



**KARCE** INTERNATIONAL HOLDINGS COMPANY LIMITED  
泰 盛 實 業 集 團 有 限 公 司  
(Incorporated in Bermuda with limited liability)  
(於百慕達註冊成立之有限公司)

股份代號 Stock Code: 1159



二 零 零 七 年 年 報

**2007**  
*Annual Report*

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## Corporate Information 公司資料

### Directors

#### Executive Directors

Mr. Tong Shek Lun  
(Chairman and Managing Director)

Ms. Ko Lai King, Kinny

Ms. Chung Wai Yu, Regina

Mr. Chim Kim Lun, Ricky  
(appointed on 31 August 2007)

Mr. Cheng Kwok Hing, Andy  
(appointed on 31 August 2007)

#### Non-executive Directors

Mr. Lee Kwok Leung

Mr. Yang Yiu Chong, Ronald Jeffrey

#### Independent non-executive Directors

Mr. Sun Yaoquan

Mr. Goh Gen Cheung

Mr. Chan Ho Man

### Company Secretary

Mr. Wong Hei Chiu

### Registered Office

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### Head Office and Principal Place of Business

Units 1 and 2, 29th Floor  
Cable TV Tower  
9 Hoi Shing Road  
Tsuen Wan  
New Territories  
Hong Kong

### 董事

#### 執行董事

唐錫麟先生  
(主席兼董事總經理)

高麗瓊女士

鍾惠愉女士

詹劍崙先生  
(於二零零七年八月三十一日獲委任)

鄭國興先生  
(於二零零七年八月三十一日獲委任)

#### 非執行董事

李國樑先生

楊耀宗先生

#### 獨立非執行董事

孫耀全先生

葛根祥先生

陳浩文先生

### 公司秘書

黃禧超先生

### 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### 總辦事處及主要營業地點

香港  
新界  
荃灣  
海盛路9號  
有線電視大樓  
29樓1至2室

### **Auditor**

Deloitte Touche Tohmatsu  
Certified Public Accountants

### **Bermuda Principal Share Registrar and Transfer Office**

Butterfield Corporate Services Limited  
Rosebank Centre  
11 Bermudiana Road  
Pemborke  
Bermuda

### **Hong Kong Branch Share Registrar and Transfer Office**

Tricor Secretaries Limited  
26th Floor  
Tesbury Centre  
28 Queen's Road East  
Wanchai  
Hong Kong

### **Principal Bankers**

Bank of China (Hong Kong) Limited  
DBS Bank Limited  
Hang Seng Bank Limited  
KBC Bank N.V., Hong Kong Branch  
The Hongkong and Shanghai Banking Corporation Limited

### **核數師**

德勤•關黃陳方會計師行  
執業會計師

### **百慕達主要股份過戶 登記處**

Butterfield Corporate Services Limited  
Rosebank Centre  
11 Bermudiana Road  
Pemborke  
Bermuda

### **股份過戶登記 香港分處**

卓佳秘書商務有限公司  
香港  
灣仔  
皇后大道東28號  
金鐘匯中心  
26樓

### **主要往來銀行**

中國銀行(香港)有限公司  
星展銀行有限公司  
恒生銀行有限公司  
比利時聯合銀行，香港分行  
香港上海滙豐銀行有限公司



# Financial Highlights

## 財務摘要

(除每股股份之數據外均以千港元呈列)

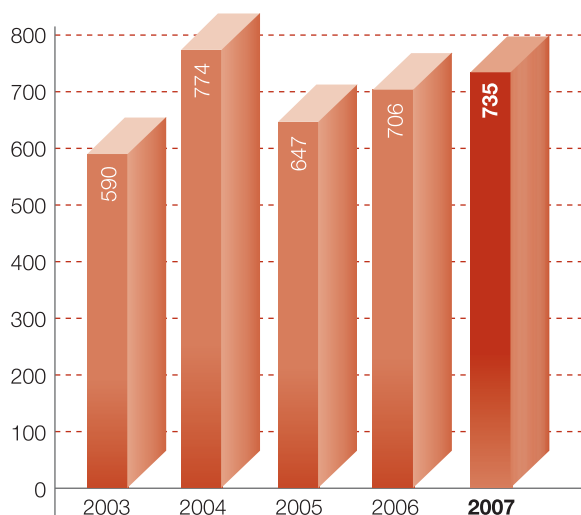
(In Hong Kong thousand dollars, except per share data)

For the year ended 31 December	截至十二月三十一日止年度	2007	2006
<b>CONSOLIDATED INCOME STATEMENT DATA</b>	<b>綜合損益表數據</b>		
Revenue	收益	<b>735,114</b>	705,859
(Loss)/profit for the year	本年度(虧損)/溢利	<b>(64,750)</b>	2,431
EBITDA excluding a loss on fair value change of derivative financial instruments and an impairment loss on available-for-sale investment	EBITDA(不包括衍生金融工具公平值變動虧損及可供出售投資之減值虧損)	<b>9,866</b>	53,433
		<b>HK cents</b>	HK cents
		<b>港仙</b>	港仙
(Loss)/earnings per share — basic	每股(虧損)/盈利—基本	<b>(11.89)</b>	0.44
Proposed final dividend per share	擬派每股末期股息	—	1.0

As at 31 December	於十二月三十一日	2007	2006
<b>CONSOLIDATED BALANCE SHEET DATA</b>	<b>綜合資產負債表數據</b>		
Bank balances and cash	銀行結存及現金	<b>53,179</b>	65,890
Net current assets	流動資產淨值	<b>63,824</b>	88,195
Total net assets/Shareholders' funds	總資產淨值/股東資金	<b>375,031</b>	416,487
Current ratio	流動比率	<b>1.2</b>	1.4
Quick ratio	速動比率	<b>0.8</b>	0.9
Debt to equity ratio	負債權益比率	<b>16.3%</b>	10.6%

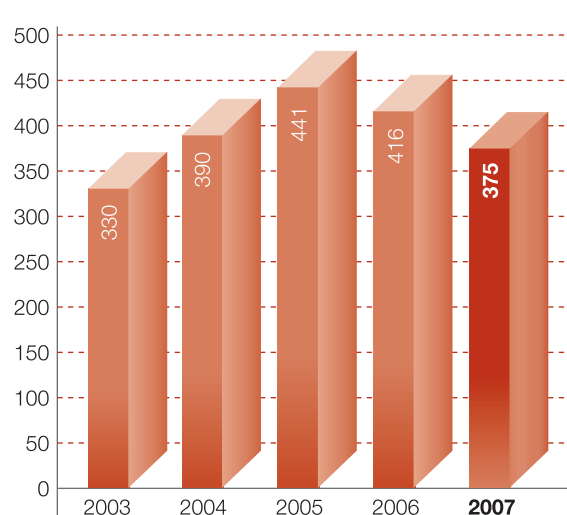
**Revenue** (HK\$ million)

收益 (百萬港元)



**Total net assets/Shareholders' funds** (HK\$ million)

總資產淨值/股東資金 (百萬港元)







## Chairman's Statement 主席報告書

Dear Shareholders,

On behalf of the board of directors (the "Directors") of Karce International Holdings Company Limited (the "Company") and, together with its subsidiaries, (the "Group"), I present herewith to the shareholders of the Company the annual report and the audited consolidated results of the Group for the financial year ended 31 December 2007.

### Results of the Year

The Group recorded revenue of approximately HK\$735,114,000 for the year ended 31 December 2007, representing an increase of approximately 4.1 per cent. as compared with approximately HK\$705,859,000 of the corresponding year in 2006.

In view of the persistent increasing high costs in the People's Republic of China (the "PRC") for wages, electricity, transportation and material costs, the Group's overall gross profit margin dropped by approximately 7.5 per cent. to approximately 9.6 per cent. (2006: approximately 17.1 per cent.).

各位股東：

本人謹代表泰盛實業集團有限公司（「本公司」，連同其附屬公司「本集團」）之董事會（「董事會」）向本公司股東提呈本集團截至二零零七年十二月三十一日止財政年度之年度報告及經審核綜合業績。

### 本年度業績

本集團於截至二零零七年十二月三十一日止年度錄得約735,114,000港元收益，較二零零六年年度的約705,859,000港元增加約4.1%。

由於在中華人民共和國（「中國」）之成本持續上升，尤其於工資、電力、運輸及原材料成本方面，本集團之整體毛利率下跌約7.5%至約9.6%（二零零六年：約17.1%）。



## Chairman's Statement 主席報告書

During the year under review, the Group has entered into some foreign exchange and interest rate derivative financial instruments for the management of its exchange rate and interest rate risk exposure. The fair value of these derivative financial instruments has to be remeasured at the balance sheet date. As a result, the Group made a loss on fair value change of derivative financial instruments of approximately HK\$5,683,000 (2006: approximately HK\$585,000).

In addition, the Directors made an impairment loss on available-for-sale investment of approximately HK\$28,008,000 (2006: approximately HK\$17,000,000) for the year ended 31 December 2007.

As a result, the Group recorded a net loss attributable to shareholders of approximately HK\$64,750,000 for the year ended 31 December 2007 (2006: net profit of approximately HK\$2,431,000).

In analysing the profitability of the Company the EBITDA, excluding a loss on fair value change of derivative financial instruments and an impairment loss on available-for-sale investment was approximately HK\$9,866,000 (2006: approximately HK\$53,433,000).

Basic loss per share was approximately HK11.89 cents (2006: earnings per share of approximately HK0.44 cents) for the year ended 31 December 2007.

### Dividend

As a prudent measure to safeguard the Group's interests in a turbulent environment, the Directors have decided not to recommend a final dividend for the year ended 31 December 2007.

於回顧年度，本集團已訂立若干外匯及利率衍生金融工具以管理其所面對之外幣匯率及利率風險。該等衍生金融工具之公平值須於結算日重新計算。因此，本集團作出約5,683,000港元之衍生金融工具公平值變動虧損(二零零六年：約585,000港元)。

此外，董事亦於截至二零零七年十二月三十一日止年度作出約28,008,000港元之可供出售投資之減值虧損(二零零六年：約17,000,000港元)。

因此，本集團於截至二零零七年十二月三十一日止年度錄得股東應佔虧損淨額約64,750,000港元(二零零六年：溢利淨額約2,431,000港元)。

於分析本公司之盈利能力時，EBITDA(不包括衍生金融工具公平值變動虧損及可供出售投資之減值虧損)為約9,866,000港元(二零零六年：約53,433,000港元)。

截至二零零七年十二月三十一日止年度，每股基本虧損約11.89港仙(二零零六年：每股盈利約0.44港仙)。

### 股息

由於宏觀環境不明朗，董事會決定不宣派截至二零零七年十二月三十一日止年度之末期股息，以保障集團之利益。





## Chairman's Statement 主席報告書

### Closure of Register of Members

The register of members of the Company will be closed from 20 May 2008 to 27 May 2008, both days inclusive, during which period no transfer of shares will be effected.

In order to qualify for attending the forthcoming annual general meeting of the Company, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:00 p.m. on Monday, 19 May 2008.

### Business and Operational Review

During the year ended 31 December 2007, the Group continued to strengthen its core competence in the origin design manufacturing (ODM) and original equipment manufacturing (OEM) of electronic products (mainly electronic calculators and organizers), conductive silicon rubber keypads and printed circuit boards.

For the year ended 31 December 2007, the Group gained an overall increase in sales volume and achieved a turnover of HK\$735,114,000, representing an increase of 4.1 per cent. as compared with approximately HK\$705,859,000 of the year in 2006.

By customized one-stop service, the Group was capable to fulfil the demand from and the individual requirements of name-branded customers worldwide, especially in Japan and Europe.

Leveraging on its strong production and product development edge, the Group is now focusing on the development of superior-quality electronic products, with a view to advancing its product mix towards the upper end of the line.

### 暫停過戶登記

本公司將於二零零八年五月二十日至二零零八年五月二十七日(首尾兩天包括在內)暫停辦理股份過戶登記手續,於該期間內將不會進行任何股份之過戶登記。

為符合資格出席本公司應屆股東週年大會,所有填妥之股份過戶文件連同有關股票最遲須於二零零八年五月十九日星期一下午四時正前交回本公司於香港之股份過戶登記處卓佳秘書商務有限公司辦理登記手續,地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

### 業務及營運回顧

於截至二零零七年十二月三十一日止年度,本集團繼續增強其於原設計製造產品(「ODM產品」)及原設備製造產品(「OEM產品」)之電子產品(主要為電子計算機及電子記事簿)、導電硅橡膠按鍵及印製電路板之核心競爭力。

截至二零零七年十二月三十一日止年度,本集團整體的產品銷量錄得增長,營業額達至735,114,000港元,較二零零六年年度約705,859,000港元上升4.1%。

本集團為客戶度身訂做之一站式服務,以滿足世界尤其於日本及歐洲知名品牌客戶之需求及個別要求。

憑藉其卓越之生產及產品開發優勢,本集團目前正集中開發優質電子產品,藉此將產品組合提升至更高檔次。

## Chairman's Statement 主席報告書

On a positive note, despite the business and operational environment remained uncertain in general, global outsourcing remains an irreversible trend, in particular for the electronics industry. At the same time, manufacturers continue to witness mounting challenges at the production end, especially in the PRC.

As electronic manufacturing is highly labor intensive, continues increases in the cost of and the shortage of skilled and experienced workers in the PRC have added to the already difficult operating environment, which is mired in escalating electricity, material and transportation costs. Operational efficiency and optimum utilization of production facilities were also affected.

The core profitability of the Group took into account increasing cost elements in several areas. First, rising crude oil prices have driven up the costs of plastic components, conductive silicon rubber and of related inward freight costs, resulting in a mild increase in materials costs.

In addition, the continuous appreciation of Renminbi ("RMB") led to a heavy strike on export enterprises. The labor cost in all PRC factories of the Group increased by approximately HK\$14,616,000 for the year ended 31 December 2007.

All these factors led to a drastic increase in the Group's overall cost of sales. For the year ended 31 December 2007, the overall gross profit margin were down to approximately 9.6 per cent. (2006: approximately 17.1 per cent.).

Cost control disciplines have long been embedded in the Group's operations. During the year under review, continuing efforts were also made to control and reduce costs of sales and administrative expenses at a stable and reasonable level.

儘管業務及經營環境普遍存在不明朗因素，但可喜的是全球市場之外判趨勢不能逆轉，此情況於電子業尤為明顯。然而，製造商須同時繼續在生產範疇(尤其是中國)面對愈來愈嚴峻之挑戰。

由於電子製造乃高勞工密集之行業，中國之成本持續上升，加上富經驗及熟練工人短缺，令本已受到電力、物料及運輸成本上升影響之營商環境倍加困難。營運效率及生產設施之適度運用亦受到影響。

本集團之核心盈利能力在多方面受到成本上升之因素影響。首先，原油價格上升推高塑膠組件與導電硅橡膠之成本及相關進口運費，從而令物料成本出現溫和增長。

此外，人民幣(「人民幣»)持續升值亦嚴重打擊出口企業。截至二零零七年十二月三十一日止年度，本集團所有位於中國之工廠之勞工成本合共增加約14,616,000港元。

上述因素皆導致本集團之整體銷售成本大幅上漲。截至二零零七年十二月三十一日止年度，整體毛利率下降至約9.6%(二零零六年：約17.1%)。

本集團長期於其業務中實踐具成本效益之原則。於回顧年度，本集團亦不斷致力控制及減少銷售成本及行政開支至穩定及合理之水平。



## Chairman's Statement 主席報告書

During the year under review, orders from Hong Kong, Europe, Japan, America and other customers contributed approximately 38.7 per cent. (2006: approximately 39.6 per cent.), approximately 23.1 per cent. (2006: approximately 15.7 per cent.), approximately 11.5 per cent. (2006: approximately 11.1 per cent.), approximately 7.5 per cent. (2006: approximately 4.0 per cent.) and approximately 19.2 per cent. (2006: approximately 29.6 per cent.) respectively of Group turnover. The market portfolio incorporated a steady Hong Kong and Japan component which continued to contribute a stable stream of revenue despite the appreciation of the RMB, as well as a growing European segment which provided a driver of growth in turnover and an increased average selling price.

### Future Plans and Prospects

Looking ahead to 2008, the US economy is likely to continue to be adversely affected by the continuing impact of the subprime credit crisis, the continual slump in housing markets and resulting recessionary pressures in the United States of America. This adverse trend in the US economy, the weaker US dollar and high energy prices will affect other economies around the world to varying degrees.

We nonetheless expect continued sales growth in Europe and hence should achieve modest overall growth in both Group revenue and profit in the coming year.

Although the tightening economic measures in the Mainland China have slowed its growth, these measures will be beneficial in many respects to its long term economic development and will help to maintain its long term growth potential. Hong Kong and the Asian region will continue to benefit from the Mainland's growth and development. The Group's diversified businesses around the world are all solid, financially sound and well positioned to continue to progress.

於回顧年度，來自香港、歐洲、日本、美國及其他客戶之訂單分別佔本集團營業額約38.7% (二零零六年：約39.6%)、約23.1% (二零零六年：約15.7%)、約11.5% (二零零六年：約11.1%)、約7.5% (二零零六年：約4.0%)及約19.2% (二零零六年：約29.6%)。從此市場組合可見，本集團在人民幣升值壓力下仍能持續在香港及日本市場取得穩定收益，以及能將歐洲市場發展為集團的營業額增長新動力，並藉此市場取得更高的平均售價。

### 未來計劃及展望

展望二零零八年，美國次按信貸危機、樓市持續下挫及隨之而來的經濟衰退壓力，可能繼續對美國經濟構成不利影響。美國經濟之疲弱趨勢、美元之弱勢及能源價格高昂，對全球其他地區之經濟將有不同程度之波及。

本集團仍然預期來自歐洲之銷售將繼續增長，故本集團於來年之收益及溢利將達至溫和增長。

內地深化宏觀調控雖令增長放緩，但長遠而言有利各方面之經濟發展，並有助維持其長期增長潛力。香港與亞洲區將繼續因內地之增長及發展而受惠。集團在全球各地之多元化業務均保持穩健，財務狀況良好，並具備繼續發展之有利條件。

## Chairman's Statement 主席報告書

On one hand, the Group will continue to solicit new customers to further expand the electronic products segment. To strengthen its capability of serving both existing and tapping potential new customers, the Group will continue to consolidate existing business and pursue new growth areas on further investment in enhancing productivity and efficiency for electronic products and conductive silicon rubber keypads products segments.

The Group expects the electronic products to be the major category over the next few years. Amidst prevailing market and operating uncertainties, the continual shift to higher margin product segments is expected to deliver sustained improvement in the Group's core profitability in the future.

On the other hand, the Group will substantiate growth by exploring further merger and acquisition opportunities in the Mainland China. Supported by a capable and dedicated management team, we are well positioned to take on further challenges and opportunities in full confidence.

### Acknowledgements

Finally, on behalf of the Directors, I wish to express my sincere appreciation to the Directors and all employees of the Group for their loyal support and dedication, their professionalism, enterprise and hard work. I would also like to thank our shareholders, our suppliers, our bankers and our customers for their continued support.

**Tong Shek Lun**

*Chairman*

15 April 2008

一方面，本集團將繼續招徠客戶以進一步壯大其電子產品部門。為加強其為現有客戶及潛在新客戶服務之能力，本集團將不斷綜合現時業務，並投放更多資源於電子產品及導電硅橡膠按鍵產品分部以提升其生產力及效率，藉此追求新的進步空間。

本集團預期電子產品將於未來數年成為主要類別。鑒於現時市況及不明朗之營運因素，持續將資源轉移投放於利潤較高之產品分類，預期可於日後令本集團之核心盈利能力持續改善。

另一方面，本集團將透過在中國內地尋求合併及收購機會以取得增長。憑藉優秀的管理團隊所作出之竭力支援，本集團對未來之挑戰與機會充滿信心。

### 致謝

最後，對於本集團董事及全體員工之盡忠職守及鼎力支持、彼等之專業精神、企業精神及勤奮，本人謹代表董事致以深切謝意。此外，就各股東、供應商、往來銀行及客戶對本集團不斷之支持，本人謹此致謝。

**唐錫麟**

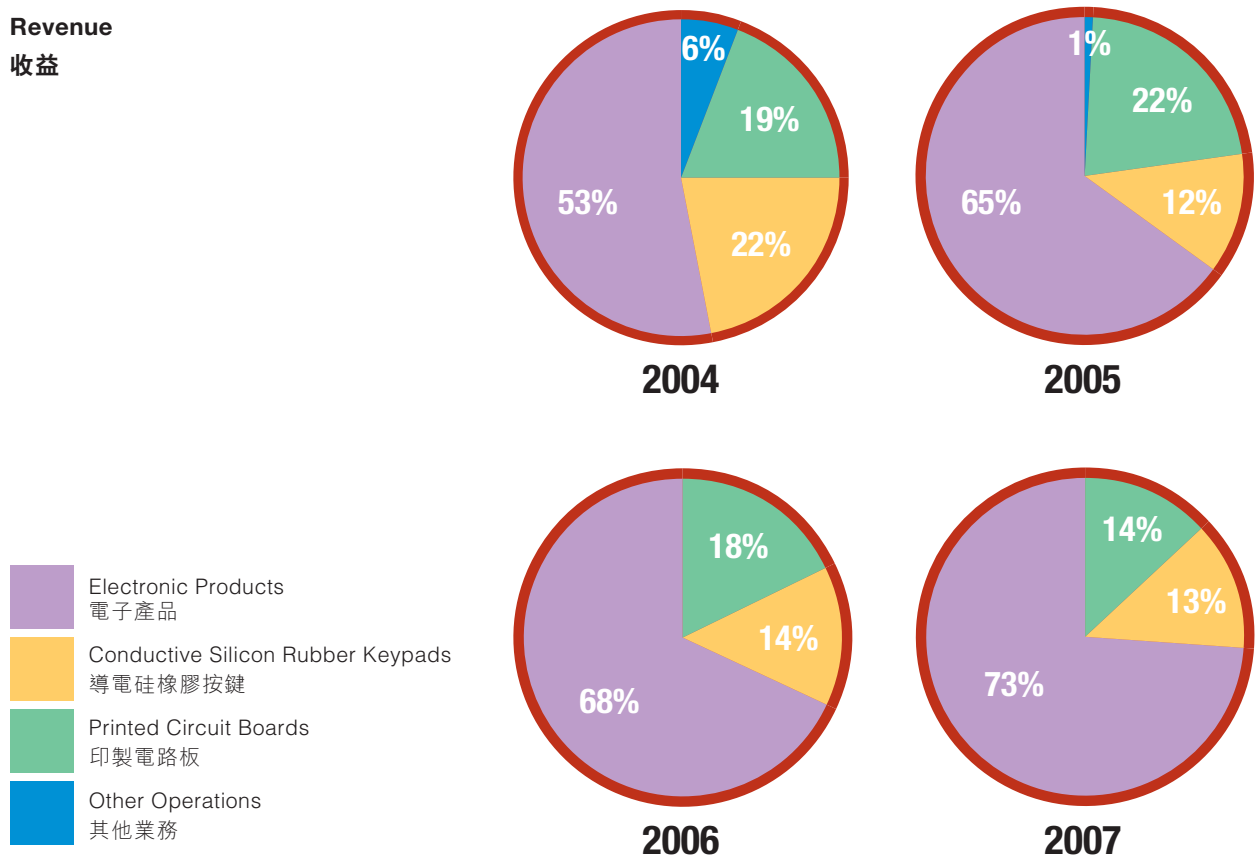
*主席*

二零零八年四月十五日



# Management Discussion and Analysis 管理層回顧及業績分析

## Revenue 收益



## Management Discussion and Analysis 管理層回顧及業績分析

### Segmental analysis

#### Electronic products

During the year under review, the Group continued its focus on the manufacture and marketing of electronic products (mainly electronic calculators and organizers).

Through expansion of businesses on Origin Design Manufacturing Products (“ODM products”) and Origin Equipment Manufacturing (“OEM products”), such as SIM card reader for on-line banking system, digital printer control panel, security systems, gambling device, printer/fax/scanner/copier (multi-function) control panels, electronic D-box for vehicles, interactive handheld dictionary and RF price tags, the turnover of electronic products remained strong and recorded a growth of approximately 13.0 per cent. to approximately HK\$538,627,000 (2006: approximately HK\$476,623,000). It accounted for approximately 73.3 per cent. of the Group’s total turnover.

We will continue to leverage on our committed team of research and development professionals to focus on developing products with high level of quality, reliability and technology innovation.

### 分部分析

#### 電子產品

於回顧年度，本集團繼續專注於電子產品（主要為電子計算機及電子記事簿）之製造及市場推廣。

透過擴大原設計製造產品（「ODM產品」）及原設備製造（「OEM產品」），包括供網上銀行系統使用之SIM卡讀取器、數碼打印機控制面板、保安系統、博彩裝置、打印機／傳真／掃描器／影印機（多功能）控制面板、電子汽車性能測試儀、互動電子辭典及射頻價格標籤等產品業務，來自電子產品之營業額依然強勁，並增加約13.0%至約538,627,000港元（二零零六年：約476,623,000港元），佔本集團總營業額約73.3%。

本集團擁有一支專業及努力不懈的研發隊伍，故可繼續專注開發高質素、可靠及創新之產品。



## Management Discussion and Analysis 管理層回顧及業績分析

The management of the Group has implemented a series of tight cost control and operational efficiency measures in order to keep the product pricing at a profitable and acceptable level.

During the year under review, the group witnessed significant higher costs across the board in the PRC including the material cost increased by approximately 27.2 per cent., labour cost increased by approximately 22.3 per cent., electricity increased by approximately 7.4 per cent., and transportation costs increased by approximately 9.4 per cent..

In view of the significant surge in the above costs, the operating results derived from electronic products suffered a loss of approximately HK\$8,594,000 for the year ended 31 December 2007 (2006: operating profit of approximately HK\$33,891,000).

After considering the interest, taxes, depreciation and amortisation, the EBITDA, excluding a loss on fair value change of derivative financial instruments of the electronic products segment was approximately HK\$6,929,000 (2006: approximately HK\$42,656,000).

本集團管理層已推行一系列嚴格控制成本及營運效率之措施，以維持產品價格於有利可圖的合理水平。

於回顧年度，本集團經歷在中國之成本全面大幅上漲，包括原材料上升約27.2%，勞工成本上升約22.3%，電力上升約7.4%，及運輸成本上升約9.4%。

鑒於上述成本急升，於截至二零零七年十二月三十一日止年度，來自電子產品之經營業績虧損約8,594,000港元（二零零六年：經營溢利約33,891,000港元）。

於考慮利息、稅項、折舊及攤銷後，電子產品分部之EBITDA（不包括衍生金融工具公平值變動虧損）約6,929,000港元（二零零六年：約42,656,000港元）。







## Management Discussion and Analysis 管理層回顧及業績分析

In line with the strategy to reduce low-profitability products, we continue to leverage on our committed team of research and development professionals to focus on developing products with high level of quality, reliability and technology innovation.

Looking ahead, the Directors are confident that the turnover will continue to increase in the coming year.

### Conductive silicon rubber keypads

For the year ended 31 December 2007, the turnover contributed from the conductive silicon rubber keypads business slightly decreased by approximately 3.6 per cent. to approximately HK\$97,565,000 (2006: approximately HK\$101,241,000), representing approximately 13.3 per cent. of the turnover of the Group.

During the year under review, this segment faced unstable material costs for mainly conductive silicon rubber and plastic components. Some customers held back their decision in placing order and shortened the lead time to deliver finished goods. Consequently, there was pressure on the average selling price.

為貫徹減少盈利偏低產品之策略，本集團繼續憑藉其專業及努力不懈的研發隊伍，專注開發高質素、可靠及創新的產品。

展望未來，董事有信心營業額將於來年繼續增長。

### 導電硅橡膠按鍵

截至二零零七年十二月三十一日止年度，來自導電硅橡膠按鍵業務之營業額輕微下跌約3.6%至約97,565,000港元（二零零六年：約101,241,000港元），佔本集團營業額約13.3%。

於回顧年度，此分部主要受導電硅橡膠及塑膠組件等原材料價格不穩所影響。部份客戶決定不發出訂單及縮短成品交貨期。因此，平均售價受到壓力。



## Management Discussion and Analysis 管理層回顧及業績分析

Accordingly, this segment results dropped from approximately HK\$5,480,000 profit in previous year to a marginal loss of approximately HK\$49,000 in current year, despite that vigorous efforts in containing costs have been made and operational efficiency has been improved.

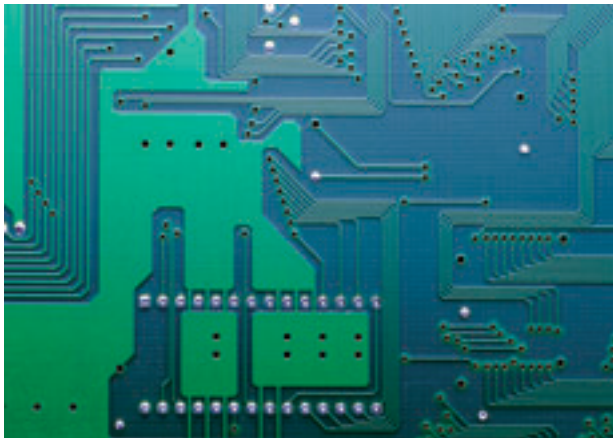
In fact, conductive silicon rubber keypads are crucial components in the production of electronic calculators, electronic organizers, mobile phones and audio visual products. With the variety of different electronic products launched in the market, this business becomes an increasingly important sector of the Group.

The Directors are confident that the maintenance of high quality and reliability standards and customer support can bring a positive performance of the Group.

因此，儘管本集團已積極控制成本，營運效率亦有所改善，惟本年度分部業績依然較去年溢利約5,480,000港元下跌至輕微虧損約49,000港元。

事實上，導電硅橡膠按鍵乃生產電子計算機、電子記事簿、手提電話及影音產品之重要組件。市場上出現各式各樣的電子產品，故此業務將成為本集團日益重要的部份。

董事有信心，繼續提供優質及穩定產品，以及提供客戶支援，將有助帶領本集團之業績更上一層樓。





## Management Discussion and Analysis 管理層回顧及業績分析

### Printed circuit boards ("PCB")

The market for PCB was fiercely competitive during the year under review. For the year ended 31 December 2007, the turnover of PCB decreased to approximately HK\$98,922,000 (2006: approximately HK\$127,995,000), representing approximately 13.4 per cent. of the turnover of the Group. During the year under review, the business strategy was focused to consolidate on its key client base and serve a range of and some well known customers in Japan and the Asian Pacific Region.

Due to the increasing demand of PCB in the global market, the Group strategically mapped out the production blueprint and largely expanded the production scale to enjoy the maximum benefits on the economies of scale.

Coping with the planned substantial growth in PCB's turnover, the Group built up an additional factory complex on existing factory area located in Ludong Administrative District, Humen Town, Dongguan, the PRC for the production of the PCB products. This factory complex has increased our PCB production capacity to approximately 300,000 square feet in saleable units of PCB production per month and the new factory complex was only in 65 per cent. utilization of its production capacity in 2007.

### 印製電路板

於回顧年度內，印製電路板之市場競爭極為激烈。截至二零零七年十二月三十一日止年度，印製電路板之營業額減至約98,922,000港元（二零零六年：約127,995,000港元），佔本集團營業額約13.4%。在回顧年度，業務策略集中在鞏固主要客戶基礎，以及為日本及亞太地區知名客戶提供服務。

由於環球市場對於印製電路板之需求與日俱增，本集團已勾劃出策略性生產藍圖及大幅擴充生產規模，以盡量享受經濟規模生產之好處。

為配合印製電路板營業額如計劃之顯著增長，本集團在中國東莞虎門鎮路東管理區現有廠區內興建了一座額外工廠綜合大樓，以生產印製電路板產品。該幢工廠綜合大樓已增加本集團每月印製電路板產能約300,000平方呎可供銷售單位之印製電路板，於二零零七年其產能使用率僅為65%。



## Management Discussion and Analysis 管理層回顧及業績分析

For the year ended 31 December 2007, the depreciation charge and the related interest costs on bank borrowings on the above new factory complex increased by approximately 14.5 per cent. and approximately 149.0 per cent. to approximately HK\$8,200,000 and approximately HK\$401,000 respectively. This eroded the profit contribution to PCB and recorded a negative contribution of approximately HK\$13,421,000 (2006: operating loss of approximately HK\$11,057,000).

With the support of a new factory complex, the Group demonstrated its ability to produce high-value PCB products and continues to obtain new top-named branded customers in the coming year. The Directors believe that the increased production capacities lay an excellent platform for future long-term growth by providing the Group with the access to the additional orders and benefit from customers from economies of scale in the coming year.

截至二零零七年十二月三十一日止年度，上述新建工廠綜合大樓之折舊支出及有關銀行借貸之利息成本分別上升約14.5%及約149.0%至約8,200,000港元及約401,000港元。此削減了對印製電路板之溢利貢獻，並錄得負貢獻約13,421,000港元（二零零六年：經營虧損約11,057,000港元）。

隨著新廠房落成啟用，本集團有能力生產高價印製電路板產品，並可於來年繼續取得著名客戶的新訂單。董事會相信，提升生產力可為日後長遠發展奠定良好基礎，令本集團可應付更多客戶之訂單，且在來年達致規模經濟效益而受惠。





## Management Discussion and Analysis 管理層回顧及業績分析

### Available-for-sale investment

Ascalade Communications Inc. ("Ascalade Inc."), a corporation incorporated pursuant to the laws of the Province of British Columbia and whose securities are listed on the Toronto Stock Exchange, with the stock symbol "ACG". As at 31 December 2007, the Group's attributable equity interest in Ascalade Inc. maintained at approximately 14.7 per cent.. Ascalade Inc. is classified as an available-for sale investment.

The Group's available-for-sale investment is measured at fair value at each balance sheet date, which expose the Group to equity security price risk. As such, the Directors regularly reviews the value of the available-for-sale investment and will consider adequate impairment to be made when necessary.

As announced by the Company in August 2007, the Directors noted that the share price of Ascalade Inc. decreased approximately 25.6 per cent. from CAD2.5 on 29 June 2007 (being the last trading day for the six months ended 30 June 2007) to CAD1.86 on 14 August 2007. As a result of such decreases, the Directors considered as a prudent decision to make an impairment loss on available-for-sale investment of approximately HK\$16,000,000 for the six months ended 30 June 2007 in the 2007 interim report.

### 可供出售投資

Ascalade Communications Inc. (「Ascalade Inc.」) 乃根據英屬哥倫比亞省法例註冊成立之公司，其證券於多倫多證券交易所上市，股份代號為「ACG」。於二零零七年十二月三十一日，本集團應佔Ascalade Inc.權益維持約14.7%。Ascalade Inc.被歸類為可供出售投資。

本集團之可供出售投資按各結算日期之公平值計算，使本集團承受股本證券價格風險。故此，董事會定期檢討可供出售投資之價值，並將於需要時考慮作出足夠之減值。

如本公司於二零零七年八月之公佈所述，董事注意到Ascalade Inc.之股價由二零零七年六月二十九日(即截至二零零七年六月三十日止六個月之最後交易日)之2.5加元下跌約25.6%至二零零七年八月十四日之1.86加元。由於上述可供出售投資股價下跌，董事認為於截至二零零七年六月三十日止六個月之二零零七年中期報告內作出可供出售投資減值虧損約16,000,000港元屬審慎決定。



## Management Discussion and Analysis 管理層回顧及業績分析

The Directors also noted that the share price of Ascalade Inc. further decreased to CAD1.25 on 31 December 2007 and made an impairment loss on available-for-sale investment of approximately HK\$28,008,000 for the year ended 31 December 2007 (2006: approximately HK\$17,000,000).

As per both 2006 Annual Report and 2007 interim report, the Directors consider that it is a prudent decision to realise part of the Group's investment in Ascalade Inc. through the disposal so as to balance its possible risk, enhance its liquidity and improve the cash flow within a relatively short period of time. For the period from 1 January to 28 February 2008, the Group disposed of approximately 4.9 per cent. Ascalade Inc.'s shares to the market and received an aggregate amount totaling of approximately HK\$6,015,000.

As announced by the Company on 4 March 2008 and 8 April 2008, the Directors noted that Ascalade Inc. sought a protection from creditors under the Companies' Creditors Arrangement Act ("CCAA") with the British Columbia Supreme Court on 3 March 2008 (Canadian time) due to its inability to fund operations to meet customer demand and obtained an order for CCAA protection which period expires on 4 June 2008. In addition, the subsidiary of Ascalade Inc. filed a scheme arrangement under section 166 of the Companies Ordinance (Chapter 32, Laws of Hong Kong). From the press releases of Ascalade Inc., the Directors further noted the operation of Ascalade Inc.'s factory in the PRC began focusing on the orderly wind down of operations and dispositions of its inventory and other assets, and Ascalade Inc. has ceased taking new orders as of 31 March 2008 (Canadian time). The details relating to the CCAA protection of Ascalade Inc. were disclosed in the Company's announcements dated 4 March 2008 and 8 April 2008.

董事亦注意到Ascalade Inc.之股價於二零零七年十二月三十一日進一步減至1.25加元，並作出截至二零零七年十二月三十一日止年度可供出售投資減值虧損約28,008,000港元(二零零六年：約17,000,000港元)。

如二零零六年年報及二零零七年中期報告所述，董事認為透過出售將本集團於Ascalade Inc.部份投資變現屬審慎決定，藉以平衡可能存在之風險，以及在短時間內提高流動資金及改善現金流量。於二零零八年一月一日至二月二十八日期間，本集團向市場出售約4.9%Ascalade Inc.股份，並收取總額約6,015,000港元。

如本公司於二零零八年三月四日及二零零八年四月八日之公佈所述，董事會注意到Ascalade Inc.由於無能力提供營運資金以應付客戶之要求，故根據公司債權人安排法案(「公司債權人安排法案」)於二零零八年三月三日(加拿大時間)向英屬哥倫比亞最高法院尋求債權人保護令，並取得公司債權人安排法案保護令，保護令於二零零八年六月四日屆滿。此外，Ascalade Inc.之附屬公司根據香港法例第32章公司條例第166節將一項計劃安排存檔。董事從Ascalade Inc.之新聞公告進一步注意到Ascalade Inc.於中國營運之廠房亦開始集中於有系統地結束營運，以及出售其存貨及其他資產，Ascalade Inc.亦已於二零零八年三月三十一日(加拿大時間)終止接收新訂單。有關Ascalade Inc.之公司債權人安排法案保護令詳情已在本公司於二零零八年三月四日及二零零八年四月八日之公佈披露。



## Management Discussion and Analysis 管理層回顧及業績分析

As a result of Ascalade Inc.'s undergoing of CCAA protection, the Group expects further impairment loss on available-for-sale investment. However, the implications for Ascalade Inc.'s shareholders will not be able to be determined until the end of Ascalade Inc.'s restructuring process.

The share price of Ascalade Inc. further decreased to CAD0.085 as of this report on 14 April 2008 (Canadian time).

The Directors will update the shareholders on the progress when appropriate.

Additional information of Ascalade Inc. may be found on SEDAR at [www.sedar.com](http://www.sedar.com).

### Capital Structure

Shareholders' equity decreased to approximately HK\$375,031,000 as at 31 December 2007 from approximately HK\$416,487,000 as at 31 December 2006. As at 31 December 2007, the short term and long term interest bearing debts to shareholders' equity was approximately 16.3 per cent. (2006: approximately 10.6 per cent.).

由於Ascalade Inc.正受到公司債權人安排法案保護令所保護，本集團預期其可供出售投資將出現進一步減值虧損。然而，於Ascalade Inc.之重組過程結束前，將無法斷定對於Ascalade Inc.股東所帶來之影響。

如本報告所載，Ascalade Inc.之股價於二零零八年四月十四日(加拿大時間)進一步跌至0.085加元。

董事將於適當時候向股東提供最新有關資料。

有關Ascalade Inc.之其他資料刊載於SEDAR ([www.sedar.com](http://www.sedar.com))。

### 股本結構

於二零零七年十二月三十一日，股東資金下降至約375,031,000港元，而於二零零六年十二月三十一日之股東資金則約為416,487,000港元。於二零零七年十二月三十一日，短期及長期計息債項佔股東資金約16.3%(二零零六年：約10.6%)。



## Management Discussion and Analysis 管理層回顧及業績分析

As announced by the Company on 11 February 2008, the Group completed the Best Effort Placing Agreement and the Subscription for new shares on 18 February 2008 and raised approximately HK\$31,000,000 net of related expenses from the issue of 108,000,000 new shares of HK\$0.10 each in the capital of the Company at a price of HK\$0.30 per share.

The net proceeds from the Subscription will be used by the Group for its ongoing operation and future business expansion.

The Directors believe that the above fund raising exercise can provide an opportunity to broaden the shareholder base and strengthen its capital base and financial position for its future business developments.

### Liquidity and Financial Resources

The Group generally finances its operation by internally generated cashflow and banking facilities provided by its bankers.

Prudent financial management and selective investment criteria have enabled the Group to maintain a strong financial position. As at 31 December 2007, the Group's fixed deposits and cash balances decreased to approximately HK\$53,179,000 (2006: approximately HK\$65,890,000).

As at 31 December 2007, the Group currently had banking facilities amounted to an aggregate sum of approximately HK\$194,708,000 (2006: approximately HK\$249,123,000) with various banks. Out of the trade and overdraft banking facilities of approximately HK\$170,966,000 (2006: approximately HK\$216,206,000) in Hong Kong granted to the Group, approximately HK\$10,799,000 (2006: approximately HK\$3,112,000) had been utilized as at 31 December 2007.

如二零零八年二月十一日之公佈所述，本集團於二零零八年二月十八日完成盡力配售協議及認購新股，透過發行本公司資本中108,000,000股每股面值0.10港元之新股，每股股份作價0.30港元，扣除有關開支後籌得約31,000,000港元資金。

認購所籌得資金淨額將用作支付本集團目前營運及未來業務拓展。

董事相信上述集資活動能夠擴闊股東基礎、加強其資本基礎及財政狀況以助未來業務發展。

### 流動資金及財政資源

本集團一般以內部產生之現金及其往來銀行提供之銀行信貸為其業務提供資金。

審慎理財及選擇性投資，令本集團之財政狀況維持穩健。於二零零七年十二月三十一日，本集團之定期存款及現金結存減少至約53,179,000港元(二零零六年：約65,890,000港元)。

於二零零七年十二月三十一日，本集團獲得多間銀行之融資總額度約為194,708,000港元(二零零六年：約249,123,000港元)。授予本集團之香港貿易及透支之銀行融資約170,966,000港元(二零零六年：約216,206,000港元)當中，於二零零七年十二月三十一日已動用約10,799,000港元(二零零六年：約3,112,000港元)。





## Management Discussion and Analysis 管理層回顧及業績分析

In 2007, the current ratio was approximately 1.2 (2006: approximately 1.4) based on current assets of approximately HK\$326,570,000 and current liabilities of approximately HK\$262,746,000 and the quick ratio was approximately 0.8 (2006: approximately 0.9).

As at 31 December 2007, the total indebtedness including bank loans and obligations under finance leases contracts amounted to approximately HK\$61,259,000 (2006: approximately HK\$44,320,000), representing approximately 16.3 per cent. of the total shareholders' equity (2006: approximately 10.6 per cent.).

The Directors considered that the Group shall have sufficient financial resources to meet its future expansion plan and working capital requirement after a due consideration of the net cash position and the availability of the existing banking facilities.

### Foreign Exchange Risk Management

Most of the Group's assets and liabilities, revenues and expenditure are denominated in Hong Kong dollars, the United States dollars and the Renminbi. It is the Group's policy to adopt a conservative approach on foreign exchange exposure management. However, the Group will continue to monitor its foreign exchange exposure and market conditions to determine if any hedging is required. The Group generally finances its operation with internal resources and bank facilities provided by the banks in Hong Kong.

As a measure of additional prudence, the Group uses different derivative instruments to manage its exposure to foreign currency risks on the receivables and payables.

The fair value of the Group's outstanding derivative instruments as at 31 December 2007 represents the net amount the Group would receive/pay if these contracts were closed out at 31 December 2007. The fair value of these outstanding derivatives has been recognised as assets or liabilities.

於二零零七年，流動比率約為1.2(二零零六年：約1.4)，此乃按流動資產約326,570,000港元及流動負債約262,746,000港元之基準計算。二零零七年之速動比率約為0.8(二零零六年：約0.9)。

於二零零七年十二月三十一日，債項總額(包括銀行借貸及融資租賃合約責任)約為61,259,000港元(二零零六年：約44,320,000港元)，佔股東資金總額約16.3%(二零零六年：約10.6%)。

經仔細考慮現金淨值結餘及現時可動用之銀行融資後，董事認為本集團將具備充足之財政資源以應付其日後拓展計劃及營運資金之需求。

### 外匯風險管理

本集團大部份之資產及負債、收益及開支乃以港元、美元及人民幣結算。採用保守方法管理外匯風險乃本集團之政策。然而，本集團將繼續監控其外匯風險及市場狀況，以確定是否需要採取對沖措施。本集團一般以內部資源及香港銀行所提供之銀行融資作為營運所需資金。

作為提供額外保障之措施，本集團使用多項衍生工具管理其應收款項和應付款項之外幣風險。

本集團於二零零七年十二月三十一日仍未到期之衍生工具之公平值，指本集團在該等合約於二零零七年十二月三十一日將作平倉之情況下將收取／支付之淨金額。該等尚未到期衍生工具之公平值已確認為資產或負債。

## Management Discussion and Analysis 管理層回顧及業績分析

The exposure to foreign currency of the Group mainly arose from the net cash flow and the net working capital translation of its PRC subsidiaries. The management of the Group will actively hedge the foreign currency exposures through natural hedges, forward contracts and options. Speculative currency transactions are strictly prohibited. The management of currency risk is centralised in the headquarter of the Group in Hong Kong.

Apart from the above, most of the Group's assets and liabilities, revenues and expenditure are either denominated in Hong Kong dollars, the United States dollars and the Renminbi. Therefore, the Directors consider the exposure risk to foreign currency fluctuations is minimal.

### Employees and Remuneration Policies

As at 31 December 2007, the Group employed approximately 6,080 full time employees, out of which approximately 80 were based in Hong Kong and approximately 6,000 were based in the PRC. The Group remuneration policies are primarily based on prevailing market salary levels and the performance of the respective companies and individuals concerned. Employees may also participate in the share option scheme of the Company.

本集團之外匯風險主要來自其在中國之附屬公司的淨現金流量及淨營運資金滙兌。本集團之管理層將透過自然對沖、期匯合約及期權積極對沖外匯風險。本集團嚴禁進行投機性貨幣交易。貨幣風險由香港總公司統一管理。

除上述者外，本集團大部份之資產及負債、收益及支出乃以港元、美元及人民幣結算。因此，董事認為本集團所承受之外匯波動風險實屬微不足道。

### 僱員及酬金政策

於二零零七年十二月三十一日，本集團僱用約6,080名全職僱員，其中約80名駐於香港，而約6,000名駐於中國。本集團之薪酬政策主要根據現時之市場薪酬水平，以及各公司及員工個別之表現為基準釐訂。僱員亦可參與本公司之認購股權計劃。





# Corporate Governance Report

## 企業管治報告書

### Corporate Governance Practices

The Company has established a formal and transparent procedure to protect the interests of the shareholders of the Company. The Company regularly reviews the corporate governance procedures and developments of the Company. The Company applied the principles and complied with all the code provisions as set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) throughout the period under review, except that:

Under the code provision A.2.1, the roles of chairman and chief executive officer (“**CEO**”) of the Company should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO of the Company should be clearly established and set out in writing. The roles of the chairman and the CEO of the Company are not separated and are performed by the same individual, Mr. Tong Shek Lun. The Directors will meet regularly to consider major matters affecting the operations of the Company. The Directors consider that this structure will not impair the balance of power and authority between the Directors and the management of Company and believes that this structure will enable the Group to make and implement decisions promptly and efficiently.

### Directors’ Securities Transactions

The Company has adopted a code of conduct regarding Directors’ securities transactions on terms no less exacting than the required standard of dealings as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, the Directors have complied with such code of conduct and the required standard of dealings and its code of conduct regarding securities transactions by the Directors throughout the year ended 31 December 2007.

### 企業管治常規

本公司已設立正式並具透明度之程序以保障本公司股東之利益。本公司定期檢討本公司之企業管治程序及發展。於回顧期間，本公司已應用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14所載企業管治常規守則所列之原則並遵守所有守則條文，惟以下者除外：

根據守則條文A.2.1，本公司主席與（「**行政總裁**」）之角色應有區分，並不應由一人同時兼任。本公司主席與行政總裁之間職責之分工應清楚界定並以書面列載。本公司之主席與行政總裁之角色並無區分，乃由唐錫麟先生一人兼任。董事將定期會面以考慮影響本公司營運之重大事項。董事認為此組織結構將不會損害董事與本公司管理層之間的權力及職權平衡，並相信此組織結構將可令本集團迅速及有效率地作出和落實決定。

### 董事之證券交易

本公司已採納條款不遜於上市規則附錄10所載交易規定標準之董事進行證券交易之行為守則。經向全體董事作出特定查詢後，各董事於截至二零零七年十二月三十一日止年度已一直遵守該等行為守則及交易標準以及其董事進行證券交易之行為守則。

# Corporate Governance Report

## 企業管治報告書

### Board of Directors

During the year under review, the members of the board of Directors included:

#### Executive Directors

Mr. Tong Shek Lun  
 Ms. Ko Lai King, Kinny  
 Ms. Chung Wai Yu, Regina  
 Mr. Chim Kim Lun, Ricky  
*(appointed on 31 August 2007)*  
 Mr. Cheng Kwok Hing, Andy  
*(appointed on 31 August 2007)*

#### Non-executive Directors

Mr. Lee Kwok Leung  
 Mr. Yang Yiu Chong, Ronald Jeffrey

#### Independent non-executive Directors

Mr. Sun Yaoquan  
 Mr. Goh Gen Cheung  
 Mr. Chan Ho Man

The board of Directors held several board meetings during the year until the date of this report. Details of the attendance of the meetings of the board of Directors are as follows:-

Directors	Attendance
董事	出席次數
<b>Executive Directors</b>	<b>執行董事</b>
Mr. Tong Shek Lun	唐錫麟先生 9/9
Ms. Ko Lai King, Kinny	高麗瓊女士 9/9
Ms. Chung Wai Yu, Regina	鍾惠愉女士 9/9
Mr. Chim Kim Lun, Ricky <i>(appointed on 31 August 2007)</i>	詹劍崙先生 6/6 <i>(於二零零七年八月三十一日獲委任)</i>
Mr. Cheng Kwok Hing, Andy <i>(appointed on 31 August 2007)</i>	鄭國興先生 5/6 <i>(於二零零七年八月三十一日獲委任)</i>

### 董事會

於回顧年度，董事會成員包括：

#### 執行董事

唐錫麟先生  
 高麗瓊女士  
 鍾惠愉女士  
 詹劍崙先生  
*(於二零零七年八月三十一日獲委任)*  
 鄭國興先生  
*(於二零零七年八月三十一日獲委任)*

#### 非執行董事

李國樑先生  
 楊耀宗先生

#### 獨立非執行董事

孫耀全先生  
 葛根祥先生  
 陳浩文先生

直至本報告日期，董事會於本年度舉行多次全體董事會會議。董事會之會議出席詳情如下：



# Corporate Governance Report

## 企業管治報告書

Directors	董事	Attendance 出席次數
<b>Non-executive Directors</b>		
Mr. Lee Kwok Leung	李國樑先生	7/9
Mr. Yang Yiu Chong, Ronald Jeffrey	楊耀宗先生	3/9
<b>Independent non-executive Directors</b>		
Mr. Sun Yaoquan	孫耀全先生	3/9
Mr. Goh Gen Cheung	葛根祥先生	9/9
Mr. Chan Ho Man	陳浩文先生	9/9

Apart from the above regular board meetings of the year, the board of Directors will meet on other occasions when a board-level decision on a particular matter is required. The Directors receive details of agenda items for decision and minutes of committee meetings in advance of each board meeting. The board of Directors has reserved for its decision or consideration matters covering corporate strategy, annual and interim results, Directors' appointment, succession planning, risk management, major acquisitions, disposals and capital transactions, and other significant operational and financial matters. Major corporate matters that are specifically delegated by the board of Directors to the management include the preparation of annual and interim accounts for board approval before public reporting, execution of business strategies and initiatives adopted by the board of Directors, implementation of adequate systems of internal controls and risk management procedures, and compliance with relevant statutory requirements, rules and regulations.

除本年度上述董事會定期會議外，董事會將於須就特定事項作出董事會層面之決定之其他情況下舉行會議。董事於每次董事會會議前取得議程項目及委員會會議記錄之詳情。董事會保留其對企業策略、全年及中期業績、董事委任、繼任計劃、風險管理、重大收購、出售及資本交易，以及其他重大營運及財務事宜之決策及審議權。董事會向管理層作出特定委託之主要企業事宜包括編製全年及中期賬目以於公開報告前供董事會批准、執行董事會採納之業務策略及新計劃、實行充分之內部監控制度及風險管理程序，以及遵守相關法例規定、規則及規例。

## Corporate Governance Report 企業管治報告書

### Chairman and Chief Executive Officer

Under the code provision A.2.1, the roles of chairman and CEO should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO of the Company should be clearly established and set out in writing. The roles of the chairman and the CEO of the Company are not separated and are performed by the same individual, Mr. Tong Shek Lun. The Directors will meet regularly to consider major matters affecting the operations of the Company. The Directors consider that this structure will not impair the balance of power and authority between the Directors and the management of Company and believes that this structure will enable the Group to make and implement decisions promptly and efficiently.

### Non-executive Directors

Each of Mr. Lee Kwok Leung, Mr. Yang Yiu Chong, Ronald Jeffrey, Mr. Sun Yaoquan, Mr. Goh Gen Cheung and Mr. Chan Ho Man has been appointed for a term of one year commencing from 1 January 2008 to 31 December 2008. All of them are subject to retirement by rotation in accordance with the bye-laws of the Company.

### Remuneration of Directors

Under the code provision B.1.1, the Company should establish a remuneration committee (the "Remuneration Committee") with specific written terms of reference which deal clearly with its authority and duties. The role and function of the Remuneration Committee include the determination of the specific remuneration packages of all executive Directors and senior management of the Company, including benefits in kind, pension rights and compensation payments, such as any compensation payable for loss or termination of their office or appointment, and make recommendations to the board of the remuneration of non-executive Directors.

### 主席及行政總裁

根據守則條文A.2.1，本公司主席與行政總裁之角色應有區分，並不應由一人同時兼任。本公司主席與行政總裁之間職責之分工應清楚界定並以書面列載。本公司之主席與行政總裁之角色並無區分，乃由唐錫麟先生一人兼任。董事將定期會面以考慮影響本公司營運之重大事項。董事認為此組織結構將不會損害董事與本公司管理層之間的權力及職權平衡，並相信此組織結構將可令本集團迅速及有效率地作出和落實決定。

### 非執行董事

李國樑先生、楊耀宗先生、孫耀全先生、葛根祥先生及陳浩文先生各自之任期由二零零八年一月一日開始，至二零零八年十二月三十一日止，為期一年。彼等全部均須根據本公司之公司細則輪值告退。

### 董事之薪酬

根據守則條文B.1.1，本公司應設立具有明確成文權責範圍之薪酬委員會（「薪酬委員會」）；有關權責範圍應清楚說明委員會之權限及職責。薪酬委員會之角色及職能包括釐訂全體執行董事及本公司高級管理人員之特定薪酬待遇，包括實物利益、退休金權利及賠償金（包括喪失或終止職務或委任之賠償），並就非執行董事之薪酬向董事會提出建議。



## Corporate Governance Report 企業管治報告書

During the year till the date of this report, members of the Remuneration Committee included:

Mr. Tong Shek Lun (Chairman)  
Mr. Goh Gen Cheung  
Mr. Chan Ho Man

The meetings of the Remuneration Committee were held on 17 April 2007, 17 September 2007 and 15 April 2008 to discuss remuneration related matters. Details of the attendance of the meetings of the Remuneration Committee are as follows:-

### Members

Mr. Tong Shek Lun  
Mr. Goh Gen Cheung  
Mr. Chan Ho Man

The Remuneration Committee has considered and reviewed the existing terms of employment contracts of the executive Directors and appointment letters of the independent non-executive Directors with reference to the factors including salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration. The Remuneration Committee considers that the existing terms of employment contracts of the executive Directors and appointment letters of the independent non-executive Directors are fair and reasonable. Details of the emolument policy of the Directors are set out on page 48 of this report.

直至本報告日期，本年度薪酬委員會之成員包括：

唐錫麟先生(主席)  
葛根祥先生  
陳浩文先生

薪酬委員會於二零零七年四月十七日、二零零七年九月十七日及二零零八年四月十五日舉行會議，以討論薪酬相關事宜。薪酬委員會會議之出席詳情如下：

Members	Attendance
成員	出席次數
Mr. Tong Shek Lun	3/3
Mr. Goh Gen Cheung	3/3
Mr. Chan Ho Man	3/3

薪酬委員會已參照包括可比較公司所支付之薪金、董事付出之時間及職責、本集團其他職位之僱用條件及應否按表現釐訂薪酬等因素，考慮及檢討執行董事聘用合約及獨立非執行董事委任函之現有條款。薪酬委員會認為執行董事聘用合約及獨立非執行董事委任函之現有條款屬公平合理。董事之酬金政策詳情載於本報告第48頁。

# Corporate Governance Report

## 企業管治報告書

### Nomination of Directors

The nomination committee of the Company (the "Nomination Committee") was established on 22 April 2005. The role and function of the Nomination Committee include to review the structure, size and composition of the board of Directors on a regular basis and make recommendations to the board of Directors regarding any proposed changes. The board of Directors considers the past performance and qualification of the candidates for Directors, general market conditions and the Company's bye-laws in selecting and recommending candidates for directorship during the year under review.

During the year until the date of this report, members of the Nomination Committee included:

Mr. Tong Shek Lun (Chairman)  
Mr. Goh Gen Cheung  
Mr. Chan Ho Man

The meetings of the Nomination Committee were held on 17 April 2007, 31 August 2007, 17 September 2007 and 15 April 2008. Details of the attendance of the meetings of the Nomination Committee are as follows:-

Directors	董事	Attendance 出席次數
Mr. Tong Shek Lun	唐錫麟先生	4/4
Mr. Goh Gen Cheung	葛根祥先生	4/4
Mr. Chan Ho Man	陳浩文先生	4/4

During the meetings, the Nomination Committee considered and resolved that all the existing Directors shall be recommended to be retained by the Company. Further, in accordance with the Company's bye-laws and as resolved by the Nomination Committee, Mr. Tong Shek Lun, Mr. Chim Kim Lun, Ricky, Mr. Cheng Kwok Hing, Andy and Mr. Chan Ho Man will retire, and Mr. Tong Shek Lun, Mr. Chim Kim Lun, Ricky and Mr. Cheng Kwok Hing, Andy, will offer themselves for re-election at the forthcoming annual general meeting of the Company.

### 董事之提名

本公司提名委員會（「提名委員會」）於二零零五年四月二十二日成立。提名委員會之角色及職能包括定期檢討董事會之架構、人數及組成，並就任何擬作出之變動向董事會提出建議。於回顧年度，董事會考慮董事候選人之過往表現及資格、整體市況及本公司之公司細則以甄選及推薦董事候選人。

直至本報告日期，本年度提名委員會之成員包括：

唐錫麟先生（主席）  
葛根祥先生  
陳浩文先生

提名委員會於二零零七年四月十七日、二零零七年八月三十一日、二零零七年九月十七日及二零零八年四月十五日舉行會議。提名委員會會議之出席詳情如下：

於會議上，提名委員會考慮及議決向本公司推薦保留全體現任董事。另外，根據本公司之公司細則及提名委員會決議，唐錫麟先生、詹劍崙先生、鄭國興先生及陳浩文先生將會退任，而唐錫麟先生、詹劍崙先生及鄭國興先生將合資格於本公司應屆股東週年大會上膺選連任。





# Corporate Governance Report

## 企業管治報告書

### Auditor's Remuneration

The Company's external auditors are Deloitte Touche Tohmatsu. The audit committee of the Company (the "Audit Committee") is responsible for considering the appointment of the external auditors and reviewing any non-audit functions performed by the external auditors, including whether such non-audit functions could lead to any potential material adverse effect on the Group. During the year under review, the Group has paid an aggregate of approximately HK\$1,421,000 to the external auditors for their non-audit services including taxation and other advisory services.

### Audit Committee

As required by Rule 3.21 of the Listing Rules, the Company has established an Audit Committee with written terms of reference which deal clearly with its authority and duties. Its principal duties are to review and supervise the Group's financial reporting process and internal control systems.

During the year until the date of this report, members of the Audit Committee included:

Mr. Sun Yaoquan  
Mr. Goh Gen Cheung  
Mr. Chan Ho Man (Chairman)

The Audit Committee held five meetings during the period under review until the date of this report. Details of the attendance of the meetings of the Audit Committee are as follows:-

Members	成員	Attendance 出席次數
Mr. Sun Yaoquan	孫耀全先生	2/5
Mr. Goh Gen Cheung	葛根祥先生	5/5
Mr. Chan Ho Man	陳浩文先生	5/5

### 核數師酬金

本公司之外聘核數師為德勤•關黃陳方會計師行。本公司之審核委員會(「審核委員會」)負責考慮委任外聘核數師及檢討外聘核數師所執行之任何非核數職能，包括該等非核數職能會否對本集團構成任何潛在重大不利影響。於回顧年度，本集團已就外聘核數師之非核數服務(包括稅務及其他顧問服務)向外聘核數師支付合共約1,421,000港元。

### 審核委員會

本公司已按照上市規則第3.21條之規定成立審核委員會；審核委員會具有成文權責範圍，明確列出該委員會的權限及職責。其主要職責為檢討及監督本集團之財務報告程序及內部監控系統。

直至本報告日期，本年度審核委員會之成員包括：

孫耀全先生  
葛根祥先生  
陳浩文先生(主席)

回顧期間直至本報告日期，審核委員會共舉行五次會議。審核委員會會議之出席詳情如下：

## Corporate Governance Report 企業管治報告書

The Group's audited consolidated results for the year ended 31 December 2007 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures have been made.

The Audit Committee considered that the existing proposed terms in relation to the appointment of the Group's external auditors are fair and reasonable.

### Directors' and Auditor's Responsibilities for Accounts

The Directors' responsibilities for the accounts and the responsibilities of the external auditors to the shareholders of the Company are set out on pages 50 and 51 of this report.

### Internal Control

The Board has conducted a review of the effectiveness of the Group's system of internal control to ensure the effective and adequate internal control system. The Board convened meetings regularly to discuss financial, operational and compliance controls risk management functions.

### Communication with Shareholders

The Board endeavours to maintain an on-going dialogue with shareholders. All directors are encouraged to attend the general meetings to have personal communication with shareholders. In annual general meeting, Chairman of the Board and the chairman of each committee are required to attend and answer questions from shareholders in respect of the matters that they are responsible and accountable for. The external auditor is also required to be present to assist the directors in addressing any relevant queries by shareholders.

審核委員會已審閱本集團截至二零零七年十二月三十一日止年度之經審核綜合業績。審核委員會認為該等業績之編製符合適用會計準則、上市規則及法律規定，並已作出充分披露。

審核委員會認為有關委任本集團外聘核數師之現行計劃條款屬公平合理。

### 董事及核數師對賬目之責任

董事對賬目之責任及外聘核數師對本公司股東之責任載於本報告第50及51頁。

### 內部監控

董事會已對本集團之內部監控制度之成效進行檢討，以確保內部監控制度行之有效及並無不足。董事會定期召開會議以討論財務、經營及遵例監控風險管理職能。

### 與股東的溝通

董事會致力與股東保持持續對話。本集團鼓勵全體董事出席股東大會並與股東進行個人溝通。董事會主席及各委員會主席均須出席股東週年大會，並回應股東就彼等負責之事宜所作出之提問。外聘核數師亦須出席股東週年大會以協助董事回應股東任何有關提問。



## Corporate Governance Report 企業管治報告書

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

### Voting by poll

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

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

### 以投票方式表決

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

## Directors and Senior Management Profiles 董事及高級管理層簡介

### Executive Directors

**Mr. Tong Shek Lun**, aged 53, is the chairman of the Company and managing Director and the founder of the Group. He is responsible for formulating the overall business strategy, strategic planning and business development of the Group. Mr. Tong had been involved in the trading of watches and clocks from 1980 to 1991 before he established the Group. He has more than 18 years' experience in the electronic industry.

**Ms. Ko Lai King, Kinny**, aged 46, is an executive Director. She is responsible for the overall administration and human resources management of the Group. Ms. Ko joined the Group in November 1991 and has over 18 years' experience in the electronic industry.

**Ms. Chung Wai Yu, Regina**, aged 39, is an executive Director. She is responsible for the overall sales and marketing of the products manufactured by the Group. Ms. Chung holds a bachelor of arts degree in religious studies from the Hong Kong Baptist College, a diploma in business management from the Hong Kong Management Association and a master degree in strategic marketing from the University of Hull in the United Kingdom. She joined the Group in August 1993 and has over 15 years' experience in the sales and marketing of products manufactured by the Group.

**Mr. Chim Kim Lun, Ricky**, aged 38, holds a Bachelor degree in Arts from the University of British Columbia in Canada and has over 10 years of commercial and industrial experiences and of experience in investment. He is also an executive director of Bestway International Holdings Limited, China Fair Land Holdings Limited, Frankie Dominion International Limited, Peking Apparel International Group Limited and Yueshou Environment Holdings Limited which are listed on the main board of The Stock Exchange of Hong Kong Limited. Mr. Chim is the son of Mr. Chim Pui Chung, who is the shareholder of Golden Mount Limited, a substantial shareholder of the Company.

### 執行董事

**唐錫麟先生**，五十三歲，本公司之主席兼董事總經理，亦為本集團之創辦人。彼現時負責制定本集團之整體業務策略、計劃及發展。唐先生於一九八零年至一九九一年成立本集團前從事鐘錶貿易。彼於電子業方面擁有逾十八年經驗。

**高麗瓊女士**，四十六歲，本公司之執行董事。負責本集團整體行政及人力資源之管理。高女士於一九九一年十一月加入本集團，擁有逾十八年電子業之經驗。

**鍾惠愉女士**，三十九歲，本公司之執行董事。彼負責本集團所製造產品之整體銷售及市場推廣。鍾女士持有香港浸會學院宗教研究文學士學位，另持有香港管理協會工商管理文憑及英國University of Hull的市場策略碩士學位。鍾女士於一九九三年八月加入本集團，擁有逾十五年由本集團所製造產品之銷售及市場推廣經驗。

**詹劍崙先生**，三十八歲，持有加拿大英屬哥倫比亞大學文學學士學位，及於工商業及投資業務有逾十年以上經驗。詹先生亦為香港聯合交易所有限公司主板上市公司百威國際控股有限公司、正輝中國集團有限公司、嘉利美商國際有限公司、北京時裝(集團)有限公司及粵首環保控股有限公司之執行董事。詹先生為詹培忠先生的兒子，而詹培忠先生為本公司主要股東Golden Mount Limited的股東。



## Directors and Senior Management Profiles 董事及高級管理層簡介

**Mr. Cheng Kwok Hing, Andy**, aged 36, has over 15 years of experience in accounting and administrative fields. Mr. Cheng is an executive director of Frankie Dominion International Limited, Peking Apparel International Group Limited, and an independent non-executive director of Yueshou Environment Holdings Limited, which are listed on the main board of the Stock Exchange. Mr. Cheng is also currently a director of a Hong Kong private limited company which is principally engaged in the manufacturing and sale of Chinese medical herbs in Hong Kong and the PRC and of another Hong Kong private limited company which is principally engaged in the manufacturing and sale of paper products.

### Non-executive Directors

**Mr. Lee Kwok Leung**, aged 54, has been a Director since 2000. As a non-executive Director, Mr. Lee is appointed for a specific term of one year from 1 January 2008 to 31 December 2008 but is subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with the bye-laws of the Company. He is the managing director of Derico Financial Services Limited and Success Talent Investments Limited. He has over 38 years of direct investment, fund management and banking experience. Mr. Lee holds an investment advisor status from the Securities and Futures Commissions from 2000.

Mr. Lee is entitled to an annual emolument of HK\$120,000 which is determined with reference to his duty and responsibility with the Company. In addition, Mr. Lee is not entitled to receive any discretionary bonus from the Group.

**鄭國興先生**，三十六歲，於會計及行政工作擁有逾十五年經驗。鄭先生為聯交所主板上市公司嘉利美商國際有限公司及北京時裝(集團)有限公司執行董事及為聯交所主板上市公司粵首環保控股有限公司之獨立非執行董事。鄭先生目前亦為一家香港私人有限公司之董事，該公司主要從事於香港及中國製造及銷售中草藥之業務及為另一家主要從事於製造及銷售紙品成品業務之香港私人有限公司之董事。

### 非執行董事

**李國樑先生**，五十四歲，自二零零零年起出任董事。作為非執行董事，李先生之特定任期為一年，由二零零八年一月一日至二零零八年十二月三十一日止，並須根據本公司之公司細則輪值告退及於本公司之股東週年大會上重選連任。李先生為德高金融服務有限公司及成駿投資有限公司之董事總經理。彼在直接投資、基金管理及銀行業務方面擁有逾三十八年經驗。李先生於二零零零年取得證券及期貨事務監察委員會認可之投資顧問資格。

李先生有權每年收取120,000港元之董事袍金，袍金乃經參考其於本公司之職責而釐定。此外，李先生並不享有本集團任何酌情花紅。

## Directors and Senior Management Profiles 董事及高級管理層簡介

**Mr. Yang Yiu Chong, Ronald Jeffrey**, aged 41, has been a Director since 2000. As a non-executive Director, Mr. Yang is appointed for a specific term of one year from 1 January 2008 to 31 December 2008 but is subject to retirement by rotation and reelection at the Company's annual general meetings in accordance with the bye-laws of the Company. He is also an executive director of Sing Tao News Corporation Limited, a listed company in Hong Kong. Perfect Treasure Investment Limited, a substantial shareholder of the Company, is an indirect subsidiary of Sing Tao News Corporation Limited. He had worked in the corporate finance field with an international bank for four years and held a senior position with a publicly listed printing company. Mr. Yang holds a double bachelors' degree in accounting and finance from Boston University, the United States of America.

Mr. Yang is entitled to an annual emolument of HK\$120,000 which is determined with reference to his duty and responsibility with the Company. In addition, Mr. Yang is not entitled to receive any discretionary bonus from the Group.

### Independent Non-executive Directors

**Mr. Sun Yaoquan**, aged 61, has been a Director since 1998. As a non-executive Director, Mr. Sun is appointed for a specific term of one year from 1 January 2008 to 31 December 2008 but is subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with the bye-laws of the Company. He was the ex-secretary of the Humen Town Town Council. Prior to being appointed as the secretary in April 1995, he was the mayor of the Humen Town Town Council.

Mr. Sun is entitled to an annual emolument of HK\$120,000 which is determined with reference to his duty and responsibility with the Company. In addition, Mr. Sun is not entitled to receive any discretionary bonus from the Group.

**楊耀宗先生**，四十一歲，自二零零零年起出任董事。作為非執行董事，楊先生之特定任期為一年，由二零零八年一月一日至二零零八年十二月三十一日止，並須根據本公司之公司細則輪值告退及於本公司之股東週年大會上重選連任。楊先生亦為香港上市公司星島新聞集團有限公司之執行董事。本公司之主要股東Perfect Treasure Investment Limited乃星島新聞集團有限公司之間接附屬公司。彼於一間國際銀行任職企業財務職位達四年，並於一間上市印刷公司擔任高級管理人員職位。楊先生持有美國波士頓大學會計及財務學雙學士學位。

楊先生有權每年收取120,000港元之董事袍金，袍金乃經參考其於本公司之職責而釐定。此外，楊先生並不享有本集團任何酌情花紅。

### 獨立非執行董事

**孫耀全先生**，六十一歲，自一九九八年起出任董事。作為非執行董事，孫先生之特定任期為一年，由二零零八年一月一日至二零零八年十二月三十一日止，並須根據本公司之公司細則輪值告退及於本公司之股東週年大會上重選連任。孫先生為虎門鎮委員會前任書記。彼於一九九五年四月獲委任為書記前為虎門鎮鎮長。

孫先生有權每年收取120,000港元之董事袍金，袍金乃經參考其於本公司之職責而釐定。此外，孫先生並不享有本集團任何酌情花紅。



## Directors and Senior Management Profiles 董事及高級管理層簡介

**Mr. Goh Gen Cheung**, aged 61, has been a Director since 1999. As a non-executive Director, Mr. Goh is appointed for a specific term of one year from 1 January 2008 to 31 December 2008 but is subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with the bye-laws of the Company. He has over 33 years of treasury, finance and banking experience. Mr. Goh is an associate member of the Chartered Institute of Bankers and also an independent non-executive director of several public companies listed on the Stock Exchange namely Peaktop International Holdings Limited, Shinhint Acconstic Link Holdings Limited, China Flavors and Frangrances Company Limited and CEC International Holdings Limited. He has a master degree in business administration from the University of East Asia in Macau.

Mr. Goh is entitled to an annual emolument of HK\$120,000 which is determined with reference to his duty and responsibility with the Company. In addition, Mr. Goh is not entitled to receive any discretionary bonus from the Group.

**Mr. Chan Ho Man**, aged 53, was appointed as an independent non-executive Director since 2005. He is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. Save as being a Director, he does not hold any position with other members of the Group. He has over 30 years of corporate finance, accounting and finance experience.

Mr. Chan was an executive director of one of the Hong Kong listed companies, namely Kingmaker Footwear Holdings Limited and was the company secretary of one of the Hong Kong listed companies during the last three years, namely Kin Yat Holdings Limited. He was also a director of a Hong Kong private company.

**葛根祥先生**，六十一歲，自一九九九年起出任董事。作為非執行董事，葛先生之特定任期為一年，由二零零八年一月一日至二零零八年十二月三十一日止，並須根據本公司之公司細則輪值告退及於本公司之股東週年大會上重選連任。葛先生積累逾三十三年司庫、財務及銀行業務之經驗。彼為英國銀行學會會員，亦擔任多家於聯交所上市之公司之獨立非執行董事，包括元昇國際集團有限公司、成謙聲匯控股有限公司、中國香精香料有限公司及CEC國際控股有限公司。彼持有澳門東亞大學工商管理碩士學位。

葛先生有權每年收取120,000港元之董事袍金，袍金乃經參考其於本公司之職責而釐定。此外，葛先生並不享有本集團任何酌情花紅。

**陳浩文先生**，五十三歲，自二零零五年起獲委任為獨立非執行董事。彼為英國特許公認會計師公會資深會員及香港會計師公會會員。除擔任董事外，彼並無於本集團其他成員公司擔任任何職位。陳先生具有逾三十年企業融資、會計及財務經驗。

陳先生為香港上市公司信星鞋業集團有限公司之執行董事，以及於過去三年為香港上市公司建溢集團有限公司之公司秘書。彼亦為一家香港私人公司之董事。

## Directors and Senior Management Profiles 董事及高級管理層簡介

There is no service contract between the Company and Mr. Chan, but he is appointed for a specific term of one year from 1 January 2008 to 31 December 2008 and is subject to retirement at the annual general meeting of the Company in accordance with the Bye-laws. He is entitled to an annual emolument of HK\$120,000 which is determined with reference to his duty and responsibility with the Company. He is not entitled to receive any discretionary bonus which is to be determined by reference to the Group's performance and profitability.

### Senior Management

**Mr. Yeung Po Kwong, Elvis**, aged 46, is the assistant general manager of the Group. He is responsible for assisting the general manager in the formulation of strategies and general management of the engineering department. He has over 23 years' experience in engineering management of consumer electronics industries. Prior to joining the Group in 2000, Mr. Yeung worked with a publicly listed consumer electronics manufacturing company. Mr. Yeung holds a higher diploma in electronic engineering from the Hong Kong Polytechnic University.

**Mr. Wong Hei Chiu**, aged 41, is the financial controller of the Group and is the secretary of the Company. He is responsible for the Group's corporate finance functions. Mr. Wong holds a bachelor's degree in business administration from Lingnan University, Hong Kong. He is a Certified Public Accountant (Practising), a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and an associate member of the Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Wong has over 17 years of corporate finance and financial management experience in Hong Kong. Prior to joining the Group in 2000, he worked for a listed company for over four years as finance director.

本公司與陳先生並無訂立任何服務合約，惟陳先生按特定任期獲委任，由二零零八年一月一日起至二零零八年十二月三十一日止，為期一年，並須按照本公司之公司細則，於本公司股東週年大會上告退。彼每年有權收取酬金120,000港元，酬金乃經參考其於本公司之職務及責任而釐定。彼並不享有任何參照本集團之表現及盈利而釐定之酌情花紅。

### 高級管理人員

**楊寶光先生**，四十六歲，本集團之助理總經理。負責協助集團總經理制定策略及工程部門之一般管理。彼在電子消費品業工程管理方面擁有逾二十三年經驗。於二零零零年加入本集團前，楊先生曾任職於一間上市電子消費品製造公司工作。楊先生持有香港理工大學電子工程學高級文憑。

**黃禧超先生**，四十一歲，本集團之財務總監兼公司秘書，負責本集團之企業財務工作。黃先生持有香港嶺南大學商業管理學士學位，並為執業會計師，乃英國特許公認會計師公會資深會員、英格蘭及威爾斯特許會計師公會會員及香港會計師公會會員。黃先生在香港積累逾十七年企業財務及財務管理方面之經驗。彼於二零零零年加入本集團之前曾在一間上市公司擔任財務董事逾四年。





## Directors and Senior Management Profiles 董事及高級管理層簡介

**Mr. Ngan Kai Hong**, aged 47, is the factory manager of Dongguan Humen Taida Electric Co., Limited of the Group. He is responsible for the moulds operations, overall administration and management of the manufacturing of electronic products operations. He has more than 31 years' experience in the moulds operations and more than 16 years' experience in the management position on the manufacturing of electronic products. Prior to joining the Group in 2001, Mr. Ngan held a position as a partner in a moulds company for over seven years.

**Mr. Ho Kin Keung**, aged 35, is the operation manager of Dongguan Humen Taida Electric Co., Limited of the Group. He is responsible for the production operations and management, as well as logistics operations of the electronic products operations. He has a bachelor's degree in industrial and manufacturing systems engineering from the University of Hong Kong and a master degree in business administration from the Durham University in the United Kingdom. He has more than 13 years' experience in the factory operations and management on the manufacturing of electronic products. Prior to joining the Group in 1997, Mr. Ho worked for a listed semi-conductor manufacturing company as manufacturing engineer for over three years.

**Mr. Lee Chung Tong, Albert**, aged 39, is the general manager of Dongguan Shatian Tehsheng Silicon Rubber Products Co., Limited of the Group. He is responsible for the sales and marketing, engineering, manufacturing, customer services, procurement and logistics operations of the conductive silicon rubber keypads operations. He has a bachelor's degree in psychology from the University of Lethbridge in Canada. He has more than 11 years' experience in the factory operations and management on the manufacturing of electronic components products. Prior to joining the Group in 2000, Mr. Lee worked as management positions in two listed electronics components manufacturing companies.

**顏啓康先生**，四十七歲，為本集團東莞虎門泰達電子有限公司之廠務經理，負責製模業務、電子產品製造業務之整體行政及管理。彼在製模業務方面擁有逾三十一年經驗，並擁有逾十六年擔任電子產品製造管理職位之經驗。顏先生於二零零一年加入本集團之前曾任一間模具公司之合夥人達七年以上。

**何建強先生**，三十五歲，為本集團東莞虎門泰達電子有限公司之營運經理，負責電子產品業務之生產營運、管理及物流運作。彼持有香港大學工業及製造系統工程學士學位及英國杜倫大學工商管理碩士學位。彼在電子產品製造之廠務營運及管理方面擁有逾十三年經驗。何先生於一九九七年加入本集團之前曾在一間上市半導體製造公司擔任製造工程師達三年以上。

**李宗唐先生**，三十九歲，為本集團東莞沙田德盛硅橡膠制品有限公司總經理，負責導電硅橡膠按鍵業務之銷售及市場推廣、工程、製造、客戶服務、採購及物流運作。彼持有加拿大 University of Lethbridge 心理學學士學位，並在電子零件產品製造之廠務營運及管理方面擁有逾十一年經驗。李先生於二零零零年加入本集團之前曾在兩間上市電子零件製造公司擔任管理人員職位。

## Directors' Report 董事會報告書

The directors of the Company (the "Directors") present the annual report and the audited consolidated financial statements of the Company for the year ended 31 December 2007.

### Principal Activities

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 34 to the consolidated financial statements.

### Results and Appropriations

The results of the Group for the year ended 31 December 2007 are set out in the consolidated income statement on page 53.

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2007.

There is no arrangement under which a shareholder of the Company has waived or agreed to waive any dividends.

### Investment Properties and Property, Plant and Equipment

Investment properties of the Group were fair valued at 31 December 2007. The increase in fair value amounting to approximately HK\$3,252,000 has been credited to the consolidated income statement.

The Group's buildings were revalued at 31 December 2007, resulting in a revaluation surplus of approximately HK\$1,549,000 out of which approximately HK\$331,000 and HK\$1,218,000 have been credited to consolidated income statement and asset revaluation reserve, respectively.

本公司董事會（「董事會」）欣然提呈截至二零零七年十二月三十一日止年度之年報及經審核綜合財務報表。

### 主要業務

本公司為一間投資控股公司，其附屬公司之主要業務載於綜合財務報表附註34。

### 業績及分配

本集團截至二零零七年十二月三十一日止年度之業績，載於第53頁之綜合損益表。

董事會不建議就截至二零零七年十二月三十一日止年度派付末期股息。

現時並無任何本公司股東放棄或同意放棄股息之安排。

### 投資物業及物業、廠房及設備

本集團之投資物業於二零零七年十二月三十一日按公平值估值。公平值增加約3,252,000港元，已計入綜合損益表中。

本集團於二零零七年十二月三十一日重估樓宇，導致出現重估增值約1,549,000港元，其中331,000港元及1,218,000港元已分別計入綜合損益表及資產重估儲備中。



## Directors' Report 董事會報告書

In addition, the Group acquired plant, machinery and moulds during the year at a cost of approximately HK\$28,714,000 to expand its production facilities.

Details of these and other movements during the year in investment properties and property, plant and equipment of the Group are set out in notes 12 and 13 to the consolidated financial statements, respectively.

### Distributable Reserves of the Company

The Company's reserves available for distribution to shareholders as at 31 December 2007 comprise contributed surplus and retained profits totaling of approximately HK\$70,514,000 (2006: HK\$124,902,000).

Under the Companies Act 1981 of Bermuda (as amended), contributed surplus is available for distribution to shareholders. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

另外，本集團於本年度以成本約28,714,000港元收購廠房、機器及模具，以擴充生產設施。

該等事項及有關本集團之投資物業及物業、廠房及設備於年內其他變動之詳情，分別載於綜合財務報表附註12及13。

### 本公司之可供分派儲備

於二零零七年十二月三十一日，本公司可供分派予股東之儲備由繳入盈餘及保留溢利組成，合共約70,514,000港元(二零零六年：124,902,000港元)。

根據百慕達一九八一年公司法(經修訂)，繳入盈餘可供分派予股東。然而，在下列情況下，本公司不得宣派或派付股息或從繳入盈餘作出分派：

- (a) 本公司現時或作出派付後將無力償還到期債務；或
- (b) 本公司資產之可變現價值將因分派而少於其負債、已發行股本及股份溢價賬之總和。

## Directors' Report 董事會報告書

### Directors and Service Contracts

The Directors during the year and up to the date of this report were:

#### Executive Directors:

Mr. Tong Shek Lun (*Chairman and Managing Director*)  
 Ms. Ko Lai King, Kinny  
 Ms. Chung Wai Yu, Regina  
 Mr. Chim Kim Lun, Ricky  
 (appointed on 31 August 2007)  
 Mr. Cheng Kwok Hing, Andy  
 (appointed on 31 August 2007)

#### Non-executive Directors:

Mr. Lee Kwok Leung  
 Mr. Yang Yiu Chong, Ronald Jeffrey

#### Independent non-executive Directors:

Mr. Sun Yaoquan  
 Mr. Goh Gen Cheung  
 Mr. Chan Ho Man

In accordance with Bye-law 87(1) and 87(2) of the Company's bye-laws: (a) Mr. Chan Ho Man will retire from being a Director upon the expiry of term of his service agreement with the Company on 27 May 2008; and (b) Mr. Tong Shek Lun, Mr. Cheng Kwok Hing, Andy and Mr. Chim Kim Lun, Ricky will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Mr. Tong Shek Lun, Ms. Ko Lai King, Kinny and Ms. Chung Wai Yu, Regina have entered into service contracts with the Company for a period of three years commencing from 1 April 2007 to 31 March 2010.

The non-executive Directors have been appointed for a term of one year subject to retirement by rotation in accordance with the Company's bye-laws.

### 董事及服務合約

於年內及直至本報告日期為止，董事如下：

#### 執行董事：

唐錫麟先生 (*主席兼董事總經理*)  
 高麗瓊女士  
 鍾惠愉女士  
 詹劍崙先生  
 (於二零零七年八月三十一日獲委任)  
 鄭國興先生  
 (於二零零七年八月三十一日獲委任)

#### 非執行董事：

李國樑先生  
 楊耀宗先生

#### 獨立非執行董事：

孫耀全先生  
 葛根祥先生  
 陳浩文先生

根據本公司之公司細則第87(1)及87(2)條，(a)董事陳浩文先生將於二零零八年五月二十七日，即其服務協議中任期屆滿後退任；及(b)唐錫麟先生、鄭國興先生及詹劍崙先生於即將舉行之股東週年大會上輪值告退，惟符合資格並願意膺選連任。

唐錫麟先生、高麗瓊女士及鍾惠愉女士已與本公司簽訂由二零零七年四月一日起至二零一零年三月三十一日止為期三年之服務合約。

根據本公司之公司細則規定，非執行董事之任期為一年，並須遵守輪值退任之規定。



## Directors' Report 董事會報告書

Other than as disclosed above, no Director being proposed for re-election at the forthcoming annual general meeting has a service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

### Directors' Interests in Contracts of Significance

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

### Directors' Interests in Competing Business

The executive Directors have confirmed to the Company that they are not interested in any business apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business.

### Directors' and Chief Executives' Interests in Securities

As at 31 December 2007, the interests and short positions of the Directors and the chief executives of the Company and their associates in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), as recorded in the register maintained by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

除上文披露者外，各擬於應屆股東週年大會重選連任之董事，並無與本集團訂立不能於一年內由本集團終止而毋須作出賠償(法定賠償除外)之服務合約。

### 董事於重大合約之權益

本公司或其任何附屬公司概無訂立任何本公司董事直接或間接擁有重大權益而於年終時或本年度任何時間內仍然有效之重要合約。

### 董事於競爭業務之權益

各執行董事向本公司確認，除本集團業務外，彼等概無於其他業務擁有權益，致使其與本集團業務直接或間接競爭或可能競爭。

### 董事及主要行政人員之證券權益

於二零零七年十二月三十一日，根據香港法例第571章證券及期貨條例(「證券及期貨條例」)第352條規定而設置之登記冊所載或已根據上市公司董事進行證券交易的標準守則(「標準守則」)向本公司及香港聯合交易所有限公司(「聯交所」)另行呈報，本公司董事及主要行政人員及彼等之聯繫人士於本公司及其相聯法團(定義見證券及期貨條例)之股份、相關股份及債券中擁有之權益及淡倉如下：

# Directors' Report

## 董事會報告書

(i) **Ordinary shares of HK\$0.1 each of the Company (Long positions)**

Name of Director	Type of interest	Number of ordinary shares held	Percentage of issued share capital of the Company
董事姓名	權益性質	持有之普通股數目	佔本公司已發行股本之百分比
Mr. Chim Kim Lun, Ricky 詹劍崙先生	Corporate 公司權益	151,180,000	27.8%

The above 151,180,000 shares are held by Golden Mount Limited, a substantial shareholder of the Company. Golden Mount Limited is wholly-owned by Mr. Chim Pui Chung, who does not hold any position in the Company and is the father of Mr. Chim Kim Lun, Ricky, a Director.

(ii) **Share options**

Details of the Directors' interests in share options of the Company are set out in the section headed "Share Option Scheme" below.

Other than disclosed above and in the section headed "Share Option Scheme", none of the Directors and the chief executives of the Company and their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of the SFO) that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code at 31 December 2007.

(i) **本公司每股面值0.1港元之普通股(好倉)**

Name of Director	Type of interest	Number of ordinary shares held	Percentage of issued share capital of the Company
董事姓名	權益性質	持有之普通股數目	佔本公司已發行股本之百分比
Mr. Chim Kim Lun, Ricky 詹劍崙先生	Corporate 公司權益	151,180,000	27.8%

以上151,180,000股股份由本公司主要股東Golden Mount Limited持有，由董事詹劍崙先生之父親詹培忠先生(於本公司並無任何職務)全資擁有。

(ii) **認購股權**

董事於本公司認購股權之權益詳情載於下文「認購股權計劃」內。

除上文及「認購股權計劃」一節所披露者外，本公司董事及主要行政人員及彼等之聯繫人士於二零零七年十二月三十一日概無於本公司或其任何相聯法團(定義見證券及期貨條例)之任何股份、相關股份或債券中擁有任何須載入根據證券及期貨條例第352條或須根據標準守則向本公司及聯交所另行呈報之權益或淡倉。



## Directors' Report 董事會報告書

### Share Option Scheme

Particulars of the Company's share option scheme are set out in note 25 to the consolidated financial statements. No options have been granted under the share option scheme since its adoption.

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

### Substantial Shareholders

As at 31 December 2007, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO showed that, other than the interests of certain Directors disclosed under the section headed "Directors' and Chief Executives' Interests in Securities" above, the following shareholders had notified the Company of the interests and short positions in the shares and underlying shares of the Company:

#### Long positions

Name of shareholders	Capacity	Number of ordinary shares held	Percentage of issued share capital of the Company
股東名稱	身份	持有之普通股數目	佔本公司已發行股本之百分比
Golden Mount Limited	Beneficial owner 實益擁有人	151,180,000	27.8%
Perfect Treasure Investment Limited	Beneficial owner 實益擁有人	88,100,000	16.2%

### 認購股權計劃

本公司認購股權計劃之詳情，載於綜合財務報表附註25。自採納認購股權計劃以來，概無根據認購股權計劃授出認購股權。

除於上文披露之認購股權計劃外，於本年度任何時間內，本公司或其任何附屬公司概無參與任何安排，致使董事或彼等各自之配偶或未成年子女可藉購買本公司或任何其他法人團體之股份或債券而獲益。

### 主要股東

除上文「董事及主要行政人員之證券權益」所披露之若干董事權益外，於二零零七年十二月三十一日根據證券及期貨條例第336條存置之主要股東名冊顯示，下列股東已知會本公司其於本公司股份及相關股份中擁有權益及淡倉：

#### 好倉

## Directors' Report 董事會報告書

Other than as disclosed above, the Company has not been notified of any person, other than a Director of the Company, had any other interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO as at 31 December 2007.

During the year, the Company has been informed that a substantial shareholder, Sapphire Profits Limited, disposed of all its shareholding, approximately 151,180,000 shares, to Golden Mount Limited.

### Major Customers and Suppliers

During the year, the Group's largest and top five suppliers accounted for approximately 7% and 24% of the Group's total purchases, respectively. The Group's largest and top five customers accounted for approximately 10% and 37% of the Group's total turnover, respectively.

None of the Director, its associate or shareholder of the Company which to the knowledge of the Directors owns more than 5% of the Company's issued share capital has any interest in any of the Group's five largest suppliers or customers.

### Convertible Securities, Warrants or Similar Rights

The Company had no outstanding convertible securities, warrants or other similar rights as at 31 December 2007 and there has been no exercise of any convertible securities, warrants or similar rights during the year.

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

During the year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

除上文所披露者外，於二零零七年十二月三十一日，本公司並未獲任何人士(本公司董事除外)知會於本公司根據證券及期貨條例第336條存置之登記冊記錄之股份及相關股份中擁有任何其他權益或淡倉。

於本年度內，本公司獲悉主要股東Sapphire Profits Limited 向Golden Mount Limited 出售所有持股約151,180,000股股份。

### 主要客戶及供應商

於本年度內，本集團之最大及五大供應商分別佔本集團之總購買額約7%及24%。本集團之最大及五大客戶分別佔本集團總營業額約10%及37%。

本公司所有董事、其聯繫人士或任何股東(據董事所知擁有本公司5%以上之已發行股本)概無擁有本集團五大供應商或客戶之權益。

### 可換股證券、認股權證或類似權利

本公司於二零零七年十二月三十一日並無尚未行使之可換股證券、認股權證或類似權利，而年內亦無行使任何可換股證券、認股權證或類似權利。

### 購買、出售或贖回本公司上市證券

本公司及其附屬公司於年內並無購買、出售或贖回本公司之任何上市證券。





## Directors' Report 董事會報告書

### 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 its existing shareholders.

### Post Balance Sheet Events

Details of significant post balance sheet events are set out in note 35 to the consolidated financial statements.

### Corporate Governance

The Company has complied throughout the year ended 31 December 2007 with the Code of Corporate Governance Practices as contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"). A report on the principal corporate governance practices adopted by the Company is set out on pages 26 to 34.

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

### Emolument Policy

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

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

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme are set out in note 25 to the consolidated financial statements.

### 股份優先購買權

本公司之公司細則或百慕達法律均無關於股份優先購買權之規定，要求本公司在發行新股時須按比例配發予現有股東。

### 結算日後事項

重大結算日後事項詳情載於綜合財務報表附註35。

### 公司管治

截至二零零七年十二月三十一日止年度，本公司已遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之企業管治常規守則。本公司所採納之主要企業管治常規報告載於第26至34頁。

本公司已根據上市規則第3.13條，得到各獨立非執行董事確認彼等獨立性之年度確認。本公司認為，所有獨立非執行董事均屬獨立。

### 酬金政策

本集團僱員之酬金政策由薪酬委員會根據僱員之優點、資格及能力釐定。

本公司董事之酬金由薪酬委員會於考慮本公司經營業績、個人之表現及可比較市場數據後決定。

本公司已採納認購股權計劃，作為對董事及合資格僱員之獎勵，有關詳情載於綜合財務報表附註25。

### Sufficiency of Public Float

Based on the information that is publicly available to and within the knowledge of the Directors, it is confirmed that there is a sufficient public float of the issued share capital of the Company throughout the year ended 31 December 2007.

### Auditor

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company. There has been no change to the auditor of the Company in the preceding three years.

On behalf of the board of Directors

### Tong Shek Lun

*Chairman and Managing Director*

Hong Kong  
15 April 2008

### 足夠之公眾持股量

根據公開可得資料及就董事所知，本公司確認於截至二零零七年十二月三十一日止年度已發行股本一直具有足夠之公眾持股量。

### 核數師

本公司將於股東週年大會上提呈德勤•關黃陳方會計師行續任本公司核數師之決議案。於過去三年本公司之核數師並無變動。

承董事會命

主席兼董事總經理

唐錫麟

香港  
二零零八年四月十五日



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

# Deloitte. 德勤

**TO THE SHAREHOLDERS OF  
KARCE INTERNATIONAL HOLDINGS COMPANY LIMITED**  
*(incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Karce International Holdings Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 53 to 134, which comprise the consolidated balance sheet as at 31 December 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### **Directors' responsibility for the consolidated financial statements**

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

**致泰盛實業集團有限公司各股東**

*(於百慕達註冊成立之有限公司)*

本核數師(以下簡稱「我們」)已審核載於第53至134頁泰盛實業集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下合稱「貴集團」)之綜合財務報表，此綜合財務報表包括於二零零七年十二月三十一日之綜合資產負債表與截至該日止年度之綜合損益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

### **董事就綜合財務報表須承擔之責任**

貴公司董事須負責根據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》披露規定，編製及真實而公平地列報該等綜合財務報表。此責任包括設計、實施及維護與編製及真實而公平地列報綜合財務報表相關之內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述；選擇和應用適當之會計政策；及按情況下作出合理之會計估算。

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

### Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

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

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

### 核數師之責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見。我們的報告僅按照百慕達公司法第90條，為股東（作為一個團體）而編制，並不為其他任何目的。我們並不就本報告之內容對任何其他人士承擔任何義務或接受任何責任。我們已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定該等綜合財務報表是否不存有任何重大錯誤陳述。

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選取之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綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報綜合財務報表相關之內部控制，以設計適當之審核程序，但並非為對公司之內部控制的效能發表意見。審核亦包括評價董事所採用之會計政策的合適性及所作出之會計估算之合理性，以及評價綜合財務報表之整體列報。

我們相信，我們所獲得的審核憑證是充足和適當地，為我們之審核意見提供基礎。



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

### Opinion

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

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong

15 April 2008

### 意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團於二零零七年十二月三十一日之事務狀況及 貴集團截至該日止年度之虧損及現金流量，並已按照香港《公司條例》披露規定妥為編製。

**德勤•關黃陳方會計師行**  
執業會計師  
香港

二零零八年四月十五日

## Consolidated Income Statement 綜合損益表

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

		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	收益	4	<b>735,114</b>	705,859
Cost of sales	銷售成本		<b>(664,381)</b>	(585,383)
Gross profit	毛利		<b>70,733</b>	120,476
Other income	其他收入	5	<b>1,788</b>	4,616
Selling and distribution costs	銷售及分銷費用		<b>(18,659)</b>	(12,362)
Administrative expenses	行政開支		<b>(81,623)</b>	(88,132)
Finance costs	融資成本	6	<b>(4,626)</b>	(3,603)
Gain on fair value change of investment properties	投資物業公平值變動收益		<b>3,252</b>	1,090
Loss on fair value change of derivative financial instruments	衍生金融工具公平值變動虧損		<b>(5,683)</b>	(585)
Impairment loss on available-for-sale investment	可供出售投資之減值虧損		<b>(28,008)</b>	(17,000)
(Loss) profit before taxation	除稅前(虧損)溢利	8	<b>(62,826)</b>	4,500
Taxation	稅項	9	<b>(1,924)</b>	(2,069)
(Loss) profit for the year	本年度(虧損)溢利		<b>(64,750)</b>	2,431
Dividend	股息	10	<b>5,444</b>	5,460
(Loss) earnings per share	每股(虧損)盈利	11		
Basic (HK cents)	基本(港仙)		<b>(11.89)</b>	0.44



# Consolidated Balance Sheet

## 綜合資產負債表

As at 31 December 2007

於二零零七年十二月三十一日

		Notes	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
		附註		
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Investment properties	投資物業	12	71,579	63,542
Property, plant and equipment	物業、廠房及設備	13	252,095	237,195
Prepaid lease payments	預付租金	14	18,046	17,573
Available-for-sale investment	可供出售投資	15	—	54,079
Club debenture	會所債券	16	1,180	1,180
			<b>342,900</b>	<b>373,569</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	17	129,030	107,315
Trade and other receivables	貿易及其他應收款項	18	109,277	120,405
Available-for-sale investment	可供出售投資	15	29,541	—
Derivative financial instruments	衍生金融工具	19	5,543	279
Bank balances and cash	銀行結存及現金	20	53,179	65,890
			<b>326,570</b>	<b>293,889</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	21	171,153	163,960
Derivative financial instruments	衍生金融工具	19	22,734	2,311
Tax liabilities	稅項負債		18,651	20,715
Obligations under finance leases	融資租賃責任			
— due within one year	— 於一年內到期	22	3,714	5,875
Bank loans	銀行借貸			
— due within one year	— 於一年內到期	23	46,494	12,833
			<b>262,746</b>	<b>205,694</b>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>63,824</b>	<b>88,195</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>406,724</b>	<b>461,764</b>

## Consolidated Balance Sheet 綜合資產負債表

As at 31 December 2007

於二零零七年十二月三十一日

		Notes	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
		附註		
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Share capital	股本	24	<b>54,436</b>	54,436
Reserves	儲備		<b>320,595</b>	362,051
			<b>375,031</b>	416,487
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Obligations under finance leases — due after one year	融資租賃責任 — 於一年後到期	22	<b>1,887</b>	5,528
Bank loans — due after one year	銀行借貸 — 於一年後到期	23	<b>9,164</b>	20,084
Deferred tax liabilities	遞延稅項負債	26	<b>20,642</b>	19,665
			<b>31,693</b>	45,277
			<b>406,724</b>	461,764

The consolidated financial statements on pages 53 to 134 were approved and authorised for issue by the Board of Directors on 15 April 2008 and are signed on its behalf by:

載於第53頁至第134頁之綜合財務報表於二零零八年四月十五日獲董事會通過及授權刊發，並由下列董事代表簽署：

**Tong Shek Lun**  
唐錫麟  
DIRECTOR  
董事

**Ko Lai King, Kinny**  
高麗瓊  
DIRECTOR  
董事





# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

		Share capital	Share premium	Capital reserve	Special reserve	Statutory reserves	Asset revaluation reserve	Investment revaluation reserve	Exchange reserve	Capital redemption reserve	Retained profits	Total
		股本	股份溢價	資本儲備	特別儲備	法定儲備	重估儲備	重估儲備	匯兌儲備	贖回儲備	保留溢利	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		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
As at 1 January 2006	於二零零六年一月一日	55,078	82,364	35,597	19,487	6,553	48,623	20,796	3,402	922	168,624	441,446
Revaluation surplus on buildings	樓宇重估盈餘	—	—	—	—	—	1,487	—	—	—	—	1,487
Deferred tax on revaluation of buildings	重估樓宇之遞延稅項	—	—	—	—	—	(402)	—	—	—	—	(402)
Exchange difference on translation of foreign operations	換算國外業務之匯兌差異	—	—	—	—	—	—	—	3,326	—	—	3,326
Loss on fair value change of available-for-sale investment	可供出售投資公平值變動之虧損	—	—	—	—	—	—	(41,266)	—	—	—	(41,266)
Impairment loss on available-for-sale investment realised	可供出售投資之已變現減值虧損	—	—	—	—	—	—	17,000	—	—	—	17,000
Net income recognised directly in equity	於權益直接確認之收入淨額	—	—	—	—	—	1,085	(24,266)	3,326	—	—	(19,855)
Profit for the year	本年度溢利	—	—	—	—	—	—	—	—	—	2,431	2,431
Total recognised income and expense for the year	本年度之已確認收入及支出總額	—	—	—	—	—	1,085	(24,266)	3,326	—	2,431	(17,424)
Final dividend for 2005 paid	已派付之二零零五年末期股息	—	—	—	—	—	—	—	—	—	(5,460)	(5,460)
Share repurchased and cancelled	購回及註銷之股份	(642)	—	—	—	—	—	—	—	642	(2,075)	(2,075)
As at 31 December 2006	於二零零六年十二月三十一日	54,436	82,364	35,597	19,487	6,553	49,708	(3,470)	6,728	1,564	163,520	416,487
Revaluation surplus on buildings	樓宇重估盈餘	—	—	—	—	—	1,218	—	—	—	—	1,218
Deferred tax on revaluation of buildings	重估樓宇之遞延稅項	—	—	—	—	—	(329)	—	—	—	—	(329)
Attributable to change in tax rate	產生自稅率調整	—	—	—	—	—	1,352	—	—	—	—	1,352
Exchange difference on translation of foreign operations	換算國外業務之匯兌差異	—	—	—	—	—	—	—	23,027	—	—	23,027
Loss on fair value change of available-for-sale investment	可供出售投資公平值變動之虧損	—	—	—	—	—	—	(24,538)	—	—	—	(24,538)
Impairment loss on available-for-sale investment realised	可供出售投資之已變現減值虧損	—	—	—	—	—	—	28,008	—	—	—	28,008
Net income recognised directly in equity	於權益直接確認之收入淨額	—	—	—	—	—	2,241	3,470	23,027	—	—	28,738
Loss for the year	本年度虧損	—	—	—	—	—	—	—	—	—	(64,750)	(64,750)
Total recognised income and expense for the year	本年度之已確認收入及支出總額	—	—	—	—	—	2,241	3,470	23,027	—	(64,750)	(36,012)
Final dividend for 2006 paid	已派付之二零零六年末期股息	—	—	—	—	—	—	—	—	—	(5,444)	(5,444)
As at 31 December 2007	於二零零七年十二月三十一日	54,436	82,364	35,597	19,487	6,553	51,949	—	29,755	1,564	93,326	375,031

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

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

The capital reserve of the Group represents the reserve arising from the acquisition of a further interest in the share capital of a subsidiary at nil consideration pursuant to the Group's reorganisation and capitalisation of retained profits of a subsidiary.

本集團之資本儲備乃指根據集團重組以零代價收購附屬公司之股本權益以及將一家附屬公司之保留溢利資本化而產生之儲備。

The special reserve of the Group represents the difference between the nominal amount of the share capital issued by the Company's subsidiaries in exchange for the nominal value of the issued share capital of other subsidiaries pursuant to the Group's reorganisation.

本集團之特別儲備乃根據集團重組以本公司附屬公司之已發行股本換取其他附屬公司之已發行股本兩者面值間之差額。

The statutory reserves of the Group represent reserves required by the relevant laws of the People's Republic of China (the "PRC") applicable to the Company's PRC subsidiaries and is appropriated at directors' discretion. The statutory reserves can be used to make up prior years' losses of the PRC subsidiaries, if any, and can be applied in conversion into capital after approval by PRC authorities.

本集團之法定儲備乃按適用於本公司中華人民共和國（「中國」）附屬公司之有關中國法例所規定而設立之儲備，董事可酌情使用。經中國有關部門批准後，法定儲備可用於填補中國附屬公司過往年度之虧損（如有）並可轉換為資本。



# Consolidated Cash Flow Statement

## 綜合現金流量表

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
(Loss) profit before taxation	除稅前(虧損)溢利	<b>(62,826)</b>	4,500
Adjustments for:	按下列各項調整：		
Finance costs	融資成本	<b>4,626</b>	3,603
Allowance for doubtful debts	呆壞賬撥備	<b>4,530</b>	1,862
Allowance recognised (reversed) for obsolete and slow moving inventories	陳舊及滯銷存貨 已確認撥備 (撥回)	<b>3,183</b>	(2,394)
Interest income	利息收入	<b>(1,330)</b>	(3,661)
Gain on fair value change of investment properties	投資物業公平值 變動收益	<b>(3,252)</b>	(1,090)
Depreciation and amortisation	折舊及攤銷	<b>35,705</b>	31,406
Revaluation surplus on buildings	樓宇重估盈餘	<b>(331)</b>	(86)
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房 及設備之(收益)虧損	<b>(127)</b>	1,026
Unrealised loss on fair value change of derivative financial instruments	未變現衍生金融工具 公平值變動虧損	<b>15,159</b>	2,032
Impairment loss on available- for-sale investment	可供出售投資之 減值虧損	<b>28,008</b>	17,000
Operating cash flows before movements in working capital	營運資金調撥前 之經營現金流量	<b>23,345</b>	54,198
Increase in inventories	存貨增加	<b>(16,991)</b>	(32,056)
Decrease (increase) in trade and other receivables	貿易及其他應收款項 減少(增加)	<b>7,077</b>	(5,379)
Decrease in amount due from a related company	應收關連公司款項 減少	—	7,806
Increase in trade and other payables	貿易及其他應付款項 增加	<b>765</b>	14,469
Cash generated from operations	來自經營業務之現金	<b>14,196</b>	39,038
Hong Kong Profits Tax paid	已付香港利得稅	<b>(2,372)</b>	(2,445)
PRC Enterprise Income Tax paid	已付中國企業所得稅	<b>(2,365)</b>	(1,216)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>來自經營業務 之現金淨額</b>	<b>9,459</b>	35,377

# Consolidated Cash Flow Statement

## 綜合現金流量表

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>INVESTING ACTIVITIES</b>	<b>投資業務</b>		
Purchase of property, plant and equipment	購買物業、廠房及設備	(31,886)	(32,307)
Interest received	已收利息	1,330	3,661
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款項	334	279
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>耗於投資業務之現金淨額</b>	<b>(30,222)</b>	<b>(28,367)</b>
<b>FINANCING ACTIVITIES</b>	<b>融資業務</b>		
New bank loans obtained	新增銀行貸款	55,165	20,500
Repayment of bank loans	償還銀行貸款	(32,424)	(35,083)
Repayment of obligations under finance leases	償還融資租賃責任	(5,802)	(7,690)
Dividend paid	已付股息	(5,444)	(5,460)
Interest paid on bank loans	銀行貸款已付利息	(4,093)	(2,919)
Interest paid on obligations under finance leases	融資租賃責任已付利息	(533)	(684)
Payment for repurchase of shares	購回股份之付款	—	(2,075)
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>來自(耗於)融資業務之現金淨額</b>	<b>6,869</b>	<b>(33,411)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值項目減少淨額</b>	<b>(13,894)</b>	<b>(26,401)</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<b>現金及現金等值項目承前</b>	<b>65,890</b>	<b>92,064</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>匯率變動之影響</b>	<b>1,183</b>	<b>227</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD, represented by bank balances and cash</b>	<b>現金及現金等值項目結轉 指銀行結存及現金</b>	<b>53,179</b>	<b>65,890</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 1. General

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

The Company acts as an investment holding company. The principal activities of its subsidiaries are set out in note 34.

The consolidated financial statements are presented in Hong Kong dollars, which is the functional currency of the Company.

### 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)

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

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-INT 7	Applying the Restatement Approach under HKAS 29 — Financial Reporting in Hyperinflationary Economies
HK(IFRIC)-INT 8	Scope of HKFRS 2
HK(IFRIC)-INT 9	Reassessment of Embedded Derivatives
HK(IFRIC)-INT 10	Interim Financial Reporting and Impairment

### 1. 一般事項

本公司乃一間在百慕達註冊成立之獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊辦事處地址及主要營業地點於年報之公司資料內披露。

本公司為一間投資控股公司，其附屬公司之主要業務載於附註34。

綜合財務報表以港元（即本公司之功能貨幣）呈列。

### 2. 新訂及經修訂香港財務報告準則（「香港財務報告準則」）之應用

於本年度，本集團首次應用以下多項由香港會計師公會（「香港會計師公會」）頒佈並於本集團自二零零七年一月一日開始之財政年度生效的新準則、修訂及詮釋（「新香港財務報告準則」）。

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

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

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### 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (continued)

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

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

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

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

### 2. 新訂及經修訂香港財務報告準則（「香港財務報告準則」）之應用（續）

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

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

本集團並無提前應用下列已頒佈但尚未生效之新及經修訂的準則、修訂或詮釋。

香港會計準則第1號（經修訂）	財務報表之呈列 <sup>1</sup>
香港會計準則第23號（經修訂）	借貸成本 <sup>1</sup>
香港會計準則第27號（經修訂）	綜合及獨立財務報表 <sup>2</sup>
香港財務報告準則第2號（修訂本）	歸屬條件及註銷 <sup>1</sup>
香港財務報告準則第3號（經修訂）	業務合併 <sup>2</sup>
香港財務報告準則第8號	經營分部 <sup>1</sup>
香港（國際財務報告準則詮釋委員會）— 詮釋第11號	香港財務報告準則第2號— 集團及庫存股份交易 <sup>3</sup>
香港（國際財務報告準則詮釋委員會）— 詮釋第12號	服務經營權安排 <sup>4</sup>
香港（國際財務報告準則詮釋委員會）— 詮釋第13號	顧客忠誠度計劃 <sup>5</sup>
香港（國際財務報告準則詮釋委員會）— 詮釋第14號	香港會計準則第19號— 設定受益資產的上限，最低資金要求規定及其相互關係 <sup>4</sup>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

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### 2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs") (continued)

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

The adoptions of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The directors of the Company anticipate that the application of the other new or revised standards, amendment and interpretations will have no material impact on the results and the financial position of the Group.

### 2. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)之應用(續)

- <sup>1</sup> 於二零零九年一月一日或其後開始之年度期間生效。
- <sup>2</sup> 於二零零九年七月一日或其後開始之年度期間生效。
- <sup>3</sup> 於二零零七年三月一日或其後開始之年度期間生效。
- <sup>4</sup> 於二零零八年一月一日或其後開始之年度期間生效。
- <sup>5</sup> 於二零零八年七月一日或其後開始之年度期間生效。

採納香港財務報告準則第3號(經修訂)可能會影響收購日期為二零零九年七月一日或之後開始之首個年報期開始之日或之後之業務合併之會計處理。香港會計準則第27號(經修訂)將會影響有關於母公司於附屬公司所擁有權益之變動(不會導致失去控制權)之會計處理，該變動將列作股權交易。本公司董事預期應用其他新增或經修訂準則、修訂及詮釋將不會對本集團之業績及財務狀況產生重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies

The consolidated financial statements have been prepared on the historical cost basis, except for certain properties and financial instruments which are measured at revalued amounts or fair values, where appropriate.

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

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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

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

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

### 3. 主要會計政策

綜合財務報表乃按歷史成本基準編製，惟若干物業及金融工具按重估值或公平值(倘適用)計算則除外。

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例規定之適用披露事項。所採納之主要會計政策如下：

#### 綜合賬目之基準

綜合財務報表包括本公司及由本公司(其附屬公司)控制實體(包括特別用途實體)之財務報表。當本公司有能力規管一間實體之財務及經營政策以從其業務中取得利益時，則具有控制權。

於年內收購或出售之附屬公司之業績乃由收購生效日期起計或計至出售生效日期止(如適用)計入綜合損益表。

倘有需要，本集團會對附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司所採用者保持一致。

所有集團內交易、結餘、收入及支出均於綜合賬目時對銷。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

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### 3. Significant Accounting Policies (continued)

#### Revenue recognition

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

Sales of goods are recognised when goods are delivered and title has passed.

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

Rental income from operating leases is recognised on a straight-line basis over the terms of the relevant leases.

#### Investment properties

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

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

### 3. 主要會計政策 (續)

#### 收入確認

收入按日常業務過程中就所售貨品所收取或應收取之代價(已扣除折扣及銷售有關稅項)之公平值計量。

貨品銷售乃在貨品付運及擁有權轉移後確認。

金融資產之利息收入乃以時間為基準按未償還本金及適用實際利率計提，而實際利率為透過金融資產之預期可用年期將估計日後現金收據實際折現至該資產之賬面淨值之比率。

經營租賃所得之租金收入於有關租賃期內以直線法確認。

#### 投資物業

投資物業指持作賺取租金及／或資本增值之物業。

於初次確認時，投資物業按成本值(包括任何直接應佔開支)計量。於初次確認後，投資物業運用公平值模型計量。投資物業公平值變動所產生之收益或虧損計入其產生期間之綜合損益表內。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies (continued)

#### Investment properties (continued)

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

#### Property, plant and equipment

Property, plant and equipment, other than buildings held for use in the production or supply of goods or services, or for administrative purposes and construction in progress, are stated at cost less subsequent accumulated depreciation and impairment loss.

Buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated at their revalued amount, being the fair value at the date of revaluation less subsequent accumulated depreciation and impairment loss. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the balance sheet date.

### 3. 主要會計政策 (續)

#### 投資物業 (續)

投資物業於出售或永久停止使用後，及預期出售該投資物業不會產生未來經濟利益時終止確認。終止確認該資產所產生之任何收益或虧損(按出售所得款項淨額與該資產賬面值間之差額計算)計入終止確認項目年度之綜合損益表內。

#### 物業、廠房及設備

用作生產或提供貨物或服務或作行政用途之樓宇及在建工程以外之物業、廠房及設備按成本值減隨後之累計折舊及減值虧損列賬。

用作生產或提供貨物或服務或作行政用途之樓宇乃按其重估值列賬，重估值按其於重估日期之公平值減日後之累計折舊及減值虧損計算。重估乃定期進行，以確保賬面值與於結算日以公平值列賬者不會有重大差異。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies (continued)

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

Any revaluation increase arising on revaluation of buildings is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense, in which case the increase is credited to the consolidated income statement to the extent of the decrease previously charged. A decrease in net carrying amount arising on revaluation of an asset is dealt with as an expense to the extent that it exceeds the balance, if any, on the asset revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus is transferred to retained profits.

Depreciation is provided to write off the cost or fair value of items of property, plant and equipment, other than construction in progress, over their estimated useful lives and after taking into account of their residual value, using the straight-line method.

Construction in progress is stated at cost less any impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

### 3. 主要會計政策 (續)

#### 物業、廠房及設備 (續)

任何因重估樓宇而增加之重估值乃計入資產重估儲備，但若之前曾於綜合損益表中撥回相同資產確認為支出之重估減值，則此增值計入於綜合損益表確認為收入，惟以先前扣除數額為限。重估資產所產生之賬面淨值減少數額如超過該項資產過往重估時之相關重估儲備結餘（如有），則該超出部分列作開支處理。重估資產於其後出售或報廢時，應得之重估盈餘撥作保留溢利。

在建工程以外物業、廠房及設備項目於估計可使用年期內使用直線法並經考慮其殘值計算折舊，以撇銷其成本或公平值。

在建工程以成本減任何減值虧損列賬。在建工程於完成及可用作擬定用途時分類為物業、廠房及設備之適當類別。該等資產按其他物業資產之相同基準計算折舊，由有關資產可用作擬定用途時起計。

根據融資租賃持有之資產按自有資產之相同基準於估計可用年期或有關租賃年期之較短者折舊。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies (continued)

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

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

#### Intangible asset — Club debenture

Club debenture with indefinite useful life is carried at cost less any impairment loss.

#### Impairment

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation increase under that standard.

### 3. 主要會計政策 (續)

#### 物業、廠房及設備 (續)

當物業、廠房及設備項目已出售或預期繼續使用該項資產不會為日後帶來經濟利益時，該項物業、廠房及設備將終止確認。因終止確認該項資產而產生之任何收益或虧損(按該項目之出售所得款項淨額及其賬面值之差額計算)計入終止確認該項資產之年度之綜合損益表。

#### 無形資產 — 會所債券

沒有限定可使用年期之會所債券乃按成本減除其任何減值虧損列賬。

#### 減值

於各結算日，本集團均會審閱其資產之賬面值，以確定該等資產是否有任何減值虧損跡象。倘一項資產之可收回金額估計少於其賬面值，該項資產之賬面值乃減低至其可收回金額。減值虧損即時確認為支出，除非有關資產根據另一項準則按重估金額列賬，在此情況下減值虧損根據該項準則列作重估減值。

倘一項減值虧損於日後撥回，則該項資產之賬面值乃增加至其經修訂估計可收回金額，惟增加後之賬面值不得超出假設以往年度並無就該項資產確認減值虧損原應釐定之賬面值。減值虧損撥回即時確認為收入，除非有關資產根據另一項準則按重估金額列賬，在此情況下減值虧損根據該項準則列作重估增值。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies (continued)

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

#### Leasing

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

#### The Group as lessor

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

#### The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to consolidated income statement.

### 3. 主要會計政策 (續)

#### 存貨

存貨乃按成本及可變現淨值兩者中較低者列賬。存貨成本按先入先出法計算。

#### 租賃

凡於租賃條款中訂明將擁有權之絕大部分風險及回報轉嫁承租人之租賃均列為融資租賃。所有其他租賃列為經營租賃。

#### 本集團作為出租人

經營租賃之租金收入按直線法於有關租賃年期在綜合損益表內確認。磋商及安排一項經營租賃產生之初步直接成本加入租賃資產之賬面值，於租賃年內按直線法確認為開支。

#### 本集團作為承租人

按融資租賃持有之資產按租賃開始時之公平值或(倘為較低者)按最低租賃付款之現值確認為本集團資產。出租人之相應負債於綜合資產負債表列作融資租賃責任。租賃付款按比例於融資費用及減少租賃責任之間作出分配，從而使該等負債之應付餘額之息率固定。融資費用直接於綜合損益表中扣除。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies (continued)

#### Leasing (continued)

##### The Group as lessee (continued)

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

#### Retirement benefit costs

Payments to defined contribution retirement benefit plans and the Mandatory Provident Fund Scheme are charged as an expense when employees have rendered service entitling them to the contributions.

#### Borrowing costs

All borrowing costs are recognised as and included in finance costs in the consolidated income statement in the period in which they are incurred.

#### Foreign currencies

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

### 3. 主要會計政策 (續)

#### 租賃 (續)

##### 本集團作為承租人 (續)

經營租賃之應付租金於有關租賃期間按直線法於綜合損益表中扣除。作為促使訂立經營租賃之已收及應收利益亦按租賃期限以直線法確認分攤租金開支。

#### 退休福利成本

向定額供款退休福利計劃及強制性公積金計劃作出之供款，於僱員提供服務而符合享有供款資格時列作開支。

#### 借貸成本

所有借貸成本均於產生期間確認及納入綜合損益表內之融資成本。

#### 外幣

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



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies (continued)

#### Foreign currencies (continued)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in the consolidated income statement in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in consolidated income statement for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which case, the exchange differences are also recognised directly in equity.

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

### 3. 主要會計政策 (續)

#### 外幣 (續)

結算貨幣項目及換算貨幣項目所產生之匯兌差額於產生期間在綜合損益表確認。因重新換算按公平值列賬之非貨幣項目產生之匯兌差額計入期內之綜合損益表中，惟換算直接於股本權益內確認收益及虧損之非貨幣項目產生之差額除外，在此情況下，匯兌差額亦會直接於股本權益中確認。

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按結算日當日匯率換算為本公司之呈列貨幣(即港元)，而有關之收入及開支項目乃按年內平均匯率換算，除非期內匯率大幅波動，則於此情況下，將採用交易日期之匯率換算。所產生匯兌差額(如有)均確認為股本權益之獨立部分(匯兌儲備)。有關換算差額於該項海外業務出售期間在綜合損益表中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies (continued)

#### Taxation

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

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

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

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

### 3. 主要會計政策 (續)

#### 稅項

所得稅開支指即期應付稅項及遞延稅項之總和。

即期應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益表中所報溢利不同，此乃由於前者不包括在其他年度應課稅或可扣稅之收入或開支，並且不包括從未課稅及扣稅之損益表項目。本集團即期稅項負債乃使用於結算日已頒行或大致上已頒行之稅率計算。

遞延稅項就綜合財務報表資產及負債賬面值及用以計算應課稅溢利相應稅基之差額確認，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時差額扣稅之應課稅溢利時確認。若於一項交易中，因商譽或因企業合併以外原因初次確認其他資產及負債而引致之臨時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產或負債。

遞延稅項乃按預期於負債償還或資產變現期間適用之稅率計算。遞延稅項於綜合損益表中扣除或計入，惟倘遞延稅項與直接在股本權益中扣除或計入之項目有關(在此情況下遞延稅項亦會於股本權益中處理)除外。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies (continued)

#### Financial instruments

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

#### Financial assets

The Group's financial assets are classified into loans and receivables and available-for-sale financial assets. All regular way purchases and sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

#### Effective interest method

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

### 3. 主要會計政策 (續)

#### 金融工具

倘集團實體成為金融工具合約條文之訂約方，則於綜合資產負債表中確認金融資產及金融負債。金融資產及金融負債初步按公平值計算。因收購或發行金融資產及金融負債(按公平值計入損益之金融資產及金融負債除外)而直接應佔之交易成本，於初步確認時自該項金融資產或金融負債之公平值內扣除或計入其中(倘適用)。

#### 金融資產

本集團之金融資產分為貸款及應收款項及可供出售金融資產。所有日常買賣之金融資產於交易日確認或終止確認。日常買賣指根據市場規則或慣例訂立之時間內交收資產之金融資產買賣。

#### 實際利率法

實際利率法乃計算金融資產之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃按金融資產之預計可用年期或(倘適用)較短期間精確貼現估計未來現金收入(包括所支付或收取能構成整體實際利率之所有費用及利率差價、交易成本及其他溢價或折價)之比率。收入按債務工具之實際利率基準確認。

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

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies (continued)

#### Financial instruments (continued)

##### Effective interest method (continued)

##### Loans and receivables

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

##### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in consolidated income statement.

##### Impairment of financial assets

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

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 實際利率法 (續)

##### 貸款及應收款項

貸款及應收款項為無活躍市場報價而附帶固定或可釐定付款之非衍生金融資產。於初次確認後每一個結算日，貸款及應收款項(包括貿易及其他應收款項及銀行結存)採用實際利率法攤銷成本，減任何已識別減值虧損列賬。

##### 可供出售金融資產

可供出售金融資產為指定為或非分類為按公平值計入損益之非衍生金融資產、貸款及應收款項或持至到期之投資。於首次確認後各結算日，可供出售金融資產按公平值計算。公平值之變動於股本權益確認，直至該金融資產被出售或被斷定為出現減值，則屆時過往於股本權益確認之累計收入或虧損會自股本權益剔除，並於綜合損益表確認。

##### 金融資產減值

金融資產(按公平值計入損益之金融資產除外)於各結算日就出現之減值跡象進行評估。倘有客觀證據顯示因金融資產初次確認後發生一項或多項事件影響金融資產之預期未來現金流量，則金融資產出現減值。

就可供出售股權投資而言，該投資之公平值大幅或持久低於成本被視為減值之客觀證據。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies (continued)

#### Financial instruments (continued)

#### Impairment of financial assets (continued)

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

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

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產減值 (續)

就其他所有金融資產而言，減值之客觀證據包括：

- 發行人或對約方出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

就按已攤銷成本列賬之金融資產而言，減值虧損乃於有客觀證據證明資產出現減值時於損益內確認，並按該資產之賬面值與按原先實際利率貼現之估計未來現金流量之現值間之差額計算。

與所有金融資產有關之減值虧損會直接於金融資產之賬面值中作出扣減，惟貿易及其他應收款項除外，其賬面值會透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益中確認。當貿易及其他應收款項被視為不可收回時，其將於撥備賬內撇銷。倘其後收回之前已撇賬的款項，將撥回損益內。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

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### 3. Significant Accounting Policies (continued)

#### Financial instruments (continued)

#### Impairment of financial assets (continued)

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in equity.

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

#### Financial liabilities and equity

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

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產減值 (續)

可供出售股權投資之減值虧損將不會於以後期間撥回損益中。任何減值虧損後之公平值上升於權益中直接確認。

就按攤銷成本計算之金融資產而言，倘減值虧損額於隨後期間有所減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時之已攤銷成本。

#### 金融負債及股本權益

由集團實體發行之金融負債及股本權益工具按所訂立之合約安排性質，以及金融負債及股本權益工具之定義而分類。

股本權益工具為帶有集團資產剩餘權益（經扣除其所有負債）之任何合約。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies (continued)

#### Financial instruments (continued)

##### Effective interest method

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

##### Financial liabilities (other than derivative financial instruments)

The Group's financial liabilities (including trade and bills payables and bank loans) are subsequently measured at amortised cost, using the effective interest method.

##### Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 實際利率法

實際利率法乃計算金融負債之攤銷成本及按有關期間攤分利息開支之方法。實際利率乃按金融負債的預計可用年期或(倘適用)較短期間精確貼現估計未來現金付款的比率。利息開支按實際利率基準確認。

##### 金融負債(衍生金融工具除外)

金融負債(包括貿易應付款項及應付票據及銀行貸款)乃採用實際利率法計算攤銷成本。

##### 股本權益工具

本公司所發行之股本權益工具乃按已收取之所得款項減直接發行成本記賬。

購回本公司自有股本權益投資工具於股本權益中直接確認及扣除。購買、出售、發行或註銷本公司自有股本投資工具之盈虧並無於損益內確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 3. Significant Accounting Policies (continued)

#### Financial instruments (continued)

##### Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in consolidated income statement immediately.

##### Derecognition

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

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

### 4. Segment information

#### Business segments:

For management purposes, the Group is currently organised into three principal operating divisions — electronic products, conductive silicon rubber keypads and printed circuit boards. These divisions are the basis on which the Group reports its primary segment information. Inter-segment sales were made at cost plus mark up.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 衍生金融工具

衍生工具於訂立衍生工具合約當日按公平值初次確認，隨後於各結算日按公平值重新計量。產生之收益或虧損隨即於綜合損益表中確認。

##### 終止確認

若從資產收取現金流之權利已屆滿，或金融資產已轉讓及本集團已將其於金融資產擁有權之絕大部分風險及回報轉移，則金融資產將被終止確認。於終止確認金融資產時，資產之賬面值與已收及應收代價及已直接於股本權益內確認之累計盈虧之總和之差額，將於綜合損益表中確認。

倘有關合約之特定責任已解除、取消或屆滿，則金融負債將被終止確認。終止確認之金融負債之賬面值與已付或應付代價之差額於綜合損益表中確認。

### 4. 分部資料

#### 按業務劃分：

就管理而言，本集團目前由三個主要營運部門組成 — 電子產品、導電硅橡膠按鍵及印製電路板。本集團乃按照上述營運部門報告其主要分部資料。部門間銷售乃按成本加漲價計算。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 4. Segment information (continued)

#### Business segments (continued)

Segment information about these business is presented below:

2007

### 4. 分部資料 (續)

#### 按業務劃分 (續)

該等業務之分部資料呈列如下：

二零零七年

		Electronic products 電子產品 HK\$'000 千港元	Conductive silicon rubber keypads 導電硅 橡膠按鍵 HK\$'000 千港元	Printed circuit boards 印製 電路板 HK\$'000 千港元	Eliminations 撇減 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>REVENUE</b>	<b>收益</b>					
External sales	外部銷售	538,627	97,565	98,922	—	735,114
Inter-segment sales	部間銷售	3,273	16,486	28,159	(47,918)	—
Total	總額	541,900	114,051	127,081	(47,918)	735,114
<b>RESULT</b>	<b>業績</b>					
Segment result	分部業績	(8,594)	(49)	(13,421)	—	(22,064)
Unallocated corporate expenses	未分配之企業開支					(2,445)
Finance costs	融資成本					(4,626)
Impairment loss on available-for-sale investment	可供出售投資之減值虧損					(28,008)
Loss on fair value change of derivative financial instruments	衍生金融工具公平值變動虧損					(5,683)
Loss before taxation	除稅前虧損					(62,826)
Taxation	稅項					(1,924)
Loss for the year	本年度虧損					(64,750)

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

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 4. Segment information (continued)

#### Business segments (continued)

2007 (continued)

### 4. 分部資料 (續)

#### 按業務劃分 (續)

二零零七年 (續)

		Electronic products 電子產品 HK\$'000 千港元	Conductive silicon rubber keypads 導電硅 橡膠按鍵 HK\$'000 千港元	Printed circuit boards 印製 電路板 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>					
Segment assets	分部資產	419,441	103,624	108,003		631,068
Unallocated corporate assets	未分配之企業資產					38,402
Consolidated total assets	綜合資產總額					669,470
<b>LIABILITIES</b>	<b>負債</b>					
Segment liabilities	分部負債	106,227	23,392	39,080		168,699
Unallocated corporate liabilities	未分配之企業負債					125,740
Consolidated total liabilities	綜合總負債					294,439
<b>OTHER INFORMATION</b>	<b>其他資料</b>					
Additions to property, plant and equipment	添置物業、 廠房及設備	13,206	5,186	13,494	—	31,886
Depreciation of property, plant and equipment	物業、廠房及 設備之折舊	18,426	8,016	8,200	602	35,244
Amortisation of prepaid lease payments	預付租金攤銷	345	88	28	—	461
Allowance recognised (reversed) for obsolete and slow moving inventories	陳舊及滯銷 存貨之確認撥備 (撥回撥備)	3,061	(371)	493	—	3,183
Allowance recognised for doubtful debts	呆壞賬之確認撥備	1,163	2,521	846	—	4,530





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 4. Segment information (continued)

#### Business segments (continued)

2006

### 4. 分部資料 (續)

#### 按業務劃分 (續)

二零零六年

		Electronic products 電子產品	Conductive silicon rubber keypads 導電硅 橡膠按鍵	Printed circuit boards 印製 電路板	Eliminations 撇減	Consolidated 綜合
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>REVENUE</b>	<b>收益</b>					
External sales	外部銷售	476,623	101,241	127,995	—	705,859
Inter-segment sales	部間銷售	2,052	13,396	25,714	(41,162)	—
Total	總額	478,675	114,637	153,709	(41,162)	705,859
<b>RESULT</b>	<b>業績</b>					
Segment result	分部業績	33,891	5,480	(11,057)	—	28,314
Unallocated corporate expenses	未分配之企業開支					(2,626)
Finance costs	融資成本					(3,603)
Impairment loss on available-for-sale investment	可供出售投資 減值虧損					(17,000)
Loss on fair value change of derivative financial instruments	衍生金融工具 公平值變動 虧損					(585)
Profit before taxation	除稅前溢利					4,500
Taxation	稅項					(2,069)
Profit for the year	本年度溢利					2,431

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

**4. Segment information** (continued)**Business segments** (continued)

2006 (continued)

**4. 分部資料** (續)**按業務劃分** (續)

二零零六年 (續)

		Electronic products 電子產品 HK\$'000 千港元	Conductive silicon rubber keypads 導電硅 橡膠按鍵 HK\$'000 千港元	Printed circuit boards 印製 電路板 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>					
Segment assets	分部資產	403,828	110,409	97,355		611,592
Unallocated corporate assets	未分配之 企業資產					55,866
Consolidated total assets	綜合資產總額					667,458
<b>LIABILITIES</b>	<b>負債</b>					
Segment liabilities	分部負債	101,723	25,744	38,524		165,991
Unallocated corporate liabilities	未分配之 企業負債					84,980
Consolidated total liabilities	綜合負債總額					250,971
<b>OTHER INFORMATION</b>	<b>其他資料</b>					
Additions to property, plant and equipment	添置物業、 廠房及設備	16,311	9,299	15,430	—	41,040
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	16,256	7,048	7,135	522	30,961
Amortisation of prepaid lease payments	預付租金攤銷	334	84	27	—	445
Allowance recognised (reversed) for obsolete and slow moving inventories	陳舊及滯銷存貨 之確認撥備 (撥回撥備)	(1,240)	285	(1,439)	—	(2,394)
Allowance recognised (reversed) for doubtful debts	呆壞賬之 確認撥備 (撥回撥備)	—	1,927	(65)	—	1,862



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 4. Segment information (continued)

#### Geographical segments:

The Group's customers are principally located in Hong Kong, People's Republic of China (other than Hong Kong) ("PRC"), Europe, Japan, other Asian countries and America.

The following table provides an analysis of the Group's sales by geographical market:

		Revenue 收益	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Hong Kong (note a)	香港 (附註a)	284,513	279,557
Europe	歐洲	169,524	110,606
Japan (note b)	日本 (附註b)	84,882	78,138
Other Asian countries	其他亞洲國家	72,704	106,747
America	美國	55,089	28,325
PRC	中國	51,608	90,204
Others	其他	16,794	12,282
		<b>735,114</b>	<b>705,859</b>

Notes:

- (a) The Directors believe that a portion of the Group's sales attributable to the Hong Kong market was subsequently resold to other markets.
- (b) The Directors believe that a substantial portion of the Group's sales attributable to the Japanese market was subsequently resold to the European and American markets.

### 4. 分部資料 (續)

#### 按地域劃分

本集團之客戶主要分佈於香港、中華人民共和國(香港除外) (「中國」)、歐洲、日本、其他亞洲國家及美國。

本集團銷售按市場地域之分析如下：

		Revenue 收益	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Hong Kong (note a)	香港 (附註a)	284,513	279,557
Europe	歐洲	169,524	110,606
Japan (note b)	日本 (附註b)	84,882	78,138
Other Asian countries	其他亞洲國家	72,704	106,747
America	美國	55,089	28,325
PRC	中國	51,608	90,204
Others	其他	16,794	12,282
		<b>735,114</b>	<b>705,859</b>

附註：

- (a) 董事認為香港市場所佔本集團之銷售額有部分最終轉售往其他市場。
- (b) 董事認為日本市場佔本集團之大部分銷售額最終轉售往歐美市場。

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

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 4. Segment information (continued)

#### Geographical segments (continued)

The following is an analysis of the carrying amount of segment assets at the balance sheet date, and additions to property, plant and equipment during the year analysed by the geographical area in which the assets are located:

### 4. 分部資料 (續)

#### 按地域劃分 (續)

分部資產於結算日之賬面值及年內所添置之物業、廠房及設備按其所處地域之分析如下：

		Carrying amount of segment assets 分部資產賬面值		Additions to property, plant and equipment 添置物業、廠房及設備	
		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
Hong Kong	香港	145,732	172,846	132	669
PRC	中國	485,336	438,746	31,754	40,371
		<b>631,068</b>	611,592	<b>31,886</b>	41,040



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 5. Other Income

### 5. 其他收入

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Other income includes:	其他收入包括：		
Interest income	利息收入	1,330	3,661
Gain on disposal of property, plant and equipment	出售物業、廠房 及設備收益	127	—
Revaluation surplus on buildings	樓宇重估盈餘	331	86

### 6. Finance Costs

### 6. 融資成本

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Interest on:	以下各項之利息：		
Bank loans wholly repayable within five years	須於五年內悉數償還 之銀行貸款	4,093	2,919
Obligations under finance leases	融資租賃責任	533	684
		4,626	3,603

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 7. Directors' Remuneration and Highest Paid Employees

#### (a) Directors' remuneration:

		Other emoluments 其他酬金			Total 合計
		Salaries and other benefits	Retirement benefits scheme contributions		
		Fees 袍金	薪金及 其他福利	退休福利 計劃供款	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>2007</b>	<b>二零零七年</b>				
Executive directors:	執行董事：				
Mr. Tong Shek Lun	唐錫麟先生	—	2,117	88	2,205
Ms. Ko Lai King, Kinny	高麗瓊女士	—	1,330	49	1,379
Ms. Chung Wai Yu, Regina	鍾惠愉女士	—	1,609	80	1,689
Mr. Chim Kim Lun, Ricky	詹劍崙先生	—	—	—	—
Mr. Cheng Kwok Hing, Andy	鄭國興先生	—	—	—	—
		—	5,056	217	5,273
Non-executive directors:	非執行董事：				
Mr. Lee Kwok Leung	李國樑先生	120	—	—	120
Mr. Yang Yiu Chong, Ronald Jeffrey	楊耀宗先生	120	—	—	120
		240	—	—	240
Independent non- executive directors:	獨立非執行 董事：				
Mr. Sun Yaoquan	孫耀全先生	120	—	—	120
Mr. Goh Gen Cheung	葛根祥先生	120	—	—	120
Mr. Chan Ho Man	陳浩文先生	120	—	—	120
		360	—	—	360
Total emoluments	薪酬總額	600	5,056	217	5,873



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 7. Directors' Remuneration and Highest Paid Employees (continued)

#### (a) Directors' remuneration: (continued)

### 7. 董事薪酬及最高薪僱員 (續)

#### (a) 董事薪酬：(續)

		Fees	Salaries and other benefits	Other emoluments	Total
		袍金	薪金及其他福利	其他酬金	合計
		HK\$'000	HK\$'000	Retirement benefits contributions	HK\$'000
		千港元	千港元	退休福利計劃供款	千港元
				其他酬金	
2006	二零零六年				
Executive directors:	執行董事：				
Mr. Tong Shek Lun	唐錫麟先生	—	1,927	62	1,989
Ms. Ko Lai King, Kinny	高麗瓊女士	—	1,215	32	1,247
Ms. Chung Wai Yu, Regina	鍾惠愉女士	—	1,451	61	1,512
Mr. Li Ka Fai, Fred	李嘉輝先生	412	—	—	412
		412	4,593	155	5,160
Non-executive directors:	非執行董事：				
Mr. Lee Kwok Leung	李國樑先生	120	—	—	120
Mr. Yang Yiu Chong, Ronald Jeffrey	楊耀宗先生	120	—	—	120
		240	—	—	240
Independent non-executive directors:	獨立非執行董事：				
Mr. Sun Yaoquan	孫耀全先生	120	—	—	120
Mr. Goh Gen Cheung	葛根祥先生	120	—	—	120
Mr. Chan Ho Man	陳浩文先生	120	—	—	120
		360	—	—	360
Total emoluments	薪酬總額	1,012	4,593	155	5,760

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

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 7. Directors' Remuneration and Highest Paid Employees (continued)

**(a) Directors' remuneration: (continued)**

No emoluments have been paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office and no directors have waived any emoluments in both years.

**(b) Highest paid employees:**

The five highest paid employees of the Group include three (2006: three) executive directors of the Company, details of whose emoluments are included above. The remuneration of the remaining two (2006: two) individuals was as follows:

### 7. 董事薪酬及最高薪僱員 (續)

**(a) 董事薪酬：(續)**

於該兩個年度，本集團概無給予董事酬金作為加入或於加入本集團時之獎金或離職補償，且概無董事放棄任何薪酬。

**(b) 最高薪僱員：**

本集團之五位最高薪僱員包括三位(二零零六年：三位)本公司執行董事，彼等之酬金詳情載於上文。其餘兩位(二零零六年：兩位)人士之薪酬如下：

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Salaries and other benefits 薪金及其他福利	2,002	1,886
Retirement benefits scheme contributions 退休福利計劃供款	89	65
	<u>2,091</u>	<u>1,951</u>





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 7. Directors' Remuneration and Highest Paid Employees (continued)

#### (b) Highest paid employees: (continued)

The emoluments of the two (2006: two) highest paid employees were within the following bands:

### 7. 董事薪酬及最高薪僱員 (續)

#### (b) 最高薪僱員：(續)

兩位(二零零六年：兩位)最高薪僱員之酬金介乎下列範圍：

		Number of employees 僱員人數	
		2007 二零零七年	2006 二零零六年
Nil to HK\$1,000,000	零至1,000,000港元	1	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	1	1
		<u>2</u>	<u>2</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

**8. (Loss) Profit Before Taxation****8. 除稅前(虧損)溢利**

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
(Loss) profit before taxation has been arrived at after charging:	除稅前(虧損)溢利經扣除下列項目：		
Auditor's remuneration	核數師酬金	1,421	1,321
Depreciation:	折舊：		
Owned assets	自有資產	32,739	26,449
Assets held under finance leases	根據融資租賃持有之資產	2,505	4,512
Amortisation of prepaid lease payments	預付租金攤銷	461	445
Allowance for doubtful debts	呆賬撥備	4,530	1,862
Cost of inventories recognised as expense	確認為開支之存貨成本	664,381	585,383
Allowance (reversal) for obsolete and slow moving inventories (Note)	陳舊及滯銷存貨提撥(撥回)撥備(附註)	3,183	(2,394)
Directors' remuneration (Note 7)	董事酬金(附註7)	5,873	5,760
Other staff costs	其他僱員成本	156,540	135,717
Staff costs	僱員成本	162,413	141,477
Operating lease rentals	經營租賃租金	1,429	2,040
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	—	1,026
Loss on fair value change of derivative financial instruments comprised of:	衍生金融工具公平值變動虧損包括：		
Realised gain	已變現收益	(9,476)	(1,447)
Unrealised loss	未變現虧損	15,159	2,032
and after crediting:	並經計入下列項目：		
Gross rental income from investment properties	投資物業租金收入總額	7,457	7,325
Less: Direct operating expenses from investment properties that generate rental income during the year	減：年內產生租金收入投資物業之直接營運開支	(520)	(495)
Foreign exchange gains (losses), net	外匯收益(虧損)·淨額	577	(1,594)

Note: During the year ended 31 December 2006, inventories were reprocessed and sold. Hence, the allowance for obsolete and slow moving inventories was reversed.

附註：截至二零零六年十二月三十一日止年度存貨經再加工及出售。因此，陳舊及滯銷存貨之撥備被撥回。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 9. Taxation

### 9. 稅項

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
The charge comprises:	稅項支出包括：		
Hong Kong Profits Tax:	香港利得稅：		
Current year	本年度	75	2,223
Overprovision in prior year	往年度超額撥備	(351)	(457)
PRC enterprise income tax:	中國企業所得稅：		
Current year	本年度	2,389	966
Overprovision in prior years	往年度超額撥備	(943)	(957)
		<u>1,170</u>	<u>1,775</u>
Deferred taxation (Note 26)	遞延稅項(附註26)		
Current year	本年度	813	294
Attributable to change in tax rate	產生自稅率調整	(59)	—
		<u>1,924</u>	<u>2,069</u>

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

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 9. Taxation (continued)

Hong Kong Profits Tax is calculated at 17.5% (2006: 17.5%) of the estimated assessable profit for the year. PRC Enterprise Income Tax is calculated at the rates prevailing in relevant region of the PRC at 27% (2006: 27%). The Group's subsidiaries operating in the PRC are eligible for certain tax concessions. The subsidiaries in the PRC are granted a tax holiday of a 2-year exemption followed by a 3-year 50% reduction in income tax rate commencing from the first profit-making year. Upon expiry of the tax holiday, if the export sales of the subsidiaries exceed 70% of the total sales for the year, the entities are entitled to a 50% reduction of the income tax rate and three subsidiaries operating in the PRC enjoyed this reduction for the year ended 31 December 2007.

On 16 March 2007, the National People's Congress approved the Corporate Income Tax of the PRC, pursuant to which the corporate income tax rates for domestic and foreign enterprises are unified at 25% effective from 1 January 2008. As a result, the Enterprise Income Tax rate of the Group's subsidiaries operating in the PRC will be changed from 27% to 25% with effect from 1 January 2008. As a result of the change in tax rate, deferred tax credit of approximately HK\$1,352,000 and approximately HK\$59,000 were recognised in the equity and consolidated income statement for the year.

### 9. 稅項 (續)

香港利得稅乃按本年度之估計應課稅溢利以17.5%稅率(二零零六年: 17.5%)計算。中國企業所得稅乃按中國有關地區現行稅率27%(二零零六年: 27%)計算。本集團於中國經營之附屬公司合資格享有若干稅務優惠。該等位於中國之附屬公司可享有稅務優惠, 於首個獲利年度起計免稅兩年, 其後三年之所得稅率減半。於稅務優惠期過後, 如該等附屬公司之出口銷售超越全年總銷售額70%, 其所得稅率可獲減免50%, 而其中三間於中國之附屬公司於截至二零零七年十二月三十一日止年度享有此項寬減。

於二零零七年三月十六日, 全國人民代表大會批准中國企業所得稅法, 據此, 內資及外資企業劃一按企業所得稅稅率25%繳稅, 由二零零八年一月一日起生效。因此, 本集團於中國經營之附屬公司須繳企業所得稅率由27%改為25%, 由二零零八年一月一日起生效。由於稅率調整, 約1,352,000港元及約59,000港元之遞延稅項抵免已於本年度股本權益及綜合損益表中確認。



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

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 9. Taxation (continued)

The taxation charge for the year can be reconciled to (loss) profit before taxation per the consolidated income statement as follows:

### 9. 稅項 (續)

於本年度內，綜合損益表內稅項支出與除稅前(虧損)溢利對賬如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
(Loss) profit before taxation	除稅前(虧損)溢利	<b>(62,826)</b>	4,500
Tax at domestic income tax rate of 27% (2006: 27%)	按國內所得稅率27%計算之稅項(二零零六年：27%)	<b>(16,963)</b>	1,215
Tax effect of expenses not deductible for tax purposes	不可扣稅支出之稅務影響	<b>9,902</b>	5,229
Tax effect of income not taxable for tax purposes	毋須繳稅收入之稅務影響	<b>(329)</b>	(843)
Tax effect of tax losses not recognised	未確認稅損之稅務影響	<b>10,708</b>	2,222
Tax effect of income tax at concessionary rate	按優惠稅率計算所得稅之稅務影響	<b>(62)</b>	(1,534)
Utilisation of tax losses previously not recognised	動用之前尚未確認之稅損	<b>(824)</b>	(1,775)
Effect of different tax rates of group entities operating in other jurisdictions	於其他司法管轄區經營之集團實體繳納不同稅率之影響	<b>(40)</b>	(890)
Overprovision in respect of prior years	往年度超額撥備	<b>(1,294)</b>	(1,414)
Decrease in operating deferred tax liability resulting a decrease in PRC income tax rate	中國所得稅率下調導致經營遞延稅項負債減少	<b>(59)</b>	—
Others	其他	<b>885</b>	(141)
Taxation charge for the year	年度稅項支出	<b>1,924</b>	2,069

As the majority of the operations of the Group are carried out in the PRC, the PRC Enterprise Income Tax rate is used.

由於本集團之業務主要於中國經營，故採用中國企業所得稅率。

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

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### 10. Dividend

### 10. 股息

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Dividend recognised as distribution during the year:	年內確認為分派之股息：		
Final dividend for 2006 paid — HK 1 cent (2005: HK 1 cent) per share	已派付之二零零六年末期股息 —每股1港仙 (二零零五年：1港仙)	5,444	5,460

The directors do not recommend the payment of a final dividend for the year.

董事不建議就本年度派付末期股息。

### 11. (Loss) Earnings Per Share

The calculation of the basic (loss) earnings per share is based on the loss for the year of approximately HK\$64,750,000 (2006: profit of HK\$2,431,000) and on 544,356,000 (2006: weighted average number of 546,692,000) ordinary shares in issue during the year.

Diluted (loss) earnings per share for both years have not been calculated as no potential dilutive ordinary shares were outstanding during both years.

### 11. 每股(虧損)盈利

每股基本(虧損)盈利乃按年內虧損約64,750,000港元(二零零六年：溢利2,431,000港元)及按年內544,356,000股(二零零六年：加權平均數546,692,000股)已發行普通股計算。

由於兩個年度均無已發行潛在攤薄普通股，故此並無計算上述兩個年度每股攤薄(虧損)盈利。



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## 綜合財務報表附註

For the year ended 31 December 2007

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### 12. Investment Properties

### 12. 投資物業

		HK\$'000 千港元
<b>FAIR VALUE</b>	<b>公平值</b>	
As at 1 January 2006	於二零零六年一月一日	61,241
Exchange adjustment	匯兌調整	1,211
Increase in fair value	公平值增加	1,090
As at 31 December 2006	於二零零六年十二月三十一日	63,542
Exchange adjustment	匯兌調整	4,785
Increase in fair value	公平值增加	3,252
As at 31 December 2007	於二零零七年十二月三十一日	71,579

The investment properties are situated on land under medium-term leases in the PRC and are rented out under operating leases.

投資物業乃於中國按中期租賃持有，並根據經營租賃租出。

The fair value of the Group's investment properties at the balance sheet dates has been arrived at on the basis of a valuation carried out on that date by Savills Valuation and Professional Services Limited, independent qualified professional valuers not connected with the Group. Savills Valuation and Professional Services Limited are members of the Hong Kong Institute of Surveyors, and have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation, which conforms to Valuation Standards on Properties of the Hong Kong Institute of Surveyors, was arrived at by reference to recent market evidence of transaction prices for similar properties.

本集團投資物業於結算日之公平值乃按與本集團並無關連之獨立合資格專業估值師第一太平戴維斯估值及專業顧問有限公司於當日進行估值之基準達致。第一太平戴維斯估值及專業顧問有限公司乃香港測量師學會會員，擁有適當資歷及評估近期相關地點類似物業價值之經驗。是次估值遵循香港測量師學會物業估值準則，並參考類似物業交易價格之市場憑證釐定。

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截至二零零七年十二月三十一日止年度

### 13. Property, Plant and Equipment

### 13. 物業、廠房及設備

		Buildings	Leasehold improve- ments	Plant, machinery and moulds	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Total
		樓宇	租賃 物業裝修	廠房、 機器及模具	傢俬、 裝置及辦 公室設備	汽車	在建工程	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>COST OR VALUATION</b>	<b>成本值或估值</b>							
As at 1 January 2006	於二零零六年 一月一日	111,330	1,451	230,073	22,736	8,993	4,202	378,785
Exchange adjustments	匯兌調整	2,109	12	4,488	329	99	199	7,236
Additions	添置	228	878	24,747	2,602	604	11,981	41,040
Disposals/written off	出售/撇銷	—	—	(16,164)	(2,311)	(283)	—	(18,758)
Revaluation	重估	(1,148)	—	—	—	—	—	(1,148)
As at 31 December 2006	於二零零六年 十二月三十一日	112,519	2,341	243,144	23,356	9,413	16,382	407,155
Exchange adjustments	匯兌調整	8,578	78	18,379	1,251	395	679	29,360
Additions	添置	61	40	28,714	381	710	1,980	31,886
Transfers	轉撥	18,706	—	—	—	—	(18,706)	—
Disposals/written off	其他出售/撇銷	—	—	(3,147)	(805)	(229)	—	(4,181)
Revaluation	重估	(1,671)	—	—	—	—	—	(1,671)
As at 31 December 2007	於二零零七年 十二月三十一日	138,193	2,459	287,090	24,183	10,289	335	462,549
<b>COMPRISING:</b>	<b>包括：</b>							
At cost	成本值	—	2,459	287,090	24,183	10,289	335	324,356
At valuation – 2007	按二零零七年估值	138,193	—	—	—	—	—	138,193
		138,193	2,459	287,090	24,183	10,289	335	462,549





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## 綜合財務報表附註

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**13. Property, Plant and Equipment** (continued)**13. 物業、廠房及設備** (續)

		Buildings	Leasehold improve- ments	Plant, machinery and moulds	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Total
		樓宇	租賃 物業裝修	廠房、 機器及模具	傢俬、 裝置及辦 公室設備	汽車	在建工程	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>DEPRECIATION</b>	<b>折舊</b>							
As at 1 January 2006	於二零零六年 一月一日	—	1,382	133,666	15,227	5,959	—	156,234
Exchange adjustments	匯兌調整	—	4	2,649	210	76	—	2,939
Provided for the year	本年度折舊	2,721	224	23,457	3,485	1,074	—	30,961
Eliminated on disposals/ written off	其他出售/撇銷 抵銷	—	—	(14,913)	(2,257)	(283)	—	(17,453)
Eliminated on revaluation	重估抵銷	(2,721)	—	—	—	—	—	(2,721)
As at 31 December 2006	於二零零六年 十二月三十一日	—	1,610	144,859	16,665	6,826	—	169,960
Exchange adjustments	匯兌調整	—	33	11,193	908	310	—	12,444
Provided for the year	本年度折舊	3,220	252	27,258	3,297	1,217	—	35,244
Eliminated on disposals/ written off	其他出售/撇銷 抵銷	—	—	(2,974)	(771)	(229)	—	(3,974)
Eliminated on revaluation	重估抵銷	(3,220)	—	—	—	—	—	(3,220)
As at 31 December 2007	於二零零七年 十二月三十一日	—	1,895	180,336	20,099	8,124	—	210,454
<b>CARRYING VALUES</b>	<b>賬面值</b>							
As at 31 December 2007	於二零零七年 十二月三十一日	138,193	564	106,754	4,084	2,165	335	252,095
As at 31 December 2006	於二零零六年 十二月三十一日	112,519	731	98,285	6,691	2,587	16,382	237,195

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

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截至二零零七年十二月三十一日止年度

### 13. Property, Plant and Equipment (continued)

The above items of property, plant and equipment, other than construction in progress, are depreciated on a straight-line method, after taking into account of their residual values, at the following rates per annum:

Buildings	Over 50 years, or shorter of the lease terms, where appropriate
Leasehold improvements	25%
Plant, machinery and moulds	12.5% – 25%
Furniture, fixtures and office equipment	25%
Motor vehicles	25%

The fair value of the Group's buildings at the balance sheet dates has been arrived at on the basis of a valuation carried out on that date by Savills Valuation and Professional Services Limited, independent qualified professional valuers not connected with the Group. Savills Valuation and Professional Services Limited are members of the Hong Kong Institute of Surveyors, and have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation, which conforms to Valuation Standards on Properties of the Hong Kong Institute of Surveyors, was arrived at using a depreciated replacement cost basis. The resulting revaluation increase of approximately HK\$1,218,000 (2006: HK\$1,487,000) and HK\$331,000 (2006: revaluation surplus of HK\$86,000) has been credited to asset revaluation reserve and consolidated income statement, respectively.

If the buildings had not been revalued, they would have been included at historical cost less accumulated depreciation of approximately HK\$92,605,000 (2006: HK\$71,491,000).

As at 31 December 2007, the carrying values of property, plant and equipment included an amount of approximately HK\$11,825,000 (2006: HK\$18,882,000) in respect of assets held under finance leases.

### 13. 物業、廠房及設備 (續)

上述之物業、廠房及設備(在建工程除外)經計及其殘值後，每年按以下比率以直線法折舊：

樓宇	逾50年或租期兩者之較短者(視適用情況而定)
租賃物業裝修	25%
廠房、機器及模具	12.5% - 25%
傢俬、裝置及辦公室設備	25%
汽車	25%

本集團樓宇於結算日之公平值乃按與本集團並無關連之獨立合資格專業估值師第一太平戴維斯估值及專業顧問有限公司於當日進行估值之基準達致。第一太平戴維斯估值及專業顧問有限公司乃香港測量師學會會員，擁有適當資歷及評估近期相關地點類似物業價值之經驗。是次估值遵照香港測量師學會物業估值準則，使用折舊重置成本基準進行。由此產生之重估增加約1,218,000港元(二零零六年：1,487,000港元)及331,000港元(二零零六年：重估盈餘86,000港元)已分別計入資產重估儲備及綜合損益表中。

倘該等樓宇未經重估，按歷史成本減累計折舊之基準計算入賬之數額約為92,605,000港元(二零零六年：71,491,000港元)。

於二零零七年十二月三十一日，物業、廠房及設備之賬面值包括根據融資租賃持有之資產約11,825,000港元(二零零六年：18,882,000港元)。



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## 綜合財務報表附註

For the year ended 31 December 2007

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### 14. Prepaid Lease Payments

### 14. 預付租金

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
The Group's prepaid lease payments comprise leasehold interest in land and land use rights held under medium-term leases as follows:	本集團之預付租金包括以下根據中期租賃持有之土地及土地使用權：		
Leasehold land in Hong Kong	於香港之租賃土地	4,764	4,885
Land use rights in the PRC	於中國之土地使用權	13,754	13,136
		<b>18,518</b>	<b>18,021</b>
Analysis for reporting purposes as:	為報告目的而分析為：		
Non-current asset	非流動資產	18,046	17,573
Current asset (Note 18)	流動資產(附註18)	472	448
		<b>18,518</b>	<b>18,021</b>

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截至二零零七年十二月三十一日止年度

### 15. Available-for-sale Investment

Equity securities listed in overseas, at fair value  
海外上市權益證券，按公平值

The investment represents the Group's interest in the issued share capital of Ascalade Communications Inc. ("ACI"). ACI is operating in the telecommunication industry sector and its shares are quoted in the Toronto Stock Exchange. As at 31 December 2007, the Group held a 14.7% (2006: 14.7%) equity interest in ACI.

Details of change in interests in ACI subsequent to the balance sheet date are set out in note 35(c).

### 16. Club Debenture

The club debenture represents entrance fee paid to a golf club held on long-term basis.

### 15. 可供出售投資

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>29,541</b>	<b>54,079</b>

該項投資為本集團於Ascalade Communications Inc. (「ACI」) 已發行股本之權益。ACI從事電訊業，其股份於多倫多證券交易所上市。於二零零七年十二月三十一日，本集團持有ACI之14.7% (二零零六年：14.7%) 權益。

於結算日後於ACI之權益變動詳情載列於附註35(c)。

### 16. 會所債券

會所債券為向一間高爾夫球會支付之入會費，按長期基準持有。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 17. Inventories

### 17. 存貨

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Raw materials	原材料	67,384	52,239
Work in progress	在製品	15,342	14,783
Finished goods	製成品	46,304	40,293
		<u>129,030</u>	<u>107,315</u>

### 18. Trade and Other Receivables

### 18. 貿易及其他應收款項

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Trade and bills receivables	貿易應收款項及應收票據	105,642	118,232
Less: Allowance for doubtful debts	減：呆賬撥備	(7,110)	(5,635)
		<u>98,532</u>	112,597
Other receivables	其他應收款項	10,273	7,360
Prepaid lease payments (Note 14)	預付租金(附註14)	472	448
		<u>109,277</u>	<u>120,405</u>

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

For the year ended 31 December 2007

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### 18. Trade and Other Receivables (continued)

The Group allows an average credit period of 60 days to its trade customers. An aged analysis of trade receivables and bills receivables, net of allowance for doubtful debts, is as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Not yet due	未到期	69,780	55,482
Overdue within 30 days	過期不超過30日	13,289	34,577
Overdue for 31-60 days	過期31至60日	5,158	9,453
Overdue for 61-90 days	過期61至90日	7,692	4,793
Overdue for more than 90 days	過期超過90日	2,613	8,292
		<b>98,532</b>	<b>112,597</b>

The Group closely monitors the granting of credit and periodically reviews the recoverability of each trade debt. Majority of the trade receivables that are neither past due nor impaired have no default payment history.

Included in the Group's trade receivable balance are debtors with an aggregate carrying amount of approximately HK\$28,752,000 (2006: HK\$57,115,000) which are past due at the balance sheet date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances.

### 18. 貿易及其他應收款項 (續)

本集團給予其貿易客戶平均60日之信貸期。扣除呆賬撥備後之貿易應收款項及應收票據之賬齡分析如下：

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Not yet due	69,780	55,482
Overdue within 30 days	13,289	34,577
Overdue for 31-60 days	5,158	9,453
Overdue for 61-90 days	7,692	4,793
Overdue for more than 90 days	2,613	8,292
	<b>98,532</b>	<b>112,597</b>

本集團密切監測信貸提供及定期審閱各貿易債項收回比率。大部份貿易應收款項均未過期及未減值，並沒有拖欠款項記錄。

本集團之貿易應收款項結餘包括賬面總值為約28,752,000港元(二零零六年：57,115,000港元)之債務人。該筆款項已於結算日逾期，故本集團並無就此作出減值虧損。本集團並無就該等結餘持有任何抵押品。



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### 綜合財務報表附註

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#### 18. Trade and Other Receivables (continued)

Movement in the allowance for doubtful debts is summarised as follows:

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Balance at beginning of the year 年初結餘	5,635	7,136
Impairment losses recognised on receivables 應收款項之已確認減值虧損	4,530	1,927
Amounts written off as uncollectible 不能收回而撇銷之金額	(3,055)	(3,363)
Amounts recovered during the year 於年內收回金額	—	(65)
Balance at end of the year 年終結餘	<u>7,110</u>	<u>5,635</u>

In determining the recoverability of a trade receivable, the Group considers any change in credit quality of the trade receivable from the date credit was initially granted up to the balance sheet date. Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of approximately HK\$4,530,000 (2006: HK\$1,927,000) which have either been placed under liquidation or in severe financial difficulties. The impairment loss recognised represents the difference between the carrying amount of the specific trade receivable and the present value of the expected recoverable amount. The Group does not hold any collateral over these balances.

#### 18. 貿易及其他應收款項 (續)

呆壞賬撥備之變動概述如下：

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Balance at beginning of the year 年初結餘	5,635	7,136
Impairment losses recognised on receivables 應收款項之已確認減值虧損	4,530	1,927
Amounts written off as uncollectible 不能收回而撇銷之金額	(3,055)	(3,363)
Amounts recovered during the year 於年內收回金額	—	(65)
Balance at end of the year 年終結餘	<u>7,110</u>	<u>5,635</u>

確定貿易應收款項之可收回性時，本集團會考慮自授予信貸當日起計至結算日內貿易應收款項之任何信貸質素變動。呆壞賬撥備包括個別已減值之貿易應收款項合共約4,530,000港元(二零零六年：1,927,000港元)，均為被置放清盤或出現重大財政困難。已確認之減值虧損代表特定貿易應收款項之賬面值及預期可收回金額之現值之差額。本集團並無就該等結餘持有任何抵押品。

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

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### 18. Trade and Other Receivables (continued)

The Group's trade and bills receivables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		USD 美元 HK\$'000 千港元	RMB 人民幣 HK\$'000 千港元
As at 31 December 2007	於二零零七年十二月三十一日	49,080	747
As at 31 December 2006	於二零零六年十二月三十一日	53,632	—

### 18. 貿易及其他應收款項 (續)

以相關集團實體之功能貨幣以外之貨幣計值之本集團貿易應收款項及應收票據載列如下：

### 19. Derivative Financial Instruments

### 19. 衍生金融工具

	Notes 附註	2007 二零零七年		2006 二零零六年	
		Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元
Foreign currency forward contracts	(i)	4,128	2,133	279	2,311
Structured forward contract	(ii)	—	3,138	—	—
USD/RMB linked hybrid USD swaps	(iii)	1,415	17,463	—	—
		<b>5,543</b>	<b>22,734</b>	279	2,311





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## 綜合財務報表附註

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### 19. Derivative Financial Instruments

*(continued)*

Notes:

- (i) The Group is a party to a variety of foreign currency forward contracts to mitigate its exchange rate exposures. Details of the outstanding forward contracts to which the Group is committed at the balance sheet dates are as follows:

**As at 31 December 2007**

Aggregate notional amount 總面值	Maturity 到期日	Exchange rates 匯率
HK\$ 95,000,000 95,000,000港元	From January 2008 to September 2008 由二零零八年一月至 二零零八年九月	Sell HK\$/Buy RMB at 0.9358 to 0.9584 以0.9358至0.9584之匯率 沽出港元/買入人民幣
HK\$ 95,000,000 95,000,000港元	From January 2008 to September 2008 由二零零八年一月 二零零八年九月	Sell RMB/Buy HK\$ at 0.9223 to 0.9467 以0.9223至0.9467之匯率 沽出人民幣/買入港元
USD 1,280,000 1,280,000美元	From April 2008 to May 2008 由二零零八年四月至 二零零八年五月	Sell USD/Buy RMB at 7.419 to 7.432 以7.419至7.432之匯率 沽出美元/買入人民幣
USD 1,280,000 1,280,000美元	From April 2008 to May 2008 由二零零八年四月至 二零零八年五月	Sell RMB/Buy USD at 7.307 to 7.337 以7.307至7.337之匯率 沽出人民幣/買入美元
USD 3,500,000 3,500,000美元	From January 2008 to November 2008 由二零零八年一月至 二零零八年十一月	Buy USD/Sell HK\$ at 7.728 to 7.7285 以7.728至7.7285之匯率 買入美元/沽出港元

### 19. 衍生金融工具 (續)

附註：

- (i) 本集團通過多份外匯遠期合約減低其匯率風險。本集團於結算日已承擔而未平倉之遠期合約詳情如下：

於二零零七年十二月三十一日

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

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### 19. Derivative Financial Instruments

(continued)

Notes: (continued)

(i) As at 31 December 2006

Aggregate notional amount 總面值	Maturity 到期日	Exchange rates 匯率
USD 62,000,000 62,000,000美元	From January 2007 to November 2007 由二零零七年一月至 二零零七年十一月	Buy USD/Sell HK\$ at 7.7195 以7.7195之匯率 買入美元/沽出港元

(ii) The Group entered into a USD/RMB structured forward contract with notional amount at USD8 million which offers the Group to receive the settlement (at net currency basis) if the exchange rate of USD/RMB falls within the stated range from 7.1825 to 7.2575 on each fixing date within the contract period of 12 months.

(iii) The Group entered into certain USD/RMB linked hybrid USD swap contracts which the Group would receive USD fixed rate interest ranging from 3% to 7.05% per annum. Under the relevant swap contracts, in case the exchange rate on the fixing dates fall below the strike rate, the Group would pay USD coupon at floating rates determined with reference to the strike rate and spot rate on the fixed dates. Terms of major interest rate swaps are set out below:

Notional amount	Maturity	面額	到期日
USD 3,000,000	5 September 2008	3,000,000美元	二零零八年 九月五日
USD 8,000,000	2 June 2008	8,000,000美元	二零零八年 六月二日
USD 4,000,000	2 July 2008	4,000,000美元	二零零八年 七月二日
USD 10,000,000	9 October 2008	10,000,000美元	二零零八年 十月九日

The above derivatives are measured at fair value at each balance sheet date. Their fair values are determined based on the valuation provided by financial institutions at the balance sheet date.

### 19. 衍生金融工具 (續)

附註：(續)

(i) 於二零零六年十二月三十一日

(ii) 本集團已訂立一份面額為8,000,000美元之美元/人民幣之結構遠期合約，據此，倘美元/人民幣匯率於十二個月之合約期間內各裁定日均介乎7.1825至7.2575，本集團可(按淨匯率基準)收取結算款。

(iii) 本集團已訂立若干美元/人民幣掛鈎混合美元掉期合約，據此，本集團可每年收取3%至7.05%之美元固定利息。根據相關掉期合約，倘匯率於裁定日低於協定匯率，本集團須按參考協定匯率及裁定日之現貨率釐定之浮動利率支付美元息票。主要利率掉期之條款載列如下：

上述衍生工具於結算日按公平值計算，其公平值基於由財務機構於結算日提供之價值而釐訂。



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### 綜合財務報表附註

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#### 20. Bank Balances

Bank balances comprise short-term bank deposits which carry interest ranging from 2% to 5% (2006: 1% to 5%) per annum.

The Group's bank balances that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

#### 20. 銀行結存

銀行結存包括短期銀行存款，按年利率介乎2%至5%計息（二零零六年1%至5%）。

以相關集團實體之功能貨幣以外之貨幣計值之本集團銀行結餘載列如下：

		Denominated in 按以下貨幣計算	
		USD 美元 HK\$'000 千港元	RMB 人民幣 HK\$'000 千港元
As at 31 December 2007	於二零零七年十二月三十一日	32,557	—
As at 31 December 2006	於二零零六年十二月三十一日	16,132	1

#### 21. Trade and Other Payables

An aged analysis of trade payables and bills payable is as follows:

#### 21. 貿易及其他應付款項

應付貿易款項及應付票據之賬齡分析如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Not yet due or overdue within 30 days	未到期或過期不超過 30日	117,746	72,414
Overdue for 31-60 days	過期31至60日	6,166	15,476
Overdue for 61-90 days	過期61至90日	2,385	8,889
Overdue for more than 90 days	過期超過90日	4,713	7,960
		<b>131,010</b>	104,739
Other payables	其他應付款項	40,143	59,221
		<b>171,153</b>	163,960

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### 21. Trade and Other Payables (continued)

The Group's trade and bills payables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

### 21. 貿易及其他應付款項 (續)

以相關集團實體之功能貨幣以外之貨幣計值之本集團貿易應付款項及應付票據載列如下：

		Denominated in 以下列貨幣計算	
		USD 美元 HK\$'000 千港元	RMB 人民幣 HK\$'000 千港元
As at 31 December 2007	於二零零七年十二月三十一日	<b>20,965</b>	—
As at 31 December 2006	於二零零六年十二月三十一日	<b>9,769</b>	8



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## 綜合財務報表附註

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### 22. Obligations Under Finance Leases

### 22. 融資租賃責任

	Minimum lease payments 最低租金		Present value of minimum lease payments 最低租金之現值	
	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 under finance leases: 融資租賃之應付款項：				
Within one year 一年內	<b>3,951</b>	6,306	<b>3,714</b>	5,875
Between one to two years 於一年後但兩年內	<b>1,933</b>	3,944	<b>1,887</b>	3,592
Between two to five years 於兩年後但五年內	—	1,993	—	1,936
	<b>5,884</b>	12,243	<b>5,601</b>	11,403
Less: Future finance costs 減：日後融資成本	<b>(283)</b>	(840)	—	—
Present value of lease obligations 租賃責任之現值	<b>5,601</b>	11,403	<b>5,601</b>	11,403
Less: Amount due within one year shown under current liabilities 減：須於一年內償還並列入流動負債之款項			<b>(3,714)</b>	(5,875)
Amount due after one year 於一年後償還之款項			<b>1,887</b>	5,528

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

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### 22. Obligations Under Finance Leases

(continued)

It is the Group's policy to lease certain of its plant, machinery, and motor vehicles under finance leases. The average lease term is three years. The average effective borrowing rate was 4.81% (2006: 4.81%) per annum for the year. Interest rates are fixed at the contract date ranging from 2.55% to 7.07% (2006: 2.55% to 7.07%) per annum. All leases are on a fixed repayment basis.

### 23. Bank Loans

The bank loans are unsecured and are repayable as follows:

Within one year	於一年內償還
Between one to two years	於一年後但兩年內償還
Between two to five years	於兩年後但五年內償還
Less: Amount due within one year shown under current liabilities	減：須於一年內償還並列入流動負債中之款項
Amount due after one year	於一年後償還之款項

The Group's bank loans carry floating interests at 1% to 2% above Hong Kong Inter Bank Offer Rate ("HIBOR"). Their effective interest rates are ranging from 4.35% to 7.07% (2006: 5.27% to 6.24%) per annum.

### 22. 融資租賃責任 (續)

本集團之政策為以融資租賃之方式租賃若干廠房、機器及汽車，租期平均為三年。本年度平均實際借貸率為4.81% (二零零六年：4.81%)。利率乃於訂約當日釐定，介乎每年2.55%至7.07% (二零零六年：2.55%至7.07%)。所有租賃款項均須定期償還。

### 23. 銀行貸款

銀行貸款為無抵押並須按以下還款期償還：

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
46,494	12,833
6,717	18,334
2,447	1,750
<b>55,658</b>	32,917
<b>(46,494)</b>	(12,833)
<b>9,164</b>	20,084

本集團之銀行貸款乃按高於香港銀行同業拆息1%至2%之浮動利率計息，實際年利率介乎每年4.35%至7.07% (二零零六年：5.27%至6.24%)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 24. Share Capital

### 24. 股本

		Number of shares 股份數目		Amount 金額	
		2007 二零零七年	2006 二零零六年	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Ordinary shares of HK\$0.1 each	每股0.1港元 之普通股				
Authorised:	法定：				
At beginning and end of the year	年初及年末	<b>2,000,000,000</b>	2,000,000,000	<b>200,000</b>	200,000
Issued and fully paid:	已發行及繳足：				
At beginning of the year	年初	<b>544,356,000</b>	550,776,000	<b>54,436</b>	55,078
Shares repurchased and cancelled	購回及註銷 股份	—	(6,420,000)	—	(642)
At end of the year	年末	<b>544,356,000</b>	544,356,000	<b>54,436</b>	54,436

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### 24. Share Capital (continued)

During the year ended 31 December 2006, the Company repurchased its own shares through the Stock Exchange as follows:

Month of repurchase 購回月份	Number of ordinary shares 普通股數目	Price per share 每股價格		Aggregate consideration paid 已付總代價 HK\$'000 千港元
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
March 三月	800,000	0.270	0.265	214
April 四月	2,048,000	0.355	0.285	659
May 五月	2,968,000	0.375	0.320	1,037
September 九月	332,000	0.280	0.280	93
October 十月	72,000	0.280	0.280	20
November 十一月	200,000	0.270	0.250	52
	<u>6,420,000</u>			<u>2,075</u>

The above shares were cancelled upon repurchase.

### 25. Share Option Scheme

The Company's share option scheme (the "Share Option Scheme") was adopted on 29 May 2002 under which the board of the directors may grant options to eligible participants, including employees and directors, of the Company and any of its subsidiaries to subscribe for shares of the Company. The Share Option Scheme is valid and effective for a period of 10 years commencing from the adoption date after which no further options may be issued.

### 24. 股本 (續)

於截至二零零六年十二月三十一日止年度，本公司透過聯交所購回其股份如下：

Price per share 每股價格	Aggregate consideration paid 已付總代價 HK\$'000 千港元

March 三月	800,000	0.270	0.265	214
April 四月	2,048,000	0.355	0.285	659
May 五月	2,968,000	0.375	0.320	1,037
September 九月	332,000	0.280	0.280	93
October 十月	72,000	0.280	0.280	20
November 十一月	200,000	0.270	0.250	52
	<u>6,420,000</u>			<u>2,075</u>

以上股份在購回後經已註銷。

### 25. 認購股權計劃

本公司於二零零二年五月二十九日採納其認購股權計劃(「認購股權計劃」)，據此，董事會可向合資格參與者(包括本公司及其附屬公司之僱員及董事)授出可認購本公司股份之認購股權。認購股權計劃乃由採納日期起計十年內有效，其後將不得再發行任何認購股權。





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## 綜合財務報表附註

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### 25. Share Option Scheme (continued)

The number of shares, which may be issued upon exercise of all outstanding options granted under the Share Option Scheme and other schemes adopted by the Group, is not permitted to exceed 30% of the shares of the Company in issue at any point in time. The total number of shares in respect of which options may be granted under the Share Option Scheme and other schemes adopted by the Group in aggregate is not permitted to exceed 10% of the shares of the Company in issue at the adoption date. The total number of shares in respect of which options may be granted to any individual is not permitted to exceed 1% of the shares of the Company in issue at any 12-month period.

Consideration of HK\$1 is payable by the grantee on the acceptance of option granted. Option may be exercised from the date of acceptance of the offer of such option to the earlier of the date on which such option lapses and 10 years from the offer date of that option. The exercise price is determined by the directors of the Company, and will not be less than the higher of the closing prices of the shares on the Stock Exchange on the date of the grant of the options, the average of the closing prices of the shares for the five trading days immediately preceding the date of the grant of the options and the nominal value of the shares.

No share options have been granted under the Share Option Scheme since its adoption.

### 25. 認購股權計劃 (續)

行使根據認購股權計劃及本集團採納之其他計劃授出之所有尚未行使認購股權而可能發行之股份數目，不得超過任何時間本公司已發行股份之30%。根據認購股權計劃及本公司採納之其他計劃可能授出之認購股權之有關股份總數不得超過採納日期本公司已發行股份之10%。可能向任何人士發行之認購股權之有關股份總數不得超過於任何十二個月期間本公司已發行股份之1%。

承授人接納獲授之認購股權時須支付代價1港元。認購股權可由接納該等認購股權建議日期起至該等認購股權失效日期及認購股權建議日期起滿十年當日(以較早者為準)止期間行使。行使價由本公司董事釐定，並將不低於認購股權授出日期股份於聯交所之收市價、緊接認購股權授出日期前五個交易日股份於聯交所之平均收市價或股份面值之較高者。

自認購股權計劃獲採納以來概無根據認購股權計劃授出任何認購股權。

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### 26. Deferred Tax Liabilities

The major deferred tax liability recognised by the Group and movements thereon during the current and prior years are as follows:

		Revaluation of properties 物業重估 HK\$'000 千港元
As at 1 January 2006	於二零零六年一月一日	18,598
Charge to equity	在權益扣除	402
Charge to consolidated income statement	計入綜合損益表	294
Exchange adjustments	匯兌調整	371
As at 31 December 2006	於二零零六年十二月三十一日	19,665
Charge to equity	在權益扣除	329
Charge to consolidated income statement	計入綜合損益表	813
Effect of change in tax rate	稅率調整之影響	
– equity	– 股本權益	(1,352)
– consolidated income statement	– 綜合損益表	(59)
Exchange adjustments	匯兌調整	1,246
As at 31 December 2007	於二零零七年十二月三十一日	20,642

As at 31 December 2007, the Group has unused tax losses of approximately HK\$68,715,000 (2006: HK\$31,707,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. The losses may be carried forward indefinitely.

於二零零七年十二月三十一日，本集團用以抵銷日後應課稅溢利之未用稅項虧損約為68,715,000港元(二零零六年：31,707,000港元)。由於未能預計日後所得溢利，故並無確認遞延稅項資產。有關虧損可無限期結轉。

### 27. Major Non-cash Transaction

During the year ended 31 December 2006, the Group entered into finance lease arrangements in respect of the acquisition of assets with a total capital value at the inception of the leases of approximately HK\$8,733,000.

### 27. 主要非現金交易

於截至二零零六年十二月三十一日止年度內，本集團就收購於租賃開始生效時總資本值約8,733,000港元之資產訂立融資租賃安排。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 28. Retirement Benefits Schemes

The Group participates in both a defined contribution scheme which is registered under the Occupational Retirement Scheme Ordinance (the "ORSO Scheme") and a Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were offered a choice of staying within the ORSO Scheme or switching to the MPF Scheme, whereas all new employees joining the Group on or after 1 December 2000 are required to join the MPF Scheme.

The retirement benefits scheme contributions charged to the consolidated income statement represent contributions payable to the schemes by the Group at rates specified in the rules of the schemes. Where there are employees who leave the ORSO Scheme prior to vesting fully in the contributions, the amounts of the forfeited contributions will be used to reduce future contributions payable by the Group.

The subsidiaries of the Company in the PRC are required to make contributions to state-managed retirement benefits scheme operated by the PRC government based on a certain percentage of the monthly payroll costs of the PRC employees.

### 28. 退休福利計劃

本集團同時參與根據職業退休計劃條例登記之定額供款計劃（「職業退休計劃」）及按於二零零零年十二月生效之強制性公積金條例設立之強制性公積金計劃（「強積金計劃」）。該等計劃之資產與本集團之資產分開處理，交由獨立信託人控制。在設立強積金計劃前已為職業退休計劃成員之僱員可選擇留在職業退休計劃或轉往強積金計劃，然而，所有於二零零零年十二月一日或之後加入本集團之新僱員必須加入強積金計劃。

於綜合損益表扣除之退休福利計劃供款乃本集團按計劃規則指定之供款率向計劃支付之供款。倘僱員於符合資格享有供款前退出職業退休計劃，則沒收供款額將用於減少本集團將來之供款。

本公司於中國之附屬公司須按中國僱員月薪之一定百分比向一項由中國政府經營之國營退休福利計劃供款。

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

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### 28. Retirement Benefits Schemes (continued)

During the year, the retirement benefits scheme contributions are approximately HK\$3,824,000 (2006: HK\$3,162,000). The Group did not have any forfeited contributions available to offset future employers' contributions to the ORSO Scheme.

### 28. 退休福利計劃 (續)

於年內，退休福利計劃之供款約為3,824,000港元(二零零六年：3,162,000港元)。本集團並無任何已沒收供款可供抵銷職業退休計劃之未來僱主供款。

### 29. Capital Commitments

### 29. 資本承擔

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment: 就收購物業、廠房及設備之資本開支：		
Authorised but not contracted for 已授權但未簽約	345	48
Contracted but not provided for 已簽約但未撥備	6,167	11,411
	<u>6,512</u>	<u>11,459</u>



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

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### 30. Operating Leases Commitments

#### The Group as lessee

As at the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of office premises which fall due as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within one year	一年內	343	1,057
In the second to fifth year inclusive	第二至第五年(首尾 兩年包括在內)	135	448
		478	1,505

Leases are negotiated for original terms ranging from one to five years at fixed monthly rentals.

#### The Group as lessor

Certain of the Group's properties are held for rental purpose. As at 31 December 2006, these properties had committed tenants for one to five years.

As at the balance sheet date, the Group had contracted with tenants for future minimum lease payments which fall due as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within one year	一年內	—	147
In the second to fifth year inclusive	第二至第五年(首尾 兩年包括在內)	—	37
		—	184

### 30. 經營租賃承擔

#### 本集團作為承租人

於結算日，本集團承諾根據於下列期間屆滿之不可撤銷經營租賃所持之寫字樓物業支付之日後最低租金款額如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within one year	一年內	343	1,057
In the second to fifth year inclusive	第二至第五年(首尾 兩年包括在內)	135	448
		478	1,505

租賃按每月固定租金訂立，為期一至五年。

#### 本集團作為出租人

本集團若干物業持作租賃用途。於二零零六年十二月三十一日，此等物業於一至五年內已有租客承租。

於結算日，本集團與租客就日後最低租金訂立合約如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within one year	一年內	—	147
In the second to fifth year inclusive	第二至第五年(首尾 兩年包括在內)	—	37
		—	184

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### 31. Related Party Transactions

The remuneration of directors and other members of key management during the year was as follows:

Short-term benefits	短期福利
Post-employment benefits	退休福利

The remuneration of directors and other members of key management is determined by the Board of Directors having regard to the performance of individual and market trends.

### 32. Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes the obligations under finance leases and borrowings disclosed in Notes 22 and 23 respectively, cash and cash equivalents and equity attributable to equity holders of the Group, comprising issued share capital, reserves and retained earnings.

The directors of the Group review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends and new share issues as well as the raising of new debt or the redemption of existing debt.

### 31. 關連人士交易

於本年度內，董事及其他主要管理層成員之薪酬如下：

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
9,925	8,588
425	277
<b>10,350</b>	<b>8,865</b>

董事及其他主要管理層成員之薪酬由董事會參照個人表現及市場趨勢釐定。

### 32. 資本風險管理

本集團管理其資本，以確保本集團之實體能繼續持續經營，同時透過優化債務及股本結餘，為股東提供最佳回報。本集團之整體策略與去年相同。

本集團之資本架構包括債務(包括分別於附註22及23披露之融資租賃責任及借貸)、現金及現金等價物及本集團權益持有人應佔權益(包括已發行股本、儲備及保留盈利)。

本集團董事定期檢討資本架構。作為該檢討之一部分，董事會考慮資本成本與各類資本相關之風險。根據董事建議，本集團將透過支付股息及發行新股，以及新增債務或償還現有債務，以平衡其整體資本架構。



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### 綜合財務報表附註

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### 33. Financial Instruments

#### (a) Categories of financial instruments

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>		
Loans and receivables (including cash and cash equivalents)	借貸及應收款項 (包括現金及 現金等值物)	151,711	178,487
Available-for-sale investment	可供出售投資	29,541	54,079
Derivative financial instruments at fair value through profit and loss	按公平值計入損益 之衍生金融工具	5,543	279
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	186,668	137,656
Obligations under finance leases	融資租賃 責任	5,601	11,403
Derivative financial instruments at fair value through profit and loss	按公平值計入損益 之衍生金融工具	22,734	2,311

#### (b) Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investment, trade and other receivables, derivative financial instruments, bank balances, trade and other payables, obligations under finance leases and bank loans. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below.

### 33. 金融工具

#### (a) 金融工具類別

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>		
Loans and receivables (including cash and cash equivalents)	借貸及應收款項 (包括現金及 現金等值物)	151,711	178,487
Available-for-sale investment	可供出售投資	29,541	54,079
Derivative financial instruments at fair value through profit and loss	按公平值計入損益 之衍生金融工具	5,543	279
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	186,668	137,656
Obligations under finance leases	融資租賃 責任	5,601	11,403
Derivative financial instruments at fair value through profit and loss	按公平值計入損益 之衍生金融工具	22,734	2,311

#### (b) 財務風險管理目標及政策

本集團之主要金融工具包括可供出售投資、貿易及其他應收款項、衍生金融工具、銀行結存、貿易及其他應付款項、融資租賃責任及銀行貸款。與該等金融工具有關之風險及如何降低該等風險之政策載列如下。

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### 33. Financial Instruments (continued)

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

##### Market risk

##### (i) Currency risk

The Group has foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 54% of the Group's sales are denominated and settled in United States Dollar ("USD"). In addition, certain intra-group receivables outstanding at the balance sheet dates are denominated in currency other than the functional currency of the relevant group entities.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

		Assets 資產		Liabilities 負債	
		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
USD	美元	81,637	69,764	(20,965)	(9,679)
RMB	人民幣	747	1	—	(8)
HK\$	港元	19,794	40,822	—	—

The Group does not have a foreign currency hedging policy. However, the Group entered into certain foreign exchange forward contracts and USD/RMB linked hybrid USD swaps to manage the foreign currency exposures.

### 33. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 市場風險

##### (i) 外匯風險

本集團進行外匯買賣，故本集團面對外匯風險。本集團約54%銷售乃以美元（「美元」）列示及償付。此外，於結算日若干未償還之集團應收款項以相關集團實體之功能貨幣以外之貨幣列示。

於結算日，本集團以外幣列示之金融資產及金融負債之賬面值如下：

本集團並無外匯對沖政策。然而，本集團已訂立若干遠期外匯合約及美元／人民幣掛鈎混合美元掉期合約，以管理外匯風險。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 33. Financial Instruments (continued)

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

##### Market risk (continued)

##### (i) Currency risk (continued)

##### Sensitivity analysis

The Group's currency risk is mainly attributable to the exposure outstanding on receivables denominated in HK\$ of the subsidiaries operated in the PRC. As Hong Kong dollars is pegged to USD, the currency risk exposure of the USD receivables is considered insignificant.

The Group's sensitivity to a 5% increase in HK\$ against RMB is that the Group's loss for the year will be decreased by approximately HK\$990,000 (2006: profit for the year increased by approximately HK\$2,041,000). For a 5% weakening of HK\$ against RMB, there would be an equal and opposite impact on the Group's (loss) profit for the current and prior years. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

In addition, the Group is exposed to fluctuations in foreign exchange rates (mainly USD/RMB and HK\$/RMB) in relation to its derivative financial instruments. The Group's sensitivity to a 5% increase in the forward foreign exchange rates of the relevant forward/swap contracts is that the Group's loss for the year will be decreased by approximately HK\$3,700,000 (2006: profit for the year increased by approximately HK\$120,000). For a 5% decrease in the forward foreign exchange rates of the relevant forward/swap contracts, there would be an equal and opposite impact on the Group's (loss) profit for the current and prior years.

### 33. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### (i) 外匯風險 (續)

##### 敏感度分析

本集團之外匯風險主要來自於中國營運之附屬公司未償還應收款項風險，該等應收款項以港元列示。由於港元與美元掛鉤，故以美元列示之應收款項外匯風險並不重大。

本集團對港元兌人民幣升值5%之敏感度為本集團之年度虧損將會減少約990,000港元(二零零六年：年度溢利增加約2,041,000港元)。倘港元兌人民幣貶值5%，將會對本集團於本年度及過往年度之(虧損)溢利產生同等相反影響。於向主要管理人員申報外匯風險時所用之敏感度比率為5%，該比率代表管理層合理評估外匯利率之可能變動。

此外，本集團之衍生金融工具面對外匯利率變動(主要為美元兌人民幣及港元兌人民幣)之風險。本集團對有關遠期/掉期合約之遠期匯率增加5%之敏感度為本集團年度虧損將減少約3,700,000港元(二零零六年：年度溢利增加約120,000港元)。倘有關遠期/掉期合約之遠期外匯利率減少5%，將會對本集團於本年度及過往年度之(虧損)溢利產生同等相反影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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截至二零零七年十二月三十一日止年度

### 33. Financial Instruments (continued)

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

##### Market risk (continued)

##### (ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to obligations under finance leases (see Note 22 for details) and bank deposits carrying fixed interest rates. Management monitors interests rate exposure and consider as insignificant.

The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank loans (see Note 23 for details) and short-term deposits placed in banks.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of HIBOR arising from the Group's bank loans.

Management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

### 33. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### (ii) 利率風險

本集團面對有關融資租賃之責任(詳情見附註22)及定息計息之銀行存款之公平值利率變動風險。管理層監控利率風險，並認為該等風險並不重大。

本集團亦面對有關浮息銀行借貸(詳情見附註23)及存放於銀行之短期存款之現金流利率風險。

本集團之現金流利率風險主要為本集團銀行借貸產生之香港銀行同業拆息波動。

管理層監控利率風險，並將於有需要時考慮制定重大利率風險之對沖措施。



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## 綜合財務報表附註

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### 33. Financial Instruments (continued)

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

##### Market risk (continued)

##### (ii) Interest rate risk (continued)

###### Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the balance sheet date. For variable-rate bank loans and bank deposits, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 31 December 2007 would increase/decrease by approximately HK\$12,000 (2006: profit to decrease/increase by approximately HK\$165,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank loans and bank deposits.

##### (iii) Other price risk

The Group is exposed to equity price risk through its available-for-sale investment in ACI which is measured at fair value at each balance sheet date. The Group's equity price risk is mainly concentrated on equity instruments operating in telecommunication industry sector quoted in the Toronto Stock Exchange. Management regularly reviews the value of the available-for-sale investment and will consider adequate impairment loss to be made when necessary.

### 33. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### (ii) 利率風險 (續)

###### 敏感度分析

下列敏感度分析乃根據非衍生金融工具於結算日之利率風險為基準而釐定。就浮息銀行借貸及銀行存款而言，編製該項分析時假設於結算日之未償還負債額於全年內仍未償還。於向主要管理人員申報利率風險時所用之增加或減少基點為50，該基點代表管理層合理評估利率風險之可能變動。

倘利率上升／下降50基點，而所有其他變量維持不變，則本集團於截至二零零七年十二月三十一日止年度虧損將增加／減少約12,000港元（二零零六年：溢利減少／增加約165,000港元）。此乃主要由於本集團之浮息銀行借貸及銀行存款面對之利率風險所致。

##### (iii) 其他價格風險

本集團於ACI之可供出售投資面對權益價格風險，該可供出售投資乃於各結算日按公平值計算。本集團之權益價格風險主要集中於多倫多證券交易所電訊業內之權益工具。管理層定期審閱可供出售投資價值，並將於有需要時考慮作出足夠減值虧損。

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## 綜合財務報表附註

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### 33. Financial Instruments (continued)

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

##### Sensitivity analysis

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

If the prices of the equity instruments had been 5% higher/lower, the impairment loss on available-for-sale investment recognised would decrease/increase by approximately HK\$1,477,000 (2006: decrease/increase by HK\$2,704,000) as a result of change in fair value of available-for-sale investment.

##### Credit risk

The Group takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due.

As at 31 December 2007, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet.

The Group's principal financial assets are trade and other receivables and bank balances. Significant changes in the economy, or in the health of a particular industry segment, could result in losses that are different from those provided for in the consolidated balance sheet. Management therefore carefully manages its exposure to credit risk.

### 33. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 敏感度風險

下列敏感度分析乃根據於報告日所面對之權益價格風險釐定。

倘權益工具價格上升/下降5%，可供出售投資之公平值變動會導致已確認之可供出售投資減值虧損減少/增加約1,477,000港元（二零零六年：減少/增加2,704,000港元）。

##### 信貸風險

本集團面對信貸風險，該風險指交易對方於到期時未能支付全數款項。

於二零零七年十二月三十一日，因交易對方未能履行責任而可為本集團帶來財務虧損之本集團最大信貸風險，乃來自綜合資產負債表所列各項已確認金融資產之賬面值。

本集團之主要金融資產為貿易及其他應收款項以及銀行結餘。經濟或特定行業出現重大變動可能導致虧損與綜合資產負債表所列之虧損有所不同，故管理層需謹慎監察其信貸風險。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 33. Financial Instruments (continued)

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

##### **Credit risk (continued)**

##### *Management of credit risk*

The Group's credit risk is primarily attributable to its trade and other receivables. The Group is also exposed to concentration of credit risk as the Group relies on a limited number of customers.

The Group manages its credit risk by closely monitoring the granting of credit. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. The Group also entered into factoring arrangement without recourse with banks in order to minimise its credit risk exposure. In this regard, the directors of the Group consider that the Group's credit risk is significantly reduced.

### 33. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### **信貸風險 (續)**

##### *信貸風險管理*

本集團之信貸風險主要來自貿易及其他應收款項。由於本集團依賴有限數目之客戶，故本集團亦面臨集中信貸風險。

本集團透過密切監察授出之信貸管理其信貸風險。於各結算日，本集團亦會評估每項個別應收款項之可收回金額，以確保就不可收回金額作出足夠之撥備。為將信貸風險降至最低，本集團亦與銀行訂立貼現安排。就此而言，董事認為本集團之信貸風險已顯著降低。

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

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 33. Financial Instruments (continued)

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

##### **Credit risk (continued)**

##### *Concentration of risks of financial assets with credit risk exposure*

The Group's concentration of credit risk by geographical locations is mainly in Hong Kong, which accounted for approximately 48% (2006: 43%) of the total trade receivables as at 31 December 2007. Also, the Group has concentration of credit risk as approximately 8% (2006: 14%) and approximately 16% (2006: 27%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively within the business segment.

The credit risk on bank balances is limited because the counterparties are banks with high credit-ratings. Other than concentration of credit risk specified above, the Group does not have any other significant concentration of credit risk. The counterparties consist of a large number of companies, spread across diverse industries.

### 33. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### **信貸風險 (續)**

##### *面對信貸風險之金融資產之集中風險*

就地區而言，本集團之信貸風險主要集中於香港，佔於二零零七年十二月三十一日之貿易應收賬款總額之約48% (二零零六年：43%)。此外，由於應收本集團於業務分部內之最大客戶及五大客戶款項分別佔貿易應收款項總額約8% (二零零六年：14%) 及約16% (二零零六年：27%)，故本集團有集中信貸風險。

由於對手方為具良好信貸評級之銀行，故銀行結餘之信貸風險為有限。除上文列明之集中信貸風險外，本集團並無任何其他集中信貸風險。對手方包括覆蓋各行業之多間公司。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

### 33. Financial Instruments (continued)

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

##### Liquidity risk

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

The Group relies on bank loans as a significant source of liquidity. As at 31 December 2007, the Group has available non-pledged unutilised bank loan facilities of approximately HK\$113,669,000 (2006: HK\$191,565,000).

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

For derivative instruments settle on a net basis, undiscounted net cash (inflows) outflows are presented.

### 33. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險

在管理流動資金風險方面，本集團監控及維持有管理層認為足夠之現金及現金等值物水平，以向本集團之營運提供資金及減輕現金流動波動之影響。管理層會監控借貸之動用及確保遵守貸款契約。

本集團以銀行借貸作為主要流動資金來源。於二零零七年十二月三十一日，本集團非抵押可供使用惟尚未使用之銀行融資約為113,669,000港元（二零零六年：191,565,000港元）。

下表刊載本集團非衍生金融工具負債以及衍生金融資產及負債之餘下合約到期日詳情。就非衍生金融負債而言，該表乃根據本集團被要求支付款項最早日期之金融負債之未折讓現金流編製。該表已包括利息及本金現金流。

就按淨額基準結算之衍生工具而言，已呈列未折讓現金（流入）流出淨額。

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## 綜合財務報表附註

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截至二零零七年十二月三十一日止年度

### 33. Financial Instruments (continued)

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

##### Liquidity risk (continued)

	Weighted average effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total undiscounted cash flows	Carrying amount at 31 December
	%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	%	千港元	千港元	千港元	千港元	千港元	千港元
<b>2007</b>							
<b>Non-derivative financial liabilities</b>							
Trade and bills payables	—	68,297	62,712	—	—	131,009	131,009
Bank loans	5.24	23,876	4,026	19,532	9,846	57,280	55,658
Obligations under finance leases	4.81	676	673	2,602	1,933	5,884	5,601
		<u>92,849</u>	<u>67,411</u>	<u>22,134</u>	<u>11,779</u>	<u>194,173</u>	<u>192,269</u>
<b>Derivatives net settlement</b>							
Foreign currency forward contracts		(233)	(353)	(1,409)	—	(1,995)	(1,995)
Structured forward contract		—	—	3,138	—	3,138	3,138
USD/RMB linked hybrid USD swap		—	(643)	16,691	—	16,048	16,048
		<u>(233)</u>	<u>(996)</u>	<u>18,420</u>	<u>—</u>	<u>17,191</u>	<u>17,191</u>
<b>2006</b>							
<b>Non-derivative financial liabilities</b>							
Trade and bills payables	—	70,862	33,877	—	—	104,739	104,739
Bank loans	5.89	227	5,310	8,919	20,838	35,294	32,917
Obligations under finance leases	4.81	644	1,296	4,366	5,937	12,243	11,403
		<u>71,733</u>	<u>40,483</u>	<u>13,285</u>	<u>26,775</u>	<u>152,276</u>	<u>149,059</u>
<b>Derivatives net settlement</b>							
Foreign currency forward contracts		(45)	153	1,924	—	2,032	2,032

### 33. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2007

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### 33. Financial Instruments (continued)

#### (c) Fair value

The fair value of the Group's financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices; and
- the fair value of other financial assets and financial liabilities (excluding derivative financial instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using the relevant prevailing market rate.

The directors consider that the carrying amount of the Group's financial instruments recorded at amortised cost in the consolidated financial statements approximates their fair values.

### 33. 金融工具 (續)

#### (c) 公平值

金融資產及金融負債之公平值之釐定方法如下：

- 金融資產及金融負債如有標準條款及條件及有活躍市場，其公平值乃參考所報市場競價釐定；及
- 其他金融資產及金融負債（不包括衍生金融工具）之公平值乃根據普遍採納之定價模式釐定，並利用有關現行市場利率作現金流量折現分析。

董事認為本集團金融工具於綜合財務報表按攤銷成本記錄之賬面值與其公平值相若。

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## 綜合財務報表附註

For the year ended 31 December 2007

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### 34. Particulars of Subsidiaries

Particulars of the Company's subsidiaries as at 31 December 2007 and 31 December 2006 are as follows:

### 34. 附屬公司詳情

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，本公司之附屬公司詳情如下：

Name of company 公司名稱	Place of incorporation or registration/ operation 註冊成立或登記/ 營業地點	Nominal value of issued and fully paid ordinary share capital/ registered capital 已發行及全數繳足 普通股本/ 實繳註冊資本面值	Attributable equity interest held by the Group 本集團應佔股本權益	Principal activities 主要業務
Champeace Investment Limited 昌和投資有限公司	Hong Kong 香港	HK\$2 Ordinary shares 普通股2港元	100%	Investment holding 投資控股
China Ample Investments Limited	British Virgin Islands 英屬處女群島	US\$1 Ordinary shares 普通股1美元	100%	Inactive 暫無業務
Champion Keypad Manufacturing Limited 卓盈按鍵製造有限公司	Hong Kong 香港	HK\$10,000 Ordinary shares 普通股10,000港元	100%	Trading in conductive silicon rubber products 導電硅橡膠產品貿易
Dongguan Humen Taida Electric Co., Ltd. 東莞虎門泰達電子有限公司	PRC 中國	HK\$180,000,000 Registered capital 註冊資本 180,000,000港元	100%	Manufacture and sale of electronic products 製造及銷售電子產品
Dongguan Karce Electronics Co., Ltd. 東莞嘉西電子有限公司	PRC 中國	RMB3,000,000 Registered capital 註冊資本 人民幣3,000,000元	100%	Manufacture and sale of electronic products 製造及銷售電子產品
Dongguan Shatian Tehsheng Silicon Rubber Products Co., Ltd. 東莞沙田德盛硅橡膠製品有限公司	PRC 中國	HK\$38,000,000 Registered capital 註冊資本 38,000,000港元	100%	Manufacture and sale of conductive silicon rubber products 製造及銷售導電硅橡膠產品
Dongguan Tai Shan Electronics Co., Ltd. 東莞泰山電子有限公司	PRC 中國	HK\$28,000,000 Registered capital 註冊資本 28,000,000港元	100%	Manufacture and sale of printed circuit boards 製造及銷售印製電路板
Dragon Spirit Enterprise Limited 龍威企業有限公司	British Virgin Islands 英屬處女群島	US\$100 Ordinary shares 普通股100美元	100%	Investment holding 投資控股



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## 綜合財務報表附註

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### 34. Particulars of Subsidiaries (continued)

### 34. 附屬公司詳情 (續)

Name of company 公司名稱	Place of incorporation or registration/ operation 註冊 成立或登記/ 營業地點	Nominal value of issued and fully paid ordinary share capital/ paid up registered capital 已發行 及全數繳足 普通股本/ 實繳註冊資本面值	Attributable equity interest held by the Group 本集團應佔 股本權益	Principal activities 主要業務
Habermann Limited	British Virgin Islands 英屬處女群島	US\$2 Ordinary shares 普通股2美元	100%	Investment holding 投資控股
Hong Shing Industrial Limited 康盛實業有限公司	Hong Kong 香港	HK\$10,000 Ordinary shares 普通股10,000港元	100%	Trading in conductive silicon rubber products 導電硅橡膠產品貿易
Interconn Electronics Limited 盈泰康電子有限公司	Hong Kong 香港	HK\$1 Ordinary shares 普通股1港元	100%	Trading in printed circuit boards 印製電路板貿易
Jet Master Limited	British Virgin Islands 英屬處女群島	US\$100 Ordinary shares 普通股100美元	100%	Investment holding 投資控股
Joyham Jade Limited	British Virgin Islands 英屬處女群島	US\$2 Ordinary shares 普通股2美元	100%	Investment holding 投資控股
Karce Co. Limited 卡西有限公司	Hong Kong 香港	HK\$10,000 Ordinary shares 普通股10,000港元	100%	Trading in electronic products 電子產品貿易
Karce Communications Limited 卡西通訊設備有限公司	British Virgin Islands 英屬處女群島	US\$2 Ordinary shares 普通股2美元	100%	Inactive 暫無業務
Karce Electronics Limited 卡西電子有限公司	Hong Kong 香港	HK\$2 Ordinary shares 普通股2港元	100%	Inactive 暫無業務
Karce Electronics Toys Limited 卡西電子玩具有限公司	Hong Kong 香港	HK\$20,000 Ordinary shares 普通股20,000港元	100%	Trading in electronic products 電子產品貿易

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## 綜合財務報表附註

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**34. Particulars of Subsidiaries** (continued)**34. 附屬公司詳情** (續)

Name of company 公司名稱	Place of incorporation or registration/ 註冊成立或登記/ 營業地點	Nominal value of issued and fully paid ordinary share capital/ paid up registered capital 已發行及全數繳足 普通股本/ 實繳註冊資本面值	Attributable equity interest held by the Group 本集團應佔股本權益	Principal activities 主要業務
Master Key Industrial Limited 啟萬實業有限公司	Hong Kong 香港	HK\$10,000 Ordinary shares 普通股10,000港元	100%	Trading in electronic products 電子產品貿易
Million Well Creation Limited 百隆創建有限公司 (Note)(附註)	Hong Kong 香港	HK\$1 Ordinary share 普通股1港元	100%	Inactive 暫無業務
On Shing Holdings Company Limited 安盛控股有限公司	British Virgin Islands 英屬處女群島	US\$10,000 Ordinary shares 普通股10,000美元	100%	Investment holding 投資控股
Pristine Limited	Labuan Malaysia 馬來西亞納閩	US\$1 Ordinary share 普通股1美元	100%	Investment holding 投資控股
Redditch Enterprises Limited	British Virgin Islands 英屬處女群島	US\$10,000 Ordinary shares 普通股10,000美元	100%	Investment holding 投資控股
Sabic Electronic Limited	British Virgin Islands 英屬處女群島	US\$2 Ordinary shares 普通股2美元	100%	Investment holding 投資控股
Sourcestar Profits Limited (Note)(附註)	British Virgin Islands 英屬處女群島	US\$1 Ordinary share 普通股1美元	100%	Investment holding 投資控股
T & S Industrial Company Limited 泰盛電子實業有限公司	Hong Kong 香港	HK\$200,000 Ordinary shares 普通股200,000港元	100%	Provision of purchasing agency, administrative and management services 提供購貨代理、行政及管理服務
Tachibana Limited	British Virgin Islands 英屬處女群島	US\$100 Ordinary shares 普通股100美元	100%	Investment holding 投資控股
Xinyu Electronics Limited 新域電子有限公司	British Virgin Islands 英屬處女群島	US\$1 Ordinary share 普通股1美元	100%	Investment holding 投資控股



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## 綜合財務報表附註

For the year ended 31 December 2007

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### 34. Particulars of Subsidiaries (continued)

Note: The subsidiaries are incorporated during the year ended 31 December 2007

Only Redditch Enterprises Limited is directly held by the Company.

All the subsidiaries established in the PRC are registered as foreign investment enterprise.

None of the subsidiaries had any debt securities outstanding as at 31 December 2007 and 31 December 2006 or at any time during the year.

### 34. 附屬公司詳情 (續)

附註：該等附屬公司於截至二零零七年十二月三十一日止年度註冊成立。

只有Redditch Enterprises Limited由本公司直接擁有。

所有於中國成立之附屬公司均註冊為外資企業。

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或年內任何時間，附屬公司概無任何尚未償還之債務證券。

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## 綜合財務報表附註

For the year ended 31 December 2007

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### 35. Post Balance Sheet Events

The following significant events took place after the balance sheet date:

- (a) As set out in the Company's announcement dated 10 October 2007, the Group entered into a conditional acquisition agreement (the "Acquisition Agreement") with an independent third party (the "Vendor") and a warrantor on 19 September 2007 to acquire the entire issued share capital of Silverway Pacific (S) Limited at a total consideration of HK\$1,400 million (subject to adjustment). The completion of the Acquisition Agreement is conditional upon, among other things, completion of placing exercise(s) by the Company to raise therefrom gross proceeds of not less than HK\$150 million and the shareholders' approval for, among other things, the increase in the authorised share capital of the Company to HK\$1 billion.

On 5 February 2008, the Group entered into a termination agreement (the "Termination Agreement") with the Vendor and the warrantor. Pursuant to the Termination Agreement, the parties thereto have agreed that the Acquisition Agreement is cancelled and terminated with immediate effect and the Company has no immediate needs to increase its authorized share capital as a result of the termination. Both the placing and increase in authorised share capital of the Company have not been proceeded with.

### 35. 結算日後事項

下列重大事項乃於結算日後進行：

- (a) 根據本公司日期為二零零七年十月十日之公告，本集團於二零零七年九月十九日與一名獨立第三方（「賣方」）及擔保人訂立有條件收購協議（「收購協議」），以收購 Silverway Pacific (S) Limited 之全部已發行股本，總代價為 1,400,000,000 港元（可予調整）。收購協議須待（其中包括）本公司完成配售活動（從中籌集之所得款項總額不少於 150,000,000 港元）及股東批准（其中包括）增加本公司之法定股本至 1,000,000,000 港元後，方可完成。

於二零零八年二月五日，本集團與賣方及擔保人訂立終止協議（「終止協議」）。根據終止協議，各方同意取消收購協議，即時生效。由於配售協議須待收購協議成為無條件後方可作實，及由於本公司基於終止而無即時需要增加法定股本。故將不會進行配售事項及增加本公司法定股本。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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截至二零零七年十二月三十一日止年度

### 35. Post Balance Sheet Events (continued)

- (b) On 6 February 2008, the Company entered into a subscription agreement with a shareholder for the subscription of 108,000,000 new shares of the Company at the subscription price of HK\$0.30 per share.

The subscription was completed on 18 February 2008 and the net proceeds of approximately HK\$31 million will be used for financing its ongoing operation and future business expansion. These new shares ranked pari passu with existing shares in all respects.

- (c) Subsequent to the balance sheet date, the Group disposed of approximately 4.9% of its equity interest in ACI for cash at an aggregate consideration of HK\$6,015,000. The Group's equity interest in ACI reduced to 9.8% as at date of this report.

On 3 March 2008, ACI filed creditor protection under the Companies' Creditors Arrangement Act with the British Columbia Supreme Court due to its inability to fund operations to meet customer demand. The market share price of ACI demanded from CAD 1.25 on 31 December 2007 to CAD 0.25 on 3 March 2008, and further decreased to CAD 0.085 as date of this report on 14 April 2008 (Canadian time).

### 35. 結算日後事項 (續)

- (b) 於二零零八年二月六日，本公司與一名股東訂立認購協議，以按認購價每股0.30港元認購本公司108,000,000股新股。

認購已於二零零八年二月十八日完成，約31,000,000港元之所得款項淨額將用作融資本公司之持續業務及日後業務擴充。該等新股在所有方面均擁有與現有股份等同之權利。

- (c) 緊隨結算日後，本集團出售其於ACI約4.9%股權，總代價為現金6,015,000港元。於本報告日期，本集團於ACI之股權減至9.8%。

於二零零八年三月三日，由於ACI未能提供營運資金以應付客戶之要求，故已根據公司債權人安排法案向英屬哥倫比亞最高法院尋求債權人保護令。ACI之股價由二零零七年十二月三十一日之1.25加元減至二零零八年三月三日之0.25加元，並進一步減至本報告日期二零零八年四月十四日(加拿大時間)之0.085加元。

Financial Summary  
財務總表

## Results

## 業績

		For the year ended 31 December 截止十二月三十一日止年度				
		2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Revenue	收益	589,653	774,255	647,004	705,859	735,114
Profit (loss) before taxation	除稅前溢利(虧損)	28,521	58,883	28,767	4,500	(62,826)
Taxation	稅項	(4,295)	(8,637)	(731)	(2,069)	(1,924)
Profit (loss) for the year	本年度溢利(虧損)	24,226	50,246	28,036	2,431	(64,750)
Attributable to	以下應佔					
Equity holders of the Company	本公司股權持有人	23,050	53,353	28,036	2,431	(64,750)
Minority interests	少數股東權益	1,176	(3,107)	—	—	—
		24,226	50,246	28,036	2,431	(64,750)

## Assets And Liabilities

## 資產及負債

		As at 31 December 於十二月三十一日				
		2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Total assets	總資產	674,061	726,781	687,704	667,458	669,470
Total liabilities	總負債	(337,372)	(336,420)	(246,258)	(250,971)	(294,439)
		336,689	390,361	441,446	416,487	375,031
Attributable to:	以下應佔：					
Equity holders of the Company	本公司股權持有人	330,045	390,361	441,446	416,487	375,031
Minority interests	少數股東權益	6,644	—	—	—	—
		336,689	390,361	441,446	416,487	375,031





## Particulars of Properties Held by the Group

### 本集團持有之物業詳情

Location	地點	Group's interest 本集團之權益	Approximate site area (sq. m) 概約 建築面積 (平方米)	Existing use 現時用途	Term of lease 租期
Land and Industrial Compound Chilung Industrial Area Humen Town Dongguan Guangdong Province PRC	中國 廣東省 東莞市 虎門鎮 村頭管理區 綜合工業用地	100%	42,529	Industrial 工業	Medium 中期
Land and Industrial Compound Renzhou Administrative Zone Shatian Town Dongguan Guangdong Province PRC	中國 廣東省 東莞市 沙田鎮 稔州管理區 綜合工業用地	100%	2,500	Industrial 工業	Medium 中期

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