



K & P INTERNATIONAL HOLDINGS LIMITED

(堅 寶 國 際 控 股 有 限 公 司)

(Incorporated in Bermuda with limited liability)

(於 百 慕 達 註 冊 成 立 之 有 限 公 司)

(Stock Code 股份代號 : 675)

Annual 年報
Report
2008

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公司資料

Corporate Information

BOARD OF DIRECTORS

Executive directors

Lai Pei Wor (*Chairman*)

Chan Yau Wah (*Deputy Chairman*)

Independent non-executive directors

Kung Fan Cheong

Leung Man Kay

Li Yuen Kwan, Joseph

COMPANY SECRETARY

Ng Kwong Kui (appointed on 23 February 2009)

AUDITORS

Ernst & Young

Certified Public Accountants

PRINCIPAL BANKERS

Standard Chartered Bank (Hong Kong) Limited

DBS Bank (Hong Kong) Limited

Hang Seng Bank Limited

The Hongkong and Shanghai Banking Corporation Limited

Industrial and Commercial Bank of China (Asia) Limited

Bank of Communications, Hong Kong Branch

Dah Sing Bank, Limited

PRINCIPAL SHARE REGISTRARS AND TRANSFER OFFICE

Butterfield Corporate Services Limited

Rosebank Centre

14 Bermudiana Road

Pembroke

Bermuda

董事會

執行董事

賴培和(主席)

陳友華(副主席)

獨立非執行董事

孔蕃昌

梁文基

李沅鈞

公司秘書

吳光僑(於二零零九年二月二十三日獲委任)

核數師

安永會計師事務所

執業會計師

主要往來銀行

渣打銀行(香港)有限公司

星展銀行(香港)有限公司

恒生銀行有限公司

香港上海滙豐銀行有限公司

中國工商銀行(亞洲)有限公司

交通銀行·香港分行

大新銀行有限公司

主要股份過戶登記處

Butterfield Corporate Services Limited

Rosebank Centre

14 Bermudiana Road

Pembroke

Bermuda

公司資料 Corporate Information

HONG KONG BRANCH SHARE REGISTRARS AND TRANSFER OFFICE

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

HONG KONG LEGAL ADVISERS

Richards Butler

BERMUDA LEGAL ADVISERS

Conyers Dill & Pearman

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Units 2304-06
23rd Floor
Riley House
88 Lei Muk Road
Kwai Chung
New Territories
Hong Kong

WEBSITE

www.kpihl.com

STOCK CODE

675

股份過戶登記處香港分處

卓佳登捷時有限公司
香港皇后大道東28號
金鐘匯中心26樓

香港法律顧問

齊伯禮律師行

百慕達法律顧問

Conyers Dill & Pearman

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及主要營業地點

香港
新界
葵涌
梨木道八十八號
達利中心二十三樓
二三零四至零六室

電子網址

www.kpihl.com

股份編號

675

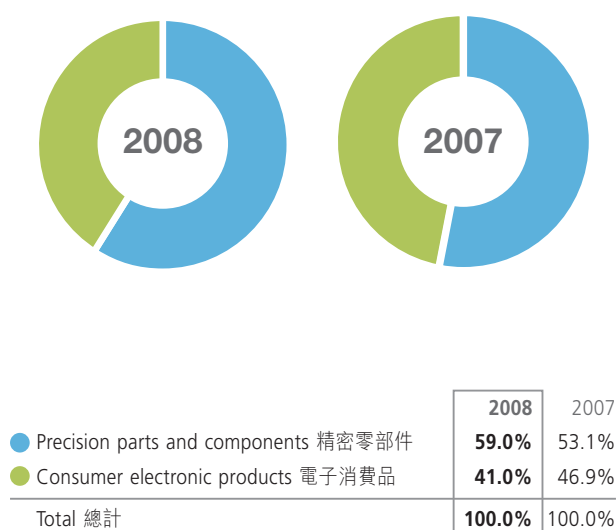
財務摘要

Financial Highlights

		2008 二零零八年 HK\$ million 百萬港元	2007 二零零七年 HK\$ million 百萬港元
Revenue	收入	411.8	390.5
Profit attributable to equity holders	權益持有人所佔溢利	0.4	6.5
Property, plant and equipment	物業、廠房及設備	154.3	108.0
Equity	權益	154.2	145.1
Basic earnings per share	每股基本盈利	0.15 cent港仙	2.45 cents港仙

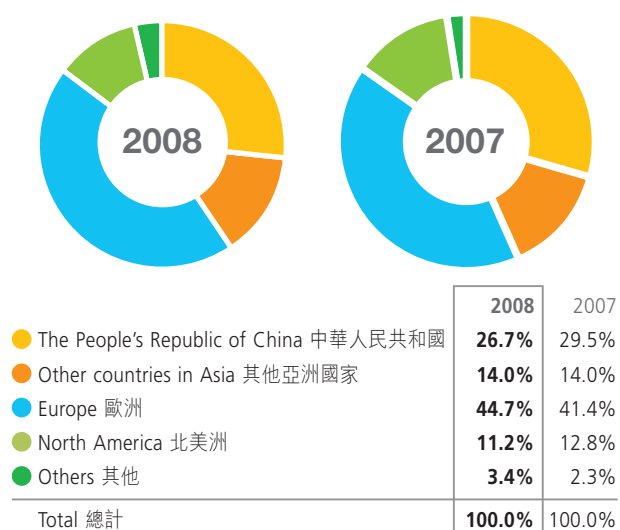
REVENUE BY BUSINESS SEGMENT

按業務劃分之營業額



REVENUE BY GEOGRAPHICAL SEGMENT

按地區劃分之營業額

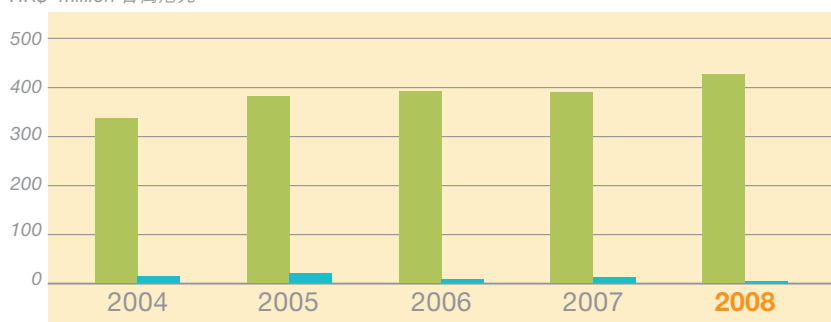


REVENUE/PROFIT ATTRIBUTABLE TO EQUITY HOLDERS

營業額／權益持有人所佔溢利

- Revenue 收入
- Profit attributable to equity holders 權益持有人所佔溢利

HK\$' million 百萬港元



主席報告

Chairman's Statement

On behalf of the Board of Directors (the "Board"), I am pleased to report the annual audited results of the Company together with the subsidiaries (collectively the "Group") for the year ended 31 December 2008.

FINANCIAL RESULTS

The Group turnover for the year ended 31 December 2008 amounted to approximately HK\$411.8 million representing 5.4% increase from the previous year. Overall gross profit decreased by 5.2% to approximately HK\$79.0 million this year. Profit attributable to equity holders was approximately HK\$0.4 million (2007: HK\$6.5 million).

Basic earnings per share for the year ended 31 December 2008 was HK0.15 cent (2007: HK2.45 cents) per share.

BUSINESS REVIEW

Despite the challenging business environment in 2008, the Group has delivered a growth of the component business by 17.3% to approximately HK\$243.1 million. It was a record high since our inception in 1985. The operating profit increased by 8.7% to approximately HK\$21.2 million.

The consumer electronic products business has dropped by 8.0% to approximately HK\$168.7 million. The operating loss of this segment increased to approximately HK\$13.6 million (2007: HK\$5.3 million). We have applied immediate remedial actions to this segment in reorganising and streamlining procedures, reducing operating costs by downsizing and utilising resources effectively.

With the launch of new products and execution of cost saving strategies in the second half of 2008, the gross profit margin improved from 17.1% in the first half of the year to 19.2% at the end of the year, which dropped by 2.1% when compared with the gross profit margin of 21.3% at 2007 due to the continuously increasing operating costs in Mainland China.

FUTURE PLANS AND PROSPECTS

Looking ahead, we will continue our focus on developing our core business, the precision parts and components and consumer electronic products.

本人欣然代表董事會(「董事會」)提呈本公司及其附屬公司(統稱「本集團」)截至二零零八年十二月三十一日之全年業績。

財務業績

截至二零零八年十二月三十一日止年度，本集團之營業額約411,800,000港元，較去年增加5.4%。本年整體毛利約79,000,000港元，較去年下跌5.2%。權益持有人應佔溢利約為400,000港元(二零零七年：6,500,000港元)。

截至二零零八年十二月三十一日止年度，每股基本盈利為0.15港仙(二零零七年：2.45港仙)。

業務回顧

雖然面對二零零八年富挑戰性的營商環境，本集團精密零部件之營業額約243,100,000港元，較去年增加17.3%，錄得自一九八五年成立後的新紀錄。業績溢利約21,200,000港元，較去年增加8.7%。

電子消費品分類業務的營業額約168,700,000港元，較去年減少8.0%。此分類業績虧損增加至約13,600,000港元(二零零七年：5,300,000港元)。我們已針對此分類業務執行改善措施，包括架構重組、簡化營運及架構程序、縮減人員開支致降低生產及營運成本、及重整資源分配。

在二零零八年下半年推出新開發的產品予市場及實施成本控制的策略下，毛利率由上半年17.1%改善至下半年19.2%。但由於面對在中國大陸營運的成本持續上漲，本年全年的毛利率較去年21.3%下跌2.1%。

未來計劃及展望

展望將來，我們仍會繼續專注發展精密零部件及消費電子產品這兩項核心業務。

主席報告

Chairman's Statement

For the past two years, the Group had continuously invested in our core business area. The construction of the new manufacturing facility of the precision parts and components segment in Zhongshan, the People's Republic of China ("PRC") was completed in the second quarter of 2008 and has been fully operational since then. Furthermore, we also completed the relocation of manufacturing facility of the consumer electronic products segment to a new factory premise in Shenzhen, PRC, which began production in the third quarter. We believe the new facilities will bring in a positive impact to the Group by enhancing our competitive edge, and pave the way for us to grow our business. In the near future, we do not have any plans for any major investments.

As the global economy is still full of uncertainties and with the drop in demand in the consumer market, we are determined to minimize our financial burden. On manufacturing side, we have implemented a series of cost control measures, including streamlining of the production processes, closely monitoring daily expenditures and restructuring of human resources, so as to cope with the challenge in an adverse environment. On the other hand, we will continue to improve the production flow, enhance the production efficiency, invest on research and development of new products, further strengthen our leadership in our core business to increase profitability. Meanwhile, we also achieve initial success after the restructuring of the precision parts and components segment. In fact, we can expect and forecast a steady business growth in this segment for the years to come.

We firmly believe that we are ready to face the tough challenge ahead in this difficult economic condition and are confident to capture the business opportunities from the recovery of the economy after this global recession.

APPRECIATION

On behalf of the board, I would like to thank our management team and all our staffs for their continued commitment and hard works and to shareholders and our business partners for their continued support, particularly during such a challenging year as 2008, this will strengthen our commitment to strive for greater achievements for the Group.

I would also like to thank my fellow directors for their guidance and advice and to thank Mr. Chung Yik Cheung, Raymond for his valuable contributions to the Group during his tenure.

Lai Pei Wor

Chairman

Hong Kong, 23 April 2009

在過去兩年，本集團繼續投放資源在我們的核心業務。在中華人民共和國（「中國」）中山的精密零部件業務的新生產廠房已於去年第二季完成興建，並同時已全線投入生產。另外，我們已完成將電子消費品的生產部門搬遷到位於中國深圳的新廠房，並在第三季也全線投入生產。我們相信這兩座新廠房的運作將會為本集團帶來正面的影響，除了增加我們的競爭力，亦能為拓展生意業務奠定基礎。在未來日子裏，我們暫時沒有計劃作出任何重大的投資。

面對世界經濟仍然存有許多各種不明朗的因素及消費市場訂單放緩的情況，我們會努力改善財務負擔。在生產方面，我們已採取一系列成本控制措施，包括簡化生產架構、加強控制日常營運開支及重整人力資源的投放，以面對這惡劣環境所帶來的挑戰。另一方面，我們會繼續改善本集團的生產工序、提高生產能力、繼續新產品研究開發，鞏固在市場上地位及提升盈利能力。與此同時，在精密零部件的業務經過架構整合後，初見成績。我們預期精密零部件在未來會有穩定的增長。

我們深信在目前全球經濟衰退的環境下，我們已準備就緒面對這個挑戰並充滿信心去迎接經濟復甦後所帶來的機遇。

致謝

本人謹代表董事會感謝各管理人員及所有員工所作出之貢獻及努力，各股東及商業伙伴之支持，特別在這富挑戰性的二零零八年，將驅使我們更加努力去為集團爭取更大的成就。

同時，本人感謝各董事成員所提出的指導及意見，及感謝鍾奕昌先生在任期間對本集團所作出的寶貴貢獻。

主席

賴培和

香港，二零零九年四月二十三日

管理層之討論及分析

Management Discussion and Analysis

OPERATIONS REVIEW

The following highlights the Group's results for the year ended 31 December 2008.

- Turnover increased by 5.4% from the prior year to HK\$411.8 million for the year.
- Gross profit decreased by approximately HK\$4.4 million from 2007 to approximately HK\$79.0 million in 2008.
- Profit from operating activities before finance costs was HK\$7.4 million, decreased by HK\$7.5 million from the last financial year.
- Finance costs decreased by HK\$0.7 million from last year to HK\$5.4 million.
- Profit for the year was approximately HK\$0.4 million.

In the year under review, turnover of the precision parts and components segment has increased by approximately 17.3% as compared with the previous financial year. On the other hand, turnover of the consumer electronic products segment has decreased by approximately 8.0%.

The Group's overall gross profit has decreased by approximately 5.2% from the previous year.

The Group's finance costs decreased to HK\$5.4 million for the year due to the falling in interest rates.

營運回顧

以下是本集團於截至二零零八年十二月三十一日止年度主要業績概況。

- 營業額比去年增加5.4%至本年之411,800,000港元。
- 毛利相比二零零七年減少由約4,400,000港元至本年約79,000,000港元。
- 經營業務溢利於未計及融資成本為7,400,000港元，較上財政年度減少7,500,000港元。
- 融資成本比去年減少約700,000港元至5,400,000港元。
- 本年度溢利約為400,000港元。

回顧本年度，精密零部件分類業務之銷售營業額與上財政年度相比增加約17.3%。另一方面，電子消費品業務之銷售營業額與去年相比減少約8.0%。

本集團整體毛利較去年下降約5.2%。

本集團融資成本較去年減少至5,400,000港元原因是利率下降。

管理層之討論及分析

Management Discussion and Analysis

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flow and banking facilities provided by its principal bankers and other financial institutions in Hong Kong.

The total borrowings from banks and financial institutions include long term loans, finance leases, import and export loans, amounted to approximately HK\$95.5 million as at 31 December 2008, of which HK\$71.0 million is repayable in 2009.

The Group's financial position remains healthy. At the balance sheet date, the aggregate balance of cash and cash equivalents of the Group amounted to approximately HK\$51.5 million.

The Group's borrowings are on a floating rate basis and are mainly denominated in Hong Kong dollars, Renminbi or United States dollars. These match with the principal currencies in which the Group conducts its business. Currently, the Group has Renminbi-denominated loan amounting to approximately RMB10 million that are used by the Group's Zhongshan plants for working capital purposes.

The gearing ratio on the basis of total debts to total assets as at 31 December 2008 is 57.9% (2007: 56.6%).

CHARGE ON THE GROUP ASSETS

At 31 December 2008, certain of the Group's buildings with a net carrying value of approximately HK\$50,000,000 (2007: Nil) and one of the Group's land with a net book value of approximately HK\$10,548,000 (2007: HK\$9,796,000) were pledged to secure a bank loan to the Group.

CONTINGENT LIABILITIES

Except for corporate guarantees given to banks and other financial institutions in relation to facilities granted to the subsidiaries, a subsidiary of the Group is currently a defendant in a lawsuit brought by a party alleging that the subsidiary had breached a sales and purchase contract to deliver certain goods. The directors, based on the advice from the Group's external legal counsel, believe that the subsidiary has a reasonably good defence against the allegation and, accordingly, have not provided for any claim arising from the litigation, other than the related legal costs.

流動資金及資金來源

本集團一般以內部產生之現金流量及其香港主要往來銀行及其它財務機構所提供之銀行備用信貸作為其營運資金。

於二零零八年十二月三十一日，銀行及財務機構借款總額，包括長期貸款、融資租賃及進出口貸款約為95,500,000港元，其中71,000,000港元將於二零零九年償還。

本集團之財務狀況維持健康。於結算日，本集團之現金及現金等值項目之總額約51,500,000港元。

本集團之貸款按浮動息率並以港元、人民幣或美元結算為主，而名下之業務營運亦以該等貨幣為主，現時，集團約有一千萬元人民幣銀行貸款，乃為集團位於中山的生產基地提供營運資金。

於二零零八年十二月三十一日，根據總債項相對總資產基礎計算之負債率為57.9%（二零零七年：56.6%）。

本集團已抵押資產

於二零零八年十二月三十一日，本集團部份樓宇賬面淨值約為50,000,000港元（二零零七年：無）及其中一幅的土地賬面淨值約為10,548,000港元（二零零七年：9,796,000港元）已作為本集團銀行貸款的抵押擔保。

或然負債

除了公司給予銀行及其它財務機構有關附屬公司的貸款擔保外，本集團其中一附屬公司現正成一訴訟案中的被告人，原告人宣稱附屬公司未有按買賣合約中訂明下安排運送有關貨品。根據本集團的外聘法律顧問的意見，附屬公司就有關訴訟擁有充分合理的免責辯護，因此董事認為除有關的法律費用外，附屬公司無需要為有關訴訟作出任何撥備。

管理層之討論及分析

Management Discussion and Analysis

CAPITAL STRUCTURE

As at 31 December 2008, the Company had approximately 265.5 million shares in issue with total shareholders' funds of the Group amounting to approximately HK\$154.2 million.

Pursuant to the share option scheme, the Board granted share options to certain supplier of services, senior executives and employees of the Group. The exercise in full of those share options granted but remaining not exercised would result in the issue of 1.9 million additional shares and proceeds of approximately HK\$0.49 million.

FUND RAISING

Other than obtaining additional general banking facilities, the Group obtained a loan from a director of HK\$12 million to finance the Group's business operations in 2008.

EMPLOYEES

As at 31 December 2008, the Group had a total workforce of approximately 2,380 of which approximately 65 were based in Hong Kong, approximately 15 were based overseas and approximately 2,300 were based in the PRC.

The Group remunerates its employees largely based on the prevailing industry practice and labor laws. Since December 1996, the Company has adopted a share option scheme for the purpose of providing incentives and rewards to the employees of the Group.

Moreover, under the Mandatory Provident Fund Scheme Ordinance of Hong Kong, the Group has operated a defined contribution Mandatory Provident Fund retirement benefits scheme for all its Hong Kong employees. For overseas and PRC employees, the Group is required to contribute a certain percentage of its payroll costs to the central pension scheme operated by the respective local government.

資本結構

本公司於二零零八年十二月三十一日之已發行股份約為265,500,000股，本集團之總股東權益約為154,200,000港元。

按本公司購股權計劃，董事會授予本集團部份服務供應商、資深行政人員及僱員購股權。全面行使已授出但未獲行使之購股權將會導致1,900,000股額外股份之發行以及約490,000港元之收入。

籌集資金

除了取得額外一般銀行備用信貸以外，本集團於二零零八年獲得一名董事提供貸款12,000,000港元作為本集團業務營運用途。

僱員

本集團於二零零八年十二月三十一日共有約2,380名僱員，其中約65名駐香港，15名駐海外及約2,300名駐中國。

本集團主要根據目前業內慣例及勞工法例釐定僱員酬金。本集團自一九九六年十二月以來已實行一項購股權計劃，目的是提供獎勵及報酬予本集團僱員。

此外，本集團根據香港強制性公積金計劃條例，為於香港之所有僱員實施一項定額供款強制性公積金計劃。至於海外及中華人民共和國的僱員，本集團須要按照其當地政府所營辦的中央公積金，以僱員薪金的若干百分比作供款。

企業管治報告

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

The Board of the Company believes that corporate governance is essential to the success of the Company and has adopted various measures to ensure that a high standard of corporate governance is maintained. The Company has applied the principles as set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange") ("Listing Rules") and regularly reviews its corporate governance practices to ensure compliance with the CG Code. In the opinion of the directors, the Company has complied with all the code provisions as set out in the CG Code throughout the year ended 31 December 2008, except for the deviation in respect of the separation of the roles of Chairman and Chief Executive Officer. Considered reasons are provided in the section of Chairman and Chief Executive Officer.

BOARD OF DIRECTORS

The Board of the Company currently comprises the following directors:

Executive Directors

Lai Pei Wor (*Chairman*)
Chan Yau Wah (*Deputy Chairman*)

Independent Non-Executive Directors

Kung Fan Cheong
Leung Man Kay
Li Yuen Kwan, Joseph

The list of directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules.

None of the members of the Board is related to one another. During the year ended 31 December 2008, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

企業管治常規

本公司董事會(「董事會」)相信企業管治對本公司之成功至為重要，並已採納多項措施以確保維持高標準的企業管治。本公司應用香港聯合交易所有限公司證券上市規則(「聯交所」)(「上市規則」)附錄十四所載的企業管治常規守則(「企業管治守則」)之原則及定期檢討企業管治常規，以確保其遵守企業管治守則。董事認為，惟當中有關主席及行政總裁之角色區分是偏離外，本公司於截至二零零八年十二月三十一日止整個年度均遵守載於企業管治守則之所有守則條文。經考慮的理由列於「主席及行政總裁」章節內。

董事會

本公司董事會目前由以下董事組成：

執行董事

賴培和(*主席*)
陳友華(*副主席*)

獨立非執行董事

孔蕃昌
梁文基
李沅鈞

董事名錄(按類別)亦於本公司根據上市規則不時刊發之所有公司通訊內予以披露。

董事會成員之間概無任何關連。截至二零零八年十二月三十一日止年度期間，董事會一直符合上市規則有關委任最少三名獨立非執行董事的規定，其中至少一名獨立非執行董事具有適合專業資格或會計或相關財務管理專業的規定。

企業管治報告

Corporate Governance Report

Responsibilities and delegation of functions

The Board of the Company is collectively responsible for the oversight of the management of the business and affairs of the Group with the objective of enhancing shareholders' value. The overall management of the Company's business is vested in the Board. The Board has delegated the day-to-day management of the Company's business to the executive directors. In addition, the Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference.

The Board focuses its attention on matters affecting the Company's overall strategic policies, finances and shareholders. These include financial statements, dividend policy, significant changes in accounting policy, the annual operating budget, certain material contracts, strategies for future growth, major financing arrangements and major investments, risk management strategies, treasury policies and group structure.

The Board formulates overall strategy of the Group, monitors its financial performance and maintains effective oversight over the management. The Board members are fully committed to their roles and have acted in good faith to maximize the shareholders' value in the long run, and has aligned the Group's goals and directions with the prevailing economic and market conditions. Daily operations and administration are delegated to the management.

BOARD MEETINGS

Number of Meetings and Directors' Attendance

During the year ended 31 December 2008, five regular board meetings were held at approximately quarterly intervals for reviewing and approving the financial and operating performance, and considering and approving the overall strategies and policies of the Company. The attendance record of each director is set out below:

Name of director	董事姓名	Attendance of Board meetings in 2008	Attendance rate
		二零零八年出席 董事會會議次數	
Lai Pei Wor	賴培和	5/5	100%
Chan Yau Wah	陳友華	5/5	100%
Chung Yik Cheung, Raymond (resigned on 9 February 2009)	鍾奕昌 (於二零零九年二月九日辭任)	5/5	100%
Kung Fan Cheong	孔蕃昌	5/5	100%
Leung Man Kay	梁文基	5/5	100%
Li Yuen Kwan, Joseph	李沅鈞	5/5	100%

責任及授權之職能

本公司董事會共同負責監管本集團業務及各項事務的管理工作，並以提升股東之價值為目標。本公司之整體業務由董事會負責管理。董事會授權執行董事管理本公司之日常業務。另外，董事會已設立委員會，及其之各種職責授權，分別載於職權範圍內。

董事會本身則專注處理可影響本公司整體策略方針、財務及股東的事項。其中包括財務報告、股息政策、會計政策之重大修改、每年經營預算、若干重大合約、未來發展策略、主要融資安排及重大投資、風險管理策略、庫務政策及集團結構。

董事會制定集團整體發展策略、監管其財務表現及對管理層維持有效監督。董事會成員均盡忠職守，並真誠行事，以盡量提升長遠股東價值，且將本集團之目標及方向，與當時經濟及市場狀況配合。日常營運及管理工作的則交由管理層處理。

董事會會議

會議數目及董事出席記錄

截至二零零八年十二月三十一日止年度期間，董事會舉行五次定期會議，約每季度舉行以檢討及批准本集團之財務及經營表現，並考慮及批准本公司之整體策略及政策。各董事之出席記錄如下：

企業管治報告

Corporate Governance Report

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code Provision A.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

The roles of the Chairman and the Chief Executive Officer are not separate and are performed by Mr. Lai Pei Wor. Since the Board will meet regularly to consider major matters affecting the operations of the Company, the Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company and believes that this structure will enable the Company to make and implement decisions promptly and efficiently.

INDEPENDENT NON-EXECUTIVE DIRECTORS

All the independent non-executive directors have contracts with the Company for a specified period of two years and are appointed subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Bye-laws and the CG Code.

Each independent non-executive director has made an annual confirmation of independence to the Company and the Company considers these directors to be independent under Rule 3.13 of the Listing Rules. None of the directors is related to each other.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding directors' securities transactions as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of Appendix 10 of the Listing Rules. Based on specific enquiry of the Company's directors, all directors have complied with the required standard set out in the Model Code throughout the year.

The Company has also established written guidelines on no less exacting terms than the Model Code (the "Employees Written Guidelines") for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company.

No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

主席及行政總裁

守則條文第A.2.1條規定，主席及行政總裁之角色應有區分，而且不應由一人同時兼任。

主席及行政總裁之角色並未區分，並由賴培和先生擔任。由於董事會將定期舉行會議，以考慮影響本公司營運之重大事宜，因此董事會認為此架構不會影響董事會與本公司管理層之間的權力和授權失衡，並相信此架構能使本公司快速及有效制訂及推行決策。

獨立非執行董事

所有獨立非執行董事均與本公司簽訂兩年年期之合約，並須按本公司之公司細則及企業管治守則，於本公司之股東週年大會上輪席退任和接受重選。

各獨立非執行董事已根據上市規則第3.13條規定，就其獨立性每年向本公司發出確認書，而本公司認為該等董事均屬獨立人士。董事之間互相概無任何關連。

董事之證券交易

本公司已採納一套就董事進行證券交易的守則，其載於上市規則附錄十的上市發行人董事進行證券交易的標準守則（「標準守則」）。根據本公司向董事作出特定查詢後，全體董事於整個年度均遵守標準守則所載之規定。

本公司亦就可能擁有本公司尚未公開而引致股價波動的資料的僱員進行買賣證券事宜，以不比標準守則寬鬆的條款制定書面指引（「僱員書面指引」）。

本公司並不知悉有任何僱員違反僱員書面指引的情況。

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BOARD COMMITTEES

The Board has established two committees, namely, the Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the Company's website and are available to shareholders upon request.

All of the current members of each Board committee are independent non-executive directors.

The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company's expense.

REMUNERATION COMMITTEE

The Remuneration Committee currently comprises of two members, both of them are independent non-executive directors. The members of the Remuneration Committee are Mr. Kung Fan Cheong (*Chairman*) and Mr. Leung Man Kay.

During the year ended 31 December 2008, the Remuneration Committee comprised of three members, two of whom were independent non-executive directors. The Remuneration Committee held three meetings in 2008. The attendance record of each Remuneration Committee member is set out below:

Name of director	董事姓名	Attendance of Remuneration Committee meetings in 2008	Attendance rate
		二零零八年出席 薪酬委員會會議次數	
Chung Yik Cheung, Raymond (resigned on 9 February 2009)	鍾奕昌 (於二零零九年二月九日辭任)	3/3	100%
Kung Fan Cheong (<i>Chairman</i>)	孔蕃昌 (主席)	3/3	100%
Leung Man Kay	梁文基	3/3	100%

The major roles and functions of the Remuneration Committee are as follows:

- (a) to make recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;

董事會委員會

董事會已設立兩個委員會，即薪酬委員會及審核委員會，以監督本公司事務之特定方面。本公司所有董事會委員會均按書面界定之職權範圍成立。董事會委員會之職權範圍已於本公司網站刊登及可應要求向股東提供。

目前董事會委員會之所有成員均為獨立非執行董事。

董事會委員會獲提供足夠資源履行其職務，並可應彼等提出之合理要求，於適當情況下尋求獨立專業意見，費用由本公司負責。

薪酬委員會

薪酬委員會目前由兩名成員組成，其成員均為獨立非執行董事。薪酬委員會成員為孔蕃昌先生(主席)及梁文基先生。

截至二零零八年十二月三十一日止年度內，薪酬委員會由三名成員組成，其中兩名為獨立非執行董事。於二零零八年，薪酬委員會已舉行三次會議。薪酬委員會各成員之出席紀錄如下：

薪酬委員會之主要角色及功能如下：

- (a) 就本公司董事及高級管理人員的全體薪酬政策及結構，以及就此制訂正規及具透明度之政策程序向董事會作出建議；

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| <p>(b) to have the delegated responsibility to determine the specific remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payments, including 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. The remuneration committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the group and desirability of performance-based remuneration;</p> <p>(c) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;</p> <p>(d) to review and approve compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;</p> <p>(e) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;</p> <p>(f) to ensure that no director or any of his associates is involved in deciding his own remuneration;</p> <p>(g) to review and sanction new or amended salary, incentive bonus and retirement benefit policies for the Company and its subsidiaries which are substantial in their cost and impact on a significant proportion of employees; and</p> <p>(h) to review the Remuneration Committee's terms of reference and its own effectiveness and recommend to the Board from time to time any necessary changes.</p> | <p>(b) 獲授權給全體執行董事及高級管理人員釐定具體薪酬福利，包括非金錢利益、退休金權益及補償金額(包括任何因彼等喪失或終止聘用或委任之賠償)以及就非執行董事之酬金向董事會作出建議。委員會應考慮的因素包括同類公司所支付之薪酬、董事所付出之時間及職責、本集團其他職位之僱用條件，以及是否應按表現釐定薪酬等；</p> <p>(c) 透過經參考董事會不時釐定之公司目標，檢討及批准按表現釐定之薪酬；</p> <p>(d) 檢討及批准就離職或終止聘用或委任而應付任何執行董事及高級管理層之補償金金額，以確保該等補償金乃按有關合約條款釐定，而該補償金金額屬公平且不會對本公司造成過重負擔；</p> <p>(e) 檢討及批准就因董事行為失當而遭撤職或罷免而作出之賠償安排，以確保該等安排乃按有關合約條款釐定，若未能按有關合約條款釐定，有關賠償亦須合理適當；</p> <p>(f) 確保任何董事或其任何聯連人士不得自行釐定酬金；</p> <p>(g) 檢討及批准本公司及其附屬公司牽涉龐大成本及影響大部份僱員之新或經修訂薪酬、獎勵花紅及退休福利政策；及</p> <p>(h) 檢討薪酬委員會之職權範圍及其本身效能，並不時就所須作出之改變向董事會提出建議。</p> |
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During the year 2008, the Remuneration Committee made recommendations to the Board on executive directors' remuneration packages and terms of employment. The Remuneration Committee also formulated and evaluated the remuneration policy and structure for the directors and senior management of the Company.

於二零零八年，薪酬委員會就執行董事之薪酬福利及聘用條款向董事會提出建議。薪酬委員會亦制訂及評估本公司董事及高級管理人員之薪酬政策及結構。

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NOMINATION AND RE-ELECTION OF DIRECTORS

The Board has not set up a Nomination Committee in relation to the appointment of directors. The executive directors of the Company are responsible for making recommendations to the Board for consideration and approval on nominations, appointment of directors and board succession, with a view to appoint individuals to the Board with relevant experience and capabilities so as to maintain and improve the competitiveness of the Company.

The Board formulates the policy, reviews the size, structure and composition of the Board, and assesses the independence of its independent non-executive directors in accordance with the criteria prescribed under the Listing Rules and the CG Code.

The appointment of new directors will be considered and approved by the Board and all new directors are subject to re-election by shareholders at the first general meeting after their appointment and subject to retirement by rotation at least once every three years pursuant to the CG Code.

Mr. Lai Pei Wor and Mr. Kung Fan Cheong shall retire by rotation and being eligible, offer themselves for re-election at the next forthcoming annual general meeting pursuant to the Company's Bye-laws 87(1) and 87(2).

The Board recommended the re-appointment of the directors standing for re-election at the next forthcoming annual general meeting of the Company.

The Company's circular dated 30 April 2009 contains detailed information of the directors standing for re-election.

AUDITORS' REMUNERATION

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

Services rendered	所提供之服務	Fees paid/payable (HK\$)
		已付／應付費用 港元
Audit Services	核數服務	1,211,000
Non-audit services i.e. taxation	非核數服務（即稅務）	126,200
		<u>1,337,200</u>

提名及重選董事

董事會並未就有關董事委任事宜成立提名委員會。本公司執行董事負責就董事提名及委任以及董事會延續事宜向董事會提出建議，以供考慮及批准，目的是委任具有相關經驗及能力的人士加入董事會，以維持及改善本公司的競爭力。

董事會制訂政策，檢討董事會規模、結構及組成，並根據上市規則及企業管治守則所指定的準則評估其獨立非執行董事的獨立性。

新董事之委任須經董事會考慮及批准，所有新董事須按企業管治守則於獲委任後的首次股東大會內接受股東重選並至少三年一次輪席退任。

根據本公司之公司細則第87(1)及87(2)條，賴培和先生及孔蕃昌先生將輪席退任即將舉行之股東週年大會，但彼等均符合資格並願意於即將舉行之股東週年大會上膺選連任。

董事會建議於即將舉行之本公司股東週年大會上重新委任該重選之董事。

本公司二零零九年四月三十日之通函內載有重選董事之詳情。

核數師酬金

回顧年內，本公司已付予／應付予核數師安永會計師事務所之酬金如下：

Fees paid/payable
(HK\$)

已付／應付費用
港元

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AUDIT COMMITTEE

The Company has complied with Rule 3.21 of the Listing Rules in relation to the composition of the Audit Committee. The Audit Committee of the Company comprises three independent non-executive directors. The current members of the Audit Committee are Mr. Leung Man Kay, Mr. Kung Fan Cheong, and Mr. Li Yuen Kwan, Joseph. The Audit Committee is chaired by Mr. Leung Man Kay who has appropriate accounting professional qualifications. The Audit Committee shall meet at least twice a year. During the year 2008, the Audit Committee held two meetings. The attendance record of each Audit Committee member is set out below:

Name of director	董事姓名	Attendance of Audit Committee meetings in 2008	Attendance rate
		二零零八年出席 審核委員會會議次數	出席率
Kung Fan Cheong	孔蕃昌	2/2	100%
Leung Man Kay (Chairman)	梁文基 (主席)	2/2	100%
Li Yuen Kwan, Joseph	李沅鈞	2/2	100%

The principal roles and functions of the Audit Committee include the review of the Group's financial statements and internal control procedures. It also acts as an important link between the Board and the Company's auditors in matters within the scope of the group audit. During the meetings held in 2008, the Audit Committee had performed the following works:

- (i) reviewed the directors' report and audited financial statements for the year ended 31 December 2007 and consider any significant or unusual items, internal auditor or external auditors before submission to the Board;
- (ii) reviewed the interim financial statements for the six months ended 30 June 2008;
- (iii) reviewed the re-appointment of the external auditors and the nature and scope of audits;
- (iv) reviewed and recommended for approval by the board the 2008 audit scope and fees;
- (v) reviewed and monitored the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standard;

審核委員會

本公司就審核委員會之組成已遵守上市規則第3.21條規定。本公司審核委員會成員由三名獨立非執行董事組成。目前審核委員之成員包括梁文基先生、孔蕃昌先生及李沅鈞先生。審核委員會主席梁文基先生擁有適當之會計專業資格。審核委員會每年至少舉行兩次會議。於二零零八年，審核委員會已舉行兩次會議。審核委員會各成員之出席紀錄如下：

審核委員會之主要角色及功能包括檢討本集團之財務報告及內部監控程序。委員會亦會就集團審計範圍內的事項擔任董事會與公司核數師之間的重要橋樑。審核委員會於二零零八年舉行之會議完成以下工作：

- (i) 向董事會提交由內部核數師或外聘核數師提交之董事會報告及經審核財務報告前，審閱截至二零零七年十二月三十一日止年度之董事會報告及經審核財務報告及考慮彼等所提出之任何重大或不尋常事項；
- (ii) 審閱截至二零零八年六月三十日止六個月之中期財務報告；
- (iii) 檢討外聘核數師之續聘及審核性質和範圍；
- (iv) 檢討二零零八年之審核範圍及核數費用並就此提出建議供董事會批准；
- (v) 檢討及監督外聘核數師之獨立性及客觀性，並按照適用標準檢討審核程序之效率；

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(vi) reviewed the effectiveness of internal control system; and

(vii) reviewed the group's financial and accounting policies and practices.

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for preparing the financial statements of the Group for the year ended 31 December 2008. The directors ensure the preparation of the financial statements of the Group are in accordance with statutory requirements and applicable accounting standards. The directors also ensure the publication of the financial statements of the Group is in a timely manner.

The statement of the Auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditors' Report on pages 28 and 29.

INTERNAL CONTROL

The Board has overall responsibility for maintaining a sound and effective internal control system of the Group. The Group's internal control system includes a well defined management structure with limits of authority which is designed to help the Group to achieve its business objectives, safeguard its assets against unauthorised use or disposition, ensure proper maintenance of books and records for the provision of reliable financial information for internal use or publication, and ensure compliance with relevant legislations and regulations. Such procedures are designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage rather than eliminate risk of failure in the Group's operational systems and in the achievement of the Group's business objectives.

During the year, the effectiveness of the internal control system and risk management system of the Group were reviewed. The review has covered the financial, operational, compliance and risk management aspects of the Group including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget. Both the Audit Committee and the Board were satisfied that the internal control system of the Group has been functioned effectively during the year and no material internal control aspects of any significant problems were noted.

(vi) 檢討內部監控系統之效率；及

(vii) 檢討本集團之財務及會計政策及常規。

董事及核數師就財務報告所承擔之責任

董事確認就編製本集團截至二零零八年十二月三十一日止年度之財務報告承擔責任。董事須確保本集團財務報告的編製符合有關法規及適用之會計準則。董事並確保本集團財務報告適時予以刊發。

本公司核數師就本集團財務報告所作之申報責任聲明列載於第28及29頁之獨立核數師報告內。

內部監控

董事會全權負責維持本集團的內部監控系統達致穩健妥善而且有效率，包括制訂管理架構及其相關權限以協助本集團達致業務目標、保管其資產以防未經授權使用或處理、確保妥善保存賬冊紀錄以提供可靠的財務資料供內部使用或對外發放，並確保遵守有關法例與規則。上述的程序皆在合理地（惟並非絕對地）保證並無重大失實陳述或損失，並管理（惟並非完全消除）本集團營運系統的失誤及未能達標的風險。

年內，本集團已檢討其內部監控系統及風險管理系統之有效性。檢討範圍已涉及本集團之財務、營運、監控及風險管理各方面，包括公司在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算又是否充足。審核委員會及董事會已滿意本集團之內部監控系統於回顧年度內有效運作，並無發現實質內部監控方面出現任何重大問題。

企業管治報告

Corporate Governance Report

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The general meetings of the Company provide a forum for communication between the Board and the shareholders. The Chairman of the Board as well as chairmen of the Remuneration Committee and Audit Committee and, in their absence, other members of the respective committees are available to answer questions at shareholder meetings.

The 2009 Annual General Meeting ("AGM") will be held on 2 June 2009. The notice of AGM will be sent to shareholders at least 20 clear business days before the AGM.

To promote effective communication, the Company maintains a website at www.kpihl.com, where extensive information and updates on the Company's financial information, corporate governance practices and other information are posted and available for public access.

SHAREHOLDER RIGHTS

To safeguard shareholder interests and rights, separate resolutions are proposed at shareholder meetings on each substantial issue, including the election of individual directors.

All resolutions put forward at a shareholder meeting will be taken by poll pursuant to the Listing Rules and the poll results will be posted on the websites of the Company and of the Stock Exchange after the shareholder meeting.

與股東及投資者之溝通

本公司股東大會為董事與股東提供交換意見的機會。董事會主席以及薪酬委員會及審核委員會之主席，在該委員會主席缺席時，其委員會之另一名成員可於股東大會上回答提問。

二零零九年之股東週年大會（「股東大會」）將於二零零九年六月二日舉行。股東大會通告將於股東大會舉行前至少足二十個營業日向股東發送通知。

為使本公司與股東有效聯繫，本公司設有網站 www.kpihl.com，讓公眾人士得悉有關本公司刊登之財務資料、企業管治常規及其他資料之廣大及最新資訊。

股東權利

以保障股東之利益及權益，就股東大會上之每項實際事宜個別提出決議案，包括選舉個別董事。

根據上市規則，於股東大會上提呈之所有決議案，將以投票方式表決，投票方式表決之結果將於會後在本公司網站及聯交所網站上刊登。

董事及高級管理人員簡歷詳情

Biographical Details of Directors and Senior Management

Biographical details of the directors and senior management of the Group are set out as follows:

EXECUTIVE DIRECTORS

Mr. Lai Pei Wor, aged 52, is the Chairman and Managing Director of the Company. He is the founder of the Group and has over 27 years' experience in the industry. He is responsible for the Group's overall strategic planning, policy making and financing.

Mr. Chan Yau Wah, aged 50, is the Deputy Chairman of the Company. He is responsible for the overall management and operation of the Group's manufacturing activities in the PRC. He holds a higher diploma in production and industrial engineering from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) and a diploma in management studies from the Hong Kong Management Association. He has over 27 years' experience in the electronics industry. He joined the Group in December 1990.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kung Fan Cheong, aged 54, is a partner in the law firm of Pang, Kung & Co. and is a member of The Law Society of Hong Kong.

Mr. Leung Man Kay, aged 57, is currently a financial and management consultant. He has over 24 years' experience in corporate restructuring, auditing and accounting and financial management and is currently the Chief Executive Officer of China Pith Consulting Limited and a director of Tai Kong Corporate Advisory Limited. He is a fellow member of Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants, U.K. and The Hong Kong Institute of Directors. He is also a member of Hong Kong Securities Institute.

Mr. Li Yuen Kwan, Joseph, aged 56, graduated from State University of New York at Buffalo in the United States of America and holds a bachelor of science in business administration degree. After working in the business sector for nine years, he joined the Secretariat of Federation of Hong Kong Industries in 1985 as an assistant director and in 1992 he was appointed as a director of the Secretariat of Federation of Hong Kong Industries from which post he retired in January 2005. He has over 21 years' experience in serving the manufacturing industry of Hong Kong.

本集團之董事及高級管理人員之簡介如下：

執行董事

賴培和先生，52歲，本公司主席兼董事總經理，並為本集團之創辦人，擁有27年以上業內經驗。彼負責本集團之整體策劃、決策及財務工作。

陳友華先生，50歲，本公司副主席。彼負責本集團在中國之生產業務之整體管理及經營。彼持有香港理工學院(現稱香港理工大學)生產及工業工程高級文憑，並持有香港管理專業協會管理學文憑。彼在電子工業方面具27年以上經驗。彼於一九九零年十二月加入本集團。

獨立非執行董事

孔蕃昌先生，54歲，為彭孔律師行之合夥人，並為香港律師公會會員。

梁文基先生，57歲，現為財務及管理顧問。彼於公司重組、核數、會計及財務管理方面具24年以上經驗，現為中沛顧問有限公司之行政總裁及戴江企業顧問有限公司之董事。彼為香港會計師公會、英國特許公認會計師公會及香港董事學會之資深會員，亦為香港證券學會之會員。

李沅鈞先生，56歲，畢業於美國水牛城紐約州立大學並持有工商管理學士學位。經過九年於商界工作後，彼於一九八五年獲委任為香港工業總會秘書處之助理幹事及於一九九二年被委任為香港工業總會秘書處之幹事，直至二零零五年一月退任。彼擁有超過21年服務香港製造業之經驗。

董事及高級管理人員簡歷詳情

Biographical Details of Directors and Senior Management

SENIOR MANAGEMENT

Mr. Tam Ho Chuen, Thomas, aged 41, is the Marketing Director of Hideki Electronics Limited, a subsidiary of the Group. He is responsible for the marketing and development of the Group's consumer electronic products. He holds a bachelor of electronic engineering from Columbia University, U.S.A., a master degree of electronic engineering from University of New South Wales, Australia and a master degree of business administration from City University of Hong Kong. He has over 16 years' experience in information technology field and consumer electronic sector. He joined the Group in July 2002.

Mr. James D. Boyle, aged 53, is the President of Hideki Electronics, Inc., a wholly-owned subsidiary of the Group. He is responsible for all sales and marketing operations of the Group's consumer electronics products in North America. He has over 24 years' experience in marketing consumer products within the North American market. He earned his bachelor of science in marketing and finance and holds a masters of business administration from Northern Illinois University. He joined the Group in 2004.

Mr. Wong Man Kit, aged 49, is the Marketing Director of Hi-Tech Precision Industrial Limited, a subsidiary of the Group. He is responsible for the marketing of silicone rubber products. He has over 25 years' experience in the electronics industry.

Mr. Ong Hui Lake, Philip, aged 48, Chief Operations Officer of the Singapore Branch of Hi-Tech Precision (Singapore) Pte. Limited. He is responsible for the worldwide marketing and sales office operations of the Group's precision parts and components business. Mr. Ong was educated in the United States and has exposure to the business culture of the United States and Mexico for over 13 years. He has experience in the critical components and parts industry for over 12 years, in setting up manufacturing operations in Mexico and is well versed in business between Mexico and Asia. He joined the Group in December 2000.

Mr. Li Kam Keung, aged 48, is the Production Manager of the silicone rubber division of the Group. He has over 22 years' experience in production and management.

高級管理人員

譚浩泉先生，41歲，本集團之附屬公司西城電子有限公司之市務總監，負責本集團電子消費品之市場推廣及發展工作。彼持有美國哥倫比亞大學電子工程學士，澳洲新南威爾斯大學電子工程碩士及香港城市大學工商管理碩士學位，在電訊及電子消費產品具16年以上經驗。彼於二零零二年七月加入本集團。

James D. Boyle先生，53歲，本集團全資附屬公司Hideki Electronics, Inc.之總裁，負責本集團電子消費品於北美洲之推廣及銷售工作。彼在北美市場上推廣消費品已具24年以上經驗。彼持有Northern Illinois University的市場及金融理學士學位及工商管理碩士學位。彼於二零零四年加入本集團。

黃文傑先生，49歲，本集團之附屬公司中穎精密工業有限公司之市務總監，負責推廣硅橡膠產品。彼在電子業具25年以上經驗。

王肅利先生，48歲，本集團之附屬公司Hi-Tech Precision (Singapore) Pte. Limited星加坡分行首席營運總監，負責本集團之精密零部件世界性市場及推廣。王先生在美國受教育，對美國及墨西哥商業文化有超過13年接觸及認識。彼於主要零部件工業具12年以上經驗，曾在墨西哥設立製造運作部門及對墨西哥及亞洲業務非常熟識。彼於二零零零年十二月加入本集團。

李錦強先生，48歲，本集團硅橡膠部生產經理。彼在生產及管理方面具22年以上經驗。

董事會報告

Report of the Directors

The directors present their report and the audited financial statements of the Company and the Group for the year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries comprise the manufacture and sale of precision parts and components (comprising keypads, synthetic rubber and plastic components and parts, and liquid crystal displays ("LCDs")), and the design, manufacture and sale of consumer electronic products (comprising time, weather forecasting and other products). There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2008 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 30 to 115.

The directors have resolved not to recommend the payment of a final dividend for the year ended 31 December 2008 (2007: Nil).

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements, is set out on page 116. This summary does not form part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT

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

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options during the year are set out in notes 33 and 34 to the financial statements, respectively.

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 existing shareholders.

董事會提呈本公司及本集團截至二零零八年十二月三十一日止年度之經審核財務報告。

主要業務

本公司之主要業務為投資控股。

各附屬公司主要業務包括製造及銷售精密零部件(其中包括按鍵、合成橡膠及塑膠零部件、及液晶體顯示器)，及設計、製造及銷售電子消費品(包括時計、天氣預測及其他產品)。本集團之主要業務於年內並無重大改變。

業績及股息

本集團截至二零零八年十二月三十一日止年度之溢利及本公司與本集團於該日之財政狀況載於第30頁至第115頁之財務報告。

董事決議並不建議就二零零八年十二月三十一日止年度派發末期股息(二零零七：無)。

財務資料概要

本集團於過往五個財政年度之業績及資產與負債概要載於第116頁，該概要乃節錄自經審核財務報告。該概要並不是經審核財務報告之部份。

物業、廠房及設備

有關本集團於本年度之物業廠房及設備之變動詳情載於財務報告附註14。

股本及購股權

本公司的股本及購股權之詳情分別載於財務報告附註33及34。

優先購買權

本公司之公司細則或百慕達之法例並無有關優先購買權條文，規定本公司須按比例提呈發售新股予現有股東。

董事會報告

Report of the Directors

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 35(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 December 2008, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda (as amended), amounted to HK\$52,372,412 (2007: HK\$54,254,214). In addition, the Company's share premium account, in the amount of HK\$50,541,281 (2007: HK\$50,541,281) may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND MAJOR SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for approximately 26% of the Group's total sales for the year and sales to the largest customer included therein amounted to approximately 13.2%. Purchases from the Group's five largest suppliers accounted for less than 30% of the total purchases for both of the current and prior years.

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

DIRECTORS

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

Executive directors

Lai Pei Wor
Chan Yau Wah
Chung Yik Cheung, Raymond (resigned on 9 February 2009)

Independent non-executive directors

Kung Fan Cheong
Leung Man Kay
Li Yuen Kwan, Joseph

購買、贖回或出售本公司之上市證券

本公司或其任何附屬公司概無於年內購買、贖回或出售任何本公司之上市證券。

儲備

本年度內本公司及本集團儲備變動之詳情分別載於財務報告附註35(b)及綜合權益變動表。

可分派儲備

於二零零八年十二月三十一日，根據百慕達一九八一年公司法(經修訂)計算，可供本公司以分派之儲備為52,372,412港元(二零零七年：54,254,214港元)。此外，本公司之股份溢價賬50,541,281港元(二零零七年：50,541,281港元)可以以繳足紅股方式分派。

主要客戶及供應商

於本回顧年度，本集團五位最大客戶佔有關年度之本集團總銷售額約26%，而其中最大客戶之銷售額約佔13.2%。本集團五位最大供應商佔有關年度及前年度之總採購額約少於30%。

本公司董事或其任何聯繫人或任何股東(據董事所知，擁有本公司已發行股本逾5%權益)於本集團五大客戶或供應商中並無擁有任何實益權益。

董事

於本年度及截至本報告日期本公司之董事如下：

執行董事

賴培和
陳友華
鍾奕昌(於二零零九年二月九日辭任)

獨立非執行董事

孔蕃昌
梁文基
李沅鈞

董事會報告

Report of the Directors

In accordance with bye-laws 87(1) and 87(2) of the Company's bye-laws, Messrs. Lai Pei Wor and Kung Fan Cheong shall retire by rotation and being eligible, offer themselves for re-election at the next forthcoming annual general meeting.

Messrs. Kung Fan Cheong, Leung Man Kay and Li Yuen Kwan, Joseph, the independent non-executive directors, are appointed for a period of two years. The Company has received annual confirmations of independence from Messrs. Kung Fan Cheong, Leung Man Kay and Li Yuen Kwan, Joseph and as at the date of this report still considers them to be independent.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 19 to 20 of the annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive directors has entered into a service contract with the Company for a term of three years commencing from 1 January 2009, and thereafter until terminated by either party giving to the other not less than six months' notice in writing.

Apart from foregoing, no director proposed for re-election at the next forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board of the Company with reference to directors' duties, responsibilities and performance and the results of the Group.

DIRECTORS' INTERESTS IN CONTRACTS

No director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

根據本公司之公司細則第87(1)及87(2)條，賴培和先生及孔蕃昌先生將輪席退任即將舉行之股東週年大會，但彼等均合資格並願意於即將舉行之股東週年大會上膺選連任。

獨立非執行董事孔蕃昌先生、梁文基先生及李沅鈞先生任期為兩年。本公司已收到孔蕃昌先生、梁文基先生及李沅鈞先生就其獨立性每年向本公司所發出的確認書，於本年報刊發日期，本公司一直認為彼等均屬獨立人士。

董事及高級管理人員之簡歷

本公司董事及本集團高級管理人員之簡歷詳情載於本年報第19至20頁。

董事之服務合約

每位執行董事均與本公司訂立服務合約，由二零零九年一月一日起計，為期三年，並於其後繼續有效，直至任何一方向對方發出不少於六個月之書面通知後終止。

除上述外，於即將舉行之股東週年大會上重選連任之董事概無與本公司訂立不可於一年內終止而毋須支付賠償(法定賠償除外)之服務合約。

董事酬金

董事之袍金須待股東於股東大會上批准。其他酬金由本公司董事會經參考董事之職務、責任及表現，以及本集團業績後釐定。

董事之合約權益

各董事概無於年內之任何於本公司或其任何附屬公司為其中一方且對本集團業務重大之合約中直接或間接擁有重大實益權益。

董事會報告

Report of the Directors

SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Further details of the Scheme are disclosed in note 34 to the financial statements.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2008, the interests of the directors in the share capital of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Long positions in ordinary shares of the Company:

Name of director		Directly beneficially owned 直接 實益持有	Founder of a discretionary trust 全權信託之 創辦人	Total 總數	Percentage of the Company's issued share capital 佔本公司已發行 股份之百分比
Lai Pei Wor	賴培和	7,130,000	97,242,000 (Note a)(附註a)	104,372,000	39.31
Chan Yau Wah	陳友華	7,700,000	–	7,700,000	2.90
Chung Yik Cheung, Raymond (Note b)	鍾奕昌 (附註b)	2,652,000	–	2,652,000	1.00
		17,482,000	97,242,000	114,724,000	43.21

Notes:

- (a) Details of Mr. Lai Pei Wor's other interests are set out in the section headed "Substantial shareholders' and other persons' interests and short positions in shares and underlying shares" below.
- (b) Mr. Chung Yik Cheung, Raymond has resigned as executive director of the Company with effect from 9 February 2009.

Save as disclosed above, as at 31 December 2008, none of the directors had registered an interest or short position in the shares or underlying shares of the Company or any of its associated corporations 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.

購股權計劃

本公司設立一項購股權計劃(「購股權計劃」)作為給予為本集團業務成功作出貢獻的合資格參與者的激勵及獎勵。有關購股權計劃之詳細見財務報告附註34。

董事於股份及相關股份之權益及短倉

於二零零八年十二月三十一日，根據證券及期貨條例(「證券及期貨條例」)第352條之規定而存置之登記冊所記錄或按董事根據標準守則知會本公司及聯交所，董事於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股份權益如下：

本公司普通股之長倉：

Number of shares held, capacity
and nature of interest
所持股份數目，身份及權益性質

附註：

- (a) 賴培和先生之其他權益詳載於下文之「主要股東及其他人士於股份及相關股份之權益及短倉」。
- (b) 鍾奕昌先生已辭任本公司執行董事，並由二零零九年二月九日起生效。

除上文所披露者外，於二零零八年十二月三十一日，根據證券及期貨條例第352條之規定而存置之本公司登記冊所記錄，或根據標準守則知會本公司及聯交所，各董事在本公司或其任何相聯法團之股份或相關股份概無擁有任何權益或短倉。

董事會報告

Report of the Directors

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed under the heading "Directors' interests and short positions in shares and underlying shares" above and in the share option scheme disclosures in note 34 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries, a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

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

As at 31 December 2008, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions:

董事認購股份之權利

除於上述「董事於股份及相關股份之權益及短倉」及財務報告附註34購股權計劃之披露事項所披露者外，本公司於年內任何時間概無授予任何董事或彼等各自之配偶或未成年子女藉收購本公司之股份或債券而取得利益之權利，而彼等亦無行使任何該等權利；本公司或其任何附屬公司於年內概無參與訂立任何安排，致使董事可於任何其他法人團體獲得此等權利。

主要股東及其他人士於股份及相關股份之權益及短倉

於二零零八年十二月三十一日，按照本公司根據證券及期貨條例第336條之規定須予存置之權益登記冊所載，以下股東擁有本公司已發行股本5%或以上之權益：

長倉：

		Number of shares held, capacity and nature of interest 所持股份數目，身份及權益性質			Percentage of the Company's issued share capital 佔本公司 已發行股本 百分比	
Name	姓名	Directly beneficially owned 直接 實益持有人	Through spouse or minor children 配偶或 未成年子女	Beneficiary of a trust 信託之 受益人	Total 總計	
Chan Yuk Lin (Note a)	陳玉蓮 (附註a)	–	7,130,000	97,242,000	104,372,000	39.31
Celaya (PTC) Limited (Note b)	Celaya (PTC) Limited (附註b)	–	–	97,242,000	97,242,000	36.63
Trident Corporate Services (B.V.I.) Limited (Note c)	Trident Corporate Services (B.V.I.) Limited (附註c)	–	–	97,242,000	97,242,000	36.63
Lai Yiu Chun (Note d)	賴耀鎮 (附註d)	1,866,000	21,450,000	–	23,316,000	8.78
Lam Lin Chu, Winnie (Note d)	林蓮珠 (附註d)	23,116,000	200,000	–	23,316,000	8.78

董事會報告

Report of the Directors

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Notes:

- (a) Ms. Chan Yuk Lin, spouse of Mr. Lai Pei Wor, was deemed to be interested in the shares.
- (b) Celaya (PTC) Limited (Formerly known as "Celaya Limited") holds 97,242,000 shares in its capacity as trustee of The Lai Family Unit Trust, of which all units are held by Trident Corporate Services (B.V.I.) Limited in its capacity as trustee of The Lai Family Trust, a discretionary trust of which the spouse and issue of Mr. Lai Pei Wor are discretionary objects.
- (c) The shares referred to herein relate to the same parcel of shares referred to in note (b) above.
- (d) Ms. Lam Lin Chu, Winnie is the wife of Mr. Lai Yiu Chun, who is a brother of Mr. Lai Pei Wor. Both Ms. Lam Lin Chu, Winnie and Mr. Lai Yiu Chun are declaring interests in the same parcel of shares.

Save as disclosed above, as at 31 December 2008, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

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

主要股東及其他人士於股份及相關股份之權益及短倉(續)

附註：

- (a) 陳玉蓮女士為賴培和先生之配偶，因而被當作持有該等股份權益。
- (b) Celaya (PTC) Limited (以往名為「Celaya Limited」)以賴氏家族單位信託之受託人身份持有97,242,000股股份。賴氏家族單位信託所有已發行單位由Trident Corporate Services (B.V.I.) Limited以賴氏家族信託(全權信託，而賴培和先生之配偶及子女乃全權信託受益人)之受託人身份持有。
- (c) 此欄所指之股份與附註(b)所指之同一批股份有關。
- (d) 林蓮珠女士為賴耀鎮先生之妻子，而賴耀鎮先生與賴培和先生則屬兄弟關係。林蓮珠女士及賴耀鎮先生申報同一批股份之權益。

除上文所披露者外，於二零零八年十二月三十一日，本公司概無獲知會有任何人士(不包括本公司董事之權益，載於上文「董事於股份及相關股份之權益及短倉」)在本公司股份及相關股份中擁有任何根據證券及期貨條例第336條之規定而須記錄於本公司存置之登記冊之權益或短倉。

公眾持股量充足

根據本公司獲得的已公開之資料及就董事所知，於本年報刊發日期，本公司之全部已發行股本中有至少25%由公眾人士持有。

董事會報告

Report of the Directors

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

In December 2008, an interest-free and unsecured loan of HK\$12,000,000 was provided by a director of the Company to the Group which is repayable from 22 March 2010 to 22 December 2010.

Save as disclosed above, during the year, the Group had no other connected transactions and continuing connected transactions as defined under the Listing Rules.

AUDITORS

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

ON BEHALF OF THE BOARD

Lai Pei Wor
Chairman

Hong Kong
23 April 2009

關連交易及持續關連交易

於二零零八年十二月，本公司一名董事向本集團提供12,000,000港元之免息及無抵押貸款，並將於二零一零年三月二十二日至二零一零年十二月二十二日償還。

除上文所披露者外，本集團於本年度並沒有進行由上市規則定義之其他關連交易及持續關連交易。

核數師

安永會計師事務所任滿告退，於即將舉行之股東週年大會上將提呈決議案，再度委任其為本公司之核數師。

代表董事會

主席
賴培和

香港
二零零九年四月二十三日

獨立核數師報告

Independent Auditors' Report



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To the shareholders of K & P International Holdings Limited
(Incorporated in Bermuda with limited liability)

致堅寶國際控股有限公司全體股東
(於百慕達註冊成立之有限公司)

We have audited the financial statements of K & P International Holdings Limited set out on pages 30 to 115, which comprise the consolidated and company balance sheets as at 31 December 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

我們已審核載於第30頁至115頁的堅寶國際控股有限公司財務報告，此財務報告包括二零零八年十二月三十一日的綜合資產負債表和公司資產負債表與截至該日止年度的綜合利潤表、綜合權益變動表、綜合現金流量表以及主要會計政策和其他附註解釋。

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

董事就財務報告須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則和香港公司條例編製並且真實而公允地列報該等財務報告。這些責任包括設計、實施和維護與財務報告編製及真實而公允地列報相關的內部控制，以使財務報告不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和運用恰當的會計政策；及做出合理的會計估計。

AUDITORS' RESPONSIBILITY

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

核數師的責任

我們的責任是根據我們的審核對該等財務報告作出意見。我們的報告依據百慕達一九八一年公司法第90條僅為全體股東編製，而並不可作其他目的。我們概不就本報告的內容對其他任何人士負責或承擔責任。

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

我們已根據香港會計師公會頒佈的香港審核準則的規定執行審核。這些準則要求我們遵守職業道德規範，並規劃及執行審核，從而獲得合理確定此等財務報告是否不存有任何重大錯誤陳述。

獨立核數師報告

Independent Auditors' Report

AUDITORS' RESPONSIBILITY (continued)

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

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

OPINION

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young

Certified Public Accountants

Hong Kong
23 April 2009

核數師的責任(續)

審核涉及執行程式以獲取有關財務報告所載金額和披露資料的審核證據。所選定的程式取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報告存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編制及真實而公允地列報財務報告相關的內部控制，以設計適當的審核程式，但並非對公司的內部控制的有效性發表意見。審核亦包括評價董事所採用的會計政策的合適性及作出的會計估計的合理性，以及評價財務報告的整體列報方式。

我們相信，我們所獲得的審核證據充足且適當地為我們的審核意見提供基礎。

意見

我們認為，該等財務報告已根據香港財務報告準則真實而公允地反映 貴公司和 貴集團於二零零八年十二月三十一日的財務狀況及 貴集團截至該日止年度的溢利和現金流量，並已按照香港公司條例的披露規定妥為編製。

安永會計師事務所

執業會計師

香港
二零零九年四月二十三日

綜合利潤表

Consolidated Income Statement

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

		Notes 附註	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
REVENUE	收入	5	411,754,404	390,487,370
Cost of sales	銷售成本		(332,777,965)	(307,152,131)
Gross profit	毛利		78,976,439	83,335,239
Other income and gains	其他收入及收益	5	9,941,036	9,028,934
Selling and distribution costs	銷售及經銷成本		(41,021,930)	(40,878,628)
Administrative expenses	行政費用		(36,625,307)	(35,070,921)
Other expenses	其他費用	6	(3,836,268)	(1,507,474)
Finance costs	融資成本	8	(5,438,490)	(6,187,011)
PROFIT BEFORE TAX	除稅前溢利	7	1,995,480	8,720,139
Tax	稅項	11	(1,597,696)	(2,206,440)
PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司權益持有人 所佔本年度溢利	12	397,784	6,513,699
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通股權益持有人 所佔每股盈利	13		
Basic	基本		0.15 cent 仙	2.45 cents仙
Diluted	攤薄		0.15 cent 仙	2.45 cents仙

綜合資產負債表

Consolidated Balance Sheet

二零零八年十二月三十一日
31 December 2008

		Notes 附註	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	154,274,311	108,003,007
Prepaid land lease payments	預付土地租賃款	15	21,335,443	20,840,531
Other intangible assets	其他無形資產	16	10,038,329	10,578,329
Available-for-sale investment	可供出售投資	18	680,000	680,000
Prepaid rent	預付租金	19	702,000	–
Total non-current assets	非流動資產總計		187,030,083	140,101,867
CURRENT ASSETS	流動資產			
Inventories	存貨	20	45,476,715	48,387,597
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	21	17,620,388	24,918,465
Trade and bills receivables	應收賬項及票據	22	64,630,967	87,627,217
Derivative financial instrument	衍生金融工具	23	–	34,962
Cash and cash equivalents	現金及現金等值項目	24	51,510,355	32,843,997
Total current assets	流動資產總計		179,238,425	193,812,238
CURRENT LIABILITIES	流動負債			
Trade payables	應付賬項	25	61,748,249	44,759,641
Accrued liabilities and other payables	應計負債及其他應付款項	26	34,158,844	41,600,441
Derivative financial instrument	衍生金融工具	23	106,627	–
Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸	27	70,967,824	81,161,641
Tax payable	應繳稅項		2,636,232	2,990,224
Provision for product warranties	產品保養撥備	29	355,774	527,210
Total current liabilities	流動負債總計		169,973,550	171,039,157
NET CURRENT ASSETS	流動資產淨值		9,264,875	22,773,081
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		196,294,958	162,874,948
NON-CURRENT LIABILITIES	非流動負債			
Other long term payables	其他長期應付款項	30	4,108,231	–
Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸	27	24,504,712	16,482,316
Deferred tax liability	遞延稅項負債	31	1,509,031	1,308,449
Loan from a director	董事貸款	32	12,000,000	–
Total non-current liabilities	非流動負債總計		42,121,974	17,790,765
Net assets	資產淨值		154,172,984	145,084,183
EQUITY	權益			
Issued capital	已發行股本	33	26,550,480	26,550,480
Reserves	儲備	35(a)	127,622,504	118,533,703
Total equity	權益總額		154,172,984	145,084,183

Lai Pei Wor
賴培和
Director
董事

Chan Yau Wah
陳友華
Director
董事

綜合權益變動表

Consolidated Statement of Changes in Equity

截至二零零八年十二月三十一日止年度

Year ended 31 December 2008

		Note	Issued capital 已發行股本 HK\$ 港元	Share premium account 股份溢價賬 HK\$ 港元	Share option reserve 購股權儲備 HK\$ 港元	Contributed surplus 繳入盈餘 HK\$ 港元	Asset revaluation reserve 資產重估儲備 HK\$ 港元	Exchange fluctuation reserve 匯兌波動儲備 HK\$ 港元	Retained profits 保留溢利 HK\$ 港元	Total equity 權益總額 HK\$ 港元
At 1 January 2007	於二零零七年一月一日		26,550,480	50,541,281	104,777	660,651	4,576,071	(2,727,597)	56,905,654	136,611,317
Exchange realignment	匯兌調整		-	-	-	-	10,848	-	-	10,848
Surplus on revaluation of buildings	樓宇重估盈餘		-	-	-	-	1,890,438	-	-	1,890,438
Total income and expense for the year recognised directly in equity	直接於權益內確認的 本年度收入及支出總額		-	-	-	-	1,890,438	10,848	-	1,901,286
Profit for the year	本年度溢利		-	-	-	-	-	-	6,513,699	6,513,699
Total income and expense for the year	本年度收入及支出總額		-	-	-	-	1,890,438	10,848	6,513,699	8,414,985
Equity-settled share option arrangement	股本結算購股權安排	35	-	-	57,881	-	-	-	-	57,881
Share option expired during the year	於年內屆滿的購股權		-	-	(45,540)	-	-	-	45,540	-
At 31 December 2007	於二零零七年十二月三十一日		26,550,480	50,541,281*	117,118*	660,651*	6,466,509*	(2,716,749)*	63,464,893*	145,084,183
At 1 January 2008	於二零零八年一月一日		26,550,480	50,541,281	117,118	660,651	6,466,509	(2,716,749)	63,464,893	145,084,183
Exchange realignment	匯兌調整		-	-	-	-	6,939,628	-	-	6,939,628
Surplus on revaluation of buildings	樓宇重估盈餘		-	-	-	-	1,739,087	-	-	1,739,087
Total income and expense for the year recognised directly in equity	直接於權益內確認的 本年度收入及支出總額		-	-	-	-	1,739,087	6,939,628	-	8,678,715
Profit for the year	本年度溢利		-	-	-	-	-	-	397,784	397,784
Total income and expense for the year	本年度收入及支出總額		-	-	-	-	1,739,087	6,939,628	397,784	9,076,499
Equity-settled share option arrangement	股本結算購股權安排	35	-	-	12,302	-	-	-	-	12,302
Share option expired during the year	於年內屆滿的購股權		-	-	(35,460)	-	-	-	35,460	-
At 31 December 2008	於二零零八年十二月三十一日		26,550,480	50,541,281*	93,960*	660,651*	8,205,596*	4,222,879*	63,898,137*	154,172,984

* These reserve accounts comprise the consolidated reserves of HK\$127,622,504 (2007: HK\$118,533,703) in the consolidated balance sheet.

* 於綜合資產負債表中，這些儲備賬戶包含綜合儲備127,622,504港元(二零零七年：118,533,703港元)。

綜合現金流量表

Consolidated Cash Flow Statement

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

			2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
	Notes 附註			
CASH FLOWS FROM		經營活動的現金流量		
OPERATING ACTIVITIES				
Profit before tax		除稅前溢利	1,995,480	8,720,139
Adjustments for:		調整：		
Finance costs	8	融資成本	5,438,490	6,187,011
Bank interest income	5	銀行利息收入	(128,567)	(935,413)
Depreciation	7	折舊	20,772,184	20,341,831
Recognition of prepaid land lease payments	7	預付土地租賃款確認	471,321	495,674
Amortisation of other intangible assets	7	其他無形資產攤銷	4,940,000	4,627,504
Loss/(gain) on disposal of items of property, plant and equipment	5,6	出售物業、廠房及設備虧損／(收益)	(1,872,296)	873,431
Fair value loss/(gain) on a derivative instrument – transaction not qualifying as a hedge	5,6	衍生工具的公平價值虧損／(收益) – 不符合對沖條件的交易	141,589	(1,479,647)
Impairment of trade receivables	6	應收賬款減值	1,759,925	634,043
Provision/(reversal of provision) for slow-moving inventories	7	滯銷存貨撥備／(撥回)	(956,513)	771,936
Equity-settled share option expense	7	股本結算購股權支出	12,302	57,881
			32,573,915	40,294,390
Increase in prepaid rent		預付租金之增加	(702,000)	–
Decrease/(increase) in inventories		存貨之減少／(增加)	3,966,743	(1,009,764)
Decrease/(increase) in prepayments, deposits and other receivables		預付款項、按金及其他應收款項之減少／(增加)	8,980,662	(5,710,441)
Decrease/(increase) in trade and bills receivables		應收賬款及票據之減少／(增加)	21,232,584	(17,756,393)
Increase in trade payables		應付賬項之增加	16,393,016	5,416,734
Increase/(decrease) in accrued liabilities and other payables		應計負債及其他應付款項之增加／(減少)	(7,886,825)	11,442,707
Increase/(decrease) in provision for product warranties		產品保養撥備之增加／(減少)	(171,436)	315,190
Increase in other long term payables		其他長期應付款項之增加	4,108,231	–
Cash generated from operations		經營業務所產生的現金	78,494,890	32,992,423
Interest received		已收利息	128,567	935,413
Interest paid		已付利息	(5,173,431)	(6,060,345)
Interest element on finance lease rental payments		融資租約付款之利息部份	(265,059)	(126,666)
Hong Kong profits tax paid		已付香港利得稅	(1,540,850)	(3,298,523)
Overseas taxes paid		已付海外稅項	(210,256)	(949,004)
Net cash inflow from operating activities – page 34		經營業務之現金流入淨額 – 34頁	71,433,861	23,493,298

綜合現金流量表

Consolidated Cash Flow Statement

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

		Notes 附註	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Net cash inflow from operating activities – page 33	經營業務之現金流入淨額 — 33頁		71,433,861	23,493,298
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量			
Purchases of items of property, plant and equipment	購買物業、廠房及設備		(53,806,035)	(45,300,472)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備所得款項		2,103,676	262,868
Additions to other intangible assets	其他無形資產之增加	16	(4,400,000)	(4,800,000)
Net cash outflow from investing activities	投資活動之現金流出淨額		(56,102,359)	(49,837,604)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量			
Increase/(decrease) in unsecured bank loans	無抵押銀行貸款之增加／(減少)		(13,921,776)	20,821,402
Increase/(decrease) in discounted bills	折扣性票據之增加／(減少)		4,976,557	(3,320,359)
New secured bank loan obtained	新做抵押銀行貸款		11,400,000	—
New unsecured instalment loans	新做無抵押分期付款		6,329,202	9,502,000
Repayment of unsecured instalment loans	償還無抵押分期付款		(12,802,426)	(9,948,928)
Capital element of finance lease rental payments	融資租約付款之資本部份		(2,238,540)	(2,241,698)
New loan from a director	新做董事貸款		12,000,000	—
Net cash inflow from financing activities	融資活動之現金流入淨額		5,743,017	14,812,417
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目之增加／(減少) 淨額		21,074,519	(11,531,889)
Cash and cash equivalents at beginning of year	年初之現金及現金等值項目		30,209,559	41,569,534
Effect of foreign exchange rate changes, net	匯率變動之影響，淨額		226,277	171,914
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終之現金及現金等值項目		51,510,355	30,209,559
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘之分析			
Cash and bank balances	現金及銀行結存	24	51,510,355	23,541,909
Non-pledged time deposits with original maturity of less than three months when acquired	於獲取時距原有到期日少於三個月之無抵押定期存款	24	—	9,302,088
Bank overdrafts	銀行透支	27	—	(2,634,438)
			51,510,355	30,209,559

資產負債表

Balance Sheet

二零零八年十二月三十一日
31 December 2008

		Notes 附註	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
NON-CURRENT ASSETS	非流動資產			
Interests in subsidiaries	於附屬公司之權益	17	129,524,549	131,414,922
CURRENT ASSETS	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	21	231,049	226,057
Cash and cash equivalents	現金及現金等值項目	24	3,535	22,964
Total current assets	流動資產總計		234,584	249,021
CURRENT LIABILITIES	流動負債			
Accrued liabilities	應計負債	26	201,000	200,850
NET CURRENT ASSETS	流動資產淨值		33,584	48,171
Net assets	資產淨值		129,558,133	131,463,093
EQUITY	權益			
Issued capital	已發行股本	33	26,550,480	26,550,480
Reserves	儲備	35(b)	103,007,653	104,912,613
Total equity	權益總額		129,558,133	131,463,093

Lai Pei Wor
賴培和
Director
董事

Chan Yau Wah
陳友華
Director
董事

財務報告附註

Notes to Financial Statements

二零零八年十二月三十一日

31 December 2008

1. CORPORATE INFORMATION

K&P International Holdings Limited is a limited liability company incorporated in Bermuda. The principal office of K & P International Holdings Limited is located at Units 2304-06, 23rd Floor, Riley House, 88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong.

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

- manufacture and sale of precision parts and components (comprising keypads, synthetic rubber and plastic components and parts, and liquid crystal displays ("LCDs"); and
- design, manufacture and sale of consumer electronic products (comprising time, weather forecasting and other products).

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for buildings, a derivative financial instrument and an available-for-sale investment, which have been measured at fair value. These financial statements are presented in Hong Kong dollars.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2008. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All income, expenses and unrealised gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full.

1. 公司資料

堅寶國際控股有限公司是一間於百慕達註冊成立之有限公司。堅寶國際控股有限公司的總辦事處為香港新界葵涌梨木道八十八號達利中心二十三樓二零四至零六室。

集團年內之主要業務如下：

- 製造及銷售精密零部件(其中包括按鍵、合成橡膠及塑膠零部件及液晶體顯示器); 及
- 設計、製造及銷售電子消費品(其中包括時計、天氣預測及其他產品)。

2.1 編製基準

本財務報告是根據香港會計師公會所頒佈之香港財務報告準則(「香港財務報告準則」)(並包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司法例之披露規定適當編製。除樓宇、衍生金融工具及可供出售投資以公平價值計量外,本財務報告乃以歷史原值成本法計算。本財務報告以港元呈列。

綜合賬項基準

綜合財務報告包括本公司及其所有附屬公司(統稱「本集團」)截至二零零八年十二月三十一日止年度之財務報告。收購附屬公司之業績自該等公司被收購之日(本集團取得該等公司之控制權之日)起綜合計算,並綜合計算至該控制權終止為止。本集團公司之間所有交易產生的收支及未實現的收益和虧損、以及公司之間結餘已於編製綜合賬項時互相抵銷。

財務報告附註

Notes to Financial Statements

二零零八年十二月三十一日
31 December 2008

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

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

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

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

(a) Amendments to HKAS 39 *Financial Instruments: Recognition and Measurement* and HKFRS 7 *Financial Instruments: Disclosures – Reclassification of Financial Assets*

The amendments to HKAS 39 permit an entity to reclassify a non-derivative financial asset classified as held for trading, other than a financial asset designated by an entity as at fair value through profit or loss upon initial recognition, out of the fair value through profit or loss category if the financial asset is no longer held for the purpose of selling or repurchasing in the near term, if specified criteria are met.

2.2 新訂及經修訂香港財務報告準則之影響

本集團首次採納以下新訂之香港財務報告準則詮釋及修訂編製本年度財務報告。除特殊情况引起之新訂及經修訂會計準則變更及附加披露外，採納該新訂詮釋及修訂並未對該等財務報告產生重大影響。

香港會計準則第39號及香港財務報告準則第7號修訂本	香港會計準則第39號之修訂本金融工具：確認及計量及香港財務報告準則第7號金融工具：披露－金融資產之重列
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	服務特許權安排
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－界定利益資產之限制、最低資金規定及其相互關係

採納此等新訂及經修訂香港財務報告準則之主要影響如下：

(a) 香港會計準則第39號之修訂本金融工具：確認及計量及香港財務報告準則第7號金融工具：披露－金融資產之重列

香港會計準則第39號之修訂本允許實體在符合特定準則之條件下，倘金融資產不再因近期出售或重新購入目的而持有，則將分類為持作買賣之非衍生金融資產從按公平值計入損益之類別中重新分類（實體於初步確認時指定為按公平值計入損益之金融資產除外）。

財務報告附註

Notes to Financial Statements

二零零八年十二月三十一日

31 December 2008

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

(a) Amendments to HKAS 39 *Financial Instruments: Recognition and Measurement* and HKFRS 7 *Financial Instruments: Disclosures – Reclassification of Financial Assets* (continued)

A debt instrument that would have met the definition of loans and receivables (if it had not been required to be classified as held for trading at initial recognition) may be classified out of the fair value through profit or loss category or (if it had not been designated as available for sale) may be classified out of the available-for-sale category to the loans and receivables category if the entity has the intention and ability to hold it for the foreseeable future or until maturity.

In rare circumstances, financial assets that are not eligible for classification as loans and receivables may be transferred from the held-for-trading category to the available-for-sale category or to the held to maturity category (in the case of a debt instrument), if the financial asset is no longer held for the purpose of selling or repurchasing in the near term.

The financial asset shall be reclassified at its fair value on the date of reclassification and the fair value of the financial asset on the date of reclassification becomes its new cost or amortised cost, as applicable. The amendments to HKFRS 7 require extensive disclosures of any financial asset reclassified in the situations described above. The amendments are effective from 1 July 2008.

As the Group has not reclassified any of its financial instruments, the amendments have had no impact on the financial position or results of operations of the Group.

2.2 新訂及經修訂香港財務報告準則之影響(續)

(a) 香港會計準則第39號之修訂本 *金融工具：確認及計量*及香港財務報告準則第7號 *金融工具：披露 – 金融資產之重列*(續)

倘實體持有符合貸款及應收款項定義之債務工具，且有意願及能力於可預見將來持有或持有直至到期止，則(倘在初始確認時未被分類為持作買賣類別)可從按公平值計入損益之類別中分類或(倘未被指定為可供出售類別)可從可供出售之類別中分類為貸款及應收款項類別。

倘金融資產不再因近期出售或重新購入目的而持有，不符合條件分類為貸款及應收款項之金融資產，僅可在少數情況下由持作買賣類別轉撥至可供出售類別或持至到期類別(倘為債務工具)。

金融資產須按其重新分類當日之公平值重新分類，而金融資產於重新分類當日之公平值將成為其新成本或攤銷成本(倘適用)。香港財務報告準則第7號之修訂本要求對任何於上述情況作重新分類之金融資產作出大量披露。該等修訂自二零零八年七月一日起生效。

由於本集團未對其任何金融工具進行重新分類，故該等修訂對本集團之財務狀況或經營業績並無影響。

財務報告附註

Notes to Financial Statements

二零零八年十二月三十一日
31 December 2008

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

(b) HK(IFRIC)-Int 11 HKFRS 2 – Group and Treasury Share Transactions

HK(IFRIC)-Int 11 requires arrangements whereby an employee is granted rights to the Group's equity instruments to be accounted for as an equity-settled scheme, even if the Group buys the instruments from another party, or the shareholders provide the equity instruments needed. HK(IFRIC)-Int 11 also addresses the accounting for share-based payment transactions involving two or more entities within the Group. As the Group currently has no such transactions, the interpretation has had no impact on the financial position or results of operations of the Group.

(c) HK(IFRIC)-Int 12 Service Concession Arrangements

HK(IFRIC)-Int 12 applies to service concession operators and explains how to account for obligation undertaken and the rights received in service concession arrangements. No member of the Group is an operator and, therefore, this interpretation has had no impact on the financial position or results of operations of the Group.

(d) HK(IFRIC)-Int 14 HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

HK(IFRIC)-Int 14 addresses how to assess the limit under HKAS 19 Employee Benefits, on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, including situations when a minimum funding requirement exists. As the Group has no defined benefit scheme, the interpretation has had no effect on these financial statements.

2.2 新訂及經修訂香港財務報告準則之影響(續)

(b) 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11號要求對賦予員工之股本工具作出安排，即作為一個股本結算計劃(即使有關權益工具乃本集團從另一方購得，或乃由股東提供所需股本工具)。香港(國際財務報告詮釋委員會)詮釋第11號亦處理以股份為基礎、涉及本集團兩個或以上實體之付款交易。由於本集團目前並無該等交易，故該詮釋對本集團之財務狀況或經營業績並無影響。

(c) 香港(國際財務報告詮釋委員會)詮釋第12號服務特許權安排

香港(國際財務報告詮釋委員會)詮釋第12號適用於服務特許權經營者，旨在解釋如何對服務特許權安排中承擔之義務及取得之權利進行會計處理。由於本集團概無成員公司為該類經營商，故該詮釋對本集團之財務狀況或經營業績並無影響。

(d) 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 – 界定利益資產之限制、最低資金規定及其相互關係

香港(國際財務報告詮釋委員會)詮釋第14號說明如何根據香港會計準則第19號僱員福利評估有關界定利益計劃未來供款之退款或扣減款額可確認為資產之限額(包括存在最低撥款規定時)。由於本集團現時並無界定利益計劃，故該詮釋對此等財務報表概無影響。

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

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

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of HKFRSs and HKAS 27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i> ¹
HKFRS 2 Amendments	Amendments to HKFRS 2 <i>Share-based Payment – Vesting Conditions and Cancellations</i> ¹
HKFRS 3 (Revised)	<i>Business Combinations</i> ²
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosure – Improving Disclosures about Financial Instruments</i> ¹
HKFRS 8	<i>Operating Segments</i> ¹
HKAS 1 (Revised)	<i>Presentation of Financial Statements</i> ¹
HKAS 23 (Revised)	<i>Borrowing Costs</i> ¹
HKAS 27 (Revised)	<i>Consolidated and Separate Financial Statements</i> ²
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation</i> and HKAS 1 <i>Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation</i> ¹
HKAS 39 Amendment	Amendment to HKAS 39 <i>Financial Instruments: Recognition and Measurement – Eligible Hedged Items</i> ²
HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 <i>Reassessment of Embedded Derivatives</i> and HKAS 39 <i>Financial Instruments: Recognition and Measurement – Embedded Derivatives</i> ⁵

2.3 已頒佈但尚未生效之香港財務報告準則之影響

本集團並無於該等財務報告採用下列已頒佈但尚未生效的新訂及經修訂之香港財務報告準則。

香港財務報告準則第1號及香港會計準則第27號修訂本	香港財務報告準則第1號首次採納香港財務報告準則及香港會計準則第27號綜合及獨立財務報表—於附屬公司、共同控制實體或聯營公司之投資成本之修訂本 ¹
香港財務報告準則第2號修訂本	香港財務報告準則第2號以股份為基礎之付款—歸屬條件及註銷之修訂本 ¹
香港財務報告準則第3號(經修訂)	業務合併 ²
香港財務報告準則第7號修訂本	香港財務報告準則第7號金融工具：披露—改進有關金融工具披露之修訂本 ¹
香港財務報告準則第8號	經營分部 ¹
香港會計準則第1號(經修訂)	財務報表之呈列 ¹
香港會計準則第23號(經修訂)	借貸成本 ¹
香港會計準則第27號(經修訂)	綜合及獨立財務報表 ²
香港會計準則第32號及香港會計準則第1號修訂本	香港會計準則第32號金融工具：列報及香港會計準則第1號財務報表之呈列—可認沽金融工具及清盤時產生之責任之修訂本 ¹
香港會計準則第39號修訂本	香港會計準則第39號金融工具：確認和計量—合資格對沖項目之修訂本 ²
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號修訂本	香港(國際財務報告詮釋委員會)—詮釋第9號重估嵌入式衍生工具及香港會計準則第39號金融工具：確認及計量嵌入式衍生工具之修訂本 ⁵

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

HK(IFRIC)-Int 13	<i>Customer Loyalty Programmes</i> ³
HK(IFRIC)-Int 15	<i>Agreements for the Construction of Real Estate</i> ¹
HK(IFRIC)-Int 16	<i>Hedges of a Net Investment in a Foreign Operation</i> ⁴
HK(IFRIC)-Int 17	<i>Distribution of Non-cash Assets to Owners</i> ²
HK(IFRIC)-Int 18	<i>Transfer of Assets from Customers</i> ⁶

Apart from the above, the HKICPA has also issued Improvements to HKFRSs* which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarify wording. Except for the amendment to HKFRS 5 which is effective for the annual periods beginning on or after 1 July 2009, other amendments are effective for annual periods beginning on or after 1 January 2009 although there are separate transitional provisions for each standard.

- ¹ Effective for annual periods beginning on or after 1 January 2009
- ² Effective for annual periods beginning on or after 1 July 2009
- ³ Effective for annual periods beginning on or after 1 July 2008
- ⁴ Effective for annual periods beginning on or after 1 October 2008
- ⁵ Effective for annual periods ending on or after 30 June 2009
- ⁶ Effective for transfers of assets from customers received on or after 1 July 2009
- * Improvements to HKFRSs contains amendments to HKFRS 5, HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.

2.3 已頒佈但尚未生效之香港財務報告準則之影響(續)

香港(國際財務報告詮釋委員會)詮釋第13號	客戶忠實計劃 ³
香港(國際財務報告詮釋委員會)詮釋第15號	房地產建造協議 ¹
香港(國際財務報告詮釋委員會)詮釋第16號	境外業務投資淨額對沖 ⁴
香港(國際財務報告詮釋委員會)詮釋第17號	向擁有者分派非現金資產 ²
香港(國際財務報告詮釋委員會)詮釋第18號	從客戶轉移資產 ⁶

除上述者外，香港會計師公會亦已頒佈香港財務報告準則之改進*，當中載列對多項香港財務報告準則之修訂本，主要目的為刪除歧義及釐清用字。除香港財務報告準則第5號之修訂本於二零零九年七月一日或之後開始之年度期間生效外，其他修訂本均於二零零九年一月一日或之後開始之年度期間生效(儘管各準則備有各自之過渡性條文)。

- ¹ 於二零零九年一月一日或其後開始之年度期間生效
- ² 於二零零九年七月一日或其後開始之年度期間生效
- ³ 於二零零八年七月一日或其後開始之年度期間生效
- ⁴ 於二零零八年十月一日或其後開始之年度期間生效
- ⁵ 於二零零九年六月三十日或其後開始之年度期間生效
- ⁶ 於二零零九年七月一日或其後從收到客戶轉移資產起生效
- * 香港財務報告準則之改進載有對香港財務報告準則第5號、香港財務報告準則第7號、香港會計準則第1號、香港會計準則第8號、香港會計準則第10號、香港會計準則第16號、香港會計準則第18號、香港會計準則第19號、香港會計準則第20號、香港會計準則第23號、香港會計準則第27號、香港會計準則第28號、香港會計準則第29號、香港會計準則第31號、香港會計準則第34號、香港會計準則第36號、香港會計準則第38號、香港會計準則第39號、香港會計準則第40號及香港會計準則第41號之修訂本。

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

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of HKFRS 8 and HKAS 1 (Revised) may result in new or amended disclosures and the adoption of HKFRS 3 (Revised), HKAS 27 (Revised) and HKAS 23 (Revised) may result in changes in accounting policies, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

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

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

Goodwill

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

Goodwill previously eliminated against consolidated retained profits

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

2.3 已頒佈但尚未生效之香港財務報告準則之影響(續)

本集團現正評估首次應用該等新訂及經修訂香港財務報告準則之影響，迄今結論為採納香港財務報告準則第8號及香港會計準則第1號(經修訂)可能產生新加或修訂後之披露資料，而採納香港財務報告準則第3號(經修訂)、香港會計準則第27號(經修訂)及香港會計準則第23號(經修訂)可能導致會計政策變動，惟該等新訂及經修訂香港財務報告準則應不會對本集團之經營業績及財務狀況造成重大影響。

2.4 重大會計政策概要

附屬公司

附屬公司指本公司直接或間接控制其財務及經營政策以從其業務中獲取利益之實體。

附屬公司之業績以已收及應收之股息列入本公司之利潤表內。本公司於附屬公司之權益以成本扣除任何減值虧損列賬。

商譽

收購附屬公司產生的商譽指業務合併成本超出於收購當日集團對所購的可辨別資產、負債及或然負債的公平價值之淨值。

過去對銷綜合保留溢利之商譽

於香港會計師公會之會計實務準則第30條「業務合併」於二零零一年被採納之前，收購所產生之商譽會在收購的年度內與綜合保留溢利對銷。在採納香港財務報告準則第3號後，此商譽繼續在綜合保留溢利對銷，並且不會於出售與商譽相關的全部或部份業務，或與商譽相關的現金產生單位減值時在利潤表中確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets other than goodwill

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

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

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

2.4 重大會計政策概要(續)

除商譽外的非金融資產減值

當有跡象顯示減值或當資產(存貨及金融資產以外)需要進行年度減值測試時，需預計資產的可收回金額。資產的可收回金額以現金產生單位的使用價值，或其公平價值減去銷售成本兩者的較高者計算，並就個別資產釐定，除非資產不會產生頗大程度獨立於其他資產或資產組合的現金流入，在此情況下可收回金額則以資產所屬的現金產生單位釐定。

如資產之賬面值超逾其可收回金額時，減值虧損方予確認。於評估使用價值時，估計日後現金流量按反映現時市場評估的貨幣時間值及資產特定風險的除稅前折現率折減至現值。減值虧損於產生期間自利潤表扣除，除非該資產以重估價值列賬，在該情況下，減值虧損根據有關重估資產之會計政策列賬。

於每個報告日會評估是否有任何跡象顯示過往已確認的減值虧損不再存在或減少。倘出現該等跡象，則會估計可收回金額。過往確認的資產減值虧損(商譽除外)，僅用於釐定資產可收回金額的估計改變時撥回，惟撥回後的數額不得高於過往年度若並無就資產確認減值虧損而應有的賬面值(扣除折舊／攤銷後)。減值虧損的撥回於呈現期間計入利潤表，除非該資產以重估價值列賬，在此情況下，減值虧損根據重估資產相關之會計政策列賬。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

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

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

Property, plant and equipment and depreciation

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

2.4 重大會計政策概要(續)

關連人士

倘屬以下情況，該人士被視為本集團關連人士：

- (a) 該人士透過一間或以上中介機構直接或間接(i)控制本集團、被本集團控制或與本集團一起受共同控制；(ii)擁有本集團權益，令其可對本集團發揮重大影響力；或(iii)對本集團擁有共同控制權；
- (b) 該人士為聯營公司；
- (c) 該人士為共同控制公司；
- (d) 該人士為本集團之主要管理人員；
- (e) 該人士為(a)或(d)所述任何人士之直系家屬成員；
- (f) 該人士為受到(d)或(e)所述任何人士所控制、共同控制或重大影響之實體，或直接或間接對該實體擁有重大投票權；或
- (g) 該人士乃本集團或任何與本集團有關連人士之實體為僱員福利而設之離職後福利計劃。

物業、廠房及設備及折舊

除在建築工程外，物業、廠房及設備乃以成本或估值減累計折舊及任何減值虧損後列賬。物業、廠房及設備項目之成本包括購買價及將該資產達至所定之運作情況及地點之任何直接應佔成本。於物業、廠房及設備項目運作後所引致之維修及保養費用等開支，一般均自費用產生期間從利潤表扣除。倘若可明確顯示該等開支可導致日後使用物業、廠房及設備項目而獲得之經濟利益增加，及該等項目之成本能可靠計量時，則該等開支將被資本化作為該資產之額外成本或作重置處理。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Changes in the values of property, plant and equipment are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

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

Buildings	2.5%
Leasehold improvements	25% to 30%
Plant and machinery	12.5% to 25%
Furniture, fixtures and office equipment	10% to 30%
Motor vehicles	20% to 25%
Moulds	20% to 33.33%

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

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

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

2.4 重大會計政策概要(續)

物業、廠房及設備及折舊(續)

重估資產之公平價值會進行足夠頻密之評估以確保不會與其賬面值有重大差別。物業、廠房及設備之價值改變以固定資產重估儲備之變動處理。若儲備總額不足以抵銷虧蝕(按個別資產計算)，則多出之虧蝕於利潤表中扣除。其後重估產生之任何盈餘則計入利潤表，惟不得超出先前所扣除之虧蝕數額。出售已重估之資產時，將先前估值的資產重估儲備中之有關部份將轉撥至保留溢利作儲備變動處理。

各項物業、廠房及設備之折舊乃以直線法按其估計可使用年期撇銷其成本或估值計算。用以計算折舊之主要年率如下：

樓宇	2.5%
租賃物業裝修	25%至30%
廠房及機器	12.5%至25%
傢俬、裝置及辦公室設備	10%至30%
汽車	20%至25%
模具	20%至33.33%

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

剩餘價值、可使用年期及折舊方法至少於每個結算日審閱及在適當時進行調整。

物業、廠房及設備項目乃於出售後，或當預期使用或出售該項目將不會產生未來經濟利益時取消確認。在取消確認該資產的年度於利潤表確認其出售或棄用的數額即出售相關資產所得款項淨額與賬面值之差額。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each balance sheet date.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Technical know-how

Technical know-how is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of five years.

Development costs

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

2.4 重大會計政策概要(續)

物業、廠房及設備及折舊(續)

在建工程指在興建的樓宇，按成本減去減值虧損且不計折舊入賬。成本包括建築期內的直接建築成本。在建工程竣工且可供使用時，將重新分類至物業、廠房和設備的恰當類別。

無形資產(除了商譽)

無形資產之可使用年期乃評估為有限或無限。具有有限使用年期之無形資產按可使用經濟年期攤銷，並於該無形資產出現減值跡象時作評估減值。具有有限可使用年期之無形資產之攤銷年期及攤銷方法須至少於每個結算日作檢核。

具無限使用年期之無形資產於每年個別或於現金產生單位水平作減值測試。該等無形資產不會被攤銷。每年檢討具無限使用年期的無形資產之可使用年期，以釐定無限年期之評估是否仍然成立。若評估不成立，則可使用年期之評估自此由按無限年期更改為有限使用年期計量。

技術知識

技術知識乃以成本減除任何減值虧損入賬並按估計可使用年期五年以直線法攤銷。

開發成本

僅當所涉及之項目可明確界定，其開支可單獨確認並能可靠地計量，並且可合理地確定該項目在技術上可行，其產品亦具有商業價值時，開發新產品的項目所產生的開支將予以資本化，並作遞延處理。不符合此等標準的產品開發成本於產生時列為開支。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

Development costs (continued)

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five years, commencing from the date when the products are put into commercial production.

Licences

Licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of six years.

Leases

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

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

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

2.4 重大會計政策概要(續)

無形資產(除了商譽)(續)

開發成本(續)

遞延開發成本乃以成本減任何減值虧損後列賬，攤銷乃按產品商業年限(不超過五年)由產品開始投入產業生產起以直線法計算。

使用權

使用權乃按成本減除任何減值虧損後攤銷入賬，並按估計可使用年期分六年以直線法攤銷。

租賃

凡將資產擁有權(法定所有權除外)之大部份回報及風險撥歸本集團之租賃均列為融資租賃。融資租賃生效時，租賃資產之成本將按最少租賃費用的現今值撥作資本，並連同租賃責任(不包括利息)入賬，以反映採購與融資。資本化融資租賃所持之資產包括物業、廠房及設備，並按租期或資產之估計可使用年期兩者之中較低者計算折舊。上述租賃之融資成本自利潤表扣除，以於租約期作出定期定額扣減。

所有資產之收益及風險實際上仍歸於出租人之租約均視為經營租約。倘本集團為承租人，有關該等經營租約之租金(已扣除出租人提供的任何獎勵措施)乃按直線法在租約期內於利潤表中扣除。

經營租賃之預付土地租賃款起始時以成本列賬，之後按直線法在租約期內確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

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

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

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

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in the income statement. The net fair value gain or loss recognised in the income statement does not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

2.4 重大會計政策概要(續)

投資及其他金融資產

根據香港會計準則第39號所界定之金融資產分類為經損益賬按公平價值列賬之金融資產，貸款及應收賬款，及可供出售金融資產(視情況而定)。金融資產於起始確認時以公平價值加該投資並非按公平價值經損益賬列賬的情況，直接應佔交易成本計算。

本集團於首次成為合約一方時評估合約是否內含嵌入式衍生工具，而當分析顯示內含嵌入式衍生工具之經濟特徵及風險與主合約並無緊密關連時，會評估內含衍生工具是否須與主合約分隔。僅會於倘合約條款出現變動，而該變動根據合約須對現金流量作出重大修訂時，方會作出重估。

本集團在初步確認後，釐定其金融資產類別，而在情況許可及適當下，於結算日重新評估該分類。

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

以公平價值計入損益的金融資產

以公平價值計入損益的財務資產包括為交易而持有的金融資產和初始確認時指定為以公平價值計入損益的金融資產。金融資產如以短期出售為目的而購買，則分類為以買賣目的而持有之投資。衍生工具同樣分類為交易而持有的，除非其被指定為有效的對沖工具。以買賣為目的而持有之投資溢利或虧損於利潤表中確認。於利潤表確認之公平價值損益並不包括任何於該等金融資產賺取之股息或利息，該等股息或利息根據下文「收入確認」所載之政策確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

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

Financial assets may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; (ii) the assets are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial asset contains an embedded derivative that would need to be separately recorded.

Loans and receivables

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

Available-for-sale financial assets

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

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

以公平價值計入損益的金融資產(續)

倘符合下列情況，金融資產或會於初始確認時被指定為以公平價值計入損益的資產：(i)該項指定對銷或大幅減低因按不同基準而計量資產或確認有關資產之損益而另行引起之不一致處理方法；(ii)資產乃一組金融資產之一部分，而該等金融資產乃根據已明定之風險管理策略及按公平價值評定表現；或(iii)該金融資產包括嵌入式衍生工具須獨立記錄。

貸款及應收賬款

貸款及應收賬款為具有固定或可確定款項，但在活躍市場中無報價的非衍生金融資產。該等資產用實際利率法攤銷成本減任何減值撥備入賬。若該等貸款及應收賬款遭取消確認、出現減值或進行攤銷時產生的收益及虧損會被計入利潤表。

可供出售金融資產

可供出售金融資產為非衍生金融資產或未被歸入任何其他兩類別之資產。於初始時確認後，可供出售金融資產按公平價值計量，其盈利或虧損確認為獨立的權益成份，直至投資獲取消確認或直至投資被釐定減值，此時，之前於權益呈報之累計收益或虧損會被計入利潤表內。所賺取之利息及股息分別呈報為利息收入及股息收入，並根據下文「收入確認」所載之政策於利潤表內確認為「其他收入」。有關投資減值所產生之虧損於利潤表確認為「可供出售金融資產之減值虧損」，並轉撥自可供出售投資之重估儲備。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial assets (continued)

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

Fair value

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

Impairment of financial assets

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

Assets carried at amortised cost

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

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

可供出售金融資產(續)

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

公平價值

在有組織金融市場交投活躍的投資之公平價值乃參照於結算日收市時報出之市場買價釐定。對於沒有活躍市場之投資，公平價值由估價技術來確定。此技術包括採用最近之公平市場交易；參照幾乎相同之其他工具之當前市場價值；現金流量分析之折現和期權定價模型。

金融資產減值

本集團於各結算日評估是否有客觀證據顯示一項金融資產或一組金融資產出現減值。

按攤銷後成本列賬資產

倘有客觀證據表明按攤銷後成本列賬的貸款及應收款項已產生減值虧損，資產的賬面價值與估計未來之現金流量(不包括尚未產生的未來信貸損失)以金融資產的原本實際利率(即初始確認時計算的實際利率)折現的現值之間差額確認為損失數額。有關資產的賬面值可通過直接或撥備賬目減低。減值虧損的數額在利潤表中確認。貸款及應收款項連同任何關連撥備予以撇銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Assets carried at amortised cost (continued)

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

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

Available-for-sale financial assets

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

2.4 重大會計政策概要(續)

金融資產減值(續)

按攤銷後成本列賬資產(續)

於往後期間，倘若減值虧損的數額減少，而減少的原因客觀上與確認減值後所發生的事件相關聯，則先前確認的減值虧損可予以回撥。於回撥當日，倘若資產賬面值並未超出其攤薄後成本，則任何減值虧損的其後回撥將於利潤表內確認入賬。

至於應收貿易及其他應收賬項，倘有客觀證據(例如欠債人可能破產或有重大財政困難，及科技、市場、經濟或法律環境出現對債務人有不利影響之重大變動)顯示本集團將無法按某發票之原有條款收回一切欠款，則會作出減值撥備。應收賬項之賬面值透過使用備抵賬削減。當已耗蝕之債項被評估為無法收回時即予取消確認。

可供出售金融資產

如果可供出售金融資產有減值，金額包括其成本(扣除本金付款及攤銷)與其近期公平價值的差額減任何過往已確認於利潤表的減值虧損，會從權益轉撥至利潤表。當可供出售股本投資之公平值出現重大或持續性下降至低於其成本，或倘有其他客觀跡象顯示出現減值，則會對其作出減值撥備。釐定「重大」或「持續性」之定義須作出判斷。此外，本集團亦會評估股價波動等其他因素。已分類作可供出售之股本工具之減值虧損不可於透過利潤表撥回。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

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

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

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

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

2.4 重大會計政策概要(續)

取消確認金融資產

金融資產(或(倘適用)一項金融資產的一部份或一組相類似金融資產的一部份)在下列情況將取消確認:

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

凡本集團轉讓其收取該項資產所得現金流量的權利,但並無轉讓或保留該項資產的絕大部份風險及回報,且並無轉讓該項資產的控制權,該項資產將由本集團持續介入並確認入賬。採用就已轉讓資產作出保證形式的持續介入,按該項資產的原本賬面值及本集團或須償還的代價數額上限(以較低者為準)計算。

倘持續介入以沽出及/或購入權(包括現金結算權或相似規定)之形式出現於有關轉讓資產上,本集團持續介入之程度為本集團可能再購買之已轉讓資產之金額,惟按資產公平價值計量之書面認沽權證(包括現金結算權或相似規定)除外,本集團持續介入之程度限於已轉讓資產之公平價值及此等權利行使價兩者較低者。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including trade and other payables and interest-bearing loans and borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within "finance costs" in the income statement.

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the income statement. The net fair value gain or loss recognised in the income statement does not include any interest charged on these financial liabilities.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

2.4 重大會計政策概要(續)

按攤銷成本入賬的金融負債(包括帶息貸款及借貸)

金融負債包括應付賬項及其他應付款項及帶息貸款及借貸，均初步按公平價值減直接所佔交易成本列賬，於其後採用實際利息法按攤銷成本計算，除非貼現之影響不大，則會按成本列賬。有關利息開支於利潤表內之「融資成本」確認。

在負債取消確認及透過攤銷程序進行後，收益及虧損在利潤表中確認。

以公平價值計入損益的金融負債

以公平價值計入損益的金融負債包括為交易而持有的金融負債和初始確認時指定為以公平價值計入損益的金融負債。

金融負債如以短期出售為目的而購買，則分類為以買賣目的而持有之投資。衍生工具，包括獨立的嵌入式衍生工具，同樣分類為以買賣目的而持有，除非其被指定為有效的對沖工具。為買賣而持有的負債所產生的收益或虧損在利潤表內確認。在利潤表中確認的淨收益和損失不包括這些金融負債附帶的利息。

如果一項合同包括一項或多項的嵌入式衍生工具，則整個混合合同可指定為以公平價值計入損益的金融負債，除非該嵌入式衍生工具不會對現金流量產生重大改變，或者將嵌入式衍生工具分離出去是明確禁止的。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities at fair value through profit or loss (continued)

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Financial guarantee contracts

Financial guarantee contracts in the scope of HKAS 39 are accounted for as financial liabilities. A financial guarantee contract is recognised initially at its fair value less transaction costs that are directly attributable to the acquisition or issue of the financial guarantee contract, except when such contract is recognised at fair value through profit or loss. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the balance sheet date; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 Revenue.

Derecognition of financial liabilities

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

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

2.4 重大會計政策概要(續)

以公平價值計入損益的金融負債(續)

倘符合下列情況，金融負債或會於初始確認時被指定為以公平價值計入損益的負債：(i)該項指定對銷或大幅減低因按不同基準而計量負債或確認有關負債之損益而另行引起之不一致處理方法；(ii)負債乃一組金融負債之一部分，而該等金融負債乃根據已明定之風險管理策略及按公平價值評定表現；或(iii)該金融負債包括嵌入式衍生工具須獨立記錄。

財務擔保合同

在香港會計準則第39號範圍中的財務擔保合同作為金融負債核算。一份財務擔保合同初始計量按其公平價值減直接歸屬於購買或發出該等財務擔保合同的交易費用確認，除非該等合同以公平價值計量且變動計入損益來確認。初始確認後，本集團按以下兩者中的較高者計量財務擔保合同：(i)償還結算日之現有責任所須開支之最佳估計金額；及(ii)初始確認的金額減(若適用)，根據香港會計準則第18號收入確認的累計攤銷額後的餘額。

取消確認金融負債

倘金融負債的責任被解除、取消或到期，則須取消確認金融負債。

倘現有金融負債被來自同一貸款人之另一項負債按實質上不相同之條款替代，或現有負債之條款大部份被修訂，該項交換或修訂作為取消確認原有負債及確認新負債處理，兩者相應賬面值之差額於利潤表內確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative financial instrument

The Group uses a derivative financial instrument that is a forward currency contract to hedge its risk associated with foreign currency fluctuations. Such derivative financial instrument is initially recognised at fair value on the date on which a derivative contract is entered into and is subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to the income statement.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

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

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

2.4 重大會計政策概要(續)

衍生金融工具

本集團採用衍生金融工具即是一份遠期貨幣合同，對其外幣浮動相關之風險進行對沖。該等衍生金融工具初始時按訂立衍生合同當日之公平價值確認，其後按公平價值再計量。如果衍生金融工具的公平價值為正，則衍生金融工具作為資產入賬，如果公平價值為負，則按負債入賬。

不符合對沖會計處理條件的衍生金融工具的公平價值變動所產生的任何收益或損失直接計入利潤表中。

遠期貨幣合同公平價值的計算參考具有相似到期日的合同之當前的遠期匯率。

存貨

存貨按成本值及可變現淨值之較低者入賬。成本值以先進先出基準計算，倘為在製品及製成品，則包括直接材料、直接勞工及間接成本之適當部份。可變現淨值乃根據估計售價減預期達致完成及出售之成本計算。

現金及現金等值項目

於編製綜合現金流量表時，現金及現金等值項目包括現金及按要求之存款及短期高度流通之投資，該等投資可隨時兌換為可知數額之現金，而該等現金毋須承受價值變動之重大風險，並一般在購入時至到期期限不超過三個月之短期限制，及減去按要求償還之銀行透支，而該等投資乃本集團現金管理的一部份。

於編製資產負債表時，現金及現金等值項目指現金及銀行存款(包括定期存款)，其用途並無限制。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

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

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

Provision for product warranties granted by the Group on certain products on certain products are recognised based on sales volume and past experience on the level of repairs and returns, discounted to their present values as appropriate.

Income tax

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

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

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

2.4 重大會計政策概要(續)

撥備

因過去發生的事件而導致目前須承擔責任(法律或推定責任)，並可能導致將來有資源流失以支付該責任，而該責任的金額能夠可靠估計時，撥備即予確認。

當有重大折現影響時，會就預期須用作支付責任的未來開支於結算日確認其現值作撥備。因時間值所導致折現現值的金額增加，會列入利潤表的融資成本。

集團對若干產品提供產品保修及保養而作出的撥備乃按銷量及過去的維修及保養情況估算，在適當的情況下貼現至其現值。

所得稅

所得稅包括本期及遞延稅項。所得稅於利潤表內確認，如所得稅與股東權益確認之項目有關，於同期或不同期間入賬，則於股東權益內直接確認。

現在及過往期間的本期稅項資產及負債按預期撥回或支付予稅務機構的金額計算。

於結算日，資產與負債的稅基與作為財務申報用途的資產與負債賬面值之間的所有暫時性差異，須按負債法遞延稅項撥備。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

2.4 重大會計政策概要(續)

所得稅(續)

所有應課稅暫時性差異均會確認為遞延稅項負債，惟以下情況例外：

- 倘若遞延稅項負債的起始時確認由非業務合併交易產生之資產或負債，而於進行交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 對於涉及附屬公司之投資的應課稅暫時性差異而言，撥回暫時性差異的時間可以控制，而暫時性差異不甚可能在可見將來撥回。

對於所有可予扣減之暫時性差異、承前未動用稅項抵免及未動用稅項虧損，若日後有可能出現應課稅溢利，可用以抵扣該等可予扣減暫時性差異、承前未動用稅項抵免及未動用稅項虧損，則遞延稅項資產一律確認入賬，惟以下情況例外：

- 倘若有關可予扣減暫時性差異的遞延稅項資產的起因是起始時確認由非業務合併交易產生之資產或負債，而於進行交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 對於涉及附屬公司之投資之權益的應課稅暫時性差異而言，只有在暫時性差異有可能在可見將來撥回，而且有可能出現應課稅溢利，可用以抵扣該等暫時性差異時，方會確認遞延稅項資產。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

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

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

Revenue recognition

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

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset;
- (c) tooling charge income, sales commissions and subcontracting fee income, when the services are rendered; and
- (d) dividend income, when the shareholders' right to receive payment has been established.

2.4 重大會計政策概要(續)

所得稅(續)

遞延稅項資產的賬面值，在每個結算日予以審閱。若不再可能有足夠應課稅溢利用以抵扣全部或部分相關遞延稅項資產，則扣減遞延稅項資產賬面值。相反，在可能有足夠應課稅溢利用以抵扣全部或部分相關遞延稅項資產，則於各結算日重新評估及確認過往未予確認的遞延稅項資產。

確認資產或償還負債的期間預期適用的稅率，會用作衡量遞延稅項資產及負債，並以結算日當日已經生效或大致上已經生效的稅率(及稅法)為基準。

倘現有可依法執行權利，容許本期稅項資產抵銷本期稅項負債，而該遞延稅項涉及同一稅務實體及同一稅務機關，則遞延稅項資產及遞延稅項負債予以對銷。

收入確認

收入會於本集團可能獲得有關經濟利益及有關收益可以可靠地計算時按以下基準確認：

- (a) 銷售貨品，當擁有權之重大風險及回報已歸買方，而本集團對已出售之貨品並無維持一般與擁有權有關之管理參與或實際控制；
- (b) 利息收入，按應計基準，以金融工具的估計使用年期用實際利率將未來估計的現金收入折現為財務資產的賬面淨值；
- (c) 模具收入、銷售佣金及加工費收入，於服務提供時入賬；及
- (d) 股息收入，在股東收取款項的權利被確立時確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payment transactions

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

In situations where equity instruments are issued and some or all of the goods or services received by the Group as consideration cannot be specifically identified, the unidentifiable goods or services are measured as the difference between the fair value of the share-based payment and the fair value of any identifiable goods or services received at the grant date.

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined using a binomial model, further details of which are given in note 34 to the financial statements. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

2.4 重大會計政策概要(續)

以股份支付款項之交易

本公司為提供獎勵及回報予對本集團業務作出貢獻之合資格參與者設立一項購股權計劃。本集團僱員(包括董事)收取包括以股份支付款項交易在內之酬金，僱員則提供服務作為收取股本工具(「股本結算交易」)之代價。

當股本工具發行而本集團已收到作為代價的貨品或服務中，有部份或全部不能特別界定時，該等貨品或服務之計量為授予日的股份支付之公平價值及可界定之貨品或服務之公平價值的差額。

本集團與僱員進行股本結算交易之成本乃參照授出相關工具當日其公平價值計算。該公平價值乃採用二項式模型釐定，詳情見附註34。在評估股本結算交易時，不會計算任何表現條件，惟於適用情況下計算與本公司股份價格有關的條件(市場條件)除外。

股本結算交易之成本值連同股本之相應增長會於達到表現及／或服務條件之期間內確認，直至相關僱員完全享有該報酬之日(「歸屬日」)為止。由各結算日直至歸屬日就權益結算交易確認之累計開支反映歸屬期屆滿之程度，以及本集團就最終將歸屬之權益工具數目所作之最佳估計。某期間自利潤表扣除或計入利潤表之項目指於期初及期末確認之累計開支的變動。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Share-based payment transactions *(continued)*

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

2.4 重大會計政策概要(續)

以股份支付款項之交易(續)

未能最終歸屬之報酬不會確認為開支，除非報酬須待達到某市場條件後方可歸屬，在此情況下，不論是否達到該市場條件均會被視作歸屬處理，惟必須達到其他所有表現條件。

當股權結算報酬的條款修訂時，會確認最少的支出，猶如條款並未修訂一般。此外，倘若按變更日期計量，任何變更導致以股份支付款項的安排的總公平價值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。

當股權計算報酬註銷時會視作報酬已於註銷當日經已歸屬，而報酬尚未確認的任何支出會即時確認。然而，倘註銷的報酬有任何替代的新報酬，並指定為授出當日的替代報酬，則該項註銷及新報酬會如上段所述被視為原有報酬的修訂般處理。

計算每股盈利時，未行使購股權之攤薄效應，反映為額外股份攤薄。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

Foreign currencies

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

2.4 重大會計政策概要(續)

其他僱員福利

退休福利計劃

本集團根據強制性公積金計劃條例設立一定額供款強制性公積金退休福利計劃(「強積金計劃」)給本集團僱員。根據該計劃之規定，供款乃按僱員基本薪金之百分比計算，當供款應付時會在利潤表中扣除。該計劃之資產乃與本集團之資產分開並由獨立管理基金持有。該計劃中本集團之僱主供款乃全數歸僱員所有。

本集團在中國內地經營之附屬公司的員工均須參與由當地市政府實施之中央退休金計劃。該等中國附屬公司須按其發放薪金之若干百分比對該中央退休金計劃供款。當供款按中央退休金計劃規定為應付款時會在利潤表中扣除。

外幣

此等財務報告以港元(本公司之功能及呈報貨幣)呈列。本集團屬下各公司自行決定其功能貨幣，而各公司財務報告內之項目均以該功能貨幣計算。外幣交易初步乃按個別交易日之功能貨幣匯率計算。以外幣為單位之貨幣資產及負債均按結算日之功能貨幣匯率換算。所有匯兌差額均列入利潤表處理。非貨幣項目按起始交易日之外幣歷史成本計算匯率。若以公平價值釐定的非貨幣項目則根據公平價值釐定當日之匯率計算其價值。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the balance sheet date and their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are included in the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

2.4 重大會計政策概要(續)

外幣(續)

若干海外附屬公司之功能貨幣並非港元。於結算日，該等公司之資產及負債按結算當天之匯率折算為本公司之呈報貨幣，該等公司之利潤表按本年度之加權平均兌換率折算為港元。因此產生之匯兌差額被列入匯兌波動儲備中之獨立部分。在出售海外公司時，已於股本確認之該特定海外業務相關之遞延累計總額被再確認於利潤表中。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量當日之匯率換算為港元。海外附屬公司在整年產生之現金流量按該年之加權平均匯率換算為港元。

3. 重大會計判斷及估計

編製本集團之財務報告需管理層作出判斷、估計及假設，而該等判斷、估計及假設可影響於報告日期之收入、開支、資產及負債之披露金額。然而，有關該等假設及估計之不確定性可引致須對未來受影響之資產或負債之賬面作出重大調整之結果。

判斷

於應用本集團會計政策過程中，除涉及估計外，管理層已作出下列判斷，該些判斷對財務報告內確認之數額具重大影響：

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Inventories

The Group does not have a general provisioning policy on inventories based on ageing given that the inventories are not subject to frequent wear and tear or frequent technological changes. However, as a significant portion of the working capital is devoted to inventories, operational procedures have been in place to monitor this risk. The Group reviews the inventory ageing listing on a periodical basis for those aged inventories. This involves comparison of the carrying value of the aged inventory items with the respective net realisable value. The purpose is to ascertain whether allowance is required to be made in the consolidated financial statements for any obsolete and slow-moving items. In addition, physical counts on all inventories are carried out on a periodical basis in order to determine whether the allowance needs to be made in respect of any obsolete and defective inventories identified.

Trade receivables

In judging whether allowances for estimated irrecoverable amounts of the trade receivables have to be recognised in the consolidated financial statements, the Group takes into consideration if there is objective evidence that the Group will not be able to collect the debts. Following the identification of doubtful debts, the Group's responsible personnel discuss with the relevant customers and report to management on the recoverability. Specific allowance is only made for receivables that are unlikely to be collected.

Estimated useful lives of property, plant and equipment and other intangible assets

In assessing the estimated useful lives of the property, plant and equipment and other intangible assets, the Group takes into account factors like the expected usage of the assets by the Group based on past experience, the expected physical wear and tear, and the technical obsolescence arising from changes or improvements in production or from a change in the market demand for the products. The estimation of the useful lives is a matter of judgement based on the experience of the Group.

3. 重大會計判斷及估計(續)

判斷(續)

存貨

基於存貨的性質並非經常受到耗損及技術變動影響，本集團並無根據賬齡處理存貨的一般性政策。然而，大部分營運資金均投入存貨之中，故此本集團已設立經營程序，藉以監察是項風險。本集團定期審閱存貨之存貨賬齡。這涉及將陳舊存貨項目的賬面值與各自的可變現淨值互相比較，目的在於確定是否需要綜合財務資料，就任何陳舊及滯銷存貨作出撥備。此外，所有存貨均定期進行實際盤點，以決定是否需要就任何已識別的陳舊及有瑕疵存貨作出撥備。

應收貿易賬款

本集團在決定是否需要於綜合財務報告中確認貿易賬款之估計不可收回款額撥備時，乃考慮客觀證據顯示本集團能否收取賬款。於識別出呆壞賬後，本集團有關人員將就可收回程度與有關客戶討論並向管理層報告。只有在應收貿易賬款不可能收回時，方會作出特別撥備。

物業、廠房及設備及其他無形資產之估計可使用年限

在評估物業、廠房及設備及其他無形資產之可使用年限時，本集團會考慮以過去經驗為基礎之資產估計用途、估計實際磨損、因生產程序改變或進步而令技術落後或市場對該產品需求之改變。估計可使用年限涉及本集團根據過往經驗所作之判斷。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

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

Impairment of property, plant and equipment and other intangible assets

Property, plant and equipment and other intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts of the property, plant and equipment and other intangible assets have been determined based on value-in-use calculations. These calculations and valuations require the use of judgements and estimates.

Current income taxes and deferred income taxes

The Group is subject to income taxes in Hong Kong, Mainland China and the United States of America. Significant judgement is required in determining the amount of the provision for tax and the timing of payment of the related taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact on the income tax and deferred tax provisions in the periods in which such determination is made.

Valuation of buildings

The Group's buildings included in the property, plant and equipment are stated at their fair values in the balance sheet, which are assessed annually by management with reference to valuations performed by independent professionally qualified valuers using the depreciated replacement cost method. The assumptions adopted in the valuations are based on the market conditions existing at the balance sheet date, with reference to the current market values of similar properties in the same location and conditions and for the same usage as those of the Group.

3. 重大會計判斷及估計(續)

不確定估計

於結算日對資產及負債賬面值在下一財政年度內有重大調整風險的有關將來主要假設及其他主要不確定估計來源在下文討論。

物業、廠房及設備及其他無形資產減值

倘於任何情況或變動下有跡象顯示資產之賬面值可能未能收回，則對物業、廠房及設備及其他無形資產進行減值審閱。物業、廠房、設備及其他無形資產之可收回價值根據可用價值釐定。此計算及評估須涉及判斷及估計。

本期稅項及遞延稅項

本集團在香港、中國大陸及美國須繳納企業所得稅。釐定稅項撥備金額及有關稅項的支付時限時須作出重大判斷。有很多項交易及計算無法於日常業務過程中釐定其最終稅額。倘該等事項的最終稅額與最初記錄的金額不同，該差額將會影響作出有關決定期間的所得稅及遞延稅項撥備。

樓宇估值

本集團的樓宇包括物業、廠房及設備以其公平價值於資產負債表中列賬，該公平價值每年由管理層參考由獨立合資格專業估值師採用折舊重置成本法進行之估值計量。估值所採納之假設乃基於結算日之現行市況，並參考地點、狀況及與本集團之用途相同之類似物業的現行市價。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of non-financial assets

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

Impairment of available-for-sale financial assets

The Group classifies certain assets as available-for-sale and recognises movements in their fair values in equity. When the fair value declines, management makes assumptions about the decline in value to determine whether there is an impairment that should be recognised in the income statement. At 31 December 2008, no impairment losses have been recognised for available-for-sale assets (2007: Nil). The carrying amount of available-for-sale assets was HK\$680,000 (2007: HK\$680,000).

3. 重大會計判斷及估計(續)

不確定估計(續)

非財務資產之減值

本集團評估是否有表明於各個報告日期所有非財務資產出現減值之跡象。並對於無確定可使用年期之無形資產按年度或於有關跡象存在之其他時間進行減值測試。其他非財務資產於有跡象表明賬面值可能無法收回時進行減值測試。當進行可用價值計算時，管理層必須估計自該資產或現金來源單位之預期未來現金流量作出估計，並選擇適當之折讓率，以計算該等現金流量之現金。

可供出售金融資產之減值

本集團將若干資產分類為可供出售，並於權益確認其公平值變動。當公平值減少時，管理層對價值減少作出假設，以釐定應否於利潤表確認減值。於二零零八年十二月三十一日，並無就可供出售資產確認減值虧損(二零零七年：無)。可供出售資產之賬面值為680,000港元(二零零七年：680,000港元)。

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4. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

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

- (a) the precision parts and components segment comprises the manufacture and sale of precision parts and components comprising keypads, synthetic rubber and plastic components and parts, and liquid crystal displays ("LCDs");
- (b) the consumer electronic products segment comprises the design, manufacture and sale of consumer electronic products comprising time, weather forecasting and other products; and
- (c) the corporate and others segment comprises the Group's property holding activities, together with corporate income and expense items.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

Intersegment sales and transfers are transacted with reference to the cost of sales.

4. 分類資料

分類資料由兩個分類報告方式表達，(i) 主要分類報告基準是按業務劃分；及(ii) 次要分類報告基準按地區劃分。

本集團之經營業務乃按照彼等經營的性質及提供的產品及服務劃分為不同架構作個別管理。本集團各個業務類別自成一個策略性業務單位，所提供之產品及服務因應不同之業務類別而受制於不同之風險及回報規限。業務分類之詳情概述如下：

- (a) 精密零部件類別包括製造及銷售精密零部件包括按鍵、合成橡膠及塑膠零部件及液晶體顯示器；
- (b) 設計、製造及銷售電子消費品類別生產電子消費品包括時計，天氣預計及其他產品；及
- (c) 總公司及其它類別包括集團長期投資及總公司的收入及支出項目。

在決定本集團之地區類別時，分類收益乃按客戶所位於之地區劃分，而分類資產則按該資產所位於之地區劃分。

本集團分類業務之內部銷售及轉付乃參考銷售成本進行。

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4. SEGMENT INFORMATION (continued)

(a) Business segments

The following table presents revenue, profit and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 December 2008 and 2007.

4. 分類資料(續)

(a) 業務劃分

以下表格列出本集團於截至二零零八年及二零零七年十二月三十一日止年度按業務劃分之收入、溢利及若干資產、負債及開支之資料：

		Precision parts and components 精密零部件		Consumer electronic products 電子消費品		Corporate and others 總部及其他		Eliminations 抵銷		Consolidated 綜合	
		2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元	港元
Segment revenue:	分類收入：										
Sales to external customers	對外銷售收入	243,101,328	207,229,134	168,653,076	183,258,236	-	-	-	-	411,754,404	390,487,370
Intersegment sales	內部類別銷售收入	3,033,265	4,729,798	546	-	-	-	(3,033,811)	(4,729,798)	-	-
Other income and gains	其他收入及收益	7,308,323	7,127,846	2,499,978	654,310	4,168	311,365	-	-	9,812,469	8,093,521
Total	總計	253,442,916	219,086,778	171,153,600	183,912,546	4,168	311,365	(3,033,811)	(4,729,798)	421,566,873	398,580,891
Segment results	分類業績	21,172,387	19,473,446	(13,608,390)	(5,297,506)	(258,594)	(204,203)	-	-	7,305,403	13,971,737
Bank interest income	銀行利息收入									128,567	935,413
Finance costs	融資成本									(5,438,490)	(6,187,011)
Profit before tax	除稅前溢利									1,995,480	8,720,139
Tax	稅項									(1,597,696)	(2,206,440)
Profit for the year	本年度溢利									397,784	6,513,699
Assets and liabilities	資產及負債										
Segment assets	分類資產	199,142,010	189,153,981	102,259,086	98,579,330	15,739,240	16,447,563	(2,473,152)	(3,110,766)	314,667,184	301,070,108
Unallocated assets	未分配資產									51,601,324	32,843,997
Total assets	總資產									366,268,508	333,914,105
Segment liabilities	分類負債	65,299,179	52,653,340	36,771,575	31,426,646	486,646	2,807,290	(570,644)	16	101,986,756	86,887,292
Unallocated liabilities	未分配負債									110,108,768	101,942,630
Total liabilities	總負債									212,095,524	188,829,922
Other segment information:	其他分類資料										
Depreciation and amortisation	折舊及攤銷	11,674,274	12,078,759	13,312,563	12,392,992	725,347	497,584	-	-	25,712,184	24,969,335
Impairment of trade receivables	應收款項減值	1,677,082	634,043	82,843	-	-	-	-	-	1,759,925	634,043
Provision(reversal of provision) for slow-moving inventories	滯銷存貨撥備/(撥回)	303,997	291,936	(1,260,510)	480,000	-	-	-	-	(956,513)	771,936
Surplus on revaluation of buildings credited to the asset revaluation reserve	重估樓宇之盈餘計入資產重估儲備	-	-	-	-	1,739,087	1,890,438	-	-	1,739,087	1,890,438
Recognition of prepaid land lease payments	預付土地租賃款項確認	271,719	296,073	-	-	199,602	199,601	-	-	471,321	495,674
Capital expenditure	資本開支	37,832,800	41,296,805	26,964,080	11,898,584	129,155	55,480	-	-	64,926,035	53,250,869
Product warranty provision	產品保費撥備	-	-	768,324	1,058,483	-	-	-	-	768,324	1,058,483

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4. SEGMENT INFORMATION (continued)

(b) Geographical segments

The following table presents revenue, and certain asset and expenditure information for the Group's geographical segments for the years ended 31 December 2008 and 2007.

		Segment revenue 分類收入		Other segment information 其他分類資料			
		Sales to external customers 對外銷售收入		Segment assets 分類資產		Capital expenditure 資本開支	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Hong Kong	香港	85,373,514	93,270,954	83,185,931	85,507,520	4,546,768	4,885,490
Mainland China	中華人民共和國之 其他地方	24,532,479	22,079,691	228,832,050	179,671,640	60,359,344	48,064,215
Total in the People's Republic of China (the "PRC")	中華人民共和國 總計	109,905,993	115,350,645	312,017,981	265,179,160	64,906,112	52,949,705
Japan	日本	19,434,587	26,853,169	4,068,486	4,179,438	-	-
Other Asian countries*	其他亞洲國家*	38,223,527	27,626,622	11,063,755	17,147,090	13,257	60,170
Total in Asia	亞洲總計	167,564,107	169,830,436	327,150,222	286,505,688	64,919,369	53,009,875
Germany	德國	54,824,293	54,897,238	8,961,791	8,772,055	-	-
Austria	奧地利	64,786,245	34,135,515	11,342,172	10,495,162	-	-
Other European countries**	其他歐洲國家**	64,568,074	72,702,372	5,031,740	10,835,278	-	-
Total in Europe	歐洲總計	184,178,612	161,735,125	25,335,703	30,102,495	-	-
North America	北美洲	46,234,240	50,084,919	11,434,629	15,871,406	6,666	240,994
Others***	其他***	13,777,445	8,836,890	2,347,954	1,434,516	-	-
Consolidated	綜合	411,754,404	390,487,370	366,268,508	333,914,105	64,926,035	53,250,869

* Other Asian countries mainly comprise Taiwan, Singapore, Malaysia, Thailand, Indonesia and Korea.

** Other European countries mainly comprise Italy, the United Kingdom, France, the Netherlands, Switzerland, Denmark, Sweden and Spain.

*** Others mainly comprise South America, Australia and New Zealand.

4. 分類資料(續)

(b) 地區劃分

以下表格列出本集團截至二零零八年及二零零七年十二月三十一日止年度按地區劃分之收入、資產及資本開支之資料：

* 其他亞洲國家主要包括台灣、新加坡、馬來西亞、泰國、印尼及韓國。

** 其他歐洲國家主要包括意大利、英國、法國、荷蘭、瑞士、丹麥、瑞典及西班牙。

*** 其他國家主要包括南美洲國家、澳洲及新西蘭。

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5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts, during the year.

An analysis of the Group's revenue, other income and gains is as follows:

5. 收入，其他收入及收益

收入(為本集團營業額)指年內銷售貨品的發票淨值扣除退貨與貿易折扣。

本集團收入、其他收入及收益的分析如下：

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Revenue	收入		
Sale of goods	商品銷售	411,754,404	390,487,370
Other income and gains	其他收入及收益		
Bank interest income	銀行利息收入	128,567	935,413
Tooling charge income	模具收入	3,712,864	3,609,088
Sale of scrap	廢料銷售	2,049,220	159,609
Fair value gain on a derivative instrument – transaction not qualifying as a hedge	衍生工具的公平價值收益 — 不符合對沖條件的交易	—	1,479,647
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備的收益	1,872,296	—
Foreign exchange gains, net	匯兌收益，淨額	—	1,109,217
Others	其他	2,178,089	1,735,960
		9,941,036	9,028,934

6. OTHER EXPENSES

6. 其他費用

		Group 集團 2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Fair value loss on a derivative instrument – transaction not qualifying as a hedge	衍生工具的公平價值虧損 — 不符合對沖條件的交易	141,589	—
Impairment of trade receivables	應收賬項減值	1,759,925	634,043
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備的虧損	—	873,431
Foreign exchange losses, net	匯兌虧損，淨額	1,934,754	—
		3,836,268	1,507,474

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7. PROFIT BEFORE TAX

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

7. 除稅前溢利

本集團除稅前溢利經扣除／(計入):

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Cost of inventories sold	已售存貨成本	328,794,478	301,752,691
Auditors' remuneration	核數師酬金	1,602,002	1,915,434
Depreciation	折舊	20,772,184	20,341,831
Recognition of prepaid land lease payments	預付土地租賃款確認	471,321	495,674
Minimum lease payments under operating leases on land and buildings	土地及樓宇之最少經營租約租金	4,103,428	3,545,064
Amortisation of other intangible assets*	其他無形資產攤銷*	4,940,000	4,627,504
Provision/(reversal of provision) for slow-moving inventories*	滯銷存貨撥備／(撥回)*	(956,513)	771,936
Staff costs (including directors' other emoluments – note 9):	員工開支(包括董事其他酬金—附註9)：		
Wages and salaries	工資及薪金	101,490,475	97,252,697
Equity-settled share option expense	股本結算購股權支出	12,302	57,881
Pension scheme contributions	公積金供款	702,333	686,373
		102,205,110	97,996,951
Less: Amount capitalised in deferred development costs	減：已資本化的遞延發展成本	(4,400,000)	(4,800,000)
		97,805,110	93,196,951
Product warranty provision	產品保養撥備	768,324	1,058,483
Fair value loss/(gain) on a derivative instrument – transaction not qualifying as a hedge	衍生工具的公平價值虧損／(收益)—不符合對沖條件的交易	141,589	(1,479,647)
Foreign exchange differences, net	匯兌差額，淨額	1,934,754	(1,109,217)
Impairment of trade receivables	應收賬項減值	1,759,925	634,043
Loss/(gain) on disposal of items of property, plant and equipment	出售物業、廠房及設備虧損／(收益)	(1,872,296)	873,431

* The amortisation of other intangible assets and the provision/(reversal of provision) for slow-moving inventories for the year are included in "Cost of sales" on the face of the consolidated income statement.

* 本年之其他無形資產攤銷及滯銷存貨撥備／(撥回)已包含在綜合利潤表上之「銷售成本」內。

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8. FINANCE COSTS

8. 融資成本

		Group 集團	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Interest on bank loans and overdrafts wholly repayable within five years	於五年內償還之銀行貸款及透支之利息	5,173,431	6,060,345
Interest on finance leases	融資租約利息	265,059	126,666
		5,438,490	6,187,011

9. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

9. 董事酬金

根據上市條例及香港公司法例第一六一條所規定披露之董事酬金如下：

		Group 集團	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Fees:	袍金：		
Executive directors	執行董事	—	—
Independent non-executive directors	獨立非執行董事	792,000	720,000
		792,000	720,000
Other emoluments:	其他酬金：		
Salaries	薪金	4,794,600	5,748,990
Discretionary bonus	酌情花紅	819,000	—
Pension scheme contributions	公積金供款	24,000	24,000
Other allowances	其他津貼	100,000	149,190
		5,737,600	5,922,180
		6,529,600	6,642,180

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9. DIRECTORS' REMUNERATION (continued)

(a) Independent non-executive directors

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

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Kung Fan Cheong	孔蕃昌	264,000	240,000
Leung Man Kay	梁文基	264,000	240,000
Li Yuen Kwan, Joseph	李沅鈞	264,000	240,000
		792,000	720,000

There were no other emoluments payable to the independent non-executive directors during the year (2007: Nil).

(b) Executive directors

		Fees 袍金 HK\$ 港元	Salaries 薪金 HK\$ 港元	Discretionary bonus 酌情花紅 HK\$ 港元	Pension scheme contributions 公積金供款 HK\$ 港元	Other allowances 其他津貼 HK\$ 港元	Total remuneration 總酬金 HK\$ 港元
2008	二零零八年						
Executive directors:	執行董事：						
Lai Pei Wor	賴培和	-	1,066,200	-	12,000	-	1,078,200
Chan Yau Wah	陳友華	-	1,891,500	415,500	-	50,000	2,357,000
Chung Yik Cheung, Raymond	鍾奕昌	-	1,836,900	403,500	12,000	50,000	2,302,400
		-	4,794,600	819,000	24,000	100,000	5,737,600
2007	二零零七年						
Executive directors:	執行董事：						
Lai Pei Wor	賴培和	-	2,199,990	-	12,000	50,000	2,261,990
Chan Yau Wah	陳友華	-	1,800,500	-	-	49,190	1,849,690
Chung Yik Cheung, Raymond	鍾奕昌	-	1,748,500	-	12,000	50,000	1,810,500
		-	5,748,990	-	24,000	149,190	5,922,180

During the year, Mr. Lai Pei Wor waived a portion of his emoluments amounting to a total of HK\$1,243,900 (2007: Nil).

9. 董事酬金(續)

(a) 獨立非執行董事

年內支付予獨立非執行董事之袍金：

	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Kung Fan Cheong	264,000	240,000
Leung Man Kay	264,000	240,000
Li Yuen Kwan, Joseph	264,000	240,000
	792,000	720,000

年內並無向獨立非執行董事支付其他酬金(二零零七年：無)。

(b) 執行董事

	Fees 袍金 HK\$ 港元	Salaries 薪金 HK\$ 港元	Discretionary bonus 酌情花紅 HK\$ 港元	Pension scheme contributions 公積金供款 HK\$ 港元	Other allowances 其他津貼 HK\$ 港元	Total remuneration 總酬金 HK\$ 港元
2008						
執行董事：						
賴培和	-	1,066,200	-	12,000	-	1,078,200
陳友華	-	1,891,500	415,500	-	50,000	2,357,000
鍾奕昌	-	1,836,900	403,500	12,000	50,000	2,302,400
	-	4,794,600	819,000	24,000	100,000	5,737,600
2007						
執行董事：						
賴培和	-	2,199,990	-	12,000	50,000	2,261,990
陳友華	-	1,800,500	-	-	49,190	1,849,690
鍾奕昌	-	1,748,500	-	12,000	50,000	1,810,500
	-	5,748,990	-	24,000	149,190	5,922,180

年內賴培和先生放棄其部份酬金總額1,243,900港元(二零零七年：無)。

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10. SEVEN HIGHEST PAID EMPLOYEES

The seven highest paid employees during the year included three (2007: three) executive directors, details of whose remuneration are set out in note 9 above. Details of the remuneration of the remaining four (2007: four) non-director, highest paid employees for the year are as follows:

		Group 集團	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物利益	5,275,623	5,075,611
Equity-settled share option expense	股權結算購股權開支	–	57,881
Pension scheme contributions	公積金供款	97,147	107,775
		5,372,770	5,241,267

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2008 二零零八年	2007 二零零七年
HK\$500,001 to HK\$1,000,000	500,001港元至1,000,000港元	–	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	3	2
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	1
		4	4

11. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2007: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. The lower Hong Kong profits tax rate is effective from the year of assessment 2008/2009, and so is applicable to the assessable profits arising in Hong Kong for the whole year ended 31 December 2008. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

10. 七位最高薪僱員

本集團七位最高薪僱員包括三位(二零零七年: 三位)執行董事, 詳情已列於上文附註9, 餘下四位(二零零七年: 四位)最高薪之非董事的最高薪僱員之酬金詳見如下:

非董事最高薪僱員之酬金所屬範圍如下:

11. 稅項

香港利得稅已按年內源自香港的估計應課稅溢利以16.5% (二零零七年: 17.5%) 的稅率撥備。較低香港利得稅率自二零零八/二零零九評稅年度起生效, 故適用於截至二零零八年十二月三十一日止整個年度在香港產生之應課稅溢利。源於其他地區應課稅溢利的稅項應根據本集團經營所受管轄區域的現行法律、解釋公告和相關常規, 按照常用稅率計算。

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11. TAX (continued)

11. 稅項(續)

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Group:	集團：		
Current – Hong Kong	本期－香港		
Charge for the year	本年度支出	894,316	3,017,824
Overprovision in prior years	往年超額撥備	(1,278,093)	(434,792)
Current – Elsewhere	本期－其他地區		
Charge for the year	本年度支出	680,891	1,266,440
Underprovision in prior years	往年撥備補提	1,100,000	–
Deferred (note 31)	遞延稅項(附註31)	200,582	(1,643,032)
Total tax charge for the year	本年度稅項支出總額	1,597,696	2,206,440

A reconciliation of the tax expense applicable to profit before tax using the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate are as follows:

按照適用於本公司及其大多數的子公司所受管轄區域的稅前利潤之法定稅率計算出的稅項費用，與按實際稅率計算出的稅項費用之調節，以及適用稅率(即法定所得稅稅率)和實際稅率的調節如下：

Group	集團	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Profit before tax	除稅前溢利	1,995,480	8,720,139
Tax at the statutory tax rate of 16.5% (2007: 17.5%)	按法定稅率16.5%計算之稅項 (二零零七年：17.5%)	329,254	1,526,024
Adjustments in respect of current tax of previous periods	調整前年度之本期稅項	(178,093)	(434,792)
Effect of different rates for companies operating in other jurisdictions	其他公司經營所受管轄區域的 不同稅率之影響	604,012	405,498
Income not subject to tax	不須繳稅之收入	(2,483,795)	(1,533,294)
Expenses not deductible for tax	不可扣減稅項之支出	2,040,577	879,371
Tax losses utilised from previous periods	以往期間動用之稅項虧損	(489,190)	(48,974)
Tax losses not recognised	未確認之稅項虧損	415,748	249,068
Others	其他	1,359,183	1,163,539
Tax charge at the Group's effective rate of 80.1% (2007: 25.3%)	按本集團有效稅率計算之 稅項支出為80.1% (二零零七年：25.3%)	1,597,696	2,206,440

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12. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The consolidated profit attributable to equity holders of the Company for the year ended 31 December 2008 includes a loss of HK\$1,917,262 (2007: profit of HK\$624,822) which has been dealt with in the financial statements of the Company (note 35(b)).

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

The calculation of basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the Company, and the ordinary shares in issue during the year.

The calculation of diluted earnings per share is based on the profit for the year attributable to ordinary equity holders of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

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

12. 本公司權益持有人所佔溢利

截至二零零八年十二月三十一日止年度股權持有人應佔綜合溢利已包括本公司財務報告中之虧損為1,917,262港元(二零零七年：溢利624,822港元)(附註35(b))。

13. 本公司普通股權益持有人所佔每股盈利

每股基本盈利乃根據本年度本公司普通股權益持有人應佔溢利及於年度內本公司已發行普通股計算。

每股攤薄盈利是按本年度本公司普通股權益持有人應佔溢利計算。年內加權平均普通股股份數目是以本公司已發行股份數目，等同用於計算每股基本盈利的數目計算。同時，於年內已發行購股權假設被行使加權平均普通股將在無代價下發行。

每股基本及攤薄盈利乃根據以下各項計算：

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Earnings	盈利		
Profit attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculations	本公司普通股權益持有人所佔溢利，用於每股基本及攤薄盈利計算	397,784	6,513,699
Shares	股份		
Number of ordinary shares in issue during the year used in the basic earnings per share calculation	於年內已發行之普通權益數目用於每股基本盈利計算	265,504,800	265,504,800
Effect of dilution – weighted average number of ordinary shares: Share options	攤薄影響—加權平均普通股份：購股權	18,570	656,133
Weighted average number of ordinary shares adjusted for the effect of dilution	調整攤薄影響後之加權平均普通股份	265,523,370	266,160,933

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14. PROPERTY, PLANT AND EQUIPMENT

Group

		Buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment	Motor vehicles	Moulds	Construction in progress	Total
		樓宇 HK\$ 港元	租賃裝修 HK\$ 港元	廠房及機器 HK\$ 港元	傢俬、裝置及辦公室設備 HK\$ 港元	汽車 HK\$ 港元	模具 HK\$ 港元	在建工程 HK\$ 港元	總額 HK\$ 港元
31 December 2008	於二零零八年十二月三十一日								
At 1 January 2008:	於二零零八年一月一日：								
Cost or valuation	成本或估值	18,389,000	19,861,622	115,301,642	30,503,564	2,560,710	66,570,335	40,468,795	293,655,668
Accumulated depreciation	累計折舊	-	(18,957,607)	(90,108,382)	(22,207,045)	(1,672,634)	(52,706,993)	-	(185,652,661)
Net carrying amount	賬面淨值	18,389,000	904,015	25,193,260	8,296,519	888,076	13,863,342	40,468,795	108,003,007
At 1 January 2008, net of accumulated depreciation	於二零零八年一月一日，扣除累計折舊	18,389,000	904,015	25,193,260	8,296,519	888,076	13,863,342	40,468,795	108,003,007
Additions	添置	11,100,163	24,916,099	12,665,568	4,039,425	-	7,804,780	-	60,526,035
Disposals	出售	-	(31,830)	(99,876)	(40,674)	-	(59,000)	-	(231,380)
Depreciation provided during the year	年內折舊	(1,876,904)	(1,832,160)	(5,094,092)	(4,091,379)	(363,977)	(7,513,672)	-	(20,772,184)
Surplus on revaluation	重估盈餘	1,739,087	-	-	-	-	-	-	1,739,087
Transfers	轉移	39,149,654	4,681,379	-	528,991	-	-	(44,360,024)	-
Exchange realignment	外匯調整	-	-	1,076,025	28,962	13,530	-	3,891,229	5,009,746
At 31 December 2008, net of accumulated depreciation	於二零零八年十二月三十一日，扣除累計折舊	68,501,000	28,637,503	33,740,885	8,761,844	537,629	14,095,450	-	154,274,311
At 31 December 2008:	於二零零八年十二月三十一日：								
Cost or valuation	成本或估值	68,501,000	42,806,619	121,476,682	34,917,664	2,577,209	72,656,513	-	342,935,687
Accumulated depreciation	累計折舊	-	(14,169,116)	(87,735,797)	(26,155,820)	(2,039,580)	(58,561,063)	-	(188,661,376)
Net carrying amount	賬面淨值	68,501,000	28,637,503	33,740,885	8,761,844	537,629	14,095,450	-	154,274,311
Analysis of cost or valuation:	成本或估值分析：								
At cost	按成本值	-	42,806,619	121,476,682	34,917,664	2,577,209	72,656,513	-	274,434,687
At 31 December 2008 valuation	於二零零八年十二月三十一日估值	68,501,000	-	-	-	-	-	-	68,501,000
		68,501,000	42,806,619	121,476,682	34,917,664	2,577,209	72,656,513	-	342,935,687

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14. PROPERTY, PLANT AND EQUIPMENT (continued)

Group (continued)

		Buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備	Motor vehicles	Moulds	Construction in progress	Total
		樓宇 HK\$ 港元	租賃裝修 HK\$ 港元	廠房及機器 HK\$ 港元	辦公設備 HK\$ 港元	汽車 HK\$ 港元	模具 HK\$ 港元	在建工程 HK\$ 港元	總額 HK\$ 港元
31 December 2007	於二零零七年十二月三十一日								
At 1 January 2007:	於二零零七年一月一日：								
Cost or valuation	成本或估值	17,090,000	21,286,379	104,276,927	27,910,349	2,762,630	60,307,421	11,759,114	245,392,820
Accumulated depreciation	累計折舊	-	(18,113,238)	(84,876,056)	(18,465,201)	(1,726,013)	(44,142,088)	-	(167,322,596)
Net carrying amount	賬面淨值	17,090,000	3,173,141	19,400,871	9,445,148	1,036,617	16,165,333	11,759,114	78,070,224
At 1 January 2007, net of accumulated depreciation	於二零零七年一月一日，扣除累計折舊	17,090,000	3,173,141	19,400,871	9,445,148	1,036,617	16,165,333	11,759,114	78,070,224
Additions	添置	-	144,778	11,294,067	2,600,744	210,714	6,210,831	27,989,735	48,450,869
Disposals	出售	-	(1,136,288)	-	(11)	-	-	-	(1,136,299)
Depreciation provided during the year	年內折舊	(591,438)	(1,351,515)	(5,736,250)	(3,780,651)	(369,155)	(8,512,822)	-	(20,341,831)
Surplus on revaluation	重估盈餘	1,890,438	-	-	-	-	-	-	1,890,438
Exchange realignment	外匯調整	-	73,899	234,572	31,289	9,900	-	719,946	1,069,606
At 31 December 2007, net of accumulated depreciation	於二零零七年十二月三十一日，扣除累計折舊	18,389,000	904,015	25,193,260	8,296,519	888,076	13,863,342	40,468,795	108,003,007
At 31 December 2007:	於二零零七年十二月三十一日：								
Cost or valuation	成本或估值	18,389,000	19,861,622	115,301,642	30,503,564	2,560,710	66,570,335	40,468,795	293,655,668
Accumulated depreciation	累計折舊	-	(18,957,607)	(90,108,382)	(22,207,045)	(1,672,634)	(52,706,993)	-	(185,652,661)
Net carrying amount	賬面淨值	18,389,000	904,015	25,193,260	8,296,519	888,076	13,863,342	40,468,795	108,003,007
Analysis of cost or valuation:	成本或估值分析：								
At cost	按成本值	-	19,861,622	115,301,642	30,503,564	2,560,710	66,570,335	40,468,795	275,266,668
At 31 December 2007 valuation	於二零零七年十二月三十一日估值	18,389,000	-	-	-	-	-	-	18,389,000
		18,389,000	19,861,622	115,301,642	30,503,564	2,560,710	66,570,335	40,468,795	293,655,668

The net book value of the Group's property, plant and equipment held under finance leases included in the total amount of plant and machinery at 31 December 2008 amounted to HK\$12,472,778 (2007: HK\$6,586,766).

本集團根據融資租約持有之廠房、機器及設備賬面淨值，已包括於二零零八年十二月三十一日之物業、廠房及機器總額，為12,472,778港元(二零零七年：6,586,766港元)。

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14. PROPERTY, PLANT AND EQUIPMENT (continued)

The Group's buildings were revalued at 31 December 2008, by Chung, Chan & Associates, independent professionally qualified valuers. The buildings in Hong Kong were revalued at open market value, based on their existing use, and the buildings in Mainland China were revalued using the depreciated replacement cost method.

Had the Group's buildings been carried at historical cost less accumulated depreciation and impairment losses, their carrying amounts would have been included in the financial statements at approximately HK\$61,360,453 (2007: HK\$12,822,552).

At 31 December 2008, certain of the Group's buildings with a net carrying value of approximately HK\$50,000,000 (2007: Nil) were pledged to secure a bank loan to the Group (note 27).

14. 物業、廠房及設備 (續)

本集團之樓宇於二零零八年十二月三十一日由獨立專業合資格估值師衡量行重新估值。香港樓宇按公開市場價值及樓宇現時的用途重估，而中國大陸的樓宇則按折舊重置成本法重估。

本集團樓宇以歷史成本減累計折舊及減值虧損入賬，其賬面值已計入財務報告中，其金額約為61,360,453港元(二零零七年：12,822,552港元)。

於二零零八年十二月三十一日，本集團部份樓宇賬面淨值約為50,000,000港元(二零零七年：無)已作為本集團銀行貸款的抵押擔保(附註27)。

15. PREPAID LAND LEASE PAYMENTS

Carrying amount at 1 January	於一月一日的賬面值
Recognised during the year	於本年內確認
Exchange realignment	滙兌調整
Carrying amount at 31 December	於十二月三十一日的賬面值
Current portion included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的流動部份
Non-current portion	非流動部份

15. 預付土地租賃款

Group 集團	
2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
21,336,206	21,224,445
(471,321)	(495,674)
941,879	607,435
21,806,764	21,336,206
(471,321)	(495,675)
21,335,443	20,840,531

The leasehold land is situated in Hong Kong and Mainland China under medium term leases of HK\$7,784,472 (2007: HK\$7,984,075) and HK\$14,022,292 (2007: HK\$13,352,131), respectively, at the balance sheet date.

At 31 December 2008, one of the Group's land with a net book value of approximately HK\$10,548,000 (2007: HK\$9,796,000) was pledged to secure a bank loan to the Group (note 27).

於結算日，位於香港及中國內地的租賃土地以中期租約租賃價值分別為7,784,472港元(二零零七年：7,984,075港元)及14,022,292港元(二零零七年：13,352,131港元)。

於二零零八年十二月三十一日，本集團其中一幅土地賬面淨值約為10,548,000港元(二零零七年：9,796,000港元)已作為本集團銀行貸款的抵押擔保(附註27)。

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16. OTHER INTANGIBLE ASSETS

Group

16. 其他無形資產

集團

		Technical know-how 技術知識 HK\$ 港元	Deferred development costs 遞延發展成本 HK\$ 港元	Licences 使用權 HK\$ 港元	Total 總額 HK\$ 港元
31 December 2008	二零零八年 十二月三十一日				
Cost at 1 January 2008, net of accumulated amortisation	二零零八年一月一日的 成本，扣除累計攤銷	-	9,225,000	1,353,329	10,578,329
Additions	添置	-	4,400,000	-	4,400,000
Amortisation provided during the year	本年度攤銷	-	(4,500,000)	(440,000)	(4,940,000)
At 31 December 2008	於二零零八年 十二月三十一日	-	9,125,000	913,329	10,038,329
At 31 December 2008:	於二零零八年 十二月三十一日：				
Cost	成本	1,239,647	27,550,000	2,590,000	31,379,647
Accumulated amortisation	累計攤銷	(1,239,647)	(18,425,000)	(1,676,671)	(21,341,318)
Net carrying amount	賬面淨值	-	9,125,000	913,329	10,038,329
31 December 2007	二零零七年 十二月三十一日				
At 1 January 2007:	於二零零七年一月一日：				
Cost	成本	1,239,647	18,350,000	2,590,000	22,179,647
Accumulated amortisation	累計攤銷	(1,239,647)	(9,737,500)	(796,667)	(11,773,814)
Net carrying amount	賬面淨值	-	8,612,500	1,793,333	10,405,833
Cost at 1 January 2007, net of accumulated amortisation	二零零七年一月一日的 成本，扣除累計攤銷	-	8,612,500	1,793,333	10,405,833
Additions	添置	-	4,800,000	-	4,800,000
Amortisation provided during the year	本年度攤銷	-	(4,187,500)	(440,004)	(4,627,504)
At 31 December 2007	於二零零七年 十二月三十一日	-	9,225,000	1,353,329	10,578,329
At 31 December 2007:	於二零零七年 十二月三十一日				
Cost	成本	1,239,647	23,150,000	2,590,000	26,979,647
Accumulated amortisation	累計攤銷	(1,239,647)	(13,925,000)	(1,236,671)	(16,401,318)
Net carrying amount	賬面淨值	-	9,225,000	1,353,329	10,578,329

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17. INTERESTS IN SUBSIDIARIES

17. 於附屬公司之權益

		Company 公司	
		2008 二零零八年	2007 二零零七年
		HK\$ 港元	HK\$ 港元
Unlisted shares, at cost	非上市股份，按成本值	58,999,981	58,999,981
Due from subsidiaries	附屬公司欠款	81,543,347	83,433,720
		140,543,328	142,433,701
Less: Impairment of amounts due from subsidiaries [#]	減：附屬公司之欠款減值 [#]	(11,018,779)	(11,018,779)
		129,524,549	131,414,922

The amounts due from subsidiaries are unsecured, interest-free and are not due for settlement within one year. The carrying amounts of these amounts due from subsidiaries approximate to their fair values.

附屬公司欠款為無抵押、免息，於一年內未到期償還。該等附屬公司欠款與其公平價值相若。

[#] An impairment was recognised for amounts due from subsidiaries with a carrying amount of HK\$81,543,347 (before deducting the impairment loss) (2007: HK\$83,433,720) because certain subsidiaries of the Company have been making losses.

[#] 由於若干附屬公司錄得虧損，故就應收該等附屬公司款項(扣除減值虧損前，其賬面值為81,543,347港元)(二零零七年：83,433,720港元)中確認減值虧損。

Particulars of the principal subsidiaries are as follows:

主要附屬公司詳情如下：

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立／註冊 及營業地點	Nominal value of issued and paid-up share/ registered capital 已發行及 繳足股份之面值／ 註冊資本	Percentage of equity interest attributable to the Company 本公司所佔股本 權益百分比	Principal activities 主要業務
Bistec Corporation Limited 寶仕達實業有限公司	Hong Kong 香港	HK\$2,000,000 2,000,000港元	100	Investment holding 投資控股
Cokeen Development Limited 確建發展有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	Property holding and provision of managementservices 物業持有及 提供管理服務
E-Dotcom Limited	Hong Kong 香港	HK\$2 2港元	100	Investment holding 投資控股

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17. INTERESTS IN SUBSIDIARIES (continued)

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

17. 於附屬公司之權益 (續)

主要附屬公司詳情如下：(續)

Company name	Place of incorporation/ registration and operations	Nominal value of issued and paid-up share/ registered capital 已發行及 繳足股份之面值/ 註冊資本	Percentage of equity interest attributable to the Company 本公司所佔股本 權益百分比	Principal activities
公司名稱	註冊成立／註冊 及營業地點			主要業務
Gaiki Silicone Products Limited 凱基有機硅製品有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	Manufacture of silicone rubber products 生產硅橡膠產品
Hideki Precision (B.V.I.) Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100	Intellectual property holding 知識產權持有
Hideki (China) Investment Limited 西城(中國)投資有限公司	Hong Kong 香港	HK\$2,000,000 2,000,000港元	100	Investment holding 投資控股
Hideki Electronics Limited 西城電子有限公司	Hong Kong 香港	HK\$2,000,000 2,000,000港元	100	Sale of consumer electronic products 銷售電子消費品
Hideki Electronics, Inc.*	United States of America ("USA") 美國	US\$100,000 100,000美元	100	Sale of consumer electronic products 銷售電子消費品
Hi-Tech (China) Investment Limited 中穎(中國)投資有限公司	Hong Kong 香港	HK\$2,000,000 2,000,000港元	100	Investment holding 投資控股
Hi-Tech Investment Holdings Limited	British Virgin Islands/Hong Kong 英屬處女群島／香港	US\$50,000 50,000美元	100	Investment holding 投資控股
Hi-Tech Polymer (China) Inc. 堅城實業有限公司	Western Samoa/PRC 西薩摩亞／ 中華人民共和國	US\$1 1美元	100	Manufacture of synthetic rubber products 製造成成橡膠產品
Hi-Tech Polymer Limited 中穎橡膠配件有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	Sale of synthetic rubber products 銷售合成橡膠產品
Hi-Tech Precision Plastic Limited 中穎精密塑膠有限公司	Hong Kong 香港	HK\$3,000,000 3,000,000港元	100	Sale of plastic products 銷售塑膠產品
Hi-Tech Property Holdings Limited	British Virgin Islands/PRC 英屬處女群島／ 中華人民共和國	US\$1 1美元	100	Property holding 物業持有

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17. INTERESTS IN SUBSIDIARIES (continued)

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

17. 於附屬公司之權益 (續)

主要附屬公司詳情如下：(續)

Company name	Place of incorporation/ registration and operations	Nominal value of issued and paid-up share/ registered capital 已發行及 繳足股份之面值/ 註冊資本	Percentage of equity interest attributable to the Company 本公司所佔股本 權益百分比	Principal activities
公司名稱	註冊成立／註冊 及營業地點			主要業務
Hi-Tech Precision Industrial Limited 中穎精密工業有限公司	Hong Kong 香港	HK\$1,500,000 1,500,000港元	100	Sale of precision parts and components 銷售精密零部件
Hi-Tech Precision (Singapore) Pte. Limited	Republic of Singapore 新加坡	S\$100,000 100,000坡元	100	Sale of precision parts and components 銷售精密零部件
K & P Group (Holdings) Limited 堅寶(控股)有限公司	British Virgin Islands/Hong Kong 英屬處女群島／香港	US\$1,238,545 1,238,545美元	100	Investment holding 投資控股
K. S. (China) Electronics Manufactory Limited 堅城(中國)電子廠有限公司	Hong Kong 香港	HK\$2 2港元	100	Investment holding 投資控股
Mars Field Limited	British Virgin Islands/PRC 英屬處女群島／ 中華人民共和國	US\$1 1美元	100	Manufacture of consumer electronic products and precision parts and components 製造電子消費品及 精密零部件
Technology Trends International Limited	British Virgin Islands/ Hong Kong/ Republic of Singapore 英屬處女群島／ 香港／新加坡	US\$50,000 50,000美元	100	Sale of precision parts and components 銷售精密零部件
TQL Technology Limited 栢城電子有限公司	Hong Kong 香港	HK\$7,000,000 7,000,000港元	100	Manufacture and sale of liquid crystal displays 製造及銷售液晶體 顯示器
Webborton Investments Limited	British Virgin Islands/Hong Kong 英屬處女群島／香港	US\$1 1美元	100	Investment holding 投資控股
中穎(中山)電子有限公司	PRC 中華人民共和國	US\$8,900,000 8,900,000美元	100	Manufacture of precision parts and components 製造精密零部件

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17. INTERESTS IN SUBSIDIARIES (continued)

Except for K & P Group (Holdings) Limited, all of the above subsidiaries are indirectly held by the Company.

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

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

18. AVAILABLE-FOR-SALE INVESTMENT

Club membership, at fair value	會所會籍，按公平價值
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The fair value of the club membership is determined with reference to the price quoted by the club.

19. PREPAID RENT

Prepaid rent is amortised over the lease term.

20. INVENTORIES

Raw materials	原料
Work in progress	在製品
Finished goods	製成品
Less: Provision for slow-moving inventories	減：滯銷存貨撥備

17. 於附屬公司之權益 (續)

除堅寶(控股)有限公司外，上述所有附屬公司均由本公司間接持有。

* 非由香港安永會計師事務所及其國際成員公司核數

董事認為，上表所列出之本公司附屬公司主要影響本年度業績或構成本集團資產淨值主要部份。董事並認為，提供其他附屬公司的詳細資料，會引致內容過於冗長。

18. 可供出售投資

Group 集團	
2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
680,000	680,000

會所會籍的公平價值是參照會所呈報之價值。

19. 預付租金

預付租金是按租約條款攤銷。

20. 存貨

Group 集團	
2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
25,652,151	26,578,691
9,531,696	15,545,609
11,719,383	8,646,325
46,903,230	50,770,625
(1,426,515)	(2,383,028)
45,476,715	48,387,597

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21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		Group 集團		Company 公司	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Prepayments	預付款項	2,059,952	2,345,291	231,049	226,057
Deposits and other receivables	按金及其他 應收款項	15,560,436	22,573,174	–	–
		17,620,388	24,918,465	231,049	226,057

None of the above assets is either past due or impaired.

以上未逾期亦未作減值準備的款項，並無拖欠款項記錄。

22. TRADE AND BILLS RECEIVABLES

		Group 集團	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Trade receivables	應收賬項	63,920,848	90,190,699
Impairment	減值撥備	(4,336,638)	(2,633,682)
		59,584,210	87,557,017
Bills receivable discounted with recourse (note 27)	可退回的折扣性應收票據 (附註27)	5,046,757	70,200
		64,630,967	87,627,217

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. Invoices are normally payable within 60 days of issuance, except for certain well-established customers, where the terms are extended from 60 to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control policy to minimise credit risk. Overdue balances are regularly reviewed by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing. Bills receivable discounted with recourse are interest-bearing. The carrying amounts of these balances approximate to their fair values.

客戶買賣條款中，除新客戶外，主要客戶都享有信用預提。一般發票需要在六十天內支付，優良客戶可享用六十至九十天信用預提。每位客戶均有信用額度。集團對未償還應收賬項有嚴緊控制及有信貸政策以減低信貸風險。高級管理層會對逾期應收款作經常審閱。鑒於以上所述及由於本集團的應收賬項涉及大量不同客戶，因此並無高度集中的信貸風險。應收賬項是不計利息，而可退回的折扣性應收票據是帶息的。該結餘之賬面值與其公平價值相若。

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22. TRADE AND BILLS RECEIVABLES (continued)

An aged analysis of the trade receivables as at the balance sheet date, based on the invoice date and net of provisions, is as follows:

Within 90 days	九十天內
Between 91 and 180 days	九十一至一百八十天
Over 180 days	一百八十天以上

22. 應收賬項及票據(續)

在結算日應收賬項按發票日期及減除撥備後之賬齡分析如下：

Group 集團	
2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
54,323,240	79,273,304
4,656,136	6,690,952
604,834	1,592,761
59,584,210	87,557,017

An aged analysis of the bills receivable as at the balance sheet date, based on the invoice date, is as follows:

Within 90 days	九十天內
----------------	------

在結算日應收票據按發票日期之賬齡分析如下：

Group 集團	
2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
5,046,757	70,200

The movements in provision for impairment of trade receivables are as follows:

應收貿易款項減值撥備變動如下：

Group 集團	
2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
At 1 January	於一月一日
Impairment losses recognised (note 6)	確認減值撥備(附註6)
Amount written off as uncollectible	撇銷不能收回之金額
Impairment losses reversed	沖回減值撥備
4,336,638	2,633,682

The above provisions are for individually impaired trade receivables which related to customers that were in financial difficulties and only a portion of the receivables is expected to be recovered. The Group does not hold any collateral or other credit enhancements over these balances.

以上貿易應收款減值撥備包括個別貿易應收款減值，是考慮到客戶有財務困難及預計只能收回部份應收款。本集團對該等結餘並沒有持有任何抵押品或其他增強信貸安排。

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22. TRADE AND BILLS RECEIVABLES (continued)

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

		Group 集團	
		2008 二零零八年	2007 二零零七年
		HK\$ 港元	HK\$ 港元
Neither past due nor impaired	未逾期亦未作減值	46,342,074	53,552,273
Less than 1 month past due	逾期少於一個月	7,315,940	21,758,816
1 to 3 months past due	逾期一至三個月	4,795,951	10,256,736
3 to 6 months past due	逾期三個月至六個月	1,130,245	1,989,192
		59,584,210	87,557,017

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

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

23. DERIVATIVE FINANCIAL INSTRUMENT

		Group 集團	
		Liability 負債	Asset 資產
		2008 二零零八年	2007 二零零七年
		HK\$ 港元	HK\$ 港元
Forward currency contract	遠期貨幣合同	(106,627)	34,962

22. 應收賬項及票據(續)

未被界定為減值應收貿易款項之賬齡分析如下：

		Group 集團	
		2008 二零零八年	2007 二零零七年
		HK\$ 港元	HK\$ 港元
Neither past due nor impaired	未逾期亦未作減值	46,342,074	53,552,273
Less than 1 month past due	逾期少於一個月	7,315,940	21,758,816
1 to 3 months past due	逾期一至三個月	4,795,951	10,256,736
3 to 6 months past due	逾期三個月至六個月	1,130,245	1,989,192
		59,584,210	87,557,017

未到期及毋須減值的應收款項是與大量不同客戶有關，該等客戶近期沒有不償還歷史。

逾期但未作減值準備的應收貿易款項乃大量獨立地與本集團有良好交易記錄的客戶。根據過往經驗，公司董事們認為有關該等結餘並不需要作出減值撥備，皆因該等客戶的信貨質量並無重大的轉變而結餘被認為依然可以全數收回。本集團對該等結餘並沒有持有任何抵押品或其他增強信貸安排。

23. 衍生金融工具

		Group 集團	
		Liability 負債	Asset 資產
		2008 二零零八年	2007 二零零七年
		HK\$ 港元	HK\$ 港元
Forward currency contract	遠期貨幣合同	(106,627)	34,962

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23. DERIVATIVE FINANCIAL INSTRUMENT (continued)

The carrying amount of forward currency contract is the same as its fair value. The Group entered into a forward currency contract to sell US\$15,000,000 or buy US\$45,000,000. The maturity date of this forward currency contract is on 22 June 2009 and there are fifteen expiration dates throughout this contract, of which nine had expired at the balance sheet date.

This forward currency contract did not meet the criteria for hedge accounting. The change in the fair value of this non-hedging currency derivative, a loss of HK\$141,589, was charged to the income statement during the year (2007: profit of HK\$1,479,647).

23. 衍生金融工具(續)

遠期貨幣合同之賬面金額相當於其公平價值。本集團簽訂一份出售15,000,000美元或買入45,000,000美元的遠期貨幣合同。此遠期貨幣合同之到期日為二零零九年六月二十二日及整個合同期間將會有十五個到期日，而九個已於結算日到期。

此遠期貨幣合同不符合對沖會計法標準。此非對沖貨幣衍生工具的公平價值之變更為虧損141,589港元已計入本年度利潤表內(二零零七年：溢利1,479,647港元)。

24. CASH AND CASH EQUIVALENTS

24. 現金及現金等值項目

		Group 集團		Company 公司	
		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\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Cash and bank balances	現金及銀行結存	51,510,355	23,541,909	3,535	22,964
Time deposits	定期存款	—	9,302,088	—	—
Cash and cash equivalents	現金及現金等值項目	51,510,355	32,843,997	3,535	22,964

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$9,925,142 (2007: HK\$4,262,734). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於結算日，本集團以人民幣(「人民幣」)定值之現金及銀行結存為9,925,142港元(二零零七年：4,262,734港元)。人民幣不能自由兌換其他貨幣，惟根據中國大陸外匯管制法規定及結存、銷售及支付的管理規定，本集團獲准透過獲授權經營海外業務之銀行將人民幣兌換為外幣。

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24. CASH AND CASH EQUIVALENTS (continued)

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

25. TRADE PAYABLES

An aged analysis of the trade payables as at the balance sheet date, based on the invoice date, is as follows:

Within 90 days	九十天內
Between 91 and 180 days	九十一天至一百八十天
Over 180 days	一百八十天以上

24. 現金及現金等值項目 (續)

銀行現金賺取之利息乃按每日銀行存款利率之浮動利率而定。短期定期存款之期限不一，介乎一日至三個月不等，主要視乎本集團之即時現金需求，並按不同的短期定期存款賺取利息。銀行戶口結餘在有信貸聲譽的銀行結存，近期並沒有拖欠紀錄。

25. 應付賬項

在結算日應付賬項按發票日期之賬齡分析如下：

		Group 集團	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Within 90 days	九十天內	39,654,629	42,263,060
Between 91 and 180 days	九十一天至一百八十天	17,480,459	2,434,994
Over 180 days	一百八十天以上	4,613,161	61,587
		61,748,249	44,759,641

The trade payables are non-interest-bearing and are normally settled on terms varying from 60 to 120 days.

應付賬項為免息及一般於六十至一百二十日到期償還。

26. ACCRUED LIABILITIES AND OTHER PAYABLES

Accrued liabilities	應計負債
Other payables	其他應付款項

Group 集團		Company 公司	
2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
8,571,497	10,273,810	201,000	200,850
25,587,347	31,326,631	—	—
34,158,844	41,600,441	201,000	200,850

Other payables are non-interest-bearing and have an average term of three months.

26. 應計負債及其他應付款項

其他應付款項為免息及平均還款期為三個月。

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27. INTEREST-BEARING BANK AND OTHER BORROWINGS

27. 帶息銀行貸款及其他借貸

Group 集團	2008 二零零八年			2007 二零零七年		
	Effective interest rate (%) 實際利率(%)	Maturity 到期日	HK\$ 港元	Effective interest rate (%) 實際利率(%)	Maturity 到期日	HK\$ 港元
Current						
本期						
Finance lease payables (note 28) 應付融資租約(附註28)	2.18 – 6.20	2009	3,250,802	4.60 – 8.00	2008	1,539,669
Bank overdrafts – unsecured 銀行透支 – 無抵押	–	–	–	7.75 – 8.00	On demand 按要求	2,634,438
Bank loans – unsecured 銀行貸款 – 無抵押	3.55 – 5.65	2009	47,854,647	5.45 – 7.75	2008	61,776,423
Bank loans – discounted bills with recourse 銀行貸款 – 可退回的折扣性票據	4.35	2009	5,046,757	6.00	2008	70,200
Money market loans – unsecured 以貨幣市場利率為基準的貸款 – 無抵押	4.80	2009	4,000,000	5.95	2008	4,000,000
Instalment loans – unsecured 分期貸款 – 無抵押	1.80 – 5.86	2009	10,815,618	4.60 – 8.00	2008	11,140,911
			<u>70,967,824</u>			<u>81,161,641</u>
Non-current						
非本期						
Finance lease payables (note 28) 應付融資租約(附註28)	2.18 – 6.20	2010-2011	4,924,462	4.60 – 8.00	2010	2,154,135
Instalment loans – unsecured 分期貸款 – 無抵押	1.80 – 5.86	2012	8,180,250	4.60 – 6.36	2009-2012	14,328,181
Bank loan – secured 銀行貸款 – 抵押	6.24	2010	11,400,000	–	–	–
			<u>24,504,712</u>			<u>16,482,316</u>
			<u>95,472,536</u>			<u>97,643,957</u>

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27. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

27. 帶息銀行貸款及其他借貸(續)

		Group 集團	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Analysed into:	按下列各項分析：		
Bank loans and overdrafts repayable:	應償還銀行貸款及透支：		
Within one year or on demand	一年內或按要求	67,717,022	79,621,972
In the second year	第二年	14,388,202	8,810,181
In the third to fifth years, inclusive	第三至五年(包括首尾兩年)	5,192,048	5,518,000
		87,297,272	93,950,153
Other borrowings repayable:	其他應償還借貸：		
Within one year	一年內	3,250,802	1,539,669
In the second year	第二年	3,362,239	1,049,696
In the third to fifth years, inclusive	第三至五年(包括首尾兩年)	1,562,223	1,104,439
		8,175,264	3,693,804
		95,472,536	97,643,957

The carrying amounts of the Group's borrowings approximate to their fair values.

本集團借貸之賬面值與其公平價值相若。

At 31 December 2008, certain of the Group's buildings with a net carrying value of approximately HK\$50,000,000 (2007: Nil) and one of the Group's land with a net book value of approximately HK\$10,548,000 (2007: HK\$9,796,000) were pledged to secure a bank loan to the Group.

於二零零八年十二月三十一日，本集團部份樓宇賬面淨值約為50,000,000港元(二零零七年：無)及其中一幅土地賬面淨值約為10,548,000港元(二零零七年：9,796,000港元)已為作本集團銀行貸款的抵押擔保。

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28. FINANCE LEASE PAYABLES

The Group leases certain of its plant and equipment for its business. These leases are classified as finance leases and have remaining lease terms ranging from one to three years.

At the balance sheet date, the total future minimum lease payments under finance leases and their present values were as follows:

28. 應付融資租約

本集團租用若干營業用的廠房及設備。該等租約被分類為融資租約，其尚餘租約期介乎一至三年不等。

於結算日，根據融資租約下的總計日後最少租賃費用及其現今值如下：

Group	集團	Minimum lease payments 最少租賃費用 2008 二零零八年 HK\$ 港元	Minimum lease payments 最少租賃費用 2007 二零零七年 HK\$ 港元	Present value of minimum lease payments 最少租賃費用的現今值 2008 二零零八年 HK\$ 港元	Present value of minimum lease payments 最少租賃費用的現今值 2007 二零零七年 HK\$ 港元
Amounts payable:	應付款項：				
Within one year	一年內	3,480,087	1,685,610	3,250,802	1,539,669
In the second year	第二年	3,477,416	1,134,720	3,362,239	1,049,696
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年在內)	1,583,180	1,135,144	1,562,223	1,104,439
Total minimum finance lease payments	總計最少融資租賃費用	8,540,683	3,955,474	8,175,264	3,693,804
Future finance charges	日後財務費用	(365,419)	(261,670)		
Total net finance lease payables	應付融資租約總淨額	8,175,264	3,693,804		
Portion classified as current liabilities (note 27)	分類作流動負債之部份(附註27)	(3,250,802)	(1,539,669)		
Non-current portion (note 27)	非本期部份(附註27)	4,924,462	2,154,135		

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29. PROVISION FOR PRODUCT WARRANTIES

Group

At 1 January	於一月一日
Additional provision	增加撥備
Amounts utilised during the year	本年內已動用金額

At 31 December 於十二月三十一日

The Group provides one-year warranties to its customers on certain of its electronics products, under which faulty products are repaired or replaced. The amount of the provision for the warranties is estimated based on sales volumes and past experience of the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

30. OTHER LONG TERM PAYABLES

Other long term payables represent construction service fee for the Group's building in Mainland China payable after more than one year from the balance sheet date. The carrying amounts of these balances approximate to their fair values.

29. 產品保養撥備

集團

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
527,210	212,020
768,324	1,058,483
(939,760)	(743,293)
355,774	527,210

集團對若干電子產品提供一年保養或退換。產品保養或退換準備是按銷量及以往的維修及退換情況而估計。準備的基準會持續予以審閱，並在適當時候作出修訂。

30. 其他長期應付款項

其他長期應付款項為本集團在中國大陸廠房之應付建築工程費，其應付日期為在結算日後超過一年。該結餘之賬面值與其公平價值相若。

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31. DEFERRED TAX LIABILITY

The movement in deferred tax liability, which comprised depreciation allowance in excess of related depreciation, during the year is as follows:

		Group 集團	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
At 1 January	於一月一日	1,308,449	2,951,481
Deferred tax charged/(credited) the income statement during the year (note 11)	年內扣除／(計入) 利潤表之遞延稅項 (附註11)	200,582	(1,643,032)
Gross deferred tax liability at 31 December	於十二月三十一日 遞延稅項負債總額	1,509,031	1,308,449

The Group has tax losses arising in Hong Kong of HK\$15,644,000 (2007: HK\$13,125,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

At 31 December 2008, there was no significant unrecognised deferred tax liability (2007: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries as the Group has no liability to additional tax should such amounts be remitted.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

32. LOAN FROM A DIRECTOR

The loan from a director is interest-free, unsecured and repayable from 22 March 2010 to 22 December 2010. The carrying amount of the loan approximates to its fair value.

31. 遞延稅項負債

年內之遞延稅項負債變動(包括稅務折舊超出有關折舊)如下：

		Group 集團	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
At 1 January	於一月一日	1,308,449	2,951,481
Deferred tax charged/(credited) the income statement during the year (note 11)	年內扣除／(計入) 利潤表之遞延稅項 (附註11)	200,582	(1,643,032)
Gross deferred tax liability at 31 December	於十二月三十一日 遞延稅項負債總額	1,509,031	1,308,449

本集團於香港產生之稅務虧損為15,644,000港元(二零零七年：13,125,000港元)，可無限地用以抵銷產生該等虧損之公司之未來應課稅溢利。由於該等虧損乃於虧本已有一段時間之附屬公司產生，而被認為不大可能以應課稅溢利抵銷可予使用之稅項虧損，故此並無確認為遞延稅項資產。

於二零零八年十二月三十一日，就本集團之附屬公司應付之無寬免稅項之盈利而額外增加稅務負債而言，並無重大之未確認之遞延稅項負債(二零零七年：無)。

本公司向股東派付之股息並無附帶任何所得稅後果。

32. 董事貸款

董事貸款為免息、無抵押及於二零一零年三月二十二日至二零一零年十二月二十二日償還。該貸款之賬面值與其公平價值相若。

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33. SHARE CAPITAL

33. 股本

		Company 公司	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Shares	股份		
Authorised:	法定股本：		
900,000,000 shares of HK\$0.10 each	900,000,000股每股面值0.10港元	90,000,000	90,000,000
Issued and fully paid:	已發行及繳足股本：		
265,504,800 shares of HK\$0.10 each	265,504,800股每股面值0.10港元	26,550,480	26,550,480

A summary of the issued share capital of the Company is as follows:

本公司已發行股本的概要如下：

		Number of shares 股份數目	Issued capital 已發行股本 HK\$ 港元	Share premium account 股份溢價賬 HK\$ 港元	Total 總額 HK\$ 港元
At 1 January 2007, 1 January 2008 and 31 December 2008	於二零零七年一月一日、 二零零八年一月一日及 二零零八年 十二月三十一日	265,504,800	26,550,480	50,541,281	77,091,761

Share options

Details of the Company's share option scheme are included in note 34 to the financial statements.

購股權

本公司之購股權計劃之詳情，已載於本財務報告附註34。

財務報告附註

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二零零八年十二月三十一日
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34. SHARE OPTION SCHEME

A summary of the existing share option scheme of the Company (the "Scheme") adopted on 27 May 2002 is as follows:

- | | |
|--------------|---|
| Purposes | To provide incentives and rewards to eligible participants for their contributions to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which the Group holds an equity interest ("Invested Entity"). |
| Participants | <p>(i) any employee (whether full-time or part-time), executive directors, non-executive directors and independent non-executive directors of the Company, any of its subsidiaries or any Invested Entity;</p> <p>(ii) any supplier of goods or services to any member of the Group or any Invested Entity; any customer of the Group or any Invested Entity; any person or entity that provides research, development or other technological support to the Group or any Invested Entity; and</p> <p>(iii) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity.</p> |

Total number of ordinary shares available for issue and the percentage of the issued share capital that it represents as at the date of the annual report	25,000,480 ordinary shares and 9.42% of the issued share capital.
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34. 購股權計劃

本公司於二零零二年五月二十七日採納之現行購股權計劃概要如下：

- | | |
|------|--|
| 目的 | 為鼓勵或獎賞合資格參與人士對本集團作出之貢獻及／或協助本集團聘請及留任能幹僱員及吸納對本集團與任何本集團持有其任何股本權益之公司(「所投資公司」)有重大價值之人力資源。 |
| 參與人士 | <p>(i) 本公司、其任何附屬公司或其任何所投資公司之任何僱員(不論是全職或兼職)、執行董事、非執行董事及獨立非執行董事；</p> <p>(ii) 向本集團任何成員公司或任何所投資公司提供貨物或服務之任何供應商；本集團或任何所投資公司之任何客戶；向本集團或任何所投資公司提供研究、開發或其他技術支援之任何人士或公司；及</p> <p>(iii) 本集團任何成員公司或任何所投資公司之任何股東或本集團任何成員公司或任何所投資公司所發行任何證券之任何持有人。</p> |

可予發行的普通股總數以及其於本年報日期佔已發行股本的百分比	25,000,480股普通股及佔已發行股本之9.42%。
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31 December 2008

34. SHARE OPTION SCHEME (continued)

Maximum entitlement of each participant	Shall not exceed 1% of the issued share capital of the Company in any 12-month period.
Period within which the securities must be taken up under an option	An option may be exercised at any time during a period to be determined and notified by the directors to each grantee, but shall end in any event not later than 10 years from the date of the grant of options subject to the provisions for early termination thereof.
Minimum period for which an option must be held before it can be exercised	There is no minimum period for which an option granted must be held before it can be exercised.
Amount payable on acceptance	The offer of a grant of share options may be accepted within 28 days from the date of the offer with a consideration of HK\$1.00 being payable by the grantee.
Period within which payments/calls/loans must be made/repaid	Not applicable.

34. 購股權計劃(續)

每名參與人士可獲授權益上限	在任何12個月內，不得超過本公司已發行股本之1%。
可根據購股權認購普通股股份的期限	購股權可於董事所決定並已知會各承授人之期間內任何時間獲行使，惟在任何情況下不得遲於由授出購股權日期起計10年(根據該計劃條款而提早終止購股權者則除外)。
購股權行使之前必須持有的最短期限	購股權並無行使之前必須持有的最短期限。
接納購股權須付金額	承授人可於授出購股權建議之日起二十八日內，在支付面值代價金額1.00港元後接納該建議。
付款或通知付款的期限或償還申請購股權貸款的期限	不適用。

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34. SHARE OPTION SCHEME (continued)

Basis of determining the exercise price

Determined by the directors but shall not be less than the highest of (i) the closing price of the ordinary shares as stated in the Stock Exchange's daily quotation sheet on the date of the offer of options, which must be a trading day; (ii) the average closing price of the ordinary shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of the offer of options; and (iii) the nominal value of the Company's shares.

The remaining life of the Scheme

The Scheme remains in force until 26 May 2012.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

34. 購股權計劃(續)

行使價的釐定基準

由董事決定，惟不得低於下列中之較高者：(i)股份於提供購股權建議當日(須為交易日)之收市價(以聯交所日報表所載者為準)；(ii)股份於提供購股權建議日前五個交易日之平均收市價(以聯交所日報表所載者為準)；及(iii)股份面值。

計劃尚餘的有效期

計劃有效期至二零一二年五月二十六日止。

購股權持有人並不享有獲發紅利或於股東會上投票之權益。

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34. SHARE OPTION SCHEME (continued)

The following share options were outstanding under the Scheme during the year:

Name or category of participant	Number of share options 購股權數目						Date of grant of share options*	Exercise period of share options	Exercise price of share options**	Price of the Company's shares*** 本公司股份價格***		
	At 1 January 2008	Granted during the year	Exercised during the year	Expired during the year	Forfeited during the year	At 31 December 2008				Immediately At grant date of exercise	before the exercise date	At exercise date of options
參與者姓名及類別	於二零零八年一月一日	於年內授出	於年內行使	於年內到期	於年內放棄	於二零零八年十二月三十一日	授出購股權日期*	購股權之行使期	購股權之行使價**	於授出購股權日期	行使購股權前一天	購股權當日
									HK\$ 港元 per share 每股	HK\$ 港元 per share 每股	HK\$ 港元 per share 每股	HK\$ 港元 per share 每股
Employees other than the directors												
非董事之僱員												
In aggregate	合計	1,900,000	-	-	(400,000)	-	1,500,000	26-1-2005 1-4-2006 to 31-12-2012	0.26	0.26	N/A	N/A
Supplier of goods and services												
商品及服務供應商												
In aggregate	合計	700,000	-	-	(300,000)	-	400,000	9-10-2006 1-4-2007 to 31-12-2012	0.242	0.242	N/A	N/A
		2,600,000	-	-	(700,000)	-	1,900,000					

Notes to the reconciliation of share options outstanding during the year:

- * The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- ** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- *** The price of the Company's shares disclosed as at the date of grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of grant of the options.

34. 購股權計劃(續)

根據計劃於年內尚未行使之購股權如下：

於年內尚餘之購股權調節附註：

- * 購股權賦予權利的日期是由授出當日起計算直至行使期的開始日。
- ** 購股權的行使價是受到如配售新股或派送紅股，或本公司股本類同的變動而調整。
- *** 本公司於購股權授出日期所披露的股價是購股權授出當日起計算之前在香港聯合交易所第一個交易日的收市價。

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34. SHARE OPTION SCHEME (continued)

The following share options were outstanding under the Scheme during the year: (continued)

34. 購股權計劃(續)

根據計劃於年內尚未行使之購股權如下：(續)

		2008 二零零八年		2007 二零零七年	
		Weighted average exercise price 加權平均 行使價 HK\$ 港元 per share 每股	Number of options 購股權 數目 '000 千	Weighted average exercise price 加權平均 行使價 HK\$ 港元 per share 每股	Number of options 購股權 數目 '000 千
At 1 January	於一月一日	0.255	2,600	0.254	3,200
Granted during the year	於年內授出	—	—	—	—
Forfeited during the year	於年內失效	—	—	—	—
Exercised during the year	於年內行使	—	—	—	—
Expired during the year	於年內到期	0.252	(700)	0.251	(600)
At 31 December	於十二月三十一日	0.256	1,900	0.255	2,600

The exercise prices and exercise periods of the share options outstanding as at that balance sheet date are as follows:

於結算日，購股權計劃尚餘之行使價及股權數目如下：

2008

二零零八年

Number of options 股權數目 '000 千	Exercise price* 行使價 HK\$ 港元 per share 每股	Exercise period 行使期限
400	0.242	1-4-2007 to 31-12-2012
1,500	0.260	1-4-2006 to 31-12-2012
1,900		

2007

二零零七年

Number of options 股權數目 '000 千	Exercise price* 行使價 HK\$ 港元 per share 每股	Exercise period 行使期限
700	0.242	1-4-2007 to 31-12-2012
1,900	0.260	1-4-2006 to 31-12-2012
2,600		

* The exercise price of the share options is subject to adjustment in case of rights or bonus issues, or other similar changes in the Company's share capital.

* 購股權的行使價是受到如配售新股或派送紅股，或本公司股本類同的變動而調整。

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34. SHARE OPTION SCHEME (continued)

No share options were granted during the year (2007: Nil).

The fair value of equity-settled share options granted in the prior year was estimated as at the date of grant, using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model:

Date of grant	授出日期	26 January 2005 二零零五年一月二十六日	9 October 2006 二零零六年十月九日
Dividend yield (%)	股息率(%)	3.85	—
Expected volatility (%)	預期波動(%)	5.15	3.84
Historical volatility (%)	歷史波動(%)	9.39	4.92
Risk-free interest rate (%)	無風險利率(%)	3.27	3.96
Expected life of options (year)	購股權預計年期(年)	6.75	7.00
Weighted average share price (HK\$)	加權平均股價(港元)	0.26	0.242

The expected life of the options is based on the historical data over the past three years and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

At the balance sheet date, the Company had 1,900,000 share options outstanding under the Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 1,900,000 additional ordinary shares of the Company and additional share capital of HK\$190,000 and share premium of HK\$296,800 (before issue expenses).

At the date of approval of these financial statements, the Company had 1,900,000 share options outstanding under the Scheme, which represented approximately 0.72% of the Company's shares in issue as at that date.

34. 購股權計劃(續)

本年度並無授予任何購股權(二零零七年：無)。

於年內已授出股權支付之購股權之公平價值為使用二項式模式及購股權授出之條款及條件計算。下表載列此期間之二項式之計入項目：

購股權之預計年期乃根據過去三年之歷史數據計算，該行使模式並不一定發生。預期波動反映歷史波動為未來趨勢之指示之假設，並不一定為實際結果。

於計算公平價值時並無計及所授購股權之任何其他特性。

於結算日，根據計劃，本公司有1,900,000股購股權尚未行使。根據本公司現行股本結構，全面行使尚餘之購股權將導致本公司額外發行1,900,000股普通股，額外股本為190,000港元，股份溢價(扣除發行開支前)為296,800港元。

於批准此財務報告當日，根據計劃，1,900,000股購股權尚未行使，佔本公司當日已發行股份約0.72%。

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35. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 32 of the financial statements.

The contributed surplus of the Group arose as a result of the Group's reorganisation and represents the difference between the nominal value of the share capital of the former holding company of the Group, K & P Group (Holdings) Limited, prior to the Group's reorganisation in preparation for the listing of the Company's shares in 1996, over the nominal value of the share capital of the Company issued in exchange therefor, less the amount capitalised to pay up the nil-paid shares issued on the incorporation of the Company.

Goodwill amounting to HK\$11,924,221 arising on the acquisition of subsidiaries in prior years before the adoption of SSAP 30, which is stated at its cost, remains eliminated against the consolidated retained profits.

(b) Company

35. 儲備

(a) 集團

本年度及以往之年度本集團儲備及變動已呈列於財務報告第32頁之綜合權益變動表。

本集團之繳入盈餘源自集團重組，乃指集團於一九九六年為籌備本公司股份上市之重組前本集團之前控股公司堅寶(控股)有限公司之股本面值較本公司為交換該等股份而發行股本面值所多出之數減資本化以繳付於本公司之註冊成立時所發行未繳款股份之數。

於採納會計實務準則第30條前之以往年度，因收購附屬公司所產生總值11,924,221港元的商譽乃按成本列賬，其餘部份於綜合保留溢利中對銷。

(b) 公司

		Share premium account 股份溢價賬 HK\$ 港元	Share option reserve 購股權儲備 HK\$ 港元	Contributed surplus 繳入盈餘 HK\$ 港元	Retained profits 保留溢利 HK\$ 港元	Total 總額 HK\$ 港元
At 1 January 2007	二零零七年一月一日	50,541,281	104,777	49,999,981	3,583,871	104,229,910
Equity-settled share option arrangement	股本結算購股權安排	-	57,881	-	-	57,881
Share option expired during the year	年內購股權到期	-	(45,540)	-	45,540	-
Profit for the year	本年度溢利	-	-	-	624,822	624,822
At 31 December 2007 and 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	50,541,281	117,118	49,999,981	4,254,233	104,912,613
Equity-settled share option arrangement	股本結算購股權安排	-	12,302	-	-	12,302
Share option expired during the year	年內購股權到期	-	(35,460)	-	35,460	-
Loss for the year	本年度虧損	-	-	-	(1,917,262)	(1,917,262)
At 31 December 2008	於二零零八年十二月三十一日	50,541,281	93,960	49,999,981	2,372,431	103,007,653

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35. RESERVES (continued)

The contributed surplus of the Company represents the difference between the underlying consolidated net assets of K & P Group (Holdings) Limited and its subsidiaries at the date on which the Group's reorganisation became effective, referred to in note 35(a), over the nominal value of the share capital of the Company issued in exchange therefor, less the amount capitalised to pay up the nil-paid shares issued on the incorporation of the Company.

Under the Companies Act 1981 of Bermuda (as amended), the Company may make distributions to its members out of the contributed surplus in certain circumstances.

36. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT

Major non-cash transaction

During the year, the Group entered into finance lease arrangements in respect of plant and equipment with a total capital value at the inception of the leases of HK\$6,720,000 (2007: HK\$3,150,397).

37. CONTINGENT LIABILITIES

- (a) At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

	Group 集團		Company 公司	
	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Guarantees of banking facilities granted to subsidiaries 附屬公司之貸款擔保	—	—	194,060,000	190,850,000

As at 31 December 2008, the banking facilities granted to the subsidiaries subject to guarantees given to the banks by the Company were utilised to the extent of approximately HK\$76,000,000 (2007: HK\$94,000,000).

- (b) A subsidiary of the Group is currently a defendant in a lawsuit brought by a party alleging that the subsidiary had breached a sales and purchase contract to deliver certain goods. The directors, based on the advice from the Group's external legal counsel, believe that the subsidiary has a reasonably good defence against the allegation and, accordingly, have not provided for any claim arising from the litigation, other than the related legal costs.

35. 儲備(續)

本公司之繳入盈餘指堅寶(控股)有限公司及其附屬公司於集團重組生效之日之綜合資產淨值高出本公司所發行以交換該公司股本面值之數(詳情載錄於財務報告附註35(a))，減去繳足資本化以於本公司之註冊成立日所發行未繳款股份之數。

根據百慕達一九八一年公司法(經修訂)之許可，本公司可在某些情況下從繳入盈餘中撥款向其成員作出分派。

36. 綜合現金流量表附註

重大非現金交易

本年度，本集團簽訂有關廠房及設備的融資租約安排，涉及之資產總值於租約生效時為6,720,000港元(二零零七年：3,150,397港元)。

37. 或然負債

- (a) 於結算日，尚未於財務報表計提撥備的或然負債如下：

於二零零八年十二月三十一日，本公司之附屬公司獲授付有本公司向銀行提供之貸款擔保之銀行備用額中，已耗用約76,000,000港元(二零零七年：約94,000,000港元)。

- (b) 本集團其中一附屬公司現正成一訴訟案中的被告人，原告人宣稱附屬公司未有按買賣合約中訂明下安排運送有關貨品。根據本集團的外聘法律顧問的意見，附屬公司就有關訴訟擁有充分合理的免責辯護，因此董事認為除有關的法律費用外，附屬公司無需要為有關訴訟作出任何撥備。

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38. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office properties and factories under operating lease arrangements. Leases for properties and factories are negotiated for terms ranging from one to five years.

At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		Group 集團	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Within one year	於一年內	4,013,912	3,465,960
In the second to fifth years, inclusive	於第二至第五年(包括首尾兩年)	9,999,846	12,257,368
		14,013,758	15,723,328

At the balance sheet date, the Company had no operating lease arrangements.

39. COMMITMENTS

In addition to the operating lease commitments detailed in note 38 above, the Group had the following capital commitments at the balance sheet date:

		Group 集團	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Contracted, but not provided for:	已訂約，但未撥備：		
Land	土地	1,508,000	1,508,000
Buildings	樓宇	—	18,800,000
		1,508,000	20,308,000
Authorised, but not contracted for:	已授權，但未訂約：		
Capital contributions payable to subsidiaries	應付資本予附屬公司	33,150,000	33,150,000

38. 經營租約安排

本集團根據經營租約安排租用若干辦公室物業及廠房。該等租約之議定期介乎一年至五年不等。

於結算日，本集團根據不能取消經營租約之未來最低應付租金總額將於下列期間到期：

39. 承擔

除上文附註38詳述的經營租約承擔外，於結算日，本集團作出以下資本承擔：

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39. COMMITMENTS (continued)

At the balance sheet date, the Company did not have any capital commitments.

At 31 December 2008, the Group and the Company had total future minimum royalty payments under licence agreements falling due as follows:

		Group and Company 集團與公司	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Within one year	於一年內	2,480,400	2,324,400
In the second to fifth years, inclusive	於第二至第五年(包括首尾兩年)	3,650,400	6,130,800
		6,130,800	8,455,200

40. RELATED PARTY TRANSACTIONS

(a) The Group's banking facilities were secured by personal guarantees given by a director of the Company of HK\$118,400,000 (2007: HK\$203,225,200). The director received no consideration for providing these guarantees.

(b) Compensation of key management personnel of the Group:

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Short term employee benefits	短期僱員福利	13,161,187	12,954,993
Termination benefits	終止福利	279,758	260,556
Equity-settled share option expense	股本結算購股權支出	1,592	23,253
Total compensation paid to key management personnel	給予主要管理人員之總報酬	13,442,537	13,238,802

Further details of directors' emoluments are included in note 9 to the financial statements.

39. 承擔(續)

於結算日，本公司概無任何重大資本承擔。

於二零零八年十二月三十一日，本集團及本公司於使用權協議下之未來最低專利權使用費之到期日如下：

40. 關連人士交易

(a) 本集團若干銀行融資為數118,400,000港元(二零零七年：203,225,200港元)，乃由本公司一位董事提供之個人擔保作抵押。該董事並無就提供該等擔保收取任何代價。

(b) 本集團提供予重要管理人員之報酬：

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Short term employee benefits	短期僱員福利	13,161,187	12,954,993
Termination benefits	終止福利	279,758	260,556
Equity-settled share option expense	股本結算購股權支出	1,592	23,253
Total compensation paid to key management personnel	給予主要管理人員之總報酬	13,442,537	13,238,802

有關董事酬金之詳細資料見財務報告的附註9。

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二零零八年十二月三十一日
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40. RELATED PARTY TRANSACTIONS (continued)

- (c) A loan of HK\$12,000,000 (2007: Nil) was granted by a director of the Company during the year. The director received no interest for providing this loan.

41. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:

**2008
Group**

Financial assets

		Notes 附註	Loans and receivables 貸款及 應收賬款 HK\$ 港元	Available- for-sale financial assets 可供出售 金融資產 HK\$ 港元	Total 合計 HK\$ 港元
Available-for-sale investment	可供出售投資	18	-	680,000	680,000
Financial assets included in prepayments, deposits and other receivables	包含於預付款項、 按金及其他應收 款項之金融資產	21	15,560,436	-	15,560,436
Trade and bills receivables	應收賬款及票據	22	64,630,967	-	64,630,967
Cash and cash equivalents	現金及現金等值項目	24	51,510,355	-	51,510,355
			131,701,758	680,000	132,381,758

40. 關連人士交易(續)

- (c) 本年度本公司一位董事提供貸款12,000,000港元(二零零七年: 無)予公司。該董事並無就提供該貸款收取任何利息。

41. 金融工具的分類

於結算日，金融工具各類別的賬面值如下：

**2008
集團**

金融資產

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41. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Financial liabilities

		Notes	Financial liabilities at amortised cost 按攤餘成本入賬的金融負債 HK\$ 港元	Financial liabilities at fair value through profit or loss 以公平價值計入損益的金融負債 HK\$ 港元	Total 合計 HK\$ 港元
		附註			
Trade payables	應付賬項	25	61,748,249	–	61,748,249
Financial liabilities included in accrued liabilities and other payables	包含於應計負債及其他應付款項之金融負債	26	25,587,347	–	25,587,347
Derivative financial instrument	衍生金融工具	23	–	106,627	106,627
Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸	27	95,472,536	–	95,472,536
Other long term payables	其他長期應付款項	30	4,108,231	–	4,108,231
Loan from a director	董事貸款	32	12,000,000	–	12,000,000
			198,916,363	106,627	199,022,990

41. 金融工具的分類(續)

金融負債

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41. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

2007
Group

Financial assets

		Notes	Loans and receivables	Financial assets at fair value through profit or loss	Available-for-sale financial assets	Total
		附註	貸款及 應收賬款 HK\$ 港元	計入損益的 金融資產 HK\$ 港元	可供出售 金融資產 HK\$ 港元	合計 HK\$ 港元
Available-for-sale investment	可供出售投資	18	–	–	680,000	680,000
Financial assets included in prepayments, deposits and other receivables	包含於預付款項、 按金及其他應收 款項之金融資產	21	22,573,174	–	–	22,573,174
Trade and bills receivables	應收賬款及票據	22	87,627,217	–	–	87,627,217
Derivative financial instrument	衍生金融工具	23	–	34,962	–	34,962
Cash and cash equivalents	現金及現金等值項目	24	32,843,997	–	–	32,843,997
			143,044,388	34,962	680,000	143,759,350

Financial liabilities

		Notes	Financial liabilities at amortised cost 按攤銷成本 入賬的金融負債 HK\$ 港元
		附註	
Trade payables	應付賬項	25	44,759,641
Financial liabilities included in accrued liabilities and other payables	包含於應計負債及其他 應付款項之金融負債	26	31,326,631
Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸	27	97,643,957
			173,730,229

41. 金融工具的分類(續)

2007
集團

金融資產

		Notes	Loans and receivables	Financial assets at fair value through profit or loss	Available-for-sale financial assets	Total
		附註	貸款及 應收賬款 HK\$ 港元	計入損益的 金融資產 HK\$ 港元	可供出售 金融資產 HK\$ 港元	合計 HK\$ 港元
Available-for-sale investment	可供出售投資	18	–	–	680,000	680,000
Financial assets included in prepayments, deposits and other receivables	包含於預付款項、 按金及其他應收 款項之金融資產	21	22,573,174	–	–	22,573,174
Trade and bills receivables	應收賬款及票據	22	87,627,217	–	–	87,627,217
Derivative financial instrument	衍生金融工具	23	–	34,962	–	34,962
Cash and cash equivalents	現金及現金等值項目	24	32,843,997	–	–	32,843,997
			143,044,388	34,962	680,000	143,759,350

金融負債

		Notes	Financial liabilities at amortised cost 按攤銷成本 入賬的金融負債 HK\$ 港元
		附註	
Trade payables	應付賬項	25	44,759,641
Financial liabilities included in accrued liabilities and other payables	包含於應計負債及其他 應付款項之金融負債	26	31,326,631
Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸	27	97,643,957
			173,730,229

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41. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Financial assets

			Company 公司	
			2008 二零零八年	2007 二零零七年
			Loans and receivables 貸款及應收賬款	Loans and receivables 貸款及應收賬款
			HK\$ 港元	HK\$ 港元
			Notes 附註	
Due from subsidiaries	附屬公司欠款	17	70,524,568	72,414,941
Cash and cash equivalents	現金及現金等值項目	24	3,535	22,964
			70,528,103	72,437,905

At 31 December 2008 and 2007, the Company had no financial liability.

41. 金融工具的分類(續)

金融資產

Company	
公司	
2008	2007
二零零八年	二零零七年
Loans and receivables	Loans and receivables
貸款及應收賬款	貸款及應收賬款
HK\$	HK\$
港元	港元
70,524,568	72,414,941
3,535	22,964
70,528,103	72,437,905

於截至二零零八年及二零零七年十二月三十一日止年度，本公司並沒有金融負債。

42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than a derivative, comprise bank loans and overdrafts, other interest-bearing loans, finance leases, and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

42. 財務風險管理目標及政策

本集團之主要金融工具，除衍生品以外包括銀行貸款及透支、其他帶息貸款、融資租約，以及現金及短期存款。該等金融工具之主要目的是為本集團營運籌集資金。本集團亦有多項直接於營運產生之其他金融資產及負債，例如應收賬款及應付賬款。

本集團金融工具涉及之主要風險為利率風險、外匯風險、信貸風險及流動資金風險。董事會審閱及同意管理該等風險之政策，概述如下。

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42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with a floating interest rate.

The Group's funding policy uses short term interest-bearing debts to finance its working capital requirements and interest-bearing debts over one year or internal generated resources to finance its capital investments. The Group borrows mainly at floating interest rates and the use of fixed rate interest-bearing debts over one year will only be considered for capital investments and favourable market conditions.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings) and the Group's equity.

42. 財務風險管理目標及政策(續)

利率風險

本集團的市場利率變動風險主要與短期浮動利率付息銀行貸款有關。

本集團的資金政策是以短期付息貸款提供經費作週轉資本的需求及一年以上的付息貸款或內部的資本投資的資源提資本投資。本集團主要以浮動利率作借貸，一年以上的定息付息貸款只會在有利的市場條件下才考慮作為資本投資。

以下表格展示於其他變數保持穩定，而利率可能出現合理波動之情況下，本集團除稅前溢利(透過浮動利率借款影響)及本集團股權對波動的敏感性。

		Group 集團		
		Increase/ (decrease) in basis points 增加／(減少) 基點	Increase/ (decrease) in profit before tax 除稅前溢利 HK\$ 港元	Increase/ (decrease) in equity* 權益* HK\$ 港元
2008	二零零八年			
Hong Kong dollar	港元	10	(95,473)	(95,473)
Hong Kong dollar	港元	(10)	95,473	95,473
2007	二零零七年			
Hong Kong dollar	港元	10	(97,644)	(97,644)
Hong Kong dollar	港元	(10)	97,644	97,644

* Excluding retained profits

* 不包括保留溢利

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42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currency. Approximately 83% (2007: 80%) of the Group's sales are denominated in currencies other than the functional currency of the operating units making the sale, whilst almost 68% (2007: 72%) of costs are denominated in the units' functional currency. The Group used forward currency contract try to reduce its currency exposures arising from overseas sales transactions.

In view of the fact that the Hong Kong dollar is pegged to the United States dollar and that the Group tries to match its assets and liabilities with the same currency, the Group's exposure to foreign currency risk is minimal. The following table demonstrates the sensitivity at the balance sheet date to a reasonably possible change in the Renminbi exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's and the Company's equity (due to changes in the fair value of forward currency contracts).

		Increase/ (decrease) in Renminbi rate 增加／(減少) 人民幣匯率 %	Increase/ (decrease) in profit before tax 增加／(減少) 除稅前溢利 HK\$ 港元	Increase/ (decrease) in equity* 增加／(減少) 權益* HK\$ 港元
2008		二零零八年		
If Hong Kong dollar weakens against Renminbi	若港元兌人民幣弱勢	5	(3,169,049)	(3,169,049)
If Hong Kong dollar strengthens against Renminbi	若港元兌人民幣強勢	(5)	3,169,049	3,169,049
2007		二零零七年		
If Hong Kong dollar weakens against Renminbi	若港元兌人民幣弱勢	5	(1,861,001)	(1,861,001)
If Hong Kong dollar strengthens against Renminbi	若港元兌人民幣強勢	(5)	1,861,001	1,861,001

* Excluding retained profits

42. 財務風險管理目標及政策(續)

外幣風險

本集團亦有交易貨幣風險，此風險源自本集團以其功能貨幣以外的其他貨幣作銷售或採購計價單位。本集團約83%（二零零七年：80%）的銷售都是以功能貨幣以外的其他貨幣計價。大約68%（二零零七年：72%）的成本都是以功能貨幣計價。本集團採用遠期貨幣合約盡可能減低因海外銷售而產生之外匯波動相關之風險。

事實上，由於港元與美元掛鈎及本集團盡可能以同一貨幣使其資產和負債配比，本集團面臨外幣風險甚微。以下表格展示於結算日其他變數保持不變，而人民幣匯率可能出現合理波動之情況下，本集團除稅前溢利（因貨幣資產及負債的公平價值出現變動）及集團和公司股權對波動的敏感性（因遠期貨幣合同的公平值出現變動）。

* 不包括保留溢利

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二零零八年十二月三十一日
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42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents and an available-for-sale financial asset, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments. The Company is also exposed to credit risk through the granting of financial guarantees, further details of which are disclosed in note 37 to the financial statements.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's trade receivables are widely dispersed in different sectors and industries.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and bills receivables are disclosed in note 22 to the financial statements.

42. 財務風險管理目標及政策(續)

信貸風險

本集團僅與該等信譽可靠的第三者進行交易。按照本集團的政策，所有擬按信貸期進行交易的客戶，必須經過信貸核實程序後，方可落實。此外，本集團會持續監察應收款項及結餘的情況，而本集團的壞賬風險並不重大。

本集團其他金融資產可能存在的信用風險，此類金融資產包括現金及現金等值項目及可供出售金融資產，這些金融資產的信用風險源自因交易對方違約，最大風險敞口等於這些工具的賬面金額。本公司還可能因提供擔保而引致信用風險，關於本公司對外擔保的資訊，詳見附註37。

由於本集團僅與該等享譽盛名兼信譽可靠的第三者進行交易，故不需要任何抵押。集中信貸風險由客戶／交易對手、地區及類別管理。由於本集團應收賬款由大量分散於不同階層及行業的客戶組成，本集團內並無顯著集中的信貸風險。

有關本集團因應收貿易賬款所產生信貸風險的進一步定量資料乃披露於財務報表附註22。

財務報告附註

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二零零八年十二月三十一日
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42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The maturity profile of the Group's financial liabilities as at the balance sheet date, based on the contractual undiscounted payments, is as follows:

Group

		2008 二零零八年			Total 總計 HK\$ 港元
		Within 1 year or on demand 一年內或 按要求 HK\$ 港元	More than 1 year but less than 2 years 一年以上至 二年以下 HK\$ 港元	More than 2 years but less than 5 years 二年以上至 五年以下 HK\$ 港元	
Finance lease payables	應付融資租約	3,250,802	3,362,239	1,562,223	8,175,264
Interest-bearing bank borrowings	帶息銀行貸款	67,717,022	14,388,202	5,192,048	87,297,272
Trade payables	應付賬項	61,748,249	–	–	61,748,249
Other payables (note 26)	其他應付款項(附註26)	25,587,347	–	–	25,587,347
Derivative financial instrument	衍生金融工具	106,627	–	–	106,627
Other long term payables	其他長期應付款項	–	4,108,231	–	4,108,231
Loan from a director	董事貸款	–	12,000,000	–	12,000,000
		158,410,047	33,858,672	6,754,271	199,022,990

42. 財務風險管理目標及政策(續)

流動資金風險

本集團截至結算日，以訂約未折讓付款基準計算之財務負債，其到期日如下：

集團

財務報告附註

Notes to Financial Statements

二零零八年十二月三十一日
31 December 2008

42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

		2007 二零零七年			Total 總計
		Within 1 year or on demand 一年內或 按要求 HK\$ 港元	More than 1 year but less than 2 years 一年以上至 二年以下 HK\$ 港元	More than 2 years but less than 5 years 二年以上至 五年以下 HK\$ 港元	
Finance lease payables	應付融資租約	1,539,669	1,049,696	1,104,439	3,693,804
Interest-bearing bank borrowings	帶息銀行貸款	79,621,972	8,810,181	5,518,000	93,950,153
Trade payables	應付賬項	44,759,641	–	–	44,759,641
Other payables (note 26)	其他應付款項(附註26)	31,326,631	–	–	31,326,631
		157,247,913	9,859,877	6,622,439	173,730,229

At 31 December 2008 and 2007, the Company had no financial liability.

於截至二零零八年及二零零七年十二月三十一日止年度，本公司並沒有金融負債。

財務報告附註

Notes to Financial Statements

二零零八年十二月三十一日

31 December 2008

42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is required to comply with certain capital requirements set out in the bank lending facilities. As at 31 December 2008, there was no indication of breach of covenants and the Group complied with the externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2008 and 31 December 2007.

42. 財務風險管理目標及政策(續)

資本管理

本集團管理資本的首要目標是保障本集團的持續經營能力及維持穩健的資本比率，以支援其業務發展及提升股東價值。

本集團會因應經濟環境變化管理其資本架構並對其作出調整。為維持或調整資本架構，本集團或會調整支付予股東的股息款額、發還資本予股東或發行新股份。本集團要遵從若干銀行信貸條款的資本要求。於結算日，本集團已遵從外部附加的資本要求，並沒有違反有關條款。於截至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止年度內，有關管理資本的目標、政策及過程並無作出任何變動。

財務報告附註

Notes to Financial Statements

二零零八年十二月三十一日
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42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management (continued)

The Group monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. The Group's policy is to maintain the gearing ratio less than 75%. Net debt includes interest-bearing bank and other borrowings, trade payables, accrued liabilities and other payables, derivative financial instrument, other long term payables and loan from a director less cash and cash equivalents. Capital includes equity attributable to equity holders of the Company. The gearing ratios as at the balance sheet dates were as follows:

Group

Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸
Trade payables	應付賬項
Accrued liabilities and other payables	應計負債及其他應付款項
Derivative financial instrument	衍生金融工具
Other long term payables	其他長期應付款項
Loan from a director	董事貸款
Less: Cash and cash equivalents	減：現金及現金等值項目
Net debt	債項淨值
Total equity	權益總額
Total capital and net debt	總資本及淨負債
Gearing ratio	資本負債比率

42. 財務風險管理目標及政策(續)

資本管理(續)

本集團採用資本負債比率監察其資本情況，而資本負債比率乃淨負債除以總資本加淨負債之總和計算。本集團之政策乃維持資本負債比率於75%以下。淨負債包括帶息銀行貸款及其他借貸、應付賬項、應計負債及其他應付款項、衍生金融工具、其他長期應付款項及董事貸款，並扣除現金及現金等值項目。資本包括母公司權益持有人應佔權益。於結算日之資本負債比率如下：

集團

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
95,472,536	97,643,957
61,748,249	44,759,641
34,158,844	41,600,441
106,627	—
4,108,231	—
12,000,000	—
(51,510,355)	(32,843,997)
156,084,132	151,160,042
154,172,984	145,084,183
310,257,116	296,244,225
50%	51%

43. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 23 April 2009.

43. 財務報告之批准

董事會已在二零零九年四月二十三日批准及授權刊發財務報告。

五年財務概要

Five Year Financial Summary

A summary of the published results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements, is set out below.

以下為本集團於過去五個財政年度之業績，資產及負債概要，此乃摘錄自經公佈審核財務報告。

RESULTS

業績

		Year ended 31 December 截至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	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
REVENUE	收入	411,754	390,487	392,435	388,118	349,259
PROFIT BEFORE TAX	除稅前溢利	1,995	8,720	3,638	15,822	19,819
Tax	稅項	(1,597)	(2,206)	(2,251)	(2,135)	(2,846)
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司權益 持有人所佔 之溢利	398	6,514	1,387	13,687	16,973

ASSETS AND LIABILITIES

資產及負債

		31 December 十二月三十一日				
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
TOTAL ASSETS	總資產	366,269	333,914	288,898	309,362	294,041
TOTAL LIABILITIES	總負債	(212,096)	(188,830)	(152,287)	(172,129)	(167,485)
		154,173	145,084	136,611	137,233	126,556



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