

達藝 DECCA

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CHAIRMAN'S STATEMENT

BUSINESS REVIEW

Results

The Group's turnover for the six months ended 30 September 2005 increased by 38.5% to HK\$200.6M (2004: HK\$144.8M) whilst the net profit after tax increased to HK\$13.8M. The Group's gross margin also recorded an increase to 40% for the six months ended 30 September 2005 from 37% for the same period in 2004. The Group's strategy in expanding both its product base and its geographical customer base is showing positive results. The turnover in the sales of furniture increased by 23.2% to HK\$159.9M from HK\$129.7M in 2004 and the turnover in interior building works increased from HK\$15.1M in 2004 to HK\$40.7M for the current period.

The United States continued to be the principal market for the Group over the first six months of the year and accounted for approximately 45% (2004: 62%) of the Group's turnover. A modest increase in turnover was recorded in the Hong Kong market, such increase was mainly attributed to the completion of the interior fitting-out project for the French Restaurant at the Four Seasons Hotel, Hong Kong. Turnover for the European market also experienced an increase of 36%.

During the period under review, the Group completed interior fitting-out projects and/or supply of furniture for a French Restaurant at the Four Seasons Hotel, Hong Kong, various mock-up rooms in connection with a new hotel project at the Kowloon Station development, MGM Turnberry (Phase I), Las Vegas, Four Seasons Hotel, Manele Bay – Hawaii. Shop fixtures were supplied to several Salvatore Ferragamo stores in Australia, Taiwan, Hong Kong and Mainland China and to several Omega stores in Mainland China.

Projects currently in progress include interior fitting-out project for the guestrooms of the Mandarin Oriental, Hong Kong, furniture supply contracts for Hilton Grand Vacation Club, Las Vegas, Lyrath Estate Hotel, Ireland and shop fixtures projects for Louis Vuitton in Tamagawa and Utsunomiya, Japan and Ermenegildo Zegna store in Seoul, Korea.

Outlook

The Group expects double digit sales growth to continue over the second half of the year. In particular, substantial increased activity is expected in the U.S. office furniture market, the European hospitality market and the Hong Kong furniture and interior fitting-out sectors. Other areas will continue to expand but at lower rates than those mentioned above.

The Group is also committing more resources to the retail fixture department. There is currently a high level of interest in the China market by all luxury brands. Many companies have plans to increase their presence in all major cities in China. Decca is making contact with most major European brands through Decca's office in Paris. This is already leading to new inquiries which will lead to an expansion of business over the next two years.

The Group won its case against the United States Department of Commerce with respect to the penal duties imposed on the Groups production of bedroom furniture in China. Decca is now eligible for the duty rate of 6.65% pending the court to implement the judgement at the beginning of next year.

業務回顧

業績

截至二零零五年九月三十日止六個月，本集團之營業額為2.006億港元（二零零四年：1.448億港元），較去年同期增加38.5%，稅後純利增至1,380萬港元。截至二零零五年九月三十日止六個月的毛利率由二零零四年同期之37%增加至40%。集團拓展以產品為基礎及以地區客戶為基礎的政策有正面的成果。傢俬銷售的營業額由二零零四年之1.297億港元增加23.2%至1.599億港元及室內裝飾工程亦由二零零四年之1,510萬港元增至本期之4,070萬港元。

美國仍本集團於本年度首六個月的主要市場，合共佔集團總營業額約45%（二零零四年：62%）。此外，香港市場的營業額也增加，該等增長主要是由於集團於期內參與並完成香港四季酒店法國餐廳的室內裝飾工程項目。歐洲市場的營業額亦增加36%。

於回顧期內，本集團參與並完成的室內裝飾工程項目及／或傢俬供應包括：香港四季酒店法國餐廳、位於九龍站新建的酒店項目的多個酒店樣板房、拉斯維加斯的MGM Turnberry第一期，以及夏威夷州的Four Seasons Hotel, Manele Bay。此外，本集團亦為Salvatore Ferragamo名店位於澳洲、台灣、香港、中國境內，以及位於中國境內的Omega名店，提供店舖傢俬裝置供應。

至於目前仍在進行的室內裝飾工程項目包括：香港文華東方酒店項目。傢俬合約工程主要包括：拉斯維加斯的Hilton Grand Vacation Club，愛爾蘭的Lyrath Estate Hotel。此外，本集團亦為Louis Vuitton位於日本玉川市、宇都宮市，以及Ermenegildo Zegna名店位於韓國首爾提供店舖傢俬裝置供應。

展望

集團期望下半年的營業額有持續雙位數的增長，預期美國辦公室傢俱市場、歐洲酒店傢俱市場，以及香港室內裝飾工程項目和傢俬供應市場有顯著增長。至於其他業務範疇將繼續拓展，但增長率將較前者為低。

鑑於多個高檔品牌均對中國內地市場有興趣，故集團將投放更多資源於店舖傢俬裝置供應。許多公司更計劃增加其銷售點至中國內地各主要城市。集團現時透過法國聯絡辦事處，與多個歐洲品牌接觸，收到很多諮詢，將帶動未來兩年的業務擴展。

就美國商務部國際貿易處對本集團在中國製造的臥室傢俱徵收懲罰性關稅，本集團已在此訴訟中獲勝。集團已符合享有關稅利率6.65%的資格，現等待法庭於明年初執行其判決。



CHAIRMAN'S STATEMENT

The Group's new DongGuan production facility should be completed by June 2006. When fully operational, the Group will be able to triple its production of hospitality furniture. This increase production capability coupled with the Group's Thailand capacity, will put Decca in the position to become the largest supplier of furniture to the upper end of the hotel industry. In addition, this increased capacity will free up production space for the Group to increase both its office furniture production and its retail fixture production.

In summary, the Group is well positioned to continue to improve its overall results not only for the second half of the current fiscal year but also for the next several years to come.

INTERIM DIVIDEND

The Directors have declared an interim dividend of HK2.0 cents (1/4/2004 to 30/9/2004: HK0.8 cents) per share for the six months ended 30 September 2005 to shareholders whose names appear on the Register of Members of the Company on 12 January 2006. The interim dividend will be paid on or around 17 January 2006.

APPRECIATION

The Board would like to extend its gratitude to all the Group's customers and bankers for their trust and support and would like to thank all of the staff of the Group for their tireless efforts and contribution to the Group.

TSANG CHI HUNG

Chairman

Hong Kong, 12 December 2005

本集團新擴建的中國東莞廠房的生產設施，將於二零零六年六月完工。當有關之生產設施全面投入生產，集團定能為酒店傢俱提供三倍的生產。此等增加設施配合泰國的設施，將使集團成為高檔酒店傢俱的最大供應商。此外，新增的生產設施亦能令集團騰出空間，增加其辦公室傢俱及店舖傢俱裝置的生產。

總括而言，集團乃處於優越位置，不單在下半年，也在未來數年繼續提升整體業績。

中期股息

董事會宣佈將於二零零六年一月十七日或前後派發截至二零零五年九月三十日止半年度中期股息每股2.0港仙(二零零四年四月一日至二零零四年九月三十日：0.8港仙)予二零零六年一月十二日名列本公司股東名冊之股東。

致謝

藉此機會，董事會謹向各客戶及往來銀行給予的信賴和支持，及本集團全體員工的努力不懈和貢獻致以衷心的謝意。

主席
曾志雄

香港，二零零五年十二月十二日

MANAGEMENT DISCUSSION AND ANALYSIS

The following comments should be read in conjunction with the condensed financial statements of Decca Holdings Limited and related notes on the accounts.

REVIEW OF RESULTS

The Group's turnover for the six months ended 30 September 2005 increased by 38.5% to HK\$200.6M (2004: HK\$144.8M) whilst the net profit after tax increased to HK\$13.8M. The Group's gross margin also recorded an increase to 40% for the six months ended 30 September 2005 from 37% for the same period in 2004.

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LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group continued to exercise a conservative policy towards its financial structure. There is no seasonal borrowing requirements. The Group's funding requirements to a certain extent depend on the value of the contracts awarded to the Group by its customers. As at 30 September 2005, total bank borrowings amounted to HK\$60.1M (31 March 2005: HK\$46.9M). Finance costs were maintained at a low level of HK\$1.8M (30 September 2004: HK\$0.8M), representing 0.9% (30 September 2004: 0.6%) of the Group's turnover. The Board believes that the Group's available banking facilities and its bank balances should provide the Group with sufficient financial resources for its operation and future development.

下列之意見應與達藝控股有限公司之簡明財務報表及有關之賬項附註一併閱讀。

業績回顧

截至二零零五年九月三十日止六個月，本集團之營業額為2.006億港元（二零零四年：1.448億港元），較去年同期增加38.5%，稅後純利增至1,380萬港元。截至二零零五年九月三十日止六個月的毛利率由二零零四年同期之37%增加至40%。

集團拓展以產品為基礎及以地區客戶為基礎的政策有正面的成果。傢俬銷售的營業額由二零零四年之1.297億港元增加23.2%至1.599億港元及室內裝飾工程亦由二零零四年之1,510萬港元增至本期之4,070萬港元。

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至於目前仍在進行的室內裝飾工程項目包括：香港文華東方酒店項目。傢俬合約工程主要包括：拉斯維加斯的Hilton Grand Vacation Club，愛爾蘭的Lyrath Estate Hotel。此外，本集團亦為Louis Vuitton位於日本玉川市、宇都宮市，以及Ermenegildo Zegna名店位於韓國首爾提供店鋪傢俬裝置供應。

流動資金、財務資源及資本結構

本集團的財政狀況繼續秉承一貫穩健、審慎理財的哲學，於期內並無季節性的貸款要求。本集團所需之資金在某程度上乃按本集團從客戶所接獲之工程的價格而定。截至二零零五年九月三十日止，集團銀行借款總額為6,010萬港元（二零零五年三月三十一日：4,690萬港元）。財務成本維持在180萬港元（二零零四年九月三十日：80萬港元）的較低水平，相當於集團營業額約0.9%（二零零四年九月三十日：0.6%）。董事會相信本集團充裕的銀行備用信貸額度及持有的現金，足以為集團的營運及將來發展提供足夠的財政資源。



MANAGEMENT DISCUSSION AND ANALYSIS

The borrowing including bank loans and overdrafts are mainly in Hong Kong dollars and Renminbi which will be matched by the inflow of funds from the Group's projects in Hong Kong and Mainland China. Having taken into account of the Group's net worth of HK\$205.9M, such borrowing level is considered as prudent. Net current assets stood at HK\$125.2M.

The Group's cash holding is mainly denominated in Hong Kong dollars. The interest rates of the Group's borrowings are usually floating in nature. The Group generally finances its operations with internally generated resources and credit facilities by banks in Hong Kong. Subsidiaries in Mainland China also obtain short-term credit facilities from banks in Mainland China for working capital purpose.

GEARING RATIO AND FOREIGN EXCHANGE EXPOSURE

As at 30 September 2005, the gearing ratio (total borrowings divided by net assets) was 0.31 (31 March 2005: 0.27). As the Group's revenue and expenses were mainly in Hong Kong dollars, Renminbi and US dollars and its cash holding was denominated in Hong Kong dollars, foreign exchange exposure of the Group was minimal as long as the policy of the Government of HKSAR to link the Hong Kong dollars to the US dollars remained in effect. Renminbi's exchange rate remained stable as Mainland China would also like to maintain a stable exchange rate between Hong Kong dollars and Renminbi which would be beneficial to Hong Kong's economy.

CHARGE ON ASSETS AND CONTINGENT LIABILITIES

As at 30 September 2005, land and building of the Group with net book value of approximately HK\$6.5M (31 March 2005: HK\$6.7M) were pledged with a bank to secure a Renminbi loan granted to the Group.

As at 30 September 2005, there were contingent liabilities of approximately HK\$3.8M (31 March 2005: Nil) in respect of counter guarantees given by a subsidiary in favour of a bank against any liabilities of the bank arising from non-compliance of the terms of interior building works being undertaken by the subsidiary. A joint guarantee with a third party to secure finance leases granted to an associate. As at 30 September 2005, the obligations under finance leases in the books and record of the associate amounted to approximately HK\$3.7M (31 March 2005: HK\$4.8M).

SIGNIFICANT INVESTMENTS HELD ON MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

There was no significant investments or disposals of subsidiaries in the period under review.

貸款包括銀行貸款及透支，主要以港元及人民幣為主，並以香港及中國內地之工程所得的資金收入相配。如以本集團資產淨值2.059億港元比較，此貸款水平屬於穩健。流動資產淨值為1.252億港元。

本集團所持有之現金主要以港元為基礎，大部份貸款之息率通常是浮動的。本集團一般透過內部資金與香港銀行給予之信貸提供其業務運作所需資金。位於中國內地之附屬公司從中國內地之銀行取得短期信貸融資作為營運資金用途。

資產負債比率及外匯風險

截至二零零五年九月三十日止，資產負債比率（總借貸額／資產淨值）為0.31（二零零五年三月三十一日：0.27）。本集團主要以港元、人民幣及美元賺取收益及支付費用，所持有的現金主要以港元為基礎。鑑於香港特區政府仍然實施港元與美元掛鈎之政策，故此本集團之外匯風險甚低。人民幣匯率保持穩定，此乃中國希望維持港元與人民幣之間的穩定匯率，使香港的經濟得益。

資產抵押及或然負債

截至二零零五年九月三十日止，本集團的土地及樓宇之賬面淨值約為650萬港元（二零零五年三月三十一日：670萬港元）已抵押給某銀行，作為給予本集團貸款之抵押。

截至二零零五年九月三十日止，或然負債總額約為380萬港元（二零零五年三月三十一日：無），此乃由附屬公司給予某銀行，用以承擔因未能依據室內裝飾工程之條文而引發之負債。又與第三者對聯營公司的租購合約作出聯合擔保。於二零零五年九月三十日，聯營公司賬目及記錄內之租購合約承擔約為370萬港元（二零零五年三月三十一日：480萬港元）。

持有重大投資及附屬公司之重大收購及出售

本年內並無重大投資或出售附屬公司。

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES

As at 30 September 2005, the Group employed 124, 1636, 4, 22 and 2 staff in Hong Kong, Mainland China, Singapore, USA and Thailand respectively (31 March 2005: 110, 1471, 4, 21 and 0 respectively). The Group remunerated its employees based on their performance, working experience and prevailing market conditions. Bonus may be given to staff of outstanding performance on a discretionary basis. For the primary purpose of retaining high caliber executives and employees, share options may be granted to eligible employees. Other employee benefits include mandatory provident fund and training programs.

PUBLIC FLOAT

Based on the information that is publicly available to the Company as at the date of this announcement and within the knowledge of the directors, there was a sufficiency of public float of the Company's securities as required under the Listing Rules.

OUTLOOK

The Group expects double digit sales growth to continue over the second half of the year. In particular, substantial increased activity is expected in the U.S. office furniture market, the European hospitality market and the Hong Kong furniture and interior fitting-out sectors. Other areas will continue to expand but at lower rates than those mentioned above.

The Group is also committing more resources to the retail fixture department. There is currently a high level of interest in the China market by all luxury brands. Many companies have plans to increase their presence in all major cities in China. Decca is making contact with most major European brands through Decca's office in Paris. This is already leading to new inquiries which will lead to an expansion of business over the next two years.

The Group won its case against the United States Department of Commerce with respect to the penal duties imposed on the Groups production of bedroom furniture in China. Decca is now eligible for the duty rate of 6.65% pending the court to implement the judgement at the beginning of next year.

The Group's new DongGuan production facility should be completed by June 2006. When fully operational, the Group will be able to triple its production of hospitality furniture. This increase production capability coupled with the Group's Thailand capacity, will put Decca in the position to become the largest supplier of furniture to the upper end of the hotel industry. In addition, this increased capacity will free up production space for the Group to increase both its office furniture production and its retail fixture production.

In summary, the Group is well positioned to continue to improve its overall results not only for the second half of the current fiscal year but also for the next several years to come.

僱員

截至二零零五年九月三十日止，本集團於香港、中國內地、新加坡，美國及泰國所僱用的員工數目分別為124、1,636、4、22及2人(二零零五年三月三十一日：110、1,471、4、21及0人)。本集團根據僱員之表現、工作經驗及當時市場情況釐定彼等之薪酬。對表現傑出的僱員可酌情發放花紅。購股權主要是為保留優秀行政人員及員工而設立，可授予合資格之僱員。其他僱員福利包括強制性公積金及培訓計劃。

公眾持股量

基於公開予本公司查閱之資料及據董事會所知悉，截至本公佈日期為止，本公司按上市規則所訂，一直維持足夠的公眾持股量。

展望

集團期望下半年的營業額有持續雙位數的增長，預期美國辦公室傢俱市場、歐洲酒店傢俱市場，以及香港室內裝飾工程項目和傢俬供應市場有顯著增長。至於其他業務範疇將繼續拓展，但增長率將較前者為低。

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就美國商務部國際貿易處對本集團在中國製造的臥室傢俱徵收懲罰性關稅，本集團已在此訴訟中獲勝。集團已符合享有關稅利率6.65%的資格，現等待法庭於明年初執行其判決。

本集團新擴建的中國東莞廠房的生產設施，將於二零零六年六月完工。當有關之生產設施全面投入生產，集團定能為酒店傢俱提供三倍的生產。此等增加設施配合泰國的設施，將使集團成為高檔酒店傢俬的最大供應商。此外，新增的生產設施亦能令集團騰出空間，增加其辦公室傢俱及店鋪傢俬裝置的生產。

總括而言，集團乃處於優越位置，不單在下半年，也在未來數年繼續提升整體業績。

DIRECTORS

The directors of the Company during the six months' period and up to the date of this report were:

Executive directors

Mr. Tsang Chi Hung
 Mr. Liu Hoo Kuen
 Mr. Richard Warren Herbst
 Ms. Kwan Yau Choi
 Ms. Fung Sau Mui
 Mr. Tai Wing Wah
 Mr. Wong Kam Hong

Independent non-executive directors

Mr. Chu Kwok Man
 Mr. Lok Wai Kiang, Paul
 Mr. Cheng Woon Kam

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 September 2005, the interests of the directors and of their associates in the issued share capital and underlying shares of the Company and its associated corporations, as recorded in the register kept by the Company pursuant to Section 352 of the Securities and Futures Ordinance, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code of Securities Transactions by Directors of Listed Companies were as follows:

Long position

(a) Interests in the Company's shares

| Name of director | Number of shares of HK\$0.10 each | | | | Percentage of the issued share capital of the Company |
|---------------------------|-----------------------------------|---------------------|-------------------------|-------------|---|
| | Personal interests | Family interests | Corporate interests | Total | |
| Mr. Tsang Chi Hung | 9,920,827 | – | 112,511,670 (note 1) | 122,432,497 | 61.22% (note 1) |
| Mr. Liu Hoo Kuen | 8,707,481 | – | 33,753,501 (note 2) | 42,460,982 | 21.23% (note 2) |
| Mr. Richard Warren Herbst | 589,995 | – | – | 589,995 | 0.29% |
| Ms. Kwan Yau Choi | 9,920,827 | – | 112,511,670 (note 1) | 122,432,497 | 61.22% (note 1) |
| Ms. Fung Sau Mui | 750,000 | – | – | 750,000 | 0.38% |
| Mr. Tai Wing Wah | 750,000 | – | – | 750,000 | 0.38% |
| Mr. Wong Kam Hong | 589,995 | – | – | 589,995 | 0.29% |
| Mr. Lok Wai Kiang, Paul | – | 500,000 (note 3) | – | 500,000 | 0.25% |

董事

本期及截至本報告書日的董事如下：

執行董事

曾志雄先生
 廖浩權先生
 Richard Warren Herbst先生
 關有彩女士
 馮秀梅女士
 戴永華先生
 黃錦康先生

獨立非執行董事

朱國民先生
 駱偉強先生
 鄭煥錦先生

董事之股份及所持相關股份權益

於二零零五年九月三十日，根據證券及期貨條例第352條，董事及其聯繫人士於本公司及其聯營公司之已發行股本及所持相關股份之權益須存置於登記冊之記錄或根據上市公司董事進行證券交易的標準守則，須知會本公司及香港聯合交易所有限公司如下：

長倉

(a) 於本公司股份之權益

| 董事姓名 | 每股面值0.1港元之股份數目 | | | | 佔本公司 已發行股本 百分比 |
|-------------------------|----------------|------------------|----------------------|-------------|----------------------|
| | 個人權益 | 家族權益 | 公司權益 | 總額 | |
| 曾志雄先生 | 9,920,827 | — | 112,511,670 (附註1) | 122,432,497 | 61.22% (附註1) |
| 廖浩權先生 | 8,707,481 | — | 33,753,501 (附註2) | 42,460,982 | 21.23% (附註2) |
| Richard Warren Herbst先生 | 589,995 | — | — | 589,995 | 0.29% |
| 關有彩女士 | 9,920,827 | — | 112,511,670 (附註1) | 122,432,497 | 61.22% (附註1) |
| 馮秀梅女士 | 750,000 | — | — | 750,000 | 0.38% |
| 戴永華先生 | 750,000 | — | — | 750,000 | 0.38% |
| 黃錦康先生 | 589,995 | — | — | 589,995 | 0.29% |
| 駱偉強先生 | — | 500,000 (附註3) | — | 500,000 | 0.25% |

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES (CONTINUED)

Long position (continued)

(a) Interests in the Company's shares (continued)

Notes:

1. Mr. Tsang Chi Hung and his wife Ms. Kwan Yau Choi own 348 shares and 347 shares of US\$1 each respectively of Peasedow Enterprises Limited respectively, representing 35% each of the issued share capital of that company, which in turn owns 112,511,670 shares of the Company. Mr. Tsang Chi Hung, Ms. Kwan Yau Choi and Mr. Liu Hoo Kuen in their names and through Peasedow Enterprises Limited own 141,060,805 shares of the Company in aggregate, representing 70.53% of the issued share capital of the Company.
2. Mr. Liu Hoo Kuen own 305 shares of US\$1 each of Peasedow Enterprises Limited, representing 30% of the issued share capital of that company, which in turn owns 112,511,670 shares of the Company. Mr. Tsang Chi Hung, Ms. Kwan Yau Choi and Mr. Liu Hoo Kuen in their names and through Peasedow Enterprises Limited own 141,060,805 shares of the Company in aggregate, representing 70.53% of the issued share capital of the Company.
3. These shares are held in the name of Ms. Lok Zee Pui Pui, Teresa, the wife of Mr. Lok Wai Kiang, Paul and Mr. Lok Wai Kiang, Paul is deemed to be interested in those shares as family interests.

(b) Personal interests in the Company's share options

| Name of director | Exercise price per share option HK\$ | Number of options held | Number of underlying shares |
|---------------------------|---|---------------------------|-----------------------------------|
| Mr. Tsang Chi Hung | 0.8 | 1,000,000 | 1,000,000 |
| Mr. Liu Hoo Kuen | 0.8 | 1,000,000 | 1,000,000 |
| Mr. Richard Warren Herbst | 0.8 | 500,000 | 500,000 |
| Ms. Kwan Yau Choi | 0.8 | 1,000,000 | 1,000,000 |
| Ms. Fung Sau Mui | 0.8 | 500,000 | 500,000 |
| Mr. Tai Wing Wah | 0.8 | 500,000 | 500,000 |
| Mr. Wong Kam Hong | 0.8 | 500,000 | 500,000 |
| | | 5,000,000 | 5,000,000 |

(c) Personal interests in shares of Decca (Mgt) Limited ("DML")

| Name of director | Non-voting deferred shares of HK\$100 each |
|--------------------|--|
| Mr. Tsang Chi Hung | 48,650 |
| Mr. Liu Hoo Kuen | 42,700 |
| Ms. Kwan Yau Choi | 48,650 |

董事之股份及所持相關股份權益 (續)

長倉 (續)

(a) 於本公司股份之權益 (續)

附註：

1. 曾志雄先生及關有彩女士分別持有Peasedow Enterprises Limited 348股及347股，每股美金1元的股份，即各佔該公司35%的股本，而該公司則持有本公司112,511,670股份。曾志雄先生、關有彩女士及廖浩權先生以其個人名義及透過Peasedow Enterprises Limited合共持有本公司141,060,805股份，即佔本公司70.53%的股本。
2. 廖浩權先生持有Peasedow Enterprises Limited 305股，每股美金1元的股份，佔該公司30%的股本，而該公司則持有本公司112,511,670股份。曾志雄先生、關有彩女士及廖浩權先生以其個人名義及透過Peasedow Enterprises Limited合共持有本公司141,060,805股份，即佔本公司70.53%的股本。
3. 該等股份以駱偉強先生之妻子駱徐培培女士名義持有，而駱偉強先生則被視為以家族權益擁有該等股份。

(b) 於公司購股權之個人權益

| 董事姓名 | 購股權行使價 港元 | 持有購股權 數目 | 所持相關 股份數目 |
|-------------------------|--------------|------------------|------------------|
| 曾志雄先生 | 0.8 | 1,000,000 | 1,000,000 |
| 廖浩權先生 | 0.8 | 1,000,000 | 1,000,000 |
| Richard Warren Herbst先生 | 0.8 | 500,000 | 500,000 |
| 關有彩女士 | 0.8 | 1,000,000 | 1,000,000 |
| 馮秀梅女士 | 0.8 | 500,000 | 500,000 |
| 戴永華先生 | 0.8 | 500,000 | 500,000 |
| 黃錦康先生 | 0.8 | 500,000 | 500,000 |
| | | <u>5,000,000</u> | <u>5,000,000</u> |

(c) 於達藝室內工程 (管理) 有限公司 (「香港達藝」) 之個人權益

| 董事姓名 | 每股面值100港元 無投票權遞延股份 |
|-------|-----------------------|
| 曾志雄先生 | 48,650 |
| 廖浩權先生 | 42,700 |
| 關有彩女士 | 48,650 |

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES (CONTINUED)

Long position (continued)

(c) Personal interests in shares of Decca (Mgt) Limited ("DML") (continued)

Notes:

1. As at 30 September 2005, the issued and fully paid share capital in DML comprised of 145,600 non-voting deferred shares and 10 ordinary shares of HK\$100 each.
2. The rights and restrictions attached to the ordinary and non-voting deferred shares of HK\$100 each in DML are as follows:
 - (a) The profits which DML may determine to distribute in respect of any financial year shall be distributed as regards the first \$1 trillion thereof among the holders of ordinary shares of DML according to the amounts paid up on the ordinary shares of DML held by them respectively and one half of the balance of such profits shall be distributed among the holders of the non-voting deferred shares of DML and the other half among the holders of ordinary shares of DML according to the amounts paid up on the shares held by them respectively.
 - (b) On a return of assets on winding up, the assets of DML to be returned shall be distributed as regards the first \$5 billion thereof among the holders of ordinary shares of DML in proportion to the nominal amounts of ordinary shares of DML held by them respectively and one half of the balance of such assets shall belong to and be distributed among the holders of the non-voting deferred shares of DML and the other half among the holders of ordinary shares of DML in proportion to the nominal amounts of the shares held by them respectively.
 - (c) Every holder of ordinary shares of DML shall have one vote for every fully paid up ordinary share of DML held by him but the non-voting deferred shares of DML shall not entitle the holders thereof to vote at any general meeting of DML.

Save for disclosed above, none of the directors nor their associates held office at 30 September 2005 had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at that date.

DIRECTORS' INTERESTS IN CONTRACTS

During the six months ended 30 September 2005, the Group paid rental of approximately HK\$908,000 to Golden Life Investment Limited ("Golden Life") in respect of the Group's office premises, showrooms and warehouses. Mr. Tsang Chi Hung, Ms Kwan Yau Choi and Mr Liu Hoo Kuen are directors and shareholders of Golden Life. As at 30 September 2005, the amount due to Golden Life was nil.

Apart from the above, no other contract of significance to which the Company, its holding company or any of its subsidiaries was a party and in which a director of the Company had a material interest subsisted at the end of 30 September 2005 or at any time during these six months period.

SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme"), was adopted pursuant to a resolution passed on 23 February 2000 for the primary purpose of retaining high calibre executives and employees and the options are exercisable for a period up to 10 years from 23 February 2000. Under the Scheme, the Board of Directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

At 30 September 2005, the number of shares in respect of which options had been granted under the Scheme was 5,000,000, representing 2.5% of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed to 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

董事之股份及所持相關股份權益(續)

長倉(續)

(c) 於達藝室內工程(管理)有限公司(「香港達藝」)之個人權益(續)

附註：

1. 於二零零五年九月三十日，香港達藝之已發行及全付股本包括145,600股無投票權遞延股份及10股每股100港元之普通股份。
2. 香港達藝之普通股份及每股100港元無投票權遞延股份的權利及限制如下：
 - (a) 香港達藝之普通股份股東可於任何財政年度按比例先獲分派首10,000億港元溢利。其餘溢利之一半則按比例分派給香港達藝之無投票權遞延股份之股東及另一半也按比例分派給香港達藝之普通股份股東。
 - (b) 如香港達藝清盤及退還資產，香港達藝之普通股股東可按比例獲分派首50億港元之資產。餘下一半之資產會按比例分派給香港達藝無投票權遞延股份之股東及另一半也按比例分派給香港達藝之普通股份股東。
 - (c) 每一位香港達藝之普通股份股東可按每股全付之普通股份於香港達藝之任何股東大會享有一票投票權而香港達藝之無投票權遞延股份之股東則無投票權。

除上文所披露外，於二零零五年九月三十日，本公司之董事或其聯繫人士並無於本公司或其任何聯繫公司之股份，所持相關股份及債券之任何權益或短倉。

董事之合約權益

於截至二零零五年九月三十日止六個月期間內，本集團付予精威投資有限公司(「精威」)之辦公室物業、陳列室及貨倉之租金約為908,000港元。曾志雄先生、關有彩女士及廖浩權先生均為精威之董事及股東。於二零零五年九月三十日，本集團並無欠精威款項。

除上述以外，於二零零五年九月三十日或於截至此日之六個月期間內，董事並無於本公司、其控股公司或其任何附屬公司訂立而對本公司業務屬重大之任何合約中擁有實際權益。

購股權計劃

於二零零零年二月二十三日議決通過採納的本公司之購股權計劃(「股權計劃」)，主要是為保留優秀行政人員及員工而設立的，有關購股權，可於二零零零年二月二十三日起十年內行使。根據股權計劃，董事會可向合資格的員工，包括本公司及其附屬公司的董事，授予認購本公司股份之購股權。

於二零零五年九月三十日，根據股權計劃而授予的購股權所涉及的股份共為5,000,000股，相當於當天本公司已發行股份的2.5%。根據股權計劃授予之購股權所涉及之股份總額，在未得本公司股東同意前，不得超過本公司當時已發行股份的10%。

SHARE OPTION SCHEME (CONTINUED)

Options granted on 31 August 2001 must be taken up at any time between 1 September 2002 to 31 August 2007, upon payment of HK\$1 as consideration of the grant. The exercise price is determined by the directors of the Company, and will not be less than 80% of the higher of the closing price of the Company's shares on the date of grant, and the average closing price of the shares for the five business days immediately preceding the date of grant or such other restrictions as stipulated in the Listing Rules.

There was no movement in the company's share options during the period.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save for disclosed above in "share option scheme", at no time during the period was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS

Save for disclosed above in "directors' interests in shares and underlying shares", the Company has not been notified of any interests or short positions in the share capital of the Company as at 30 September 2005 which is required to be recorded in the register as required to be kept under section 336 of the Securities and Futures Ordinance.

DISCLOSURE UNDER RULE 13.22 OF CHAPTER 13 OF THE LISTING RULES

In relation to the provision of financial assistance and guarantees by the Group to its associate Vielie Flooring Limited ("Vielie"), a proforma balance sheet of Vielie as at 30 September 2005 required to be disclosed under Rule 13.22 of Chapter 13 of the Listing Rules is set out below:

Proforma Balance Sheet of Vielie

as at 30 September 2005

| | 30.9.2005 (Unaudited) HK\$ |
|-------------------------|--|
| Non-current assets | 13,243,071 |
| Current assets | 19,492,577 |
| Current liabilities | (33,374,901) |
| Non-current liabilities | (1,225,249) |
| Net liabilities | <u>(1,864,502)</u> |
| Issued capital | 2 |
| Exchange reserve | 457,697 |
| Accumulated losses | (2,322,201) |
| Capital and reserves | <u>(1,864,502)</u> |

As at 30 September 2005, the attributable interest of the Group in Vielie amounted to loss of HK\$932,251.

購股權計劃(續)

於二零零一年八月三十一日所授予之購股權必須於二零零二年九月一日至二零零七年八月三十一日任何時間內被接納，並須繳付港幣一元作為酬金。購股權之行使價由本公司董事釐定，但不得低於授予購股權當日本公司股份之收市價，或之前五個交易日日本公司股份收市價之平均值之80%，兩者以較高為準，或上市規則所規定為準。

本公司之購股權於期內沒有變動。

董事購買股份及債券安排

除上述披露之「購股權計劃」外，本公司、其控股公司或其任何附屬公司均沒有在本期內訂立任何安排，致使本公司董事可以透過收購本公司或任何其他法人公司的股份或債券而獲益。

主要股東

除上文「董事之股份及所持相關股份權益」所披露者外，於二零零五年九月三十日，本公司從未接獲有關於本公司之股本中須根據證券及期貨條例第336條予以記錄之權益或短倉的通知。

遵照上市規則第13章第13.22條須予披露之資料

有關本集團給予聯營公司維埃里地板有限公司(「維埃里」)之財務資助及擔保，茲將根據上市規則第13章第13.22條之規定而須披露維埃里於二零零五年九月三十日之備考資產負債表載列如下：

維埃里之備考資產負債表

於二零零五年九月三十日

二零零五年九月三十日
(未經審核)
港元

| | |
|-------|--------------|
| 非流動資產 | 13,243,071 |
| 流動資產 | 19,492,577 |
| 流動負債 | (33,374,901) |
| 非流動負債 | (1,225,249) |
| 負債淨值 | (1,864,502) |
| 發行資本 | 2 |
| 兌換儲備 | 457,697 |
| 累積虧損 | (2,322,201) |
| 資本及儲備 | (1,864,502) |

於二零零五年九月三十日，集團於維埃里之應佔權益為虧損932,251港元。

RELATED PARTY TRANSACTIONS

On 1 December 2002, the Group entered into two tenancy agreements with Golden Life. Details of the transactions during the period were set out in "Directors' Interests in Contracts" above.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2005.

INTERIM DIVIDEND

The Directors have declared an interim dividend of HK2.0 cents (1.4.2004 to 30.9.2004: HK0.8 cents) per share for the six months ended 30 September 2005 to shareholders whose names appear on the Register of members of the Company on 12 January 2006. The interim dividend will be paid on or around 17 January 2006.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Tuesday, 10 January 2006 to Thursday, 12 January 2006, both days inclusive. During this period, no transfer of shares will be effected. In order to qualify for interim dividend, shareholders must lodge all transfer documents accompanied by the relevant share certificates with the Company's Share Registrars, Standard Registrars Limited on 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong by 4 p.m. on Monday, 9 January 2006.

CORPORATE GOVERNANCE

During the six months ended 30 September 2005, the Company was in compliance with the code provision of the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Exchange") except for the following:

Code Provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The roles of chairman and managing director of the Company have been performed by Mr. Tsang Chi Hung. The Board considered that the non-segregation would not result in considerable concentration of power in one person and has the advantage of a strong and consistent leadership which is conducive to making and implementing decisions quickly and consistently.

有關連人士交易

於二零零二年十二月一日，本集團與精威簽訂兩項租賃協議。在此期間之交易詳情已記載於上述之「董事之合約權益」中。

購買、出售或贖回上市證券

截至二零零五年九月三十日止六個月內，本公司及其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

中期股息

董事會宣佈將於二零零六年一月十七日或前後派發截至二零零五年九月三十日止六個月的中期股息每股2.0港仙(二零零四年四月一日至二零零四年九月三十日：0.8港仙)予二零零六年一月十二日名列本公司股東名冊之股東。

暫停辦理股份過戶登記

本公司將於二零零六年一月十日(星期二)至二零零六年一月十二日(星期四)，首尾兩日包括在內，暫停辦理股份過戶登記手續，期間將不會進行任何股份之過戶登記。為符合享有派發中期股息之資格，股東須將所有過戶文件連同有關股票於二零零六年一月九日(星期一)下午四時前遞交香港灣仔皇后大道東28號金鐘匯中心26樓本公司於香港之股份過戶登記處標準證券登記有限公司辦理過戶登記手續。

公司管治

除下列事項外，本公司在截至二零零五年九月三十日止六個月內，已遵從香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載之企業管治常規守則(「守則」)：

守則條文A.2.1規定主席及行政總裁之職位須分開，並不可由同一人擔任。本公司主席及董事總經理之職位均由曾志雄先生擔任。董事會認為，此兼任架構不會使權力過份集中在一人身上，而且有利於建立強勢及一致的領導權，使本公司能夠迅速及一貫地作出及實行各項決定。

CORPORATE GOVERNANCE (CONTINUED)

Code Provision A.4.2 stipulates that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. According to the provisions of the Bye-laws of the Company, any director appointed by the Board either to fill a casual vacancy or as an addition to the Board shall hold office until the next following annual general meeting of the Company and shall then be eligible for re-election. Further, at each annual meeting one-third of the directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not greater than one-third) shall retire from office by rotation provided that notwithstanding anything herein, the chairman of the Board and/or the managing director of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of directors to retire in each year.

Code Provision B.1.1 stipulates the establishing of a remuneration committee. A remuneration committee of the Board comprising a majority of independent non-executive directors was formed on 12th December 2005 in compliance with the Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company (the "Model Code"). Having made specific enquiry of the directors of the Company, all the directors confirmed that they complied with the required standards as set out in the Model Code during the six months ended 30 September 2005.

AUDIT COMMITTEE AND INDEPENDENT REVIEW BY EXTERNAL AUDITORS

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters.

The Group's external auditors, Deloitte Touche Tohmatsu, have been instructed to review the interim financial report. On the basis of their review, they are not aware of any material modifications that should be made to the interim financial report for the period.

公司管治 (續)

守則條文A.4.2規定所有填補臨時空缺而獲委任之董事，應在委任後的首次股東大會上接受股東選舉，而每名董事（包括有指定任期之董事）應至少每三年輪值退任一次。根據本公司之公司細則，任何填補臨時空缺而獲委任之董事或任何新增之董事會成員可任職至下屆股東周年大會為止，屆時彼可膺選連任。而且，在每一屆股東周年大會上，三分之一（或倘若其人數並非三之倍數，則最接近但不超過三分之一之數目）須輪值退任，但董事主席與／或董事總經理則不用輪值告退或計算入須要退任之董事數目之內。

守則條文B.1.1規定薪酬委員會之成立。按照守則規定，董事會已於二零零五年十二月十二日成立一個包括主要以獨立非執行董事為多數而組成隸屬於董事會的薪酬委員會。

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載董事進行證券交易的標準守則，作為本公司有關董事進行證券交易的操守準則（「標準守則」）。本公司對全體董事作出具體查詢後，確定彼等於截至二零零五年九月三十日止六個月內符合標準守則所規定之標準。

審核委員會及獨立核數師審閱

審核委員會與管理層已回顧本集團採納之會計原則及實務準則，並商討內部監控及財務呈報事宜。

本集團委聘的獨立核數師德勤•關黃陳方會計師行對中期業績報告進行了審閱，並無發現任何需予對中期業績報告作出重大修改的地方。



INDEPENDENT REVIEW REPORT

TO THE BOARD OF DIRECTORS OF DECCA HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

INTRODUCTION

We have been instructed by the Company to review the interim financial report set out on pages 25 to 46.

DIRECTORS' RESPONSIBILITIES

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with Hong Kong Accounting Standard 34 (HKAS 34) "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants and the relevant provisions thereof. The interim financial report is the responsibility of, and has been approved by, the directors.

It is our responsibility to form an independent conclusion, based on our review, on the interim financial report, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

REVIEW WORK PERFORMED

We conducted our review in accordance with Statement of Auditing Standards 700 "Engagements to Review Interim Financial Reports" issued by the Hong Kong Institute of Certified Public Accountants. A review consists principally of making enquiries of group management and applying analytical procedures to the interim financial report and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the interim financial report.

REVIEW CONCLUSION

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 30 September 2005.

DELOITTE TOUCHE TOHMATSU

Certified Public Accountants

Hong Kong, 12 December 2005

致達藝控股有限公司董事會

(於百慕達註冊成立之有限公司)

引言

本會計師行受 貴公司委托審閱載於第25至第46頁之中期財務報告。

董事責任

香港聯合交易所有限公司證券上市規則規定，中期財務報告須按照香港會計師公會頒佈的香港會計準則第34號「中期財務報告」及其他有關規定編製。編製中期財務報告是董事的責任，並經董事通過。

本行的責任是根據本行審閱工作的結果，對該中期財務報告表達獨立意見，及按本行同意之聘約條款，謹向整體股東報告本行之結論，及不作其他用途。本行並不就本報告的內容向任何其他人士負上責任或承擔法律責任。

審閱工作

本行的審閱工作是按照香港會計師公會頒佈的《核數準則》第700號「審閱中期財務報告」進行的。審閱範圍主要包括對集團管理層作出查詢及運用分析性程序對中期財務報告作出分析，並據此評估所採用的會計政策及列報形式是否一致及貫徹地運用(除非已在中期財務報告內另作披露)。審閱工作並不包括審核程序(如測試內部監控系統和核實資產、負債及交易活動)。由於審閱的工作範圍遠較審核工作少，因此祇能提供較審核工作為低的確定程度。所以，本行不會對中期財務報告作出審核意見。

審閱結論

根據本行審閱(並不構成審核工作)的結果，本行並不察覺須對截至二零零五年九月三十日止六個月的中期財務報告作出任何重大的修改。

德勤•關黃陳方會計師行

執業會計師

香港，二零零五年十二月十二日

CONDENSED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED INCOME STATEMENT

for the six months ended 30 September 2005

| | Notes | Six months ended 30 September | |
|--------------------------------------|-------|---------------------------------|---------------------------------|
| | | 2005 HK\$'000 (unaudited) | 2004 HK\$'000 (unaudited) |
| Turnover | 3 | 200,604 | 144,790 |
| Cost of sales | | <u>(120,264)</u> | <u>(90,674)</u> |
| Gross profit | | 80,340 | 54,116 |
| Other operating income | | 360 | 993 |
| Distribution costs | | (9,882) | (7,958) |
| Administrative expenses | | (47,850) | (37,037) |
| Allowance for bad and doubtful debts | | (3,223) | (2,078) |
| Finance costs | 4 | <u>(1,758)</u> | <u>(826)</u> |
| Profit before taxation | 5 | 17,987 | 7,210 |
| Taxation | 6 | <u>(4,205)</u> | <u>(1,604)</u> |
| Net profit for the period | | <u>13,782</u> | <u>5,606</u> |
| Dividend | 7 | <u>4,000</u> | <u>1,600</u> |
| Earnings per share | 8 | | |
| Basic | | <u>6.89 cents</u> | <u>2.80 cents</u> |

簡明綜合損益賬

截至二零零五年九月三十日止六個月

| | 附註 | 截至九月三十日止六個月 | |
|--------|----|------------------------|------------------------|
| | | 二零零五年 千港元 (未經審核) | 二零零四年 千港元 (未經審核) |
| 營業額 | 3 | 200,604 | 144,790 |
| 銷售成本 | | (120,264) | (90,674) |
| 毛利 | | 80,340 | 54,116 |
| 其他經營收益 | | 360 | 993 |
| 分銷成本 | | (9,882) | (7,958) |
| 行政開支 | | (47,850) | (37,037) |
| 呆壞賬準備 | | (3,223) | (2,078) |
| 財務成本 | 4 | (1,758) | (826) |
| 除稅前溢利 | 5 | 17,987 | 7,210 |
| 稅項 | 6 | (4,205) | (1,604) |
| 本期內之純利 | | 13,782 | 5,606 |
| 股息 | 7 | 4,000 | 1,600 |
| 每股盈利 | 8 | 6.89仙 | 2.80仙 |
| 基本 | | | |

CONDENSED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED BALANCE SHEET

at 30 September 2005

| | Notes | 30.9.2005 HK\$'000 (unaudited) | 31.3.2005 HK\$'000 (audited) |
|---|-------|--------------------------------------|------------------------------------|
| Non-current assets | | | |
| Property, plant and equipment | 9 | 102,365 | 100,200 |
| Deposits paid for purchase of property, plant and equipment | | 12,039 | – |
| Investment in an associate | | – | – |
| | | <hr/> | <hr/> |
| | | 114,404 | 100,200 |
| Current assets | | | |
| Inventories | | 90,758 | 72,703 |
| Amounts due from customers for contract work | 10 | 10,652 | 8,048 |
| Amount due from an associate | 11 | 10,742 | 10,737 |
| Trade debtors | 12 | 88,994 | 86,369 |
| Other debtors, deposits and prepayments | | 11,776 | 11,105 |
| Tax recoverable | | 929 | 929 |
| Bank balances and cash | | 45,969 | 28,524 |
| | | <hr/> | <hr/> |
| | | 259,820 | 218,415 |
| Current liabilities | | | |
| Amounts due to customers for contract work | 10 | 1,393 | 2,340 |
| Trade creditors | 13 | 32,445 | 26,238 |
| Other creditors, advance deposits and accruals | | 57,132 | 35,473 |
| Obligations under finance leases – due within one year | | 2,246 | 2,435 |
| Taxation | | 6,341 | 2,151 |
| Bank borrowings – due within one year | | 35,089 | 46,940 |
| | | <hr/> | <hr/> |
| | | 134,646 | 115,577 |
| Net current assets | | <hr/> | <hr/> |
| | | 125,174 | 102,838 |
| | | <hr/> | <hr/> |
| | | 239,578 | 203,038 |

簡明綜合資產負債表

於二零零五年九月三十日

| | 附註 | 二零零五年 九月三十日 千港元 (未經審核) | 二零零五年 三月三十一日 千港元 (經審核) |
|------------------|----|---------------------------------|---------------------------------|
| 非流動資產 | | | |
| 物業、廠房及設備 | 9 | 102,365 | 100,200 |
| 購買物業、廠房及設備之按金 | | 12,039 | — |
| 聯營公司投資 | | — | — |
| | | <u>114,404</u> | <u>100,200</u> |
| 流動資產 | | | |
| 存貨 | | 90,758 | 72,703 |
| 應收客戶之建造合約款項 | 10 | 10,652 | 8,048 |
| 應收聯營公司賬項 | 11 | 10,742 | 10,737 |
| 應收貿易賬項 | 12 | 88,994 | 86,369 |
| 其他應收賬項，按金及預付款項 | | 11,776 | 11,105 |
| 稅項回撥 | | 929 | 929 |
| 銀行結存及現金 | | 45,969 | 28,524 |
| | | <u>259,820</u> | <u>218,415</u> |
| 流動負債 | | | |
| 應付客戶之建造合約款項 | 10 | 1,393 | 2,340 |
| 應付貿易賬項 | 13 | 32,445 | 26,238 |
| 其他應付賬項，預收按金及應計費用 | | 57,132 | 35,473 |
| 租購合約承擔： | | | |
| 一年內到期償還 | | 2,246 | 2,435 |
| 稅項 | | 6,341 | 2,151 |
| 銀行貸款：一年內到期償還 | | 35,089 | 46,940 |
| | | <u>134,646</u> | <u>115,577</u> |
| 流動資產淨值 | | <u>125,174</u> | <u>102,838</u> |
| | | <u>239,578</u> | <u>203,038</u> |

CONDENSED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

at 30 September 2005

| | Note | 30.9.2005 HK\$'000 (unaudited) | 31.3.2005 HK\$'000 (audited) |
|---|------|--------------------------------------|------------------------------------|
| Capital and reserves | | | |
| Share capital | 14 | 20,000 | 20,000 |
| Reserves | | <u>185,942</u> | <u>173,317</u> |
| | | <u>205,942</u> | <u>193,317</u> |
| Non-current liabilities | | | |
| Obligations under finance leases – due after one year | | 2,100 | 3,185 |
| Bank borrowings – due after one year | | 25,000 | – |
| Deferred taxation | | <u>6,536</u> | <u>6,536</u> |
| | | <u>33,636</u> | <u>9,721</u> |
| | | <u>239,578</u> | <u>203,038</u> |

Approved by the Board of Directors on 12 December, 2005.

Tsang Chi Hung

Chairman

Liu Hoo Kuen

Vice chairman

簡明綜合資產負債表(續)

於二零零五年九月三十日

| | 附註 | 二零零五年 九月三十日 千港元 (未經審核) | 二零零五年 三月三十一日 千港元 (經審核) |
|--------------|----|---------------------------------|---------------------------------|
| 資本及儲備 | | | |
| 股本 | 14 | 20,000 | 20,000 |
| 儲備 | | 185,942 | 173,317 |
| | | <u>205,942</u> | <u>193,317</u> |
| 非流動負債 | | | |
| 租購合約承擔： | | | |
| 一年後到期償還 | | 2,100 | 3,185 |
| 銀行貸款：一年後到期償還 | | 25,000 | — |
| 遞延稅項 | | 6,536 | 6,536 |
| | | <u>33,636</u> | <u>9,721</u> |
| | | <u>239,578</u> | <u>203,038</u> |

董事會於二零零五年十二月十二日核准。

曾志雄 主席
廖浩權 副主席

CONDENSED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2005

| | Share capital | Share premium account | Contributed surplus | Capital reserve | Translation reserve | Dividend reserve | Retained profits | Total equity |
|---------------------------|------------------|-----------------------------|------------------------|--------------------|------------------------|---------------------|---------------------|-----------------|
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| <u>The Group</u> | | | | | | | | |
| At 1 April 2004 | 20,000 | 47,640 | 18,865 | 8,662 | 149 | – | 84,825 | 180,141 |
| Profit for the period | – | – | – | – | – | – | 5,606 | 5,606 |
| Interim dividend proposed | – | – | – | – | – | 1,600 | (1,600) | – |
| At 30 September 2004 | 20,000 | 47,640 | 18,865 | 8,662 | 149 | 1,600 | 88,831 | 185,747 |
| Profit for the period | – | – | – | – | – | – | 9,170 | 9,170 |
| Dividend paid | – | – | – | – | – | (1,600) | – | (1,600) |
| Final dividend proposed | – | – | – | – | – | 2,800 | (2,800) | – |
| At 1 April 2005 | 20,000 | 47,640 | 18,865 | 8,662 | 149 | 2,800 | 95,201 | 193,317 |
| Exchange realignment | – | – | – | – | 1,643 | – | – | 1,643 |
| Net profit for the period | – | – | – | – | – | – | 13,782 | 13,782 |
| Dividend paid | – | – | – | – | – | (2,800) | – | (2,800) |
| Interim dividend proposed | – | – | – | – | – | 4,000 | (4,000) | – |
| At 30 September 2005 | 20,000 | 47,640 | 18,865 | 8,662 | 1,792 | 4,000 | 104,983 | 205,942 |

簡明綜合權益變動表

截至二零零五年九月三十日止六個月

| | 股本 | 股票溢價 | 繳入盈餘 | 資本儲備 | 外匯兌換 | | 滾存溢利 | 權益總額 |
|-------------|--------|--------|--------|-------|-------|---------|---------|---------|
| | | | | | 儲備 | 股息儲備 | | |
| | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| 本集團 | | | | | | | | |
| 於二零零四年四月一日 | 20,000 | 47,640 | 18,865 | 8,662 | 149 | — | 84,825 | 180,141 |
| 該期溢利 | — | — | — | — | — | — | 5,606 | 5,606 |
| 建議中期股息 | — | — | — | — | — | 1,600 | (1,600) | — |
| 於二零零四年九月三十日 | 20,000 | 47,640 | 18,865 | 8,662 | 149 | 1,600 | 88,831 | 185,747 |
| 該期溢利 | — | — | — | — | — | — | 9,170 | 9,170 |
| 已派股息 | — | — | — | — | — | (1,600) | — | (1,600) |
| 建議末期股息 | — | — | — | — | — | 2,800 | (2,800) | — |
| 於二零零五年四月一日 | 20,000 | 47,640 | 18,865 | 8,662 | 149 | 2,800 | 95,201 | 193,317 |
| 匯兌排列 | — | — | — | — | 1,643 | — | — | 1,643 |
| 本期純利 | — | — | — | — | — | — | 13,782 | 13,782 |
| 已派股息 | — | — | — | — | — | (2,800) | — | (2,800) |
| 建議中期股息 | — | — | — | — | — | 4,000 | (4,000) | — |
| 於二零零五年九月三十日 | 20,000 | 47,640 | 18,865 | 8,662 | 1,792 | 4,000 | 104,983 | 205,942 |

CONDENSED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30 September 2005

| | Six months ended 30 September | |
|---|--------------------------------------|-------------|
| | 2005 | 2004 |
| | HK\$'000 | HK\$'000 |
| | (unaudited) | (unaudited) |
| Net cash from (used in) operating activities | 32,447 | (13,152) |
| Net cash used in investing activities: | | |
| Purchase of property, plant and equipment | (12,407) | (7,428) |
| Deposits paid for purchase of property, plant and equipment | (12,039) | – |
| | (24,446) | (7,428) |
| Net cash from (used in) financing activities: | | |
| Increase in bank borrowings | 16,183 | 3,644 |
| Dividend paid | (2,800) | – |
| Repayment of obligations under finance leases | (1,274) | (1,017) |
| Other financing cash flows | (725) | (4,777) |
| | 11,384 | (2,150) |
| Net increase (decrease) in cash and cash equivalents | 19,385 | (22,730) |
| Cash and cash equivalents as the beginning of the period | 25,027 | 31,835 |
| Effect of foreign exchange rate changes | 1,094 | – |
| Cash and cash equivalents at the end of the period | 45,506 | 9,105 |
| Analysis of balances of cash and cash equivalents: | | |
| Bank balances and cash | 45,969 | 14,900 |
| Bank overdrafts | (463) | (5,795) |
| | 45,506 | 9,105 |

簡明綜合現金流量表

截至二零零五年九月三十日止六個月

| | 截至九月三十日止六個月 | |
|------------------|------------------------|------------------------|
| | 二零零五年 千港元 (未經審核) | 二零零四年 千港元 (未經審核) |
| 經營業務所得(使用)現金淨額 | <u>32,447</u> | <u>(13,152)</u> |
| 投資業務使用現金淨額： | | |
| 購買業物，廠房及設備 | (12,407) | (7,428) |
| 購買業物，廠房及設備之按金 | <u>(12,039)</u> | <u>-</u> |
| | <u>(24,446)</u> | <u>(7,428)</u> |
| 融資業務所得(使用)現金淨額： | | |
| 銀行貸款增加 | 16,183 | 3,644 |
| 已派股息 | (2,800) | - |
| 租購合約承擔之還款 | (1,274) | (1,017) |
| 其他融資現金流 | <u>(725)</u> | <u>(4,777)</u> |
| | <u>11,384</u> | <u>(2,150)</u> |
| 現金及現金等值項目淨增加(減少) | 19,385 | (22,730) |
| 期初之現金及現金等值項目 | 25,027 | 31,835 |
| 外匯兌換率調整之影響 | <u>1,094</u> | <u>-</u> |
| 期末之現金及現金等值項目 | <u>45,506</u> | <u>9,105</u> |
| 現金及現金等值項目結存之分析： | | |
| 銀行結存及現金 | 45,969 | 14,900 |
| 銀行透支 | <u>(463)</u> | <u>(5,795)</u> |
| | <u>45,506</u> | <u>9,105</u> |



NOTES ON THE ACCOUNTS

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared under the historical cost basis.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2005 except as described below.

In the current period, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “new HKFRSs”) issued by the HKICPA that are effective for accounting periods beginning on or after 1 January 2005. The adoption of the new HKFRSs has resulted in changes to the Group’s accounting policies in the following areas that have an effect on how the results for the current or prior accounting periods are prepared and presented:

Share-based payments

In the current period, the Group has applied HKFRS 2 “Share-based Payment” which requires an expense to be recognised where the Group buys goods or obtains services in exchange for shares or rights over shares (“equity-settled transactions”), or in exchange for other assets equivalent in value to a given number of shares or rights over shares (“cash-settled transactions”). The principal impact of HKFRS 2 on the Group is in relation to the expensing of the fair value of directors’ and employees’ share options of the Company determined at the date of grant of the share options over the vesting period. Prior to the application of HKFRS 2, the Group did not recognise the financial effect of these share options until they were exercised. The Group has applied HKFRS 2 to share options granted on or after 1 January 2005. Prior to the application of HKFRS 2, all unvested share options of the Group were granted before 7 November 2002 and the Group did not have share options granted after 7 November 2002 and remained unvested on 1 January 2005.

Owner-occupied leasehold interest in land

In previous periods, owner-occupied leasehold land and buildings were included in property, plant and equipment and measured using the historical cost model. In the current period, the Group has applied HKAS 17 “Leases”. Under HKAS 17, the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, the leasehold interests in land are reclassified to prepaid lease payments under operating leases, which are carried at cost and amortised over the lease term on a straight-line basis. Alternatively, where the allocation between the land and buildings elements cannot be made reliably, the leasehold interests in land continue to be accounted for as property, plant and equipment. The Group’s lease payments cannot be allocated reliably between the land and buildings elements in the current year. As a result, the interests in leasehold land continue to be included in property, plant and equipment.

1. 編製基準

本簡明綜合財務報告乃根據香港會計師公會頒佈之香港會計準則第34號「中期財務報告」以及香港聯合交易所有限公司證券上市規則（「上市規則」附錄16的適用披露規定而編製。

2. 主要會計政策

本簡明綜合財務報告是按歷史成本法為編製基礎。

除下文所述外，本簡明綜合財務報告所採用的會計政策與編製本集團截至二零零五年三月三十一日止年度的財務報告一致。

在本會計期間，本集團首次應用香港會計師公會新頒佈之若干香港財務報告準則、香港會計準則及詮釋（在下文統稱「新香港財務報告準則」），該等準則適用於二零零五年一月一日或之後開始之會計期間。採用新香港財務報告準則導致本集團會計政策在以下幾方面有所改變，影響本會計期間及以往會計期間之業績編製及呈列：

股權支付

本集團於本會計期間應用香港財務報告準則第2條「股權支付」，規定本集團以股份或享有股份的權利交換購買的貨品或獲取的服務（「權益結算交易」）或用以交換價值相當於指定數目的股份或享有股份的權利（「現金結算交易」）須確認為支出入賬。香港財務報告準則第2條對於本集團的主要影響乃關乎本公司董事及僱員購股權於授出日期釐定的公平值，須於歸屬期內支銷。於應用香港財務報告準則第2條以前，本集團僅於購股權行使後始確認其財務影響。本集團已於二零零五年一月一日或其後授出的購股權應用香港財務報告準則第2條的會計處理方法。於應用此準則以前，所有尚未歸屬的購股權是於二零零二年十一月七日前授出，本集團沒有於二零零二年十一月七日後授出並於二零零五年一月一日尚未歸屬的購股權。

業主自用的土地租賃權益

在以往會計期間，業主自用租賃土地及樓宇歸入物業、機器及設備，按歷史成本計算。在本會計期間，本集團應用香港會計準則第17條「租賃」。根據此會計準則，土地及樓宇租賃之土地及樓宇應視乎租賃類別獨立入賬，除非有關租賃付款額未能可靠地分配為土地或樓宇部份，在此情況下則一概視為融資租賃。若能就租賃付款額可靠地分配為土地或樓宇部份，於土地的租賃權益應重新分類為經營租賃下之預付租賃款額，以成本入賬並按租賃期作直線攤銷。若未能於土地及樓宇之間作出可靠分配，則土地的租賃權益繼續作物業、機器及設備入賬。本集團之租賃支款於本年度內未能就土地及樓宇部份可靠地分配，故此，土地的租賃權益將繼續包括在物業、廠房及設備內。

NOTES ON THE ACCOUNTS

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Owner-occupied leasehold interest in land (continued)

The Group has not early applied the following new standards and interpretations that have been issued but are not yet effective. The Group is currently in the process to assess the potential impact of the amendments and has not yet quantified the impact.

| | |
|----------------------------------|--|
| HKAS 1 (Amendment) | Capital Disclosures |
| HKAS 19 (Amendment) | Actuarial Gains and losses, Group Plans and Disclosures |
| HKAS 39 (Amendment) | Cash Flow Hedge Accounting of Forecast Intragroup Transactions |
| HKAS 39 (Amendment) | The Fair Value Option |
| HKAS 39 and HKFRS 4 (Amendments) | Financial Guarantee Contracts |
| HKFRS 6 | Exploration for and Evaluation of Mineral Resources |
| HKFRS 7 | Financial Instruments: Disclosures |
| HK (IFRIC) – INT 4 | Determining whether an Arrangement Contains a Lease |
| HK (IFRIC) – INT 5 | Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |
| HK (IFRIC) – INT 6 | Liabilities arising from Participating in a Specific Market, Waste Electrical and Electronic Equipment |

3. SEGMENT INFORMATION

Business Segments

| | Six months ended 30 September | | | |
|---------------------------------|-----------------------------------|--|-----------------------------------|---|
| | 2005 | | 2004 | |
| | Consolidated turnover HK\$'000 | Contribution to operating profit HK\$'000 | Consolidated turnover HK\$'000 | Contribution to operating profit (loss) HK\$'000 |
| Sales of furniture and fixtures | 159,876 | 19,116 | 129,741 | 11,833 |
| Interior building works | 40,728 | 490 | 15,049 | (4,790) |
| Total | <u>200,604</u> | <u>19,606</u> | <u>144,790</u> | <u>7,043</u> |
| Other operating income | | 360 | | 993 |
| unallocated corporate expenses | | (1,979) | | (826) |
| Profit before taxation | | <u>17,987</u> | | <u>7,210</u> |
| Taxation | | (4,205) | | (1,604) |
| Net profit for the period | | <u>13,782</u> | | <u>5,606</u> |

2. 主要會計政策(續)

業主自用的土地租賃權益(續)

本集團並未提前採納下列已經發佈但尚未生效的新準則或詮釋。本集團現正進行評估修訂的潛在影響，並未將影響量化。

| | |
|---------------------------------|--------------------------|
| 香港會計準則第1號(經修訂) | 資本披露 |
| 香港會計準則第19號(經修訂) | 精算損益，集團計劃及披露 |
| 香港會計準則第39號(經修訂) | 預測集團內部交易之現金流量對沖會計法 |
| 香港會計準則第39號(經修訂) | 公平價值法之選擇 |
| 香港會計準則第39號及香港 財務會計準則第4號(經修訂) | 財務承擔合約 |
| 香港財務會計準則第6號 | 礦產資源之勘探及評估 |
| 香港財務會計準則第7號 | 財務工具披露 |
| 香港財務報告準則－詮釋第4號 | 釐定安排是否包括租賃 |
| 香港財務報告準則－詮釋第5號 | 於解除運作、復原及環保修復基金所產生之權益 |
| 香港財務報告準則－詮釋第6號 | 參與特定市場、電力及電子設備廢料所引發之責任承擔 |

3. 劃分資料

業務劃分

| | 截至九月三十日止六個月 | | | |
|-----------|------------------|-------------------|------------------|-----------------------|
| | 二零零五年 | | 二零零四年 | |
| | 綜合 營業額 千港元 | 經營 業務溢利 千港元 | 綜合 營業額 千港元 | 經營業務 溢利(虧損) 千港元 |
| 傢俬及裝置銷售 | 159,876 | 19,116 | 129,741 | 11,833 |
| 室內裝飾工程 | 40,728 | 490 | 15,049 | (4,790) |
| 合計 | <u>200,604</u> | <u>19,606</u> | <u>144,790</u> | <u>7,043</u> |
| 其他經營收益 | | 360 | | 993 |
| 未能分配之集團開支 | | (1,979) | | (826) |
| 除稅前溢利 | | 17,987 | | 7,210 |
| 稅項 | | (4,205) | | (1,604) |
| 本期內之純利 | | <u>13,782</u> | | <u>5,606</u> |

NOTES ON THE ACCOUNTS

4. FINANCE COSTS

| | Six months ended 30 September | |
|---|-------------------------------|------------------|
| | 2005 HK\$'000 | 2004 HK\$'000 |
| Interest on: | | |
| Bank borrowings wholly repayable within five years | 1,624 | 777 |
| Obligations under finance leases | 134 | 49 |
| | <u>1,758</u> | <u>826</u> |

5. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging (crediting):

| | Six months ended 30 September | |
|---|-------------------------------|------------------|
| | 2005 HK\$'000 | 2004 HK\$'000 |
| Depreciation and amortisation | 9,296 | 9,036 |
| Interest income | (96) | (38) |
| Loss on disposal of property, plant and equipment | 480 | – |
| | <u>480</u> | <u>–</u> |

6. TAXATION

| | Six months ended | |
|-----------------------|-----------------------|-----------------------|
| | 30.9.2005 HK\$'000 | 30.9.2004 HK\$'000 |
| Hong Kong Profits Tax | 3,509 | 602 |
| Overseas taxation | 696 | 412 |
| Deferred taxation | – | 590 |
| | <u>4,205</u> | <u>1,604</u> |

Hong Kong Profits Tax is calculated at 17.5% (1.4.2004 to 30.9.2004: 17.5%) of the estimated assessable profit for the six months ended 30 September 2005.

Overseas taxation is calculated at the rates prevailing in the relevant jurisdictions.

7. DIVIDEND

The directors have determined that an interim dividend of HK2.0 cents (2004: HK0.8 cents) per share should be paid to the shareholders of the Company whose name appear in the Register of Members on 12 January 2006.

4. 財務成本

| | 截至九月三十日止六個月 | |
|---------------|--------------|--------------|
| | 二零零五年 千港元 | 二零零四年 千港元 |
| 於五年內到期之銀行貸款利息 | 1,624 | 777 |
| 租購合約承擔之利息 | 134 | 49 |
| | <u>1,758</u> | <u>826</u> |

5. 除稅前溢利

除稅前溢利已扣除(計入)下列項目：

| | 截至九月三十日止六個月 | |
|---------------|--------------|--------------|
| | 二零零五年 千港元 | 二零零四年 千港元 |
| 折舊及攤分 | 9,296 | 9,036 |
| 利息收入 | (96) | (38) |
| 出售物業、廠房及設備之虧損 | 480 | — |
| | <u>9,680</u> | <u>8,998</u> |

6. 稅項

| | 截至九月三十日止六個月 | |
|-------|--------------|--------------|
| | 二零零五年 千港元 | 二零零四年 千港元 |
| 香港利得稅 | 3,509 | 602 |
| 海外稅項 | 696 | 412 |
| 遞延稅項 | — | 590 |
| | <u>4,205</u> | <u>1,604</u> |

香港利得稅乃根據稅率17.5%(二零零四年四月一日至二零零四年九月三十日：17.5%)就截至二零零五年九月三十日止六個月之估計應課稅溢利計算。

海外稅項乃根據有關地區之適用稅率計算。

7. 股息

董事會決定派發中期股息每股2.0港仙(二零零四年：0.8港仙)予二零零六年一月十二日名列本公司股東名冊之股東。

NOTES ON THE ACCOUNTS

8. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the net profit for the period of HK\$13,782,000 (1.4.2004 to 30.9.2004: HK\$5,606,000) and the number of ordinary shares of 200,000,000 (1.4.2004 to 30.9.2004: 200,000,000) in issue during the period.

No diluted earnings per share has been presented because the exercise price of the Company's options was higher than the average market price for shares for both periods.

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK\$12,407,000 on additions to property, plant and equipment.

10. AMOUNTS DUE FROM CUSTOMERS FOR CONTRACT WORK

| | 30.9.2005 HK\$'000 | 31.3.2005 HK\$'000 |
|--|-----------------------|-----------------------|
| Contracts in progress at the balance sheet date | | |
| Contract costs incurred plus recognised profits less recognised losses | 137,619 | 130,592 |
| Less: Progress billings | <u>(128,360)</u> | <u>(124,884)</u> |
| | <u>9,259</u> | <u>5,708</u> |
| Analysed for reporting purposes as: | | |
| Due from customers included in current assets | 10,652 | 8,048 |
| Due to customers included in current liabilities | <u>(1,393)</u> | <u>(2,340)</u> |
| | <u>9,259</u> | <u>5,708</u> |

At 30 September 2005, there were no (31.3.2005: HK\$nil) retention monies held by customers for contract works performed and there were no advances received from customers for contract work performed.

11. AMOUNT DUE FROM AN ASSOCIATE

The amount is unsecured, interest free and is repayable on demand.

8. 每股盈利

每股基本盈利之計算乃根據本期之純利13,782,000港元(二零零四年四月一日至二零零四年九月三十日：5,606,000港元)及於本期內已發行之股份數量200,000,000股(二零零四年四月一日至二零零四年九月三十日：200,000,000股)計算。

因公司購股權之行使價較上述兩期內之平均市價為高，故未有列出每股之攤薄盈利。

9. 物業、廠房及設備之變動

本期內，本集團用於添置物業、廠房及設備的費用約為12,407,000港元。

10. 應收客戶之建造合約款項

| | 二零零五年 九月三十日 千港元 | 二零零五年 三月三十一日 千港元 |
|-------------------|-----------------------|------------------------|
| 於結算日之在建中合約工程 | | |
| 合約成本加已確認溢利及減已確認虧損 | 137,619 | 130,592 |
| 減：按進度付款項 | <u>(128,360)</u> | <u>(124,884)</u> |
| | 9,259 | 5,708 |
| 作報告之用的分析如下： | | |
| 應收客戶款項已包括在流動資產內 | 10,652 | 8,048 |
| 應付客戶款項已包括在流動負債內 | <u>(1,393)</u> | <u>(2,340)</u> |
| | 9,259 | 5,708 |

於二零零五年九月三十日，並無持有客戶就合約工程的保固金(二零零五年三月三十一日：無)，而本集團並無從客戶就合約工程而收取預付款項。

11. 應收聯營公司賬項

該賬項為無抵押，免息及可即時要求償還。

NOTES ON THE ACCOUNTS

12. TRADE DEBTORS

The following is an aged analysis of trade debtors at the reporting date:

| | 30.9.2005 | 31.3.2005 |
|-----------|----------------------|---------------|
| | HK\$'000 | HK\$'000 |
| 0-90 days | 56,006 | 57,486 |
| >90 days | 32,988 | 28,883 |
| | <u>88,994</u> | <u>86,369</u> |

The Group's credit terms for its contracting business are negotiated with its customers. The credit terms granted by the Group to other trade debtors are normally 30 days.

13. TRADE CREDITORS

The following is an aged analysis of trade creditors at the reporting date:

| | 30.9.2005 | 31.3.2005 |
|-----------|----------------------|---------------|
| | HK\$'000 | HK\$'000 |
| 0-90 days | 24,853 | 19,112 |
| >90 days | 7,592 | 7,126 |
| | <u>32,445</u> | <u>26,238</u> |

14. SHARE CAPITAL

Ordinary shares of HK\$0.10 each, issued and fully paid:

| | Number of shares | Value |
|---------------------------------------|-------------------------|---------------|
| | | HK\$'000 |
| At 1 April 2005 and 30 September 2005 | <u>200,000,000</u> | <u>20,000</u> |

15. PLEDGE OF ASSETS

At 30 September 2005, land and buildings of the Group situated in the Mainland China with net book value of approximately HK\$6,533,000 (31.3.2005: HK\$6,666,000) were pledged with a bank to secure a loan granted to the Group.

12. 應收貿易賬項

於結算日之應收貿易賬項分析如下：

| | 二零零五年 九月三十日 千港元 | 二零零五年 三月三十一日 千港元 |
|-------|--------------------------------|------------------------|
| 零至九十日 | 56,006 | 57,486 |
| 九十日以上 | <u>32,988</u> | <u>28,883</u> |
| | <u>88,994</u> | <u>86,369</u> |

本集團與客戶協商合約業務之信貸條款。集團給予其他應收貿易賬項之信貸期一般為三十天。

13. 應付貿易賬項

於結算日之應付貿易賬項分析如下：

| | 二零零五年 九月三十日 千港元 | 二零零五年 三月三十一日 千港元 |
|-------|--------------------------------|------------------------|
| 零至九十日 | 24,853 | 19,112 |
| 九十日以上 | <u>7,592</u> | <u>7,126</u> |
| | <u>32,445</u> | <u>26,238</u> |

14. 股本

每股面值港幣一角之普通股，已發行及全數繳付：

| | 股票數量 | 面值 千港元 |
|-----------------------|--------------------|-------------------|
| 於二零零五年四月一日及二零零五年九月三十日 | <u>200,000,000</u> | <u>20,000</u> |

15. 資產抵押

於二零零五年九月三十日，本集團位於中國內地之土地及樓宇，其賬面淨值約為6,533,000港元(二零零五年三月三十一日：6,666,000港元)，已抵押給某銀行，作為給予本集團貸款之抵押。

NOTES ON THE ACCOUNTS

16. CONTINGENT LIABILITIES

At 30 September 2005, there were contingent liabilities in respect of:

- (i) counter-guarantees amounting to approximately HK\$3,780,000 (31.3.2005: Nil) which were given by a subsidiary in favour of a bank against any liabilities of the bank arising from non-compliance of the terms of interior building works being undertaken by the subsidiary.
- (ii) a joint guarantee with a third party to secure the finance leases granted to an associate. At 30 September 2005, the obligations under finance leases in the books and records of the associate amounted to approximately HK\$3,748,000 (31.3.2005: HK\$4,817,000).

17. CAPITAL COMMITMENTS

At the balance sheet date, the Group had capital commitments in respect of the following:

| | 30.9.2005 | 31.3.2005 |
|--|------------------|---------------|
| | HK\$'000 | HK\$'000 |
| Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the financial statements | <u>17,680</u> | <u>1,539</u> |
| Capital expenditure in respect of the acquisition of property, plant and equipment authorised but not contracted for | <u>–</u> | <u>23,500</u> |

18. RELATED PARTY TRANSACTIONS

During the period, the Group paid rentals of approximately HK\$908,000 (1.4.2004 to 30.9.2004: HK\$908,000) in respect of the Group's office premises, showrooms and warehouses to a company in which certain shareholders and directors of the Company have beneficial interests.

Rental charges were transacted in accordance with the tenancy agreements entered into between relevant parties.

16. 或然負債

於二零零五年九月三十日之或然負債為：

- (i) 再擔保約為3,780,000港元(二零零五年三月三十一日：無)，此乃由附屬公司給予某銀行，用以承擔因未能依據室內裝飾工程之條文而引發之負債。
- (ii) 與第三者對聯營公司的租購合約作出聯合擔保。於二零零五年九月三十日，聯營公司賬目及記錄內之租購合約承擔約為3,748,000港元(二零零五年三月三十一日：4,817,000港元)。

17. 資本承擔

本集團於資產負責表日有下列資本承擔：

| | 二零零五年 九月三十日 千港元 | 二零零五年 三月三十一日 千港元 |
|----------------------------------|-----------------------|------------------------|
| 購買物業、廠房及設備之資本承擔， 已訂約但未在財務報表入賬 | <u>17,680</u> | <u>1,539</u> |
| 購買物業、廠房及設備之資本承擔， 已批准但未訂約 | <u>—</u> | <u>23,500</u> |

18. 關連交易

於本期內，集團已支付集團之辦公地方、陳列室、貨倉租金約908,000港元(二零零四年四月一日至二零零四年九月三十日：908,000港元)給某公司，該公司之某些股東及董事乃本公司之股東及董事。

所付租金乃根據與有關人士訂立之租賃合約計算。