

2010

Annual Report 年報

TaYang



Ta Yang Group Holdings Limited

大洋集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 1991)







Silicone rubber comes from the earth and return to the earth

Silicone rubber is an environmental friendly material. For the sake of our earth, Ta Yang adheres to our philosophy of "innovation, quality and service" making the environmental friendly silicone rubber a part our live and our world a better place.

矽膠取自大地，還回大地

矽膠是一種環保物料。為地球著想，大洋一直堅持「創新、優質及卓越服務」的理念，令環保矽膠融入我們的生活，令全球環境更愜意舒適。

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Si-lover love the earth

愛用矽膠，愛地球



Si-possible

矽膠 • 無限可能



Our mission

is to consolidate the leading market position by providing a wide range of value-added silicone rubber products.

大洋集團的使命

是藉著提供一系列高增值矽膠產品來鞏固市場上的翹楚地位。

Mission Statement 使命



EXECUTIVE DIRECTORS

Huang Sheng-Shun (*Chairman*)
Wu Ih Chen (*Chief Executive Officer*)
Lin Hung-Ming
Wong Tak Leung
Huang Te-Wei

NON-EXECUTIVE DIRECTOR

Kirk Yang

INDEPENDENT NON-EXECUTIVE DIRECTORS

Hsieh Yu
Jou Yow-Jen
Yeung Chi Tat

EXECUTIVE COMMITTEE

Huang Sheng-Shun*
Wu Ih Chen
Huang Te-Wei
Chan Oi Fat
Wu Pei Mun

REMUNERATION COMMITTEE

Yeung Chi Tat*
Hsieh Yu
Jou Yow-Jen

執行董事

黃勝舜(主席)
吳意誠(行政總裁)
林宏明
黃德良
黃德威

非執行董事

楊應超

獨立非執行董事

謝裕
周幼珍
楊志達

執行委員會

黃勝舜*
吳意誠
黃德威
陳愛發
吳沛珉

薪酬委員會

楊志達*
謝裕
周幼珍

NOMINATION COMMITTEE

Yeung Chi Tat*
Hsieh Yu
Jou Yow-Jen

提名委員會

楊志達*
謝裕
周幼珍

AUDIT COMMITTEE

Yeung Chi Tat*
Hsieh Yu
Jou Yow-Jen

審核委員會

楊志達*
謝裕
周幼珍

COMPLIANCE COMMITTEE

Yeung Chi Tat*
Wu Ih Chen
Huang Te-Wei
Chan Oi Fat

合規委員會

楊志達*
吳意誠
黃德威
陳愛發

AUTHORISED REPRESENTATIVES

Wu Ih Chen
Huang Te-Wei

法定代表

吳意誠
黃德威

FINANCIAL CONTROLLER

Chan Oi Fat

財務總監

陳愛發

COMPANY SECRETARY

Chan Oi Fat

公司秘書

陳愛發

AUDITORS

SHINEWING (HK) CPA Limited

核數師

信永中和(香港)會計師事務所有限公司

* *Committee chairman*

* *委員會主席*

INTERNATIONAL CONTROL REVIEW ADVISOR

SHINEWING Risk Services Limited

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681 GT
Grand Cayman KY1-1111
Cayman Islands

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street, P.O. Box 705
Grand Cayman KY1-1107
Cayman Islands

PRINCIPAL BANKERS

Hang Seng Bank Limited
BNP Paribas Hong Kong Branch

PRINCIPLE PLACE OF BUSINESS IN HONG KONG

Flat 28 23rd Floor, Metro Centre II
21 Lam Hing Street
Kowloon Bay, Kowloon
Hong Kong

內部監控審閱顧問

信永方略風險管理有限公司

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681 GT
Grand Cayman KY1-1111
Cayman Islands

主要股份過戶及登記總處

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street, P.O. Box 705
Grand Cayman KY1-1107
Cayman Islands

主要往來銀行

恒生銀行有限公司
法國巴黎銀行香港分行

香港主要營業地點

香港
九龍九龍灣
臨興街21號
美羅中心2期23樓28室

Corporation Information 公司資料

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

COMPANY WEBSITE

<http://www.tayang.com>

STOCK CODE

1991

SHARE INFORMATION

Listing Date: 8 June 2007

Stock Name: Ta Yang Group

Stock Code: 1991

Nominal Value: HK\$0.10

Board Lot: 2,000 shares

INVESTOR RELATIONS

Ms. Jenny Wu
Investor Relations Manager
Telephone: (852) 3678 5088
Facsimile: (852) 3678 5099

FINANCIAL YEAR END

31 July

香港股份過戶及登記分處

卓佳證券登記有限公司
香港
灣仔皇后大道東28號
金鐘匯中心26樓

公司網站

<http://www.tayang.com>

股份代號

1991

股份資料

上市日期： 二零零七年六月八日

股份名稱： 大洋集團

股份代號： 1991

面值： 0.10港元

每手買賣單位： 2,000股

投資者關係

吳沛珉小姐
投資者關係部經理
電話：(852) 3678 5088
傳真：(852) 3678 5099

財政年度年結日

七月三十一日

Worldwide Quality 世界質量



Directors' Profile

董事簡介

Huang Sheng-Shun

Chairman and Executive Director

Mr. Huang Sheng-Shun, aged 56, is the Chairman and Executive Director of the Company. He is responsible for the development of our general corporate strategy, operation management, planning and decision making. Mr. Huang, together with Mr. Wu Ih Chen, founded the Group on 7 May 1991. Prior to the establishment of the Group, he was the operation manager of a chemical company between June 1978 and May 1982. Afterwards, he worked at Ta Yang Oil N Fat Industrial Co., Ltd. (大洋油脂工業股份有限公司), a private company, and since 1986 became the company's general manager until 2005. Mr. Huang and his family members have been the shareholders of Ta Yang Oil N Fat Industrial Co., Ltd. until Ta Yang Oil N Fat Industrial Co., Ltd., ceased operations and was wound up in April 2006. Save as disclosed above, there is no relationship between Ta Yang Oil N Fat Industrial Co., Ltd. and each of the Group's companies, its directors, its substantial shareholders and their respective associates. Mr. Huang is the father of Mr. Huang Te-Wei, an Executive Director of the Company.

Mr. Huang has also been a non-executive director of Formosan Union Chemical Corp., a company listed on the Taiwan Stock Exchange Corporation, from 1 July 1987 to 30 June 1996 and from 1 July 2002 to present. He has over 30 years of experience in management positions in the chemical manufacturing industry. Mr. Huang graduated from the Faculty of Law, National Taiwan University in 1976. Mr. Huang is also a director of various subsidiaries of the Group.

黃勝舜

主席兼執行董事

黃勝舜先生，56歲，為本公司主席兼執行董事。彼負責本公司整體策略發展、營運管理、計劃及決策事宜。黃先生與吳意誠先生於一九九一年五月七日共同創辦本集團。成立本集團前，彼於一九七八年六月至一九八二年五月曾擔任一間化工公司的業務經理一職。其後，彼任職於一間私人公司，即大洋油脂工業股份有限公司，並由一九八六年至二零零五年擔任該公司總經理。大洋油脂工業股份有限公司於二零零六年四月停業並清盤前，黃先生及其家庭成員一直是大洋油脂工業股份有限公司的股東。除所披露者外，大洋油脂工業股份有限公司與本集團旗下各公司、其董事、其主要股東及彼等各自的聯繫人概無關係。黃先生為本公司執行董事黃德威先生的父親。

由一九八七年七月一日至一九九六年六月三十日及二零零二年七月一日迄今，黃先生亦擔任台灣證券交易所上市公司和益化學工業股份有限公司的非執行董事。彼於化工製造業界擔任管理職位逾三十年。黃先生於一九七六年畢業於國立台灣大學法律系。黃先生亦為本集團若干附屬公司的董事。

Wu Ih Chen

Executive Director and Chief Executive Officer

Mr. Wu Ih Chen, aged 59 is the executive Director and chief executive officer of the Company. Mr. Wu has over 22 years of experience in the silicone rubber industry. Mr. Wu, together with Mr. Huang Sheng-Shun founded the Group on 7 May 1991. Presently, He is mainly responsible for the marketing, administration and financial planning of the Group. He is also devoted to the development of the core techniques and has personally developed various patented keypads. Mr. Wu graduated from the Aletheia University in 1971 and completed the Studying Program for Hong Kong Senior Management in Business organised by the Peking University in the PRC. Mr. Wu is a director for the Eleventh Board of Directors of International Association of Chinese Traders. Mr. Wu is also a director of various subsidiaries of the Group.

Mr. Wu is the elder brother of Mr. Wu Tien-Tao, the associate general manager of the Group and the father of Mr. Wu Chung-chieh, Jack and Ms. Wu Pei Min who are the corporate development manager and the corporate relations manager of the Group.

Wong Tak Leung

Executive Director and Deputy General Manager

Mr. Wong Tak Leung, aged 49 is an Executive Director and Deputy General Manager. Mr. Wong joined the Group in May 1993 and was subsequently promoted to deputy managing director in 2001. Mr. Wong is responsible for the sales and marketing functions of the Group. During 1981 to 1989, Mr. Wong served in the Strategic Planning Department of Hong Kong Aircraft Engineering Company Limited. Mr. Wong is also a director of certain subsidiaries of the Group.

吳意誠

執行董事兼行政總裁

吳意誠先生，59歲，為本公司執行董事兼行政總裁。吳先生於矽膠業累積逾二十二年經驗。吳先生與黃勝舜先生於一九九一年五月七日共同創辦本集團。目前，彼主要負責本集團的行銷推廣、行政管理及財務規劃。彼亦致力開發本集團的核心技術，並曾親自研發各類專利按鍵。吳先生於一九七一年畢業於真理大學，並已完成北京大學香港工商界高層管理人員研修班。吳先生為國際華商協進會第十一屆理事會的理事。吳先生亦為本集團若干附屬公司的董事。

吳先生為本集團副總經理吳添濤先生的胞兄。吳先生亦為本集團企業發展部經理吳中傑先生及企業關係部經理吳沛珉小姐的父親。

黃德良

執行董事兼副總經理

黃德良先生，49歲，為執行董事兼副總經理。黃先生於一九九三年五月加入本集團，其後於二零零一年晉升為副總經理。黃先生現負責本集團的銷售及行銷工作。於一九八一年至一九八九年，黃先生曾任職於香港飛機工程有限公司策略規劃部。黃先生亦為本集團若干附屬公司的董事。

Directors' Profile

董事簡介

Lin Hung-Ming

Executive Director and Research & Development Director

Mr. Lin Hung-Ming, aged 46, is an executive Director and the research and development director of the Group. Mr. Lin joined the Group in 1993 and is currently responsible for research and development of the Group. Mr. Lin graduated from the Department of Mechanics, Private Chih-Kwang Vocational High School of Business and Technology. He has over 21 years of experience in the silicone rubber industry. Prior to joining the Group, Mr. Lin was a factory manager of an electronics company in Taiwan.

Huang Te-Wei

Executive Director and the General Manager

Mr. Huang Te-Wei, aged 30, is an Executive Director and the general manager of the Group. He is the head of our control department with responsibilities to overseeing the Group's compliance and internal control matters. From 2008 onwards, Mr. Huang was also responsible for the supervision of the daily operation of the Group factories in the PRC and strategic planning. Mr. Huang graduated from the Industrial Administration stream, Department of Business Administration, National Taiwan University and has undergone military training in Taiwan. Mr. Huang is also a director of various subsidiaries of the Group.

Mr. Huang is the eldest son of Mr. Huang Sheng-Shun, the Chairman and the Executive Director of the Group.

林宏明

執行董事兼開發及發展部主管

林宏明先生，46歲，為執行董事兼本集團開發及發展部主管。林先生於一九九三年加入本集團，目前負責本集團的研發事宜。林先生畢業於私立智光高級商工職業學校機械科。彼於矽膠業累積逾二十一年經驗。加入本集團前，林先生曾擔任一間台灣電子公司的廠長。

黃德威

執行董事兼總經理

黃德威先生，30歲，為執行董事兼本集團總經理。彼為本集團監控部門主管，負責監督本集團的合規及內部監控事宜。自二零零八年起，黃先生亦負責監督本集團中國廠房的日常營運及策略規劃。黃先生畢業於國立台灣大學工商管理學系工業管理組，並曾於台灣服兵役。黃先生亦為本集團若干附屬公司的董事。

黃先生為本集團主席兼執行董事黃勝舜先生的長子。

Kirk Yang

Non-Executive Director

Mr. Kirk Yang, aged 43, is a non-Executive Director of the Company. He holds Bachelor (with distinction) and Master of Science degrees in Electrical Engineering from Purdue University and Master of Business Administration (Finance, Accounting and Marketing concentrations) from University of Chicago.

Mr. Yang is currently a Managing Director and Head of Asia Ex-Japan Technology Hardware and Components Equity Research at Barclays Capital Asia Limited. Before that, Mr. Yang held the same position at Nomura International (Hong Kong) Limited. Prior to that, Mr. Yang served as chief financial officer in a leading private China IT software company and our company. Mr. Yang was also a Managing Director and Head of Asia Technology Research of Citi Investment Research of Citigroup Global Markets Asia Limited based in Hong Kong ("Citi") where he was awarded the No.1 analyst by Institutional Investors, Financial Times and Greenwich in 2004, 2006 and 2007 respectively in recognition of his accomplishment in investment equity research industry and ranked top 3 during most of his career. Before joining Citi, Mr. Yang served as the Director and Head of Asia Technology Hardware Research at Credit Suisse. Mr. Yang has more than eight years of experience in investment banking equity research industry including worked at Goldman Sachs and BNP Paribas respectively. Mr. Yang also has more than seven years experience in management consulting, sales/marketing and engineering operation in various corporations such as A.T. Kearney, Accenture, HP/EDS, Emerson Electric, IBM, and AT&T. Mr. Yang did not hold any position in the Group since 1 February 2009.

Hsieh Yu

Independent Non-Executive Director

Mr. Hsieh Yu, aged 62, is an Independent Non-Executive Director of the Company. He obtained a certificate for solicitor in Taiwan in 1977 and jointed the Taipei Bar Association immediately as a practicing Attorney-at-Law. He is the responsible officer of 聯德法律事務所. He had been the legal consultant for various corporations and organizations. Mr. Hsieh graduated from the Faculty of Law, National Taiwan University in 1976.

楊應超

非執行董事

楊應超先生，43歲，為本公司非執行董事。楊先生持有美國普渡大學電機工程學士(優異)學位及碩士學位，以及芝加哥大學工商管理碩士(主修財務、會計及市場營銷)。

楊先生現為巴克萊亞洲有限公司日本以外亞洲地區證券研究部董事總經理兼科技硬體及組件部主管。出任上述職務前，楊先生曾於野村國際(香港)有限公司擔任相同職位。在此之前，楊先生曾於一間領先的私人中國IT軟件公司及本公司擔任財務總裁。楊先生亦為香港花旗環球金融亞洲有限公司(「花旗」)的董事總經理兼投資研究部亞太區高科技部門研究主管，在任期間，彼分別於二零零四年、二零零六年及二零零七年榮獲《機構投資者》、《金融時報》及《Greenwich》評為第一分析師，表揚彼於投資證券研究界的成就，而彼在職業生涯中大部分時間均名列前三位。於加入花旗前，楊先生曾經出任瑞士信貸亞太區科技硬件研究部總監兼首席分析師。楊先生於投資證券研究業擁有逾八年經驗，包括曾任職於高盛及法國巴黎銀行。楊先生亦曾於多間企業工作，包括 A.T. Kearney、Accenture、HP/EDS、艾默生電器、IBM及AT&T等，於管理顧問、銷售/市場營銷及工程業務方面累積逾七年經驗。楊先生自二零零九年二月一日起並無於本集團出任任何職位。

謝裕

獨立非執行董事

謝裕先生，62歲，為本公司獨立非執行董事。彼於一九七七年在台灣獲取律師證書，並隨即加入台北律師公會為執業律師，現為聯德法律事務所負責人。彼曾任多間企業及組織的法律顧問。謝先生於一九七六年於國立台灣大學法律學系畢業。

Directors' Profile

董事簡介

Jou Yow-Jen

Independent Non-Executive Director

Professor Jou Yow-Jen, aged 54, an Independent Non-executive Director of the Company. Professor Jou is currently an associate professor of Department of Information and Finance Management and Institute of Finance at National Chiao Tung University. Professor Jou has been participated actively in research on data analysis, time series analysis model, Ito model application, Monte Carlo model, O-D mode and options pricing etc. She has rich knowledge in statistics, econometrics, financial time series analysis and financial information analysis, and had done several fundamental researches on Economics and Finance. Prior to joining the Company, Professor Jou was an associate professor of Institute of Statistics at National Chiao Tung University, the statistician of Directorate General of Budget, Accounting and Statistics, Executive Yuan, R.O.C. (Taiwan) and the planning controller of Taiwan Power Company. Professor Jou obtained bachelor and master degree from National Chung Hsing University and National Chen Chi University in Taiwan respectively and Ph. D in doctorate in Statistics from Wharton School of University of Pennsylvania.

Yeung Chi Tat

Independent Non-Executive Director

Mr. Yeung Chi Tat, aged 41, is an Independent Non-executive Director of the Company. He holds a bachelor's degree in business administration from The University of Hong Kong and a master's degree in professional accounting from Hong Kong Polytechnic University. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of the Institute of Chartered Accountants in England and Wales and the president of the International Financial Management Association Hong Kong headquarters. He is currently the financial controller and company secretary of Dynasty Fine Wines Group Limited (Stock Code: 828), an independent non-executive director of ANTA Sports Products Limited (Stock Code: 2020) and Boer Power Holdings Limited (Stock Code: 1685), all of which are listed on the Main Board of the Stock Exchange in Hong Kong. Mr. Yeung had previously worked at a major international accounting firm for over ten years. He possesses experience in auditing, corporate restructuring and corporate financial services.

周幼珍

獨立非執行董事

周幼珍教授，54歲，為本公司獨立非執行董事。周教授目前為國立交通大學資訊與財金管理學系及財務金融研究所副教授。周教授積極研究資料分析、時間序列分析模式、Ito model應用、Monte Carlo模式、起迄模式及選擇權定價等。彼於統計學、計量經濟、財務時間序列分析及財務資料分析方面擁有豐富知識，並曾進行多項有關經濟與財務金融的基礎研究。加入本公司前，周教授曾出任國立交通大學統計學研究所副教授、行政院主計處統計員及台灣電力公司企劃控制師。周教授分別獲台灣國立中興大學及國立政治大學頒發學士及碩士學位，並獲美國賓州法亞尼大學華頓學院頒發統計博士學位。

楊志達

獨立非執行董事

楊志達先生，41歲，為本公司獨立非執行董事。彼持有香港大學工商管理學士學位及香港理工大學專業會計碩士學位。彼為香港會計師公會資深會員、英格蘭及威爾斯特許會計師公會會員及國際財務管理協會香港總部的會長。彼現為香港聯交所主板上市公司王朝酒業集團有限公司(股份代號：828)的財務總監兼公司秘書、安踏體育用品有限公司(股份代號：2020)及博耳電力控股有限公司(股份代號：1685)的獨立非執行董事。楊先生曾於一間主要的國際會計師行任職超逾十年，彼具備核數、企業重組及企業融資服務方面的經驗。

Senior Management Profile 高級管理人員簡介

Chan Oi Fat

Financial Controller & Company Secretary

Mr. Chan Oi Fat, aged 32, joined the Group in January, 2008 as the financial controller and the company secretary of the Company. Mr. Chan is mainly responsible for the financial and accounting management and secretarial affairs of the Group. Prior to joining the Group, Mr. Chan was an audit manager in an international accounting firm. Mr. Chan has over 9 years of experience in professional accounting and auditing experience. Mr. Chan graduated from The City University of Hong Kong with a bachelor in accountancy. He is a member of the Hong Kong Institute of Certified Public Accountants.

Wu Tien-Tao

Associate General Manager (Huzhou Office)

Mr. Wu Tien-Tao, aged 52, is the associate general manager. He oversees the operation of Huzhou Factory. Mr. Wu joined our Group in August 2003 and has been responsible for the operation of the Huzhou factory of the Group since then. Mr. Wu has over 11 years of experience in the production of silicone rubber and multiple layered and soft printed circuit boards. Mr. Wu is the younger brother of Mr. Wu Ih Chen, an executive Director of the Company.

陳愛發

財務總監兼公司秘書

陳愛發先生，32歲，於二零零八年一月加入本集團擔任本公司的財務總監兼公司秘書。陳先生主要負責本集團財務及會計管理及秘書事宜。加入本集團前，陳先生為一間國際會計師行的核數經理。陳先生擁有逾九年的專業會計及核數經驗。陳先生畢業於香港城市大學畢業並持有會計系學士學位。彼為香港會計師公會會員。

吳添濤

副總經理(湖州辦事處)

吳添濤先生，52歲，副總經理，負責監督湖州廠房的營運。吳先生於二零零三年八月加入本集團後一直負責大洋湖州廠房的營運。吳先生在生產矽膠、多層印刷電路板及軟印刷電路板方面擁有逾十一年經驗。吳先生為本公司執行董事吳意誠先生的胞弟。

Striving for
INNOVATIVE IDEAS

追求
嶄新意念



Chairman's Statement 主席報告

“Utilizing all resources and
aiming at Blue Ocean markets.”
“廣納百川，瞄準藍海市場。”

Huang Sheng-Shun
黃勝舜
Chairman 主席



Dear Shareholders

On behalf of the board of directors of Ta Yang Group Holdings Limited, I am pleased to present to all shareholders the annual report of the Group for the year ended 31 July 2010.

The global financial tsunami in the last quarter of 2008 presented us the greatest challenge in our corporate history. Despite the joint efforts of governments worldwide to improve liquidity, the shattered global consumer confidence did not recover to its former level. Thanks to the concerted efforts of our staff who remained resilient and proactive in difficult times, the Group experienced a considerable growth in turnover and recorded profits again this year as compared to the net loss last year.

FINANCIAL RESULTS

By the end of the financial year, the Group's turnover increased by 30.9% to HK\$812.1 million.

The Group's profit for the year was HK\$67.3 million, as compared to the net loss of HK\$38.9 million last year. Earnings per share for the year was HK8.51 cents (2009: loss per share of HK4.86 cents).

各位股東：

本人謹代表大洋集團控股有限公司董事會欣然向各股東提呈本集團截至二零一零年七月三十一日止年度的年報。

二零零八年度最後一季爆發全球金融海嘯，為本集團帶來歷年最嚴峻挑戰。儘管全球政府聯手提供資金流動性，全球消費者的信心在大受打擊後仍未恢復以往水平。猶幸本集團員工在此艱難時間依然堅毅不屈、積極進取，在他們的竭誠努力下，本集團本年度的營業額取得大幅增長，並在去年錄得淨虧損後再度獲利。

財務業績

截至本財政年度止，本集團的營業額增加30.9%至812,100,000港元。

本集團年內溢利為67,300,000港元，而去年則為淨虧損38,900,000港元。本年度每股盈利為8.51港仙(二零零九年：每股虧損4.86港仙)。

BUSINESS REVIEW

During the year, following the optimization of product structure by integrating our production facilities in Dongguan and Huzhou, the Group had achieved better cost control and supply chain management. Although the operating environment remained very tough, the Group managed to improve gross profit by increasing utilization of facilities and changing its product mix. The Group had upgraded the existing products with up-to-date technology.

Keypads for consumer electronic devices and computers continued to be our core businesses. The continuous integration of 4C products brought huge challenges to the Group and dampened the demand for traditional consumer electronic products. However, at the same time, a new opportunity emerged as consumers are willing to pay for innovative products, and the Group had seized this opportunity by producing high quality products with advanced technological features to meet the needs of customers.

Despite the challenging business environment, the newly launched brand "SIPALS" maintained steady growth during the year and had gained increasing consumer support. Although its contribution is still immaterial to the Group, we are confident that "SIPALS" will become our driving force in the future.

OUTLOOK

While the overall economy and consumer confidence seem to have bottomed out, Greece and the rest of Europe might post uncertainties and risks to the global economy. To cope with these challenges, the Group will continue to implement a number of stringent cost optimization measures to reduce operating costs in order to maintain its competitiveness. Moreover, the Group will further strengthen its relationship with existing customers and diversify its customer base.

The Directors are optimistic about the future development of the Group's business and will continue to implement the well-established business strategies to enhance the Company's value and to bring outstanding return to the shareholders.

業務回顧

年內，隨著本集團透過整合東莞及湖州生產設施優化產品結構，本集團的成本控制及供應鍊管理均有所改善。儘管經營環境依然嚴峻，本集團仍能透過增加設施利用率及改變產品組合提高毛利。本集團已利用最新技術提升現有產品。

電子消費品按鍵及電腦按鍵繼續為本集團的核心業務。4C產品的不斷整合為本集團帶來巨大挑戰，並令傳統電子消費品需求有所放緩。然而，與此同時，消費者願意在創新產品上消費，亦令市場呈現新商機，本集團亦已透過生產融合先進技術特色的優質產品，配合消費者需要，從而把握此機遇。

儘管營商環境艱難，新推出品牌「SIPALS」於年內依然維持穩定增長，並持續取得消費者支持。雖然其對本集團的貢獻並不重大，本集團有信心「SIPALS」將成為日後重要的推動力。

展望

儘管整體經濟與消費者信心似乎已走出低谷，希臘及歐洲其餘國家可能對全球經濟帶來不明朗因素及風險。為面對該等挑戰，本集團將繼續實施多項嚴格控制成本措施，以減少營運成本，維持競爭力。此外，本集團將進一步加強其與現有客戶的關係以及令客戶基礎更加多元化。

董事對本集團業務的未來發展表示樂觀，並將繼續實行之有效的業務策略，提升本公司價值及為股東帶來可觀回報。

APPRECIATION

Last but not least, I would like to take this opportunity to thank the management and staff for their dedication and hard work during these challenging times. The Group will strive to strengthen our leading position in the industry.

Huang Sheng-Shun

Chairman and Executive Director

致謝

最後，本人藉此感謝管理層及全體員工與本集團共渡時艱，為本集團作出貢獻及努力。本集團將致力鞏固於業內的領先地位。

黃勝舜

主席兼執行董事

Business Review & Outlook

業務回顧及展望

MARKET REVIEW

The aftershocks of the financial tsunami and the outburst of the Greek debt crisis in 2010 led to a disastrous knock-on effect on the Eurozone economy and weakened the global economy. Despite the joint effort of worldwide governments to provide liquidity, the badly shaken global consumer confidence had not been restored to its former level. It is understandable that traditional products such as desktop computers and automotive peripheral products got a bigger hit.

However, market demand for innovative portable devices offering significant value, namely 3G smartphones, laptops and sub-notebooks (netbooks), remained strong. As a result, huge challenges and opportunities were brought to the industry at the same time.

During the year, the Group was able to capture the opportunity of the surging innovative portable devices demand, which in turn drove the sales of keypads. As such, the Group recorded a remarkable growth in turnover during the year.

市場回顧

金融海嘯餘波未了，於二零一零年更爆發希臘債務危機，對歐元區經濟造成災難性打擊，並削弱了全球經濟。雖然各國政府共同致力提供流動資金，但全球消費者信心已嚴重動搖，未能恢復至此前的水平。桌面電腦及汽車周邊產品等傳統產品遭受更大打擊亦可理解。

然而，市場對具有顯著價值的創新可攜式裝置（即3G智能手機、手提電腦及小型筆記本電腦）的需求仍然殷切，因而同時為業界帶來龐大的挑戰及機遇。

年內，本集團成功把握創新可攜式裝置需求上升帶動按鍵銷量增加的機遇，為本集團年內的營業額帶來可觀增長。



BUSINESS REVIEW

Company's Overall Performance

Amid the aftershock of financial turmoil and Greek debt crisis, the global market and operating environment were exceptionally challenging during the year, the Group, however, enjoyed a dramatic growth in turnover that reached a record high for the Group. Turnover for the financial year ended 31 July 2010 increased by approximately 31% as compared to last year. The primary source of income of the Group still derived from sales of consumer electronic devices, but its percentage to total turnover decreased from 48% to 44%. Thanks to recent surge in demand for portable devices, the sales of keypads for mobile phones recorded outstanding performance and increased by 116% which is our main driving force for growth. Therefore, its proportion to total turnover increased from 9% to 15%.

Under the current global economic slowdown, customers are becoming less willing to accept increase in selling price. However, after continuous negotiations with our customers, we were able to transfer a certain portion of cost increments to them. Moreover, the Company's efforts to expand its customer base had borne fruit, solidifying ties with new sizable customers. Despite the portable devices with touch-screen panel become more and more popular, the current adverse impact is much less than expected. Many of those portable devices are still equipped with keypads, or keypads have become their peripherals. This brought new opportunities to the industry.

Although operation costs in the PRC remained high, we succeeded in improving our gross profit margin during the year through greater economies of scales, effective cost control and productivity enhancement.

The expansion in production of keypads for laptops and netbooks at Huzhou plant started to contribute to the Group. With the increase in sales order, the utilization rate improved steadily. By implementing prudent management strategies, operating costs such as manufacturing overheads and cost of materials were under control.

業務回顧

本公司的整體表現

在金融動蕩及希臘債務危機的陰霾下，年內全球市場及經營環境甚為嚴峻，但本集團的營業額仍錄得大幅增長，達致本集團的歷史新高。截至二零一零年七月三十一日止財政年度，營業額較去年增加約31%。本集團的收入仍然主要來自銷售電子消費品，但所佔總營業額百分比已由48%減少至44%。憑藉近期可攜式裝置需求上升，手機按鍵的銷量表現優異，增幅達116%，成為我們的主要增長動力。因此，其所佔總營業額比例由9%上升至15%。

面對近期全球經濟下滑，客戶不願意接受售價上漲。然而，經過與客戶的不斷磋商，我們得以將若干成本增幅轉嫁予客戶。此外，本公司致力拓展客戶群亦漸見成果，成功鞏固與新的大型客戶的關係。縱使設有輕觸屏幕介面的可攜式裝置愈見普及，但目前所造成的不利影響卻遠低於預期。大部分該等可攜式裝置仍設有按鍵，或按鍵成為該等裝置的周邊產品，為行業帶來了新的機遇。

雖然中國的經營成本高企，但我們透過更大型的經濟規模、有效的成本控制及提升生產力，成功改善年內的毛利率。

湖州廠房擴展手提電腦及小型筆記本電腦按鍵的生產開始為本集團帶來回報。使用率隨著銷售訂單增加而穩步上升。透過實施審慎的管理策略，生產間接成本及物料成本等經營成本得以受控制。

Business Review & Outlook 業務回顧及展望

In addition, the defect rate for our production decreased during the year, which further improved our performance. The decrease in defect rate was mainly due to our reorganisation of production process which led to a smoother and more efficient production flow. All these efforts brought about a tremendous improvement in our business that benefited the overall profit margins.

During the year, the increase in the Group's gross profit margin was constrained due to the increase in production costs as a result of the rise in wages and raw material costs. In response to the demand for salary raise from workers, the Group increased the wages in 2010. Due to the imbalance between supply and demand in the PRC labour market, especially in Guangdong province, it was expected the wage level will keep rising in the near future. The Group had commenced the project to move a certain portion of the production to the western part of the PRC where production costs will be lower.

During the year, the newly launched brand "SIPALS" managed to maintain steady growth by providing a wide range of new lifestyle products with environmental friendly features and cultural concepts. During the year, apart from the Taiwan market, the new brand expanded into the PRC market and continued to gain consumer supports. Although the revenue from SIPALS was still insignificant during the year, we believe these products will contribute profit in future. To sustain its growth, the Group will continue to maintain high-margin products and focus on marketing these products to broaden its customer base and explore business opportunities.

Consumers are expecting more sophisticated and integrated products and services, and hence we will strengthen our research and development capabilities, so as to introduce the most attractive and innovative products to customers and differentiate us from our competitors.

此外，我們的生產缺陷率下降，進一步改善我們的表現。缺陷率下降主要由於我們重組生產程序，令生產流程更為暢順及效率更高所致。上述所有措施均讓我們的業務大幅改善，整體溢利率亦因而受惠。

年內，本集團毛利率升幅收窄，乃由於工資及原材料成本上升導致生產成本上升所致。為回應工人加薪的訴求，本集團於二零一零年提高工資。由於中國勞工市場供求失衡(尤其於廣東省)，預期工資水平將於短期內繼續上升。本集團已展開計劃，將部分生產移至生產成本較低的華西地區。

年內，新推出的品牌「SIPALS」藉提供揉合環保特色及文化概念的多元化時尚產品而錄得穩定增長。年內，除台灣市場外，新品牌亦已拓展至中國市場，並繼續獲得消費者支持。雖然SIPALS於年內的收益仍然有限，但我們相信該等產品日後定會帶來溢利。為維持增長，本集團將繼續保留高溢利的產品，並集中推廣該等產品以擴大客戶群及拓展商機。

由於消費者期望享有更細緻及全面的產品及服務，因此，我們將加強研發能力，為客戶引入具備吸引力的創新產品，使我們在競爭對手中脫穎而出。



OUTLOOK

Over the past year, the Group has gained invaluable experience in a stressful business environment and laid solid foundation in adversity. While keeping a watchful eye on the development of the debts crisis in the Euro economic zone and performance of the European market in the near future, the management remains cautiously optimistic about the prospects of the Group's business.

Looking towards the future, the Group will focus on several major areas. It will further enhance operational efficiency by continuing with the cost control measures and improvement on productivity. In addition, the Group will put increasing resources in research and development, such as planning to set up a research centre to enhance product quality, develop application ability of raw materials and increase product variety. This proactive strategy will enable the Group to build up closer relationships with both existing customers and potential new customers. It will also continue to diversify our revenue mix through consolidating existing businesses, enriching product offerings, broadening its customer base and exploring new business opportunities.

The continuous increase in production cost in the PRC and resumption of appreciation of RMB will threaten the Group's overall performance. Apart from the enhancement of operational efficiency, the Group has started the plan to move certain portion of the production to the location with lower cost in western part of the PRC or even South East Asia.

We believed that these forward-looking efforts will strength the leading position of the Group and lay a solid foundation for future development.

展望

去年，本集團於緊張的營商環境中取得寶貴的經驗，並在逆境中建立穩固的基礎。管理層將密切留意歐元經濟區債務危機的動向及歐洲市場於近期的表現，同時對本集團的業務保持審慎樂觀。

展望將來，本集團將專注於多個主要領域。本集團將繼續施行成本控制措施及提高生產力，以求進一步加強經營效率。此外，本集團將投放更多資源於研發活動，例如計劃建立研究中心以提高產品質素、發展原材料的應用能力及豐富產品種類。此進取策略將讓本集團與現有客戶及潛在新客戶建立更緊密的關係。我們亦會透過鞏固現有業務、豐富產品類別、拓展客戶群及開拓新業務機會等方法繼續開拓收益來源。

中國生產成本不斷上漲及人民幣再次升值將打擊本集團的整體表現。除加強經營效率外，本集團亦已開始將若干生產程序遷移至成本較低的中國西部，甚或遷移至東南亞地區。

我們相信該等高瞻遠矚的措施將鞏固本集團的領導地位，並為日後發展奠定穩固根基。



The World's Most Competitive Silicon Rubber
PRODUCT MANUFACTURER

全球最具競爭力的
矽膠產品生產商



Management Discussion and Analysis 管理層討論與分析

FINANCIAL REVIEW

Turnover

Turnover represents gross revenue generated from the sales of our products, net of sales tax and other similar taxes. Our turnover is affected by the volume of total products sold and the product mix because our product lines have different selling prices.

The consolidated turnover for the year ended 31 July 2010 was increased by 30.9% to HK\$812.1 million (2009: HK\$620.3 million) while our profit attributable to equity shareholders was HK\$67.3 million (2009: loss of HK\$38.9 million).

Basic earnings per share of the Company was HK8.51 cents per share based on the weighted average number of 790,610,000 shares in issue during the year (2009: loss per share of HK4.86 cents based on weighted average number of 800,000,000 shares).

財務回顧

營業額

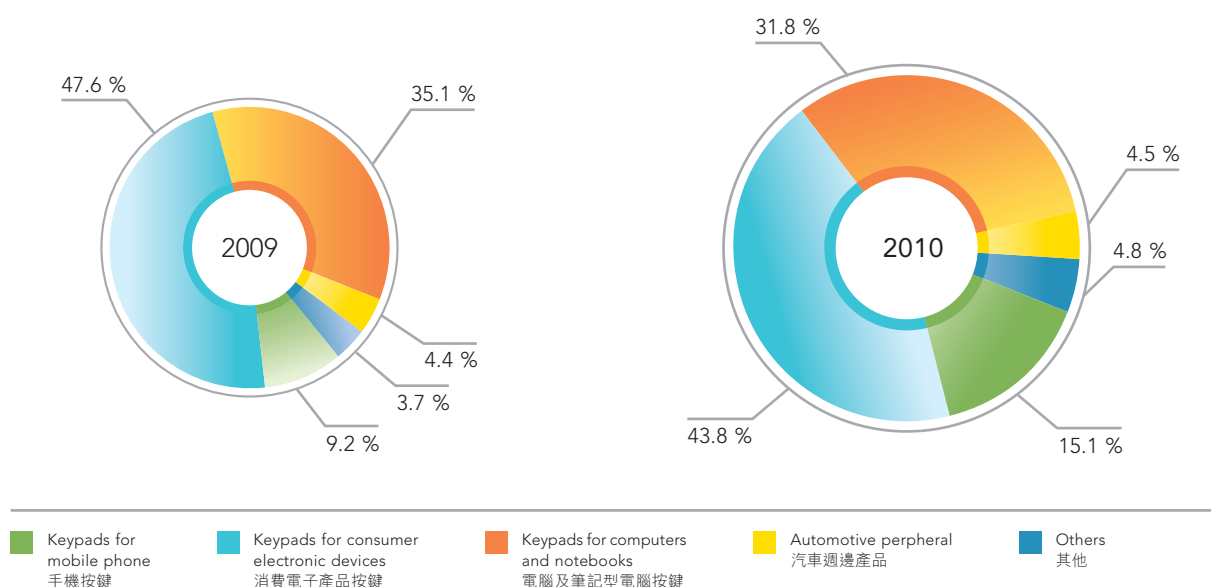
營業額指本集團銷售產品所得總收益扣除銷售稅及其他類似稅項。由於本集團的產品售價各異，故營業額受產品總銷量及產品組合所影響。

截至二零一零年七月三十一日止年度的綜合營業額增加30.9%至812,100,000港元(二零零九年：620,300,000港元)，而權益持有人應佔溢利為67,300,000港元(二零零九年：虧損38,900,000港元)。

根據年內已發行股份的加權平均數790,610,000股計算，本公司的每股基本盈利為8.51港仙(二零零九年：根據加權平均數800,000,000股計算每股基本虧損為4.86港仙)。

SALES BY PRODUCT

按產品分類的銷售



Management Discussion and Analysis 管理層討論與分析

Keypads for consumer electronic devices

Turnover for the sales of keypads for consumer electronics devices increased by approximately 20.6% to HK\$355.9 million in 2010 from HK\$295.2 million in 2009.

Due to the gradual recovery of global economy and the potential of increased spending by the consumer, the demand for consumer electronics devices is increased dramatically. Apart from the increase in sales orders from existing customers, the customer base has been broadened by obtaining some sizable new customers. This also led the turnover to increase accordingly.

電子消費品按鍵

銷售電子消費品按鍵所得營業額由二零零九年的295,200,000港元增加約20.6%至二零一零年的355,900,000港元。

由於全球經濟逐漸復甦，而消費者的開支亦可能有所增加，故電子消費品的需求大幅上升。除現有客戶訂單增加外，我們亦透過招攬大型客戶擴闊客戶群，營業額亦因此增加。



Keypads for mobile phone

Turnover for the sales of mobile phone keypads increased by approximately 115.8% to HK\$122.7 million in 2010 from HK\$56.9 million in 2009. During the year, the demand for the innovative mobile phone such as 3G smartphone was still in a rising trend. The Group has received tremendous orders for the production of keypads which would still be equipped with those smartphones even though they are using touch-screen panels. Accordingly, it led to a remarkable growth in turnover for the year.

手機按鍵

銷售手機按鍵所得營業額由二零零九年的56,900,000港元增加約115.8%至二零一零年的122,700,000港元。年內，3G智能手機等創新手機的需求仍處於上升趨勢。本集團接獲大量按鍵生產訂單，而該等按鍵可裝配於使用輕觸屏幕介面的智能手機。因此，年內營業額錄得可觀增長。

Keypads for computers and notebooks

Turnover for the sales of keypads for computers and notebooks increased by approximately 18.9% to HK\$258.5 million in 2010 from HK\$217.4 million in 2009.

Same as innovative mobile phones, the market demand for notebooks and netbooks computers were continuing to climb. Their lightweight portability and increasing user-friendly pricing has won consumers' hearts. Although the recent tablet computers became more and more popular, it did not bring threat to the Group. On the contrary, new opportunity comes as it created a new demand for peripherals for them such as removable keyboards. It led the Group to be benefited from this rapid changing market.

Automotive peripheral products

Turnover for the sales of automotive peripheral products increased by approximately 32.7% to HK\$36.6 million in 2010 from HK\$27.5 million in 2009. With the effect from worldwide government's economic stimulus measures, global consumer confidence had been gradually recovered and so as the demand for the automotives especially for the US market. As a result, sales order for automotive peripheral products also increased accordingly.

Cost of Sales

Cost structure

The overall cost of sales increased by approximately 21.6% from HK\$519.2 million in 2009 to HK\$631.5 million in 2010 which was in line with turnover. Although operation environment to the industry in the PRC is still tough, the rate of increase in cost of sales is lower than that of turnover due to the effective cost control measure and greater effect of economies of scales.

Gross profit

The gross profit of the Group for the year 2010 was HK\$180.5 million, which represented an increase of approximately 78.7% from that of HK\$101.1 million for the year 2009. Apart from boom in turnover, the increase of gross profit was also due to the production cost in the PRC was succeeded to maintain at a very stable level.

電腦及筆記型電腦按鍵

銷售電腦及筆記型電腦按鍵所得營業額由二零零九年的217,400,000港元增加約18.9%至二零一零年的258,500,000港元。

猶如創新手機的情況，筆記型電腦及小型筆記本電腦的市場需求持續攀升。該等產品不但輕便，而且定價經濟，贏得消費者一致好評。雖然平板電腦愈見普及，但並未對本集團構成威脅。相反，此類產品的周邊產品(如可拆除式鍵盤)創造了新的需求，從而帶來新的機遇，讓本集團在迅速變化的市場中受惠。

汽車周邊產品

銷售汽車周邊產品所得營業額由二零零九年的27,500,000港元增加約32.7%至二零一零年的36,600,000港元。隨著各國政府刺激經濟的措施，全球消費者信心逐漸恢復，美國等市場的汽車需求亦隨之回升。因此，汽車周邊產品的銷售訂單亦相應地增加。

銷售成本

成本結構

整體銷售成本由二零零九年的519,200,000港元增加約21.6%至二零一零年的631,500,000港元，與營業額相符。雖然中國的業內經營環境仍然嚴峻，但憑藉有效的成本控制措施及經濟規模效應較大，故銷售成本的增幅低於營業額。

毛利

本集團於二零一零年的毛利為180,500,000港元，較二零零九年的101,100,000港元增加約78.7%。除了由於營業額大幅增加外，毛利增加亦由於中國的生產成本維持穩定所致。

Management Discussion and Analysis

管理層討論與分析

The expansion in Huzhou plant for the production of keypads of laptops and netbooks started to contribute to the Group. With the increase in sales order, the utilization rate improved steadily. This is also attributable to the implementation of prudent management strategies in controlling operating costs such as manufacturing overheads and cost of materials.

Thanks to the dedication of our sales staff, notwithstanding the customers' strong inertia in accepting the Group's product selling price adjustments, we were still able to shift a certain portion of the cost increment to the customers. As a result, certain pressure on the continuous rise in wages and prices of raw materials was relieved.

Other operating income

Other operating income decreased by approximately 0.4% to HK\$17.4 million in 2010 from HK\$17.5 million in 2009, primarily due to the decrease in interest income from bank deposits.

Selling and distribution expenses

Selling and distribution expenses decreased by approximately 0.6% to HK\$28.1 million in 2010 from HK\$28.3 million in 2009. When counted as a percentage of the turnover, the total amount was 3.5% (2009: 4.6%). The slightly decrease was attributable to the implementation of effective cost control measures despite of the significantly increase in turnover.

Administrative expenses

Administrative expenses decreased by approximately 0.2% to HK\$94.5 million in 2010 from HK\$94.7 million in 2009. Although the operation cost in the PRC remained very high, we were able to maintain the administrative costs on a stable level after the adoption of various tighter cost control measures on daily operation.

Bad debts written off

With gradual recovery of global economy, the bad debt expenses return to normal level during the year.

Profit (loss) for the year

Profit for the year ended 31 July 2010 was HK\$67.3 million while the loss for the year ended 31 July 2009 was HK\$38.9 million. The net profit margin of our Group increased to 8.3% for the year ended 31 July 2010 (2009: net loss margin of 6.3%).

湖州廠房擴充手提電腦及小型筆記本電腦的按鍵生產亦開始為本集團帶來回報。使用率隨著銷售訂單增加而穩步上升。此亦由於實施審慎的管理策略以控制生產間接成本及物料成本等經營成本所致。

憑藉銷售員工的不懈努力，縱使客戶抗拒本集團產品作售價調整，但我們仍成功將部分成本漲幅轉嫁予客戶，舒緩了工資及原材料價格持續上升的壓力。

其他經營收入

其他經營收入由二零零九年的17,500,000港元減少約0.4%至二零一零年的17,400,000港元，主要由於銀行存款的利息收入減少所致。

銷售及分銷開支

銷售及分銷開支由二零零九年的28,300,000港元減少約0.6%至二零一零年的28,100,000港元。按佔營業額百分比計算，總額為3.5%（二零零九年：4.6%）。縱使營業額大幅增加，但銷售及分銷開支仍輕微減少，乃由於實施有效成本控制措施所致。

行政開支

行政開支由二零零九年的94,700,000港元減少約0.2%至二零一零年的94,500,000港元。儘管中國的經營成本持續高企，本集團於日常營運方面實行多項更嚴謹的成本控制措施，令行政開支得以維持穩定。

已撇銷壞賬

隨著全球經濟復甦，年內的壞賬開支回復至正常水平。

年內溢利(虧損)

截至二零一零年七月三十一日止年度的年內溢利為67,300,000港元，而截至二零零九年七月三十一日止年度的年內虧損則為38,900,000港元。本集團截至二零一零年七月三十一日止年度的純利率增加至8.3%（二零零九年：淨虧損率6.3%）。

DIVIDEND POLICY

Our Directors expect that dividends will be paid as interim and/or final dividends. We currently intend to pay annual cash dividends of not less than 30% of our Group's audited consolidated profits after taxation to our shareholders for the applicable year. However, the determination to pay such dividends will be made at the discretion of our Board and will be based upon our operating results, cash flows, financial positions, capital requirements and other relevant circumstances that the Board deems relevant. The payment of dividends may be limited by legal restrictions and by agreements that we may enter into in the future. Our Directors are of the views that our dividend policy will not affect the sufficiency of our working capital in the coming years.

FINANCIAL MANAGEMENT AND TREASURY POLICY

The Group adopts a conservative approach for cash management and investment on uncommitted funds. The net proceeds from the international offering (as defined in the Prospectus) have mainly been placed on short-term deposits with authorized financial institutions in Hong Kong.

During the year, the Group's receipts were mainly denominated in US dollars, Hong Kong dollars and RMB. Payments were mainly made in US dollars and RMB.

股息政策

董事預期將以中期及／或末期股息方式派付股息。本集團目前計劃於合適年度向股東派付不少於本集團經審核綜合除稅後溢利30%的年度現金股息。然而，派付該等股息將由董事會酌情決定，並根據本集團經營業績、現金流量、財務狀況、資本需求及其他董事會視為相關的有關情況釐定。派付股息或受法律規限及本集團日後可能訂立的協議所限制。董事認為，本集團的股息政策將不會影響本集團日後年度的營運資金的充裕程度。

財務管理及庫務政策

本集團對無指定用途的資金採取保守的現金管理及投資策略。國際發售(定義見售股章程)所得款項淨額已存放於香港認可財務機構作短期存款。

年內，本集團所得款項主要以美元、港元及人民幣列值。付款則主要以美元及人民幣支付。



Management Discussion and Analysis 管理層討論與分析

In respect of the US dollar, the management regards that the foreign exchange risk for Hong Kong dollar to US dollar is not material because (i) Hong Kong dollar remains pegged to the US dollar and (ii) most of the Group's purchases are denominated in US dollars, which are to be settled by sales receipts in US dollars.

In respect of the RMB, as the Group's production plants are located in the PRC, most of our labour costs, manufacturing overheads, selling and administrative expenses were denominated in RMB. Therefore, the appreciation of RMB will adversely affect the Group's profitability. The Group will closely monitors foreign exchange exposure for RMB and consider hedging significant exposure should the need arise.

就美元而言，管理層認為港元兌美元的外匯風險並不重大，因為(i)港元仍與美元掛鈎及(ii)本集團大部分採購均以美元列值，且以美元銷售收益結算。

就人民幣而言，由於本集團的生產廠房均位於中國，故大部分勞工成本、生產間接成本、銷售及行政開支均以人民幣列值。因此，人民幣升值將對本集團的盈利能力帶來不利影響。本集團將密切監察人民幣的外匯風險並於有需要時考慮對沖重大外幣風險。

LIQUIDITY AND FINANCIAL RESOURCES

During the year, the Group's source of fund was cash generated from net proceeds of the international offering and operating activities. The financial ratios are as follows:

現金流量及財務資源

年內，本集團的資金來源主要為國際發售的所得款項淨額及經營活動的現金。財務比率載列如下：

		As at 31 July 2010 於二零一零年 七月三十一日 HK\$'000 千港元	As at 31 July 2009 於二零零九年 七月三十一日 HK\$'000 千港元
Cash and cash equivalents	現金及現金等價物	333,789	458,000
Net cash outflow	現金流出淨額	(126,982)	(29,275)
Current ratio	流動比率	4.9	6.6
Quick ratio	速動比率	3.9	5.7

With our strong financial background upon Listing on the Stock Exchange, we expect we will have sufficient cash to cover future capital expenditure requirements.

憑藉本集團在聯交所上市的強健財務背景，預期本集團將擁有充裕現金以應付日後的資本開支。

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

The Group had no material acquisition or disposal of any subsidiaries and associated companies for the year ended 31 July 2010.

重大收購及出售附屬公司及聯營公司

本集團在截至二零一零年七月三十一日止年度內並無重大收購或出售任何附屬公司及聯營公司。

USE OF PROCEEDS

The net proceeds raised from the international offering received by the Company was approximately HK\$635 million.

所得款項用途

本公司從國際發售中籌得所得款項淨額約635,000,000港元。

The usage of net proceeds until 31 July 2010 are as follows:

截至二零一零年七月三十一日，所得款項淨額已作出下列用途：

Particular 項目		Planned amount 計劃用款 HK\$ million 百萬港元	Utilised amount 已使用款 HK\$ million 百萬港元
Expansion of production facilities for silicone rubber based products	擴充矽膠產品生產設施	468	(208)
Upgrade and expansion of upstream production facilities	提升及擴充上游生產設施	56	-
Strengthening research and development capabilities	加強研發能力	39	(26)
Implementation of resources planning system	執行資源規劃系統	22	(1)
General working capital	一般營運資金	50	(50)
Total	總計	635	285

The remaining net proceeds have been deposited on short-term basis in licensed financial institutions in Hong Kong and the PRC.

所得款項淨額餘款已存放於香港及中國持牌財務機構作短期存款。



CAPITAL COMMITMENTS, CONTINGENCIES AND CHARGES ON ASSETS

Capital commitments contracted by the Group but not yet provided for in the consolidated financial statements as at 31 July 2010 were approximately HK\$8.6 million, which was mainly related to the expansion of production capacity in Dongguan and Huzhou in the PRC. Such capital commitments will be financed by the net proceeds from the international offering.

As at 31 July 2010, the Group had no material contingent liabilities and the Group's assets were free from any charge.

HUMAN RESOURCES AND REMUNERATION POLICIES

As the Group is committed to expand our production capacity and develop high value-added products, such as mobile phone keypads, experienced workers, engineers and professionals are the most important assets to the Group. We offer on-the-job training and encourage our staff to attend continuous professional training in order to update their skills and knowledge.

資本承擔、或有事項及資產抵押

於二零一零年七月三十一日，本集團已訂約但未於綜合財務報表撥備的資本承擔約為8,600,000港元，主要與擴充中國東莞及湖州生產能力有關。有關資本承擔將以國際發售所得款項淨額撥付。

於二零一零年七月三十一日，本集團並無重大或然負債，且本集團的資產亦無用作任何抵押。

人力資源及薪酬政策

由於本集團致力擴充產能以及開發高增值產品，例如手機按鍵，故饒富經驗的工人、工程師及專業人士乃本集團的最重要資產。我們提供在職培訓，並鼓勵員工參加持續專業培訓，以增進彼等的技能及知識。



We offer competitive remuneration package, including quality staff quarters, trainings, medical, insurance coverage and retirement benefits, to all employees in Hong Kong and in the PRC. As at 31 July 2010, the Group has 9,076 permanent and temporary employees (2009: 8,123). The total salaries and related costs for the year ended 31 July 2010 amounted to approximately HK\$293.1 million (2009: HK\$225.1 million).

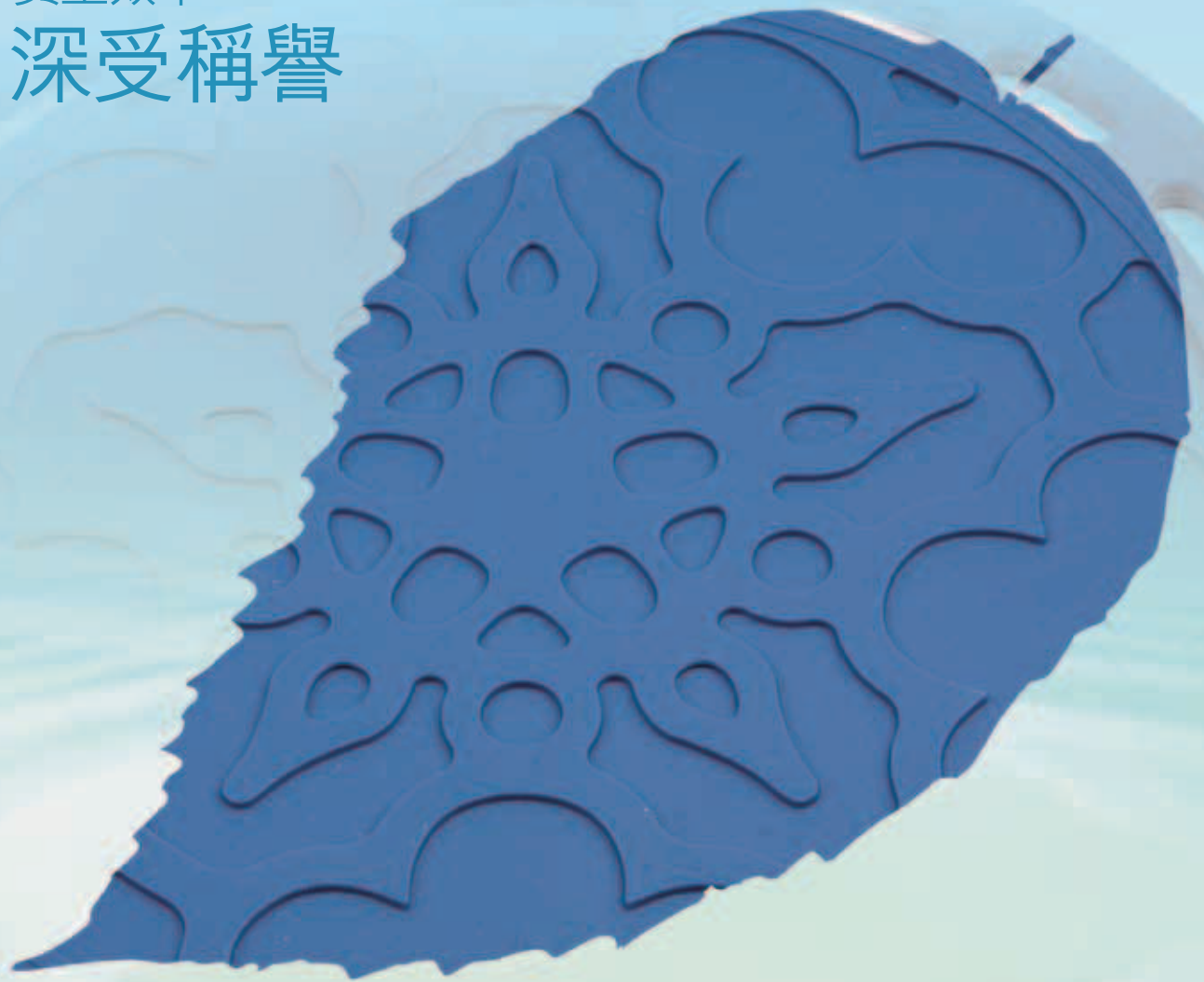
The Group adopted a Pre-IPO Share Option Scheme on 16 May 2007 for the purpose of recognition of employees' contribution before the Listing. As at 31 July 2010, a total of 6,660,000 share options were still outstanding under the Pre-IPO Share Option Scheme, of which 4,830,000 share options are held by employees of the Group. The Company also adopted a Post-IPO Share Option Scheme on 16 May 2007. During the year, a total of 10,950,000 shares were granted to the eligible grantee. As at 31 July 2010, a total of 10,584,000 share options were still outstanding under the Post-IPO Share Option Scheme of which 6,984,000 share options are held by the employees of the Group.

我們向香港及中國所有僱員提供具競爭力的薪酬方案，包括優質的員工宿舍、培訓、醫療、保險及退休福利。於二零一零年七月三十一日，本集團合共聘用全職及臨時僱員9,076名(二零零九年：8,123名)。於截至二零一零年七月三十一日止年度，薪酬及有關成本開支總額約為293,100,000港元(二零零九年：225,100,000港元)。

本集團於二零零七年五月十六日採納首次公開發售前購股權計劃，以對僱員於上市前的貢獻表示認同。於二零一零年七月三十一日，首次公開發售前購股權計劃項下合共有6,660,000份購股權尚未行使，其中4,830,000份購股權由本集團僱員持有。本公司亦於二零零七年五月十六日採納首次公開發售後購股權計劃。年內，授予合資格承授人共10,950,000股股份。於二零一零年七月三十一日，首次公開發售後購股權計劃項下合共有10,584,000份購股權尚未行使，其中6,984,000份購股權由本集團僱員持有。

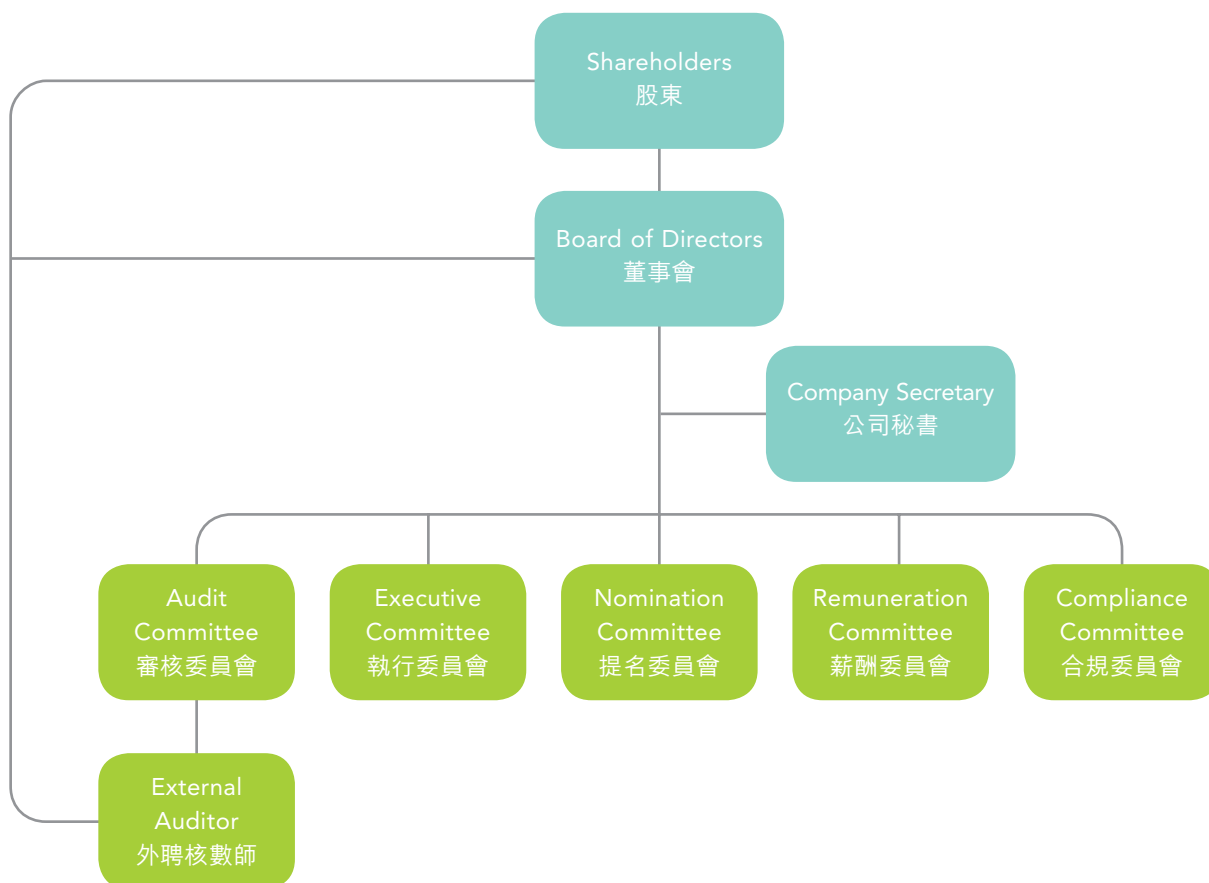
Excellent Reputation for
QUALITY AND EFFICIENCY

質量效率
深受稱譽



CORPORATE GOVERNANCE STRUCTURE

企業管治架構



Voluntary key practices adopted by the Company

- Group Policy and Procedures for independent professional advice was established by the Company
- Share Repurchase Policy was established by the Company
- Code of Ethics and Securities Transaction was adopted by the Company
- Continuing professional training to the Directors was provided by the Company periodically

本公司自願採納的主要常規

- 本公司已制訂有關獨立專業意見的本集團政策及程序
- 本公司已制訂股份購回政策
- 本公司已採納操守及證券交易守則
- 本公司已定期向董事提供持續專業培訓

CORPORATE GOVERNANCE PRACTICES

The Company has adopted its own code on corporate governance practices (“the CG Code”) which is not less than the code provisions as set out in the Code on Corporate Governance Practices (the “HKEX Code”) contained in Appendix 14 of the Rules of Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”). The Company is committed to high standard of corporate governance and has applied all the principles in the HKEX Code. This report is prepared with reference to the HKEX Code. Throughout the financial year ended 31 July 2010, the Group has complied with the provision set out in HKEX Code.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions, by Director of the Listed Issuers as set out in Appendix 10 of the Listing Rules as the code for directors’ securities transactions (the “Model Code”). All the Directors have confirmed their compliance with the required standards set out in the Model Code during the year.

The Company has adopted its “Code of Ethics and Securities Transaction” to regulate the Directors and employees of the Group in dealing shares of the Company and provide guidelines and procedures on handling the conflict of interests of Directors.

企業管治常規

本公司已採納其企業管治常規守則(「企業管治守則」)，而該守則並不遜於香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「聯交所守則」)的守則條文。本公司致力維持高水平的企業管治常規，並已應用聯交所守則的所有原則。本報告乃根據聯交所守則而編製。本集團於截至二零一零年七月三十一日止財政年度一直遵守聯交所守則載列的條文。

董事的證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)作為董事進行證券交易的守則。全體董事已向本公司確認彼等於年內一直遵守標準守則所載的規定。

本公司已採納「操守及證券交易守則」以規管本集團董事及僱員買賣本公司股份，並提供有關處理董事利益衝突的指引及程序。

BOARD OF DIRECTORS

Composition of the board of directors

The board of Directors (the "Board") of the Company comprises five executive Directors, one non-executive Director and three independent non-executive Directors. The function of the Board is to guide the management to ensure the interests of the shareholders of the Company are safeguard.

As at 31 July 2010, the Board comprises the following members:

董事會

董事會的組成

本公司董事會(「董事會」)由五名執行董事、一名非執行董事及三名獨立非執行董事組成。董事會的職責為引導管理層確保本公司股東的權益受到保障。

於二零一零年七月三十一日，董事會由以下成員組成：

Name of Director 董事	Position 職位	Date of first appointment to the Board 首次獲委任為董事會成員的日期	Date of last re-election as Director 最近一次膺選連任為董事的日期
Huang Sheng-Shun 黃勝舜	Chairman/Executive Director 主席／執行董事	23/2/2006	27/11/2007
Wu Ih Chen 吳意誠	Chief Executive Officer/Executive Director 行政總裁／執行董事	23/2/2006	29/12/2009
Lin Hung-Ming 林宏明	Executive Director 執行董事	23/2/2006	10/12/2008
Wong Tak Leung 黃德良	Executive Director 執行董事	23/2/2006	10/12/2008
Huang Te-Wei 黃德威	Executive Director 執行董事	23/2/2006	10/12/2008
Kirk Yang 楊應超	Non-Executive Director 非執行董事	18/4/2008	10/12/2008
Hsieh Yu 謝裕	Independent Non-Executive Director 獨立非執行董事	16/5/2007	27/11/2007
Jou Yow-Jen* 周幼珍*	Independent Non-Executive Director 獨立非執行董事	29/12/2009	N/A
Yeung Chi Tat 楊志達	Independent Non-Executive Director 獨立非執行董事	16/5/2007	29/12/2009

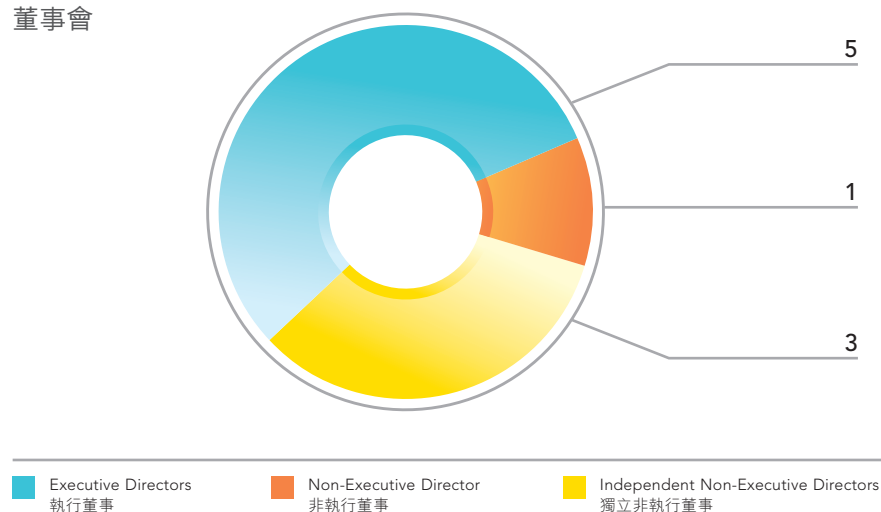
* Mr. Chuang Hong-Jen retired as an independent non-executive director on 29 December, 2009 and Professor Jou Yow-Jen was appointed as an independent non-executive director on 29 December, 2009

* 莊宏仁先生於二零零九年十二月二十九日退任獨立非執行董事一職，而周幼珍教授於二零零九年十二月二十九日獲委任為獨立非執行董事

The size and composition of the Board are reviewed from time to time, taking into account the scope and nature of operations of the Company, to ensure that the size of the Board is adequate to provide a diversity of views and facilitate effective decision-making. The Directors come from diverse background with varied expertise in finance, legal industry and business fields. The biographical details of all Directors and the relationships among them are set out in the "Directors' Profile" and "Senior Management Profile" on pages 10 to 15 of this annual report and the Company's website. Save as disclosed in the section of "Directors' Profile" and "Senior Management Profile", none of the Directors except Mr. Huang Shang-Shun is the father of Mr. Huang Te-Wei, has any financial, business, family or other material or relevant relationships among members of the Board.

本集團會不時檢討董事會的規模及組成，當中會考慮本公司的業務範疇及性質，以確保董事會的規模足以提供不同的觀點，並作出有效決策。董事擁有不同背景，具備金融、法律及商業領域的專業知識。所有董事的履歷詳情及彼等之間的關係載於本年報第10頁至第15頁「董事簡介」及「高級管理人員簡介」及本公司網站。除「董事簡介」及「高級管理人員簡介」一節所披露者外，除黃勝舜先生是黃德威先生的父親外，概無董事與董事會成員間有任何財務、商業、家族或其他重大或相關關係。

The Board 董事會



The composition of the Board is well balanced with each Director having sound industry knowledge, extensive corporate and strategic planning experience and/or expertise relevant to the business of the Group. All executive Directors and independent non-executive Directors bring a variety of experience and expertise to the Company.

董事會的成員各有所長，而每名董事對於本集團所從事業務均具備充分行業知識、豐富的企業及策略規劃經驗及／或專門技術。所有執行董事及獨立非執行董事均能為本公司帶來各種經驗及專門技術。

Executive Directors
執行董事

Name 姓名	Position 職位	Current Function/Experience 目前職責／經驗
Huang Sheng-Shun 黃勝舜	Executive Director & Chairman 執行董事兼主席	<ul style="list-style-type: none"> development of corporate operation and strategies 企業營運及策略的發展
Wu Ih Chen 吳意誠	Executive Director & Chief Executive Officer 執行董事兼行政總裁	<ul style="list-style-type: none"> marketing, administration and financial planning 行銷推廣、行政管理及財務規劃
Wong Tak Leung 黃德良	Executive Director & Deputy General Manager 執行董事兼副總經理	<ul style="list-style-type: none"> sales and marketing 銷售及行銷推廣
Lin Hung-Ming 林宏明	Executive Director & Research & Development Director 執行董事兼開發及發展部主管	<ul style="list-style-type: none"> research and development 研究及發展
Huang Te-Wei 黃德威	Executive Director & General Manager 執行董事兼總經理	<ul style="list-style-type: none"> daily operation of the Group and strategic planning 本集團的日常營運及策略規劃 overseeing the Group's compliance and internal control matters 監督本集團的合規及內部監控事宜

Non-Executive Director
非執行董事

Name 姓名	Position 職位	Experience/Skill 經驗／技能
Kirk Yang 楊應超	Non-Executive Director 非執行董事	<ul style="list-style-type: none"> corporate finance, investment, merger and acquisition, public relations and institutional investors relations 企業財務、投資、合併與收購、公共關係及機構投資者關係

Independent Non-Executive Directors

獨立非執行董事

Name 姓名	Independence ¹ 獨立性 ¹	Experience/Skill 經驗／技能
Yeung Chi Tat 楊志達	✓	<ul style="list-style-type: none"> auditing and corporate restructuring 審計及企業重組
Hsieh Yu 謝裕	✓	<ul style="list-style-type: none"> legal and compliance 法律及合規
Jou Yow-Jen 周幼珍	✓	<ul style="list-style-type: none"> Statistics, econometrics, financial time series analysis and financial information analysis 統計、計量經濟、財務時間序列分析及財務資料分析

Note 1: all independent non-executive directors are free from any business and relationships that could materially interference with the exercise of their independent judgement.

附註1：所有獨立非執行董事概無涉及任何業務及關係可嚴重干預其作出獨立判斷。

Chairman and Chief Executive Officer

According to the code provision A.2.1 of the CG Code, the roles of the Chairman, Mr. Huang Sheng-Shun, and the Chief Executive Officer (the "CEO"), Mr. Wu Ih Chen are segregated in order to ensure a clear distinction between the responsibilities of the Chairman and the CEO.

There are clear demarcations of responsibility and authority between the Chairman and the CEO which ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

The Chairman focuses on the Group's business and strategic matters to ensure the Board is operated effectively. In addition, the Chairman will lead the Board to establish good corporate governance practices and procedures for the Group.

The CEO is responsible for the marketing, administration and financial operation and to ensure the approved Group's strategies are effectively implemented to achieve the goals of the Group.

主席及行政總裁

根據企業管治守則第A.2.1條守則條文規定，主席黃勝舜先生及行政總裁（「行政總裁」）吳意誠先生的職位的職責須作區分，藉以確保主席與行政總裁的責任明確劃分。

主席及行政總裁的職責及權限有明確區分，可確保權力均衡，加強問責性，以及提高董事會作出獨立決策的能力。

主席致力於本集團的業務及策略事務以確保董事會有效運作。此外，主席將引領董事會為本集團建立良好的企業管治常規及程序。

行政總裁負責行銷推廣、行政管理及財務營運，確保本集團通過的策略能有效地執行，以達到本集團的目標。

Functions of the Board of Directors

The Board is responsible for the oversight of the management of the Company's business and affairs with the goal of maximizing long-term shareholder's value, while balancing broader stakeholder interests. The Board has the following main duties:

- determine all the corporate matters;
- be responsible for the management, direction and supervision of the businesses of the Group; and
- be responsible to ensure the effectiveness on Group's financial reporting and compliance.

The Board has matters reserved for its decisions and these include:

- the Group's long-term strategy and business plan;
- major capital projects, acquisitions or divestments;
- funding decision of the Group;
- internal control, risk management and compliance; and
- annual and interim financial results and shareholder communications.

The Board delegates the authority and responsibility for implementing day-to-day operations, business strategies and management of the Group's businesses to the executive Directors, senior management and certain specific responsibilities to the Board committees.

When the Board delegates aspects of its management and administration functions to the management, it has given clear directions as to the powers of management, in particular, with respect to the circumstances. While allowing management substantial autonomy to run and develop the business, the Board plays a key role in structuring and monitoring the reporting systems and internal controls. The composition, functions of each Board committee and their major role and function are described below. The final decision still rests with the Board unless otherwise provide for in the terms of reference of relevant committees.

董事會的職責

董事會負責監督本公司對業務及事務的管理，目標為盡量提升長期股東價值，同時均衡更廣泛的股東權益。董事會的主要職責如下：

- 決定所有企業事宜；
- 負責本集團業務管理、方向及監督；及
- 負責確保本集團的財務申報及合規的有效性。

董事會有待決定的事宜包括：

- 本集團的長遠策略及業務計劃；
- 主要資本項目、收購或分拆出售；
- 本集團的融資決策；
- 內部監控、風險管理及合規；及
- 全年及中期財務業績及股東交流。

董事會將實行日常營運、業務策略及本集團業務管理的授權及責任委派給執行董事、高級管理層，並將若干特定責任指派予董事委員會。

當董事會將管理及行政功能方面的權力轉授予管理層時，已同時就有關管理層的權力，給予清晰的指引，特別是在何種情況下施行權力。雖然允許管理層在充分自治的前提下經營及發展業務，惟董事會在架構及監察申報制度與內部監控方面仍扮演關鍵角色。每個董事委員會的組成、職責及其主要作用及職責載列如下。除非相關委員會的職權範圍另有規定，否則董事會仍保留最終決策權。

Independent Non-executive Directors

The Independent Non-executive Directors bring a wide range of skills and business experience to the Group. They also bring independent judgment on the issues of strategy, performance and risk through their contribution to the Board meetings and to the Board's committee meetings.

In compliance with Rule 3.10(1) of the Listing Rules, there are three independent non-executive Directors, representing one-third of the Board. Among the three independent non-executive Directors, one of them have appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

The Company has received from each of its independent non-executive Directors the written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company, based on such confirmation, considers, Mr. Hsieh Yu, Professor Jou Yow-Jen and Mr. Yeung Chi Tat to be independent.

The independence of each Director is reviewed annually by the Nomination Committee based on the definition of independence defined in the HKEX Code. The Nomination Committee is satisfied as to the independence of Mr. Hsieh Yu, Professor Jou Yow-Jen and Mr. Yeung Chi Tat, all of whom do not have any relationship perceived to interfere with the exercise of their independent business judgment with a view to the best interest of the Company.

Directors' appointment, re-election and removal

Each of the executive Directors has renewed his own service contract with the Company for a period of three years commencing from 16 May 2010 and subject to a termination by giving not less than 3 months' prior written notice.

Mr. Kirk Yang has entered into a formal appointment letter with the Company for a term of three years commencing from 1 February 2009, subject to a termination by either party giving not less than one month's prior written notice.

Each of the independent non-executive Directors except Professor Jou Yow-Jen has entered into a formal appointment letter with the Company for a term of three years commencing from 16 June 2008, subject to a termination by either party giving not less than one month's prior written notice.

獨立非執行董事

獨立非執行董事為本集團帶來各方面的技術及業務經驗。彼等亦通過董事會會議及董事委員會會議，對策略問題、表現及風險作出獨立評估。

根據上市規則第3.10(1)條，三名獨立非執行董事代表董事會的三分之一。三名獨立非執行董事中，其中一名擁有上市規則第3.10(2)條所規定的會計或相關財務管理專門技術的適當專業資格。

根據上市規則第3.13條，本公司已收到每名獨立非執行董事有關其獨立性的書面確認函。基於該等確認函，本公司認為謝裕先生、周幼珍教授及楊志達先生為獨立人士。

提名委員會根據聯交所守則所界定的獨立性的定義每年審查每名董事的獨立性。提名委員會信納謝裕先生、周幼珍教授及楊志達先生均為獨立人士，彼等概無任何關係而被視為可干涉作出符合本公司最佳利益的獨立商業判斷。

董事的委任、重選及罷免

每名執行董事已與本公司訂立服務合約，自二零一零年五月十六日起計為期三年，並且可由本公司給予不少於三個月的事先書面通知而終止。

楊應超先生已與本公司訂立正式委任書，自二零零九年二月一日起計為期三年，可由任何一方給予不少於一個月的事先書面通知而終止。

每名獨立非執行董事已與本公司訂立正式委任書，自二零零八年六月十六日起計為期三年，可由任何一方給予不少於一個月的事先書面通知而終止。

Professor Jou Yow-Jen has entered a formal appointment letter with the Company for a term of three years commencing from 29 December 2009, subject to a termination by either party giving not less than one month's prior written notice.

In accordance with the Company's articles of association, all Directors (including executive Directors and independent non-executive Directors) are subject to retirement by rotation at least once every three years.

Board meetings and board practices

The Board has scheduled to meet at least four times a year, and the Board will also meet on other occasions when a board-level decision on a particular matter is required. The meetings are structured to allow open discussion. All Directors participate in discussing the strategy, operational and financial performance and internal control of the Group.

The company secretary of the Company (the "Company Secretary") assists the Chairman to prepare the agenda of the meeting and each Director may request to include any matters in the agenda. Generally, at least 14 days' notice is given for the regular meetings by the Company. All substantive agenda items have comprehensive briefing papers, which are circulated at least 3 days before each Board meeting.

The Company Secretary is responsible for distributing detailed documents to Directors prior to the Board meetings to ensure that the Directors are able to make informed decisions regarding the matters discussed in the meetings so that they may receive accurate, timely and clear information.

All Directors may access to the advice and services of the Company Secretary who regularly updates the Board on governance and regulatory matters. The Company Secretary is also responsible for ensuring the procedures of the Board meetings are observed and providing the Board opinions on matters in relation to the compliance with the procedures of the Board meetings.

周幼珍教授已與本公司訂立正式委任書，自二零零九年十二月二十九日起計為期三年，可由任何一方給予不少於一個月的事先書面通知而終止。

根據本公司的組織章程，所有董事(包括執行董事及獨立非執行董事)須每三年至少輪值退任一次。

董事會會議及董事會常規

董事會每年召開至少四次會議，於需要就某事項作出董事會決議時，董事會亦將於其他情況下召開會議。會議的形式有利於進行坦誠討論。所有董事參與討論本集團的策略、營運及財務表現以及內部監控。

本公司公司秘書(「公司秘書」)協助主席編製會議議程，每名董事可要求將任何事項列入議程。一般而言，本公司舉行定期會議前需要發出至少十四天的通知。所有主要議程項目有全面簡介文件，並於每次董事會會議前至少三天傳閱。

公司秘書負責於董事會會議前分派詳細文件予董事，以確保董事能夠就會議上討論的事項作出知情決定，以便彼等可獲得準確、及時及清晰的資料。

所有董事可獲得公司秘書的建議及服務，公司秘書將就管治及監管事項定期向董事會提供更新資料。公司秘書亦負責確保董事會會議依程序進行，並就有關遵守董事會會議程序的事項向董事會提供意見。

If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board, the Company will not deal with the matter by way of written resolution or by a Board committee (except if that Board committee was specifically established for such purpose). The independent non-executive Director with no material interest in the matter will attend the meeting to deal with the matter if it is considered appropriate. Other than the exceptional allowed under the Listing Rules, any Director who or whose associates have any material interest in any proposed Board resolutions will not be counted as a quorum in the relevant Board meeting or no vote for the Board resolutions.

All the Board committees adopted the same principles and procedures used in the Board meetings.

The following table shows the number and the attendance records of the regular Board meetings held during the year:

倘若主要股東或董事在董事會將予考慮的事項中存在利益衝突，本公司不得透過書面決議案或經由董事委員會（特別為此目的而組建的董事委員會除外）處理該事項。倘認為適當，於該事項中無重大權益的獨立非執行董事將出席處理該事項的會議。除上市規則准許的例外情況外，在所提呈的任何董事會決議案中擁有任何重大權益的任何董事或其聯繫人，均不得計入有關董事會會議的法定人數內，亦不得就有關董事會決議案投贊成票。

所有董事委員會均採納董事會會議中所採用的相同原則及程序。

下表顯示於年內召開定期董事會會議的數目及出席紀錄：

		Directors' Attendance 董事出席次數
Executive Directors		
Huang Sheng-Shun	黃勝舜	5/5
Wu Ih Chen	吳意誠	5/5
Lin Hung-Ming	林宏明	4/5
Wong Tak Leung	黃德良	3/5
Huang Te-Wei	黃德威	4/5
Non-executive Director		
Kirk Yang	楊應超	3/5
Independent Non-executive Directors		
Chuang Hong-Jen ¹	莊宏仁 ¹	1/5
Hsieh Yu	謝裕	5/5
Jou Yow-Jen ²	周幼珍 ²	3/5
Yeung Chi Tat	楊志達	5/5

¹ Mr. Chuang Hong-Jen retired as an independent non-executive director on 29 December 2009.

² Professor Jou Yow-Jen was appointed as an independent non-executive director on 29 December 2009.

¹ 莊宏仁先生於二零零九年十二月二十九日退任獨立非執行董事一職。

² 周幼珍教授於二零零九年十二月二十九日獲委任為獨立非執行董事。

Access to information

The management will provide the Board with appropriate and sufficient information through financial reports, business and operational reports and budget statements in a timely manner to keep them informed the latest development of the Company.

The Directors are also provided with names and contact details of the Company's senior management and the Company to facilitate director access to senior management and the Company Secretary.

Continuing professional development

The Directors are provided with continuing training in areas such as corporate governance, financial reporting, PRC tax updating, changes in Listing Rules so as to update and refresh them on matters that affect or may enhance their performance.

Any Director may request the Company to provide independent professional advice at the expense of the Company to discharge his duties to the Company.

Introduction tailored kit will be given to newly appointed Director to his individual needs. This includes meetings with senior management to enable them to have better understanding of the Group's business and strategy and the key risks and issues.

Directors' and officers' liability

The Company has renewed Directors' and Officers' liabilities insurance for all the Directors and the senior management of the Company for the year 2010/2011. The insurance covers them against costs, charges, expenses and liabilities incurred arising out of the corporate activities.

資料提供

管理層將透過財務報告、業務及營運報告以及預算報表及時向董事會提供適當及充分的資料，以使彼等知悉本公司的最新發展。

此外，董事亦獲提供本公司高級管理層的姓名以及彼等的聯絡詳情，以便董事聯絡高級管理層及公司秘書。

持續專業發展

董事獲提供例如企業管治、財務申報、中國稅務更新、上市規則變動等方面的持續培訓課程，以更新彼等有關影響或可能有助提升其表現的資訊。

任何董事均可要求本公司提供獨立專業意見，而開支會由本公司承擔，以履行董事對本公司的職責。

新委任董事將獲給予符合其個人需要的簡介方案，包括與高級管理層會面，以確保其對本集團的業務及策略以及主要風險與問題有更深入了解。

董事及高級職員的責任

於二零一零年／二零一一年年度，本公司已為其所有董事及高級管理層更新董事及高級職員的責任保險。該等保險為企業活動上所產生的成本、費用、開支及責任提供保障。

BOARD COMMITTEES

To assist the Board in the execution of its duties, the Board has delegated specific functions to five Board Committees. The principal committees of the Board are the Audit Committee, Remuneration Committee, Nomination Committee, Compliance Committee and Executive Committee, details of which are as follows:

董事委員會

董事會向五個董事委員會委派指定職責，以便董事會執行其職務。主要董事委員會為審核委員會、薪酬委員會、提名委員會、合規委員會及執行委員會，詳情載列如下：

Name 姓名	Committee membership 委員會成員				
	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Compliance Committee 合規委員會	Executive Committee 執行委員會
Huang Sheng-Shun 黃勝舜					x
Huang Te-Wei 黃德威				x	x
Jou Yow-Jen 周幼珍	x	x	x		
Hsieh Yu 謝裕	x	x	x		
Yeung Chi Tat 楊志達	x	x	x	x	
Chan Oi Fat 陳愛發				x	x
Wu Ih Chen 吳意誠				x	x
Wu Pei Min 吳沛珉					x

A copy of each committee's terms of reference is available from the company secretary of the Company.

每個委員會的職權範圍複本可向本公司的公司秘書索取。

Audit Committee

Composition

The Audit Committee was established on 16 May 2007 and comprises three members, all are independent non-executive Directors, namely Mr. Yeung Chi Tat (Chairman), Mr. Hsieh Yu and Professor Jou Yow-Jen. During the year, the role of the members remains unchanged. The external auditors and the financial controller also attended meetings by invitation.

The Audit Committee met two times during the year, the attendance of the committee members are shown as the following table:

Name 姓名		Attendance/Total Board Meetings 出席紀錄／會議總數
Yeung Chi Tat (Chairman)	楊志達 (主席)	2/2
Chuang Hong-Jen ¹	莊宏仁 ¹	1/2
Hsieh Yu	謝裕	2/2
Jou Yow-Jen ²	周幼珍 ²	1/2

¹ Mr. Chuang Hong-Jen retired as an independent non-executive director on 29 December 2009.

² Professor Jou Yow-Jen was appointed as an independent non-executive director on 29 December 2009

The Audit Committee's responsibilities include the following: –

- the integrity of financial reports;
- the effectiveness of the Group's internal control and risk management system; and
- the independence of the external auditors.

Further details on the work of the Audit Committee for the year 2009/2010 could be found under "Audit Committee Report".

審核委員會

組成

審核委員會於二零零七年五月十六日成立，由三名成員組成，全部均為獨立非執行董事，即楊志達先生(主席)、謝裕先生及周幼珍教授。年內，成員的職責保持不變。外聘核數師及財務總監亦獲邀出席會議。

審核委員會於年內召開兩次會議，下表顯示委員會成員的出席紀錄：

Name 姓名		Attendance/Total Board Meetings 出席紀錄／會議總數
Yeung Chi Tat (Chairman)	楊志達 (主席)	2/2
Chuang Hong-Jen ¹	莊宏仁 ¹	1/2
Hsieh Yu	謝裕	2/2
Jou Yow-Jen ²	周幼珍 ²	1/2

¹ 莊宏仁先生於二零零九年十二月二十九日退任獨立非執行董事一職。

² 周幼珍教授於二零零九年十二月二十九日獲委任為獨立非執行董事。

審核委員會的職責包括如下：–

- 審閱財務報告的完整性；
- 監察本集團的內部監控及風險管理系統的有效性；及
- 考慮外聘核數師的獨立性。

審核委員會於二零零九年／二零一零年年度工作的進一步詳情可於「審核委員會報告」中查閱。

Remuneration Committee

Composition

The members of the Remuneration Committee are Mr. Yeung Chi Tat (Chairman), Mr. Hsieh Yu and Professor Jou Yow-Jen, of whom are all independent non-executive Directors. Committee members' attendance are as follows: –

The Remuneration Committee met four times during the year, the attendance of the committee members are shown as the following table:

Name 姓名	Attendance/Total Board Meetings 出席紀錄／會議總數
Yeung Chi Tat 楊志達	4/4
Chuang Hong-Jen ¹ 莊宏仁 ¹	1/4
Hsieh Yu 謝裕	4/4
Jou Yow-Jen ² 周幼珍 ²	2/4

^{1.} Mr. Chuang Hong-Jen retired as an independent non-executive director on 29 December 2009.

^{2.} Professor Jou Yow-Jen was appointed as an independent non-executive director on 29 December 2009

The responsibilities of the Remuneration Committee include the following: –

- determine on behalf of Board, the Group's remuneration policy for the executive directors and the senior management team of the Company;
- consider and advise on the terms of any contract to be offered to a director; and
- monitor the remuneration package of the Executive Director and senior management team and make recommendation.

Further information of the Remuneration Committee's activities is contained in "Remuneration Committee Report".

薪酬委員會

組成

薪酬委員會成員為楊志達先生(主席)、謝裕先生及周幼珍教授，全部均為獨立非執行董事。委員會成員的出席紀錄如下：－

薪酬委員會於年內召開四次會議，下表顯示委員會成員的出席紀錄：

Attendance/Total Board Meetings 出席紀錄／會議總數

Yeung Chi Tat 楊志達	4/4
Chuang Hong-Jen ¹ 莊宏仁 ¹	1/4
Hsieh Yu 謝裕	4/4
Jou Yow-Jen ² 周幼珍 ²	2/4

^{1.} 莊宏仁先生於二零零九年十二月二十九日退任獨立非執行董事一職。

^{2.} 周幼珍教授於二零零九年十二月二十九日獲委任為獨立非執行董事。

薪酬委員會的職責包括如下：－

- 代表董事會釐定有關本公司執行董事及高級管理層團隊的集團薪酬政策；
- 省覽及建議向董事提供的任何合約條款；及
- 監察執行董事及高級管理層團隊的薪酬組合並作出建議。

薪酬委員會的活動的進一步詳情載於「薪酬委員會報告」。

Nomination Committee

Composition

The Nomination committee comprises three members, all are independent non-executive Directors, namely Mr. Yeung Chi Tat (Chairman), Mr. Hsieh Yu and Professor JouYow-Jen.

The key objective of the Nomination Committee is to ensure the Board comprises individuals with requisite skills, experience, to ensure that it is effective in discharging its responsibilities.

The Nomination Committee met one time during the year, the attendance of the committee members are shown as the following table:

Name 姓名	Attendance/Total Board Meetings 出席紀錄／會議總數
Yeung Chi Tat 楊志達	1/1
Chuang Hong-Jen ¹ 莊宏仁 ¹	0
Hsieh Yu 謝裕	1/1
Jou Yow-Jen ² 周幼珍 ²	0

^{1.} Mr. Chuang Hong-Jen retired as an independent non-executive director on 29 December 2009.

^{2.} Professor Jou Yow-Jen was appointed as an independent non-executive director on 29 December 2009

The criteria for appointment of a new director are set out herein below:

- i) the independence in case of an independent non-executive Director;
- ii) possess core competencies that meet the needs of the Company; and
- iii) be able to commit time and carry out duties and responsibilities.

提名委員會

組成

提名委員會由三名成員組成，全部均為獨立非執行董事，即楊志達先生(主席)、謝裕先生及周幼珍教授。

提名委員會的主要目標乃確保董事會由擁有所需技能及經驗的個體組成，以確保其有效執行職責。

提名委員會於年內召開一次會議，下表顯示委員會成員的出席紀錄：

Name 姓名	Attendance/Total Board Meetings 出席紀錄／會議總數
Yeung Chi Tat 楊志達	1/1
Chuang Hong-Jen ¹ 莊宏仁 ¹	0
Hsieh Yu 謝裕	1/1
Jou Yow-Jen ² 周幼珍 ²	0

^{1.} 莊宏仁先生於二零零九年十二月二十九日退任獨立非執行董事一職。

^{2.} 周幼珍教授於二零零九年十二月二十九日獲委任為獨立非執行董事。

委任新董事的準則載列如下：

- i) 獨立性(倘為獨立非執行董事)；
- ii) 擁有本公司所需的核心技能；及
- iii) 能夠投放時間履行職務及職責。

The Nomination Committee leads the process and makes recommendation of the appointment of new director during the year to the Board as follows: –

- i. evaluate the balance of skills, knowledge and experience on the board and determine the role and desirable competencies for a particular appointment in consultation with the management;
- ii. conduct an interview with the potential candidate to assess suitability and to ensure that the candidates are aware of the expectations and the level of commitment required;
- iii. evaluate the independence of Professor Jou You-Jen.

年內，提名委員會引領及建議董事會委任新董事，程序如下：–

- i. 評核董事會於技能、知識及經驗等方面是否均衡，並在諮詢管理層後釐定該特定委任的職務及所需技能；
- ii. 與候選人進行檢閱以評估其適合程度，並確保候選人知悉有關期望及所需投入程度。
- iii. 評估周幼珍教授的獨立性。

Process for the appointment of New Director

委任新董事流程



Nomination committee activities during the year

Significant matters discussed by the Nomination Committee are summarized as follows: –

- To assess the criteria of Professor Jou Yow-Jen and undergo the above process as defined by the Nomination Committee in appointing Professor Jou Yow-Jen as an independent non-executive director of the Company;

提名委員會年內的活動

提名委員會討論的重大事項簡述如下：–

- 評核委任周幼珍教授為本公司獨立非執行董事以及提名委員會進行上述程序的條件；

- To consider the re-election of the retiring directors at the forthcoming annual general meeting having regard to his contribution and performance;
 - To review and determine independency of an independent non-executive director during the reviewing period; and
 - To assess the effectiveness of the Board.
- 根據退任董事的貢獻及表現，考慮於下一屆股東週年大會重選退任董事；
 - 審閱並釐定獨立非執行董事於回顧期內的獨立性；及
 - 評核董事會的績效。

Compliance Committee

The Compliance Committee currently comprises Mr. Yeung Chi Tat (Chairman), Mr. Wu Ih Chen and Mr. Huang Te-Wei and Mr. Chan Oi Fat.

The overall responsibility of the Committee is to ensure that the Group complies with all the relevant rules, laws and regulation as set in different jurisdiction and Listing Rules of Hong Kong.

Compliance Committee activities during the year

The Compliance Committee met four times during the year. The major activities undertaken by the Committee were to oversee the financial, legal, statutory and listing rules requirement, internal control and corporate governance practices of the Group.

The Compliance Committee reported their discussion and recommendation to the Board periodically.

合規委員會

合規委員會目前由楊志達先生(主席)、吳意誠先生、黃德威先生及陳愛發先生組成。

合規委員會的整體職責乃確保本集團遵守載於不同司法管轄區及香港上市規則的所有有關規則、法律及法規。

合規委員會年內的活動

合規委員會於年內召開四次會議。合規委員會進行的主要活動為監察財務、法律、法定要求及上市要求，以及本集團的內部監控及企業管治常規。

合規委員會定期向董事會匯報其討論及建議。

Executive committee

An Executive Committee was established on 3 September 2007 the “Executive Committee”) with specific written terms of reference and comprises five members, by whom three are executive Directors, namely Mr. Huang Sheng-Shun, Mr. Wu Ih Chen, Mr. Huang Te-Wei, Mr. Chan Oi Fat and Ms. Wu Pei Min.

The Executive Committee is responsible for the day-to-day management of the Group’s businesses, the overall financial performance of the Group in fulfillment of strategy, plans and budgets and the Group capital expenditures as defined in the terms of reference.

The Committee reports on these topics on its own conclusions and recommendation to the Board.

ACCOUNTABILITY AND AUDIT

Directors’ and Auditors’ acknowledgement

The Audit Committee and the Board have reviewed the Company’s consolidated financial statements for the year ended 31 July 2010. The Directors acknowledge their responsibilities for preparing the accounts and presenting a balanced, clear and comprehensive assessment for the Company’s performance, position and prospects. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern.

Messrs. SHINEWING (HK) CPA Limited acknowledged their reporting responsibilities in the auditors’ report on the consolidated financial statements for the year ended 31 July 2010.

執行委員會

執行委員會於二零零七年九月三日成立(「執行委員會」)，以書面列明職權範圍，並由五名成員組成，其中三名為執行董事，即黃勝舜先生、吳意誠先生、黃德威先生、陳愛發先生及吳沛珉小姐。

執行委員會負責本集團日常的業務管理，確保本集團的整體財務表現可滿足其策略、計劃及預算以及本集團的資本開支，詳情於職權範圍內闡述。

委員會就以上項目向董事會匯報其結論及提出建議。

問責性及審計

董事及核數師的承擔

審核委員會及董事會已審議本公司截至二零一零年七月三十一日止年度的綜合財務報表。董事承認彼等有責任編製賬目及就本公司的表現、狀況及前景呈均衡、清晰及全面的評估。董事並不知悉可能令本公司持續經營能力備受嚴重質疑的事件或情況涉及任何重大不明朗因素。

信永中和(香港)會計師事務所有限公司承認彼等在有關截至二零一零年七月三十一日止年度綜合財務報表的核數師報告中的申報責任。

Auditors' remuneration

During the year, SHINEWING (HK) CPA Limited ("SHINEWING") was appointed as the Group's auditors until the conclusion of next annual general meeting.

During the year ended 31 July 2010, the remuneration paid/payable to SHINEWING in respect of their audit and non-audit services were as follows:

		2010 二零一零年 HK\$'000 千港元
Audit services	審計服務	850
Non-audit services	非審計服務	
Taxation advisory services	稅務顧問服務	22
Other advisory services	其他顧問服務	450
Total	總計	1,322

INTERNAL CONTROL

The Board is responsible for the effectiveness of the Group's internal control systems. The internal control systems are designed to meet the Group's particular needs and the risks to which it is exposed, and by their nature can only provide reasonable, but not absolute assurance against misstatement or loss.

Procedures have been set up for safeguarding assets against unauthorized use or disposition, controlling over capital expenditure, maintaining proper accounting records and ensuring the reliability of financial information used for business and publication. Qualified management throughout the Group maintains and monitors the internal control systems on an ongoing basis.

核數師薪酬

年內，信永中和(香港)會計師事務所有限公司(「信永中和」)獲委任為本集團的核數師，直至下一屆股東週年大會結束。

截至二零一零年七月三十一日止年度內，就審計及非審計服務已付／應付予信永中和的薪酬如下：

內部監控

董事會負責本集團內部監控系統的有效性。內部監控系統旨在滿足本集團的特定需要及應付其面臨的風險，但因其性質所限，對於錯誤陳述或失誤僅能提供合理而非絕對的保障。

系統內已建立程序保護資產免遭擅自使用或處置、控制資本支出、維持適當的會計紀錄及確保用於業務及公佈的財務資料的可靠性。本集團的合資格管理層會持續維護及監控內部監控系統。

The Company has engaged SHINEWING Risk Services Limited (“SHINEWING Risk”) to conduct an annual review of the effectiveness of the Company’s material internal controls, including financial, operational and compliance controls and risk management. Audits were carried out on all significant business units of the Group. The internal control report is submitted and reviewed by the Audit Committee. In addition, internal audit’s summary of findings and recommendation are discussed at the Audit Committee meeting with a view to improve the Group’s operations.

During the year, the Audit Committee reviewed the effectiveness of the Company’s internal control and risk management procedures and was satisfied that the Company’s internal control processes are adequate to meet the needs of the Company in its current business environment.

To further strengthen the internal control of the Group, control department is established to provide day-to-day management of the compliance and control of the Group in order to eliminate risks of failure of operational systems and the achievement of the Company’s objectives. The control department is currently headed by Mr. Huang Te-Wei, the executive Director of the Company, and it reports directly to the Board.

Control department will conduct meeting regularly and work closely with SHINEWING Risk to monitor the internal control systems within the Group in order to provide reasonable assurance as to the effectiveness and efficiency of operations, integrity and reliability of financial information and to safeguard and maintain accountability of its assets. Additionally, the various divisions’ head of the Company met with the head of Control Department each month to ensure a sound internal control system is in place and maintained. To enhance the knowledge of relevant staffs of the Group, training will be provided to them in the matter of relevant rules and applicable laws as when appropriate.

Based on the internal control report, the Board is of the view that the internal controls of the Group are adequate and complied with the code provision on internal control as set out in the Listing Rules.

本公司已聘任信永方略風險管理有限公司(「信永方略」)對本公司重大內部監控(包括財務、經營、合規監控及風險管理等)的有效性進行年度檢討。審核範圍涵蓋本集團所有重大業務單位。內部監控報告會呈交予審核委員會以供審閱。此外，於審核委員會會議上會討論內部審核結果概要及建議，以改善本集團的營運。

年內，審核委員會已審閱本公司內部監控及風險管理程序的有效性，並信納本公司的內部監控程序足以應付本公司於目前業務環境的需要。

為了進一步加強本集團的內部監控，本集團已成立監控部門負責本集團合規及監控事宜的日常管理，以確保消除經營系統失效的風險及確保達到本集團的目標。監控部門現時由本公司的執行董事黃德威先生領導，並直接向董事會匯報。

監控部門將定期召開會議，並與信永方略密切合作以監察本集團的內部監控系統，以合理確保營運成效及效率、財務資料完整及可信，以及保障並維護有關資產的財務責任。此外，本集團不同部門的主管每月與監控部門主管舉行會議，以確保建立並維持完善的內部監控系統。為了增進本集團相關員工的知識，會於適當時就相關規則及適用的法律為彼等提供培訓。

根據內部監控報告，董事會認為本集團的內部監控充足並符合載於上市規則的內部監控守則條文。

Risk management

The Group manages risk under an overall strategy determined by the Board. The framework of the risk management comprises of the following key elements: –

- identify and assess of all the risks;
 - formulate the risk management strategies;
 - design and implement of risk management and plan;
 - monitor and report the risk management performance;
 - continuous improvement of risk management and mitigation action plans;
- 識別並評核所有風險；
 - 制定風險管理策略；
 - 設計並實施風險管理及計劃；
 - 監控並匯報風險管理表現；
 - 持續改善風險管理及減低風險應對計劃；

風險管理

本集團根據董事會釐定的整體策略管理風險。風險管理架構由下列主要元素組成：–



The major risk factors assessed by the Group are listed as follows: 本集團評估的主要風險因素表列如下：

Risk Factors 風險因素	Impact 影響	Mitigation 應對
Strategic 策略		
Global economic instability and market volatility 全球經濟衰退及市場動盪	<ul style="list-style-type: none"> The Group's products could be curtailed which resulted in the risk of the operating performance and financial stability of the Group 本集團可能縮減產品，因而對本集團的營運表現及財政穩健構成風險 	<p>The Company aimed to spread its activities geographically to benefit from opportunities in order to minimize the risk of political and economic instability 本公司的目標是將其業務分散至不同地域以受惠於不同商機，從而減低政治及經濟動盪的風險</p>
Increasing competition 競爭加劇	<ul style="list-style-type: none"> Significant product innovations, technical advances or the intensification of competition could adversely affect the Group 重大產品創新、科技改進或激烈競爭均可對本集團造成不利影響 	<p>The Group continuously to enhance its research and development and regularly added new products to sustain the growth of its business 本集團持續加強研發及定期推出新產品以維持其業務增長</p>
Integration of acquisition 收購整合	<ul style="list-style-type: none"> We may not be successful acquired business and not reach the full synergy effects 本集團或不能成功收購業務，並無法產生最大的協同效益 	<p>The management adopted risk assessment includes macro and project specific risks analysis encompassing due diligence, financial modeling and sensitivity analysis on key investment assumptions and variables 管理層採納風險評估，包括宏觀及專案風險分析，涵蓋盡職審查、財務結構及針對主要投資假設及可變因素的敏感度分析</p> <p>The management is monitoring the progress of strategic plan and modifying the plan from time to time 管理層正監察策略計劃的進度並不時修改計劃</p>

Risk Factors 風險因素	Impact 影響	Mitigation 應對
Operational Risk 營運風險		
Seasonality 季節性	<ul style="list-style-type: none"> Seasonality may adversely affect the operating results of the Company's business 季節性可能對本公司業務的經營業績造成不利影響 	<p>The Company aimed to diversify the product mix to minimise the seasonal risk 本公司的目標是令產品組合更多元化，以減低季節性風險</p>
Product liabilities 產品責任	<ul style="list-style-type: none"> Product liabilities claims could adversely affect our Company's business 產品責任索償可對本公司的業務造成不利影響 	<p>The company has arranged insurance to cover product liability 本公司已投買保險以保障產品責任</p>
Raw material 原材料	<ul style="list-style-type: none"> Growth in cost and expense in raw materials changes may adversely influence the future results of the Company 成本及原材料開支增幅變動可能會對本公司未來業績造成不利影響 	<p>The company aims to maintain long-terms business relationships with suppliers to acquire raw material 本公司的目標是與供應商維持長期業務關係，以取得原材料</p>
Customer 客戶	<ul style="list-style-type: none"> Loss of customers could adversely affect our business 客戶流失可能對我們的業務造成不利影響 	<p>The Company keep in close touch with our customers and markets and focus effort on delivery high quality products to them 本公司與客戶及市場建立緊密關係，並致力為客戶提供優質產品</p>

Risk Factors 風險因素	Impact 影響	Mitigation 應對
Financial 財務		
Exchange Rate Fluctuation 匯率波動	<ul style="list-style-type: none"> Exchange rate fluctuation can have harmful impact on company 匯率波動會對本公司造成不良影響 	The Company has a hedging policy for certain currency exchange rate risks from time to time 本公司不時就若干貨幣匯率風險訂立對沖政策
Financing and liquidity constraints 融資及流動資金限制	<ul style="list-style-type: none"> Lack of financial capacity could affect the Group's ability to conduct its business and maintain its capital investment or dividend payments 財政能力不足可能會影響本集團進行業務及維持其資本投資或派發股息的能力 	The Company adopts prudent financing treasury policy and strict cash management policy to maintain stable cash position 本公司採取審慎的融資庫務政策及嚴謹的現金管理政策，以維持穩健的現金狀況
Legal and Compliance 法例及監察		
Law and regulations 法例及規例	<ul style="list-style-type: none"> The Group may suffer as a results of its failure to comply with all applicable laws and regulations 本集團或會因未能遵守所有適用法例及規例而蒙受損失 	The control department assists in identifying, monitoring and providing support to identify and manage legal risks across the legal and seek external legal advisers as and when appropriate 控制部協助識別、監察及提供支援以識別及管理有關法律的法律風險，以及在合適的時候聘請外聘法律顧問

Please refer to the Audit Committee Report for the committee's activities in 2009/2010.

有關委員會於二零零九年／二零一零年的活動，請參閱審核委員會報告。

Corporate social responsibility

Environmental protection & safety measures

To support the good environment support, the Group continues to pursue a proactive policy in environmental protection and have implemented a series of environmental protection practices, details of which are as follows:

- Dongguan Ta Yang factory and Huzhou factory obtained ISO 4001 certification;
- Install a discharge and sedimentation tank in our plants to treat domestic sewage before discharging to the sewage drains in the neighbourhood;
- Install noise-barriers in our electricity general rooms and in the plants with air compression equipment respectively; and
- install ventilating ducts to collect exhausted gases generated during production processes before emitting to the atmosphere.

In addition, the Group emphasizes on safe production measures. These measures includes safely tips which sets out certain guidelines on occupational safety such as safely production measures and procedures for handling emergency. In order to promote the safety awareness, the Group also organizes induction training and occupational safety training for our staff. The Group has regularly checked the equipments to ensure the staff is working at safety place.

Green policies

We implement paper recycling policy for papers in Hong Kong and the PRC offices. Staffs are also encouraged to practice energy saving habits, such as setting their computers to sleep mode when not in use, controlling the temperature of air conditions and using internal communication in the form of electronic direct mail.

During the year, the Group successfully achieved in reducing the usage of energy, water and paper.

企業社會責任

環境保護及安全措施

為支持保護良好環境，本集團繼續推行積極參與環境保護活動的政策及引入一系列環境保護措施，詳情如下：

- 東莞大洋廠房及湖州廠房取得ISO 4001 認證；
- 本公司在廠房裝置排水沉澱槽，以於排放污水至鄰近的污水渠前處理當地的污水；
- 在本公司的發電房及裝有氣壓設備的廠房分別裝置隔音牆；及
- 安裝設有通風輸送管以收集生產過程中產生的廢氣，然後再排出戶外。

此外，本集團大力推行安全生產措施，包括作出安全提示，載列安全生產措施及處理緊急事故的程序等若干職業安全指引。為宣揚安全意識，本集團亦為員工舉辦入門訓練及職業安全培訓。本集團已定期檢查設備，以確保員工在安全環境下工作。

環保政策

我們在香港及中國的辦公室實施紙張循環再用政策。我們亦鼓勵員工奉行節能習慣，例如在不用電腦時設為休眠模式、控制空調溫度，以及使用電子直郵的形式進行內部溝通。

年內，本集團成功減少能源、水及紙張用量。

Employment and social affairs

The Group places emphasis to retain talent staff by providing annual bonus and annual dinner in Chinese Lunar Year. Besides, the Group organizes basketball and Tug-of-war sports competition, image girl competition each year to promote the mutual cooperation and understanding among the staff. There are also corporate orientation programmes to enable the mainland staff to better understand the Group's culture.



Image girl Competition
產品女郎選舉

Learning and development

During the year, the Group organized a training programme to the staff in the PRC office focusing on the production management areas. The programme gave them an excellent opportunity to strengthen their understanding of the functional areas within the factory in the PRC and strategic direction of the Group to improve and enhance the efficiency of the Group.

In addition, the Company provides financial subsidies to employees to attend seminar organized by different professional bodies with the aims to enhance their technical skills, business skills and personal strengths.

員工及社會福利

本集團透過提供年終花紅及農曆新年的團年晚宴，積極挽留有才能的員工。此外，本集團每年均會舉辦籃球比賽、拔河比賽及產品女郎選舉，提倡互相合作及加深員工彼此之間的認識。公司亦會舉辦企業迎新計劃，使內地員工更加了解本集團的文化。



Annual Dinner in Chinese New Year
元旦晚宴

學習與發展

年內，本集團向中國辦事處的員工籌劃培訓計劃，集中培訓有關生產管理方面的能力。是項計劃為員工提供良機，可藉以加強其對中國廠房職能事務以及本集團策略決策的了解，以提升本集團效率。

此外，本公司向僱員提供財務補貼，資助其參加由不同專業團體組織的研討會，以提升其技術技能、商業技能以及個人專長。

INVESTOR AND SHAREHOLDER RELATIONS

The Board recognizes the importance of maintaining clear, timely and effective communication with shareholders of the Company and investors. The Board also recognizes that effective communication with investors is the key to establish investor confidence and to attract new investors. Therefore, the Group is committed to maintaining high degree of transparency to ensure the investors and the shareholders are receiving accurate, clear, comprehensive and timely information of the Group via the publication of annual reports, interim reports, press announcements, and also the Company's website at www.tayang.com.

The Board continues to maintain regular dialogue with institutional investors and analysts to keep them informed the Group's strategy, operations, management and plans.

The Company's website is also a source of information for its shareholders and prospective shareholders. All materials on annual reports, interim reports and announcements are available on our website immediately following confirmation of their release. The contact details of the Investor Relations are also available on the Company's website which allows shareholders to contact the Company easily.

The Directors and the committee members are available to answer the questions through the annual general meeting. External auditors are also available at the annual general meeting to address shareholders' queries. Separate resolutions are proposed at general meeting on each substantially separate issue.

投資者及股東關係

董事會確認與本公司股東及投資者維持清晰、及時及有效溝通的重要性。董事會亦確認與投資者的有效溝通乃建立投資者信心及吸引新投資者的關鍵。因此，本集團致力維持較高透明度以確保投資者及股東透過年報、中期報告、新聞公告的公佈及本公司的網站www.tayang.com獲取準確、清晰、全面與及時的資料。

董事會繼續維持與機構投資者及分析師作定期溝通，讓彼等知悉本集團的策略、經營、管理及計劃。

本公司網站亦為向股東及準股東提供資料的渠道。年報、中期報告及公佈的所有資料一經確認發佈，隨即可在本公司網站閱覽。有關投資者關係的聯絡詳情亦可在本公司網站查閱，以方便股東與本公司聯絡。

董事及委員會成員會透過股東週年大會回答問題。外聘核數師亦會在股東週年大會上回答股東的提問。股東大會上會就各個別議題提呈單獨決議案。

Our investor relations activities include:

- face to face meeting with analysts and fund managers;
- teleconferences with analysts and fund managers;
- financial results briefings with analysts and the media to coincide with the press release;
- update of the Company's website regularly;
- broadcasting relevant information to investors through the Group's mailing lists;
- holding annual general meetings with shareholders;
- providing disclosed information on a time basis via the Company and Stock Exchange's website

本集團年內的投資者關係活動包括：

- 與分析師和基金經理作面對面會議；
- 與分析師和基金經理作電話會議；
- 與分析師和傳媒作財務業績簡報，使新聞稿和財務業績保持一致；
- 定期更新本公司網站；
- 透過本集團郵寄名單向投資者發佈相關資訊；
- 與股東舉行股東週年大會；
- 適時透過本公司及聯交所的網站提供已披露資料



Shareholders' right

The Annual General Meeting of the Company (the "AGM") provides opportunities for the shareholders to meet and raise questions to our Directors, the management and the external auditors.

At 2009 AGM, separate resolutions including declaration of final dividend, the re-election of Directors, the re-appointment of auditors, the authorization to grant the general mandate to issue and repurchase of shares were proposed and all the resolutions were conducted by poll and approved by the shareholders. The results of the voting by poll were declared at the meeting and published on the websites of the Stock Exchange and the Company respectively.

Shareholders may put forward their proposals or inquiries to the Board of the Company by sending their written request to the Company's correspondence address in Hong Kong or the Company's email address.

Significant changes in articles of association

During the year, there is no significant change to the Company's Articles of Association.

Shareholdings information

As at 31 July 2010

Authorised Capital : HK\$2,000,000,000 divided into 20,000,000,000 shares of HK\$0.1 each

Issued and fully-paid up capital : HK\$77,800,600 divided into 778,006,000 shares of HK\$0.1 each

股東的權利

本公司股東週年大會(「股東週年大會」)給予股東機會，與董事、管理層及外聘核數師會面及提問。

二零零九年股東週年大會上提呈了個別決議案，包括宣派末期股息、重選董事、重新委任核數師、授權授出發行及購回股份的一般授權，所有決議案均以投票方式表決，並已獲股東批准。投票結果已於會上宣佈，並分別於聯交所及本公司的網站內刊登。

股東可將其書面要求寄發至本公司在香港的通信地址或電郵地址，藉此向本公司董事會提出其建議或質詢。

組織章程的重大變動

年內，本公司的組織章程並無任何重大變動。

持股資料

於二零一零年七月三十一日

法定股本 : 2,000,000,000港元，分為20,000,000,000股每股0.1港元的股份

已發行及繳足股本 : 77,800,600港元，分為778,006,000股每股0.1港元的股份

The following table summarized the existing shareholding structure of the Company as at 31 July 2010: –

下表概列本公司截至二零一零年七月三十一日止現有的持股架構：–

Category 類別		No. of Shares 股份數目	% of issued capital of the Company ³ 佔本公司已發行 股本的百分比 ³
Controlling shareholders & Directors	控股股東及董事	438,580,000	56.37%
Strategic Investors ¹	策略投資者 ¹	24,180,000	3.11%
Public & connected persons ²	公眾及關連人士 ²	315,246,000	40.52%
Total	總計	778,006,000	100%

Notes:

- Strategic investors represent Mitsubishi and Shin-Etsu, which held 12,180,000 shares and 12,000,000 shares respectively.
- 68,152,000 shares out of 315,246,000 shares are held by certain connected persons of the Group.
- The issued capital of the Company as at 31 July 2010 is 778,006,000 shares.

附註：

- 策略投資者指分別持有12,180,000股及12,000,000股股份的三菱及信越。
- 315,246,000股股份中的68,152,000股股份由本集團若干關連人士持有。
- 本公司截至二零一零年七月三十一日的已發行股本為778,006,000股股份。

BEST CORPORATE GOVERNANCE DISCLOSURE AWARD

In 2009, the Company was granted the Best Corporate Governance Disclosure Gold Award in Non-Hang Index (middle to small market capitalization) category organized by Hong Kong Institute of Certified Public Accountants.

We constantly review and strengthen our corporate governance practices to align ourselves with the international best corporate practices standard.

最佳企業管治資料披露大獎

於二零零九年，本公司榮獲香港會計師公會頒發最佳企業管治資料披露大獎(中小市值非恒指成份股組別)金獎。

本公司不時審閱並加強企業管治常規，以符合國際企業慣常水平。



Remuneration Committee Report

薪酬委員會報告

This report provides the details of work undertaken by the Remuneration Committee (the "RC") during the year.

本報告提供有關薪酬委員會(「薪酬委員會」)年內所進行工作的詳情。

MEMBERSHIP OF THE REMUNERATION COMMITTEE

During the year, the directors who served on the RC were Mr. Yeung Chi Tat (Chairman), Mr. Hsieh Yu and Professor Jou Yow-Jen. All of them are independent non-executive directors.

Members of the RC have no personal interest in the Committee's decisions and they have no conflict of interest arising from cross directorship.

薪酬委員會成員

年內出任委員會成員的董事為楊志達先生(主席)、謝裕先生及周幼珍教授。全部均為獨立非執行董事。

薪酬委員會成員在委員會決策時並無牽涉個人利益，且亦無因其兼任董事而產生任何利益衝突。

ACTIVITIES OF THE REMUNERATION COMMITTEE

During the year, the RC met four times and the major business of those meetings included the following activities:

- conducting the annual review of annual salaries and bonus (if any) for all executive directors and making appropriate recommendation to the Board;
- consider and determine the remuneration package of Executive Director and making appropriate recommendation to the Board;
- recommend the pay adjustment for the year 2010 in accordance with the remuneration policy of the Group.

薪酬委員會活動

年內，薪酬委員會召開四次會議，而會上主要商討的事宜包括以下各項：

- 為所有執行董事的年度薪金及花紅(如有)進行年度檢討，並向董事會作出適當建議；
- 省覽及釐定執行董事的薪酬組合，並向董事會作出適當建議；
- 根據本集團的薪酬政策，建議二零一零年度的薪酬調整。

REMUNERATION POLICY

The remuneration for the executive directors comprises basic salary, bonus, share options and pensions.

Salary adjustments are made where the Remuneration Committee takes into account performance of the individual, contribution, responsibilities, and reference to comparable listed companies in Hong Kong.

The remuneration of independent non-executive director is reviewed annually with reference to the salary research survey, comparable companies and market condition.

Apart from basic salary, executive directors and employees are eligible to receive a discretionary bonus taking into account factors such as market conditions as well as corporate and individual's performance during the year.

In order to attract, retain and motivate talented eligible staff, including the Directors, the Company has adopted a Share Option Scheme. The scheme enables the eligible persons to obtain an ownership interest in the Company and thus will motivate them to optimize their continuing contributions to the Group.

The following table illustrates the elements of remuneration of executive directors and senior management

薪酬政策

執行董事的薪酬包括基本薪金、花紅、購股權及退休金。

薪酬委員會在作出薪金調整時，會考慮個別人士的工作表現、貢獻、職責及參考可資比較的香港上市公司。

獨立非執行董事的薪酬乃參考薪金研究調查、可資比較公司及市場狀況作每年檢討。

除基本薪金外，執行董事及僱員均合資格獲取酌情花紅，惟須根據市場狀況、年內企業及個人表現等因素而定。

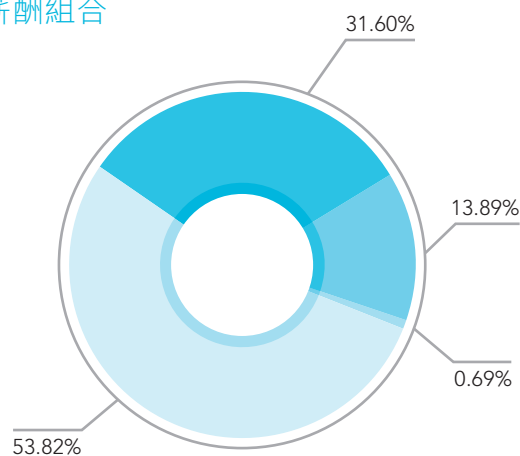
本公司已採納購股權計劃以吸引、挽留及激勵有才能的合資格人員(包括董事)。該計劃確保合資格人士可獲得本公司擁有權權益，從而激勵彼等繼續為本集團竭盡所能。

下表說明執行董事及高級管理層薪酬包含的元素

Remuneration 薪酬	Purpose 目的	Reward 獎勵	Policy details 政策詳情
Basic Salary 基本薪金	To reflect the market value of each individual 反映每名人士的市場價值	<ul style="list-style-type: none"> Cash payment 現金付款 Monthly 每月 	<ul style="list-style-type: none"> Reviewed annually 每年檢討 Compare against selected comparable companies 與選定的可資比較公司比較 Market trend 市場趨向

Remuneration 薪酬	Purpose 目的	Reward 獎勵	Policy details 政策詳情
Discretionary Bonus 酌情花紅	To motivate employees to deliver the high levels of performance of the Company and individual performance goals 鼓勵僱員達致高水平的公司及個人表現目標	<ul style="list-style-type: none"> Cash Payment 現金付款 Annual 每年 	<ul style="list-style-type: none"> Individual performance 個人表現 Market condition 市場狀況 The Group performance relative to corporate targets 集團表現與企業目標相對
Share Option 購股權	To motivate the participants 鼓勵參與者 To attract and retain the employees 吸引及挽留僱員	<ul style="list-style-type: none"> Share Option 購股權 	<ul style="list-style-type: none"> Eligible participants are awarded in accordance with the Share Option Scheme 合資格參與者根據購股權計劃獲得之獎勵
Pension 退休金	To provide appropriate and competitive post retirement benefits 提供適當及具競爭力的退休後福利	<ul style="list-style-type: none"> Cash contribution 現金供款 Monthly 每月 	<ul style="list-style-type: none"> MPF scheme 強積金計劃

2010 Executive Director Pay Mix 二零一零年執行董事薪酬組合



Salary Allowances & other benefits
薪金、津貼及其他福利

Bonus
花紅

Share Options
購股權

Retirement Scheme Contribution ("MPF")
退休計劃供款(「強積金」)

Remuneration Committee Report 薪酬委員會報告

The following table shows the breakdown of directors' remuneration (in percentage terms) for the year ended 31 July 2010:

下表呈列於截至二零一零年七月三十一日止年度董事酬金的明細(以百分比表示):

English Name 英文姓名	中文姓名	Fees 袍金 %	Salary Allowances & other benefits 薪金、津貼及其他福利 %	Bonus 花紅 %	Retirement Scheme Contributions 退休計劃供款 %	Share-based payments 購股權付款 %	Total 合計 %
Huang Sheng-Shun	黃勝舜	-	45.86%	43.07%	0.40%	10.67%	100%
Wu Ih Chen	吳意誠	-	53.33%	34.48%	0.47%	11.72%	100%
Huang Te-Wei	黃德威	-	59.24%	23.10%	0.97%	16.69%	100%
Lin Hung-Ming	林宏明	-	51.02%	36.06%	0.65%	12.27%	100%
Wong Tak Leung	黃德良	-	59.63%	21.27%	1.00%	18.10%	100%
Kirk Yang	楊應超	87.80%	-	-	-	12.20%	100%
Hsieh Yu	謝裕	82.76%	-	-	-	17.24%	100%
Jou Yow-Jen	周幼珍	100%	-	-	-	-	100%
Yeung Chi Tat	楊志達	87.80%	-	-	-	12.20%	100%

Details of the amount of Directors' remuneration during the year ended 31 July 2010 are set out in Note 16 to the consolidated financial statements and details of the Share Option Scheme and grant of options by the Company during the year are set out in Report of the Directors and Note 32 to the consolidated financial statements.

截至二零一零年七月三十一日止年度的董事薪酬金額詳情載列於綜合財務報表附註16，而購股權計劃及本公司年內授出購股權的詳情載列於董事會報告及綜合財務報表附註32。

Members of the Remuneration Committee

Yeung Chi Tat (Chairman)

Hsieh Yu

Jou Yow-Jen

薪酬委員會成員

楊志達(主席)

謝裕

周幼珍

Hong Kong 18 October 2010

香港二零一零年十月十八日

Audit Committee Report

審核委員會報告

This report provides details of the role of the Audit Committee (the "AC") and the work it has undertaken by them during the year. The main role of the AC mainly assist the Board in discharging its responsibilities for the integrity of the Company's consolidated financial statements, the assessment of the effectiveness of internal control and monitored the independence of the external auditors.

The members of the AC during the year were:

Mr. Yeung Chi Tat (*Chairman*)
Mr. Hsieh Yu
Professor Jou Yow-Jen

MEETINGS AND ATTENDANCE

The Committee met two times during the year. Members' attendance at the meetings held during the year is set out on page 47. The financial controller and the external auditors normally attended the meeting by invitation.

SUMMARY OF MAJOR WORKS DONE DURING THE YEAR

During the year, the major works done by AC were summarized as follows:

- reviewed with the management and the external auditors on the interim results and annual results and related announcement including the related disclosures, integrity of financial reporting and the accounting policies and adopted by the Group prior to the submission to the Board's approval;

本報告提供有關審核委員會(「審核委員會」)職責及年內彼所進行工作的詳情。審核委員會的主要職責是協助董事會履行職責，包括監察本公司綜合財務報表的完整性、評估內部財務監控系統的有效性，以及監察內部監控的有效性與監察外聘核數師的有效性。

於年內，審核委員會的成員為：

楊志達先生(主席)
謝裕先生
周幼珍教授

會議及出席紀錄

委員會於年內召開兩次會議。成員於年內的會議出席紀錄載於第47頁。財務總監及外聘核數師一般獲邀出席會議。

年內完成的主要工作概要

年內，審核委員會完成的主要工作概述如下：

- 與管理層及外聘核數師審閱中期業績及全年業績以及有關公佈(包括有關披露事宜)、財務報告及會計政策的完整性，而會計政策在提交董事會批准前已由本集團採納；

Audit Committee Report

審核委員會報告

- discussed with management on significant judgments affecting Group's consolidated financial statements;
- considered and pre-approved the re-appointment of auditors and their audit fee accordingly;
- reviewed and discussed the internal control report including the status of implementing recommendations on previous report;
- reviewed, assessed the adequacy and effectiveness of the Company's internal control and risk management; and
- reviewed and monitored the external auditor's independence and objectivity and the effectiveness during the audit process
- 與管理層討論影響本集團綜合財務報表的重大決定；
- 考慮及預先審批及重新委任核數師及其審計費用；
- 審閱及討論內部監控報告，包括在上一份報告中所提出的建議的實施情況；
- 審閱及評估本公司的內部監控及風險管理是否足夠及其有效性；及
- 審閱及監察外聘核數師的獨立性及客觀性以及審核程序的有效性。

FINANCIAL REPORTING

The AC has reviewed with the management the accounting principles and practices adopted by the Group and the financial reporting matters including a review of the audited consolidated financial statements for the year ended 31 July 2010.

INTERNAL CONTROL

During the year, the AC engaged SHINEWING Risk Services Limited (the "SHINEWING Risk") to conduct the internal control review of the Group's operation and made recommendation to Board accordingly. Based on the report issued by SHINEWING Risk, the AC considered that the key areas of the Company's internal control systems are reasonably implemented and the Company has complied with the requirements of the CG code as set out in the Listing Rules in respect of internal control. There were no matters concerns to be bring to the attention to the Board.

財務報告

審核委員會與管理層審閱本集團採納的會計準則財務報告事宜，包括審閱截至二零一零年七月三十一日止年度的經審核綜合財務報表。

內部監控

年內，審核委員會聘任信永方略風險管理有限公司(「信永方略」)對本集團的營運進行內部監控檢討，並向本集團作出相應建議。根據信永方略發出的報告，審核委員會認為本公司內部監控系統的主要方面已合理地實行，且本公司已遵守上市規則所載有關內部監控的企業管治守則規定。並無任何事宜需要提請董事會垂注。

EXTERNAL AUDITORS

The AC reviewed the independence of SHINEWING (HK) CPA Limited and recommended their re-appointment as auditors of the Group for the financial year 2010/2011 in the forthcoming AGM.

Members of Audit Committee

Yeung Chi Tat (*Chairman*)

Hsieh Yu

Jou Yow-Jen

Hong Kong 18 October 2010

外聘核數師

審核委員會已審核信永中和(香港)會計師事務所有限公司的獨立性，並建議在應屆股東週年大會續聘其出任本集團於二零一零年／二零一一年財政年度的核數師。

審核委員會成員

楊志達(主席)

謝裕

周幼珍

香港二零一零年十月十八日

Report of the Directors

董事會報告

The Directors have pleasure in presenting their annual report and the audited consolidated financial statements for the year ended 31 July 2010.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's principal subsidiaries are design and manufacture of silicone rubber input devices which are mainly used in 4Cs (i) Consumer (consumer electronic devices), (ii) Computers (keypads for computers and notebooks) (iii) Communications (mobile phone handsets) and (iv) Cars (automotive peripheral products). Particulars of the Company's subsidiaries are set out in Note 37 to the consolidated financial statements. The nature of the principal activities of the Group has not changed during the year.

RESULTS AND APPROPRIATION

The results of the Group for the year ended 31 July 2010 are set out in the consolidated income statement on page 106.

The Directors recommend the payment of a final dividend of HK6 cents per ordinary share, totally HK\$46.6 million. The final dividend is expected to be paid to those shareholders whose names appear on the register of members of the Company on 23 November 2010.

SHARE CAPITAL

Details of movements of the share capital of the Company during the year are set out in Note 29 to the consolidated financial statements.

董事欣然提呈其年度報告及截至二零一零年七月三十一日止年度的經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本公司主要附屬公司的主要業務為設計及製造矽膠輸入裝置，而該等裝置主要用於4C(i)消費品(電子消費品)、(ii)電腦(電腦與筆記型電腦按鍵)、(iii)通訊設備(手機)及(iv)汽車(汽車週邊產品)。有關本公司附屬公司的詳情載於綜合財務報表附註37。年內，本集團主要業務的性質並無變動。

業績及撥用

本集團截至二零一零年七月三十一日止年度的業績載於第106頁的綜合收益表。

董事建議派付每股普通股6港仙的末期股息，合共46,600,000港元。預期末期股息將派付予於二零一零年十一月二十三日名列本公司股東名冊的股東。

股本

年內，本公司股本變動的詳情載於綜合財務報表附註29中。

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent approximately HK\$31,191,000 on additions to property, plant and equipment mainly for the expansion and enhancement of its production capability.

Details of movements in the Group's property, plant and equipment during the year are set out in Note 17 to the consolidated financial statements.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 201. This summary does not form part of the audited consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 July 2010, the Company's reserve available for distribution amounted to HK\$636,204,000. Movements in reserves of the Group and the Company during the year and the distributable reserves of the Company as at 31 July 2010 are set out in Note 36 to the consolidated financial statements of the Company.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group accounted for about 60.1% of the total revenue of the Group and the largest customer accounted for about 23.6% of the total revenue.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers taken together accounted for approximately 8.6% and 31.2% of the Group's total purchase for the year.

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

物業、廠房及設備

年內，本集團動用約31,191,000港元添置物業、廠房及設備，主要用以擴充及提升生產產能。

年內，本集團物業、廠房及設備變動的詳情載於綜合財務報表附註17。

財務資料概要

本集團最近五個財政年度公佈的業績、資產與負債概要載於第201頁。該概要並不構成經審核綜合財務報表的一部分。

可分派儲備

於二零一零年七月三十一日，本集團可供分派的儲備為636,204,000港元。本集團及本公司於年內的儲備變動及本公司於二零一零年七月三十一日的可分派儲備分別載於本公司的綜合財務報表附註36中。

主要客戶及供應商

於年內，本集團五大客戶佔本集團總收益約60.1%，而最大客戶則佔總收益約23.6%。

本集團最大供應商及五大供應商合共佔本集團於年內的總採購額約8.6%及31.2%。

各董事、彼等的聯繫人或任何本公司股東(就董事所知，擁有本公司已發行股本5%以上)概無在本集團五大供應商及客戶中擁有任何權益。

DIRECTORS

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

Executive Directors

Mr. Huang Sheng-Shun (*Chairman*)
Mr. Wu Ih Chen (*Chief Executive Officer*)
Mr. Lin Hung-Ming
Mr. Wong Tak Leung
Mr. Huang Te-Wei

Non-Executive Director

Mr. Kirk Yang

Independent Non-Executive Directors

Mr. Chuang Hong-Jen (retired on 29 December 2009)
Mr. Hsieh Yu
Professor Jou Yow-Jen (appointed on 29 December 2009)
Mr. Yeung Chi Tat

Pursuant to Article 87 of the Company's Articles of Association, Mr. Huang Sheng-Shun, Mr. Huang Te-Wei and Mr. Hsieh Yu will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

董事

年內及截至本報告日期，本公司董事為：

執行董事

黃勝舜先生(*主席*)
吳意誠先生(*行政總裁*)
林宏明先生
黃德良先生
黃德威先生

非執行董事

楊應超先生

獨立非執行董事

莊宏仁先生(於二零零九年十二月二十九日退任)
謝裕先生
周幼珍教授(於二零零九年十二月二十九日獲委任)
楊志達先生

根據本公司的組織章程第87條，黃勝舜先生、黃德威先生及謝裕先生將輪值退任，且符合資格並願意於應屆股東週年大會上膺選連任。

INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence to Rule 3.13 of The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rule") and as at the date of this report still considers that all of the independent non-executive Directors to be independent.

DIRECTORS' SERVICE CONTRACTS

As at 31 July 2010, none of the Directors proposed for re-election at the 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.

EMOLUMENT POLICY

The emoluments of the Directors of the Company are recommended by the Remuneration Committee, and decided by the Board, as authorised by shareholders in the annual general meeting, having regard to the Company's operating results, individual performance, experience, responsibility, workload and comparable market securities. No Director is involved in deciding their own remuneration.

The Company has adopted a Pre-IPO share option scheme and a Post-IPO share option scheme as an incentive to the Directors and eligible employees, details of the scheme is set out under the heading "Share Option Schemes".

Details of the remuneration policy for the Directors and senior management of the Group are set out in Remuneration Report under the heading "Remuneration Policy".

獨立非執行董事的確認書

本公司已收到獨立非執行董事各自按照聯交所證券上市規則(「上市規則」)第3.13條發出有關其獨立性的年度確認書，於本報告日期，本公司對全體獨立非執行董事的獨立性仍表示認同。

董事服務合約

於二零一零年七月三十一日，概無擬於應屆股東週年大會上膺選連任的董事與本公司訂立任何本公司不可於一年內免付賠償(法定賠償除外)而終止的服務合約。

酬金政策

本公司董事的酬金乃由薪酬委員會建議，並遵照股東於股東週年大會上的授權，由董事會按本公司的經營業績、個人表現、經驗、責任、工作量及可供比較市場證券而釐定。董事概無參與決定彼等各自的酬金。

本公司已採用首次公開發售前購股權計劃及首次公開發售後購股權計劃作為對董事及合資格僱員的一項鼓勵，有關計劃詳情載於「購股權計劃」一節。

有關董事及本集團高級管理層的薪酬政策詳情載於薪酬報告「薪酬政策」一節。

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors of the Company and the five highest paid individuals of the Group during the year under review are set out in Note 16 to the consolidated financial statements.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

Directors' Interests

As at 31 July 2010, the interests and short positions of the Directors and the Chief Executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") as recorded in the register kept by the Company pursuant to Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

董事及五名最高薪酬人士的酬金

有關於回顧年度，本公司董事及本集團五名最高薪酬人士的酬金詳情載於綜合財務報表附註16。

董事及主要行政人員的權益

董事權益

於二零一零年七月三十一日，各董事及本公司主要行政人員於本公司或及其任何相關法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中擁有根據證券及期貨條例第352條登記於該條規定本公司須予存置的登記冊內，或根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益及淡倉如下：

(a) Long positions in Shares and underlying Shares in the Company (a) 於本公司股份及相關股份的好倉

Name of Director 董事姓名	Capacity in which interests are held 持有權益的身份	Number of shares/underlying shares held in the Company 於本公司持有的股份／相關股份數目			Approximate percentage of issued share capital of the Company ⁵ 佔本公司已發行股本的概約百分比 ⁵	NOTES 附註
		Interests in shares 股份權益	Equity derivatives (Share Options) 股本衍生工具 (購股權)	Total interests 權益總額		
Huang Sheng-Shun 黃勝舜	Settlor of Sunshiny Trust/ Beneficial Owner Sunshiny Trust委託人/ 實益擁有人	413,940,000/ 7,500,000	1,300,000	422,740,000	54.34%	1 & 2 1及2
Wu Ih Chen 吳意誠	Beneficial Owner 實益擁有人	1,500,000	1,205,000	2,705,000	0.35%	
Lin Hung-Ming 林宏明	Beneficial Owner 實益擁有人	9,640,000	920,000	10,560,000	1.36%	
Wong Tak Leung 黃德良	Beneficial Owner 實益擁有人	5,760,000	875,000	6,635,000	0.85%	
Huang Te-Wei 黃德威	Beneficiary of Sunshiny Trust/ Beneficial Owner Sunshiny Trust受益人/ 實益擁有人	413,940,000/ 240,000	830,000	415,010,000	53.34%	1 to 3 1至3
Kirk Yang 楊應超	Beneficial Owner 實益擁有人	-	100,000	100,000	0.01%	
Hsieh Yu 謝裕	Beneficial Owner 實益擁有人	-	100,000	100,000	0.01%	
Yeung Chi Tat 楊志達	Beneficial Owner 實益擁有人	-	100,000	100,000	0.01%	

Notes:

1. On 1 February, 2010, Huang Trust sub-settled the shares to Sunshiny Trust. Sunshiny Trust is a discretionary trust, of which Mr. Huang Sheng-Shun is the settlor, Hang Seng Bank Trustee (International) Limited (the "Hang Seng Bank Trustee") is the trustee and family members of Mr. Huang Sheng-Shun (including Mr. Huang Te-Wei) are beneficiaries.
2. The 413,940,000 shares, representing approximately 53.19% shareholding of the Company, are directly held by the following seven British Virgin Islands companies ("7 BVI Companies") in aggregate as follows:

附註：

1. 於二零一零年二月一日，黃氏信託將股份轉託至Sunshiny Trust。Sunshiny Trust為全權信託，黃勝舜先生為委託人，恒生銀行信託國際有限公司（「恒生銀行信託」）為信託人，而黃勝舜先生的家族成員（包括黃德威先生）為受益人。
2. 該413,940,000股股份，即本公司約53.19%的股權，由以下七家英屬處女群島公司（「七家英屬處女群島公司」）合計直接持有，詳情如下：

Name of the 7 BVI Companies 7家英屬處女群島公司名稱	No. of Shares held 持有股份數目	Approximate percentage of issued share capital of the Company ⁵ 佔本公司已發行 股本的概約百分比 ⁵
Ace Chain Investments Corporation ("Ace Chain")	149,100,000	19.16%
China Gain Holdings Limited ("China Gain")	103,560,000	13.31%
Highwise Investment Group Corporation ("Highwise")	57,600,000	7.40%
Join Success Business Inc. ("Join Success")	34,560,000	4.44%
Jumbo Regent Investment Limited ("Jumbo Regent")	34,560,000	4.44%
Master Rich Business Limited ("Master Rich")	28,800,000	3.70%
Million Era Holding Corporation ("Million Era")	5,760,000	0.74%
Total總計	413,940,000	53.19%

The 7 BVI Companies are respectively 100% owned subsidiaries of Acuwake Enterprises Limited (the "Acuwake"). Acuwake is 100% owned by Bluebell Global Enterprises Limited. ("Bluebell"). Bluebell is wholly owned by Hang Seng Bank Trustee. Hang Seng Bank Trustee as trustee of Sunshiny Trust, Mr. Huang Sheng-Shun as the settlor of Sunshiny Trust are taken to be interested in such shares. Mr. Huang Sheng-Shun is also a director of each of the 7 BVI Companies.

七家英屬處女群島公司各為Acuwake Enterprises Limited（「Acuwake」）擁有100%權益的附屬公司。Bluebell Global Enterprises Limited（「Bluebell」）擁有Acuwake 100%權益。Bluebell由恒生銀行信託全資擁有。恒生銀行信託為Sunshiny Trust的信託人，黃勝舜先生為Sunshiny Trust的委託人，因此被視作於該等股份中擁有權益。黃勝舜先生亦為七家英屬處女群島公司各公司的董事。

- Mr. Huang Te-Wei is a son of Mr. Huang Sheng-Shun and a beneficiary of Sunshiny Trust. As such, Mr. Huang Te-Wei is taken to be interested in the same block of 413,940,000 shares held by the 7 BVI Companies.
- Details of the Directors' interests in the share options granted by the Company are set out under the heading "Directors' Rights to Acquire Shares" below.
- The issued capital of the Company as at 31 July 2010 is 778,006,000 shares.

Details of the Directors' interests in the share options granted by the Company are set out under the heading "Directors' Rights to Acquire Shares" below.

Directors' Rights to Acquire Shares

Name of Director 董事姓名	Date of Grant 授出日期	Exercise Period (subject to vesting period) 期內行使 (受歸屬期所限)	Balance as at 1.8.2009 於二零零九年 八月一日 的結餘	Grant during the period 期內授出	Exercise price per share HK\$ 每股行使價 港元	Number of Shares subject to outstanding options 尚未行使 購股權所涉及 的股份數目	Approximate percentage of the Company's issued capital ⁵ 佔本公司 已發行股本的 概約百分比 ⁵
Huang Sheng-Shun 黃勝舜	16.05.2007	08.06.2009 – 15.05.2017	550,000	–	2.20	550,000	0.07%
	24.12.2009	24.06.2010 – 23.12.2010	–	750,000	0.96	750,000	0.09%
						1,300,000	0.16%
Wu Ih Chen 吳意誠	16.05.2007	08.06.2009 – 15.05.2017	455,000	–	2.20	455,000	0.06%
	24.12.2009	24.06.2010 – 23.12.2019	–	750,000	0.96	750,000	0.09%
						1,205,000	0.15%
Huang Te-wei 黃德威	16.05.2007	08.06.2009 – 15.05.2017	230,000	–	2.20	230,000	0.03%
	24.12.2009	24.06.2010 – 23.12.2019	–	600,000	0.96	600,000	0.08%
						830,000	0.11%

- 黃德威先生為黃勝舜先生的兒子，並為Sunshiny Trust的受益人。因此，黃德威先生被視為於由七家英屬處女群島公司持有的同一批413,940,000股股份中擁有權益。
- 董事於本公司授出的購股權擁有的權益詳情載於下文「董事收購股份的權利」一節。
- 本公司於二零一零年七月三十一日的已發行股本為778,006,000股股份。

董事於本公司所授出購股權中的權益詳情載於下文「董事收購股份的權利」一節。

董事收購股份的權利

Report of the Directors 董事會報告

Name of Director 董事姓名	Date of Grant 授出日期	Exercise Period (subject to vesting period) 期內行使 (受歸屬期所限)	Balance as at 1.8.2009 於二零零九年 八月一日 的結餘	Grant during the period 期內授出	Exercise price per share HK\$ 每股行使價 港元	Number of Shares subject to outstanding options 尚未行使 購股權所涉及 的股份數目	Approximate percentage of the Company's issued capital ⁵ 佔本公司 已發行股本的 概約百分比 ⁵
Lin Hung-Ming 林宏明	16.05.2007	08.06.2009 – 15.05.2017	320,000	–	2.20	320,000	0.04%
	24.12.2009	24.06.2010 – 23.12.2019	–	600,000	0.96	600,000	0.08%
						<u>920,000</u>	<u>0.12%</u>
Wong Tak Leung 黃德良	16.05.2007	08.06.2009 – 15.05.2017	275,000	–	2.20	275,000	0.03%
	24.12.2009	24.06.2010 – 23.12.2019	–	600,000	0.96	600,000	0.08%
						<u>875,000</u>	<u>0.11%</u>
Kirk Yang 楊應超	24.12.2009	24.06.2010 – 23.12.2019	–	100,000	0.96	100,000	0.01%
Hsieh Yu 謝裕	24.12.2009	24.06.2010 – 23.12.2019	–	100,000	0.96	100,000	0.01%
Yeung Chi Tat 楊志達	24.12.2009	24.06.2010 – 23.12.2019	–	100,000	0.96	100,000	0.01%

Further details of the share options are set out in the section headed "Share Option Schemes" below.

購股權的其他詳情載於下文「購股權計劃」一節。

(b) Interest in associated corporations of the Company (b) 於本公司相聯法團擁有的權益

Name of Director 董事姓名	Name of associated corporation* 相聯法團名稱*	Capacity in which interests are held 持有權益的身份	Class of shares 股份類別	Number of shares interested 擁有權益的股份數目	Percentage of the relevant associated corporation's issued share capital 佔有關相聯法團已發行股本的百分比
Huang Sheng-Shun 黃勝舜	Hang Seng Bank Trustee as trustee of Sunshiny Trust 恒生銀行信託作為 Sunshiny Trust的信託人	Settlor of Sunshiny Trust Sunshiny Trust的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Acuwake	Settlor of Sunshiny Trust Sunshiny Trust的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Ace Chain	Settlor of Sunshiny Trust Sunshiny Trust的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	China Gain	Settlor of Sunshiny Trust Sunshiny Trust的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Highwise	Settlor of Sunshiny Trust Sunshiny Trust的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Join Success	Settlor of Sunshiny Trust Sunshiny Trust的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Jumbo Regent	Settlor of Sunshiny Trust Sunshiny Trust的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Master Rich	Settlor of Sunshiny Trust Sunshiny Trust的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Million Era	Settlor of Sunshiny Trust Sunshiny Trust的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%

Report of the Directors 董事會報告

Name of Director 董事姓名	Name of associated corporation* 相聯法團名稱*	Capacity in which interests are held 持有權益的身份	Class of shares 股份類別	Number of shares interested 擁有權益的股份數目	Percentage of the relevant associated corporation's issued share capital 佔有關相聯法團已發行股本的百分比
Huang Te-Wei 黃德威	Hang Seng Bank Trustee as trustee of Sunshiny Trust 恒生銀行信託作為 Sunshiny Trust的信託人	Beneficiary of Sunshiny Trust Sunshiny Trust的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Acuwake	Beneficiary of Sunshiny Trust Sunshiny Trust的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Ace Chain	Beneficiary of Sunshiny Trust Sunshiny Trust的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	China Gain	Beneficiary of Sunshiny Trust Sunshiny Trust的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Highwise	Beneficiary of Sunshiny Trust Sunshiny Trust的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Join Success	Beneficiary of Sunshiny Trust Sunshiny Trust的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Jumbo Regent	Beneficiary of Sunshiny Trust Sunshiny Trust的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Master Rich	Beneficiary of Sunshiny Trust Sunshiny Trust的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Million Era	Beneficiary of Sunshiny Trust Sunshiny Trust的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%

***Note:**

For details of the corporate structure of each of the associated companies, please see Notes 1 and 2 of the sub-section headed "(a) Long positions in Shares and underlying shares held in the Company".

Save as disclosed above, as at 31 July 2010, none of the Directors and the Chief Executive of the Company nor their respective associates had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEMES

The Company maintains two share option schemes, namely the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme for the purpose of recognising the contribution of certain executive directors and employees of the Group and retaining them for the continual operation and development of the Group. Both schemes were approved by the written resolutions of the sole shareholder passed on 16 May 2007 and had a life of 10 years from its adoption.

Under the Share Option Schemes, the Board may, at its discretion, offer any employee (including any Executive Director) of the Group, options to subscribe for shares in the Company subject to the terms and conditions stipulated in the two schemes.

***附註：**

有關各相聯公司的企業架構詳情，請參閱「(a) 於本公司股份及相關股份的好倉」分節附註1及2。

除上文所披露者外，於二零一零年七月三十一日，概無董事及本公司主要行政人員及彼等各自的聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有(a)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所(包括根據上述證券及期貨條例規定被視為或當作擁有的權益或淡倉)；或(b)根據證券及期貨條例第352條須登記於該條所述的登記冊；或(c)根據標準守則須知會本公司及聯交所的權益或淡倉。

購股權計劃

本公司維持兩項購股權計劃，分別為首次公開發售前購股權計劃及首次公開發售後購股權計劃，旨在認可本集團若干執行董事及僱員的貢獻，並挽留人才以令本集團繼續營運及發展。兩項計劃均已於二零零七年五月十六日獲唯一股東以書面決議案批准，有效期為採納當日起計10年。

根據購股權計劃，董事會可酌情向本集團任何僱員(包括任何執行董事)授出購股權，以根據兩項計劃所規定的條款及條件認購本公司股份。

The Pre-IPO Share Option

(a) Purpose of the Scheme

The Company adopted the Pre-IPO share option scheme on 16 May 2007 (“**Pre-IPO Share Option Scheme**”). The purpose of the Pre-IPO Share Option Plan is to recognise the contribution made by the executive directors and the employees of the Company prior to the listing of shares of the Company on Stock Exchange.

(b) Participants of the Scheme

Pursuant to the Pre-IPO Share Option Scheme, the Company may grant options to any full-time or part-time employee of the Company and/or any its subsidiaries, including any executive director of the Company or any of its subsidiaries but excluding any non-executive director of the Company or any of its subsidiaries.

(c) Total number of shares available for issue under the Scheme

The total number of shares in respect of the Scheme may be granted under the Pre-IPO Share Option Scheme is 9,070,000 shares.

The maximum number of shares of the Company which may be issued upon exercise of outstanding options granted and yet to be exercised under the Scheme of the Company shall not exceed 30% of the total number of shares of the Company in issue from time to time.

(d) Maximum entitlement of each participant

The maximum entitlement for any one participant is that the total number of shares issued and to be issued upon exercise of the options granted and to be granted to each participant (including both exercised and outstanding options) in any 12 months period must not exceed 1% of the total number of shares of the Company in issue.

首次公開發售前購股權

(a) 計劃的目的

本公司於二零零七年五月十六日採納首次公開發售前購股權計劃(「**首次公開發售前購股權計劃**」)。首次公開發售前購股權計劃的目的旨在認可本公司執行董事及僱員在本公司股份於聯交所上市前的貢獻。

(b) 計劃的參與者

根據首次公開發售前購股權計劃，本公司將向本公司及／或其任何附屬公司的任何全職或兼職僱員(包括本公司或其任何附屬公司的任何執行董事，但本公司或其任何附屬公司的任何非執行董事則除外)授出購股權。

(c) 根據計劃可發行的股份總數

根據首次公開發售前購股權計劃可授出的股份總數為9,070,000股股份。

因行使根據本公司計劃授出但尚未行使的購股權而可予發行的股份數目上限不得超過本公司不時已發行股份總數的30%。

(d) 向每位參與者授出購股權的上限

於任何十二個月期間內，每位參與者因行使獲授或將獲授的購股權(包括已行使及尚未行使的購股權)而發行及將予發行的股份總數上限，不得超過本公司已發行股份總數的1%。

(e) Time of exercise of options

An option granted under the Pre-IPO Share Option Scheme is exercisable at the subscription price of HK\$2.20 per Share (subject to adjustment and vesting period). If a grantee does not cease to be Participant from the date of grant of options (i.e. 16 May 2007) to him up to the business date immediately prior to the date of the 1st anniversary (“Anniversary”) of the Listing Date, the grantee may exercise up to 1/5 of the options granted to him on or after the date of the 1st Anniversary. In the event that the grantee does not cease to be a Participant up to the business day prior to the date of the 2nd, 3rd, 4th and 5th Anniversary, he is entitled to exercise an addition of up to 1/5 of the options granted to him on or after the relevant date of Anniversary respectively.

(f) The subscription price per share

The subscription price per share under the Pre-IPO Share Option Scheme is HK\$2.20 per share representing approximately 37.1% discount to the international offering price (assuming the offer price is the maximum of HK\$3.50 per share).

(g) Payment on acceptance of option

A non-refundable sum of HK\$1.00 by way of consideration for the grant of an option is required to be paid by each of the grantee upon acceptance of the granted option.

(h) Remaining life of the Scheme

The Pre-IPO Share Option Plan have no remaining life as no further options may be granted but the provisions of the Pre-IPO Share Option Scheme shall in all other respects remain in force and effect and options which are granted during the life on the Pre-IPO Share Option Scheme may continue to exercise in accordance with the respective terms of issue.

On 16 May 2007, the Company granted 9,070,000 options under the Pre-IPO Share Option Scheme. No further options would be granted under the Pre-IPO Share Option Scheme on or after the listing date of the Company i.e. 8 June 2007.

(e) 行使購股權時間

根據首次公開發售前購股權計劃授出的購股權可按每股股份2.20港元的認購價行使(可予調整及受歸屬期所限)。倘承授人自獲授出購股權當日(即二零零七年五月十六日)起至緊接上市日期第一個周年(「周年」)日的前一個營業日止期間並無終止作為參與者,則承授人可於第一個周年日或之後行使其獲授的購股權最多達五分之一。倘承授人於第二、第三、第四及第五個周年日的前一個營業日並無終止作為參與者,則承授人有權分別於有關周年日或之後額外行使其獲授的購股權最多達五分之一。

(f) 每股認購價

首次公開發售前購股權計劃下的股份認購價為每股2.20港元,較國際發售價折讓約37.1%(假設發售價上限為每股3.50港元)。

(g) 接納購股權所支付的金額

當接納所獲授的購股權時,每名承授人須支付不可退回款項1.00港元作為接納購股權的代價。

(h) 計劃有效期

由於不會額外授出購股權,故首次公開發售前購股權計劃已告結束。然而,首次公開發售前購股權計劃的條文在所有方面均一直有效及生效,而於首次公開發售前購股權計劃有效期內授出的購股權可繼續根據相關發行條款行使。

於二零零七年五月十六日,本公司根據首次公開發售前購股權計劃授出9,070,000份購股權。於本公司上市日期(即二零零七年六月八日)或之後,再無根據首次公開發售前購股權計劃授出購股權。

Post-IPO Share Option Scheme

The major terms of the Post-IPO Share Option Scheme adopted on 16 May 2007 (“**Post-IPO Share Option Scheme**”) were summarised as follows:

(a) Purpose of the Scheme

The Post-IPO Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contribution of the participants. The Post-IPO Share Option Scheme will provide the participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

- motivate the participants to optimise their performance efficiency for the benefit of the Group; and
- attract and retain or otherwise maintain on-going business relationship with the participants whose contributions are or will be beneficial to the long-term growth of the Group.

(b) Participants of the Scheme

Participants of Post-IPO Share Option Scheme include (i) eligible employees (whether full time or part time employee including any executive director) of the Group and any invested entity; (ii) any non-executive director (including independent non-executive directors) of the Company, any of its subsidiaries or any invested entity; (iii) any suppliers of goods or services to any member of the Group or any invested entity; (iv) any customer of the Group or any member of the Group (v) any consultant, advisor, manager, officer or entity that provides research, development or other technological support to the Group or any invested entity.

首次公開發售後購股權計劃

於二零零七年五月十六日獲採納的首次公開發售後購股權計劃(「**首次公開發售後購股權計劃**」)的主要條款概述如下：

(a) 計劃的目的

首次公開發售後購股權計劃為股份獎勵計劃，設立該計劃旨在認可及表揚參與者的貢獻。首次公開發售後購股權計劃將令參與者有機會在本公司持有個人股權，以達致以下目的：

- 鼓勵參與者達致最佳表現效率，使本集團獲益；及
- 吸引及挽留或以其他方式維持與參與者的持續業務關係，而彼等的貢獻有利或將有利於本集團的長遠發展。

(b) 計劃的參與者

首次公開發售後購股權計劃的參與者包括(i)本集團及任何被投資實體的合資格僱員(不論全職或兼職僱員，並包括任何執行董事)；(ii)本公司、其任何附屬公司或任何被投資實體的任何非執行董事(包括獨立非執行董事)；(iii)向本集團任何成員公司或任何被投資實體提供貨品或服務的任何供應商；(iv)本集團或本集團任何成員公司的任何客戶；及(v)為本集團或任何被投資實體提供研發或其他技術支援的諮詢人員、顧問、經理、高級職員或實體。

(c) Total number of shares available for issue under the Scheme

The total number of shares of the Company which may be issued upon exercise of all option to be granted under the Post-IPO Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares of the Company in issue at the date of approval of the Post-IPO Share Option Scheme (i.e. 16 May 2007). The Company may seek approval of the shareholders in general meeting to renew the said 10% limit such that the total number of shares in respect of options that may be granted under the Post-IPO Share Option Scheme or any other share option schemes of the Company shall not exceed 10% of the total number of shares of the Company in issue as at the date of approval to renew the limit. Notwithstanding the above, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Post-IPO Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of total number of shares of the Company in issue from time to time.

As at the date of this report, the total number of shares available for issue in respect there of is 69,050,000 shares of the Company, representing approximately 8.88% of the issued shares of the Company as at the date this report.

(d) Maximum entitlement of each participant

The maximum entitlement for any one participant is that the total number of shares issued and to be issued upon exercise of the options granted and to be granted to each participant (including both exercised and outstanding options) in any 12 months period must not exceed 1% of the total number of shares of the Company in issue. Any further grant of options in excess of the said 1% limit shall be subject to shareholders' approval in general meeting with such participant and his or her associates abstaining from voting.

(c) 根據計劃可發行的股份總數

因行使根據首次公開發售後購股權計劃及本公司任何其他購股權計劃可授出的所有購股權而可予發行的本公司股份總數不得超過本公司於首次公開發售後購股權計劃獲批准當日(即二零零七年五月十六日)已發行股份總數的10%。本公司可尋求股東在股東大會上批准更新該10%的上限,致使根據首次公開發售後購股權計劃或本公司任何其他購股權計劃授出的購股權而可予發行的股份總數不得超過於批准更新上限當日本公司已發行股份總數的10%。儘管如上文所述,因行使根據首次公開發售後購股權計劃及本公司任何其他購股權計劃而授出但尚未行使的所有購股權而可予發行的股份數目上限不得超過本公司不時已發行股份總數的30%。

於本報告日期,可據此發行的股份總數為本公司69,050,000股股份,佔本公司於本報告日期已發行股份約8.88%。

(d) 每位參與者獲授購股權的上限

於任何十二個月期間內,每位參與者因行使獲授或將獲授的購股權(包括已行使及尚未行使的購股權)而發行及將予發行的股份總數上限不得超過本公司已發行股份總數的1%。授出超過上述1%上限的購股權須待股東於股東大會上批准後方可作實,而該參與者及其聯繫人須在會上放棄投票。

(e) Timing of exercise of options

The period during which an option may be exercised will be determined by the Board in its absolute discretion and in any event such period shall not be longer than 10 years after the date of grant of the option.

(f) The subscription price per share

The subscription price per share in respect of an option granted under the Post-IPO Share Option Scheme is such price as determined by the Board of the Company at the time of the grant of the options, but in any case the subscription price shall not be lower than the higher of:

- the closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange on the date on which the options are offered, which must be a business day;
- the price being the average closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer of the options; and
- the nominal value of a share of the Company on the date of offer.

(g) Payment on acceptance of options

A non-refundable sum of HK\$1.00 by way of consideration for the grant of an option is required to be paid by each of the grantee upon acceptance of the granted options.

(e) 行使購股權時間

購股權可予行使的期限由董事會全權酌情決定，惟無論如何不得超過購股權授出日期起計10年。

(f) 每股認購價

根據首次公開發售後購股權計劃授出的購股權的每股認購價由本公司董事會於授出購股權時釐定，惟於任何情況下，該認購價不得低於下列最高者：

- 於提呈購股權當日聯交所每日報價表所列本公司股份的收市價，而該日必須為營業日；
- 緊接提呈購股權當日前五個營業日聯交所每日報價表所列本公司股份的平均收市價；及
- 於提呈當日本公司股份的面值。

(g) 接納購股權所支付的金額

當接納所獲授的購股權時，每名承授人須向本公司支付不可退還款項1.00港元作為接納購股權的代價。

(h) Duration of the Scheme

The Post-IPO Share Option Scheme will remain in force for a period of 10 years from its adoption date (i.e. 16 May 2007). However, the Company may terminate the Post-IPO Share Option Scheme prior to such period and in such event no further option may be granted but options granted prior to such termination shall continue to be valid and exercisable in accordance with the terms of Post-IPO Share Option Scheme.

As 31 July 2010, the outstanding number of shares in respect of which options had been granted under the Post-IPO Share Option Scheme was 10,540,000 shares, representing 1.36% of the issued share capital of the Company as at the date of this report.

The other principal terms of the Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme are set out in the Prospectus of the Company.

Details of specific categories of options are as follows:

Option Type 購股權類別	Date of Grant 授出日期	Exercise Period 行使期	Exercise price 行使價
Pre-IPO Share Option Scheme ("Share Option Scheme I") 首次公開發售前購股權計劃 (「購股權計劃I」)	16 May 2007 二零零七年五月十六日	08.06.2009 – 15.05.2017	HK\$2.20 2.20港元
Post-IPO Share Option Scheme ("Share Option Scheme II") 首次公開發售後購股權計劃 (「購股權計劃II」)	24 December 2009 二零零九年十二月二十四日	24.06.2010 – 23.12.2019	HK\$0.96 0.96港元

(h) 計劃有效期

首次公開發售後購股權計劃由採納日期(即二零零七年五月十六日)起計10年內有效。然而,本公司或會於該期間之前終止首次公開發售後購股權計劃,而於該情況下,將不會再授出購股權,惟於終止前授出的購股權將依據首次公開發售後購股權計劃的條款而繼續有效及可予行使。

於二零一零年七月三十一日,根據首次公開發售後購股權計劃可授出的購股權所涉及的在外流通股份數目為10,540,000股,佔本公司於本報告日期的已發行股本1.36%。

首次公開發售前購股權計劃及首次公開發售後購股權計劃的其他主要條款載於本公司的售股章程內。

購股權特定類別的詳情如下:

Report of the Directors 董事會報告

The following table disclose movements in the share options 期內，購股權的變動於下表披露：
during the period:

		Option to subscribe for shares of the company 可認購本公司股份的購股權					Exercise period (subject to vesting period) 行使期 (受歸屬期所限)	Exercise price per share HK\$ 每股行使價 港元
Category or name of grantees 承授人的身份或姓名	Option type 購股權類別	Balance as at 1.8.2009 於二零零九年八月一日的結餘	Granted during the period 期內授出	Lapsed during the period 期內已失效	Exercised during the period 期內已行使	Balance as at 31.7.2010 於二零一零年七月三十一日的結餘		
DIRECTORS								
董事								
Huang Sheng-Shun 黃勝舜	Share Option Scheme I 購股權計劃	550,000	-	-	-	550,000	08.06.2009 – 15.05.2017	2.20
	Share Option Scheme II 購股權計劃II	-	750,000	-	-	750,000	24.06.2010 – 23.12.2019	0.96
						1,300,000		
Wu Ih Chen 吳意誠	Share Option Scheme I 購股權計劃	455,000	-	-	-	455,000	08.06.2009 – 15.05.2017	2.20
	Share Option Scheme II 購股權計劃II	-	750,000	-	-	750,000	24.06.2010 – 23.12.2019	0.96
						1,205,000		
Huang Te-Wei 黃德威	Share Option Scheme I 購股權計劃	230,000	-	-	-	230,000	08.06.2009 – 15.05.2017	2.20
	Share Option Scheme II 購股權計劃II	-	600,000	-	-	600,000	24.06.2010 – 23.12.2019	0.96
						830,000		

Option to subscribe for shares of the company
可認購本公司股份的購股權

Category or name of grantees 承授人的身份或姓名	Option type 購股權類別	Balance as at 1.8.2009 於二零零九年八月一日的結餘	Granted during the period 期內授出	Lapsed during the period 期內已失效	Exercised during the period 期內已行使	Balance as at 31.7.2010 於二零一零年七月三十一日的結餘	Exercise period (subject to vesting period) 行使期 (受歸屬期所限)	Exercise price per share 每股行使價 HK\$ 港元
Lin Hung-Ming 林宏明	Share Option Scheme I 購股權計劃I	320,000	-	-	-	320,000	08.06.2009 – 15.05.2017	2.20
	Share Option Scheme II 購股權計劃II	-	600,000	-	-	600,000	24.06.2010 – 23.12.2019	0.96
						920,000		
Wong Tak Leung 黃德良	Share Option Scheme I 購股權計劃I	275,000	-	-	-	275,000	08.06.2009 – 15.05.2017	2.20
	Share Option Scheme II 購股權計劃II	-	600,000	-	-	600,000	24.06.2010 – 23.12.2019	0.96
						875,000		
Kirk Yang 楊應超	Share Option Scheme II 購股權計劃II	-	100,000	-	-	100,000	24.06.2010 – 23.12.2019	0.96
Hsieh Yu 謝裕	Share Option Scheme II 購股權計劃II	-	100,000	-	-	100,000	24.06.2010 – 23.12.2019	0.96
Yeung Chi Tat 楊志達	Share Option Scheme II 購股權計劃II	-	100,000	-	-	100,000	24.06.2010 – 23.12.2019	0.96
Total for Directors 董事總計		1,830,000	3,600,000	-	-	5,430,000		

Option to subscribe for shares of the company
可認購本公司股份的購股權

Category or name of grantees 承授人的身份或姓名	Option type 購股權類別	Balance as at 1.8.2009 於二零零九年八月一日的結餘	Granted during the period 期內授出	Lapsed during the period 期內已失效	Exercised during the period 期內已行使	Balance as at 31.7.2010 於二零一零年七月三十一日的結餘	Exercise period (subject to vesting period) 行使期 (受歸屬期所限)	Exercise price per share 每股行使價 HK\$ 港元
Employees 僱員	Share Option Scheme I 購股權計劃I	5,255,000	-	(425,000) ⁴	-	4,830,000	08.06.2009 – 15.05.2017	2.20
	Share Option Scheme II 購股權計劃II	-	7,350,000	(346,000) ⁴	(20,000)	6,984,000	24.06.2010 – 23.12.2019	0.96
Total for Employees 僱員總計		5,255,000	7,350,000	(771,000)	(20,000)	11,814,000		
All Categories 所有類別	Share Option Scheme I 購股權計劃I	7,085,000	-	(425,000)	-	6,660,000	08.06.2009 – 15.05.2017	2.20
	Share Option Scheme II 購股權計劃II	-	10,950,000	(346,000)	(20,000)	10,584,000	24.06.2010 – 23.12.2019	0.96
Total 總計		7,085,000	10,950,000	(771,000)	(20,000)	17,244,000		

Notes:

附註：

- | | |
|---|--|
| <p>1. The closing price of the shares of the Company immediately before the date on which the share options were granted under Share Option Scheme II was HK\$0.90 per share.</p> <p>2. The vesting period of the Pre-IPO Share Option Scheme is from the date of grant until the comment of the exercise period.</p> <p>3. The vesting period of the Post-IPO Share Option Scheme is from the date of grant until the exercise of the period.</p> <p>4. The share options were held by a grantee who ceased to be the employee of the Group during the period.</p> | <p>1. 本公司股份於緊接根據購股權計劃II授出購股權日期前的收市價為每股0.90港元。</p> <p>2. 首次公開發售前購股權計劃的歸屬期為授出日期至行使期開始當日。</p> <p>3. 首次公開發售後購股權計劃的歸屬期為授出日期至行使期當日。</p> <p>4. 該等購股權由期內終止作為本集團僱員的一名承授人持有。</p> |
|---|--|

5. No share option was cancelled during the period.
6. The weighted average closing price of the Company's shares immediately before the dates on which the share options were exercised was HK\$1.16.

Save as disclosed above, no share options was granted under the Pre-IPO Share Option Scheme and Post-IPO share option Scheme.

VALUATION OF SHARE OPTIONS GRANTED DURING THE YEAR

The valuation of share options granted during the year is set out in Note 32 the consolidated financial statements.

INTERESTS OF THE SUBSTANTIAL SHAREHOLDERS

As at 31 July 2010, so far as is known to the Directors, the following persons have an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO and are recorded in the register kept by the Company under section 336 of the SFO:

Long positions in the Shares

As at 31 July 2010, so far as is known to the Directors of the Company, the following, not being a Director or the Chief Executive of the Company, have an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO and are recorded in the register kept by the Company under section 336 of SFO:

5. 期內概無註銷任何購股權。
6. 本公司股份於緊接購股權行使日期前的加權平均收市價為1.16港元。

除上文所披露者外，概無根據首次公開發售前購股權計劃及首次公開發售後購股權計劃授出任何購股權。

年內授出的購股權的估值

年內授出的購股權的估值載於綜合財務報表附註32。

主要股東的權益

於二零一零年七月三十一日，就董事所知，以下人士於本公司股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司披露及根據證券及期貨條例第336條須記錄於本公司存置的登記冊中的權益或淡倉：

於股份的好倉

於二零一零年七月三十一日，就本公司董事所知，以下(並非本公司董事或主要行政人員)擁有根據證券及期貨條例第XV部第2及3分部的規定須向本公司披露及根據證券及期貨條例第336條須記錄於本公司存置的登記冊中的股份或相關股份的權益或淡倉：

Long positions in the Shares and Underlying Shares 於股份及相關股份的好倉

Name of shareholder 股東名稱	Nature of interests 權益性質	Number of shares held in the Company 持有本公司股份數目	Number of shares subject to options 購股權涉及 的股份數目	Total 總計	Percentage of interest as to the issued share capital of the Company ¹² 佔本公司已 發行股本的 權益百分比 ¹²	NOTE(S) 附註
Acuwake Enterprises Limited	Interest of controlled corporation 受控制法團權益	413,940,000	–	413,940,000	53.21%	1
Bluebell Global Enterprises Limited	Interest of controlled corporation 受控制法團權益	413,940,000	–	413,940,000	53.21%	1
Hang Seng Bank Trustee International Limited 恒生銀行信託國際有限公司	Trustee of Sunshiny Trust Sunshiny Trust的信託人	413,940,000	–	413,940,000	53.21%	1 & 4 1及4
Hang Seng Bank Limited 恒生銀行有限公司	Interest of controlled Corporation 受控制法團權益	413,940,000	–	413,940,000	53.21%	4 & 5 4及5
The Hongkong and Shanghai Banking Corporation Limited 香港上海滙豐銀行有限公司	Interest of controlled Corporation 受控制法團權益	413,940,000	–	413,940,000	53.21%	5
HSBC Asia Holdings BV	Interest of controlled Corporation 受控制法團權益	413,940,000	–	413,940,000	53.21%	5
HSBC Asia Holdings (UK) Limited	Interest of controlled Corporation 受控制法團權益	413,940,000	–	413,940,000	53.21%	5
HSBC Holdings BV	Interest of controlled Corporation 受控制法團權益	413,940,000	–	413,940,000	53.21%	5
HSBC Finance (Netherlands)	Interest of controlled Corporation 受控制法團權益	413,940,000	–	413,940,000	53.21%	5
HSBC Holdings plc 滙豐控股有限公司	Interest of controlled Corporation 受控制法團權益	413,940,000	–	413,940,000	53.21%	5

Name of shareholder 股東名稱	Nature of interests 權益性質	Number of shares held in the Company 持有本公司股份數目	Number of shares subject to options 購股權涉及 的股份數目	Total 總計	Percentage of interest as to the issued share capital of the Company ¹² 佔本公司已 發行股本的 權益百分比 ¹²	NOTE(S) 附註
Ace Chain Investments Corporation	Beneficial interests 實益權益	149,100,000	–	149,100,000	19.16%	1
China Gain Holdings Limited	Beneficial interests 實益權益	103,560,000	–	103,560,000	13.31%	1
Highwise Investment Group Corporation	Beneficial interests 實益權益	57,600,000	–	57,600,000	7.40%	1
Huang Sheng-Shun 黃勝舜	Settlor of Sunshiny Trust Sunshiny Trust的委託人	413,940,000	–	422,740,000	54.34%	2
	Beneficial interests 實益權益	7,500,000	1,300,000			
Tong Mei-Jen 童美珍	Spouse interests 配偶權益	413,940,000/ 7,500,000	1,300,000	422,740,000	54.34%	3
Huang Te-Wei 黃德威	Beneficiary of Huang Trust 黃氏信託的受益人	413,940,000/ 240,000	–	415,010,000	53.34%	10
	Beneficial interests 實益權益		830,000			
Chao Yu Ting 趙昱婷	Spouse interests 配偶權益	413,940,000/ 240,000	830,000	415,010,000	53.34%	11
Wu Pei Min 吳沛珉	Corporate Interests 公司權益	60,120,000	–	60,365,000	7.76%	6 to 8
	Beneficial Interests 實益權益	–	245,000			6至8
Wu Chung-chieh, Jack 吳中傑	Corporate interests 公司權益	57,600,000	–	57,672,000	7.41%	6 & 9
	Beneficial interests 實益權益	32,000	40,000			6至9

Notes:

- (1) The 413,940,000 shares relate to the same block of shares in the Company. These shares were directly held by the 7 BVI companies, all of which were wholly-owned by Acuwake Enterprises Limited ("Acuwake") which in turn was wholly-owned by Bluebell Global Enterprises Limited ("Bluebell"). Bluebell was wholly-owned by Hang Seng Bank Trustee as trustee of Sunshiny Trust. Ace Chain Investments Corporation, China Gain Holdings Limited and Highwise Investment Group Corporation are three of the 7 BVI companies which hold their respective shareholding of the Company directly as detailed in the above table. For details of the interests of Sunshiny Trust in the Company, please refer to Notes 1 and 2 of the sub-section headed "(a) Long positions in Shares and underlying Shares in the Company" under the section headed "Directors' and Chief Executive's Interests" in the above.
- (2) Mr. Huang Sheng-Shun as settlor of Sunshiny Trust is taken to have an interest in such shares. Details of Mr. Huang Sheng-Shun's share options, please refer to sub-section headed "Share Option Scheme" for details. Homelink sub-settled the shares on 1 February 2010 to Sunshiny Trust of which Hang Seng Bank Trustee is the trustee, please refer to Note 1 of the sub-section headed "(a) Long positions in Shares and underlying Shares in the Company" under the section headed "Directors' and Chief Executive's Interests" in the above.
- (3) Ms. Tong Mei-Jen, the spouse of Mr. Huang Sheng-Shun, is also deemed to be interested in such shares which Mr. Huang Sheng-Shun is interested in.
- (4) Hang Seng Bank Trustee International Limited was a wholly-owned subsidiary of Hang Seng Bank Limited. Hang Seng Bank Limited was owned as to approximately 62.14% by The Hongkong and Shanghai Banking Corporation Limited.
- (5) The Hongkong and Shanghai Banking Corporation Limited was wholly owned by HSBC Asia Holdings BV which was a wholly owned subsidiary of HSBC Asia Holdings (UK) Limited. HSBC Asia Holdings (UK) Limited was wholly owned by HSBC Holdings BV which in turn was wholly-owned by HSBC Finance (Netherlands). HSBC Finance (Netherlands) was a wholly owned subsidiary of HSBC Holdings plc.

附註：

- (1) 413,940,000股股份指本公司的同一批股份。該等股份由7家英屬處女群島公司直接持有，該等公司全部均由Acuwake Enterprises Limited (「Acuwake」)全資擁有，而Acuwake則由Bluebell Global Enterprises Limited (「Bluebell」)全資擁有。Bluebell由恒生銀行信託全資擁有，為Sunshiny Trust的信託人。Ace Chain Investments Corporation、China Gain Holdings Limited及Highwise Investment Group Corporation為七家英屬處女群島公司的其中三家公司，按上表所述方式直接持有各自於本公司的股權。有關Sunshiny Trust於本公司的權益的詳情，請參閱「董事及主要行政人員的權益」一節項下「(a)於本公司股份及相關股份的好倉」分節的附註1及2。
- (2) 黃勝舜先生作為Sunshiny Trust的委託人，被視為於該等股份中擁有權益。有關黃勝舜先生的購股權詳情，請參閱「購股權計劃」分節。Homelink於二零一零年二月一日將股份轉託予Sunshiny Trust，恒生銀行信託為信託人，請參閱上文「董事及主要行政人員的權益」一節項下「(a)於本公司股份及相關股份的好倉」分節的附註1。
- (3) 黃勝舜先生的配偶童美珍女士亦視為於黃勝舜先生擁有權益的該等股份中擁有權益。
- (4) 恒生銀行信託國際有限公司為恒生銀行有限公司的全資附屬公司。香港上海滙豐銀行有限公司擁有恒生銀行有限公司約62.14%權益。
- (5) 香港上海滙豐銀行有限公司由HSBC Asia Holdings BV (HSBC Asia Holdings (UK) Limited的全資附屬公司)全資擁有。HSBC Asia Holdings (UK) Limited由HSBC Holdings BV全資擁有，而HSBC Holdings BV則由HSBC Finance (Netherlands)全資擁有。HSBC Finance (Netherlands)為滙豐控股有限公司的全資附屬公司。

- (6) 57,600,000 shares out of 60,120,000 shares are beneficially-owned by Golden King Holdings Limited and Joint Kingdom International Holdings Limited which were 50% held by Ms. Wu Pei Min and 50% held by Mr. Wu Chung-chieh, Jack respectively. Accordingly, Ms. Wu Pei Min and Mr. Wu Chung-chieh, Jack are deemed to have beneficial interests in all these shares by virtue of SFO.
- 2,520,000 shares out of 60,120,000 shares were held by a company wholly owned by Ms. Wu Pei Min. Therefore, Ms. Wu is deemed to be beneficially interested in all these shares.
- (7) 95,000 shares out of 245,000 shares represent shares exercisable pursuant to the options granted to Ms. Wu Pei Min on 16 May 2007 under the Pre-IPO Share Option Scheme of the Company and which is exercisable at a price of HK\$2.20 per share during the period from 8 June 2009 to 15 May 2017.
- (8) The 150,000 shares out of 245,000 shares represent shares exercisable pursuant to options granted to Ms. Wu Pei Min on 24 December 2009 under the Post-IPO Share Option Scheme of the Company which is exercisable at a price of HK\$0.96 per share during the period from 24 June 2010 to 23 December 2010.
- (9) The 40,000 shares represent shares exercisable pursuant to options granted to Mr. Wu Chung-chieh, Jack on 24 December 2009 under the Post-IPO Share Option Scheme of the Company which is exercisable at a price of HK\$0.96 per share during the period from 24 June 2010 to 23 December 2010.
- (10) Mr. Huang Te-Wei is the son of Mr. Huang Sheng-Shun and a beneficiary of Sunshiny Trust. As such, Mr. Huang Te-Wei is taken to be interested in the 413,940,000 shares directly held by the 7 BVI Companies as controlled companies of Sunshiny Trust. Details of Mr. Huang Te-Wei's share options, please refer to sub-section headed "Share Option Schemes" for details.
- (11) Ms. Chao Yu Ting is the spouse of Mr. Huang Te-Wei and accordingly is deemed to be interested in all the Shares which Mr. Huang Te-Wei is interested in.
- (12) As at 31 July 2010, the issued share capital of the Company is 778,006,000 shares
- (6) 60,120,000股股份中的57,600,000股股份由Golden King Holdings Limited及Joint Kingdom International Holdings Limited實益擁有，該兩家公司由吳沛珉小姐及吳中傑先生分別各持有50%。因此，吳沛珉小姐及吳中傑先生按照證券及期貨條例被視為於所有該等股份中擁有實益權益。
- 60,120,000股股份中的2,520,000股股份由吳沛珉小姐全資擁有的一間公司持有。因此，吳小姐被視為於所有該等股份中擁有實益權益。
- (7) 245,000股股份中的95,000股指可行使股份，即根據本公司首次公開發售前購股權計劃於二零零七年五月十六日授予吳沛珉小姐的購股權而取得的股份，有關購股權可於二零零九年六月八日至二零一七年五月十五日期間按每股2.20港元的價格行使。
- (8) 245,000股股份中的150,000股指可行使股份，即根據本公司首次公開發售後購股權計劃於二零零九年十二月二十四日授予吳沛珉小姐的購股權而取得的股份，有關購股權可於二零一零年六月二十四日至二零一零年十二月二十三日期間按每股0.96港元的價格行使。
- (9) 40,000股指可行使股份，即根據本公司首次公開發售後購股權計劃於二零零九年十二月二十四日授予吳中傑先生的購股權而取得的股份，有關購股權可於二零一零年六月二十四日至二零一零年十二月二十三日期間按每股0.96港元的價格行使。
- (10) 黃德威先生為黃勝舜先生的兒子及Sunshiny Trust的受益人。因此，黃德威先生被視作於由七家英屬處女群島公司(作為受Sunshiny Trust控制的公司)直接持有的413,940,000股股份中擁有權益。有關黃德威先生的購股權的詳情，請參閱「購股權計劃」分節。
- (11) 趙昱婷女士為黃德威先生的配偶，因此亦被視為於黃德威先生擁有權益的所有股份中擁有權益。
- (12) 於二零一零年七月三十一日，本公司的已發行股本為778,006,000股股份。

Save as disclosed above, as at 31 July 2010, the directors and the chief executive of the Company were not aware of any person who has an interest or short position in the Shares, or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the year was the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors or the chief executives of the Company or any of their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTEREST IN CONTRACTS

No contract of significance, to which the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party and in which a Director of the Company had material interest, whether directly or indirectly, subsisted at the end of or at any time during the year, nor had there been any contract of significance entered into between the Group and a controlling shareholder of the Company during the year ended 31 July 2010.

除上文所披露者外，於二零一零年七月三十一日，據本公司董事及主要行政人員所知，並無任何人士於股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司及聯交所披露的權益或淡倉，或直接或間接擁有附有權利可於任何情況下在本集團任何其他成員公司股東大會投票的任何類別股本面值10%或以上。

董事收購股份或債券的權利

除上文所披露者外，於年內任何時間，本公司或其任何控股公司、附屬公司或同系附屬公司概無參與任何安排，使本公司董事或主要行政人員或任何彼等各自的配偶或18歲以下子女能透過收購本公司或任何其他法團的股份或債券而獲益。

董事於合約的權益

本公司、其任何控股公司、附屬公司或同系附屬公司於年結時或年內任何時間，概無訂立任何本公司董事直接或間接擁有重大權益的重要合約，且亦無於截至二零一零年七月三十一日止年度內與本集團及本公司控股股東訂立任何重要合約。

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 July, 2010, the Company repurchased a total of 23,096,000 ordinary shares on The Stock Exchange of Hong Kong Limited at an aggregate consideration of HK\$30,426,000. Out of 23,096,000 shares repurchased, a total of 1,082,000 shares has not yet been cancelled by the Company. The nominal value of the cancelled shares was transferred to the capital redemption reserve and the aggregate consideration was charged to unappropriated profits. Details of the shares repurchased are as follows:

購買、出售或贖回本公司上市證券

截至二零一零年七月三十一日止年度，本公司以總代價30,426,000港元在香港聯合交易所有限公司購回合共23,096,000股普通股。於23,096,000股已購回股份中，合共1,082,000股尚未被本公司註銷。已註銷股份的面值已轉撥至資本贖回儲備，而總代價則於未分配利潤中扣除。已購回股份的詳情如下：

Month of repurchases 購回股份月份	Total Number of shares repurchased 購回股份總數 '000 千股	Purchase price per share 每股購買價		Aggregate consideration 總代價 HK\$'000 千港元
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
January 一月	10,000	1.39	1.20	13,415
February 二月	4,560	1.39	1.19	6,004
March 三月	2,294	1.44	1.35	3,188
April 四月	1,668	1.40	1.31	2,257
May 五月	3,264	1.40	1.07	4,113
June 六月	160	1.02	1.00	161
July 七月	1,150	1.16	1.02	1,288
	23,096			30,426

The repurchase were made by Directors, pursuant to the mandate granted by the shareholders, with a view to benefit the Company and the shareholders as a whole in the enhancement of the net assets per share and earnings per share.

董事根據股東授予的授權進行購回，以提高每股資產淨值及每股盈利，令本公司及其股東整體受惠。

Saved as disclose above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares during the year.

除上文所披露者外，本公司及其任何附屬公司於年內概無購買、出售或贖回任何本公司股份。

COMPETING INTERESTS

As at 31 July 2010, in so far as the Directors were aware, none of the Directors or their respective associates had any interest in a business that competed or was likely to compete with the business of the Group.

PRE-EMPTIVE RIGHTS

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

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group, and to review the Company's annual report and half-yearly reports to provide advice and comments thereon to the Board. The audit committee comprises of Mr. Yeung Chi Tat, Mr. Hsieh Yu and Professor Jou Yow-Jen, all of whom are independent non-executive Directors of the Company.

The Audit Committee has reviewed the Group's annual results for the year ended 31 July 2010 in conjunction with the Company's auditors.

競爭性權益

於二零一零年七月三十一日，就董事所知，概無董事或彼等各自的聯繫人於與本集團業務構成競爭或可能構成競爭的業務中擁有任何權益。

優先購股權

根據本公司的公司組織章程或開曼群島法律，並無優先購股權的規定要求本公司須按比例向現有股東發售新股份。

公眾持股量

根據本公司以公開途徑取得的資料及據董事所知，於本報告日期，公眾持股量維持在上市規則所規定不少於本公司已發行股份25%的足夠水平。

審核委員會

本公司已遵照上市規則成立審核委員會，並以書面訂明職權範圍。審核委員會的主要職責為審閱及監督本集團的財務申報過程及內部控制系統，並審閱本公司年報及半年度報告，並就此向董事會提出建議及意見。審核委員會由楊志達先生、謝裕先生及周幼珍教授組成，各人均為本公司獨立非執行董事。

審核委員會已與本公司核數師審閱本集團截至二零一零年七月三十一日止年度的全年業績。

CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") during the year.

The Company's corporate governance practices are set out in Corporate Governance Report on page 35 of this annual report.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 23 November 2010 to 25 November 2010, both days inclusive, during which period no transfer of shares will be effected. The record date for final dividend is at the close of business on 23 November 2010.

In order to qualify for the final dividend and to attend the annual general meeting of the Company to be held on 25 November 2010, the shareholders' of the Company should ensure that all transfers, accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Tricor Investor Services Limited at 26/F., Tesbury Centre, 28 Queens' Road East, Hong Kong, not later than 4:30 p.m. on 22 November 2010.

FINAL DIVIDEND

The directors of the Company are pleased to recommend the payment of a final dividend of HK6 cents (2009: HK6 cents) per share for the year ended 31 July 2010, totaling HK\$46.6 million (2009: HK\$48 million) which is expected to be paid on or before 10 December 2010 to its shareholders per its register of members at the close of business on 23 November 2010 subject to the final approval in the annual general meeting to be held on 25 November 2010.

企業管治

年內，本公司一直遵守載於聯交所證券上市規則(「上市規則」)附錄十四企業管治守則所載的守則條文。

本公司採用的企業管治常規載於本年報第35頁的企業管治報告。

暫停辦理股份過戶登記手續

本公司將自二零一零年十一月二十三日至二零一零年十一月二十五日(包括首尾兩天)暫停股份過戶登記手續，期間概不會辦理股份過戶登記手續。末期股息的記錄日期為二零一零年十一月二十三日。

本公司股東如欲符合資格獲派末期股息及出席本公司將於二零一零年十一月二十五日舉行之股東週年大會，最遲必須於二零一零年十一月二十二日下午四時三十分前，將所有過戶登記文件連同有關股票，送達本公司的股份過戶登記處卓佳證券登記有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

末期股息

本公司董事欣然建議派付截至二零一零年七月三十一日止年度末期股息每股6港仙(二零零九年：6港仙)，合共46,600,000港元(二零零九年：48,000,000港元)，預期於二零一零年十二月十日或之前派付予於二零一零年十一月二十三日營業時間結束時名列股東名冊的股東，惟須待於二零一零年十一月二十五日舉行的股東週年大會上獲最終批准始行作實。

AUDITORS

The accounts for the year ended 31 July 2010 have been audited by Messrs. SHINEWING (HK) CPA Limited, who retire and, being eligible, offer themselves for re-appointment at the 2010 AGM. A resolution will be proposed at the forthcoming annual general meeting of the Company for the re-appointment of Messrs. SHINEWING (HK) CPA Limited as auditor of the Company.

On behalf of the Board

Huang Sheng-Shun
CHAIRMAN
Hong Kong

18 October 2010

核數師

截至二零一零年七月三十一日止年度的賬目已經由信永中和(香港)會計師事務所有限公司審核，該公司即將告退，惟符合資格且願意於二零一零年股東週年大會上膺選續聘。在本公司應屆股東週年大會上，將提呈決議案以續聘信永中和(香港)會計師事務所有限公司出任本公司的核數師。

代表董事會

黃勝舜
主席
香港

二零一零年十月十八日

Independent Auditor's Report

獨立核數師報告



SHINEWING (HK) CPA Limited
43/F., The Lee Gardens
33 Hysan Avenue
Causeway Bay, Hong Kong

TO THE SHAREHOLDERS OF TA YANG GROUP HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Ta Yang Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 106 to 199, which comprise the consolidated statement of financial position as at 31 July 2010, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

致大洋集團控股有限公司各股東

(於開曼群島註冊成立的有限公司)

我們已審核列載於第106頁至第199頁大洋集團控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，當中包括於二零一零年七月三十一日的綜合財務狀況表、截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他說明附註。

董事就綜合財務報表須承擔的責任

貴公司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及香港《公司條例》的披露規定編製及真實而公平地呈列該等綜合財務報表。這項責任包括設計、實施及維護與編製及真實而公平地呈列綜合財務報表相關的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況作出合理的會計估計。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITY

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

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

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

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表發表意見，並僅向整體股東報告，不應作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。我們已根據香港會計師公會頒佈的香港核數準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確保此等綜合財務報表是否不存有任何重大錯誤陳述。

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

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

Independent Auditor's Report

獨立核數師報告

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 July 2010 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.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Ip Yu Chak

Practising Certificate Number: P04798

Hong Kong

18 October 2010

意見

我們認為，綜合財務報表已根據香港財務報告準則真實而公平地反映貴集團於二零一零年七月三十一日的財務狀況及貴集團截至該日止年度的溢利及現金流量，並根據香港《公司條例》的披露規定妥為編製。

信永中和(香港)會計師事務所有限公司

執業會計師

葉汝澤

執業證書編號：P04798

香港

二零一零年十月十八日

Consolidated Income Statement

綜合收益表

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

		NOTES 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Turnover	營業額	8	812,093	620,251
Cost of sales	銷售成本		(631,547)	(519,193)
Gross profit	毛利		180,546	101,058
Other operating income	其他經營收入	8	17,474	17,537
Selling and distribution expenses	銷售及分銷開支		(28,086)	(28,269)
Administrative expenses	行政開支		(94,525)	(94,706)
Other expenses	其他開支	10	(5,068)	(8,414)
Bad debts written off	已撇銷壞賬		(4)	(23,742)
Share of profit (loss) of an associate	分佔聯營公司溢利(虧損)		383	(237)
Profit (loss) before taxation	除稅前溢利(虧損)		70,720	(36,773)
Income tax expenses	所得稅開支	11	(3,454)	(2,120)
Profit (loss) for the year attributable to owners of the Company	本公司擁有人應佔年內溢利(虧損)	12	67,266	(38,893)
Earnings (loss) per share	每股盈利(虧損)	14		
Basic	基本		HK8.51 cents港仙	HK(4.86) cents港仙
Diluted	攤薄		HK8.50 cents港仙	HK(4.86) cents港仙

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Profit (loss) for the year	年內溢利(虧損)	67,266	(38,893)
Other comprehensive income (expenses)	其他全面收入(開支)		
Exchange differences arising on translation	換算匯兌差額	9,410	(154)
Share of exchange reserve of an associate	分佔聯營公司匯兌儲備	(120)	(427)
Fair value gain on available-for-sale financial assets	可供出售金融資產的公平值收益	6,791	7,380
Other comprehensive income for the year	年內其他全面收入	16,081	6,799
Total comprehensive income (expense) for the year attributable to owners of the Company	本公司擁有人應佔年內全面收入(開支)總額	83,347	(32,094)

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 July 2010 於二零一零年七月三十一日

		NOTES 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	17	320,309	303,717
Construction in progress	在建工程	18	1,916	18,740
Prepaid lease payments	預付租賃款項	19	57,106	58,057
Available-for-sale financial assets	可供出售金融資產	20	44,892	17,086
Held-to-maturity investment	持有至到期投資	21	11,610	11,610
Interest in an associate	於聯營公司的權益	22	1,528	1,652
Deferred tax assets	遞延稅項資產	31	–	888
Deposits for acquisition of land use right	收購土地使用權的按金		5,171	–
			442,532	411,750
Current assets	流動資產			
Inventories	存貨	23	165,127	108,989
Trade and other receivables	應收貿易賬款及其他應收款項	24	302,050	205,331
Prepaid lease payments	預付租賃款項	19	1,301	1,298
Income tax recoverable	可收回所得稅		–	3,066
Held-for-trading investments	持作買賣投資	25	47	598
Derivative financial instruments	衍生金融工具	28	2,938	115
Deposits with bank	銀行存款	26	–	1,026
Bank balances and cash	銀行結餘及現金	26	333,789	458,000
			805,252	778,423
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及其他應付款項	27	118,909	68,139
Income tax payable	應付所得稅		44,997	50,083
			163,906	118,222
Net current assets	流動資產淨值		641,346	660,201
Total assets less current liabilities	資產總值減流動負債		1,083,878	1,071,951

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 July 2010 於二零一零年七月三十一日

		NOTES 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	29	77,801	80,000
Reserves	儲備		1,002,449	990,925
Total equity	權益總值		1,080,250	1,070,925
Non-current liabilities	非流動負債			
Deferred income	遞延收入	30	1,014	1,026
Deferred tax liabilities	遞延稅項負債	31	2,614	-
			3,628	1,026
			1,083,878	1,071,951

The consolidated financial statements on pages 106 to 199 were approved and authorised for issue by the board of directors on 18 October 2010 and are signed on its behalf by:

第106頁至第199頁的綜合財務報表乃經董事會於二零一零年十月十八日批准及授權刊發，並由下列董事代表簽署：

Director
董事

Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

		Share capital	Share premium	Share options reserve	Retained profits	Exchange reserve	Investments revaluation reserve	Share repurchase reserve	Capital redemption reserve	Statutory surplus	Legal reserve	Total
		股本	股份溢價	購股權儲備	保留溢利	匯兌儲備	投資重估儲備	股份購回儲備	資本贖回儲備	法定盈餘公積金	法定儲備	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
								(附註1)	(附註2)	(附註3)	(附註4)	
At 1 August 2008	於二零零八年八月一日	80,000	659,945	6,186	293,519	86,890	-	-	-	21,539	49	1,148,128
Loss for the year	年內虧損	-	-	-	(38,893)	-	-	-	-	-	-	(38,893)
Other comprehensive (expense) income for the year	年內其他全面(開支)收入	-	-	-	-	(581)	7,380	-	-	-	-	6,799
Total comprehensive (expense) income for the year	年內全面(開支)收入總額	-	-	-	(38,893)	(581)	7,380	-	-	-	-	(32,094)
Transfer to reserve for value of share options lapsed	就失效購股權的價值轉撥至儲備	-	-	(375)	375	-	-	-	-	-	-	-
Equity-settled share-based transactions	權益價付的股份基礎交易	-	-	2,891	-	-	-	-	-	-	-	2,891
Appropriation to reserves	撥款至儲備	-	-	-	(3,333)	-	-	-	-	3,333	-	-
Dividend declared and paid during the year	年內宣派及已派付股息	-	-	-	(48,000)	-	-	-	-	-	-	(48,000)
At 31 July 2009	於二零零九年七月三十一日	80,000	659,945	8,702	203,668	86,309	7,380	-	-	24,872	49	1,070,925
Profit for the year	年內溢利	-	-	-	67,266	-	-	-	-	-	-	67,266
Other comprehensive income for the year	年內其他全面收入	-	-	-	-	9,290	6,791	-	-	-	-	16,081
Total comprehensive income for the year	年內全面收入總額	-	-	-	67,266	9,290	6,791	-	-	-	-	83,347
Exercise of share options	行使購股權	2	23	(6)	-	-	-	-	-	-	-	19
Transfer to reserve for value of share options lapsed	就失效購股權的價值轉撥至儲備	-	-	(626)	626	-	-	-	-	-	-	-
Equity-settled share-based transactions	權益價付的股份基礎交易	-	-	4,385	-	-	-	-	-	-	-	4,385
Appropriation to reserves	撥款至儲備	-	-	-	(4,832)	-	-	-	-	4,832	-	-
Shares repurchased and cancelled	已購回及註銷股份	(2,201)	(27,006)	-	(2,201)	-	-	-	2,201	-	-	(29,207)
Repurchase of own shares pending for cancellation	購回本身待註銷股份	-	-	-	-	-	-	(1,219)	-	-	-	(1,219)
Dividend declared and paid during the year	年內宣派及已派付股息	-	-	-	(48,000)	-	-	-	-	-	-	(48,000)
At 31 July 2010	於二零一零年七月三十一日	77,801	632,962	12,455	216,527	95,599	14,171	(1,219)	2,201	29,704	49	1,080,250

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

Notes:

1. Share repurchase reserve

Share repurchase reserve represents the amount paid on the repurchase of shares during the year but the shares were not yet cancelled as at the date of the reporting period.

2. Capital redemption reserve

Capital redemption reserve represents the nominal value of the shares repurchased which have been paid out of the distributable reserves of the Company.

3. Statutory surplus reserve

As stipulated by regulations in the People's Republic of China (the "PRC"), the Company's subsidiaries established and operated in the PRC are required to appropriate 10% of their after-tax-profit (after offsetting prior year losses) as determined in accordance with the PRC accounting rules and regulations, to statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to equity owners.

4. Legal reserve

In accordance with Macau Commercial Code, the Company's subsidiary incorporated in Macau is required to appropriate 25% of its net profit to a legal reserve until the balance of the reserve reaches 50% of the subsidiary's registered capital. Legal reserve is not distributable to shareholders.

5. Profit attributable to owners of the Company

The consolidated profit attributable to owners of the Company includes a profit of approximately HK\$50,818,000 (2009: HK\$47,365,000) which has been dealt with in the financial statements of the Company.

附註：

1. 股份購回儲備

股份購回儲備指於年內就購回股份(但股份於報告期間日期尚未註銷)支付的金額。

2. 資本贖回儲備

資本贖回儲備指已購回股份面值，有關金額於本公司的可供分派儲備中派付。

3. 法定盈餘公積金

根據中華人民共和國(「中國」)法規規定，本公司在中國成立及經營的附屬公司須將其根據中國會計規則及法規釐定的除稅後溢利(對銷過往年度虧損後)的10%轉撥至法定盈餘公積金，直至該儲備的結餘達到半數註冊資本為止，且須於向權益擁有人分派股息前轉撥至該儲備。

4. 法定儲備

根據澳門商業法，本公司於澳門註冊成立的附屬公司須撥出其純利的25%至法定儲備，直至該儲備的結餘達至附屬公司註冊資本的50%。法定儲備不得分派予股東。

5. 本公司擁有人應佔溢利

本公司擁有人應佔綜合溢利包括已於本公司財務報表中處理的溢利約為50,818,000港元(二零零九年：47,365,000港元)。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Profit (loss) before taxation	除稅前溢利(虧損)	70,720	(36,773)
Adjustments for:	就以下各項作出調整：		
Interest income	利息收入	(4,925)	(7,800)
Dividend income	股息收入	(1,695)	-
Investment income from derivative financial instruments	衍生金融工具投資收入	(619)	-
Increase in fair value of derivative financial instruments	衍生金融工具公平值增加	(2,934)	-
Loss on derivative financial instruments	衍生金融工具虧損	2,369	3,566
Loss (gain) on disposal of held-for-trading investments	出售持作買賣投資虧損(收益)	151	(1,296)
Decrease in fair value of held-for-trading investments	持作買賣投資公平值減少	-	24
Amortisation of prepaid lease payments	預付租賃款項攤銷	1,298	1,300
Amortisation of deferred income	遞延收入攤銷	(23)	(23)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	41,415	40,360
Share of (profit) loss of an associate	分佔聯營公司(溢利)虧損	(383)	237
Gain on disposal of prepaid lease payments	出售預付租賃款項收益	-	(1,025)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	466	53
Bad debts directly written off	直接撇銷壞賬	4	23,742
Impairment losses recognised in respect of trade and other receivables	就應收貿易賬款及其他 應收款項確認減值虧損	355	127
Reversal of impairment losses recognised in respect of trade receivables	撥回就應收貿易賬款 確認的減值虧損	(190)	(43)
Allowance for inventories	存貨撥備	390	4,437
Reversal of allowance for inventories	存貨撥備撥回	(3,895)	-
Inventories lost in fire	於火災損失的存貨	-	998
Government grants	政府補助	(1,853)	(312)
Equity-settled share-base payment expenses	權益償付的股份基礎付款開支	4,385	2,891

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	105,036	30,463
(Increase) decrease in inventories	存貨(增加)減少	(51,386)	23,497
(Increase) decrease in trade and other receivables	應收貿易賬款及其他應收款項(增加)減少	(92,472)	66,313
Increase (decreased) in trade and other payables	應付貿易賬款及其他應付款項增加(減少)	50,987	(32,034)
Cash generated from operations	來自經營活動的現金	12,165	88,239
Hong Kong Profits Tax refund (paid)	退回(已付)香港利得稅	1,724	(317)
PRC income tax paid	已付中國所得稅	(3,867)	(4,595)
NET CASH GENERATED FROM OPERATING ACTIVITIES	來自經營活動的現金淨額	10,022	83,327
INVESTING ACTIVITIES	投資活動		
Payment for derivative financial instruments	衍生金融工具付款	(47,523)	(22,440)
Purchase of property, plant and equipment	購買物業、廠房及設備	(34,749)	(13,100)
Purchase of available-for-sale financial assets	購買可供出售金融資產	(21,015)	(9,706)
Purchase of held-for-trading investments	購買持作買賣投資	(17,266)	(6,928)
Payment for construction in progress	在建工程付款	(8,040)	(34,348)
Deposits paid for acquisition of land use right	已付收購土地使用權按金	(5,171)	-
Proceeds from derivative financial instruments	衍生金融工具的所得款項	45,884	17,932
Proceeds from disposal of held-for-trading investments	出售持作買賣投資的所得款項	18,899	7,602
Interest received	已收利息	5,557	6,770
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	1,099	564
Decrease (increase) in deposits with bank	銀行存款減少(增加)	1,026	(1,026)
Dividends received from held-for-trading investments	已收持作買賣投資股息	462	-
Dividends received from an associate	已收聯營公司股息	387	327
Purchase of held-to-maturity investment	購買持有至到期投資	-	(11,610)
NET CASH USED IN INVESTING ACTIVITIES	用於投資活動的現金淨額	(60,450)	(65,963)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
Dividends paid	已付股息	(48,000)	(48,000)
Payment for repurchase of shares	購回股份付款	(30,426)	–
Cash received from government grants	已收政府補助現金	1,853	1,361
Proceeds from share issued under share options scheme	根據購股權計劃發行股份的所得款項	19	–
NET CASH USED IN FINANCING ACTIVITIES	用於融資活動的現金淨額	(76,554)	(46,639)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(126,982)	(29,275)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初的現金及現金等價物	458,000	487,429
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動影響	2,771	(154)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	年終的現金及現金等價物，指銀行結餘及現金	333,789	458,000

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

1. GENERAL

Ta Yang Group Holdings Limited (the "Company") is incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the "Corporate Information" section to the Annual Report. The Company and its subsidiaries (the "Group") are principally engaged in manufacturing and sale of silicone rubber and related products.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"). Other than those subsidiaries established in the PRC whose functional currency is Renminbi ("RMB"), the functional currency of the Company and its subsidiaries is HK\$.

As the Company is listed in Hong Kong, the directors consider that it is appropriate to present the consolidated financial statements in HK\$.

At 31 July 2010, the directors consider the ultimate holding company of the Company to be Bluebell Global Enterprises Limited which is incorporated in the British Virgin Islands ("BVI").

1. 一般資料

大洋集團控股有限公司(「本公司」)在開曼群島註冊成立為有限公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。本公司的註冊辦事處及主要營業地點地址已於本年報「公司資料」一節披露。本公司及其附屬公司(「本集團」)主要從事矽膠相關產品的製造及銷售。

綜合財務報表乃以港元(「港元」)呈列。除於中國成立的附屬公司的功能貨幣為人民幣(「人民幣」)外，本公司及其附屬公司的功能貨幣均為港元。

由於本公司於香港上市，故董事認為綜合財務報表應以港元呈列。

於二零一零年七月三十一日，董事認為本公司的最終控股公司為Bluebell Global Enterprises Limited(於英屬處女群島(「英屬處女群島」)註冊成立)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

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

In the current year, the Group has applied the following new and revised standards, amendments to standards, and interpretations (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

HKFRSs (Amendments)	Improvements to HKFRSs
HKFRSs (Amendments)	Improvements to HKFRSs 2009, except for the amendments that are effective for annual periods beginning on or after 1 January 2010
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 39 (Amendment)	Eligible Hedged Items
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 (Revised)	First-time adoption of HKFRSs
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 3 (Revised)	Business Combinations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC)-Interpretation (“Int”) 9 and HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已首次採用香港會計師公會(「香港會計師公會」)頒佈的以下新訂準則、修訂及詮釋(「新訂及經修訂香港財務報告準則」)。

香港財務報告準則(修訂版)	香港財務報告準則的改進
香港財務報告準則(修訂版)	二零零九年香港財務報告準則的改進，於二零一零年一月一日或之後開始的年度期間生效的修訂除外
香港會計準則第1號(經修訂)	財務報表的呈列
香港會計準則第23號(經修訂)	借貸成本
香港會計準則第27號(經修訂)	綜合及獨立財務報表
香港會計準則第39號(修訂版)	合資格對沖項目
香港會計準則第32號及第1號(修訂版)	可沽售金融工具及清盤時產生的責任
香港財務報告準則第1號(經修訂)	首次採納香港財務報告準則
香港財務報告準則第1號及香港會計準則第27號(修訂版)	於附屬公司、共同控制實體或聯營公司的投資成本
香港財務報告準則第2號(修訂版)	歸屬條件及註銷
香港財務報告準則第3號(經修訂)	業務合併
香港財務報告準則第7號(修訂版)	有關金融工具披露的改進
香港財務報告準則第8號	經營分部
香港(國際財務報告詮釋委員會)一詮釋(「詮釋」)第9號及香港會計準則第39號(修訂版)	嵌入式衍生工具
香港(國際財務報告詮釋委員會)一詮釋第15號	房地產建造協議
香港(國際財務報告詮釋委員會)一詮釋第16號	外國業務投資淨額對沖
香港(國際財務報告詮釋委員會)一詮釋第17號	向擁有人分派非現金資產

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

The Group applies HKFRS 3 (Revised) Business Combinations prospectively to business combinations for which the acquisition date is on or after 1 August 2009. The requirements in HKAS 27 (Revised) Consolidated and Separate Financial Statements in relation to accounting for changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1 August 2009.

As there was no transaction during the current year in which HKFRS 3 (Revised) and HKAS 27 (Revised) are applicable, the application of HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to other HKFRSs had no effect on the consolidated financial statements of the Group for the current or prior accounting periods.

Results of the Group in future periods may be affected by future transactions for which HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to the other HKFRSs are applicable.

Except as described below, the adoption of the other new and revised HKFRSs had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

本集團預先應用香港財務報告準則第3號(經修訂)「業務合併」於收購日期為二零零九年八月一日或之後的業務合併。本集團亦於二零零九年八月一日或之後預先應用香港會計準則第27號(經修訂)「綜合及獨立財務報表」有關取得及失去附屬公司控制權後，於附屬公司控制權權益變動的會計處理方法的規定。

由於本年度並無香港財務報告準則第3號(經修訂)及香港會計準則第27號(經修訂)適用的交易，故應用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)及其他香港財務報告準則的相應修訂對本集團本會計期間或過去會計期間並無任何影響。

本集團於未來期間的業績可能受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)及其他香港財務報告準則的相應修訂適用的未來交易所影響。

除下述者外，採納新訂及經修訂香港財務報告準則對本集團本會計期間或過往會計期間的綜合財務資料報表並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and revised HKFRSs affecting presentation and disclosure only

HKAS 1 (Revised 2007) Presentation of Financial Statements

HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

HKFRS 8 Operating Segments

HKFRS 8 is a disclosure standard that has not resulted in a redesignation of the Group's reportable segment.

Improving Disclosures about Financial Instruments (Amendments to HKFRS 7 Financial Instruments: Disclosures)

The amendments to HKFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The amendments also expand and amend the disclosures required in relation to liquidity risk. The Group has not provided comparative information for the expanded disclosures in accordance with the transitional provision set out in the amendments.

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

僅影響呈列及披露的新訂及經修訂香港財務報告準則

香港會計準則第1號(二零零七年經修訂)「財務報表的呈列」

香港會計準則第1號(二零零七年經修訂)已引入詞彙變動(包括修訂財務報表的標題),並導致財務報表的形式及內容出現變動。

香港財務報告準則第8號「經營分部」

香港財務報告準則第8號為一項不導致重新界定本集團的報告分部的披露準則。

有關金融工具披露的改進(香港財務報告準則第7號「金融工具:披露」的修訂)

香港財務報告準則第7號的修訂擴大有關按公平值計量的金融工具的公平值計量方式披露規定。該修訂亦擴大及修訂有關流動資金風險的披露規定。本集團並無按照該修訂所載的過渡性條文提供經擴大披露的比較資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs 2009 ¹
HKFRSs (Amendments)	Improvements to HKFRSs 2010 ⁵
HKAS 24 (Revised)	Related Party Disclosures ⁶
HKAS 32 (Amendment)	Classification of Right Issues ³
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters ²
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters ⁴
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions ²
HKFRS 9	Financial Instruments ⁷
HK(IFRIC)- Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement ⁶
HK(IFRIC)- Int 19	Extinguishing Financial Liabilities with Equity Instruments ⁴

- ¹ Amendments that are effective for annual periods beginning on or after 1 January 2010
- ² Effective for annual periods beginning on or after 1 January 2010
- ³ Effective for annual periods beginning on or after 1 February 2010
- ⁴ Effective for annual periods beginning on or after 1 July 2010
- ⁵ Amendments that are effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate
- ⁶ Effective for annual periods beginning on or after 1 January 2011
- ⁷ Effective for annual periods beginning on or after 1 January 2013

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

本集團並無提早採納下列已頒佈但仍未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則(修訂版)	二零零九年香港財務報告準則的改進 ¹
香港財務報告準則(修訂版)	二零一零年香港財務報告準則的改進 ⁵
香港會計準則第24號(經修訂)	關連方披露 ⁶
香港會計準則第32號(修訂版)	供股分類 ³
香港財務報告準則第1號(修訂版)	首次採用者的額外豁免 ²
香港財務報告準則第1號(修訂版)	有關香港財務報告準則第號比較披露資料對首次採用者的有限豁免 ⁴
香港財務報告準則第2號(修訂版)	集團以現金結算以股份為基礎的付款交易 ²
香港財務報告準則第9號	金融工具 ⁷
香港(國際財務報告詮釋委員會) – 詮釋第14號(修訂版)	預付最低資金要求 ⁶
香港(國際財務報告詮釋委員會) – 詮釋第19號	以股本工具抵銷金融負債 ⁴

- ¹ 修訂版於二零一零年一月一日或之後開始的年度期間生效
- ² 於二零一零年一月一日或之後開始的年度期間生效
- ³ 於二零一零年二月一日或之後開始的年度期間生效
- ⁴ 於二零一零年七月一日或之後開始的年度期間生效
- ⁵ 修訂版於二零一零年七月一日及二零一一年一月一日(視乎情況而定)或之後開始的年度期間生效
- ⁶ 於二零一一年一月一日或之後開始的年度期間生效
- ⁷ 於二零一三年一月一日或之後開始的年度期間生效

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 9 Financial Instruments introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The standard requires all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be measured at either amortised cost or fair value. Specifically debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

In addition, as part of Improvements to HKFRSs issued in 2009, HKAS 17 Leases has been amended in relation to the classification of leasehold land. The amendments will be effective from 1 January 2010, with earlier application permitted. Before the amendments to HKAS 17, lessees were required to classify leasehold land as operating leases and presented as prepaid lease payments in the consolidated statement of financial position. The amendments have removed such a requirement. Instead, the amendments require the classification of leasehold land to be based on the general principles set out in HKAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with lessor or the lessee. The application of the amendments to HKAS 17 might affect the classification and measurement of the Group's leasehold land.

The directors of the Company anticipate that the application of the other new and revised HKFRSs will have no material impact on the consolidated financial statements.

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號「金融工具」引進有關金融資產分類和計量的新規定，並由二零一三年一月一日起生效(可提前應用)。該準則規定，屬香港會計準則第39號「金融工具：確認和計量」範圍以內的所有已確認金融資產均須按攤銷成本或公平值計量。特別是，(i)目的為收集合約現金流量的業務模式內所持有及(ii)合約現金流量僅為本金及尚未償還本金的利息付款的債務投資一般按攤銷成本計量。所有其他債務投資及股本投資均按公平值計量。應用香港財務報告準則第9號可能影響到本集團金融資產的分類和計量。

此外，作為二零零九年刊發的香港財務報告準則的改進的一部分，對香港會計準則第17號「租賃」有關租賃土地的分類要求作出了修訂。該修訂於二零一零年一月一日起生效(可提前應用)。香港會計準則第17號修訂前，承租人須將租賃土地歸類為經營租賃，在綜合財務狀況表內列為預付租賃款項。修訂已經刪除有關規定。修訂後，租賃土地將按照香港會計準則第17號的一般原則分類，即根據與租賃資產所有權相關的風險和回報歸於出租人或承租人的程度釐定。應用對香港會計準則第17號的修訂可能影響到本集團租賃土地的分類和計量。

本公司董事預期，應用其他新訂及經修訂的香港財務報告準則將不會對綜合財務報表產生重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of consolidation

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

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

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

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

Investments in subsidiaries

Investments in subsidiaries are included in the Company's statement of financial position at cost less any identified impairment loss.

3. 主要會計政策

綜合財務報表乃以過往成本基準編撰，惟若干金融工具如下文載列的會計政策所述以公平值計量除外。

綜合財務報表乃根據香港會計師公會所頒佈的香港財務報告準則編撰。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例規定的適用披露。

綜合基準

綜合財務報表包括本公司及本公司控制的實體(其附屬公司)的財務報表。當本公司有權決定一間實體的財務及經營政策，藉以從其活動獲益時，則被視為擁有該實體的控制權。

年內收購或出售的附屬公司的業績乃由實際收購日期起或至實際出售日期(如適用)止計入綜合損益表中。

如需要，將會就附屬公司的財務報表作出調整，使其會計政策與本集團其他成員公司所用者貫徹一致。

所有集團內公司間的交易、結餘、收入及費用均在綜合賬目中對銷。

於附屬公司的投資

附屬公司的投資乃以成本值減去任何已識別的減值虧損列於本公司的財務狀況表。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Interest in an associate

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of an associate are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investment in an associate is carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

於聯營公司的權益

聯營公司是一個投資者具有重大影響力的實體，其既不是附屬公司，亦並非於合資企業的權益。重大影響力乃有權參與被投資公司的財務及經營政策決定而非控制或共同控制該等政策。

聯營公司的業績、資產及負債乃以會計權益法納入該等綜合財務報表。根據權益法，於聯營公司的投資乃按成本於綜合財務狀況表中列賬，並就本集團分佔該聯營公司的資產淨值的收購後變動作出調整，以及減去任何已識別的減值虧損。當本集團分佔某聯營公司的虧損相等於或超出其於該聯營公司的權益(包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司的投資淨額的一部分)，則本集團不再繼續確認其分佔的進一步虧損。額外分佔的虧損獲作出撥備，而負債僅以本集團已產生法定或推定責任或代表該聯營公司作出付款者為限被確認。

本集團分佔已識別資產、負債及或然負債公平淨值超出收購成本的任何數額，經重估後立即於損益中確認。

當集團實體與本集團聯營公司進行交易時，有關損益以本集團於相關聯營公司的權益為限對銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Property, plant and equipment

Property, plant and equipment (including land and buildings held for use in the production, supply of goods and administrative purposes) (other than construction in progress) are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

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

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purpose. Construction in progress is carried at cost less any recognised impairment losses. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

Land use rights

Payment for obtaining land use rights is considered as operating lease payment. Land use rights are stated at cost less accumulated amortisation and accumulated impairment losses, amortisation is charged to consolidated income statements over the period of the rights using the straight-line method.

物業、廠房及設備

物業、廠房及設備(包括持作生產用途的土地及樓宇、貨品供應及行政用途)(在建工程除外)按成本值減其後累計折舊及累計減值虧損列賬。

物業、廠房及設備項目(在建工程除外)的折舊按其估計可使用年期並計及其估計剩餘價值以直線法計提，以撇銷其成本值。

在建工程包括生產建設過程中或供自用的物業、廠房及設備。在建工程乃按成本減任何已確認的減值虧損列賬。在建工程會於完成及可作擬定用途時分類為適當類別的物業、廠房及設備。此等資產會於可作擬定用途時按與其他物業資產相同的基準開始計算折舊。

物業、廠房及設備項目於出售時或於預計不會從持續使用該項資產中獲得未來經濟利益時終止確認。任何因終止確認資產而產生的收益或虧損(按出售所得款項淨額與該項目的賬面值兩者的差額計算)，於終止確認該項目的期間計入損益中。

土地使用權

取得土地使用權而支付的款項被視為經營租賃付款。土地使用權乃按成本減累計攤銷及累計減值虧損列賬，攤銷於土地使用權的有效期內以直線法自綜合損益表內扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Financial instruments

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

Financial assets

The Group's financial assets are classified into one of four categories including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables, held-to-maturity investment and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

金融工具

金融資產及金融負債乃於某集團實體成為工具合約條文的訂約方時在綜合財務狀況表確認。金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(按公平值列賬並在損益內處理的金融資產或金融負債除外)直接應佔的交易成本乃於初步確認時加入金融資產或金融負債的公平值或自金融資產或金融負債的公平值內扣除(如適用)。收購按公平值列賬並在損益內處理的金融資產或金融負債直接應佔的交易成本即時於損益內確認。

金融資產

本集團的金融資產分類為四個類別(包括按公平值列賬並在損益內處理的金融資產(「按公平值列賬並在損益內處理」)、貸款及應收款項、持有至到期投資及可供出售金融資產)之一。所有定期購買或出售金融資產乃按交易日基準確認及終止確認。定期購買或出售乃購買或銷售金融資產，並要求於市場規則或慣例設定的時間框架內交付資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

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

Interest income is recognised on an effective basis for debt instrument other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

Financial assets at fair value through profit or loss

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

金融工具(續)

金融資產(續)

實際利率法

實際利率法乃計量金融資產的攤銷成本及分配相關期間利息收入的方法。實際利率乃於初步確認時按金融資產的預計年期或適用的較短期間，準確折讓估計未來現金收入(包括構成實際利率不可或缺部分的一切已付或已收費用、交易成本及其他溢價或折讓)至賬面淨值的利率。

債務工具的利息收入乃按實際利率基準確認，惟該等分類為按公平值列賬並在損益內處理的金融資產則除外，其利息收入計入收益或虧損淨額。

按公平值列賬並在損益內處理的金融資產

尚屬下列情況，金融資產會分類為持作買賣：

- 其乃主要收購作於不久將來的出售用途；或
- 構成本集團合併管理的金融工具的確定組合的一部分及具有最近實際短期獲利模式；或
- 金融資產為未被指定的衍生工具及可有效作為對沖工具。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

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

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, deposits with bank and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses. (see accounting policy on impairment loss on financial assets below).

Held-to-maturity investment

Held-to-maturity investment is non-derivative financial asset with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investment is measured at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

金融工具(續)

金融資產(續)

按公平值列賬並在損益內處理的金融資產(續)

按公平值列賬並在損益內處理的金融資產將按公平值計量，而因重新計量引致的公平值變動將在其產生期間直接在損益中確認。於損益確認的收益或虧損淨額不包括金融資產賺取的任何股息或利息。

貸款及應收款項

貸款及應收款項指並非於活躍市場報價而具備固定或可釐定款項的非衍生金融資產。於初步確認後，貸款及應收款項（包括應收貿易賬款及其他應收款項、銀行存款以及銀行結餘及現金）均按採用實際利率法計算的已攤銷成本減任何已識別減值虧損入賬（見下文有關金融資產減值虧損的會計政策）。

持有至到期投資

持有至到期投資乃本集團管理層有肯定意向及能力持有至期滿的固定或可確定付款金額及有固定年期的非衍生金融資產。於初步確認後，持有至到期投資以實際利率法按攤銷成本減任何已識別減值虧損計量（見下文金融資產減值虧損的會計政策）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investment.

Available-for-sale financial assets are measured at fair value at the end of each reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in investments revaluation reserve, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see accounting policy on impairment loss on financial assets below).

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at the end of each reporting period. (See accounting policy on impairment loss on financial assets below).

Impairment loss on financial assets

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

金融工具(續)

金融資產(續)

可供出售金融資產

可供出售金融資產為指定為或非分類為按公平值列賬並在損益內處理的金融資產以及貸款及應收款項或持有至到期投資的非衍生工具。

於各報告期末，可供出售金融資產按公平值計量。公平值變動於其他全面收入確認，並於投資重估儲備累計，直至金融資產已出售或釐定為已減值，而每當出現有關情況，先前於投資重估儲備累計的累計收益或虧損會重新分類至損益(見下文金融資產減值虧損的會計政策)。

在任何活躍市場並無市場報價及無法可靠地計量公平值的可供出售股本投資，及與該等無報價股本工具掛鉤及必須透過交付該等工具進行結算的衍生工具，於各報告期末按成本減任何已識別減值虧損計量(見下文金融資產減值虧損的會計政策)。

金融資產的減值虧損

金融資產(按公平值列賬並在損益內處理的金融資產除外)於各報告期末評定有否減值跡象。倘有客觀證據顯示，金融資產的估計未來現金流量因一項或多項於初步確認金融資產後發生的事件而受到影響，則金融資產出現減值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss on financial assets (Continued)

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

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

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

For certain categories of financial asset, such as trade and other receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period, observable changes in national or local economic conditions that correlate with default on receivables.

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的減值虧損(續)

就可供出售股本投資而言，該投資的客觀減值證據為其公平值大幅或持續下跌至低於其成本。

就所有其他金融資產而言，客觀的減值證據包括：

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

應收貿易賬款及其他應收款項等被評估為非個別減值的若干金融資產類別，其後按整體基準進行減值評估。應收款項組合的客觀減值證據可包括本集團的過往收款經驗、組合內延遲還款至超逾信貸期的次數增加，以及與應收款項逾期有關的全國或地方經濟狀況明顯改變。

就按已攤銷成本列賬的金融資產而言，倘有客觀跡象顯示資產出現減值則於損益確認減值虧損，並按資產的賬面值及估計未來現金流量按初始實際利率貼現的現值的差額計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss on financial assets (Continued)

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

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

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

金融工具(續)

金融資產(續)

金融資產的減值虧損(續)

就按成本列賬的金融資產而言，減值虧損金額按資產的賬面值與以同類金融資產當前市場回報率貼現的估計未來現金流量現值之間的差額計算。有關減值虧損將不會於其後撥回。

除應收貿易賬款及其他應收款項外，所有金融資產的減值虧損會直接於金融資產的賬面值中扣減，而金融資產的賬面值會透過撥備賬作出扣減。撥備賬的賬面值變動於損益內確認。倘應收貿易賬款及其他應收款項被視為無法收回，則於撥備賬撤銷。其後收回過往撤銷的款項計入損益內。

就按已攤銷成本計量的金融資產而言，倘減值虧損金額於往後期間有所減少，而有關減少在客觀上與確認減值虧損後發生的事件有關，則先前已確認的減值虧損將透過損益撥回，惟該資產於減值被撥回當日的賬面值不得超過未確認減值時的已攤銷成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss on financial assets (Continued)

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated in investments revaluation reserve. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Financial liabilities and equity

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

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The Group's financial liabilities are generally classified as other financial liabilities.

Effective interest method

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

Interest expense is recognised on an effective interest basis.

金融工具(續)

金融資產(續)

金融資產的減值虧損(續)

可供出售股本投資的減值虧損並不會在其後於損益撥回。於減值虧損出現後的任何公平值增加將直接於其他全面收入中確認，並於投資重估儲備累計。就可供出售債務投資而言，倘該投資的公平值增加客觀地與減值虧損確認後發生的事件相關，則減值虧損於其後可予撥回。

金融負債及股權

集團實體發行的金融負債及股權工具乃根據所訂立的合約安排的性質以及金融負債及股權工具的定義而分類。

股權工具為證明於集團經扣除其所有負債後的資產中所剩餘權益的任何合約。本集團的金融負債一般分類為其他金融負債。

實際利率法

實際利率法乃計算金融負債的攤銷成本及分配相關期間利息開支的方法。實際利率乃按金融負債的預計年期或適用的較短期間，準確貼現估計未來現金付款的利率。

利息開支乃按實際利率基準確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Other financial liabilities

Other financial liabilities including trade and other payables are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

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

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

Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Derecognition

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

金融工具(續)

金融負債及股權(續)

其他金融負債

其他金融負債包括應付貿易賬款及其他應付款項，乃隨後採用實際利率法按已攤銷成本計量。

股權工具

本公司發行的股權工具乃按已收所得款項(扣除直接發行成本)入賬。

購回本公司本身股權工具於權益內確認及直接進行扣減。並無就購買、出售、發行或註銷本公司本身股權工具於損益內確認收益或虧損。

衍生金融工具

衍生工具於訂立衍生工具合約日期初步以公平值確認，隨後於各報告期末按其公平值重新計量。所得的收益或虧損即時於損益內確認，除非該衍生工具被指定且可有效作為對沖工具，在此情況下，於損益內確認的時間將取決於對沖關係的性質。

終止確認

當從資產收取現金流量的權利屆滿，或金融資產被轉讓而本集團已轉讓金融資產擁有權的絕大部分風險及回報時，則會終止確認該等金融資產。於終止確認金融資產時，該項資產賬面值與已收及應收代價及於其他全面收入確認的累計盈虧兩者的差額會於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Financial instruments (Continued)

Derecognition (Continued)

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Financial instruments (續)

終止確認(續)

當有關合約訂明的責任獲解除、獲註銷或屆滿時，則會終止確認金融負債。被終止確認的金融負債的賬面值與已付及應付代價兩者的差額於損益內確認。

存貨

存貨按成本值與可變現淨值之間的較低者列賬。成本值乃按加權平均法計算。

有形資產的減值虧損

本集團會於各報告期末檢討其有形資產的賬面值，以確定該等資產有否出現減值虧損的任何跡象。倘出現任何有關跡象，會估計資產的可收回數額，以釐定減值虧損(如有)的程度。倘估計資產的可收回數額低於其賬面值，則該資產的賬面值將減至其可收回數額的水平，並會即時將減值虧損確認為開支。

倘其後撥回減值虧損，則有關資產的賬面值將增至重新估計的可收回數額，惟增加後的賬面值不得超過假設該資產於過往年度並無確認減值虧損時釐定的賬面值。減值虧損撥回會即時確認為收入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Revenue recognition

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

i) Sale of goods

Revenue from sales of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title has passed.

ii) Interest income

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

iii) Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

收益確認

收益按日常業務過程中就銷售貨品已收或應收的代價，減去折扣及相關銷售稅項後的公平值計量。

i) 銷售貨品

銷售貨品的收益於所有權的風險及回報轉移時確認，一般與貨品交付客戶及所有權轉移的時間相同。

ii) 利息收入

金融資產的利息收入乃按時間基準，並參照未償還本金及適用的實際利率計算，而該利率為於初步確認時準確將金融資產的預計年期內的估計未來現金收入貼現至該資產的賬面淨值的貼現率。

iii) 股息收入

投資所得的股息收入於確立收取款項的股東權利後確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Equity settled share-based payment transactions

Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates during the vesting period, if any, is recognised in profit or loss, with a corresponding adjustment to share options reserve.

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

權益償付的股份基礎付款交易

授予僱員的購股權

已收取服務的公平值參照於授出日期授出的購股權的公平值釐定，並於歸屬期間以直線法支銷，股權亦會相應增加(購股權儲備)。

本集團會於報告期末修訂其對預期最終歸屬的購股權數目的估計。對歸屬期間估算修訂(如有)的影響會在損益內確認，購股權儲備亦會作出相應調整。

於行使購股權時，以往於購股權儲備確認的金額，將撥入股份溢價。當購股權於歸屬日期後被沒收或於屆滿日期時仍未獲行使，則先前於購股權儲備確認的金額將轉撥至保留溢利。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Taxation

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

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

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

稅項

所得稅開支指現時應付稅項及遞延稅項總額。

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利不包括其他年度的應課稅或應扣減收入及開支項目，亦不包括可作無須課稅或不作扣稅的項目，故與綜合損益表所列溢利不同。本集團現行稅項責任乃按照報告期末訂立或實際上訂立的稅率計算。

遞延稅項乃按綜合財務報表中資產及負債的賬面值與計算應課稅溢利所用相應稅基的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產一般於很可能有可扣減暫時差額可對銷應課稅溢利時就所有可扣減暫時差額確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Taxation (Continued)

Deferred tax liabilities, are recognised for taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary difference associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in to profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

稅項(續)

本集團會就於附屬公司及聯營公司的投資所產生的應課稅暫時差額確認遞延稅項負債，惟本集團能夠控制暫時差額的撥回及暫時差額不大可能於可見將來撥回則除外。可扣減暫時差額產生的遞延稅項資產(與該等投資及權益有關)可確認，惟僅以可能將有足夠應課稅溢利可動用暫時差額的利益，且彼等預期於可見將來撥回為限。

遞延稅項資產的賬面值會於各報告期末檢討，並相應扣減，直至並無足夠應課稅溢利可供收回全部或部分資產為止。

遞延稅項資產及負債根據於報告期末已頒佈或實質已頒佈的稅率(及稅法)按預期適用於負債清償或資產變現期間的稅率計量。遞延稅項負債及資產的計量反映在報告期末本集團預期將來能收回或支付其資產及負債賬面值的稅務影響。遞延稅項於損益確認，惟倘遞延稅項關乎於其他全面收入或直接於權益確認的項目，則遞延稅項亦分別於其他全面收入或直接於權益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the exchange reserve).

外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易乃按於交易日期的通行匯率換算成的功能貨幣(即該實體經營所在的主要經濟環境的貨幣)記錄。於各報告期末，以外幣定值的貨幣項目乃按於該日的通行匯率重新換算。按公平值列賬並以外幣定值的非貨幣項目乃按其公平值釐定當日的通行匯率重新換算。按外幣歷史成本計量的非貨幣項目無須重新換算。

於結算及重新換算貨幣項目時產生的匯兌差額，乃於產生的期間在損益內確認。

就呈列綜合財務報表而言，本集團海外營運的資產及負債乃按報告期末的通行匯率換算為本集團的呈列貨幣(即港元)，而其收入及支出乃按該年度的平均匯率換算，惟倘匯率於該期間內出現大幅波動，則採用交易日期的通行匯率換算。所產生的匯兌差額(如有)乃於其他全面收入確認並於權益(匯兌儲備)累計。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Leasing

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

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants related to depreciable assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss over the useful lives of the related assets. Other government grants are recognised as revenue over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

租賃

當租賃條款將擁有權的絕大部分風險及回報轉讓予承租人時，租賃乃分類為融資租賃。所有其他租約均分類為經營租賃。

本公司作為承租人

經營租賃款項以直線法按有關租賃年期確認為開支。作為吸引訂立經營租賃的已收及應收利益，於租賃年期以直線法確認為租金開支的扣減。

政府補助

政府補助乃於本集團確認有關成本為開支(補助擬用以抵銷有關成本)期間有系統地於損益中確認。與須予折舊資產有關的政府補助於綜合財務狀況表中確認為遞延收入，並於有關資產的可使用年期內轉撥至損益。其他政府補貼於配對其擬補償的成本所需期間有系統地確認為收益。作為已產生開支或虧損的補償的應收款項或為本集團提供即時財政支持(不涉及未來相關成本)的政府補貼於成為應收款項的期間於損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Retirement benefit costs

Payments to state-managed retirement benefit scheme and the Mandatory Provident Fund Scheme are charged as an expense when employees have rendered service entitling them to the contributions.

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. 主要會計政策(續)

退休福利成本

向國家管理的退休福利計劃及強制性公積金供款計劃支付的款項於僱員提供服務而使其享有供款時作為開支扣除。

研究及開發開支

研究活動的開支於其產生的期間確認為開支。

4. 重要會計判斷及估計不明朗因素的主要來源

於應用附註3所述本集團的會計政策時，本公司董事須對不能從其他資料來源得知的資產負債賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往的經驗及其他被認為有關的因素作出。實際結果可能有別於此等估計。該等估計及相關假設會持續檢討。如修訂會計估計只影響修訂期間，則該等估計在該期間確認，如有關修訂影響現時及未來期間，則在修訂期間及未來期間確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgements in applying the entity's accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Held-to-maturity investment

The directors of the Company have reviewed the Group's held-to-maturity investment in the light of its capital maintenance and liquidity requirements and have confirmed the Group's positive intention and ability to hold those assets to maturity. As at 31 July 2010, the carrying amount of the held-to-maturity investment is approximately HK\$11,610,000 (2009: HK\$11,610,000). Details of this asset are set out in Note 21.

Reversal of overprovision for Macau Complementary Income Tax ("MCIT")

In respect of the reversal of overprovision for MCIT as mentioned in Note 11, the management exercised their judgement to determine that certain provision for MCIT had gone beyond the five years time-barred period for tax assessment and therefore, the respective provision for the relevant period is reversed. The management will review the reversal of MCIT provision on an ongoing basis.

4. 重要會計判斷及估計不明朗因素的主要來源(續)

應用實體會計政策的重要判斷

以下為董事於應用實體會計政策過程中所作並對在財務報表中確認的金額具有重大影響的重要判斷(涉及估計者(見下文)除外)。

持有至到期投資

本公司董事已就維持其資本水平及符合流動資金規定審閱本集團的持有至到期投資，並確認本集團有肯定意圖及能力將該等資產持有至到期日。於二零一零年七月三十一日，持有至到期投資的賬面值約為11,610,000港元(二零零九年：11,610,000港元)。該資產詳情載於附註21。

撥回澳門所得補充稅(「澳門所得補充稅」)的超額撥備

有關撥回附註11所述的澳門所得補充稅的超額撥備，管理層已作出判斷，確定就澳門所得補充稅作出的若干撥備已超出就評稅目的而設定的五年訴訟時效期，因此，就相關期間作出的撥備經已撥回。管理層將持續檢討撥回澳門所得補充稅的撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

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

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual values. The determination of the useful lives and residual values involve management's estimation. The Group assesses annually the residual value and the useful life of the property, plant and equipment and if the expectation differs from the original estimate, such a difference may impact the depreciation in the year and the estimate will be changed in the future period.

Impairment of property, plant and equipment

The Group assesses annually whether property, plant and equipment have any indication of impairment, in accordance with relevant accounting policies. The recoverable amounts of property, plant and equipment have been determined based on value-in-use calculations if there is indication of impairment. The calculations and valuations require the use of judgment and estimates on future operating cash flows and discount rates adopted. As at 31 July 2010, the directors of the Company considered that there is no impairment indication and the carrying value of property, plant and equipment is approximately HK\$320,309,000 (2009: HK\$303,717,000).

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源

以下為有關未來的主要假設及於報告期末估計不明朗因素的其他主要來源，可能導致對下一財政年度資產負債賬面值作出重大調整。

物業、廠房及設備的折舊

物業、廠房及設備均按其估計可使用年期並經計及其估計剩餘價值，採用直線法進行折舊。釐定可使用年期及剩餘價值涉及管理層的估計。本集團每年估計物業、廠房及設備的剩餘價值及可使用年期，倘預期與原先估計有分別，則該差異可能對年內的折舊造成影響，而估計亦將會於未來期間改變。

物業、廠房及設備減值

本集團每年均根據有關會計政策就物業、廠房及設備有否出現任何減值跡象進行評估。若出現任何減值跡象，物業、廠房及設備的可收回金額根據使用價值計算釐定。這些計算及估值需要利用對未來營運現金流量和所採用的貼現率作出的判斷及估計。於二零一零年七月三十一日，本公司董事認為沒有出現任何減值跡象，物業、廠房及設備的賬面值約為320,309,000港元(二零零九年：303,717,000港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

(Continued)

Impairment of construction in progress

Provision for impairment on construction in progress is made when the construction project is suspended for a long period; the construction project is technically and physically obsolete and its economic benefits to the Group is uncertain; or other evidences can prove the existence of the decline in value of construction project. An impairment loss is recognised individually for the shortfall of the recoverable amount of construction in progress below its carrying amount. As at 31 July 2010, the carrying value of construction in progress is approximately HK\$1,916,000 (2009: HK\$18,740,000).

Impairment of prepaid lease payments

The Group assesses annually whether prepaid lease payments have any indication of impairment, in accordance with relevant accounting policies. The recoverability of the carrying amounts of prepaid lease payments is assessed by independent qualified valuer. In determining fair values, the independent valuer, BMI Appraisals Limited, has made reference to recent market prices for similar leasehold lands in the same locations and conditions. In relying on the valuation report, the management has exercised their judgment and is satisfied that the method of valuation is reflective of the current market conditions. As at 31 July 2010, the carrying value of prepaid lease payments is approximately HK\$58,407,000 (2009: HK\$59,355,000).

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源

(續)

在建工程減值

當建築項目長期停工；建築項目無論在技術上，還是在性能上已經落後，且其對本集團的經濟利益並不明確；或有其他證據證明建築項目的價值出現下跌時，本集團會對在建工程計提減值撥備。本集團就在建工程可收回金額低於其賬面值的差額個別確認減值虧損。於二零一零年七月三十一日，在建工程的賬面值約為1,916,000港元(二零零九年：18,740,000港元)。

預付租賃款項減值

本集團每年根據有關會計政策評估預付租賃款項是否有任何減值跡象。獨立合資格估值師就預付租賃款項賬面值的可收回程度進行評估。於釐定公平值時，獨立估值師中和邦盟評估有限公司已參照相同位置及狀況的相類租賃土地的近期市場價格。於倚賴估值報告時，管理層已作出判斷，並信納估值法能反映目前市況。於二零一零年七月三十一日，預付租賃款項的賬面值約為58,407,000港元(二零零九年：59,355,000港元)。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

(Continued)

Impairment of available-for-sale financial assets

The Group classifies certain investment in listed securities as available-for-sale and recognised movements of its fair value in other comprehensive income and accumulated in investments revaluation reserve. 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 consolidated statement of comprehensive income. As at 31 July 2010, the carrying value of listed securities classified as available-for-sale financial assets is approximately HK\$32,860,000 (2009: HK\$11,730,000).

For the available-for-sale financial assets not quoted in an active market and measured at cost, the management uses their judgment in selecting an appropriate valuation technique. Valuation techniques commonly used by the market practitioners are applied. The Group's unlisted equity investments with carrying amount of approximately HK\$12,032,000 (2009: HK\$5,356,000) are valued using a discounted cash flow analysis based on the assumptions supported, where possible, by observable market prices or rates. The estimation of fair value of these equity investments also includes some assumptions not supported by observable market prices or rates.

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源

(續)

可供出售金融資產減值

本集團將若干於上市證券的投資分類為可供出售資產，並將其公平值變動確認於其他全面收入，並於投資重估儲備中累計。當公平值下跌時，管理層對有關價值下跌作出假設，以釐定有否出現須於綜合全面收益表中確認的減值。於二零一零年七月三十一日，分類為可供出售金融資產的上市證券的賬面值約為32,860,000港元(二零零九年：11,730,000港元)。

就於活躍市場中並無報價及按成本計量的可供出售金融資產而言，管理層就選擇適當的估值方法作出判斷。本集團應用市場人士一般使用的估值方法。本集團賬面值約為12,032,000港元(二零零九年：5,356,000港元)的非上市股權工具在可能的情況下根據可觀察市場價格或比率支持的假設使用貼現現金流量分析進行估值。該等股權投資的公平值估算亦包括一些並無可觀察市場價格或比率支持的假設。

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For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

(Continued)

Allowance for inventories

The Group makes the allowance for inventories based on assessments of the net realisable value of inventories. An allowance is applied to inventories where events or changes in circumstances indicate that the net realisable value is lower than the costs of inventories. The identification of obsolete inventories required the use of judgment and estimates on the conditions and usefulness of the inventories. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance write-back in the period in which such estimate has been changed. As at 31 July 2010, the carrying value of inventories is approximately HK\$165,127,000 (net of allowance of HK\$932,000) (2009: carrying value of HK\$108,989,000, net of allowance of HK\$4,437,000).

Impairment losses recognised in respect of trade and other receivables

The Group's management determines the provision for impairment of trade and other receivables with the accounting policy stated in Note 3. Such provision for impairment is established if there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Management reassesses the adequacy of any such provision on a regular basis. As at 31 July 2010, the carrying amount of trade and other receivables is approximately HK\$302,050,000 (net of provision of impairment of HK\$517,000) (2009: carrying value of HK\$205,331,000, net of provision for impairment of HK\$406,000).

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源

(續)

存貨撥備

本集團根據對存貨的未變現淨值進行的評估對存貨計提撥備。如發生任何事件或情況轉變顯示存貨的可變現淨值低於成本時，本集團將對存貨計提撥備。識別滯銷存貨需利用對存貨的狀況及有用性作出的判斷及估計。當未來實際結果與原估計數字不同時，有關差額將影響有關估計出現變動期間的存貨賬面值及撥回撥備。於二零一零年七月三十一日，存貨的賬面值約為165,127,000港元(扣除撥備932,000港元)(二零零九年：賬面值108,989,000港元，扣除撥備4,437,000港元)。

就應收貿易賬款及其他應收款項確認減值虧損

本集團管理層利用附註3所述的會計政策釐定對應收貿易賬款及其他應收款項計提的減值撥備。有關減值撥備於客觀證據顯示本集團將無法按照應收款項原先期限收回所有款項時計提。管理層定期對任何有關撥備是否充足進行重估。於二零一零年七月三十一日，應收貿易賬款及其他應收款項的賬面值約為302,050,000港元(扣除減值撥備517,000港元)(二零零九年：賬面值205,331,000港元，扣除減值撥備406,000港元)。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

(Continued)

Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Fair value of derivative financial instruments

The management of the Group uses their judgements in selecting an appropriate valuation technique for derivative financial instruments. Assumptions are made based on quoted market rates adjusted for specific features of the instruments. If the inputs and estimates applied in the model are different, the carrying amount of these derivatives may change. As at 31 July 2010, the carrying amount of derivative financial instruments is approximately HK\$2,938,000 (2009: HK\$115,000).

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源

(續)

所得稅

本集團須繳納若干司法權區的所得稅。在釐定所得稅的撥備時須作出重大估計。在日常業務過程中，有許多交易及計算均難以明確作出最終的稅務釐定。倘該等事宜的最終稅務結果與最初入賬的金額不同，該等差額將影響稅務釐定期內的所得稅及遞延稅項撥備。

衍生金融工具的公平值

本集團管理層於就衍生金融工具選擇適當估值方法時使用其判斷。假設根據經工具個別特色調整的所報市場比率作出。如應用於模式的輸入數據與估算有所不同，該等衍生工具的賬面值可能出現變動。於二零一零年七月三十一日，衍生金融工具的賬面值約為2,938,000港元(二零零九年：115,000港元)。

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

5. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of bank balances and cash and equity attributable to owners of the Company, comprising issued share capital and reserves. The directors of the Company review the capital structure on a regular basis. As a part of this review, the directors of the Company consider the cost of capital and the associated risks. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends and share buy-backs.

5. 資本風險管理

本集團的資本管理旨在透過在債務與權益間作出最佳平衡，確保本集團的實體可持續經營之餘，亦為股東締造最大回報。本集團的整體策略與去年維持不變。

本集團的資本架構包括銀行結餘及現金以及本公司擁有人應佔權益(包括已發行股本及儲備)。本公司董事定期檢討資本架構。作為檢討一部分，本公司董事考慮資本成本及相關風險。根據董事建議，本集團將透過派付股息及購回股份平衡其整體資本架構。

6. FINANCIAL INSTRUMENTS

Categories of financial instruments

6. 金融工具

金融工具的類別

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Financial Assets	金融資產		
Held-for-trading investments	持作買賣投資	47	598
Held-to-maturity investment	持有至到期投資	11,610	11,610
Derivative financial instruments	衍生金融工具	2,938	115
Loans and receivables (including deposits with bank and bank balances and cash)	貸款及應收款項 (包括銀行存款以及 銀行結餘及現金)	617,926	654,529
Available-for-sale financial assets	可供出售金融資產	44,892	17,086
Financial Liabilities	金融負債		
At amortised cost	按攤銷成本	113,594	65,513

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include held-to-maturity investment, available-for-sale financial assets, derivative financial instruments, trade and other receivables, held-for-trading investments, deposits with bank, bank balances and cash and trade and other payables. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by several subsidiaries of the Company in currencies other than those subsidiaries' functional currencies. In addition, certain portion of the derivative financial instruments, trade receivables, bank balances and cash and trade payables are denominated in currencies other than the functional currency of the entity to which they relate.

7. 財務風險管理目標及政策

本集團的主要金融工具包括持有至到期投資、可供出售金融資產、衍生金融工具、應收貿易賬款及其他應收款項、持作買賣投資、銀行存款、銀行結餘及現金以及應付貿易賬款及其他應付款項。該等金融工具詳情於各相關附註披露。下文載列與該等金融工具有關的風險及如何降低該等風險的政策。管理層管理及監控該等風險，以確保及時和有效地採取適當措施。

貨幣風險

本集團面對交易貨幣風險。有關風險源自本公司若干附屬公司以彼等的功能貨幣以外貨幣進行銷售或採購。此外，若干衍生金融工具應收貿易賬款、銀行結餘及現金以及應付貿易賬款乃以該實體相關功能貨幣以外的貨幣計值。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Currency risk (Continued)

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

		Assets 資產		Liabilities 負債	
		31 July 2010 二零一零年 七月三十一日 '000 千元	31 July 2009 二零零九年 七月三十一日 '000 千元	31 July 2010 二零一零年 七月三十一日 '000 千元	31 July 2009 二零零九年 七月三十一日 '000 千元
United States Dollars ("USD")	美元	34,467	47,738	4,381	750
Euro ("EUR")	歐元	1,115	2,571	-	-
Japanese Yen ("JPY")	日圓	1,162	-	41,006	-
New Taiwan Dollars ("NTD")	新台幣	13,883	5,374	4,317	150

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

7. 財務風險管理目標及政策 (續)

貨幣風險(續)

本集團以外幣計值的貨幣資產及貨幣負債於報告日期的賬面值如下：

本集團現時並無外幣對沖政策。然而，管理層監察外匯風險並於有需要時考慮對沖重大外幣風險。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Sensitivity analysis

The Group is mainly exposed to the currency of USD, EUR, JPY and NTD.

The following table details the Group's sensitivity to a 5% (2009: 5%) increase and decrease in HK\$ against the relevant foreign currencies. 5% (2009: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% (2009: 5%) change in foreign currency rates. A negative number below indicates a decrease in profit where HK\$ strengthen 5% (2009: 5%) against the relevant currency. For a 5% (2009: 5%) weakening of HK\$ against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be positive.

		USD 美元		EUR 歐元		JPY 日圓		NTD 新台幣	
		2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Profit or loss before tax	除稅前溢利或虧損	(11,643)	(18,192)	(563)	(1,349)	179	-	(120)	(60)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

7. 財務風險管理目標及政策 (續)

敏感度分析

本集團主要承受美元、歐元、日圓及新台幣的貨幣風險。

下表詳列本集團對港元兌相關外幣的匯率升跌5% (二零零九年: 5%) 的敏感度。5% (二零零九年: 5%) 為於向主要管理人員作出內部外幣風險匯報時所用的敏感度比率，並為管理層對匯率合理可能變動的評估。敏感度分析僅包括以外幣定值的未償還貨幣項目，並就外幣匯率的5% (二零零九年: 5%) 變動調整於年終的換算。下表的負數數字顯示溢利減少，即港元兌相關貨幣的匯率上升5% (二零零九年: 5%)。倘港元兌相關貨幣的匯率下跌5% (二零零九年: 5%)，則對溢利及其他權益構成相同但相反的影響，而下文的結餘則為正數。

管理層認為，由於年終風險並不反映年內風險，故敏感度分析未能代表固有外匯風險。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to its variable-rate deposits with bank and a held-to-maturity investment and is also exposed to fair value interest rate risk in relation to fixed-rate bank deposits for the year ended 31 July 2010. To mitigate the impact of interest rate fluctuations, the Group continually assesses and monitors the exposure to interest rate risk.

The Group's exposure to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivate instruments. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point (2009: 50 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates have been 50 basis points (2009: 50 basis points) higher/lower and all other variables were held constant, the Group's profit before tax would increase/decrease by approximately HK\$608,000 (2009: HK\$542,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate deposits with bank and held-to-maturity investment.

7. 財務風險管理目標及政策 (續)

利率風險

截至二零一零年七月三十一日止年度，本集團承受浮動利率銀行存款及持有至到期投資的現金流量利率風險，並亦須承受固定利率銀行存款的公平值利率風險。為減低利率波動的影響，本集團持續評估及監察所承受的利率風險。

本集團的金融負債利率風險於本附註流動資金風險管理一節詳述。

敏感度分析

下文的敏感度分析乃根據非衍生工具的利率風險釐定。編製分析時會假設於報告期末的未償還金融工具於整個年度均未償還。50個基點(二零零九年：50個基點)增加或減少於向主要管理人員作出內部利率風險匯報時採用，有關基點為管理層對匯率合理可能變動的評估。

倘利率上調/下滑50個基點(二零零九年：50個基點)，而所有其他變數維持不變，則本集團除稅前的溢利將會增加/減少約608,000港元(二零零九年：542,000港元)，主要原因為本集團承擔其浮動利率銀行存款及持有至到期投資利率的風險。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Other price risk

The Group is exposed to price risk through its investments in listed equity securities and derivative financial instruments. The management manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

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

If the prices of the respective equity securities and derivatives had been 5% (2009: 5%) higher/lower:

- pre-tax profit for the year ended 31 July 2010 would increase/decrease by approximately HK\$3,000 (2009: HK\$36,000) as a result of the changes in fair values of held-for-trading investments and derivative financial instruments; and
- investments revaluation reserve would increase/decrease by approximately HK\$1,643,000 (2009: HK\$587,000) for the Group as a result of the changes in fair value of listed available-for-sale financial assets.

7. 財務風險管理目標及政策 (續)

其他價格風險

本集團因投資於上市股本證券及衍生金融工具而需承受價格風險。管理層透過持有風險程度不同的投資組合管理此風險。此外，本集團已委任特別團隊監察價格風險，並將於有需要時考慮對沖所承受的風險。

敏感度分析

以下敏感度分析乃根據於報告日期需承受的價格風險釐定。

倘有關股本證券及衍生工具的價格上升/下跌5%(二零零九年：5%)：

- 截至二零一零年七月三十一日止年度的年內除稅前溢利將因持作買賣投資及衍生金融工具的公平值變動而增加/減少約3,000港元(二零零九年：36,000港元)；及
- 本集團的投資重估儲備將因已上市可供出售金融資產的公平值變動而增加/減少約1,643,000港元(二零零九年：587,000港元)。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

Credit risk refers to the risk that debtors, financial institution and investment counterparties will default on their obligations to repay the amounts owing to the Group, resulting in a loss to the Group. The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations at end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group's concentration of credit risk by geographical locations is mainly in the PRC, which accounted for 69% (2009: 66%) of the total trade receivable as at 31 July 2010.

The Group has concentration of credit risk as 23% (2009: 43%) and 48% (2009: 56%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

The credit risk on liquid funds and held-to-maturity investment is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

7. 財務風險管理目標及政策 (續)

信貸風險

信貸風險指債務人、金融機構及投資對手不履行償還其結欠本集團款項的責任而令本集團虧損的風險。倘對手方於報告期末未能履行有關各類已確認金融資產的責任，則信貸風險將以綜合財務狀況表所列的該等資產賬面值為限。

為盡量降低信貸風險，本集團管理層已指定團隊負責決定信貸額度、信貸批核及其他監管程序，確保採取跟進措施以收回逾期債項。此外，本集團於各報告期末審核各個別貿易債項的可收回金額，確保為不可收回款項作出充分的減值虧損。就此而言，本公司董事認為本集團的信貸風險已大幅降低。

本集團按地理位置計算的信貸風險主要集中於中國，佔二零一零年七月三十一日的應收貿易賬款總額69%（二零零九年：66%）。

本集團的信貸風險集中，原因為應收貿易賬款總額的23%（二零零九年：43%）及48%（二零零九年：56%）為分別應收本集團最大客戶及五名最大客戶的款項。

由於對手方均為獲國際信貸評級機構授予高信貸評級的銀行，故此流動資金及持有至到期投資的信貸風險有限。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of deposits with bank and bank balances and cash deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

All financial liabilities are non-interest bearing and their maturity dates are within one year or on demand.

Fair value

The fair value of financial assets and financial liabilities are determined as follows:

- i) the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices respectively;
- ii) the fair value of other financial assets and financial liabilities (excluding derivative financial instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments; and

7. 財務風險管理目標及政策 (續)

流動資金風險

就管理流動資金風險而言，本集團監察銀行存款以及銀行結餘及現金並維持於管理層認為合適的水平，為本集團業務提供資金，並減低現金流量波動的影響。

所有金融負債均為非計息，而其到期日為一年內或於要求時償還。

公平值

金融資產及金融負債的公平值按以下方式釐定：

- i) 具有標準條款及條件並於活躍流動市場買賣的金融資產及金融負債，其公平值分別經參照市場的買賣盤報價釐定；
- ii) 其他金融資產及金融負債的公平值乃根據普遍採納的定價模型按以可得當前市場交易價格及交易商就相關工具的報價進行的貼現現金流量分析釐定；及

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Fair value (Continued)

- iii) the fair value of derivative financial instruments is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values due to their immediate or short-term maturities.

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

7. 財務風險管理目標及政策 (續)

公平值(續)

- iii) 衍生金融工具的公平值按報價計算。倘無該等價格，則非期權衍生工具將以其有效期適用的孳息曲線進行貼現現金流量分析釐定，而期權衍生工具則採用期權定價模型進行貼現現金流量分析釐定。

董事認為於綜合財務報表按攤銷成本入賬的金融資產及金融負債的賬面值，由於即時或於短期內到期，因而與彼等的公平值相若。

於綜合財務狀況表確認的公平值計量

下表提供於初步確認後按公平值計量的金融工具分析，乃根據公平值可觀察程度分為第一至三層。

第一層公平值計量由相同資產或負債在活躍市場的報價(未經調整)得出。

第二層公平值計量由第一層所載報價以外的可觀察資產或負債輸入數據直接(即價格)或間接(即源自價格)得出。

第三層公平值計量由包括並非以可觀察市場數據(不可觀察數據)為基礎的資產或負債輸入數據的估值技術得出。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Fair value measurements recognised in the consolidated statement of financial position (Continued)

7. 財務風險管理目標及政策 (續)

於綜合財務狀況表確認的公平價值計量(續)

		2010 二零一零年		Total 總計
		Level 1 第一層	Level 2 第二層	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets at FVPTL	按公平值列賬並在損益內處理的金融資產			
Held-for-trading investments	持作買賣投資	47	–	47
Derivative financial instruments	衍生金融工具	–	2,938	2,938
Available-for-sale financial assets	可供出售金融資產			
Listed equity securities	上市股本證券	32,860	–	32,860
		32,907	2,938	35,845

There have been no transfers between Levels 1 and 2 during the reporting period.

報告期內，第一層及第二層之間並無任何轉撥。

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8. TURNOVER AND OTHER OPERATING INCOME 8. 營業額及其他經營收入

Turnover represents sales value of goods sold to customers net of sales tax and value added tax.

營業額指售予客戶的貨品銷售價值減銷售稅及增值稅。

Revenues recognised during the year are as follows:

年內已確認收益如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Turnover	營業額		
Sale of goods	銷售貨品	812,093	620,251
Other operating income	其他經營收入		
Interest income	利息收入		
– Bank deposits	– 銀行存款	4,562	7,762
– Held-to-maturity investment	– 持有至到期投資	363	38
Total interest income	利息收入總額	4,925	7,800
Compensation received from an insurance company	已收保險公司賠償	–	1,891
Investment income from derivative financial instruments	衍生金融工具的投資收入	619	–
Increase in fair value of derivative financial instruments	衍生金融工具公平值增加	2,934	–
Dividend income	股息收入	1,695	–
Gain on disposal of held-for-trading investments	出售持作買賣投資收益	–	1,296
Gain on disposal of prepaid lease payments	出售預付租賃款項收益	–	1,025
Government grants	政府補助		
– Amortisation of deferred income for the year (Note 30)	– 年內遞延收入攤銷 (附註30)	23	23
– Grants related to expenses recognised as other operating income (Note)	– 確認為其他經營收入的開支相關補助(附註)	1,853	312
Reversal of impairment losses recognised in respect of trade receivables	撥回就應收貿易賬款確認的減值虧損	190	43
Sundry income	雜項收入	5,235	5,147
		17,474	17,537
Total revenues	收益總額	829,567	637,788

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綜合財務報表附註

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8. TURNOVER AND OTHER OPERATING INCOME (Continued)

Note: For the year ended 31 July 2010, the amount represented unconditional grants from Dongguan Social Security Authority for subsidising the unemployment insurance contribution in the PRC. For the year ended 31 July 2009, the amount represented unconditional grants from the PRC government for encouraging the Group's technology development in the PRC.

9. BUSINESS AND GEOGRAPHICAL SEGMENTS

The Group has adopted HKFRS 8 Operating Segments with effect from 1 August 2009. HKFRS 8 is a disclosure standard that requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker, Chief Executive Officer, for the purposes of allocating resources to segments and assessing their performance. In contrast, the predecessor standard (HKAS 14, Segment Reporting) required an entity to identify two sets of segments (business and geographical) using a risks and returns approach. In the past, no business segments information had been presented. The application of HKFRS 8 has not resulted in a redesignation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14 Segment Reporting. Nor has the adoption of HKFRS 8 changed the basis of measurement of segment profit or loss.

Segment revenues, results, assets and liabilities

The Group's revenues, results, assets and liabilities are primarily attributable to the manufacturing and sale of silicone rubber and related products. The directors of the Company consider that there is only one operating and reportable segment for the Group.

8. 營業額及其他經營收入(續)

附註：截至二零一零年七月三十一日止年度，有關款項指東莞社會保障局用作資助中國失業保險供款的無條件補助金。截至二零零九年七月三十一日止年度，有關款項指中國政府為鼓勵本集團在中國進行技術開發而給予的無條件補助金。

9. 業務及地區分部

自二零零九年八月一日起，本集團已採納香港財務報告準則第8號「經營分部」。香港財務報告準則第8號為一項披露準則，規定經營分部的識別乃根據本集團主要營運決策者（即行政總裁）為分配資源至各分部及評估其表現而定期審閱有關本集團組成部分的內部報告為基準。相反，過去準則（香港會計準則第14號「分部報告」）規定實體採用風險及回報法識別兩組分部（業務及地區）。於過往，並無呈列業務分部資料。與根據香港會計準則第14號分部報告釐定的主要報告分部比較，應用香港財務報告準則第8號並無導致重新界定本集團的報告分部。採納香港財務報告準則第8號亦無改變分部溢利或虧損的計量基準。

分部收益、業績、資產及負債

本集團的收益、業績、資產及負債主要來自製造及銷售銷售矽膠及相關產品。本公司董事認為本集團只有一個經營及報告分部。

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9. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Revenue from major products

The following is an analysis of the Group's revenue from its major products:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Keypads for consumer electronic devices	電子消費品按鍵	355,942	295,224
Keypads for computers and notebooks	電腦及筆記型電腦按鍵	258,477	217,443
Automotive peripheral products	汽車周邊產品	36,559	27,547
Keypads for mobile phone	手機按鍵	122,705	56,856
Others	其他	38,410	23,181
		812,093	620,251

Geographical information

The Group's operations are principally located in the PRC and Hong Kong.

The Group's revenue from external customers and information about its non-current assets by geographical location of the assets are detailed below:

		Revenue from external customers 外部客戶收益		Non-current assets 非流動資產	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
The PRC (excluding Hong Kong)	中國 (香港除外)	426,713	306,665	374,205	369,647
Hong Kong	香港	151,968	116,686	10,297	10,867
Other Asian countries	其他亞洲國家	197,355	129,661	–	–
The Americas	美洲	25,076	48,058	–	–
Europe	歐洲	10,981	19,181	1,528	1,652
		812,093	620,251	386,030	382,166

Non-current assets excluded available-for-sale financial assets, held-to-maturity investment and deferred tax assets.

9. 業務及地區分部 (續)

主要產品收益

本集團主要產品收益的分析如下：

地區資料

本集團的營運主要位於中國及香港。

本集團的外部客戶收益及有關非流動資產的資料乃按資產的地區分佈詳列如下：

非流動資產並不包括可供出售金融資產、持有至到期投資及遞延稅項資產。

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9. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Information about major customers

Revenues from customers contributing over 10% of the total sales of the Group are derived from sales of silicone rubber and related products in both years and are as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Customer A	客戶甲	192,014	177,580
Customer B (Note)	客戶乙(附註)	97,971	N/A 不適用
Customer C (Note)	客戶丙(附註)	100,479	N/A 不適用

Note: The corresponding revenue does not contribute over 10% of the total sales of the Group in the respective year.

9. 業務及地區分部(續)

主要客戶資料

佔本集團總銷售逾10%的客戶收益源自兩個年度的矽膠及相關產品銷售，詳情如下：

附註：有關收益佔本集團於去年度的總銷售少於10%。

10. OTHER EXPENSES

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Exchange losses	匯兌虧損	2,082	3,773
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	466	53
Loss on disposal of held-for-trading investments	出售持作買賣投資虧損	151	-
Decrease in fair value of held-for-trading investments	持作買賣投資公平值減少	-	24
Inventories lost in fire	於火災損失的存貨	-	998
Loss on derivative financial instruments	衍生金融工具虧損	2,369	3,566
		5,068	8,414

10. 其他開支

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11. INCOME TAX EXPENSES

11. 所得稅開支

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Hong Kong Profits Tax	香港利得稅		
– current year	– 本年度	21	211
PRC Enterprise Income Tax	中國企業所得稅		
– current year	– 本年度	10,284	6,478
– overprovision in prior years (Note (i))	– 過往年度超額撥備 (附註(i))	(438)	(4,237)
		9,846	2,241
Macau Complementary Income Tax ("MCIT")	澳門所得補充稅 (「澳門所得補充稅」)		
– overprovision in prior years (Note (ii))	– 過往年度超額撥備 (附註(ii))	(9,917)	–
Deferred taxation	遞延稅項		
– current year	– 本年度	3,504	(332)
		3,454	2,120

Note: (i) Overprovision of PRC Enterprise Income Tax expenses credited to profit or loss during 2009 represents the tax effect on tax benefits available to the Group in respect of certain purchases of equipment produced in the PRC pertained for the year 2008 but approved in year 2009 and the agreement of the tax authorities on deductibility of certain expenses.

(ii) Due to no formal tax assessment notice has been issued by the Macau tax authority and the expiry of five years time-barred period in accordance with the Macau Complementary Income Tax (Decree Law 21/78/M) Article 55, the management of the Company assessed that the overprovision for MCIT in prior years of approximately HK\$9,917,000 is written back and credited to profit or loss during the year ended 31 July 2010.

附註：(i) 於二零零九年計入損益的中國企業所得稅開支超額撥備指本集團就二零零八年購買，但於二零零九年方獲批准的若干中國製造的設備，以及稅務機關就削減若干開支的協議而獲得的稅務優惠的影響。

(ii) 由於澳門稅務部門並未發出正式評稅通知書，而根據澳門所得補充稅法(第21/78/M號法令)第55條的五年訴訟時效期已屆滿，本公司管理層評估過往年度就澳門所得補充稅作出的超額撥備約9,917,000港元已撥回，並計入截至二零一零年七月三十一日止年度的損益中。

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11. INCOME TAX EXPENSES (Continued)

Hong Kong Profits Tax was calculated at 16.5% on the estimated assessable profit for both years.

Pursuant to the rules and regulations of the Cayman Islands and BVI, the Group is not subject to any income tax in the Cayman Islands and BVI.

Ta Yang Group (Macao Commercial Offshore) Limited ("MCO") was incorporated as a commercial offshore entity in Macau and is exempt from MCIT.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards. Accordingly, provision for the PRC Enterprise Income Tax for the PRC subsidiaries is calculated at 25% of estimated assessable profit for both periods, except disclosed as follows:

- Dongguan Tay Yang Rubber Plastic Industrial Company Limited ("Dongguan Tay Yang"), Huzhou Ta Yang Electronic Technology Company Limited ("Huzhou Ta Yang") and Dongguan Tai Yang Rubber Plastic Industrial Company Limited ("Dongguan Tai Yang") are foreign investment enterprises and are entitled to tax concessions whereby the profit for the first two financial years beginning with the first profit-making year is exempted from income tax in the PRC and the profit for each of the subsequent three years is taxed at 50% of the prevailing tax rate.

11. 所得稅開支(續)

兩年的香港利得稅均按年內的估計應課稅溢利的16.5%計算。

根據開曼群島及英屬處女群島的規則及法規，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。

大洋集團(澳門離岸商業服務)有限公司(「大洋澳門」)在澳門註冊成立為離岸商業服務機構，獲豁免繳納澳門所得補充稅。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於二零零八年一月一日起的稅率為25%。因此，中國附屬公司的中國企業所得稅撥備按該兩個期間的估計應課稅溢利的25%計算，惟下列所披露者除外：

- 東莞泰洋橡塑製品有限公司(「東莞泰洋」)、湖州大洋電子科技有限公司(「湖州大洋」)與東莞太洋橡塑製品有限公司(「東莞太洋」)為外資企業，可享有稅項減免，據此，首個獲利年度起計首兩個財政年度的溢利可豁免繳納中國所得稅，其後三年各年的溢利按適用稅率減半納稅。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

11. INCOME TAX EXPENSES (Continued)

- The first profit-making year of Dongguan Tay Yang is 2005. Accordingly, Dongguan Tay Yang is exempted from the PRC income tax from 1 January 2005 to 31 December 2006 and is entitled to a 50% exemption of income tax from 1 January 2007 to 31 December 2009. From 1 January 2010 onwards, provision for the PRC Enterprise Income Tax for Dongguan Tay Yang is calculated at 25% of its estimated assessable profit.
- The first profit-making year of Huzhou Ta Yang is 2004. Accordingly, Huzhou Ta Yang is exempted from the PRC income tax from 1 January 2004 to 31 December 2005 and is entitled to a 50% exemption of income tax from 1 January 2006 to 31 December 2008. In September 2008, Huzhou Ta Yang is recognised as an approved technology enterprise and is eligible to a preferential tax rate of 15% from 1 January 2009 to 31 December 2010.
- The first profit-making year of Dongguan Tai Yang is 2008. Accordingly, Dongguan Tai Yang is exempted from the PRC Enterprise Income Tax from 1 January 2008 to 31 December 2009 and is entitled to a 50% exemption of income tax from 1 January 2010 to 31 December 2012.

11. 所得稅開支(續)

- 東莞泰洋的首個獲利年度為二零零五年。因此，東莞泰洋自二零零五年一月一日起至二零零六年十二月三十一日期間豁免繳納中國所得稅，自二零零七年一月一日起至二零零九年十二月三十一日期間享有50%的所得稅減免。自二零一零年一月一日起，東莞泰洋的中國企業所得稅撥備按其估計應課稅溢利的25%計算。
- 湖州大洋的首個獲利年度為二零零四年。因此，湖州大洋自二零零四年一月一日起至二零零五年十二月三十一日期間豁免繳納中國所得稅，自二零零六年一月一日起至二零零八年十二月三十一日期間享有50%的所得稅減免。於二零零八年九月，湖州大洋獲認可為認證技術企業，並可於二零零九年一月一日至二零一零年十二月三十一日期間享有15%的優惠稅率。
- 東莞太洋的首個獲利年度為二零零八年。因此，東莞太洋於二零零八年一月一日起至二零零九年十二月三十一日期間豁免繳納中國企業所得稅，並自二零一零年一月一日起至二零一二年十二月三十一日期間享有50%的所得稅減免。

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

11. INCOME TAX EXPENSES (Continued)

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

11. 所得稅開支(續)

年內所得稅開支與綜合收益表所載的除稅前溢利(虧損)對賬如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Profit (loss) before taxation	除稅前溢利(虧損)	70,720	(36,773)
Tax expense at rates applicable to profits in the jurisdictions concerned	按有關司法管轄區溢利適用稅率計量的稅務開支	26,560	2,511
Tax effect of income not subject to tax	毋需課稅收入的稅務影響	(2,482)	(307)
Tax effect of expenses not deductible for tax purposes	不可扣減稅務開支的稅務影響	1,574	4,083
Tax effect of share of (profit) loss of an associate	分佔聯營公司(溢利)虧損的稅務影響	(63)	39
Overprovision in prior years	過往年度超額撥備	(10,355)	(4,237)
Tax effect of tax losses not recognised	未確認稅務虧損的稅務影響	120	3,981
Effect of tax exemptions granted to the PRC subsidiaries	中國附屬公司獲稅項減免影響	(5,475)	(3,455)
Utilisation of previously unrecognised tax losses	動用過去未確認的稅務虧損	(6,425)	-
Tax credit	稅項抵免	-	(495)
Income tax expenses for the year	年內所得稅開支	3,454	2,120

Details of deferred taxation are in Note 31.

有關遞延稅項的詳情載於附註31。

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

12. PROFIT (LOSS) FOR THE YEAR

12. 年內溢利(虧損)

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Profit (loss) for the year has been arrived at after charging (crediting):	年內溢利(虧損)乃經扣除(計入)以下各項：		
Auditor's remuneration	核數師酬金	1,118	874
Amortisation of prepaid lease payments	預付租賃款項攤銷	1,298	1,300
Cost of inventories sold (Note i)	已售存貨成本(附註i)	635,052	514,756
Allowance for inventories (included in cost of sales)	存貨撥備(包括銷售成本)	390	4,437
Reversal of allowance for inventories (included in cost of sales)	撥回存貨撥備(包括銷售成本)	(3,895)	-
Share of taxation of an associate	分佔聯營公司稅項	426	163
Depreciation of property, plant and equipment	物業、廠房及設備折舊	41,415	40,360
Directors' emoluments (Note 16)	董事酬金(附註16)	10,536	7,365
Impairment losses recognised in respect of trade and other receivables (Note 24)	就應收貿易賬款及其他應收款項確認減值虧損(附註24)	355	127
Research and development costs (Note ii)	研發成本(附註ii)	10,028	10,080
Payments under operating leases in respect of land and buildings	有關土地及樓宇的經營租賃項下的付款	8,090	8,677
Staff costs (excluding directors' emoluments) (Note 15)	員工成本(不包括董事酬金)(附註15)	293,126	225,110

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

12. PROFIT (LOSS) FOR THE YEAR

(Continued)

Note i: Cost of inventories sold included approximately HK\$282,633,000 (2009: HK\$208,343,000) relating to staff costs, depreciation expenses and operating lease charges which amount is also included in the respective total amounts disclosed separately above.

Note ii: During the year ended 31 July 2010, research and development costs included staff costs of approximately HK\$5,643,000 (2009: HK\$5,632,000) for the Group's employees engaged in research and development activities, which are also included in staff costs as disclosed in Note 15.

12. 年內溢利(虧損)(續)

附註i: 已售存貨成本包括與員工成本、折舊開支及經營租賃費用(有關金額亦已計入上文獨立披露的有關總額內)有關的金額約282,633,000港元(二零零九年: 208,343,000港元)。

附註ii: 截至二零一零年七月三十一日止年度, 研發成本包括從事研發活動的本集團僱員員工成本約5,643,000港元(二零零九年: 5,632,000港元), 該等金額亦已計入員工成本內(如附註15所披露)。

13. DIVIDENDS RECOGNISED AS DISTRIBUTION DURING THE YEAR

13. 年內確認為分派的股息

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Dividend recognised as distribution during the year:			
年內確認為分派的股息:			
2009 final dividend declared and paid of HK\$0.06 (2008: HK\$0.06) per share	已宣派及派付的二零零九年末期股息每股0.06港元(二零零八年: 0.06港元)	48,000	48,000

The directors of the Company recommend the payment of a final dividend of HK\$0.06 per share for the year ended 31 July 2010. The proposed final dividend will be paid on or before 10 December 2010 to those shareholders whose names appear on the Company's register of members on 23 November 2010.

This proposed dividend is subject to approval by the shareholders at the forthcoming annual general meeting.

本公司董事建議就截至二零一零年七月三十一日止年度派付末期股息每股0.06港元。擬派末期股息將於二零一零年十二月十日或之前派付予於二零一零年十一月二十三日名列本公司股東名冊的股東。

本擬派股息須待股東於應屆股東週年大會上批准, 方告落實。

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For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

14. EARNINGS (LOSS) PER SHARE

(a) Basic

Basic earnings (loss) per share is calculated by dividing the profit (loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during both years.

		2010 二零一零年	2009 二零零九年
Profit (loss) for the year attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利(虧損)(千港元)	67,266	(38,893)
Weighted average number of ordinary shares in issue ('000)	已發行普通股的加權平均數(千股)	790,610	800,000
Basic earnings (loss) per share (HK cents)	每股基本盈利(虧損)(港仙)	8.51	(4.86)

(b) Diluted

Diluted earnings (loss) per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options.

		2010 二零一零年	2009 二零零九年
Profit (loss) for the year attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利(虧損)(千港元)	67,266	(38,893)
Weighted average number of ordinary shares in issue ('000)	已發行普通股的加權平均數(千股)	790,610	800,000
Effect of dilutive potential ordinary shares ('000)	潛在普通股的攤薄影響(千股)	1,183	-
Weighted average number of ordinary shares for diluted earnings per share ('000)	用以計算每股攤薄盈利的普通股加權平均數(千股)	791,793	800,000
Diluted earnings (loss) per share (HK cents)	每股攤薄盈利(虧損)(港仙)	8.50	(4.86)

The basic and diluted loss per share are the same for the year ended 31 July 2009 as the exercise price of the Company's share options was higher than the average market price of the Company's shares.

14. 每股盈利(虧損)

(a) 基本

每股基本盈利乃按兩個年度本公司擁有人應佔溢利(虧損)除以已發行普通股的加權平均數計算。

(b) 攤薄

每股攤薄盈利(虧損)乃按假設全部潛在攤薄普通股獲轉換而調整發行在外普通股加權平均數計算。本公司有一類潛在攤薄普通股：購股權。

截至二零零九年七月三十一日止年度的每股基本及攤薄虧損相同，原因為本公司購股權的行使價較本公司股份的平均市價為高。

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

15. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS)

15. 員工成本(不包括董事酬金)

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	277,814	211,892
Retirement benefit schemes contribution	退休福利計劃供款	12,274	11,050
Share-based payments	以股份為基礎的付款	3,038	2,168
		293,126	225,110

The subsidiaries in Hong Kong operate defined contribution schemes under the Hong Kong Mandatory Provident Fund Schemes Ordinance which are available to qualified employees. The assets of the schemes are held separately from those of the subsidiaries in independently administered funds. Monthly contributions made by the subsidiaries are calculated based on certain percentages of the applicable payroll costs or fixed sums as stipulated under the relevant requirements, as appropriate.

Pursuant to the regulations of the relevant authorities in the PRC, the subsidiaries of the Group in this country participate in respective government retirement benefit schemes (the "Schemes") whereby the subsidiaries are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. The relevant authorities of the PRC are responsible for the entire pension obligations payable to the retired employees. The only obligation of the Group with respect to the Schemes is to pay the ongoing required contributions under the Schemes.

The retirement benefit schemes contribution represent contributions by the Group to the Schemes operated by the relevant authorities of the PRC and the defined contribution schemes operated in Hong Kong.

Details of the Company's share options granted to the employees of the Group are set out in Note 32.

香港的附屬公司根據香港強制性公積金計劃條例為合資格僱員設立定額供款計劃。該等計劃的資產由獨立管理基金持有，故與附屬公司的資產分開。附屬公司每月按適用薪酬成本的若干百分比作出供款或按相關規定訂明的固定款額供款(如適用)。

根據中國有關當局的規例，本集團的國內附屬公司須參與相關政府的退休福利計劃(「該等計劃」)，附屬公司須就此向該等計劃作出供款，為合資格僱員的退休福利提供資金。向該等計劃作出的供款乃按中國法例訂明的適用薪酬成本的若干百分比計算。中國有關當局負責向退休僱員支付整筆退休金責任。本集團就該等計劃的唯一責任是持續支付該等計劃所規定的供款。

退休福利計劃供款指本集團向中國有關當局營辦的該等計劃及於香港營辦的定額供款計劃作出的供款。

本公司授予本集團僱員購股權的詳情載於附註32。

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

16. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to each of the ten (2009: nine) directors were as follows:

For the year ended 31 July 2010

		Fees	Salaries, allowances and other benefits	Discretionary bonus	Retirement benefit schemes	Share-based payments	Total
		袍金	薪金、津貼及其他福利	酌情花紅	退休福利計劃供款	以股份為基礎的付款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Executive directors	執行董事						
Huang Sheng-Shun	黃勝舜	-	1,384	1,300	12	322	3,018
Huang Te-Wei	黃德威	-	731	285	12	206	1,234
Lin Hung-Ming	林宏明	-	948	670	12	228	1,858
Wong Tak Leung	黃德良	-	715	255	12	217	1,199
Wu Ih Chen	吳意誠	-	1,361	880	12	299	2,552
Non-executive director	非執行董事						
Kirk Yang	楊應超	180	-	-	-	25	205
Independent non-executive directors	獨立非執行董事						
Yeung Chi Tat	楊志達	180	-	-	-	25	205
Hsieh Yu	謝裕	120	-	-	-	25	145
Jou Yow-Jen (appointed on 29 December 2009)	周幼珍 (於二零零九年十二月二十九日獲委任)	71	-	-	-	-	71
Chuang Hong-Jen (resigned on 29 December 2009)	莊宏仁 (於二零零九年十二月二十九日辭任)	49	-	-	-	-	49
		600	5,139	3,390	60	1,347	10,536

16. 董事及高級管理層酬金

(a) 董事酬金

已付或應付十名(二零零九年: 九名)董事各自的酬金載列如下:

截至二零一零年七月三十一日止年度

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

16. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(Continued)

(a) Directors' emoluments (Continued)

For the year ended 31 July 2009

		Salaries, allowances and other benefits	Discretionary bonus	Retirement benefit schemes contributions	Share-based payments	Total	
	Fees 袍金	薪金、津貼 及其他福利	酌情花紅	退休福利 計劃供款	以股份為 基礎的付款	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	
Executive directors	執行董事						
Huang Sheng-Shun	黃勝舜	-	1,368	100	12	217	1,697
Huang Te-Wei	黃德威	-	683	76	12	91	862
Lin Hung-Ming	林宏明	-	877	69	12	126	1,084
Wong Tak Leung	黃德良	-	660	54	12	109	835
Wu Ih Chen	吳意誠	-	1,096	80	12	180	1,368
Kirk Yang (note)	楊應超 (附註)	-	946	57	6	-	1,009
Non-executive director	非執行董事						
Kirk Yang (note)	楊應超 (附註)	90	-	-	-	-	90
Independent non-executive directors	獨立非執行董事						
Chuang Hong-Jen	莊宏仁	120	-	-	-	-	120
Yeung Chi Tat	楊志達	180	-	-	-	-	180
Hsieh Yu	謝裕	120	-	-	-	-	120
		510	5,630	436	66	723	7,365

Note: Mr. Kirk Yang ceased to be the executive director and chief financial officer of the Company and was re-designated as an independent non-executive director with effect from 1 February 2009 for a term of three years.

附註：楊應超先生由二零零九年二月一日起不再擔任本公司的執行董事及財務總裁職務，並調任為獨立非執行董事，為期三年。

16. 董事及高級管理層酬金 (續)

(a) 董事酬金 (續)

截至二零零九年七月三十一日止年度

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For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

16. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(Continued)

(a) Directors' emoluments *(Continued)*

The discretionary bonus for both years was determined by reference to the performance of the directors and the profitability of the Group.

No directors waived or agreed to waive any emoluments during the two years ended 31 July 2010 and 2009.

(b) Senior management's emoluments

All of the five individuals with the highest emoluments in the Group for the years ended 31 July 2010 and 2009 were directors of the Company whose emoluments are set out above.

No emoluments have been paid by the Group to the directors and senior management as an inducement to join or upon joining the Group or as compensation for loss of office during the two years ended 31 July 2010 and 2009.

16. 董事及高級管理層酬金(續)

(a) 董事酬金(續)

兩個年度的酌情花紅乃於經參照董事表現及本集團的盈利能力後釐定。

概無董事於截至二零一零年及二零零九年七月三十一日止兩個年度放棄或同意放棄任何酬金。

(b) 高級管理層酬金

截至二零一零年及二零零九年七月三十一日止年度，本集團五名最高薪人士全部為本公司董事，彼等的薪酬如上文所列。

截至二零一零年及二零零九年七月三十一日止兩個年度，本集團並無向董事及高級管理層支付酬金，作為彼等加入或將加入本集團時的獎勵或其因失去職位的賠償。

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Properties held for own use 持作自用物業	Motor vehicles 汽車	Plant and machinery 廠房及機器	Furniture, fixtures and equipment 傢俬、裝置 及設備	Leasehold improve- ments 租賃物業 裝修	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
COST	成本值						
At 1 August 2008	於二零零八年八月一日	78,725	6,450	268,059	59,236	56,133	468,603
Additions	添置	1,563	419	5,451	4,306	2,352	14,091
Transfer from construction in progress (Note 18)	轉撥自在建工程 (附註18)	22,685	-	4,690	343	-	27,718
Disposals	出售	-	(750)	(1,914)	(358)	-	(3,022)
At 31 July 2009	於二零零九年 七月三十一日	102,973	6,119	276,286	63,527	58,485	507,390
Exchange realignment	匯兌調整	1,237	72	3,335	736	681	6,061
Additions	添置	1,277	936	23,243	2,611	3,124	31,191
Transfer from construction in progress (Note 18)	轉撥自在建工程 (附註18)	19,772	-	4,402	728	-	24,902
Disposals	出售	-	(546)	(9,776)	(63)	-	(10,385)
At 31 July 2010	於二零一零年 七月三十一日	125,259	6,581	297,490	67,539	62,290	559,159
ACCUMULATED DEPRECIATION	累計折舊						
At 1 August 2008	於二零零八年八月一日	6,639	3,410	103,563	26,041	26,065	165,718
Provided for the year	年內撥備	4,112	564	22,435	8,050	5,199	40,360
Eliminated on disposals	出售時對銷	-	(675)	(1,692)	(38)	-	(2,405)
At 31 July 2009	於二零零九年 七月三十一日	10,751	3,299	124,306	34,053	31,264	203,673
Exchange realignment	匯兌調整	139	36	1,558	456	393	2,582
Provided for the year	年內撥備	4,957	613	22,915	7,833	5,097	41,415
Eliminated on disposals	出售時對銷	-	(491)	(8,266)	(63)	-	(8,820)
At 31 July 2010	於二零一零年 七月三十一日	15,847	3,457	140,513	42,279	36,754	238,850
CARRYING VALUES	賬面值						
At 31 July 2010	於二零一零年 七月三十一日	109,412	3,124	156,977	25,260	25,536	320,309
At 31 July 2009	於二零零九年 七月三十一日	92,222	2,820	151,980	29,474	27,221	303,717

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

17. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives less residual value as follows:

Properties held for own use situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.

17. 物業、廠房及設備(續)

以上物業、廠房及設備項目以直線法按以下估計可使用年期減剩餘價值計算折舊：

租賃土地上的持作自用物業按未屆滿的租賃期及其估計可使用年期(完成日期後50年內)中較短者折舊。

	Estimated useful life 估計可使用年期	Residual value 剩餘價值
Motor vehicles 汽車	5 years 5年	10%
Plant and machinery 廠房及機器	10 years 10年	10%
Furniture, fixtures and equipment 傢俬、裝置及設備	5 years 5年	10%
Leasehold improvements 租賃物業裝修	Shorter of the lease term and 5 to 10 years 租賃期及5至10年，以較短者為準	—

The carrying value of properties held for own use shown above comprises of:

上述持作自用物業的賬面值包括：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Medium-term lease — in Hong Kong	中期租賃 — 位於香港	9,287	9,522
— outside Hong Kong	— 香港以外地區	100,125	82,700
		109,412	92,222

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

18. CONSTRUCTION IN PROGRESS

18. 在建工程

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
At 1 August	於八月一日	18,740	12,110
Exchange realignment	匯兌調整	38	-
Additions	添置	8,040	34,348
Transfer to property, plant and equipment (Note 17)	轉撥至物業、廠房及設備 (附註17)	(24,902)	(27,718)
At 31 July	於七月三十一日	1,916	18,740

19. PREPAID LEASE PAYMENTS

The prepaid lease payments consist of cost of land use rights in respect of land located in the PRC held under medium term leases, on which the Group's factory plants and staff quarters are built. The remaining period of the land use rights of the Group ranges from 41 to 46 years.

Analysed for reporting purposes as:

19. 預付租賃款項

預付租賃款項包括有關於位於中國並按中期租約持有的土地(本集團在該幅土地上建有廠房及員工宿舍)的土地使用權的成本值。本集團土地使用權的剩餘期限介乎41至46年不等。

就申報目的進行的分析如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Current asset	流動資產	1,301	1,298
Non-current asset	非流動資產	57,106	58,057
		58,407	59,355

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

20. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets comprise:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Listed securities:	上市證券：		
– Equity securities listed outside Hong Kong, at fair value	– 在香港以外地區上市的股本證券，按公平值	32,860	11,730
Unlisted securities:	非上市證券：		
– Equity securities, at cost	– 股本證券，按成本	12,032	5,356
		44,892	17,086

The fair value of the above listed securities is determined based on the quoted market bid prices available on the relevant stock exchange.

The unlisted equity securities are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimate is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

可供出售金融資產包括：

上述上市證券的公平值乃按於相關交易所可得的市場所報買入價釐定。

非上市股本證券於報告期末按成本減減值計量，此乃由於該等證券的合理公平值估計範圍甚大，本公司董事認為其公平值無法可靠地計量。

21. HELD-TO-MATURITY INVESTMENT

Held-to-maturity investment comprises:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Unlisted debt securities	非上市債務證券	11,610	11,610

The unlisted debt securities carry variable interest at three-month LIBOR plus 0.95% per annum, payable quarterly, and will mature in May 2012.

持有至到期投資包括：

非上市債務證券的可變利率為三個月倫敦銀行同業拆息加年利率0.95厘，有關利息將每季支付，而有關證券則將於二零一二年五月到期。

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For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

22. INTEREST IN AN ASSOCIATE

22. 於聯營公司的權益

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	1,278	1,278
Share of post-acquisition profit and exchange reserve less distribution of profit	分佔收購後溢利及匯兌儲備減溢利分派	250	374
		1,528	1,652

Details of the associate at 31 July 2010 and 2009 are as follows:

於二零一零年及二零零九年七月三十一日，該聯營公司的詳情如下：

Name of company 公司名稱	Form of business structure 業務架構形式	Place of incorporation/ operation 註冊成立/ 經營地點	Registered paid up capital 註冊繳足股本	Proportion of ownership interest directly held 直接持有的 擁有權益比例	Principal activity 主要業務
SiTY Silcum & Ta Yang International GmbH ("SiTY")	Incorporated	Germany	EUR250,000	50%	Trading of silicone tiles and electrical switching systems and related items
SiTY Silcum & Ta Yang International GmbH ("SiTY")	註冊成立	德國	250,000歐元	50%	矽膠瓷磚及電掣系統及相關項目貿易

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綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

22. INTEREST IN AN ASSOCIATE

(Continued)

The summarised unaudited financial information in respect of the Group's associate is set out below:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Total assets	資產總值	7,250	5,404
Total liabilities	負債總額	(4,194)	(2,100)
Net assets	資產淨值	3,056	3,304
Group's share of net assets of an associate	本集團分佔聯營公司的資產淨值	1,528	1,652
Revenue	收益	23,787	20,763
Profit (loss) for the year	年內溢利(虧損)	766	(473)
Group's share of profit (loss) of an associate for the year	年內本集團分佔聯營公司的溢利(虧損)	383	(237)

22. 於聯營公司的權益(續)

有關本集團聯營公司的未經審核財務資料概要載列如下：

23. INVENTORIES

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Raw materials	原材料	65,781	49,992
Work-in-progress	在製品	46,583	30,091
Finished goods	製成品	52,763	28,906
		165,127	108,989

23. 存貨

During the year, there was significant increase in the net realisable value of raw materials due to market shortage in raw materials. As a result, a reversal of write-down of raw materials of approximately HK\$3,895,000 (2009: nil) has been recognised and included in cost of sales in current year.

年內，原材料的可變現淨值由於市場的原材料短缺而大幅增加。因此，撥回原材料撇減約3,895,000港元(二零零九年：無)已於年內確認並計入銷售成本。

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24. TRADE AND OTHER RECEIVABLES

(a)

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Trade receivables	應收貿易賬款		
– from third parties	– 應收第三方	277,682	191,435
– from an associate	– 應收聯營公司	1,868	843
Less: Impairment losses recognised in respect of trade receivables from third parties	減：就貿易應收第三方的賬款確認減值虧損	(373)	(406)
		279,177	191,872
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	23,017	13,459
Less: Impairment losses recognised in respect of other receivables	減：就其他應收款項確認減值虧損	(144)	–
		302,050	205,331

The Group normally grants to its customers credit periods ranging from 30 days to 135 days which are subject to periodic review by the management.

An aged analysis of trade receivables, net of impairment losses recognised, presented based on the invoice date at the reporting date is as follows:

本集團一般給予其客戶介乎30日至135日的信貸期，並由管理層定期作檢討。

扣除已確認減值虧損後的應收貿易賬款賬齡分析按報告日期的發票日期呈列如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Within 1 month or on demand	一個月內或按要求償還	122,850	67,950
More than 1 month but less than 3 months	一個月以上但少於三個月	113,904	86,965
More than 3 months but less than 12 months	三個月以上但少於十二個月	41,630	36,882
More than 12 months	十二個月以上	793	75
		279,177	191,872

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For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

24. TRADE AND OTHER RECEIVABLES

(Continued)

- (b) The movement on impairment losses of trade receivables is as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
At 1 August	於八月一日	406	322
Exchange realignment	匯兌調整	3	-
Impairment losses recognised	已確認減值虧損	213	127
Impairment losses reversed	已撥回減值虧損	(190)	(43)
Amounts written off as uncollectible	撇銷為不可收回的金額	(59)	-
At 31 July	於七月三十一日	373	406

Included in the impairment losses recognised are individually impaired trade receivables with an aggregate balance of approximately HK\$373,000 (2009: HK\$406,000) over which the Group does not hold any collateral. The individually impaired receivables mainly relate to customers that are in financial difficulty or of poor credit history.

24. 應收貿易賬款及其他應收款項

(續)

- (b) 應收貿易賬款減值虧損的變動如下：

減值虧損包括結餘總額約373,000港元(二零零九年：406,000港元)的個別減值貿易應收賬款，而本集團並無就該等款項持有任何抵押品。個別減值應收款項主要有關面對財政困難及信貸紀錄不良的客戶。

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For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

24. TRADE AND OTHER RECEIVABLES 24. 應收貿易賬款及其他應收款項

(Continued)

- (c) The movement on impairment losses of other receivables is as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
At 1 August	於八月一日	-	-
Exchange realignment	匯兌調整	2	-
Impairment losses recognised	已確認減值虧損	142	-
At 31 July	於七月三十一日	144	-

Included in the impairment losses recognised are individually impaired other receivables with an aggregate balance of approximately HK\$144,000 (2009: nil) which are due to long outstanding. The Group does not hold any collateral over these balances.

- (d) At 31 July 2010 and 2009, the analysis of trade receivables that were past due but not impaired are as follows:

		Past due but not impaired 已逾期但並無減值				
		Neither past due nor impaired 並無逾期 亦無減值	Over 90 days but less than 1 year		Over 1 year but less than 2 years	
			<90days 少於90日	90 days but less than 1 year 90日以上 但少於一年	1 year but less than 2 years 超過一年 但少於兩年	
		Total 總計	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
31 July 2010	二零一零年七月三十一日	279,177	263,664	13,903	1,479	131
31 July 2009	二零零九年七月三十一日	191,872	179,067	11,752	978	75

(續)

- (c) 其他應收款項的減值虧損如下：

減值虧損包括結餘總額約144,000港元(二零零九年：零)的個別減值其他應收款項，而本集團並無就該等結餘持有任何抵押品。

- (d) 於二零一零年及二零零九年七月三十一日，已逾期但並無減值的貿易應收賬款分析如下：

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24. TRADE AND OTHER RECEIVABLES

(Continued)

(d) (Continued)

Trade receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default. The Group does not hold any collateral over these balances.

Trade receivables that were past due but not impaired relate to a number of independent customers that have a good track payment record with the Group. Based on past experience, management believes that no impairment allowance 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 over these balances.

(e) Included in trade receivables are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

24. 應收貿易賬款及其他應收款項

(續)

(d) (續)

並無逾期亦無減值的貿易應收賬款與近期並無拖欠記錄的多名客戶有關。本集團並無就該等結餘持有任何抵押品。

已逾期但並無減值的貿易應收賬款與向本集團付款記錄良好的多名獨立客戶有關。根據過去經驗，由於信貸質素並無重大變動及結餘仍被視為可悉數收回，故管理層相信毋須就該等結餘作出減值撥備。

(e) 應收貿易賬款內包括下列以相關實體的功能貨幣以外的貨幣列值的金額：

		2010 二零一零年 '000 千元	2009 二零零九年 '000 千元
USD	美元	28,548	19,058
EUR	歐元	-	472
NTD	新台幣	2,100	3,011

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For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

25. HELD-FOR-TRADING INVESTMENTS 25. 持作買賣投資

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Equity securities at quoted market price	股本證券(按市場報價)		
– listed in Hong Kong	– 於香港上市	–	598
– listed outside Hong Kong	– 於香港境外上市	47	–
		47	598

26. DEPOSITS WITH BANK AND BANK BALANCES AND CASH

As at 31 July 2009, the fixed interest rate on deposits with bank, with maturity within six months, was 0.20% per annum.

At 31 July 2010, bank balances and cash comprise of cash held by the Group of approximately HK\$204,874,000 (2009: HK\$261,712,000) at prevailing market rate. The maturities of bank balances were within three months.

Bank balances and bank deposits with maturity within three months carried interest at average market rates of 1.17% (2009: 1.29%) per annum.

At 31 July 2010, the Group's bank balances and cash denominated in RMB amounted to approximately RMB181,180,000 (2009: RMB142,205,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

26. 銀行存款以及銀行結餘及現金

於二零零九年七月三十一日，六個月內到期銀行存款的固定年利率為0.20厘。

於二零一零年七月三十一日，銀行結餘及現金包括本集團持有的現金按當前市場利率計息約204,874,000港元(二零零九年：261,712,000港元)。該等銀行結餘的到期日為三個月內。

三個月內到期的銀行結餘及銀行存款按1.17厘(二零零九年：1.29厘)的平均市場利率計息。

於二零一零年七月三十一日，本集團以人民幣計值的銀行結餘及現金約為人民幣181,180,000元(二零零九年：人民幣142,205,000元)。兌換人民幣為外幣須受中國外匯管理條例及結匯、售匯及付匯管理規定所限。

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For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

26. DEPOSITS WITH BANK AND BANK BALANCES AND CASH (Continued)

Included in bank balances and cash are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

		2010 二零一零年 '000 千元	2009 二零零九年 '000 千元
USD	美元	5,540	28,680
EUR	歐元	1,115	2,099
JPY	日圓	1,162	–
NTD	新台幣	11,783	2,363

26. 銀行存款以及銀行結餘及現金(續)

銀行結餘及現金包括下列以相關實體的功能貨幣以外貨幣計值的款項：

27. TRADE AND OTHER PAYABLES

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Trade payables	應付貿易賬款	65,576	31,822
Other payables	其他應付款項	53,333	36,317
		118,909	68,139

27. 應付貿易賬款及其他應付款項

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27. TRADE AND OTHER PAYABLES

(Continued)

An aged analysis of trade payables is as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Within 1 month or on demand	一個月內到期或按要求償還	26,083	20,969
Due after 1 month but less than 3 months	一個月後但三個月內到期	33,844	8,477
Due after 3 months but within 12 months	三個月後但十二個月內到期	3,986	1,887
Due after 12 months	十二個月後到期	1,663	489
		65,576	31,822

The average credit period on purchases of goods is 30 – 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

Included in other payables are amounts in total of approximately HK\$3,000,000 (2009: nil) representing accrued directors' emoluments.

Included in trade payables are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

		2010 二零一零年 '000 千元	2009 二零零九年 '000 千元
USD	美元	4,381	750
JPY	日圓	41,006	–
NTD	新台幣	4,317	150

27. 應付貿易賬款及其他應付款項

(續)

應付貿易賬款的賬齡分析如下：

	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Within 1 month or on demand	26,083	20,969
Due after 1 month but less than 3 months	33,844	8,477
Due after 3 months but within 12 months	3,986	1,887
Due after 12 months	1,663	489
	65,576	31,822

購買貨品的平均信貸期為30至90日。本集團設有風險管理政策，以確保所有應付款項均於信貸期內支付。

其他應付款項包括合計約3,000,000港元（二零零九年：無）的應計董事酬金。

應付貿易賬款內包括下列以相關實體的功能貨幣以外的貨幣列值的金額：

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28. DERIVATIVE FINANCIAL INSTRUMENTS 28. 衍生金融工具

Derivatives not under hedge accounting:

非對沖會計處理的衍生工具：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Derivative financial assets	衍生金融資產		
Investment in warrant	於權證的投資	4	115
Currency structured forward contracts	貨幣結構性遠期合約	2,934	—
		2,938	115

In March 2010, the Group entered into a non-deliverable net settled RMB/USD structured forward contract (the "Contract") with a bank. The notional amount of the Contract is USD5,000,000 with 24 monthly settlement amounts commencing from April 2010. On each settlement day, if the exchange rate of USD to RMB falls with a stated range, a fixed amount of USD20,000 would be receivable from the bank. If the exchange rate of USD to RMB appreciates above the contracted rate at the settlement date, an amount would be payable by the Group. The amount payable by the Group would be a function of the settlement amount and the difference between the contracted rate and the exchange rate of USD to RMB at the settlement date. As at 31 July 2010, the fair value of the Contract was determined based on the valuation provided by an independent qualified valuer, BMI Appraisals Limited.

於二零一零年三月，本集團與一間銀行訂立非交付淨額結算人民幣／美元結構性遠期合約（「合約」）。合約的名義金額為5,000,000美元，自二零一零年四月起24個月按月結算。於各結算日，倘美元兌人民幣匯率跌至特定範圍，銀行將向本集團支付20,000美元的定額款項。倘於結算日美元兌人民幣匯率上升至高於合約匯率，則本集團須支付若干金額。本集團應付的金額將視乎結算金額及合約匯率與結算日美元兌人民幣匯率兩者間的差異而定。於二零一零年七月三十一日，合約的公平值乃根據獨立合資格估值師中和邦盟評估有限公司所提供的估值釐定。

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28. DERIVATIVE FINANCIAL INSTRUMENTS 28. 衍生金融工具(續)

(Continued)

Included in derivative financial assets are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

衍生金融資產包括下列以相關實體的功能貨幣以外的貨幣列值的金額：

		2010 二零一零年 '000 千元	2009 二零零九年 '000 千元
USD	美元	379	-

29. SHARE CAPITAL

29. 股本

(a) Authorised and issued share capital

(a) 法定及已發行股本

	NOTE 附註	2010 二零一零年		2009 二零零九年	
		Number of shares 股份數目 '000 千股	HK\$'000 千港元	Number of shares 股份數目 '000 千股	HK\$'000 千港元
Authorised: Ordinary shares of HK\$0.1 each	法定： 每股面值0.1港元的普通股	20,000,000	2,000,000	20,000,000	2,000,000
Issued and fully paid: At 1 August	已發行及繳足： 於八月一日	800,000	80,000	800,000	80,000
Exercise of share options	行使購股權	20	2	-	-
Share repurchased and cancelled	已購回及註銷股份	(22,014)	(2,201)	-	-
At 31 July	於七月三十一日	778,006	77,801	800,000	80,000

Note:

- (i) During the year ended 31 July 2010, 20,000 new shares of HK\$0.10 each in the Company were issued at a price of HK\$0.96 per share upon exercise of share options granted on 24 December 2009. The new shares issued rank pari passu with the existing shares in issue in all respects.

附註：

- (i) 於截至二零一零年七月三十一日止年度，20,000股每股面值0.10港元的本公司新股在於二零零九年十二月二十四日授出的購股權獲行使後按每股價格0.96港元發行。已發行新股在各方面與現有股份享有相同權利。

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29. SHARE CAPITAL (Continued)

(b) Repurchase of own shares

During the year ended 31 July 2010, the Company repurchased its own ordinary shares on the Stock Exchange as follows:

29. 股本(續)

(b) 購回本身股份

於截至二零一零年七月三十一日止年度，本公司於聯交所購回本身普通股，詳情如下：

Period 期間	NOTES 附註	Number of shares repurchased 購回 股份數目 '000 千股	Highest price paid per share 已付每股 最高價格 HK\$ 港元	Lowest price paid per share 已付每股 最低價格 HK\$ 港元	Aggregate price paid 已付 價格總額 HK\$'000 千港元	
January 2010	二零一零年一月	(i)	10,000	1.39	1.20	13,415
February 2010	二零一零年二月	(i)	4,560	1.39	1.19	6,004
March 2010	二零一零年三月	(i)	2,294	1.44	1.35	3,188
April 2010	二零一零年四月	(i)	1,668	1.40	1.31	2,257
May 2010	二零一零年五月	(i)	3,264	1.40	1.07	4,113
June 2010	二零一零年六月	(i)	160	1.02	1.00	161
1-11 July 2010	二零一零年七月一日 至十一日	(i)	68	1.02	1.02	69
			22,014			29,207
12-31 July 2010	二零一零年七月十二日 至三十一日	(ii)	1,082	1.16	1.10	1,219
			23,096			30,426

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For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

29. SHARE CAPITAL (Continued)

(b) Repurchase of own shares (Continued)

Notes:

- (i) The repurchased shares were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. Pursuant to section 37(4) of the Companies Law (2007 Revision) of the Cayman Islands, an amount equivalent to the par value of the shares cancelled of approximately HK\$2,201,000 was transferred from retained profits to the capital redemption reserve. The premium paid on the repurchase of the shares of approximately HK\$27,006,000 was charged to share premium.
- (ii) The repurchased shares were pending for cancellation at 31 July 2010 and the amount paid on the repurchase of the shares of approximately HK\$1,219,000 was charged to the share repurchase reserve. The repurchased shares were subsequently cancelled on 11 August 2010.

29. 股本(續)

(b) 購回本身股份(續)

附註：

- (i) 已購回股份已被註銷，而本公司已發行股本亦因此按該等股份面值作扣減。根據開曼群島公司法（二零零七年經修訂）第37(4)條，相等於已註銷股份面值的金額約2,201,000港元已從保留溢利轉撥至資本贖回儲備。就購回股份支付的溢價約27,006,000港元已從股份溢價賬扣除。
- (ii) 於二零一零年七月三十一日，購回股份正待註銷，而購回股份已付金額約1,219,000港元已從股份購回儲備中扣除。已購回股份其後於二零一零年八月十一日註銷。

30. DEFERRED INCOME

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
At 1 August	於八月一日	1,026	-
Exchange realignment	匯兌調整	11	-
Granted during the year	年內授予	-	1,049
Credited to consolidated income statement	計入綜合收益表	(23)	(23)
At 31 July	於七月三十一日	1,014	1,026

During the year ended 31 July 2009, the Group received a government grant of approximately HK\$1,049,000 from 浙江湖州經濟開發區管理委員會 for the acquisition of prepaid lease payments. The amount will be recognised as other operating income over the unexpired lease term of prepaid lease payments. During the year, deferred income of approximately HK\$23,000 (2009: HK\$23,000) has been recognised in the consolidated income statement.

30. 遞延收入

於截至二零零九年七月三十一日止年度期間，本集團收到浙江湖州經濟開發區管理委員會就購入預付租賃款項而給予的政府補助約1,049,000港元。該金額將於預付租賃款項有效租賃期內確認為其他經營收入。年內，遞延收入約23,000港元（二零零九年：23,000港元）已於綜合收益表內確認。

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31. DEFERRED TAXATION

The following are the major deferred tax (assets) liabilities recognised and movements thereof during the current and prior years:

31. 遞延稅項

本年度及過往年度已確認的主要遞延稅項(資產)負債及其變動如下：

		Unrealised profits on inventories 存貨的未變現溢利 HK\$'000 千港元	Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Estimated tax losses 估計稅項虧損 HK\$'000 千港元	Deferred income arising from government grant 政府補助產生的遞延收入 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 August 2008	於二零零八年八月一日	(556)	223	(223)	-	(556)
Charged (credited) to consolidated income statement	於綜合收益表扣除 (計入)	(75)	(78)	78	(257)	(332)
At 31 July 2009	於二零零九年七月三十一日	(631)	145	(145)	(257)	(888)
Exchange realignment	匯兌調整	-	-	-	(2)	(2)
(Credited) charged to consolidated income statement	於綜合收益表 (計入) 扣除	3,498	(24)	24	6	3,504
At 31 July 2010	於二零一零年七月三十一日	2,867	121	(121)	(253)	2,614

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to the profits of the PRC subsidiaries amounting to approximately HK\$11,460,000 (2009: HK\$3,353,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

根據中國企業所得稅法，中國附屬公司由二零零八年一月一日起須就所賺溢利宣派的股息繳納預扣稅。本集團於綜合財務報表中並無就中國附屬公司所賺溢利產生的暫時性差異計提遞延稅項撥備約11,460,000港元(二零零九年：3,353,000港元)，原因為本集團能夠控制撥回暫時性差異的時間，且該等暫時性差異有可能不會於可見將來撥回。

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31. DEFERRED TAXATION (Continued)

At the end of reporting period, the Group has unused tax losses of approximately HK\$9,105,000 (2009: HK\$34,415,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$733,000 (2009: HK\$885,000) of such loss. No deferred tax asset has been recognised in respect of the remaining losses of approximately HK\$8,372,000 (2009: HK\$33,530,000) due to the unpredictability of future profit streams. At 31 July 2010, approximately HK\$486,000 (2009: HK\$23,927,000) included in the above unused tax losses will expire after five years from the year of assessment to which they relate to. Other estimated tax losses may be carried forward indefinitely.

32. SHARE OPTION SCHEME

Pursuant to the shareholders' written resolution passed on 16 May 2007, the Company adopted a Pre-IPO share option scheme (the "Pre-IPO Option Scheme") and a Post-IPO share option scheme (the "Post-IPO Option Scheme") whereby the directors and eligible employees of the Group were given the rights to subscribe for shares in the Company subject to the terms and conditions stipulated in two schemes.

At 31 July 2010, the total number of shares in respect of which options had been granted and remained outstanding under the two schemes was 17,244,000 (2009: 7,085,000), representing 2.22% (2009: 0.89%) of the shares in the Company in issue at that date. The total number of shares in respect of which options may be granted under the two schemes is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

31. 遞延稅項(續)

於報告期末，本集團有尚未動用稅項虧損約9,105,000港元(二零零九年：34,415,000港元)，可供對銷未來溢利。已就有關虧損約733,000港元(二零零九年：885,000港元)確認遞延稅項資產。由於未能預計未來溢利流量，概無就餘下虧損約8,372,000港元(二零零九年：33,530,000港元)確認遞延稅項資產。於二零一零年七月三十一日，上述尚未動用稅項虧損中約486,000港元(二零零九年：23,927,000港元)將於其相關的評估年度起計五年後到期。其他估計稅項虧損可無限期結轉。

32. 購股權計劃

根據於二零零七年五月十六日通過的股東書面決議案，本公司採納首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)及首次公開發售後購股權計劃(「首次公開發售後購股權計劃」)。據此，本集團的董事以及合資格僱員獲授權認購本公司的股份，惟須受該兩個計劃的條款及條件規限。

於二零一零年七月三十一日，該兩個計劃下已授出及尚未行使購股權所涉及股份總數為17,244,000股(二零零九年：7,085,000股)，相當於本公司該日已發行股份2.22%(二零零九年：0.89%)。該兩個計劃下可授出購股權所涉及股份總數在未取得本公司股東事先批准前不得超過本公司任何時間的已發行股份10%。於任何年度向任何人士授出及可能授出的購股權所涉及已發行及將予發行股份總數在未取得本公司股東事先批准前不得超過本公司任何時間的已發行股份1%。向主要股東或獨立非執行董事授出的購股權倘超過本公司股本0.1%或價值超過5,000,000港元必須取得本公司股東事先批准。

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32. SHARE OPTION SCHEME (Continued)

The exercise price is determined by the directors of the Company, and will not be less than the highest of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

Details of specific categories of options are as follows:

	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price 行使價
Pre-IPO Option Scheme	16 May 2007	One to five years commencing from 8 June 2007	8 June 2008 to 15 May 2017	HK\$2.20
首次公開發售前購股權計劃	二零零七年五月十六日	由二零零七年六月八日 起計1年至5年	二零零八年六月八日 至二零一七年五月十五日	2.20港元
Post-IPO Option Scheme – Lot 1	24 December 2009	0.5 year	24 June 2010 to 23 December 2019	HK\$0.96
首次公開發售後購股權計劃 —第一批	二零零九年十二月二十四日	0.5年	二零一零年六月二十四日 至二零一九年 十二月二十三日	0.96港元
Post-IPO Option Scheme – Lot 2	24 December 2009	1 year	24 December 2010 to 23 December 2019	HK\$0.96
首次公開發售後購股權計劃 —第二批	二零零九年十二月二十四日	1年	二零一零年十二月二十四日 至二零一九年 十二月二十三日	0.96港元

32. 購股權計劃(續)

行使價由本公司董事釐定，且不會低於（以較高者為準）(i)本公司股份於授出日期的收市價；(ii)股份於緊接授出日期前五個營業日的平均收市價；及(iii)本公司股份的面值。

指定類別購股權的詳情如下：

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32. SHARE OPTION SCHEME (Continued)

The following table discloses movements of the Company's share options held by employees during the year:

For the year ended 31 July 2010

		Outstanding at 1 August 2009 於二零零九年 八月一日 尚未行使	Granted during year 年內授出	Exercised during year 年內行使	Forfeited during year 年內沒收	Outstanding at 31 July 2010 於二零一零年 七月三十一日 尚未行使
Pre-IPO Option Scheme	首次公開發售前購股權計劃	7,085,000	-	-	(425,000)	6,660,000
Post-IPO Option Scheme – Lot 1	首次公開發售後購股權計劃 — 第一批	-	5,475,000	(20,000)	(163,000)	5,292,000
Post-IPO Option Scheme – Lot 2	首次公開發售後購股權計劃 — 第二批	-	5,475,000	-	(183,000)	5,292,000
		7,085,000	10,950,000	(20,000)	(771,000)	17,244,000
Exercisable at the end of the year	可於年末行使					10,138,000
Weighted average exercise price	加權平均行使價	HK\$2.20港元	HK\$0.96港元	HK\$0.96港元	HK\$1.64港元	HK\$1.44港元

For the year ended 31 July 2009

		Outstanding at 1 August 2008 於二零零八年 八月一日 尚未行使	Forfeited during year 年內沒收	Outstanding at 31 July 2009 於二零零九年 七月三十一日 尚未行使
Pre-IPO Option Scheme	首次公開發售前 購股權計劃	7,425,000	(340,000)	7,085,000
Exercisable at the end of the year	可於年末行使			3,457,000
Weighted average exercise price	加權平均行使價	HK\$2.20港元	HK\$2.20港元	HK\$2.20港元

In respect of the share options exercised during the year, the weighted average share price at the dates of exercise is HK\$1.16 (2009: nil).

32. 購股權計劃(續)

下表披露由僱員持有的本公司購股權於年內的變動：

截至二零一零年七月三十一日止年度

就於年內行使的購股權而言，於行使日期的加權平均股價為1.16港元（二零零九年：無）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

32. SHARE OPTION SCHEME (Continued)

On 24 December 2009, the Company has granted share options under Post-IPO Option Scheme to subscribe for an aggregate of 10,950,000 ordinary shares of par value of HK\$0.10 each in the Company to the directors and eligible employees of the Group. The closing price of the Company's shares immediately before 24 December 2009, the date of grant, was HK\$0.90.

The estimated fair values of the options granted during the year were calculated using The Black-Scholes Option Pricing Model. The inputs into the model were as follows:

		Share options granted on 24 December 2009 於二零零九年十二月二十四日 授出的購股權	
		Lot 1 第一批	Lot 2 第二批
Fair value at measurement date	於計量日期的公平值	HK\$0.31港元	HK\$0.31港元
Share price	股份價格	HK\$0.92港元	HK\$0.92港元
Exercise price	行使價	HK\$0.96港元	HK\$0.96港元
Expected volatility	預期波幅	54.21%	54.21%
Option life	購股權的年期	5.25 years 5.25年	5.5 years 5.5年
Expected dividends	預期股息	4.2%	4.2%
Risk-free interest rate (based on Hong Kong Exchange Fund Notes)	無風險利率 (根據香港外匯基金票據)	1.90%	1.96%

Expected volatility was determined by using the historical volatility of the Company's share price of a comparable company of the Company, since the Company is a newly listed company and has limited price history. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural consideration.

The Group recognised the total expense of approximately HK\$4,385,000 for the year ended 31 July 2010 (2009: HK\$2,891,000) in relation to share options granted by the Company.

32. 購股權計劃(續)

於二零零九年十二月二十四日，本公司根據首次公開發售後購股權計劃向本集團董事及合資格僱員授出購股權，以認購合共10,950,000股每股面值0.10港元的本公司普通股。本公司股份於緊接授出日期二零零九年十二月二十四日前的收市價為0.90港元。

於年內所授出購股權的估計公平值以柏力克—舒爾斯期權定價模式計算。輸入該模式的數據如下：

由於本公司為一間新上市公司，價格記錄有限，因此預期波幅使用本公司可資比較公司的本公司股價歷史波幅釐定。模式中所用的預期期限已根據管理層的最佳估計就不可轉讓性、行使限制及行為考慮因素的影響作出調整。

本集團已就本公司授出的購股權於截至二零一零年七月三十一日止年度確認總開支約4,385,000港元(二零零九年：2,891,000港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

33. RELATED PARTY TRANSACTIONS

- (i) Other than disclosed elsewhere in the consolidated financial statements, during the year, the Group entered into the following transactions with the associate:

Name of company 公司名稱	Nature of transactions 交易性質	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
SiTY	Sales of silicone rubber keypads	8,567	6,082
SiTY	銷售矽膠按鍵		

- (ii) Compensation of key management personnel

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

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Short-term benefits	短期福利	10,403	8,052
Post-employment benefits	離職後福利	109	123
Share-based payments	以股份為基礎的付款	1,536	1,146
		12,048	9,321

The remuneration of directors of the Company and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

33. 關連方交易

- (i) 除於綜合財務報表另行披露者外，於年內，本集團與聯營公司訂立以下交易：

- (ii) 主要管理層人員報酬

年內，本公司董事及其他主要管理層成員的薪酬如下：

本公司董事及主要行政人員的薪酬乃由薪酬委員會經考慮個別人士的表現及市場趨勢而釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

34. CAPITAL COMMITMENTS

34. 資本承擔

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of:	就收購下列各項的已訂約但尚未於綜合財務報表撥備的資本開支：		
– Acquisition of property, plant and equipment	– 收購物業、廠房及設備	7,482	5,034
– Acquisition of land use right	– 收購土地使用權	1,081	–
– Acquisition of available-for-sale financial assets (Note)	– 收購可供出售金融資產(附註)	–	6,676
		8,563	11,710

Note: At 31 July 2009, the Group had committed to acquire unlisted equity securities outside Hong Kong.

附註：於二零零九年七月三十一日，本集團已承諾在香港境外收購非上市股本證券。

35. COMMITMENTS UNDER OPERATING LEASES

35. 經營租賃承擔

The Group as lessee

The Group leases a number of properties under operating leases for its factories, offices and staff quarters. The leases were negotiated for terms ranging from one to five years, with the options to renew the leases when all terms are renegotiated. None of the leases includes contingent rentals.

At the end of reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

本集團作為承租人

本集團根據經營租賃租賃若干物業用作廠房、辦公室及員工宿舍。該等租賃為期介乎一至五年，並且有權選擇續租，屆時所有條款均可重新商定。該等租賃概無包括或然租金。

於報告期末，本集團根據不可撤銷經營租賃須於日後支付的最低租賃款項承擔根據到期情況分析如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Land and buildings:	土地及樓宇：		
Within one year	一年內	6,713	7,083
In the second to fifth year inclusive	第二至五年 (包括首尾兩年)	9,291	10,922
		16,004	18,005

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 36. 本公司的財務狀況表資料

		NOTES 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Non-current asset	非流動資產			
Investments in subsidiaries	於附屬公司的投資		104,149	104,149
Current assets	流動資產			
Other receivables	其他應收款項		680	228
Amounts due from subsidiaries	應收附屬公司款項	(a)	783,015	658,627
Bank balances and cash	銀行結餘及現金		29,672	113,940
			813,367	772,795
Current liabilities	流動負債			
Other payables	其他應付款項		4,267	1,091
Amounts due to subsidiaries	應付附屬公司款項	(a)	185,807	125,207
			190,074	126,298
Net current assets	流動資產淨值		623,293	646,497
Total assets less current liabilities	總資產減流動負債		727,442	750,646
Capital and reserves	資本及儲備			
Share capital	股本		77,801	80,000
Reserves	儲備	(b)	649,641	670,646
Total equity	權益總值		727,442	750,646

(a) Amounts due from/to subsidiaries

The amounts are unsecured, non-interest bearing and repayable on demand. The fair values of the amounts at the end of the reporting period approximated to the corresponding carrying amounts due to their short-term maturities.

(a) 應收／應付附屬公司款項

有關款項為無抵押、免息及按要求償還。由於有關款項均於短期內到期，故其於報告期末的公平值與相應賬面值相若。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

36. 本公司的財務狀況表資料(續)

(b) Reserves

(b) 儲備

		Share premium 股份溢價	Share option reserve 購股權儲備	Share repurchase reserve 股份購回儲備	Retained profits 保留溢利	Capital redemption reserve 資本贖回儲備	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 August 2008	於二零零八年八月一日	659,945	6,186	-	2,259	-	668,390
Total comprehensive income for the year	年內全面收入總額	-	-	-	47,365	-	47,365
Transfer to reserve for value of share options lapsed	就失效購股權的價值轉撥至儲備	-	(375)	-	375	-	-
Equity-settled share-based transactions	權益償付的股份基礎交易	-	2,891	-	-	-	2,891
Dividend declared and paid during the year	年內宣派及已派付股息	-	-	-	(48,000)	-	(48,000)
At 31 July 2009	於二零零九年七月三十一日	659,945	8,702	-	1,999	-	670,646
Total comprehensive income for the year	年內全面收入總額	-	-	-	50,818	-	50,818
Exercise of share options	行使購股權	23	(6)	-	-	-	17
Transfer to reserve for value of share options lapsed	就失效購股權的價值轉撥至儲備	-	(626)	-	626	-	-
Equity-settled share-based transactions	權益償付的股份基礎交易	-	4,385	-	-	-	4,385
Shares repurchased and cancelled	已購回及註銷股份	(27,006)	-	-	(2,201)	2,201	(27,006)
Repurchase of own shares pending for cancellation	購回本身待註銷股份	-	-	(1,219)	-	-	(1,219)
Dividend declared and paid during the year	年內宣派及已派付股息	-	-	-	(48,000)	-	(48,000)
At 31 July 2010	於二零一零年七月三十一日	632,962	12,455	(1,219)	3,242	2,201	649,641

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

37. PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries held by the Company at the end of the reporting periods are as follows:

37. 主要附屬公司

於報告期末，本公司持有的主要附屬公司詳情如下：

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 建立地點	Class of shares held 所持股份類別	Issued share capital/ registered capital 已發行股本/ 註冊資本		Attributable equity interest of the Group 本集團 應佔股本權益		Principal activities 主要業務
			2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年	
Ta Yang Silicone Rubber Industrial Company Limited 大洋矽橡膠工業有限公司	Hong Kong 香港	Ordinary shares 普通股	1,000,000 shares of HK\$1 each 1,000,000股每股 面值1港元的股份	1,000,000 shares of HK\$1 each 1,000,000股每股 面值1港元的股份	100%	100%	Trading of silicone rubber 買賣矽膠
Chief Ocean Limited 致洋有限公司	Hong Kong 香港	Ordinary shares 普通股	1 share of HK\$1 each 1股面值 1港元的股份	1 share of HK\$1 each 1股面值 1港元的股份	100%	100%	Provision of management services 提供管理服務
Ta Yang Group Limited 大洋集團有限公司	BVI 英屬處女群島	Ordinary shares 普通股	11,930,811 shares of US\$1 each 11,930,811股每股 面值1美元的股份	11,930,811 shares of US\$1 each 11,930,811股每股 面值1美元的股份	100%	100%	Investment holding 投資控股
Top View Investment Holdings Limited 遠思投資控股有限公司	BVI 英屬處女群島	Ordinary shares 普通股	1 share of US\$1 each 1股面值 1美元的股份	1 share of US\$1 each 1股面值 1美元的股份	100%	100%	Investment holding 投資控股
Ta Yang Group (Macao Commercial Offshore) Limited 大洋集團(澳門離岸商業服務)有限公司	Macau 澳門	Ordinary shares 普通股	1 share of MOP100,000 each 1股面值 100,000澳門元的股份	1 share of MOP100,000 each 1股面值 100,000澳門元的股份	100%	100%	Trading of silicone rubber 買賣矽膠
Dongguan Ta Yang Silicone Rubber Industrial Company Limited 東莞大洋矽膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$86,000,000 86,000,000港元	HK\$86,000,000 86,000,000港元	100%	100%	Manufacturing of silicone rubber 製造矽膠

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

37. PRINCIPAL SUBSIDIARIES (Continued)

37. 主要附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 建立地點	Class of shares held 所持股份類別	Issued share capital/ registered capital 已發行股本/ 註冊資本		Attributable equity interest of the Group 本集團 應佔股本權益		Principal activities 主要業務
			2010	2009	2010	2009	
			二零一零年	二零零九年	二零一零年	二零零九年	
Huzhou Ta Yang Electronic Technology Company Limited 湖州大洋電子科技有限公司	PRC 中國	Contributed capital 繳入資本	US\$38,000,000 38,000,000美元	US\$38,000,000 38,000,000美元	100%	100%	Manufacturing of silicone rubber 製造矽膠
Dongguan Tay Yang Rubber Plastic Industrial Company Limited 東莞泰洋橡膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$5,000,000 5,000,000港元	HK\$5,000,000 5,000,000港元	100%	100%	Manufacturing of silicone rubber 製造矽膠
Dongguan Tai Yang Rubber Plastic Industrial Company Limited 東莞太洋橡膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$53,372,623 53,372,623港元	HK\$43,323,394 43,323,394港元	100%	100%	Manufacturing of silicone rubber 製造矽膠
Huizhou Fu Ying Rubber Plastic Industrial Co., Ltd 惠州福盈橡膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$12,800,000 12,800,000港元	HK\$12,800,000 12,800,000港元	100%	100%	Property holding 物業控股
Huizhou Rui Mei Silicone Rubber Industrial Co., Ltd 惠州瑞美矽膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$12,800,000 12,800,000港元	HK\$12,800,000 12,800,000港元	100%	100%	Property holding 物業控股
Huizhou Shuo Ying Silicone Rubber Industrial Co., Ltd 惠州碩盈矽膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$12,800,000 12,800,000港元	HK\$12,800,000 12,800,000港元	100%	100%	Property holding 物業控股

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 July 2010 截至二零一零年七月三十一日止年度

37. PRINCIPAL SUBSIDIARIES (Continued)

37. 主要附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 建立地點	Class of shares held 所持股份類別	Issued share capital/ registered capital 已發行股本/ 註冊資本		Attributable equity interest of the Group 本集團 應佔股本權益		Principal activities 主要業務
			2010	2009	2010	2009	
			二零一零年	二零零九年	二零一零年	二零零九年	
Huizhou Fu Mei Silicone Rubber Industrial Co., Ltd	PRC	Contributed capital	HK\$12,800,000	HK\$12,800,000	100%	100%	Property holding
惠州福美硅膠製品有限公司	中國	繳入資本	12,800,000港元	12,800,000港元	100%	100%	物業控股

Note: All entities established in the PRC are wholly foreign owned enterprises.

附註：所有在中國成立的實體均為外商獨資企業。

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

上表列示本公司董事認為主要影響本集團業績或資產的本集團附屬公司，而本公司董事認為詳列其他附屬公司資料會導致篇幅過於冗長。

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

於年終或年內任何時間，概無附屬公司擁有任何已發行的債務證券。

38. EVENTS AFTER THE REPORTING PERIOD

38. 報告期後事項

On 24 September 2010, the Company announced the proposed issue of Taiwan Depository Receipt (the "TDR") and the proposed listing of the TDR on Taiwan Stock Exchange. Detailed terms of the TDR, including the structure of the issue and offer size are still subject to finalisation. Details of the proposed issue of TDR are set out in the announcement dated 24 2010.

於二零一零年九月二十四日，本公司宣佈建議發行台灣存託憑證(「台灣存託憑證」)，以及建議台灣存託憑證於台灣證券交易所上市。台灣存託憑證的條款詳情，包括發行架構及發行量尚未定案。建議發行台灣存託憑證的詳情載於二零一零年九月二十四日刊發的公佈。

Five Years Financial Summary

五年財務概要

For the year ended 31st July 2010 截至二零一零年七月三十一日止年度

CONSOLIDATED RESULTS

綜合業績

		Year ended 31 July 截至七月三十一日止年度				2010
		2006	2007	2008	2009	2010
		二零零六年	二零零七年	二零零八年	二零零九年	二零一零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Turnover	營業額	579,556	629,839	744,908	620,251	812,093
Profit (loss) for the year	年內溢利(虧損)	144,123	159,589	100,383	(38,893)	67,266

CONSOLIDATED ASSETS AND LIABILITIES

綜合資產及負債

		As at 31 July 於七月三十一日				2010
		2006	2007	2008	2009	2010
		二零零六年	二零零七年	二零零八年	二零零九年	二零一零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
		(Note)	(Note)			
		(附註)	(附註)			
Total assets	資產總值	491,727	1,213,553	1,299,202	1,190,173	1,247,784
Total liabilities	負債總值	(242,351)	(191,551)	(151,074)	(119,248)	(167,534)
		249,376	1,022,002	1,148,128	1,070,925	1,080,250
Total equity	權益總值	249,376	1,022,002	1,148,128	1,070,925	1,080,250

Note: The Company was incorporated in the Cayman Islands on 23 February 2006 and became the holding company of the Group with effect from 17 May 2007 as a result of a reorganisation scheme as set out in the Prospectus dated 28 May 2007 issued by the Company. Accordingly, the consolidated financial statements of the Group for the year ended 31 July 2007 and the comparatives have been prepared as if the current group structure had been in existence throughout the years presented.

附註：本公司於二零零六年二月二十三日在開曼群島註冊成立，並因實行重組計劃（詳情載於本公司於二零零七年五月二十八日刊發的售股章程）由二零零七年五月十七日起成為本集團的控股公司。因此，本集團截至二零零七年七月三十一日止年度的綜合財務報表及比較數字乃按猶如現時集團架構於所呈報年度一直存在的基準編製而成。

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