

Sasa

making life beautiful

莎莎國際控股有限公司

Sa Sa International Holdings Limited

Stock Code 股份代號: 178

making

Life

beautiful



Interim Report 中期報告
2006 / 2007

Results Highlights 業績摘要

Results Highlights

(For the six months ended 30th September 2006)

- Group turnover increased by 14.6% to HK\$1,340.7 million from HK\$1,170.3 million in the corresponding period last year
- The Group's retail and wholesale business recorded turnover of HK\$1,235.4 million, representing a 15.5% increase over the first half of the last fiscal year
- Overseas operations recorded encouraging turnover growth
- The Group's profit attributable to equity holders of the Company rose to HK\$75.3 million from the HK\$67.8 million recorded in the corresponding period last year
- Basic earnings per share were 5.6 HK cents
- Dividend per share was 6.0 HK cents

業績摘要

(截至二零零六年九月三十日止六個月)

- 集團營業額由十一億七千零三十萬港元增至十三億四千零七十萬港元，較去年同期上升百分之十四點六
- 集團零售及批發業務營業額增至十二億三千五百四十萬港元，較上一財政年度上半年增長百分之十五點五
- 海外業務營業額增長令人鼓舞
- 本公司權益持有人應佔集團溢利由去年同期的六千七百八十萬港元增至七千五百三十萬港元
- 每股基本盈利為五點六港仙
- 每股股息為六港仙

Corporate Information 公司資料

Board of Directors

Executive Directors

Mr. KWOK, Siu Ming, Simon

(Chairman and Chief Executive Officer)

Mrs. KWOK LAW, Kwai Chun, Eleanor (Vice-Chairman)

Mr. LOOK, Guy (Chief Financial Officer)

Non-executive Director

Mrs. LEE LOOK, Ngan Kwan, Christina

Independent Non-executive Directors

Professor CHAN, Yuk Shee, J.P.

Dr. LEUNG, Kwok Fai, Thomas, J.P.

Ms. TAM, Wai Chu, Maria, GBS, J.P.

Qualified Accountant

Mr. LOOK, Guy

Company Secretary

Ms. HO, Sze Nga, Maggie

Head Office

14th Floor, Block B, MP Industrial Centre

18 Ka Yip Street

Chai Wan, Hong Kong

Registered Office

P.O. Box 309GT

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

Auditors

PricewaterhouseCoopers

Certified Public Accountants

董事會成員

執行董事

郭少明先生

(主席及行政總裁)

郭羅桂珍女士(副主席)

陸楷先生(首席財務總監)

非執行董事

利陸雁群女士

獨立非執行董事

陳玉樹教授，太平紳士

梁國輝博士，太平紳士

譚惠珠小姐，金紫荊星章，太平紳士

合資格會計師

陸楷先生

公司秘書

何詩雅小姐

總辦事處

香港柴灣

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註冊辦事處

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Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

核數師

羅兵咸永道會計師事務所

執業會計師

Corporate Information 公司資料

Principal Share Registrar and Transfer Office

Butterfield Fund Services (Cayman) Limited
P.O. Box 705
Butterfield House
68, Fort Street
George Town
Grand Cayman
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Abacus Share Registrars Limited
26/F., Tesbury Centre
28 Queen's Road East
Hong Kong

Principal Bankers

Bank of China (Hong Kong) Limited
Citibank, N.A.
Deutsche Bank AG, Hong Kong Branch
DBS Bank Limited, Hong Kong Branch
Standard Chartered Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

Listing Information

Listing : The Stock Exchange of Hong Kong Limited
Stock code : 178
Ticker Symbol
Bloomberg : 178HK
Reuters : 178.HK
Board lot size : 2,000 shares

Investor Relations

E-mail address: ir@sasa.com

Website

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主要股份過戶及登記處

Butterfield Fund Services (Cayman) Limited
P.O. Box 705
Butterfield House
68, Fort Street
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Cayman Islands

香港股份過戶及登記處

雅柏勤證券登記有限公司
香港
皇后大道東28號
金鐘匯中心26樓

主要往來銀行

中國銀行(香港)有限公司
花旗銀行
德意志銀行香港分行
星展銀行香港分行
渣打銀行(香港)有限公司
香港上海滙豐銀行有限公司

上市資料

上市 : 香港聯合交易所有限公司
股份代號 : 178
股票代號
彭博資訊 : 178HK
路透社 : 178.HK
每手買賣股數 : 2,000股

投資者關係

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Management Discussion & Analysis 管理層討論及分析

Interim Results

The Board of Directors (“Board”) of Sa Sa International Holdings Limited (“Company”) has pleasure in presenting the unaudited condensed consolidated financial information of the Company and its subsidiaries (“Group”) for the six months ended 30th September 2006. The unaudited condensed consolidated financial information for the six months ended 30th September 2006 has been reviewed by the Company’s Audit Committee and the Company’s auditors, PricewaterhouseCoopers.

For the six months ended 30th September 2006, the Group’s consolidated turnover amounted to HK\$1,340.7 million, representing an increase of 14.6% from HK\$1,170.3 million in the corresponding period last year.

The Group’s unaudited profit attributable to equity holders of the Company for the six months ended 30th September 2006 was HK\$75.3 million, an increase of 11.1% over the first half of last fiscal year. Basic earnings per share amounted to 5.6 HK cents.

The Board resolved to declare an interim dividend of 3.0 HK cents (2005: 3.0 HK cents) (“Interim Dividend”) and a special dividend of 3.0 HK cents (2005: 3.0 HK cents) (“Special Dividend”) per share.

Operations Review

The Group’s performance reflects the fact that enhanced gross profits in Hong Kong and Macau, resulting from increased sales of exclusive products, helped offset higher rental and operational costs. This in turn contributed to a higher recurring net profit margin at the operating level in Hong Kong and Macau. Other encouraging developments were the continued high growth rate in turnover of our overseas markets and the improved performance of our beauty services. The costs incurred for entry into the Mainland market increased due to the addition of a second store to our China portfolio.

中期業績

莎莎國際控股有限公司(「本公司」)董事會(「董事會」)欣然公佈本公司及其附屬公司(「本集團」)截至二零零六年九月三十日止六個月的未經審核簡明綜合財務資料。截至二零零六年九月三十日止六個月的未經審核簡明財務資料已由本公司審核委員會及本公司之核數師(羅兵咸永道會計師事務所)審閱。

截至二零零六年九月三十日止六個月，集團的綜合營業額為十三億四千零七十萬港元，較去年同期的十一億七千零三十萬港元上升百分之十四點六。

本集團截至二零零六年九月三十日止六個月的未經審核公司權益持有人應佔溢利較去年同期增加百分之十一點一至七千五百三十萬港元。每股基本盈利為五點六港仙。

董事會經議決宣派中期股息(「中期股息」)每股三港仙(二零零五年：三港仙)及特別股息(「特別股息」)每股三港仙(二零零五年：三港仙)。

業務回顧

期內集團表現反映集團港澳區毛利因獨家貨品銷售量提升而增加，這不單有助抵銷租金與經營成本上漲，更令港澳區於營運層面上的經常性邊際純利得以提高。而海外市場營業額繼續有高增長及美容業務表現也有改善。然而，由於期內開設中國大陸第二間店舖，使集團進軍內地市場所牽涉的開支有所增加。

Management Discussion & Analysis 管理層討論及分析

Retail & Wholesale Business

The Group's retail and wholesale business saw growth in turnover of 15.5%, reaching HK\$1,235.4 million. The overall gross profit margin grew to 41.3% as compared to 39.8% in the same period last year. This was due to enhanced product mix and increased sales of exclusive products. Our inventory turnover days were 115 days as at 30th September 2006 as compared to 100 days on 30th September 2005. This in turn was the result, at least in part, of the buffer required for the initial launch of our new Enterprise Resources Planning ("ERP") system by SAP and the teething issues associated with the SAP's auto-replenishment function.

We continued to strengthen our brand building efforts for both "Sa Sa" as an overall recognisable name and for the "beauty specialist" image of Sa Sa in the region.

Hong Kong and Macau

Turnover rose by 12.9% to HK\$1,056.1 million for the six months ended 30th September 2006, with same store growth increasing by 2.4%. Growth was recorded in the average value per transaction, which rose by 11.3% to HK\$254. This increase reflected the ease of access for tourists from Mainland China visiting Hong Kong. In general, the Group witnessed a change in Mainland visitors' travelling patterns, with visitors' trips being dispersed throughout the year instead of being concentrated in peak periods such as the Golden Week holidays. More Mainland tourists tended to visit Hong Kong individually instead of joining tour groups.

零售及批發業務

期內集團的零售及批發業務營業額達十二億三千五百四十萬港元，增加百分之十五點五，整體毛利率因加強貨品組合與獨家貨品銷量增加而由去年同期的百分之三十九點八增長至百分之四十一點三。集團於二零零六年九月三十日的存貨週轉期為一百一十五天，而去年同期則為一百天，部份原因在於集團推行SAP開發的企業資源規劃（「ERP」）系統初期要增加存貨作緩衝之用，以及應用SAP自動補貨功能初期的磨合問題所致。

集團繼續加強建立「莎莎」品牌，在區內推廣「莎莎」的知名度及其「化粧品及美容專家」形象。

香港及澳門

截至二零零六年九月三十日止六個月港澳地區營業額上升百分之十二點九至十億五千六百一十萬港元，相同店舖營業額增長則為百分之二點四。每宗交易平均金額錄得增長，達二百五十四港元，增長百分之十一點三。營業額上升反映中國大陸旅客來港更為方便容易。一般而言，內地旅客旅遊模式有所改變，旅客分散於平日來港，已不再集中於黃金週假期等旺季，並且更多中國大陸旅客選擇以自由行形式來港而棄參加旅行團。

Management Discussion & Analysis 管理層討論及分析

The gross profit margin of our retail business in Hong Kong and Macau increased on the back of improved sales of exclusive products. This enhanced gross profit margin helped offset the impact of increased rental costs. Retail branding was assisted by a growing number of marketing activities and promotions. These included sponsorship of a new film and the Miss Hong Kong Pageant 2006. During the period under review, the Group opened two new stores and closed one store. As at 30th September 2006, there were 52 Sa Sa stores (including four in Macau), one La Colline specialty store and one Elizabeth Arden counter.

Mainland China

We opened our third store on 28th September 2006 in Cao Jia Du, Shanghai. The Group's first two stores in Shanghai, each comprising 4,000 square feet, are "flagship" stores that are intended to build Sa Sa's image in China. With increased knowledge of local operating conditions, the Group aims to open other stores that have a floor area in the range of 1,000–2,000 square feet. Our third store is about 1,000 square feet.

The Group will continue to focus on professional skin care brands. This strategy will differentiate us from the competition while we add more exclusive beauty brands to our stores. As for the product registration process of exclusive products (an important factor in the Mainland), about 550 stock keeping units ("SKUs") were completed and 200 SKUs are in progress. New exclusive brands launched during this period included Méthode Swiss and Beauty Formula. A beauty counter under our exclusive brand, Suisse Programme, was opened in Seibu department store in Chengdu in the six months under review, and the counter sales have been satisfactory. The Group aims to increase the distribution channels for its exclusive brands by setting up beauty counters in department stores in addition to selling brands in Sa Sa stores.

期內港澳地區零售業務毛利率因獨家貨品銷售額提升而改善。毛利率提升有助抵銷租金開支上升的影響。集團加強市場推廣及促銷活動，鞏固「莎莎」零售品牌形象，其中包括電影贊助及贊助二零零六年香港小姐選美活動。期內集團開設兩間新店及結束一間店舖。於二零零六年九月三十日，集團共有五十二間莎莎化粧品店（包括四間位於澳門），另有一間La Colline專門店和一個伊莉莎伯雅頓Elizabeth Arden專櫃。

中國大陸

莎莎於二零零六年九月二十八日在上海曹家渡開設在中國大陸的第三間店舖。集團首兩間於上海開設的店舖各佔地四千方呎，兩者均為旗艦店，發揮在中國內地為莎莎建立形象的作用。隨著對當地經營情況的認識加深，集團打算開設面積約一千至二千平方呎的店舖。莎莎在當地第三間店舖面積便約為一千平方呎。

集團的策略是把重點放在專業護膚品牌方面。這項策略有助集團與同業區分，同時並引入更多獨家品牌。至於在國內引入獨家經銷貨品必須的衛檢程序，為內地業務重要一環。集團已完成約五百五十種獨家銷售產品的衛檢，另外有二百種產品正在辦理申請當中。期內新推出的獨家品牌包括Méthode Swiss及Beauty Formula。獨家品牌Suisse Programme美容專櫃已於回顧期內在成都西武百貨公司開業，銷售情況令人滿意。除在莎莎店舖銷售外，集團將為旗下獨家品牌於百貨公司設立專櫃，旨在為其獨家品牌開拓更多銷售渠道。

Management Discussion & Analysis 管理層討論及分析

Singapore and Malaysia

Our core business strategy for the Singapore and Malaysia markets remains the same: to gain market share through an increase in sales and to build our network to better serve Sa Sa's customers and beauty brands. During the period, turnover for the Singapore market rose by 40.2% to HK\$58.9 million and that of the Malaysia market by 19.0% to HK\$28.7 million. Same store growth in Singapore grew 6.1% while that of Malaysia was 12.5%.

In Singapore, the Group achieved higher sales through strengthened marketing efforts and the addition of new stores. Two new stores were opened, bringing the total number of stores to 12 as at 30th September 2006. In Malaysia, our performance continued to improve; gross profit margin rose on the back of increased productivity and enhanced sales of exclusive products. Three new stores were added, making a total of 13 as at 30th September 2006.

Taiwan

Turnover in the Group's Taiwan business increased by 47.4% during the first six months of the fiscal year. Same store growth decreased by 4.3% and a small loss was recorded. Our performance was affected by a credit crunch in local banks that began at the beginning of the year and by political demonstrations in September. The Group opened two new stores and closed one, bringing the total number of stores in Taiwan to nine as at 30th September 2006.

E-commerce – Sasa.com

Turnover for Sasa.com amounted to HK\$27.9 million, representing an increase of 13.7% over the corresponding period of the previous fiscal year. A small profit was recorded. The gross profit margin also improved. Increased sales reflected an expanded product range. A realignment of the web site is now underway to enhance usability and sales productivity. The number of unique visitors reached more than 400,000 per month, an increase of 78.0% over the same period last year.

新加坡及馬來西亞

集團在星馬市場的核心業務策略維持不變：仍是通過提高銷售額以提升市場佔有率，另一方面則擴充銷售網絡為莎莎顧客及化粧品品牌提供更佳服務。期內新加坡市場營業額較去年同期增加百分之四十點二，達五千八百九十萬港元，馬來西亞市場營業額則較去年同期增加百分之十九至二千八百七十萬港元。新加坡方面相同店舖營業額增長百分之六點一，而馬來西亞相同店舖營業額則增長百分之十二點五。

新加坡方面，銷售額因加強市場推廣措施和開設新店而上升。期內增設兩間新店，令集團於二零零六年九月三十日的當地店舖總數增至十二間。而馬來西亞的表現繼續改善；毛利率因銷售效率提升和獨家貨品銷售額增加而有所提高。期內增設三間新店，使集團於二零零六年九月三十日位於馬來西亞店舖總數增至十三間。

台灣地區

集團於回顧期內的台灣市場營業額增加百分之四十七點四。相同店舖營業額則下跌百分之四點三，並錄得輕微虧損。年初以來台灣當地銀行收緊信貸，九月份又頻頻有示威遊行，都影響當地業務表現。期內開設兩間新店及關閉一間店舖，使集團於二零零六年九月三十日的台灣店舖總數增至九間。

電子商貿 – Sasa.com

Sasa.com期內營業額為二千七百九十萬港元，較上一財政年度同期增加百分之十三點七，錄得微利。毛利率亦見改善。銷售額增加有賴貨品種類擴大。集團為加強使用方便度及提升銷售效益而正重整網站。非重複瀏覽人次每月逾四十萬，較去年同期增加百分之七十八。

Management Discussion & Analysis 管理層討論及分析

Brand Management

Sales of our own brands and exclusively distributed products increased by 22.0% and contributed 31.7% to the Group's total retail and wholesale sales for the period under review. During this period, new brands secured for exclusive distributorship included Natio from Australia, fragrance of Krizia and Sergio Tacchini. Efforts were made to broaden the product range and enhance the product portfolio. Emphasis was put on product development while a growing number of new products were introduced to the existing product lines and new lines were added to our own brands. The Group strengthened marketing activities and various new product launches were conducted during the period.

Beauty Services

During the period, turnover for beauty services was HK\$105.3 million, representing an increase of 4.4% over the corresponding period in the previous fiscal year. There was an improvement on last year's performance as well as on the contribution of beauty services to the Group. Marketing efforts were strengthened by introducing new marketing drives. The number of members also increased. New treatments introduced during the period included Russian Slim Double-Act Therapy, Suisse Programme Gigawhite Facial and Yoga Jam.

Strengthening the IT Infrastructure and Operational Systems

The Group launched SAP's R3 ERP system in July 2006 as scheduled. Despite teething issues during the implementation period, the launch was a success. The integrated system adopts best practices for our business operations and has considerably enhanced work flow and our information technology infrastructure.

SAP's ERP system provides real time management reporting on sales, inventory and financial information. It also allows for in-depth profitability analyses on business units and products, accelerates the process for financial reporting and enables better control, forecasting and budgeting.

品牌管理

回顧期內，莎莎的專有品牌與獨家貨品銷售額增加百分之二十二，並佔集團零售及批發總營業額的百分之三十一點七。期內取得獨家經銷權的新品牌包括澳洲的Natio，香水則包括Krizia及Sergio Tacchini等。集團致力擴大貨品種類及加強貨品組合，著重產品發展，並於現有貨品系列中加入更多新產品及為專有品牌加入新貨品系列。期內集團加強市場推廣活動，並為多個新產品舉行發佈活動。

美容服務

期內美容服務營業額達一億零五百三十萬港元，較去年同期增加百分之四點四。其業務表現及對集團的貢獻均較去年改善。集團加強市場推廣力度，包括採用新市場推廣策略。期內會員數目亦錄得增長，並引進俄羅斯雙效纖型護理、Suisse Programme億能量全方位美白護理及瑜珈舞班等多項新療程。

加強資訊科技及營運系統

由SAP開發的R3 ERP系統已如期於二零零六年七月啟用。儘管應用初期階段出現一些磨合問題，但啟用過程仍然順利。此綜合系統為集團的營運事務採納最佳實踐方案，及令工作流程及資訊科技系統大大提升。

SAP的ERP系統可向管理層提供有關銷售、存貨及財務資料的即時報告。新系統亦可對各業務單位及產品進行深入盈利能力分析，加快製作財務報告過程，令監控、預測和預算制訂更趨完善。

Management Discussion & Analysis 管理層討論及分析

During the implementation period, the initial set-up involved massive precise data entry work that required additional human resources input. Since the SAP system is a manufacturing focused solution, some of the retail specific features are still missing. To optimise the strategic value of the system after launch, further customisation and enhancement as well as training are required.

Awards

Sa Sa is the largest cosmetics specialty store in Asia Pacific region. The Group's retail chain was the only cosmetics chain store in the Top 10 Health and Beauty Stores in Asia Pacific region ranked by Retail Asia magazine in collaboration with Euromonitor and KPMG in its 2006 Retail Asia-Pacific Top 500 Awards.

The Group received the Prime Award for Corporate Social Responsibility 2006 given by Prime Magazine in Hong Kong in recognition of the exemplary corporate citizenship Sa Sa had demonstrated over recent years. The Group continues to participate in various community services through direct employee involvement, donations and sponsorship of fundraising activities organised by charitable organisations in both Hong Kong and Mainland China. The Group supports senior executives' participation in the advisory boards of universities and in professional associations promoting industry best practices.

Outlook

As opportunities arise from the continuous arrival of Mainland tourists and the improvement in the local economy, the Group will strive to gain market share in Hong Kong and Macau. We will consolidate our retail space to optimise the performance of existing stores in Hong Kong and Macau.

Our strategic initiatives to strengthen brand management and marketing as well as to improve operational efficiency throughout the region are progressing. We are cautiously optimistic about the growth of our retail business for the rest of the fiscal year.

啟用期間必須的最初設定牽涉大量精確數據輸入工作，需要額外人力資源。此外，SAP系統乃專為製造業設計的解決方案，現時仍欠缺一些為零售業而特設的部分。因此，為了在啟用後讓系統發揮最佳策略價值，集團須為系統作進一步調整、提升以及加強有關的培訓。

獎項

莎莎是亞太區最具規模的化粧品專門店。根據Retail Asia雜誌與畢馬威會計師事務所及Euromonitor聯合主辦的「2006亞太區首500家零售商」獎項中的排名，集團旗下的零售連鎖店乃亞太區十大健康與美容專門店當中唯一的化粧品連鎖店。

另外，莎莎獲盛世雜誌頒發2006盛世優秀社責大獎，表揚莎莎近年來積極履行企業公民責任。集團對參與各種公益服務一向不遺餘力，除派出僱員直接參與外，集團更向慈善機構捐款及贊助該等機構所組織的籌款活動。集團更支持行政人員參與各大院校及專業團體的諮詢委員會，以提倡業內最佳操守。

展望

集團將繼續積極提升港澳區的市場佔有率，把握內地來港旅客及本地經濟改善所帶來的商機。同時亦會鞏固及重整店舖網絡，提升港澳區現有零售店舖的表現。

集團加強區內品牌管理、市場推廣及提升營運效率的策略性措施均進展良好，並對本財政年度下半年的零售業務增長保持審慎樂觀。

Management Discussion & Analysis 管理層討論及分析

In addition to network expansion in the Mainland market through the opening of Sa Sa cosmetics stores, we are negotiating with other department stores in order to open beauty counters under our exclusive brands. In the meantime, we are laying the foundation for our next stage of growth. This includes the expansion of our exclusive product range and the strengthening of our operational management. Leveraging on our competitive edge, we aim to drive further business expansion in the region. We remain confident that we will achieve our store expansion plan by 2011 and reach our target of more than 240 stores in the region.

Human Resources

As at 30th September 2006, the Group had a total of 2,639 employees. Staff costs for the period under review were HK\$236.1 million. To ensure that the Group is able to attract and retain staff capable of attaining the best performance levels, remuneration packages are reviewed on a regular basis. Performance bonus and share options are then offered to qualified employees. A performance-based element is included in the annual discretionary bonus for all staff as well as in share options for supervisory and managerial staff. The Group places strong emphasis on staff training and development in order to realise the full potential of our employees. In addition to supporting the graduate trainee programme, various staff development initiatives were implemented during the year through in-house and external training programmes. Financial subsidies for further studies in related fields were also provided.

集團除透過擴展莎莎化粧品店網絡外，現正與內地多間百貨公司磋商，為旗下獨家品牌開設專櫃，以加強內地零售市場網絡。與此同時，集團亦正為另一階段的增長奠定基礎，包括擴大獨家貨品系列和加強營運管理。通過有效運用莎莎的市場優勢，集團將繼續積極拓展區內業務。集團對於在二零一一年實現其店舖拓展計劃充滿信心，目標是於屆時將區內店舖總數增至逾二百四十間。

人力資源

於二零零六年九月三十日，集團共聘有二千六百三十九名員工。期內的員工成本為二億三千六百一十萬港元。為確保莎莎能夠吸引及保存表現優秀的員工，集團定期檢討員工薪酬及福利，並向所有合資格員工授出表現花紅及購股權。集團在向全體員工發放全年花紅、以及向主管級及管理人員授出購股權時，均會考慮有關人員的表現。集團極之重視員工培訓和發展，務求發揮員工的潛能。除設立大學畢業生見習計劃外，期內集團更推行各種員工發展計劃，包括舉辦內部培訓課程及提供外間培訓課程，並為員工在相關範疇繼續進修而提供資助。

Management Discussion & Analysis 管理層討論及分析

Financial Review

Capital Resources and Liquidity

As at 30th September 2006, the Group's total equity funds were HK\$847.5 million including reserves of HK\$712.5 million. The Group continued to maintain a strong financial position with cash and bank balances of HK\$517.4 million. The Group's working capital was HK\$634.6 million. Based on the Group's steady cash inflow from operations and coupled with its existing cash and bank facilities, the Group has adequate financial resources to fund its future expansion.

During the period, the majority of the Group's cash and bank balances were in Hong Kong or U.S. dollars and deposited in leading banks with maturity dates falling within one year. This is in line with the Group's policy to maintain liquidity of its funds and continue to contribute a stable yield to the Group.

Financial Position

Subsequent to the payment of final and special dividends, total funds employed (representing total equity) as at 30th September 2006 were HK\$847.5 million, which represented a 7.3% decrease over the total funds employed of HK\$913.8 million as at 31st March 2006.

The gearing ratio, defined as the ratio of total loans less cash and bank balances to total assets, was nil as at 30th September 2006 and 31st March 2006.

財務概況

資本及流動資金

於二零零六年九月三十日，本集團股東權益總額為八億四千七百五十萬港元，其中包括七億一千二百五十萬港元之儲備金。本集團繼續維持穩健財務狀況，現金及銀行結存累積達五億一千七百四十萬港元，本集團營運資金為六億三千四百六十萬港元。基於本集團有穩定的經營業務現金流入，加上現時手持之現金及銀行信貸，本集團掌握充裕財務資源以應付未來發展。

於期內，本集團大部分現金及銀行結存均為港幣或美元，並以一年內到期之存款存放於數間大銀行。此與本集團維持其資金之流動性之政策相符，並將繼續對本集團帶來穩定收益。

財務狀況

於派發末期及特別股息後，二零零六年九月三十日之運用資金總額(等同股東權益總額)為八億四千七百五十萬港元，較二零零六年三月三十一日之九億一千三百八十萬港元運用資金總額下降百分之七點三。

本集團於二零零六年九月三十日及二零零六年三月三十一日之槓桿比率均為零。槓桿比率為總負債減去現金及銀行結存後與總資產之比例。

Management Discussion & Analysis 管理層討論及分析

Treasury Policies

It is the Group's treasury management policy not to engage in any highly leveraged or speculative derivative products. In this respect, the Group continued to adopt a conservative approach to financial risk management with no significant borrowing during the period. Most of the assets, receipts and payments of the Group are denominated either in Hong Kong or U.S. dollars. Effective from 1st April 2006, facing the volatility of foreign exchange market and the potential downside exposure arisen from the forward foreign exchange contracts, the Group minimises its non U.S. dollar foreign exchange exposure by way of hedging against order at spot and maintain no long position. The hedging policies are reviewed by the Group regularly.

Charge on Group Asset

As at 30th September 2006, no Group asset was under charge to a financial institution.

Contingent Liabilities

The Group had no significant contingent liability as at 30th September 2006.

Capital Commitment

As at 30th September 2006, the Group had total capital commitments in respect of acquisition of property, plant and equipment of HK\$56.1 million.

庫務政策

本集團之理財政策是不參與高風險之投資或投機性衍生工具。期內，本集團於財務風險管理方面繼續維持審慎態度，並無重大借貸。本集團大部分資產、收款及付款均以港幣或美元計值。自二零零六年四月一日起，面對著外匯市場之波幅及遠期外匯合約潛在損失之風險，本集團以即時對沖方式減低其非美元外幣風險，且不維持長倉。本集團會定期檢討對沖政策。

本集團資產之抵押

於二零零六年九月三十日，本集團並無資產於財務機構作抵押。

或然負債

本集團於二零零六年九月三十日並無重大或然負債。

資本承擔

於二零零六年九月三十日，本集團於購買物業、機器及設備有資本承擔合共五千六百一十萬港元。



羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

**INDEPENDENT REVIEW REPORT TO THE BOARD OF
DIRECTORS OF SA SA INTERNATIONAL HOLDINGS LIMITED
(THE "COMPANY")**

(incorporated in Cayman Islands with limited liability)

Introduction

We have been instructed by the Company to review the interim financial information of the Company set out on pages 15 to 42.

Respective responsibilities of directors and auditors

The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited requires the preparation of consolidated condensed interim financial information to be in compliance with Hong Kong Accounting Standard 34 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants and the relevant provisions thereof. The preparation of the interim financial information is the responsibility of the directors, and the interim financial information has been approved by, the directors.

It is our responsibility to form an independent conclusion, based on our review, on this interim financial information 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.

致莎莎國際控股有限公司董事會（「貴公司」）之獨立審閱報告

（於開曼群島註冊成立的有限公司）

引言

本所已按 貴公司指示，審閱第15至42頁所載的中期財務報告。

董事及核數師各自之責任

香港聯合交易所有限公司證券上市規則規定，綜合簡明中期財務資料的編制須符合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」及其相關規定。董事須對中期財務報告負責，而該報告亦已經董事會批准。

本所之責任是根據審閱之結果，對中期財務報告出具獨立結論，並按照雙方所協定的應聘書條款僅向整體董事會報告，除此之外本報告別無其他目的。本所不會就本報告的內容向任何其他人士負上或承擔任何責任。

Independent Review Report 獨立審閱報告

Review work performed

We conducted our review in accordance with SAS 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 information.

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 information for the six months ended 30th September 2006.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 30th November 2006

已執行的審閱工作

本所已按照香港會計師公會所頒佈的核數準則第700號「審閱中期財務報告的聘用」進行審閱工作。審閱工作主要包括向集團管理層作出查詢，及對中期財務報告進行分析程序，然後根據結果評估貴公司之會計政策及呈報方式是否貫徹應用（惟已另作披露則除外）。審閱工作並不包括監控測試及核證資產、負債及交易等審計程序。由於審閱的範圍遠較審計為小，故所提供的保證程度較審計為低。因此，本所不會對中期財務報告發表審計意見。

審閱結論

按照本所審閱的結果，但此審閱並不作為審計之一部分，本所並無發現任何須在截至二零零六年九月三十日止六個月的中期財務報告作出重大修訂之事項。

羅兵咸永道會計師事務所

執業會計師

香港，二零零六年十一月三十日

Condensed Consolidated Income Statement 簡明綜合收益表

Unaudited
Six months ended
30th September
 未經審核
 截至九月三十日止六個月

		Note 附註	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Turnover	營業額	4	1,340,694	1,170,348
Cost of sales	銷售成本		(733,654)	(653,085)
Gross profit	毛利		607,040	517,263
Other gains and revenues	其他利潤及收益		26,414	16,609
Employee benefit expenses	僱員福利開支		(236,069)	(197,497)
Depreciation and amortisation	折舊及攤銷開支		(38,652)	(27,912)
Other operating expenses	其他經營費用		(266,639)	(220,619)
Fair value changes on investment property and buildings	投資物業及樓宇之公平值變動		-	2,135
Reversal of impairment losses on leasehold land	租賃土地之減值虧損撥回		-	10,766
Net exchange gains/(losses)	匯兌收益/(虧損)淨額		1,297	(20,615)
Profit before income tax	除所得稅前溢利	5	93,391	80,130
Income tax expense	所得稅開支	6	(18,082)	(12,336)
Profit for the period, attributable to equity holders of the Company	本公司權益持有人應佔本期間溢利		75,309	67,794
Dividends	股息	7	81,360	80,232
Earnings per share for profit attributable to equity holders of the Company during the period (expressed in HK cents per share)	本公司權益持有人應佔本期間溢利之每股盈利 (以港仙為每股單位)	8		
Basic	基本		5.6	5.1
Diluted	攤薄		5.5	5.0

The notes on pages 21 to 42 form an integral part of this condensed interim financial information.

第21至42頁之附註為此等簡明中期財務資料之組成部分。

Condensed Consolidated Balance Sheet 簡明綜合資產負債表

		Unaudited 30th September 2006 未經審核 二零零六年 九月三十日 HK\$'000 港幣千元	Audited 31st March 2006 經審核 二零零六年 三月三十一日 HK\$'000 港幣千元
		Note 附註	
ASSETS		資產	
Non-current assets		非流動資產	
Property, plant and equipment	物業、機器及設備	9	151,211
Leasehold land	租賃土地	9	17,677
Investment property	投資物業		6,000
Rental deposits and other assets	租賃按金及其他資產	10	50,293
Deferred income tax assets	遞延所得稅資產		15,431
			240,612
Current assets		流動資產	
Inventories	存貨		490,940
Trade receivables	應收賬款	11	30,649
Other receivables, deposits and prepayments	其他應收款項、按金 及預付款項		66,884
Income tax recoverable	預繳所得稅		317
Bank deposits over three months to maturity	三個月後到期之 銀行存款		124,559
Cash and cash equivalents	現金及現金等值項目		392,851
			1,106,200
LIABILITIES		負債	
Current liabilities		流動負債	
Trade and bills payables	應付賬款及票據	12	168,141
Other payables and accruals	其他應付款項及應計費用		95,449
Current portion of receipts in advance	預收款項之流動負債部分		193,452
Financial liabilities at fair value through profit or loss	按公平值列入損益賬之 財務負債		-
Income tax payable	應付所得稅		14,583
			471,625
Net current assets	淨流動資產		634,575
Total assets less current liabilities	資產總值減流動負債		875,187
			155,012
			17,892
			6,000
			54,687
			16,085
			249,676
			359,824
			22,091
			43,320
			1,033
			105,018
			590,678
			1,121,964
			142,987
			90,395
			188,241
			262
			8,067
			429,952
			692,012
			941,688

Condensed Consolidated Balance Sheet 簡明綜合資產負債表

		Unaudited 30th September 2006 未經審核 二零零六年 九月三十日 Note 附註	Audited 31st March 2006 經審核 二零零六年 三月三十一日 HK\$'000 港幣千元
Non-current liabilities	非流動負債		
Receipts in advance	預收款項	7,472	7,159
Retirement benefit obligations	退休福利承擔	10,428	10,059
Deferred income tax liabilities	遞延所得稅負債	3,789	5,058
Other payables	其他應付款項	5,991	5,585
		27,680	27,861
Net assets	淨資產	847,507	913,827
EQUITY	權益		
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔股本及儲備		
Share capital	股本	13	134,711
Reserves	儲備	631,142	630,724
Proposed dividends	擬派股息	81,360	148,392
Total equity	權益總額	847,507	913,827

The notes on pages 21 to 42 form an integral part of this condensed interim financial information.

第21至42頁之附註為此等簡明中期財務資料之組成部分。

Condensed Consolidated Cash Flow Statement 簡明綜合現金流量表

Unaudited
Six months ended
30th September
 未經審核
 截至九月三十日止六個月

		2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Net cash (used in)/generated from operating activities	經營業務(所用)/產生之現金淨額	(10,668)	77,671
Net cash (used in)/generated from investing activities	投資業務(所用)/產生之現金淨額	(43,100)	95,543
Net cash used in financing activities	融資業務所用之現金淨額	(143,472)	(132,087)
Net (decrease)/increase in cash and cash equivalents	現金及現金等值項目(減少)/增加淨額	(197,240)	41,127
Cash and cash equivalents at 1st April	於四月一日之現金及現金等值項目	590,678	452,339
Effect of foreign exchange rate changes	匯率變動之影響	(587)	2,205
Cash and cash equivalents at 30th September	於九月三十日之現金及現金等值項目	392,851	495,671

The notes on pages 21 to 42 form an integral part of this condensed interim financial information.

第21至42頁之附註為此等簡明中期財務資料之組成部分。

Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表

		Share capital	Share premium	Capital redemption reserve	Unaudited 未經審核 Employee share-based compensation reserve 以股份支付	Exchange fluctuation reserve	Retained earnings	Total
		股本 HK\$'000 港幣千元	股份溢價 HK\$'000 港幣千元	資本贖回儲備 HK\$'000 港幣千元	僱員酬金儲備 HK\$'000 港幣千元	外匯波動儲備 HK\$'000 港幣千元	滾存溢利 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
At 1st April 2006	於二零零六年四月一日	134,711	731,906	11,783	22,733	(25,549)	38,243	913,827
Translation differences recognised directly in equity	直接於權益確認之 匯兌差額	-	-	-	-	59	-	59
Profit for the period	本期間溢利	-	-	-	-	-	75,309	75,309
Total recognised income for the six months ended 30th September 2006	於截至二零零六年九月三十日止 六個月內確認收入總額	-	-	-	-	59	75,309	75,368
Employee share option scheme:	僱員購股權計劃：							
Value of employee services	僱員服務價值	-	-	-	1,784	-	-	1,784
Proceeds from shares issued upon exercise of options	行使購股權而發行股份之 所收款項	294	4,671	-	-	-	-	4,965
Transfer of reserve upon exercise of options	行使購股權而 轉撥儲備	-	1,519	-	(1,519)	-	-	-
Final and special dividends paid	已派末期及特別股息	-	(148,437)	-	-	-	-	(148,437)
At 30th September 2006	於二零零六年九月三十日	135,005	589,659	11,783	22,998	(25,490)	113,552	847,507
Representing:	組成如下：							
Share capital	股本							135,005
Reserves	儲備							631,142
Proposed dividends	擬派股息							81,360
At 30th September 2006	於二零零六年九月三十日							847,507

The notes on pages 21 to 42 form an integral part of this condensed interim financial information.

第21至42頁之附註為此等簡明中期財務資料之組成部分。

Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表

		Share capital	Share premium	Capital redemption reserve	Unaudited 未經審核 Employee share-based compensation reserve 以股份支付 僱員酬金儲備	Exchange fluctuation reserve	Retained earnings	Total
		股本 HK\$'000 港幣千元	股份溢價 HK\$'000 港幣千元	資本贖回儲備 HK\$'000 港幣千元	僱員酬金儲備 HK\$'000 港幣千元	外匯波動儲備 HK\$'000 港幣千元	滾存溢利 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
At 1st April 2005	於二零零五年四月一日	132,349	692,269	11,783	19,769	(25,815)	79,691	910,046
Translation differences recognised directly in equity	直接於權益確認之 匯兌差額	-	-	-	-	1,139	-	1,139
Profit for the period	本期間溢利	-	-	-	-	-	67,794	67,794
Total recognised income for the six months ended 30th September 2005	於截至二零零五年九月三十日止 六個月內確認收入總額	-	-	-	-	1,139	67,794	68,933
Employee share option scheme:	僱員購股權計劃：							
Value of employee services	僱員服務價值	-	-	-	7,241	-	-	7,241
Proceeds from shares issued upon exercise of options	行使購股權而發行股份之 所收款項	986	12,986	-	-	-	-	13,972
Transfer of reserve upon exercise of options	行使購股權而 轉撥儲備	-	2,799	-	(2,799)	-	-	-
Final and special dividends paid	已派末期及特別股息	-	-	-	-	-	(146,059)	(146,059)
At 30th September 2005	於二零零五年九月三十日	133,335	708,064	11,783	24,211	(24,676)	1,426	854,133
Representing:	組成如下：							
Share capital	股本							133,335
Reserves	儲備							640,566
Proposed dividends	擬派股息							80,232
At 30th September 2005	於二零零五年九月三十日							854,133

The notes on pages 21 to 42 form an integral part of this condensed interim financial information.

第21至42頁之附註為此等簡明中期財務資料之組成部分。

Notes:

1. General information

Sa Sa International Holdings Limited (“the Company”) and its subsidiaries (together “Group”) are principally engaged in the retailing and wholesaling of a wide range of brand name cosmetic products and the provision of beauty and health club services.

The Company is a limited liability company incorporated in Cayman Islands. The address of its registered office is P.O. Box 309GT, Uglad House, South Church Street, George Town, Grand Cayman, Cayman Islands.

The Company has its listing on The Stock Exchange of Hong Kong Limited (“Stock Exchange”).

As at 30th September 2006, 51.6% of the total issued shares of the Company is owned by Sunrise Height Incorporated, a company incorporated in the British Virgin Islands. The directors regard Sunrise Height Incorporated as being the ultimate holding company of the Company.

This condensed consolidated interim financial information is presented in thousands of units of Hong Kong dollars (HK\$'000), unless otherwise stated. This financial information has been approved for issue by the Board of Director on 30th November 2006.

2. Basis of preparation

This condensed consolidated interim financial information for the half-year ended 30th September 2006 has been prepared in accordance with HKAS 34, “Interim financial reporting”. The interim condensed financial information should be read in conjunction with the annual financial statements for the year ended 31st March 2006.

附註：

1. 一般資料

莎莎國際控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要從事多種品牌化粧品之零售及批發，及提供美容及健美中心服務。

本公司為於開曼群島註冊成立之有限公司，註冊辦事處地址為P.O. Box 309GT, Uglad House, South Church Street, George Town, Grand Cayman, Cayman Islands。

本公司於香港聯合交易所有限公司(「聯交所」)上市。

於二零零六年九月三十日，本公司全部已發行股份之51.6%由於英屬處女群島註冊成立之公司Sunrise Height Incorporated擁有。董事認為Sunrise Height Incorporated為本公司最終控股公司。

除另有註明者外，此等簡明綜合中期財務資料均以港幣千元計值。此等財務資料已於二零零六年十一月三十日獲董事會批准刊發。

2. 編製基準

此等截至二零零六年九月三十日止半年度之簡明綜合中期財務資料乃按照香港會計準則第34號「中期財務報告」編製。此等簡明中期財務資料應與截至二零零六年三月三十一日止年度之年度財務報表一併閱讀。

3. Accounting policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31st March 2006.

The following new standards, amendments to standards and interpretations are mandatory for financial year ending 31st March 2007.

- Amendment to HKAS 19, "Actuarial gains and losses, group plans and disclosures", effective for annual periods beginning on or after 1st January 2006. The Group decided to retain its former accounting policy regarding the recognition of actuarial gains and losses which is allowed by HKAS 19 Amendment;
- Amendment to HKAS 39, Amendment "The fair value option", effective for annual periods beginning on or after 1st January 2006. This amendment does not have any impact on the classification and valuation of the Group's financial instruments classified as at fair value through profit or loss prior to 1st April 2006 as the Group is able to comply with the amended criteria for the designation of financial instruments at fair value through profit and loss;
- Amendment to HKAS 21, Amendment "Net investment in a foreign operation", effective for annual periods beginning on or after 1st January 2006. This amendment is not relevant for the Group;
- Amendment to HKAS 39, Amendment "Cash flow hedge accounting of forecast intragroup transactions", effective for annual periods beginning on or after 1st January 2006. This amendment is not relevant for the Group;

3. 會計政策

所採納會計政策與截至二零零六年三月三十一日止年度之年度財務報表所用者一致。

以下新準則、準則修訂及詮釋須於截至二零零七年三月三十一日止財政年度強制實行。

- 香港會計準則第19號「精算損益、集團計劃及披露」之修訂自二零零六年一月一日或之後開始之年度期間生效。本集團已決定保留香港會計準則第19號修訂批准之有關確認精算損益之先前會計政策；
- 香港會計準則第39號「公平值選擇權」之修訂自二零零六年一月一日或之後開始之年度期間生效。此項修訂對二零零六年四月一日前列作按公平值計入損益賬之本集團金融工具之分類及估值並無構成任何影響，因為本集團能夠符合有關按公平值計入損益賬之金融工具之經修訂標準；
- 香港會計準則第21號「海外業務之投資淨額」之修訂自二零零六年一月一日或之後開始之年度期間生效。此項修訂與本集團無關；
- 香港會計準則第39號「預測集團內公司間交易之現金流量對沖會計法」之修訂自二零零六年一月一日或之後開始之年度期間生效。此項修訂與本集團無關；

3. Accounting policies (continued)

- Amendment to HKAS 39 and HKFRS 4, Amendment “Financial guarantee contracts”, effective for annual periods beginning on or after 1st January 2006. This amendment is not relevant for the Group;
- HKFRS 6, “Exploration for and evaluation of mineral resources”, effective for annual periods beginning on or after 1st January 2006. This standard is not relevant for the Group;
- HK(IFRIC)-Int 4, “Determining whether an arrangement contains a lease”, effective for annual periods beginning on or after 1st January 2006. The Group has reviewed its contracts. Some of them are required to be accounted for as leases in accordance with HKAS 17, “Leases”. However, these leases are operating leases, and their reclassification has had no impact on the expense recognised in respect of them;
- HK(IFRIC)-Int 5, “Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds”, effective for annual periods beginning on or after 1st January 2006. This interpretation is not relevant for the Group;
- HK(IFRIC)-Int 6, “Liabilities arising from participating in a specific market – waste electrical and electronic equipment”, effective for annual periods beginning on or after 1st December 2005. This interpretation is not relevant for the Group; and

3. 會計政策 (續)

- 香港會計準則第39號及香港財務報告準則第4號「財務擔保合約」之修訂自二零零六年一月一日或之後開始之年度期間生效。此項修訂與本集團無關；
- 香港財務報告準則第6號「礦產資源勘探及評估」自二零零六年一月一日或之後開始之年度期間生效。此項準則與本集團無關；
- 香港（國際財務報告詮釋委員會）－詮釋第4號「釐定安排是否包括租約」自二零零六年一月一日或之後開始之年度期間生效。本集團已審閱其合約。根據香港會計準則第17號「租約」，若干該等合約須入賬列作租約。然而，該等租約為經營租約，重新分類該等租約不會影響就其確認之開支；
- 香港（國際財務報告詮釋委員會）－詮釋第5號「終止運作、復原及環境修復基金產生權益之權利」自二零零六年一月一日或之後開始之年度期間生效。此項詮釋與本集團無關；
- 香港（國際財務報告詮釋委員會）－詮釋第6號「參與特定市場產生之責任－廢棄電力及電子設備」自二零零五年十二月一日或之後開始之年度期間生效。此項詮釋與本集團無關；及

3. Accounting policies (continued)

- HK(IFRIC)-Int 7, “Applying the Restatement Approach under HKFRS 29”, effective for annual periods beginning on or after 1st March 2006. Management do not expect the interpretation to be relevant for the Group.

The following new standards, amendments to standards and interpretations have been issued but are not effective for the year ending 31st March 2007 and have not been early adopted:

- HK(IFRIC)-Int 8, “Scope of HKFRS 2”, effective for annual periods beginning on or after 1st May 2006. Management is currently assessing the impact of HK(IFRIC)-Int 8 on the Group’s operations;
- HK(IFRIC)-Int 9, “Reassessment of Embedded Derivatives”, effective for annual periods beginning on or after 1st June 2006. Management believes that this interpretation should not have a significant impact on the reassessment of embedded derivatives as the Group already assess if embedded derivative should be separated using principles consistent with HK(IFRIC)-Int 9;
- HK(IFRIC)-Int 10, “Interim Financial Reporting and Impairment”, effective for annual periods beginning on or after 1st November 2006. Management is currently assessing the impact of HK(IFRIC)-Int 10; and

3. 會計政策 (續)

- 香港(國際財務報告詮釋委員會)－詮釋第7號「應用香港財務報告準則第29號之重列法」自二零零六年三月一日或之後開始之年度期間生效。管理層預期此項詮釋與本集團無關。

以下已頒佈之新準則、準則修訂及詮釋於截至二零零七年三月三十一日止年度尚未生效，且並無提早採納：

- 香港(國際財務報告詮釋委員會)－詮釋第8號「香港財務報告準則第2號之範圍」自二零零六年五月一日或之後開始之年度期間生效。管理層現正評估香港(國際財務報告詮釋委員會)－詮釋第8號對本集團業務構成之影響；
- 香港(國際財務報告詮釋委員會)－詮釋第9號「重新評估內含衍生工具」自二零零六年六月一日或之後開始之年度期間生效。管理層相信，此項詮釋不會對重新評估內含衍生工具構成任何重大影響，因為本集團已經評估應否採用與香港(國際財務報告詮釋委員會)－詮釋第9號一致之準則劃分內含衍生工具；
- 香港(國際財務報告詮釋委員會)－詮釋第10號「中期財務報告及減值」自二零零六年十一月一日或之後開始之年度期間生效。管理層現正評估香港(國際財務報告詮釋委員會)－詮釋第10號構成之影響；及

3. Accounting policies (continued)

- HKFRS 7, “Financial instruments: Disclosures”, effective for annual periods beginning on or after 1st January 2007.
 - HKAS 1, “Amendments to capital disclosures”, effective for annual periods beginning on or after 1st January 2007.
- The Group assessed the impact of HKFRS 7 and the amendment to HKAS 1 and concluded that the main additional disclosures will be the sensitivity analysis to market risk and capital disclosures required by the amendment of HKAS 1. The Group will apply HKFRS 7 and the amendment to HKAS 1 from annual periods beginning 1st April 2007.

4. Segment information

The Group is principally engaged in the retailing and wholesaling of a wide range of brand name cosmetic products and the provision of beauty and health club services. Turnover represents the invoiced sales value of goods and of services supplied to customers.

Segment assets consist primarily of property, plant and equipment, leasehold land, investment property, inventories, receivables and operating cash, and exclude certain corporate assets and tax. Segment liabilities comprise operating liabilities and exclude financial liabilities at fair value through profit or loss and tax. Capital expenditure comprises additions to property, plant and equipment and leasehold land.

3. 會計政策 (續)

- 香港財務報告準則第7號「金融工具：披露」自二零零七年一月一日或之後開始之年度期間生效。香港會計準則第1號「資本披露之修訂」自二零零七年一月一日或之後開始之年度期間生效。本集團已評估香港財務報告準則第7號及香港會計準則第1號之修訂所造成之影響，結論為主要須作出之額外披露為香港會計準則第1號之修訂所規定有關市場風險及資本披露之敏感度分析。本集團將於自二零零七年四月一日開始之年度期間採納香港財務報告準則第7號及香港會計準則第1號之修訂。

4. 分部資料

本集團主要業務為從事多種品牌化粧品之零售及批發，及提供美容及健美中心服務。營業額指向客戶提供貨品及服務之發票銷售價值。

分部資產主要包括物業、機器及設備、租賃土地、投資物業、存貨、應收款項及經營現金，不包括若干集團資產及稅項。分部負債指經營負債，不包括按公平值計入損益賬之財務負債及稅項。資本性開支包括添置物業、機器及設備及租賃土地。

Notes to Condensed Consolidated Financial Information 簡明綜合財務資料附註

4. Segment information (continued)

(a) Primary reporting format – business segments

- (i) The segment results and other segment information are as follows:

4. 分部資料 (續)

(a) 主要分部報告 – 業務分部

- (i) 分部業績及其他分部資料如下:

Six months ended 30th September 2006
截至二零零六年九月三十日止六個月

		Retail and Wholesale 零售及批發 HK\$'000 港幣千元	Beauty and health club services 美容及健美 中心服務 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Turnover	營業額	1,235,358	105,336	1,340,694
Results	業績			
Segment results	分部業績	80,723	(1,685)	79,038
Interest income	利息收入			13,056
Net exchange gains	匯兌收益淨額	1,203	94	1,297
Profit before income tax	除所得稅前溢利			93,391
Income tax expense	所得稅開支			(18,082)
Profit for the period	本期間溢利			75,309
Other information	其他資料			
Capital expenditure	資本性開支	31,946	3,171	35,117
Depreciation	折舊	31,221	7,216	38,437
Amortisation	攤銷開支	215	-	215
Provision for slow moving inventories and stock shrinkage	滯銷存貨及損耗 存貨撥備	9,713	(87)	9,626

Notes to Condensed Consolidated Financial Information 簡明綜合財務資料附註

4. Segment information (continued)

(a) Primary reporting format – business segments

(continued)

- (i) The segment results and other segment information are as follows: (continued)

4. 分部資料 (續)

(a) 主要分部報告 – 業務分部 (續)

- (i) 分部業績及其他分部資料如下：
(續)

Six months ended 30th September 2005
截至二零零五年九月三十日止六個月

		Retail and Wholesale 零售及批發 HK\$'000 港幣千元	Beauty and health club services 美容及健美中心服務 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Turnover	營業額	1,069,445	100,903	1,170,348
Results	業績			
Segment results	分部業績	86,088	(6,426)	79,662
Interest income	利息收入			8,182
Fair value changes on investment property and buildings	投資物業及樓宇之公平值變動	2,135	–	2,135
Reversal of impairment losses on leasehold land	租賃土地之減值虧損撥回	10,766	–	10,766
Net exchange losses	匯兌虧損淨額	(20,215)	(400)	(20,615)
Profit before income tax	除所得稅前溢利			80,130
Income tax expenses	所得稅開支			(12,336)
Profit for the period	本期間溢利			67,794
Other information	其他資料			
Capital expenditure	資本性開支	52,545	2,560	55,105
Depreciation	折舊	19,981	7,745	27,726
Amortisation	攤銷開支	186	–	186
Provision for slow moving inventories and stock shrinkage	滯銷存貨及損耗存貨撥備	1,802	57	1,859

4. Segment information (continued)

(a) Primary reporting format – business segments

(continued)

(ii) The segment assets and liabilities are as follows:

4. 分部資料 (續)

(a) 主要分部報告 – 業務分部 (續)

(ii) 分部資產及負債如下:

As at 30th September 2006
二零零六年九月三十日

		Retail and Wholesale 零售及批發 HK\$'000 港幣千元	Beauty and health club services 美容及健美 中心服務 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Segment assets	分部資產	1,243,339	86,975	1,330,314
Unallocated corporate assets	未分配集團資產			16,498
Total assets	資產總值			1,346,812
Segment liabilities	分部負債	249,358	231,575	480,933
Unallocated corporate liabilities	未分配集團負債			18,372
Total liabilities	負債總額			499,305

4. Segment information (continued)

(a) Primary reporting format – business segments

(continued)

- (ii) The segment assets and liabilities are as follows:
(continued)

4. 分部資料 (續)

(a) 主要分部報告 – 業務分部 (續)

- (ii) 分部資產及負債如下: (續)

As at 31st March 2006
二零零六年三月三十一日

		Retail and Wholesale 零售及批發 HK\$'000 港幣千元	Beauty and health club services 美容及健美 中心服務 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Segment assets	分部資產	1,272,747	81,025	1,353,772
Unallocated corporate assets	未分配集團資產			17,868
Total assets	資產總值			1,371,640
Segment liabilities	分部負債	221,338	223,088	444,426
Unallocated corporate liabilities	未分配集團負債			13,387
Total liabilities	負債總額			457,813

Notes to Condensed Consolidated Financial Information 簡明綜合財務資料附註

4. Segment information (continued)

(b) Secondary reporting format – geographical segments

The Group operates in Mainland China and Special Administrative Region (“SAR”), Taiwan and South Asia. SAR includes Hong Kong and Macau. South Asia comprises Thailand, Malaysia and Singapore.

- (i) The Group’s turnover and capital expenditure are as follows:

Turnover is allocated based on the places in which the customers are located.

Capital expenditure, comprises additions to property, plant and equipment and leasehold land, is allocated based on where the assets are located.

4. 分部資料 (續)

(b) 從屬分部報告 – 地區分部

本集團於中國大陸及特別行政區、台灣及南亞地區經營業務。特別行政區包括香港及澳門。南亞地區包括泰國、馬來西亞及新加坡。

- (i) 本集團營業額及資本性開支如下：

營業額之分類乃按客戶所在地計算。

資本性開支包括添置物業、機器及設備及租賃土地，其分類乃按資產所在地計算。

Six months ended 30th September 2006 截至二零零六年九月三十日止六個月

		Mainland China and SAR 中國大陸 及特別行政區 HK\$'000 港幣千元	Taiwan 台灣 HK\$'000 港幣千元	South Asia 南亞地區 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Turnover	營業額	1,162,997	56,847	120,850	1,340,694
Capital expenditure	資本性開支	25,652	2,989	6,476	35,117

Six months ended 30th September 2005 截至二零零五年九月三十日止六個月

		Mainland China and SAR 中國大陸 及特別行政區 HK\$'000 港幣千元	Taiwan 台灣 HK\$'000 港幣千元	South Asia 南亞地區 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Turnover	營業額	1,032,368	38,565	99,415	1,170,348
Capital expenditure	資本性開支	50,184	2,363	2,558	55,105

4. Segment information (continued)

(b) Secondary reporting format – geographical segments

(continued)

(ii) The segment assets are as follows:

Total assets are allocated based on where the assets are located.

4. 分部資料(續)

(b) 從屬分部報告－地區分部(續)

(ii) 分部資產如下:

資產總值之分類乃按資產所在地計算。

As at 30th September 2006

二零零六年九月三十日

		Mainland China and SAR 中國大陸 及特別行政區 HK\$'000 港幣千元	Taiwan 台灣 HK\$'000 港幣千元	South Asia 南亞地區 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Segment assets	分部資產	1,151,728	43,763	134,823	1,330,314
Unallocated corporate assets	未分配集團資產				16,498
Total assets	資產總值				1,346,812

As at 31st March 2006

二零零六年三月三十一日

		Mainland China and SAR 中國大陸 及特別特政區 HK\$'000 港幣千元	Taiwan 台灣 HK\$'000 港幣千元	South Asia 南亞地區 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Segment assets	分部資產	1,189,657	39,274	124,841	1,353,772
Unallocated corporate assets	未分配集團資產				17,868
Total assets	資產總值				1,371,640

Notes to Condensed Consolidated Financial Information 簡明綜合財務資料附註

5. Profit before income tax

Profit before income tax is stated after crediting and charging the following:

5. 除所得稅前溢利

除所得稅前溢利已計入及扣除下列項目：

Six months ended
30th September
截至九月三十日止六個月

		2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Crediting	計入		
Net exchange gains	匯兌收益淨額	1,297	—
Compensation from landlord for early termination of lease agreement	提早終止經營租約之業主賠償	—	5,500
Provision for discretionary bonus made in previous years written back	撥回過往年度所作酌情發放之獎金撥備	2,825	10,327
Charging	扣除		
Depreciation of property, plant and equipment	物業、機器及設備折舊	38,437	27,726
Amortisation of leasehold land	攤銷租賃土地	215	186
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租約租金		
– minimum lease payments	– 最低租賃付款	134,654	108,769
– contingent rent	– 或然租金	2,544	2,480
Provision for slow moving inventories and stock shrinkage	滯銷存貨及損耗存貨撥備	9,626	1,859
Net exchange losses	匯兌虧損淨額	—	14,682
Fair value losses on forward foreign exchange contracts	遠期外幣合約之公平值虧損	—	5,933

6. Income tax expense

Hong Kong profits tax has been provided at the rate of 17.5% (2005: 17.5%) on the estimated assessable profits for the period. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

The amount of income tax charged to the condensed consolidated income statement represents:

6. 所得稅開支

香港利得稅乃按照期內估計應課稅溢利以稅率17.5% (二零零五年: 17.5%) 計提準備。海外溢利之稅款則按照期內估計應課稅溢利以本集團經營業務地區之現行稅率計算。

在簡明綜合收益表內扣除之所得稅款額如下:

**Six months ended
30th September
截至九月三十日止六個月**

		2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Hong Kong profits tax	香港利得稅		
Current	本年度	17,160	10,781
Overseas taxation	海外稅項		
Current	本年度	1,219	1,387
Over provision in previous periods	過往期間超額撥備	-	(675)
Deferred income tax relating to origination and reversal of temporary differences	暫時差異之產生及撥回 相關遞延所得稅	(297)	843
		18,082	12,336

7. Dividends

7. 股息

Six months ended
30th September
截至九月三十日止六個月

		2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Interim, proposed – 3.0 HK cents (2005: 3.0 HK cents) per share	擬派中期股息—每股3.0港仙 (二零零五年:3.0港仙)	40,680	40,116
Special, proposed – 3.0 HK cents (2005: 3.0 HK cents) per share	擬派特別股息—每股3.0港仙 (二零零五年:3.0港仙)	40,680	40,116
		81,360	80,232

At a meeting held on 30th November 2006, the Directors declared an interim dividend of 3.0 HK cents and a special dividend of 3.0 HK cents per share. These proposed dividends are not reflected as dividend payables in this condensed consolidated financial information, but will be reflected as an appropriation of distributable reserve for the year ending 31st March 2007.

於二零零六年十一月三十日舉行之會議上，董事宣佈派發中期股息每股3.0港仙及特別股息每股3.0港仙。此等擬派股息並無於本簡明綜合財務資料中列作應付股息，惟將於截至二零零七年三月三十一日止年度列作可分派儲備之撥款。

8. Earnings per share

8. 每股盈利

- (a) The calculation of basic and diluted earnings per share is based on the Group's profit attributable to equity holders of the Company during the period of HK\$75,309,000 (2005: HK\$67,794,000).
- (b) The calculation of basic earnings per share is based on the weighted average of 1,348,641,566 (2005: 1,325,515,699) shares in issue during the period.
- (c) The calculation of diluted earnings per share is based on the weighted average of 1,348,641,566 (2005: 1,325,515,699) shares in issue during the period plus the weighted average of 15,766,137 (2005: 32,059,173) shares deemed to be issued if all outstanding share options granted under the share option scheme of the Company had been exercised.

- (a) 每股基本及攤薄盈利乃根據本公司權益持有人應佔本集團期間溢利75,309,000港元(二零零五年:67,794,000港元)計算。
- (b) 每股基本盈利乃按期內已發行股份之加權平均數1,348,641,566(二零零五年:1,325,515,699)股計算。
- (c) 每股攤薄盈利乃按期內已發行股份之加權平均數1,348,641,566(二零零五年:1,325,515,699)股，加上假設根據本公司購股權計劃授出之所有未行使購股權皆已行使而視作發行之股份之加權平均數15,766,137(二零零五年:32,059,173)股計算。

9. Capital expenditure

9. 資本性開支

		Property, plant and equipment 物業、機器及設備 HK\$'000 港幣千元	Leasehold Land 租賃土地 HK\$'000 港幣千元
Six months ended	截至二零零六年		
30th September 2006	九月三十日止六個月		
Opening net book amount	於二零零六年四月一日		
1st April 2006	之期初賬面淨值	155,012	17,892
Translation differences	匯兌差額	334	-
Additions	添置	35,117	-
Disposals	出售	(8)	-
Write-off	撇賬	(807)	-
Depreciation/amortisation	折舊/攤銷開支	(38,437)	(215)
Closing net book amount	於二零零六年九月三十日		
30th September 2006	之期終賬面淨值	151,211	17,677
Six months ended	截至二零零五年		
30th September 2005	九月三十日止六個月		
Opening net book amount	於二零零五年四月一日		
1st April 2005	之期初賬面淨值	119,675	7,527
Translation differences	匯兌差額	(557)	-
Revaluation	重估	735	-
Reversal of impairment losses	減值虧損撥回	-	10,766
Additions	添置	55,105	-
Disposals	出售	(25)	-
Write-off	撇賬	(428)	-
Depreciation/amortisation	折舊/攤銷開支	(27,726)	(186)
Closing net book amount	於二零零五年九月三十日		
30th September 2005	之期終賬面淨值	146,779	18,107

10. Rental deposits and other assets

		30th September 2006 二零零六年 九月三十日 HK\$'000 港幣千元	31st March 2006 二零零六年 三月三十一日 HK\$'000 港幣千元
Rental deposits	租賃按金	49,543	53,937
Others	其他	750	750
		50,293	54,687

Rental deposits are carried at amortised cost using the effective interest rate of 2.4% – 3.6% per annum. As at 30th September 2006, the carrying amounts of rental deposits approximate their fair values.

11. Trade receivables

The Group's turnover are mainly cash and credit card sales. The aging analysis of trade receivables is as follows:

		30th September 2006 二零零六年 九月三十日 HK\$'000 港幣千元	31st March 2006 二零零六年 三月三十一日 HK\$'000 港幣千元
Within 1 month	一個月內	27,280	20,352
1 to 3 months	一至三個月	2,976	1,639
Over 3 months	超過三個月	393	100
		30,649	22,091

The fair values of trade receivables approximate their carrying amount.

10. 租賃按金及其他資產

租賃按金乃根據攤銷成本按實際利率每年2.4厘至3.6厘計算。於二零零六年九月三十日，租賃按金之賬面值與其公平值相若。

11. 應收賬款

本集團之營業額主要為現金及信用咭銷售。應收賬款之賬齡分析如下：

應收賬款之公平值與其賬面值相若。

12. Trade and bills payables

The ageing analysis of trade and bills payables is as follows:

		30th September 2006 二零零六年 九月三十日 HK\$'000 港幣千元	31st March 2006 二零零六年 三月三十一日 HK\$'000 港幣千元
Within 1 month	一個月內	93,720	76,874
1 to 3 months	一至三個月	66,025	44,925
Over 3 months	超過三個月	8,396	21,188
		168,141	142,987

The fair values of trade and bills payables approximate their carrying amount.

12. 應付賬款及票據

應付賬款及票據之賬齡分析如下：

應付賬款及票據之公平值與其賬面值相若。

13. Share capital

		Note 附註	No. of shares 股份數目	HK\$'000 港幣千元
Authorised shares of HK\$0.1 each	法定每股面值0.1港元之股份			
At 31st March 2006 and 30th September 2006	於二零零六年三月三十一日及 二零零六年九月三十日		8,000,000,000	800,000
Issued and fully paid shares of HK\$0.1 each	已發行及繳足每股面值0.1港元之股份			
At 1st April 2005	於二零零五年四月一日		1,323,488,359	132,349
Issue of shares upon exercise of share options	按行使購股權而發行之股份	(a)	23,624,372	2,362
At 31st March 2006 and 1st April 2006	於二零零六年三月三十一日及 二零零六年四月一日		1,347,112,731	134,711
Issue of shares upon exercise of share options	按行使購股權而發行之股份	(a)	2,939,067	294
At 30th September 2006	於二零零六年九月三十日		1,350,051,798	135,005

13. Share capital (continued)

Notes:

(a) Issue of shares upon exercise of share options

During the period, a total of 2,939,067 (2005: 9,859,180) shares were issued to certain staff members of the Company pursuant to the exercises of share options under the 1997 Share Option Scheme and the 2002 Share Option Scheme respectively. The proceeds of the issues totalling HK\$4,965,000 (2005: HK\$13,972,000) included share premium amounted to HK\$4,671,000 (2005: HK\$12,986,000) and the amount was taken to the share premium account.

(b) Share options

The share options of the Company were granted under:-

- (i) the 1997 Share Option Scheme;
- (ii) the 2002 Share Option Scheme; and
- (iii) the Service Agreement with an ex-director.

Movements in the number of share options outstanding are as follows:

		No. of Share Options Six months ended 30th September	
		購股權數目 截至九月三十日止六個月	
		2006	2005
		二零零六年	二零零五年
At beginning of the period	於期初	54,531,608	84,809,585
Granted	授出	13,488,844	-
Exercised	行使	(2,939,067)	(9,859,180)
Lapsed	失效	(10,101,371)	(5,961,273)
At end of the period	於期末	54,980,014	68,989,132

13. 股本(續)

附註：

(a) 按行使購股權而發行之股份

於期內，本公司分別因根據一九九七年購股權計劃及二零零二年購股權計劃授出購股權獲行使而發行共2,939,067股(二零零五：9,859,180股)股份予若干僱員。該等發行所得款項合共4,965,000港元(二零零五年：13,972,000港元)，其中4,671,000港元(二零零五年：12,986,000港元)為股份溢價，並已撥入股份溢價賬之內。

(b) 購股權

本公司之購股權通過以下授出：

- (i) 一九九七年購股權計劃；
- (ii) 二零零二年購股權計劃；及
- (iii) 與一名前董事簽訂之服務協議。

尚未行使之購股權數目變動如下：

13. Share capital (continued)

Notes: (continued)

(b) Share options (continued)

Options exercised during the six months ended 30th September 2006 resulted in 2,939,067 (2005: 9,859,180) shares issued.

The expiry dates and exercise prices of the share options outstanding as at 30th September 2006 were set out as follows:-

13. 股本(續)

附註：(續)

(b) 購股權(續)

於截至二零零六年九月三十日止六個月內因購股權獲行使而發行之股份為2,939,067股(二零零五年：9,859,180股)。

於二零零六年九月三十日尚未行使之購股權之到期日及行使價：

Expiry date	到期日	Exercise price per share 每股行使價 (HK\$) (港幣)	No. of Share Options as at 30th September 於九月三十日之 購股權數目	
			2006 二零零六年	2005 二零零五年
1997 Share Option Scheme				
	一九九七年購股權計劃			
8th September 2007	二零零七年九月八日	1.90	456,000	580,000
23rd April 2012	二零一二年四月二十三日	0.80	-	4,116,285
2002 Share Option Scheme				
	二零零二年購股權計劃			
31st August 2013	二零一三年八月三十一日	1.81	-	133,333
1st October 2013	二零一三年十月一日	1.88	666,666	666,666
29th October 2013	二零一三年十月二十九日	1.68	31,678,252	50,890,598
3rd December 2013	二零一三年十二月三日	1.90	-	3,000,000
19th January 2014	二零一四年一月十九日	2.80	-	167,333
28th February 2014	二零一四年二月二十八日	2.85	268,333	366,666
2nd March 2014	二零一四年三月二日	2.78	775,333	968,666
28th June 2014	二零一四年六月二十八日	3.00	1,000,000	1,000,000
1st August 2014	二零一四年八月一日	3.12	321,333	464,666
30th November 2014	二零一四年十一月三十日	3.85	1,096,333	1,254,666
21st December 2014	二零一四年十二月二十一日	4.15	215,333	366,666
25th May 2016	二零一六年五月二十五日	2.965	13,488,844	-
Share Option under an ex-director's service agreement				
	前董事服務協議之購股權			
2nd February 2007	二零零七年二月二日	0.928	5,013,587	5,013,587
			54,980,014	68,989,132

13. Share capital (continued)

Notes: (continued)

(b) Share options (continued)

Fair values of share options, measured at the grant date of the options, are estimated using a binomial lattice methodology that is based on the underlying assumptions of one of the commonly used employee share option pricing models. The fair value of options granted during the six months ended 30th September 2006 was HK\$8,599,000 (2005: Nil). The significant inputs into the share option pricing model were as follows:

Share price –	HK\$ 0.76 to HK\$ 4.15	Being the share price on the grant date ranging from 6th January 2003 to 26th May 2006
Exercise price –	HK\$ 0.77 to HK\$ 4.15	Being the exercise price ranging from 6th January 2003 to 26th May 2006
Risk free rate –	3.59% to 4.879%	Being the approximate yields of 10-year exchange fund notes issued by the government
Expected volatility –	31.24% to 45%	Being the annualized volatility of historical share price of the Company
Expected dividend yield –	4% to 5%	Being the prospective dividend yield of shares of the Company

The model is only one of the commonly used models to estimate the fair value of the employee share options. The value of an option varies with different assumptions. Any changes of the assumptions may affect the estimation.

13. 股本 (續)

附註：(續)

(b) 購股權 (續)

購股權於授出日期之公平值採用二項格子法估計，該計算方法乃按常用之僱員購股權估值模式為基準。於截至二零零六年九月三十日止六個月授出之購股權公平值為8,599,000港元(二零零五年：無)。該模式所用之主要數據如下：

股價 –	0.76港元至4.15港元	即按授出購股權日期，即由二零零三年一月六日至二零零六年五月二十六日期間的股票價格
行使價 –	0.77港元至4.15港元	即按授出購股權日期，即由二零零三年一月六日至二零零六年五月二十六日期間的行使價格
無風險利率 –	3.59%至4.879%	即按授出購股權之日期買賣十年期外匯基金票據的參考收益率
預期波幅 –	31.24%至45%	即本公司過往的股票每日收市價之年度波幅
預期股息率 –	4%至5%	即本公司股份之預期股息率

該模式僅為估計僱員購股權公平值之常用模式之一。購股權之價值會因不同假設而有所不同，假設之任何變更均會對購股權之估值構成影響。

14. Commitments

(a) Capital commitments in respect of the acquisition of property, plant and equipment:

		30th September 2006 二零零六年 九月三十日 HK\$'000 港幣千元	31st March 2006 二零零六年 三月三十一日 HK\$'000 港幣千元
Contracted but not provided for	已訂約但未撥備	2,450	14,485
Authorised but not contracted for	已批准但未訂約	53,617	74,906
		56,067	89,391

The amount of capital commitments authorised but not contracted for represents the Group's estimated capital expenditure based on the annual budget approved by directors.

已批准但未訂約之資本承擔款項相當於本集團根據經董事批准之年度預算所估計之資本性開支。

(b) Commitments under operating leases

The Group had total future aggregate minimum lease payments under non-cancellable operating leases as follows:

		30th September 2006 二零零六年 九月三十日 HK\$'000 港幣千元	31st March 2006 二零零六年 三月三十一日 HK\$'000 港幣千元
Land and buildings	土地及樓宇		
Within one year	一年內	241,781	248,811
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	234,837	257,610
After the fifth year	五年後	–	524
		476,618	506,945

(b) 經營租約承擔

本集團根據不可撤銷之經營租約而須於未來支付之最低租賃付款總額如下：

15. Related-party transactions

Key management personnel compensation:

15. 關連人士交易

主要管理人員之酬金：

Six months ended
30th September
截至九月三十日止六個月

		2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Directors' fees	董事袍金	531	500
Basic salaries, housing allowances and other allowances	基本薪金，房屋津貼及 其他津貼	11,194	9,506
Discretionary bonuses	酌情發放之獎金	2,122	100
Retirement benefit costs	退休福利成本	744	648
Share-based payment	以股份支付的開支	15	1,371
		14,606	12,125

Supplementary Information 其他資料

Interim Dividend and Special Dividend

The Board resolved to declare the Interim Dividend of 3.0 HK cents (2005: 3.0 HK cents) per share and the Special Dividend of 3.0 HK cents (2005: 3.0 HK cents) per share for the six months ended 30th September 2006, payable to shareholders whose names appear on the register of members of the Company (“Register of Members”) on 19th December 2006.

The Interim Dividend and Special Dividend will be paid around 28th December 2006.

Closure of Register of Members

The Register of Members will be closed from 18th December 2006 to 19th December 2006, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the Interim Dividend and Special Dividend, all valid documents in respect of transfers of shares accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrars, Abacus Share Registrars Limited, 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong not later than 4:00 p.m. on 15th December 2006.

Directorate

At the annual general meeting of the Company held on 24th August 2006, Mrs. KWOK LAW, Kwai Chun, Eleanor and Mr. LOOK, Guy retired as executive directors and Ms. TAM, Wai Chu, Maria retired as independent non-executive director of the Company and they, being eligible for re-election, were re-elected as executive directors and independent non-executive director of the Company respectively.

中期股息及特別股息

董事會議決宣佈派發截至二零零六年九月三十日止六個月之中期股息每股3.0港仙(二零零五年：3.0港仙)及特別股息每股3.0港仙(二零零五年：3.0港仙)給予於二零零六年十二月十九日名列本公司股東名冊之股東。

中期股息及特別股息將約於二零零六年十二月二十八日派發。

暫停辦理股份過戶登記手續

本公司將於二零零六年十二月十八日至二零零六年十二月十九日期間(包括首尾兩日)暫停辦理股份過戶登記手續。為享有上述宣派之中期股息及特別股息，所有有效過戶文件連同有關股票必須於二零零六年十二月十五日下午四時前送交本公司之香港股份過戶分處雅柏勤證券登記有限公司，地址為香港皇后大道東28號金鐘匯中心26樓。

董事會

於二零零六年八月二十四日舉行之股東週年大會上，郭羅桂珍女士和陸楷先生退任本公司執行董事，而譚惠珠小姐則退任本公司獨立非執行董事，他們均合資格連任並分別獲膺選連任為本公司執行董事及獨立非執行董事。

Supplementary Information 其他資料

As at 30th September 2006 and at the date of this report, the members of the Board were as follows:

Executive Directors

Mr. KWOK, Siu Ming, Simon

(Chairman and chief executive officer (“CEO”))

Mrs. KWOK LAW, Kwai Chun, Eleanor *(Vice-chairman)*

Mr. LOOK, Guy

(Chief financial officer (“CFO”) and qualified accountant)

Non-executive Director

Mrs. LEE LOOK, Ngan Kwan, Christina

Independent Non-executive Directors (“INED”)

Professor CHAN, Yuk Shee, J.P.

Dr. LEUNG, Kwok Fai, Thomas, J.P.

Ms. TAM, Wai Chu, Maria, GBS, J.P.

Issue of Shares

During the six months ended 30th September 2006, the Company issued and allotted a total of 2,939,067 shares of HK\$0.10 each of the Company to certain staff members pursuant to their exercise of share options under the 1997 share option scheme (“1997 Share Option Scheme”) and the 2002 share option scheme (“2002 Share Option Scheme”).

Share Options

(I) Share Option Schemes

1997 Share Option Scheme

In view of the changes of Chapter 17 of the rules (“Listing Rules”) governing the listing of securities on the Stock Exchange which govern the operation of share option schemes, the Company adopted the 2002 Share Option Scheme and the operation of the 1997 Share Option Scheme was terminated on 29th August 2002 (such that no further

於二零零六年九月三十日及本報告刊印日期，董事會成員為：

執行董事

郭少明先生

(主席及行政總裁「行政總裁」)

郭羅桂珍女士 *(副主席)*

陸楷先生

(首席財務總監「首席財務總監」及合資格會計師)

非執行董事

利陸雁群女士

獨立非執行董事

陳玉樹教授，太平紳士

梁國輝博士，太平紳士

譚惠珠小姐，金紫荊星章，太平紳士

發行股份

於截至二零零六年九月三十日止六個月期間，本公司根據一九九七年購股權計劃（「一九九七年購股權計劃」）、二零零二年購股權計劃（「二零零二年購股權計劃」）發行及配發本公司每股面值0.10港元之股份合共2,939,067股予該等員工。

購股權

(I) 購股權計劃

一九九七年購股權計劃

鑑於監管購股權計劃運作的聯交所上市規則（「上市規則」）第十七章有所修訂，本公司採納了二零零二年購股權計劃，而一九九七年購股權計劃的運作則於二零零二年八月二十九日終止（故再無購股權可根據一九九七年購股權計劃予以授出，惟一九九

Supplementary Information 其他資料

options could be offered under the 1997 Share Option Scheme but the provisions of the 1997 Share Option Scheme continued to govern options granted under that scheme up to and including 28th August 2002). Details of share options granted under the 1997 Share Option Scheme and their movements during the period were set out below:-

七年購股權計劃的條文繼續對截至並包括二零零二年八月二十八日已授出的購股權具有約束力)。一九九七年購股權計劃授出之購股權詳情及於期內之變動載列如下：—

Name 姓名	Date of grant 授出日期	Subscription price 每股股份 認購價 (HK\$) (港元)	Exercisable period 行使期	Vesting period (from the date of grant) 行使前持有期 (自授出日起計)	*Closing price of the shares immediately before the date on which the options were exercised *股份於緊接購股權行使日期前一天之收市價 (HK\$) (港元)	Number of Share Options 購股權數目				
						Outstanding as at 1st April 2006 於二零零六年四月一日未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	# Lapsed during the period #於期內失效	Outstanding as at 30th September 2006 於二零零六年九月三十日未獲行使
Employees Under Continuous Employment Contract 連續性合約僱員	9th September 1997 一九九七年九月九日	1.90	9th September 1998 to 8th September 2007 一九九八年九月九日至 二零零七年九月八日	1 year 一年	2.61 (AVG) (平均價)	580,000	-	(124,000)	-	456,000
						580,000	-	(124,000)	-	456,000

* The weighted average closing price ("AVG") is shown where appropriate.

* 加權平均收市價(平均價)已適當顯示。

There is no share option cancelled during the period.

期內並無購股權被註銷。

Supplementary Information 其他資料

2002 Share Option Scheme

The 2002 Share Option Scheme was approved by the shareholders of the Company at the annual general meeting held on 29th August 2002. Details of share options granted under the 2002 Share Option Scheme and their movements during the period were set out below:—

二零零二年購股權計劃

本公司之股東於二零零二年八月二十九日召開之股東週年大會上通過了二零零二年購股權計劃，按二零零二年購股權計劃授出之購股權詳情及於期內之變動載列如下：—

Name 姓名	Date of grant 授出日期	Subscription price per share 每股股份 認購價 (HK\$) (港元)	Closing price per share immediately before the date of grant 股份於緊接 授出股權 日期前一天 之收市價 (HK\$) (港元)	Exercisable period 行使期	Vesting period (from the date of grant) 持有期 (自授出日 起計)	*Closing price of the shares immediately before the date on which the options were exercised *股份於緊接 購股權行使 日期前一天 之收市價 (HK\$) (港元)	Number of Share Options 購股權數目				Outstanding as at 30th September 2006 於二零零六年 九月三十日 未獲行使	
							Outstanding as at 1st April 2006 於二零零六年 四月一日 未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period #於期內失效		
Director 董事												
Mr. LOOK, Guy 陸楷先生	26th May 2006 二零零六年 五月二十六日	2.965	2.95	28th February 2007 to 25th May 2016 二零零七年二月二十八日至 二零一六年五月二十五日	0.75 year 0.75年	-	-	2,248,141	-	-	-	2,248,141
				29th February 2008 to 25th May 2016 二零零八年二月二十九日至 二零一六年五月二十五日	1.75 years 1.75年	-	-	2,248,141	-	-	-	2,248,141
				28th February 2009 to 25th May 2016 二零零九年二月二十九日至 二零一六年五月二十五日	2.75 years 2.75年	-	-	2,248,140	-	-	-	2,248,140
				note 附註 (1)	note 附註 (1)	-	-	2,248,141	-	-	-	2,248,141
				note 附註 (1)	note 附註 (1)	-	-	2,248,141	-	-	-	2,248,141
				note 附註 (1)	note 附註 (1)	-	-	2,248,140	-	-	-	2,248,140
Ms. TAM, Wai Chu, Maria 譚惠珠小姐	29th June 2004 二零零四年 六月二十九日	3.00	-	29th June 2005 to 28th June 2014 二零零五年六月二十九日至 二零一四年六月二十八日	1 year 一年	-	-	1,000,000	-	-	-	1,000,000

Supplementary Information 其他資料

Name 姓名	Date of grant 授出日期	Subscription price per share 每股份認購價 (HK\$) (港元)	Closing price per share immediately before the date of grant 股份於緊接授出日期前一日之收市價 (HK\$) (港元)	Exercisable period 行使期	Vesting period (from the date of grant) 持有期 (自授出日起計)	*Closing price of the shares immediately before the date on which the options were exercised *股份於緊接授出日期前一日之收市價 (HK\$) (港元)	Number of Share Options 購股權數目				
							Outstanding as at 1st April 2006 於二零零六年四月一日未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period #於期內失效	Outstanding as at 30th September 2006 於二零零六年九月三十日未獲行使
Employees Under Continuous Employment	1st September 2003 二零零三年九月一日	1.81	-	note 附註 (2)	note 附註 (2)	-	133,333	-	-	(133,333)	-
Contractual Employees	2nd October 2003 二零零三年十月二日	1.88	-	note 附註 (3)	note 附註 (3)	-	333,333	-	-	-	333,333
	2nd October 2003 二零零三年十月二日	1.88	-	note 附註 (3)	note 附註 (3)	-	333,333	-	-	-	333,333
	30th October 2003 二零零三年十月三十日	1.68	-	30th October 2004 to 29th October 2013 二零零四年十月三十日至二零一三年十月二十九日	1 year 一年 note 附註 (4)	3.07 (AVG) (平均價)	743,283	-	(105,171)	-	638,112
	30th October 2003 二零零三年十月三十日	1.68	-	30th October 2005 to 29th October 2013 二零零五年十月三十日至二零一三年十月二十九日	2 years 二年 note 附註 (4)	3.04 (AVG) (平均價)	5,298,532	-	(1,969,896)	-	3,328,636
	30th October 2003 二零零三年十月三十日	1.68	-	30th October 2006 to 29th October 2013 二零零六年十月三十日至二零一三年十月二十九日	3 years 三年 note 附註 (4)	-	12,472,230	-	-	(260,332)	12,211,898
	30th October 2003 二零零三年十月三十日	1.68	-	note 附註 (5)	note 附註 (5)	2.89 (AVG) (平均價)	1,959,364	-	(348,000)	(18,000)	1,593,364
	30th October 2003 二零零三年十月三十日	1.68	-	note 附註 (5)	note 附註 (5)	2.53 (AVG) (平均價)	10,538,042	-	(392,000)	(6,671,042)	3,475,000
	30th October 2003 二零零三年十月三十日	1.68	-	30th October 2006 to 29th October 2013 二零零六年十月三十日至二零一三年十月二十九日	3 years 三年	-	10,537,908	-	42,349,358	(106,666)	10,431,242

Supplementary Information 其他資料

Name 姓名	Date of grant 授出日期	Subscription price per share 每股股份認購價 (HK\$) (港元)	Closing price per share immediately before the date of grant 股份於緊接授出股權日期前一天之收市價 (HK\$) (港元)	Exercisable period 行使期	Vesting period (from the date of grant) 持有期 (自授出日期前起計)	*Closing price of the shares immediately before the date on which the options were exercised 股份於緊接購股權行使日期前一天之收市價 (HK\$) (港元)	Number of Share Options 購股權數目				
							Outstanding as at 1st April 2006 於二零零六年四月一日未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period #於期內失效	Outstanding as at 30th September 2006 於二零零六年九月三十日未獲行使
Employees Under Continuous Employment Contract (continued) 連續性合約僱員 (續)	4th December 2003 二零零三年十二月四日	1.90	-	1st December 2006 to 3rd December 2013 二零零六年十二月一日至二零零六年十二月三日	3 years from date of employment 三年 僱用日期起計三年	-	1,000,000	-	-	(1,000,000)	-
	4th December 2003 二零零三年十二月四日	1.90	-	note 附註 (6)	note 附註 (6)	-	1,000,000	-	-	(1,000,000)	-
	20th January 2004 二零零四年一月二十日	2.80	-	20th January 2007 to 19th January 2014 二零零七年一月二十日至二零零四年一月十九日	3 years 三年	-	66,666	-	-	(66,666)	-
	20th January 2004 二零零四年一月二十日	2.80	-	note 附註 (7)	note 附註 (7)	-	34,000	-	-	(34,000)	-
	20th January 2004 二零零四年一月二十日	2.80	-	note 附註 (7)	note 附註 (7)	-	66,667	-	-	(66,667)	-
	1st March 2004 二零零四年三月一日	2.85	-	14th January 2007 to 28th February 2014 二零零七年一月十四日至二零零四年二月二十八日	3 years from date of employment 三年 僱用日期起計三年	-	183,333	-	-	-	183,333
	1st March 2004 二零零四年三月一日	2.85	-	note 附註 (8)	note 附註 (8)	-	183,333	-	-	(98,333)	85,000

Supplementary Information 其他資料

Name 姓名	Date of grant 授出日期	Closing price per share immediately before the date of grant 股份於緊接授出日期前一日之收市價		Exercisable period 行使期	Vesting period (from the date of grant) 持有期 (自授出日起計)	*Closing price of the shares immediately before the date on which the options were exercised *股份於緊接授出日期前一日之收市價	Number of Share Options 購股權數目				Outstanding as at 30th September 2006 於二零零六年九月三十日未獲行使
		Subscription price per share 每股股份認購價 (HK\$) (港元)	grant price 授出股價 (HK\$) (港元)				Outstanding as at 1st April 2006 於二零零六年四月一日未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period #於期內失效	
Employees Under Continuous Employment Contract (continued) 連續性合約僱員 (續)	3rd March 2004 二零零四年三月三日	2.78	-	5th July 2007 to 2nd March 2014 二零零七年七月五日至二零一四年三月二日	3 years from the date of employment 僱用日期起計三年	-	333,333	-	-	-	333,333
	3rd March 2004 二零零四年三月三日	2.78	-	note 附註 (9)	note 附註 (9)	-	333,333	-	-	(193,333)	140,000
	3rd March 2004 二零零四年三月三日	2.78	-	note 附註 (9)	note 附註 (9)	-	302,000	-	-	-	302,000
	2nd August 2004 二零零四年八月二日	3.12	-	28th July 2007 to 1st August 2014 二零零七年七月二十八日至二零一四年八月一日	3 years from date of employment 僱用日期起計三年	-	183,333	-	-	-	183,333
	2nd August 2004 二零零四年八月二日	3.12	-	note 附註 (10)	note 附註 (10)	-	183,333	-	-	(143,333)	40,000
	2nd August 2004 二零零四年八月二日	3.12	-	note 附註 (10)	note 附註 (10)	-	98,000	-	-	-	98,000
	1st December 2004 二零零四年十二月一日	3.85	-	13th September 2007 to 30th November 2014 二零零七年九月十三日至二零一四年十一月三十日	3 years from date of employment 僱用日期起計三年	-	116,667	-	-	-	116,667

Supplementary Information 其他資料

Name 姓名	Date of grant 授出日期	Subscription price per share 每股股份 認購價 (HK\$) (港元)	Closing price per share immediately before the date of grant 股份於緊接授出股權日期前一天之收市價 (HK\$) (港元)	Exercisable period 行使期	Vesting period (from the date of grant) 行使前持有期 (自授出日期前 起計)	*Closing price of the shares immediately before the date on which the options were exercised 股份於緊接購股權行使日期前一天之收市價 (HK\$) (港元)	Number of Share Options 購股權數目				Outstanding as at 30th September 2006 於二零零六年九月三十日未獲行使
							Outstanding as at 1st April 2006 於二零零六年四月一日未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period 於期內失效	
Employees Under Continuous Employment	1st December 2004 二零零四年十二月一日	3.85	-	note 附註 (11)	note 附註 (11)	-	26,000	-	-	-	26,000
Contract (continued)	1st December 2004 二零零四年十二月一日	3.85	-	note 附註 (11)	note 附註 (11)	-	116,667	-	-	(116,667)	-
連續性合約僱員 (續)	1st December 2004 二零零四年十二月一日	3.85	-	2nd December 2004 to 30th November 2014 二零零四年十二月二日至二零零四年十一月三十日	-	-	278,666	-	-	-	278,666
	1st December 2004 二零零四年十二月一日	3.85	-	30th October 2005 to 30th November 2014 二零零五年十月三十日至二零零四年十一月三十日	2 years from 20th October 2003 二零零三年十月二十日起計二年	-	278,667	-	-	-	278,667
	1st December 2004 二零零四年十二月一日	3.85	-	30th October 2006 to 30th November 2014 二零零六年十月三十日至二零零四年十一月三十日	3 years from 20th October 2003 二零零三年十月二十日起計三年	-	278,667	-	-	-	278,667
	1st December 2004 二零零四年十二月一日	3.85	-	1st October 2007 to 30th November 2014 二零零七年十月一日至二零零四年十一月三十日	3 years from 1st October 2004 二零零四年十月一日起計三年	-	66,666	-	-	-	66,666

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Name 姓名	Date of grant 授出日期	Closing price per share immediately before the date of grant 股份於緊接授出日期前一日之收市價		Exercisable period 行使期	Vesting period (from the date of grant) 持有期 (自授出日起計)	*Closing price of the shares immediately before the date on which the options were exercised *股份於緊接授出日期前一日之收市價	Number of Share Options 購股權數目				Outstanding as at 30th September 2006 於二零零六年九月三十日未獲行使
		Subscription price per share (-HK\$) (港元)	grant price (+HK\$) (港元)				Outstanding as at 1st April 2006 於二零零六年四月一日未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period #於期內失效	
Employees Under Continuous Employment	1st December 2004 二零零四年十二月一日	3.85	-	note 附註 (12)	note 附註 (12)	-	26,000	-	-	-	26,000
Contract (continued) 連續性合約僱員 (續)	1st December 2004 二零零四年十二月一日	3.85	-	note 附註 (12)	note 附註 (12)	-	66,666	-	-	(41,666)	25,000
	22nd December 2004 二零零四年十二月二十二日	4.15	-	22nd December 2007 to 21st December 2014 二零零七年十二月二十二日至二零一四年十二月三十一日	3 years from date of employment 僱用日期起計三年	-	183,333	-	-	-	183,333
	22nd December 2004 二零零四年十二月二十二日	4.15	-	note 附註 (13)	note 附註 (13)	-	183,333	-	-	(151,333)	32,000
							48,938,021	13,488,844	(2,815,067)	(10,101,371)	49,510,427

* The weighted average closing price ("AVG") is shown where appropriate.

* 加權平均收市價 (平均價) 已適當顯示。

There is no share option cancelled during the period.

期內並無購股權被註銷。

Supplementary Information 其他資料

Notes:

- (1) The exercise of the share options is subject to certain performance targets that must be achieved by the director. The share options shall be exercised by the director not later than 25th May 2016.
- (2) The exercise of the share options is subject to certain performance targets that must be achieved by the director. The share options shall be exercised by the director not later than 31st August 2013.
- (3) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 1st October 2013.
- (4) On 30th October 2003, the Company granted share options to employees who had completed a minimum of 5 years of employment with the Group as at 30th September 2003 to subscribe for shares at an exercise price of HK\$1.68 per share in order to reward them for contributing to the long term success of the business of the Group and to encourage and motivate them to continue to contribute to the success of the business of the Group.
- (5) On 30th October 2003, the Company granted share options to employees of the Company who are of managerial level or above to subscribe for shares at an exercise price of HK\$1.68 per share in order to encourage and motivate them to continue to contribute to the success of the business of the Group. The exercise of the share options is subject to certain performance targets that must be achieved by the employees.
- (6) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 3rd December 2013.
- (7) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 19th January 2014.
- (8) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 28th February 2014.
- (9) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 2nd March 2014.
- (10) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 1st August 2014.

附註：

- (1) 該名董事必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一六年五月二十五日行使。
- (2) 該名董事必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一三年八月三十一日行使。
- (3) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一三年十月一日行使。
- (4) 本公司於二零零三年十月三十日授出購股權予於截至二零零三年九月三十日止服務本集團不少於五年之僱員，以獎賞該等僱員對本集團業務長線發展作出貢獻和鼓勵及推動該等僱員對集團業務長線發展繼續作出貢獻，其行使價為每股1.68港元。
- (5) 本公司於二零零三年十月三十日授出購股權予經理級或以上之僱員，以鼓勵及推動該等僱員對集團業務長線發展繼續作出貢獻，其行使價為每股1.68港元。有關僱員必須達到若干表現指標才符合資格行使購股權。
- (6) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一三年十二月三日行使。
- (7) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一四年一月十九日行使。
- (8) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一四年二月二十八日行使。
- (9) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一四年三月二日行使。
- (10) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一四年八月一日行使。

Supplementary Information 其他資料

- (11) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 30th November 2014.
- (12) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 30th November 2014.
- (13) The exercise of the share options is subject to certain performance targets that must be achieved by the employee. The share options shall be exercised by the employee not later than 21st December 2014.

Fair values of share options, measured at the grant date of the options, are estimated using a binomial lattice methodology that is based on the underlying assumptions of one of the commonly used employee share option pricing models. The fair value of options granted during the six months ended 30th September 2006 was HK\$8,599,000 (2005: Nil). The significant inputs into the share option pricing model were as follows:

Share price –	HK\$0.76 to HK\$4.15	Being the share price on the grant date ranging from 6th January 2003 to 26th May 2006
Exercise price –	HK\$0.77 to HK\$4.15	Being the exercise price ranging from 6th January 2003 to 26th May 2006
Risk free rate –	3.59% to 4.879%	Being the approximate yields of 10-year exchange fund notes issued by the government
Expected volatility –	31.24% to 45%	Being the annualized volatility of historical share price of the Company
Expected dividend yield –	4 to 5%	Being the prospective dividend yield of shares of the Company

The model is only one of the commonly used models to estimate the fair value of the employee share options. The value of an option varies with different assumptions. Any changes of the assumptions may affect the estimation.

- (11) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一四年十一月三十日行使。
- (12) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一四年十一月三十日行使。
- (13) 該名僱員必須達到若干表現指標才符合資格行使購股權。該等購股權必須不遲於二零一四年十二月二十一日行使。

在購股權授出日期估計之購股權公平價值，採用的計算方法二項格子法乃按一個常用的僱員購股權估值模式的基本假設。於截至二零零六年九月三十日止六個月內出之購股權的公平價值為8,599,000港元(二零零五年：無)。該模式所用之主要數據如下：

股價 –	0.76至4.15港元	即按授出購股權日期，即由二零零三年一月六日至二零零六年五月二十六日期間的股票價格
行使價 –	0.77至4.15港元	即按授出購股權日期，即由二零零三年一月六日至二零零六年五月二十六日期間的行使價格
無風險利率 –	3.59%至4.879%	即按授出購股權之日期買賣十年期外匯基金票據的參考收益率
預期波幅 –	31.24%至45%	即本公司過往的股票每日收市價之年度波幅
預期股息率 –	4%至5%	即本公司股份之預期股息率

該模式僅為估計僱員購股權估值的常用模式之一。購股權的價值會因不同的假設而有所不同，任何變動對購股權的估值都會構成影響。

Supplementary Information 其他資料

(II) Share options under the ex-director's service agreement

The Company granted to Mr. KING, Roger ("Mr. KING"), an ex-director of the Company, share options in accordance with the terms set out in a service agreement entered between the Company and Mr. KING on 2nd August 1999 ("Service Agreement") which was approved by the shareholders of the Company at an extraordinary general meeting held on 14th September 1999. Details of share options granted under the Service Agreement and their movements during the period were set out below:—

(II) 前董事服務協議之購股權

本公司根據一九九九年八月二日與前董事金樂琦先生（「金先生」）簽署之服務協議（「服務協議」）的條款向金先生授予一批購股權，有關協議已於一九九九年九月十四日經本公司股東特別大會通過。根據服務協議授出之購股權詳情及於期內之變動載列如下：—

Date of grant 授出日期	Subscription price per share 每股股份認購價 (HK\$) (港元)	Exercisable period 行使期	Vesting period 行使前持有期	Number of Share Options 購股權數目				
				Outstanding as at 1st April 2006 於二零零六年 四月一日 未獲行使	Granted during the period 於期內授出	Exercised during the period 於期內獲行使	#Lapsed during the period 於期內失效	Outstanding as at 30th September 2006 於二零零六年 九月三十日 未獲行使
14th September 1999 to 9th May 2002 note (1) 一九九九年九月十四日至 二零零二年五月九日 附註(1)	0.928	14th September 1999 to 2nd February 2007 一九九九年九月十四日至 二零零七年二月二日	—	5,013,587	—	—	—	5,013,587

There is no share option cancelled during the period.

年內並無購股權被註銷。

Note (1): The dates of grant were summarized due to various grants of options under the Service Agreement.

附註(1)：由於根據服務協議每月授出的購股權為數眾多，授出日期均摘要列出。

Purchase, Sale or Redemption of Shares

During the six months ended 30th September 2006, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

購回、出售或贖回股份

本公司或其任何附屬公司於截至二零零六年九月三十日止六個月內概無購回、出售或贖回本公司任何上市證券。

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

As at 30th September 2006, the interests and short positions of the directors and chief executives 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 ("SFO")) which were 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 which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") were set out below:

於二零零六年九月三十日，本公司董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券條例」）第XV部）擁有根據證券條例第XV部第7及第8分部須知會本公司及聯交所的股份、相關股份及債券之權益及淡倉（包括彼等根據證券條例之該等條文被假設或視為擁有之權益或淡倉），或記載於本公司按證券條例第352條須置存之登記冊內的權益或淡倉，或根據上市公司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或淡倉如下：

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

(I) Long Position in the Shares, Underlying Shares and Debentures of the Company

(I) 擁有公司股份、相關股份及債券之好倉

Name of director 董事姓名	Capacity 身份	Number of shares in the Company 本公司之股份數目					Total interests 總權益	Approximate percentage of shareholding 約佔持股百分比
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益			
Mr. KWOK, Siu Ming, Simon 郭少明先生	Interests of a controlled corporation (Note 1) 所控制法團的權益(附註1)	-	-	898,506,400	-	898,506,400	66.55%	
	Beneficial Owner 實益擁有人	20,364,000	-	-	-	20,364,000	1.51%	
Mrs. KWOK LAW, Kwai Chun, Eleanor 郭羅桂珍女士	Interests of a controlled corporation (Note 1) 所控制法團的權益(附註1)	-	-	898,506,400	-	898,506,400	66.55%	
	Beneficial Owner 實益擁有人	1,000,000	-	-	-	1,000,000	0.08%	
Mrs. LEE LOOK, Ngan Kwan, Christina 利陸雁群女士	Interests of a controlled corporation 所控制法團的權益	-	-	148,000	-	148,000	0.01%	
	Beneficial Owner 實益擁有人	650,000	-	-	-	650,000	0.05%	
Professor CHAN, Yuk Shee 陳玉樹教授	Beneficial Owner 實益擁有人	650,000	-	-	-	650,000	0.05%	

Note 1: These shares are held as to 696,780,000 shares by Sunrise Height Incorporated and as to 201,726,400 shares by Green Ravine Limited. Both Sunrise Height Incorporated and Green Ravine Limited are owned as to 50% each by Mr. KWOK, Siu Ming, Simon and Mrs. KWOK LAW, Kwai Chun, Eleanor.

附註1：該等股份其中696,780,000股由Sunrise Height Incorporated持有而201,726,400股由Green Ravine Limited持有。郭少明先生及郭羅桂珍女士各持有Sunrise Height Incorporated及Green Ravine Limited 50%權益。

Details of the interests of directors and chief executive in the derivatives interests in the Company for the six months ended 30th September 2006 were disclosed under the section headed "Share Options" under "Supplementary Information".

各董事及最高行政人員於截至二零零六年九月三十日止六個月期間擁有本公司衍生工具權益之詳情已於「其他資料」項下「購股權」一欄披露。

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

(II) Long position in the Shares, Underlying Shares and Debentures of Associated Corporations

Mr. KWOK, Siu Ming, Simon and Mrs. KWOK LAW, Kwai Chun, Eleanor are each taken to be interested in all the issued non-voting deferred shares ("Deferred Shares") of Base Sun Investment Limited, Matford Trading Limited, Sa Sa Cosmetic Company Limited and Sa Sa Investment Limited, all wholly-owned subsidiaries of the Company. Mrs. KWOK LAW, Kwai Chun, Eleanor is also taken to be interested in all the Deferred Shares of Vance Trading Limited, a wholly-owned subsidiary of the Company. Details of interests in the Deferred Shares were set out below:

(II) 擁有相聯法團股份、相關股份及債券之好倉

郭少明先生及郭羅桂珍女士分別被視為擁有鵬日投資有限公司、美福貿易有限公司、莎莎化粧品有限公司及莎莎投資有限公司之全部已發行無投票權遞延股份（「遞延股份」）之權益，前述公司均為本公司全資附屬公司。郭羅桂珍女士亦被視為擁有本公司全資附屬公司榮森貿易有限公司全部已發行無投票權遞延股份之權益。遞延股份之權益詳情載列如下：—

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

Mr. KWOK, Siu Ming, Simon

郭少明先生

Name of associated corporation 相聯法團名稱	Capacity 身份	Number of Deferred Shares in the associated corporation 相聯法團之遞延股份數目					Total interests 總權益	Percentage of shareholding to all the Deferred Shares of associated corporation 佔相聯法團之所有遞延股份百分比
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益			
Base Sun Investment Limited 鵬日投資有限公司	Interests of a controlled corporation (Note 1) 所控制法團的權益(附註1)	-	-	2	-	2	100%	
Matford Trading Limited 美福貿易有限公司	Beneficial owner (Note 2) 實益擁有人(附註2)	3	-	-	-	3	50%	
Sa Sa Cosmetic Company Limited 莎莎化粧品有限公司	Beneficial owner 實益擁有人	1	-	-	-	1	50%	
Sa Sa Investment Limited 莎莎投資有限公司	Beneficial owner 實益擁有人	1	-	-	-	1	50%	

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

Mrs. KWOK LAW, Kwai Chun, Eleanor

郭羅桂珍女士

Name of associated corporation 相聯法團名稱	Capacity 身份	Number of Deferred Shares in the associated corporation 相聯法團之遞延股份數目					Total interests 總權益	Percentage of shareholding to all the Deferred Shares of associated corporation 佔相聯法團之所有遞延股份百分比
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益			
Base Sun Investment Limited 騰日投資有限公司	Interest of a controlled corporation (Note 1) 所控制法團的權益(附註1)	-	-	2	-	2	100%	
Matford Trading Limited 美福貿易有限公司	Beneficial owner (Note 3) 實益擁有人(附註3)	3	-	-	-	3	50%	
Sa Sa Cosmetic Company Limited 莎莎化粧品有限公司	Beneficial owner 實益擁有人	1	-	-	-	1	50%	
Sa Sa Investment Limited 莎莎投資有限公司	Beneficial owner 實益擁有人	1	-	-	-	1	50%	
Vance Trading Limited 榮森貿易有限公司	Beneficial owner 實益擁有人	1,600,000	-	-	-	1,600,000	100%	

Note 1: Mr. KWOK, Siu Ming, Simon holds 2 shares in Base Sun Investment Limited through Link Capital Investment Limited and Modern Capital Investment Limited. Link Capital Investment Limited and Modern Capital Investment Limited are companies owned as to 50% each by Mr. KWOK, Siu Ming, Simon and Mrs. KWOK LAW, Kwai Chun, Eleanor.

附註1: 郭少明先生透過Link Capital Investment Limited及Modern Capital Investment Limited持有騰日投資有限公司兩股股份。郭少明先生及郭羅桂珍女士各持有Link Capital Investment Limited及Modern Capital Investment Limited 50%權益。

Note 2: Mr. KWOK, Siu Ming, Simon holds 3 shares in Matford Trading Limited through Mr. YUNG, Leung Wai who acts as a nominee shareholder.

附註2: 郭少明先生透過容良偉先生(作為其代理人股東)持有美福貿易有限公司三股股份。

Note 3: Mrs. KWOK LAW, Kwai Chun, Eleanor holds 3 shares in Matford Trading Limited through Ms. KWOK, Lai Yee, Mable who acts as a nominee shareholder.

附註3: 郭羅桂珍女士透過郭麗儀小姐(作為其代理人股東)持有美福貿易有限公司三股股份。

Note 4: Certain qualifying share was held by Mr. KWOK, Siu Ming, Simon in trust for a wholly-owned subsidiary of the Company.

附註4: 郭少明先生受託代本公司一間全資附屬公司持有若干董事資格股份。

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

Save as disclosed above, no directors or chief executive have any interests or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have 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 were taken or deemed to have under such provisions), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' Benefits from Rights to Acquire Shares or Debentures

Save as disclosed under the section headed the "Share Options" under the "Supplementary Information", at no time during the period was the Company, its holding company or its subsidiaries or a subsidiary of the Company's holding company, a party to any arrangements which enabled the directors of the Company (including their spouses or children under 18 years of age), to acquire benefits by means of acquisition of shares in or debenture of the Company or any other body corporate.

除上文所披露者外，各董事及最高行政人員概無在本公司或其相聯法團（定義見證券條例第XV部）擁有根據證券條例第XV部第7及第8分部須知會本公司及聯交所的股份、相關股份及債券之權益或淡倉（包括彼等根據證券條例之該等條文被假設或視為擁有之權益或淡倉），或記載於本公司按證券條例第352條須置存之登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

董事購買股份或債券權利之利益

除於「其他資料」項下「購股權」一欄所披露者外，本公司、其控股公司或其附屬公司於期內任何時間概無參與訂立任何協議，令本公司之董事（包括彼等之配偶或十八歲以下之子女）可藉收購本公司或任何其他法人團體之股份或債券而獲得利益。

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

Interests and Short Positions in Shares and Underlying Shares of Shareholders

So far as is known to any director or chief executive of the Company, as at 30th September 2006, shareholders, other than a director or chief executive, who had interests and short positions in the shares and underlying shares of the Company which would have to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions), or which were recorded in the register of interests required to be kept by the Company under Section 336 of the SFO were as follows:

(I) Long Position of Substantial Shareholders in the Shares of the Company

Name of company 公司名稱	Capacity 身份	No. of shares held 持股量	Approximate percentage of shareholding 約佔持股百分比
Sunrise Height Incorporated	Beneficial owner 實益擁有人	696,780,000 (Note) (附註)	51.61%
Green Ravine Limited	Beneficial owner 實益擁有人	201,726,400 (Note) (附註)	14.94%

Note: Both Sunrise Height Incorporated and Green Ravine Limited are owned as to 50% each by Mr. KWOK, Siu Ming, Simon and Mrs. KWOK LAW, Kwai Chun, Eleanor.

股東於股份及相關股份的權益及淡倉

就本公司董事或最高行政人員所知，於二零零六年九月三十日，擁有根據證券條例第XV部第2及第3分部須向本公司及聯交所披露的股份及相關股份之權益及淡倉（包括彼等根據證券條例之該等條文被假設或視為擁有之權益或淡倉），或記載於本公司按證券條例第336條須置存之登記冊內的權益或淡倉之股東如下：

(I) 主要股東擁有本公司股份之好倉

附註：郭少明先生及郭羅桂珍女士各擁有Sunrise Height Incorporated 及Green Ravine Limited 50%股權。

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

(II) Long Position of Other Persons in the Shares of the Company

(II) 其他人士擁有本公司股份之好倉

Name of company 公司名稱	Capacity 身份	No. of shares held 持股量	Approximate percentage of shareholding 約佔持股百分比
Matthews International Capital Management, LLC	Investment Manager 投資經理	94,062,000	6.97%

Save as disclosed above, the Company has not been notified by any person (other than the directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would have to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions), or which were recorded in the register of interests required to be kept by the Company under Section 336 of the SFO.

除上文所披露者外，本公司並無知悉任何人士擁有根據證券條例第XV部第2及第3分部須向本公司及聯交所披露的股份或相關股份（除本公司董事或最高行政人員外）之權益或淡倉（包括彼等根據證券條例之該等條文被假設或視為擁有之權益或淡倉），或記載於本公司按證券條例第336條須置存之登記冊內的權益或淡倉。

Corporate Governance 企業管治

The Company is committed to good corporate governance principles and practice and its Board recognizes that it is essential to safeguard the interests of shareholders, customers and employees and uphold accountability, transparency and responsibility of the Company. The Company has complied with the code provisions (“Code Provisions”) in the Code on Corporate Governance Practices (“CG Code”) set out in Appendix 14 of the Listing Rules throughout the six months ended 30th September 2006 except for deviation from the Code Provisions A.2.1, particulars of which are set out below. With a view to monitor and continuously improve its performance, the Company reviews its corporate governance practices from time to time and always aims to enhance its corporate governance practices in line with local and international practices.

(I) CG Code

Code A.2.1 – Chairman and CEO

The code provision A.2.1 of the CG Code stipulated that the roles of chairman and CEO should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing.

Mr. KWOK, Siu Ming, Simon has been both the chairman and CEO of the Company whose responsibilities were clearly set out in writing and approved by the Board effective on 1st April 2005. Given the Group’s current stage of development, the Board considers that vesting the roles of chairman and CEO in the same person facilitates the execution of the Group’s business strategies and maximizes effectiveness of its operation. The Board shall nevertheless review the structure from time to time and it will consider the appropriate move to take should suitable circumstance arise.

本公司致力維持良好企業管治原則及常規，本公司董事會深信保障股東、客戶與僱員之權益，並提升公司問責、透明度及責任感尤為重要。二零零六年九月三十日過去六個月內，本公司一直遵守審閱期內適用於本公司之上市規則附錄十四所載企業管治常規守則（「管治常規」）的所有守則條文（「守則條文」），除下文（守則條文A.2.1）所述者外。為了監察及持續改善表現，本公司不時檢討其企業管治常規，並不斷致力提升本公司之企業管治常規達到本地及國際常規之水平。

(I) 管治常規

守則條文A.2.1 – 主席與行政總裁

守則條文A.2.1指明主席與行政總裁的角色應有區分，並不應由一人同時兼任。主席與行政總裁之間職責的分工應清楚界定並以書面列載。

郭少明先生現身兼公司主席及行政總裁兩職，其職責已清楚界定並以書面列載，並獲董事會通過於二零零五年四月一日起生效。按集團目前之發展情形，董事會認為由同一人身兼公司主席及行政總裁，有利執行集團之商業策略和發揮集團之最高營運效益，惟董事會會不時檢討有關架構，當情況合適時，會考慮作出適當的安排。

(II) Model Code

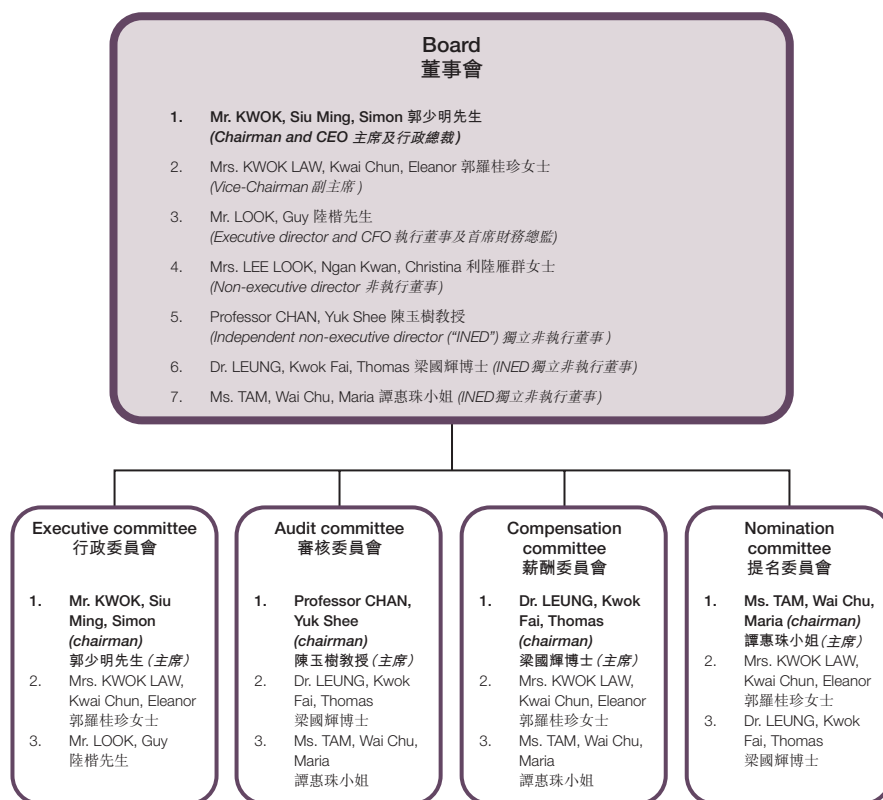
The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiry of all directors, all directors confirmed that they had complied with the required standard set out in the Model Code and the Company's code of conduct regarding directors' securities transactions throughout the period.

(II) 標準守則

本公司已就董事進行的證券交易，採納一套不低於標準守則所訂標準的守則。本公司已向所有董事作出特定查詢，所有董事確認已於期內遵守標準守則及本公司自訂有關董事進行證券交易的守則的標準。

(III) Composition of the Board and various Board Committees

(III) 董事會及董事委員會



Board

The Board currently comprises three executive directors, namely Mr. KWOK, Siu Ming, Simon, Mrs. KWOK LAW, Kwai Chun and Mr. LOOK Guy, and four non-executive directors in which three of them are INEDs, representing more than one-third of the Board. The INEDs are Professor CHAN, Yuk Shee, Dr. LEUNG, Kwok Fai, Thomas and Ms. TAM, Wai Chu, Maria who offer diversified expertise and serve to advise the Board and management on strategy development and provide checks and balances for safeguarding the interest of the shareholders and the Group as a whole.

The business and affairs of the Company and its subsidiaries shall be under the direction of and vest with the Board pursuant to the articles of association of the Company. The Board is elected by the shareholders and is the ultimate decision making body of the Group except in respect of matters reserved for shareholders. The Board accepts that it is ultimately accountable and responsible for the performance and affairs of the Group. However, while the Board retains oversight responsibility, certain of that authority is necessarily delegated by the Board to the management in order to enable the management to develop and implement the Company's strategic plans and annual operating plans, and to conduct the Company's day-to-day activities. The Board diligently monitors the management's performance in that regard but responsibility for conducting the Company's day-to-day operations rests with the management.

The Board appointed four Board committees, namely executive committee, audit committee, compensation committee and nomination committee to oversee particular aspects of the Group's affairs. The Company shall review the said delegation arrangements on a periodic basis to ensure that they remain appropriate to its needs. The Board and the Board committees work under well established corporate governance practices and its terms of reference which reinforce the responsibilities of directors in accordance with the requirements of the Listing Rules and other relevant statutory requirements.

董事會

董事會現包括三名執行董事，分別為郭少明先生、郭羅桂珍女士與陸楷先生，以及四名非執行董事，其中三人為獨立非執行董事，佔董事會人數超過三分之一。獨立非執行董事為陳玉樹教授、梁國輝博士與譚惠珠小姐，彼等提供不同之專業知識及向董事會和管理層提供策略發展之意見，並為保障股東及本集團整體利益擔當審核及協調工作。

本公司及其附屬公司之業務及事務乃根據本公司組織章程細則由董事會領導及授權。董事會乃由股東選出，且為本集團最終決策單位，惟須由股東處理之事宜則除外。董事會須就本集團之表現及事務最終問責及負責。儘管董事會保留監察責任，其若干權力仍須下放予管理層，使管理層可以發展和推行本公司的策略性計劃和年度營運方案與及進行本公司日常之活動。董事會盡心監察管理層之表現，惟本公司日常運作則留待管理層處理。

董事會已委任四個董事委員會，分別為行政委員會、審核委員會、薪酬委員會及提名委員會，以監察集團事務的各特定範疇。本公司會定期檢討上述委派權力之安排，以確保其切合所需。董事會及董事委員會按照良好的企業管治常規及其職權範圍運作，此等常規及職權範圍乃根據上市規則及其他有關法定要求規定，旨在加強董事之責承。

Corporate Governance 企業管治

The directors' attendance at the Board and Board committee meetings of the Company during the six months ended 30th September 2006 are set out in the following table ("Meeting Schedule"):

截至二零零六年九月三十日止六個月期間，董事出席本公司董事會及董事委員會會議之記錄載於下表（「會議時間表」）：

Meeting attendance

會議出席記錄

Name of directors 董事姓名	Board meeting 董事會會議	Executive committee meeting 行政委員會 會議	Audit committee meeting 審核委員會 會議	Compensation and nomination committee meeting 薪酬及提名 委員會會議
Executive directors 執行董事				
Mr. KWOK, Siu Ming, Simon 郭少明先生	3	5	2 (Note 1) (附註1)	n/a 不適用
Mrs. KWOK LAW, Kwai Chun, Eleanor 郭羅桂珍女士	3	4	n/a 不適用	-
Mr. LOOK, Guy 陸楷先生	3	4	2 (Note 1) (附註1)	n/a 不適用
Non-executive director 非執行董事				
Mrs. LEE LOOK, Ngan Kwan, Christina 利陸雁群女士	3	n/a 不適用	n/a 不適用	n/a 不適用
INEDs 獨立非執行董事				
Professor CHAN, Yuk Shee 陳玉樹教授	3	n/a 不適用	2	n/a 不適用
Dr. LEUNG, Kwok Fai, Thomas 梁國輝博士	3	n/a 不適用	2	-
Ms. TAM, Wai Chu, Maria 譚惠珠小姐	3	n/a 不適用	2	-
Total meetings held 會議總數	3	5	2	-

Note 1: Mr. KWOK, Siu Ming, Simon and Mr. LOOK, Guy attended two audit committee meetings as invitees.

附註1：郭少明先生與陸楷先生以受邀者身分出席兩次審核委員會會議。

Executive committee

Being part of the management team, the executive committee held meetings on a regular basis. The members of the executive committee are Mr. KWOK, Siu Ming, Simon, who presides as the chairman, Mrs. KWOK LAW, Kwai Chun, Eleanor and Mr. LOOK, Guy.

Audit committee

The Company established an audit committee with written terms of reference on 13th October 1999. The current audit committee members are Professor CHAN, Yuk Shee who presides as chairman, Dr. LEUNG, Kwok Fai, Thomas and Ms. TAM, Wai Chu, Maria, all of which are INEDs and at least one of whom possess the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules.

The audit committee is responsible for, inter alia, reviewing and monitoring the relationship between the Company and its auditors, reviewing of the financial information of the Company and overseeing the Company's financial controls, internal control and risk management systems. The audit committee members have met with external and internal auditors and discussed the general scope of the audit works and reviewed the audit reports and the interim and annual accounts of the Group.

行政委員會

行政委員會作為管理團隊之一部分，會定期舉行會議。行政委員會成員為郭少明先生(主席)、郭羅桂珍女士及陸楷先生。

審核委員會

本公司於一九九九年十月十三日成立審核委員會，並訂明其職權範圍。審核委員會現有成員為陳玉樹教授(主席)、梁國輝博士及譚惠珠小姐，彼等均為獨立非執行董事，彼等中最少一人擁有上市規則第3.10(2)條要求的適當專業資格或會計或相關財務管理專業知識。

審核委員會須負責(其中包括)檢討及監察本公司與其核數師之關係、審閱本公司財務資料、監管本公司財務監控、內部監控及風險管理制度。審核委員會成員須與外聘及內部核數師會面，商討審核工作一般範疇及審閱本集團審核報告、中期及全年賬目。

Compensation committee

A compensation committee had been formed in December 1999 and was then formally established in March 2000. There are three compensation committee members currently, namely Dr. LEUNG, Kwok Fai, Thomas, who presides as the chairman, Mrs. KWOK LAW, Kwai Chun, Eleanor and Ms. TAM, Wai Chu, Maria, the majority of which are INEDs.

The role and authorities of the compensation committee, including those set out in B.1.3. of the Code Provision in the CG Code, were clearly set out in its terms of reference which are available at the Company's website and on request. Pursuant to its terms of reference, the compensation committee should be provided with sufficient resources to discharge its duties, including obtaining independent professional advice in appropriate circumstances as and when deem necessary and fit pursuant to the independent professional advice guideline adopted by the Company from time to time.

Nomination committee

The Board had established a nomination committee on 31st March 2005, whose members are Ms. TAM, Wai Chu, Maria, being the chairman, Mrs. KWOK LAW, Kwai Chun, Eleanor and Dr. LEUNG, Kwok Fai, Thomas. The terms of reference of the nomination committee adopted on 31st March 2005, which is made available on the website of the Group, has set out details of its role and functions, nomination procedures and the process and criteria adopted for selection and recommendation of candidates for directorship of the Company.

薪酬委員會

薪酬委員會最初於一九九九年十二月成立，其後於二零零零年三月正式組成。現有的三名薪酬委員會成員包括梁國輝博士（主席）、郭羅桂珍女士及譚惠珠小姐，其大部分成員均為獨立非執行董事。

薪酬委員會之角色及權力，包括管治守則中之守則條文第B.1.3條所載者，清楚載列於其職權範圍內，有關文件已於本公司網站登載，並可於作出要求時供查閱。按有關職權範圍，薪酬委員會應獲提供充足資源，包括根據本公司不時採納之獨立意見指引，以及被視為有需要及適當時於適當情況獲取獨立專業意見，以履行其責任。

提名委員會

董事會於二零零五年三月三十一日成立提名委員會，成員為譚惠珠小姐（主席）、郭羅桂珍女士及梁國輝博士。本集團網站登載於二零零五年三月三十一日採納之提名委員會職權範圍，載有該委員會角色和職能、以及挑選及建議合適人選加入本公司董事會之提名程序。

Corporate Governance 企業管治

The nomination committee is responsible for, inter alia:-

- (i) determining the policy for the nomination of directors;
- (ii) reviewing the structure, size and composition (including the skills, knowledge and expertise) of the Board on a regular basis and making recommendations to the Board regarding any proposed changes;
- (iii) identifying individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorship;
- (iv) assessing the independence of INEDs; and
- (v) making recommendations to the Board on the relevant matters relating to the appointment or re-appointment of directors.

(IV) Internal Control and Risk Management

Recognising that a well-designed system of internal control is crucial to safeguard the assets of the Company and to ensure the reliability of financial reporting as well as compliance with laws and regulations, the Company is committed to set up and maintain a good system of internal control which is devised to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives. The Board also acknowledges that it has overall responsibility for the Company's internal control, financial control and risk management system and shall monitor its effectiveness from time to time.

提名委員會負責，其中包括：

- (i) 釐定提名董事之政策；
- (ii) 定期檢討董事會之架構、人數及組成（包括技能、知識及經驗方面），並就任何擬作出之變動向董事會作出建議；
- (iii) 物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會作出建議；
- (iv) 評核獨立非執行董事之獨立性；及
- (v) 就董事委任或重新委任向董事會作出建議。

(IV) 內部監控及危機管理

設計完善之內部監控制度對保障本公司財產、確保財務報告可靠性以及遵守法例及規則甚為重要，所以本公司致力設立並維持一個良好的內部監控系統，以提供合理，惟非絕對之保證，以防出現嚴重誤報或損失的情況，並管理，而非杜絕運作系統及達致集團目標出現失誤之風險。董事會亦明白其對本公司內部監控、財務控制及風險管理制度之整體責任，並不時監察其效能。

Corporate Governance 企業管治

The internal audit and management services department (“IA Department”) is responsible for internal audit function of the Company and monitors the internal control procedures and systems and reports its findings and recommendations, if any, to the audit committee on a quarterly basis.

Based on the assessment of risk exposure, the IA Department formulates an audit plan annually, which ensures the annual audit programs cover all high-risk areas, for the approval of the audit committee. The scopes and frequencies of audit reviews shall be determined according to risk assessment. Special reviews may also be performed on areas of concern identified by management or the audit committee from time to time.

(V) Management Meetings

Executive committee and the management team meet together regularly to review, discuss and make decisions on financial and operational matters. During the period, eighteen management meetings were held and chaired by the chairman and CEO of the Company which enhanced and strengthened departmental communications and co-operation within the Group.

內部審核及管理服務部(「內審部」)負責本公司內部審核及監督內部監控程序及系統，並按季度向審核委員會匯報其發現及建議(如有)。

內審部會根據面對風險之評估從而每年制訂審核計劃，以確保年度審核工作涵蓋所有高風險範圍，審核計劃須呈交審核委員會批准。審核檢討之範圍及次數乃按風險評估而決定，亦會因應管理層或審核委員會所關注之事項不時進行特別檢討。

(V) 管理層會議

行政委員會及管理層團隊定期會面，檢討、商討及就財務及營運事項作出決策。期內，曾舉行十八次管理層會議，由本公司主席及行政總裁主持，以提高及鞏固集團部門間之溝通及合作。

(VI) Investor Relations

The Group is committed to fostering productive and long-term relationships with shareholders and investors through open and prompt communication. Various channels have been established to facilitate transparency. Key information on the Group, which is continuously updated (including a separate Corporate Governance section), annual reports and webcasts of results presentations are available on our corporate website (www.sasa.com). In addition to the Annual General Meeting in which shareholders can put questions to Directors about the Group's performance, press and analysts' conferences are held at least twice a year subsequent to the interim and final results announcements. At these conferences, our management team explains the Group's business performance and future direction. The Group also seeks opportunities to communicate its strategies to investors and the public through active participation at investors' conferences, regular meetings with fund managers and potential investors, as well as through press interviews and timely press releases. Other than individual meetings with analysts, institutional investors and fund managers, the Group also participated in various road shows and conferences during the period. These are summarised as follows:

(VI) 投資者關係

集團致力與股東及投資者建立良好而長遠的關係，因此設立多種溝通渠道作迅速和坦誠的溝通，以增加透明度。集團網頁 (www.sasa.com) 載有集團之重要資訊 (包括獨立的「公司管治」章節)，而且不斷更新，亦載有年度業績報告及記者招待會上發佈的業績簡報。除在股東週年大會上股東可向董事提出有關集團表現的意見外，集團亦每年最少於公佈中期及年度業績後舉行兩次記者招待會及分析員研討會，由管理層講解集團的業績及未來發展方向。此外集團亦透過積極參與投資者會議，定期與基金經理及潛在投資者會面，接受報章訪問及發出新聞稿向投資者及公眾闡釋業務策略。期內，集團管理層除與分析員、機構投資者及基金經理會面外，亦曾參加以下巡迴推介及大型投資者會議：

Date 日期	Event 活動	Organiser 主辦機構	Location 地點
September 2006 二零零六年九月	11th Asia Pacific Equities Conference 第十一屆亞太資本會議	JP Morgan 摩根大通	New York 紐約
September 2006 二零零六年九月	Road show 巡迴推介	DBS Vickers DBS唯高達証券	San Francisco & Denver 三藩市及丹佛
August 2006 二零零六年八月	Consumer & Retail Corporate Access Day 消費及零售企業推介日	JP Morgan 摩根大通	Hong Kong 香港
July 2006 二零零六年七月	Road show 巡迴推介	CIMB-GK Securities 聯昌國際証券	Hong Kong, Singapore and Kuala Lumpur 香港、新加坡及吉隆坡
June 2006 二零零六年六月	Greater China Consumer Corporate Day 大中華消費企業推介日	BNP Paribas Peregrine 法國巴黎百富勤	Hong Kong 香港

Corporate Governance 企業管治

On behalf of the Board, I would like to extend my thanks and appreciation to all our staff for their hard work and commitment and to all of our customers, suppliers and shareholders for their continued support.

By Order of the Board

Kwok Siu Ming, Simon

Chairman and CEO

Hong Kong, 30th November 2006

本人謹代表董事會對本集團所有員工之勤奮工作及忠誠服務及所有顧客、供應商和股東的不斷支持，深表謝意。

承董事會命

主席及行政總裁

郭少明

香港，二零零六年十一月三十日



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Shares of Sa Sa International Holdings Limited are traded on
The Stock Exchange of Hong Kong Limited (Stock Code: 178)
莎莎國際控股有限公司股份於香港聯合交易所有限公司買賣 (股份代號 : 178)