

# 2008

## Annual Report

二 零 零 八 年 年 報



**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

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# CORPORATE INFORMATION

## 公司資料



## DIRECTORS

### Executive Directors

- Mr. Tong Shek Lun  
(Chairman and Managing Director)  
(resigned on 2 March 2009)
- Mr. Chim Kim Lun, Ricky  
(appointed as Chairman and Managing Director  
on 2 March 2009  
and resigned on 16 April 2009)
- Mr. Sun Ying Chung  
(appointed as Chairman and Managing Director  
on 16 April 2009)
- Mr. Cheng Kwok Hing, Andy  
(resigned on 22 April 2009)
- Mr. Chan Sung Wai  
(appointed on 16 April 2009)
- Ms. Ko Lai King, Kinny  
(resigned on 8 October 2008)
- Ms. Chung Wai Yu, Regina  
(resigned on 8 October 2008)

### Non-executive Directors

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

### Independent non-executive Directors

- Mr. Wan Hon Keung  
(appointed on 27 May 2008)
- Mr. Tse Yuk Kong  
(appointed on 2 March 2009)
- Mr. Chan Siu Wing, Raymond  
(appointed on 2 April 2009)
- Mr. Sun Yaoquan  
(resigned on 1 February 2009)
- Mr. Goh Gen Cheung  
(resigned on 9 February 2009)
- Mr. Chan Ho Man  
(resigned on 27 May 2008)

## COMPANY SECRETARY

- Ms. Tang Lo Nar, Luler  
(appointed on 12 January 2009)
- Mr. Kwong Ping Man  
(appointed on 4 June 2008 and resigned  
on 12 January 2009)
- Mr. Wong Hei Chiu  
(resigned on 4 June 2008)

## 董事

### 執行董事

- 唐錫麟先生  
(主席兼董事總經理)  
(於二零零九年三月二日辭任)
- 詹劍崙先生  
(於二零零九年三月二日獲委任為主席  
兼董事總經理，  
並已於二零零九年四月十六日辭任)
- 辛衍忠先生  
(於二零零九年四月十六日獲委任為主席  
兼董事總經理)
- 鄭國興先生  
(於二零零九年四月二十二日辭任)
- 陳崇煒先生  
(於二零零九年四月十六日獲委任)
- 高麗瓊女士  
(於二零零八年十月八日辭任)
- 鍾惠愉女士  
(於二零零八年十月八日辭任)

### 非執行董事

- 李國樑先生  
楊耀宗先生

### 獨立非執行董事

- 溫漢強先生  
(於二零零八年五月二十七日獲委任)
- 謝旭江先生  
(於二零零九年三月二日獲委任)
- 陳兆榮先生  
(於二零零九年四月二日獲委任)
- 孫耀全先生  
(於二零零九年二月一日辭任)
- 葛根祥先生  
(於二零零九年二月九日辭任)
- 陳浩文先生  
(於二零零八年五月二十七日辭任)

## 公司秘書

- 鄧露娜女士  
(於二零零九年一月十二日獲委任)
- 鄺炳文先生  
(於二零零八年六月四日獲委任，  
並已於二零零九年一月十二日辭任)
- 黃禧超先生  
(於二零零八年六月四日辭任)

# CORPORATE INFORMATION

## 公司資料



### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suite 3404, 34th Floor  
Bank of America Tower  
12 Harcourt Road, Central  
Hong Kong

### 總辦事處及主要營業地點

香港  
中環  
夏慤道12號  
美國銀行中心  
34樓3404室

### AUDITORS

HLB Hodgson Impey Cheng  
Chartered Accountants  
Certified Public Accountants

### 核數師

國衛會計師事務所  
英國特許會計師  
香港執業會計師

### BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Corporate Services Limited  
Rosebank Centre  
11 Bermudiana Road  
Pembroke  
Bermuda

### 百慕達主要股份過戶登記處

Butterfield Corporate Services Limited  
Rosebank Centre  
11 Bermudiana Road  
Pembroke  
Bermuda

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### 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

### PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited  
Bank of China Limited  
DBS Bank Limited  
Hang Seng Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited

### 主要往來銀行

中國銀行(香港)有限公司  
中國銀行股份有限公司  
星展銀行有限公司  
恒生銀行有限公司  
香港上海滙豐銀行有限公司

# FINANCIAL HIGHLIGHTS

## 財務摘要



(In Hong Kong thousand dollars, except per share data)  
(除每股股份之數據外均以千港元呈列)

For the year ended 31 December	截至十二月三十一日止年度	2008 二零零八年	2007 二零零七年
<b>CONSOLIDATED INCOME STATEMENT DATA</b>			
<b>Continuing Operation</b>			
Revenue	持續經營業務 收益	<b>70,681</b>	97,565
Loss for the year	本年度虧損	<b>(77,012)</b>	(44,143)
EBITDA excluding a gain on fair value change of derivative financial instruments, impairment losses on available-for-sale investment	EBITDA(不包括衍生金融工具公平值變動收益、可供出售投資之減值虧損)	<b>(44,374)</b>	(7,268)
Loss from both continuing and discontinued operations	來自持續經營業務及終止經營業務之虧損	<b>(169,728)</b>	(64,750)
		<b>HK cents</b>	HK cents
		港仙	港仙
Loss per share – basic	每股虧損—基本		
From continuing operation	來自持續經營業務	<b>(12.08)</b>	(8.11)
From continuing and discontinued operations	來自持續經營業務及終止經營業務	<b>(26.62)</b>	(11.89)
Proposed final dividend per share	擬派每股末期股息	-	-
		<b>2008</b>	2007
		二零零八年	二零零七年
<b>CONSOLIDATED BALANCE SHEET DATA</b>			
Bank balances and cash	銀行結存及現金	<b>1,609</b>	53,179
Net current assets	流動資產淨值	<b>190,409</b>	63,824
Total net assets/Shareholders' funds	總資產淨值/股東資金	<b>253,270</b>	375,031
Current ratio	流動比率	<b>1.7</b>	1.2
Quick ratio	速動比率	<b>1.7</b>	0.8

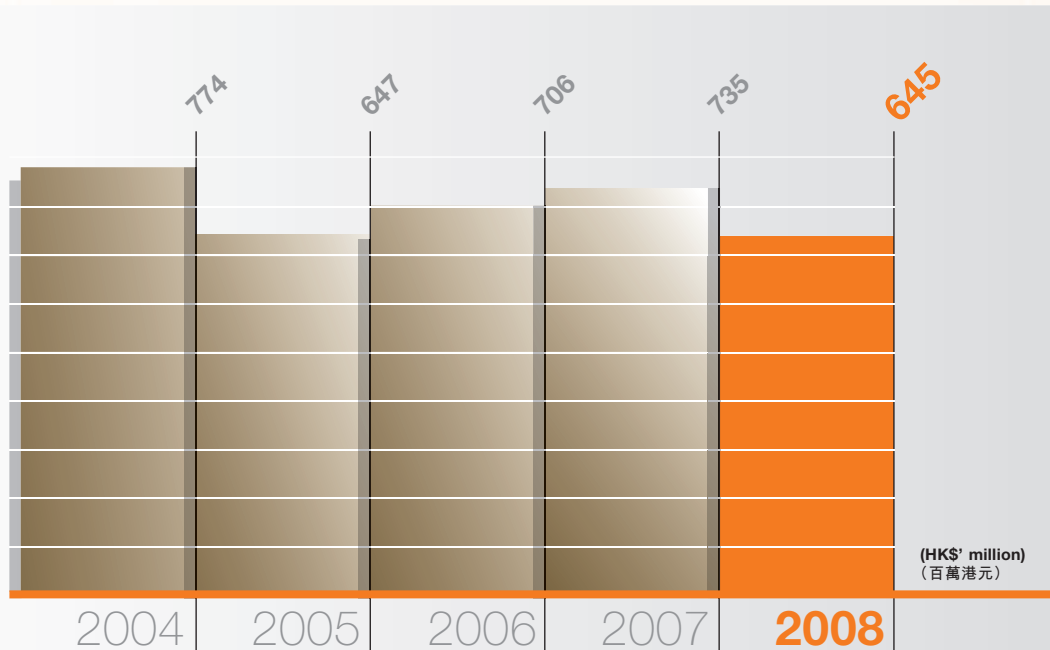
# FINANCIAL HIGHLIGHTS

## 財務摘要



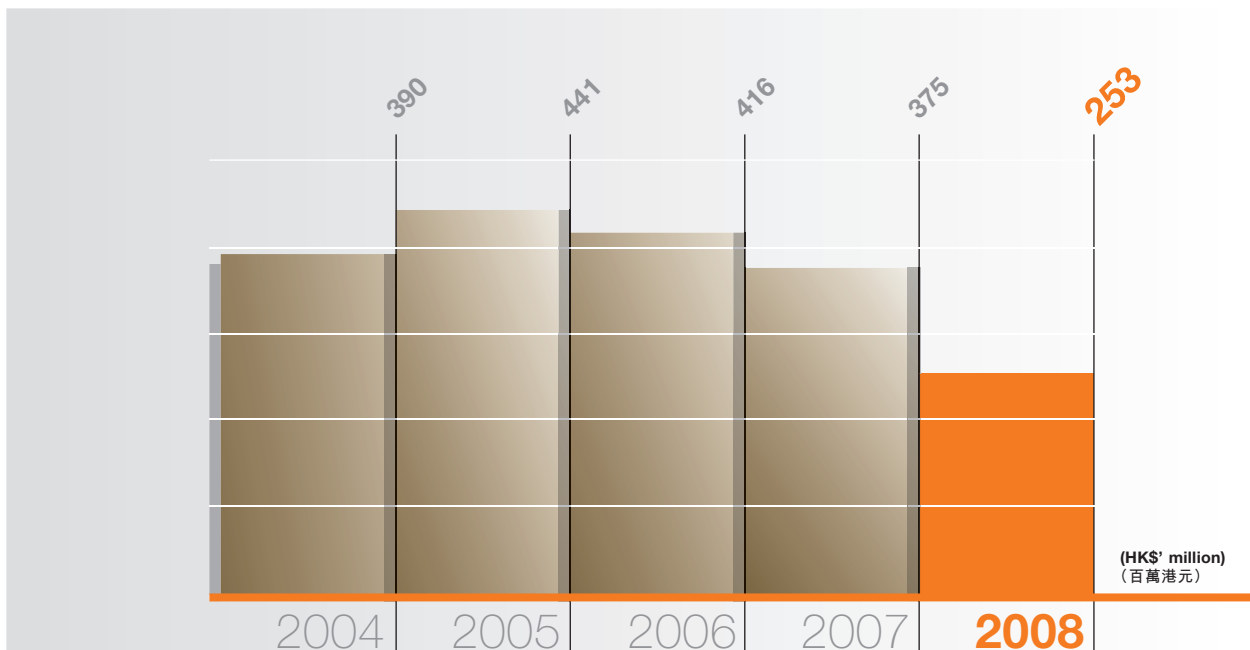
### REVENUE

收益



### TOTAL NET ASSETS/SHAREHOLDERS' FUNDS

總資產淨值／股東資金



# CHAIRMAN'S STATEMENT 主席報告



# CHAIRMAN'S STATEMENT

## 主席報告



### 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 Group the annual report and the audited consolidated results of the Group for the financial year ended 31 December 2008.

### RESULTS OF THE YEAR

The Group recorded revenue from continuing operation (i.e. the conductive silicon rubber keypads business) of approximately HK\$70,681,000 for the year ended 31 December 2008, representing a decrease of approximately 27.6% as compared with approximately HK\$97,565,000 of the corresponding year in 2007.

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 gross margin from continuing operations dropped from approximately HK\$3,594,000 profit in 2007 to approximately HK\$29,931,000 loss in 2008.

### 各位股東：

本人謹代表泰盛實業集團有限公司(「本公司」)·連同其附屬公司統稱「本集團」之董事會(「董事會」)向本集團股東提呈本集團截至二零零八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

本集團於截至二零零八年十二月三十一日止年度就持續經營業務(即導電硅橡膠按鍵業務)錄得約70,681,000港元收益·較二零零七年年末之約97,565,000港元減少約27.6%。

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·本集團持續經營業務之毛利率由二零零七年之盈利約3,594,000港元下降至二零零八年之虧損約29,931,000港元。





# CHAIRMAN'S STATEMENT

## 主席報告



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 re-measured at the balance sheet date. As a summary, the Group made a gain of approximately HK\$38,000 (2007: approximately HK\$745,000) on fair value change of derivative financial instruments from continuing operation, but a total loss (including both continuing and discontinued operations) of approximately HK\$5,879,000 (2007: approximately HK\$5,683,000).

In addition, the Directors made an impairment loss on available-for-sale investment of approximately HK\$23,268,000 (2007: approximately HK\$28,008,000) for the year ended 31 December 2008.

Moreover, a loss of approximately HK\$92,716,000 (2007: approximately HK\$20,607,000) was incurred on the discontinued operations (i.e. the electronic products and printed circuit boards businesses) for the year ended 31 December 2008.

As a result, the Group recorded a net loss attributable to shareholders of approximately HK\$169,728,000 for the year ended 31 December 2008 (2007: approximately HK\$64,750,000), including the net loss from continuing operation of approximately HK\$77,012,000 (2007: approximately HK\$44,143,000).

In analysing the profitability of the Group the EBITDA from continuing operation, excluding a gain on fair value change of derivative financial instruments, impairment loss on available-for-sale investment, was at a loss of approximately HK\$44,374,000 (2007: approximately HK\$7,268,000).

Basic loss per share from both continuing and discontinued operations was approximately HK26.62 cents (2007: approximately HK11.89 cents) for the year ended 31 December 2008 while basic loss per share from continuing operation only was approximately HK12.08 cents (2007: approximately HK8.11 cents)

## 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 2008.

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已於結算日重估。概括而言，本集團就持續經營業務之衍生金融工具公平值變動錄得收益約38,000港元(二零零七年：約745,000港元)，但來自持續經營業務及終止經營業務之虧損總額達約5,879,000港元(二零零七年：約5,683,000港元)。

此外，董事亦於截至二零零八年十二月三十一日止年度作出約23,268,000港元之可供出售投資減值虧損(二零零七年：約28,008,000港元)。

此外，於截至二零零八年十二月三十一日止年度，終止經營業務(即電子產品及印製電路板業務)產生虧損約92,716,000港元(二零零七年：約20,607,000港元)。

因此，本集團於截至二零零八年十二月三十一日止年度錄得股東應佔虧損淨額約169,728,000港元(二零零七年：約64,750,000港元)，其中持續經營業務之虧損淨額約為77,012,000港元(二零零七年：約44,143,000港元)。

於分析本集團之盈利能力時，來自持續經營業務之EBITDA(不包括衍生金融工具公平值變動收益、可供出售投資之減值虧損)虧損約44,374,000港元(二零零七年：虧損約7,268,000港元)。

截至二零零八年十二月三十一日止年度，來自持續經營業務及終止經營業務之每股基本虧損約26.62港仙(二零零七年：約11.89港仙)，而持續經營業務之每股基本虧損僅約為12.08港仙(二零零七年：約8.11港仙)。

## 股息

由於宏觀環境不明朗，董事會決定不宣派截至二零零八年十二月三十一日止年度之末期股息，以保障本集團之利益。

# CHAIRMAN'S STATEMENT

## 主席報告



### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Group will not be closed.

### 暫停過戶登記

本集團將不會暫停辦理股份過戶登記手續。

### BUSINESS AND OPERATIONAL REVIEW

During the year ended 31 December 2008, the Group was divided into three principal operating divisions – conductive silicon rubber keypads, electronic products and printed circuit boards.

On 30 September 2008, the non-performing printed circuit boards segment was disposed of. On 23 May 2008, the Group announced the disposal of the electronic products segment. The disposal was completed on 26 February 2009.

For the year ended 31 December 2008, the Group recorded a decrease in sales volume and recorded a turnover from continuing operations of approximately HK\$70,681,000, representing a decrease of 27.6% as compared with approximately HK\$97,565,000 of the year in 2007.

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

As conductive silicon rubber keypads manufacturing is highly labour intensive, continuing increases in the cost of and the shortage of skilled and experienced workers in the PRC have added to the already difficult operating environment. Operational efficiency and optimum utilization of production facilities were also affected.

The core profitability of the Group was eroded by increasing cost elements in several areas. First, high crude oil prices have driven up the costs of plastic components and of related inward freight costs, resulting in an increase in materials costs.

### 業務及營運回顧

於截至二零零八年十二月三十一日止年度，本集團分為三個主要業務分部－導電硅橡膠按鍵、電子產品及印製電路板。

於二零零八年九月三十日，本集團出售表現欠佳之印製電路板業務。於二零零八年五月二十三日，本集團宣佈出售電子產品分部。有關出售已於二零零九年二月二十六日完成。

截至二零零八年十二月三十一日止年度，本集團持續經營業務之產品銷量減少，營業額為約70,681,000港元，較二零零七年年度約97,565,000港元減少27.6%。

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。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。

由於導電硅橡膠按鍵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因成本上升因素而有所削弱。首先，原油價格高企推高塑膠組件之成本及相關進口運費，從而令物料成本出現增長。

# CHAIRMAN'S STATEMENT

## 主席報告



In addition, the continuous appreciation of Renminbi ("RMB") led to a heavy strike on export enterprises. The labour cost in the PRC factories for the conductive silicon rubber keypads business was increased by approximately HK\$5,681,000 for the year ended 31 December 2008.

These factors, together with escalating electricity costs, led to a drastic increase in the Group's overall cost of sales. As a result, the gross margin from continuing operation dropped from approximately HK\$3,594,000 profit in 2007 to approximately HK\$29,931,000 loss in 2008.

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. Particular strong action has been applied in the second half of the year.

## FUTURE PLANS AND PROSPECTS

Looking ahead to 2009, the Group is facing the most challenging environment in recent times with growth slowing in most markets and many of world's major economies in recession. The financial crisis which originated in the United States has led to global economic activity slowing sharply in the last quarter of 2008 and through January to March of 2009 and this has already affected Hong Kong. However, with the support of the Central Government's initiative, the Mainland economy has been maintained healthily and the impact of external economic factors affecting Hong Kong should be mitigated to a large extent.

In the current global economic environment, the Group has focused on maintaining strict operational and financial discipline to successfully execute its business strategy. The Group will continue to consolidate existing business and enhance productivity and efficiency for conductive silicon rubber keypads products segment.

On 23 May 2008, the Group announced the investment in the production and distribution LCoS Television through acquisition.

The acquisition was completed on 15 January 2009. As explained in the Group's announcement dated 20 April 2009, the pledge created on the LCoS's TMDC sale machineries has not been discharged, the implementation of the production and sales plan of the Suzhou Plant and the LCoS has been delayed.

此外，人民幣(「人民幣」)持續升值亦嚴重打擊出口企業。截至二零零八年十二月三十一日止年度，導電硅橡膠按鍵業務位於中國之工廠之勞工成本增加約5,681,000港元。

上述因素及電力成本持續攀升導致本集團之整體銷售成本大幅上漲。因此，持續經營業務之毛利率由二零零七年之盈利約3,594,000港元下降至二零零八年之虧損約29,931,000港元。

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，並於下半年採取強有力之相關措施。

## 未來計劃及展望

展望二零零九年，隨著大多數市場增長放緩及全球主要經濟體衰退，本集團將面臨近年來最大挑戰。源自美國之金融危機導致全球經濟活動在二零零八年最後一季及二零零九年一至三月份急劇放緩，香港亦已受到影響。然而，中央政府推行刺激經濟措施，內地經濟發展維持穩健，將可大大緩和外部經濟因素對香港之衝擊。

鑒於當前全球經濟環境，本集團一直致力維持嚴格之經營與財務原則，務求業務策略取得成功。本集團將不斷綜合現時業務，提升導電硅橡膠按鍵產品分部之生產力及效率。

於二零零八年五月二十三日，本集團宣佈透過收購投資於LCoS電視之生產及分銷業務。

收購事項已於二零零九年一月十五日完成。誠如本集團日期為二零零九年四月二十日之公佈所述，就LCoS之TMDC銷售機器設立之抵押未獲解除，故蘇州廠房及LCoS之生產及銷售計劃已延遲實行。

# CHAIRMAN'S STATEMENT

## 主席報告



The Directors are of the view that the LCoS technology is of considerable development potential. If the original production and sales plan of the acquired group may be caught up, the investment is likely to contribute significantly to the Group's core profitability in the future. The Group expects LCoS Television to be the major category over the next few years.

The Group has been and will be monitoring the above situation closely and taking all necessary actions to procure the trial production at the Suzhou Plant to commence as soon as practicable, so that the commercial production and operations of the LCoS may catch up with what was originally planned.

Also on 23 May 2008, the Group announced the disposal of the electronic products segment. The disposal was completed on 26 February 2009.

### 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.

**Sun Ying Chung**  
*Chairman*

27 April 2009

董事認為，LCoS技術具巨大發展潛力，若能配合所收購集團之原定生產及銷售計劃，是項投資有望於日後大幅提升本集團之核心盈利能力。本集團預期LCoS電視將於未來數年成為主要類別。

本集團經已並將會密切監察上述情況並作出一切必要行動，促使蘇州廠房於實際可行情況下盡快開始試產，使LCoS之商業生產及運作能配合原定計劃。

此外，本集團亦於二零零八年五月二十三日宣佈出售電子產品分部。出售事項已於二零零九年二月二十六日完成。

### 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，本人謹代表董事會致以深切謝意。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。

**辛衍忠**  
*主席*

二零零九年四月二十七日

# MANAGEMENT DISCUSSION AND ANALYSIS 管理層回顧及 業績分析



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層回顧及業績分析



### SEGMENTAL ANALYSIS

#### Conductive silicon rubber keypads

For the year ended 31 December 2008, the turnover contributed from the conductive silicon rubber keypads business decreased by approximately 27.6% to approximately HK\$70,681,000 (2007: approximately HK\$97,565,000). The decrease is mainly due to the competition in the high value-added plastic plus rubber ("P+R") telephone keypads products and roller markets, which have changed much faster than expected.

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.

Accordingly, this segment results dropped from approximately HK\$13,529,000 loss in previous year to a loss of approximately HK\$43,766,000 in current year, despite that vigorous efforts in containing costs have been made and operational efficiency has been improved.

### 分部分析

#### 導電硅橡膠按鍵

截至二零零八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下跌約27.6%至約70,681,000港元(二零零七年：約97,565,000港元)。營業額減少主要由於高增值塑膠加橡膠("P+R")電話按鍵產品及印色軋市場之競爭較預期變化得更快所致。

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。

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由去年虧損約13,529,000港元下跌至虧損約43,766,000港元。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層回顧及業績分析



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 remains an 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 contribution to the Group.

### Electronic products

Through development of businesses on Origin Design Manufacturing Products ("ODM products") and Origin Equipment Manufacturing ("OEM products"), such as electronic learning machines, electronic educational game products, SIM card reader for on-line banking system, digital printer control panel, security systems, 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. However, the economic tsunami has caused a drop of approximately 4.8% to approximately HK\$512,847,000 (2007: approximately HK\$538,627,000).

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. For instance, the administrative labour cost has been reduced by approximately HK\$974,000 or 2.7%.

Nevertheless, because of the enforcement of Labour Contract Act in China in 2008, the Group's production labour cost has been increased by approximately 7.8%. In addition, material costs remained high, representing approximately 63.0% of turnover. (2007: approximately 62.8%)

In view of the high costs above, the operating results derived from electronic products suffered a loss of approximately HK\$8,951,000 for the year ended 31 December 2008 (2007: approximately HK\$10,462,000).

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，故此業務仍為本集團之重要部份。

董事有信心，繼續提供優質及穩定產品，以及提供客戶支援，將有助推動本集團之業績表現。

### 電子產品

透過發展原設計製造產品(「ODM產品」)及原設備製造(「OEM產品」)，包括電子學習機、電子教育遊戲產品、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、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，但經濟海嘯導致營業額減少約4.8%至約512,847,000港元(二零零七年：約538,627,000港元)。

本集團管理層已推行一系列措施嚴格控制成本及提高營運效率，以維持產品價格於有利可圖的合理水平。舉例而言，行政勞工成本減少約974,000港元，減幅達2.7%。

然而，由於內地於二零零八年實施新勞動合同法，本集團之生產勞工成本增加約7.8%。此外，原材料成本仍然高企，約佔營業額之63.0%(二零零七年：約62.8%)。

鑒於上述成本高企，於截至二零零八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8,951,000港元(二零零七年：約10,462,000港元)。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層回顧及業績分析



On 23 May 2008, the Group announced the investment in the production and distribution LCoS Television through acquisition. The acquisition was completed on 15 January 2009 while As explained in the Group's announcement dated 20 April 2009, the pledge created on the LCoS's TMDC sale machineries has not been discharged, the implementation of the production and sales plan of the Suzhou Plant and the LCoS has been delayed. The Directors are of the view that the LCoS technology is of considerable development potential. If the original production and sales plan of the acquired group may be caught up, the investment is likely to contribute significantly to the Group's core profitability in the future. The Group expects LCoS Television to be the major category over the next few years.

The Group has been and will be monitoring the above situation closely and taking all necessary actions to procure the trial production at the Suzhou Plant to commence as soon as practicable, so that the commercial production and operations of the LCoS may catch up with what was originally planned.

Also on 23 May 2008, the Group announced the disposal of the electronic products segment where the disposal was completed on 26 February 2009. The financial results of the electronic products segment disposed have been presented as the discontinued operations.

### Printed circuit boards ("PCB")

The market for PCB was fiercely competitive during the year under review. For the period from 1 January 2008 to 30 September 2008, the turnover of PCB was about HK\$61,555,000 (2007 Full Year: approximately HK\$98,922,000). During the period under review, the business strategy was focused to consolidate on its key client base and serve a range of well known customers in Japan and the Asian Pacific Region.

Because of continuous increase in prices of raw materials and components, the PCB segment results recorded an operating loss of approximately HK\$50,392,000 for the nine months ended 30 September 2008 (2007 Full Year: approximately HK\$13,421,000).

於二零零八年五月二十三日，本集團宣佈透過收購投資於LCoS電視之生產及分銷業務。收購事項已於二零零九年一月十五日完成。誠如本集團日期為二零零九年四月二十日之公佈所述，就LCoS之TMDC銷售機器設立之抵押未獲解除，故蘇州廠房及LCoS之生產及銷售計劃已延遲實行。董事認為，LCoS技術具巨大發展潛力，若能配合所收購集團之原定生產及銷售計劃，是項投資有望於日後大幅提升本集團之核心盈利能力。本集團預期LCoS電視將於未來數年成為主要類別。

本集團經已並將密切監察上述情況並作出一切必要行動，促使蘇州廠房於實際可行情況下盡快開始試產，使LCoS之商業生產及運作能配合原定計劃。

此外，本集團亦於二零零八年五月二十三日宣佈出售電子產品分部。出售事項已於二零零九年二月二十六日完成。出售之電子產品分部之財務業績已入賬列為終止經營業務。

### 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。於二零零八年一月一日至二零零八年九月三十日止期間，印製電路板之營業額為約61,555,000港元(二零零七年全年：約98,922,000港元)。在回顧期間，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。

由於原材料及組件價格持續上漲，截至二零零八年九月三十日止九個月，印製電路板分部業績錄得經營虧損約50,392,000港元(二零零七年全年：約13,421,000港元)。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層回顧及業績分析



Due to the deteriorating result, the Group finally disposed of the PCB segment on 30 September 2008. This resulted in a disposal loss of HK\$31,606,000. Despite that, the Directors were of the view that the disposal provided the Group with the opportunity to realize the loss-making business for immediate cash inflow for financing its existing business operations and general working capital of the Group.

Following the completion, the Group became a shareholder of KFE Japan by subscribing for the KFE Japan Subscription Shares, which is listed on the Nagoya Stock Exchange. The Group had been selling PCB to KFE Japan which was principally engaged in the development, trading and manufacture of electronic products in Japan. The Directors of the Group believe that the KFE Japan share subscription would be a better investment than running the PCB segment. The value of KFE Japan Subscription Shares is accounted for as available-for-sale investment.

### 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 were once listed on the Toronto Stock Exchange, with the stock symbol "ACG" was privatized on 3 December 2008. As at 31 December 2008, the Group's attributable equity interest in Ascalade Inc. maintained at approximately 9.8%. Ascalade Inc. is classified as an available-for sale investment.

Following the completion of disposal of the PCB segment, the Group became a shareholder of KFE Japan on 1 October 2008 by subscribing for the KFE Japan Subscription Shares, which is listed on the Nagoya Stock Exchange. The Group had been selling PCB to KFE Japan which was principally engaged in the development, trading and manufacture of electronic products in Japan. The value of KFE Japan Subscription Shares is accounted for as 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.

由於業績惡化，本集團最終於二零零八年九月三十日出售印製電路板分部，因而錄得出售虧損31,606,000港元。儘管如此，董事認為，本集團可透過出售虧損業務即時獲得現金收入，以撥付其現有業務營運及本集團一般營運資金所需。

於上述出售事項完成後，本集團透過認購KFE Japan認購股份(在名古屋證券交易所上市)成為KFE Japan股東。本集團已將印製電路板分部出售予KFE Japan，其主要於日本從事電子產品開發、貿易及製造業務。本集團董事相信，KFE Japan股份認購相比經營印製電路板分部將會是一項更好之投資。KFE Japan認購股份之價值將入賬列作可供出售投資。

### 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，其證券曾於多倫多證券交易所上市，股份代號為「ACG」，該公司已於二零零八年十二月三日私有化。於二零零八年十二月三十一日，本集團應佔Ascalade Inc.權益維持約9.8%。Ascalade Inc.被歸類為可供出售投資。

於完成出售印製電路板分部後，本集團透過認購KFE Japan認購股份(在名古屋證券交易所上市)於二零零八年十月一日成為KFE Japan股東。本集團已將印製電路板分部出售予KFE Japan，其主要於日本從事電子產品開發、貿易及製造業務。KFE Japan認購股份之價值將入賬列作可供出售投資。

本集團之可供出售投資按各結算日之公平值計算，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，並將於必要時考慮作出足夠之減值。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層回顧及業績分析



The share price of Ascalade Inc. has been decreasing consistently from CAD2.5 on 29 June 2007 to CAD1.25 on 31 December 2007. As a result, 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% of Ascalade Inc.'s shares to the market and realized a loss on disposal of approximately HK\$258,000.

As announced by the Group 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. 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 Group's announcements dated 4 March 2008 and 8 April 2008.

As a result of Ascalade Inc. being under CCAA protection and the fact that it was delisted on 3 December 2008, the Group decided to write off the value of Ascalade Inc.'s shares held by the Group completely. Consequently, the Group incurred further impairment loss on available-for-sale investment of approximately HK\$23,268,000 for the year ended 31 December 2008 (2007: approximately HK\$28,008,000).

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).

Ascalade Inc.之股價由二零零七年六月二十九日之2.5加元持續下跌至二零零七年十二月三十一日之1.25加元。有見及此，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二零零八年二月二十八日期間，本集團向市場出售約4.9% Ascalade Inc.股份，並錄得出售虧損約258,000港元。

如本集團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。此外，Ascalade Inc.之附屬公司根據香港法例第32章公司條例第166條提呈計劃安排。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集團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。

由於Ascalade Inc.受到公司債權人安排法案保護，且其已於二零零八年十二月三日撤銷上市地位，本集團決定全數撤銷本集團所持有之Ascalade Inc.股份之價值。因此，本集團於截至二零零八年十二月三十一日止年度進一步就可供出售投資產生減值虧損約23,268,000港元(二零零七年：約28,008,000港元)。

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))。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層回顧及業績分析



On the other hand, the value of KFE Japan's shares has also been decreasing because of global economic tsunami. However, the appreciation of Japanese Yen has caused an overall increase in value of the investment. The value of the investment in Hong Kong dollars as at 31 December 2008 is approximately HK\$8,241,000.

### Capital Structure

Shareholders' equity decreased to approximately HK\$253,270,000 as at 31 December 2008 from approximately HK\$375,031,000 as at 31 December 2007. As at 31 December 2008, the short term and long term interest bearing debts to shareholders' equity was Nil (2007: approximately 16.3%).

As announced by the Group on 11 February 2008, the Group carried out a top-up placing exercise in February 2008 and raised approximately HK\$31,311,000 net of related expenses from the issue of 108,000,000 new shares of HK\$0.10 each in the capital of the Group at a price of HK\$0.30 per share.

Part of the net proceeds from the Subscription was used by the Group for part consideration in connection with the very substantial acquisition of LCoS Television segment. Another part of the net proceeds were used by the Group for settling bank loans, while the remaining net proceeds were used for paying professional parties fees incurred for the said very substantial acquisition and the very substantial disposal of the electronic products segment. There is no unutilized amount of the above net proceeds.

As announced by the Group on 20 January 2009, the Group entered into Subscription Agreements with each of the subscribers for the subscription of 50,000,000 new shares for a total consideration of HK\$5,000,000 at the Subscription Price of HK\$0.10 per Subscription Share.

The Subscription Shares of 50,000,000 new shares represent about 7.66% of the then existing issued share capital of the Group and about 7.12% of the enlarged share capital of the Group immediately after the Subscription. The Subscription Shares were issued under the General Mandate and rank equally among themselves and with the then existing shares.

另一方面，KFE Japan股份亦由於全球經濟海嘯而持續減值。然而，日圓升值帶動是項投資之價值全面上升。於二零零八年十二月三十一日，以港元計值之是項投資價值約為8,241,000港元。

### 股本結構

於二零零八年十二月三十一日，股東資金下降至約253,270,000港元，而於二零零七年十二月三十一日之股東資金則約為375,031,000港元。於二零零八年十二月三十一日，短期及長期計息債項佔股東資金為零(二零零七年：約16.3%)。

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進行補充性配售，透過發行本集團股本中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31,311,000港元資金。

認購事項所籌得之部份所得款項淨額已由本集團用作撥付有關LCoS電視分部之非常重大收購事項之部份代價。本集團將部份所得款項淨額償還銀行貸款，餘下之所得款項淨額則用作支付上述非常重大收購事項及有關電子產品分部之非常重大出售事項所產生之專業人士費用。上述所得款項淨額並無任何未動用之金額。

誠如本集團於二零零九年一月二十日所公佈，本集團與各認購人訂立認購協議，以按認購價每股認購股份0.10港元認購50,000,000股新股份，總代價為5,000,000港元。

相當於50,000,000股新股份之認購股份佔本集團當時現有已發行股本約7.66%及佔本集團於緊隨認購事項後之經擴大股本約7.12%。認購股份將根據一般授權發行，並將各自及與當時現有股份享有同等權利。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層回顧及業績分析



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. Further, the Group considers that the Subscription is currently a preferred method of fund raising as compared with other equity fund raising exercises based on time and costs involved. The Group will use the net proceeds of the Subscription as general working capital of the Group.

### 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 2008, the Group's fixed deposits and cash balances decreased to approximately HK\$1,609,000 (2007: approximately HK\$53,179,000).

In 2008, the current ratio was approximately 1.7 (2007: approximately 1.2) based on current assets of approximately HK\$449,854,000 and current liabilities of approximately HK\$259,445,000 and the quick ratio was approximately 1.7 (2007: approximately 0.8).

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.

### Material Acquisition and Disposals during the year

The Group has entered into sale and purchase agreement in relation to the acquisition of subsidiaries. For further details, please refer to note 43 to the financial statements. The Group has entered into several sale and purchase agreements in relation to the disposal and planned disposal of subsidiaries during the year. For further details, please refer to notes 9 and 10 to the financial statements.

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。此外，本集團認為，目前不論時間及成本，認購事項相比其他股本集資活動亦為較理想之集資方法。本集團會將認購事項之所得款項淨額用作本集團之一般營運資金。

### 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。於二零零八年十二月三十一日，本集團之定期存款及現金結存減少至約1,609,000港元(二零零七年：約53,179,000港元)。

於二零零八年，流動比率約為1.7(二零零七年：約1.2)，此乃按流動資產約449,854,000港元及流動負債約259,445,000港元之基準計算。速動比率約為1.7(二零零七年：約0.8)。

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。

### 年內重大收購及出售事項

本集團已就收購附屬公司訂立買賣協議。有關進一步詳情，請參閱財務報表附註43。年內，本集團已就出售及計劃出售附屬公司訂立若干買賣協議。有關進一步詳情，請參閱財務報表附註9及10。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層回顧及業績分析



### 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 low-risk 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 2008 represents the net amount the Group would receive/pay if these contracts were closed out at 31 December 2008. The fair value of these outstanding derivatives has been recognised as assets or liabilities.

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.

### 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，本集團使用多項低風險衍生工具管理其應收款項和應付款項之外幣風險。

本集團於二零零八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二零零八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。

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匯兌。本集團之管理層將透過自然對沖、遠期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。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層回顧及業績分析



### Employees and Remuneration Policies

As at 31 December 2008, the Group employed approximately 4,080 full time employees, out of which approximately 80 were based in Hong Kong and approximately 4000 were based in the PRC. Total staff cost incurred for continuing operations (including directors' remuneration and excluding equity settled share-based payment expenses, was HK\$35,199,000 and decrease by 78% as compared to HK\$162,413,000 in 2007. 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 Group.

### Contingent Liability

At 31 December 2008, the Group had no significant contingent liability.

### 僱員及酬金政策

於二零零八年十二月三十一日，本集團僱用約4,080名全職僱員，其中約80名駐於香港，而約4,000名駐於內地。就持續經營業務產生之僱員成本總額(包括董事薪酬但不包括按股本結算以股份為基礎之款項開支)為35,199,000港元，較二零零七年之162,413,000港元減少78%。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定。僱員亦可參與本集團之認購股權計劃。

### 或然負債

於二零零八年十二月三十一日，本集團並無任何重大或然負債。

# 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 was not separated and was performed by the same individual, Mr. Tong Shek Lun throughout 2008. Mr. Chim Kim Lun, Ricky succeeded the roles of chairman and CEO following Mr. Tong's resignation on 2 March 2009. Mr. Sun Ying Chung further succeeded the roles of chairman and CEO following Mr. Chim's resignation on 16 April 2009. The Directors meet regularly to consider major matters affecting the operations of the Group. 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 2008.

### 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。於整個二零零八年，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。繼唐先生於二零零九年三月二日辭任後，詹劍崙先生接任主席兼行政總裁，而辛衍忠先生則於二零零九年四月十六日接替詹先生出任主席兼行政總裁。董事定期會面以考慮影響本集團營運之重大事項。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，各董事於截至二零零八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規定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  
(Chairman and Managing Director)  
(resigned on 2 March 2009)
- Mr. Chim Kim Lun, Ricky  
(appointed as Chairman and Managing Director  
on 2 March 2009  
and resigned on 16 April 2009)
- Mr. Sun Ying Chung  
(appointed as Chairman and Managing Director  
on 16 April 2009)
- Mr. Cheng Kwok Hing, Andy  
(resigned on 22 April 2009)
- Mr. Chan Sung Wai  
(appointed on 16 April 2009)
- Ms. Ko Lai King, Kinny  
(resigned on 8 October 2008)
- Ms. Chung Wai Yu, Regina  
(resigned on 8 October 2008)

#### Non-executive Directors

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

#### Independent non-executive Directors

- Mr. Wan Hon Keung  
(appointed on 27 May 2008)
- Mr. Tse Yuk Kong  
(appointed on 2 March 2009)
- Mr. Chan Siu Wing, Raymond  
(appointed on 2 April 2009)
- Mr. Sun Yaoquan  
(resigned on 1 February 2009)
- Mr. Goh Gen Cheung  
(resigned on 9 February 2009)
- Mr. Chan Ho Man  
(resigned on 27 May 2008)

### 董事會

於回顧年度，董事會成員包括：

#### 執行董事

- 唐錫麟先生  
(主席兼董事總經理)  
(於二零零九年三月二日辭任)
- 詹劍崙先生  
(於二零零九年三月二日獲委任為主席  
兼董事總經理，  
並已於二零零九年四月十六日辭任)
- 辛衍忠先生  
(於二零零九年四月十六日獲委任為主席  
兼董事總經理)
- 鄭國興先生  
(於二零零九年四月二十二日辭任)
- 陳崇煒先生  
(於二零零九年四月十六日獲委任)
- 高麗瓊女士  
(於二零零八年十月八日辭任)
- 鍾惠愉女士  
(於二零零八年十月八日辭任)

#### 非執行董事

- 李國樑先生  
楊耀宗先生

#### 獨立非執行董事

- 溫漢強先生  
(於二零零八年五月二十七日獲委任)
- 謝旭江先生  
(於二零零九年三月二日獲委任)
- 陳兆榮先生  
(於二零零九年四月二日獲委任)
- 孫耀全先生  
(於二零零九年二月一日辭任)
- 葛根祥先生  
(於二零零九年二月九日辭任)
- 陳浩文先生  
(於二零零八年五月二十七日辭任)



# CORPORATE GOVERNANCE REPORT

## 企業管治報告書



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:

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：

<b>Directors</b>	<b>董事</b>	<b>Attendance 出席次數</b>
<b>Executive Directors</b>		
Mr. Tong Shek Lun	唐錫麟先生	9/9
Mr. Chim Kim Lun, Ricky	詹劍崙先生	9/9
Mr. Cheng Kwok Hing, Andy	鄭國興先生	9/9
Ms. Ko Lai King, Kinny <i>(resigned on 8 October 2008)</i>	高麗瓊女士 <i>(於二零零八年十月八日辭任)</i>	6/6
Ms. Chung Wai Yu, Regina <i>(resigned on 8 October 2008)</i>	鍾惠愉女士 <i>(於二零零八年十月八日辭任)</i>	5/6
<b>Non-executive Directors</b>		
Mr. Lee Kwok Leung	李國樑先生	3/9
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 <i>(resigned on 27 May 2008)</i>	陳浩文先生 <i>(於二零零八年五月二十七日辭任)</i>	1/1
Mr. Wan Hon Keung <i>(appointed on 27 May 2008)</i>	溫漢強先生 <i>(於二零零八年五月二十七日獲委任)</i>	8/8

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書



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。

### 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 was not separated and was performed by the same individual, Mr. Tong Shek Lun throughout 2008. Mr. Chim Kim Lun, Ricky succeeded the roles of chairman and CEO following Mr. Tong's resignation on 2 March 2009 where Mr. Sun Ying Chung took up the roles of chairman and CEO from Mr. Chim Kim Lun, Ricky on 16 April 2009. The Directors meet regularly to consider major matters affecting the operations of the Group. 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.

### 主席及行政總裁

根據守則條文A.2.1，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。於整個二零零八年，本集團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。繼唐先生於二零零九年三月二日辭任後，詹劍崙先生接任主席兼行政總裁，而辛衍忠先生則於二零零九年四月十六日接替詹劍崙先生出任主席兼行政總裁。董事定期會面以考慮影響本集團營運之重大事項。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。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書



### NON-EXECUTIVE DIRECTORS

Each of Mr. Lee Kwok Leung, Mr. Yang Yiu Chong, Ronald Jeffrey, Mr. Sun Yaoquan, Mr. Goh Gen Cheung, Mr. Chan Ho Man and Mr. Wan Hon Keung 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.

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

Mr. Tong Shek Lun (*Chairman*)  
(resigned on 2 March 2009)  
Mr. Goh Gen Cheung  
(resigned on 9 February 2009)  
Mr. Chan Ho Man  
(resigned on 27 May 2008)  
Mr. Chim Kim Lun, Ricky  
(appointed on 2 March 2009  
and resigned on 16 April 2009)  
Mr. Tse Yuk Kong  
(appointed on 2 March 2009)  
Mr. Chan Siu Wing, Raymond  
(appointed on 2 April 2009)  
Mr. Sun Ying Chung  
(appointed on 16 April 2009)

### 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、陳浩文先生及溫漢強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定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。

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*)  
(於二零零九年三月二日辭任)  
葛根祥先生  
(於二零零九年二月九日辭任)  
陳浩文先生  
(於二零零八年五月二十七月辭任)  
詹劍崙先生  
(於二零零九年三月二日獲委任，  
並已於二零零九年四月十六日辭任)  
謝旭江先生  
(於二零零九年三月二日獲委任)  
陳兆榮先生  
(於二零零九年四月二日獲委任)  
辛衍忠先生  
(於二零零九年四月十六日獲委任)

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書



The meetings of the Remuneration Committee were held on 15 April 2008, 4 June 2008 and 17 September 2008 to discuss remuneration related matters. Details of the attendance of the meetings of the Remuneration Committee are as follows:

薪酬委員會於二零零八年四月十五日、二零零八年六月四日、二零零八年九月十七日舉行會議，以討論薪酬相關事宜。薪酬委員會會議之出席詳情如下：

Members	成員	Attendance 出席次數
Mr. Tong Shek Lun	唐錫麟先生	3/3
Mr. Goh Gen Cheung	葛根祥先生	3/3
Mr. Chan Ho Man (resigned on 27 May 2008)	陳浩文先生 (於二零零八年五月二十七日辭任)	1/1
Mr. Wan Hon Keung (appointed on 27 May 2008)	溫漢強先生 (於二零零八年五月二十七日獲委任)	2/2

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 Company 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 47 of this report.

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、本公司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47頁。

## 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.

## 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。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書



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

Mr. Tong Shek Lun (*Chairman*)  
(resigned on 2 March 2009)

Mr. Goh Gen Cheung  
(resigned on 9 February 2009)

Mr. Chan Ho Man  
(resigned on 27 May 2008)

Mr. Chim Kim Lun, Ricky  
(appointed on 2 March 2009 and  
resigned on 16 April 2009)

Mr. Tse Yuk Kong  
(appointed on 2 March 2009)

Mr. Chan Siu Wing, Raymond  
(appointed on 2 April 2009)

Mr. Sun Ying Chung  
(appointed on 16 April 2009)

The meetings of the Nomination Committee were held on 15 April 2008, 4 June 2008 and 17 September 2008. Details of the attendance of the meetings of the Nomination Committee are as follows:

### Members

Mr. Tong Shek Lun  
Mr. Goh Gen Cheung  
Mr. Chan Ho Man  
(resigned on 27 May 2008)  
Mr. Wan Hon Keung  
(appointed on 27 May 2008)

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. Sun Ying Chung and Mr. Chan Sung Wai will retire, and will offer themselves for re-election at the forthcoming annual general meeting of the Company.

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)  
(於二零零九年三月二日辭任)

葛根祥先生  
(於二零零九年二月九日辭任)

陳浩文先生  
(於二零零八年五月二十七日辭任)

詹劍崙先生  
(於二零零九年三月二日獲委任，  
並已於二零零九年四月十六日辭任)

謝旭江先生  
(於二零零九年三月二日獲委任)

陳兆榮先生  
(於二零零九年四月二日獲委任)

辛衍忠先生  
(於二零零九年四月十六日獲委任)

提名委員會於二零零八年四月十五日、二零零八年六月四日及二零零八年九月十七日舉行會議。提名委員會會議之出席詳情如下：

### 成員

成員	Attendance 出席次數
唐錫麟先生	3/3
葛根祥先生	3/3
陳浩文先生 (於二零零八年五月二十七日辭任)	1/1
溫漢強先生 (於二零零八年五月二十七日獲委任)	2/2

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，辛衍忠先生及陳崇煒先生將會退任，並會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



### AUDITORS' REMUNERATION

The Company's external auditors are HLB Hodgson Impey Cheng. The audit committee of the Group (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 amounts of approximately HK\$1,269,000 and HK\$103,000 to Deloitte Touche Tomatsu, the previous auditors of the Company for providing audit and non-audit services respectively. Audit fee payable to HLB Hodgson Impey Cheng, the existing auditors of the Company for providing audit service is approximately HK\$600,000. For the year ended 31 December 2008, payments to HLB Hodgson Impey Cheng for non-auditing service is approximately HK\$590,000.

### 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  
(resigned on 1 February 2009)  
Mr. Goh Gen Cheung  
(resigned on 9 February 2009)  
Mr. Chan Ho Man  
(resigned on 27 May 2008)  
Mr. Wan Hon Keung  
(appointed 27 May 2009)  
Mr. Tse Yuk Kong  
(appointed on 2 March 2009)  
Mr. Chan Siu Wing, Raymond  
(appointed on 2 April 2009)

### 核數師酬金

本公司之外聘核數師為國衛會計師事務所。本集團之審核委員會(「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，本集團已就本公司前任核數師德勤•關黃陳方會計師行提供之核數及非核數服務分別向彼支付約1,269,000港元及103,000港元。就本公司現任核數師國衛會計師事務所提供之核數服務而應付之審計費約為600,000港元。截至二零零八年十二月三十一日止年度，就非核數服務支付予國衛會計師事務所之款項約為590,000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  
(於二零零九年二月一日辭任)  
葛根祥先生  
(於二零零九年二月九日辭任)  
陳浩文先生  
(於二零零八年五月二十七日辭任)  
溫漢強先生  
(於二零零九年五月二十七日獲委任)  
謝旭江先生  
(於二零零九年三月二日獲委任)  
陳兆榮先生  
(於二零零九年四月二日獲委任)

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書



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:

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：

<b>Members</b>	<b>成員</b>	<b>Attendance</b> <b>出席次數</b>
Mr. Sun Yaoquan	孫耀全先生	2/3
Mr. Goh Gen Cheung	葛根祥先生	3/3
Mr. Chan Ho Man (resigned on 27 May 2008)	陳浩文先生 (於二零零八年五月二十七日辭任)	1/1
Mr. Wan Hon Keung (appointed 27 May 2009)	溫漢強先生 (於二零零九年五月二十七日獲委任)	2/2

The Group's audited consolidated results for the year ended 31 December 2008 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.

審核委員會已審閱本集團截至二零零八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。

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

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。

## DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR ACCOUNTS

## 董事及核數師對賬目之責任

The Directors' responsibilities for the accounts and the responsibilities of the external auditors to the shareholders of the Company are set out on pages 48 and 49 of this report.

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48及49頁。

## INTERNAL CONTROL

## 內部監控

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.

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。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書



### 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 auditors are also required to be present to assist the Directors in addressing any relevant queries by shareholders.

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.

### 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。

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於致股東之公司通訊載列股東以投票方式表決之程序及股東要求投票方式表決之權利。於股東大會開始時主席亦會重申及闡釋該等程序及股東權利。



# DIRECTORS AND SENIOR MANAGEMENT PROFILES

## 董事及高級管理層簡介



### EXECUTIVE DIRECTORS

**Mr. Tong Shek Lun**, aged 54, was the founder of the Company and the chairman of the Company and managing Director until 2 March 2009. He was 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 19 years' experience in the electronic industry.

**Mr. Chim Kim Lun, Ricky**, aged 39, succeeded as the chairman of the Company and managing Director on 2 March 2009 and resigned on 16 April 2009. He 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, Hengli Properties Development (Group) Limited (till December 2008), Huscoke Resources Holdings Limited, Bel Global Resources Holdings Limited (till March 2009) 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.

**Mr. Sun Ying Chung**, aged 69, has extensive experience in the investment, construction and property development in the major cities of the PRC. He was appointed on 16 April 2009 as the Chairman and Managing Director.

**Mr. Cheng Kwok Hing, Andy**, aged 37, has over 16 years of experience in accounting and administrative fields, and resigned on 22 April 2009. Mr. Cheng is an executive director of Huscoke Resources Holdings Limited, Bel Global Resources Holdings Limited (till July 2008), 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.

### 執行董事

**唐錫麟先生**，五十四歲，本公司之創辦人，及於二零零九年三月二日之前擔任本公司之主席兼董事總經理。彼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十九年經驗。

**詹劍崙先生**，三十九歲，於二零零九年三月二日接任本公司主席兼董事總經理，並已於二零零九年四月十六日辭任。彼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、恆力房地產發展(集團)有限公司(直至二零零八年十二月)、和嘉資源控股有限公司、百營環球資源控股有限公司(直至二零零九年三月)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。

**辛衍忠先生**，六十九歲，在中國內地各大主要城市投資、建築及物業發展等方面有豐富經驗。彼於二零零九年四月十六日獲委任為主席兼董事總經理。

**鄭國興先生**，三十七歲，於會計及行政工作擁有逾十六年經驗，已於二零零九年四月二十二日辭任。鄭先生為和嘉資源控股有限公司、百營環球資源控股有限公司(直至二零零八年七月)之執行董事及粵首環保控股有限公司之獨立非執行董事，該等公司均為聯交所主板上市公司。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。

# DIRECTORS AND SENIOR MANAGEMENT PROFILES

## 董事及高級管理層簡介



**Mr. Chan Sung Wai**, aged 60, has extensive experience in trading, real property and shipping industries. Mr. Chan also has extensive experience in financial and media business. He has been working for a number of years on the major media companies in Hong Kong, and is responsible for covering, editing and writing commentaries. Mr. Chan is also a chief editor of the petroleum magazine and has comprehensive knowledge on the media industry in the PRC. Mr. Chan was an executive director of Grand Field Group Holdings Limited (stock code: 115) for a period from 14 November 2007 to 18 June 2008, and an existing executive director of Asia Resources Holdings Limited (stock code: 899), and Xian Yuan Titanium Resources Holdings Limited (stock code: 353).

**Ms. Ko Lai King, Kinny**, aged 47, was an executive Director until 8 October 2008. She was responsible for the overall administration and human resources management of the Group. Ms Ko joined the Group in November 1991 and has over 19 years' experience in the electronic industry.

**Ms. Chung Wai Yu, Regina**, aged 40, was an executive Director until 8 October 2008. She was 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 16 years' experience in the sales and marketing of products manufactured by the Group.

## NON-EXECUTIVE DIRECTORS

**Mr. Lee Kwok Leung**, aged 55, 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 2009 to 31 December 2009 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 39 years of direct investment, fund management and banking experience. Mr. Lee holds an investment advisor status from the Securities and Futures Commissions from 2000.

**陳崇煒先生**，六十歲，具有豐富之貿易、地產及航運投資經驗。陳先生亦為金融及傳媒業資深工作者，在香港主流媒體擔任採訪、編輯及評論工作多年，曾任石油雜誌主編，熟悉國內傳媒行業狀況。陳先生曾於二零零七年十一月十四日至二零零八年六月十八日出任鈞濠集團有限公司(股份代號：115)之執行董事，現為亞洲資源控股有限公司(股份代號：899)及森源鈦礦控股有限公司(股份代號：353)之執行董事。

**高麗瓊女士**，四十七歲，於二零零八年十月八日之前担任本公司之執行董事。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，擁有逾十九年電子業之經驗。

**鍾惠愉女士**，四十歲，於二零零八年十月八日之前担任本公司之執行董事。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，擁有逾十六年由本集團所製造產品之銷售及市場推廣經驗。

## 非執行董事

**李國樑先生**，五十五歲，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，由二零零九年一月一日至二零零九年十二月三十一日止，惟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三十九年經驗。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。

# DIRECTORS AND SENIOR MANAGEMENT PROFILES

## 董事及高級管理層簡介



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.

**Mr. Yang Yiu Chong, Ronald Jeffrey**, aged 42, 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 2009 to 31 December 2009 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. Wan Hon Keung**, aged 47, was appointed as a Director on 27 May 2008. As a non-executive Director, Mr. Wan is appointed for a specific term of one year from 27 May 2008 to 26 May 2009 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 20 years of experience in accounting and administration fields. Mr. Wan is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Wan is an independent non-executive director of Xian Yuen Titanium Resources Holdings Limited (till November 2008) and Huscoke Resources Holdings Limited, which are listed on the main board of the Stock Exchange.

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。

**楊耀宗先生**，四十二歲，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，由二零零九年一月一日至二零零九年十二月三十一日止，惟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 PerfectTreasure 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

**溫漢強先生**，四十七歲，於二零零八年五月二十七日獲委任為董事。作為非執行董事，溫先生之特定任期為一年，自二零零八年五月二十七日起至二零零九年五月二十六日止，惟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。溫先生於會計及行政管理領域擁有逾二十年經驗。溫先生為特許公認會計師公會資深會員及香港會計師公會會員。溫先生為森源鈦礦控股有限公司(直至二零零八年十一月)及和嘉資源控股有限公司(兩家公司均為聯交所主板上市公司)之獨立非執行董事。

# DIRECTORS AND SENIOR MANAGEMENT PROFILES

## 董事及高級管理層簡介



Mr. Wan is entitled to an annual emolument of HK\$30,000 which is determined with reference to his duty and responsibility with the Company. In addition, Mr. Wan is not entitled to receive any discretionary bonus from the Group.

**Mr. Tse Yuk Kong**, aged 52, was appointed as a Director on 2 March 2009. There is no service contract entered between the Company and Mr. Tse and he is not appointed for a specific term. The appointment is subject to retirement and re-election in accordance with the bye-laws of the Company. Mr. Tse is an experienced TV production professional, expert in image building, product positioning and related production. Starting from 1984, he had worked for TVB Art Department, followed by ATV Art Department. He then worked as ATV Production Service Assistant Controller from year 2002 to 2007, managing various aspects of ATV Production Services. Mr. Tse is an independent non-executive director of Asia Resources Holdings Limited which is listed on the main board of the Stock Exchange.

Mr. Tse is entitled to an annual emolument of HK\$30,000 which is determined with reference to his duty and responsibility with the Company. In addition, Mr. Wan is not entitled to receive any discretionary bonus from the Group.

**Mr. Chan Siu Wing, Raymond**, aged 44, was appointed as a Director on 2 April 2009. There is no service contract entered between the Company and Mr. Chan and he is not appointed for a specific term. The appointment is subject to retirement and re-election in accordance with the bye-laws of the Company. Mr. Chan is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants, a Certified Practising Accountant of CPA Australia and a founding member of Macau Society of Certified Practising Accountants. He has over 20 years of experience in the fields of accounting, taxation, finance and trust. Mr. Chan is currently the Chief Financial Officer of the Chinachem Group. He gained his Bachelor of Economics degree from the University of Sydney. Mr. Chan holds the position of Executive Director of ENM Holdings Limited, as well as the position of independent non-executive director of Prosperity Investment Holdings Limited, both of which are listed on the main board of the Stock Exchange, Cardlink Technology Group Limited and Intelli-Media Group (Holdings) Limited, both of which are listed on the Growth Enterprise Market of the Stock Exchange.

溫先生有權每年收取30,000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，溫先生並不享有本集團任何酌情花紅。

**謝旭江先生**，五十二歲，於二零零九年三月二日獲委任為董事。本公司與謝先生並無訂立任何服務合約及其委任並無指定任期。彼須根據本公司之公司細則輪值告退及重選連任。謝先生為資深電視製作從業員，擅長形象、產品包裝及製作。一九八四年起從事電視製作服務，先後任職於無綫電視美術部及亞洲電視美術部。二零零二年至二零零七年出任亞洲電視製作服務部助理總監，掌管亞洲電視製作服務各項事宜。謝先生現為亞洲資源控股有限公司(聯交所主板上市公司)之獨立非執行董事。

謝先生有權每年收取30,000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，謝先生並不享有本集團任何酌情花紅。

**陳兆榮先生**，四十四歲，於二零零九年四月二日獲委任為董事。本公司與陳先生並無訂立任何服務合約及其委任並無指定任期。彼須根據本公司之公司細則輪值告退及重選連任。陳先生為香港會計師公會執業會計師、澳洲會計師公會執業會計師及澳門會計師公會創會會員，於會計、稅務、融資及信託方面擁有逾二十年經驗。陳先生現為華懋集團之財務總監。陳先生於悉尼大學取得經濟學士學位。陳先生現任安寧控股有限公司(聯交所主板上市公司)之執行董事，以及嘉進投資國際有限公司(聯交所主板上市公司)、鐳聯科技集團有限公司及智庫媒體集團(控股)有限公司(兩家公司均為聯交所創業板上市公司)之獨立非執行董事。

## DIRECTORS AND SENIOR MANAGEMENT PROFILES

### 董事及高級管理層簡介



Mr. Chan is entitled to an annual emolument of HK\$60,000 which is determined with reference to his duty and responsibility with the Company. In addition, Mr. Wan is not entitled to receive any discretionary bonus from the Group.

**Mr. Sun Yaoquan**, aged 62, has been a Director since 1998 and resigned on 1 February 2009. As a non-executive Director, Mr. Sun was originally appointed for a specific term of one year from 1 January 2009 to 31 December 2009 but was 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 Council. Prior to being appointed as the secretary in April 1995, he was the mayor of the Humen Town Council.

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

**Mr. Goh Gen Cheung**, aged 62, has been a Director since 1999 and resigned on 9 February 2009. As a non-executive Director, Mr. Goh was originally appointed for a specific term of one year from 1 January 2009 to 31 December 2009 but was 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 34 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 was entitled to an annual emolument of HK\$120,000 which was determined with reference to his duty and responsibility with the Company. In addition, Mr. Goh was not entitled to receive any discretionary bonus from the Group.

陳先生有權每年收取60,000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，陳先生並不享有本集團任何酌情花紅。

**孫耀全先生**，六十二歲，自一九九八年起出任董事，並於二零零九年二月一日辭任。作為非執行董事，孫先生之特定任期原定為一年，由二零零九年一月一日至二零零九年十二月三十一日止，惟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。

**葛根祥先生**，六十二歲，自一九九九年起出任董事，並於二零零九年二月九日辭任。作為非執行董事，葛先生之特定任期原定為一年，由二零零九年一月一日至二零零九年十二月三十一日止，惟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。葛先生積累逾三十四年司庫、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。

# DIRECTORS AND SENIOR MANAGEMENT PROFILES

## 董事及高級管理層簡介



**Mr. Chan Ho Man**, aged 53, was appointed as an independent non-executive Director since 2005 and resigned on 27 May 2008. 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 a Hong Kong listed company, namely Kingmaker Footwear Holdings Limited and was the company secretary of a Hong Kong listed companies during the last four years, namely Kin Yat Holdings Limited. He was also a director of a Hong Kong private company.

There is no service contract between the Group and Mr. Chan, but he was originally appointed for a specific term of one year from 1 January 2008 to 31 December 2008 and was subject to retirement at the annual general meeting of the Company in accordance with the Bye-laws. He was entitled to an annual emolument of HK\$120,000 which was determined with reference to his duty and responsibility with the Company. He was 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 47, 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. Kwong Ping Man**, aged 44, was the financial controller and secretary of the Group from 4 June 2008 to 11 January 2009. He was responsible for the Group's corporate finance functions. Mr. Wong holds a bachelor's degree in Commerce Accounting from Curtin University of Technology in Australia and master degree in

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，並於二零零八年五月二十七日辭任。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，以及於過去四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。

本公司與陳先生並無訂立任何服務合約，惟陳先生之特定任期原定為一年，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，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。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**，四十七歲，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。

**鄺炳文先生**，四十四歲，於二零零八年六月四日至二零零九年一月十一日擔任本集團之財務總裁兼公司秘書，負責本集團之企業財務工作。鄺先生持有澳洲科廷科技大學商務會計學士學位及香港理工大學專業會計碩士學位。彼為澳洲會計師公會執業會計師、香港

# DIRECTORS AND SENIOR MANAGEMENT PROFILES

## 董事及高級管理層簡介



Professional Accounting from the Hong Kong Polytechnic University. Mr. Kwong is a Certified Practising Accountant of the Australian Society of Certified Practising Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. He is also an associate member of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Secretaries. He has over 10 years of experience in the accounting and administration fields.

**Mr. Wong Hei Chiu**, aged 42, was the financial controller and secretary of the Group until 4 June 2008. He was 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 18 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.

**Mr. Ngan Kai Hong**, aged 48, 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 17 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 36, is the general manager of Dongguan Humen Taida Electric Co., Limited and general manager of Dongguan Shatian Tehsheng Silicon Rubber Products 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.

會計師公會會員以及英國特許秘書及行政人員公會及香港特許秘書公會會員。彼於會計及行政管理領域擁有逾十年經驗。

**黃禧超先生**，四十二歲，於二零零八年六月四日之前擔任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十八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。

**顏啓康先生**，四十八歲，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，並擁有逾十七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在一間模具公司之合夥人達七年以上。

**何建強先生**，三十六歲，為本集團東莞虎門泰達電子有限公司及東莞沙田德盛硅橡膠制品有限公司之總經理，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。

# 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 Group for the year ended 31 December 2008.

本公司董事會(「董事會」)欣然提呈本集團截至二零零八年十二月三十一日止年度之年報及經審核綜合財務報表。

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 40 to the consolidated financial statements. During the year, the electronic products and printed circuit boards businesses were disposed.

### 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40。年內，本集團出售電子產品及印製電路板業務。

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2008 are set out in the consolidated income statement on page 51.

### 業績及分配

本集團截至二零零八年十二月三十一日止年度之業績，載於第51頁之綜合損益表。

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2008.

董事會不建議就截至二零零八年十二月三十一日止年度派付末期股息。

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

現時並無任何本公司股東放棄或同意放棄股息之安排。

### INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

Investment properties of the Group were fair valued at 31 December 2008. The increase in fair value amounting to approximately HK\$128,000 has been credited to the consolidated income statement.

### 投資物業及物業、廠房及設備

本集團之投資物業於二零零八年十二月三十一日按公平值估值。公平值增加約128,000港元，已計入綜合損益表中。

The Group's buildings were revalued at 31 December 2008, resulting in a revaluation surplus of approximately HK\$791,000 out of which approximately HK\$484,000 and HK\$307,000 have been credited to consolidated income statement and asset revaluation reserve, respectively.

本集團於二零零八年十二月三十一日重估樓宇，導致出現重估增值約791,000港元，其中約484,000港元及307,000港元已分別計入綜合損益表及資產重估儲備中。

In addition, the Group acquired plant, machinery and moulds during the year at a cost of approximately HK\$20,740,000 to expand its production facilities.

另外，本集團於本年度以成本約20,740,000港元收購廠房、機器及模具，以擴充生產設施。



# DIRECTORS' REPORT

## 董事會報告書



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 15 and 16 to the consolidated financial statements, respectively.

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15及16。

### SHARE CAPITAL MOVEMENT

### 股本變動

Details of movement in share capital of the Company during the year, together with the reasons therefor, are set out in note 30 to the consolidated financial statements.

本公司於年內股本之變動詳情及相關原因，載於綜合財務報表附註30。

### DISTRIBUTABLE RESERVES OF THE COMPANY

### 本公司之可供分派儲備

The Company did not have any reserves available for distribution to shareholders as at 31 December 2008 (2007: HK\$70,514,000).

於二零零八年十二月三十一日，本公司無可供分派予股東之儲備(二零零七年：70,514,000港元)。

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:

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) 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.

- (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)  
(resigned on 2 March 2009)
- Mr. Chim Kim Lun, Ricky  
(appointed as Chairman and Managing Director  
on 2 March 2009 and resigned on 16 April 2009)
- Mr. Sun Ying Chung  
(appointed as Chairman and Managing Director  
on 16 April 2009)
- Mr. Cheng Kwok Hing, Andy  
(resigned on 22 April 2009)
- Mr. Chan Sung Wai  
(appointed on 16 April 2009)
- Ms. Ko Lai King, Kinny  
(resigned on 8 October 2008)
- Ms. Chung Wai Yu, Regina  
(resigned on 8 October 2008)

#### Non-executive Directors

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

#### Independent non-executive Directors

- Mr. Wan Hon Keung  
(appointed on 27 May 2008)
- Mr. Tse Yuk Kong  
(appointed on 2 March 2009)
- Mr. Chan Siu Wing, Raymond  
(appointed on 2 April 2009)
- Mr. Sun Yaoquan  
(resigned on 1 February 2009)
- Mr. Goh Gen Cheung  
(resigned on 9 February 2009)
- Mr. Chan Ho Man  
(resigned on 27 May 2008)

### 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)  
(於二零零九年三月二日辭任)
- 詹劍崙先生  
(於二零零九年三月二日獲委任為主席兼董事  
總經理，並已於二零零九年四月十六日辭任)
- 辛衍忠先生  
(於二零零九年四月十六日獲委任為主席  
兼董事總經理)
- 鄭國興先生  
(於二零零九年四月二十二日辭任)
- 陳崇煒先生  
(於二零零九年四月十六日獲委任)
- 高麗瓊女士  
(於二零零八年十月八日辭任)
- 鍾惠愉女士  
(於二零零八年十月八日辭任)

#### 非執行董事

- 李國樑先生  
楊耀宗先生

#### 獨立非執行董事

- 溫漢強先生  
(於二零零八年五月二十七日獲委任)
- 謝旭江先生  
(於二零零九年三月二日獲委任)
- 陳兆榮先生  
(於二零零九年四月二日獲委任)
- 孫耀全先生  
(於二零零九年二月一日辭任)
- 葛根祥先生  
(於二零零九年二月九日辭任)
- 陳浩文先生  
(於二零零八年五月二十七日辭任)

# DIRECTORS' REPORT

## 董事會報告書



In accordance with Bye-law 87(1) and 87(2) of the Company's bye-laws: (a) Mr. Wan Hon Keung will retire from being a Director upon the expiry of term of his service agreement with the Group on 27 May 2009; and (b) Mr. Sun Ying Chung and Mr. Chan Sung Wai will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

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.

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

On 23 May 2008, the Company announced the disposal of the electronic products segment to a private company which is solely owned by a Director – Mr. Tong Shek Lun. The disposal was completed on 26 February 2009, and enabled the Group to realize cash of approximately HK\$250,000,000 which is deployed for the Group's conductive silicon rubber keypads products segment and LCoS Television segment.

Other than as disclosed above, 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.

根據本公司之公司細則第87(1)及87(2)條，(a)董事溫漢強先生將於二零零九年五月二十七日，即其服務協議中任期屆滿後退任；及(b)辛衍忠先生及陳崇煒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。

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。

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

於二零零八年五月二十三日，本公司宣佈出售電子產品分部予一家由董事唐錫麟先生獨資擁有之私人公司。出售事項已於二零零九年二月二十六日完成，本集團得以變現現金約250,000,000港元，撥作本集團導電硅橡膠按鍵產品分部及LCoS電視分部所需。

除上文所披露者外，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。

# DIRECTORS' REPORT

## 董事會報告書



### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

### 董事及主要行政人員之證券權益

As at 31 December 2008, 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:

於二零零八年十二月三十一日，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：

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

(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	23.17%

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.

以上151,180,000股股份由本公司主要股東 Golden Mount Limited 持有，而該公司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。

As stated in the Company's announcement dated 16 April 2009, the Company's newly appointed Chairman and Managing Director, Mr Sun Ying Chung, as of the date of the issue of this report, has 20,000,000 shares (long position) of the Company.

誠如本公司日期為二零零九年四月十六日之公佈所述，截至本報告刊發日期，本公司之新委任主席兼董事總經理辛衍忠先生持有本公司 20,000,000 股股份（好倉）。

# DIRECTORS' REPORT

## 董事會報告書



### (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 2008.

## SHARE OPTION SCHEME

Particulars of the Company's share option scheme are set out in note 31 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 2008, 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:

### (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二零零八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根據證券及期貨條例第352條予以記錄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。

## 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31。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，於二零零八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：

# DIRECTORS' REPORT

## 董事會報告書



### Long positions

### 好倉

Name of shareholders	Capacity	Number of ordinary shares held	Percentage of issued share capital of the Group
股東名稱	身份	持有之普通股數目	佔本集團已發行股本之百分比
Golden Mount Limited	Beneficial owner 實益擁有人	151,180,000	23.17%
Perfect Treasure Investment Limited	Beneficial owner 實益擁有人	87,800,000	13.45%

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 2008.

除上文所披露者外，於二零零八年十二月三十一日，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。

### MAJOR CUSTOMERS AND SUPPLIERS

### 主要客戶及供應商

During the year, the Group's largest and top five suppliers accounted for approximately 8.7% and 21.7% of the Group's total purchases, respectively. The Group's largest and top five customers accounted for approximately 13.8% and 43.0% of the Group's total turnover, respectively.

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8.7%及21.7%。本集團之最大及五大客戶分別佔本集團總營業額約13.8%及43.0%。

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 Company's five largest suppliers or customers.

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）概無擁有本公司五大供應商或客戶之權益。

### CONVERTIBLE SECURITIES, WARRANTS OR SIMILAR RIGHTS

### 可換股證券、認股權證或類似權利

The Company had no outstanding convertible securities, warrants or other similar rights as at 31 December 2008 and there has been no exercise of any convertible securities, warrants or similar rights during the year.

本公司於二零零八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。

# DIRECTORS' REPORT

## 董事會報告書



In January 2009, zero coupon convertible bonds in the amount of HK\$300,000,000, convertible at HK\$0.4 per share, due in 2014, were issued for the very substantial acquisition of LCoS Television.

於二零零九年一月，本集團就有關LCoS電視之非常重大收購事項發行本金額300,000,000港元之二零一四年到期零息可換股債券，該等債券可按每股0.4港元之價格兌換為股份。

### 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.

### 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。

### 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.

### 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。

### POST BALANCE SHEET EVENTS

Details of significant post balance sheet events are set out in note 43 to the consolidated financial statements.

### 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43。

### CORPORATE GOVERNANCE

The Company has complied throughout the year ended 31 December 2008 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 22 to 31.

### 公司管治

截至二零零八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22至31頁。

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.

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。

# DIRECTORS' REPORT

## 董事會報告書



### 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 Group'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 31 to the consolidated financial statements.

### 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 2008.

### AUDITORS

Messrs. Deloitte Touche Tohmatsu resigned as auditors of the Company with effect from 5 January 2009 and Messrs. HLB Hodgson Impey Cheng were appointed as auditors of the Company on 24 February 2009 to fill the casual vacancy so arising. There have been no changes of auditors in the past three years.

On behalf of the board of Directors

**Sun Ying Chung**

*Chairman and Managing Director*

Hong Kong  
27 April 2009

### 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。

本集團董事之酬金由薪酬委員會於考慮本集團經營業績、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31。

### 足夠之公眾持股量

根據公開可得資料及就董事所知，本公司確認於截至二零零八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

德勤•關黃陳方會計師行辭任本公司核數師，自二零零九年一月五日起生效。於二零零九年二月二十四日，國衛會計師事務所獲委任為本公司核數師，以填補因此而產生之臨時空缺。過去三年，核數師並無任何其他變動。

代表董事會

**辛衍忠**

*主席兼董事總經理*

香港  
二零零九年四月二十七日



# INDEPENDENT AUDITORS' REPORT

## 獨立核數師報告



國衛會計師事務所  
Hodgson Impey Cheng

Chartered Accountants  
Certified Public Accountants

31/F, Gloucester Tower The Landmark  
11 Pedder Street Central  
Hong Kong

香港  
中環  
畢打街11號  
置地廣場  
告羅士打大廈31樓

### 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 (collectively referred to as the "Group") set out on pages 51 to 142 which comprise the consolidated balance sheet as at 31 December 2008, 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51至142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二零零八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 AUDITORS' REPORT

## 獨立核數師報告



### AUDITORS' 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 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the 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 auditors' 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 auditors consider 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一九八一年公司法第90條，為股東（作為一個團體）而編製，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。

審核涉及執行情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 AUDITORS' 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 2008 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.

#### HLB Hodgson Impey Cheng

Chartered Accountants  
Certified Public Accountants

Hong Kong, 27 April 2009

### 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 貴集團於二零零八年十二月三十一日事務狀況及 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。

#### 國衛會計師事務所

英國特許會計師  
香港執業會計師

香港，二零零九年四月二十七日

# CONSOLIDATED INCOME STATEMENT

## 綜合損益表

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



		Notes 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (Restated) (重列)
<b>Continuing operation</b>	<b>持續經營業務</b>			
Revenue	收益	5	<b>70,681</b>	97,565
Cost of sales	銷售成本		<b>(100,612)</b>	(93,971)
Gross (loss)/profit	毛(損)/利		<b>(29,931)</b>	3,594
Other revenue and gain	其他收入及收益	6	<b>203</b>	95
Selling and distribution costs	銷售及分銷費用		<b>(1,545)</b>	(1,380)
Administrative expenses	行政開支		<b>(22,146)</b>	(17,538)
Impairment loss recognised in respect of available-for-sale investment	就可供出售投資確認之減值虧損		<b>(23,268)</b>	(28,008)
Finance costs	融資成本	7	<b>(291)</b>	(554)
Loss before taxation	除稅前虧損	11	<b>(76,978)</b>	(43,791)
Income tax expenses	所得稅開支	8	<b>(34)</b>	(352)
Loss for the year from continuing operation	來自持續經營業務之本年度虧損		<b>(77,012)</b>	(44,143)
<b>Discontinued operations</b>	<b>終止經營業務</b>			
Loss for the year from discontinued operations	來自終止經營業務之本年度虧損	9	<b>(92,716)</b>	(20,607)
Loss for the year	本年度虧損		<b>(169,728)</b>	(64,750)
Attributable to: Equity holders of the Company	以下應佔： 本公司股權持有人		<b>(169,728)</b>	(64,750)
<b>Loss per share</b>	<b>每股虧損</b>	14		
From continuing and discontinued operations Basic and diluted (HK cents per share)	來自持續經營業務及終止經營業務 基本及攤薄 (每股港仙)		<b>(26.62)</b>	(11.89)
From continuing operation Basic and diluted (HK cents per share)	來自持續經營業務 基本及攤薄 (每股港仙)		<b>(12.08)</b>	(8.11)

The accompanying notes form an integral part of these financial statements. 隨附之附註為本財務報表之一部份。

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

As at 31 December 2008 於二零零八年十二月三十一日



		Notes 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>Non-current Assets</b>	<b>非流動資產</b>			
Investment properties	投資物業	15	-	71,579
Property, plant and equipment	物業、廠房及設備	16	<b>53,676</b>	252,095
Prepaid lease payments	預付租金	17	<b>3,526</b>	18,046
Available-for-sale investment	可供出售投資	18	<b>8,241</b>	-
Club debenture	會所債券	19	<b>600</b>	1,180
			<b>66,043</b>	342,900
<b>Current Assets</b>	<b>流動資產</b>			
Inventories	存貨	20	<b>7,074</b>	129,030
Trade and bills receivables	貿易應收款項及應收票據	21	<b>29,782</b>	99,098
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	22	<b>28,899</b>	10,179
Available-for-sale investment	可供出售投資	18	-	29,541
Derivative financial instruments	衍生金融工具	23	-	5,543
Bank balances and cash	銀行結存及現金	24	<b>1,609</b>	53,179
			<b>67,364</b>	326,570
Assets classified as held for sale	分類為持作出售之資產	10	<b>382,490</b>	-
			<b>449,854</b>	326,570
<b>Current Liabilities</b>	<b>流動負債</b>			
Trade and bills payables	貿易應付款項及應付票據	25	<b>22,139</b>	131,010
Other payables and accruals	其他應付款項及應計費用	26	<b>30,815</b>	40,143
Amount due to a shareholder	應付一名股東款項	27	<b>15,500</b>	-
Derivative financial instruments	衍生金融工具	23	-	22,734
Tax liabilities	稅項負債		<b>20</b>	18,651
Obligations under finance leases	融資租賃責任			
- due within one year	—於一年內到期	28	-	3,714
Bank loans	銀行貸款			
- due within one year	—於一年內到期	29	-	46,494
			<b>68,474</b>	262,746
Liabilities associated with assets classified as held for sale	與分類為持作出售資產相關之負債	10	<b>190,971</b>	-
			<b>259,445</b>	262,746
<b>Net Current Assets</b>	<b>流動資產淨值</b>		<b>190,409</b>	63,824

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

As at 31 December 2008 於二零零八年十二月三十一日



		Notes 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>Total Assets less Current Liabilities</b>	<b>總資產減流動負債</b>		<b>256,452</b>	406,724
<b>Equity attributable to equity holders of the Company</b>	<b>本公司股權持有人應佔權益</b>			
<b>Capital and Reserves</b>	<b>資本及儲備</b>			
Share capital	股本	30	<b>65,236</b>	54,436
Reserves	儲備		<b>188,034</b>	320,595
			<b>253,270</b>	375,031
<b>Non-current Liabilities</b>	<b>非流動負債</b>			
Obligations under finance leases	融資租賃責任			
– due after one year	— 於一年後到期	28	–	1,887
Bank loans	銀行貸款			
– due after one year	— 於一年後到期	29	–	9,164
Deferred tax liabilities	遞延稅項負債	32	<b>3,182</b>	20,642
			<b>3,182</b>	31,693
			<b>256,452</b>	406,724

The consolidated financial statements on pages 51 to 142 were approved and authorised for issue by the Board of Directors on 27 April 2009 and are signed on its behalf by:

載於第51頁至第142頁之綜合財務報表於二零零九年四月二十七日獲董事會通過及授權刊發，並由下列董事代表簽署：

**Sun Ying Chung**

辛衍忠

Chairman and Managing Director

主席兼董事總經理

**Chan Sung Wai**

陳崇煒

Director

董事

The accompanying notes form an integral part of these financial statements.

隨附之附註為本財務報表之一部份。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度

Attributable to equity holders of the Company  
本公司股權持有人應佔

		Share capital	Share premium	Capital reserve	Special reserve	Statutory reserve	Asset revaluation reserve	Investment revaluation reserve	Exchange reserve	Capital redemption reserve	Retained profits/ accumulated losses	Discontinued operations	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/ (累計虧損)	終止經營業務	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (note i) (附註i)	HK\$'000 千港元 (note ii) (附註ii)	HK\$'000 千港元 (note iii) (附註iii)	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	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2007	於二零零七年一月一日	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)
At 31 December 2007 and at 1 January 2008	於二零零七年十二月三十一日及二零零八年一月一日	54,436	82,364	35,597	19,487	6,553	51,949	-	29,755	1,564	93,326	-	375,031
Revaluation surplus on buildings	樓宇重估盈餘	-	-	-	-	-	307	-	-	-	-	-	307
Deferred tax on revaluation of buildings	重估樓宇之遞延稅項	-	-	-	-	-	(77)	-	-	-	-	-	(77)
Exchange difference on translation of foreign operations	換算國外業務之匯兌差異	-	-	-	-	-	-	-	22,914	-	-	-	22,914
Transfer to profit or loss on disposal of foreign operations	出售海外業務時轉撥至損益	-	-	-	-	-	-	-	(6,052)	-	-	-	(6,052)
Discontinued operations	終止經營業務	-	-	(9,513)	(15,930)	-	(40,534)	-	(35,990)	-	-	101,967	-
Loss on fair value change of available-for-sale investment	可供出售投資公平值變動虧損	-	-	-	-	-	-	(436)	-	-	-	-	(436)
Net income recognised directly in equity	於權益直接確認之收入淨額	-	-	(9,513)	(15,930)	-	(40,304)	(436)	(19,128)	-	-	101,967	16,656
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	-	(169,728)	-	(169,728)
Transfer to profit or loss on disposal of foreign operations	出售海外業務時轉撥至損益	-	-	-	-	-	(3,989)	-	-	-	3,989	-	-
Total recognised income and expense for the year	本年度之已確認收入及支出總額	-	-	(9,513)	(15,930)	-	(44,293)	(436)	(19,128)	-	(165,739)	101,967	(153,072)
Issue of ordinary shares	發行普通股	10,800	21,600	-	-	-	-	-	-	-	-	-	32,400
Share issue expenses	股份發行開支	-	(1,089)	-	-	-	-	-	-	-	-	-	(1,089)
At 31 December 2008	於二零零八年十二月三十一日	65,236	102,875	26,084	3,557	6,553	7,656	(436)	10,627	1,564	(72,413)	101,967	253,270

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### Notes:

- (i) 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.
- (ii) 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.
- (iii) The statutory reserve of the Group represents reserve 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 reserve 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.

### 附註：

- (i) 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。
- (ii) 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。
- (iii) 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。

The accompanying notes form an integral part of these financial statements.

隨附之附註為本財務報表之一部份。



# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>Operating activities</b>	<b>經營業務</b>		
Loss before taxation:	除稅前虧損：		
Continuing operation	持續經營業務	(76,978)	(43,791)
Discontinued operations	終止經營業務	(86,321)	(19,035)
		<b>(163,299)</b>	(62,826)
Adjustments for:	按下列各項調整：		
Finance costs	融資成本	4,703	4,626
Impairment loss recognised in respect of trade receivables	就貿易應收款項確認之減值虧損	6,861	4,530
Write down of obsolete and slow moving inventories	陳舊及滯銷存貨撇減	1,065	3,183
Reversal of impairment loss recognised in respect of trade receivables	就貿易應收款項確認之減值虧損撥回	(523)	-
Reversal of obsolete and slow moving inventories written down	已撇減陳舊及滯銷存貨之撥回	(2,499)	-
Interest income	利息收入	(393)	(1,330)
Loss on disposal of subsidiaries	出售附屬公司之虧損	31,606	-
Impairment loss recognised in respect of club debenture	就會所債券確認之減值虧損	580	-
Gain on fair value change on investment properties	投資物業公平值變動收益	(128)	(3,252)
Depreciation and amortisation	折舊及攤銷	38,112	35,705
Revaluation surplus on buildings	樓宇重估盈餘	(484)	(331)
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損/(收益)	240	(127)
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	715	15,159
Loss on disposal of available-for-sale investment	出售可供出售投資之虧損	258	-
Impairment loss recognised in respect of available-for-sale investment	就可供出售投資確認之減值虧損	23,268	28,008
Operating cash flows before movements in working capital	營運資金調撥前之經營現金流量	(59,918)	23,345
Decrease/(increase) in inventories	存貨減少/(增加)	6,148	(16,991)
(Increase)/decrease in trade and bills receivables	貿易應收款項及應收票據(增加)/減少	(5,699)	9,990
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加	(28,438)	(2,913)
(Decrease)/increase in trade and bills payables	貿易應付款項及應付票據(減少)/增加	(28,884)	19,843
Increase/(decrease) in other payables and accruals	其他應付款項及應計費用增加/(減少)	36,310	(19,078)
Increase in amount due to a director	應付一名董事款項增加	1,500	-
Increase in amount due to a shareholder	應付一名股東款項增加	15,500	-
Cash (used in)/generated from operations	(耗於)/來自經營業務之現金	(63,481)	14,196
Hong Kong Profits Tax refund/(paid)	已退回/(已付)香港利得稅	716	(2,372)
PRC Enterprise Income Tax paid	已付中國企業所得稅	(5,342)	(2,365)
<b>Net cash (used in)/generated from operating activities</b>	<b>(耗於)/來自經營業務之現金淨額</b>	<b>(68,107)</b>	9,459

# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 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	(18,666)	(31,886)
Interest received	已收利息	393	1,330
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	1,648	334
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	22,784	-
Proceeds from disposal of available-for-sale investment	出售可供出售投資所得款項	6,015	-
<b>Net cash generated from/(used in) investing activities</b>	<b>來自/(耗於)投資業務之現金淨額</b>	<b>12,174</b>	<b>(30,222)</b>
<b>Financing activities</b>	<b>融資業務</b>		
Proceeds from bank borrowings	銀行借貸所得款項	53,428	55,165
Repayment of bank borrowings	償還銀行借貸	(54,924)	(32,424)
Repayment of obligations under finance leases	償還融資租賃責任	(4,905)	(5,802)
Dividend paid	已付股息	-	(5,444)
Interest paid on bank loans	銀行貸款已付利息	(2,568)	(4,093)
Interest paid on overdraft and others	已付透支及其他利息	(1,943)	-
Interest paid on obligations under finance leases	融資租賃責任已付利息	(192)	(533)
Proceeds from issue of ordinary shares	發行普通股所得款項	32,400	-
Payment for share issue expenses	股份發行開支	(1,089)	-
<b>Net cash generated from financing activities</b>	<b>來自融資業務之現金淨額</b>	<b>20,207</b>	<b>6,869</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>(35,726)</b>	<b>(13,894)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>年初之現金及現金等值項目</b>	<b>53,179</b>	<b>65,890</b>
<b>Effect of foreign exchange rate changes</b>	<b>匯率變動之影響</b>	<b>(976)</b>	<b>1,183</b>
<b>Cash and cash equivalents at end of the year</b>	<b>年末之現金及現金等值項目</b>	<b>16,477</b>	<b>53,179</b>
<b>Analysis of the balances of cash and cash equivalents</b>	<b>現金及現金等值項目結餘分析</b>		
Bank balances and cash	銀行結存及現金	1,609	53,179
Cash and cash equivalents included in a disposal group held for sale (note 10)	計入持作出售組別之現金及現金等值項目(附註10)	14,868	-
		<b>16,477</b>	<b>53,179</b>

The accompanying notes form an integral part of these financial statements. 隨附之附註為本財務報表之一部份。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八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 40.

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 adopted the following amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") which are or have become effective.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial Assets
HK(IFRIC)-Int 11	HKFRS 2: Group and Treasury Share Transactions
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

### 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。本公司註冊辦事處及主要營業地點之地址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40。

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，本集團採納以下多項由香港會計師公會（「香港會計師公會」）頒佈之修訂及詮釋（「新香港財務報告準則」），該等修訂及詮釋現正或已經生效。

香港會計準則第39號及香港財務報告準則第7號（修訂）	金融資產之重新分類
香港（國際財務報告詮釋委員會）—詮釋第11號	香港財務報告準則第2號：集團及庫存股份交易
香港（國際財務報告詮釋委員會）—詮釋第12號	服務經營權安排
香港（國際財務報告詮釋委員會）—詮釋第14號	香港會計準則第19號—界定福利資產之限制、最低資金要求及兩者之相互關係

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



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

The application 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 not early adopted the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs <sup>1</sup>
HKAS 1 (Revised)	Presentation of Financial Statements <sup>2</sup>
HKAS 23 (Revised)	Borrowing Costs <sup>2</sup>
HKAS 27 (Revised)	Consolidated and Separate Financial Statements <sup>3</sup>
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation <sup>2</sup>
HKAS 39 (Amendment)	Eligible hedged items <sup>3</sup>
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate <sup>2</sup>
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations <sup>2</sup>
HKFRS 3 (Revised)	Business Combinations <sup>3</sup>
HKFRS 7 (Amendment)	Financial Instruments: Disclosures—Improving Disclosures about Financial Instruments <sup>2</sup>
HKFRS 8	Operating Segments <sup>2</sup>
HK(IFRIC)-Int 9 & HKAS 39 (Amendments)	Embedded Derivatives <sup>4</sup>
HK(IFRIC)-Int 13	Customer Loyalty Programmes <sup>5</sup>
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate <sup>2</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)

應用該等新香港財務報告準則對如何編製及呈列本會計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。

本集團並無提前採納下列已頒佈但尚未生效之新訂及經修訂的準則、修訂或詮釋。

香港財務報告準則(修訂)	香港財務報告準則改進 <sup>1</sup>
香港會計準則第1號(經修訂)	財務報表之呈列 <sup>2</sup>
香港會計準則第23號(經修訂)	借貸成本 <sup>2</sup>
香港會計準則第27號(經修訂)	綜合及個別財務報表 <sup>3</sup>
香港會計準則第32號及第1號(修訂)	可沽售金融工具及清盤時產生之責任 <sup>2</sup>
香港會計準則第39號(修訂)	合資格對沖項目 <sup>3</sup>
香港財務報告準則第1號及香港會計準則第27號(修訂)	於附屬公司、共同控制實體或聯營公司之投資成本 <sup>2</sup>
香港財務報告準則第2號(修訂)	歸屬條件及註銷 <sup>2</sup>
香港財務報告準則第3號(經修訂)	業務合併 <sup>3</sup>
香港財務報告準則第7號(修訂)	金融工具：披露—改善有關金融工具之披露 <sup>2</sup>
香港財務報告準則第8號	經營分部 <sup>2</sup>
香港(國際財務報告詮釋委員會)—詮釋第9號及香港會計準則第39號(修訂)	嵌入式衍生工具 <sup>4</sup>
香港(國際財務報告詮釋委員會)—詮釋第13號	客戶忠誠度計劃 <sup>5</sup>
香港(國際財務報告詮釋委員會)—詮釋第15號	房地產建設協議 <sup>2</sup>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



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

HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation <sup>6</sup>
HK(IFRIC)-Int 17	Distribution of Non-cash Assets to Owners <sup>3</sup>
HK(IFRIC)-Int 18	Transfers of Assets from Customers <sup>7</sup>

- 1 Effective for annual periods beginning on or after 1 January 2009 except for the amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009
- 2 Effective for annual periods beginning on or after 1 January 2009
- 3 Effective for annual periods beginning on or after 1 July 2009
- 4 Effective for annual periods beginning on or after 30 June 2009
- 5 Effective for annual periods beginning on or after 1 July 2008
- 6 Effective for annual periods beginning on or after 1 October 2008
- 7 Effective for transfers of assets from customers received on or after 1 July 2009

The application 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. The directors of the Company anticipate that the application of the other new and revised standards, amendments or 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）

香港（國際財務報告詮釋委員會）－詮釋第16號	海外業務淨投資之對沖 <sup>6</sup>
香港（國際財務報告詮釋委員會）－詮釋第17號	向擁有人分派非現金資產 <sup>3</sup>
香港（國際財務報告詮釋委員會）－詮釋第18號	客戶轉讓之資產 <sup>7</sup>

- 1 於二零零九年一月一日或之後開始之年度期間生效，惟香港財務報告準則第5號之修訂將於二零零九年七月一日或之後開始之年度期間生效
- 2 於二零零九年一月一日或其後開始之年度期間生效
- 3 於二零零九年七月一日或其後開始之年度期間生效
- 4 於二零零九年六月三十日或其後開始之年度期間生效
- 5 於二零零八年七月一日或其後開始之年度期間生效
- 6 於二零零八年十月一日或其後開始之年度期間生效
- 7 對二零零九年七月一日或其後接獲客戶之資產轉讓有效

應用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）將會影響有關母公司於附屬公司所擁有權益之變動之會計處理。本公司董事預期應用其他新訂及經修訂準則、修訂或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 2008 截至二零零八年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### Basis of preparation

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 HKFRSs 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:

These consolidated financial statements are presented in Hong Kong dollars and all value are rounded to the nearest thousand (HK\$'000), except otherwise indicated.

#### 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

#### 編製基準

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：

該等綜合財務報表乃以港元列示，除另有說明外，所有金額均調整至最接近之千位數。

#### 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 2008 截至二零零八年十二月三十一日止年度



### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of the assets' (disposal groups') previous carrying amount and fair value less costs to sell.

#### 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.

### 3. 主要會計政策(續)

#### 持作出售之非流動資產

倘非流動資產及出售組別之賬面值主要透過出售交易而非透過持續使用而收回，則會分類為持作出售。此條件僅於極有可能達成出售及資產(或出售組別)可於現狀下即時出售時方告符合。

分類為持作出售之非流動資產(及出售組別)乃按資產(出售組別)以往賬面值及公平值減銷售成本之較低者計量。

#### 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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investment properties (continued)

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.

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)

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。

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 2008 截至二零零八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.

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

### 3. 主要會計政策(續)

#### 物業、廠房及設備(續)

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，則此增值計入綜合損益表，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)，則該超出部份列作開支處理。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。

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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 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.

#### 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.

### 3. 主要會計政策(續)

#### 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。

#### 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份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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Leasing (continued)

##### 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.

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.

##### Leasehold land

Interest in leasehold land is accounted for as operating leases and amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model.

### 3. 主要會計政策(續)

#### 租賃(續)

##### 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，於租賃年期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。

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為租金開支扣減。

##### 租賃土地

租賃土地之權益按經營租賃入賬，並以直線法於租賃期內攤銷，惟該等根據公平值模型分類及計入為投資物業者除外。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Retirement benefit costs

Payments to defined contribution retirement benefit plans 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.

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.

### 3. 主要會計政策(續)

#### 退休福利成本

向定額供款退休福利計劃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。

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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign currencies (continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the 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.

#### Taxation

Income tax expenses represent 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.

### 3. 主要會計政策(續)

#### 外幣(續)

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按結算日當日匯率換算為本公司之呈列貨幣(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份(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。

#### 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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Taxation (continued)

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

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset 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(續)

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及負債。

除非本集團能夠控制於附屬公司之投資產生之應課稅臨時差額之撥回，且臨時差額可能不會於可預見之未來撥回，否則本集團將就有關臨時差額確認遞延稅項負債。

本集團於各結算日檢討遞延稅項資產之賬面值，並在不大可能再有足夠應課稅溢利容許收回全部或部分資產時，調減有關賬面值。

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 2008 截至二零零八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.

#### Financial assets – 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.

#### 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.

### 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。

#### 金融資產－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。

#### 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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### Financial assets – Effective interest method (continued)

##### 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.

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.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產－實際利率法(續)

##### 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。

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。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

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

For financial assets 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.

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.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產減值(續)

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。

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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### Financial liabilities and equity (continued)

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

##### Financial liabilities and equity – 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.

##### 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.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融負債及股本權益(續)

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。

##### 金融負債及股本權益 – 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)

本集團之金融負債(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。

##### 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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### 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.

#### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the consolidated balance sheets.

#### Provision

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 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份風險及回報轉移，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。

#### 現金及現金等值項目

現金及現金等值項目包括手頭現金、隨時可提取之銀行存款、原期限不超過三個月之其他高流動性短期投資及銀行透支。銀行透支於綜合資產負債表內之流動負債列作借貸。

#### 撥備

倘本集團因過往事件而產生現時之責任，而本集團可能須償還該責任時，則確認撥備。撥備乃根據董事於結算日對償還有關責任所需支出之最佳估算釐定，並在有關影響屬重大時貼現至現值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Employees' benefits

##### Bonuses

The Group recognises a liability for bonuses when there is a contractual obligation and the amount can be estimated reliably.

##### Retirement benefit obligations

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee administered funds.

Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, with the employers' contributions subject to a cap of monthly relevant income of HK\$20,000. The Group's contributions to the scheme are expensed as incurred and are vested in accordance with the scheme's vesting scales. Where employees leave the scheme prior to the full vesting of the employer's contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

##### Share-based payment expenses

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

### 3. 主要會計政策(續)

#### 僱員福利

##### 花紅

本集團於出現合約責任及能可靠估計金額時就花紅確認負債。

##### 退休福利責任

本集團根據香港強制性公積金計劃條例為根據香港僱傭條例所僱用之僱員提供強制性公積金計劃(「強積金計劃」)。強積金計劃為定額供款計劃，其資產由獨立信託管理基金持有。

根據強積金計劃，僱主及其僱員各自須按僱員相關收入之5%之比例就計劃作出供款，而每月相關收入之上限為20,000港元。本集團向強積金計劃作出之供款於產生時支銷，並根據計劃之應享比例歸屬僱員。倘僱員於僱主供款全數歸屬前退出強積金計劃，沒收之供款金額將用作扣減本集團之應付供款。

##### 以股份為基礎之款項開支

就經參照授出當日已授出認購股權之公平值而釐定之已接受僱員服務公平值而言，倘若授出之認購股權即時歸屬，則於授出當日全數確認為開支，而股本(以股份為基礎之款項儲備)則相應增加。

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### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Employees' benefits (continued)

##### Share-based payment expenses (continued)

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

#### Related party transactions

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

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

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

### 3. 主要會計政策(續)

#### 僱員福利(續)

##### 以股份為基礎之款項開支(續)

認購股權獲行使時，先前於以股份為基礎之款項儲備中確認之款項將撥入股份溢價。當認購股權於歸屬日期後被沒收或於屆滿日仍未行使，先前於以股份為基礎之款項儲備中確認之款項將撥入保留溢利。

#### 關連人士交易

倘出現下列情況，則一方被視為與本集團有關連：

- i. 該方透過一名或多名中介人士直接或間接 (a)控制本集團或被本集團控制或與本集團受共同控制；(b)於本集團擁有權益，從而對本集團行使重大影響力；或(c)共同控制本集團；
- ii. 該方為聯繫人士；
- iii. 該方為共同控制實體；
- iv. 該方為本集團或其母公司之主要管理人員；
- v. 該方為(i)或(iv)所述任何人士之近親；
- vi. 該方為(iv)或(v)所述任何人士直接或間接控制、共同控制或重大影響或可行使大量投票權之實體；或
- vii. 該方為本集團或作為本集團關連人士之任何實體之僱員福利而設之離職後福利計劃。

倘關連人士之間存在資源或責任轉讓，則有關交易被視為關連人士交易。

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## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

### 4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

### 3. 主要會計政策(續)

#### 或然負債及或然資產

或然負債乃因過去事件而可能出現之責任，而須視乎日後會否出現一項或多項本集團不可完全控制之不確定事件方可確實。或然負債亦包括基於過去事件而產生之現有責任，但由於未必需要經濟資源流出或不能就該責任數額作可靠計量而未有確認。

或然負債不會確認入賬但會於財務報表附註中披露。倘流出之可能性出現變化，而相當可能出現流出，則會確認為撥備。

或然資產乃因過去事件而可能出現之資產，而須視乎日後會否出現一項或多項本集團不可完全控制之不確定事件方可確實。倘很可能出現經濟利益流入，則或然資產不會確認入賬但會於財務報表附註中披露。倘實際存在經濟利益流入，則確認有關資產。

### 4. 主要會計判斷及估計不明朗因素之主要來源

在應用附註3所述之本集團會計政策時，管理層須對無其他來源顯示賬面值之資產及負債之賬面值作出判斷、估計及假設。估計及相關假設乃以過往經驗及視為相關之其他因素為依據。實際結果或與該等估計有差異。

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#### 4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### Key sources of estimation uncertainty

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

##### Depreciation

The carrying value of the Group's property, plant and equipment as at 31 December 2008 was approximately HK\$53,676,000 (2007: HK\$252,095,000). The Group depreciates the property, plant and equipment at different depreciation rates. The depreciation rates are determined on the straight-line method, after taking into account of their residual values. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

##### Income tax

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

#### 4. 主要會計判斷及估計不明朗因素之主要來源(續)

估計及相關假設會持續進行檢討。倘會計估計之修訂僅影響修訂相關估計之期間，則該修訂會在該期間內確認，或倘會計估計之修訂同時影響當前及未來期間，則該修訂會在修訂期間及未來期間內確認。

##### 估計不明朗因素之主要來源

以下列舉於結算日對未來之主要假設及估計不明朗因素之其他主要來源，該等假設及來源構成下一個財政年度資產及負債賬面值面對重大調整之重大風險。

##### 折舊

於二零零八年十二月三十一日，本集團物業、廠房及設備之賬面值約為53,676,000港元(二零零七年：252,095,000港元)。本集團按不同折舊率折舊物業、廠房及設備。折舊率經考慮有關殘值後按直線法釐定。未來期間之折舊費用於先前之估計出現重大變動時作出調整。

##### 所得稅

本集團須在香港及中國內地繳納所得稅。於釐定所得稅撥備時須作出重大判斷。日常業務過程中有大量無法確定最終稅款之交易及計算。本集團根據對是否需要繳付額外稅款之估計，就預期稅務審計項目確認負債。倘該等事項最終稅款結果有別於最初記錄之金額，有關差額將影響作出有關決定之期間之所得稅及遞延稅項撥備。

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#### 4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(continued)

##### Key sources of estimation uncertainty

(continued)

##### *Estimate of fair value of investment properties*

The best evidence of fair value is current prices in an active market for similar lease and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgment, the Group considers information from a variety of sources including:

- (a) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;
- (b) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices, and
- (c) discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts, and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

If information on current or recent prices of investment properties is not available, the fair values of investment properties are determined using discounted cash flow valuation techniques. The Group uses assumptions that are mainly based on market conditions existing at each balance sheet date.

#### 4. 主要會計判斷及估計不明朗因素之主要來源(續)

##### 估計不明朗因素之主要來源(續)

##### *投資物業公平值之估計*

公平值之最佳憑證為同類租約及其他合約於活躍市場所提供之最新價格。倘無法獲取有關資料，本集團將在合理公平值估計範圍內釐定有關金額。於作出判斷時，本集團會考慮多方面資料，其中包括：

- (a) 不同性質、狀況或地點(或受不同租約或其他合約規限)物業當時在活躍市場上之最新價格(須就各項差異作出調整)；
- (b) 於稍欠活躍市場之類似物業近期價格，進行調整以反映自從按該等價格訂立交易之日期以來經濟狀況之任何變化；及
- (c) 根據未來現金流量所作可靠估計而預測之貼現現金流量，此項預測源自任何現有租約與其他合約之條款及(在可能情況下)外在因素(如地點及狀況相同之類似物業最新市場租值)，並採用足以反映當時市場評估無法肯定有關現金流量金額及時間之貼現率計算。

倘無法取得有關投資物業最新或最近期價格之資料，則採用貼現現金流量估值法釐定投資物業之公平值。本集團所用假設主要以各結算日出現之市況為依據。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



#### 4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

*(continued)*

##### Key sources of estimation uncertainty

*(continued)*

##### *Estimate of fair value of investment properties*

*(continued)*

The principal assumptions underlying management's estimation of fair value are those related to: the receipt of contractual rentals; expected future market rentals; void periods; maintenance requirements; and appropriate discount rates. These valuations are regularly compared to actual market yield data, and actual transactions by the Group and those reported by the market.

The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

The Group assesses the fair value of its investment properties based on valuation determined by qualified independent professional valuers in Hong Kong and the PRC.

##### *Net realisable value of inventories*

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience and selling goods of similar nature. It could change significant as a result of change in market condition. Management will reassess the estimations at the balance sheet date.

##### *Estimate of recoverable amounts of assets*

The Group tests annually whether the assets have suffered any impairment. The recoverable amount an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates.

#### 4. 主要會計判斷及估計不明朗因素之主要來源(續)

##### 估計不明朗因素之主要來源(續)

##### *投資物業公平值之估計(續)*

支持管理層所作公平值估計之主要假設涉及：合約租金收入；預計未來市場租值；空置期；維修保養規定；及適當之貼現率。此等估值定期與實際市場回報數據及本集團進行實際交易及市場提供之交易紀錄作比較。

預計未來市場租金乃基於同一地點及相同情況下相似類型物業之現行市場租金釐定。

本集團根據香港及中國內地之合資格獨立專業估值師釐定之估值評估其投資物業之公平值。

##### *存貨之可變現淨值*

存貨之可變現淨值乃於日常業務過程中作出之估計售價減估計完成成本及出售開支。此等估計乃根據現時市況及類似性質之過往經驗及出售產品而作出，並會因市況變動而大幅變化。管理層會於結算日重新評估有關估計。

##### *資產可收回金額之估計*

本集團每年測試資產是否出現任何減值。資產或現金產生單位之可收回金額乃根據使用價值釐定，當中須作出假設及估計。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



#### 4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(continued)

##### Key sources of estimation uncertainty

(continued)

##### *Impairment loss recognised in respect of trade and other receivables*

Allowance for trade and other receivable is made based on the evaluation of collectability and ageing analysis of accounts and on directors' judgment by reference to the estimation of the future cash flow discounted at an effective interest rate to calculate the present value. Where the actual future cash flows are less than expected, an impairment loss should be recognised.

##### *Fair value of derivatives and other financial instruments*

The fair value of financial instruments that are not traded in an active market is determined by valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are primary based on market condition existing at each balance sheet date.

#### 5. SEGMENT INFORMATION

##### Business segments

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

During the financial year, the Group disposed of its printed circuit boards business and the Board of Directors announced a plan to dispose of the electronic products business (note 9).

#### 4. 主要會計判斷及估計不明朗因素之主要來源(續)

##### 估計不明朗因素之主要來源(續)

##### *就貿易及其他應收款項確認之減值虧損*

計提貿易及其他應收款項撥備之基準為對收回可能性及賬款賬齡之評估，以及董事經考慮未來現金流量按實際利率貼現以計算現值之估計後所作之判斷。倘實際未來現金流量低於預期，則須確認減值虧損。

##### *衍生工具及其他金融工具之公平值*

並無在活躍市場買賣之金融工具之公平值採用估值法釐定。本集團採用多種方法，並主要依據各結算日當時之市況作出相關假設。

#### 5. 分部資料

##### 按業務劃分

就管理而言，本集團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。

於本財政年度，本集團出售其印製電路板業務，以及董事會宣佈計劃出售其電子產品業務(附註9)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 5. SEGMENT INFORMATION (continued)

#### Business segments (continued)

Segment information about these businesses is presented below.

2008

### 5. 分部資料(續)

#### 按業務劃分(續)

該等業務之分部資料呈列如下：

二零零八年

		Continuing operation 持續經營業務			Discontinued operations 終止經營業務				Total Consolidated 綜合 HK\$'000 千港元
		Conductive silicon rubber keypads 導電硅橡膠按鍵 HK\$'000 千港元	Eliminations 撇減 HK\$'000 千港元	Total 合計 HK\$'000 千港元	Electronic products 電子產品 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	Total 合計 HK\$'000 千港元	
<b>REVENUE</b>	<b>收益</b>								
External sales	外部銷售	70,681	-	70,681	512,847	61,555	-	574,402	645,083
Inter-segment sales	部間銷售	16,239	(16,239)	-	5,041	18,824	(23,865)	-	-
Total	總額	86,920	(16,239)	70,681	517,888	80,379	(23,865)	574,402	645,083
<b>RESULT</b>	<b>業績</b>								
Segment results	分部業績	(28,809)	(14,957)	(43,766)	(8,951)	(50,392)	14,957	(44,386)	(88,152)
Unallocated corporate expenses	未分配之企業開支			(9,691)				-	(9,691)
Loss on disposal of subsidiaries	出售附屬公司之虧損			-				(31,606)	(31,606)
Finance costs	融資成本			(291)				(4,412)	(4,703)
Impairment loss recognised in respect of available-for-sale investment	就可供出售投資確認之減值虧損			(23,268)				-	(23,268)
Gain/(loss) on fair value change of derivative financial instruments	衍生金融工具公平值變動收益/(虧損)			38				(5,917)	(5,879)
Loss before taxation	除稅前虧損			(76,978)				(86,321)	(163,299)
Income tax expenses	所得稅開支			(34)				(6,395)	(6,429)
Loss for the year	本年度虧損			(77,012)				(92,716)	(169,728)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 5. SEGMENT INFORMATION (continued)

#### Business segments (continued)

2008 (continued)

#### BALANCE SHEET

		Conductive silicon rubber keypads 導電硅 橡膠按鍵 HK\$'000 千港元	Electronic products (discontinued operation) 電子產品 (終止經營業務) 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	90,886	382,490	473,376
Unallocated corporate assets	未分配之企業資產			42,521
Consolidated total assets	綜合資產總額			515,897
<b>LIABILITIES</b>	<b>負債</b>			
Segment liabilities	分部負債	32,225	190,971	223,196
Unallocated corporate liabilities	未分配之企業負債			39,431
Consolidated total liabilities	綜合負債總額			262,627

### 5. 分部資料(續)

#### 按業務劃分(續)

二零零八年(續)

#### 資產負債表

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 5. SEGMENT INFORMATION (continued)

#### Business segments (continued)

2008 (continued)

#### OTHER INFORMATION

	Continuing operation 持續經營業務	Discontinued operations 終止經營業務					Consolidated 綜合
		Conductive silicon rubber keypads 導電硅橡膠按鍵	Electronic products 電子產品	Printed circuit boards 印製電路板	Total 合計	Unallocated 未分配	
	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	HK\$'000 千港元	
Additions to property, plant and equipment	添置物業、廠房及設備	6,496	10,362	3,882	14,244	-	20,740
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	8,006	21,159	7,478	28,637	980	37,623
Amortisation of prepaid lease payments	預付租金攤銷	97	368	24	392	-	489
Written down/(reversal) of obsolete and slow moving inventories	陳舊及滯銷存貨撇減/(撥回)	1,065	-	(2,499)	(2,499)	-	(1,434)
Impairment loss recognised in respect of trade receivables	就貿易應收款項確認之減值虧損	594	5,695	572	6,267	-	6,861

### 5. 分部資料(續)

#### 按業務劃分(續)

二零零八年(續)

#### 其他資料

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 5. SEGMENT INFORMATION (continued)

### 5. 分部資料(續)

#### Business segments (continued)

#### 按業務劃分(續)

2007

二零零七年

	Continuing operation 持續經營業務			Discontinued operations 終止經營業務				Total 合計	Consolidated 綜合
	Conductive silicon rubber keypads 導電硅 橡膠按鍵	Eliminations 撇減	Total 合計	Electronic products 電子產品	Printed circuit boards 印製電路板	Eliminations 撇減	Total 合計		
	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	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	97,565	-	97,565	538,627	98,922	-	637,549	735,114
Inter-segment sales	部間銷售	16,486	(16,486)	-	3,273	28,159	(31,432)	-	-
<b>Total</b>	<b>總額</b>	<b>114,051</b>	<b>(16,486)</b>	<b>97,565</b>	<b>541,900</b>	<b>127,081</b>	<b>(31,432)</b>	<b>637,549</b>	<b>735,114</b>
<b>RESULT</b>	<b>業績</b>								
Segment results	分部業績	1,819	(15,348)	(13,529)	(10,462)	(13,421)	15,348	(8,535)	(22,064)
Unallocated corporate expenses	未分配之企業開支			(2,445)				-	(2,445)
Finance costs	融資成本			(554)				(4,072)	(4,626)
Impairment loss recognised in respect of available-for-sale investment	就可供出售投資確認之減值虧損			(28,008)				-	(28,008)
Gain/(loss) on fair value change of derivative financial instruments	衍生金融工具公平值變動收益/(虧損)			745				(6,428)	(5,683)
Loss before taxation	除稅前虧損			(43,791)				(19,035)	(62,826)
Income tax expenses	所得稅開支			(352)				(1,572)	(1,924)
<b>Loss for the year</b>	<b>本年度虧損</b>			<b>(44,143)</b>				<b>(20,607)</b>	<b>(64,750)</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 5. SEGMENT INFORMATION (continued)

#### Business segments (continued)

2007 (continued)

#### BALANCE SHEET

### 5. 分部資料(續)

#### 按業務劃分(續)

二零零七年(續)

#### 資產負債表

		Conductive silicon rubber keypads 導電硅 橡膠按鍵	Electronic products (discontinued operation) 電子產品 (終止經營業務)	Printed circuit boards (discontinued operation) 印製電路板 (終止經營業務)	Consolidated 綜合
		HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元
<b>ASSETS</b>	<b>資產</b>				
Segment assets	分部資產	103,624	419,441	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	23,392	106,227	39,080	168,699
Unallocated corporate liabilities	未分配之企業負債				125,740
Consolidated total liabilities	綜合負債總額				294,439

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 5. SEGMENT INFORMATION (continued)

#### Business segments (continued)

2007 (continued)

#### OTHER INFORMATION

	Continuing operation 持續經營業務	Discontinued operations 終止經營業務					Consolidated 綜合
		Conductive silicon rubber keypads 導電硅橡膠 按鍵	Electronic products 電子產品	Printed circuit boards 印製電路板	Total 合計	Unallocated 未分配	
	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	HK\$' 000 千港元	
Additions to property, plant and equipment	添置物業、廠房及設備	5,186	13,206	13,494	26,700	-	31,886
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	8,016	18,426	8,200	26,626	602	35,244
Amortisation of prepaid lease payments	預付租金攤銷	88	345	28	373	-	461
(Reversal)/written down of obsolete and slow moving inventories	陳舊及滯銷存貨(撥回)/撇減	(371)	3,061	493	3,554	-	3,183
Impairment loss recognised in respect of trade receivables	就貿易應收款項確認之減值虧損	2,520	1,163	847	2,010	-	4,530

### 5. 分部資料(續)

#### 按業務劃分(續)

二零零七年(續)

#### 其他資料



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 5. SEGMENT INFORMATION (continued)

#### Geographical segments:

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

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

### 5. 分部資料(續)

#### 按地域劃分

本集團之客戶主要分佈於香港、中國(香港除外)、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 from external customers 來自外部客戶之收益		Revenue from external customers 來自外部客戶之收益		Consolidated 綜合	
		Continuing operation 持續經營業務		Discontinued operations 終止經營業務			
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
		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	HK\$'000 千港元
Hong Kong	香港	14,403	68,779	193,674	215,734	208,077	284,513
PRC	中國	56,252	23,757	26,190	27,851	82,442	51,608
Europe	歐洲	26	125	164,861	169,399	164,887	169,524
Japan	日本	-	-	68,633	84,882	68,633	84,882
Other Asian countries	其他亞洲國家	-	4,904	54,061	67,800	54,061	72,704
America	美國	-	-	42,399	55,089	42,399	55,089
Others	其他	-	-	24,584	16,794	24,584	16,794
		<b>70,681</b>	97,565	<b>574,402</b>	637,549	<b>645,083</b>	735,114

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 5. SEGMENT INFORMATION (continued)

#### Geographical segments: (continued)

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

		Carrying amount of segment assets		Additions to property, plant and equipment	
		分部資產賬面值		添置物業、廠房及設備	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong	香港	87,964	145,732	2,568	132
PRC	中國	385,412	485,336	18,172	31,754
		<b>473,376</b>	<b>631,068</b>	<b>20,740</b>	<b>31,886</b>

### 5. 分部資料(續)

#### 按地域劃分(續)

分部資產之賬面值及所添置之物業、廠房及設備按其所在地區之分析如下：

### 6. OTHER REVENUE AND GAIN

### 6. 其他收入及收益

		Continuing operation		Discontinued operations		Consolidated	
		持續經營業務		終止經營業務		綜合	
		2008	2007	2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
		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
Interest income	利息收入	64	95	329	1,235	393	1,330
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	67	–	149	127	216	127
Reversal of impairment loss recognised in respect of trade receivables	就貿易應收款項確認之減值虧損撥回	72	–	451	–	523	–
Revaluation surplus on buildings	樓宇重估盈餘	–	–	484	331	484	331
Gain on fair value change on investment properties	投資物業公平值變動收益	–	–	128	3,252	128	3,252
		<b>203</b>	<b>95</b>	<b>1,541</b>	<b>4,945</b>	<b>1,744</b>	<b>5,040</b>

# Notes to the Consolidated Financial Statements

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### 7. FINANCE COSTS

### 7. 融資成本

	Continuing operation 持續經營業務		Discontinued operations 終止經營業務		Consolidated 綜合	
	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
	Interest on:					
Bank loans wholly repayable within five years	102	554	2,466	3,539	2,568	4,093
Obligations under finance leases	-	-	192	533	192	533
Overdraft and others finance costs	189	-	1,754	-	1,943	-
	291	554	4,412	4,072	4,703	4,626

### 8. INCOME TAX EXPENSES

### 8. 所得稅開支

	Continuing operation 持續經營業務		Discontinued operations 終止經營業務		Consolidated 綜合	
	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
	Current tax:					
Hong Kong Profits Tax	-	-	-	75	-	75
PRC Enterprise Income Tax	-	352	5,185	2,037	5,185	2,389
	-	352	5,185	2,112	5,185	2,464
(Over)/under provision of current tax in prior years:						
Hong Kong Profits Tax	34	-	-	(351)	34	(351)
PRC Enterprise Income Tax	-	-	1,098	(943)	1,098	(943)
	34	-	1,098	(1,294)	1,132	(1,294)
Deferred tax (note 32):						
Current year	-	-	112	813	112	813
Attributable to a change in tax rate	-	-	-	(59)	-	(59)
	-	-	112	754	112	754
	34	352	6,395	1,572	6,429	1,924

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## 綜合財務報表附註

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### 8. INCOME TAX EXPENSES (continued)

During the year ended 31 December 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 and reduced corporate profit tax rate from 17.5% to 16.5% which is effective from the year of assessment 2008/2009. Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) of the estimated assessable profit for the year.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% (2007: 27%). Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

On 16 March 2007, the People's Republic of China promulgated the Law of the People's Republic of China on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the People's Republic of China. On 6 December 2007, the State Council issued Implementation Regulation of the New Law. The New Law and Implementation Regulation changed the tax rate of the PRC subsidiaries to 25% from 1 January 2008 onwards.

### 8. 所得稅開支(續)

於截至二零零八年十二月三十一日止年度，香港立法會通過二零零八年收入條例草案，將企業利得稅率由17.5%下調至16.5%，自二零零八至二零零九年課稅年度起生效。香港利得稅乃按本年度之估計應課稅溢利以16.5%稅率(二零零七年：17.5%)計算。

中國附屬公司須按稅率25%(二零零七年：27%)繳納中國企業所得稅。其他司法權區之稅項按有關司法權區之現行稅率計算。

於二零零七年三月十六日，中華人民共和國以中華人民共和國主席令第63號頒佈中華人民共和國企業所得稅法(「新稅法」)。於二零零七年十二月六日，國務院頒佈新稅法實施條例。根據新稅法及實施條例，自二零零八年一月一日起，中國附屬公司之稅率調整為25%。

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## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 8. INCOME TAX EXPENSES (continued)

### 8. 所得稅開支(續)

The tax charge for the year can be reconciled to the loss per the consolidated income statement as follows:

於本年度內，綜合損益表內稅項支出與虧損對賬如下：

		2008 二零零八年		2007 二零零七年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Loss before taxation:	除稅前虧損：				
Continuing operation	持續經營業務	<b>(76,978)</b>		(43,791)	
Discontinued operations	終止經營業務	<b>(86,321)</b>		(19,035)	
		<b>(163,299)</b>		(62,826)	
Tax at domestic income tax rate of 25% (2007: 27%)	按國內所得稅率25%計算之稅項(二零零七年：27%)	<b>(40,825)</b>	<b>25.0</b>	(16,963)	27.0
Tax effect of expenses not deductible for tax purposes	不可扣稅支出之稅務影響	<b>4,422</b>	<b>(2.7)</b>	9,902	(15.8)
Tax effect of income not taxable for tax purposes	毋須繳稅收入之稅務影響	<b>(1,638)</b>	<b>1.0</b>	(329)	0.5
Tax effect of tax losses not recognised	未確認稅損之稅務影響	<b>16,413</b>	<b>(10.1)</b>	10,708	(17.0)
Tax effect of income tax at concessionary rate	按優惠稅率計算所得稅之稅務影響	-	-	(62)	0.1
Utilisation of tax losses previously not recognised	動用之前尚未確認之稅損	<b>(576)</b>	<b>0.3</b>	(824)	1.3
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>5,994</b>	<b>(3.7)</b>	(40)	-
Under/(over) provision in respect of prior years	過往年度撥備不足／(超額撥備)	<b>1,132</b>	<b>(0.7)</b>	(1,294)	2.1
Decrease in operating deferred tax liability resulting a decrease in PRC Enterprise Income Tax rate	中國企業所得稅率下調導致經營遞延稅項負債減少	-	-	(59)	0.1
Others	其他	<b>21,507</b>	<b>(13.0)</b>	885	(1.4)
Tax charge for the year	年度稅項支出	<b>6,429</b>	<b>(3.9)</b>	1,924	(3.1)

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。

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### 9. DISCONTINUED OPERATIONS

#### Disposal of the printed circuit boards business

On 12 September 2008, the Group has entered into a conditional sale and purchase agreement with KFE Hong Kong Co., Limited ("KFE Hong Kong"), as the purchaser and KFE Japan Co. Ltd. ("KFE Japan"), as the issuer of the subscription shares, under which the Group has agreed to sell and KFE Hong Kong has agreed to purchase (i) the entire issued share capital of Jet Master Limited ("Jet Master") and the entire registered capital of Dongguan Tai Shan Electronics Co., Ltd., ("Tai Shan") which was wholly owned by Jet Master and (ii) the factory land, production setup, properties with relevant licenses and the lease, machinery and sewage facilities.

Subsequently on 26 September 2008, the Group has entered into a supplementary agreement with KFE Hong Kong and KFE Japan, under which the Group has agreed to sell and KFE Hong Kong has agreed to purchase the entire inventory of Tai Shan as at 30 September 2008 at market value. For further details please refer to the circular dated 17 October 2008. The disposal was completed on 30 September 2008. Details of the assets and liabilities disposed of are disclosed in note 36.

#### Plan to dispose of the electronic products business

On 2 May 2008, the Group has entered into a conditional sale and purchase agreement with Extract Group Limited ("Extract Group"), under which the Group has agreed to sell and Extract Group has agreed to purchase the entire interest in and the shareholder's loans due from Habermann Limited, Joyham Jade Limited, Sabic Electronic Limited and Xinyu Electronics Limited. For further details, please refer to the circular dated 30 September 2008. The disposal was completed on 26 February 2009. Please refer to note 10 for details.

### 9. 終止經營業務

#### 出售印製電路板業務

於二零零八年九月十二日，本集團與KFE Hong Kong Co., Limited (「KFE Hong Kong」) (作為買方)及KFE Japan Co. Ltd. (「KFE Japan」) (作為認購股份發行人)訂立有條件買賣協議。據此，本集團已同意出售而KFE Hong Kong已同意購買(i)Jet Master Limited (「Jet Master」)之全部已發行股本及東莞泰山電子有限公司(「泰山」，由Jet Master全資擁有)之全部註冊資本及(ii)工廠用地、生產設施、物業(連同相關許可證及租賃)、機械設備及排水設施。

於二零零八年九月二十六日之後，本集團與KFE Hong Kong及KFE Japan訂立一項補充協議，據此，本集團已同意按市值出售而KFE Hong Kong已同意按市值購買泰山於二零零八年九月三十日之全部存貨。有關更多詳情，請參閱日期為二零零八年十月十七日之通函。有關出售已於二零零八年九月三十日完成，有關所出售資產及負債之詳情於附註36披露。

#### 出售電子產品業務之計劃

於二零零八年五月二日，本集團與Extract Group Limited (「Extract Group」)訂立一項有條件買賣協議，據此，本集團已同意出售而Extract Group已同意購買Habermann Limited、Joyham Jade Limited、Sabic Electronic Limited及新域電子有限公司之全部權益及應付股東貸款。有關更多詳情，請參閱日期為二零零八年九月三十日之通函。出售事項已於二零零九年二月二十六日完成。有關詳情請參閱附註10。

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## 綜合財務報表附註

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### 9. DISCONTINUED OPERATIONS

(continued)

#### Plan to dispose of the electronic products business (continued)

The combined results and cash flows of the discontinued operations (i.e. the printed circuit boards and electronic products businesses) included in the consolidated income statement and the consolidated cash flow statement are set out below.

### 9. 終止經營業務(續)

#### 出售電子產品業務之計劃(續)

綜合損益表及綜合現金流量表所載終止經營業務(即印製電路板及電子產品業務)之合併業績及現金流量載列如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>Loss for the year form discontinued operations</b>	<b>來自終止經營業務之本年度虧損</b>		
Revenue	收益	<b>574,402</b>	637,549
Expenses	開支	<b>(629,117)</b>	(656,584)
Loss before taxation	除稅前虧損	<b>(54,715)</b>	(19,035)
Income tax expenses	所得稅開支	<b>(6,395)</b>	(1,572)
		<b>(61,110)</b>	(20,607)
Loss on disposal of operations (note 36)	出售該等業務之虧損(附註36)	<b>(31,606)</b>	-
Loss for the year from discontinued operations	來自終止經營業務之本年度虧損	<b>(92,716)</b>	(20,607)
<b>Cash flows from discontinued operations</b>	<b>來自終止經營業務之現金流量</b>		
Net cash outflows from operating activities	來自經營業務之現金流出淨額	<b>(25,586)</b>	(590)
Net cash outflows from investing activities	來自投資業務之現金流出淨額	<b>(61)</b>	(17,817)
Net cash (outflows)/inflows from financing activities	來自融資業務之現金(流出)/流入淨額	<b>(3,777)</b>	9,086
Net cash outflows	現金流出淨額	<b>(29,424)</b>	(9,321)

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## 綜合財務報表附註

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### 9. DISCONTINUED OPERATIONS

(continued)

#### Plan to dispose of the electronic products business (continued)

The electronic products business has been classified and accounted for at 31 December 2008 as a disposal group held for sale (note 10).

### 9. 終止經營業務(續)

#### 出售電子產品業務之計劃(續)

於二零零八年十二月三十一日，電子產品業務已分類及入賬列作持作出售之出售組別(見附註10)。

### 10. NON-CURRENT ASSETS HELD FOR SALE

### 10. 持作出售之非流動資產

		2008 二零零八年 HK\$'000 千港元
Assets related to the electronic products business classified as held for sale	分類為持作出售之電子產品業務資產	<b>382,490</b>
Liabilities of electronic products business associated with assets classified as held for sale	與分類為持作出售資產相關之電子產品業務負債	<b>(190,971)</b>
Net assets of electronic products business classified as held for sale (Note)	分類為持作出售之電子產品業務資產淨值(附註)	<b>191,519</b>
Reserve of electronic products business classified as held for sale	分類為持作出售之電子產品業務儲備	<b>101,967</b>

Note: As described in note 9, the Group has entered into an agreement to dispose of its electronic-products business and the disposal was completed on 26 February 2009. The major classes of assets and liabilities comprising the operations classified as held for sale at the balance sheet date are as follows:

附註：誠如附註9所述，本集團已訂立一份協議，以出售其電子產品業務，且有關出售已於二零零九年二月二十六日完成。於結算日，該等業務分類為持作出售之主要資產及負債類別如下：



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## 綜合財務報表附註

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### 10. NON-CURRENT ASSETS HELD FOR SALE 10. 持作出售之非流動資產(續)

Note: (continued)

附註：(續)

		2008 二零零八年 HK\$'000 千港元
Investment properties	投資物業	77,402
Property, plant and equipment	物業、廠房及設備	141,804
Prepaid lease payments	預付租金	14,366
Inventories	存貨	83,954
Trade and other receivables	貿易及其他應收款項	49,094
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	1,002
Bank balances and cash	銀行結存及現金	14,868
Assets of electronic products business classified as held for sale	分類為持作出售之電子產品業務資產	382,490
Trade and bills payables	貿易應付款項及應付票據	(63,708)
Other payables and accruals	其他應付款項及應計費用	(28,234)
Tax liabilities	稅項負債	(21,980)
Derivative financial instruments	衍生金融工具	(715)
Obligations under finance leases	融資租賃責任	(2,770)
Amount due to a director (Note i)	應付一名董事款項(附註i)	(1,500)
Bank loans (Note ii)	銀行貸款(附註ii)	(54,712)
Deferred tax liabilities	遞延稅項負債	(17,352)
Liabilities of electronic products business associated with assets classified as held for sale	與分類為持作出售資產相關之電子產品業務負債	(190,971)
Net assets of electronic products business classified as held for sale	分類為持作出售之電子產品業務資產淨值	191,519
Capital reserve	資本儲備	9,513
Special reserve	特別儲備	15,930
Asset revaluation reserve	資產重估儲備	40,534
Exchange reserve	匯兌儲備	35,990
Reserves of electronic products business classified as held for sale	分類為持作出售之電子產品業務儲備	101,967

Note: (i) The amount due was unsecured, interest free and repayable on demand. The directors consider that the carrying amount approximates to its fair value.

附註：(i) 應付款項為無抵押、免息，並須應要求償還。董事認為，該賬面值與其公平值相若。

Note: (ii) 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 2.31% to 5.26% (2007: 4.35% to 7.07%) per annum.

附註：(ii) 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2.31%至5.26% (二零零七年：4.35%至7.07%)。

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### 11. LOSS BEFORE TAXATION

### 11. 除稅前虧損

		Continuing operation		Discontinued operations		Consolidated	
		持續經營業務		終止經營業務		綜合	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Loss before taxation has been arrived at after charging:	除稅前虧損經扣除下列項目：						
Auditors' remuneration	核數師酬金	309	994	511	427	820	1,421
Depreciation:	折舊：						
- Owned assets	- 自有資產	8,339	7,970	28,067	24,769	36,406	32,739
- Assets held under finance leases	- 根據融資租賃持有之資產	647	648	570	1,857	1,217	2,505
Amortisation of prepaid lease payments	預付租金攤銷	97	88	392	373	489	461
Impairment loss recognised in respect of trade receivables	就貿易應收款項確認之減值虧損	594	2,520	6,267	2,010	6,861	4,530
Impairment loss recognised in respect of club debenture	就會所債券確認之減值虧損	580	-	-	-	580	-
Loss on disposal of available-for-sale investment	出售可供出售投資之虧損	258	-	-	-	258	-
Cost of inventories recognised as expense	確認為開支之存貨成本	99,520	93,971	528,001	570,410	627,521	664,381
Write down/(reversal) of obsolete and slow moving inventories	陳舊及滯銷存貨撇減/(撥回)	1,065	(371)	(2,499)	3,554	(1,434)	3,183
Directors' remuneration (note 12)	董事酬金(附註12)	530	600	4,823	5,273	5,353	5,873
Other staff costs	其他僱員成本	33,998	31,932	130,019	120,784	164,017	152,716
Retirement benefits scheme contribution	退休福利計劃供款	671	559	2,724	3,265	3,395	3,824
Staff costs	僱員成本	35,199	33,091	137,566	129,322	172,765	162,413
Operating lease rentals	經營租賃租金	81	146	418	1,283	499	1,429
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	92	-	364	-	456	-
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)/loss	- 已變現收益	(38)	(1,684)	5,202	(7,792)	5,164	(9,476)
- Unrealised loss	- 未變現虧損	-	939	715	14,220	715	15,159
		(38)	(745)	5,917	6,428	5,879	5,683
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	-	-	185	7,457	185	7,457
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	-	-	(36)	(520)	(36)	(520)
		-	-	149	6,937	149	6,937
Foreign exchange gain, net	外匯收益，淨額	-	-	7,667	577	7,667	577

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## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 12. DIRECTORS' REMUNERATION AND HIGHEST PAID EMPLOYEES

### 12. 董事薪酬及最高薪僱員

#### (a) Directors' remuneration

#### (a) 董事薪酬

		Other emoluments 其他酬金			Total 合計
		Salaries and other benefits	Retirement benefits scheme contributions	Total 合計	
	Fee 袍金	Salaries and other benefits 薪金及 其他福利	Retirement benefits scheme contributions 退休福利 計劃供款		Total 合計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
<b>2008</b>	<b>二零零八年</b>				
Executive directors:	執行董事：				
Mr. Tong Shek Lun	唐錫麟先生	-	1,934	82	2,016
Ms. Ko Lai King, Kinny	高麗瓊女士	-	1,217	46	1,263
Ms. Chung Wai Yu, Regina	鍾惠愉女士	-	1,470	74	1,544
Mr. Chim Kim Lun, Ricky	詹劍崙先生	-	-	-	-
Mr. Cheung Kwok Hing, Andy	鄭國興先生	-	-	-	-
		-	4,621	202	4,823
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	50	-	-	50
Mr. Wan Hon Keung	溫漢強先生	-	-	-	-
		290	-	-	290
Total emoluments	薪酬總額	530	4,621	202	5,353

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 12. DIRECTORS' REMUNERATION AND HIGHEST PAID EMPLOYEES (continued)

### 12. 董事薪酬及最高薪僱員(續)

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

#### (a) 董事薪酬(續)

		Fee	Salaries and other benefits	Retirement benefits contributions	Total
		袍金	薪金及其他福利	退休福利計劃供款	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
2007	二零零七年				
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. Cheung 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 2008 截至二零零八年十二月三十一日止年度



### 12. 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) Five highest paid employees:

The five highest paid employees of the Group include three (2007: three) executive directors of the Company, details of whose emoluments are included above. The remuneration of the remaining two (2007: two) individuals was as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,244	2,002
Retirement benefits scheme contributions	退休福利計劃供款	62	89
		<b>1,306</b>	<b>2,091</b>

The emoluments of the two (2007: two) highest paid employees were within the following bands:

		Number of employees 僱員人數	
		2008 二零零八年	2007 二零零七年
Nil to HK\$1,000,000	零至1,000,000港元	2	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	-	1
		<b>2</b>	<b>2</b>

### 12. 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彼等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) 五位最高薪僱員：

本集團之五位最高薪僱員包括三位(二零零七年：三位)本公司執行董事，彼等之酬金詳情載於上文。其餘兩位(二零零七年：兩位)人士之薪酬如下：

兩位(二零零七年：兩位)最高薪僱員之酬金介乎下列範圍：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 13. DIVIDEND

Dividends recognised as distributions during the year:

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Final, paid: Nil (2007: payment for 2006 final dividends of HK1 cent per share)	-	5,444

No dividend was proposed by directors for the year ended 31 December 2008 (2007: Nil).

### 13. 股息

年內確認為分派之股息：

董事並無建議就截至二零零八年十二月三十一日止年度派付股息(二零零七年：零)。

### 14. LOSS PER SHARE

#### From continuing and discontinued operations

The calculation of the basic and diluted loss per share attributable to the ordinary equity holders of the Company is based on the following data:

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<i>Loss</i> Loss for the year attributable to the equity holders of the Company for the purpose of basic loss per share	<b>169,728</b>	64,750
<i>Number of ordinary shares</i> Weighted average number of ordinary shares for the purpose of basic loss per share	<b>637,602</b> '000 千股	544,356 '000 千股

There was no diluting event existed during the years ended 31 December 2008 and 2007.

### 14. 每股虧損

#### 來自持續經營業務及終止經營業務

本公司普通股股權持有人應佔每股基本及攤薄虧損乃按下列數據計算：

於截至二零零八年及二零零七年十二月三十一日止年度，並不存在任何攤薄事件。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 14. LOSS PER SHARE (continued)

#### From continuing operation

The calculation of the basic and diluted loss per share from continuing operation attributable to the ordinary equity holders of the Company is based on the following data:

Loss figures are calculated as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Loss for the year attributable to equity holders of the Company	本公司股權持有人應佔本年度虧損	<b>169,728</b>	64,750
Less: Loss for the year from discontinued operations	減：來自終止經營業務之本年度虧損	<b>(92,716)</b>	(20,607)
Loss for the purpose of basic loss per share from continuing operation	就計算持續經營業務之每股基本虧損之虧損	<b>77,012</b>	44,143

The denominators used are the same as those detailed above for both basic and dilutive loss per share.

There was no diluting event existed during the years ended 31 December 2008 and 2007.

#### From discontinued operations

Basic loss per share for the discontinued operations is HK14.54 cents per share (2007: HK3.79 cents per share) based on the loss for the year from discontinued operations of approximately HK\$92,716,000 (2007: HK\$20,607,000) and the denominators used are the same as those detailed above for both basic and diluted loss per share.

There was no diluting event existed during the years ended 31 December 2008 and 2007.

### 14. 每股虧損(續)

#### 來自持續經營業務

本公司普通股股權持有人應佔持續經營業務之每股基本及攤薄虧損乃按下列數據計算：

虧損數額計算如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Loss for the year attributable to equity holders of the Company	本公司股權持有人應佔本年度虧損	<b>169,728</b>	64,750
Less: Loss for the year from discontinued operations	減：來自終止經營業務之本年度虧損	<b>(92,716)</b>	(20,607)
Loss for the purpose of basic loss per share from continuing operation	就計算持續經營業務之每股基本虧損之虧損	<b>77,012</b>	44,143

所用分母與上文所述就計算每股基本及攤薄虧損所用者相同。

於截至二零零八年及二零零七年十二月三十一日止年度，並不存在任何攤薄事件。

#### 來自終止經營業務

終止經營業務之每股基本虧損為每股14.54港仙(二零零七年：每股3.79港仙)，乃按終止經營業務之本年度虧損約92,716,000港元(二零零七年：20,607,000港元)計算，且所用分母與上文所述就計算每股基本及攤薄虧損所用者相同。

於截至二零零八年及二零零七年十二月三十一日止年度，並不存在任何攤薄事件。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 15. INVESTMENT PROPERTIES

### 15. 投資物業

		HK\$'000 千港元
<b>Fair value</b>	<b>公平值</b>	
At 1 January 2007	於二零零七年一月一日	63,542
Exchange adjustments	匯兌調整	4,785
Increase in fair value	公平值增加	3,252
At 31 December 2007 and at 1 January 2008	於二零零七年十二月三十一日 及於二零零八年一月一日	71,579
Exchange adjustments	匯兌調整	5,695
Increase in fair value	公平值增加	128
Classified as part of a disposal group held for sale (note 10)	分類為持作出售組別 之一部份(附註10)	(77,402)
<b>At 31 December 2008</b>	<b>於二零零八年十二月三十一日</b>	-

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

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.

投資物業乃於中國按中期租賃持有，並根據經營租賃租出。

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。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 16. PROPERTY, PLANT AND EQUIPMENT 16. 物業、廠房及設備

		Buildings	Leasehold improvements	Plant, machinery and moulds	Furniture, fixture 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	合計
		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	HK\$'000 千港元	HK\$'000 千港元
<b>Cost or valuation</b>	<b>成本值或估值</b>							
At 1 January 2007	於二零零七年一月一日	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)	-
Disposal/written off	出售/撇銷	-	-	(3,147)	(805)	(229)	-	(4,181)
Revaluation	重估	(1,671)	-	-	-	-	-	(1,671)
At 31 December 2007 and at 1 January 2008	於二零零七年十二月三十一日及於二零零八年一月一日	138,193	2,459	287,090	24,183	10,289	335	462,549
Exchange adjustments	匯兌調整	10,708	91	22,464	1,438	480	27	35,208
Additions	添置	-	5,656	12,090	310	2,353	331	20,740
Reclassified as held for sale	重新分類為持作出售	(92,763)	(1,302)	(169,304)	(6,129)	(10,292)	-	(279,790)
Disposal of subsidiaries	出售附屬公司	(30,192)	-	(92,312)	(5,520)	(799)	(693)	(129,516)
Disposal/written off	出售/撇銷	-	(14)	(9,804)	(64)	(915)	-	(10,797)
Revaluation	重估	(2,237)	-	-	-	-	-	(2,237)
At 31 December 2008	於二零零八年十二月三十一日	23,709	6,890	50,224	14,218	1,116	-	96,157
<b>Comprising</b>	<b>包括</b>							
At cost	成本值	-	6,890	50,224	14,218	1,116	-	72,448
At valuation - 2008	按二零零八年估值	23,709	-	-	-	-	-	23,709
		23,709	6,890	50,224	14,218	1,116	-	96,157
<b>Depreciation</b>	<b>折舊</b>							
At 1 January 2007	於二零零七年一月一日	-	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 disposal/ written off	出售/撇銷抵銷	-	-	(2,974)	(771)	(229)	-	(3,974)
Eliminated on revaluation	重估抵銷	(3,220)	-	-	-	-	-	(3,220)
At 31 December 2007 and at 1 January 2008	於二零零七年十二月三十一日及於二零零八年一月一日	-	1,895	180,336	20,099	8,124	-	210,454
Exchange adjustments	匯兌調整	-	49	14,356	1,161	376	-	15,942
Provided for the year	本年度折舊	3,701	275	29,778	2,363	1,506	-	37,623
Reclassified as held for sale	重新分類為持作出售	-	(1,272)	(123,204)	(5,668)	(7,842)	-	(137,986)
Disposal of subsidiaries	出售附屬公司	(673)	-	(64,941)	(5,222)	(779)	-	(71,615)
Eliminated on disposal/written off	出售/撇銷抵銷	-	(12)	(8,135)	(60)	(702)	-	(8,909)
Eliminated on revaluation	重估抵銷	(3,028)	-	-	-	-	-	(3,028)
At 31 December 2008	於二零零八年十二月三十一日	-	935	28,190	12,673	683	-	42,481
<b>Carrying value</b>	<b>賬面值</b>							
<b>At 31 December 2008</b>	<b>於二零零八年十二月三十一日</b>	<b>23,709</b>	<b>5,955</b>	<b>22,034</b>	<b>1,545</b>	<b>433</b>	<b>-</b>	<b>53,676</b>
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

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 16. 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\$307,000 (2007: HK\$1,218,000) and HK\$484,000 (2007: HK\$331,000) 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\$10,644,000 (2007: HK\$92,605,000).

As at 31 December 2008, the carrying values of property, plant and equipment included an amount of approximately HK\$5,998,000 (2007: HK\$11,825,000) in respect of assets held under finance leases.

### 16. 物業、廠房及設備(續)

上述物業、廠房及設備項目(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307,000港元(二零零七年：1,218,000港元)及484,000港元(二零零七年：331,000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10,644,000港元(二零零七年：92,605,000港元)。

於二零零八年十二月三十一日，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5,998,000港元(二零零七年：11,825,000港元)。

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## 綜合財務報表附註

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### 17. PREPAID LEASE PAYMENTS

### 17. 預付租金

		<b>2008</b> 二零零八年 <b>HK\$'000</b> 千港元	2007 二零零七年 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	<b>4,644</b>	4,764
Land use rights in the PRC	於中國之土地使用權	<b>13,346</b>	13,754
		<b>17,990</b>	18,518
Classified as part of a disposal group held for sale (note 10)	分類為持作出售組別之一部份(附註10)	<b>(14,366)</b>	-
		<b>3,624</b>	18,518
Analysis for reporting purposes as:	為報告目的而分析為：		
Non-current asset	非流動資產	<b>3,526</b>	18,046
Current asset (note 22)	流動資產(附註22)	<b>98</b>	472
		<b>3,624</b>	18,518

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 18. AVAILABLE-FOR-SALE INVESTMENT 18. 可供出售投資

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Equity securities listed in overseas, at fair value	海外上市權益證券， 按公平值	<b>8,241</b>	29,541
Analysis for reporting purposes as: 為報告目的而分析為：			
Non-current asset	非流動資產	<b>8,241</b>	—
Current asset	流動資產	<b>—</b>	29,541
		<b>8,241</b>	29,541

As at 31 December 2007, the amount represents the Group's interest in the issued share capital of Ascalade Communications Inc. ("ACI"). ACI is operating in the telecommunication in industry sector and its shares have been quoted in the Toronto Stock Exchange ("TSX"). On 3 December 2008, ACI has been delisted from TSX. As a result, the Group has made an impairment loss on the whole amount of investment in ACI.

As at 31 December 2008, the amount represents the Group's interest in the issued share capital of KFE Japan in relation to subscription shares received upon the disposal of subsidiaries during the year (note 9). In accordance with the terms in the sales and purchase agreement, the Group is required to held the investment for at least two years, and therefore the amount is classified as non-current assets. KFE Japan is listed on Nagoya Stock Exchange of Japan, and is principally engaged in development, trading and manufacture of electronic products in Japan. As at 31 December 2008, the Group held 12.04% equity interest in KFE Japan.

於二零零七年十二月三十一日，該款項指本集團於Ascalade Communications Inc. (「ACI」)已發行股本之權益。ACI從事電訊業，其股份已於多倫多證券交易所(「多倫多證交所」)上市。於二零零八年十二月三日，ACI撤銷於多倫多證交所之上市地位。因此，本集團已就於ACI之全部投資作出減值虧損。

於二零零八年十二月三十一日，該款項指本集團就年內出售附屬公司時收取之認購股份於KFE Japan已發行股本之權益(附註9)。根據買賣協議之條款，本集團須持有有關投資至少達兩年，因此，該款項分類為非流動資產。KFE Japan在日本名古屋證券交易所上市，主要於日本從事電子產品開發、貿易及製造業務。於二零零八年十二月三十一日，本集團持有KFE Japan之12.04%股權。

### 19. CLUB DEBENTURE

The directors of the Company considered to make an impairment loss on club debenture of approximately HK\$580,000 as the market value of such club debenture declined.

### 19. 會所債券

鑒於會所債券之市值下降，本公司董事考慮就會所債券作出減值虧損約580,000港元。

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## 綜合財務報表附註

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### 20. INVENTORIES

### 20. 存貨

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Raw materials	原材料	2,705	72,704
Work in progress	在製品	2,532	16,500
Finished goods	製成品	3,769	58,265
		<b>9,006</b>	147,469
Less: Write down of obsolete and slow moving inventories	減：陳舊及滯銷存貨撇減	<b>(1,932)</b>	(18,439)
		<b>7,074</b>	129,030

The cost of inventories recognised as expense and included in cost of sales amounted to approximately HK\$631,357,000 (2007: HK\$664,381,000).

確認為開支並計入銷售成本之存貨成本約為631,357,000港元(二零零七年：664,381,000港元)。

Movement in the write down of obsolete and slow moving inventories is summarised as follows:

陳舊及滯銷存貨撇減之變動概述如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	18,439	14,116
Exchange adjustments	匯兌調整	1,524	1,140
Write down of obsolete and slow moving inventories	陳舊及滯銷存貨撇減	1,065	3,821
Reversal of obsolete and slow moving inventories written down	已撇減陳舊及滯銷存貨之撥回	<b>(2,499)</b>	(638)
Classified as part of a disposal group held for sale	分類為持作出售組別之一部份	<b>(16,597)</b>	-
Balance at end of the year	年終結餘	<b>1,932</b>	18,439

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## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 20. INVENTORIES (continued)

The reversal of obsolete and slow moving inventories written down arose from sales of obsolete inventories recognised during the year.

The directors of the Company have assessed the net realisable values and conditions of the Company's inventories as at 31 December 2008. The directors of the Company have considered written down of obsolete and slow moving inventories of approximately HK\$1,065,000 (2007: HK\$3,821,000) and a reversal of obsolete and slow moving inventories written down of approximately HK\$2,499,000 (2007: HK\$638,000) be made in respect of the net realisable value of the inventories.

### 20. 存貨(續)

已撇減陳舊及滯銷存貨之撥回乃由於年內已確認之陳舊存貨銷售產生。

本公司董事已評估本公司存貨於二零零八年十二月三十一日之可變現淨值及狀況，並認為應就存貨之可變現淨值作出陳舊及滯銷存貨撇減約1,065,000港元(二零零七年：3,821,000港元)及已撇減陳舊及滯銷存貨之撥回約2,499,000港元(二零零七年：638,000港元)。

### 21. TRADE AND BILLS RECEIVABLES

### 21. 貿易應收款項及應收票據

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade receivables	貿易應收款項	<b>31,036</b>	103,349
Less: Provision for impairment loss recognised in respect of trade receivables	減：就貿易應收款項確認之減值虧損撥備	<b>(1,915)</b>	(6,544)
		<b>29,121</b>	96,805
Bills receivables	應收票據	<b>661</b>	2,293
		<b>29,782</b>	99,098

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## 綜合財務報表附註

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### 21. TRADE AND BILLS RECEIVABLES

(continued)

The Group allows an average credit period of 60 days to its trade customers. An aged analysis of trade and bills receivables, net of provision for impairment loss recognised in respect of trade receivables, is as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Not yet due	未到期	<b>17,630</b>	69,780
Overdue within 30 days	過期不超過30日	<b>6,151</b>	13,289
Overdue for 31-60 days	過期31至60日	<b>3,022</b>	5,158
Overdue for 61-90 days	過期61至90日	<b>2,877</b>	7,692
Overdue for more than 90 days	過期超過90日	<b>102</b>	3,179
		<b>29,782</b>	99,098

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 and bills receivables balances are debtors with an aggregate carrying amount of approximately HK\$12,152,000 (2007: HK\$29,318,000) 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.

### 21. 貿易應收款項及應收票據(續)

本集團給予其貿易客戶平均60日之信貸期。扣除就貿易應收款項確認之減值虧損撥備後之貿易應收款項及應收票據之賬齡分析如下：

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及應收票據結餘包括賬面總值為約12,152,000港元(二零零七年：29,318,000港元)之應收款項。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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### 21. TRADE AND BILLS RECEIVABLES

(continued)

Movement in the provision for impairment loss recognised in respect of trade receivables is summarised as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	6,544	5,069
Exchange adjustments	匯兌調整	15	-
Impairment loss recognised during the year	年內確認之減值虧損	6,861	4,530
Reversal of impairment loss	減值虧損撥回	(523)	-
Amounts written off as uncollectible	不能收回而撇銷之金額	(589)	(3,055)
Reclassified as part of disposal group of asset held for sale	重新分類為持作出售資產組別之一部份	(10,393)	-
Balance at end of the year	年終結餘	1,915	6,544

In determining the recoverability of a trade receivables, the Group considers any change in credit quality of the trade receivables from the date credit was initially granted up to the balance sheet date. Included in the provision for impairment loss recognised in respect of trade receivables are individually impaired trade receivables with an aggregate balance of approximately HK\$6,861,000 (2007: HK\$4,530,000) 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 receivables and the present value of the expected recoverable amount. The Group does not hold any collateral over these balances.

### 21. 貿易應收款項及應收票據(續)

就貿易應收款項確認之減值虧損撥備之變動概述如下：

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。就貿易應收款項確認之減值虧損撥備包括個別已減值之貿易應收款項合共約6,861,000港元(二零零七年：4,530,000港元)，均為被置放清盤或出現重大財政困難。已確認之減值虧損為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。



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## 綜合財務報表附註

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### 21. TRADE AND BILLS 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:

### 21. 貿易應收款項及應收票據(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：

		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
<b>At 31 December 2008</b>	於二零零八年十二月三十一日	<b>15,927</b>	<b>484</b>
At 31 December 2007	於二零零七年十二月三十一日	49,080	747

### 22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 22. 預付款項、按金及其他應收款項

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	<b>29,367</b>	10,273
Less: Impairment loss recognised in respect of other receivables	減：就其他應收款項確認之減值虧損	<b>(566)</b>	(566)
		<b>28,801</b>	9,707
Prepaid lease payments (note 17)	預付租金(附註17)	<b>98</b>	472
		<b>28,899</b>	10,179

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## 綜合財務報表附註

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### 22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

For prepayments, deposits and other receivables, there was an amount of HK\$25,000,000 paid as a deposit for the acquisition of entire share capital of Pacific Choice Holdings Limited and the loans outstanding to China Eagle Development Limited and Fairtime International Limited. In relation to the sale and purchase agreements entered by the Group on 30 April 2008 and 24 October 2008. For further details, please refer to note 43.

In determining the recoverability of other receivables, the directors of the Company consider any change in credit quality of the other receivables from the date credit was initially granted up to the balance sheet date. The impairment loss recognised represents the difference between the carrying amount of the specific other receivable and the present value of the expected recoverable amount.

### 22. 預付款項、按金及其他應收款項 (續)

就預付款項、按金及其他應收款項而言，本集團已就根據本集團於二零零八年四月三十日及二零零八年十月二十四日訂立之買賣協議收購 Pacific Choice Holdings Limited 全部已發行股本及結欠 China Eagle Development Limited 及 Fairtime International Limited 之未償還貸款支付按金 25,000,000 港元。有關進一步詳情，請參閱附註 43。

確定其他應收款項之可收回性時，本公司董事會考慮自授予信貸當日起計至結算日內其他應收款項之任何信貸質素變動。已確認之減值虧損為特定其他應收款項之賬面值及預期可收回金額之現值之差額。

### 23. DERIVATIVE FINANCIAL INSTRUMENTS 23. 衍生金融工具

		2008 二零零八年		2007 二零零七年	
		Assets 資產	Liabilities 負債	Assets 資產	Liabilities 負債
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Foreign currency forward contracts (note i)	外匯遠期合約(附註i)	-	-	4,128	2,133
Structured forward contracts (note ii)	結構遠期合約(附註ii)	-	715	-	3,138
USD/RMB linked hybrid USD swaps (note iii)	美元/人民幣掛鈎混合美元掉期(附註iii)	-	-	1,415	17,463
		-	715	5,543	22,734
Less: Reclassified as a disposal group of assets held for sale (note 10)	減：重新分類為持作出售資產組別(附註10)	-	(715)	-	-
		-	-	5,543	22,734

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## 綜合財務報表附註

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### 23. 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 as at the balance sheet dates are as follow:

At 31 December 2007  
於二零零七年十二月三十一日

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
USD1,280,000 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
USD1,280,000 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
USD3,500,000 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

### 23. 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：

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## 綜合財務報表附註

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### 23. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Notes: (continued)

- (ii) During the year ended 31 December 2007, the Group entered into a USD/RMB structured forward contract with notional amount at USD8,000,000 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. The contract was expired in 2008.

During the year ended 31 December 2008, the Group entered into a USD/HK\$ structured contract with notional amount at USD3,000,000 which offers the Group to receive the settlement (at net currency basis) if the exchange rate of USD/HK\$ falls below 7.7440 on each fixing date within the contract period of 15 months.

- (iii) During the year ended 31 December 2007, 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. These contracts were expired in 2008. The Group did not have any outstanding USD/RMB linked hybrid USD swap as at 31 December 2008.

Terms of major interest rate swaps as at 31 December 2007 are set out below:

Notional amount	Maturity
USD3,000,000	5 September 2008
USD8,000,000	2 June 2008
USD4,000,000	2 July 2008
USD10,000,000	9 October 2008

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

### 23. 衍生金融工具(續)

附註:(續)

- (ii) 於截至二零零七年十二月三十一日止年度，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。該合約於二零零八年屆滿。

於截至二零零八年十二月三十一日止年度，本集團已訂立一份面額為3,000,000美元之美元／港元結構性合約，據此，倘美元／港元匯率於十五個月之合約期間內各裁定日均低於7.7440，本集團可(按淨匯率基準)收取結算款。

- (iii) 於截至二零零七年十二月三十一日止年度，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。該等合約於二零零八年屆滿。於二零零八年十二月三十一日，本集團並無任何未平倉之美元／人民幣掛鈎混合美元掉期合約。

於二零零七年十二月三十一日之主要利率掉期之條款載列如下：

面值	到期日
3,000,000美元	二零零八年九月五日
8,000,000美元	二零零八年六月二日
4,000,000美元	二零零八年七月二日
10,000,000美元	二零零八年十月九日

有關衍生工具於各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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### 24. BANK BALANCES

Bank balances comprise of short-term bank deposits which carry interest ranging from 0.5% to 3% (2007: 2% 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:

### 24. 銀行結存

銀行結存包括短期銀行存款，按年利率介乎0.5%至3%計息(二零零七年：2%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
<b>At 31 December 2008</b>	於二零零八年十二月三十一日	<b>339</b>
At 31 December 2007	於二零零七年十二月三十一日	32,557

### 25. TRADE AND BILLS PAYABLES

### 25. 貿易應付款項及應付票據

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade payables	貿易應付款項	<b>22,139</b>	120,211
Bills payables	應付票據	-	10,799
		<b>22,139</b>	131,010

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

貿易應付款項及應付票據之賬齡分析如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Not yet due or overdue within 30 days	未到期或過期不超過 30日	<b>12,886</b>	117,746
Overdue for 31-60 days	過期31至60日	<b>3,376</b>	6,166
Overdue for 61-90 days	過期61至90日	<b>2,066</b>	2,385
Overdue for more than 90 days	過期超過90日	<b>3,811</b>	4,713
		<b>22,139</b>	131,010

# Notes to the Consolidated Financial Statements

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For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 25. TRADE AND BILLS 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:

### 25. 貿易應付款項及應付票據(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 按以下貨幣計算
		USD 美元
		HK\$'000 千港元
<b>At 31 December 2008</b>	於二零零八年十二月三十一日	<b>2,539</b>
At 31 December 2007	於二零零七年十二月三十一日	20,965

The average credit period of purchase is 60 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

採購之平均信貸期為60天。本集團已制訂財務風險管理政策，以確保所有應付款項均於信貸期內償付。

### 26. OTHER PAYABLES AND ACCRUALS

### 26. 其他應付款項及應計費用

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Other payables and accruals	其他應付款項及應計費用	<b>59,049</b>	40,143
Reclassified as a disposal group of assets held for sale (note 10)	重新分類為持作出售 資產組別(附註10)	<b>(28,234)</b>	-
		<b>30,815</b>	40,143

### 27. AMOUNT DUE TO A SHAREHOLDER

The amount due was unsecured, interest free and repayable on demand. The directors consider that the carrying amount of amount due to a shareholder approximates to its fair value.

### 27. 應付一名股東款項

應付款項為無抵押、免息，並須應要求償還。董事認為應付一名股東款項之賬面值與其公平值相若。

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### 28. OBLIGATIONS UNDER FINANCE LEASES

### 28. 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	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 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	1,646	3,951	1,552	3,714
Between one to two years	於一年後但兩年內	870	1,933	819	1,887
Between two to five years	於兩年後但五年內	412	–	399	–
		<b>2,928</b>	5,884	<b>2,770</b>	5,601
Less: Future finance costs	減：日後融資成本	<b>(158)</b>	(283)	–	–
Present value of lease obligations	租賃責任之現值	<b>2,770</b>	5,601	<b>2,770</b>	5,601
Reclassified as a disposal group of assets held for sale (note 10)	重新分類為持作出售資產組別（附註10）			<b>(2,770)</b>	–
Less: Amounts 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			–	5,601
				–	(3,714)
Amounts due after one year	於一年後償還之款項			–	1,887

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% (2007: 4.81%) per annum for the year. Interest rates are fixed at the contract date ranging from 2.55% to 7.07% (2007: 2.55% to 7.07%) per annum. All leases are on a fixed repayment basis.

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%（二零零七年：4.81%）。利率乃於訂約當日釐定，介乎每年2.55%至7.07%（二零零七年：2.55%至7.07%）。所有租賃款項均須定期償還。

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## 綜合財務報表附註

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### 29. BANK LOANS

The bank loans are unsecured and are repayable as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	於一年內償還	50,141	46,494
Between one to two years	於一年後但兩年內償還	857	6,717
Between two to five years	於兩年後但五年內償還	2,571	2,447
Over 5 years	於五年後償還	1,143	-
		<b>54,712</b>	55,658
Reclassified as a disposal group of assets held for sale (note 10)	重新分類為持作出售資產組別 (附註10)	<b>(54,712)</b>	-
Less: Amounts 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	-	(46,494)
		<b>-</b>	9,164

### 29. 銀行貸款

銀行貸款為無抵押並須按以下還款期償還：

### 30. SHARE CAPITAL

		Number of shares 股份數目		Amount 金額	
		2008 二零零八年 '000 千股	2007 二零零七年 '000 千股	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 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	2,000,000	2,000,000	200,000	200,000
Issued and fully paid:	已發行及繳足：				
At beginning of the year	年初	544,356	544,356	54,436	54,436
Issue of shares	發行股份	108,000	-	10,800	-
At end of the year	年末	<b>652,356</b>	544,356	<b>65,236</b>	54,436

Note:

Pursuant to a subscription agreement entered into on 6 February 2008, the Company issued 108,000,000 ordinary shares of HK\$0.1 each at a subscription price of HK\$0.3 per share to a shareholder on 20 February 2008. The net proceeds of approximately HK\$31,311,000 will be used for financing its ongoing operation and future business expansion.

附註：

根據於二零零八年二月六日訂立之認購協議，於二零零八年二月二十日，本公司以每股0.3港元之認購價向一名股東發行108,000,000股每股面值0.1港元之普通股。有關所得款項淨額約為31,311,000港元，將用作支付本集團目前營運及未來業務拓展。



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### 31. 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.

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.

### 31. 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(包括本公司及其任何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。

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集團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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### 32. DEFERRED TAX LIABILITIES

### 32. 遞延稅項負債

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

本集團確認之主要遞延稅項負債及其於本年度與過往年度內之變動詳情如下：

		<b>Revaluation of properties</b>
		<b>物業重估</b>
		HK\$'000
		千港元
At 1 January 2007	於二零零七年一月一日	19,665
Charge to equity	在股本權益扣除	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
At 31 December 2007 and at 1 January 2008	於二零零七年十二月三十一日及 二零零八年一月一日	20,642
Charge to equity	在股本權益扣除	77
Charge to consolidated income statement	計入綜合損益表	112
Exchange adjustments	匯兌調整	1,637
Disposal of subsidiaries (note 36)	出售附屬公司(附註36)	(1,934)
Reclassified as a disposal group of asset held for sale (note 10)	重新分類為持作出售資產組別 (附註10)	(17,352)
<b>At 31 December 2008</b>	<b>於二零零八年十二月三十一日</b>	<b>3,182</b>

As at 31 December 2008, the Group has unused tax losses of approximately HK\$81,125,000 (2007: HK\$68,715,000) 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.

於二零零八年十二月三十一日，本集團用以抵銷日後溢利之未用稅項虧損約為81,125,000港元(二零零七年：68,715,000港元)。由於未能預計日後溢利，故並無確認遞延稅項資產。有關虧損可無限期結轉。

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### 33. 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.

During the year, the retirement benefits scheme contributions are approximately HK\$3,395,000 (2007: HK\$3,824,000). The Group did not have any forfeited contributions available to offset future employers' contributions to the ORSO Scheme.

### 33. 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。

於年內，退休福利計劃之供款約為3,395,000港元(二零零七年：3,824,000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。

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### 34. CAPITAL COMMITMENTS

### 34. 資本承擔

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 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
Contracted but not provided for	已簽約但未撥備	46	6,167
		<b>46</b>	<b>6,512</b>

In addition, at 31 December 2008, the Company had capital commitment in relation to the acquisition of subsidiaries, for details, please refer to note 43 to the financial statements.

此外，於二零零八年十二月三十一日，本公司就收購附屬公司負有資本承擔。有關更多詳情，請參閱財務報表附註43。

### 35. OPERATING LEASES COMMITMENTS

### 35. 經營租賃承擔

#### 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:

#### 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：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	112	343
In the second to fifth year inclusive	第二至第五年 (首尾兩年包括在內)	-	135
		<b>112</b>	<b>478</b>

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

租賃按每月固定租金訂立，為期一至五年。

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### 36. DISPOSAL OF SUBSIDIARIES

On 12 September 2008, the Group has entered into a conditional sale and purchase agreement to sell (i) the entire issued share capital of Jet Master and the entire registered capital of Tai Shan which was wholly owned by Jet Master and (ii) the factory land, production setup, properties with relevant licenses and the lease, machinery and sewage facilities.

Subsequently on 26 September 2008, the Group has entered into a supplementary agreement to sell the entire inventory of Tai Shan as at 30 September 2008 at market value. The disposal was completed on 30 September 2008.

Summary of the aggregate effects of the disposal of subsidiaries are as follows:

### 36. 出售附屬公司

於二零零八年九月十二日，本集團訂立一項有條件買賣協議，以出售(i)Jet Master之全部已發行股本及泰山(由Jet Master全資擁有)之全部註冊資本及(ii)工廠用地、生產設施、物業(連同相關許可證及租約)、機械設備及排水設施。

於二零零八年九月二十六日之後，本集團訂立一項補充協議，以按市值出售泰山於二零零八年九月三十日之全部存貨。有關出售已於二零零八年九月三十日完成。

出售附屬公司之整體影響概述如下：

		HK\$'000 千港元
<b>Net assets disposed of:</b>	<b>已售資產淨值：</b>	
Property, plant and equipment	物業、廠房及設備	59,378
Prepaid lease payments	預付租金	1,130
Inventories	存貨	10,768
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	1,777
Bank balances and cash	銀行結餘及現金	249
Trade payables	貿易應付款項	(29,914)
Other payables and accruals	其他應付款項及應計費用	(14,039)
Tax liabilities	稅項負債	(28)
Obligations under finance leases	融資租賃責任	(1,331)
Deferred tax liabilities	遞延稅項負債	(1,934)
		26,056
Net liabilities being retained by the Group	本集團保留之負債淨額	41,811
Release of translation reserve	匯兌儲備撥回	(6,052)
Loss on disposal	出售虧損	(31,606)
		30,209
<b>Total consideration</b>	<b>代價總額</b>	<b>30,209</b>
<b>Satisfied by:</b>	<b>以下列方式支付：</b>	
Cash consideration	現金代價	22,784
Subscription shares	認購股份	7,425
		30,209
<b>Net cash inflow arising on disposal:</b>	<b>出售產生之現金流入淨額：</b>	
Cash consideration	現金代價	22,784

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### 37. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the financial statements, during the year ended 31 December 2008, the Group had entered into the following transactions with related parties which, in the opinion of the directors, were carried out in the ordinary course of the Group's business.

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

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Short-term benefits	短期福利	6,755	9,925
Post-employment benefits	退休福利	308	425
		<b>7,063</b>	10,350

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.

### 37. 關連人士交易

除該等財務報表其他章節所披露者外，於截至二零零八年十二月三十一日止年度，本集團曾與關連人士訂立下列交易，且董事認為該等交易乃於本集團之日常業務過程中進行。

於本年度內，董事及其他主要管理層成員之薪酬如下：

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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 38. 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 bank loans disclosed in notes 28 and 29 respectively), and equity attributable to equity holders of the Company, comprising issued share capital, reserves and accumulated losses.

#### Gearing ratio

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. The ratio is calculated based on total debt and shareholders' equity.

The gearing ratio at the year end was as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Total debt	債項總額	-	61,259
Shareholders' equity	股東權益	253,270	375,031
Gearing ratio	資本負債率	-	16.33%

### 38. 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28及29披露之融資租賃責任及銀行貸款)及本公司股權持有人應佔權益(包括已發行股本、儲備及累計虧損)。

#### 資本負債率

本集團董事定期檢討資本架構。作為該檢討之一部份，董事會考慮資本成本及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。該比率乃根據債項總額及股東權益計算。

年終之資本負債率如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 39. FINANCIAL INSTRUMENTS

### 39. 金融工具

#### (a) Categories of financial instruments

#### (a) 金融工具類別

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及 現金等值項目)	<b>34,487</b>	151,711
Available-for-sale investment	可供出售投資	<b>8,241</b>	29,541
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
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	<b>68,454</b>	186,668
Obligations under finance leases	融資租賃責任	-	5,601
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



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 39. FINANCIAL INSTRUMENTS (continued)

### 39. 金融工具(續)

#### (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.

#### Market risk

##### (i) Currency risk

The Group has foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 53% 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, such as Renminbi ("RMB").

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

#### (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。

#### 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53%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間應收款項以相關集團實體之功能貨幣以外之貨幣(如人民幣(「人民幣」))列示。

於報告日期，本集團以外幣列示之金融資產及金融負債之賬面值如下：

		Assets 資產		Liabilities 負債	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
USD	美元	15,524	81,637	(2,539)	(20,965)
RMB	人民幣	7,214	747	(22,367)	-
HK\$	港元	37,448	19,794	(28,048)	-

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 39. FINANCIAL INSTRUMENTS (continued)

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

##### Market risk (continued)

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

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.

##### 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 increased by approximately HK\$817,000 (2007: decreased by approximately HK\$990,000). 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\$Nil (2007: decreased by approximately HK\$3,700,000). 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.

### 39. 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)

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。

##### 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。由於港元與美元掛鈎，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增加約817,000港元(二零零七年：減少約990,000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零港元(二零零七年：減少約3,700,000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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### 39. 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 28 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 29 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.

##### 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 2008 would increase/decrease by approximately HK\$8,000 (2007: loss increase/decrease by approximately HK\$12,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank loans and bank deposits.

### 39. 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28)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貸款(詳情見附註29)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貸款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。

##### 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。就浮息銀行貸款及銀行存款而言，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，則本集團於截至二零零八年十二月三十一日止年度虧損將增加/減少約8,000港元(二零零七年：虧損增加/減少約12,000港元)。此乃主要由於本集團之浮息銀行貸款及銀行存款面對之利率風險所致。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 39. FINANCIAL INSTRUMENTS (continued)

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

##### Market risk (continued)

##### (iii) Other price risk

The Group is exposed to equity price risk through its available-for-sale investment in KFE Japan 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 wholesale industry sector quoted in the Nagoya Stock Exchange. Management regularly reviews the value of the available-for-sale investment and will consider adequate impairment loss to be made when necessary.

##### 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\$412,000 (2007: decrease/increase by HK\$1,477,000) 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 2008, 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.

### 39. 金融工具(續)

#### (b) 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (iii) 其他價格風險

本集團於KFE Japan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名古屋證券交易所批發行業內之權益工具。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。

##### 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412,000港元(二零零七年：減少/增加1,477,000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。

於二零零八年十二月三十一日，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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 39. FINANCIAL INSTRUMENTS (continued)

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

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

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.

##### **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.

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

The Group's concentration of credit risk by geographical locations is mainly in China (2007 mainly in Hong Kong), which accounted for approximately 78% (2007: 48%) of the total trade receivables as at 31 December 2008. Also, the Group has concentration of credit risk as approximately 25% (2007: 8%) and approximately 57% (2007: 16%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively within the business segment.

### 39. 金融工具(續)

#### (b) 財務風險管理目標及政策(續)

##### *信貸風險(續)*

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。

##### **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。

##### **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中國內地(二零零七年：主要於香港)，佔於二零零八年十二月三十一日之貿易應收賬款總額約78% (二零零七年：48%)。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25% (二零零七年：8%)及約57% (二零零七年：16%)，故本集團有集中信貸風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 39. FINANCIAL INSTRUMENTS (continued)

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

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

##### **Concentration of risks of financial assets with credit risk exposure (continued)**

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.

##### *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 2008, the Group has available non-pledged unutilised bank loan facilities of approximately HK\$34,538,000 (2007: HK\$113,669,000).

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.

### 39. 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(續)**

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

##### *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項目水平，以向本集團之營運提供資金及減輕現金流波動之影響。管理層會監控銀行貸款之動用及確保遵守貸款契約。

本集團以銀行貸款作為主要流動資金來源。於二零零八年十二月三十一日，本集團非抵押可供使用惟尚未使用之銀行貸款融資約為34,538,000港元(二零零七年：113,669,000港元)。

下表刊載本集團非衍生金融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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 39. FINANCIAL INSTRUMENTS (continued)

### 39. 金融工具(續)

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

#### (b) 財務風險管理目標及政策(續)

##### Liquidity risk (continued)

##### 流動資金風險(續)

		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
		加權平均 實際利率	少於 1個月	1至3個月	3個月 至1年	超過1年	未折讓現 金流總額	十二月 三十一日 賬面值
		%	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	HK\$'000 千港元
<b>2008</b>	<b>二零零八年</b>							
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>							
Trade and bills payables	貿易應付款項及應付票據	-	16,520	5,619	-	-	22,139	22,139
Other payables and accruals	其他應付款項及應計費用	-	30,815	-	-	-	30,815	30,815
Amount due to a shareholder	應付一名股東款項	-	15,500	-	-	-	15,500	15,500
			62,835	5,619	-	-	68,454	68,454
<b>2007</b>	<b>二零零七年</b>							
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>							
Trade and bills payables	貿易應付款項及應付票據	-	68,298	62,712	-	-	131,010	131,010
Bank loans	銀行貸款	5.24	23,876	4,026	19,532	9,846	57,280	55,658
Obligations under finance leases	融資租賃責任	4.81	676	673	2,602	1,933	5,884	5,601
			92,849	67,411	22,134	11,779	194,173	192,269
<b>Derivatives net settlement</b>	<b>衍生工具結算淨額</b>							
Foreign currency forward contracts	外匯遠期合約	-	(233)	(353)	(1,409)	-	(1,995)	(1,995)
Structured forward contracts	結構性遠期合約	-	-	-	3,138	-	3,138	3,138
USD/RMB linked hybrid USD swap	美元/人民幣掛鈎 混合美元掉期	-	-	(643)	16,691	-	16,048	16,048
			(233)	(996)	18,420	-	17,191	17,191

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 39. 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.

### 39. 金融工具(續)

#### (c) 公平值

本集團之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於活躍市場交易，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。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 40. PARTICULARS OF SUBSIDIARIES

### 40. 附屬公司詳情

Particulars of the Company's subsidiaries as at 31 December 2008 and 31 December 2007 are as follows:

於二零零八年十二月三十一日及二零零七年十二月三十一日，本公司之附屬公司詳情如下：

Name of company 公司名稱	Place 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	Proportion ownership interest held by the Company 本公司持有 之擁有權權益比率				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 二零零八年 %	2007 二零零七年 %	2008 二零零八年 %	2007 二零零七年 %	
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	100	Investment holding 投資控股
China Ample Investments Limited	British Virgin Islands 英屬處女群島	USD1 Ordinary shares 普通股1美元	-	-	100	100	Investment holding 投資控股
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	100	Trading in conductive silicon rubber products 導電硅橡膠產品貿易
Dongguan Humen Taida Electronics 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	100	Manufacturing and trading of electronic products 製造及買賣電子產品
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	100	Manufacturing and trading of electronic products 製造及買賣電子產品
Dongguan Shatian Tehsheng Silicon Rubber Products Co., Ltd. 東莞沙田德盛硅橡膠制品有限公司	PRC 中國	HK\$38,000,000 Registered capital 註冊資本 38,000,000港元	-	-	100	100	Manufacturing and trading of conductive silicon rubber products 製造及買賣導電硅橡膠產品

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 40. PARTICULARS OF SUBSIDIARIES

(continued)

### 40. 附屬公司詳情(續)

Name of company 公司名稱	Place 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	Proportion ownership interest held by the Company 本公司持有 之擁有權權益比率				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 二零零八年 %	2007 二零零七年 %	2008 二零零八年 %	2007 二零零七年 %	
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	Manufacturing and trading of printed circuit boards 製造及買賣印製 電路板
Dragon Spirit Enterprise Limited 龍威企業有限公司	British Virgin Islands 英屬處女群島	USD100 Ordinary shares 普通股100美元	-	-	100	100	Investment holding 投資控股
Habermann Limited	British Virgin Islands 英屬處女群島	USD2 Ordinary shares 普通股2美元	-	-	100	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	100	Trading of conductive silicon rubber products 買賣導電硅橡膠產品
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	100	Trading of printed circuit boards 買賣印製電路板
Jet Master Limited	British Virgin Islands 英屬處女群島	USD100 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	USD2 Ordinary shares 普通股2美元	-	-	100	100	Investment holding 投資控股

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 40. PARTICULARS OF SUBSIDIARIES

(continued)

### 40. 附屬公司詳情(續)

Name of company 公司名稱	Place 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	Proportion ownership interest held by the Company 本公司持有 之擁有權權益比率				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 二零零八年 %	2007 二零零七年 %	2008 二零零八年 %	2007 二零零七年 %	
Karce Company Limited 卡西有限公司	Hong Kong 香港	HK\$10,000 Ordinary shares 普通股10,000港元	-	-	100	100	Trading of electronic products 買賣電子產品
Karce Communications Limited 卡西通訊設備有限公司	British Virgin Islands 英屬處女群島	USD2 Ordinary shares 普通股2美元	-	-	100	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	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	100	Trading of electronic products 買賣電子產品
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	100	Trading of electronic products 買賣電子產品
Million Well Creation Limited 百隆創建有限公司	Hong Kong 香港	HK\$1 Ordinary share 普通股1港元	-	-	100	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	USD10,000 Ordinary shares 普通股10,000美元	-	-	100	100	Investment holding 投資控股
Pristine Limited	Labuan Malaysia 馬來西亞納閩	USD1 Ordinary shares 普通股1美元	-	-	100	100	Investment holding 投資控股

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 40. PARTICULARS OF SUBSIDIARIES

(continued)

### 40. 附屬公司詳情(續)

Name of company 公司名稱	Place 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	Proportion ownership interest held by the Company 本公司持有 之擁有權權益比率				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 二零零八年 %	2007 二零零七年 %	2008 二零零八年 %	2007 二零零七年 %	
Redditch Enterprises Limited	British Virgin Islands 英屬處女群島	USD10,000 Ordinary shares 普通股10,000美元	100	100	-	-	Investment holding 投資控股
Sabic Electronic Limited	British Virgin Islands 英屬處女群島	USD2 Ordinary shares 普通股2美元	-	-	100	100	Investment holding 投資控股
Sourcestar Profits Limited	British Virgin Islands 英屬處女群島	USD1 Ordinary shares 普通股1美元	100	100	-	-	Investment holding 投資控股
T & S Industrial Company Limited	Hong Kong	HK\$200,000 Ordinary shares	-	-	100	100	Provision of purchasing agency, administrative and management services 提供購貨代理、行政 及管理服務
泰盛電子實業有限公司	香港	普通股200,000港元					
Tachibana Limited	British Virgin Islands 英屬處女群島	USD100 Ordinary shares 普通股100美元	-	-	100	100	Investment holding 投資控股
Xinyu Electronics Limited	British Virgin Islands 英屬處女群島	USD1 Ordinary shares 普通股1美元	-	-	100	100	Investment holding 投資控股
新域電子有限公司	英屬處女群島	普通股1美元					

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

None of the subsidiaries had any debt securities outstanding as at 31 December 2008 and 31 December 2007 or at any time during the year.

所有於中國成立之附屬公司均註冊為外資企業。

於二零零八年十二月三十一日及二零零七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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註



For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度

### 41. CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 31 December 2008.

### 41. 或然負債

於二零零八年十二月三十一日，本集團並無任何重大或然負債。

### 42. BALANCE SHEET INFORMATION OF THE COMPANY

### 42. 本公司之資產負債表資料

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Investment in subsidiaries	於附屬公司之投資	<b>103,710</b>	103,710
Amounts due from subsidiaries	應收附屬公司款項	<b>2,875</b>	106,619
Other current assets	其他流動資產	<b>2,884</b>	455
Amounts due to subsidiaries	應付附屬公司款項	<b>(2,767)</b>	(1,677)
Other current liabilities	其他流動負債	<b>(1,915)</b>	(229)
Net assets	資產淨值	<b>104,787</b>	208,878
Share capital (note 30)	股本(附註30)	<b>65,236</b>	54,436
Reserves	儲備	<b>39,551</b>	154,442
		<b>104,787</b>	208,878

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 43. POST BALANCE SHEET EVENTS

Save as disclosed in notes 9 and 10, the Company has the following significant events took place after the balance sheet date:

- (a) On 30 April 2008 and 24 October 2008, the Group entered into a sale and purchase agreement and a supplemental agreement (collectively referred as "Acquisition Agreements") to acquire the entire issued share capital of Pacific Choice Holdings Limited ("Pacific Choice") and the loans outstanding as at the completion of the acquisition due to China Eagle Development Limited ("China Eagle") and Fairtime International Limited ("Fairtime") for a total consideration approximately HK\$2,700,000,000. The main asset of Pacific Choice is the indirectly holding of a PRC subsidiary which principally engaged in the design, installation and manufacturing of high definition projection televisions and related accessories. Under the Acquisition Agreement, the consideration shall be settled by Soucestar Profits (i) as to HK\$25,000,000 payable in cash by Soucestar Profits (of the Company) to Fairtime as deposit upon the signing of the Acquisition Agreement; (ii) upon the completion of the acquisition, (a) as to HK\$225,000,000 by the issue of the Tranche 1 Bonds by the Company to China Eagle; (b) as to HK\$25,000,000 by the issue of the Tranche 1 Bonds by the Company to Fairtime; and (c) as to HK\$375,000,000 by, at the opinion of Soucestar Profits, the issue of the promissory note by Soucestar Profits or cash payment by Soucestar Profits (or the Company) to China Eagle; (iii) as to the remaining balance of HK\$2,000,000,000 by the issue of the Tranche 2 Bonds, the Tranche 3 Bonds and the Tranche 4 Bonds by the Company to China Eagle and Fairtime in their respective equity interest in Pacific Choice, subject to adjustments. For further details, please refer to the Company's circular dated 28 November 2008.

The acquisition was completed on 15 January 2009, for which the fair value of the promissory note as mention above at the date of approval of these financial statements is still under the progress of valuation by an independent qualified professional valuers.

### 43. 結算日後事項

除附註9及10所披露者外，本公司於結算日後曾進行下列重大事項：

- (a) 於二零零八年四月三十日及二零零八年十月二十四日，本集團分別訂立一項買賣協議及補充協議（統稱「收購協議」），以收購 Pacific Choice Holdings Limited（「Pacific Choice」）全部已發行股本及於收購完成日期結欠 China Eagle Development Limited（「China Eagle」）及 Fairtime International Limited（「Fairtime」）之未償還貸款，代價總額為約2,700,000,000港元。Pacific Choice之主要資產為間接持有一家中國附屬公司，該公司主要從事高清投影電視及相關配件之設計、安裝及生產業務。根據收購協議，有關代價將由 Soucestar Profits按以下方式支付：(i) 25,000,000港元於簽署收購協議時由 Soucestar Profits（或本公司）以現金方式支付予 Fairtime作為按金；(ii) 於收購完成時：(a) 225,000,000港元透過本公司向 China Eagle發行第一批債券支付；(b) 25,000,000港元透過本公司向 Fairtime發行第一批債券支付；及 (c) 375,000,000港元透過（由 Soucestar Profits選擇）Soucestar Profits發行承兌票據或 Soucestar Profits（或本公司）以現金方式向 China Eagle付款；(iii) 餘額 2,000,000,000港元透過本公司按 China Eagle及 Fairtime各自所持 Pacific Choice之股本權益比例向該等公司發行第二批債券、第三批債券及第四批債券，並可予調整。有關更多詳情，請參閱本公司日期為二零零八年十一月二十八日之通函。

收購事項已於二零零九年一月十五日完成，獨立合資格專業估值師仍正評估上文所述就此發行之承兌票據於本財務報表獲核准之日之公平值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2008 截至二零零八年十二月三十一日止年度



### 43. POST BALANCE SHEET EVENTS

(continued)

On 15 January 2009, Pacific Choice and its subsidiaries possessed property, plant and equipment of approximately HK\$1,632,000, inventories of approximately HK\$4,059,000, amounts due from shareholders of approximately HK\$39,078,000, deposits and prepayment of approximately HK\$773,000, bank balances and cash of approximately HK\$46,000 and accruals and other payables of approximately HK\$3,365,000. The fair value of the intangible asset in relation to the TMDC sales patent is still under the progress of valuation by an independent qualified professional valuers at the date of approval of these financial statements. It is therefore considered that it is not applicable to disclose the fair value of the intangible asset for recognition in the consolidated financial statement and also any goodwill or excess to be recognised.

- (b) On 20 January 2009, the Company entered into subscription agreements with each of Yue Wai Keung and Chung Chi Shing for the subscription of an aggregate 50,000,000 new shares of the Company for a total consideration of approximately HK\$5,000,000 at a subscription price of HK\$0.1 per subscription share. For further details, please refer to the Company's announcement dated 20 January 2009.

### 44. COMPARATIVE

Certain comparative amounts have been reclassified to conform with the current year's presentation.

### 43. 結算日後事項(續)

於二零零九年一月十五日，Pacific Choice 及其附屬公司擁有物業、廠房及設備約 1,632,000 港元、存貨約 4,059,000 港元、應收股東款項約 39,078,000 港元、按金及預付款項約 773,000 港元、銀行結存及現金約 46,000 港元以及應計費用及其他應付款項約 3,365,000 港元。於本財務報表獲核准之日，獨立合資格專業估值師仍正就 TMDC 銷售專利之無形資產公平值進行估值。因此，不宜於綜合財務報表中披露經確認之無形資產之公平值及將予確認之任何商譽或超出之差額。

- (b) 於二零零九年一月二十日，本公司與 Yue Wai Keung 及 Chung Chi Shing 各自訂立認購協議，以按認購價每股認購股份 0.1 港元認購合共 50,000,000 股之本公司新股份，總代價約為 5,000,000 港元。有關更多詳情，請參閱本公司日期為二零零九年一月二十日之公佈。

### 44. 比較金額

若干比較金額已經重新分類，以符合本年度之呈列方式。

# FINANCIAL SUMMARY

## 財務總表



### RESULTS

### 業績

For the year ended 31 December  
截至十二月三十一日止年度

		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	2008 二零零八年 HK\$'000 千港元
Revenue	收益	774,255	647,004	705,859	735,114	<b>645,083</b>
Profit/(loss) before taxation	除稅前溢利/(虧損)	58,883	28,767	4,500	(62,826)	<b>(163,299)</b>
Income tax expenses	所得稅開支	(8,637)	(731)	(2,069)	(1,924)	<b>(6,429)</b>
		50,246	28,036	2,431	(64,750)	<b>(169,728)</b>
Attributable to:	以下應佔：					
Equity holders of the Company	本公司股權持有人	53,353	28,036	2,431	(64,750)	<b>(169,728)</b>
Minority interests	少數股東權益	(3,107)	-	-	-	<b>-</b>
		50,246	28,036	2,431	(64,750)	<b>(169,728)</b>

### ASSETS AND LIABILITIES

### 資產及負債

As at 31 December  
於十二月三十一日

		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	2008 二零零八年 HK\$'000 千港元
Total assets	總資產	726,781	687,704	667,458	669,470	<b>515,897</b>
Total liabilities	總負債	(336,420)	(246,258)	(250,971)	(294,439)	<b>(262,627)</b>
		390,361	441,446	416,487	375,031	<b>253,270</b>
Attributable to:	以下應佔：					
Equity holders of the Company	本公司股權持有人	390,361	441,446	416,487	375,031	<b>253,270</b>



# PARTICULARS OF PROPERTIES HELD BY THE GROUP

## 本集團持有之物業詳情



Location		Group's Interest	Approximate site area (sq. m) 概約建築面積 (平方米)	Existing use	Term of lease
地點		本集團之權益		現時用途	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 稔洲管理區 綜合工業用地	100%	2,500	Industrial 工業	Medium 中期

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