



卓越成就五十載

50 YEARS OF SUPER BRAND ACHIEVEMENTS

WORLD'S LEADING MACHINE MANUFACTURER
全球最大注塑機生產商之一

財務摘要

Financial Highlights

截至二零零七年三月三十一日止年度

Year ended 31 March 2007

		2007	2006	變動 Change
業績摘要 (港幣千元)	Results Highlights (HK\$'000)			
收益	Revenue	2,155,014	1,955,334	10%
除稅前溢利	Profit before tax	337,124	299,094	13%
本公司權益持有人 應佔溢利	Profit attributable to equity holders of the Company	312,276	272,450	15%
資產總值	Total assets	2,661,539	2,477,621	7%
股東權益	Shareholders' funds	2,077,378	1,839,257	13%
已發行股本	Issued share capital	62,416	61,862	1%
流動資產淨值	Net current assets	1,132,805	900,864	26%
每股數據	Per Share Data			
每股基本盈利 (港仙)	Basic earnings per share (HK cents)	50.2	44.0	14%
每股現金股息 (港仙)	Cash dividends per share (HK cents)	24.0	20.0	20%
每股資產淨值 (港元)	Net assets per share (HK\$)	3.3	3.0	10%
主要財務比率	Key Financial Ratios			
平均股東權益回報率 (%)	Return on average shareholders' funds (%)	15.9	15.5	3%
平均資產總值回報率 (%)	Return on average total assets (%)	12.2	11.4	7%

股價資料

Share Price Information

所有股價以港元表述

All share prices are expressed in Hong Kong dollars

		2007		2006		2005	
		最高 Highest	最低 Lowest	最高 Highest	最低 Lowest	最高 Highest	最低 Lowest
一至三月	Jan – Mar	6.08	4.75	4.90	4.55	5.05	4.40
四至六月	Apr – Jun	6.80	5.01	4.83	3.33	4.65	3.90
七至九月	Jul – Sep	不適用 N/A	不適用 N/A	4.45	3.80	4.70	4.00
十至十二月	Oct – Dec	不適用 N/A	不適用 N/A	5.62	4.22	4.75	3.33

目錄

Contents

2	公司資料	Corporate Information
4	主席報告書	Chairman's Statement
8	管理層之論述及分析	Management's Discussion & Analysis
19	董事及高級管理人員 之簡歷	Brief Biographical Details of Directors & Senior Management
25	企業管治報告書	Corporate Governance Report
34	董事局報告書	Report of the Directors
50	獨立核數師報告書	Independent Auditors' Report
52	綜合： 收益表	Consolidated: Income Statement
53	資產負債表	Balance Sheet
55	權益變動報表	Statement of Changes in Equity
57	現金流量表	Cash Flow Statement
59	本公司：資產負債表	Company: Balance Sheet
60	財務報表附註	Notes to Financial Statements
128	主要附屬公司	Principal Subsidiaries
132	五年財務摘要	Five-Year Financial Summary

公司資料

Corporate Information

董事

執行董事

蔣震博士，大紫荊勳賢 (主席)
蔣麗苑女士 (行政總裁)
蔣志堅先生
鍾效良先生
吳漢華先生

獨立非執行董事

陳慶光先生
Anish LALVANI先生
陳智思先生

審核委員會

陳慶光先生 (主席)
Anish LALVANI先生
陳智思先生

薪酬委員會

Anish LALVANI先生 (主席)
陳智思先生
蔣麗苑女士

公司秘書

聶羨萍女士

授權代表

蔣麗苑女士
聶羨萍女士

核數師

安永會計師事務所

主要往來銀行

法國巴黎銀行
東方匯理銀行
中國工商銀行 (亞洲) 有限公司
香港上海滙豐銀行有限公司

Directors

Executive Directors

Dr. Chen CHIANG, GBM (*Chairman*)
Ms. Lai Yuen CHIANG (*Chief Executive Officer*)
Mr. Chi Kin CHIANG
Mr. Stephen Hau Leung CHUNG
Mr. Sam Hon Wah NG

Independent Non-executive Directors

Mr. Johnson Chin Kwang TAN
Mr. Anish LALVANI
Mr. Bernard Charnwut CHAN

Audit Committee

Mr. Johnson Chin Kwang TAN (*Chairman*)
Mr. Anish LALVANI
Mr. Bernard Charnwut CHAN

Remuneration Committee

Mr. Anish LALVANI (*Chairman*)
Mr. Bernard Charnwut CHAN
Ms. Lai Yuen CHIANG

Company Secretary

Ms. Alice Sin Ping LIP

Authorised Representatives

Ms. Lai Yuen CHIANG
Ms. Alice Sin Ping LIP

Auditors

Ernst & Young

Principal Bankers

BNP Paribas
CALYON
Industrial and Commercial Bank of China (Asia) Limited
The Hongkong and Shanghai Banking Corporation Limited

主要股份過戶登記處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

股份過戶登記分處

登捷時有限公司
香港
皇后大道東28號
金鐘匯中心26樓

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

總辦事處及 主要營業地點

香港
新界大埔
大埔工業邨
大宏街13至15號

企業傳訊及 投資者關係

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股票代號

0057

Principal Share Registrars

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

Branch Share Registrars

Tengjs Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Hong Kong

Registered Office

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Head Office & Principal Place of Business

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Hong Kong

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Stock Code

0057

主席報告書 Chairman's Statement



就是我所要的，



蔣震博士榮獲二零零五年最高榮譽
大紫荊勳章

Dr. Chen CHIANG,
Chairman, was
awarded the Grand
Bauhinia Medal 2005
of Hong Kong SAR

蔣震博士 主席
Dr. Chen CHIANG Chairman

業務回顧

本人欣然宣布集團於二零零七年財政年度錄得連續第五年的增長，營業額及權益持有人應佔溢利分別達到港幣21.55億元及港幣3.12億元，較去年分別增長10%及15%，再創新紀錄。

本集團在管理層隊伍和全體同仁的努力下，業績得以持續發展。在開拓更多市場業務的同時，更不斷致力於提高生產效益、推動生產自動化。在科研方面，本年度推出的多款嶄新技術產品，包括最先進的iChen Wireless™無線車間聯網管理系統，亦大受市場歡迎。

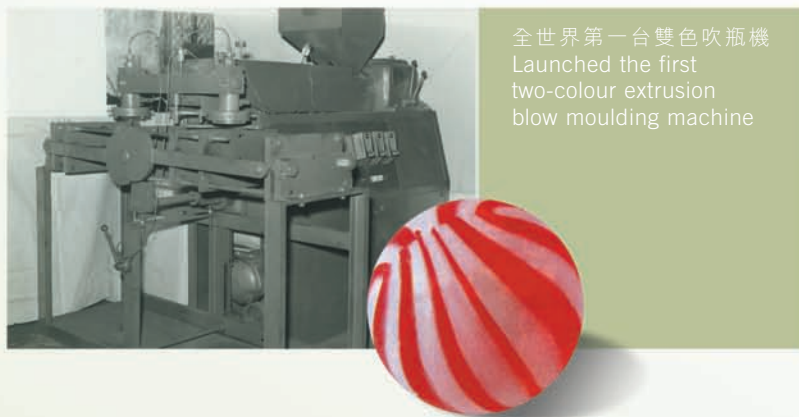
在以上多種改革的推動下，本集團不但在本年度錄得佳績，亦為來年奠定新的增長元素。

Business Review

I am pleased to announce that the Group has registered its fifth consecutive year of business growth in the financial year of 2007, with turnover and profit attributable to equity holders, as compared with last year, rising at 10% and 15% respectively to HK\$2,155 million and HK\$312 million, both of which setting new records.

The Group's success in achieving continued growth in performance was primarily due to the hard work and dedication shown by its management team and all company employees. In addition to opening new markets, the Group was also dedicated to enhancing production efficiency and adopting industrial automation technologies. On the other hand, new high-tech products that rolled out of the Group's Research and Development labs this year, such as the iChen Wireless™ networked shop-floor management system, were also making large splashes in the marketplace.

All these changes and reforms mentioned above not only did drive the Group's business this year, they will create a foundation upon which next year's growth can also be based.



全世界第一台雙色吹瓶機
Launched the first
two-colour extrusion
blow moulding machine

未來展望

由於本集團獨有的iChen System™自推出以來好評如潮，使本集團的機器受到廣大客戶的歡迎。本集團為了配合未來業務的迅速擴展，將於兩年內在深圳和順德擴建及落成新的生產設施；在擴建工程完成後，估計本集團的產能將可提升50%以上。

在技術研發方面，本集團會一如既往，繼續投放大量的資源於高科技研發。在新產品設計的過程中，除了有關技術的領先及前瞻性外，亦會充份評估是否能同時滿足「提高生產效率」和「降低成本」的兩項基本要求。將在明年度推出的新式超大型注塑機系列產品，便兼備以上種種優點；此系列產品以技術平台而論在行業處領先地位（達國際一流水平），且在價格定位上極有競爭能力，以達到回饋客戶的目的。

震雄集團深信要超越同行競爭者，產品必須達到「物超所值」的目標，並貫徹「客人所要的，就是我們要做的」企業宗旨。

Looking Forward

The Group's unique iChen System™ has gained tremendous popularity in the marketplace, fueling demand for the Group's injection moulding machine products. In support of future sales expansion, the Group will embark on a two-year expansion program in Shenzhen and Shunde which, when completed, should increase the Group's total production capacity by more than 50%.

As always, the Group will continue to invest heavily in R&D of advanced technologies. During the research process, any leading and innovative technology under development will also be assessed as to whether it fulfills two basic requirements — that of improving production efficiency and cost reduction. A good example will be the brand new series of super-large tonnage injection moulding machines to be launched next year, which should reward customers with superior value, and which includes all the benefits mentioned above — leading-edge (world-class) technology platform, plus extremely competitive pricing.

The Chen Hsong Group heartily follows its motto of "What Our Customers Need, We Provide," and firmly believes that creating value for its customers through high-value-added products is the only venue to remain ahead of competition.



致謝

最後，本人謹向鼎力支持本集團的股東們、客戶及公司全體員工致以衷心的感謝。在明年，本集團將踏入五十周年。本人有信心持續增長勢頭，繼續為股東們帶來理想的回報。

蔣震
主席

香港，二零零七年七月十七日

Gratitude

Finally, I would like to extend my sincere thanks to our shareholders, customers, and employees for their continued support and dedicated efforts. The Chen Hsong Group is celebrating its 50th Anniversary next year — I remain confident that we can achieve continuous growth and reward our shareholders with satisfying returns.

Chen CHIANG
Chairman

Hong Kong, 17 July 2007

客人所要的，
就是我們要做的。



梁智仁校長代表香港公開大學接受
蔣震工業慈善基金捐款港幣三百萬元
Professor John Chi-yan LEONG represented
The Open University of Hong Kong
to receive a HK\$3 million donation by
The Chiang Chen Industrial Charity Foundation

管理層之論述及分析 Management's Discussion & Analysis



鍥而

持之以恆



蔣麗苑 行政總裁
Lai Yuen CHIANG Chief Executive Officer



業績表現

在二零零七年度，本集團錄得良好的業績增長，營業額及權益持有人應佔溢利分別為港幣21.55億元（二零零六年：港幣19.55億元）及港幣3.12億元（二零零六年：港幣2.72億元），較去年分別增長10%及15%。每股基本盈利為港幣50仙（二零零六年：港幣44仙），較去年增長14%。

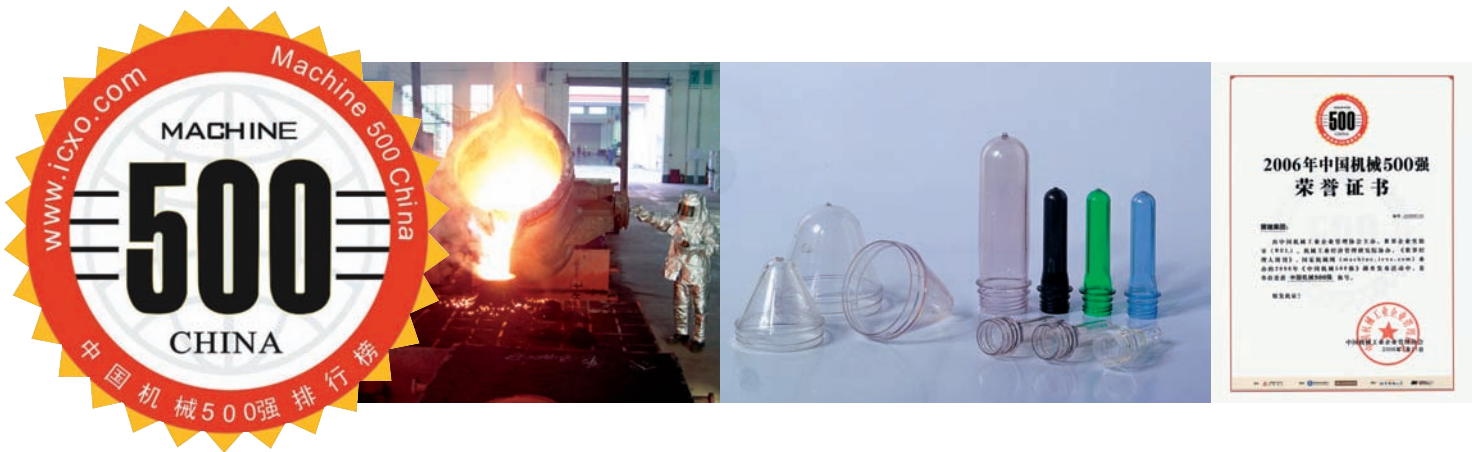
整體來說，由於上半年度國際原油價格屢創新高（最高達每桶80美元），令生產塑膠產品的客戶面對成本急促上升，而中國政府亦於同時推出為經濟降溫的一系列新宏觀調控措施，令部份客戶的營運資金出現緊拙。幸而中國內部需求正急促增長，在家電及汽車等行業的帶動下，注塑機銷售市場仍然維持暢旺，使本集團上半年度的營業額仍能錄得單位數字的增長。

Business Performance

The Group registered healthy business growth in the financial year of 2007, with turnover and profit attributable to equity holders growing 10% and 15% respectively to HK\$2,155 million (2006: HK\$1,955 million) and HK\$312 million (2006: HK\$272 million) respectively. Basic earnings per share increased by 14% to HK50 cents (2006: HK44 cents).

Generally speaking, world oil prices surged to new heights during the first half of this financial year (to a record high of US\$80/barrel), rapidly adding to the cost pressure of customers producing plastic products; while at the same time the Chinese Government started a new round of austerity measures targeted to cool down the overheating economy, which also brought liquidity tightness for some customers. Fortunately, domestic consumption in China continued to be robust, especially those driven by the electrical appliances and automotive industries, leading to continued strength in the demand for injection moulding machines. As a result, the Group was able to register a single-digit growth in turnover during the first half of the financial year.





踏入下半年度，由於國際原油價格迅速回落至較低水平，並在全球經濟氣氛上揚的推動下，本集團的業務在第三、四季度皆表現理想，而二零零七年三月份的營業額更創歷史新高，不但彌補了上半年度的缺口，還使全年的營業額增長達到10%。

Entering the second half of the financial year, with world oil prices rapidly receding to lower levels and global economic growth sentiments, the Group's performance strongly rebounded during the third and the fourth quarters with March 2007 setting a new all-time record for sales turnover. This market rebound enabled the Group to successfully compensate for the shortfall and propelled its full year's turnover growth to 10%.

本集團成功地達到五年連續增長的目標，兌現了於二零零二年對股東作出的承諾。本集團堅信能夠保持增長勢頭，以迎接明年的五十周年大慶，並深信能繼續為股東帶來理想的回報。

The Group has fulfilled its pledge given to shareholders in 2002 — to achieve five consecutive years of uninterrupted growth. With the 50th Anniversary looming next year, the Group is confident to continue its growth and bring satisfactory returns to all shareholders.

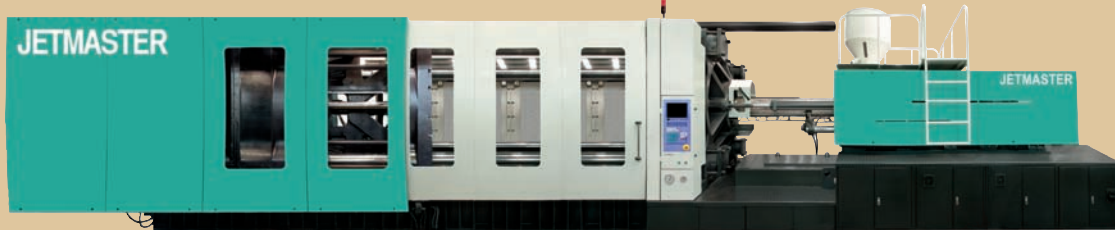
市場分析

Market Analysis

截至二零零七年三月三十一日止年度按客戶地域劃分的營業額分析如下：

Breakdown of turnover, based on the location of customers, for the year ended 31 March 2007 is as follows:

客戶地域	Customer Location	2007 (港幣百萬元) (HK\$ million)	2006 (港幣百萬元) (HK\$ million)	變動 Change
中國(含香港)	China (including Hong Kong)	1,492	1,383	+8%
台灣	Taiwan	239	219	+9%
其他海外國家	Other overseas countries	424	353	+20%
		2,155	1,955	+10%



年內，承接中國經濟的高速發展，汽車及家用電器市場暢旺，大型客戶下訂單的態度保持積極，對市場的信心及購機意欲未減。這批客戶成為了本集團本年度業績增長的火車頭，使中國內地的營業額增長達9%。而在香港客戶方面，訂單明顯受到製造業結構性重組的影響，傳統的玩具及加工行業面對很大的挑戰，所以該客戶群在本年度的銷售量出現下降。但總體來說，香港及中國市場仍然具有可觀的發展潛力及增長空間，本年度的營業額為港幣14.92億元（二零零六年：港幣13.83億元），較去年增長8%。

在台灣本土市場方面，本年營業額比去年同期上升9%。正如上半年度的情況，增長主要來自新興的高端電子產業；相信這批客戶群在未來數年仍將保持增長動力，而本集團新推出的高端產品系列亦能在這個市場穩佔一席。

During the year in review, with the economy of China continued to grow rapidly, and driven by robustness of the electrical appliance and automotive industries, market confidence was generally high for large customers, which translated into robust demand for injection moulding machines and active order placing. This segment of large domestic customers was the primary driver behind the Group's 9% growth in China sales turnover. On the other hand, Hong Kong customers were generally affected by structural macro changes in the traditional plastic processing industries (such as toys and packaging), causing a decline in orders of this segment. Nevertheless, the combined China and Hong Kong market still retains significant growth potentials, with total turnover reaching HK\$1,492 million (2006: HK\$1,383 million) this year, a growth of 8% over the previous year.

Domestic sales turnover in Taiwan increased by 9% over last year. As discussed during the first half, this growth was primarily due to new high-end customers especially in the electronics business, which should represent an attractive growth segment through the next few years. The Group believes that its new, high-end product lines can be extremely competitive in this market segment and will be able to capture significant market share.

本集團的國際市場業務發展迅速，整體表現呈強勁增長勢頭，本財政年度的營業額錄得港幣4.24億元（二零零六年：港幣3.53億元），比去年上升20%。本年度國際業務的地區增長分佈較為平均，唯亞洲區略為遜色。本集團相信此增長是源於全球化經濟的利好發展，很多發展中國家都極力保護及發展本土的消費品製造業，主要供應其本土市場使用，所以對注塑機的需求非常旺盛。在全球經濟發展勢頭仍然良好的期間，本集團相信國際市場業務會繼續維持高增長，故本集團於明年將加大資源投放力度來配合如此龐大的發展空間，包括加速成立更多海外辦事處、分銷基地、服務中心及物流中心，以提升現有銷售網絡的市場覆蓋率，並拉近與客戶的距離。

新技術及新產品發展

本集團了解到現今社會的資訊發達，科技推陳出新、日新月異，產品週期越來越短，只有不間斷地、鍥而不捨地專注於科研開發，才能確保在市場的領導地位。故此，經過數年的努力及巨額研發投資，本集團的一系列新產品及新技術已進入豐收期，將會在未來不斷地推出市場。

The Group's international business has entered a period of rapid growth, with total turnover rising 20% over the previous year to HK\$424 million (2006: HK\$353 million). With the minor exception of some Asian countries, all regions contributed relatively evenly to the growth in total turnover, which the Group considered to be driven by globalisation and an increasingly connected world economy. Many developing countries are now actively promoting and protecting their domestic manufacturing industries for domestic consumption, fueling the fiery demand for injection moulding machines in those countries. With world economic conditions continue to be robust and eyeing the vast growth potentials of this significant market, the Group will substantially expand its international operations next year, including setting up a series of new branch offices, agencies, service support and distribution centers, in order to enhance market coverage and shorten lead time to customers.

New Technology and New Products Development

The world today is an information society, with shortened product life cycles and new technologies displacing old designs almost on a daily basis, with dire consequences for those who could not catch up. The key criterion to survive in these ultra-competitive times and to maintain market leadership is an undeterred and unabated commitment towards research and development. The Group has kept its focus in research and development and has heavily invested in developing new products and new technologies throughout the past few years, and is now beginning to launch the fruits of these efforts into the marketplace.



管理層之論述及分析 Management's Discussion & Analysis

於本年度第四季推出的Ai系列「智能」省電注塑機，是集團產品更新換代的第一炮。此系列注塑機保留了本集團傳統的產品價格競爭力，但配備了最新的Ai-01智能聯網電腦控制器，油壓設計特別聘請歐洲及日本的權威專家精心優化及微調（如Ai/500的射膠速度達每秒500 mm的國際一流水平，可生產超精密薄壁產品，如手提電話、筆記本電腦等），整機無論在控制精確度、生產速度及製品品質上都比上代產品有跳躍性的提升，並且全面支援本集團獨有的iChen Wireless™（無線車間聯網管理系統）。基於國際油價高企，塑膠原材料成本高漲，從本年度開始很多高端市場的國際性大客戶開始使用本集團的Ai系列機器，替代昂貴的歐日進口品牌。故此，這個新系列的產品，將為本集團開拓一片新的高端市場份額。

First of all, the Ai series of intelligent energy-saving injection moulding machines, launched during the fourth quarter of this financial year, is a completely-redesigned product line that will propel the Group ahead of competition during the near future. The new Ai machines retain the traditional price competitiveness of Chen Hsong products, driven by the all-new Ai-01 intelligent networkable high-performance computer controller, with a hydraulic circuit design specially fine-tuned by only the best European and Japanese experts in the industry — for example, the Ai/500 model reaches the ultra-high world-class injection speed of 500 mm per second for producing ultra-thin and precise consumer products such as cell phones and notebook computers. This Ai series not only achieves a quantum leap in performance — in terms of control precision, running speed, and quality of products produced — over the previous product line, it is also completely networkable and comes with built-in support for the Group's unique iChen Wireless™ networked shop-floor management system. As international oil prices reach new heights, with prices of plastic resins rising to previously unseen levels, the Group has witnessed significant interests from large, high-end customers in the new Ai series, aiming to replace expensive imported machinery with this more affordable alternative starting from this year. The Group is strongly confident that this new product line will be able to capture significant amounts of market share in the high-end market segment.



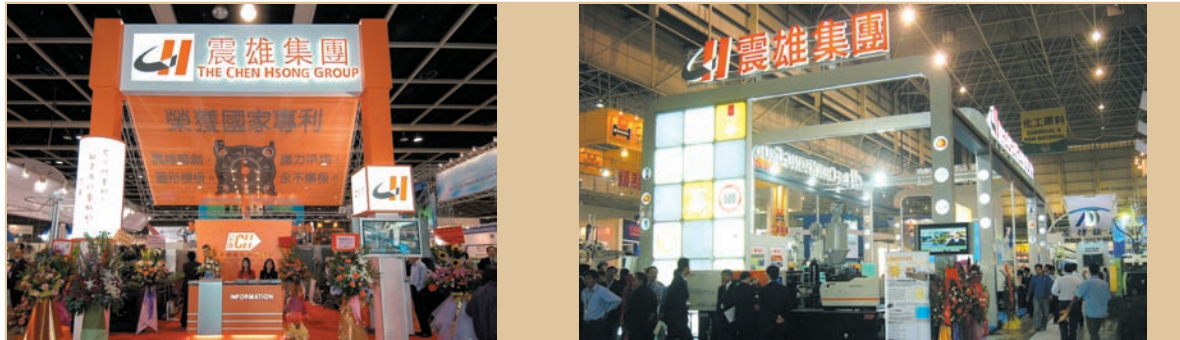
而在本年初推出的，由本集團全資擁有及開發，由日本設計工程師經三年時間精心完成的Ai-01「智能」聯網電腦控制器，現已全面投產。截至本財政年結日止，本集團生產的機器超過30%已經裝備最新的Ai-01控制器，並估計在來年全面達到標準配置，全面取替上一代的電腦控制器。Ai-01除了採用最新的電子技術製造外，還以高速精密著稱，並包括一系列獨特的、人性化、智能化的檢測及維修保養功能，以及全面支援本集團的iChen System™車間聯網系統平台。很多客戶在接觸了Ai-01控制器後，亦開始試用iChen Wireless™無線車間聯網管理系統，邁上網絡化資訊管理的台階，並有加速替換舊機器的趨勢。

至於本集團推出的超高速的包裝專用機，能以2秒鐘時間生產2個超薄水杯——此等高速生產技術現今除了頂尖歐洲及日本機器外，仍然不是任何其他競爭對手可以比擬。

In addition, the new Ai-01 intelligent networkable computer controller, developed by the Japanese engineers for three years and launched during the beginning of this financial year, has now entered into full-scale production. At the end of this financial year, more than 30% of the Group's new production has installed this new high-performance controller as standard issue, and should completely replace the older generation controllers by next year. The Ai-01 is constructed with the latest SMT technology and is already well renowned for its high speed and high control precision; it also includes as standard a whole series of unique, intelligent diagnostic and maintenance features, with built-in support for the Group's iChen System™ networked shop-floor management system. Many customers were introduced to modern-age information management via the Ai-01 controller and has started trials with iChen Wireless™ while replacing old machinery at an increased rate to take advantage of networkability.

The Group also launched a new, ultra-high-speed packaging machine, which can produce two thin-walled cups every 2 seconds — a performance still unmatched by any competitor outside of world-class European and Japanese machinery.





在過去數年，本集團致力於大型注塑機的開發，不遺餘力，終於在創新性及前瞻性上獲得市場的一致青睞，如數年前推出的突破性新技術——大型注塑機省電系統——時至今日仍然是市場中獨一無二的。本集團計劃於下年度推出全新設計的、高效、高速、高精密的超大型注塑機系列，將再令市場掀起一片熱潮。此新系列的超大型注塑機，由歐洲及日本資深工程師領班開發，歷時三年，其中包括很多突破性的創新設計，由一系列的專利保護，使其在技術平台上大大提升，而最重要的是在價格方面會給市場另一個驚喜。本集團相信，當這款新式超大型注塑機投放市場，將大大加速本集團在大機市場的佔有率。

In the area of large tonnage machines, the Group spent the past few years in a major effort to develop innovative and visionary new products in this market segment, with significant accomplishments — for example, the Energy-Saving System for large tonnage machines, launched a few years ago, is still exclusive to Chen Hsong today, with no competitor able to introduce similar features. During the next financial year, the Group will launch an all new, highly efficient, high speed and high precision series of very large tonnage machines, which is sure to create a new market phenomenon. This new series of very large tonnage machines, developed in three years by a team led by senior European and Japanese engineers with decades of industry expertise, includes a range of breakthrough designs protected by patents and is built upon a state-of-the-art technology platform. More importantly, the new series will give the marketplace a pleasant surprise regarding its price and set a new standard for affordability. The Group has high confidence that, once launched, this new product line will accelerate growth in the Group's share of the large tonnage market.



除了以上的主打產品之外，本集團精煉的科研隊伍將推出與世界伺服控制權威 MOOG (穆格) 公司合作開發的超精密閉環全電機。此全電機比一般的歐洲及日本技術更為領先，除了超越傳統全電機的精準、省電、環保等優點，還可以滿足對射膠精度控制要求極高及長時間的保壓壓力(兩項在全電機中極不容易達到的要求)的高端客戶群需求。這款新產品將帶領本集團進入一個更高的技術層次。

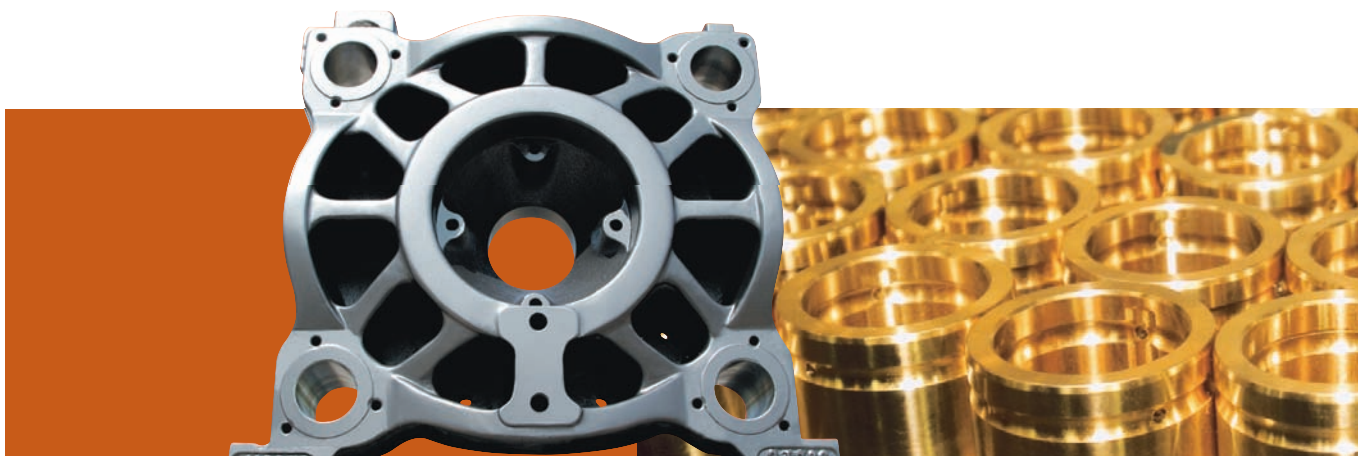
生產效益及成本控制

本集團除了開發新產品及開拓新市場外，因應集團業務的高速發展，在未來兩年將逐步擴建在中國深圳及順德的兩個主要生產基地，擴充的設施在完全投入生產後可提升本集團整體生產能力達50%以上。故此，本集團相信會有充裕的產能去滿足全球市場對注塑機不斷增長的需求。

Apart from the above, the Group has formed an elite team of researchers together with Moog Inc. — worldwide servo authority — to develop the next generation of “All Electric Injection Moulding Machines”. In addition to the usual benefits of high precision, energy saving and environmental friendliness, this new generation employs electric servo technology that overcome two extremely difficult problems faced by All Electric Injection Moulding Machines in the marketplace, boasting extremely high precision injection control and the ability to maintain high holding pressure for long period of time. This new product is more advanced than existing European and Japanese offerings and will definitely bring the Group into the next stage of technical excellence.

Production Efficiency and Cost Control

In addition to developing new products and opening new markets, and in anticipation to continued rapid growth in sales volume, the Group has embarked on a 2-year major expansion program at its Shenzhen and Shunde manufacturing bases, which when completed will increase Group-wide production capacity by more than 50%. The added capacity should be well sufficient to cater for the growing demand for injection moulding machines in the world.



去年不斷上漲的鋼鐵價格於本財政年度內趨於平穩，有助本集團更有效地控制成本，使本年度的毛利率有所提升。鑑於鋼鐵價格與本集團的盈利能力關係密切，而本集團觀察鋼鐵價格有回升的跡象，故已提早在本年度第四季作出額外採購安排，以應付鋼鐵價格在來年有可能出現的波動。

財務回顧

流動資產及財務資源狀況

於二零零七年三月三十一日，本集團銀行存款為港幣3.95億元（二零零六年：港幣3.90億元），比去年同日增加港幣500萬元。

於二零零七年三月三十一日，本集團有銀行借貸港幣3,300萬元（二零零六年：港幣1.13億元），比去年同日減少港幣8,000萬元。銀行借貸為短期融資，主要用作集團各附屬公司的營運資金。

於財務資源管理方面，本集團維持一貫穩健的財務管理政策，及儲備充足的流動資產，以應付集團對各項投資及營運資金的需求。於二零零七年三月三十一日，本集團的流動資產淨值為港幣11.33億元（二零零六年：港幣9.01億元），較去年同日增加26%。

資金及外幣風險管理

本集團在資金管理方面採取穩健理財及集中管理策略，現金一般以港元、美元及人民幣存放於銀行，作短期至中期存款及一些可增強回報的穩健金融投資。

The Group also successfully controlled its production costs and raised gross margin during the year under review, aided by stable iron and steel prices during this financial year after suffering increases last year. Nevertheless, as iron and steel represent a significant portion of the Group's production costs, and these prices are trending upwards, the Group has started stockpiling raw materials in the fourth quarter of this year to alleviate the impacts of potential price fluctuations next year.

Financial Review

Liquidity and Financial Conditions

As at 31 March 2007, the Group maintained a bank balance of HK\$395 million (2006: HK\$390 million), an increase of HK\$5 million over the same date of last year.

As at 31 March 2007, the Group had bank borrowings of HK\$33 million (2006: HK\$113 million), which represented a decrease of HK\$80 million over the same date of last year. The bank borrowings were mainly short-term bank facilities that were used as working capital by the subsidiaries of the Group.

It is the policy of the Group to adopt a consistent financial management strategy and maintain sufficient liquidity to meet the funding requirement of the Group's investments and operations. As at 31 March 2007, net current assets of the Group were HK\$1,133 million (2006: HK\$901 million), which represented a 26% increase over the same date of last year.

Treasury and Foreign Exchange Management

The Group adopts a conservative and centralised approach in managing its funding. Funds, primarily denominated in Hong Kong and United States dollars, and Renminbi, are normally placed with banks in short to medium term deposits and other secure treasury investments for higher yield.

本集團在外幣風險管理方面亦採取一貫穩健的運作模式，致力以有關結算貨幣的恰當借貸水平以減低其外幣投資風險。於二零零七年三月三十一日的總外幣借貸額相等於港幣3,300萬元（二零零六年：港幣4,900萬元）。波動較大的外幣風險以外匯合約保障。

人力資源發展

於二零零七年三月三十一日，本集團的僱員總數約為3,500名（二零零六年：3,200名）。集團為僱員提供完善之薪酬及福利條件，薪酬維持於具競爭力水平，而僱員之晉升及薪酬變動幅度則取決於其個人表現及集團業績表現。集團亦向部份僱員授予本公司購股權以鼓勵及延攬優秀員工。

於人才培訓方面，本集團管理層透過為僱員提供教育、專業培訓及生活輔導等活動，不斷提升員工質素、專業知識水平及團隊精神。

來年展望

在全球化經濟高速增長模式的帶動下，本集團對來年的前景感到樂觀，加上全新的銷售策略及多款高科技新產品陸續投放市場，定能加速本集團的業務發展，一如既往給股東帶來理想的回報。

For foreign exchange management, the Group always adopts a conservative policy and endeavours to reduce the foreign currency risk exposure on its foreign currency investments with appropriate levels of borrowings in corresponding foreign currencies. As at 31 March 2007, the Group had total foreign currency borrowings equivalent to HK\$33 million (2006: HK\$49 million). Foreign currency risk exposure on certain volatile foreign currencies are covered by forward exchange contracts.

Human Resources Development

As at 31 March 2007, the Group had approximately 3,500 (2006: 3,200) employees. The Group offers good remuneration and welfare packages to its employees and maintains market-competitive pay levels. Employee promotions and pay are rewarded on individual as well as the results performance of the Group. Share options of the Company are granted to selected employees of the Group for rewarding and retaining talents.

The Group conducts regular programmes, including comprehensive educational and professional training, and social activities counseling, to its employees to enhance staff quality, standards of professional knowledge and teamwork spirit.

Future Prospects

The Group is confident of the strong underlying growth of the global economy ahead and anticipates additional contributions from the new sales strategy and the new high-technology product series in the next financial year. The Group is committed to continue healthy financial growth and ready to reward shareholders with good returns for their investments.

董事及高級管理人員之簡歷

Brief Biographical Details of Directors & Senior Management

執行董事

蔣震 大紫荊勳賢, OBE, DEng, DSSc, DBA, FHKIE,
八十三歲

主席

蔣博士於一九九一年獲委任為本公司董事，亦為本集團之主席及其多間附屬公司之董事，同時為本公司之主要股東震雄投資有限公司之董事。蔣博士創辦本集團及蔣震工業慈善基金。彼曾任港事顧問及國立中正大學管理學院顧問委員會委員。蔣博士並獲委任為山東省人民政府經濟顧問及北京大學市場經濟研究中心名譽理事長。此外，蔣博士亦為香港機械金屬業聯合總會名譽會長及香港電器製造業協會名譽主席。一九九九年蔣博士在家鄉山東省濰澤市創辦蔣震高等工業學校。彼為蔣麗苑女士及蔣志堅先生之父親。

蔣麗苑 BA, 四十一歲
行政總裁

蔣女士於一九八八年加入本集團，並於二零零零年獲委任為本公司董事。彼兼任本公司行政總裁，負責管理及推動本集團之業務。蔣女士亦為本集團多間附屬公司之董事，並且為本公司之主要股東震雄投資有限公司之董事。彼取得美國衛斯理女子大學文學院學士。蔣女士對生產管理、營銷及市務推廣均有豐富的經驗。蔣女士為中國人民政治協商會深圳市常務委員、深圳市工業經濟聯合會副會長及深圳市機械行業協會副會長。彼亦為香港玩具廠商會副會長、香港中華廠商聯合會會董、香港特區政府紀律人員薪俸及服務條件常務委員會委員及納米及先進材料研發院有限公司董事。蔣女士於二零零四年榮獲香港工業總會頒發「香港青年工業家獎」。彼為蔣震博士之女兒。

Executive Directors

Chen CHIANG GBM, OBE, DEng, DSSc, DBA, FHKIE,
aged 83

Chairman

Dr. Chiang was appointed a Director of the Company in 1991. He is the Chairman of the Group and a director of various subsidiaries of the Company. He is also a Director of Chen Hsong Investments Limited, a substantial shareholder of the Company. Dr. Chiang founded the Group and The Chiang Chen Industrial Charity Foundation. He was appointed Hong Kong Affairs Advisor and a member of the Advisory Committee of College of Management, National Chung Cheng University. Dr. Chiang is also the Economy Advisor of Shandong Provincial People's Government and the Honorary President of The Research Centre for Market - Economy of Peking University. In addition, Dr. Chiang is the Honorary Chairman of the Federation of Hong Kong Machinery and Metal Industries and the Hong Kong Electrical Appliances Manufacturers Association. Dr. Chiang founded Chiang Chen Industrial Institute situated at his hometown of Heze City of Shandong Province in 1999. He is the father of Ms. Lai Yuen CHIANG and Mr. Chi Kin CHIANG.

Lai Yuen CHIANG BA, aged 41
Chief Executive Officer

Ms. Chiang joined the Group in 1988 and was appointed a Director of the Company in 2000. She is also the Chief Executive Officer of the Company and is responsible for the management and business development of the Group. Ms. Chiang holds directorships in various subsidiaries of the Company and is a Director of Chen Hsong Investments Limited, a substantial shareholder of the Company. She holds a bachelor degree of Arts from Wellesley College, U.S.A. and has extensive experience in production management, sales and marketing. Ms. Chiang is a standing committee member of the Shenzhen Chinese People's Political Consultative Conference, Vice-Chairman of the Shenzhen Federation of Industrial Economics and Vice-President of China Shenzhen Machinery Association. She is also the Vice-President of The Toys Manufacturers' Association of Hong Kong, a General Committee Member of the Chinese Manufacturers' Association of Hong Kong, a member of the Standing Committee on Disciplined Services Salaries and Conditions of Service of The Government of the Hong Kong SAR and a director of Nano and Advanced Materials Institute Limited. Ms. Chiang was awarded the "Young Industrialist Awards of Hong Kong" by the Federation of Hong Kong Industries in 2004. She is Dr. Chen CHIANG's daughter.

董事及高級管理人員之簡歷 Brief Biographical Details of Directors & Senior Management

蔣志堅 *BSc, 四十歲*

蔣先生於一九九八年加入本集團，並於二零零三年獲委任為本公司董事，並負責管理佛山市順德區震德塑料機械有限公司。蔣先生持有紐約羅徹斯特科技學院應用科學(工業設計)之學士學位。在加入本集團前，蔣先生任職於美國一家跨國公司，在工業設計方面具有六年經驗。蔣先生為中國人民政治協商會議廣東省委員會委員、中國塑料機械工業協會副理事長、廣東外商公會副主席及香港青年聯會會董。彼為蔣震博士之兒子。

鍾效良 *MBA, BSc, 四十歲*

鍾先生於二零零一年加入本集團，並於二零零三年獲委任為本公司董事，彼亦出任集團策略及營銷總監。鍾先生持有美國柏克萊大學電子工程及電腦科學學士學位，亦持有美國哥倫比亞大學工商管理(財務)碩士學位。在加入本集團前，鍾先生在銷售及市務、管理諮詢、財務分析及資訊科技方面擁有超過十四年的經驗。

吳漢華 *BSc Econ, MBA, MAF, ACA, FCPA, MHKIoD, 四十七歲*

吳先生於二零零二年加入本集團，並於二零零三年獲委任為本公司董事。彼有深厚的跨境企業財務管理、收購合併及企業開拓發展等經驗。吳先生負責本集團的特別項目及企業管治。在加入本集團前，吳先生曾任職跨國公司專責財務管理。彼於英國倫敦大學經濟政治學院取得經濟學系榮譽學士學位，亦持有澳洲悉尼麥格理大學應用財務碩士及英國倫敦城市大學商學院工商管理碩士學位。彼為英國皇家特許會計師，亦為英格蘭及威爾斯皇家特許會計師學會會員、香港會計師公會資深會員及香港董事學會會員。

Chi Kin CHIANG *BSc, aged 40*

Mr. Chiang joined the Group in 1998 and was appointed a Director of the Company in 2003. He is also responsible for the general management of Foshan Shunde Chen De Plastics Machinery Company Limited. Mr. Chiang holds a bachelor degree of Applied Science in Industrial Design from Rochester Institute of Technology, New York. Prior to joining the Group, Mr. Chiang had six years' experience in industrial design, working for a multinational company in the U.S.A.. Mr. Chiang is a member of the Guangdong Committee of Chinese People's Political Consultative Conference, Vice President of China Plastics Machinery Industry Association and Guangdong Chamber of Foreign Investors and a director of Hong Kong United Youth Association. He is Dr. Chen CHIANG's son.

Stephen Hau Leung CHUNG *MBA, BSc, aged 40*

Mr. Chung joined the Group in 2001 and was appointed a Director of the Company in 2003. He also holds the position of Group Chief Officer - Strategy, Sales and Marketing. Mr. Chung holds a bachelor degree of Science in Electrical Engineering & Computer Science from the University of California, Berkeley. He also holds an MBA degree in Finance from Columbia University, New York City, U.S.A.. Prior to joining the Group, Mr. Chung had more than 14 years' experience in sales and marketing, management consultancy, financial analysis and information technology.

Sam Hon Wah NG *BSc Econ, MBA, MAF, ACA, FCPA, MHKIoD, aged 47*

Mr. Ng joined the Group in 2002 and was appointed a Director of the Company in 2003. He has extensive cross-border financial management, mergers and acquisitions, and corporate development experience. Mr. Ng is responsible for special projects development and corporate governance of the Group. Prior to joining the Group, Mr. Ng was engaged in financial management with several multinational companies. He holds an honour degree in Economics at the London School of Economics (University of London), a master degree of Applied Finance at the Macquarie University (Australia), and an MBA degree from The City University Business School (England). He is a Chartered Accountant, an associate member of The Institute of Chartered Accountants in England & Wales, a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the Hong Kong Institute of Directors.

獨立非執行董事

陳慶光 BA, BSSc, 四十六歲

陳先生於二零零一年獲委任為本公司董事。彼現為Macquarie Securities (Asia) Pte. Ltd. 之企業財務董事總經理。陳先生主要在紐約及香港工作，曾任職JP Morgan、BZW及UBS Warburg。陳先生曾為多個地區之主要企業及政府機關提供意見，亦出任多間公司董事。陳先生畢業於新加坡國立大學。彼曾榮獲新加坡國立大學經濟學會著作獎。

Anish LALVANI BSc, MBA, FHKIoD,

四十一歲

Lalvani先生於二零零二年獲委任為本公司董事，彼為歐瑞國際貿易有限公司集團董事總經理，該公司之業務遍佈香港、歐洲、前蘇聯、非洲及中東等地。彼曾於英國、美國、印度及香港工作及生活，並持有美國聖地牙哥大學工商管理碩士學位。Lalvani先生於新興市場之營銷有豐富經驗，與國內家電製造商（大部份均自設注塑設備）之關係非常密切。彼分別為青年總裁協會北亞洲區及香港分會的前主席。Lalvani先生為香港貿易發展局電子及家電業諮詢委員會會員、亞洲文化協會委員會成員及香港董事學會資深會員。

Independent Non-executive Directors

Johnson Chin Kwang TAN BA, BSSc, aged 46

Mr. Tan was appointed a Director of the Company in 2001. He is currently Managing Director, Corporate Finance, at Macquarie Securities (Asia) Pte. Ltd.. Mr. Tan has spent most of his career in New York and Hong Kong with JP Morgan, BZW and UBS Warburg. Mr. Tan has advised major corporations and government authorities across the region and holds a range of board directorships. Mr. Tan graduated at the National University of Singapore. He was a recipient of the NUS Economics Society Book Prize.

Anish LALVANI BSc, MBA, FHKIoD,

aged 41

Mr. Lalvani was appointed a Director of the Company in 2002. He is Group Managing Director of Euro Suisse International Limited which has business interests in Hong Kong, Europe, the Former Soviet Union, Africa and the Middle East. He has lived and worked in the U.K., U.S.A., India and Hong Kong and holds an MBA degree from the University of San Diego. Mr. Lalvani has extensive marketing experience in the emerging markets and an in-depth knowledge of electrical appliances manufacturers in China - many of whom have in house moulding facilities. He is the former Chairman for both the North Asia Region and the Hong Kong Chapter of the Young Presidents' Organization. Mr. Lalvani is a member of Hong Kong Trade Development Council's Electronics/Electrical Appliances Industry Advisory Committee, a committee member of the Asian Cultural Council and a Fellow of Hong Kong Institute of Directors.

董事及高級管理人員之簡歷
Brief Biographical Details of Directors &
Senior Management

陳智思議員 *GBS, JP, 四十二歲*

陳先生於二零零四年獲委任為本公司董事，彼為香港特別行政區行政會議成員及立法會議員。彼於美國加州Pomona College畢業，並為嶺南大學校董會副主席。陳先生亦為保險業諮詢委員會及大珠三角商務委員會委員。此外，陳先生亦為盤谷銀行香港分行顧問、港泰商會主席及香港社會服務聯會主席。陳先生現為亞洲金融集團(控股)有限公司及亞洲保險之常務董事及總裁。彼亦為City e-Solutions Limited及新澤控股有限公司之非執行董事；華潤創業有限公司、建滔積層板控股有限公司、永隆銀行有限公司及有利集團有限公司之獨立非執行董事，該等公司均在香港聯合交易所有限公司上市。

Hon. Bernard Charnwut CHAN *GBS, JP, aged 42*

Mr. Chan was appointed a Director of the Company in 2004. He is a member of both the Executive Council and the Legislative Council of the Hong Kong Special Administrative Region. He is a graduate of Pomona College in California, U.S.A.. He serves as the Deputy Chairman of Lingnan University. Mr. Chan is also a member of the Insurance Advisory Committee and Greater Pearl River Delta Business Council. In addition, Mr. Chan serves as the Advisor of Bangkok Bank Ltd., Hong Kong Branch, the Chairman of the Hong Kong-Thailand Business Council and the Chairperson of The Hong Kong Council of Social Service. Mr. Chan is currently an Executive Director and the President of both Asia Financial Holdings Ltd. and Asia Insurance Co. Ltd.. He is a Non-executive Director of City e-Solutions Limited and New Heritage Holdings Ltd., an Independent Non-executive Director of each of China Resources Enterprise, Limited, Kingboard Laminates Holdings Limited, Wing Lung Bank Limited and Yau Lee Holdings Limited, all of which are listed on The Stock Exchange of Hong Kong Limited.

高級管理人員

謝台雄 五十二歲

謝先生於一九八八年加入本集團。現為台灣震雄機械廠股份有限公司執行董事，負責該公司財務及行政工作。彼持有商學學士學位。

李志超 六十歲

李先生於二零零六年加入本集團，現為震雄工業園總監。李先生在管理顧問及企業管理方面具有豐富經驗，並專長於營運改善、企業發展、策略管理及收購合併。彼為特許工程師，持有英國 Cranfield Institute of Technology - School of Management 工商管理碩士學位。李先生在業務顧問方面擁有超過三十一年經驗，於加入本集團前六年則從事行政，於一上市工業集團出任聯席董事總經理。

聶羨萍 四十九歲

聶女士於二零零一年加入本集團，現為本公司之公司秘書兼集團總監—法務及公司秘書部。彼畢業於香港理工大學，並持有英國赫爾大學工商管理碩士學位及倫敦大學法律學士學位。聶女士為香港公司秘書公會資深會員，擁有超過二十六年法務及公司秘書方面經驗。

Senior Management

Tai-Hsiung HSIEH *aged 52*

Mr. Hsieh joined the Group in 1988. He is an Executive Director of Chen Hsong Machinery Taiwan Company, Limited and is responsible for its finance and administration. He holds a bachelor degree in Commerce.

Che Chiu LEE *aged 60*

Mr. Lee joined the Group in 2006. He is the Chief Officer of the Chen Hsong Industrial Park. Mr. Lee has extensive experience in management consulting and corporate management, specializing in operational improvement, organization development, strategic management, and mergers and acquisitions. He is a Chartered Engineer and holds an MBA degree from the School of Management of Cranfield Institute of Technology in the United Kingdom. Mr. Lee has more than 31 years experience in business consulting. In the six years prior to joining the Group, Mr. Lee was in an executive capacity as the Joint Managing Director of a listed industrial group.

Alice Sin Ping LIP *aged 49*

Ms. Lip joined the Group in 2001. She is the Company Secretary and Group Chief Officer of the Legal and Company Secretarial Department of the Company. She is a graduate of Hong Kong Polytechnic University and holds an MBA degree from the University of Hull in the United Kingdom. She also holds an LLB law degree from the University of London. Ms. Lip is a fellow member of The Hong Kong Institute of Company Secretaries and has more than 26 years' experience in the legal and company secretarial fields.

顧問

Michael BLANK 六十二歲

Blank先生於一九九七年加入本集團為技術經理，並從二零零零年起出任本集團技術顧問，專注於CHEN-PET 瓶坯生產系統（包括機器、模具和機械手）的研發工作。Blank先生持有德國科隆 Rheinische Fachhochschule Koln（一所德國理工大學技術學院）授予之機械工程學士學位。彼擁有超過三十七年機械研發經驗，其中二十九年乃專注於 PET 瓶坯生產系統之研發工作。

Consultant

Michael BLANK *aged 62*

Mr. Blank joined the Group in 1997 as Engineer Manager and has become the Group's Consultant since 2000 specialising in the development of the CHEN-PET Preform Manufacturing System (comprising machine, mould and robot). Mr. Blank holds a bachelor degree in Mechanical Engineering from Rheinische Fachhochschule Koln, a German polytechnic university. He has more than 37 years' experience in mechanical research and development, of which 29 years' experience was gained in the area of PET Preform Manufacturing System.

企業管治報告書

Corporate Governance Report

企業管治常規

本公司董事局（「董事局」）深明良好企業管治常規對保障股東權益及提升本公司及其附屬公司（「本集團」）表現的重要性。董事局一直致力維持及確保高水平之企業管治常規。

於本財政年度內，一項有關修訂本公司之公司細則的特別決議案，已於二零零六年八月二十五日舉行的本公司股東周年大會上通過，其中包括(i)各董事（主席及董事總經理除外），包括以特定任期獲委任者，須最少每三年輪值告退一次；及(ii)任何為填補臨時空缺而被委任的董事，應在他／她獲委任後的首次本公司股東大會上由股東重選。根據百慕達一九九一年震雄集團有限公司公司法之規定，主席及董事總經理毋須輪值告退。

除上文所述外，董事局認為本公司在截至二零零七年三月三十一日止之財政年度內，已遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之企業管治常規守則（「企業管治守則」）之所有守則條文。

Corporate Governance Practices

The board of directors (the “Board”) of the Company recognises the importance of good corporate governance practices in safeguarding the interests of the shareholders and enhancing the performance of the Company and its subsidiaries (the “Group”). The Board is committed to maintaining and ensuring a high standard of corporate governance practices.

During the financial year, a special resolution relating to the amendments of the Company’s Bye-laws, inter alia, (i) every director including those appointed for a specific term, other than the chairman and managing director, should be subject to retirement by rotation at least once every three years; and (ii) any director appointed to fill a casual vacancy should be subject to re-election by shareholders at the first general meeting after his/her appointment, has been passed at the Annual General Meeting of the Company held on 25 August 2006. The chairman and managing director of the Company are not subject to retirement by rotation pursuant to the provision contained in the Chen Hsong Holdings Limited Company Act, 1991 of Bermuda.

Except for the above mentioned, the Board considers that the Company has complied with all the code provisions of the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) during the financial year ended 31 March 2007.

董事證券交易

本公司已就董事進行證券交易採納一套行為守則（「該守則」），其條款不較上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）之標準規定寬鬆。經本公司向全體董事作出特定查詢後，本公司確認各董事在截至二零零七年三月三十一日止之財政年度內，一直遵守該守則及標準守則的規定。

董事局

董事局包括五名執行董事及三名獨立非執行董事：

執行董事：

蔣震博士，大紫荊勳賢（主席）
蔣麗苑女士（行政總裁）
蔣志堅先生
鍾效良先生
吳漢華先生

獨立非執行董事：

陳慶光先生
Anish LALVANI先生
陳智思先生

附註：

主席蔣震博士為行政總裁蔣麗苑女士及執行董事蔣志堅先生之父親。

董事局主要負責制訂本集團的願景、策略方針、基本政策及策略性業務計劃，監控及管理本集團營運及財務表現，在本集團內全面履行最佳企業管治，及訂立適當之風險評估及管理政策以實現本集團的策略目標。

Directors' Securities Transactions

The Company has adopted a Code of Conduct regarding Securities Transactions by Directors (the "Code") on terms no less exacting than the required standard as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules. The Company, after having made specific enquiries of all directors, confirms that all directors have complied with the required standard as set out in the Code and the Model Code throughout the financial year ended 31 March 2007.

Board of Directors

The Board consists of five executive directors and three independent non-executive directors:

Executive Directors:

Dr. Chen CHIANG, GBM (*Chairman*)
Ms. Lai Yuen CHIANG (*Chief Executive Officer*)
Mr. Chi Kin CHIANG
Mr. Stephen Hau Leung CHUNG
Mr. Sam Hon Wah NG

Independent Non-executive Directors:

Mr. Johnson Chin Kwang TAN
Mr. Anish LALVANI
Mr. Bernard Charnwut CHAN

Note:

Dr. Chen CHIANG, the Chairman, is the father of Ms. Lai Yuen CHIANG, the Chief Executive Officer, and Mr. Chi Kin CHIANG, the Executive Director.

The primary responsibilities of the Board are to establish the Group's vision, strategic direction, general policies and strategic business plans; to monitor and control the operating and financial performance of the Group; to implement the best corporate governance practices throughout the Group; and to set appropriate policies to assess and manage risks in pursuit of the strategic objectives of the Group.

董事局於年內定期開會，檢討整體策略及本集團之營運及財務表現。公司秘書協助主席制訂董事局會議之會議議程並諮詢全體董事。董事局的所有定期會議通知最少在會議前十四天發給各董事，董事可提出討論事項列入會議議程。董事局定期會議的議程及會議文件於會議日期前至少三天已全部送交各董事。董事局所有定期會議之會議記錄在定稿前，有關的初稿會發送全體董事，供董事提出意見。已定稿的董事局會議記錄由公司秘書備存。全體董事均有權取得董事局文件及有關資料，及可在適當的情況下尋求獨立專業意見，費用由本公司支付。

董事局將本公司日常營運之權力授予管理層。管理層由所有執行董事、高級管理人員及不同業務單位的營運總監組成。管理層主要負責履行董事局制訂的策略及業務計劃，按董事局的政策及指令管理本集團的業務運作。

本公司已就董事及行政人員因履行本集團業務而引起之責任購買適當保險，管理層會每年檢討保險所保障之範圍。

獨立非執行董事

本公司每位獨立非執行董事已與本公司訂立委任書，任期為三年，並須根據本公司之公司細則規定輪值告退及可膺選連任。

本公司已接獲各獨立非執行董事，根據上市規則第3.13條，有關其獨立身份的年度確認函，董事局認為該等董事均具獨立性。

The Board meets regularly throughout the year to review the overall strategies and the operating and financial performance of the Group. The Company Secretary assists the Chairman in setting the agenda for Board meetings in consultation with all directors. Notice of at least 14 days is given to all directors for all regular Board meetings, and directors can include matters for discussion in the agenda. The agenda and accompanying Board papers for regular Board meetings are sent out in full package to all directors at least 3 days before the date of a Board meeting. Draft minutes of all regular Board meetings are circulated to all directors for comments prior to their confirmation. Confirmed minutes of Board meetings are kept by the Company Secretary. All directors have access to Board papers and related materials and may, in appropriate circumstances, seek independent professional advice at the Company's expense.

The Board has delegated the daily operations of the Company to Management comprising all executive directors, senior management staff, and operating heads of different business units. The main responsibilities of Management are to implement the strategies and business plans set by the Board and to manage the Group's business operations in accordance with the policies and directives of the Board.

The Company has in force appropriate insurance coverage on directors' and officers' liabilities arising from the Group's business. The Management reviews the extent of insurance coverage on an annual basis.

Independent Non-executive Directors

Each independent non-executive director of the Company has entered into a letter of appointment with the Company for a term of three years and in accordance with the Bye-laws of the Company is subject to retirement by rotation and eligible for re-election.

The Company has received from each independent non-executive director an annual confirmation of his independence pursuant to rule 3.13 of the Listing Rules. The Board considered all such directors are independent.

會議及出席記錄

於本財政年度內，本公司共舉行四次董事局定期會議，大約每季度一次，而每名董事之出席記錄載列如下：

Meetings and Attendance

During this financial year, four regular Board meetings were held at approximately quarterly intervals, and the attendance record of each director is as follows:

董事姓名	Name of director	出席次數／ 會議次數 Number of meetings attended/held	出席率 Attendance rate
蔣震	Chen CHIANG	4/4	100%
蔣麗苑	Lai Yuen CHIANG	4/4	100%
蔣志堅	Chi Kin CHIANG	4/4	100%
鍾效良	Stephen Hau Leung CHUNG	4/4	100%
吳漢華	Sam Hon Wah NG	4/4	100%
陳慶光	Johnson Chin Kwang TAN	4/4	100%
Anish LALVANI	Anish LALVANI	4/4	100%
陳智思	Bernard Charnwut CHAN	4/4	100%

主席及行政總裁

蔣震博士為董事局主席，蔣麗苑女士為本公司行政總裁，主席與行政總裁之角色已清楚界定，以確保彼等管理本公司之獨立性、問責性及職責。

主席專注本集團之整體企業發展及高層策略性方針，領導董事局及監督董事局之有效運作。

行政總裁負責管理本集團業務運作，並在業務策略及其履行上向董事局提供意見。

Chairman and Chief Executive Officer

The Chairman of the Board is Dr. Chen CHIANG, and the Chief Executive Officer of the Company is Ms. Lai Yuen CHIANG. The roles of the Chairman and the Chief Executive Officer are defined clearly to ensure their independence, accountability and responsibility with respect to the management of the Company.

The Chairman focuses on overall corporate development and high-level strategic directions of the Group, provides leadership to the Board, and oversees the efficient functioning of the Board.

The Chief Executive Officer is responsible for managing the Group's business operations, and advising the Board of business strategies and their implementations.

董事薪酬

薪酬委員會於二零零五年五月九日成立，成員包括兩名獨立非執行董事（Anish LALVANI先生和陳智思先生）及行政總裁蔣麗苑女士。Anish LALVANI先生為委員會主席。

薪酬委員會之主要職責為檢討及制訂本集團執行董事及高級管理人員之薪酬福利，並就董事及高級管理人員之薪酬政策及架構向董事局推薦意見。

於本財政年度內，薪酬委員會曾舉行一次會議，而每名成員之出席記錄載列如下：

姓名	Name	出席次數／ 會議次數 Number of meeting attended/held	出席率 Attendance rate
Anish LALVANI	Anish LALVANI	1/1	100%
陳智思	Bernard Charnwut CHAN	1/1	100%
蔣麗苑	Lai Yuen CHIANG	1/1	100%

截至二零零七年三月三十一日止年度，薪酬委員會已檢討並通過執行董事及高級管理人員之薪酬福利。薪酬委員會已獨立地評估各執行董事之表現，並已參照在聯交所主板上市，而規模較接近之公司已公布之薪酬，以決定執行董事之薪酬福利。沒有委員會成員就其薪酬在會議中投票。

董事提名

本公司並無成立提名委員會，各董事參與評估及甄選提名加入董事局之人士。董事局識別具備合資格及能對本公司作出貢獻之個別人士提名加入董事局。董事局成員之甄選條件包括專業知識、高水平之相關技能、高度誠信及業務操守，並顯示能勝任為上市公司董事。獲委任為獨立非執行董事之候選人，亦必須符合上市規則第3.13條載列之獨立性標準。

Remuneration of Directors

The Remuneration Committee was established on 9 May 2005, comprising two independent non-executive directors, namely Mr. Anish LALVANI and Mr. Bernard Charnwut CHAN, and the Chief Executive Officer, Ms. Lai Yuen CHIANG. Mr. Anish LALVANI is the Committee Chairman.

The main responsibilities of the Remuneration Committee are to review and determine the remuneration packages of executive directors and senior management staff of the Group. It also makes recommendations to the Board on the policy and structure for the remuneration of directors and senior management.

The Remuneration Committee held one meeting during this financial year. The attendance record of each member is as follows:

For the year ended 31 March 2007, the Remuneration Committee had reviewed and approved the remuneration packages of executive directors and senior management staff. The Remuneration Committee had independently assessed the performance of the executive directors and determined his/her remuneration package after referencing the published packages of companies of similar size listed on the main board of the Stock Exchange. No member took part in voting about his/her own remuneration at the meeting.

Nomination of Directors

The Company does not have a Nomination Committee. The directors participate in the assessment and selection of individuals nominated for directorships. Individuals, suitably qualified and who can contribute to the performance of the Company are identified and nominated to the Board. The selection criteria for Board membership includes professional expertise, high standards of relevant skills, high levels of integrity and business ethics, and demonstrable competence as required by a Director of a listed company. A candidate to be appointed as an independent non-executive director must also satisfy the independence criteria set out in rule 3.13 of the Listing Rules.

審核委員會

審核委員會於一九九八年十一月二十八日成立，成員包括三名獨立非執行董事（陳慶光先生、Anish LALVANI先生和陳智思先生）。陳慶光先生為委員會主席。

審核委員會之職權範圍遵行香港會計師公會載列之指引，並予以更新以遵守企業管治守則。

於本財政年度內，審核委員會共舉行兩次會議，而每名成員之出席記錄載列如下：

姓名	Name	出席次數／ 會議次數 Number of meeting attended/held	出席率 Attendance rate
陳慶光	Johnson Chin Kwang TAN	2/2	100%
Anish LALVANI	Anish LALVANI	2/2	100%
陳智思	Bernard Charnwut CHAN	2/2	100%

於二零零七年三月三十一日止年度，審核委員會已進行：

- 檢討本集團全年及中期財務報表之真確性及公平性，並與外聘核數師討論；
- 審閱會計準則之變動，以及評估對本集團財務報表之影響；
- 檢討外聘核數師致管理層之函件及管理層之回應；
- 就續聘外聘核數師提出建議、檢討其審核費用及採納聘請外聘核數師提供非審核服務之政策；

Audit Committee

The Audit Committee was established on 28 November 1998, comprising three independent non-executive directors, namely Mr. Johnson Chin Kwang TAN, Mr. Anish LALVANI and Mr. Bernard Charnwut CHAN. Mr. Johnson Chin Kwang TAN is the Committee Chairman.

The terms of reference of the Audit Committee follow the guidelines set out by the Hong Kong Institute of Certified Public Accountants, and have been updated to comply with the CG Code.

The Audit Committee held two meetings during this financial year. The attendance record of each member is as follows:

During the year ended 31 March 2007, the Audit Committee had:

- reviewed the Group's annual and interim financial statements with respect to their true and fairness, and discussed with the external auditors;
- reviewed the changes in accounting standards and their impacts on the Group's financial statements;
- reviewed the external auditors' Letter to Management and responses of the Management;
- made recommendation on the re-appointment of external auditors, reviewed their audit fees and adopted the policy for their engagement to supply non-audit services;

- 檢討本集團內部監控制度之有效性；
 - 檢討內審部之內部審核結果和推薦意見及管理層之回應；
 - 檢討本集團所訂立之持續關連交易；及
 - 檢討本集團遵守監管條例及法定規定之情況。
- reviewed the effectiveness of the Group's internal control systems;
 - reviewed the internal audit findings and recommendations of the Internal Audit Department and the responses of Management;
 - reviewed the continuing connected transactions entered into by the Group; and
 - reviewed the Group's compliance with regulatory and statutory requirements.

核數師酬金

於年內，核數師之酬金為港幣1,727,000元，其中港幣1,557,000元為審核服務及港幣170,000元為非審核服務。

問責性及審核

本公司截至二零零七年三月三十一日止年度之綜合財務報表，已由外聘核數師安永會計師事務所審核及審核委員會審閱。董事確認，其對編製本集團財務報表負有責任，該等財務報表乃依照法定要求及適用會計準則編製。

外聘核數師就其申報責任所編製之聲明，載於本年報第50至51頁之獨立核數師報告書內。

Auditors' Remuneration

Auditors' remuneration for the year amounted to a total of HK\$1,727,000 for the year, of which HK\$1,557,000 was incurred for audit service and HK\$170,000 for non-audit services.

Accountability and Audit

The consolidated financial statements of the Company for the year ended 31 March 2007 have been audited by the external auditors, Ernst & Young, and reviewed by the Audit Committee. The directors acknowledge their responsibility for preparing the financial statements of the Group which were prepared in accordance with statutory requirements and applicable accounting standards.

A statement by the external auditors about their reporting responsibilities is set out in the Independent Auditors' Report on pages 50 to 51 of this annual report.

內部監控

本公司設有內部監控制度，包括完善設計的組織架構以便劃分職責、全面之營運及財務監控以及有效的風險管理。管理層由高級職員及不同業務單位的營運總監組成，主要負責制定、履行及優化內部監控。董事局則監督內部管治及管理層運作。截至二零零七年三月三十一日止年度，董事局已透過審核委員會及集團內審部對內部監控制度作出周年檢討。

董事局已成立審核委員會定期檢查內部管治及遵守情況，以及本公司內部監控制度的成效。審核委員會由獨立非執行董事組成，其對公司管理擁有豐富經驗。審核委員會委派集團內審部，主要負責監察集團對政策及準則的遵守情況，並通過經常對集團不同的業務單位的查核，以檢討內部監控制度的成效，集團內審部會按年計劃其內審事項，並提呈審核委員會審閱及批准。審核結果會向審核委員會匯報，任何建議改善行動將予以適當跟進。審核委員會亦會定期與外聘核數師會面。外聘核數師致管理層之函件提及之事項會由審核委員會審閱。

Internal Controls

The Company has in place an internal control system comprising a well-designed organisational structure that facilitates segregation of duties, comprehensive operational and financial controls, and effective risk management. Management, which comprises senior staff and operating heads of different business units, is primarily responsible for the design, implementation, and improvement of internal controls. The Board oversees internal governance and Management's activities. Through the Audit Committee and the Group's Internal Audit Department, the Board has conducted an annual review on the effectiveness of the internal control system for the year ended 31 March 2007.

The Audit Committee has been established by the Board to conduct regular checking on internal governance and compliance, and effectiveness of the Company's internal control system. The Audit Committee comprises independent non-executive directors who are experienced in company management. The Audit Committee appoints and delegates to the Group's Internal Audit Department the major role in monitoring the Group's compliance with policies and standards and reviewing the effectiveness of internal controls through frequent auditing of the business of different units across the Group. The Group's Internal Audit Department plans its internal audit activities annually and submits to the Audit Committee for review and approval. Audit findings are reported to the Audit Committee and any proposed corrective actions are properly followed up. The Audit Committee also meets with the Company's external auditors regularly. Matters raised in the Letter to Management from external auditors are reviewed by the Audit Committee.

與股東之溝通

董事局明白與所有股東保持良好溝通的重要性，並致力於透過發出中期報告、年報、公告及其他通函向股東公開和及時地披露相關資料的政策。本公司慣常地於公布中期及全年業績後舉行記者會及分析員簡報會，並定期與投資機構和投資分析員直接會面及進行電話會議，確保股東及準投資者充分了解本公司之業務。為確保所有投資者及準投資者同時獲得相同的資訊，股價敏感資料會按照上市規則透過正式公告發放。

股東周年大會為股東與董事局交流意見提供了有利的平台。董事局鼓勵股東出席股東周年大會（有關通知最少於二十一天前發出）。董事局主席、行政總裁、審核委員會及薪酬委員會之主席（或在彼等缺席的情況下，該等委員會之其他成員）連同外聘核數師在大會上回應股東的提問。

Communication with Shareholders

The Board recognises the importance of good communications with all shareholders and is committed to a policy of open and timely disclosure of relevant information through published interim and annual reports, public announcements and other public circulars. The Company usually conducts press conference and analyst briefing immediately following the announcement of interim and final results. Face-to-face meetings and conference calls with institutional investors and investment analysts are conducted on a regular basis to make sure that shareholders and potential investors can obtain a good understanding of the Company's business. To ensure all investors and potential investors receive equal access to information at the same time, information considered to be of a price sensitive nature is released by formal public announcements as required by the Listing Rules.

The annual general meeting provides a useful forum for shareholders to exchange views with the Board. Shareholders are encouraged to attend the annual general meeting for which at least 21 days prior notice is given. The Chairman of the Board, the Chief Executive Officer, Chairmen of the Audit and Remuneration Committees (or in their absence, other members of the Committee) and external auditors are available to answer shareholders' questions at the meeting.

董事局報告書

Report of the Directors

董事局現提呈截至二零零七年三月三十一日止年度之董事局報告書及本公司及本集團之經審核財務報表。

主要業務

本公司之主要業務為投資控股及提供管理服務。

本集團於本年度之主要業務並無重大改變，附屬公司主要業務包括製造及銷售注塑機及相關產品。

業績及股息

本集團截至二零零七年三月三十一日止年度之溢利及本公司與本集團於該日之財政狀況，詳列於財務報表內第52至127頁。

中期股息每普通股港幣8仙已於二零零七年一月十一日派發。董事局建議約於二零零七年九月十九日派發本年度之末期股息每普通股港幣16仙予於二零零七年八月二十三日名列股東名冊上之股東。連同已派付之中期股息，本年度合共派發股息每普通股港幣24仙。

五年財務摘要

本集團過去五個財政年度之業績及資產、負債與少數股東權益摘要載於第132頁。此摘要並不構成經審核財務報表之部份。

物業、廠房及設備

本公司及本集團物業、廠房及設備於年內之變動詳情載於財務報表附註15。

The directors present their report and the audited financial statements of the Company and of the Group for the year ended 31 March 2007.

Principal Activities

The principal activities of the Company are investment holding and the provision of management services.

The principal activities of the subsidiaries comprise the manufacture and sale of plastic injection moulding machines and related products. There were no significant changes in the nature of the Group's principal activities during the year.

Results and Dividends

The Group's profit for the year ended 31 March 2007 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 52 to 127.

An interim dividend of HK8 cents per ordinary share was paid on 11 January 2007. The directors recommend the payment of a final dividend of HK16 cents per ordinary share on or about 19 September 2007 to shareholders whose names appear on the register of members on 23 August 2007 which, together with the interim dividend paid, makes a total dividend of HK24 cents per ordinary share for the year.

Five-Year Financial Summary

A summary of the results and of the assets, liabilities and minority interests of the Group for the last five financial years is set out on page 132. This summary does not form part of the audited financial statements.

Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Company and of the Group during the year are set out in note 15 to the financial statements.

已發行股本

本公司之已發行股本於年內之變動詳情載於財務報表附註29。

購股權

本公司之購股權計劃摘要及購股權於年內之變動及相關之原因詳載於財務報表附註30。

優先購股權

本公司之公司細則或百慕達法律對優先購股權並無規定。

購買、出售或贖回本公司之上市證券

於年內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

儲備

本公司儲備於年內之變動詳情載於財務報表附註31。本集團儲備於年內之變動詳情載於本年報第55至56頁之綜合權益變動報表內。

可供派發儲備

按百慕達一九八一年公司法(經修訂)計算，於二零零七年三月三十一日，本公司可供分配之儲備為港幣150,903,000元，其中港幣99,866,000元已建議作為本年度之末期股息。

Issued Share Capital

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

Share Options

A summary of the share option scheme and details of the movements in share options of the Company during the year, together with the reasons therefor, are set out in note 30 to the financial statements.

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's Bye-laws or the laws of Bermuda.

Purchase, Sale or Redemption of Listed Securities of the Company

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

Reserves

Details of movements in the reserves of the Company during the year are set out in note 31 to the financial statements. The details of movements in the reserves of the Group during the year are included in the consolidated statement of changes in equity on pages 55 to 56 of this annual report.

Distributable Reserves

At 31 March 2007, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda (as amended), amounted to HK\$150,903,000, of which HK\$99,866,000 has been proposed as a final dividend for the year.

慈善捐款

於年內本集團之慈善捐款總額為港幣931,000元（二零零六年：港幣1,015,000元）。

主要客戶及供應商

於年內本集團之最大五名客戶合計之營業額佔本集團之總收益不足30%。

於年內本集團之最大五名供應商合計之採購額佔本集團之總採購額不足30%。

董事

本年內及截至本報告日期止，本公司之董事為：

執行董事

蔣震，大紫荊勳賢（主席）
蔣麗苑（行政總裁）*
蔣志堅
鍾效良
吳漢華

獨立非執行董事

陳慶光⁺
Anish LALVANI⁺*
陳智思⁺**

⁺ 審核委員會成員

* 薪酬委員會成員

根據本公司之公司細則第189(viii)條，陳慶光先生及Anish LALVANI先生將輪值告退，彼等合資格並願意於應屆股東周年大會上膺選連任。

Charitable Contributions

During the year, the Group made charitable contributions totalling HK\$931,000 (2006: HK\$1,015,000).

Major Customers and Suppliers

Sales to the five largest customers of the Group accounted for less than 30% of the Group's total revenue for the year.

Purchases from the five largest suppliers of the Group accounted for less than 30% of the Group's total purchases for the year.

Directors

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

Executive Directors

Chen CHIANG, GBM (*Chairman*)
Lai Yuen CHIANG (*Chief Executive Officer*) *
Chi Kin CHIANG
Stephen Hau Leung CHUNG
Sam Hon Wah NG

Independent Non-executive Directors

Johnson Chin Kwang TAN ⁺
Anish LALVANI ⁺*
Bernard Charnwut CHAN ⁺**

⁺ *Members of the Audit Committee*

* *Members of the Remuneration Committee*

In accordance with Bye-law 189 (viii) of the Company's Bye-laws, Messrs. Johnson Chin Kwang TAN and Anish LALVANI will retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

董事及高級管理人員之簡歷

本公司之董事及本集團高級管理人員之簡歷詳情載於本年報第19至24頁。

董事服務合約

擬於即將舉行之股東周年大會上膺選連任之董事，概無與本公司訂立本公司不可於一年內在沒有賠償下（法定賠償除外）而可終止之服務合約。

董事於合約之權益

本公司、其任何控股公司、附屬公司或同集團附屬公司於年內並無訂立涉及本集團重要業務而董事擁有重大權益之合約。

董事於股份、相關股份及債券之權益及淡倉

於二零零七年三月三十一日，本公司之已發行普通股數目為624,163,600股；本公司董事及最高行政人員於本公司或任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中持有根據證券及期貨條例第352條須登記於本公司所保存登記冊內之權益及淡倉，或根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）之上市發行人董事進行證券交易之標準守則（「標準守則」）而須另行知會本公司及聯交所之權益及淡倉載列如下。

Brief Biographical Details of Directors and Senior Management

Brief biographical details of the directors of the Company and the senior management of the Group are set out on pages 19 to 24 of this annual report.

Directors' Service Contracts

None of the directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Directors' Interests in Contracts

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

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

At 31 March 2007, the number of issued ordinary shares of the Company was 624,163,600; and the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register of the Company required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were set out below.

(a) 於本公司股份及相關股份之好倉

(a) Long position in shares and underlying shares of the Company

董事姓名 Name of director	權益性質 Nature of interest	於普通股 之權益 Interest in ordinary shares	於相關股份 之權益* Interest in underlying shares*	總計 Total	附註 Notes	佔已發行 普通股之 概約百分比 Approximate percentage of the issued ordinary shares
蔣震 Chen CHIANG	個人 Personal	2,000,000	1,000,000	3,000,000	(1)	0.48%
	其他 Other	397,413,620	600,000	398,013,620	(3)	63.77%
蔣麗苑 Lai Yuen CHIANG	個人 Personal	4,332,000	668,000	5,000,000	(1)	0.80%
蔣志堅 Chi Kin CHIANG	個人 Personal	1,010,000	1,068,000	2,078,000	(1)	0.33%
鍾效良 Stephen Hau Leung CHUNG	個人 Personal	–	1,400,000	1,400,000	(1)	0.22%
吳漢華 Sam Hon Wah NG	個人 Personal	172,000	668,000	840,000	(1)	0.13%
陳慶光 Johnson Chin Kwang TAN	個人 Personal	484,000	–	484,000	(1)	0.08%
Anish LALVANI	個人 Personal	220,000	–	220,000	(1)	0.04%

* 股本衍生工具之相關股份之權益為根據本公司之購股權計劃所授出之購股權權益，而該等權益為尚未發行之股份。有關權益詳情載於財務報表附註30。

* The interests in underlying shares of equity derivatives represent interests in options granted under the Company's share option schemes of which they were unissued shares. The details of such interests are set out in note 30 to the financial statements.

(b) 於相聯法團股份之好倉

(i) 於震雄投資有限公司(「震雄投資」)之普通股權益：

(b) Long position in shares of associated corporations

(i) Interests in ordinary shares in Chen Hsong Investments Limited (“CH Investments”):

董事姓名 Name of director	權益性質 Nature of Interest	身份 Capacity	於股份 之權益 Interest in shares	附註 Notes	佔震雄投資 已發行股份 之概約百分比 Approximate percentage of the issued shares of CH Investments
蔣震 Chen CHIANG	其他 Other	全權信託之成立人 Founder of discretionary trusts	66,044,000	(2)	84.42%
蔣麗苑 Lai Yuen CHIANG	個人 Personal	實益擁有人 Beneficial owner	1,216,000	(1)	1.55%
	其他 Other	全權信託之受益人 Beneficiary of a discretionary trust	7,823,700	(4)	10.00%
蔣志堅 Chi Kin CHIANG	個人 Personal	實益擁有人 Beneficial owner	1,220,000	(1)	1.56%
	其他 Other	全權信託之受益人 Beneficiary of a discretionary trust	7,823,700	(5)	10.00%

(ii) 本公司之董事蔣震博士被視為持有下列相聯法團之股份及實收資本之權益：

(ii) Dr. Chen CHIANG, a director of the Company, is deemed to be interested in shares and paid-up capital of the following associated corporations:

相聯法團名稱 Name of associated corporation	於股份／ 實收資本之權益 Interest in shares/ paid-up capital	附註 Notes	佔相聯法團 有關類別 已發行股份／ 實收資本之概約百分比 Approximate percentage of the relevant class of issued shares/ paid-up capital of associated corporation
Chiangs' Industrial Holdings Limited	1 股可贖回股份 1 redeemable share	(3)	100.00%
博冠投資有限公司 Equaltex Investment Limited	2 股普通股 2 ordinary shares	(3), (6)	100.00%
Gondmyne Limited	100,000股普通股 100,000 ordinary shares	(3), (6)	100.00%
迪斯有限公司 Desee Limited	2 股普通股 2 ordinary shares	(3), (7)	100.00%
達觀有限公司 Desko Limited	2 股普通股 2 ordinary shares	(3), (7)	100.00%
高文有限公司 Goman Limited	2 股普通股 2 ordinary shares	(3), (7)	100.00%
高祐有限公司 Koyoki Limited	2 股普通股 2 ordinary shares	(3), (7)	100.00%

相聯法團名稱 Name of associated corporation	於股份／ 實收資本之權益 Interest in shares/ paid-up capital	附註 Notes	佔相聯法團 有關類別 已發行股份／ 實收資本之概約百分比 Approximate percentage of the relevant class of issued shares/ paid-up capital of associated corporation
美姬有限公司 Mikia Limited	2 股普通股 2 ordinary shares	(3), (7)	100.00%
慕珍有限公司 Mogin Limited	2 股普通股 2 ordinary shares	(3), (7)	100.00%
寶達仕有限公司 Potachi Limited	2 股普通股 2 ordinary shares	(3), (7)	100.00%
派諾有限公司 Parot Limited	2 股普通股 2 ordinary shares	(3), (7)	100.00%
利勤有限公司 Rikon Limited	2 股普通股 2 ordinary shares	(3), (7)	100.00%
仲都有限公司 Semicity Limited	2 股普通股 2 ordinary shares	(3), (7)	100.00%
西北有限公司 Sibeland Limited	2 股普通股 2 ordinary shares	(3), (7)	100.00%
崇美有限公司 Sumei Limited	2 股普通股 2 ordinary shares	(3), (7)	100.00%
Granwich Limited	1 股普通股 1 ordinary share	(3), (6)	100.00%
香港電腦輔助設計及 生產服務有限公司 Hong Kong Cad-Cam Services Limited	52,570,000 股 普通股 52,570,000 ordinary shares	(3), (6)	75.10%

相聯法團名稱 Name of associated corporation	於股份／ 實收資本之權益 Interest in shares/ paid-up capital	附註 Notes	佔相聯法團 有關類別 已發行股份／ 實收資本之概約百分比 Approximate percentage of the relevant class of issued shares/ paid-up capital of associated corporation
Hong Kong Cad-Cam Applications Limited	10,000 股普通股 10,000 ordinary shares	(3), (8)	100.00%
香港電腦輔助設計及生產服務 (國際)有限公司 Hong Kong Cad-Cam Services (International) Limited	10,000 股普通股 10,000 ordinary shares	(3), (8)	100.00%
Hong Kong Cad-Cam Services (Plastics) Limited	10,000 股普通股 10,000 ordinary shares	(3), (8)	100.00%
Kadom Limited	2 股普通股 2 ordinary shares	(3), (6)	100.00%
基碩發展有限公司 Keyset Development Limited	8 股普通股 8 ordinary shares	(3), (6)	80.00%
高仁(中國)有限公司 Callan (China) Limited	54 股普通股 54 ordinary shares	(3), (9)	84.38%
上海仙樂斯房地產有限公司 Shanghai Ciro's Real Estate Co., Ltd.	33,593,200 美元 實收資本 US\$33,593,200 paid-up capital	(3), (9)	67.19%
Pro-Team Pacific Limited	1 股普通股 1 ordinary share	(3), (6)	100.00%

相聯法團名稱 Name of associated corporation	於股份／ 實收資本之權益 Interest in shares/ paid-up capital	附註 Notes	佔相聯法團 有關類別 已發行股份／ 實收資本之概約百分比 Approximate percentage of the relevant class of issued shares/ paid-up capital of associated corporation
Tatiara Investment Company Limited	2 股普通股 2 ordinary shares	(3), (6)	100.00%
震雄工業貿易有限公司 Chen Hsong Industrial Trading Company Limited	2 股無投票權 遞延股份 2 non-voting deferred shares	(3), (6)	100.00%
震雄物流儲運有限公司 Chen Hsong Logistics Services Company Limited	5,000,000 股 無投票權遞延股份 5,000,000 non-voting deferred shares	(3), (6)	100.00%
震雄機器廠有限公司 Chen Hsong Machinery Company, Limited	50,000,000 股 無投票權遞延股份 50,000,000 non-voting deferred shares	(3), (6)	100.00%
震雄(中國)投資有限公司 Chen Hsong (PRC) Investment Company Limited	2 股無投票權 遞延股份 2 non-voting deferred shares	(3), (6)	100.00%

附註：

- (1) 該等權益乃以實益擁有人的身份持有。
- (2) 此乃Cititrust (Bahamas) Limited 間接持有之總計權益，而 Cititrust (Bahamas) Limited 為兩個全權信託（即蔣震工業慈善基金（「慈善基金」）及蔣氏家族基金（「家族基金」））之信託人。而該兩個基金分別擁有震雄投資74.42%及10%之控股權益。根據證券及期貨條例，由於蔣震博士為兩個全權信託之財產授予人，故蔣震博士有可能被認作全權信託之成立人，而被視作持有該等權益。
- (3) Chiangs' Industrial Holdings Limited 持有震雄投資 74.42% 之控股權益，Chiangs' Industrial Holdings Limited 則為 Cititrust (Bahamas) Limited 完全擁有。Cititrust (Bahamas) Limited 為慈善基金之信託人，根據證券及期貨條例，由於蔣震博士乃慈善基金之財產授予人，故蔣震博士有可能被認作慈善基金之成立人，而被視作持有該等權益。
- (4) 該等權益由家族基金持有，根據證券及期貨條例，由於蔣麗苑女士為家族基金其中一位受益人，故蔣麗苑女士被視作持有該等權益。
- (5) 該等權益由家族基金持有，根據證券及期貨條例，由於蔣志堅先生為家族基金其中一位受益人，故蔣志堅先生被視作持有該等權益。
- (6) 該等權益由震雄投資持有。

Notes:

- (1) Such interests are held in the capacity as beneficial owner.
- (2) This represents the collective interest indirectly held by Cititrust (Bahamas) Limited, trustee of two discretionary trusts, namely, The Chiang Chen Industrial Charity Foundation ("Charity Foundation") and The Chiangs' Family Foundation ("Family Foundation"), which respectively holds 74.42% and 10% of the issued share capital of CH Investments. By virtue of the SFO, Dr. Chen CHIANG is deemed to be interested in the aforesaid discretionary trusts as he is the settlor of both discretionary trusts and may be regarded as founder of such discretionary trusts.
- (3) Chiangs' Industrial Holdings Limited holds 74.42% controlling interest in CH Investments, in turn, Chiangs' Industrial Holdings Limited is wholly-owned by Cititrust (Bahamas) Limited. Cititrust (Bahamas) Limited being the trustee of the Charity Foundation in which, by virtue of the SFO, Dr. Chen CHIANG is deemed to be interested as he is the settlor of the Charity Foundation and may be regarded as founder of the Charity Foundation.
- (4) Such interests were held by the Family Foundation and Ms. Lai Yuen CHIANG is deemed to be interested under the SFO by virtue of her being one of the beneficiaries of the Family Foundation.
- (5) Such interests were held by the Family Foundation and Mr. Chi Kin CHIANG is deemed to be interested under the SFO by virtue of him being one of the beneficiaries of the Family Foundation.
- (6) Such interests are held by CH Investments.

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| <p>(7) 該等權益由震雄投資透過 Gondmyne Limited 間接持有。</p> <p>(8) 該等權益由震雄投資透過香港電腦輔助設計及生產服務有限公司間接持有。</p> <p>(9) 震雄投資持有基碩發展有限公司80%之控股權益。基碩發展有限公司則持有高仁(中國)有限公司84.38%權益。高仁(中國)有限公司則持有上海仙樂斯房地產有限公司67.19%之控股權益。</p> | <p>(7) Such interests are indirectly held by CH Investments through Gondmyne Limited.</p> <p>(8) Such interests are indirectly held by CH Investments through Hong Kong Cad-Cam Services Limited.</p> <p>(9) CH Investments holds 80% controlling interest in Keyset Development Limited which holds 84.38% controlling interest in Callan (China) Limited. Callan (China) Limited holds 67.19% controlling interest in Shanghai Ciro's Real Estate Co., Ltd..</p> |
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除上文所披露外，於二零零七年三月三十一日，本公司董事或最高行政人員概無於本公司或任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有根據證券及期貨條例第352條須登記於本公司所保存登記冊內之任何權益或淡倉，或根據標準守則而須另行知會本公司及聯交所之權益或淡倉。

董事購買股份或債券之權利

於本年度內，本公司董事或最高行政人員獲授或予以行使之購股權及於二零零七年三月三十一日尚未行使之購股權詳情載於財務報表附註30。

除上文所披露外，本公司或其任何附屬公司於年內並無訂立任何安排，致使本公司董事可藉購買本公司或任何其他法人團體之股份或債券而獲益，而董事、最高行政人員或彼等之配偶或未滿十八歲之子女於年內概無擁有可認購本公司證券之任何權利，亦無行使任何該等權利。

Save as disclosed above, at 31 March 2007, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' Rights to Acquire Shares or Debentures

Details of share options granted to or exercised by the directors or chief executive of the Company during the year and their outstanding balances at 31 March 2007 are set out in note 30 to the financial statements.

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to arrangements to enable the directors of the Company to acquire benefits by means of the acquisitions of shares in or debentures of the Company or any other body corporate, and none of the directors, chief executive or their spouse or children under the age of 18, had any right to subscribe for securities of the Company, or had exercised any such right during the year.

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零零七年三月三十一日，就本公司董事及最高行政人員所知，根據證券及期貨條例第336條保存之本公司登記冊所記錄之主要股東及其他人士於本公司之股份及相關股份之權益或淡倉載列如下。

於本公司股份及相關股份之好倉

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares

At 31 March 2007, so far as is known to the directors and chief executive of the Company, the interests or short positions of substantial shareholders and other persons in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under Section 336 of the SFO were set out below.

Long position in shares and underlying shares of the Company

股東名稱／姓名 Name of shareholder	身份 Capacity	普通股股數 Number of ordinary shares	相關股份 股數* Number of underlying shares*	總計 Total	附註 Notes	佔已發行 普通股股 份之概約 百分比 Approximate percentage of the issued ordinary shares
震雄投資 CH Investments	實益擁有人 Beneficial owner	397,413,620	600,000	398,013,620	(1)	63.77%
Chiangs' Industrial Holdings Limited	於受控制 法團之權益 Interest of controlled corporation	397,413,620	600,000	398,013,620	(1)	63.77%
Cititrust (Bahamas) Limited	受託人 Trustee	397,413,620	600,000	398,013,620	(1)	63.77%
蔣震 Chen CHIANG	全權信託 之成立人 Founder of discretionary trust	397,413,620	600,000	398,013,620	(1), (2), (3)	63.77%
	實益擁有人 Beneficial owner	2,000,000	1,000,000	3,000,000	(3)	0.48%
寶源投資管理 (香港)有限公司 Schroder Investment Management (Hong Kong) Limited	投資經理 Investment Manager	37,448,000	–	37,448,000	–	6.00%

* 股本衍生工具之相關股份之權益為根據本公司之購股權計劃所授出之購股權權益，而該等權益為尚未發行之股份。

附註：

- (1) 此乃震雄投資所持之同一批股份。由於Cititrust (Bahamas) Limited為慈善基金之信託人，故被視為於有關股份及相關股份持有權益，而該等有關股份及相關股份乃透過其所控制的法團Chiangs' Industrial Holdings Limited在震雄投資持有74.42%之控股權益而持有。
- (2) 蔣震博士為慈善基金之財產授予人，根據證券及期貨條例，蔣震博士有可能被認作慈善基金之成立人，而被視為於有關股份及相關股份持有權益。
- (3) 馬榮華女士為蔣震博士之配偶，根據證券及期貨條例，馬榮華女士以配偶權益身份而被視為於蔣震博士持有之有關股份及相關股份持有權益。

除上文所披露外，於二零零七年三月三十一日，根據證券及期貨條例第336條，本公司須保存之登記冊所記錄，概無任何其他人士擁有本公司之股份或相關股份之權益或淡倉。

持續關連交易

於二零零四年七月十五日，震堅模具機械(深圳)有限公司(「震堅深圳」)與震雄機械(深圳)有限公司(「深圳震雄」)(本公司間接全資附屬公司)簽訂一份採購主協議(「主協議」)。據此協議，本公司及其附屬公司(包括深圳震雄)將以非獨家方式向震堅深圳採購鋼材，為期三年，由二零零四年四月一日起開始。年內之交易金額約為港幣4,809,000元(已扣除增值稅)。

* The interests in underlying shares of equity derivatives represented interests in options granted under the Company's share option scheme of which they were unissued shares.

Notes:

- (1) This represents the same parcel of shares held by CH Investments. Cititrust (Bahamas) Limited is deemed to have interest in the relevant shares and underlying shares by virtue of being the trustee of the Charity Foundation, the relevant shares and underlying shares are held through its controlled corporation, Chiangs' Industrial Holdings Limited which holds 74.42% controlling interest in CH Investments.
- (2) The relevant shares and underlying shares are deemed to be interested by Dr. Chen CHIANG by virtue of the SFO as he is the settlor of the Charity Foundation and he may be regarded as the founder of the Charity Foundation.
- (3) Ms. Jwung Hwa MA, being the spouse of Dr. Chen CHIANG, in the capacity of interest of spouse, is deemed to be interested in the relevant shares and underlying shares held by Dr. Chen CHIANG by virtue of the SFO.

Save as disclosed above, at 31 March 2007, no other parties were recorded in the register of the Company required to be kept under Section 336 of the SFO as having interests or short positions in the shares and underlying shares of the Company.

Continuing Connected Transactions

On 15 July 2004, a master agreement (the "Master Agreement") was entered into between Zhenjian Mould & Machinery (Shenzhen) Company Limited ("CC-SZ") and Chen Hsong Machinery (Shenzhen) Company, Limited ("CHM-SZ"), an indirect wholly-owned subsidiary of the Company, in which the Company and its subsidiaries including CHM-SZ would, on non-exclusive basis, purchase steel from CC-SZ for a term of three years commencing from 1 April 2004. The transaction value during the year amounted to approximately HK\$4,809,000 (net of value-added tax).

主協議已於二零零七年三月三十一日屆滿而到期失效，更新的主協議已於二零零七年三月十九日由相同的簽約方簽訂，為期三年，由二零零七年四月一日開始。

蔣震博士及蔣志堅先生（二人為本公司之董事）及彼等各自之聯繫人，合共控制震堅實業有限公司股東大會上80%之投票權。由於震堅實業有限公司全資擁有震堅深圳，根據上市規則，震堅深圳被界定為本公司之關連人士。據此，按主協議進行之採購將構成本公司之持續關連交易。

本公司之獨立非執行董事已審閱上述持續關連交易，並確認該等交易：(1)屬本公司之日常業務；(2)按照一般商務條款進行；及(3)根據有關交易的協議條款進行，而交易條款屬公平合理，並且符合本公司股東之整體利益。

本公司之核數師已就上市規則第14A.38條之規定對上述持續關連交易進行審查，並已致函本公司董事局，確認上述持續關連交易：(1)已經由本公司董事局批准；(2)乃根據有關交易的協議條款進行；及(3)並無超逾於二零零四年八月二日公告披露的上限。

公眾持股量

根據本公司得悉的公開資料，及董事所知悉，本公司於本年度內及截至本報告日止已按照上市規則規定維持指定數額的公眾持股量。

The Master Agreement had expired by effluxion of time on 31 March 2007 and the renewal master agreement was entered into by the same parties on 19 March 2007 for a term of three years commencing from 1 April 2007.

Dr. Chen CHIANG and Mr. Chi Kin CHIANG, who are directors of the Company, and their respective associates together control the exercise of 80% of the voting power at general meetings of Chen Chien Holdings Limited, which holds the entire equity interest of CC-SZ. Therefore, CC-SZ is a connected person of the Company as defined in the Listing Rules. Accordingly, the purchases contemplated under the Master Agreement constitute continuing connected transactions of the Company.

The independent non-executive directors of the Company have reviewed the above continuing connected transactions and confirmed that the transactions have been entered into (1) in the ordinary and usual course of business of the Company; (2) on normal commercial terms; and (3) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Pursuant to rule 14A.38 of the Listing Rules, the auditors of the Company have issued the letter to the board of directors of the Company that the above continuing connected transactions (1) have been approved by the board of directors of the Company; (2) have been entered into in accordance with the relevant agreements governing the transactions; and (3) have not exceeded the cap disclosed in the announcement of the Company dated 2 August 2004.

Public Float

Based on the information publicly available to the Company and within the knowledge of the directors, the Company has maintained the prescribed amount of public float during the year and up to the date of this report as required under the Listing Rules.

薪酬政策

本集團之薪酬政策(包括薪金及花紅)符合本公司及其附屬公司經營當地之一般慣例。本公司亦按本公司之購股權計劃向集團部份僱員授予購股權，以吸引及延攬優秀員工。

薪酬委員會經考慮本集團之經營業績、個人表現及可供比較之市場數據資料，以檢閱本集團之薪酬政策及本集團董事及高級管理人員之薪酬。

核數師

安永會計師事務所依章告退，本公司將於應屆股東周年大會上提呈決議案，續聘彼等為本公司核數師。

承董事局命

蔣震
主席

香港，二零零七年七月十七日

Emolument Policy

The Group's emolument policy, including salaries and bonuses, is in line with the local practices where the Company and its subsidiaries operate. Share options of the Company were granted to selected employees of the Group under the share option scheme of the Company for attracting and retaining high talents.

The Remuneration Committee reviews the Group's emolument policy and structure for the remuneration of the directors and senior management of the Group, having regard to the Group's operating results, individual performance and comparable market statistics.

Auditors

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

By Order of the Board

Chen CHIANG
Chairman

Hong Kong, 17 July 2007

獨立核數師報告書

Independent Auditors' Report



致：震雄集團有限公司列位股東
(於百慕達註冊成立之有限公司)

To the shareholders of **Chen Hsong Holdings Limited**
(Incorporated in Bermuda with limited liability)

本核數師(以下簡稱「我們」)已完成審核刊於第52頁至第127頁之震雄集團有限公司之財務報表，包括於二零零七年三月三十一日之綜合及公司資產負債表，及截至該日止年度之綜合收益表、綜合權益變動報表及綜合現金流量表，以及主要會計政策及其他說明附註之摘要。

We have audited the financial statements of Chen Hsong Holdings Limited set out on pages 52 to 127, which comprise the consolidated and company balance sheets as at 31 March 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

董事對財務報表之責任

貴公司之董事須負責按照香港會計師公會頒布之香港財務報告準則及香港公司條例之披露要求編製真實及公平地呈列之財務報表。此責任包括設計、實施及維持與編製及真實及公平地呈列財務報表相關之內部監控，以使財務報表不存有由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當之會計政策；及按情況作出合理之會計估計。

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

核數師之責任

我們之責任是按照百慕達一九八一年《公司法》第九十條的規定，根據我們的審核，對該等財務報表作出意見，並僅向全體股東報告。除此之外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負債或承擔任何責任。

AUDITORS' RESPONSIBILITY

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

核數師之責任 (續)

我們乃按照香港會計師公會頒布之香港審計準則進行審核工作。這些準則要求我們遵守職業道德規範，並規劃及執行審核工作，以合理確定該等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行情序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實及公平地呈列財務報表相關之內部監控，以設計適合當時情況之審核程序，但並非為對公司的內部監控之有效性發表意見之用途。審核亦包括評價董事所採用的會計政策之合適性及所作出的會計估計之合理性，以及評價財務報表的整體呈列方式。

我們相信所獲得的審核憑證充足及適當，地為我們之審核意見提供基礎。

意見

我們認為，上述財務報表已按照香港財務報告準則足以真實與公平地反映 貴公司及 貴集團於二零零七年三月三十一日之財務狀況及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露要求而妥善編製。

安永會計師事務所

執業會計師
香港中環
金融街八號
國際金融中心二期十八樓

二零零七年七月十七日

AUDITORS' RESPONSIBILITY (continued)

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

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

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

OPINION

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2007 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young

Certified Public Accountants
18/F, Two International Finance Centre,
8 Finance Street,
Central,
Hong Kong

17 July 2007

綜合收益表

截至二零零七年三月三十一日止年度

Consolidated Income Statement

Year ended 31 March 2007

(港幣千元)	(HK\$'000)	附註 Notes	2007	2006
收益	REVENUE	6	2,155,014	1,955,334
銷售成本	Cost of sales		(1,488,339)	(1,371,498)
毛利	Gross profit		666,675	583,836
其他收入及收益	Other income and gains		21,502	27,122
銷售及分銷支出	Selling and distribution expenses		(180,768)	(164,507)
行政支出	Administrative expenses		(140,395)	(130,660)
其他經營支出淨額	Other operating expenses, net		(29,662)	(9,373)
融資成本	Finance costs	8	(2,387)	(7,139)
應佔聯營公司 溢利減虧損	Share of profits less losses of associates		2,159	(185)
除稅前溢利	PROFIT BEFORE TAX	7	337,124	299,094
稅項	Tax	11	(24,833)	(26,826)
本年度溢利	PROFIT FOR THE YEAR		312,291	272,268
歸屬於：	ATTRIBUTABLE TO:			
本公司權益持有人	Equity holders of the Company		312,276	272,450
少數股東權益	Minority interests		15	(182)
			312,291	272,268
股息	DIVIDENDS	13	150,244	123,767
本公司權益持有人 應佔每股盈利	EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	14		
基本 (港仙)	Basic (HK cents)		50.2	44.0
攤薄 (港仙)	Diluted (HK cents)		49.8	43.5

綜合資產負債表

於二零零七年三月三十一日

Consolidated Balance Sheet

As at 31 March 2007

(港幣千元)	(HK\$'000)	附註 Notes	2007	2006
非流動資產	NON-CURRENT ASSETS			
物業、廠房及設備	Property, plant and equipment	15	650,172	661,423
預付土地租賃款	Prepaid land lease payments	16	52,950	52,493
商譽	Goodwill	17	94,931	94,931
於聯營公司權益	Interests in associates	19	4,570	3,135
可供出售權益投資	Available-for-sale equity investments	20	124,057	124,057
持至到期投資	Held-to-maturity investments	21	–	–
遞延稅項資產	Deferred tax assets	28	36,571	24,218
非流動資產總計	Total non-current assets		963,251	960,257
流動資產	CURRENT ASSETS			
存貨	Inventories	22	578,089	566,697
應收貿易及票據賬款	Trade and bills receivables	23	675,640	517,433
訂金、預付款項及 其他應收賬款	Deposits, prepayments and other receivables		49,838	43,455
現金及銀行結存	Cash and bank balances	24	394,721	389,779
流動資產總計	Total current assets		1,698,288	1,517,364
流動負債	CURRENT LIABILITIES			
應付貿易及票據賬款	Trade and bills payables	25	300,497	262,500
稅項	Tax payable		16,687	16,662
其他應付賬款及 應計負債	Other payables and accruals	26	215,245	224,244
銀行貸款，無抵押	Bank loans, unsecured	27	33,054	113,094
流動負債總計	Total current liabilities		565,483	616,500
流動資產淨值	NET CURRENT ASSETS		1,132,805	900,864
資產總值減 流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		2,096,056	1,861,121

綜合資產負債表

於二零零七年三月三十一日

Consolidated Balance Sheet

As at 31 March 2007

(港幣千元)	(HK\$'000)	附註 Notes	2007	2006
非流動負債	NON-CURRENT LIABILITIES			
遞延稅項負債	Deferred tax liabilities	28	10,711	14,381
資產淨值	NET ASSETS		2,085,345	1,846,740
權益	EQUITY			
本公司權益持有人應佔權益	Equity attributable to equity holders of the Company			
已發行股本	Issued share capital	29	62,416	61,862
儲備	Reserves	31	2,014,962	1,777,395
			2,077,378	1,839,257
少數股東權益	Minority interests		7,967	7,483
權益總計	Total equity		2,085,345	1,846,740

蔣震 Chen CHIANG

主席 *Chairman*

蔣麗苑 Lai Yuen CHIANG

行政總裁 *Chief Executive Officer*

綜合權益變動報表

截至二零零七年三月三十一日止年度

Consolidated Statement of Changes in Equity

Year ended 31 March 2007

		2006											
		本公司權益持有人應佔											
		Attributable to equity holders of the Company											
(港幣千元)	(HK\$'000)	附註 Notes	已發行	股份	資本贖回	匯兌變動					少數	權益總計	
			股本	溢價賬	儲備	資本儲備	法定儲備	一般儲備	Exchange	保留溢利	股東權益		
			Issued	Share	Capital	Capital	Statutory	General	fluctuation	Retained	總計	Minority	Total
			share	premium	redemption	reserve	reserve	reserve	reserve	profits	Total	interests	equity
			capital	account	reserve	reserve	reserve	reserve	reserve				
於二零零五年四月一日	At 1 April 2005		61,819	489,370	295	47,667	20,457	2,351	(23,750)	1,076,974	1,675,183	26,619	1,701,802
匯兌調整	Exchange realignment		-	-	-	-	-	-	7,889	-	7,889	193	8,082
本年度直接	Total income and expense												
確認為權益的	for the year recognised												
總收入及支出	directly in equity		-	-	-	-	-	-	7,889	-	7,889	193	8,082
本年度溢利	Profit for the year		-	-	-	-	-	-	-	272,450	272,450	(182)	272,268
本年度總收入	Total income and												
及支出	expense for the year		-	-	-	-	-	-	7,889	272,450	280,339	11	280,350
發行新股	Issue of new shares	29	43	816	-	-	-	-	-	-	859	-	859
以股權支付的	Equity-settled share												
購股權安排	option arrangements		-	-	-	874	-	-	-	-	874	-	874
收購附屬公司	Acquisition of additional												
額外權益	equity interests		-	-	-	-	-	-	-	-	-	(8,937)	(8,937)
附屬公司	Capital contribution by												
少數股東	a minority equity holder		-	-	-	-	-	-	-	-	-	156	156
所投入之股本	of a subsidiary		-	-	-	-	-	-	-	-	-	-	-
支付給附屬公司	Dividend paid to												
少數股東	a minority equity holder		-	-	-	-	-	-	-	-	-	(10,366)	(10,366)
之股息	of a subsidiary		-	-	-	-	-	-	-	-	-	-	-
出售聯營公司	Disposal of an associate		-	-	-	-	-	-	(478)	-	(478)	-	(478)
保留溢利轉撥	Transfer from retained profits		-	-	-	795	997	-	-	(1,792)	-	-	-
截至二零零五年	Final dividend												
三月三十一日止	for the year ended												
年度之末期股息	31 March 2005		-	-	-	-	-	-	-	(86,594)	(86,594)	-	(86,594)
中期股息	Interim dividend	13	-	-	-	-	-	-	-	(30,926)	(30,926)	-	(30,926)
於二零零六年三月三十一日	At 31 March 2006		61,862	490,186*	295*	49,336*	21,454*	2,351*	(16,339)*	1,230,112*	1,839,257	7,483	1,846,740

綜合權益變動報表

截至二零零七年三月三十一日止年度

Consolidated Statement of Changes in Equity

Year ended 31 March 2007

		2007											
		本公司權益持有人應佔											
		Attributable to equity holders of the Company											
(港幣千元)	(HK\$'000)	附註 Notes	已發行	股份	資本贖回	匯兌變動					少數	權益總計	
			股本	溢價賬	儲備	資本儲備	法定儲備	一般儲備	Exchange	保留溢利			股東權益
			Issued	Share	Capital	Capital	Statutory	General	fluctuation	Retained	Total	Minority	Total
			share	premium	redemption	reserve	reserve	reserve	reserve	profits	equity	interests	equity
			capital	account	reserve	reserve	reserve	reserve	reserve	profits	Total	interests	Total
於二零零六年四月一日	At 1 April 2006		61,862	490,186	295	49,336	21,454	2,351	(16,339)	1,230,112	1,839,257	7,483	1,846,740
匯兌調整	Exchange realignment		-	-	-	-	-	-	60,071	-	60,071	469	60,540
本年度直接	Total income and expense												
確認為權益的	for the year recognised												
總收入及支出	directly in equity		-	-	-	-	-	-	60,071	-	60,071	469	60,540
本年度溢利	Profit for the year		-	-	-	-	-	-	-	312,276	312,276	15	312,291
本年度總收入	Total income and												
及支出	expense for the year		-	-	-	-	-	-	60,071	312,276	372,347	484	372,831
發行新股	Issue of new shares	29	554	8,122	-	-	-	-	-	-	8,676	-	8,676
以股權支付的	Equity-settled share												
購股權安排	option arrangements		-	-	-	269	-	-	-	-	269	-	269
保留溢利轉撥	Transfer from retained profits		-	-	-	858	2,522	-	-	(3,380)	-	-	-
截至二零零六年	Final dividend												
三月三十一日止	for the year ended												
年度之末期股息	31 March 2006	13	-	-	-	-	-	-	-	(93,238)	(93,238)	-	(93,238)
中期股息	Interim dividend	13	-	-	-	-	-	-	-	(49,933)	(49,933)	-	(49,933)
於二零零七年三月三十一日	At 31 March 2007		62,416	498,308*	295*	50,463*	23,976*	2,351*	43,732*	1,395,837*	2,077,378	7,967	2,085,345

* 於二零零七年三月三十一日的綜合資產負債表，該等儲備賬組成綜合儲備為港幣2,014,962,000元（二零零六年：港幣1,777,395,000元）。

* These reserve accounts comprise the consolidated reserves of HK\$2,014,962,000 (2006: HK\$1,777,395,000) in the consolidated balance sheet as at 31 March 2007.

綜合現金流量表

截至二零零七年三月三十一日止年度

Consolidated Cash Flow Statement

Year ended 31 March 2007

(港幣千元)	(HK\$'000)	附註 Notes	2007	2006
經營業務之現金流量	CASH FLOWS FROM OPERATING ACTIVITIES			
除稅前溢利	Profit before tax		337,124	299,094
調整：	Adjustments for:			
融資成本	Finance costs	8	2,387	7,139
應佔聯營公司溢利減虧損	Share of profits less losses of associates		(2,159)	185
利息收入	Interest income	7	(4,322)	(1,975)
出售聯營公司之溢利	Gain on disposal of an associate	7	–	(6,812)
折舊	Depreciation	7	56,749	56,517
預付土地租賃款之確認	Recognition of prepaid land lease payments	7	1,338	1,663
出售物業、廠房及設備之溢利	Gain on disposal of items of property, plant and equipment	7	(1,006)	(228)
物業、廠房及設備註銷	Write-off of items of property, plant and equipment	7	233	174
超逾企業合併的成本	Excess over the cost of a business combination	7	–	(464)
出售以公平值誌入損益之投資虧損	Loss on disposal of an investment at fair value through profit or loss	7	–	1,010
出售持至到期投資之溢利	Gain on disposal of a held-to-maturity investment	7	–	(424)
存貨準備淨額	Provision for inventories, net	7	14,933	25,840
應收貿易及票據賬款減值／(減值撥回)淨額	Impairment/(write-back of impairment) of trade and bills receivables, net	7	11,105	(2,638)
以股權支付的購股權費用	Equity-settled share option expenses		269	874
			416,651	379,955
與聯營公司之賬款餘額減少	Decrease in balances with associates		1,232	3,678
存貨減少／(增加)	Decrease/(increase) in inventories		(6,500)	54,484
應收貿易及票據賬款增加	Increase in trade and bills receivables		(157,586)	(123,664)
訂金、預付款項及其他	Decrease/(increase) in deposits, prepayments and other receivables		(5,690)	2,844
應付貿易及票據賬款增加	Increase in trade and bills payables		34,146	35,338
其他應付賬款及應計負債增加／(減少)	Increase/(decrease) in other payables and accruals		(12,352)	44,688
			269,901	397,323
經營產生之現金	Cash generated from operations		269,901	397,323
已付利息	Interest paid		(2,387)	(7,139)
退回香港利得稅	Hong Kong profits tax refunded		1,007	–
已付香港利得稅	Hong Kong profits tax paid		(307)	–
退回海外稅項	Overseas taxes refunded		91	404
已付海外稅項	Overseas taxes paid		(41,055)	(24,296)
			227,250	366,292
經營業務之現金流入淨額	Net cash inflow from operating activities		227,250	366,292

綜合現金流量表

截至二零零七年三月三十一日止年度

Consolidated Cash Flow Statement

Year ended 31 March 2007

(港幣千元)	(HK\$'000)	附註 Notes	2007	2006
投資業務之現金流量	CASH FLOWS FROM INVESTING ACTIVITIES			
購買物業、廠房及設備	Purchases of items of property, plant and equipment	15	(21,782)	(60,610)
出售物業、廠房及設備所得款項	Proceeds from disposal of items of property, plant and equipment		1,346	527
收購附屬公司額外權益	Acquisition of additional equity interests in a subsidiary		–	(8,473)
附屬公司少數股東所投入之股本	Capital contribution by a minority equity holder of a subsidiary		–	156
已收利息	Interest received		4,322	1,975
出售聯營公司所得款項	Proceeds from disposal of an associate		–	27,356
出售以公平值誌入損益之投資所得款項	Proceeds from disposal of an investment at fair value through profit or loss		–	20,470
出售持至到期投資所得款項	Proceeds from disposal of a held-to-maturity investment		–	424
於存款時距離原期滿日超過三個月之定期存款減少／(增加)	Decrease/(increase) in bank deposits with original maturity of more than three months when acquired		2,187	(7,992)
投資業務之現金流出淨額	Net cash outflow from investing activities		(13,927)	(26,167)
融資業務之現金流量	CASH FLOWS FROM FINANCING ACTIVITIES			
發行新股所得款項	Proceeds from issue of new shares	29	8,676	859
新借銀行貸款	New bank loans		–	63,902
償還銀行貸款	Repayments of bank loans		(79,443)	(109,153)
已付股息	Dividends paid		(143,171)	(117,520)
已付給附屬公司少數股東之股息	Dividend paid to a minority equity holder of a subsidiary		–	(10,366)
融資業務之現金流出淨額	Net cash outflow from financing activities		(213,938)	(172,278)
現金及現金等價物之增加／(減少)淨額	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(615)	167,847
年初之現金及現金等價物	Cash and cash equivalents at beginning of year		357,950	182,880
匯率變動之影響淨額	Effect of foreign exchange rate changes, net		6,278	7,223
年終之現金及現金等價物	CASH AND CASH EQUIVALENTS AT END OF YEAR		363,613	357,950
現金及現金等價物結存之分析	ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
現金及銀行結存	Cash and bank balances	24	335,924	313,765
於存款時距離原期滿日不足三個月之定期存款	Bank deposits with original maturity of less than three months when acquired	24	27,689	44,185
			363,613	357,950

資產負債表

於二零零七年三月三十一日

Balance Sheet

As at 31 March 2007

(港幣千元)	(HK\$'000)	附註 Notes	2007	2006
非流動資產	NON-CURRENT ASSETS			
物業、廠房及設備	Property, plant and equipment	15	936	1,065
於附屬公司權益	Interests in subsidiaries	18	718,840	661,488
非流動資產總計	Total non-current assets		719,776	662,553
流動資產	CURRENT ASSETS			
訂金、預付款項及 其他應收賬款	Deposits, prepayments and other receivables		1,087	1,186
現金及銀行結存	Cash and bank balances	24	16,568	19,563
流動資產總計	Total current assets		17,655	20,749
流動負債	CURRENT LIABILITIES			
其他應付賬款及應計負債	Other payables and accruals	26	22,886	23,344
流動負債淨值	NET CURRENT LIABILITIES		(5,231)	(2,595)
資產淨值	NET ASSETS		714,545	659,958
權益	EQUITY			
已發行股本	Issued share capital	29	62,416	61,862
儲備	Reserves	31	652,129	598,096
權益總計	Total equity		714,545	659,958

蔣震 Chen CHIANG
主席 Chairman

蔣麗苑 Lai Yuen CHIANG
行政總裁 Chief Executive Officer

1. 公司資料

震雄集團有限公司為於百慕達註冊成立之有限公司。本公司之主要營業地點位於香港新界大埔大埔工業邨大宏街13至15號。

年內，本集團主要從事製造及銷售注塑機及有關產品。

董事認為本公司之最終控股公司為於巴哈馬註冊成立之Cititrust (Bahamas) Limited。香港註冊成立之震雄投資有限公司(「震雄投資」)則為本公司之直接控股公司。

2.1 編製及綜合基準

編製基準

該等財務報表乃按照香港會計師公會頒布之香港財務報告準則(同時包括香港會計準則及詮釋)、香港公認會計原則及香港公司條例之披露要求而編製。財務報表乃按歷史成本慣例而編製。財務報表以港幣呈列，除了另有指明，所有金額均以千港元列報(港幣千元)。

綜合基準

綜合財務報表包括本公司及其附屬公司截至二零零七年三月三十一日止年度之財務報表。倘會計政策出現任何不一致，將作出調整以使一致。所有附屬公司之業績由其收購日(即本集團取得控制權之日)起綜合賬目，並持續綜合賬目至控制權終止日為止。集團內公司間所有重大之交易及賬款餘額於編製綜合賬目時予以抵銷。

1. CORPORATE INFORMATION

Chen Hsong Holdings Limited is a limited liability company incorporated in Bermuda. The principal place of business of the Company is located at 13-15 Dai Wang Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong.

During the year, the Group was principally involved in the manufacture and sale of plastic injection moulding machines and related products.

In the opinion of the directors, the Company's ultimate holding company is Cititrust (Bahamas) Limited, a company incorporated in the Bahamas. Chen Hsong Investments Limited ("CH Investments"), a company incorporated in Hong Kong, is the Company's immediate holding company.

2.1 BASIS OF PREPARATION AND CONSOLIDATION

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand (HK\$'000) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2007. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

2.1 編製及綜合基準 (續)

綜合基準 (續)

少數股東權益指非由本集團控制的外界股東在本公司之附屬公司之業績及資產淨值中擁有之權益。

2.2 新訂及經修訂之香港財務報告準則之影響

本集團已於本年度之財務報表首次採納以下新訂及經修訂之香港財務報告準則。除若干情況，因應新訂及經修訂之會計政策及額外披露外，採納該等新訂及經修訂之準則及詮釋對該等財務報表並無重大影響。

香港會計準則：

- 第19號(修訂) 精算盈虧、集體界定福利計劃及披露
- 第21號(修訂) 外幣匯率轉變的影響 — 境外業務的淨投資
- 第39號(修訂) 公平值選擇

香港會計準則第39號(修訂)及香港財務報告準則第4號(修訂)

香港(國際財務報告詮釋委員會) — 詮釋：

- 第4號 釐定安排是否包含租賃
- 第7號 按香港會計準則第29號惡性通貨膨脹經濟中採用重列法

2.1 BASIS OF PREPARATION AND CONSOLIDATION (continued)

Basis of consolidation (continued)

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries.

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

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

- | | |
|------------------------------|--|
| HKAS 19 Amendment | Actuarial Gains and Losses, Group Plans and Disclosures |
| HKAS 21 Amendment | The Effects of Changes in Foreign Exchange Rates — Net Investment in a Foreign Operation |
| HKAS 39 Amendment | The Fair Value Option |
| HKAS 39 & HKFRS 4 Amendments | Financial Guarantee Contracts |
| HK(IFRIC)-Int 4 | Determining whether an Arrangement contains a Lease |
| HK(IFRIC)-Int 7 | Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies |

2.2 新訂及經修訂之香港財務報告準則之影響 (續)

該等新訂及經修訂之準則及詮釋的主要影響如下：

(a) 香港會計準則第21號 (修訂)：外幣匯率轉變的影響 — 境外業務的淨投資

在採納有關境外業務的淨投資的香港會計準則第21號 (修訂) 後，所有本集團境外業務的淨投資中貨幣項目產生的匯率差異，不論該貨幣項目以何種貨幣為單位，於綜合財務報表均被確認為獨立的權益項目。該項改變並無對二零零七年三月三十一日或二零零六年三月三十一日的財務報表造成重大影響。

(b) 香港會計準則第39號 (修訂) 及香港財務報告準則第4號 (修訂)：財務擔保合約

該等修訂修正了香港會計準則第39號的範圍，要求非認定為保險合約的財務擔保合約初始須按公平值確認，其後根據香港會計準則第37號「撥備、或然負債及或然資產」釐定之金額，或初始確認之金額扣除根據香港會計準則第18號「收入」確認的累計攤銷 (如適用)，以較高者計算。採用該等修訂並無對該等財務報表造成重大影響。

(c) 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賃

本集團於二零零六年四月一日採納該詮釋。該詮釋提供指引，釐定安排是否包括必須採用租賃會計法處理的租賃。該詮釋並無對該等財務報表造成重大影響。

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

The principal impacts of these new and revised standards and interpretations are as follows:

(a) HKAS 21 Amendment: The Effects of Changes in Foreign Exchange Rates — Net Investment in a Foreign Operation

Upon the adoption of HKAS 21 Amendment regarding a net investment in a foreign operation, all exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised in a separate component of equity in the consolidated financial statements irrespective of the currency in which the monetary item is denominated. This change has had no material impact on these financial statements as at 31 March 2007 or 31 March 2006.

(b) HKAS 39 & HKFRS 4 Amendments: Financial Guarantee Contracts

These amendments have revised the scope of HKAS 39 to require financial guarantee contracts issued that are not considered insurance contracts, to be recognised initially at fair value and to be remeasured at the higher of the amount determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 *Revenue*. The adoption of these amendments has had no material impact on these financial statements.

(c) HK(IFRIC)-Int 4: Determining whether an Arrangement contains a Lease

The Group has adopted this interpretation as of 1 April 2006, which provides guidance in determining whether arrangements contain a lease to which lease accounting must be applied. This interpretation has had no material impact on these financial statements.

2.3 已頒布但未生效的香港財務報告準則的影響

本集團並無於本財務報表採納下列已頒布但未生效的新訂及經修訂之財務報告準則。

香港會計準則：

第1號(修訂) 資本披露¹
第23號(修訂) 借貸成本²

香港財務報告

準則：

第7號 金融工具：披露¹
第8號 經營分類²

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號的範圍³
第9號 內含衍生工具的重估⁴
第10號 中期財務報告及減值⁵
第11號 香港財務報告準則第2號－集團及庫存股份交易⁶
第12號 服務特許權安排⁷

- ¹ 於二零零七年一月一日或以後開始之年度生效
² 於二零零九年一月一日或以後開始之年度生效
³ 於二零零六年五月一日或以後開始之年度生效
⁴ 於二零零六年六月一日或以後開始之年度生效
⁵ 於二零零六年十一月一日或以後開始之年度生效
⁶ 於二零零七年三月一日或以後開始之年度生效
⁷ 於二零零八年一月一日或以後開始之年度生效

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

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

HKAS 1 Amendment Capital Disclosures¹
HKAS 23 (Revised) Borrowing costs²

HKFRS 7 Financial Instruments: Disclosures¹
HKFRS 8 Operating Segments²

HK(IFRIC)-Int 8 Scope of HKFRS 2³
HK(IFRIC)-Int 9 Reassessment of Embedded Derivatives⁴
HK(IFRIC)-Int 10 Interim Financial Reporting and Impairment⁵
HK(IFRIC)-Int 11 HKFRS 2 – Group and Treasury Share Transactions⁶
HK(IFRIC)-Int 12 Service Concession Arrangements⁷

- ¹ Effective for annual periods beginning on or after 1 January 2007
² Effective for annual periods beginning on or after 1 January 2009
³ Effective for annual periods beginning on or after 1 May 2006
⁴ Effective for annual periods beginning on or after 1 June 2006
⁵ Effective for annual periods beginning on or after 1 November 2006
⁶ Effective for annual periods beginning on or after 1 March 2007
⁷ Effective for annual periods beginning on or after 1 January 2008

2.3 已頒布但未生效的香港財務報告準則的影響 (續)

香港會計準則第1號(修訂)將影響下列各項的披露：有關本集團管理資本的目標、政策及程序等之非量化資料、有關公司視為資本的量化數據、對任何資本要求之遵行、以及任何違規之後果。

香港財務報告準則第7號要求披露，以令使用財務報表的人士能夠評估本集團金融工具的重要性，及源於該等金融工具的風險的性質及程度。

香港財務報告準則第8號要求須披露關於本集團經營分類的資料、各個分類所供應的產品和服務、本集團營業的地域範圍及本集團來自主要客戶的收益。該準則會取代香港會計準則第14號「分類報告」。

本集團現正就該等新訂及經修訂之香港財務報告準則初步實施的影響作出評估，但仍未能述明該等新訂及經修訂之香港財務報告準則會否對本集團之經營業績及財政狀況有重大影響。

3. 主要會計政策摘要

附屬公司

附屬公司乃指本公司直接或間接控制其財務及經營政策，從而自其業務中獲得利益之公司。

附屬公司之業績按已收及應收股息計入本公司之收益表中。本公司於附屬公司權益乃按成本值減任何減值列賬。

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

HKAS 1 Amendment will affect the disclosures about qualitative information about the Group's objectives, policies and processes for managing capital; quantitative data about what the Company regards as capital; and compliance with any capital requirements and the consequences of any non-compliance.

HKFRS 7 requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments.

HKFRS 8 requires the disclosure of information about the operating segments of the Group, the products and services provided by the segments, the geographical areas in which the Group operates, and revenues from the Group's major customers. This standard will supersede HKAS 14 *Segment Reporting*.

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application, but is not yet in a position to state whether these new and revised HKFRSs would have a significant impact on the Group's results of operations and financial position.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

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

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

3. 主要會計政策摘要 (續)

聯營公司

聯營公司指除附屬公司外，本集團擁有其股權投票權一般不少於20%之長期權益，並可對其行使重大影響力之公司。

本集團所佔聯營公司之收購後業績及儲備均已分別包括於綜合收益表及綜合儲備內。本集團於聯營公司權益按權益會計法計算本集團應佔資產淨值減任何減值準備，列入綜合資產負債表。

合營公司

合營公司乃以契約安排成立之公司，根據該安排，本集團與其他各方經營經濟業務。合營公司以獨立公司方式經營，而本集團與其他各方擁有其權益。

合營方之間訂立之合營協議，規定合營方之注資、合營時間長短及於清盤時變現資產之基準。來自合營公司業務之盈虧以及剩餘資產之任何分派，乃由合營方按其各自之注資比例或根據合營協議之條款攤分。

合營公司之賬目處理如下：

- (a) 倘本公司對合營公司擁有直接或間接之單方面控制權，則合營公司乃作為附屬公司處理；
- (b) 倘本公司對合營公司無單方面控制或共同控制權，但直接或間接擁有其註冊資本不少於20%，並可對其行使重大影響力，則合營公司乃作為聯營公司處理；或

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Associates

An associate is an entity, not being a subsidiary, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

Joint ventures

A joint venture is an entity set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture entity and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

A joint venture is treated as:

- (a) a subsidiary, if the Company has unilateral control, directly or indirectly, over the joint venture;
- (b) an associate, if the Company does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture's registered capital and is in a position to exercise significant influence over the joint venture; or

3. 主要會計政策摘要 (續)

合營公司 (續)

(c) 根據香港會計準則第39號，倘本公司對合營公司直接或間接擁有其註冊資本少於20%，並對其無共同控制權及不可行使重大影響力，則合營公司乃作為權益性投資處理。

商譽

收購附屬公司產生之商譽，為於收購當日收購成本超逾本集團應佔其所收購可識別資產，及所承擔的負債及或然負債之公平值之數額。

收購合約日期於二零零五年一月一日或以後所產生的商譽

收購產生之商譽乃於綜合資產負債表內確認為資產，初始按成本值，其後按成本值減任何累計減值虧損計量。

商譽之賬面值每年進行減值評估，或如發生某項事件或情形的變動顯示可能出現賬面減值，則會更頻密地進行減值檢討。

為進行減值測試，因企業合併而購入的商譽自購入之日起分配至預期可從合併產生之協同效益中獲益之本集團各個現金產出單位或現金產出單位組別，不論本集團的資產或負債是否已分配予該等單位或單位組別。每個獲分配商譽的單位或單位組別：

- 為就內部管理而言對商譽的監察屬本集團內的最低水平；及

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Joint ventures (continued)

(c) an equity investment, accounted for in accordance with HKAS 39, if the Company holds, directly or indirectly, less than 20% of the joint venture's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture.

Goodwill

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

Goodwill on acquisitions for which the agreement date is on or after 1 January 2005

Goodwill arising on acquisition is initially recognised in the consolidated balance sheet as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and

3. 主要會計政策摘要 (續)

商譽 (續)

- 不超過按香港會計準則第14號「分類報告」而釐定的本集團主要或次要申報方式所得出的一個分類。

減值乃通過評估有關商譽的現金產出單位(或現金產出單位組別)的可收回金額來確定。凡現金產出單位(或現金產出單位組別)的可收回金額低於賬面值，即確認減值虧損。

倘商譽構成現金產出單位(或現金產出單位組別)的部份而該單位的部份業務已出售，則在釐定所出售業務的收益或虧損時，與所出售業務相關的商譽計入該業務的賬面值。在這種情況下出售的商譽根據所出售業務相對現金產出單位的保留份額的價值進行計量。

就商譽確認的減值虧損不會於往後期間回撥。

超逾企業合併的成本

本集團佔被收購方可識別之資產、負債及或然負債之淨公平值之權益如超逾收購附屬公司的成本，該超逾部份經再檢討後即時於收益表確認。

關連人士

一方被視為本集團之關連人士倘若：

- 該一方直接或間接透過一間或多間中介公司(i)控制本集團、被本集團控制、或與本集團受共同控制；(ii)於本集團擁有權益，因而可對本集團施以重大影響；或
- (iii)共同控制本集團；

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Goodwill (continued)

- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with HKAS 14 *Segment Reporting*.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units), to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

An impairment loss recognised for goodwill is not reversed in a subsequent period.

Excess over the cost of business combinations

Any excess of the Group's interest in the net fair value of the acquirees' identifiable assets, liabilities and contingent liabilities over the cost of acquisition of subsidiaries, after reassessment, is recognised immediately in the income statement.

Related parties

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

- the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;

3. 主要會計政策摘要 (續)

關連人士 (續)

- (b) 該一方為聯營公司；
- (c) 該一方為本集團或其控股公司之關鍵管理層成員；
- (d) 該一方為(a)或(c)項所述任何人士家族之親密成員；
- (e) 該一方為(c)或(d)項所述之任何人士直接或間接控制、共同控制或可施行重大影響力之實體或享有重大投票權之實體；或
- (f) 該一方為受僱後福利計劃團體，以集團或集團的關連人士為服務對象。

非金融資產 (商譽除外) 減值

倘有跡象顯示出現減值或須就資產進行年度減值測試 (存貨、遞延稅項資產、金融資產及商譽除外)，則會估計該資產的可收回金額。可收回金額按資產或現金產出單位的使用價值或其公平值減銷售成本而計算 (以較高者為準)，並就個別資產而釐定，除非有關資產並無產生在頗大程度上獨立於其他資產或資產組別的現金流入，在此情況下，可收回金額就資產所屬的現金產出單位而釐定。

減值虧損僅於資產賬面值超出其可收回金額時予以確認。於評估使用價值時，估計日後現金流量按可反映現時市場評估的貨幣時間值及資產特定風險的除稅前折現率折減至現值。減值虧損於產生期間自收益表扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Related parties (continued)

- (b) the party is an associate;
- (c) the party is a member of the key management personnel of the Group or its holding companies;
- (d) the party is a close member of the family of any individual referred to in (a) or (c);
- (e) the party is an entity that is controlled, jointly-controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (c) or (d); or
- (f) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

Impairment of non-financial assets other than goodwill

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

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

3. 主要會計政策摘要 (續)

非金融資產(商譽除外)減值(續)

於每個申報日會評定是否有跡象顯示之前已確認的減值虧損不再存在或減少。倘出現該等跡象，則會估計可收回金額。過往確認的資產減值虧損(商譽除外)僅會於用以釐定資產可收回金額的估計改變時撥回，惟撥回後的數額不得高於假設過往年度並無就資產確認減值虧損而應有的賬面值(扣除折舊／攤銷後)。減值虧損的撥回於產生期間計入收益表。

物業、廠房及設備及折舊

除在建工程以外之物業、廠房及設備乃按成本值減累計折舊及任何減值後入賬。

物業、廠房及設備之成本值包括其購入價及令其達致符合預計用途之操作狀況及付運至使用地點之任何直接應佔費用。在物業、廠房及設備投產後產生之開支，例如維修及保養，通常在產生之期間從收益表中扣除。倘能清楚顯示有關開支會提高使用該物業、廠房及設備之預期經濟效益，及能可靠地計量該項目的成本，則有關開支將被資本化及列為該資產之額外或重置成本。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Impairment of non-financial assets other than goodwill

(continued)

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

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses.

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

3. 主要會計政策摘要 (續)

物業、廠房及設備及折舊 (續)

折舊乃以直線法按每項物業、廠房及設備之預計可使用年期撇銷。物業、廠房及設備主要分類之預計可使用年期如下：

香港之樓宇	— 按契約年期
香港以外地區 之樓宇	— 十五至 六十年
廠房、機器、傢 俬及其他設備	— 二至十五年

永久業權土地並無作出折舊撥備。

倘若物業、廠房及設備項目之部份具不同的使用期限，該項目之成本按合理基準分配給各部份，其各部份各自計算折舊。

剩餘價值、可使用年期及折舊方法於每個結算日審閱及在適當時進行調整。

物業、廠房及設備項目乃於出售或當預期使用或出售項目將不產生未來經濟利益時撤銷確認。於撤銷確認該資產的年度有關出售或棄用所產生的收益或虧損，為其銷售所得淨額與賬面價之差額。

在建工程指在建築中之大廈，按成本值扣除減值列賬及無作出折舊撥備。成本值數額包括在建築工程期間之直接建築費。當工程完成及可供使用後，在建工程將重新適當地按物業、廠房及設備種類分類。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Property, plant and equipment and depreciation (continued)

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

Buildings in Hong Kong	— Over the lease terms
Buildings outside Hong Kong	— 15 to 60 years
Plant, machinery, furniture and other equipment	— 2 to 15 years

Freehold land is not depreciated.

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

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

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

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

3. 主要會計政策摘要 (續)

研究及開發費用

所有研究費用於發生時在收益表中扣除。

集團須展示新產品的研發項目為技術上可行，使該項目的無形資產可以被應用或出售；有意及有能力應用或出售該資產；該資產如何帶來未來經濟利益；有足夠資源完成該項目；以及該研發費用可以可靠地計量，該費用才可資本化及延後列支。否則，研發費用須於發生時作列支處理。

投資及其他金融資產

金融資產於初始確認時以公平值計量，加上交易所致的直接應佔成本計量。

本集團於初始確認後釐定其金融資產分類，並在許可及適當之情況下於結算日重新評估有關分類。

正常情況下買入及出售之金融資產概於交易日（即本集團承諾購買或出售該資產之日期）予以確認。正常情況下買入及出售乃指按照一般市場規定或慣例在一定期間內交付資產之金融資產買賣。

貸款及應收款項

貸款及應收款項乃固定或可釐定付款金額而在活躍市場中無報價之非衍生金融資產。該等資產其後以用實質利率方法計算攤銷後的成本入賬。攤銷後的成本於計入收購之任何折讓或溢價後計算，並包括屬實質利率及交易成本不可分割部份之費用。有關收益及虧損於貸款及應收款項於撤銷確認或減值時及通過攤銷程序計入收益表。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Research and development costs

All research costs are charged to the income statement as incurred.

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

Investments and other financial assets

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

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

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

Loans and receivables

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

3. 主要會計政策摘要 (續)

投資及其他金融資產 (續)

持至到期投資

任何固定或可釐定付款金額及釐定期日，而本集團有明確的意圖及有能力持至到期的非衍生性金融資產分類為持至到期投資。沒有明確持有期限的投資將不會包括在此類別。其後以攤銷成本計量。攤銷後的成本是以初始入賬的金額減本金還款，加或減以實質利率方法計算初始入賬的金額與到期金額之差異的累計攤銷。此計算方法包括了所有合約簽署方之間在合約中所支付的費用或收取的收益，此與實際利率、交易費用及所有其他補貼及折扣為不可缺少的部份。如果投資撤銷確認或被釐定減值，其盈利或虧損(如同攤銷程序)於收益表內確認。

可供出售金融資產

可供出售金融資產為上市及非上市股本證券中之非衍生金融資產，該等金融資產界定為可供出售或並不歸入任何其他兩個類別內。於初始確認後，可供出售金融資產按公平值計量，盈利或虧損確認為獨立的權益成份直至投資撤銷確認或直至投資被釐定減值，此時先前於權益呈報之累計盈利或虧損計入收益表內。

倘非上市股本證券之公平值不能可靠地計量，原因為(i)該投資合理公平值的估計範圍內大幅波動或(ii)於該範圍內多種估計之可能性不能被合理評估及用於估計公平值，則該等證券乃按成本減任何減值虧損列賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Investments and other financial assets (continued)

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Held-to-maturity investments are subsequently measured at amortised cost. Amortised cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. Gains and losses are recognised in the income statement when the investments are derecognised or impaired, as well as through the amortisation process.

Available-for-sale financial assets

Available-for-sale financial assets are those non-derivative financial assets in listed and unlisted equity securities that are designated as available-for-sale or are not classified in any of the other two categories. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

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

3. 主要會計政策摘要 (續)

投資及其他金融資產 (續)

公平值

在有序的金融市場活躍交易之投資之公平值參考於結算日之市場收市價。倘某項投資之市場不活躍，公平值將採用估值方法確定。該等方法包括參考近期進行之公平市場交易，其他大致類同金融工具之現行市場價格，現金流量折現分析和期權定價模型。

金融資產減值

本集團於每個結算日評估是否存在客觀證據顯示一項或一組金融資產出現減值。

以攤銷後的成本計價之資產

如果有客觀跡象表明以攤銷後的成本計值之貸款、應收賬及持至到期投資產生減值虧損，計算其賬面價值與估算未來之現金流量(不包括尚未產生之未來信貸損失)以原始實際利率(即初始確認時計算所用的實際利率)折現與賬面值之間的差額以確認減值。有關資產之賬面值可通過直接沖減或通過備抵賬目作抵減。減值金額於收益表內確認入賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Investments and other financial assets (continued)

Fair value

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

Impairment of financial assets

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

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement.

3. 主要會計政策摘要 (續)

金融資產減值 (續)

以攤銷後的成本計價之資產 (續)

本集團首先對具個別重要性之金融資產進行評估，評估是否有客觀跡象顯示個別存有減值，並對非具個別重要性之金融資產進行評估，評估是否有客觀跡象顯示個別或共同存有減值。倘若經個別評估之金融資產(無論具重要性與否)確定並無客觀跡象顯示存有減值，該項資產會歸入一組具有相類似信貸風險特性金融資產內，並對該組金融資產是否有減值共同作出評估。倘經個別評估減值之資產及其減值虧損會或將繼續確認入賬，有關資產則不會納入共同減值評估之內。

以後期間，倘若減值虧損之數額減少，而減少之原因客觀上與減值虧損確認後所發生之事件相關聯，則先前確認之減值虧損可予以撥回。於撥回當日，倘若資產賬面值並無超出其攤銷後的成本，則任何減值虧損之其後撥回將於收益表內確認入賬。

就應收賬項而言，於客觀證據(例如債務人無力償債或面對重大財政困難的概率)顯示本集團將無法悉數收取根據發票原來條款所結欠之所有款項時作出減值撥備。應收賬項之賬面值透過用撥備賬而調低。於已減值之債項被評估為無法收回時，則對其終止確認。

按成本值列賬之資產

倘有客觀證據顯示非按公平值列賬之無市價股本工具因其公平值不能可靠計量而有減值虧損，減值虧損按金融資產之賬面值及估計未來現金流量按同等金融資產之現時市場回報率折算為現值，以二者之差額計算。該等資產之減值虧損不予撥回。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Impairment of financial assets (continued)

Assets carried at amortised cost (continued)

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

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

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

Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

3. 主要會計政策摘要 (續)

金融資產減值 (續)

可供出售金融資產

倘可供出售金融資產出現減值，其成本值(扣除任何主要付款及攤銷)與其現行公平值之差額，在扣減以往在收益表確認之任何減值虧損後會由權益轉撥至收益表。分類作可供出售之股本工具之減值虧損不會於收益表中撥回。

撤銷確認金融資產

金融資產(或金融資產之一部份或一組相似金融資產之一部份，如適用)在下列情況將被撤銷確認，倘：

- 收取該項資產的所得現金流量之權利經已屆滿；
- 本集團保留收取該項資產所得現金流量之權利，但透過「傳送」安排，已承擔責任在沒有顯著延緩之情況下，將所得現金流量全數付予第三者；或
- 本集團已轉讓其收取該項資產所得現金流量之權利，並(i)已轉讓該項資產之絕大部份風險及回報；或(ii)並無轉讓或保留該項資產絕大部份風險及回報，但已轉讓該項資產之控制權。

倘本集團已轉讓其收取該項資產所得現金流量之權利，但並無轉讓或保留該項資產之絕大部份風險及回報，且並無轉讓該項資產之控制權，該項資產將確認入賬，條件為本集團須持續涉及該項資產。持續涉及指本集團就已轉讓資產作出之一項保證，已轉讓資產乃以該項資產之原賬面值及本集團或須償還之代價數額上限(以較低者為準)計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Impairment of financial assets (continued)

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. Impairment losses on equity instruments classified as available-for-sale are not reversed through the income statement.

Derecognition of financial assets

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

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

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

3. 主要會計政策摘要 (續)

以攤銷後的成本計價之金融負債 (包括計息貸款及借貸)

金融負債包括應付貿易及票據賬款、其他應付賬款及應計負債、及計息貸款及借貸，最初按公平值減直接應佔交易成本列賬，其後使用實際利息法以攤銷後的成本計價，惟折算之影響並不重大者除外，於該情況下則以成本列賬。

如果負債撤銷確認，其盈利或虧損 (如同攤銷程序) 於收益表內確認。

撤銷確認金融負債

財務負債之責任已解除或註銷或屆滿時撤銷確認。

當現有財務負債為同一貸款人以重大不同條款之負債取代時，或現有負債之條款有重大修改時，有關交換或修改則被視為撤銷確認原有負債及確認一項新負債，而有關賬面值之差額乃於收益表內確認入賬。

存貨

存貨乃按成本值或可變現淨值之較低者入賬。成本按加權平均法計算，倘為在製品及製成品，則包括直接物料，直接勞工及應分擔之生產費用的部份入賬。可變現淨值乃根據估計售價減去預計直至產品製成及出售貨品所需之任何成本。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

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

Financial liabilities including trade and bills payables, other payables and accruals, and interest-bearing loans and borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

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

Derecognition of financial liabilities

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

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

Inventories

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

3. 主要會計政策摘要 (續)

現金及現金等價物

就現金流量表而言，現金及現金等價物指現金、銀行結存及定期存款、以及可隨時轉換為已知數額現金，並承受價值變動風險甚微之短期及高度流通性之投資，一般於購入時三個月內到期，扣除須應要求償還之銀行透支，該銀行透支作為本集團現金管理之一個完整部份。

就資產負債表而言，現金及銀行結存包括現金、銀行結存及定期存款，其用途並無限制。

所得稅

所得稅包括當期及遞延稅項。所得稅於收益表內確認入賬，如該項所得稅與已於股東權益確認之項目有關，或與於股東權益不同期間入賬之項目有關，則於股東權益確認。

本年度及以前期間之短期稅務資產及負債以預期可退回或支付予稅務機關的金額計量。

在結算日時，資產與負債的稅基與其在財政報告的賬面值之間的所有暫時性差異，按負債法計提遞延稅項撥備。

所有應課稅暫時性差異均會確認為遞延稅項負債，惟：

- 倘若遞延稅項負債的起因，是由一宗非屬企業合併的交易中初始確認之資產或負債，與及在交易時，對會計利潤或應課稅利潤或虧損均無影響，則屬例外；及

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Cash and cash equivalents

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

For the purpose of the balance sheets, cash and bank balances comprise cash on hand, bank balances and bank deposits, which are not restricted as to use.

Income tax

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

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

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

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

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

3. 主要會計政策摘要 (續)

所得稅 (續)

- 對於涉及附屬公司及聯營公司之投資的應課稅暫時性差異而言，倘若撥回暫時性差異的時間可以控制，以及該暫時性差異可能不會在可見將來撥回，則屬例外。

對於所有可於稅務上扣減之暫時性差異、承前未用稅項資產及未用稅項虧損，若日後有可能出現應課稅利潤，可用以抵扣該等可扣減暫時性差異、承前未用稅項資產及未用稅項虧損，則遞延稅項資產方會確認入賬，惟：

- 倘若有關可扣減暫時性差異的遞延稅項資產的起因，是由一宗非屬企業合併的交易中初始確認資產或負債，而且在交易時，對會計利潤或應課稅利潤或虧損均無影響，則屬例外；及
- 對於涉及附屬公司及聯營公司之投資的應課稅暫時性差異而言，只有在暫時性差異有可能在可見將來撥回，而且日後有可能出現應課稅利潤，可用以抵扣該等暫時性差異時，方會確認遞延稅項資產。

遞延稅項資產的賬面值，在每個結算日予以評估。若不再可能有足夠應課稅利潤用以抵扣相關稅項資產的全部或部份，則扣減遞延稅項資產賬面值。相反，在可能有足夠應課稅利潤用以抵扣相關稅項資產的全部或部份時，則確認過往不予確認的遞延稅項資產。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Income tax (continued)

- in respect of taxable temporary differences associated with interests in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

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

3. 主要會計政策摘要 (續)

所得稅 (續)

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

遞延稅項資產及遞延稅項負債只可在現行稅項資產及現行稅項負債有合法可行使的權利下，以及在遞延稅項乃關乎同一課稅公司及同一稅務機關之情況下，方可互相抵消。

收益確認

在本集團可能獲得有關經濟收益及該收益已能可靠地計量時，收益才會被確認及按下列基準入賬：

- (a) 出售貨品方面，當貨品擁有權之大部份風險及收益已轉移至買家，而本集團並無保持與該已出售貨品業權通常有關連之管理參與及實質控制；
- (b) 服務費收益在已提供服務時；
- (c) 利息收入以按時分配方式在考慮未償還本金及適用之實際利率後入賬；及
- (d) 股息以股東收取付款之權利確立時。

開辦費用

開辦費用指在開始商業營運前發生之費用，於發生時在收益表中列支。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Income tax (continued)

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

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

Revenue recognition

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

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

Pre-operating expenses

Pre-operating expenses represent expenses incurred prior to the commencement of commercial operations and are charged to the income statement when incurred.

3. 主要會計政策摘要 (續)

經營租賃

凡資產擁有權之所有回報及風險大部份仍歸出租人所有之租賃均列作經營租賃。倘若本集團為承租人，則根據經營租賃須支付租金按直線基準於租賃年期內在收益表中列支。

經營租賃下預付土地租賃款初始按成本列賬，其後按租期以直線基準確認。

股息

直至股東大會上獲股東批准及宣派為止，董事局建議之末期股息才會確認為負債。

建議及宣派中期股息乃同時進行，因為本公司之公司細則授權董事可宣派中期股息。因此，中期股息於其建議及宣派時隨即確認為負債。

外幣

該等財務報表以港幣(乃本公司之功能及呈列貨幣)呈列。本集團屬下各公司自行決定其功能貨幣，而各公司的財務報表內之項目均以該功能貨幣計算。外幣交易首先按交易日期之功能貨幣匯率入賬。於結算日以外幣為單位之貨幣資產與負債按該日之功能貨幣匯率重新換算。所有差額誌入收益表。根據外幣歷史成本計算之非貨幣項目按初始交易日期之匯率換算。根據外幣公平值計算之非貨幣項目按釐定公平值當日之匯率換算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Operating leases

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

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

Dividends

Final dividends proposed by the directors are recognised as a liability only when they have been approved by the shareholders in a general meeting and declared.

Interim dividends are simultaneously proposed and declared, because the Company's Bye-Laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

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

3. 主要會計政策摘要 (續)

外幣 (續)

若干海外附屬公司、及聯營公司之功能貨幣並非港元。於結算日，該等機構之資產及負債均按結算日之匯率換算為本公司之呈報貨幣，而該等公司之收益表按年內之加權平均匯率換算為港元。匯率差異計入匯兌變換儲備。於出售外地機構時，就特定外地機構在權益確認之遞延累計數額將於收益表確認。

就綜合現金流動表而言，海外附屬公司之現金流動按有關日期之匯率換算為港元。海外附屬公司年內經常產生之現金流動按年內之加權平均匯率換算為港元。

僱員福利

(a) 退休金計劃

本集團根據強制性公積金計劃條例設立定額供款之強制性公積金退休福利計劃(「強積金計劃」)予合資格參與該強積金計劃之僱員。供款乃按僱員底薪之若干百分比計算，並於根據強積金計劃之規則應予支付時計入收益表。強積金計劃之資產乃獨立於本集團之資產，並由獨立管理之基金另行持有。本集團之僱主供款於強積金計劃供款後全數歸屬僱員。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Foreign currencies (continued)

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

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

Employee benefits

(a) Pension schemes

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

3. 主要會計政策摘要 (續)

僱員福利 (續)

(a) 退休金計劃 (續)

強積金計劃生效前，本集團曾設立一個定額供款退休福利計劃（「退休計劃」），供合資格及選擇參與該計劃之僱員參加。退休計劃與強積金計劃之運作方式相近，惟倘僱員於有權全數收取本集團之僱主供款以前離職，本集團繼後應付之供款可以從遭放棄之有關款項扣減。

本集團在中國大陸附屬公司之僱員須參與地方市政府所管理之中央退休金計劃（「中央計劃」）。該等附屬公司須根據其僱員之薪金若干百分比計算，在按中央計劃規定之支付日期向該中央計劃支付供款額，並在有關之期間從收益表中扣除。

根據台灣勞動基準法所規定，本集團在台灣之附屬公司設立一項撥款定額福利退休金計劃（「舊計劃」），並須每月向該退休準備金供款，為僱員提供退休及終止服務之福利。該退休準備金由勞工退休準備金監督委員會（「委員會」）管理，並以委員會之名義存入一間經政府批准擔當託管人之金融機構。為該舊計劃所提供退休金的預計成本，會在僱員提供有關服務予集團在台灣附屬公司的期間內從收益表中扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Employee benefits (continued)

(a) Pension schemes (continued)

Prior to the MPF Scheme becoming effective, the Group operated a defined contribution retirement benefits scheme (the “DCRB Scheme”) for those employees who were eligible and had elected to participate in the DCRB Scheme. The DCRB Scheme operates in a similar way to the MPF Scheme, except that when an employee leaves the Group prior to his/her interest in the DCRB Scheme vesting fully, the ongoing contributions payable by the Group would be reduced by the relevant amount of the forfeited employer contributions.

The employees of the Group’s subsidiaries in the Mainland China are required to participate in a central pension scheme (the “Central Scheme”) which is operated by the local municipal governments. The contributions payable by these subsidiaries to the Central Scheme, which are based on a certain percentage of the salaries of their employees, are charged to the income statement as they become payable in accordance with the rules of the Central Scheme.

As required by the Taiwanese Labour Standard Law, the Group’s subsidiaries in Taiwan operate a funded defined benefits pension scheme (the “Old Scheme”) and make monthly contributions to the retirement fund to meet employees’ retirement and termination benefits entitlements. The fund is administered by the Employees’ Retirement Fund Committee (the “Committee”) and is deposited under the Committee’s name with a government approved financial institution, which acts as the trustee. The expected costs of providing pensions under the Old Scheme are charged to the income statement over the periods during which the employees provide the related services to the Group’s subsidiaries in Taiwan.

3. 主要會計政策摘要 (續)

僱員福利 (續)

(a) 退休金計劃 (續)

於二零零五年，台灣政府修訂了相關的退休金計劃，於勞工退休金條例中增加了新的供款性退休金計劃「新計劃」，並於二零零五年七月一日生效。根據修訂的退休規則，僱員能按需要選擇新計劃或繼續舊計劃。本集團在台灣之附屬公司對選擇了新計劃的僱員的責任為自選擇後按每月報酬的所需部份供款予政府指定賬戶，但本集團台灣之附屬公司仍須負責按舊計劃於變更前相關服務年期的部份。

(b) 基於股權的支付交易

本公司採納購股權計劃，目的是獎勵及鼓勵為本集團帶來貢獻之合資格人士。集團的僱員(包括董事)為集團提供服務籍以換取股權形式報酬之交易是為「以股權支付交易」。

與僱員進行的以股權支付交易成本乃參考授權當日的公平值計算。公平值乃外聘估值師採用二項式模式釐定。對以股權支付交易評估價值時，並不會計及任何表現條件，惟與公司股份價格相關的因素(「市況」)(如適用)除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Employee benefits (continued)

(a) Pension schemes (continued)

In 2005, the Taiwan government amended the related pension scheme by adding a new contributory pension scheme (the "New Scheme") in the Labour Pension Act, which became effective on 1 July 2005. According to the amended retirement regulations, the employees could choose to either select the New Scheme or to stay with the Old Scheme whatever they want. The obligation of Group's subsidiaries in Taiwan to those employees selecting the New Scheme is to contribute the required portion of the monthly compensation, to the government designated account since the election, while the Group's subsidiaries in Taiwan are still liable under the Old Scheme for the portion pertaining to the service years prior to the change.

(b) Share-based payment transactions

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

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

3. 主要會計政策摘要 (續)

僱員福利 (續)

(b) 基於股權的支付交易 (續)

以股權支付交易的成本連同股價的相應升幅會於達到表現及／或服務條件的期內確認，直至相關僱員完全享有該報酬之日（「歸屬日」）為止。由每個結算日直至歸屬日就以股權支付交易確認的累計開支反映歸屬期屆滿，以及就本集團有關最終將會歸屬的股本工具數目的最佳估計。每一期間收益表之扣除或計入，指該期間開始和結束時已確認累計開支之變動。

除非報酬的歸屬權是附帶市況條件，最終未能獲得歸屬權的報酬是不會被確認列支，但只要所有其他表現的條件已經達成，則不論市況條件是否達到，該報酬均會視作已獲歸屬權處理。

當以股權支付報酬的條件修訂時，會確認最少的開支，猶如條款並無修訂一般。此外，倘按修訂日期的計算，任何修訂導致基於股權的支付安排的總公平值有所增加，或對僱員帶來其他利益，則應就該等修訂確認開支。

當以股權支付報酬註銷時，會視作報酬已於註銷當日已歸屬，而報酬尚未確認的任何開支會即時確認。然而，倘註銷的報酬有任何新報酬替代，並指定為授出當日的替代報酬，則該項註銷及報酬會如上段所述被視為原有報酬的修訂處理。

未行使購股權的攤薄影響會以額外股份攤薄入賬，計算每股盈利。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Employee benefits (continued)

(b) Share-based payment transactions (continued)

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

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

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

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

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

3. 主要會計政策摘要 (續)

僱員福利 (續)

(b) 基於股權的支付交易 (續)

本集團已採納香港財務報告準則第2號關於以股權支付的報酬的過渡條款，僅將香港財務報告準則第2號應用於二零零二年十一月七日之後授出但於二零零五年四月一日前尚未歸屬的以股權支付的報酬，以及二零零五年四月一日或之後授出的購股權。

借貸成本

借貸成本於其發生期內在收益表確認為支出。

4. 重要會計估計

估計不明朗因素

有關未來的主要假設，及於結算日估計不明朗因素的其他主要來源的討論見下文所述，兩者均對下個財政年度資產及負債的賬面值作出重大調整具有重大風險。

(a) 商譽減值

本集團至少每年釐定商譽是否減值，對已獲分配商譽之現金產出單位之使用價值作出估計。估計使用價值要求本集團對來自現金產出單位之預期未來現金流量作出估計，亦要選擇合適折現率計算該等現金流量之現值。於二零零七年三月三十一日，商譽之賬面值為港幣94,931,000元（二零零六年：港幣94,931,000元）。減值評估之詳情載列於附註17。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Employee benefits (continued)

(b) Share-based payment transactions (continued)

The Group has adopted the transitional provisions of HKFRS 2 in respect of equity-settled awards and has applied HKFRS 2 only to equity-settled awards granted after 7 November 2002 that had not vested by 1 April 2005 and to those granted on or after 1 April 2005.

Borrowing costs

Borrowing costs are recognised as expenses in the income statement in the period in which they are incurred.

4. SIGNIFICANT ACCOUNTING ESTIMATES

Estimation uncertainty

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

(a) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at 31 March 2007 was HK\$94,931,000 (2006: HK\$94,931,000). More details of the impairment assessment are given in note 17.

4. 重大會計估計 (續)

估計不明朗因素 (續)

(b) 存貨撥備之估計

本集團之管理層定期對檢閱陳舊存貨之貨齡分析，此涉及將陳舊存貨項目之賬面值與相關公平值減銷售成本作比較。其目的在於確定有否需要對任何陳舊及滯銷之項目於財務報表計提撥備。此外，亦定期進行人手點算所有存貨，以決定是否需要對任何已辨別之陳舊及次貨計提撥備。

(c) 應收貿易及票據賬款減值之估計

釐定是否需要計提應收貿易及票據賬款減值時，本集團會考慮欠賬之賬齡狀況及收回可能性。鑑定可能呆壞賬的客觀證據後，負責人員會與有關客戶討論並就收回成數向管理層匯報。就不大可能收回而減值之應收款方會作特定撥備。

4. SIGNIFICANT ACCOUNTING ESTIMATES (continued)

Estimation uncertainty (continued)

(b) Estimation regarding provision for inventories

Management of the Group reviews the inventory ageing analysis on a periodic basis for those aged inventories. This involves comparison of the carrying value of the aged inventory items with the respective fair value less costs to sell. The purpose is to ascertain whether provision is required to be made in the financial statements for any obsolete and slow-moving items. In addition, physical counts on all inventories are carried out on a periodic basis in order to determine whether provision needs to be made in respect of any obsolete and defective inventories identified.

(c) Estimation regarding impairment of trade and bills receivables

In determining whether impairment of trade and bills receivables is required, the Group takes into consideration the ageing status and the likelihood of collection. Following the identification of objective evidence for potential bad and doubtful debts, the responsible personnel will discuss with the relevant customers and report to management on the recoverability. Specific provision is only made for those impaired receivables that are unlikely to be collected.

4. 重大會計估計 (續)

估計不明朗因素 (續)

(d) 遞延稅項撥備之估計

於二零零七年三月十六日，全國人大代表大會已通過中華人民共和國(「中國」)企業所得稅法(「新企業所得稅法」)，該項稅法將於二零零八年一月一日生效。按新企業所得稅法，適用於外商投資企業的所得稅稅率將於二零零八年一月一日變更為25%。該企業所得稅稅率的變更將自二零零八年起逐步地直接增加本集團在中國大陸的附屬公司之實際稅率。根據香港會計準則第12號「所得稅」，變現資產或清償負債的期間預期適用的稅率，會用作計算遞延稅項資產及負債，並以結算日當日已經生效或大致上已經生效的稅率(及稅法)為基準。本集團參考了其在中國大陸的附屬公司之現行稅率及新企業所得稅法的過渡規定，以估計自二零零八年一月一日起適用於該等附屬公司的可能稅率。截至二零零七年三月三十一日止年度，對本集團業績及財政狀況的影響已列示於財務報表附註28。

於此財務報表的審批日，有關新企業所得稅法的詳細執行及管理規定尚未公布。此詳細規定包括計算應課稅收入，和特別優惠稅務待遇及其相關過渡條文之規定。當更詳細的規定公布時，本集團將進一步評估其對本集團在未來期間的業績及財政狀況的影響。

4. SIGNIFICANT ACCOUNTING ESTIMATES (continued)

Estimation uncertainty (continued)

(d) Estimation regarding provision for deferred tax

On 16 March 2007, the National People's Congress approved the Corporate Income Tax Law of the People's Republic of China ("PRC") (the "New CIT Law"), which will be effective on 1 January 2008. Under the New CIT Law, the corporate income tax rate applicable to foreign-invested enterprises from 1 January 2008 will change to 25%. This change in the corporate income tax rate will directly increase the effective tax rates of the Group's subsidiaries in the Mainland China prospectively from 2008. According to HKAS 12 *Income Taxes*, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. The Group takes into account the current tax rates of its subsidiaries in the Mainland China and the transitional rulings of the New CIT Law in order to estimate the likely tax rates applicable for these subsidiaries from 1 January 2008. For the impact on the results and financial position of the Group for the year ended 31 March 2007, it has been disclosed in note 28 to the financial statements.

At the date of approval of these financial statements, detailed implementation and administrative requirements relating to the New CIT Law have yet to be announced. These detailed requirements include regulations concerning the computation of taxable income, as well as specific preferential tax treatments and their related transitional provisions. The Group will further evaluate the impact on its results and financial position of future periods when more detailed requirements are issued.

5. 分類資料

分類資料以兩種分類模式呈列：

- (i) 按地域分類呈報之主要分類模式；及
- (ii) 按業務分類呈報之次要分類模式。

本集團之主要業務為製造及銷售注塑機及有關產品，乃按照客戶所在地而劃分架構並獨立管理。本集團轄下各地域分類乃根據客戶所在地劃分，其代表一策略性業務單位向不同地區的客戶供應產品。

本集團地域分類如下：

- (a) 中國（包括中國大陸及香港）；
- (b) 台灣；及
- (c) 其他海外國家（包括其他亞洲國家、中東、美洲及歐洲）。

在釐定本集團之地域分類時，分類所佔之收益及資產乃根據客戶所在地計算。

5. SEGMENT INFORMATION

Segment information is presented by way of two segment formats:

- (i) on a primary segment reporting basis, by geographical segment; and
- (ii) on a secondary segment reporting basis, by business segment.

The principal activity of the Group is the manufacture and sale of plastic injection moulding machines and related products, which is managed according to the geographical location of customers. Each of the Group's geographical segments, based on the location of customers, represents a strategic business unit that offers products to customers located in different geographical areas.

The Group's geographical segments are as follows:

- (a) The PRC (including Mainland China and Hong Kong);
- (b) Taiwan; and
- (c) Other overseas countries (including other Asian countries, the Middle East, Americas and Europe).

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

5. 分類資料 (續)

(a) 按客戶地域分類

下表乃本集團按地域分類之收益、業績、資產、負債及若干支出資料。

5. SEGMENT INFORMATION (continued)

(a) Geographical segments based on the location of customers

The following tables present revenue, results, assets, liabilities and certain expenditure information for the Group's geographical segments.

本集團 (港幣千元)	Group (HK\$'000)	從對外客戶的 收益分類 Segment revenue from external customers		業績分類 Segment results	
		2007	2006	2007	2006
中國 (包括香港)	PRC (including Hong Kong)	1,491,947	1,383,094	304,517	271,139
台灣	Taiwan	238,611	219,101	18,388	21,464
其他海外國家	Other overseas countries	424,456	353,139	66,254	57,730
		2,155,014	1,955,334	389,159	350,333
未攤分收入及收益	Unallocated income and gains			4,322	9,161
企業及未攤分支出	Corporate and unallocated expenses			(56,129)	(53,076)
融資成本	Finance costs			(2,387)	(7,139)
應佔聯營公司 溢利減虧損	Share of profits less losses of associates			2,159	(185)
除稅前溢利	Profit before tax			337,124	299,094

5. 分類資料 (續)

(a) 按客戶地域分類 (續)

本集團 (港幣千元)	Group (HK\$'000)	資產分類 Segment assets		負債分類 Segment liabilities	
		2007	2006	2007	2006
中國 (包括香港)	PRC (including Hong Kong)	2,110,473	1,986,019	352,848	328,310
台灣	Taiwan	217,158	204,891	77,152	77,351
其他海外國家	Other overseas countries	265,078	215,173	85,742	81,083
		2,592,709	2,406,083	515,742	486,744
於聯營公司權益	Interests in associates	4,570	3,135	–	–
未攤分資產	Unallocated assets	64,260	68,403	–	–
未攤分負債	Unallocated liabilities	–	–	60,452	144,137
		2,661,539	2,477,621	576,194	630,881

本集團 (港幣千元)	Group (HK\$'000)	其他分類資料 Other segment information					
		折舊及攤銷 Depreciation and amortisation		其他非現金支出/(收入) Other non-cash expenses/(income)		資本開支 Capital expenditure	
		2007	2006	2007	2006	2007	2006
中國 (包括香港)	PRC (including Hong Kong)	52,045	52,406	24,260	22,829	19,536	58,516
台灣	Taiwan	2,584	2,739	(554)	(3,491)	900	699
其他海外國家	Other overseas countries	3,458	3,035	1,828	(2,006)	1,346	1,395
		58,087	58,180	25,534	17,332	21,782	60,610

5. 分類資料 (續)

(b) 按資產地域分類

本集團 (港幣千元)	Group (HK\$'000)	資產分類 Segment assets	
		2007	2006
中國(包括香港)	PRC (including Hong Kong)	2,178,740	1,990,092
台灣	Taiwan	413,969	415,991
		2,592,709	2,406,083
於聯營公司權益	Interests in associates	4,570	3,135
未攤分資產	Unallocated assets	64,260	68,403
		2,661,539	2,477,621

本集團 (港幣千元)	Group (HK\$'000)	資本開支 Capital expenditure	
		2007	2006
中國(包括香港)	PRC (including Hong Kong)	20,101	59,226
台灣	Taiwan	1,681	1,384
		21,782	60,610

(c) 業務分類

本集團90%以上之收益及資產乃來自製造及銷售注塑機及相關產品，因此，並無呈列業務分類之分析。

(c) Business segments

Over 90% of the Group's revenue and assets are attributable to the manufacture and sale of plastic injection moulding machines and related products. Therefore, no analysis by business segment is presented.

6. 收益

收益(亦為本集團之營業額)指年內之銷貨發票淨額，減去退貨及貿易折扣，而不包括集團公司間之交易。

6. REVENUE

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

7. 除稅前溢利

7. PROFIT BEFORE TAX

本集團之除稅前溢利已扣除／(計入)
下列各項：

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

(港幣千元)	(HK\$'000)	附註 Notes	2007	2006
售出存貨成本	Cost of inventories sold		1,488,339	1,371,498
折舊	Depreciation	15	56,749	56,517
預付土地租賃款之確認	Recognition of prepaid land lease payments	16	1,338	1,663
出售物業、廠房及設備之溢利	Gain on disposal of items of property, plant and equipment		(1,006)	(228)
物業、廠房及設備註銷	Write-off of items of property, plant and equipment	15	233	174
超逾企業合併的成本*	Excess over the cost of a business combination*		–	(464)
契約土地及樓宇營業租約之最低租賃支出	Minimum lease payments under operating leases of leasehold land and buildings		10,999	10,344
研究及開發費用	Research and development costs		14,620	14,635
核數師酬金	Auditors' remuneration		1,557	1,349
員工福利支出(董事酬金除外—附註9)：	Employee benefits expenses (excluding directors' emoluments – note 9):			
工資及薪酬	Wages and salaries		220,048	199,129
以股權支付的購股權支出	Equity-settled share option expenses		18	293
退休金計劃供款	Pension scheme contributions		12,522	12,118
應收貿易及票據賬款減值／(減值撥回)淨額	Impairment/(write-back of impairment) of trade and bills receivables, net		11,105	(2,638)
存貨準備淨額	Provision for inventories, net		14,933	25,840
匯兌差異淨額	Foreign exchange differences, net		(6,801)	(11,546)
利息收入	Interest income		(4,322)	(1,975)
出售聯營公司之溢利	Gain on disposal of an associate		–	(6,812)
出售以公平值誌入損益之投資虧損	Loss on disposal of an investment at fair value through profit or loss		–	1,010
出售持至到期投資之溢利	Gain on disposal of a held-to-maturity investment		–	(424)

* 截止二零零六年三月三十一日止年度，超逾企業合併的成本已包括於綜合收益表之「其他收入及收益」內。

* The excess over the cost of a business combination in the consolidated income statement for the year ended 31 March 2006 was included in “Other income and gains” on the face of the consolidated income statement.

8. 融資成本

8. FINANCE COSTS

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
於五年內全數償還之 銀行貸款利息	Interest on bank loans wholly repayable within five years	2,387	7,139

9. 董事酬金

9. DIRECTORS' EMOLUMENTS

依照上市規則及香港公司條例第161條，年內董事酬金披露如下：

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

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
袍金：	Fees:		
非執行董事	Non-executive directors	—	—
獨立非執行董事	Independent non-executive directors	443	360
其他酬金：	Other emoluments:		
薪酬、津貼及實物收益	Salaries, allowances and benefits in kind	12,148	12,148
表現掛鉤花紅	Performance related bonuses	18,377	16,597
以股權支付的購股權收益	Equity-settled share option benefits	251	581
退休金計劃供款	Pension scheme contributions	48	48
		31,267	29,734

往年度，根據公司購股權計劃，因應部份董事提供的服務予本集團獲授予購股權，詳細資料錄於財務報表之附註30。該等購股權的公平值按歸屬期在收益表中確認，其公平值於授出日計算，包括在本年度之財務報表的該金額已包括上述董事酬金的披露。

In prior years, certain directors were granted share options, in respect of their services to the Group, under the share option schemes of the Company, further details of which are set out in note 30 to the financial statements. The fair value of such options, which has been recognised to the income statement over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' remuneration disclosures.

9. 董事酬金 (續)

(a) 獨立非執行董事

年內支付予獨立非執行董事的袍金如下：

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
陳慶光先生	Mr. Johnson Chin Kwong TAN	150	120
Anish LALVANI 先生	Mr. Anish LALVANI	150	120
陳智思先生	Mr. Bernard Charnwut CHAN	143	120
		443	360

年內並無其他酬金支付予獨立非執行董事 (二零零六年：無)。

9. DIRECTORS' EMOLUMENTS (continued)

(a) Independent non-executive directors

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

There were no other emoluments payable to the independent non-executive directors during the year (2006: Nil).

(b) 執行董事

(b) Executive directors

(港幣千元)	(HK\$'000)	2007					酬金總計 Total remuneration
		袍金 Fees	薪酬、 津貼及 實物利益 Salaries, allowances and benefits in kind	表現 掛鈎花紅 Performance related bonuses	以股權支付 的購股權 收益 Equity-settled share option benefits	退休金 計劃供款 Pension scheme contributions	
蔣震博士	Dr. Chen CHIANG	-	4,490	6,614	83	-	11,187
蔣麗苑女士	Ms. Lai Yuen CHIANG	-	2,757	6,469	56	12	9,294
蔣志堅先生	Mr. Chi Kin CHIANG	-	1,997	2,751	28	12	4,788
鍾效良先生	Mr. Stephen Hau Leung CHUNG	-	1,704	2,142	28	12	3,886
吳漢華先生	Mr. Sam Hon Wah NG	-	1,200	401	56	12	1,669
		-	12,148	18,377	251	48	30,824

9. 董事酬金 (續)

(b) 執行董事 (續)

9. DIRECTORS' EMOLUMENTS (continued)

(b) Executive directors (continued)

		2006					
(港幣千元)	(HK\$'000)	袍金 Fees	薪金、 津貼及 實物利益 Salaries, allowances and benefits in kind	表現 掛鈎花紅 Performance related bonuses	以股權支付 的購股權 收益 Equity-settled share option benefits	退休金 計劃供款 Pension scheme contributions	酬金總計 Total remuneration
蔣震博士	Dr. Chen CHIANG	-	4,490	5,814	224	-	10,528
蔣麗苑女士	Ms. Lai Yuen CHIANG	-	2,757	5,669	149	12	8,587
蔣志堅先生	Mr. Chi Kin CHIANG	-	1,997	2,741	75	12	4,825
鍾效良先生	Mr. Stephen Hau Leung CHUNG	-	1,704	1,733	75	12	3,524
吳漢華先生	Mr. Sam Hon Wah NG	-	1,200	640	58	12	1,910
		-	12,148	16,597	581	48	29,374

年內，並無董事放棄或同意放棄任何酬金(二零零六年：無)。

年內，本公司兩名董事行使其於二零零一年八月三十一日及二零零三年三月三十一日授出之購股權購得3,666,000股本公司之普通股，詳情於財務報表的附註30載列。該等購股權的公平值按歸屬期在收益表中確認，其公平值於授出日計算，包括在本年度之財務報表的該金額已包括上述董事酬金的披露。

年內，本集團並無給予董事酬金以鼓勵對方加入本集團或作為加入本集團時之報酬、或離職賠償。

There was no arrangement under which a director waived or agreed to waive any emoluments during the year (2006: Nil).

During the year, two directors of the Company exercised share options, which had been granted on 31 August 2001 and 11 March 2003 to acquire 3,666,000 ordinary shares of the Company, details of which are set out in note 30 to the financial statements. The fair value of such options, which has been recognised to the income statement over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in directors' remuneration disclosures.

During the year, no emoluments were paid by the Group to the directors as an inducement to join, or upon joining the Group, or as compensation for loss of office.

10. 五名獲最高酬金之僱員

年內，五名獲最高酬金之僱員包括五名(二零零六年：五名)董事，其酬金已於財務報表附註9載列。

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included five (2006: five) directors, details of whose emoluments are set out in note 9 to the financial statements.

11. 稅項

本集團於年內無任何源於香港之應課稅盈利，故沒有就香港利得稅作出撥備(二零零六年：無)。其他地區之溢利稅項則按本集團經營業務所在國家／司法權區之現行之法例、詮釋及慣例，按現行稅率計算。

11. TAX

Hong Kong profits tax has not been provided as the Group did not generate any assessable profits arising in Hong Kong for the year (2006: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
即期：	Current:		
本年度稅項支出	Charge for the year		
香港	Hong Kong	–	–
其他地區	Elsewhere	37,303	31,875
過往年度多提撥備	Overprovision in prior years	(1,056)	(3,976)
遞延 – 附註28	Deferred – note 28	(11,414)	(1,073)
本年度稅項支出	Tax charge for the year	24,833	26,826

11. 稅項 (續)

就除稅前溢利以適用於本公司及其附屬公司所在國家／司法權區之法定稅率計算(稅率由15%至33%)之稅項支出，以及按實際稅率計算之稅項支出之對賬如下：

11. TAX (continued)

A reconciliation of the tax expense applicable to profit before tax using the statutory rates, ranging from 15% to 33%, for the countries/jurisdictions in which the Company and its subsidiaries are domiciled to the tax expense at the effective tax rates is as follows:

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
除稅前溢利	Profit before tax	337,124	299,094
按法定稅率計算之稅項	Tax at the statutory tax rate	108,450	82,912
個別省份或地方機構 之稅務寬減／較低稅率	Tax concessions/lower tax rates for specific provinces and local authority	(77,569)	(57,312)
應佔聯營公司溢利減虧損	Profits less losses attributable to associates	–	23
稅率變動對期初遞延稅項 之影響	Effect on opening deferred tax of changes in rates	(6,579)	–
不可扣稅之支出	Expenses not deductible for tax	9,804	3,646
毋須繳納稅項之收入	Income not subject to tax	(9,181)	(6,633)
未確認之本年度稅項虧損	Tax losses for the year not recognised	3,747	11,959
使用過往期間稅項虧損	Tax losses from previous periods utilised	(2,783)	(3,793)
過往期間即期稅項 之調整	Adjustments in respect of current tax of previous periods	(1,056)	(3,976)
本年度稅項支出	Tax charge for the year	24,833	26,826

本集團若干於中國大陸經營之附屬公司為外商投資企業，該等附屬公司之首兩個獲利經營年度獲豁免繳納中國所得稅，而於其後之三年則獲減免50%之中國所得稅。於稅項減免期屆滿後，該等於中國大陸的附屬公司將按15%至27%的稅率幅度繳納所得稅，而該等優惠稅率適用於中國大陸沿岸開放地區經營之附屬公司。

Certain of the Group's subsidiaries operating in the Mainland China are Foreign Investment Enterprises and are exempted from the income tax of the PRC for two years starting from the first profitable year of operations, and are entitled to a 50% relief from the income tax of the PRC for the following three years. Upon expiry of the tax relief period, the Mainland China subsidiaries will be subject to the income tax rates ranging from 15% to 27%, being the preferential tax rates applicable to these subsidiaries operating in the open coastal areas of the Mainland China.

11. 稅項 (續)

於二零零七年三月十六日閉幕的第十屆全國人大代表大會第五次會議上，有關當局已通過新企業所得稅法，該項稅法將於二零零八年一月一日生效。新企業所得稅法帶來重大轉變，其中包括(但不限於)將內資及外商投資企業所得稅率統一為25%。由於執行管理規定及規則詳情尚未公布，本集團只能估計新企業所得稅法的可能影響，如財務報表附註4及28載列。

截止二零零六年三月三十一日止年度，應佔聯營公司的可扣抵稅額為港幣23,000元，已包括在綜合收益表內的「應佔聯營公司溢利減虧損」。

12. 本公司權益持有人應佔溢利

截至二零零七年三月三十一日止年度本公司權益持有人應佔綜合溢利中包含於本公司財務報表已計入的溢利港幣188,813,000元(二零零六年：港幣123,339,000元)(附註31)。

11. TAX (continued)

During the 5th Session of the 10th National People's Congress, which was concluded on 16 March 2007, the New CIT Law was approved and will be effective on 1 January 2008. The New CIT Law introduces a wide range of changes which include, but are not limited to, the unification of the income tax rate for domestic-invested and foreign-invested enterprises at 25%. Since the detailed implementation and administrative rules and regulations have not yet been announced, the Group can only estimate the likely impact of the New CIT Law, as detailed in notes 4 and 28 to the financial statements.

The share of tax credit attributable to associates amounting to HK\$23,000 was included in "Share of profits less losses of associates" on the face of the consolidated income statement for the year ended 31 March 2006.

12. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The consolidated profit attributable to equity holders of the Company for the year ended 31 March 2007 includes a profit of HK\$188,813,000 (2006: HK\$123,339,000) which has been dealt with in the financial statements of the Company (note 31).

13. 股息

13. DIVIDENDS

(港幣千元)	(HK\$'000)	2007	2006
因購股權獲行使而產生 之額外末期股息	Additional final dividend due to exercise of share options	445	48
中期股息每普通股 港幣0.08元(二零零六年： 港幣0.05元)	Interim dividend of HK\$0.08 (2006: HK\$0.05) per ordinary share	49,735	30,926
因購股權獲行使而產生 之額外中期股息	Additional interim dividend due to exercise of share options	198	-
建議末期股息每普通股 港幣0.16元(二零零六年： 港幣0.15元)	Proposed final dividend of HK\$0.16 (2006: HK\$0.15) per ordinary share	99,866	92,793
		150,244	123,767

本年度建議之末期股息須經本公司股東在即將舉行之股東周年大會批准後方可作實。

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

14. 本公司權益持有人應佔每股盈利

每股基本盈利乃根據年內本公司權益持有人應佔本集團溢利港幣312,276,000元(二零零六年：港幣272,450,000元)及年內已發行普通股之加權平均數622,518,175股(二零零六年：618,512,247股)計算所得。

每股攤薄盈利乃根據年內本公司權益持有人應佔本集團溢利港幣312,276,000元(二零零六年：港幣272,450,000元)及加權平均數627,573,438股(二零零六年：626,229,947股)普通股(即計算每股基本盈利內所用年內已發行普通股之加權平均數622,518,175股(二零零六年：618,512,247股)及假設年內未獲行使之購股權已全部不需代價而獲行使之加權平均數5,055,263股(二零零六年：7,717,700股)普通股)計算所得。

14. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share is based on the Group's profit attributable to equity holders of the Company for the year of HK\$312,276,000 (2006: HK\$272,450,000) and on the weighted average number of 622,518,175 (2006: 618,512,247) ordinary shares in issue during the year.

The calculation of diluted earnings per share is based on the Group's profit attributable to equity holders of the Company for the year of HK\$312,276,000 (2006: HK\$272,450,000) and on the weighted average number of 627,573,438 (2006: 626,229,947) ordinary shares, being the weighted average number of 622,518,175 (2006: 618,512,247) ordinary shares in issue during the year as used in the basic earnings per share calculation and the weighted average number of 5,055,263 (2006: 7,717,700) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options outstanding during the year.

15. 物業、廠房及設備

二零零七年三月三十一日

15. PROPERTY, PLANT AND EQUIPMENT

31 March 2007

本集團 (港幣千元)	Group (HK\$'000)	永久業權土地 及樓宇，及 租賃樓宇 Freehold land and buildings, and leasehold buildings	在建工程 Construction in progress	廠房、機器、傢俬 及其他設備 Plant, machinery, furniture and other equipment	總計 Total
於二零零六年四月一日	At 1 April 2006				
成本	Cost	528,017	7,149	663,322	1,198,488
累計折舊	Accumulated depreciation	(123,171)	-	(413,894)	(537,065)
賬面淨值	Net carrying amount	404,846	7,149	249,428	661,423
於二零零六年四月一日， 已扣除累計折舊	At 1 April 2006, net of accumulated depreciation	404,846	7,149	249,428	661,423
添置	Additions	1,182	8,176	12,424	21,782
出售	Disposals	-	-	(340)	(340)
註銷	Write-off	-	-	(233)	(233)
轉撥	Transfer	3,979	(7,391)	3,412	-
本年度折舊撥備	Depreciation provided during the year	(13,784)	-	(42,965)	(56,749)
匯兌調整	Exchange realignment	11,840	445	12,004	24,289
於二零零七年三月三十一日， 已扣除累計折舊	At 31 March 2007, net of accumulated depreciation	408,063	8,379	233,730	650,172
於二零零七年三月三十一日	At 31 March 2007				
成本	Cost	547,045	8,379	701,552	1,256,976
累計折舊	Accumulated depreciation	(138,982)	-	(467,822)	(606,804)
賬面淨值	Net carrying amount	408,063	8,379	233,730	650,172

15. 物業、廠房及設備 (續)

二零零六年三月三十一日

15. PROPERTY, PLANT AND EQUIPMENT (continued)

31 March 2006

本集團 (港幣千元)	Group (HK\$'000)	永久業權土地 及樓宇，及 租賃樓宇 Freehold land and buildings, and leasehold buildings	在建工程 Construction in progress	廠房、機器、傢俬 及其他設備 Plant, machinery, furniture and other equipment	總計 Total
於二零零五年四月一日	At 1 April 2005				
成本	Cost	473,807	53,673	608,058	1,135,538
累計折舊	Accumulated depreciation	(110,313)	–	(371,360)	(481,673)
賬面淨值	Net carrying amount	363,494	53,673	236,698	653,865
於二零零五年四月一日， 已扣除累計折舊	At 1 April 2005, net of accumulated depreciation	363,494	53,673	236,698	653,865
添置	Additions	2,617	23,430	34,563	60,610
出售	Disposals	–	–	(299)	(299)
註銷	Write-off	–	–	(174)	(174)
轉撥	Transfer	52,462	(71,003)	18,541	–
本年度折舊撥備	Depreciation provided during the year	(12,710)	–	(43,807)	(56,517)
匯兌調整	Exchange realignment	(1,017)	1,049	3,906	3,938
於二零零六年三月三十一日 已扣除累計折舊	At 31 March 2006, net of accumulated depreciation	404,846	7,149	249,428	661,423
於二零零六年三月三十一日	At 31 March 2006				
成本	Cost	528,017	7,149	663,322	1,198,488
累計折舊	Accumulated depreciation	(123,171)	–	(413,894)	(537,065)
賬面淨值	Net carrying amount	404,846	7,149	249,428	661,423

本集團之在建工程位於香港以外地區，並以中期契約持有。

The Group's construction in progress was situated outside Hong Kong and was held under medium term leases.

15. 物業、廠房及設備 (續)

15. PROPERTY, PLANT AND EQUIPMENT (continued)

包括於上述本集團所持有永久業權土地及樓宇，及租賃樓宇之分析如下：

The Group's freehold land and buildings and leasehold buildings included above are analysed as follows:

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
所持有的契約樓宇： 在香港之中期契約 在香港以外地區 之中期契約	Leasehold buildings held under: Medium term leases in Hong Kong Medium term leases outside Hong Kong	45,082	48,698
		271,565	262,805
		316,647	311,503
在香港以外地區之永久 業權土地及樓宇	Freehold land and buildings held outside Hong Kong	91,416	93,343
		408,063	404,846

本公司 (港幣千元)	Company (HK\$'000)	傢俬及其他設備 Furniture and other equipment
二零零七年三月三十一日	31 March 2007	
於二零零六年四月一日， 已扣除累計折舊	At 1 April 2006, net of accumulated depreciation	1,065
本年度折舊撥備	Depreciation provided during the year	(129)
於二零零七年三月三十一日， 已扣除累計折舊	At 31 March 2007, net of accumulated depreciation	936
於二零零七年三月三十一日 成本	At 31 March 2007 Cost	11,541
累計折舊	Accumulated depreciation	(10,605)
賬面淨值	Net carrying amount	936
二零零六年三月三十一日	31 March 2006	
於二零零五年四月一日， 已扣除累計折舊	At 1 April 2005, net of accumulated depreciation	1,231
本年度折舊撥備	Depreciation provided during the year	(166)
於二零零六年三月三十一日， 已扣除累計折舊	At 31 March 2006, net of accumulated depreciation	1,065
於二零零六年三月三十一日 成本	At 31 March 2006 Cost	11,541
累計折舊	Accumulated depreciation	(10,476)
賬面淨值	Net carrying amount	1,065

16. 預付土地租賃款

16. PREPAID LAND LEASE PAYMENTS

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
於四月一日的賬面值	Carrying amount at 1 April	54,206	55,309
本年度確認	Recognised during the year	(1,338)	(1,663)
匯兌調整	Exchange realignment	1,420	560
於三月三十一日的賬面值	Carrying amount at 31 March	54,288	54,206
短期部份包括在 訂金、預付款項及 其他應收賬款	Current portion included in deposits, prepayments and other receivables	(1,338)	(1,713)
非短期部份	Non-current portion	52,950	52,493

本集團在上述所持有預付土地租賃款之分析如下：

The Group's prepaid land lease payments included above are analysed as follows:

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
所持有的預付土地租賃款：	Prepaid land lease payments held under:		
在香港之中期契約	Medium term leases in Hong Kong	25,236	25,458
在香港以外地區 之中期契約	Medium term leases outside Hong Kong	29,052	28,748
		54,288	54,206

17. 商譽

17. GOODWILL

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
商譽	Goodwill	94,931	94,931

17. 商譽 (續)

商譽減值測試

由企業合併產生之商譽已分配予一附屬公司進行減值測試。該附屬公司之可收回金額乃根據使用價值之計算釐定，計算所用的現金流量預測以五年財政預算為基礎。此使用價值計算的主要假設包括預期增長率及折現率。財政預算的制定反映了實際以及過去年度的表現、及發展的預期。現金流量預測所用的折現率定為5% (稅前)，以反映相關附屬公司之特定風險。

18. 於附屬公司權益

本公司 (港幣千元)	Company (HK\$'000)	2007	2006
非上市股份，按成本值	Unlisted shares, at cost	172,370	172,370
應收附屬公司賬款	Due from subsidiaries	919,747	789,992
應付附屬公司賬款	Due to subsidiaries	(373,277)	(300,874)
		718,840	661,488

與附屬公司之賬款餘額為無抵押及無固定還款條款。與若干附屬公司之賬款餘額乃按現行市場利率收取利息。與附屬公司之賬款餘額的賬面值約相等於其公平值。

主要附屬公司之詳情於128至131頁內載列。

17. GOODWILL (continued)

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to a subsidiary for impairment testing. The recoverable amount of the subsidiary is determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period. The key assumptions for the value in use calculation include the expected growth rate and discount rate. The financial budgets are prepared reflecting actual and prior year performance and development expectations. The discount rate applied to the cash flow projections is 5% which is before tax and reflects specific risks relating to the relevant subsidiary.

18. INTERESTS IN SUBSIDIARIES

The balances with subsidiaries are unsecured and have no fixed terms of repayment. The balances with certain subsidiaries bear interest at prevailing market rates. The carrying amounts of the balances with subsidiaries approximate to their fair values.

Particulars of the principal subsidiaries are set out on pages 128 to 131.

19. 於聯營公司權益

19. INTERESTS IN ASSOCIATES

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
應佔資產淨值	Share of net assets	10,817	8,150
應收聯營公司賬款	Due from associates	39	618
應付聯營公司賬款	Due to associates	(6,286)	(5,633)
		4,570	3,135

與聯營公司之賬款餘額為無抵押、免息及無固定償還條款。與聯營公司之賬款餘額的賬面值約相等於其公平值。

The balances with the associates are unsecured, interest-free and have no fixed terms of repayment. The carrying amounts of the balances with the associates approximate to their fair values.

所有本集團之聯營公司均為於中國註冊及於中國大陸經營之企業法人。

All of the Group's associates are corporate entities registered in the PRC and operating in Mainland China.

聯營公司之詳細資料如下：

Particulars of the associates are as follows:

名稱 Name	已發行股本面值／ 實收資本 Nominal value of issued share/ paid-up capital	本集團應佔 權益百分比 Percentage of ownership interest attributable to the Group	主要業務 Principal activities
佛山市順德區富雄機械 製造有限公司 Foshan Shunde Fu Xiong Machinery Company, Limited	美元800,000 US\$800,000	25	製造及銷售 球墨鑄鐵產品 Manufacture and sale of iron casting products
佛山市富雄鑄造廠 有限公司 Foshan Fu Xiong Foundry Company, Limited	美元1,520,000 US\$1,520,000	25	製造及銷售 球墨鑄鐵產品 Manufacture and sale of iron casting products

19. 於聯營公司權益 (續)

附註：

- (1) 上述公司非由香港安永會計師事務所或安永會計師事務所國際其他成員公司審核。
- (2) 上述公司以三月三十一日為其報告日期以符合其控股公司之報告日期。

下表載列本集團聯營公司之財務資料摘要取自於其管理報表：

(港幣千元)	(HK\$'000)	2007	2006
資產	Assets	108,917	105,565
負債	Liabilities	(65,650)	(72,967)
收益	Revenues	73,646	78,396
溢利	Profit	8,636	3,474

20. 可供出售權益投資

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
非上市投資，按成本值	Unlisted investments, at cost	170,539	170,539
減值撥備	Provision for impairment	(46,482)	(46,482)
總計	Total	124,057	124,057

非上市可供出售權益投資為投資於一台灣公司及間接投資於一中國大陸合營公司。

19. INTERESTS IN ASSOCIATES (continued)

Notes:

- (1) The above companies are not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.
- (2) The above companies use 31 March as their reporting date to conform with their holding company's reporting date.

The following table illustrates the summarised financial information of the Group's associates extracted from their management accounts:

20. AVAILABLE-FOR-SALE EQUITY INVESTMENTS

The unlisted available-for-sale equity investments represent an investment in a Taiwanese company and an indirect interest in a joint venture company in Mainland China.

20. 可供出售權益投資 (續)

於二零零七年三月三十一日，由於一非上市權益投資之合理公平值估算之幅度龐大，致使本公司董事認為未能可靠地計算其公平值，故該非上市權益投資按成本列賬，其賬面值為港幣124,057,000元（二零零六年：港幣124,057,000元）。

20. AVAILABLE-FOR-SALE EQUITY INVESTMENTS (continued)

As at 31 March 2007, an unlisted equity investment with a carrying amount of HK\$124,057,000 (2006: HK\$124,057,000) was stated at cost because the range of reasonable fair value estimates is so significant that the directors are of the opinion that its fair value cannot be measured reliably.

21. 持至到期投資

21. HELD-TO-MATURITY INVESTMENTS

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
持至到期投資： 非上市持至到期之 商業票據，按成本值 減值撥備	Held-to-maturity investment: Unlisted held-to-maturity commercial papers, at cost Provision for impairment	7,800 (7,800)	7,800 (7,800)
		-	-

22. 存貨

22. INVENTORIES

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
原料	Raw materials	246,817	247,797
在製品	Work in progress	245,199	215,567
製成品	Finished goods	86,073	103,333
		578,089	566,697

23. 應收貿易及票據賬款

客戶之貿易條款一般為現金交易、銀行票據及信用放貸。本集團根據個別客戶之商業實力及信譽提供信貸額，平均信貸期為九十天。本集團採取嚴格政策控制信貸條款及尚未收取之應收賬款，務求信貸風險降至最低。應收貿易及票據賬款之賬面值約相等於其公平值。

基於上述的觀點及本集團的應收貿易及票據賬款由大量分散客戶所組成，故沒有重大的集中信貸風險。應收貿易及票據賬款不計息。

於結算日之應收貿易及票據賬款之賬齡分析如下：

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
未到期	Current	547,809	385,054
一至九十天	1-90 days	93,341	98,228
九十一至一百八十天	91-180 days	19,316	17,517
超過一百八十天	Over 180 days	15,174	16,634
		675,640	517,433

23. TRADE AND BILLS RECEIVABLES

Trading terms with customers are either cash on delivery, bank bills or on credit. Customers are granted credit at the discretion of the Group, subject to their respective business strength and creditability. The average credit period is 90 days. The Group adopts strict control policies over credit terms and outstanding receivables that serve to minimise credit risk. The carrying amounts of the trade and bills receivables approximate to their fair values.

In view of the aforementioned and the fact that the Group's trade and bills receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the balance sheet date is as follows:

24. 現金及銀行結存

24. CASH AND BANK BALANCES

(港幣千元)	(HK\$'000)	本集團 Group		本公司 Company	
		2007	2006	2007	2006
現金及銀行結存	Cash and bank balances	335,924	313,765	16,568	19,563
於存款時距離原期滿日 不足三個月 之定期存款	Bank deposits with original maturity of less than three months when acquired	27,689	44,185	-	-
現金及 現金等價物	Cash and cash equivalents	363,613	357,950	16,568	19,563
於存款時距離原期滿日 超過三個月 之定期存款(附註1)	Bank deposits with original maturity of more than three months when acquired (Note 1)	31,108	31,829	-	-
		394,721	389,779	16,568	19,563

附註1：該結存包括若干於中國大陸經營之附屬公司所持有港幣31,108,000元(二零零六年：港幣29,498,000元)抵押銀行存款，用作擔保中國大陸若干財務機構給予若干第三者的貸款。

Note 1: The balance included pledged bank deposits of certain subsidiaries operating in the Mainland China of HK\$31,108,000 (2006: HK\$29,498,000) securing certain loans granted by certain financial institutions in the Mainland China to certain third parties.

附註2：銀行存款以銀行每日存款浮動利率賺取利息。視乎本集團現金的需求，而定立由一天至三個月不等的短期定期存款，並以短期定期存款息率賺取利息。現金及現金等價物及抵押存款的賬面值約相等於其公平值。

Note 2: Cash at bank earns interest at floating rates based on daily bank deposits rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The carrying amounts of the cash and cash equivalents and the pledged deposits approximate to their fair values.

25. 應付貿易及票據賬款

於結算日之應付貿易及票據賬款之賬齡分析如下：

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
未到期	Current	244,629	198,183
一至九十天	1-90 days	42,807	50,670
九十一天至一百八十天	91-180 days	3,704	2,575
超過一百八十天	Over 180 days	9,357	11,072
		300,497	262,500

應付貿易及票據賬款為不計息及一般於六十至九十天內支付。應付貿易及票據賬款之賬面值約相等於其公平值。

25. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the balance sheet date is as follows:

The trade and bills payable are non-interest-bearing and are normally settled at terms ranging from 60 to 90 days. The carrying amounts of the trade and bills payables approximate to their fair values.

26. 其他應付賬款及應計負債

(港幣千元)	(HK\$'000)	本集團 Group 2007	2006	本公司 Company 2007	2006
已收取訂金	Deposits received	49,135	66,677	13	13
應計負債及 其他負債	Accruals and other liabilities	166,110	157,567	22,873	23,331
		215,245	224,244	22,886	23,344

26. OTHER PAYABLES AND ACCRUALS

27. 銀行貸款，無抵押

本集團 (港幣千元)	Group (HK\$'000)	實際利率 Effective interest rate (%)	到期 Maturity	2007	2006
銀行貸款償還期： 一年內或即期	Bank loans repayable: Within one year or on demand	2.4	2007	33,054	113,094

本集團之無抵押銀行貸款的賬面值約相等於其公平值。本集團之無抵押銀行貸款以浮動利率計息。

27. BANK LOANS, UNSECURED

The carrying amounts of the Group's unsecured bank loans approximate to their fair values. The Group's unsecured bank loans are at floating rates.

28. 遞延稅項

年內遞延稅項負債及資產變動如下：

遞延稅項負債

28. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

本集團 (港幣千元)	Group (HK\$'000)	折舊減免額超逾 相關折舊 Depreciation allowance in excess of related depreciation	撥備 Provisions	稅項虧損 Tax losses	扣繳稅 Withholding tax	總計 Total
於二零零五年四月一日	At 1 April 2005	2,601	(814)	(3,825)	15,119	13,081
本年度於收益表扣除/ (計入)之遞延稅項 (附註11)	Deferred tax charged/(credited) to the income statement during the year (note 11)	(56)	(598)	3,660	(1,918)	1,088
繳付海外附屬公司 利潤回撥之扣繳稅	Withholding tax paid on repatriation of earnings from overseas subsidiaries	-	-	-	(1,388)	(1,388)
匯兌調整	Exchange realignment	-	157	165	1,278	1,600
於二零零六年 三月三十一日及 二零零六年四月一日	At 31 March 2006 and 1 April 2006	2,545	(1,255)	-	13,091	14,381
本年度於收益表扣除/ (計入)之遞延稅項 (附註11)	Deferred tax charged/(credited) to the income statement during the year (note 11)	6	(545)	(729)	1,112	(156)
繳付海外附屬公司 利潤回撥之扣繳稅	Withholding tax paid on repatriation of earnings from overseas subsidiaries	-	-	-	(3,369)	(3,369)
匯兌調整	Exchange realignment	-	43	-	(188)	(145)
於二零零七年三月三十一日	At 31 March 2007	2,551	(1,757)	(729)	10,646	10,711

28. 遞延稅項 (續)

28. DEFERRED TAX (continued)

遞延稅項資產

Deferred tax assets

本集團 (港幣千元)	Group (HK\$'000)	折舊減免額超逾 相關折舊 Depreciation allowance in excess of related depreciation	撥備 Provisions	稅務虧損 Tax losses	總計 Total
於二零零五年四月一日	At 1 April 2005	399	20,999	325	21,723
本年度於收益表計入/ (扣除)之遞延稅項 (附註11)	Deferred tax credited/(charged) to the income statement during the year (note 11)	(916)	3,402	(325)	2,161
匯兌調整	Exchange realignment	-	334	-	334
於二零零六年 三月三十一日及 二零零六年四月一日	At 31 March 2006 and 1 April 2006	(517)	24,735	-	24,218
本年度於收益表計入 之遞延稅項，包括 因實際稅率的變更影響 之可扣抵稅額 港幣8,960,000元 (附註11)	Deferred tax credited to the income statement during the year, including a tax credit of HK\$8,960,000 due to the effect of a change in the effective tax rates (note 11)	229	10,907	122	11,258
匯兌調整	Exchange realignment	-	1,095	-	1,095
於二零零七年三月三十一日	At 31 March 2007	(288)	36,737	122	36,571

28. 遞延稅項 (續)

就本集團之稅務虧損源於香港為港幣182,306,000元(二零零六年:港幣175,342,000元)及源於中國大陸為港幣54,536,000元(二零零六年:港幣43,180,000元),可用作抵銷錄得該虧損之公司日後之應課稅溢利。除於二零零七年三月三十一日按日後之應課稅溢利預計可供抵扣源於香港的未動用稅務虧損港幣4,164,000元(二零零六年:無)和源於中國大陸的未動用稅務虧損港幣488,000元(二零零六年:無)外,由於該等公司已錄得虧損一段時間,並預計無應課稅溢利可供抵扣稅務虧損,故無就該等虧損確認遞延稅項資產。在未確認遞延稅項虧損中,包括港幣54,048,000元(二零零六年:港幣43,180,000元)的稅務虧損將於五年之內逾期。其他虧損可以無限期累積。

於二零零七年三月三十一日,就本集團附屬公司及聯營公司之未付匯盈利於匯出時之應付稅項,並無未確認之遞延稅項負債(二零零六年:無)。

本公司向其股東派發之股息,並無附有任何所得稅之後果。

28. DEFERRED TAX (continued)

The Group has tax losses arising in Hong Kong of HK\$182,306,000 (2006: HK\$175,342,000) and in the Mainland China of HK\$54,536,000 (2006: HK\$43,180,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. Except for tax losses arising in Hong Kong of HK\$4,164,000 (2006: Nil) and in the Mainland China of HK\$488,000 (2006: Nil) as at 31 March 2007 to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised, deferred tax assets have not been recognised in respect of these losses as they have arisen in those companies that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised. Included in unrecognised tax losses are losses of HK\$54,048,000 (2006: HK\$43,180,000) that will expire within 5 years. Other losses can be carried forward indefinitely.

As at 31 March 2007, there is no unrecognised deferred tax liability (2006: Nil) for taxes that would be payable on the unremitted earnings of the Group's subsidiaries and associates should such amounts be remitted.

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

29. 股本

29. SHARE CAPITAL

(港幣千元)	(HK\$'000)	2007	2006
法定:	Authorised:		
1,000,000,000股普通股	1,000,000,000 ordinary shares		
每股港幣0.10元	of HK\$0.10 each	100,000	100,000
已發行及全數繳足:	Issued and fully paid:		
624,163,600股(2006:	624,163,600(2006:		
618,619,600股)普通股	618,619,600) ordinary shares		
每股港幣0.10元	of HK\$0.10 each	62,416	61,862

29. 股本 (續)

年內，隨附於2,500,000及3,044,000股購股權之認購權以每普通股港幣1.050元及港幣1.988元之行使價獲行使(附註30)，為此，以總代價約港幣8,676,000元(未計入發行支出)共發行每股面值港幣0.10元之普通股5,544,000股。

本公司已發行普通股股本變動詳情如下：

29. SHARE CAPITAL (continued)

During the year, the subscription rights attaching to 2,500,000 and 3,044,000 share options were exercised at the exercise prices of HK\$1.050 and HK\$1.988 per ordinary share respectively (note 30), resulting in the issue of 5,544,000 ordinary shares of HK\$0.10 each for a total cash consideration, before issue expenses, of approximately HK\$8,676,000 in aggregate.

Details of the movement in the Company's issued ordinary share capital are as follows:

		已發行 普通股數目 Number of ordinary shares in issue	已發行 股本 Issued share capital 港幣千元 HK\$'000	股份 溢價賬 Share premium account 港幣千元 HK\$'000	總計 Total 港幣千元 HK\$'000
於二零零五年四月一日	At 1 April 2005	618,187,600	61,819	489,370	551,189
獲行使之購股權	Share options exercised	432,000	43	816	859
於二零零六年 三月三十一日及 二零零六年四月一日	At 31 March 2006 and 1 April 2006	618,619,600	61,862	490,186	552,048
獲行使之購股權	Share options exercised	5,544,000	554	8,122	8,676
於二零零七年 三月三十一日	At 31 March 2007	624,163,600	62,416	498,308	560,724

30. 購股權

依據本公司於二零零二年八月二十三日舉行之股東周年大會上通過之普通決議案，本公司於一九九六年八月三十日採納之購股權計劃（「1996年計劃」）已被終止並已採納新購股權計劃（「2002年計劃」）。於1996年計劃終止後，不得根據1996年計劃再授出任何購股權，惟1996年計劃之條款在其他方面仍具效力，於終止1996年計劃前已授出之全部購股權繼續有效並可按其條款行使。根據1996年計劃及2002年計劃授出之購股權並不給予持有人收取股息或於股東大會上投票之權利。

2002年計劃之詳情列載如下：

(a) 目的

對合資格之參與人於本集團作出或將可作出貢獻而予以獎勵及鼓勵。

(b) 參與人

(i) 本集團任何成員或任何控股股東（根據2002年計劃之定義）或由控股股東控制之任何公司之：

(a) 任何董事（不論是執行或非執行，包括任何獨立非執行董事）及僱員（不論是全職或兼職），或

(b) 其時借調之任何人；

(ii) 持有本集團任何成員或任何控股股東或控股股東控制之任何公司所發行之任何證券持有人；及

30. SHARE OPTIONS

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 23 August 2002, the share option scheme adopted by the Company on 30 August 1996 (the “1996 Scheme”) was terminated and a new share option scheme (the “2002 Scheme”) was adopted. Upon termination of the 1996 Scheme, no further share options can be granted thereunder but in all other respects, the provisions of the 1996 Scheme remained in force and all share options granted prior to such termination continued to be valid and exercisable in accordance therewith. Share options under the 1996 Scheme and the 2002 Scheme do not confer rights on the holders to dividends or to vote at shareholders’ meeting.

The particulars of the 2002 Scheme are as follows:

(a) Purpose

As rewards or incentives for the contribution or potential contribution to the Group from the eligible participants.

(b) Participants

(i) (a) any director (whether executive or non-executive, including any independent non-executive director) and employee (whether full time or part time) of, or

(b) any individual for the time being seconded to work for,

any member of the Group or any controlling shareholder (as defined under the 2002 Scheme) or any company controlled by a controlling shareholder;

(ii) any holder of any securities issued by any member of the Group or any controlling shareholder or any company controlled by a controlling shareholder; and

30. 購股權 (續)

(b) 參與人 (續)

(iii) 本集團任何成員或任何控股股東或由控股股東控制之任何公司之，

(a) 任何業務或合作夥伴、特許經營權受讓人、承包商或分銷商，

(b) 任何人士或個體提供研究、發展或其他技術支援或任何諮詢、專業顧問或其他與業務運作有關之服務，

(c) 貨品或服務之任何供應商，或

(d) 貨品或服務之任何客戶。

就2002年計劃而言，參與人包括由一位或多位隸屬以上任何界別參與者所控制之任何公司。

(c) 可予發行普通股數目上限

於本年報日期，最多達53,016,760股普通股(約相等於本公司已發行股本8.49%)可予發行。

(d) 每位參與人可獲授權益上限

除根據2002年計劃之條款另行批准外，每位參與人在任何十二個月內(直至授出購股權當日止)，如根據2002年計劃及本公司任何其他購股權計劃所獲授之購股權(包括已註銷、已行使及尚未行使之購股權)予以行使，所發行及將發行之股份上限不得超過1%的本公司已發行股本。

30. SHARE OPTIONS (continued)

(b) Participants (continued)

(iii) (a) any business or joint venture partner, franchisee, contractor or distributor of,

(b) any person or entity that provides research, development or other technological support or any advisory, consultancy, professional or other services in respect of business operations to,

(c) any supplier of goods or services to, or

(d) any customer of goods or services of,

any member of the Group or any controlling shareholder or a company controlled by a controlling shareholder.

For the purposes of the 2002 Scheme, the participants shall include any company controlled by one or more persons belonging to any of the above classes of participants.

(c) Maximum number of ordinary shares available for issue

A total of 53,016,760 ordinary shares is available for issue which represents approximately 8.49% of the issued share capital of the Company as at the date of this annual report.

(d) Maximum entitlement of each participant

The maximum number of ordinary shares issued and to be issued upon exercise of share options granted under the 2002 Scheme and any other share option schemes of the Company to any participant (including cancelled, exercised and outstanding share options), in any 12-month period up to the date of grant shall not exceed 1% of the ordinary shares in issue unless otherwise approved in accordance with the terms of the 2002 Scheme.

30. 購股權 (續)

(e) 可根據購股權認購普通股之期限

由授出購股權之日起計十年內或本公司董事局於授出時所指定的較短期間。

(f) 購股權獲行使時必須持有最短期限 (如有)

於授出購股權時，本公司董事局將指定購股權於可行使前必須持有之最短期限 (如有)。

(g) 接納購股權需付金額及付款的期限

在提出購股權要約之日起 (包括該日) 四十五天內須接受有關之要約。於接受每份購股權要約時，需付港幣1.00元。

(h) 購股權行使價釐定之基準

行使購股權時須予支付之每股股份行使價將由本公司董事局決定，惟行使價須至少為下列最高者：

(i) 香港聯合交易所有限公司 (「聯交所」) 於授出日期發出之每日報價表所述之普通股收市價 (當日必須為交易日)；

(ii) 聯交所於緊接授出日期前五個聯交所交易日發出之每日報價表所述之普通股平均收市價；及

(iii) 普通股之面值。

(i) 2002年計劃餘下之有效期

除根據2002年計劃條款另行結束外，2002年計劃之有效年期為十年，並將於二零一二年八月二十三日屆滿。

30. SHARE OPTIONS (continued)

(e) Period within which the ordinary shares must be taken up under a share option

Within ten years from the date of grant of the share option or such shorter period as the board of directors of the Company determines at the time of grant.

(f) Minimum period, if any, for which a share option must be held before it can be exercised

At the time of granting a share option, the board of directors of the Company will determine the minimum period(s), if any, for which a share option must be held before it can be exercised.

(g) Amount payable upon acceptance of a share option and the period within which the payment must be made

An offer for the grant of a share option must be accepted within forty-five days inclusive of the day on which the offer was made. The amount payable on acceptance of the offer for an option is HK\$1.00.

(h) Basis of determining the exercise price of the share options

The exercise price per share payable on the exercise of a share option shall be determined by the board of directors of the Company and shall be no less than the highest of:

(i) the closing price of the ordinary shares as stated in the daily quotation sheet issued by The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of offer of grant, which must be a business day;

(ii) the average closing price of the ordinary shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer of grant; and

(iii) the nominal value of an ordinary share.

(i) Remaining life of the 2002 Scheme

The 2002 Scheme has a life of ten years and will expire on 23 August 2012 unless otherwise terminated in accordance with the terms of the 2002 Scheme.

30. 購股權 (續)

下列為於年內根據2002年計劃及1996年計劃授出但尚未行使之購股權：

30. SHARE OPTIONS (continued)

The following share options were outstanding under the 2002 Scheme and 1996 Scheme during the year:

參與人之姓名或類別 Name or category of participants	購股權數目 Number of share options				於二零零七年 三月三十一日 At 31 March 2007	授出日期* Date of grant*	行使期限 Exercise period	每股 行使價** Exercise price per share**
	於二零零六年 四月一日 At 1 April 2006	年內授出 Granted during the year	年內獲行使 Exercised during the year	年內失效 Forfeited during the year				
董事或主要股東 Director or substantial shareholder						(日/月/年) (D/M/Y)	(日/月/年) (D/M/Y)	港元 HK\$
蔣震 Chen CHIANG	1,000,000	-	(1,000,000)	-	-	11/3/2003	11/3/2006 - 10/3/2013	1.988
	1,000,000	-	-	-	1,000,000	11/3/2003	11/3/2008 - 10/3/2013	1.988
	2,000,000	-	(1,000,000)	-	1,000,000			
蔣麗苑 Lai Yuen CHIANG	2,000,000	-	(2,000,000)	-	-	31/8/2001	31/8/2006 - 28/2/2009	1.050
	666,000	-	(666,000)	-	-	11/3/2003	11/3/2006 - 10/3/2013	1.988
	668,000	-	-	-	668,000	11/3/2003	11/3/2008 - 10/3/2013	1.988
	3,334,000	-	(2,666,000)	-	668,000			
蔣志堅 Chi Kin CHIANG	400,000	-	-	-	400,000	31/8/2001	31/8/2006 - 28/2/2009	1.050
	334,000	-	-	-	334,000	11/3/2003	11/3/2006 - 10/3/2013	1.988
	334,000	-	-	-	334,000	11/3/2003	11/3/2008 - 10/3/2013	1.988
	1,068,000	-	-	-	1,068,000			
鍾效良 Stephen Hau Leung CHUNG	400,000	-	-	-	400,000	31/8/2001	31/8/2006 - 28/2/2009	1.050
	332,000	-	-	-	332,000	11/3/2003	11/3/2004 - 10/3/2013	1.988
	334,000	-	-	-	334,000	11/3/2003	11/3/2006 - 10/3/2013	1.988
	334,000	-	-	-	334,000	11/3/2003	11/3/2008 - 10/3/2013	1.988
	1,400,000	-	-	-	1,400,000			

30. 購股權 (續)

30. SHARE OPTIONS (continued)

參與人之姓名或類別 Name or category of participants	購股權數目 Number of share options				於二零零七年 三月三十一日 At 31 March 2007	授出日期* Date of grant*	行使期限 Exercise period	每股 行使價** Exercise price per share**
	於二零零六年 四月一日 At 1 April 2006	年內授出 Granted during the year	年內獲行使 Exercised during the year	年內失效 Forfeited during the year				
吳漢華 Sam Hon Wah NG	334,000	-	-	-	334,000	11/3/2003	11/3/2007 - 10/3/2013	1.988
	334,000	-	-	-	334,000	11/3/2003	11/3/2009 - 10/3/2013	1.988
	668,000	-	-	-	668,000			
震雄投資有限公司 Chen Hsong Investments Limited	600,000	-	(600,000)	-	-	11/3/2003	11/3/2006 - 10/3/2013	1.988
	600,000	-	-	-	600,000	11/3/2003	11/3/2008 - 10/3/2013	1.988
	1,200,000	-	(600,000)	-	600,000			
小計 Subtotal	9,670,000	-	(4,266,000)	-	5,404,000			
僱員 (除董事外) Employees (other than directors)								
合共 In aggregate	500,000	-	(500,000)	-	-	31/8/2001	31/8/2006 - 28/2/2009	1.050
	42,000	-	(32,000)	-	10,000	11/3/2003	11/3/2004 - 10/3/2013	1.988
	774,000	-	(736,000)	-	38,000	11/3/2003	11/3/2006 - 10/3/2013	1.988
	110,000	-	(10,000)	-	100,000	11/3/2003	11/3/2007 - 10/3/2013	1.988
	870,000	-	-	(144,000)	726,000	11/3/2003	11/3/2008 - 10/3/2013	1.988
	110,000	-	-	-	110,000	11/3/2003	11/3/2009 - 10/3/2013	1.988
小計 Subtotal	2,406,000	-	(1,278,000)	(144,000)	984,000			
總計 Total	12,076,000	-	(5,544,000)	(144,000)	6,388,000			

* 購股權之歸屬期間乃自授出日期直至行使期限開始為止。

* The vesting period of the share options is from the date of grant until the commencement of the exercise period.

** 倘若本公司供股、派送紅股或其他類似股本變化，購股權之行使價可予調整。

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

30. 購股權 (續)

附註：

- (1) 有關已行使之購股權於緊接行使日前一天之加權平均股份收市價為：

(i) 蔣震博士	港幣4.70元
(ii) 蔣麗苑女士	港幣4.28元
(iii) 震雄投資有限公司	港幣4.70元
(iv) 僱員(除董事外)	港幣4.74元

- (2) 根據2002年計劃每份授出購股權之代價為港幣1.00元。

- (3) 如財務報表附註29所示，年內，5,544,000股購股權獲行使致使發行5,544,000股每股面值港幣0.10元本公司普通股及在未計入發行支出前增加股本港幣554,400元及股份溢價約港幣8,122,000元。

- (4) 於二零零七年三月三十一日，本公司根據1996年計劃及2002年計劃分別有800,000股(二零零六年：3,300,000股)及5,588,000股(二零零六年：8,776,000股)購股權尚未行使。如尚未行使之購股權全數獲行使，依本公司現時之資本結構，將會發行額外6,388,000股每股面值港幣0.10元之普通股及在未計入任何相關股份發行支出前增加股本約港幣639,000元及股份溢價約港幣11,310,000元。

30. SHARE OPTIONS (continued)

Notes:

- (1) The weighted average closing share prices immediately before the dates on which the options were exercised by:

(i) Dr. Chen CHIANG	HK\$4.70
(ii) Ms. Lai Yuen CHIANG	HK\$4.28
(iii) Chen Hsong Investments Limited	HK\$4.70
(iv) Employees (other than directors)	HK\$4.74

- (2) The share options granted under the 2002 Scheme are for a consideration of HK\$1.00 per grant.

- (3) The 5,544,000 share options exercised during the year resulted in the issue of 5,544,000 ordinary shares of HK\$0.10 each of the Company and new share capital of HK\$554,400 and share premium of approximately HK\$8,122,000 (before issue expenses), as detailed in note 29 to the financial statements.

- (4) As at 31 March 2007, the Company had 800,000 (2006: 3,300,000) and 5,588,000 (2006: 8,776,000) share options outstanding under the 1996 Scheme and the 2002 Scheme respectively. The exercise in full of the share options outstanding would, under the present capital structure of the Company, result in the issue of 6,388,000 additional ordinary shares of HK\$0.10 each of the Company, and additional share capital of approximately HK\$639,000 and share premium of approximately HK\$11,310,000 (before issue expenses).

31. 儲備

本集團

本集團本年度及過往年度的儲備及其變化於綜合權益變動報表中呈列。

根據台灣公司法，亞塑機械股份有限公司及震雄機械廠股份有限公司須將一部份稅後溢利轉撥至一不可派發之資本儲備中。惟當該資本儲備達到該公司資本50%時，得以其半數撥充資本，而該資本儲備亦可隨時用於抵銷虧損。於二零零七年三月三十一日，該資本儲備為港幣36,971,000元（二零零六年：港幣36,113,000元）。

根據中國對外商獨資企業之法例，本公司於中國大陸之若干附屬公司須轉撥部份稅後溢利至法定儲備（此為被限制使用之儲備），直至該項儲備累積總額達至其註冊資本50%。

31. RESERVES

Group

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

In accordance with the Company Law of Taiwan, Asian Plastic Machinery Company, Limited and Chen Hsong Machinery Taiwan Company, Limited are required to transfer a portion of their profits after tax to a capital reserve, which is non-distributable. When the capital reserve has accumulated to 50% of the capital, up to 50% of the capital reserve may be capitalised. The capital reserve may be utilised at any time to offset any deficit. As at 31 March 2007, such capital reserve amounted to HK\$36,971,000 (2006: HK\$36,113,000).

In accordance with the Law of the PRC on Sole Foreign Investment Enterprises, certain of the Company's Mainland China subsidiaries are required to transfer a portion of their profit after tax to the statutory reserve fund, which are restricted to use, until the accumulated total reaches 50% of their registered capital.

31. 儲備 (續)

31. RESERVES (continued)

本公司 (港幣千元)	Company (HK\$'000)	股份 溢價賬 Share premium account	資本贖回 儲備 Capital redemption reserve	資本儲備 Capital reserve	保留溢利 Retained profits	總計 Total
於二零零五年四月一日	At 1 April 2005	489,370	295	1,480	99,442	590,587
本年度溢利	Profit for the year	-	-	-	123,339	123,339
發行新股(附註29)	Issue of new shares (note 29)	816	-	-	-	816
以股權支付的 購股權安排	Equity-settled share option arrangements	-	-	874	-	874
截至二零零五年三月三十一日止 年度之末期股息	Final dividend for the year ended 31 March 2005	-	-	-	(86,594)	(86,594)
中期股息(附註13)	Interim dividend (note 13)	-	-	-	(30,926)	(30,926)
於二零零六年三月三十一日及 二零零六年四月一日	At 31 March 2006 and 1 April 2006	490,186	295	2,354	105,261	598,096
本年度溢利	Profit for the year	-	-	-	188,813	188,813
發行新股(附註29)	Issue of new shares (note 29)	8,122	-	-	-	8,122
以股權支付的 購股權安排	Equity-settled share option arrangements	-	-	269	-	269
截至二零零六年三月三十一日止 年度之末期股息(附註13)	Final dividend for the year ended 31 March 2006 (note 13)	-	-	-	(93,238)	(93,238)
中期股息(附註13)	Interim dividend (note 13)	-	-	-	(49,933)	(49,933)
於二零零七年三月三十一日	At 31 March 2007	498,308	295	2,623	150,903	652,129

32. 或然負債

於結算日，沒有於財務報表撥備之或然負債如下：

32. CONTINGENT LIABILITIES

As at the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

(港幣千元)	(HK\$'000)	本集團 Group		本公司 Company	
		2007	2006	2007	2006
就給予若干第三者信貸而提供給財務機構的擔保，最大數額	Guarantees given to financial institutions in connection with facilities granted to certain third parties, at the maximum	96,624	92,137	-	-
就給予附屬公司信貸而提供給銀行的擔保	Guarantees given to banks in connection with facilities granted to subsidiaries	-	-	851,365	787,018
		96,624	92,137	851,365	787,018

於二零零七年三月三十一日，本公司就給予附屬公司信貸而提供給銀行的擔保已使用信貸額約為港幣44,011,000元（二零零六年：港幣135,873,000元）。

As at 31 March 2007, the guarantees given by the Company to banks in connection with facilities granted to subsidiaries were utilised to the extent of approximately HK\$44,011,000 (2006: HK\$135,873,000).

33. 承擔

於二零零七年三月三十一日，本集團無關於於中國大陸興建工業建築物，已簽約但未撥備之資本承擔（二零零六年：港幣2,995,000元）。

33. COMMITMENTS

As at 31 March 2007, the Group had no capital commitment, which was contracted but not provided for, in respect of the construction of industrial buildings in the Mainland China (2006: HK\$2,995,000).

於二零零七年三月三十一日，本集團關於於中國大陸購買物業、廠房及設備，已簽約但未撥備之資本承擔合共約為港幣1,111,000元（二零零六年：無）。

As at 31 March 2007, the Group had capital commitments, which were contracted but not provided for, in respect of the purchase of property, plant and equipment in the Mainland China amounting to approximately HK\$1,111,000 (2006: Nil).

33. 承擔 (續)

於二零零七年三月三十一日，本集團於中國大陸及香港之全資附屬公司關於其投資於若干於中國大陸的全資附屬公司，已簽約但未撥備之資本承擔合共約為港幣46,207,000元（二零零六年：無）。

於二零零七年三月三十一日，本公司無重大的承擔（二零零六年：無）。

34. 關連人士交易

年內，除本財務報表其他附註所披露的資料外，本集團還有以下的關連人士交易：

- (a) 本集團以港幣41,375,000元（二零零六年：港幣48,673,000元）向一聯營公司以獨立供應商所提供之相約價錢與條款購買原材料。

另外，本集團向一關連公司，震堅模具機械（深圳）有限公司（「震堅」），以價值港幣4,809,000元（二零零六年：港幣3,610,000元）購買原材料。此交易亦為持續關連交易。

震堅為本公司的三位董事蔣震博士，蔣麗苑女士及蔣志堅先生之聯繫人。以上交易是以本集團與該等關連公司雙方同意之價格及條款進行。

33. COMMITMENTS (continued)

As at 31 March 2007, the Group's wholly-owned subsidiaries in the Mainland China and Hong Kong had capital commitments, which were contracted but not provided for, in respect of investments in certain of its wholly-owned subsidiaries in the Mainland China amounting to approximately HK\$46,207,000 (2006: Nil).

As at 31 March 2007, the Company had no significant commitment (2006: Nil).

34. RELATED PARTY TRANSACTIONS

In addition to those disclosed elsewhere in these financial statements, the Group also had the following related party transactions during the year:

- (a) The Group purchased raw materials amounting to HK\$41,375,000 (2006: HK\$48,673,000) from an associate at prices and on terms similar to those offered by unrelated suppliers of the Group.

In addition, the Group purchased raw materials of HK\$4,809,000 (2006: HK\$3,610,000) from a related company, Zhenjian Mould & Machinery (Shenzhen) Company Limited ("CC-SZ"). These transactions were also continuing connected transactions.

CC-SZ is the associate of Dr. Chen Chiang, Ms. Lai Yuen Chiang and Mr. Chi Kin Chiang, three directors of the Company. The terms of the above transactions were conducted with prices and terms mutually agreed by the Group and the related company.

34. 關連人士交易 (續)

(b) 本集團主要管理人員薪酬：

本集團 (港幣千元)	Group (HK\$'000)	2007	2006
短期僱員福利	Short term employee benefits	35,520	31,874
受僱後福利	Post-employment benefits	-	-
基於股權的支付	Share-based payments	257	643
		35,777	32,517

關於董事酬金的詳細資料已於財務報表附註9載列。

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

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

35. 金融風險管理目標及政策

本集團主要金融工具包括現金及銀行結存、銀行貸款、應收貿易及票據賬款、以及應付貿易及票據賬款。

本集團之金融工具所產生的主要風險計有現金流量利率風險、外幣風險及信貸風險，並概括如下：

現金流量利率風險

本集團的現金流量利率風險基本上由其浮動利率的銀行貸款所致。本集團緊密監控利率風險，並會考慮採取措施降低重大利率風險。

外幣風險

本集團的外幣風險源於商業交易、已確認資產及負債，以及於中國大陸及台灣業務的淨投資。

本集團有外幣交易風險，該等風險源於本集團的大部份銷售及採購交易，是以美元及人民幣為交易貨幣。管理層緊密監控外幣風險；如有需要，會考慮對沖重大外幣風險。

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and bank balances, bank loans, trade and bills receivables, and trade and bills payable.

The Group's main risks arising from the financial instruments are cash flow interest rate risk, foreign currency risk and credit risk which are summarised below:

Cash flow interest rate risk

The Group's exposure to the cash flow interest rate risk primarily relates to its bank loans with floating interest rates. The Group monitors its interest rate exposure closely and considers taking measures to reduce significant interest exposure.

Foreign currency risk

The Group's foreign exchange risk arises from commercial transactions, recognised assets and liabilities and net investments in operations in Mainland China and Taiwan.

The Group has transactional currency risk exposures. Such risk exposures arise from a substantial portion of the Group's sales and purchases transactions denominated in United States dollars and Renminbi. Management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

35. 金融風險管理目標及政策 (續)

外幣風險 (續)

本集團以恰當的新台幣借貸水平以減低其於台灣投資的外幣風險。至於中國大陸的投資則將受惠於人民幣升值。

信貸風險

本集團參考個別客戶之商業實力及信譽而給予信貸額，並對應收賬款執行嚴格的放貸監控政策。本集團之信貸風險分散於大量客戶，故本集團並無重大的集中信貸風險。

36. 財務報表審批

此財務報表已於二零零七年七月十七日經董事局審批。

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

The Group reduces the foreign currency risk exposure on its investments in Taiwan with appropriate levels of borrowings in New Taiwan dollars. Whereas the investments in Mainland China will benefit from the appreciation of Renminbi.

Credit risk

The Group gives credit to customers by reference to their respective business strength and creditability, and strict credit control policies are in place over trade receivables. The Group has no significant concentration of credit risk, with exposure spread over a large number of customers.

36. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 17 July 2007.

主要附屬公司

於二零零七年三月三十一日

Principal Subsidiaries

As at 31 March 2007

下表載列者為董事局認為會對本年度本集團業績產生重大影響或構成本集團資產淨值主要部份之附屬公司。董事局並認為，列出其餘附屬公司之詳情將過於冗長。

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

名稱 Name	註冊成立／ 經營地區 Place of incorporation/ registration and operations	已發行 股本面值／ 實收資本 Nominal value of issued share/ paid-up capital	本公司持有 股權百分比 Percentage of equity attributable to the Company	主要業務 Principal activities
間接持有 Held indirectly				
亞塑機械股份有限公司 Asian Plastic Machinery Company, Limited	台灣 Taiwan	普通股 Ordinary 新台幣50,000,000元 NT\$ 50,000,000	100	銷售注塑機 Sale of plastic injection moulding machines
震雄電腦輔助設計及生產 (深圳)有限公司 ⁽¹⁾ Chen Hsong CAD CAM (Shenzhen) Company, Limited ⁽¹⁾	中國／中國大陸 PRC/Mainland China	美金2,100,000元 US\$2,100,000	100	製造及銷售精密模具 Manufacture and sale of precision moulds
震雄財務管理服務有限公司 Chen Hsong Finance and Management Services Limited	香港 Hong Kong	普通股 Ordinary 港幣2元 HK\$2	100	提供財務及管理服務 Provision of financial and management services
震雄工業園(深圳) 有限公司 ⁽¹⁾ Chen Hsong Industrial Park (Shenzhen) Company, Limited ⁽¹⁾	中國／中國大陸 PRC/Mainland China	美金4,000,000元 US\$4,000,000	100	持有物業 Property holding
震雄物流儲運有限公司 Chen Hsong Logistics Services Company Limited	香港 Hong Kong	普通股港幣2元 Ordinary HK\$2 無投票權遞延股份 ⁽³⁾ Non-voting deferred ⁽³⁾ 港幣5,000,000元 HK\$5,000,000	100 —	提供物流儲運服務 Provision of logistics services

主要附屬公司

於二零零七年三月三十一日

Principal Subsidiaries

As at 31 March 2007

名稱 Name	註冊成立／ 經營地區 Place of incorporation/ registration and operations	已發行 股本面值／ 實收資本 Nominal value of issued share/ paid-up capital	本公司持有 股權百分比 Percentage of equity attributable to the Company	主要業務 Principal activities
間接持有 (續) Held indirectly (continued)				
震雄機器廠有限公司 Chen Hsong Machinery Company, Limited	香港 Hong Kong	普通股港幣2元 Ordinary HK\$2 無投票權遞延股份 ⁽³⁾ 港幣50,000,000元 Non-voting deferred ⁽³⁾ HK\$50,000,000	100 —	銷售注塑機 Sale of plastic injection moulding machines
震雄機電設備(深圳) 有限公司 ⁽¹⁾ Chen Hsong Machinery Equipment (Shenzhen) Company, Limited ⁽¹⁾	中國／中國大陸 PRC/Mainland China	港幣24,000,000元 HK\$24,000,000	100	製造及銷售哥林柱 Manufacture and sale of tie bars
震雄機械(寧波)有限公司 ⁽¹⁾ Chen Hsong Machinery (Ningbo) Company, Limited ⁽¹⁾	中國／中國大陸 PRC/Mainland China	美金8,010,000元 US\$8,010,000	100	製造及銷售注塑機 Manufacture and sale of plastic injection moulding machines
震雄機械(深圳)有限公司 ⁽¹⁾ Chen Hsong Machinery (Shenzhen) Company, Limited ⁽¹⁾	中國／中國大陸 PRC/Mainland China	港幣32,000,000元 HK\$32,000,000	100	製造及銷售注塑機 Manufacture and sale of plastic injection moulding machines
震雄機械廠股份有限公司 Chen Hsong Machinery Taiwan Company, Limited	台灣 Taiwan	普通股 Ordinary 新台幣165,000,000元 NT\$165,000,000	100	製造及銷售注塑機 Manufacture and sale of plastic injection moulding machines
震雄精密模具有限公司 Chen Hsong Precision Mould Company Limited	香港 Hong Kong	普通股 Ordinary 港幣4,410,000元 HK\$4,410,000	100	銷售精密模具 Sale of precision moulds

主要附屬公司

於二零零七年三月三十一日

Principal Subsidiaries

As at 31 March 2007

名稱 Name	註冊成立／ 經營地區 Place of incorporation/ registration and operations	已發行 股本面值／ 實收資本 Nominal value of issued share/ paid-up capital	本公司持有 股權百分比 Percentage of equity attributable to the Company	主要業務 Principal activities
間接持有 (續) Held indirectly (continued)				
震雄科技有限公司 Chen Hsong Technology Limited	香港 Hong Kong	普通股 Ordinary 港幣2元 HK\$2	100	銷售注塑機 Sale of plastic injection moulding machines
寧波經濟技術開發區 震寧塑料機械有限公司 ⁽²⁾ Chen Ning Plastics Machinery Company, Limited ⁽²⁾	中國／中國大陸 PRC/Mainland China	人民幣5,000,000元 RMB5,000,000	100	製造及銷售注塑機 Manufacture and sale of plastic injection moulding machines
深圳震雄精密設備 有限公司 ⁽²⁾ Shenzhen Chen Hsong Precision Equipment Limited ⁽²⁾	中國／中國大陸 PRC/Mainland China	美金12,000,000元 US\$12,000,000	100	製造及銷售鑄件 Manufacture and sale of casting parts
佛山市順德區中意液壓 有限公司 ⁽¹⁾ Intra-Italy Hydraulics (Foshan Shunde) Company, Limited ⁽¹⁾	中國／中國大陸 PRC/Mainland China	美金3,000,000元 US\$3,000,000	100	製造及銷售液壓馬達 Manufacture and sale of hydraulic motors
山東震華塑料機械 有限公司 ⁽²⁾ Shandong Chen Hua Plastics Machinery Company, Limited ⁽²⁾	中國／中國大陸 PRC/Mainland China	美金3,750,000元 US\$3,750,000	60	製造及銷售注塑機 Manufacture and sale of plastic injection moulding machines
佛山市順德區震德塑料 機械有限公司 ⁽¹⁾ Foshan Shunde Chen De Plastics Machinery Company Limited ⁽¹⁾	中國／中國大陸 PRC/Mainland China	美金5,200,000元 US\$5,200,000	100	製造及銷售注塑機 Manufacture and sale of plastic injection moulding machines

主要附屬公司

於二零零七年三月三十一日

Principal Subsidiaries

As at 31 March 2007

名稱 Name	註冊成立/ 經營地區 Place of incorporation/ registration and operations	已發行 股本面值/ 實收資本 Nominal value of issued share/ paid-up capital	本公司持有 股權百分比 Percentage of equity attributable to the Company	主要業務 Principal activities
間接持有 (續) Held indirectly (continued)				
佛山市順德區震德第三塑料 機械有限公司 ⁽¹⁾ Foshan Shunde Chen De No. 3 Plastics Machinery Company, Limited ⁽¹⁾	中國/中國大陸 PRC/Mainland China	美金2,100,000元 US\$2,100,000	100	製造及銷售注塑機 Manufacture and sale of plastic injection moulding machines
佛山市順德區震德精密機械 有限公司 ⁽¹⁾ Foshan Shunde Chen De Precision Machinery Company, Limited ⁽¹⁾	中國/中國大陸 PRC/Mainland China	美金3,266,303.53元 US\$3,266,303.53	100	製造及銷售注塑機 Manufacture and sale of plastic injection moulding machines

附註：

Notes:

(1) 此等公司為全外資企業。

(1) These companies are wholly-foreign-owned enterprises.

(2) 此等公司為合資經營企業。

(2) These companies are equity joint ventures.

(3) 無投票權遞延股份有受限制權利收取股息，無權在股東大會上投票及有受限制權利於清盤時收取發還資本後之盈餘。

(3) The non-voting deferred shares carry limited rights to dividends, no rights to vote at general meetings and limited rights to receive any surplus in a return of capital in a winding-up.

五年財務摘要

Five-Year Financial Summary

以下為摘錄自本集團過往五個財政年度已公布及經審核之財務報表的業績、資產、負債及少數股東權益。

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

業績

截至三月三十一日止年度

RESULTS

Year ended 31 March

(港幣千元)	(HK\$'000)	2007	2006	2005	2004	2003
收益	Revenue	2,155,014	1,955,334	1,867,483	1,634,334	1,436,609
經營溢利	Profit from operating activities	337,352	306,418	291,441	287,888	235,839
融資成本	Finance costs	(2,387)	(7,139)	(4,748)	(4,404)	(8,453)
應佔聯營公司溢利減虧損	Share of profits less losses of associates	2,159	(185)	(1,821)	7,343	8,366
除稅前溢利	Profit before tax	337,124	299,094	284,872	290,827	235,752
稅項	Tax	(24,833)	(26,826)	(22,408)	(37,977)	(28,197)
本年度溢利	Profit for the year	312,291	272,268	262,464	252,850	207,555
歸屬於：	Attributable to:					
本公司權益持有人	Equity holders of the Company	312,276	272,450	259,886	212,857	151,645
少數股東權益	Minority interests	15	(182)	2,578	39,993	55,910
		312,291	272,268	262,464	252,850	207,555

資產、負債及少數股東權益

於三月三十一日

ASSETS, LIABILITIES AND MINORITY INTERESTS

As at 31 March

(港幣千元)	(HK\$'000)	2007	2006	2005	2004	2003
資產總值	Total assets	2,661,539	2,477,621	2,298,535	2,112,137	2,072,529
負債總值	Total liabilities	(576,194)	(630,881)	(599,496)	(595,519)	(559,011)
少數股東權益	Minority interests	(7,967)	(7,483)	(26,619)	(24,490)	(153,899)
		2,077,378	1,839,257	1,672,420	1,492,128	1,359,619



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