後現金流量按可反映現時市場評估的貨幣時間值及資產特定風險的除稅前折現率折減至現值。減值虧損於產生期間自收益表扣除。

於每個申報日會評定是否有跡象顯示之前已確認的減值虧損不再存在或減少。倘出現該等跡象，則會估計可收回金額。過往確認的資產減值虧損(商譽除外)僅會於用以釐定資產可收回金額的估計改變時撥回，惟撥回後的數額不得高於假設過往年度並無就資產確認減值虧損而應有的賬面值(扣除折舊/攤銷後)。減值虧損的撥回於產生期間計入收益表。

物業、廠房及設備及折舊

物業、廠房及設備概按成本值減累計折舊及任何減值虧損入賬。物業、廠房及設備項目之成本值乃將資產之購買價加上將該資產運往所擬作用途之工作環境及地點之任何直接應佔成本。於物業、廠房及設備項目運作後所引致之維修及保養費用等開支一般均自費用產生期間之收益表中扣除。倘若可明確顯示該等開支可導致日後使用物業、廠房及設備項目而獲得之經濟利益有所增加及該項目之成本能可靠計量時，則該等開支將資本化為該資產之額外成本或作為一項置換處理。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	Over the shorter of the lease terms and 15% to 33 $\frac{1}{3}$ %
Furniture, fixtures and office equipment	15% to 33 $\frac{1}{3}$ %
Medical equipment	20%
Computer equipment and software	20% to 33 $\frac{1}{3}$ %
Motor vehicles	20% to 33 $\frac{1}{3}$ %

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

2.4 主要會計政策概要 (續)

物業、廠房及設備及折舊 (續)

折舊乃按其估計可使用年期以直線法撇銷每個物業、廠房及設備項目之成本值至其剩餘價值。所採用之主要折舊年率如下：

租賃物業裝修	按租約期及 15% 至 33 $\frac{1}{3}$ % (以較高者為準)
傢俬、裝置及辦公室設備	15% 至 33 $\frac{1}{3}$ %
醫療設備	20%
電腦設備及軟件	20% 至 33 $\frac{1}{3}$ %
車輛	20% 至 33 $\frac{1}{3}$ %

倘若物業、廠房及設備項目之部份具不同使用期限，該項目之成本按合理基準分配給各部份，由各部份各自計算折舊。

剩餘價值、可使用年期及折舊方法於每個結算日審閱及在適當時進行調整。

物業、廠房及設備項目乃於出售後或當預期待使用或出售該項目將不會產生未來經濟利益時取消確認。於取消確認該資產的年度有關出售或廢棄所產生的盈利或虧損，為出售相關資產所得款項淨額與其賬面值之差額。

租賃

凡將資產擁有權(法定所有權除外)之大部份回報及風險撥歸本集團之租賃均列為融資租賃。融資租賃生效時，租賃資產之成本將按最低應付租金之現值撥作資本，並連同租賃責任(不包括利息)入賬，以反映採購與融資。資本化融資租賃所持之資產列作物業、廠房及設備，並按租期或資產之估計可使用年期兩者之中較短者計算折舊。上述租賃之融資費用自收益表扣除，以於租約期作出定期定額扣減。

根據租購合約收購屬融資性質之資產列作融資租賃，惟將按估計可使用年期折舊。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Leases (continued)

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases net of any incentives received from the lessor are charged to the income statement on the straight-line basis over the lease terms.

Investments and other financial assets

Financial assets of the Group in the scope of HKAS 39 "Financial Instruments: Recognition and Measurement" are classified as loans and receivables, and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs.

The Group assesses whether a contract contains an embedded derivative when the Group first becomes a party to it and assesses whether an embedded derivative is required to be separated from the host contract when the analysis shows that the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

2.4 主要會計政策概要 (續)

租賃(續)

所有資產之收益及風險實際上仍歸於出租人之租約均視為經營租約。倘本集團為出租人，本集團根據經營租約租賃之資產乃計入非流動資產，經營租約的應收租金按直線法在租約期內計入收益表。倘本集團為承租人，有關該等經營租約之租金乃按直線法在租約期內自收益表扣除。

投資及其他金融資產

本集團根據香港會計準則第39號「金融工具：確認及計量」所界定之金融資產分類為貸款及應收賬項及可供出售之金融資產(視適用情況而定)。金融資產於首次確認時，以公平值加直接應佔交易成本計量。

本集團於首次成為合約訂約方時即評估該合約是否包含嵌入式衍生工具。如果分析顯示嵌入式衍生工具之經濟特徵與主合約之經濟特徵和風險並非緊密相關，則評估嵌入式衍生工具應否與主合約分離。重估僅於合約條款變更並顯著根據合約原定需要之現金流量之情況下另行作出。

本集團於首次確認後釐定其金融資產分類，並在許可及適當之情況下於結算日重新評估該分類。

所有一般買賣之金融資產概於交易日(即本集團承諾購買該資產或出售之日期)予以確認。一般買賣乃指按照一般市場規定或慣例在一定期間內交付資產之金融資產買賣。

貸款及應收賬項

貸款及應收賬項為具有固定的或可確定款項，但在活躍市場中無報價的非衍生金融資產。該等資產其後用實際利率方法按攤銷後成本減任何減值撥備列賬。攤銷成本於計入收購之任何折讓或溢價後計算，並包括屬實際利率及交易成本不可分割部份之費用。該等貸款及應收賬項於終止確認、出現減值或進行攤銷時所產生的盈虧於收益表確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets in listed and unlisted equity securities that are designated as available for sale or are not classified in the other category. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement. Interest and dividends earned are reported as interest income and dividend income, respectively and are recognised in the income statement as "Other income and gains" in accordance with the policies set out for "Revenue recognition" below. Losses arising from the impairment of such investments are recognised in the income statement as "Impairment losses on available-for-sale financial assets" and are transferred from the available-for-sale investment revaluation reserve.

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business at the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; and a discounted cash flow analysis; and other valuation models.

Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

2.4 主要會計政策概要 (續)

投資及其他金融資產 (續)

可供出售金融資產

可供出售金融資產指那些被指定為可供出售的上市和非上市股本證券的非衍生金融資產，或未被分類為其他類別的非衍生金融資產。於初步確認後，可供出售金融資產按公平值計量，盈利或虧損確認為獨立的權益成份，直至該投資被終止確認或被釐定發生減值，此時先前於權益呈報之累計盈利或虧損計入收益表內。所賺取之利息及股息根據以下載列於「收入確認」之政策以利息收入及股息收入記錄於收益表之「其他收入及收益」項下。該等投資減值引致之虧損於收益表確認為「可供出售金融資產減值虧損」並自可供出售投資重估儲備轉賬。

倘非上市股本證券之公平值不能被可靠計量，原因為(a)該投資在合理公平值的估計範圍內大幅波動或(b)於該範圍內多種估計之可能性不能被合理評估及用於估計公平價值，則該等證券乃按成本減任何減值虧損列賬。

公平值

在金融市場活躍交易的投資的公平價值參考於結算日的市場收市價。倘某項投資的市場不活躍，公平價值將採用估值方法釐定。該等方法包括參考近期所進行的公平市場交易，參考其他大致類似金融工具的現行市場價格，以及使用現金流量折現分析法；及其他評估模式。

金融資產減值

本集團於各結算日評估是否有客觀跡象表明一項金融資產或一組金融資產出現減值。

按攤銷後成本列賬資產

如果有客觀跡象表明按攤銷後成本列值的貸款及應收款項已產生減值虧損，資產的賬面價值與估算未來的現金流量(不包括尚未產生的未來信貸損失)以原始實際利率(即初步確認時計算的實際利率)折現的現值之間差額確認為損失數額。有關資產的賬面值可通過直接沖減或通過撥備賬目降低。有關減值虧損在收益表中確認。當預期將來並不可能收回，貸款與應收款項連同任何相關之撥備予以撇銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to accounts receivable and other receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor and significant changes in the technological, market economic or legal environment that have an adverse effect on the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Impairment losses on debt instruments are reversed through the income statement, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in the income statement.

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. A provision for impairment is made for available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement. In addition, the Group evaluates other factors, such as the share price volatility. Impairment losses on equity instruments classified as available for sale are not reversed through the income statement.

2.4 主要會計政策概要 (續)

金融資產減值 (續)

按攤銷後成本列賬資產 (續)

於往後期間，倘若減值虧損的數額減少，而減少的原因客觀上與確認減值後所發生的事件相關聯，則先前確認的減值虧損可通過調整撥備賬項予以回撥。任何減值虧損的其後回撥將於收益表內確認入賬，但該資產於回撥當日的賬面值不得超出其攤薄後成本。

就應收賬項及其他應收款項而言，於客觀證據（例如債務人無力償債或面對重大財政困難的概率，及科技、市場、經濟與法律環境發生重大改變對債務人有不利影響）顯示本集團將無法悉數收取根據發票原來條款所結欠之所有款項時作出減值撥備。應收賬項之賬面值透過用撥備賬而調低。於已減值之債項被評估為無法收回時，則對其終止確認。

如果債務工具的公平值增加，並且該增加客觀上與減值虧損於收益表內確認後發生之事件相關聯，則先前確認的減值虧損可予以回撥。

可供出售金融資產

如果可供出售資產出現減值，其成本值（扣除任何本金及攤銷）與其現行公平值之差額，在扣減以往在收益表確認之任何減值虧損後會由權益轉撥至收益表。當其公平值出現重大或長期之縮減至低於其成本值或有其他客觀證據證明減值存在，將對可供出售股本投資作出減值撥備。決定甚麼是「重大」與「長期」取決於判斷。此外，本集團亦評估其他因素，例如股價之波動性。分類作可供出售之股本工具之減值虧損不會透過收益表撥回。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group’s continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Group’s continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities at amortised cost

Financial liabilities including accounts payable, other payables and a hire purchase contract payable are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within “Finance cost” in the income statement.

2.4 主要會計政策概要 (續)

終止確認金融資產

金融資產(或(倘適用)一項金融資產的一部份或一組類似金融資產的一部份)在下列情況將終止確認:

- 收取該項資產所得現金流量的權利經已屆滿;
- 本集團保留收取該項資產所得現金流量的權利,惟須根據一項「轉付」安排,在未有嚴重延緩第三者的情況下,已就有關權利全數承擔付款的責任;或
- 本集團已轉讓其收取該項資產所得現金流量的權利,並(a)已轉讓該項資產的絕大部份風險及回報;或(b)並無轉讓或保留該項資產絕大部份風險及回報,但已轉讓該項資產的控制權。

凡本集團轉讓其收取該項資產所得現金流量的權利,但並無轉讓或保留該項資產的絕大部份風險及回報,且並無轉讓該項資產的控制權,本集團則根據其對該資產的持續參與程度確認入賬。採用就已轉讓資產作出保證形式的持續參與,按該項資產的原賬面值及本集團或須償還的代價數額上限(以較低者為準)計算。

倘持續參與採用沽出及/或購入有關已轉讓資產的期權(包括現金結算之期權或相似規定)形式出現,本集團持續參與之程度為本集團可能購買之已轉讓資產之金額,惟對於已按公平值計量的資產的認沽期權(包括現金結算之期權或相似規定),本集團持續參與之程度限於已轉讓資產之公平值及期權行使價兩者較低者。

按攤銷後成本列賬金融負債

金融負債包括應付賬項、其他應付款項及租購合約應付款項,最初按公平值減直接應佔交易成本列賬,其後使用實際利息法按攤銷後成本計量,惟折算之影響並不重大者除外,於該情況下則以成本列賬。有關利息支出於收益表中「融資費用」確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities at amortised cost (continued)

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

Financial guarantee contracts

Financial guarantee contracts in the scope of HKAS 39 are accounted for as financial liabilities. A financial guarantee contract is recognised initially at its fair value less transaction costs that are directly attributable to the acquisition or issue of the financial guarantee contract, except when such contract is recognised at fair value through profit or loss. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 "Revenue".

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

Inventories

Inventories, including medicines, dispensary supplies and consumables, are stated at the lower of cost and net realisable value, after making due allowance for any obsolete or slow-moving items. Cost is determined on the weighted average basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred in the process of disposal.

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, and are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2.4 主要會計政策概要 (續)

按攤銷後成本列賬金融負債 (續)

於終止確認負債時，有關盈虧透過攤銷程序在收益表確認。

財務擔保合約

在香港會計準則第39號範圍內之財務擔保合約，作為金融負債列賬。財務擔保合約最初按公平值減收購或發行財務擔保合約直接應佔之交易成本確認，惟於該合約乃透過損益按公平值而確認者除外。初始確認後，本集團按以下較高者計量財務擔保合約：(i) 按照香港會計準則第37號「撥備、或然負債及或然資產」釐定之金額；及(ii) 初步確認金額減(如適用)按照香港會計準則第18號「收入」確認之累計攤銷。

終止確認金融負債

倘負債項下承擔被解除、取消或到期，則須終止確認金融負債。

倘現有金融負債被來自同一貸款人之另一項負債按實質上不相同之條款替代，或現有負債之條款大部份被修訂，該項交換或修訂作為解除確認原有負債及確認新負債處理，各自賬面值之差額於收益表內確認。

存貨

存貨(包括藥物、醫療用品及可耗用貨物)乃經對任何陳舊或滯銷項目作出適當撥備後按成本值及可變現淨值兩者中較低者入賬。成本值以成本值加權平均數計算。可變現淨值乃按估計售價扣除任何預期因出售過程中而引致之其他成本計算。

現金及等同現金資產

就綜合現金流動報表而言，現金及等同現金資產指可隨時轉換為已知數額現金，並承受價值變動風險甚微之手頭現金及活期存款，及短期高流通性投資，一般於購入時三個月內到期，減除須應要求償還之銀行透支及組成本集團現金管理整體一部份。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents (continued)

For the purpose of the balance sheets, cash and bank balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Deferred revenue

Deferred revenue represents service fees received in advance of the performance of the relevant services. Deferred revenue is released to and recognised in the income statement when the corresponding services are rendered or on a time proportion basis over the terms of the service contracts.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance cost in the income statement.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

2.4 主要會計政策概要(續)

現金及等同現金資產(續)

就資產負債表而言，現金及銀行結存包括手頭現金及銀行現金(包括定期存款)，其用途並無限制。

遞延收入

遞延收入指履行相關服務前預先收取之服務費。遞延收入乃於提供相關服務時或於服務合約年期按時間比例基準撥入收益表及確認。

撥備

由於過往事件而需要承擔現時責任(法定或推定)，而履行該責任很可能導致經濟資源的流出，且該責任的金額能夠可靠地估計，則確認撥備。

於折算之影響屬重大時，確認為撥備之金額為預期結清該責任所需之未來開支於結算日之現值。倘由於時間流逝導致已折算現值金額增加，即計入收益表之融資費用內。

所得稅

所得稅包括即期及遞延稅項。所得稅於收益表確認，而倘其關乎同一或不同期間直接於權益確認之項目，則於權益確認。

現年及過往期間的即期稅項資產和負債按預期可收回或支付予稅務機構的金額作計量。

遞延稅項乃採用負債法，對於結算日資產及負債之計稅基準及該等項目之賬面值之一切暫時差額就財務申報而作出撥備。

遞延稅項負債就一切應課稅暫時差額予以確認，惟以下所述者除外：

- 商譽或於一宗交易中首次確認之資產或負債(並非業務合併且於交易時並不影響會計溢利或應課稅溢利或虧損)所產生之遞延稅項負債；及

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Income tax (continued)

- in respect of taxable temporary differences associated with interests in subsidiaries, an associate and a joint venture, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with interests in subsidiaries, an associate and a joint venture, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.4 主要會計政策概要 (續)

所得稅 (續)

- 與於附屬公司、聯營公司及合營公司之權益有關之應課稅暫時差額，而撥回暫時差額之時間可以控制及暫時差額可能不會在可見將來撥回。

所有可予扣減暫時差額、未動用稅項抵免額結轉及未動用稅項虧損於可能獲得應課稅溢利作為抵銷，以動用該等可予扣減暫時差額、未動用稅項抵免額結轉及未動用稅項虧損之情況下，均確認為遞延稅項資產，惟以下所述者除外：

- 關乎於一宗交易中首次確認之資產或負債（並非業務合併且於交易時並不影響會計溢利或應課稅溢利或虧損）所產生之可予扣減暫時差額之遞延稅項資產；及
- 就與於附屬公司、聯營公司及合營公司之權益有關之可予扣減暫時差額，僅於暫時差額可能會在可見將來撥回及將有應課稅溢利作為抵銷，以動用暫時差額之情況下，才確認遞延稅項資產。

遞延稅項資產之賬面值乃於各結算日進行審閱，並予以相應扣減，直至不可能有足夠應課稅溢利以動用全部或部份遞延稅項資產為止。相反，先前未確認之遞延稅項資產乃於每個結算日重新評估及於可能獲得足夠應課稅溢利以動用全部或部份遞延稅項資產之情況下予以確認。

遞延稅項資產及負債乃根據於結算日已實施或已大致實施之稅率（及稅務法例），按變現資產或清償負債之期間預期適用之稅率予以估量。

倘若存在法律上可強制執行的權利，將有關同一課稅實體及同一稅務機構的本期稅項資產與遞延稅項負債抵銷，則對銷遞延稅項資產與遞延稅項負債。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the provision of services, including medical services, nursing agency, physiotherapy, dental and other services, and elderly care services, upon the provision of the relevant services or on a time proportion basis over the terms of the service contracts, as further explained in the accounting policy for “Fixed-fee Contracts” below;
- (b) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (c) rental income, on a time proportion basis over the lease terms;
- (d) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset; and
- (e) dividend income, when the shareholders’ right to receive payment has been established.

Fixed-fee contracts

The Group has certain medical, dental and other service contracts, in which the Group agrees to provide specific services over the terms of the contracts for a fixed-fee in which the level of services depends on uncertain future events (the “Fixed-fee Contracts”). The financial reporting of these Fixed-fee Contracts has been disclosed and accounted for pursuant to the provisions of HKFRS 4 “Insurance Contracts”. The Fixed-fee Contracts are in general of short duration.

At each balance sheet date, tests are performed to ensure the adequacy of the contract liabilities under the Fixed-fee Contracts. In performing these tests, current best estimates of future contractual cash flows under the Fixed-fee Contracts are used. Any deficiency is immediately charged to the income statement by establishing a provision for losses.

2.4 主要會計政策概要(續)

收入確認

收入乃於本集團可能獲得經濟利益而該等收入又可以用可靠之方法計算時按下列基準入賬：

- (a) 提供服務(包括醫療、護理介紹所、物理治療、牙科及其他服務，以及護老服務)之費用收入：在提供有關服務時或於服務合約年期按時間比例基準計算，進一步詳情見下文有關「固定收費合約」會計政策之解釋；
- (b) 貨物之銷售：於擁有權之重大風險及回報均轉讓予買家時；且本集團已不能就其擁有權作出相關之行政參與；及對售出之貨物之銷售亦無有效之控制權；
- (c) 租金收入：按租賃期以時間比例基準計算；
- (d) 利息收入：按應計基準使用實際利息法計算，須採用能把金融工具預定期限下估計未來現金收入折算至金融資產賬面淨值的利率；及
- (e) 股息收入：當股東收取之權利已確立時。

固定收費合約

本集團訂有若干醫療、牙科及其他服務合約，本集團據此同意於合約期間提供特定服務以換取固定收費，而所提供之服務則視乎未能確定之未來事件(「固定收費合約」)。該等固定收費合約之財務申報已根據香港財務報告準則第4號「保險合約」之條文而披露及列賬。固定收費合約一般屬短期性質。

於每個結算日，本集團進行測試以確保固定收費合約項下合約負債之足夠程度。在進行該等測試時，使用固定收費合約項下未來合約現金流量之現時最佳估計。任何虧絀透過建立虧損撥備即時在收益表扣除。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed-fee contracts (continued)

Fees received or receivable under the Fixed-fee Contracts are recognised on a time proportion basis over the terms of the Fixed-fee Contracts. Expenses incurred in connection with the Fixed-fee Contracts are charged to the income statement as incurred.

Share-based payment transactions

The Company operates a share incentive plan for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The Group has adopted the transitional provisions of HKFRS 2 "Share-based Payment" under which the new measurement policies have not been applied to options granted to employees on or before 7 November 2002.

The financial impact of share options granted to employees on or before 7 November 2002 under the share incentive plan is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the income statement or the balance sheet for their cost. Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled prior to their exercise date, or which lapse, are deleted from the register of outstanding options.

Other employee benefits

Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward.

2.4 主要會計政策概要 (續)

固定收費合約 (續)

根據固定收費合約已收取或應收之費用按時間比例基準於固定收費合約期限內確認。與固定收費合約相關之開支於發生時在收益表扣除。

以股份支付的交易

本公司實施一項股份獎勵計劃，為對本集團業務成功作出貢獻的合資格參與者，提供激勵與獎勵。本集團僱員(包括董事)以股份支付交易的方式收取報酬，而僱員則提供服務作為股權工具的代價(「以股權支付的交易」)。

本集團已採納香港財務報告準則第2號「以股份支付的支出」之過渡性條文，據此新計量政策並未應用於二零零二年十一月七日或之前授予僱員之購股權。

於二零零二年十一月七日或之前根據股份獎勵計劃授予僱員之購股權之財務影響，於該等購股權獲行使前並未計入本公司或本集團之資產負債表，亦並無於收益表或資產負債表內扣除其成本。於行使購股權時，本公司把因而發行之股份按股份面值列作額外股本，本公司並將每股行使價超出股份面值之部份列於股份溢價賬。於行使日期前已註銷或已失效之購股權，從尚未行使購股權之登記冊中刪除。

其他僱員福利

有薪假期結轉

本集團根據僱員合約按曆年基準給予其僱員有薪年假。在若干情況下，於結算日未支取之年假容許結轉，留待有關僱員於來年享用。於結算日，將會就年內僱員享有之有關有薪假期之預期未來成本作出累算並予結轉。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits (continued)

Retirement benefits scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

Dividends

Special and final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's bye-laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.4 主要會計政策概要 (續)

其他僱員福利 (續)

退休福利計劃

本集團根據香港強制性公積金計劃條例設立一項界定供款強制性公積金退休福利計劃(「強積金計劃」)，供合資格僱員參加。供款額為僱員基本薪金的若干百分比，並於根據強積金計劃之規則成為應付時在收益表中扣除。強積金計劃的資產與本集團資產分開，由一個獨立管理的基金持有。本集團之僱主供款在注入強積金計劃後，便全數歸於僱員，本集團之僱主自願供款則除外；根據強積金計劃之規則，倘僱員在可獲取全數供款前離職，則該筆僱主自願供款便退還本集團。

股息

董事建議派付之特別及末期股息於資產負債表之權益項下獨立列作保留溢利之分配，直至股東於股東大會批准派付該等股息。倘該等股息獲股東批准並宣派，則確認為負債。

中期股息由本公司同時建議及宣派，因本公司之公司細則授權董事宣派中期股息之權利。故此，中期股息於建議派付及宣派時隨即確認為負債。

外幣交易

此等財務報告以港元(本公司之功能及呈報貨幣)呈列。本集團屬下各實體自行決定其功能貨幣，而各實體財務報告內之項目均以該功能貨幣計算。外幣交易初步乃按個別交易日之功能貨幣匯率計算。以外幣為單位之貨幣資產及負債均按結算日之功能貨幣匯率換算。所有匯兌差額均列入收益表處理。根據外幣歷史成本計算之非貨幣項目按首次交易日期之匯率換算。根據外幣公平價值計算之非貨幣項目按釐定公平價值當日之匯率換算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is an associate;
- (c) the party is a jointly-controlled entity;
- (d) the party is a member of the key management personnel of the Group or its parent;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

2.4 主要會計政策概要 (續)

有關連人士

倘屬以下情況，該人士被視為本集團的有關連人士：

- (a) 該人士透過一間或以上中介機構直接或間接 (i) 控制本集團、被本集團控制或與本集團一起受共同控制；(ii) 擁有本集團權益，令其可對本集團發揮重大影響力；或 (iii) 對本集團擁有共同控制權；
- (b) 該人士為聯營公司；
- (c) 該人士為共同控制企業；
- (d) 該人士為本集團或其母公司之主要管理層成員；
- (e) 該人士為(a)或(d)所述任何人士之直系家屬成員；
- (f) 該人士為受到(d)或(e)所述任何人士所控制、共同控制或重大影響之實體，或直接或間接對該實體擁有重大投票權；或
- (g) 該人士為與本集團僱員福利，或屬本集團有關連方之任何實體有關之離職後福利計劃。

3. 重大會計判斷及估計

編製本集團財務報告需要管理層作出判斷、估計及假設，而此等將影響於記錄日期收入、開支、資產及負債之呈報金額及或然負債之披露。然而，該等假設及估計之不明朗因素可能導致於未來需要對受影響的資產或負債之賬面值作出重大調整。

估計不明朗因素

有關未來的主要假設，及於結算日其他主要估計不明朗因素來源的討論見下文所述，兩者均對下個財政年度的資產及負債賬面值作出重大調整具有重大風險。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2007 was HK\$1,358,000 (2006: HK\$1,358,000). Further details are set out in note 15 to the financial statements.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of accounts receivable

The Group maintains an allowance for estimated loss arising from the inability of its customers to make the required payments. The Group makes its estimates based on the ageing of its accounts receivable balances, customers' creditworthiness, past repayment history and historical write-off experience. If the financial condition of its customers was to deteriorate so that the actual impairment loss might be higher than expected, the Group would be required to revise the basis of making the allowance and its future results would be affected.

4. SEGMENT INFORMATION

Segment information is presented by way of the Group's primary segment reporting basis, by business segment. In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets. No further geographical segment information is presented as over 90% of the Group's revenue is derived from customers based in Hong Kong, and over 90% of the Group's assets are located in Hong Kong.

3. 重大會計判斷及估計 (續)

估計不明朗因素 (續)

商譽減值

本集團至少每年釐定商譽是否減值。釐定商譽是否出現減值須對已獲分配商譽之現金產生單位之使用價值作出估計。估計使用之價值要求本集團對來自現金產生單位之預期未來現金流量作出估計，亦要選擇合適折現率計算該等現金流量之現值。於二零零七年十二月三十一日，商譽之賬面值為1,358,000港元(二零零六年：1,358,000港元)。詳情載於財務報告附註15。

非金融資產之減值(商譽除外)

本集團於各報告日評估全部非金融資產是否存在任何減值跡象。非金融資產於有跡象顯示賬面值可能無法收回時進行減值測試。管理層計算現值時，須估計資產或現金產生單位的預期未來現金流量，以及選擇合適的折現率，以計算該等現金流量的現值。

應收賬項減值

本集團為客戶無能力支付須繳款項而導致之估計損失作出撥備。本集團乃根據其應收賬項結餘之賬齡、顧客之信譽、過往支付歷史及過往之撇銷經驗作出估計。倘其客戶之財政狀況轉壞致令實際減值虧損較預期為高，本集團須修訂作出撥備之依據，而其未來業績會受影響。

4. 分類資料

分類資料以本集團按業務分類作主要呈列方式。於釐定本集團地區分類資料時，收入乃按客戶所處地區分類，而資產則按資產所在地區歸入各分類。由於本集團逾90%之收入乃源自香港客戶及逾90%之資產乃位於香港，故此並無進一步呈列地區分類資料。

4. SEGMENT INFORMATION (CONTINUED)

The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) the medical services segment engages in the provision of medical services;
- (b) the nursing agency, physiotherapy, dental and other services ("nursing agency, physio, dental and other services") segment engages in the provision of nursing agency, physiotherapy, dental, LASIK, ophthalmic and psychological services;
- (c) the elderly care services segment engages in the provision of elderly care services; and
- (d) the corporate and other segment comprises the Group's intra-group management service businesses, which principally provides management and other services to group companies, together with other corporate income and expense items.

Intersegment sales and transfers are transacted at mutually agreed terms.

4. 分類資料(續)

本集團之經營業務乃根據業務性質及所提供之產品及服務而劃分架構及獨立管理。本集團每個業務分類均代表一個提供產品及服務之策略性業務單元，所承受之風險及所獲得之回報與其他業務分類有所不同。業務分類之概要如下：

- (a) 醫療服務類，從事提供醫療服務；
- (b) 護理介紹所、物理治療、牙科及其他服務類(「護理介紹所、物理治療、牙科及其他服務」)，從事提供護理介紹所、物理治療、牙科、激光矯視、眼科及心理服務；
- (c) 護老服務類，從事提供護老服務；及
- (d) 企業及其他類別，包括本集團之集團內管理服務業務，主要向集團公司提供管理及其他服務，以及其他企業收入及開支項目。

分類間之銷售及轉讓乃根據相互協議之條款進行交易。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

4. SEGMENT INFORMATION (continued)

Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 December 2007 and 2006.

Group

		Medical services		Nursing agency, physio, dental and other services		Elderly care services		Corporate and other		Eliminations		Consolidated	
		醫療服務		護理介紹所、物理治療、牙科及其他服務		護老服務		企業及其他		對銷		綜合	
		2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Segment revenue:	分類收入：												
Sales to external customers	銷售予外來客戶	764,954	706,575	86,995	89,285	95,752	97,838	-	-	-	-	947,701	893,698
Intersegment sales*	分類間銷售*	1,373	3,373	19,683	11,701	5,718	5,762	147	86	(26,921)	(20,922)	-	-
Other income and gains*	其他收入及收益*	8,996	8,339	620	674	583	251	840	840	-	-	11,039	10,104
Total	總計	775,323	718,287	107,298	101,660	102,053	103,851	987	926	(26,921)	(20,922)	958,740	903,802
Segment results	分類業績	54,893	66,754	6,706	8,368	7,943	7,959	(9,686)	(10,280)	-	-	59,856	72,801
Unallocated interest and dividend income	未分配利息及股息收入											8,782	5,059
Finance cost	融資費用											(1)	(1)
Gain on disposal of an associate	出售一間聯營公司之收益	2,460	-	-	-	-	-	-	-	-	-	2,460	-
Share of profits and losses of:	應佔溢利及虧損：												
A jointly-controlled entity	一間共同控制企業	42	(10)	-	-	-	-	-	-	-	-	42	(10)
An associate	一間聯營公司	454	451	-	-	-	-	-	-	-	-	454	451
Profit before tax	除稅前溢利											71,593	78,300
Tax	稅項											(8,360)	(13,151)
Profit for the year	本年度溢利											63,233	65,149

* These figures are not included in revenue mentioned elsewhere in these financial statements.

Excluding unallocated interest and dividend income and gain on disposal of an associate.

4. 分類資料 (續)

業務分類

下表呈列本集團截至二零零七年及二零零六年十二月三十一日止年度業務分類之收入、溢利/(虧損)以及若干資產、負債及開支資料。

集團

* 此等數字並不包括於該等財務報告其他部份所述之收入。

不包括未分配利息及股息收入以及出售一間聯營公司之收益。

4. SEGMENT INFORMATION (continued)

4. 分類資料 (續)

Business segments (continued)

業務分類 (續)

Group

集團

		Medical services		Nursing agency, physio, dental and other services		Elderly care services		Corporate and other		Eliminations		Consolidated	
		醫療服務		護理介紹所、物理治療、牙科及其他服務		護老服務		企業及其他		對銷		綜合	
		2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Assets and liabilities	資產及負債												
Segment assets	分類資產	243,946	236,913	33,449	36,058	48,584	39,407	113,288	50,421	-	-	439,267	362,799
Interests in a jointly-controlled entity	於一間共同控制企業之權益	352	467	-	-	-	-	-	-	-	-	352	467
Interest in an associate	於一間聯營公司之權益	-	2,506	-	-	-	-	-	-	-	-	-	2,506
Total assets	總資產											439,619	365,772
Segment liabilities	分類負債	101,044	92,169	12,442	11,273	12,094	13,217	5,003	4,492	-	-	130,583	121,151
Corporate and other unallocated liabilities	企業及其他未分配負債											1,624	5,929
Total liabilities	總負債											132,207	127,080
Other segment information:	其他分類資料:												
Depreciation	折舊	10,105	8,123	3,773	3,243	1,943	3,480	340	382	-	-	16,161	15,228
Impairment of goodwill recognised in the income statement	於收益表確認之商譽減值	-	-	-	-	-	2,169	-	-	-	-	-	2,169
Impairment of accounts receivable recognised/ (impairment losses on accounts receivable reversed) in the income statement	於收益表確認之應收賬項減值/(撥回應收賬項之減值虧損)	1,200	1,679	-	-	(80)	97	-	-	-	-	1,120	1,776
Loss/(gain) on disposal/write-off of items of property, plant and equipment	出售/撇銷物業、廠房及設備之虧損/(收益)	(340)	283	-	13	7	9	-	-	-	-	(333)	305
Capital expenditure	資本開支	15,454	17,771	4,956	7,070	1,137	2,617	23	105	-	-	21,570	27,563

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

5. REVENUE

Revenue, which is also the Group's turnover, represents the fees earned for the provision of medical services, nursing agency, physiotherapy, dental and other services, and elderly care services.

An analysis of revenue is as follows:

Revenue

Medical services
Nursing agency, physiotherapy,
dental and other services
Elderly care services

收入

醫療服務
護理介紹所、物理治療、
牙科及其他服務
護老服務

5. 收入

收入(亦即本集團的營業額)指提供醫療服務、護理介紹所、物理治療、牙科及其他服務以及護老服務之收費。

收入分析如下：

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
764,954	706,575
86,995	89,285
95,752	97,838
947,701	893,698

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/ (crediting):

6. 除稅前溢利

本集團之除稅前溢利經扣除/(計入)下列各項：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
	Notes 附註		
Cost of inventories sold and dispensary supplies consumed and cost of services provided	出售存貨及耗用藥物及提供服務之成本	757,635	692,436
Depreciation	折舊	14,161	15,228
Impairment of goodwill*	商譽減值*	-	2,169
Impairment of accounts receivable	應收賬項減值	1,120	1,776
Minimum lease payments under operating leases:	根據經營租約之最低租金付款：		
Land and buildings	土地及樓宇	72,502	63,179
Plant and machinery	廠房及設備	55	-
		72,557	63,179
Employee benefits expense (excluding directors' remuneration (note 8)):	僱員福利開支 (不包括董事酬金 (附註8)):		
Salaries, wages, allowances and bonuses	薪金、工資、津貼及花紅	321,261	305,046
Retirement benefits scheme contributions (defined contribution scheme)	退休福利計劃供款 (界定供款計劃)	7,618	7,185
		328,879	312,231
Auditors' remuneration	核數師酬金	1,248	1,058
Foreign exchange differences, net	匯兌差額淨額	(1)	5
Loss on disposal/write-off of items of property, plant and equipment, net	出售/撇銷物業、廠房及設備之虧損淨額	-	305
Gain on disposal of items of property, plant and equipment, net**	出售物業、廠房及設備之收益淨額**	(333)	-
Revenue attributable to the Fixed-fee Contracts	固定收費合約應佔收入	(97,260)	(92,836)
Expenses related to the Fixed-fee Contracts	有關固定收費合約之開支	90,088	85,990
Bank interest income**	銀行利息收入**	(8,782)	(4,429)
Gain on disposal of an associate**	出售一間聯營公司之收益**	(2,460)	-
Sales of medicine and dispensary supplies**	出售藥物及醫療用品**	(3,385)	(2,858)
Net rental income**	租金收入淨額**	(106)	(92)
Dividend income from unlisted investments**	來自非上市投資之股息收入**	-	(630)

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

6. PROFIT BEFORE TAX (continued)

At 31 December 2007, the Group had no material forfeited contributions available to reduce its contributions to its retirement benefits scheme in future years (2006: Nil).

* The impairment of goodwill in the prior year was included in "Other expenses, net" on the face of the consolidated income statement.

** Included in "Other income and gains" on the face of the consolidated income statement.

7. FINANCE COST

Interest on a hire purchase contract 租購合約之利息

8. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Hong Kong Companies Ordinance, is as follows:

Fees	袍金
Other emoluments:	其他酬金：
Salaries, allowances and benefits in kind	薪金、津貼及實物福利
Discretionary bonuses	酌情花紅
Retirement benefits scheme contributions (defined contribution scheme)	退休福利計劃供款 (界定供款計劃)

6. 除稅前溢利(續)

於二零零七年十二月三十一日，本集團並無重大已沒收供款可用作減少其對未來年度之退休福利計劃之供款(二零零六年：無)。

* 上年度之商譽減值已計入綜合收益表中「其他開支淨額」一項。

** 已計入綜合收益表中「其他收入及收益」一項。

7. 融資費用

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
1	1

8. 董事酬金

根據香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例第161條須予披露之本年度董事酬金詳情如下：

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
260	236
6,424	6,209
830	800
20	24
7,274	7,033
7,534	7,269

8. DIRECTORS' REMUNERATION (continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

Mr. Li Chak Hung	李澤雄先生
Mr. Francis J. Chang Chu Fai	鄭鑄輝先生
Mr. Carlisle Caldwell Procter	Carlisle Caldwell Procter 先生

There were no other emoluments payable to the independent non-executive directors during the year (2006: Nil).

(b) Executive directors and a non-executive director

2007	二零零七年
Executive directors:	執行董事：
Dr. Lincoln Chee Wang Jin	徐旺仁醫生
Mr. Mark Wong Tai Chun	王大鈞先生
Non-executive director:	非執行董事：
Mr. Arthur George Dew	狄亞法先生

8. 董事酬金 (續)

(a) 獨立非執行董事

年內，向獨立非執行董事支付的袍金如下：

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
100	90
80	73
80	73
260	236

於年內，並無其他應付予獨立非執行董事之酬金(二零零六年：無)。

(b) 執行董事及非執行董事

Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement benefits scheme contributions	Total remuneration
袍金	薪金、津貼及實物福利	酌情花紅	退休金計劃供款	總酬金
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元	千港元
-	3,953	500	12	4,465
-	1,871**	330	8	2,209
-	5,824	830	20	6,674
-	600*	-	-	600
-	6,424	830	20	7,274

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

8. DIRECTORS' REMUNERATION (continued)

(b) Executive directors and a non-executive director (continued)

		Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement benefits scheme contributions	Total remuneration
	Fees	薪金、津貼及實物福利	酌情花紅	退休金計劃供款	總酬金
	袍金	薪金、津貼及實物福利	酌情花紅	退休金計劃供款	總酬金
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
2006					
Executive directors:	執行董事：				
Mr. Arthur George Dew	狄亞法先生	-	600*	-	600
Dr. Lincoln Chee Wang Jin	徐旺仁醫生	-	3,807	12	4,319
Mr. Mark Wong Tai Chun	王大鈞先生	-	1,802	12	2,114
		-	6,209	24	7,033
Non-executive director:	非執行董事：				
Mr. Richard Owen Pyvis	Richard Owen Pyvis 先生	-	-	-	-
		-	6,209	24	7,033

* In view of the fact that Mr. Arthur George Dew, after taken up the role as the chairman of AGL and Allied Properties (H.K.) Limited ("APL"), continues devoting part of his time and efforts to the affairs of the Company and its subsidiaries or its associated company in such capacities, the Company and AGL entered into an agreement dated 2 March 2007 (the "AGL Reimbursement Agreement"), pursuant to which the Company agreed to reimburse AGL a portion of the consultancy fee of Mr. Dew (which is paid by AGL) for a period from 1 January 2007 to 31 December 2007. The fee payable by the Company to AGL under the AGL Reimbursement Agreement is determined by reference to the percentage of time that Mr. Dew devoted to the affairs of the Company against the amount of time he devoted to the affairs of AGL and APL, which was agreed at HK\$50,000 per month and was payable by the Company on a quarterly basis. The amount paid and payable to AGL under the AGL Reimbursement Agreement for the year ended 31 December 2007 amounted to HK\$600,000 (2006: Nil). Further details of the AGL Reimbursement Agreement are also set out in a joint announcement issued by the Company and AGL dated 2 March 2007.

* 鑒於狄亞法先生自出任為聯合集團及聯合地產(香港)有限公司(「聯合地產」)之主席後，繼續以該等身份付出其部份時間及精力處理本公司及其附屬公司或聯營公司之事務，故於二零零七年三月二日，本公司與聯合集團訂立協議(「聯合集團償付協議」)，據此，本公司同意償付聯合集團支付予狄先生於二零零七年一月一日起至二零零七年十二月三十一日止期間之部份顧問費(該顧問費由聯合集團支付)。本公司根據聯合集團償付協議應付予聯合集團之費用乃參考狄先生就本公司之事務所付出之時間，相對其就聯合集團及聯合地產之事務所付出之時間百分比而釐定，該費用議定為每月50,000港元，並由本公司於每季度支付一次。根據聯合集團償付協議，截至二零零七年十二月三十一日止年度，已付及應付聯合集團之金額為600,000港元(二零零六年：零)。聯合集團償付協議之詳情亦載列於由本公司及聯合集團於二零零七年三月二日發佈的聯合公佈內。

8. DIRECTORS' REMUNERATION (continued)

(b) Executive directors and a non-executive director (continued)

On 18 November 2005, the Company entered into an agreement with Sun Hung Kai & Co. Limited ("SHK") pursuant to which the Company agreed to reimburse a portion of the salary of Mr. Dew (which was paid by SHK) for a period from 20 May 2005 to 31 December 2006 (the "SHK Reimbursement Agreement"). The fee paid by the Company to SHK under the SHK Reimbursement Agreement was determined by reference to the percentage of time that Mr. Dew devoted to the affairs of the Company against the amount of time he devoted to the affairs of SHK, which was agreed at HK\$50,000 per month and is payable by the Company on a quarterly basis. The amount paid to SHK under the SHK Reimbursement Agreement for the year ended 31 December 2006 amounted to HK\$600,000. Further details of the SHK Reimbursement Agreement are also set out in a joint announcement issued by the Company and SHK dated 18 November 2005.

** On 15 November 2007, the Company entered into an agreement with AGL, pursuant to which the Company agreed to reimburse a portion of the salary of Mr. Mark Wong Tai Chun (which is paid by AGL) for a period from 1 September 2007 to 31 December 2007 (the "AGL Reimbursement Agreement"). The fee payable by the Company to AGL under the AGL Reimbursement Agreement is determined by reference to the percentage of time that Mr. Wong devoted to the affairs of the Company against the amount of time he devoted to the affairs of AGL, which is agreed at HK\$70,000 per month and is payable by the Company on a bi-monthly basis. The amount paid and payable to AGL under the AGL Reimbursement Agreement for the year ended 31 December 2007 amounted to HK\$280,000 (2006: Nil).

There was no arrangement under which a director waived or agreed to waive any remuneration during the current year and the prior year.

8. 董事酬金 (續)

(b) 執行董事及非執行董事 (續)

於二零零五年十一月十八日，本公司與新鴻基有限公司(「新鴻基」)訂立協議(「新鴻基償付協議」)，據此，本公司同意償付狄先生於二零零五年五月二十日起至二零零六年十二月三十一日止期間之部份薪酬(該薪酬由新鴻基支付)。本公司根據新鴻基償付協議應付予新鴻基之費用乃參考狄先生就本公司之事務所付出之時間，相對其就新鴻基之事務所付出之時間百分比而釐定，該費用議定為每月50,000港元，並由本公司於每季度支付一次。根據新鴻基償付協議，截至二零零六年十二月三十一日止年度，已付新鴻基之金額為600,000港元。新鴻基償付協議之詳情亦載列於由本公司及新鴻基於二零零五年十一月十八日發佈的聯合公佈內。

** 於二零零七年十一月十五日，本公司與聯合集團訂立協議(「聯合集團償付協議」)，據此，本公司同意償付王大鈞先生於二零零七年九月一日起至二零零七年十二月三十一日止期間之部份薪酬(該薪酬由聯合集團支付)。本公司根據聯合集團償付協議應付予聯合集團之費用乃參考王先生就本公司之事務所付出之時間，相對其就聯合集團之事務所付出之時間百分比而釐定，該費用議定為每月70,000港元，並由本公司於每兩個月支付一次。根據聯合集團償付協議，截至二零零七年十二月三十一日止年度，已付及應付聯合集團之金額為280,000港元(二零零六年：無)。

年內及去年並無作出董事放棄或同意放棄收取任何酬金之安排。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year did not include any directors. The five highest paid employees during the prior year included one director, details of whose remuneration are set out in note 8 above. Details of the remuneration of the five (2006: remaining four) non-director, highest paid employees for the year are as follows:

Salaries, bonuses and allowances	薪金、花紅及津貼
Retirement benefits scheme contributions (defined contribution scheme)	退休福利計劃供款 (界定供款計劃)

The number of non-director, highest paid employees including doctors practising on their own accounts pursuant to an employee-type contract, whose remuneration fell within the following bands is as follows:

HK\$4,000,001 – HK\$4,500,000	4,000,001 港元 – 4,500,000 港元
HK\$4,500,001 – HK\$5,000,000	4,500,001 港元 – 5,000,000 港元
HK\$5,000,001 – HK\$5,500,000	5,000,001 港元 – 5,500,000 港元
HK\$5,500,001 – HK\$6,000,000	5,500,001 港元 – 6,000,000 港元
HK\$11,500,001 – HK\$12,000,000	11,500,001 港元 – 12,000,000 港元
HK\$12,000,001 – HK\$12,500,000	12,000,001 港元 – 12,500,000 港元

9. 五位最高薪僱員

年內五位最高薪僱員不包括任何董事。去年五位最高薪僱員包括一位董事，其酬金詳情載於上文附註8。五位(二零零六年：餘下四位)最高薪僱員(非董事)於年內之酬金如下：

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
33,458	25,806
60	48
33,518	25,854

年內屬非董事之最高薪僱員(包括根據僱員合約獨立執業之醫生)之酬金介乎：

Number of employees 職員人數	
2007 二零零七年	2006 二零零六年
–	1
1	1
1	1
2	–
–	1
1	–
5	4

10. TAX

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

Group:	本集團:
Current – Hong Kong	本期 – 香港
Charge for the year	本年度稅項支出
Underprovision/(overprovision)	往年撥備不足/(超額撥備)
in prior years	
Deferred (note 23)	遞延稅項(附註23)
Total tax charge for the year	本年度稅項支出總額

A reconciliation of the tax expense applicable to profit before tax using the Hong Kong statutory tax rate (the tax rate of the Company's and the majority of its subsidiaries' principal place of business) to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e., the Hong Kong statutory tax rate) to the effective tax rate, are as follows:

10. 稅項

香港利得稅已按年內源自香港的估計應課稅溢利以 17.5% (二零零六年: 17.5%) 的稅率撥備。

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
10,060	12,695
(1,464)	144
(236)	312
8,360	13,151

以除稅前溢利，按香港法定稅率(本公司及其大部份附屬公司之主要經營地區之稅率)與按有效稅率計算之稅項支出之調節及適用稅率(即香港法定稅率)與有效稅率之調節如下：

		Group 集團			
		2007 二零零七年		2006 二零零六年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Profit before tax	除稅前溢利	71,593		78,300	
Tax at the Hong Kong statutory tax rate	按香港法定稅率計算之稅項	12,529	17.5	13,703	17.5
Profits and losses attributable to a jointly-controlled entity and an associate	一間共同控制企業及一間聯營公司應佔盈虧	(87)	(0.1)	(77)	(0.1)
Adjustments in respect of current tax of previous periods	就以往期間本期稅項作出之調整	(1,464)	(2.0)	144	0.2
Income not subject to tax	不須繳稅之收入	(1,967)	(2.7)	(795)	(1.0)
Expenses not deductible for tax	不可扣減稅項之支出	773	1.1	746	1.0
Tax losses for the year not recognised	未確認之本年度稅項虧損	83	0.1	70	0.1
Tax losses utilised from previous periods	動用以往期間之稅項虧損	(1,073)	(1.5)	(2,002)	(2.6)
Others	其他	(434)	(0.7)	1,362	1.7
Tax charge at the Group's effective tax rate	按本集團有效稅率計算之稅項支出	8,360	11.7	13,151	16.8

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

11. PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The consolidated profit attributable to equity holders of the Company for the year ended 31 December 2007 includes a profit of HK\$22,680,000 (2006: loss of HK\$3,074,000) which has been dealt with in the financial statements of the Company (note 26(b)).

12. DIVIDENDS

Interim – HK5.35 cents (2006: HK3.25 cents) per ordinary share
Proposed final – HK5.25 cents (2006: HK8.15 cents) per ordinary share
Proposed special – HK14.4 cents (2006: HK13.6 cents) per ordinary share

中期股息—每股普通股5.35港仙
(二零零六年：3.25港仙)
建議末期股息—每股普通股5.25港仙
(二零零六年：8.15港仙)
建議特別股息—每股普通股14.4港仙
(二零零六年：13.6港仙)

The proposed final and special dividends for the year are subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

11. 本公司股本持有人應佔本年度溢利

截至二零零七年十二月三十一日止年度本公司股本持有人應佔本年度綜合溢利包括撥入本公司之財務報告內計算之溢利22,680,000港元(二零零六年：虧損3,074,000港元)(附註26(b))。

12. 股息

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
12,783	6,624
12,544	19,474
34,407	32,495
59,734	58,593

本年度建議末期及特別股息須待本公司股東於應屆股東週年大會上批准方可作實。

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK\$63,233,000 (2006: HK\$65,149,000), and the weighted average number of 238,014,201 (2006: 198,779,906) ordinary shares in issue during the year.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK\$63,233,000 (2006: HK\$65,149,000). The weighted average number of ordinary shares used in the calculation is the 238,014,201 (2006: 198,779,906) ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of 290,086 (2006: 9,158,204) ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

13. 本公司普通股本持有人應佔每股盈利

每股基本盈利乃根據本公司普通股本持有人應佔本年度溢利63,233,000港元(二零零六年: 65,149,000港元), 以及年內已發行普通股加權平均數238,014,201股(二零零六年: 198,779,906股)計算。

每股攤薄盈利乃根據本公司普通股本持有人應佔本年度溢利63,233,000港元(二零零六年: 65,149,000港元)計算。計算時所採用之普通股加權平均數乃指計算每股基本盈利所採用之年內已發行普通股238,014,201股(二零零六年: 198,779,906股), 以及假設所有潛在攤薄普通股被視為獲行使或轉換為普通股時已按零代價發行之普通股加權平均數290,086股(二零零六年: 9,158,204股)。

每股基本及攤薄盈利乃根據下列各項計算:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Earnings	盈利		
Profit for the year attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculations	用於計算每股基本及攤薄盈利之本公司普通股本持有人應佔本年度溢利	63,233	65,149
		Number of shares 股份數目	
		2007 二零零七年	2006 二零零六年
Shares	股份		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	用於計算每股基本盈利之年內已發行普通股加權平均數	238,014,201	198,779,906
Effect of dilution – weighted average number of ordinary shares:	攤薄影響 – 普通股加權平均數:		
Warrants	認股權證	290,086	8,705,984
Share options	購股權	–	452,220
		238,304,287	207,938,110

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

14. PROPERTY, PLANT AND EQUIPMENT

Group

14. 物業、廠房及設備

集團

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備 HK\$'000 千港元	Medical equipment 醫療設備 HK\$'000 千港元	Computer equipment and software 電腦設備及軟件 HK\$'000 千港元	Motor vehicles 車輛 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 December 2007	二零零七年十二月三十一日						
At 31 December 2006 and at 1 January 2007:	於二零零六年十二月三十一日及二零零七年一月一日：						
Cost	成本值	86,977	20,418	28,597	15,484	641	152,117
Accumulated depreciation	累計折舊	(64,595)	(16,258)	(20,670)	(11,915)	(480)	(113,918)
Net carrying amount	賬面淨值	22,382	4,160	7,927	3,569	161	38,199
At 1 January 2007, net of accumulated depreciation	於二零零七年一月一日，扣除累計折舊	22,382	4,160	7,927	3,569	161	38,199
Additions	添置	10,752	2,239	5,963	2,356	260	21,570
Disposals/write-off	出售／撇銷	(116)	(15)	(1,006)	-	(34)	(1,171)
Depreciation provided during the year	於年內折舊撥備	(9,815)	(1,327)	(3,307)	(1,579)	(133)	(16,161)
At 31 December 2007, net of accumulated depreciation	於二零零七年十二月三十一日，扣除累計折舊	23,203	5,057	9,577	4,346	254	42,437
At 31 December 2007:	於二零零七年十二月三十一日：						
Cost	成本值	94,018	22,082	32,819	17,829	545	167,293
Accumulated depreciation	累計折舊	(70,815)	(17,025)	(23,242)	(13,483)	(291)	(124,856)
Net carrying amount	賬面淨值	23,203	5,057	9,577	4,346	254	42,437

14. PROPERTY, PLANT AND EQUIPMENT (continued)

14. 物業、廠房及設備(續)

Group

集團

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備 HK\$'000 千港元	Medical equipment 醫療設備 HK\$'000 千港元	Computer equipment and software 電腦設備及軟件 HK\$'000 千港元	Motor vehicles 車輛 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 December 2006	二零零六年十二月三十一日						
At 1 January 2006:	於二零零六年一月一日:						
Cost	成本值	74,075	19,174	23,073	13,268	641	130,231
Accumulated depreciation	累計折舊	(59,052)	(15,516)	(18,104)	(11,094)	(296)	(104,062)
Net carrying amount	賬面淨值	15,023	3,658	4,969	2,174	345	26,169
At 1 January 2006, net of accumulated depreciation	於二零零六年一月一日，扣除累計折舊	15,023	3,658	4,969	2,174	345	26,169
Additions	添置	17,695	1,507	5,524	2,837	-	27,563
Disposals/write-off	出售/撇銷	(295)	(10)	-	-	-	(305)
Depreciation provided during the year	於年內折舊撥備	(10,041)	(995)	(2,566)	(1,442)	(184)	(15,228)
At 31 December 2006, net of accumulated depreciation	於二零零六年十二月三十一日，扣除累計折舊	22,382	4,160	7,927	3,569	161	38,199
At 31 December 2006:	於二零零六年十二月三十一日:						
Cost	成本值	86,977	20,418	28,597	15,484	641	152,117
Accumulated depreciation	累計折舊	(64,595)	(16,258)	(20,670)	(11,915)	(480)	(113,918)
Net carrying amount	賬面淨值	22,382	4,160	7,927	3,569	161	38,199

The net book value of the Group's property, plant and equipment held under a hire purchase contract included in the total amount of furniture, fixtures and office equipment at 31 December 2007 amounted to approximately HK\$7,000 (2006: HK\$12,000).

本集團根據租購合約持有之物業、廠房及設備之賬面淨值已包括於傢俬、裝置及辦公室設備於二零零七年十二月三十一日之總金額之金額約為7,000港元(二零零六年: 12,000港元)。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

15. GOODWILL

Group

At 1 January 2006:	
Cost	
Accumulated impairment	
Net carrying amount	
Cost at 1 January 2006, net of accumulated impairment	
Impairment during the year	
At 31 December 2006	
At 31 December 2006:	
Cost	
Accumulated impairment	
Net carrying amount	
Cost at 1 January 2007 and 31 December 2007, net of accumulated impairment	
At 31 December 2007:	
Cost	
Accumulated impairment	
Net carrying amount	

15. 商譽

集團

於二零零六年一月一日：	
成本值	
累計減值	
賬面淨值	
於二零零六年一月一日成本值， 扣除累計減值	
年內減值	
於二零零六年十二月三十一日	
於二零零六年十二月三十一日：	
成本值	
累計減值	
賬面淨值	
於二零零七年一月一日及二零零七年 十二月三十一日成本值， 扣除累計減值	
於二零零七年十二月三十一日	
成本值	
累計減值	
賬面淨值	

HK\$'000
千港元

8,268

(4,741)

3,527

3,527

(2,169)

1,358

8,268

(6,910)

1,358

1,358

8,268

(6,910)

1,358

In the prior year, the Group recognised an impairment of goodwill in the amount of HK\$2,169,000, based on an assessment of the recoverable amount for an elderly care home. The impairment loss was included in the elderly care services segment.

去年內，本集團根據對一間護老院可收回數額之評估，確認商譽減值2,169,000港元。減值虧損已計入護老服務類。

15. GOODWILL (continued)

As further detailed in note 2.4 to the financial statements, the Group applied the transitional provisions of HKFRS 3 “Business Combinations” that permitted goodwill with cost and accumulated impairment of HK\$541,361,000 as at 1 January 2005 in respect of business combinations which occurred prior to 2001, to remain eliminated against consolidated reserves.

Impairment testing of goodwill

Goodwill arising from the acquisition of an elderly care home in a business combination has been allocated to an elderly care home cash-generating unit (the “Cash-generating Unit”) for impairment testing. The recoverable amount of the Cash-generating Unit has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 10.25% (2006: 11%) and cash flows beyond the five-year period are extrapolated using a zero (2006: zero) percentage growth rate.

The carrying amount of goodwill allocated to the Cash-generating Unit was approximately HK\$1,358,000 at 31 December 2007 (2006: HK\$1,358,000).

Key assumptions were used in the value in use calculation of the Cash-generating Unit for 31 December 2007 and 31 December 2006. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Budgeted revenue and results of operation

The budgeted revenue and results of operation have been determined based on the past performance of the Cash-generating Unit and management’s expected market development.

Discount rate

The discount rate used is before tax and reflects specific risks relating to the Cash-generating Unit.

Business environment

No major changes in the existing political, legal and economic conditions have taken place in Hong Kong.

15. 商譽(續)

誠如財務報告附註2.4所述，本集團已應用香港財務報告準則第3號「業務合併」之過渡性條文，該條文允許於二零零一年前已發生之業務合併所涉及的商譽繼續於綜合儲備內對銷，於二零零五年一月一日所涉及之商譽成本及累計減值為541,361,000港元。

商譽的減值測試

因在業務合併中收購護老院而產生的商譽已經分配給護老院現金產生單位(「現金產生單位」)作減值測試。現金產生單位之可收回值已根據使用價值而釐定，該使用價值則利用高級管理層所批准的五年財政預算得出的現金流量預測而計算。現金流量預測所應用的折現率為10.25%(二零零六年：11%)，五年期後的現金流量則使用零(二零零六年：零)百分比增長率推斷。

於二零零七年十二月三十一日，分配給現金產生單位的商譽賬面值約為1,358,000港元(二零零六年：1,358,000港元)。

計算截至二零零七年十二月三十一日及二零零六年十二月三十一日現金產生單位的使用價值時已使用主要假設。管理層根據其現金流量預測進行商譽減值測試所依據的每項主要假設如下：

收入及營運業績預算

收入及營運業績預算已根據現金產生單位的過去表現和管理層的預測市場發展而釐定。

折現率

已使用的折現率為除稅前折現率，該折現率反映與現金產生單位有關的特定風險。

營商環境

香港的現行政治、法律及經濟狀況概無重大變動。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

16. INTERESTS IN SUBSIDIARIES

Unlisted shares, at cost
Due from subsidiaries
Due to subsidiaries

非上市股份，按成本值
應收附屬公司款項
應付附屬公司款項

Impairment[#]

減值[#]

[#] An impairment was recognised for certain unlisted shares and amounts due from subsidiaries with a total carrying amount of HK\$484,990,000 (2006: HK\$483,745,000) because certain subsidiaries have suffered losses over the years and certain amounts due from subsidiaries are considered to be not recoverable. There was no change in the impairment account during the current year.

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

The carrying amounts of these amounts due from/to subsidiaries approximate to their fair values.

16. 於附屬公司之權益

		Company 公司	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
		35,443	35,443
		1,204,579	1,234,419
		(315,155)	(311,388)
		924,867	958,474
		(427,342)	(427,342)
		497,525	531,132

[#] 由於若干附屬公司於有關年度錄得虧損，且若干應收附屬公司款項被視為不可收回，故去年內已就總賬面值為484,990,000港元（二零零六年：483,745,000港元）之若干非上市股份及應收附屬公司款項確認減值。減值賬目於年內並無變動。

應收／應付附屬公司款項為無抵押、免息及無固定還款期。

應收／應付附屬公司款項的賬面值與其公平值相若。

16. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows:

16. 於附屬公司之權益(續)

主要附屬公司之詳情如下：

Name 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued ordinary share capital 已發行普通股 股本面值	Percentage of equity attributable to the Company 本公司應佔 股本權益百分比		Principal activities 主要業務
			2007 二零零七年	2006 二零零六年	
Medical services 醫療服務					
Berkshire Group Limited	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	US\$1 1 美元	100	100	Provision of healthcare services 提供保健服務
Marvellous Way Limited	Hong Kong 香港	HK\$10 10 港元	100	100	Operation of Chinese medicine centres 經營中醫藥中心
Quality HealthCare Medical Centre Limited 卓健醫療體檢中心有限公司	Hong Kong 香港	HK\$1,300 1,300 港元	100	100	Medical facilities and services provider 醫療設施及 服務供應商
Quality HealthCare Medical Services Limited 卓健醫療服務有限公司	Hong Kong 香港	HK\$2 2 港元	100	100	Provision of contract healthcare services 提供合約 保健服務
Quality HealthCare Professional Services Limited	Hong Kong 香港	HK\$2 2 港元	100	100	Provision of professional services 提供專業服務
Allied Medical Practices Guild Limited 雅聯醫務協會有限公司	Hong Kong 香港	HK\$2 2 港元	100	100	Provision of contract healthcare services 提供合約 保健服務

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

16. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows:
(continued)

16. 於附屬公司之權益(續)

主要附屬公司之詳情如下：(續)

Name 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued ordinary share capital 已發行普通股 股本面值	Percentage of equity attributable to the Company 本公司應佔 股本權益百分比		Principal activities 主要業務
			2007 二零零七年	2006 二零零六年	
Nursing agency, physiotherapy, dental and other services 護理介紹所、物理治療、牙科及其他服務					
Quality HealthCare Dental Services Limited 卓健牙科服務有限公司	Hong Kong 香港	HK\$1,000 1,000 港元	100	100	Provision of dental services 提供牙科服務
Quality HealthCare Nursing Agency Limited 卓健護理介紹所有限公司	Hong Kong 香港	HK\$10,000 10,000 港元	100	100	Provision of nursing agency services 提供護理 介紹服務
Quality HealthCare Physiotherapy Services Limited 卓健物理治療服務有限公司	Hong Kong 香港	HK\$1,000 1,000 港元	100	100	Provision of physiotherapy services 提供物理 治療服務
Quality HealthCare Psychological Services Limited 卓健心理健康有限公司	Hong Kong 香港	HK\$1 1 港元	100	100	Provision of psychological services 提供心理 健康服務
Dynamic People Group Limited	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	US\$1 1 美元	100	100	Provision of LASIK and optical surgical services 提供激光矯視 及視力手術服務

16. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows:
(continued)

16. 於附屬公司之權益(續)

主要附屬公司之詳情如下:(續)

Name 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued ordinary share capital 已發行普通股 股本面值	Percentage of equity attributable to the Company 本公司應佔 股本權益百分比		Principal activities 主要業務
			2007 二零零七年	2006 二零零六年	
Elderly care services 護老服務					
Quality HealthCare Nursing Home Limited 卓健耆安護老有限公司	Hong Kong 香港	HK\$1,000 1,000 港元	100	100	Provision of elderly care services 提供長者 護理服務
QHES Limited 卓健耆安有限公司	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	US\$1 1 美元	100	100	Provision of elderly care services 提供長者 護理服務
Quality HealthCare Man Kee Elderly Limited 卓健耆安萬基有限公司	Hong Kong 香港	HK\$1,000 1,000 港元	100	100	Provision of elderly care services 提供長者 護理服務
Corporate and other 企業及其他					
Sino Success (HK) Limited	Hong Kong 香港	HK\$2 2 港元	100	100	Provision of corporate services 提供企業服務

Except for Quality HealthCare Man Kee Elderly Limited, all the above subsidiaries are indirectly held by the Company.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

除卓健耆安萬基有限公司外，所有上述附屬公司均由本公司間接持有。

上表所列之本公司附屬公司，按董事之意見，乃主要影響本年度之業績或構成本集團淨資產之重大部份。董事認為列載其他附屬公司之詳情會導致篇幅過於冗長。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

17. INTEREST IN A JOINTLY-CONTROLLED ENTITY

Share of net assets 應佔淨資產
Due to a jointly-controlled entity 應付一間共同控制企業款項

The amount due to a jointly-controlled entity is unsecured, interest-free and has no fixed terms of repayment. The carrying amount of the amount due to a jointly-controlled entity approximates to its fair value.

Particulars of the jointly-controlled entity are as follows:

Name 名稱	Particulars of issued shares held 所持已發行 股份詳情	Place of incorporation 註冊成立 地點	Percentage of 百分比			Principal activities 主要業務
			Ownership interest 所有者權益	Voting power 投票權	Profit sharing 溢利攤分	
Poltallock Limited*	Ordinary shares of HK\$1 each 每股面值 1港元普通股	Hong Kong 香港	50	50	50	Provision of facilities and technical services to medical and dental practitioners 向醫生及牙醫 提供設施及 技術服務

* Not audited by Ernst & Young Hong Kong or other member firm of the Ernst & Young global network.

The above investment in a jointly-controlled entity is indirectly held by the Company.

17. 於一間共同控制企業之權益

	Group 集團
	2007 二零零七年 HK\$'000 千港元
	2006 二零零六年 HK\$'000 千港元
	519
	(167)
	477
	(10)
	352
	467

應付一間共同控制企業款項為無抵押、免息及無固定還款期。應付一間共同控制企業款項的賬面值與其公平值相若。

該共同控制企業之詳情如下：

* 並非由香港安永會計師事務所或其他安永會計師事務所國際網絡成員公司審核。

上述共同控制企業之投資由本公司間接持有。

17. INTEREST IN JOINTLY-CONTROLLED ENTITY (continued)

The following table illustrates the summarised financial information of the Group's jointly-controlled entity:

Share of the jointly-controlled entity's assets and liabilities:	應佔共同控制企業之資產及負債：
Current assets	流動資產
Non-current assets	非流動資產
Current liabilities	流動負債
Net assets	淨資產
Share of the jointly-controlled entity's results:	應佔共同控制企業之業績：
Revenue	收入
Other income	其他收入
Total expenses	總開支
Profit/(loss) after tax	除稅後溢利／(虧損)

17. 於一間共同控制企業之權益(續)

下表說明本集團共同控制企業的簡略財務資料：

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
1,621	2,055
41	86
(1,143)	(1,664)
519	477
2,393	2,294
182	160
2,575	2,454
(2,533)	(2,464)
42	(10)

18. INTEREST IN AN ASSOCIATE

Share of net assets	應佔淨資產
Due from an associate	應收一間聯營公司款項

18. 於一間聯營公司之權益

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
-	2,386
-	120
-	2,506

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

18. INTEREST IN AN ASSOCIATE (continued)

The amount due from an associate was unsecured, interest-free and had no fixed terms of repayment.

The carrying amount of the amount due from an associate at 31 December 2006 approximated to its fair value.

Particulars of the associate are as follows:

Name 名稱	Particulars of issued shares held 所持已發行 股份詳情	Place of incorporation 註冊成立 地點	Percentage of ownership interest attributable to the Group 本集團應佔 所有者權益 百分比		Principal activities 主要業務
			2007 二零零七年	2006 二零零六年	
SkinCentral Limited	Ordinary shares of HK\$1 each 每股面值1港元 普通股	Hong Kong 香港	-	30	Provision of dermatology, aesthetic and laser services 提供護膚、 美容及 激光服務

The above associate was indirectly held by the Company.

During the year, the Group disposed of its entire 30% equity interest in SkinCentral Limited to the other shareholder of SkinCentral Limited for a cash consideration of HK\$5,300,000.

The following table illustrates the summarised financial information of the Group's associate as at 31 December 2006 and for the year then ended extracted from its management accounts:

		HK\$'000 千港元
Assets	資產	10,371
Liabilities	負債	(2,418)
Revenue	收入	17,489
Profit	溢利	1,503

18. 於一間聯營公司之權益(續)

應收一間聯營公司款項乃無抵押、免息及無固定還款期。

於二零零六年十二月三十一日應收一間聯營公司款項之賬面值與其公平值相若。

聯營公司之詳情如下：

Name 名稱	Particulars of issued shares held 所持已發行 股份詳情	Place of incorporation 註冊成立 地點	Percentage of ownership interest attributable to the Group 本集團應佔 所有者權益 百分比		Principal activities 主要業務
			2007 二零零七年	2006 二零零六年	
SkinCentral Limited	Ordinary shares of HK\$1 each 每股面值1港元 普通股	Hong Kong 香港	-	30	Provision of dermatology, aesthetic and laser services 提供護膚、 美容及 激光服務

上述聯營公司由本公司間接持有。

年內，本集團以現金代價5,300,000港元將其於SkinCentral Limited 30%之全部權益出售予SkinCentral Limited 之其他股東。

下表說明本集團聯營公司於二零零六年十二月三十一日及截至該日止年度末之簡略財務資料，乃摘錄自其管理賬目：

19. INVENTORIES

Medicines and dispensary supplies	藥物及醫療用品
Consumables	消耗品

19. 存貨

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
10,610	9,044
731	640
11,341	9,684

20. ACCOUNTS RECEIVABLE

Accounts receivable	應收賬項
Impairment	減值

20. 應收賬項

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
117,965	110,645
(3,017)	(1,914)
114,948	108,731

The Group generally allows an average general credit period of 30 days to its business-related customers. The Group has a credit policy in place, and exposures are monitored and overdue balances are reviewed by senior management on an ongoing basis. The Group's exposure to credit risk arising from accounts receivables is disclosed in note 32 to the financial statements. Accounts receivable are non-interest-bearing.

本集團通常提供予業務相關客戶之信貸期平均為30日。本集團設有信貸政策，高級管理層會持續監察風險及檢討逾期結餘。本集團之應收賬項產生之信貸風險於財務報告附註32披露。應收賬項並不計息。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

20. ACCOUNTS RECEIVABLE (continued)

An aged analysis of the Group's accounts receivable as at the balance sheet date, based on the invoice date and net of provisions, is as follows:

Current to 90 days	即期至90日
91 to 180 days	91日至180日
181 to 365 days	181日至365日

The movements in provision for impairment of accounts receivable are as follows:

At 1 January	於一月一日
Impairment losses recognised (note 6)	已確認減值虧損(附註6)
Amount written off as uncollectible	撇銷不能收回之款項
31 December	於十二月三十一日

The above provision for impairment of accounts receivable represents a provision for individually impaired accounts receivable of HK\$3,017,000 (2006: HK\$1,914,000) with a carrying amount of HK\$3,986,000 (2006: HK\$2,982,000). Such provision was determined after taking into account the ageing of individual accounts receivable balances, the creditworthiness of the debtor, its repayment history and historical write-off experience. The Group does not hold any collateral or other credit enhancements over these balances.

20. 應收賬項(續)

本集團於結算日之應收賬項結餘(按發票日期計算, 並已扣除撥備)之賬齡分析如下:

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
107,898	93,247
4,902	13,482
2,148	2,002
114,948	108,731

應收賬項減值撥備之變動如下:

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
1,914	443
1,120	1,776
(17)	(305)
3,017	1,914

上述應收賬項之減值撥備中包括個別已減值應收賬項作出之撥備3,017,000港元(二零零六年: 1,914,000港元), 該等應收賬項之賬面值為3,986,000港元(二零零六年: 2,982,000港元)。該等撥備經考慮個別應收款項結餘的賬齡, 債務人之信譽, 其還款紀錄及以往之撇銷經驗而決定。本集團並無就該等結餘持有任何抵押品或其他提升信用之保障。

20. ACCOUNTS RECEIVABLE (continued)

The aged analysis of the accounts receivable that are not considered to be impaired is as follows:

Neither past due nor impaired	並無逾期或減值
Less than 1 month past due	逾期少於一個月
1 to 3 months past due	逾期一至三個月
Over 3 months past due	逾期超過三個月

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is presently necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

20. 應收賬項(續)

應收賬項(並未視作已減值)賬齡分析如下:

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
72,960	42,955
24,813	34,953
11,251	19,315
4,955	10,440
113,979	107,663

概無逾期或減值的應收賬項與大量分散而並無近期欠款記錄之客戶有關。

已逾期但未減值之應收賬項乃有關於多名與本集團保持良好往來紀錄之獨立客戶。根據過往經驗，本公司董事認為，就該等結餘而言，由於信貸質素並未發生重大變動，而該等結餘仍被視為可悉數收回，故現時毋須就此作出任何減值撥備。本集團並無就該等結餘持有任何抵押品或其他提升信用之保障。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

21. ACCOUNTS PAYABLE, OTHER PAYABLES, ACCRUALS AND DEPOSITS RECEIVED

An aged analysis of the accounts payable included in accounts payable, other payables, accruals and deposits received as at the balance sheet date, based on the invoice date, is as follows:

Accounts payable:	應付賬項：
Current to 90 days	即期至90日
91 to 180 days	91日至180日
Other payables, accruals and deposits received	其他應付款項、應計款項及已收按金

The accounts payable and other payables are non-interest-bearing and are normally settled on 30-60 days terms.

21. 應付賬項、其他應付款項、應計款項及已收按金

根據發票日期計算於結算日應付賬項、其他應付款項、應計款項及已收按金所包括之應付賬項，其賬齡分析如下：

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
20,565	27,810
24	454
20,589	28,264
106,016	89,280
126,605	117,544

應付賬項及其他應付款項為免息及通常於30日至60日期限內結清。

22. HIRE PURCHASE CONTRACT PAYABLE

The Group leases certain office equipment for its medical services business under a hire purchase arrangement. The term of the hire purchase is five years.

At 31 December 2007, the total future minimum lease payments under the hire purchase arrangement and its present value were as follows:

22. 應付租購合約

本集團根據租購安排為其醫療服務業務租用若干辦公室設備。租購年期為五年。

於二零零七年十二月三十一日，根據租購安排未來最低租約付款總額及其現值如下：

Group 集團		Minimum lease payments 最低租約付款額		Present value of minimum lease payments 最低租約付款額之現值	
		2007 二零零七年 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	2006 二零零六年 HK\$'000 千港元
Amounts payable:	應付金額：				
Within one year	一年內	6	6	5	5
In the second year	第二年	5	6	3	5
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	-	5	-	3
Total minimum lease payments	最低租約付款總額	11	17	8	13
Future finance charges	未來融資費用	(3)	(4)		
Total net hire purchase contract payable	租購合約應付款項淨額	8	13		
Portion classified as current liabilities	列作流動負債之部份	(5)	(5)		
Non-current portion	非即期部份	3	8		

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

23. DEFERRED TAX

The movement in deferred tax liabilities during the year is as follows:

Group

At 1 January	於一月一日
Deferred tax charged/(credited) to the income statement during the year (note 10)	年內於收益表扣除/(計入)之遞延稅項(附註10)
Gross deferred tax liabilities recognised in the consolidated balance sheet at 31 December	於十二月三十一日綜合資產負債表確認之遞延稅項負債總額

The Group has tax losses arising in Hong Kong of HK\$51,008,000 (2006: HK\$56,666,000), subject to the agreement by the Hong Kong Inland Revenue Department, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and/or it is not considered probable that taxable profits will be available against which such tax losses can be utilised.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

23. 遞延稅項

年內之遞延稅項負債變動如下：

集團

Depreciation allowance in excess of related depreciation 折舊撥備高於相關折舊

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
1,369	1,057
(236)	312
1,133	1,369

本集團於香港產生之稅務虧損為51,008,000港元(二零零六年：56,666,000港元)(須待香港稅務局確認)，可無限期用以抵銷產生該等虧損之公司之未來應課稅溢利。由於該等虧損乃於虧本已有一段時間之附屬公司產生，及/或預期並無足夠應課稅溢利可用作抵銷該等稅務虧損，故此並未就其確認遞延稅項資產。

本公司向股東派付之股息並無附帶任何所得稅後果。

24. SHARE CAPITAL

Shares

Authorised:	法定：
3,000,000,000 (2006: 3,000,000,000) ordinary shares of HK\$0.10 each	3,000,000,000 股(二零零六年： 3,000,000,000 股)每股面值 0.10 港元之普通股
Issued and fully paid:	已發行及繳足：
238,937,348 (2006: 210,384,827) ordinary shares of HK\$0.10 each	238,937,348 股(二零零六年： 210,384,827 股)每股面值 0.10 港元之普通股

The movements in share capital during the current year and the prior year were as follows:

Year ended 31 December 2007

- (i) 28,552,521 ordinary shares of HK\$0.10 each were issued for cash at a subscription price of HK\$2.46 per ordinary share pursuant to the exercise of the Company's warrants for a total cash consideration, before expenses, of approximately HK\$70,239,000.

Year ended 31 December 2006

- (ii) The subscription rights attaching to 807,100 share options were exercised at a subscription price of HK\$1.47 per ordinary share (note 25), resulting in the issue of 807,100 ordinary shares of the Company of HK\$0.10 each for a total cash consideration, before expenses, of approximately HK\$1,187,000.
- (iii) 14,249,913 ordinary shares of HK\$0.10 each were issued for cash at a subscription price of HK\$2.46 per ordinary share pursuant to the exercise of the Company's warrants for a total cash consideration, before expenses, of approximately HK\$35,054,000.

24. 股本

股份

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
300,000	300,000
23,893	21,038

年內及過往年度之股本變動如下：

截至二零零七年十二月三十一日止年度

- (i) 因以總現金代價約70,239,000港元(未計開支)行使本公司認股權證後，28,552,521股每股面值0.10港元之股份按認購價每股普通股2.46港元發行。

截至二零零六年十二月三十一日止年度

- (ii) 807,100份購股權所附之認購權已按經調整之認購價每股普通股1.47港元行使(附註25)，致使本公司以總現金代價約1,187,000港元(未計開支)發行807,100股每股面值0.10港元之普通股。
- (iii) 因以總現金代價約35,054,000港元(未計開支)行使本公司認股權證後，14,249,913股每股面值0.10港元之股份按認購價每股普通股2.46港元發行。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

24. SHARE CAPITAL (continued)

A summary of the transactions during the current year and the prior year with reference to the above movements in the Company's issued ordinary share capital is as follows:

		Notes	Number of shares in issue 已發行 股份數目	Issued share capital 已發行 股本 HK\$'000 千港元	Share premium account 股份 溢價賬 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2006	於二零零六年一月一日		195,327,814	19,533	914	20,447
Share options exercised	已行使購股權	(ii)	807,100	81	1,106	1,187
Warrants exercised	已行使認股權證	(iii)	14,249,913	1,424	33,630	35,054
At 31 December 2006 and 1 January 2007	於二零零六年 十二月三十一日及 二零零七年一月一日		210,384,827	21,038	35,650	56,688
Warrants exercised	已行使認股權證	(i)	28,552,521	2,855	67,384	70,239
At 31 December 2007	於二零零七年 十二月三十一日		238,937,348	23,893	103,034	126,927

Share options

Details of the Company's share incentive plan and the share options issued under the share incentive plan in prior years, are included in note 25 to the financial statements.

Warrants

At 31 December 2006, the aggregate amount of the outstanding warrants of the Company was approximately HK\$72,605,000. During the year, warrants in the amount of approximately HK\$70,239,000 were exercised to subscribe for 28,552,521 ordinary shares of the Company of HK\$0.10 each at a price of HK\$2.46 per share. The subscription rights attaching to the remaining warrants lapsed on 12 January 2007.

24. 股本(續)

本公司於本年度及上年度與上述已發行普通股股本變動有關之交易概述如下：

購股權

往年內本公司之股份獎勵計劃及根據有關股份獎勵計劃發行之購股權詳見財務報告附註25。

認股權證

於二零零六年十二月三十一日，尚未行使之本公司認股權證總額約為72,605,000港元。年內，為數約70,239,000港元之認股權證已按每股普通股2.46港元之價格行使，認購本公司每股面值0.10港元之普通股28,552,521股。餘下認股權證所附之認購權於二零零七年一月十二日後失效。

25. SHARE OPTION PLAN

The Company operates a share incentive plan (the "Share Incentive Plan") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations.

Pursuant to the Share Incentive Plan, the board of directors of the Company may, at its discretion, invite any employees, executive or non-executive directors (including independent non-executive directors), officers, advisers, consultants or such other persons from time to time to be an eligible person to whom share options will be granted as an incentive to attract and retain them for their contributions to the business development of the Group. The Share Incentive Plan was approved and adopted by the Company on 7 June 2002 (the "Adoption Date") and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The total number of ordinary shares in respect of which options may be granted under the Share Incentive Plan (excluding options lapsed) is not permitted to exceed 10% of the shares of the Company in issue as at the Adoption Date, without a prior approval from the Company's ordinary shareholders. The maximum entitlement of each eligible participant under the Share Incentive Plan of the Group in any 12-month period up to the date of grant must not exceed 1% of the ordinary shares of the Company in issue at the date of grant, unless shareholders' approval has been obtained in a general meeting.

The offer of a grant of share options may be accepted within 14 business days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, but in any event such period may not go beyond 10 years from the Adoption Date.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the nominal value of the Company's ordinary shares; (ii) the average Stock Exchange closing price of the Company's ordinary shares on the five consecutive trading days immediately preceding the date of the offer of the share option; and (iii) the closing price of the Company's ordinary shares on the Stock Exchange on the date of the offer of the share option (which must be a business day). Further details of the Share Incentive Plan are also set out in a circular of the Company dated 22 May 2002.

25. 購股權計劃

本公司實施一項股份獎勵計劃，為對本集團業務成功作出貢獻的合資格參與者，提供激勵與獎勵。

根據股份獎勵計劃，本公司董事會可不時酌情邀請任何僱員、執行董事或非執行董事（包括獨立非執行董事）、高級人員、顧問、專業顧問或不時決定之其他具資格可獲授購股權之人士，作為招徠及挽留彼等對本集團業務發展所作出之貢獻。股份獎勵計劃已於二零零二年六月七日（「採納日」）獲本公司批准及採納，而除非股份獎勵計劃被另行取消或修訂，否則將自該日期起計十年內有效。

未經本公司普通股股東事先批准，根據股份獎勵計劃授出之購股權（不包括已失效購股權）所涉及之普通股總數，不得超過本公司於採納日已發行股份之10%。除非於股東大會獲得股東批准，否則於授出日前任何十二個月期間，各合資格參與者根據股份獎勵計劃授予之購股權涉及之股份總數，不得超過本公司於授出日已發行普通股之1%。

承授人可於要約日起計十四個營業日內，支付合共1港元之象徵代價後，即可接納授出購股權要約。所授出購股權之行使期由董事釐定，惟於任何情況下不得超過採納日起計十年。

購股權之行使價由董事釐定，惟不得低於下列三者中最高者：(i)本公司普通股之面值；(ii)緊接購股權要約前連續五個交易日聯交所報本公司普通股之平均收市價；及(iii)在購股權要約日（必須為營業日）聯交所報本公司普通股之收市價。股份獎勵計劃詳見本公司於二零零二年五月二十二日刊發之通函。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

25. SHARE OPTION PLAN (continued)

There were no share options granted under the Share Incentive Plan during the year (2006: Nil). As at 31 December 2007, the Company had no outstanding share options under the Share Incentive Plan (2006: Nil).

The following share options were outstanding under the Share Incentive Plan in the prior year:

		Weighted average exercise price HK\$ per share 每股加權 平均行使價 港元	Number of share options 購股權數目
At 1 January 2006	於二零零六年一月一日	1.47	1,135,350
Exercised during the year	於年內獲行使	1.47	(807,100)
Cancelled/lapsed during the year*	於年內註銷/失效*	1.47	(328,250)
At 31 December 2006	於二零零六年十二月三十一日		—

The weighted average share price at the date of exercise for share options exercised in the prior year was HK\$3.21.

* On 26 October 2006, Sun Hung Kai International Limited for and on behalf of Wah Cheong Development (B.V.I.) Limited made an unconditional mandatory cash offer (the "Offer") for all the issued shares and outstanding warrants of, and for the cancellation of all outstanding share options granted by the Company (the "Share Options"), further details of which are set out in a response document of the Company dated 9 November 2006. Under the terms of the Share Incentive Plan, holders of the Share Options might, within 14 business days of the commencement of the Offer, that is, on or before 15 November 2006, give written notice to the Company that they wish to exercise their Share Options in whole or in part as specified in such notice. Share Options not exercised within such 14 business days period would lapse. Accordingly, the exercise period of the Share Options granted on 16 October 2002, which were initially exercisable from 16 October 2003 up to 15 October 2007, was brought forward to 15 November 2006 by virtue of the Offer.

25. 購股權計劃(續)

年內並無根據股份獎勵計劃授出購股權(二零零六年:無)。截至二零零七年十二月三十一日止,本公司根據股份獎勵計劃並無尚未行使之購股權(二零零六年:無)。

上年度根據股份獎勵計劃尚未行使之購股權如下:

		Weighted average exercise price HK\$ per share 每股加權 平均行使價 港元	Number of share options 購股權數目
At 1 January 2006	於二零零六年一月一日	1.47	1,135,350
Exercised during the year	於年內獲行使	1.47	(807,100)
Cancelled/lapsed during the year*	於年內註銷/失效*	1.47	(328,250)
At 31 December 2006	於二零零六年十二月三十一日		—

於去年已行使購股權之行使日期,加權平均股價為3.21港元。

* 於二零零六年十月二十六日,新鴻基國際有限公司代表Wah Cheong Development (B.V.I.) Limited就本公司全部已發行股份及尚未行使認股權證,以及註銷本公司已授出之所有尚未行使購股權(「購股權」)作出無條件強制性現金收購建議(「收購建議」),進一步詳情載於本公司日期為二零零六年十一月九日之回應文件內。根據股份獎勵計劃之條款,購股權持有人可於收購建議開始日期後十四個營業日內,書面通知本公司彼等有意行使彼等於該通知所列明之全部或部份購股權。於該十四個營業日期間內未獲行使之購股權將告失效。因此,於二零零二年十月十六日所授出最初行使期為二零零三年十月十六日至二零零七年十月十五日之購股權之行使期,由於收購建議而提前至二零零六年十一月十五日。

26. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 60 of the financial statements.

(b) Company

26. 儲備

(a) 集團

年內及過往年度的本集團儲備及其變動之數額呈列於財務報告第60頁之綜合權益變動表。

(b) 公司

		Notes 附註	Share premium account 股份 溢價賬 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2006	於二零零六年一月一日		914	531,419	532,333
Issue of shares upon exercise of share options	因行使購股權發行股份	24(ii)	1,106	-	1,106
Issue of shares upon exercise of warrants	因行使認股權證發行股份	24(iii)	33,630	-	33,630
Adjustment for final 2005 dividend*	就二零零五年末期股息調整*		-	(13)	(13)
Loss for the year	本年度虧損		-	(3,074)	(3,074)
Interim 2006 dividend	二零零六年中期股息	12	-	(6,624)	(6,624)
Proposed final and special 2006 dividends	擬派二零零六年末期及特別股息	12	-	(51,969)	(51,969)
At 31 December 2006 and at 1 January 2007	於二零零六年十二月三十一日及二零零七年一月一日		35,650	469,739	505,389
Issue of shares upon exercise of warrants	因行使認股權證發行股份	24(i)	67,384	-	67,384
Profit for the year	本年度溢利		-	22,680	22,680
Interim 2007 dividend	二零零七年中期股息	12	-	(12,783)	(12,783)
Proposed final and special 2007 dividends	擬派二零零七年末期及特別股息	12	-	(46,951)	(46,951)
At 31 December 2007	於二零零七年十二月三十一日		103,034	432,685	535,719

* In the prior year, the adjustment for the final 2005 dividend was due to the issue of 406,826 ordinary shares pursuant to the exercise of the Company's share options and warrants prior to the record date of the final 2005 dividend and therefore they ranked for this dividend payment.

* 於過往年度，就二零零五年末期股息之調整乃由於本公司之購股權及認股權證於二零零五年末期股息之記錄日期前獲行使而發行406,826股普通股，因此彼等享有該股息款項。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

27. CONTINGENT LIABILITIES AND CORPORATE GUARANTEES

- (a) At the balance sheet date, certain corporate guarantees were given by the Company to external third parties which were not provided for in the financial statements as follows:
- (i) Corporate guarantees were given by the Company to certain third parties in connection with tenancy agreements entered into by its subsidiaries with an aggregate amount of approximately HK\$30,333,000 at 31 December 2007 (2006: HK\$50,980,000).
 - (ii) Corporate guarantees were given by the Company to certain banks in connection with banking facilities granted to its subsidiaries with an aggregate amount of HK\$60,000,000 at 31 December 2007 (2006: HK\$60,000,000).

As at 31 December 2007, the banking facilities granted to the subsidiaries subject to the corporate guarantees given to the banks by the Company were utilised to the extent of approximately HK\$5,115,000 (2006: HK\$5,838,000) for the issuance of bank guarantees and performance bonds by a bank.

- (b) As at 31 December 2007 and 2006, the Group was engaged in certain litigation and claims which have not been disclosed in detail, as the possibility of an outflow of resources embodying material economic benefits is remote.

27. 或然負債及公司擔保

- (a) 於結算日，本公司提供予外界第三方而未於財務報告內作出撥備之若干公司擔保如下：
- (i) 於二零零七年十二月三十一日，本公司就其附屬公司所訂立之租賃協議而向若干第三方提供公司擔保，其總金額約為30,333,000港元（二零零六年：50,980,000港元）。
 - (ii) 於二零零七年十二月三十一日，本公司就其附屬公司獲提供若干銀行融資而向銀行提供公司擔保，其總金額為60,000,000港元（二零零六年：60,000,000港元）。

於二零零七年十二月三十一日，由本公司向銀行提供公司擔保而授予附屬公司之銀行融資已被動用約5,115,000港元（二零零六年：5,838,000港元）作為出具銀行擔保函。

- (b) 於二零零七年及二零零六年十二月三十一日，本集團亦涉及若干訴訟及申索，惟由於其導致帶有重大經濟利益之資源流出之機會甚低，故並無作詳細披露。

28. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group subleases certain of its premises under operating lease arrangements with non-cancellable leases negotiated for a term of three years. The terms of the leases generally also require the tenants to pay security deposits.

At 31 December 2007, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)

(b) As lessee

The Group leases certain of its medical centres, office premises, elderly care homes and office equipment under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to five and a half years.

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

Within one year	一年內
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)
After five years	五年後

28. 經營租約安排

(a) 作為出租人

本集團根據不可撤銷租約之經營租約安排分租其若干物業。經協商之物業租賃期為三年。租約條款一般亦要求租戶支付保證金。

於二零零七年十二月三十一日，根據不可撤銷之經營租約，本集團於以下年期應收之未來最低租金總額如下：

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
106	106
94	199
200	305

(b) 作為承租人

本集團根據經營租約安排租用其若干醫療中心、辦公室物業、護老院及辦公室設備。經協商之物業租賃期介乎一年至五年半。

於二零零七年十二月三十一日，根據不可撤銷之經營租約，本集團須按以下年期支付之未來最低租金總額如下：

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
70,215	66,836
78,974	93,412
1,168	5
150,357	160,253

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

29. COMMITMENTS

In addition to the operating lease commitments detailed in note 28(b) above, the Group had the following capital commitments at the balance sheet date:

Contracted, but not provided for:	已訂約但尚未撥備：
Purchases of property, plant and equipment	購買物業、廠房及設備

29. 承擔

於結算日，除上述附註28(b)詳述之經營租約承擔外，本集團有以下資本承擔：

Group 集團	
2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
534	-

30. RELATED PARTY TRANSACTIONS

In addition to the transactions, arrangements and balances detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

- (a) The Group had certain transactions with various indirect wholly-owned subsidiaries of SHK, an intermediate holding company of the Company, based on mutually agreed terms, pursuant to relevant agreements dated 7 February 2007 and 27 January 2006 for a term of 11 months and 12 months, respectively, as summarised below.
- (i) The Group paid insurance premiums of approximately HK\$4,368,000 (2006: HK\$3,897,000) to Sun Hung Kai Insurance Consultants Limited in accordance with the relevant insurance brokerage services agreements.
- (ii) The Group paid corporate secretarial services fees of approximately HK\$1,349,000 (2006: HK\$1,163,000) to Wineur Secretaries Limited in accordance with the relevant corporate secretarial services agreements.

30. 有關連人士之交易

除財務報告其他部份詳述之交易安排及結餘外，本集團與有關連人士於本年度有下列重大交易：

- (a) 本集團與新鴻基(本公司中間控股公司)之若干間接全資附屬公司根據日期分別為二零零七年二月七日及二零零六年一月二十七日之有關協議按雙方協定條款進行下文概述之若干交易，分別為期十一個月及十二個月。
- (i) 本集團根據相關的保險經紀服務協議向新鴻基保險顧問有限公司繳付保費約4,368,000港元(二零零六年：3,897,000港元)。
- (ii) 本集團根據相關的公司秘書服務協議向偉略秘書有限公司繳付公司秘書服務費約1,349,000港元(二零零六年：1,163,000港元)。

30. RELATED PARTY TRANSACTIONS (continued)

Further details of these transactions are also set out in the announcements of the Company dated 7 February 2007 and 27 January 2006.

Subsequent to the balance sheet date, on 31 January 2008, the Company entered into a new set of agreements with the relevant parties to continue the above mentioned services for a term of 12 months commencing from 1 January 2008 to 31 December 2008, further details of which are also set out in an announcement of the Company dated 31 January 2008.

On 31 January 2008, the Company entered into an agreement (the "Sharing of Management Services Agreement") with AGL to reimburse AGL the costs incurred in respect of management, consultancy, strategic and business advice services provided by senior management and selective staff of AGL to the Group for a term of three years commencing from 1 January 2008. Further details of the Sharing of Management Services Agreement are also set out in an announcement of the Company dated 1 February 2008.

The above transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

- (b) The Group paid a service fee for the provision of facilities and services to a jointly-controlled entity of HK\$3,998,000 (2006: HK\$3,185,000) for its medical practices. The fee was charged based on terms mutually agreed between both parties.

30. 有關連人士之交易 (續)

有關該等交易之進一步詳情亦載於日期為二零零七年二月七日及二零零六年一月二十七日之本公司公佈內。

於結算日後，本公司於二零零八年一月三十一日與有關訂約方訂立新協議延續上述服務，由二零零八年一月一日起計至二零零八年十二月三十一日，為期十二個月，有關進一步詳情亦載於日期為二零零八年一月三十一日之本公司公佈內。

本公司於二零零八年一月三十一日與聯合集團訂立一份協議（「管理服務分攤協議」），償付聯合集團就其高級管理人員及特選職員由二零零八年一月一日起為期三年，向本集團提供管理、顧問、策略性及業務建議之服務所產生之成本。管理服務分攤協議之有關進一步詳情亦載於日期為二零零八年二月一日本公司之公佈上。

按上市規則第14A章之定義，上述交易亦構成持續關連交易。

- (b) 本集團向共同控制企業就其向醫療業務提供之設備及服務支付3,998,000港元（二零零六年：3,185,000港元）。該費用乃根據雙方議定之條款支付。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

30. RELATED PARTY TRANSACTIONS (continued)

- (c) The Group had the following transactions with an associate, which was disposed of during the year:
- (i) The Group paid a medical service fee to the associate of HK\$810,000 (2006: HK\$1,416,000) for the provision of skincare services. The fee was charged based on terms mutually agreed between both parties.
 - (ii) The Group received management fees of HK\$160,000 (2006: HK\$240,000) for the provision of administrative services during the year. The fees were charged at amounts mutually agreed between the two parties.
 - (iii) The Group had granted a credit facility to an associate to the extent of HK\$1,000,000, which was not utilised by the associate. The amount drawn down under the credit facility should bear interest at the Hong Kong Dollar Prime Lending Rate quoted by the Hongkong and Shanghai Banking Corporation and the credit facility was secured by personal guarantees provided by certain directors of the associate. During the year, the guarantee was released upon the disposal of the associate.
- (d) Outstanding balances with related parties:
- (i) Included in the Group's accounts payable, other payables, accruals and deposits received are outstanding balances with AGL of HK\$430,000 (2006: Nil) and with SHK and its wholly-owned subsidiaries totalling of HK\$291,000 (2006: HK\$422,000).
 - (ii) Details of the Group's amount due from its associate are included in note 18 to the financial statements, and details of the Group's amount due to its jointly-controlled entity are included in note 17 to the financial statements.

30. 有關連人士之交易 (續)

- (c) 本集團與一間聯營公司有下開於年內已出售之交易：
- (i) 本集團就獲提供的護膚服務向一間聯營公司支付醫療服務費810,000港元(二零零六年：1,416,000港元)。該費用乃按雙方協定條款收取。
 - (ii) 本集團於本年度就提供行政管理服務收取管理費160,000港元(二零零六年：240,000港元)。該費用乃按雙方協定金額收取。
 - (iii) 本集團向一間聯營公司授出金額上限為1,000,000港元之信貸，而該聯營公司並無動用該信貸。根據該信貸提取之款項須按香港上海滙豐銀行有限公司所報之港元最優惠借貸利率計息，並由聯營公司之若干董事提供的個人擔保抵押。於年內，在出售該聯營公司後已解除有關擔保。
- (d) 與有關連人士之未償還結餘：
- (i) 本集團之應付賬項、其他應付款項、應計費用及已收按金包括與聯合集團有關之尚未償還結餘430,000港元(二零零六年：無)及與新鴻基及其全資附屬公司有關之尚未償還結餘合共291,000港元(二零零六年：422,000港元)。
 - (ii) 本集團應收聯營公司款項之詳情載於財務報告附註18，而本集團應付其共同控制企業款項之詳情則載於財務報告附註17。

30. RELATED PARTY TRANSACTIONS (continued)

- (e) Compensation of key management personnel of the Group:

Short term employee benefits	短期僱員福利
Post-employment benefits	離職後福利
Total compensation paid to key management personnel	向主要管理職員支付之總酬金

Further details of directors' emoluments are included in note 8 to the financial statements.

30. 有關連人士之交易 (續)

- (e) 本集團主要管理職員之酬金：

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
7,514	7,245
20	24
7,534	7,269

董事薪酬之詳情載於財務報告附註8。

31. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:

Group

Financial assets

Due from an associate (note 18)	應收一間聯營公司款項(附註18)
Accounts receivable	應收賬項
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項之金融資產
Cash and bank balances	現金及銀行結存

31 金融工具分類

於結算日，各類金融工具之賬面值如下：

本集團

金融資產

Loans and receivables 貸款及應收款項

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
-	120
114,948	108,731
24,373	22,283
240,063	177,283
379,384	308,417

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

31. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:
(continued)

Financial liabilities

Due to a jointly-controlled entity (note 17)	應付一間共同控制企業款項 (附註17)
Accounts payable (note 21)	應付賬項(附註21)
Financial liabilities included in other payables, accruals and deposits received (note 21)	計入其他應付款項、應計款項及按金之金融負債(附註21)
Hire purchase contract payable	應付租購合約

Company

Financial assets

Due from subsidiaries, net of impairment (note 16)	應收附屬公司款項 (扣除減值)(附註16)
Cash and bank balances	現金及銀行結存

31 金融工具分類(續)

於結算日，各類金融工具之賬面值如下：
(續)

金融負債

Financial liabilities at amortised cost 按攤銷成本入賬的金融負債

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
167	10
20,589	28,264
44,238	38,134
8	13
65,002	66,421

本公司

金融資產

Loans and receivables 貸款及應收款項

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
812,680	842,520
120,180	57,070
932,860	899,590

31. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:
(continued)

Financial liabilities

Due to subsidiaries (note 16)	應付附屬公司款項(附註16)
Financial liabilities included in other payables and accruals	計入其他應付款項及應計款項之金融負債

31 金融工具分類(續)

於結算日，各類金融工具之賬面值如下：
(續)

金融負債

Financial liabilities at amortised cost 按攤銷成本入賬的金融負債

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
315,155	311,388
3,646	2,648
318,801	314,036

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and short term deposits, and hire purchase contract payable. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as accounts receivable, other receivables, accounts payable, other payables and balances with a jointly-controlled entity and an associate, which primarily arise directly from its operations. The Group does not hold or issue any derivative financial instruments.

The main risks arising from the Group's financial instruments and the policies for managing each of these risks are summarised below. Management manages and monitors these risks to ensure appropriate measures are implemented on a timely and effective manner.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's cash and bank balances.

32. 財務風險管理目標及政策

本集團之主要金融工具包括現金及銀行結餘及應付租購合約。該等金融工具之主要目的乃向本集團營運提供融資。本集團尚有多項其他金融資產及負債，例如主要因為經營業務而產生之應收賬項、其他應收款項、應付賬項、其他應付款項，與共同控制企業及聯營公司之結餘。本集團並無持有或發行任何衍生金融工具。

因本集團之金融工具產生之主要風險及管理各種風險之政策概要如下。管理層管理及監察該等風險，確保措施乃按合時及有效率之方式施行。

利率風險

利率風險為金融工具之未來現金流量將由於市場利率變化而波動之風險。本集團因市場利率變化所承受之風險主要關於本集團之現金及銀行結餘。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earns interest at the respective short term time deposit rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate bank deposits) and the Group's and the Company's equity.

32. 財務風險管理目標及政策(續)

存放於銀行之現金乃根據每日銀行存款利率之浮動息率賺取利息。短期定存有多個到期日，從一天至三個月不等，根據本集團之即時現金需求而定並按照不同短期定存利率賺取利息。

下表顯示在一切其他變數維持不變時，本集團除稅前溢利(透過對浮動利率銀行存款之影響)及本集團與本公司權益對利率在合理可能變動下之敏感度。

		Group 集團			Company 公司	
		Increase/ (decrease) in basis points 基點 增加/ (減少) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加/ (減少) HK\$'000 千港元	Increase/ (decrease) in equity 權益 增加/ (減少) HK\$'000 千港元	Increase/ (decrease) in basis points 基點 增加/ (減少) %	Increase/ (decrease) in equity 股本權益 增加/ (減少) HK\$'000 千港元
2007	二零零七年					
Hong Kong dollar	港元	0.25	540	540	0.25	295
Hong Kong dollar	港元	0.50	1,079	1,079	0.50	590
Hong Kong dollar	港元	(0.25)	(540)	(540)	(0.25)	(295)
Hong Kong dollar	港元	(0.50)	(1,079)	(1,079)	(0.50)	(590)
2006	二零零六年					
Hong Kong dollar	港元	0.25	387	387	0.25	141
Hong Kong dollar	港元	0.50	775	775	0.50	282
Hong Kong dollar	港元	(0.25)	(387)	(387)	(0.25)	(141)
Hong Kong dollar	港元	(0.50)	(775)	(775)	(0.50)	(282)

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

The Group in general provides services on credit to customers with good credit history or of low risk profile and accordingly, there is no requirement for collateral. Receivable balances are monitored on an ongoing basis.

The credit risk of the Group's other financial assets, which mainly comprise cash and bank balances, other receivables and balances with a jointly-controlled entity and an associate, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments. The Company is also exposed to credit risk through the granting of financial guarantees, further details of which are disclosed in note 27 to the financial statements.

Concentrations of credit risk are managed by customer/counterparty and by industry sector. At the balance sheet date, the Group had a certain concentration of credit risk as 15.9% (2006: 9.2%) and 42.3% (2006: 39.1%) of the total accounts receivable were due from the Group's largest customer and the five largest customers, respectively, within the medical services segment.

Further quantitative data in respect of the Group's exposure to credit risk arising from accounts receivable are disclosed in note 20 to the financial statements.

Foreign currency risk

The Group's exposure to the risks of foreign currency is minimal, as the Group's revenue is derived from customers based in Hong Kong and it primarily purchases from suppliers based in Hong Kong. As at the balance sheet date, majority of cash and bank deposits of the Group were denominated in Hong Kong dollars.

Liquidity risk

The Group's objective is to ensure there are adequate funds to meet its liquidity requirements in the short and longer term. In the management of liquidity risk, the Group monitors and maintains a level of cash and bank balances deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Cash flows of the Group are closely monitored by senior management on an ongoing basis.

32. 財務風險管理目標及政策(續)

信貸風險

本集團一般會向信譽良好或信貸風險甚低之客戶提供賒賬服務，因此並無需要取得抵押品。應收款項結餘按持續基準受到監察。

本集團之其他金融資產(主要包括現金及銀行存款、其他應收款項、與一間共同控制企業及一間聯營公司之結餘)之信貸風險源於訂約方未能履行責任，最大風險等於該等工具之賬面值。本公司亦通過提供財務擔保而承受信貸風險，詳情載於財務報告附註27。

信貸集中風險按客戶／交易對手及類別管理。於結算日，本集團有若干信貸風險集中之情況，原因為本集團醫療服務類的最大客戶及五位最大客戶之應收賬項分別佔該類別應收賬項總額之15.9%(二零零六年：9.2%)及42.3%(二零零六年：39.1%)。

有關本集團因應收賬項所產生信貸風險的進一步定量資料乃披露於財務報告附註20。

外幣風險

因本集團之收入源於在香港之客戶及本集團主要向香港之供應商採購物資，故本集團之外幣風險十分輕微。於結算日，本集團大多數現金及銀行存款以港元計值。

流動資金風險

本集團之目標乃確保維持足夠資金以應付其短期及較長期之流動資金需要。管理流動資金風險時，本集團監察及維持管理層視為足夠提供本集團營運所需的現金及銀行結餘，並減低因現金流量波動造成之影響。高級管理層持續密切監察本集團之現金流量。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

The maturity profile of the Group's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

Group 集團

		2007 二零零七年				
		On demand/ no fixed terms of repayment 按要求償還/ 無固定還款年期 HK\$'000 千港元	Less than 3 months 少於 三個月 HK\$'000 千港元	3 to less than 12 months 三至 十二個月 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Hire purchase contract payable	應付租購合約	-	1	4	3	8
Due to a jointly-controlled entity	應付一間共同控制 企業款項	167	-	-	-	167
Accounts payable	應付賬項	1,271	19,318	-	-	20,589
Other payables	其他應付款項	9,754	33,206	1,278	-	44,238
		11,192	52,525	1,282	3	65,002

		2006 二零零六年				
		On demand/ no fixed terms of repayment 按要求償還/ 無固定還款年期 HK\$'000 千港元	Less than 3 months 少於 三個月 HK\$'000 千港元	3 to less than 12 months 三至 十二個月 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Hire purchase contract payable	應付租購合約	-	1	4	8	13
Due to a jointly-controlled entity	應付一間共同控制 企業款項	10	-	-	-	10
Accounts payable	應付賬項	2,548	25,716	-	-	28,264
Other payables	其他應付款項	8,725	27,271	2,138	-	38,134
		11,283	52,988	2,142	8	66,421

32. 財務風險管理目標及政策(續)

流動資金風險(續)

本集團根據合約未折現付款計算的於結算日金融負債之到期日簡述如下：

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

The maturity profile of the Company's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

Company 公司

		2007 二零零七年				
		On demand/ no fixed terms of repayment 按要求償還/ 無固定還款年期 HK\$'000 千港元	Less than 3 months 少於 三個月 HK\$'000 千港元	3 to less than 12 months 三至 十二個月 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Due to subsidiaries	應付附屬 公司款項	315,155	-	-	-	315,155
Other payables	其他應付款項	-	2,368	1,278	-	3,646
		315,155	2,368	1,278	-	318,801
		2006 二零零六年				
		On demand/ no fixed terms of repayment 按要求償還/ 無固定還款年期 HK\$'000 千港元	Less than 3 months 少於 三個月 HK\$'000 千港元	3 to less than 12 months 三至 十二個月 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Due to subsidiaries	應付附屬 公司款項	311,388	-	-	-	311,388
Other payables	其他應付款項	-	1,440	1,208	-	2,648
		311,388	1,440	1,208	-	314,036

32. 財務風險管理目標及政策(續)

流動資金風險(續)

本公司根據合約未折現付款計算的於結算日金融負債之到期日簡述如下：

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The Group's objectives when managing capital are:

- To safeguard the Group's ability to continue as a going concern, so that it continues to provide returns for shareholders and benefits for other stakeholders; and
- To support the Group's stability and growth

The Group regularly reviews and manages its capital structure and makes adjustments to it to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, repurchase its shares or issue new shares. The Group currently adopts a dividend policy of providing shareholders with regular dividends with a target payout ratio of approximately 40 per cent of the profit of the year, while retaining 60 per cent of the profit as capital of the Group for future use.

The Group monitors the level of its capital on an ongoing basis. Capital of the Group comprises all components of shareholders' equity. Capital of the Group at 31 December 2007 was HK\$307,412,000 (2006: HK\$238,692,000).

The Group is not subject to any externally imposed capital requirements. No significant changes were made in the Group's objectives, policies and processes for managing capital during the year ended 31 December 2006 and 2007.

32. 財務風險管理目標及政策(續)

資本管理

本集團管理資本的首要目標是：

- 為保障本集團有足夠能力持續經營，繼續為股東提供回報及提供利益予其他利益相關者；及
- 為支持本集團之穩定性及發展；

本集團定期檢討和管理其資本架構並作出調整，以達致理想資本架構及股東回報，考慮之因素包括本集團的未來資本需要和資本效率、現時和預期盈利能力、預期經營現金流量、預期資本開支及預期策略性投資機會。

本集團可以通過調整對股東派發之股息、購回其股份或發行新股以保持或調整資本結構。本集團採取定期向股東派息的政策，目標派息率約為年度溢利的40%，餘下60%留作本集團將來使用的資本。

本集團持續監察其資本狀況。本集團之資本由股東權益的所有成份組成。本集團於二零零七年十二月三十一日之資本為307,412,000港元(二零零六年:238,692,000港元)。

本集團不受任何外來實施的資本規定所限制。截至二零零六年及二零零七年十二月三十一日止年度，本集團並無就資本管理之目標、政策或程序作出重大轉變。

33. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

As at 31 December 2007, the carrying amounts of the Group's financial assets and liabilities approximate to their fair values.

34. MANAGEMENT OF FIXED-FEE CONTRACTS

The Group enters into certain Fixed-fee Contracts, in which the Group uses its own medical centres/clinics, staff and other resources to provide medical/dental services covered by the contracts. The level of services to be rendered under the Fixed-fee Contracts is uncertain and depends on uncertain future events. The Group has to consider whether the cost of meeting its contractual obligations to provide the services under the Fixed-fee Contracts may exceed the revenue it will receive and the probability of such risk (the "Risk"), when assessing the pricing and provisioning for such contracts.

The frequency and severity of the Risk are affected by many factors, including, inter alia, the health status and awareness of the persons covered by the Fixed-fee Contracts and that of the general public in Hong Kong, the outbreak/potential outbreak of any epidemic, climatic changes, the duration of those contracts (which in general are of short duration), as well as a diversity of social, industrial and economic factors. The risk associated with such factors (including any undue concentration thereof and the probability of the occurrence of certain events affected by them) on the actual recovery rate for individual contracts is the key source of uncertainty that needs to be estimated.

The Group manages the Risk through periodic review of the estimated and actual recovery rate of individual contracts and includes such assessment in establishing its pricing and contract continuance policies.

As the related assets and liabilities of the Fixed-fee Contracts are non-interest-bearing and as the provision of services on credit are in general only made to customers with good credit history or of low risk profile, the Group's exposure to interest rate risk and credit risk in respect of such contracts is considered to be minimal.

As at 31 December 2007, accounts receivable and deferred revenue of the Group attributable to its Fixed-fee Contracts amounted to approximately HK\$10,047,000 (2006: HK\$6,859,000) and HK\$3,416,000 (2006: HK\$3,151,000), respectively.

33. 金融資產及負債之公平值

於二零零七年十二月三十一日，本集團之金融資產及負債之賬面值與其公平值相若。

34. 固定收費合約之管理

本集團訂立固定收費合約，根據該等合約，本集團利用其自設的醫療中心／診所，職員及其他資源提供合約所涵蓋之醫療／牙科服務。根據固定收費合約提供之服務水平並不確定，及取決於不確定之未來事件。本集團於評估該等合約之定價及條款時，必須考慮根據固定收費合約提供服務以履行合約責任之成本，是否可能超出其將收取之收入及該項風險（「風險」）之可能性。

風險之頻率及嚴重程度受眾多因素影響，包括（其中包括）固定收費合約所涉客戶及香港一般公眾之身體狀況及健康意識、任何傳染病之爆發／爆發機會、氣候變化、該等合約之長短（一般屬短期），以及各項社會、行業及經濟因素。與個別合約實際收回比率相關之該等因素附帶之風險（包括任何風險過度集中及受此影響之出現若干事件的可能性），需估計之主要不確定因素來源。

本集團透過定期評估個別合約之估計及實際之收回比率管理風險，並於確立其定價及續約政策時計入該等評估。

由於固定收費合約之相關資產及負債乃不計息，以及由於一般只會向往績記錄良好或風險水平偏低之客戶提供除賬服務，本集團就該等合約承擔之利率風險及信貸風險十分輕微。

於二零零七年十二月三十一日，本集團固定收費合約應佔之應收賬項及遞延收入分別約為10,047,000港元（二零零六年：6,859,000港元）及3,416,000港元（二零零六年：3,151,000港元）。

Notes to Financial Statements

財務報告附註

31 December 2007 二零零七年十二月三十一日

35. COMPARATIVE AMOUNTS

As further explained in note 2.2 to the financial statements, due to the adoption of the new and revised HKFRSs during the current year, certain comparative amounts have been provided to show separately comparative amount in respect of items disclosed for the first time in 2007.

36. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 28 March 2008.

35. 比較數額

如本財務報告附註2.2內所進一步解釋，由於本年度採納新增及經修訂香港財務報告準則，若干比較數額已就二零零七年首次披露之項目個別呈列。

36. 通過財務報告

財務報告於二零零八年三月二十八日獲董事會通過及授權刊發。



(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

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