STARLITE

升岡國際有限公司
Starlight International Holdings Ltd

(在百慕達註冊成立的有限公司)
(Incorporated in Bermuda with Limited Liability)

ANNUAL REPORT 2007 年報

Stock Code 股份代號 : 485

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CORPORATE INFORMATION
公司資料

董事局
執行董事：
劉錫康
劉錫淇
劉錫澳

非執行董事：
韓相田

獨立非執行董事：
何厚鏘
陳澤仲
卓育賢

秘書
李業華

核數師
德勤 • 關黃陳方會計師行

審核委員會
韓相田
何厚鏘
陳澤仲

主要銀行
香港上海滙豐銀行
渣打銀行
恒生銀行有限公司
中國工商銀行(亞洲)

律師
韓潤燊律師事務所

香港股票過户登記處
秘書商業服務有限公司

註冊辦事處
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Hamilton HM12
Bermuda

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BOARD OF DIRECTORS
Executive Directors:
Lau Sak Hong, Philip
Lau Sak Kai, Anthony
Lau Sak Yuk, Andy

Non-executive Director:
Hon Sheung Tin, Peter

Independent Non-executive Directors:
Ho Hau Chong, Norman
Chan Chak Chung
Chuck Winston Calptor

SECRETARY
Peter Lee Yip Wah

AUDITOR
Deloitte Touche Tohmatsu

AUDIT COMMITTEE
Hon Sheung Tin, Peter
Ho Hau Chong, Norman
Chan Chak Chung

PRINCIPAL BANKERS
The Hongkong and Shanghai Banking Corporation
Standard Chartered Bank
Hang Seng Bank Limited
Industrial and Commercial Bank of China (Asia) Limited

SOLICITOR
Hon & Company

SHARE REGISTRARS AND TRANSFER OFFICE IN HONG KONG
Secretaries Limited

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主席**劉錫康先生**
Chairman, **Mr. Lau Sak Hong, Philip**

業務回顧

業績

本集團於本年度錄得營業額2,434,000,000港元(2006：1,783,000,000港元)，較去年增加37%(2006：10.5%)。本集團之股東應佔溢利為105,000,000港元，較去年增加33%。

末期股息

董事議決建議透過配發及發行新股份之方式向於2007年9月18日舉行股東週年大會日期名列本公司股東名冊之股東派發截至2007年3月31日止年度之末期以股代息每股3.5港仙，合共為27,566,000港元，而股東可選擇以現金收取末期以股代息(或部份)取代有關配發(2006年：現金末期股息每股3港仙)。有關末期以股代息之詳情將載於函件內，該函件將於股東週年大會上取得股東批准後盡快連同現金選擇表格寄發予各股東。預期股息單及新股份之股票將於2007年10月31日或相近日子寄發予各股東。

電子部門

本集團於本年度已成功實施策略逐步減少低利潤之音響及OEM產品，並以較高增值之視像及數碼產品取代。本集團之手提式DVD、電視DVD組合及數碼相簿之銷售額為2007年之銷售增長帶來貢獻。

於特許產品方面，本集團於2006年9月取得迪士尼之生產及分銷特許權。多款廣受歡迎之專利人物，包括CARS、PRINCESS、PIRATES OF THE CARIBBEAN、FAIRIES、HIGH SCHOOL MUSICAL及HANNAH MONTANA，為針對銷售年青人的市場提供強勁之基礎。首款迪士尼產品已於2007年1月推出市場，並於2007年3月在美國開始銷售。美國多家大型連鎖採購商(例如沃爾瑪、Target及玩具反斗城)均於彼等之店舖內將該等產品列為「每日精選」產品。

本集團向MGA取得的特許產品包括本集團Karaoke機及樂器之一系列BRATZ人物。此系列之初期銷情較緩慢，但現時已漸漸受到美國、加拿大及歐洲主要玩具連鎖店及其他電子零售店之歡迎。

BUSINESS REVIEW

RESULTS

The Group recorded a turnover of HK$2,434 million in the current year (2006: HK$1,783 million) representing an increase of 37% (2006: 10.5%) over the previous year. Profit attributable to shareholders of the Group was HK$105 million, an increase of 33% compared with the previous year.

FINAL DIVIDEND

The Directors have resolved to recommend the payment of a final scrip dividend of HK3.5 cents per share, totaling HK$27,566,000 for the year ended 31 March 2007, by way of allotment and issue of new shares with an alternative to the shareholders to elect to receive the final scrip dividend (or part thereof) in cash in lieu of such allotment (2006: cash final dividend of HK3 cents per share), payable to those shareholders whose names appear on the register of members of the Company as at the date of the annual general meeting to be held on 18 September 2007. Full details of the final scrip dividend will be set out in a letter which will be sent to shareholders together with a form of election for cash as soon as practicable after the approval of shareholders at the annual general meeting. It is expected that the dividend warrants and share certificates for the new shares will be dispatched to shareholders on or about 31 October 2007.

Electronics Division

The Group successfully executed the strategy to phase out low-margin audio and OEM products in the current year and replaced them with the higher value-added video and digital products. The Group's sale of portable DVD, DVD television combos and digital photo frames contributed to the sales growth in 2007.

In licensed products, the Group secured the manufacturing and distribution licensing with Disney in September 2006. Several popular franchise characters, which include CARS, PRINCESS, PIRATES OF THE CARIBBEAN, FAIRIES, HIGH SCHOOL MUSICAL AND HANNAH MONTANA provide a strong base of sales targeting the youth market. The first Disney product was delivered in January 2007 and sales began in the United States in March 2007. Many large chain merchandisers in the United States such as Wal-Mart, Target and Toys R Us are carrying these products in their stores as "every day" items.

The Group's other licensed products with MGA include a series of BRATZ characters for the Groups' karaoke machines and musical instruments. Sale in this series was slow at the beginning but is now attracting more attention in the major toy chains and other electronic retail stores in the United States, Canada and Europe.

業務回顧 *(續)*

電子部門 *(續)*

本集團透過於美國之兩家附屬公司Cosmo Communications Corporation及Starlite Consumer Electronics (USA) Inc.直接銷售予主要連鎖店，從而增加於美國之分銷地位。此策略為本集團提供新渠道，透過提供「準時送達」之交付時間為著名零售商提供服務。於2007年之分銷及融資成本顯著增加，乃由於管理存貨、提供倉存及運輸交通所致。本集團亦不斷參與零售商新店之推廣及宣傳活動，作為當地銷售策略之部份。儘管成本增加，管理層對該等宣傳活動之成績亦感到滿意。

隨著中國經濟快速發展，中國製造業繼續面對種種挑戰。於過去數年之勞工成本不斷增加，中國貨幣較其他世界主要貨幣具有強勁之增值潛力。然而，本集團致力於中國生產業務之發展。於2006年12月，本集團已繳納訂金以購買一幅於中國新會之土地。本集團計劃於未來3年興建230,000平方米之生產廠房及設施。新廠房及設施將可讓本集團在更具效益之物流基建設施下整合所有生產業務。管理層相信新建廠房足夠未來5年生產之需求。

本集團於本年度之原材料供應方面並無遇到重大阻礙。然而，本集團於年內與日本組件製造商發生品質事件，令本集團的DVD組合產品錄得較高之貨品失誤退貨。本集團亦須就使用多家著名電子製造商之專利技術而支付專利費。該等費用非歸納入銷售成本內，亦於本集團產品成本架構中佔重要部份。

證券買賣

本集團於本年錄得分類業績為7,700,000港元。

物業發展

本年內並無錄得任何交易。

展望

由於視像產品之需求殷切，消費電子業於過去數年強勁發展。本集團預期低檔DVD產品之需求將會下跌，而數碼DVD、手提式LCD DVD及LCD電視之銷售於2008年將繼續增長。管理層正制定策略於高檔LCD及數碼系列開發迪士尼產品。管理層預期LCD及數碼市場將面對激烈競爭。吾等相信透過新穎之迪士尼產品，定可締造商機面對價格競爭。

BUSINESS REVIEW *(Continued)*

Electronics Division *(Continued)*

The Group increased its distribution presence in the United States by selling directly to major retail chains through its two subsidiaries in the United States, Cosmo Communications Corporation and Starlite Consumer Electronics (USA) Inc. This strategy opened new avenues to reach out to the leading retailers by providing "just-in-time" delivery schedules to them. Distribution and financing costs have significantly increased in 2007 due to the need to carry inventory and to provide warehousing and freight transportation. The Group has also increased participation in the retailers' new store advertising and promotional programs as part of the domestic sale initiatives. Despite the higher costs, management was satisfied with the results of these promotions.

Manufacturing in China continued to face the many challenges associated with the rapid growth of the Chinese economy. Labour costs have continued to rise in the past several years and the Chinese currency has been under strong pressure to appreciate against the other major world currencies. Nevertheless, the Group is committed to stay in China for its manufacturing operation. In December 2006, the Group made a deposit to purchase a piece of land in Xinhui, China. The Group plans to construct 230,000 square meters of manufacturing facilities in the next 3 years. The new facility will allow the Group to consolidate all the manufacturing operation under one roof with more efficient logistic infrastructure. Management believes the new facility will support future manufacturing needs in the next 5 years.

The Group experienced no major disruptions during the current year in raw material supply. However, the Group encountered quality issues with a Japanese component manufacturer during the current year, the results of which the Group recorded higher than average defective returns in the DVD combo category. The Group was also obligated to pay royalties to a few leading electronic manufacturers for use of technology patented by them. These obligations, while not included as cost of sales, were essentially a vital part of the cost structure of our products.

Securities Trading

The Group recorded a segment result of HK$7.7 million for the year.

Property Development

No transaction was recorded during the year.

PROSPECTS

The consumer electronics industry enjoyed spectacular growth in the past few years due mainly to the high demand in video products. The Group expects that demand for low-end DVD products will decrease but sales of digital DVD, portable LCD DVD and LCD TV will continue to grow in 2008. Management is developing a strategy to build the Disney products with high end LCD and digital features. Management expects the LCD and digital market will be fiercely competed. By using a Disney novelty product, we believe that we can create a niche to overcome the price competition.

西歐方面之銷售額預期可大幅超越現時所佔本集團銷售額28%之成績(2006年：20%)。本集團之全球分銷業務預期可錄得可觀增長，尤見於迪士尼產品及新產品，如iPOD配件(docking stations)。

自收購The Singing Machine Company, Inc.(「SMC」)全部權益後，本集團已密切留意該公司之業務情況。本集團正計劃進一步重組該公司，在可見將來成為本集團北美市場之主要市場推廣及分銷部門。

本集團預期由於LCD電視、數碼相簿及手提式LCD DVD產品之需求殷切，來自組件製造商之小型LCD屏幕供應短缺，令該等屏幕之價格上升。此情況令本集團於物料規劃及採購，以及將成本漲價轉嫁客戶之能力帶來新挑戰。

管理層相信，本集團正逐步實施銷售策略以取得業務增長，而吾等之新產品開發定可迎合市場需求趨勢。本集團已建立基礎設施向北美地區之零售商直接提供銷售，從而進一步提升本集團於該等市場之知名度。管理層對2008年之業務增長情況感到樂觀。

財務狀況

流動資金及財務資源

本集團之財務狀況保持穩健。於2007年3月31日，現金及存款及有價證券約139,000,000港元，而去年則約114,000,000港元。

以總銀行借款對比股東資金計算之資產負債比率為0.4(2006年：0.3)，而本年度之銀行借款淨額佔股東資金之對比則為0.30(2006年：0.19)。按流動資產對比流動負債計算之流動比率由去年度之1.64降至本年度之1.58。

財務及資本架構

本集團乃以權益及銀行借款作為營運資金。本公司若干購股權獲行使而發行新股份，合共帶來現金流入約26,300,000港元。本公司已動用4,300,000港元購回本公司股份。於發行新股份時，本公司向SMC的少數股東收取20,500,000港元。

於2007年3月31日，本集團之銀行總借款約為331,000,000港元(2006年：223,000,000港元)，全為一年內償還。

Sales in Western Europe are expected to grow surpassing its current 28% of the Group sales (2006: 20%). The Group's world wide distribution is expected to see promising growth, particularly in Disney products and the launching of new products such as iPOD docking stations.

Since the acquisition of equity interest in The Singing Machine Company, Inc. ("SMC"), the Group has taken a closer monitoring role in the company's activities. The Group is planning to further restructure this company with the aim that it will become a major marketing and distribution division of the Group in the North American market in the near future.

The Group expects short supply of small LCD panels from its component manufacturers due to high demand of LCD TV, digital photo frames, and portable LCD DVD products. Prices of these panels will rise as a result. This scenario presents a challenge to the Group in our material planning and sourcing and our ability to pass on the increased pricing to our customers.

Management believes the Group is on track in implementing the sales strategy to provide growth and we are able to keep pace with the trend in the market in our new products development. The Group has established infrastructure in selling directly to retailers in the North American territories and this step will further increase our presence in these territories. Management is optimistic that corporate growth will continue in 2008.

FINANCIAL POSITION

Liquidity and Financial Resources

The financial position of the Group remained stable. As at 31 March 2007, cash and deposits and marketable securities amounted to HK$139 million, as compared to HK$114 million last year.

Gearing ratio, calculated as total borrowings to shareholders' fund was 0.4 (2006: 0.3), and net bank borrowings to shareholders' fund was 0.30 for the year (2006: 0.19). Current ratio calculated as current assets to current liabilities decreased from 1.64 in last year to 1.58 for this year.

Financing and Capital Structure

The Group finances its operations by a combination of equity and bank borrowings. The Company issued new shares as a result of the exercise of certain share options of the Company and obtained a cash inflow of about HK$26.3 million. HK$4.3 million was utilized to repurchase the shares of the Company. HK$20.5 million was received from the minority shareholders of SMC upon the issuance of new shares.

As at 31 March 2007, the Group's total borrowings of about HK$331 million (2006: HK$223 million), all were repayable within one year.

由於集團絕大部份交易均以美元或港元為結算單位，所承受之匯兑風險極低。

The Group's transactions were mostly denominated in US dollars and Hong Kong dollars. The exposure to exchange risk was minimal.

由於管理層緊密監察能對本公司造成影響之外滙風險，而在必要時亦會採取對沖政策，把滙兑風險大大降低，因此預計人民幣匯率變動暫時不會對本集團造成重大影響。

It is estimated that the change of exchange rate of Renminbi has no significant impact to the Group for the time being as the management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

資產抵押

於2007年3月31日，本集團抵押賬面值為136,058,000港元（2006年：123,391,000港元）之若干資產及證券作為一般信貸融資及經紀股票戶口之擔保。

Pledge of Assets

At 31 March 2007, the Group pledged certain assets and securities with carrying value of HK$136,058,000 (2006: HK$123,391,000) to secure the general credit facilities and the margin accounts with brokers.

或然負債

於2007年3月31日，本集團乃一宗涉及770,000港元訴訟之被告人（2006年：無）。

Contingent Liabilities

As at 31 March 2007, the Group is a defendant in a lawsuit in the amount of HK$770,000 (2006: Nil).

本集團在本年度內購入之SMC在一件有關版權侵權的案件中被列作被告之一。在2005年9月，各有關被告（包括SMC在內）已多番提交呈請，以期撤銷此項由出版商就其擁有之音樂創作品而提出之控訴。在2005年10月，原告向法庭提呈簡易判決之申請。在2006年1月，法庭裁決各被告得直，並否決原告之控訴，隨之撤銷此案件，判各被告無罪。原告其後向法庭上訴，希望推翻原判，而有關案件現已交由上訴庭審理。雖然地方法院判其無罪，但SMC仍有信心上訴庭亦會確定此項判決，惟現時無法就將來的判決結果作出任何肯定的推測。因此，在綜合財務報表內並未就此呈列任何收支。由於所涉及之款額未能準確計算，故此，在計算因收購SMC而產生之商譽時亦無計入此或然負債。

SMC, which was acquired by the Group during the year, is one of the defendants in a lawsuit relating to copyright infringement. In September 2005, the defendants, including SMC, filed multiple motions to dismiss the complaint from the publisher owners of musical compositions. In October 2005, the plaintiff filed a motion for summary judgment. In January 2006, the court granted the motions of the defendants and denied the motion of the plaintiff, thereby dismissing the case against the defendants with prejudice. The plaintiff thereafter appealed the decision and the case is currently under review by the appellate court. Despite the confidence of SMC that the ruling in its favor at the district court level will be affirmed on appeal, it is not possible to predict such outcomes with any degree of certainty. Accordingly, no accrual has been made in the consolidated financial statements. This contingent liability has not been taken into account when calculating the goodwill on acquisition of SMC since the amount cannot be measured reliably.

員工

於2007年3月31日，本集團擁有員工共6,567人，其中6,424人受僱於中國，負責本集團之製造及分銷業務。

STAFF

As at 31 March 2007, the Group had a total staff of 6,567 of which 6,424 were employed in the PRC for the Group's manufacturing and distribution business.

本集團為其員工提供之福利如員工保險、退休計劃、酌情花紅、購股權計劃、內部訓練及外界訓練資助。

The Group provides employee benefits such as staff insurance, retirement scheme, discretionary bonus and share option scheme and also provides in-house training programmes and external training sponsorship.

執行董事

劉錫康先生，60歲，為本集團主席兼董事總經理。彼在本集團已服務37年並擁有超過37年電子工業之管理經驗。

劉錫淇先生，57歲，為劉錫康先生之胞弟，亦為本集團董事，負責本集團於中國之生產管理。其主要職責除管理中國生產業務外，亦負責國內內銷、策劃及開發國內新項目。彼在本集團服務了35年。

劉錫澳先生，57歲，為劉錫康先生之胞弟，亦為本集團生產管理之董事，負責本集團於中國之生產管理。此外，彼亦負責本集團之研究及開發。彼在本集團服務了35年。

非執行董事

韓相田先生，66歲，彼於1988年獲委任為本集團獨立非執行董事，其後於2004年9月28日重新委任為本公司非執行董事。現職為律師，於香港執業超過37年。

獨立非執行董事

何厚鏘先生，51歲，彼於1998年獲委任為本集團獨立非執行董事，持有英國University of Exeter 學士學位，亦為英格蘭及威爾斯特許會計師公會會員及香港會計師公會資深會員。何先生有超過20年管理及地產發展經驗。

陳澤仲先生，49歲，自2004年9月30日獲委任為本公司董事。陳先生為合資格會計師，於執業會計專業擁有約26年經驗。彼持有工商管理碩士學位，為香港會計師公會及英國特許公認會計師公會會員。

卓育賢先生，51歲，自2004年9月30日獲委任為本公司董事。卓先生為事務律師，於香港執業逾25年。彼獲加拿大University of Ontario頒授文學士學位。彼亦為於香港聯合交易所有限公司(「聯交所」)上市之德祥企業集團有限公司之獨立非執行董事。

EXECUTIVE DIRECTORS

Mr. Lau Sak Hong, Philip, aged 60, is the Chairman and Managing Director of the Group. He has been in the Group for 37 years and has over 37 years of management experience in the electronics industry.

Mr. Lau Sak Kai, Anthony, aged 57, a brother of Mr. Lau Sak Hong, Philip, is the Group's Director responsible for the Group's overall production management in China. His main duties, besides the management of PRC production activities, include the responsibility of local sales in China and the planning and exploitation of new projects in China. He has been in the Group for 35 years.

Mr. Lau Sak Yuk, Andy, aged 57, a brother of Mr. Lau Sak Hong, Philip, is also one of the Group's Production Directors responsible for the Group's overall production management in China. In addition, he is in charge of the Research & Development of the Group. He has been in the Group for 35 years.

NON-EXECUTIVE DIRECTORS

Mr. Hon Sheung Tin, Peter, aged 66, has been an Independent Non-executive Director of the Group since 1988 and re-designated as non-executive director of the Company on 28 September 2004. He has been practising as a solicitor in Hong Kong for over 37 years.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Ho Hau Chong, Norman, aged 51, has been an Independent Non-executive Director of the Group since 1998. He holds a Bachelor of Arts degree from the University of Exeter, and is a member of the Institute of Chartered Accountants in England and Wales, and a fellow of the Hong Kong Institute of Certified Public Accountants. He has over 20 years of experience in management and property development.

Mr. Chan Chak Chung, aged 49, was appointed director of the Company since 30 September 2004. He is a qualified accountant and has about 26 years experience in the public accountancy profession. He holds a Master degree in Business Administration. He is an associate member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants of the United Kingdom.

Mr. Winston Calptor Chuck, aged 51, was appointed director of the Company since 30 September 2004. He has been practicing as a solicitor in Hong Kong for over 25 years. He holds a Bachelor Degree of Arts from the University of Ontario, Canada. He is also an independent non-executive director of ITC Corporation Limited, a company listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

高級管理層

劉日東先生，28歲，劉錫康先生之長子，彼於2003年加入本集團，出任主席助理。彼於印第安那大學商學院畢業，獲頒商業市場學學士學位，彼曾出任儲存工藝公司(Storage Technology Corp.)之市務主任職位。彼現負責企業關係、中國國內銷售及企業資源規劃系統整合，以促進本集團推行現代化管理。

劉日申先生，27歲，劉錫康先生之次子，彼於美國Bentley College 畢業，獲得商業市場學學士學位後，於麻省一電子商行從事電子零件買家，於2004年加入本集團出任產品開發總裁，其後更創立集團附屬公司，創申國際有限公司(「創申」)，現時負責為創申國際有限公司發展新數碼產品。

劉翠蓮女士，58歲，為劉錫康先生之胞妹。劉女士於2006年10月重新加入本集團，負責監管本集團於美國附屬公司之財務管理及申報。劉女士於1986年至1988年期間擔任本集團財務總監，並於1990年至1996年期間擔任本集團於美國全資附屬公司之總裁。彼於澳洲、香港及美國之財務管理、商業諮詢、財務及監管審計方面擁有逾30年經驗。劉女士於1975年畢業於澳洲柏斯Curtin University，持有會計學學士學位，並於1980年在澳洲堪培拉大學取得電腦碩士學位。劉女士為美國執業會計師。

劉錫鴻先生，51歲，為劉錫康先生之胞弟，亦為集團一主要附屬公司董事，專責主管本集團彩色電視機製造業務，彼在本集團已服務了11年並擁有18年以上電子業務經驗。

劉錫海先生，48歲，為劉錫康先生之胞弟，亦為本集團一主要附屬公司董事，取得澳洲一所大學之理科學位，現負責本集團原料採購及控制等工作。彼在本集團已服務了22年。

SENIOR MANAGEMENT

Mr. Lau Yat Tung, aged 28, the eldest son of Mr. Lau Sak Hong, Philip, joined the Group in 2003 as assistant to Chairman. He graduated with a Bachelor of Art in Business Marketing from Indiana University, the Kelley School of Business. Previously, he held a marketing executive position in Storage Technology Corp. He is now responsible for corporate relations, local sales in China, and the integration of the ERP system to facilitate the modernisation of the Group's management.

Mr. Lau Yat Sun, aged 27 is the second son of Mr. Lau Sak Hong, Philip. He graduated at Bentley College, a business specialty college with a Bachelor of Art in Business Marketing. After graduation, he worked for an electronics firm in Massachusetts as a buyer for electronic components. Later on, he joined the group in 2004 as Product Development President and established koncepts International Ltd. ("koncepts"), a subsidiary of the Group. He is currently responsible for the development of new digital products for koncepts.

Ms. Lau Chui Lan, Carol, aged 58, is a sister of Mr. Lau Sak Hong, Philip. Ms Lau rejoined the Group in October 2006 to oversee the financial management and reporting of the Group's subsidiaries in the United States. Ms Lau served as financial controller of the Group from 1986-1988 and was President of a fully owned subsidiary of the Group in United States from 1990-1996. She has over 30 years of experience in financial management, business consultation, financial and regulatory auditing in Australia, Hong Kong and United States. She graduated from Curtin University in Perth, Australia in 1975 with a Bachelor's degree in Accounting, and held a Master degree in computing at the Canberra University, Australia in 1980. Ms Lau is a certified public accountant in the United States.

Mr. Lau Shek Hung, Eric, aged 51, a brother of Mr. Lau Sak Hong, Philip, is a Director of a major subsidiary of the Group. He is responsible for the Group's Colour TV manufacturing business. He has been in the Group for 11 years and has over 18 years of experience in the electronics field.

Mr. Lau Sek Hoi, Jacky, aged 48, a brother of Mr. Lau Sak Hong, Philip, is a Director of a major subsidiary of the Group. He is holding a science degree from one Australian university and is currently responsible for the Group's material sourcing, purchasing and control activities. He has been in the Group for 22 years.

高級管理層 *(續)*

王繼偉先生，58歲，2005年加入集團為集團總經理。從1967年開始從事音響及電視製造專業，曾為一香港電視製造業務之香港上市公司董事。現全面負責管理及協調集團各部業務。

林泓達先生，50歲，加入本集團為集團市場部之總裁。彼於科技資訊及電子行業，擁有30年經驗，特別是在軟件及系統綜合顧問及管理方面。此外，於銷售、推廣、管理、顧問、計劃管理及軟件／系統發展及電子產品推廣之經驗亦非常豐富。曾任職多間跨國資訊公司董事。

周永漢先生，56歲，於2006年3月加入本集團為海外業務總裁，負責本集團企業發展及海外附屬公司之營運。彼於1973年畢業於夏威夷大學，獲頒商業行政學士學位。彼於香港賽馬會已服務21年，曆任要職於稽核、政務及賽事秘書處等部門。

陳寶松先生，56歲，於1988年加入本集團為財務總監，負責監管本集團會計及財務等公司事務，彼為專業會計師，並擁有超過22年審計、商業及財務經驗。

SENIOR MANAGEMENT *(Continued)*

Mr. Wong Kai Wai, Tony, aged 58, joined the Group as General Manager in 2005. He started his career in the audio and video manufacturing business since 1967. He was formerly a director of a television manufacturing company listed in Hong Kong. He supervises and coordinates different divisions of the Group.

Mr. Lam Wang Tat, Thomas, aged 50, joined the Group as the president of the Group's Marketing Division. He has 30 years experience as IT veteran, and his background was in software, consulting system integration and management. He has extensive experience in sales, marketing, management, consulting, project management, software development and in consumer electronic business. He was formerly a director of various major multinational IT companies.

Mr. Chow Wing Hon, Alfred, aged 56, joined the Group in March 2006 and is responsible for the Group's corporate development and overseas operations. He graduated from the University of Hawaii in 1973 with a Bachelors's degree in Business Administration. He spent most part of his working career (21 years) with the Hong Kong Jockey Club, holding senior positions in Internal Audit, Administration and Racing Registry.

Mr. Chan Po Chung, Norman, aged 56, joined the Group as a Financial Controller in 1988 for supervising the Group's accounting, financial and corporate aspects. He is a qualified accountant with over 22 years of auditing, commercial and financial experience.

本公司致力維持高水平企業管治。本公司董事局(「董事局」)深信，維持良好、穩健及明智的企業管治架構，將確保本公司營運符合其股東整體最佳利益。

The Company is committed to maintaining a high standard of corporate governance. The board of directors of the Company ("the Board") firmly believes that to maintain a good, solid and sensible framework of corporate governance will ensure the Company to run its business in the best interests of its shareholders as a whole.

本公司採納香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14所載企業管治常規守則(「守則」)內之所有條文作為其本身企業管治常規守則。

The Company adopted all the code provisions in the Code on Corporate Governance Practices ("the Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("the Listing Rules") as its own code on corporate governance practices.

除下列各項外，本公司於截至2007年3月31日止年度一直遵守守則之規定：

During the year ended 31 March 2007, the Company has complied with the Code except the following:

1. 根據守則條文第A.2.1條，發行人主席及行政總裁之職責須獨立區分，且不應由同一人出任。主席及行政總裁之職責區分須書面清楚列明。劉錫康先生現時出任本公司之主席兼董事總經理。基於目前業務運作情況與本集團之規模，董事局相信，由劉先生出任本集團之主席兼董事總經理乃可接受及符合本公司最佳利益。董事局將定期檢討這情況。

1. Pursuant to code provision A.2.1, the roles of chairman and chief executive officer of an issuer should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. Mr. Philip Lau Sak Hong is currently the chairman and managing director of the Company. Having considered the current business operation and the size of the Group, the Board is of the view that Mr. Lau acting as both the chairman and managing director of the Company is acceptable and in the best interest of the Company. The Board will review this situation periodically.

2. 本公司乃根據私人法1989年百慕達升岡國際有限公司法(「1989年法」)於百慕達註冊成立。根據1989年法第3(e)節，擔任執行主席或董事總經理之董事毋須根據本公司之公司細則(「公司細則」)規定於各股東週年大會上輪值告退。由於本公司受到1989年法之條文約束，公司細則不得作出修訂以全面遵守守則有關各董事(包括擁有特定委任年期之董事)須最少每3年輪值告退一次之規定。因此，於2005年9月15日及2006年9月18日舉行之股東週年大會上已通過特別決議案修訂公司細則，以批准(其中包括)(i)在1989年法規限下，本公司各董事須最少每3年輪值告退一次；(ii)於股東大會上可透過普通決議案而非特別決議案罷免董事；(iii)新委任

2. The Company was incorporated in Bermuda and enacted by private act, the Starlight International Holdings Limited Company Act, 1989 of Bermuda (the "1989 Act"). Pursuant to section 3(e) of the 1989 Act, director holding office as executive chairman or managing director shall not be subject to retirement by rotation at each annual general meeting as provided in the bye-laws of the Company ("the Bye-laws"). As the Company is bound by the provisions of the 1989 Act, the Bye-laws cannot be amended to fully reflect the requirements of the Code which stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. As such, special resolutions were passed at the annual general meetings held on 15 September 2005 and 18 September 2006 to amend the Bye-laws to approve, inter alia, that (i) subject to the 1989 Act, every director of the Company shall be subject to retirement by rotation at least once every three years; (ii) a director may be removed by an ordinary resolution in general meeting instead of a special

董事之任期將直至本公司下次股東大會(倘為填補職位空缺)或本公司下屆股東週年大會(倘為董事會新增成員)為止。

resolution; (iii) any new director appointed shall hold office until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in case of an addition to the Board).

為加強良好之企業管治常規，本公司主席兼董事總經理劉錫康先生將自願於本公司股東週年大會上每三年輪值告退一次，使本公司可遵守守則之規定，惟其有權並願意於股東週年大會上膺選連任。

To enhance good corporate governance practices, Mr. Philip Lau Sak Hong, the chairman and managing director of the Company, will voluntarily retire from his directorship at annual general meeting of the Company at least once every three years in order for the Company to comply with the Code, provided that, being eligible for re-election, he may offer himself for re-election at the annual general meeting.

董事局

董事局須以負責有效之方式領導本集團。除遵守任何現行適用法例及規例外，每名董事須絕對真誠地履行彼之職責，並以股東最佳利益行事。董事局職責包括制定本集團策略方向、設定目標及監察本集團表現。

BOARD OF DIRECTORS

The Board is charged with leading the Group in a responsible and effective manner. Each director has to carry out his/her duties in utmost good faith above and beyond any prevailing applicable laws and regulations and act in the best interests of the shareholders. The duties of the Board include establishing the strategic direction of the Group, setting objectives and monitoring the performance of the Group.

董事局制定專門留待董事局議決及管理層處理之事務議程。董事局會定期審閱相關議程，確保其仍然切合本公司需要。

The Board has established schedule of matters specifically reserved to the Board for its decision and those reserved for the management. The Board reviews this schedule on a periodic basis to ensure that it remains appropriate to the needs of the Company.

本公司董事局由3名執行董事、三名獨立非執行董事及一名非執行董事組成。彼等之簡歷載於年報第8頁。

The Board of the Company consists of three executive directors, three independent non-executive directors and one non-executive director. Their brief biographical details are described on page 8 of the Annual Report.

全體獨立非執行董事均獨立於本公司管理層，乃來自不同背景之資深專業人士。彼等確保董事局維持高水平財務及其他強制申報，並具備充分權力制衡，以保障股東及本公司整體利益。

The independent non-executive directors, all of whom are independent of the management of the Company, are highly experienced professionals coming from a diversified background. They ensure that the Board maintains high standards of financial and other mandatory reporting as well as providing adequate check and balance of safeguard the interest of shareholders and the Company as a whole.

董事局 *(續)*

獨立非執行董事及非執行董事各自與本公司訂立委任書，據此，彼等各自獲委任自2005年10月1日至2007年9月30日期間向本公司提供服務。任期須於下列較早期限終止：(i)2007年9月30日；或(ii)董事基於任何理由根據本公司之章程細則或任何其他適用法例終止出任董事之日。

董事局全體成員每年會面不少於四次，以審閱本集團財務及營運表現。董事局將於有需要時額外舉行會議。已於會議舉行前根據上市規則及守則向全體董事發出適當通告及董事局文件。董事局已制定程序，讓董事在作出合理要求後於適當情況下徵求獨立專業意見，費用由本公司承擔。

於截至2007年3月31日止財政年度，曾舉行四次董事局例會。每名董事之出席記錄呈列如下。上述會議處理之所有事務均按照適用法例及規條妥為記錄及存檔。

BOARD OF DIRECTORS *(Continued)*

Each of the independent non-executive directors and non-executive director has entered into an appointment letter with the Company pursuant to which each of them is appointed for service with the Company from 1 October 2005 to 30 September 2007. The appointment shall terminate on the earlier of (i) 30 September 2007, or (ii) the date on which the director ceases to be director for any reasons pursuant to the bye-laws of the Company or any other applicable laws.

The full Board meets no less than four times a year to review the financial and operating performance of the Group. Additional board meetings were held when necessary. Due notice and board papers were given to all directors prior to the meeting in accordance with the Listing Rules and the Code. The Board has established procedure to enable directors, upon reasonable request, to seek independent professional advice in appropriate circumstances at the Company's expenses.

There were four regular Board meetings held in the financial year ended 31 March 2007. The attendance record of each director is shown below. All business transacted at the above meetings are well-documented and maintained in accordance with applicable laws and regulations.

董事姓名	Name of director	出席董事局例會次數 No. of board meeting attended
劉錫康	Philip Lau Sak Hong	4
劉錫淇	Anthony Lau Sak Kai	4
劉錫澳	Andy Lau Sak Yuk	4
韓相田	Peter Hon Sheung Tin	4
何厚鏘	Norman Ho Hau Chong	1
陳澤仲	Chan Chak Chung	4
卓育賢	Winston Calptor Chuck	3

董事進行證券交易

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)，作為董事進行證券交易的操守守則。

本公司向全體董事作出具體查詢，彼等於截至2007年3月31日止年度一直遵守標準守則。

DIRECTORS' SECURITIES TRANSACTIONS

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (the "Model Code"), as the code of conduct regarding director's securities transactions.

The Company has made specific enquiry of all directors that they have complied with the Model Code throughout the year ended 31 March 2007.

董事進行證券交易 *(續)*

此外，董事局亦制定書面規條，其條款不寬鬆於本公司高級管理人員買賣本公司證券之標準守則。

董事局委員會

為加強董事局職能及提升其專業知識，已於董事局轄下成立兩個董事局委員會，分別為審核委員會及薪酬委員會，各自履行不同職能。

審核委員會

本公司已成立審核委員會，由何厚鏘先生擔任主席，並制定職權範圍，以遵照香港會計師公會所頒佈「有效運作審核委員會之準則」(「A Guide for Effective Audit Committees」)所載推薦建議以及守則所載守則條文。其他成員為韓相田及陳澤仲。

審核委員會每年與高級管理人員及外聘核數師會面不少於兩次。審核委員會之角色及職能包括：審閱本集團所採納會計準則及慣例與其他財務申報事宜；確保本集團財務報告之完整性、準確性及公平性；討論本集團內部監控系統之成效；而最重要的，乃審閱執行董事處理之一切重大事務，特別是關連交易。委員會亦向董事局提供意見及推薦建議，並監管有關外聘核數師之一切事宜，於監察及保障外聘核數師獨立身分方面擔當重要角色。

審核委員會於截至2007年3月31日止財政年度會面兩次。年內所進行工作概述如下：

- 審閱截至2006年3月31日止年度及截至2006年9月30日止六個月之財務報告；
- 審閱核數師法定核數規劃及陳述書；及
- 考慮及批准2007核數費用。

DIRECTORS' SECURITIES TRANSACTIONS *(Continued)*

In addition, the Board also established written guidelines on no less exacting terms than the Model Code for senior management of the Company in respect of their dealings in the securities of the Company.

BOARD COMMITTEES

To strengthen the functions of the Board and to enhance its expertise, there are two Board committees namely, the Audit Committee and Remuneration Committee formed under the Board, with each performing different functions.

AUDIT COMMITTEE

The Audit Committee, which is chaired by Mr. Norman Ho Hau Chong, has been established with defined terms of reference in alignment with the recommendations set out in "A Guide for Effective Audit Committees" issued by the Hong Kong Institute of Certified Public Accountants and the code provisions set out in the Code. Other members are Peter Hon Sheung Tin and Chan Chak Chung.

The Audit Committee meets no less than twice a year with the senior management and the external auditors. The role and function of the Audit Committee include: to review the accounting principles and practices adopted by the Group and other financial reporting matters, to assure the completeness, accuracy and fairness of the financial statement of the Group, discuss the effectiveness of the systems of internal control of the Group and most importantly, and to review all significant business affairs managed by the executive directors in particular on connected transactions, if any. The Committee also provides advice and recommendations to the Board and oversees all matters relating to the external auditors, and it plays an important role in monitoring and safeguarding the independence of external auditors.

The Audit Committee met two times during the financial year ended 31 March 2007. Set out below is the summary of work done the year:

- to review of the financial statements for the year ended 31 March 2006 and for the six months ended 30 September 2006;
- to review of the auditor's statutory audit plan and the letters of representation; and
- to consider and approve the 2007 audit fees.

審核委員會 *(續)*

每名成員之出席記錄呈列如下。於上述會議處理之所有事務均按照適用法例及規例妥為記錄及存檔。

AUDIT COMMITTEE *(Continued)*

The attendance record of each member is shown below. All business transacted at the above meetings are well-documented and maintained in accordance with applicable laws and regulations.

審核委員會會員姓名	Name of audit committee member	出席審核委員會會議次數 No. of audit committee meeting attended
何厚鏘	Norman Ho Hau Chong	1
韓相田	Peter Hon Sheung Tin	2
陳澤仲	Chan Chak Chung	2

薪酬委員會

本公司已成立薪酬委員會，由韓相田先生擔任主席，並制定職權範圍。其他成員為陳澤仲及卓育賢。

REMUNERATION COMMITTEE

The Company which is chaired by Mr. Peter Hon Sheung Tin, has been established with defined terms of reference. Other members are Mr. Chan Chak Chung and Mr. Winston Calptor Chuck.

本公司旨在制定適當薪酬政策，以吸引及留聘本集團成功營運所需之行政人員，並激勵行政人員推行適當發展策略，同時評核員工個別表現。薪酬應反映個別員工之表現、職務難度及職責；而薪酬組合之結構將涵蓋薪金、花紅及購股權計劃，為董事及高級管理人員提供獎勵，以提升彼等個別表現。

The Company aims to design remuneration policies that attract and retain executive needed to run the Group successfully and to motivate executives to pursue appropriate growth strategies whilst taking into account performance of the individual. The remuneration should reflect performance, complexity and responsibility of the individual; and the remuneration package will be structured to include salary, bonus and share options scheme to provide incentives to directors and senior management to improve their individual performances.

薪酬委員會之角色及職能包括制定薪酬政策、每年審閱薪酬政策及就此向董事局提供推薦建議，以及釐定執行董事薪酬。

The role and function of the Remuneration Committee include formulation of the remuneration policy, review and recommending to the Board the annual remuneration policy, and determination of the remuneration of the executive directors.

薪酬委員會於年內所進行工作概述如下：

Set out below is the summary of work of the Remuneration Committee during the year:

- 審閱2006／2007年薪酬政策；及
- to review the remuneration policy for 2006/2007; and
- 審閱執行董事及獨立非執行董事之薪酬。
- to review the remuneration of the executive directors and the independent non-executive directors.

薪酬委員會於截至2007年3月31日止財政年度會面一次，韓相田、陳澤仲及卓育賢均先生出席會議。

The Remuneration Committee meets once during the financial year ended 31 March 2007 with the presence of Mr. Peter Hon Sheung Tin, Mr. Chan Chak Chung and Mr. Winston Calptor Chuck.

其他資料

董事局並無成立提名委員會。根據本公司之章程細則，董事局有權不時及隨時委任任何人士出任董事，以填補臨時空缺或成為董事局新增成員。於評核新董事提名時，董事局將考慮獲提名人士履歷、能力及向本公司作出之潛在貢獻。截至2007年3月31日止財政年度，董事局成員並無變動。

OTHER INFORMATION

The Board has not established a nomination committee. According to the Bye-laws of the Company, the Board has the power from time to time and at any time to appoint any person as a director either to fill a casual vacancy or as an addition to the Board. In assessing nomination of new directors, the Board will take into consideration of the nominee's qualification, ability and potential contributions to the Company. There was no change of the composition of the Board during financial year ended 31 March 2007.

核數師酬金

德勤•關黃陳方會計師行於截至2007年3月31日止年度向本集團提供服務所涉及酬金分析如下：

AUDITOR'S REMUNERATION

The remuneration in respect of services provided by Deloitte Touche Tohmatsu for the Group for the year ended 31 March 2007 are analysed as follows:

	2007年3月31日 港元 31 March 2007 HK$
核數服務 Audit service	2,000,000
非核數服務 Non audit service	424,000

就非核數服務而言，指就稅務諮詢服務應付本公司核數師之費用。

In respect of non-audit services, the fees paid to the Company's auditor related to tax compliance and tax consultancy services.

內部監控

董事會須在整體上負責維持本集團健全及有效之內部監控制度，當中包括設有一個權限分明之清晰管理架構、保障集團資產不會遭挪用或竊取、確保會計記錄妥為存置以提供可靠財務資料作內部或公佈之用，並且確保遵守有關法例及規例。該制度旨在合理，但非絕對保證不會出現嚴重失誤，並管理本集團之營運系統以及本集團達致業務目標過程中之失誤風險。

INTERNAL CONTROL

The Board has overall responsibilities for maintaining a sound and effective internal control system of the Group. The system includes a defined management structure with limits of authority, safeguard its assets against unauthorized use of disposition, ensures the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensures compliances with relevant laws and regulations. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage the risks of failure in the Group's operational systems and in the achievement of the Group's objectives.

本公司已開始實施一個項目以檢討內部監控制度之有效性，包括風險管理制度。董事局已獲提呈報告及結果，並根據推薦建議採納跟進計劃。

The Company has initiated a project to review the effectiveness of system of internal control including risk management system. The report and findings has been submitted to the Board and follow-up plan has been adopted based on recommendations.

股東通訊

股東通訊之目的乃為股東提供有關本公司之詳盡資料，致使彼等按知情方式行使作為股東之權利。

本公司利用一系列通訊工具，確保其股東緊貼主要業務發展，當中包括股東週年大會、年報、各種通告、公佈及通函。按股數投票表決之程序已載入隨附召開股東大會通告之本公司通函，並於股東大會由主席宣讀。

於2006年股東週年大會上，主席就重選董事等每項獨立事宜分開提呈決議案。董事局主席及審核委員會與薪酬委員會成員已出席2006年股東週年大會，解答股東提問。

董事編製財務報告之責任

董事知悉彼等須負責編製財務報告。有關財務報告申報責任之核數師聲明載於第29至30頁的獨立核數師報告內。

總結

本公司深信，企業管治質素及水平反映本集團業務管理及營運質素。良好的企業管治可確保適當動用資金及有效分配資源，並保障股東利益。管理人員竭誠提倡良好的企業管治慣例，定當努力不懈，致力維持、加強及改善本集團企業管治水平及質素。

SHAREHOLDER COMMUNICATION

The objective of shareholder communication is to provide our shareholders with detailed information about the Company so that they can exercise their rights as shareholders in an informed manner.

The Company uses a range of communication tools to ensure its shareholders are kept well informed of key business imperatives. These include annual general meeting, annual report, various notices, announcements and circulars. Procedure for voting by poll has been included in circular of the Company accompanying notice convening general meeting and has been read out by the chairman at the general meeting.

At the 2006 annual general meeting, a separate resolution was proposed by the Chairman in respect of each separate issue, including re-election of directors. The Chairman of the Board of Directors and members of Audit Committee and Remuneration Committee attended the 2006 annual general meeting to answer questions from shareholders.

DIRECTORS' RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

The directors acknowledge that it is their responsibilities in preparing the financial statements. The statement of the auditors about their reporting responsibilities on the financial statements is set out in the independent auditor's report on pages 29-30.

CONCLUSION

The Company strongly believes that the quality and standard of corporate governance reflects the quality of the management and the operations of the Group's business. Good corporate governance can safeguard the proper use of funds and effective allocation of resources and to protect shareholders' interests. The management wholeheartedly advocated of the good practice in corporate governance and will try our best to maintain, strengthen and improve the standard and quality of the Group's corporate governance.

董事局仝人謹呈覽本公司及其附屬公司(統稱「集團」)截至2007年3月31日止年度之年報及經審核之綜合財務報告。

The directors present their annual report and the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2007.

主要業務

本公司為一投資控股公司。本公司附屬公司之業務包括設計、製造及銷售範圍廣泛之電子產品、證券買賣及地產發展。

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in the design, manufacture and sale of a wide range of electronic products, securities trading and property development.

業績及分配

截至2007年3月31日止年度之本集團業績載於第31頁之綜合損益表。

年內已向股東派付每股4.5港仙(2006年:每股3港仙)之中期股息合共34,466,000港元。董事議決建議透過配發及發行新股份之方式向於2007年9月18日舉行股東週年大會日期名列本公司股東名冊之股東派發截至2007年3月31日止年度之末期以股代息每股3.5港仙,合共為27,566,000港元,而股東可選擇以現金收取末期以股代息(或部份)取代有關配發(2006年:現金末期股息每股3港仙)。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2007 are set out in the consolidated income statement on page 31.

An interim dividend of HK4.5 cents per share (2006: HK3 cents per share) amounting to HK$34,466,000 was paid to the shareholders during the year. The directors have resolved to recommend the payment of a final scrip dividend of HK3.5 cents per share, totalling HK$27,566,000 for the year ended 31 March 2007, by way of allotment and issue of new shares with an alternative to the shareholders to elect to receive the final scrip dividend (or part thereof) in cash in lieu of such allotment (2006: cash final dividend of HK3 cents per share), payable to those shareholders whose names appear on the register of members of the Company as at the date of the annual general meeting to be held on 18 September 2007.

投資物業

投資物業於年內之變動情況載於綜合財務報告附註14內。

INVESTMENT PROPERTIES

Details of the movements during the year in the investment properties of the Group are set out in note 14 to the consolidated financial statements.

物業、廠房及設備

本年度,本集團為擴張業務而購入之物業、廠房及設備為63,383,000港元。有關本集團物業、廠房及設備於本年度內之變動及詳情,已載於綜合財務報告附註15內。

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment of HK$63,383,000 to expand its business. Details of the movements during the year in the property, plant and equipment of the Group are set out in note 15 to the consolidated financial statements.

股本

於本年內，本公司於香港聯合交易所有限公司（「聯交所」）購回共3,707,500股股份，董事局認為當時公司股票交易價格以每股淨資產值折扣交易，回購股份會增加本公司之每股資產淨值。本公司亦因行使購股權而發行30,434,500股新股。

年內之股本變動情況載於綜合財務報告附註33內。

本公司之可供分派儲備

根據1981百慕達公司法，除累計溢利外，本公司之實繳盈餘亦可分派予股東。惟本公司不能在下列情況從實繳盈餘中宣派或支付股息或作出分派：

(a) 作出分派後無法或將會無法償還到期之債務；或

(b) 其資產之可變現價值較負債、已發行股份及股份溢價之總和為低。

董事局認為在結算日本公司可供分派之儲備包括實繳盈餘75,263,000港元（2006年：75,263,000港元）及累計溢利81,683,000港元（2006年：61,152,000港元）。

董事及董事服務合約

於本年度及截至本報告日期為止之董事如下：

執行董事：
劉錫康
劉錫淇
劉錫澳

非執行董事：
韓相田

獨立非執行董事：
何厚鏘
陳澤仲
卓育賢

SHARE CAPITAL

During the year, the Company repurchased a total of 3,707,500 of its own shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The directors considered that, as the Company's shares were trading at a discount to the net asset value per share, the repurchases would increase the net asset value per share of the Company. The Company also issued 30,434,500 new shares as a result of the exercise of options.

Details of the movements during the year in the share capital are set out in note 33 to the consolidated financial statements.

DISTRIBUTABLE RESERVES OF THE COMPANY

In addition to accumulated profits, under The Companies Act 1981 of Bermuda, contributed surplus is also available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

(a) it is, or would after the payment be, unable to pay its liabilities as they become due; or

(b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

In the opinion of the directors, the Company's reserves available for distribution at the balance sheet date consisted of contributed surplus of HK$75,263,000 (2006: HK$75,263,000) and accumulated profits of HK$81,683,000 (2006: HK$61,152,000).

DIRECTORS AND SERVICE CONTRACTS

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

Executive directors:
Lau Sak Hong, Philip
Lau Sak Kai, Anthony
Lau Sak Yuk, Andy

Non-executive director:
Hon Sheung Tin, Peter

Independent non-executive directors:
Ho Hau Chong, Norman
Chan Chak Chung
Chuck Winston Calptor

董事及董事服務合約 *(續)*

劉錫淇先生、陳澤仲先生及卓育賢先生將依照本公司之章程細則第82條於即將召開之股東週年大會上告退，及有資格膺選連任。

擬於即將召開之股東週年大會被提名膺選連任之任何董事，概無與本公司或其附屬公司訂有本集團不可於一年內毋須補償(法定賠償除外)而終止之服務合約。

獨立非執行董事之委任期限為兩年直至2007年9月30日及依照本公司細則用輪值告退方法委任。

董事之合約利益及關連交易

於本年度內，劉錫康先生，本公司主要股東，為本集團之一項非上市持作買賣投資之減值提供個人擔保額達15,000,000港元(2006年：15,000,000港元)。

除上述披露者外，於本年結日或本年度任何時間內，本公司或其附屬公司並未與任何董事訂立重要合約而使彼等直接或間接地獲得重大利益。

DIRECTORS AND SERVICE CONTRACTS *(Continued)*

In accordance with the Company's Bye-law 82, Lau Sak Kai, Anthony, Chan Chak Chung and Chuck Winston Calptor will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

None of the director being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Independent non-executive directors have been appointed for a term of two years until 30 September 2007 and are subject to retirement by rotation as required by the Company's Bye-laws.

DIRECTORS' INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS

During the year, Mr. Lau Sak Hong, Philip, a substantial shareholder of the Company, has provided a personal guarantee to indemnify the Group for any impairment of an unlisted available-for-sale investment to the extent of HK$15 million (2006: HK$15 million).

Save as disclosed above, no contract of significance to which the Company or any of its subsidiaries was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事之證券權益

截至2007年3月31日，(a)根據證券及期貨條例(「證券及期貨條例」)第XV部第7及8分部之規定須知會本公司及聯交所(包括根據證券及期貨條例之定義，他們持有或被視為持有權益或淡倉)；或(b)根據證券及期貨條例第352條須記錄於本公司根據該條例而設之登記冊，或(c)根據香港聯合交易所有限公司證券上市規則(「上市規則」)之上市公司董事進行證券交易的標準守則(「標準守則」)另行通知本公司及聯交所，本公司各董事及主要行政人員於本公司及聯繫公司(定義見證券及期貨條例第XV部)之股份中之權益及淡倉如下：

DIRECTORS' INTERESTS IN SECURITIES

As at 31 March 2007, the interests and short positions of the directors or chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) 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 of Hong Kong Limited (the "Listing Rules) to be notified to the Company and the Stock Exchange were as follows:

董事姓名	Name of director	長倉／淡倉 Long position/ short position	身份 Capacity	持股數目 Number of shares held	於2007年3月31日之持股百分比 Approximate percentage of shareholding as at 31.3.2007
執行董事：	**Executive directors:**				
劉錫康	Lau Sak Hong, Philip	長倉 Long position	實益擁有人 Beneficial owner	78,831,572	10.00%
			擁有被控股公司之權益 *(附註a)* Interest of controlled corporation *(note a)*	3,018,090	0.38%
			擁有被控股公司之權益 *(附註b)* Interest of controlled corporation *(note b)*	10,100,415	1.28%
			信託基金持有 *(附註c)* Held by trust *(note c)*	168,114,050	21.34%
				260,064,127	33.00%

董事之證券權益 *(續)* DIRECTORS' INTERESTS IN SECURITIES *(Continued)*

董事姓名	Name of director	長倉／淡倉 Long position/ short position	身份 Capacity	持股數目 Number of shares held	於2007年3月31日之持股百分比 Approximate percentage of shareholding as at 31.3.2007
執行董事：*(續)*	Executive directors: *(Continued)*				
劉錫淇	Lau Sak Kai, Anthony	長倉 Long position	實益擁有人 Beneficial owner	37,265,929	4.73%
			擁有被控股公司之權益 *(附註a)* Interest of controlled corporation *(note a)*	3,018,090	0.38%
			擁有被控股公司之權益 *(附註b)* Interest of controlled corporation *(note b)*	10,100,415	1.28%
				50,384,434	6.39%
劉錫澳	Lau Sak Yuk, Andy	長倉 Long position	實益擁有人 Beneficial owner	35,059,108	4.45%
			擁有被控股公司之權益 *(附註a)* Interest of controlled corporation *(note a)*	3,018,090	0.38%
			擁有被控股公司之權益 *(附註b)* Interest of controlled corporation *(note b)*	10,100,415	1.28%
				48,177,613	6.11%

董事之證券權益 *(續)*

DIRECTORS' INTERESTS IN SECURITIES *(Continued)*

董事姓名	Name of director	長倉／淡倉 Long position/ short position	身份 Capacity	持股數目 Number of shares held	於2007年3月31日之持股百分比 Approximate percentage of shareholding as at 31.3.2007
非執行董事	**Non-executive director:**				
韓相田	Hon Sheung Tin, Peter	長倉 Long position	實益擁有人 Beneficial owner	194,645	0.02%
獨立非執行董事：	**Independent non-executive director:**				
卓育賢	Chuck Winston Calptor	長倉 Long position	實益擁有人 Beneficial owner	770,000	0.10%

附註：

(a) 該等股份乃透過由劉錫康、劉錫淇及劉錫澳(連同其他家族成員簡稱「劉氏家族」)實益擁有之公司K.K. Nominees Limited持有。

(b) 該等股份乃透過由劉氏家族實益擁有之公司Wincard Management Services Limited持有。

(c) 該等股份由一全權信託基金實益擁有之公司Philip Lau Holding Corporation直接或間接持有，該全權信託基金之受益人包括劉錫康及其聯繫人士。

Notes:

(a) These shares are held by K.K. Nominees Limited, a company which is beneficially owned by Lau Sak Hong, Philip, Lau Sak Kai, Anthony and Lau Sak Yuk, Andy (hereinafter collectively with other family members referred to as the "Lau's family").

(b) These shares are held by Wincard Management Services Limited, a company which is beneficially owned by the Lau's family.

(c) These shares are beneficially owned directly or indirectly by Philip Lau Holding Corporation, a company beneficially owned by a discretionary trust, the discretionary objects of which include Lau Sak Hong, Philip and his associates.

除上文所披露者及某些董事以本公司或其附屬公司受託人身份持有附屬公司之若干代理人股份外，於2007年3月31日並未有任何董事或主要行政人員於本公司或其聯繫公司(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有依據證券及期貨條例第15部7及8分部規定須知會本公司及聯交所；或須記錄於本公司根據證券及期貨條例第352條須予存置之登記冊或根據標準守則須知會本公司及聯交所之權益。

Save as disclosed above and other than certain nominee shares in subsidiaries held by directors in trust for the Company or its subsidiaries, as 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 of its associated corporations (within the meaning of Part XV of the SFO) as notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or as recorded in the register kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

購股權計劃

本公司於2002年9月12日舉行之股東特別大會上通過採用為期5年之購股權計劃「計劃」。主要目的在於鼓勵及獎勵參與者對本集團作出之貢獻。可參與該計劃人士包括員工，非執行董事，商品或服務供應商，顧客，諮詢人或顧問以及集團公司股東。

根據計劃所授出之購股權獲行使而可能發行之最高股份總數，不得超過已發行股份之10%，而整體已授出及可行使購股權股份數目不可超過不時已發行股份之30%。

於購股權授出之日的12個月內，各參與者(主要股東、獨立非執行董事及彼等各自之聯繫人士除外)行使購股權而發行及將予發行之股份總數不可超逾當時已發行股本之1%。

購股權可行使期限由董事局決定，惟不可於授出日起計超過5年。承授人可於購股權期限內任何時間行使購股權。

購股權之認購價由董事局決定，惟有關價格不得低過(i)於授予購股權當日，股份之收市價；(ii)授出日期前連續5個交易日股份平均收市價；或(iii)股份於授出日期之面值以最高者計算。

授出購股權之代價為1港元，該金額在任何情況下將不可退還。

SHARE OPTIONS

The Company's share option scheme was approved and adopted at the special general meeting of the Company held on 12 September 2002 (the "Scheme") for a period of 5 years. The primary purpose is to provide incentives or rewards to participants for their contribution to the Group. Eligible participants of the Scheme included any employees, non-executive directors, suppliers of goods or services, customers, advisors or consultant and shareholders of any member of the Group.

The maximum number of shares options which may be issued upon exercise of all options to be granted under the Scheme must not, in aggregate, exceed 10% of the shares in issue while overall limit for all outstanding options granted and yet to be exercised must not exceed 30% of the shares in issue from time to time.

The total number of shares issued and to be issued upon exercise of the option granted to each participant (except substantial shareholder, independent non-executive director, or their respective associates) in any 12 month period up to the date of the grant shall not exceed 1% of the shares in issue.

The period within which the shares must be taken up under an option is any period as determined by the Board, which shall not be more than 5 years from the date on which the option is granted. The option may be exercised by the grantee at any time during the option period.

The subscription price of the share options is determined by the Board, but will be no less than the highest of (i) the closing price of the shares on the offer date; (ii) the average of the closing price of the shares of the 5 trading days immediately preceding the offer date; or (iii) the nominal value of the shares on the offer date.

The consideration for the grant is HK$1 and it will in no circumstance be refundable.

購股權計劃 *(續)*

根據計劃已授予本集團若干僱員之購股權變動情況如下：

SHARE OPTIONS *(Continued)*

The movements of the options granted to certain employees of the Group under the Scheme were as follows:

授予日期 Date of grant	行使價 Exercise price 港元 HK$	購股權數目 Number of share options: 於2006年4月1日尚未行使 Outstanding as at 1.4.2006	在本年內授予購股權數目 Granted during the year	本年度內行使購股權數目 Exercised during the year	於2007年3月31日之尚未行使 Outstanding as at 31.3.2007
2.5.2003	0.40	1,700,500	–	1,700,500	–
10.10.2003	0.86	15,144,000	–	12,144,000	3,000,000
24.8.2004	0.808	3,000,000	–	3,000,000	–
2.11.2004	0.814	2,650,000	–	150,000	2,500,000
22.12.2005	0.80	4,910,000	–	4,910,000	–
5.1.2006	0.89	19,160,000	–	7,160,000	12,000,000
16.8.2006	1.15	–	500,000	–	500,000
13.11.2006	1.45	–	2,000,000	–	2,000,000
4.1.2007	1.66	–	2,050,000	1,230,000	820,000
1.2.2007	1.72	–	240,000	140,000	100,000
7.3.2007	1.93	–	3,000,000	–	3,000,000
		46,564,500	7,790,000	30,434,500	23,920,000

本年度內根據計劃，本公司沒有授予購股權予董事。

No share options were granted to the directors of the Company pursuant to the Scheme during the year.

購股權計劃 *(續)*
附註：

(a) 以上購股權由授出日起五年內行使。

(b) 本年度並無購股權失效或取消。

(c) 緊接行使購股權當日之前1日，加權平均收市價為每股0.86港元。

(d) 緊接於2006年8月16日購股權授出日之前1日，收市價為每股1.15港元。

(e) 緊接於2006年11月13日購股權授出日之前1日，收市價為每股1.44港元。

(f) 緊接2007年1月4日購股權授出日期前之1日，收市價為每股1.64港元。

(g) 緊接2007年2月1日購股權授出日期前之1日，收市價為每股1.72港元。

(h) 緊接2007年3月7日購股權授出日期前之1日，收市價為每股1.92港元。

購買股份或債券之安排
除上文披露之購股權外，本公司或其任何附屬公司於本年度內概無參與任何安排，使本公司董事能藉此認購本公司或其他任何法人團體之股份或債券而獲得利益。

SHARE OPTIONS *(Continued)*
Notes:

(a) The above options were granted for an exercise period of five years from the date of grant of the options.

(b) No option was lapsed or cancelled during the year.

(c) The weighted average closing price per share immediately before the dates on which the options were exercised was HK$0.86.

(d) The closing price per share immediately before 16 August 2006, the date on which the options were granted, was HK$1.15.

(e) The closing price per share immediately before 13 November 2006, the date on which the options were granted, was HK$1.44.

(f) The closing price per share immediately before 4 January 2007, the date on which the options were granted, was HK$1.64.

(g) The closing price per share immediately before 1 February 2007, the date on which the options were granted, was HK$1.72.

(h) The closing price per share immediately before 7 March 2007, the date on which the options were granted, was HK$1.92.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES
Other than option holdings disclosed above, at no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

主要股東

於2007年3月31日，以下人士(除上述披露有關董事所持之權益外)持有本公司股份及相關股份百分之五或以上之股份權益，並已知會本公司及記錄於本公司按證券及期貨條例第336條第15部份規定而設置之主要股東權益及淡倉登記冊內：

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2007, the following person, other than the interest disclosed above in respect of the directors, had interest in 5% or more in the shares and underlying shares of the Company have been notified to the Company and recorded in the register of substantial shareholders' interests in shares and short positions required to be kept under Section 336 of Part XV of the SFO:

姓名 Name	持有普通股份數目 Number of ordinary shares in which interested	於2007年3月31日之佔已發行股本之百分比 % of total issued shares as at 31.3.2007
李裕章 Lee Yu Chiang	42,140,878	5.35%
Deutsche Bank Aktiengesellschaft	39,156,000	4.97%

除上述及「董事之證券權益」所述者外，於2007年3月31日，本公司根據《證券及期貨條例》第336條須予備存之登記冊中，並無記錄其他人士在本公司之股份中擁有任何權益及淡倉。

Save as mentioned above and in section of "Directors' Interests in Securities", as at 31 March 2007, the register maintained by the Company pursuant to section 336 of the SFO recorded no other interests or short positions in shares of the Company.

購買、出售或贖回上市證券

本年度內，本公司在聯交所購回本公司股份詳情如下：

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, the Company repurchased its shares on the Stock Exchange as follows:

月份 Month	購回每股0.40港元股份數目 Number of shares of HK$0.40 each repurchased	每股價格 Price per share 最低價 Lowest 港元 HK$	每股價格 Price per share 最高價 Highest 港元 HK$	總額 Aggregate consideration 千港元 HK$'000
2006年5月 May 2006	765,000	1.11	1.13	856
2006年6月 June 2006	2,295,000	1.11	1.16	2,622
2006年10月 October 2006	647,500	1.26	1.28	824
	3,707,500			4,302

該等購回股份已全部註銷，而本公司已發行股本之面值亦相應減低。購回股份之溢價總額已在累計溢利中扣除。而相等於註銷股份面值則由累計溢利轉撥往股本贖回儲備。

The above shares were cancelled upon repurchase and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. The premium on repurchase was charged against accumulated profits. An amount equivalent to the nominal value of the shares cancelled was transferred from accumulated profits to the capital redemption reserve.

股份優先購買權
儘管百慕達法例並無對優先購買權作出任何限制，本公司之公司細則亦無有關優先購買權之條文。

主要客戶與供應商
本集團最大及首5間最大之客戶之銷售總額分別佔本集團年內營業總額27.03%及52.80%。

本集團最大及首五大供應商之購貨額分別佔本集團購貨總額12.01%及31.94%。

董事或其關聯人士或任何股東(據董事所知持有本公司股本多於5%)在五大客戶及供應商中並無持有任何權益。

薪酬政策
本集團僱員之薪酬政策乃基於僱員之表現、資歷及能力。董事之酬金由薪酬委員會參照本公司之營運業績、個別僱員表現及可比市場數據而釐定。概無任何董事或其任何聯繫人士以及高層僱員參與釐定本身薪酬。

本公司已採納一項購股權計劃作為對董事及合資格員工之獎勵，該計劃詳情列於綜合財務報告附註34。

年度之獨立確認書
本公司已接獲各獨立非執行董事根據上市規則第3.13條而發出之年度獨立確認書。本公司認為所有獨立非執行董事均為獨立人士。

充足公眾持股量
根據本公司所取得之公開資料及據董事所知悉，本公司於截至2007年3月31日止年度內一直維持上市規則規定不少於本公司已發行股份25%之充足公眾持股量。

核數師
有關重選德勤•關黃陳方會計師行為本公司核數師之決議案將於即將召開之股東週年大會上提呈。

承董事局命

主席
劉錫康

香港
2007年7月20日

PRE-EMPTIVE RIGHTS
There is no provision for pre-emptive rights under the Company's Bye-laws although there are no restrictions against such rights under the laws in Bermuda.

MAJOR CUSTOMERS AND SUPPLIERS
The aggregate sales attributable to the Group's largest customer and five largest customers accounted for 27.03% and 52.80% respectively of the Group's total turnover for the year.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers accounted for 12.01% and 31.94% respectively of the Group's total purchases for the year.

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

EMOLUMENT POLICY
The emolument policy regarding the employees of the Group is based on their merit, qualifications and competence. The emoluments of the directors are reviewed by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics. No director or any of his associates, and executive is involved in dealing his own remuneration.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme is set out in note 34 to the consolidated financial statements.

ANNUAL CONFIRMATION OF INDEPENDENCE
The Company has received the annual confirmation of independence from each of the independent non-executive directors as required under Rule 3.13 of the Listing Rules. The Company considered all independent non-executive directors to be independent.

SUFFICIENCY OF PUBLIC FLOAT
Based on the information that is publicly available to the Company, and within the knowledge of directors, the Company has maintained a sufficient public float not less than 25% the Company's issued shares as required under the Listing Rules throughout the year ended 31 March 2007.

AUDITOR
A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as the auditor of the Company.

On behalf of the Board

Lau Sak Hong, Philip
CHAIRMAN

Hong Kong
20 July 2007

Deloitte.
德勤

致Starlight International Holdings Limited
(升岡國際有限公司)
(於百慕達註冊成立之有限公司)
全體股東

TO THE SHAREHOLDERS OF
STARLIGHT INTERNATIONAL HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

本核數師行已完成審核列載於第31頁至第110頁升岡國際有限公司(「貴公司」)及其子公司(統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於2007年3月31日之綜合資產負債表，及截至該日止年度之綜合損益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

We have audited the consolidated financial statements of Starlight International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 31 to 110 which comprise the consolidated balance sheet as at 31 March 2007, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

董事就綜合財務報表須承擔的責任

貴公司之董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》編製及真實而公平地列報該等綜合財務報表。這責任包括：設計、實施及維護與編製及真實與公平地列報綜合財務報表相關的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

核數師的責任

本行的責任是根據本行的審核對綜合財務報表作出意見，並按照百慕達《公司法》第90條僅向整體股東報告。除此以外，本行的報告書不可作其他用途。本行概不會就本報告書的內容，對任何其他人士負責或承擔法律責任。本行已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求本行遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of The Companies Act of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

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

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

本行相信，本行所獲得的審核憑證是充足和適當地為本行的審核意見提供基礎。

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

意見

本行認為，綜合財務報表均真實而公平地反映　貴公司與　貴集團於2007年3月31日的財務狀況及　貴集團截至該日止年度的溢利及現金流量，並已按照香港財務報告準則及香港《公司條例》的披露要求妥善編製。

OPINION

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

德勤 • 關黃陳方會計師行
執業會計師

香港
2007年7月20日

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
20 July 2007

CONSOLIDATED INCOME STATEMENT
綜合損益表

For the year ended 31 March 2007 截至2007年3月31日止年度

		附註 NOTES	2007 千港元 HK$'000	2006 千港元 HK$'000
營業額	Turnover	6	**2,434,241**	1,782,771
銷售成本	Cost of sales		**(1,951,018)**	(1,517,355)
毛利	Gross profit		**483,223**	265,416
其他收入	Other income	7	**25,709**	26,330
分銷成本	Distribution costs		**(213,620)**	(97,757)
行政費用	Administrative expenses		**(170,154)**	(100,494)
投資物業之公平價值增加	Increase in fair value of investment properties	14	**3,322**	2,691
衍生金融工具／指定為按公平值計入損益之金融資產之公平價值增加	Increase in fair value of derivative financial instruments/financial assets designated at fair value through profit or loss		**4,696**	1,395
持作買賣之投資之公平價值增加	Increase in fair value of investments held for trading		**1,949**	5,164
已確認可供出售投資之減值虧損	Impairment loss recognised in respect of available-for-sale investments		**(150)**	–
被視作出售附屬公司部份權益之溢利	Gain on deemed partial disposal of a subsidiary	36	**10,194**	–
出售附屬公司之溢利	Gain on disposal of a subsidiary	37	**99**	–
財務費用	Finance costs	8	**(26,975)**	(11,975)
應佔聯營公司溢利(虧損)	Share of profits (losses) of associates		**1,613**	(79)
除税前溢利	Profit before taxation	9	**119,906**	90,691
税項	Taxation	11	**(9,715)**	(11,452)
本年度溢利	Profit for the year		**110,191**	79,239
下列人士應佔：	Attributable to:			
本公司股東	Shareholders of the Company		**105,196**	79,141
少數股東權益	Minority interests		**4,995**	98
			110,191	79,239
股息	Dividends paid	12	**57,201**	37,970
			港仙 HK cents	港仙 HK cents
每股盈利	Earnings per share	13		
－基本	– Basic		**13.8**	10.4
－攤薄	– Diluted		**13.5**	10.3

CONSOLIDATED BALANCE SHEET
綜合資產負債表

At 31 March 2007 於2007年3月31日

		附註 NOTES	2007 千港元 HK$'000	2006 千港元 HK$'000
非流動資產	Non-current assets			
投資物業	Investment properties	14	**81,121**	76,500
物業、廠房及設備	Property, plant and equipment	15	**305,842**	294,734
預付地價	Prepaid lease payments	16	**4,136**	4,257
產品發展成本	Product development costs	17	**954**	1,300
商譽	Goodwill	18	**25,494**	9,149
應佔聯營公司權益	Interest in associates	20	**8,200**	1,701
可供出售投資	Available-for-sale investments	21	**24,075**	24,099
遞延稅項資產	Deferred tax assets	32	**1,263**	1,929
收購土地使用權之訂金	Deposit for acquisition of land use rights		**14,711**	–
收購子公司之訂金	Deposit for acquisition of subsidiaries	39	**–**	15,537
			465,796	429,206
流動資產	Current assets			
存貨	Inventories	23	**451,244**	376,034
可供出售物業	Properties for sale		**–**	1,453
應收賬項、按金及預付款項	Debtors, deposits and prepayments	24	**343,704**	293,323
預付地價	Prepaid lease payments	16	**121**	121
應收關連人士賬款	Amounts due from related parties	25	**17,196**	–
應收聯營公司賬項	Amounts due from associates	26	**3,989**	2,940
可收回稅款	Taxation recoverable		**11,659**	2,089
可供出售投資	Available-for-sale investments	21	**–**	150
持作買賣之投資	Investments held for trading	27	**25,613**	27,767
衍生金融工具／指定為按公平值計入損益之金融資產	Derivative financial instruments/ financial assets designated at fair value through profit or loss	22	**21,275**	4,659
銀行結存及現金	Bank balances and cash	28	**92,401**	81,745
			967,202	790,281
流動負債	Current liabilities			
應付賬項及應計費用	Creditors and accrued charges	29	**273,829**	252,391
應付聯營公司賬項	Amount due to an associate	26	**2,809**	2,809
衍生金融工具	Derivative financial instruments	22	**438**	454
應付稅項	Taxation payable		**4,752**	4,478
一年內到期之貸款	Borrowings – amount due within one year	30	**329,515**	220,792
銀行透支	Bank overdrafts	31	**1,722**	2,311
			613,065	483,235
流動資產淨值	Net current assets		**354,137**	307,046
總資產減流動負債	Total assets less current liabilities		**819,933**	736,252
非流動負債	Non-current liabilities			
遞延稅項負債	Deferred tax liabilities	32	**7,583**	7,558
			812,350	728,694

CONSOLIDATED BALANCE SHEET
綜合資產負債表

At 31 March 2007 於2007年3月31日

		附註 NOTE	2007 千港元 HK$'000	2006 千港元 HK$'000
股本及儲備	Capital and reserves			
股本	Share capital	33	**315,043**	304,352
儲備	Reserves		**482,074**	422,825
本公司股東應佔權益	Equity attributable to shareholders of the Company		**797,117**	727,177
上市附屬公司之購股權儲備	Share option reserve of a listed subsidiary		**66**	–
少數股東權益	Minority interests		**15,167**	1,517
總權益	Total equity		**812,350**	728,694

第31頁至第110頁所載之綜合財務報表，經於2007年7月20日由董事局核准及授權刊發，並由下列董事代表簽署：

The consolidated financial statements on pages 31 to 110 were approved and authorised for issue by the Board of Directors on 20 July 2007 and are signed on its behalf by:

劉錫康
Lau Sak Hong, Philip
主席兼董事總經理
CHAIRMAN AND MANAGING DIRECTOR

劉錫淇
Lau Sak Kai, Anthony
董事
DIRECTOR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
綜合權益變動表

For the year ended 31 March 2007 截至2007年3月31日止年度

		股本 Share capital 千港元 HK$'000	股份溢價 Share premium 千港元 HK$'000	合併儲備 Merger reserve 千港元 HK$'000	商譽儲備 Goodwill reserve 千港元 HK$'000	投資重估儲備 Investment revaluation reserve 千港元 HK$'000	其他物業重估儲備 Other property revaluation reserve 千港元 HK$'000	換算儲備 Translation reserve 千港元 HK$'000	購股權儲備 Share option reserve 千港元 HK$'000	股本贖回儲備 Capital redemption reserve 千港元 HK$'000	累計溢利 Accumulated profits 千港元 HK$'000	本公司股東應佔權益 Equity attributable to shareholders of the Company 千港元 HK$'000	上市附屬公司之購股權儲備 Share option reserve of a listed subsidiary 千港元 HK$'000	少數股東權益 Minority interests 千港元 HK$'000	總計 Total 千港元 HK$'000
於2005年4月1日	At 1 April 2005	305,043	83,782	37,138	(3,688)	–	1,682	10,126	–	47,812	199,919	681,814	–	1,553	683,367
可供出售投資公平值調整	Decrease in fair value of available-for-sale investments	–	–	–	–	(35)	–	–	–	–	–	(35)	–	–	(35)
租賃物業撥入投資物業之公平值調整(附註15)	Increase in fair value of leasehold properties transferred to investment properties *(note 15)*	–	–	–	–	–	325	–	–	–	–	325	–	–	325
兑換海外業務所產生之匯兑差額	Exchange difference arising on translation of foreign operations	–	–	–	–	–	–	2,082	–	–	–	2,082	–	(134)	1,948
收入及支出之淨額在股本權益直接確認	Net income and expense recognised directly in equity	–	–	–	–	(35)	325	2,082	–	–	–	2,372	–	(134)	2,238
本年度溢利	Profit for the year	–	–	–	–	–	–	–	–	–	79,141	79,141	–	98	79,239
本年度總確認收入及支出	Total recognised income and expense for the year	–	–	–	–	(35)	325	2,082	–	–	79,141	81,513	–	(36)	81,477
		305,043	83,782	37,138	(3,688)	(35)	2,007	12,208	–	47,812	279,060	763,327	–	1,517	764,844
在股本權益確認以股本結算之股份付款	Recognition of equity settled share based payments	–	–	–	–	–	–	–	3,392	–	–	3,392	–	–	3,392
因行使購股權發行之股份	Issue of shares upon exercise of share options	1,800	405	–	–	–	–	–	–	–	–	2,205	–	–	2,205
購回股份之溢價	Premium on repurchase of shares	–	–	–	–	–	–	–	–	–	(1,286)	(1,286)	–	–	(1,286)
購回股份	Repurchase of shares	(2,491)	–	–	–	–	–	–	–	–	–	(2,491)	–	–	(2,491)
購回股份產生之股本贖回儲備	Capital redemption reserve arising from repurchase of shares	–	–	–	–	–	–	–	–	2,491	(2,491)	–	–	–	–
已付股息	Dividends paid	–	–	–	–	–	–	–	–	–	(37,970)	(37,970)	–	–	(37,970)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
綜合權益變動表

For the year ended 31 March 2007 截至2007年3月31日止年度

		股本 Share capital 千港元 HK$'000	股份溢價 Share premium 千港元 HK$'000	合併儲備 Merger reserve 千港元 HK$'000	商譽儲備 Goodwill reserve 千港元 HK$'000	投資重估儲備 Investment revaluation reserve 千港元 HK$'000	其他物業重估儲備 Other property revaluation reserve 千港元 HK$'000	換算儲備 Translation reserve 千港元 HK$'000	購股權儲備 Share option reserve 千港元 HK$'000	股本贖回儲備 Capital redemption reserve 千港元 HK$'000	累計溢利 Accumulated profits 千港元 HK$'000	本公司股東應佔權益 Equity attributable to shareholders of the Company 千港元 HK$'000	上市附屬公司之購股權儲備 Share option reserve of a listed subsidiary 千港元 HK$'000	少數股東權益 Minority interests 千港元 HK$'000	總計 Total 千港元 HK$'000
於2006年3月31日	At 31 March 2006	304,352	84,187	37,138	(3,688)	(35)	2,007	12,208	3,392	50,303	237,313	727,177	–	1,517	728,694
可供出售投資公平值調整	Decrease in fair value of available-for-sale investments	–	–	–	–	(24)	–	–	–	–	–	(24)	–	–	(24)
兑換海外業務所產生之匯兑差額	Exchange difference arising on translation of foreign operations	–	–	–	–	–	–	(2,482)	–	–	–	(2,482)	–	818	(1,664)
收入及支出之淨額在股本權益直接確認	Net income and expense recognised directly in equity	–	–	–	–	(24)	–	(2,482)	–	–	–	(2,506)	–	818	(1,688)
本年度溢利	Profit for the year	–	–	–	–	–	–	–	–	–	105,196	105,196	–	4,995	110,191
本年度總確認收入及支出	Total recognised income and expense for the year	–	–	–	–	(24)	–	(2,482)	–	–	105,196	102,690	–	5,813	108,503
		304,352	84,187	37,138	(3,688)	(59)	2,007	9,726	3,392	50,303	342,509	829,867	–	7,330	837,197
收購附屬公司額外權益	Acquisition of additional interest in a subsidiary	–	–	–	–	–	–	–	–	–	–	–	–	531	531
附屬公司少數股東注資	Capital contribution from minority shareholders of a subsidiary	–	–	–	–	–	–	–	–	–	–	–	–	20,499	20,499
被視為出售附屬公司部份權益	Deemed partial disposal of a subsidiary	–	–	–	–	–	–	–	–	–	–	–	–	(13,193)	(13,193)
在股本權益確認以股本結算之股份付款	Recognition of equity settled share based payments	–	–	–	–	–	–	–	2,500	–	–	2,500	66	–	2,566
因行使購股權發行之股份	Issue of shares upon exercise of share options	12,174	16,206	–	–	–	–	–	(2,127)	–	–	26,253	–	–	26,253
購回股份之溢價	Premium on repurchase of shares	–	–	–	–	–	–	–	–	–	(2,819)	(2,819)	–	–	(2,819)
購回股份	Repurchase of shares	(1,483)	–	–	–	–	–	–	–	–	–	(1,483)	–	–	(1,483)
購回股份產生之股本贖回儲備	Capital redemption reserve arising from repurchase of shares	–	–	–	–	–	–	–	–	1,483	(1,483)	–	–	–	–
已付股息	Dividends paid	–	–	–	–	–	–	–	–	–	(57,201)	(57,201)	–	–	(57,201)
於2007年3月31日	At 31 March 2007	315,043	100,393	37,138	(3,688)	(59)	2,007	9,726	3,765	51,786	281,006	797,117	66	15,167	812,350
於2006年3月31日應歸於：	At 31 March 2006 Attributable to:														
－本公司及附屬公司	– the Company and subsidiaries	304,352	84,187	37,138	(3,688)	(35)	2,007	12,397	3,392	50,303	241,568	731,621	–	1,517	733,138
－聯營公司	– associates	–	–	–	–	–	–	(189)	–	–	(4,255)	(4,444)	–	–	(4,444)
		304,352	84,187	37,138	(3,688)	(35)	2,007	12,208	3,392	50,303	237,313	727,177	–	1,517	728,694
於2007年3月31日應歸於：	At 31 March 2007 Attributable to:														
－本公司及附屬公司	– the Company and subsidiaries	315,043	100,393	37,138	(3,688)	(59)	2,007	9,915	3,765	51,786	285,272	801,572	66	15,167	816,805
－聯營公司	– associates	–	–	–	–	–	–	(189)	–	–	(4,266)	(4,455)	–	–	(4,455)
		315,043	100,393	37,138	(3,688)	(59)	2,007	9,726	3,765	51,786	281,006	797,117	66	15,167	812,350

CONSOLIDATED CASH FLOW STATEMENT
綜合現金流量表

For the year ended 31 March 2007 截至2007年3月31日止年度

		2007 千港元 HK$'000	2006 千港元 HK$'000
營運產生之現金	Cash flows from operating activities		
除税前溢利	Profit before taxation	**119,906**	90,691
調整：	Adjustments for:		
應佔聯營公司(溢利)虧損	Share of (profits) losses of associates	**(1,613)**	79
產品開發成本攤銷	Amortisation of product development costs	**346**	346
撥回預付地價	Release of prepaid lease payments	**121**	121
物業、廠房及設備折舊及攤銷	Depreciation and amortisation of property, plant and equipment	**52,542**	45,383
投資物業公平價值增加	Increase in fair value of investment properties	**(3,322)**	(2,691)
持作買賣投資之股息收益	Dividend income from investments held for trading	**(1,091)**	(448)
回購股份經紀佣金	Brokerage expenses on redemption of shares	**23**	30
股本結算之股份付款	Share-based payments	**2,566**	3,392
銀行及其他貸款利息	Interest on bank and other borrowings	**26,975**	11,975
利息收入	Interest income	**(1,468)**	(534)
已確認可供出售投資之減值虧損	Impairment loss recognised in respect of available-for-sale investments	**150**	–
可供出售物業之減值虧損	Impairment loss on properties for sale	**356**	–
出售物業、廠房及設備之虧損	Loss on disposal of property, plant and equipment	**155**	1,133
陳舊及滯銷之存貨撥備	Allowance for obsolete and slow-moving inventories	**4,057**	499
呆賬撥備	Allowance for doubtful debts	**4,489**	–
被視為出售附屬公司部份權益之溢利	Gain on deemed partial disposal of a subsidiary	**(10,194)**	–
出售附屬公司之溢利	Gain on disposal of a subsidiary	**(99)**	–
集團公司往來賬匯率變動之影響	Effect of foreign exchange rate change on inter-company balances	**(1,700)**	1,942
營運資本變動前之營運產生現金流入	Operating cash flows before movement in working capital	**192,199**	151,918
存貨增加	Increase in inventories	**(66,788)**	(72,763)
應收賬款、按金及預付款項增加	Increase in debtors, deposits and prepayments	**(41,358)**	(114,585)
應收聯營公司賬項增加	Increase in amounts due from associates	**(1,049)**	–
衍生金融工具／指定為按公平值計入損益之金融資產增加	Increase in derivative financial instruments/financial assets designated at fair value through profit or loss	**(16,632)**	(4,723)
持作買賣投資減少	Decrease in investments held for trading	**2,154**	5,820
應付賬款及應計費用(減少)增加	(Decrease) increase in creditors and accrued charges	**(12,054)**	76,619
營運產生之現金	Cash generated from operations	**56,472**	42,286
香港利得税支付	Hong Kong Profits Tax paid	**(8,961)**	(2,263)
香港利得税退回	Hong Kong Profits Tax refunded	**–**	1,958
其他地區税項支出	Taxation in other jurisdictions paid	**(9,744)**	(3,644)
其他地區税項退回	Taxation in other jurisdictions refunded	**385**	–
經營業務所得之現金淨額	Net cash from operating activities	**38,152**	38,337

CONSOLIDATED CASH FLOW STATEMENT
綜合現金流量表

For the year ended 31 March 2007 截至2007年3月31日止年度

		附註 NOTES	2007 千港元 HK$'000	2006 千港元 HK$'000
投資活動現金流	Cash flows from investing activities			
已收聯營公司之股息	Dividend received from an associate		2,114	–
已收利息	Interest received		1,468	534
已收持作買賣投資之股息	Dividend received from investments held for trading		1,091	448
出售物業、廠房及設備所得款項	Proceeds from disposal of property, plant and equipment		9	2,164
購買物業、廠房及設備款項	Purchase of property, plant and equipment		(59,675)	(63,134)
貸款予關連人士	Advances to related parties		(17,196)	–
支付收購土地使用權之訂金	Payment of deposit for acquisition of land use rights		(14,711)	–
收購附屬公司	Acquisition of subsidiaries	35	1,310	–
於聯營公司之投資	Investment in an associate		(7,000)	–
購置投資物業	Purchase of investment properties		(813)	–
出售附屬公司	Disposal of a subsidiary	37	(478)	–
支付收購附屬公司之按金	Payment of deposit for acquisition of subsidiaries		–	(15,537)
貸款予聯營公司	Advances to associates		–	(21)
投資業務所用之現金淨額	Net cash used in investing activities		(93,881)	(75,546)
融資活動現金流	Cash flows from financing activities			
短期貸款流入之現金淨額	Net cash inflow from short term loans		104,511	7,745
信托收據及入口貸款及具追索權貼現票據相關貸款之現金淨流入	Net cash inflow from trust receipts and import loans and loans related to bills discounted with recourse		32,561	111,687
因行使購股權而發行股份之所得款項	Proceeds from issue of shares upon exercise of share options		26,253	2,205
附屬公司少數股東注資	Capital contribution from minority shareholders of a subsidiary		20,499	–
已支付股息	Dividends paid		(57,201)	(37,970)
債權貼現貸款流出之現金淨額	Net cash outflow from debt factoring loans		(28,349)	(7,242)
已付銀行及其他貸款利息	Interest on bank and other borrowings paid		(26,975)	(11,975)
購回股份包括佣金費用	Repurchases of shares including brokerage expenses		(4,325)	(3,807)
融資活動獲得之現金淨額	Net cash from financing activities		66,974	60,643
現金及現金等值之增加淨額	Net increase in cash and cash equivalents		11,245	23,434
本年初現金及現金等值金額	Cash and cash equivalents at beginning of the year		79,434	56,000
年終現金及現金等值金額	Cash and cash equivalents at end of the year		90,679	79,434
代表：	Represented by:			
銀行結存及現金	Bank balances and cash		92,401	81,745
銀行透支	Bank overdrafts		(1,722)	(2,311)
			90,679	79,434

1. 概述

本公司為於百慕達註冊成立之獲豁免有限公司，其股份在香港聯合交易所有限公司(「聯交所」)上市。本公司之註冊辦事處地址及主要營業地點於本年報公司資料內披露。

綜合財務報告乃按本公司之功能貨幣港元呈列。

本公司為投資控股公司，其主要附屬公司從事設計、製造及銷售範圍廣泛之電子產品；證券買賣及物業發展之業務。

2. 應用新訂／經修訂香港財務報告準則

本集團於本年度首次應用香港會計師公會頒佈之多項新增或經修訂香港財務報告準則(「香港財務報告準則」)、香港會計準則(「香港會計準則」)、修訂或詮釋(「詮釋」)(下文統稱「新訂香港財務報告準則」)，該等準則於2005年12月1日、2006年1月1日或2006年3月1日或以後開始之會計期間生效。採納新訂香港財務報告準則並無對本會計年度或過往會計年度所編製及呈列之業績及財務狀況造成重大影響。因此，毋須作出以往年度調整。

1. GENERAL

The Company is an exempted company incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information of the annual report.

The consolidated financial statements are presented in Hong Kong dollars which is the functional currency of the Company.

The Company is an investment holding company. Its principal subsidiaries are engaged in the design, manufacture and sale of a wide range of electronic products, securities trading and property development.

2. APPLICATION OF NEW/REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, a number of new or revised Hong Kong Financial Reporting standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs"), amendment, or Interpretations ("INTs") (hereinafter collectively referred to as the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are either effective for accounting periods beginning on or after 1 December 2005, 1 January 2006 or 1 March 2006. The adoption of the new HKFRSs has no material effect on how the results and financial position for the current or prior accounting years are prepared and presented. Accordingly, no prior year adjustment has been required.

2. 應用新訂／經修訂香港財務報告準則*(續)*

本集團並無提前採用下列已頒佈但尚未生效之新準則、修訂或詮釋。本公司董事預計採用該等新準則、修訂或詮釋不會對本集團之業績及財務報告構成任何重大影響。

香港會計準則第1號(修訂)	資本披露[1]
香港會計準則第23號(修訂本)	借貸成本[2]
香港財務報告準則第7號	金融工具：披露[1]
香港財務報告準則第8號	經營分類[2]
香港(IFRIC)*－詮釋第8號	香港財務報告準則第2號之範圍[3]
香港(IFRIC)－詮釋第9號	附帶內在衍生工具之重新評估[4]
香港(IFRIC)－詮釋第10號	中期財務報告及減值[5]
香港(IFRIC)－詮釋第11號	香港財務報告準則第2號－集團及庫存股份交易[6]
香港(IFRIC)－詮釋第12號	服務經營權安排[7]

1 於2007年1月1日或之後開始之年度期間生效。
2 於2009年1月1日或之後開始之年度期間生效。
3 於2006年5月1日或之後開始之年度期間生效。
4 於2006年6月1日或之後開始之年度期間生效。
5 於2006年11月1日或之後開始之年度期間生效。
6 於2007年3月1日或之後開始之年度期間生效。
7 於2008年1月1日或之後開始之年期間生效。

* IFRIC指國際財務報告詮釋委員會。

2. APPLICATION OF NEW/REVISED HONG KONG FINANCIAL REPORTING STANDARDS *(Continued)*

The Group has not early applied the following new standards, amendment or interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these new standards, amendment or interpretations will have no material impact on the results and the financial position of the Group.

HKAS 1 (Amendment)	Capital disclosures[1]
HKAS 23 (Revised)	Borrowing costs[2]
HKFRS 7	Financial instruments: Disclosures[1]
HKFRS 8	Operating segments[2]
HK(IFRIC)* – INT 8	Scope of HKFRS 2[3]
HK(IFRIC) – INT 9	Reassessment of embedded derivatives[4]
HK(IFRIC) – INT 10	Interim financial reporting and impairment[5]
HK(IFRIC) – INT 11	HKFRS 2 – Group and treasury share transactions[6]
HK(IFRIC) – INT 12	Service concession arrangements[7]

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.

* IFRIC represents the International Financial Reporting Interpretations Committee.

3. 主要會計政策

除若干物業及金融工具按重估金額或公平值計量(詳情見下文所載會計政策)外，綜合財務報告乃以歷史成本法編製。

綜合財務報告乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報告包括聯交所證券上市規則及香港公司條例規定之適用披露。

綜合賬目基準

綜合財務報表包括本公司及受其控制之實體(其附屬公司)之財務報表。倘本公司有權控制該實體之財務及經營政策，以從其活動中獲取利益，則視為擁有控制權。

於本年度內所收購或出售之附屬公司業績乃自收購生效日期起或截至出售生效日期止(按適用情況而定)計入綜合收益表。

收購附屬公司額外權益不會導致香港財務報告準則第3號「業務合併」(「香港財務報告準則第3號」)所界定業務合併之控制權變動。收購成本超出應佔附屬公司資產及負債賬面值之款項則確為商譽。

所有集團內公司間交易及結餘已於綜合賬目時抵銷。

於綜合附屬公司資產淨值之少數股東權益與本集團之應佔綜合附屬公司權益分開呈列。資產淨值之少數股東權益包括於原有業務合併日期有關權益金額，以及自合併日期以來少數股東應佔權益變動。少數股東應佔虧損超過少數股東應佔附屬公司權益之差額分配予本集團權益，惟少數股東有具約束力之責任並有能力作出額外投資以彌補該等虧損則除外。

3. SIGNIFICANT ACCOUNTING POLICIES

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

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

Basis of consolidation

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

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

Acquisition of additional interests of subsidiaries that do not result in a change in control do not fall within the definition of business combination under HKFRS 3 "Business Combinations" ("HKFRS 3"). The excess of the cost of acquisition over the carrying amount of assets and liabilities of the subsidiary is recognised as goodwill.

All intra-company transactions and balances within the Group are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

3. 主要會計政策 *(續)*

業務合併

收購附屬公司以購買法入賬。收購成本按於交換日期給予資產之公平值、所產生或承擔之負債及本集團為換取所收購公司之控制權而發行之股本票據之總和計量，另加業務合併直接應佔之任何成本。根據香港財務報告準則第3號，符合確認條件之所收購公司之可識別資產、負債及或然負債，於收購日期按公平值確認。

收購產生之商譽乃確認為資產，初步按成本計量，即業務合併成本超過本集團於已確認之可識別資產、負債及或然負債公平淨值之權益的數額。於重估後，倘本集團於所收購公司之可識別資產、負債及或然負債之公平淨值之權益超過業務合併成本，則超出之數額即時於損益內確認。

所收購公司之少數股東權益初步按少數股東所佔已確認資產、負債及或然負債之公平淨值比例計量。

商譽

於2005年1月1日前因收購所產生商譽

協議日期為2005年1月1日前之收購附屬公司所產生商譽，乃指收購成本超出本集團於收購當日在有關附屬公司可識別資產及負債公平值權益之差額。

於2001年4月1日前因收購產生之商譽繼續撥入儲備，並將於出售與該商譽有關之業務或與該商譽有關之現金產生單位出現減值時，自累計溢利扣除。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 are recognised at their fair values at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Goodwill

Goodwill arising on acquisition prior to 1 January 2005

Goodwill arising on an acquisition of a subsidiary for which the agreement date is before 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant subsidiary at the date of acquisition.

Goodwill arising on acquisition prior to 1 April 2001 continues to be held in reserves, and will be charged to the accumulated profits at the time when the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

3. 主要會計政策 *(續)*

商譽 *(續)*

於2005年1月1日前因收購所產生商譽(續)

就於2001年4月1日後因收購所產生已撥充資本之商譽而言，本集團自2005年4月1日起已終止攤銷，而有關商譽會每年及於有跡象顯示與商譽相關之現金產生單位可能出現減值時檢測減值(詳見下文會計政策)。

於2005年1月1日或之後因收購所產生商譽

協議日期為2005年1月1日或之後收購附屬公司所產生商譽，乃指收購成本超出本集團於收購當日在有關附屬公司可識別資產、負債及或然負債公平價值權益的差額。有關商譽按成本值減任何累計減值虧損列賬。

收購附屬公司所產生已撥充資本之商譽於綜合資產負債表分開呈列。

就檢測減值而言，收購所產生商譽分配予預期會受惠於收購協同效益之各相關現金產生單位或現金產生單位組別。獲分配商譽之現金產生單位會每年及於有跡象顯示有關單位可能出現減值時檢測減值。就於財政年度內進行收購所產生商譽而言，獲分配商譽之現金產生單位會於該財政年度結束前檢測減值。當現金產生單位之可收回金額少於該單位賬面值時，減值虧損會首先分配至減少該單位獲分配之任何商譽賬面值，繼而以該單位內各資產之賬面值為基準按比例分配至該單位內其他資產。任何商譽減值虧損於綜合收益表直接確認。商譽減值虧損不會於往後期間撥回。

其後出售附屬公司時，在釐定其出售溢利或虧損時須計入應佔已撥充資本商譽。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Goodwill *(Continued)*

Goodwill arising on acquisition prior to 1 January 2005 (Continued)

For previously capitalised goodwill arising on acquisition after 1 April 2001, the Group has discontinued amortisation from 1 April 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired (see the accounting policy below).

Goodwill arising on acquisition on or after 1 January 2005

Goodwill arising on an acquisition of a subsidiary for which the agreement date is on or after 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant subsidiary at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the consolidated balance sheet.

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

3. 主要會計政策 *(續)*

於聯營公司之權益

聯營公司指投資者對其擁有重大影響力之實體，且不屬於附屬公司或於合營公司之權益。

聯營公司之業績及資產與負債按權益法列入此綜合財務報告。根據權益法，於聯營公司之投資於綜合資產負債表按成本列賬，並就本集團應佔聯營公司資產淨值之收購後變動調整，減除任何已確定減值虧損。當本集團應佔聯營公司之虧損相等於或超出其於該聯營公司之權益，本集團則不再確認其應佔虧損。額外之應佔虧損均予撥備，且只在本集團已引致法定或推定債務或已代表該聯營公司支付款項之情況下始確認為負債。

收購成本超出於收購日期本集團應佔聯營公司之可識別資產、負債及或然負債淨公平值之任何差額，乃確認作商譽。商譽會計入該項投資之賬面值並作為投資項目一部份評估有否減值。已識別之減值虧損將予確認並首先計入商譽。

倘集團實體與本集團聯營公司進行交易，溢利與虧損按本集團於有關聯營公司之權益撇銷。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Interest in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

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

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

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

3. 主要會計政策 *(續)*

收入確認

收入按已經或應可收取之代價公平值計算，指於日常業務中提供貨品及服務之應收金額，並扣除折扣及銷售相關稅項。

貨品銷售於貨品已付運及擁有權已轉移時確認。

金融資產之利息收益於參考未償還本金額後按適用實際利率以時間基準累計。適用實際利率乃透過金融資產預計年期將估計日後收取之現金實際貼現至該項資產賬面淨值之利率。

投資產生之股息收益於本集團收取該款項之權利確立時確認。

佣金收益於提供服務時確認。

租金收益包括預先收取經營租賃物業之發票租金，以直線法於有關租賃年期確認。

日常業務過程中銷售物業之收入於達成下列所有條件時確認：

- 物業擁有權之絕大部分風險及回報已移交買方；
- 並無牽涉一般與擁有權有關之持續管理或保留物業之實際控制權；
- 收入金額能可靠計量；
- 與交易有關之經濟利益有可能流入本集團；及
- 就交易已經或將會產生之成本能可靠計量。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Revenue recognition

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

Sales of goods are recognised when goods are delivered and title has been passed.

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

Dividend income from investments is recognised when the Group's right to receive payment has been established.

Commission income is recognised when services are rendered.

Rental income, including rental invoiced in advance from properties under operating leases, is recognised on a straight line basis over the relevant lease terms.

Revenue from sale of properties in the ordinary course of business is recognised when all of the following criteria are met:

- the significant risks and rewards of ownership of the properties are transferred to buyers;
- neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties are retained;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3. 主要會計政策 *(續)*

物業、廠房及設備

物業、廠房及設備(在建工程除外)按成本值或重估款項減其後累計折舊及累計減值虧損入賬。

本集團應用香港會計準則第16號「物業、廠房及設備」(「香港會計準則第16號」)第80A段之過渡豁免，故毋須按規定定期重估本集團按1995年9月30日前重估金額列賬之土地及樓宇，因而並無進一步重估此等土地及樓宇。於1995年9月30日前，重估此等資產所產生重估增加計入重估儲備。此等資產價值任何日後減少將列作開支處理，惟以超逾早前重估相同資產有關之重估儲備結餘(如有)為限。倘其後出售或廢棄重估資產，相關重估盈餘轉撥至累計溢利。

在建工程乃按成本減累計減值虧損列賬。成本包括該項工程發展成本及其他直接成本。在建工程於工程完成前不會折舊。於工程完成時，該等資產會撥入物業、廠房及設備之適當類別。

香港租賃物業之成本值或估值每年以直線基準按四十年計算折舊。香港以外地區租賃物業每年以直線基準按五十年或(如屬較短年期)租約所餘年期計算攤銷。

除在建工程外，物業、廠房及設備項目之折舊均按其估計可用年期，以餘額遞減法撇銷其成本計算。

就租賃分類而言，土地及樓宇租賃之土地及樓宇部分須獨立考慮，除非租賃付款不能於土地及樓宇部分間可靠分配則作別論，於此情況下整項租賃一般被視作融資租約。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Property, plant and equipment

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

Advantage has been taken of the transitional relief provided by paragraph 80A of HKAS 16 "Property, plant and equipment" ("HKAS 16") from the requirement to make regular revaluation of the Group's land and buildings which had been carried at revalued amounts prior to 30 September 1995, and accordingly no further revaluation of land and buildings is carried out. Prior to 30 September 1995, the revaluation increase arising on the revaluation of these assets was credited to the other property revaluation reserve. Any future decreases in value of these assets will be dealt with as an expense to the extent that they exceed the balance, if any, on the other property revaluation reserve relating to a previous revaluation of the same asset. On the subsequent sale or retirement of a revalued asset, the corresponding revaluation surplus is transferred to accumulated profits.

Construction in progress is stated at cost less accumulated impairment losses. Cost includes all development expenditure and other direct costs attributable to such project. Construction in progress is not depreciated until completion of construction. On completion of construction, the assets are transferred to appropriate categories of property, plant and equipment.

The cost or valuation of leasehold properties in Hong Kong is depreciated over forty years on a straight line basis. The cost of leasehold properties outside Hong Kong is amortised over a period of fifty years or, where shorter, the remaining term of the leases on a straight line basis.

Depreciation is provided to write off the cost of items of property, plant and equipment other than construction in progress and leasehold properties over their estimated useful lives using the reducing balance method.

The land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease.

3. 主要會計政策 *(續)*

物業、廠房及設備 *(續)*

物業、廠房及設備項目於出售或當預期不會藉持續使用該項資產而產生未來經濟利益時剔除確認。剔除確認資產所產生任何收益或虧損乃按該項資產出售所得款項淨額與賬面值間之差額，於剔除確認該資產之年度計入收益表內。

投資物業

於初步確認時，投資物業按包括任何直接應計開支之成本計量。初步確認後，投資物業按公平值模式計量。投資物業公平值變動產生之損益於產生期間計入溢利或虧損。

投資物業於出售或當投資物業永久棄置或預期不會自出售獲取任何日後經濟利益時剔除確認。剔除確認有關資產產生之任何收益或虧損按該資產出售所得款項淨額與賬面值間之差額，於剔除確認有關項目之年度計入收益表內。

物業僅於轉變用途、並於業主證明將自用物業轉為投資物業時撥至投資物業；或對於將待售物業轉為投資物業而言，則為給予另一方之經營租賃開始時。對於由自用物業轉撥至按公平值列賬之投資物業方面，物業之賬面值與公平值於該日之差額將計入其他物業重估儲備內。就持作出售物業轉撥至按公平值列賬之投資物業方面，物業於該日之公平值與先前賬面值之差額將於損益賬確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Property, plant and equipment *(Continued)*

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

Investment properties

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year in which the item is derecognised.

Transfer to investment property will be made only when there is a change in use, evidenced by an end of owner-occupation for a transfer from owner-occupied property to investment property; or a commencement of an operating lease to another party for a transfer from property for sale to investment property. For a transfer from owner-occupied property to investment property that will be carried at fair value, the difference at that date between the carrying amount of the property and its fair value will be credited to the other property revaluation reserve. For a transfer from property for sale to investment property that will be carried at fair value, the difference between the fair value of the property at that date and its previous carrying amount will be recognised in profit or loss.

3. 主要會計政策 *(續)*

金融工具

當集團實體成為工具合約條文之訂約方，即於綜合資產負債表確認金融資產及金融負債。金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(除按公平值計入損益之金融資產及金融負債外)之直接應計交易成本，於初步確認時會計入或扣自金融資產或金融負債(按適用情況而定)。收購按公平值計入損益之金融資產或金融負債之直接應計交易成本，即時於溢利或虧損確認。

金融資產

本集團之金融資產分為三個類別，包括按公平值計入損益之金融資產、貸款及應收款項以及可供出售金融資產。所有以一般方式購入或出售之金融資產均按買賣日期確認及剔除確認。以一般方式購入或出售指須於市場規定或慣例所訂時限內交付資產之金融資產購入或出售。就各類別金融資產所採納之會計政策載列如下。

按公平值計入損益之金融資產

按公平值計入損益之金融資產分兩類，包括持作買賣之金融資產及於初步確認時指定按公平值計入損益列賬者。金融資產(持作買賣之金融資產除外)可於初始確認後指定按公平值計入損益賬，惟：

- 所指定必須用以消除或大幅減少可能出現不一致之計量或確認歧異；或

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments

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

Financial assets

The Group's financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of each category of financial assets are set out below.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss has two subcategories including financial assets held for trading and those designated at fair value through profit or loss on initial recognition. A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

3. 主要會計政策 *(續)*

金融工具 *(續)*

金融資產 (續)

按公平值計入損益之金融資產 (續)

- 根據本集團之既定風險管理或投資策略及有關內部提供基準之分組，管理其金融資產(金融資產構成一組金融資產或金融負債或兩者)，且其表現按公平值評估；或

- 其構成包含一個或多個內含衍生工具之合約之一部份，且香港會計準則第39條准許全部合併之合約(資產或負債)按公平價值計入損益賬列值。

於初步確認後各結算日，按公平值計入損益之金融資產按公平值計量，而公平值變動則於產生期間直接在損益確認。

貸款及應收款項

貸款及應收款項為並無於活躍市場報價具有固定或待定付款之非衍生金融資產。於初步確認後各結算日，貸款及應收款項(包括應收賬款、銀行結存、應收關連人士款項及應收聯營公司款項)以實際利率法按攤銷成本減任何已識別減值虧損入賬。減值虧損於有客觀證據顯示資產減值時在損益確認，並按該資產賬面值與按原實際利率貼現之估計日後現金流量之現值間的差額計量。當資產之可收回金額增加乃客觀地與於確認減值後發生之事件有關時，則減值虧損會於隨後期間撥回，惟該資產於撥回減值當日之賬面值不得超過假設未確認減值原應已攤銷之成本。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets (Continued)

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

- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including debtors, bank balances, amounts due from related parties and amounts due from associates) are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 主要會計政策 *(續)*

金融工具 *(續)*

金融資產 (續)

可供出售金融資產

可供出售金融資產為指定為此類別或並無分類為按公平值計入損益之金融資產、貸款及應收款項或持至到期日之投資之非衍生工具。於初步確認後各結算日，可供出售金融資產按公平值計量。公平值變動於權益確認，直至金融資產出售或釐定出現減值為止，屆時之前於權益確認之累計損益會自權益撥入損益。可供出售金融資產任何減值虧損於損益確認。可供出售股本投資之減值虧損不會於往後期間撥回損益。

並無於活躍市場報價及其公平值無法可靠計量之可供出售股本投資，乃於初步確認後各結算日按成本減任何已識別減值虧損計量。倘有客觀證據顯示該資產出現減值，則於損益確認減值虧損。減值虧損金額為資產賬面值與按類似金融資產現行市場回報率貼現之估計日後現金流量之現值間之差額。有關減值虧損不會於往後期間撥回。

金融負債及權益

由集團實體發行之金融負債及股本工具，按所訂立合約安排性質及金融負債與股本工具之定義分類。

股本工具為有證據顯示扣除其所有負債後本集團資產剩餘權益之任何合約。本集團金融負債一般包括其他金融負債。就金融負債及股本工具採納之會計政策載列如下。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investment. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses on available-for-sale equity investments will not reverse to profit or loss in subsequent periods.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses will not reverse in subsequent periods.

Financial liabilities and equity

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

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities generally include other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

3. 主要會計政策 *(續)*

金融工具 *(續)*

金融負債及權益 (續)

金融負債

金融負債包括應付賬款、應付一家聯營公司款項、銀行透支及借款，其後採用實際利率法按攤銷成本計量。

股本工具

由本公司發行之股本工具按已收所得款項扣除直接發行成本入賬。

不合資格按對沖會計處理之衍生金融工具

不合資格按對沖會計法處理之衍生工具於訂立衍生工具合約之日按公平值初步確認，其後於各結算日按公平值重新計量。有關損益即時於損益表確認。

剔除確認

當自資產收取現金流量之權利已屆滿，或金融資產已轉讓及本集團已將其於金融資產擁有權之絕大部分風險及回報轉移，則金融資產將剔除確認。剔除確認金融資產時，資產賬面值與已收代價及已直接於權益確認之累計損益總和間之差額，於損益確認。

當於有關合約訂明之責任獲履行、取消或屆滿時則剔除確認金融負債。剔除確認之金融負債賬面值與已付代價間之差額，於損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity (Continued)

Financial liabilities

Financial liabilities including creditors, amount due to an associate, bank overdrafts and borrowings are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

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

Derivative financial instruments that do not qualify for hedge accounting

Derivatives that do not qualify for hedge accounting are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately.

Derecognition

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

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

3. 主要會計政策 *(續)*

股份付款交易

以股本結算之股份付款交易

擬予僱員之購股權

所獲服務公平值乃參考購股權於擬出當日之公平值釐定，當所擬出購股權獲即時歸屬時，即於授出當日全數支銷，並於權益(購股權儲備)作出相應增加。

購股權獲行使時，先前於購股權儲備確認之金額將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日仍未獲行使，則先前於購股權儲備確認之金額將轉撥往累計溢利。

研究及開發支出

研究活動之支出於產生期間確認為支出。

因開發支出而出現內部產生之無形資產，僅在可清晰界定為該項目之開發支出，並預期將會透過未來之商業活動而收回時予以確認。最終之資產乃按可使用年期以直線法攤銷，並按成本值減其後累計攤銷及累計減值虧損列賬。

當內部產生之無形資產未能確認，則開發支出會於產生期間確認從損益賬中扣除。

可供出售物業

可供出售物業按成本值或可變現淨值兩者之較低值入賬。成本值包括土地成本及建成物業之直接成本。可變現淨值按實際或估計售價，扣除市場推廣及銷售相關成本計算。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share option reserve).

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated profits.

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight line basis over its useful life, and carried at cost less subsequent accumulated amortisation and any accumulated impairment losses.

Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Properties for sale

Properties for sale are stated at the lower of cost and net realisable value. Cost comprises of the cost of the land together with direct costs attributable to the completion of the properties. Net realisable value is calculated at the actual or estimated selling price less related costs of marketing and selling.

3. 主要會計政策 *(續)*

存貨

存貨乃按成本值或可變現淨值兩者之較低值入賬。成本值以加權平均法計算。可變現淨值乃預計售價扣除一切所需之完成成本及銷售與分銷所涉及之費用後所得淨額。

商譽以外之減值

於各結算日，本集團會審閱資產賬面值，以釐定有否任何跡象顯示該等資產出現減值虧損。倘資產可收回金額估計低於其賬面值，該項資產之賬面值會減至其可收回金額。減值虧損會即時確認為開支，除非相關資產根據另一項準則按重估金額列賬，於此情況下，減值虧損按照該項準則當作重估減少。

倘減值虧損其後撥回，資產賬面值會增至經修訂估計可收回金額，惟所增加賬面值不得超逾假設過往年度並無就資產確認減值虧損原應釐定之賬面值。減值虧損撥回會即時確認為收入，除非相關資產根據另一項準則按重估金額列賬，於此情況下，減值虧損撥回按照該項準則當作重估增加。

稅項

所得稅開支指當期應付稅項及遞延稅項之總和。

當期應付稅項按年內應課稅溢利計算。由於應課稅溢利並不包括其他年度之應課稅溢利或可扣減開支，亦不包括毋須課稅或不得扣減之項目，故此應課稅溢利有別於收益表所呈報溢利。本集團即期稅項負債按結算日已經或大致上頒佈之稅率計算。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted-average method. Net realisable value represents the estimated selling price less all further costs to completion and costs to be incurred in selling and distribution.

Impairment (other than goodwill)

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

3. 主要會計政策 *(續)*

稅項 *(續)*

遞延稅項按綜合財務報表所列資產及負債賬面值與計算應課稅溢利時所用相關稅基兩者之差額確認，按資產負債表負債法計算入賬。遞延稅項負債一般就一切應課稅暫時差額確認入賬，而遞延稅項資產則於可能有應課稅溢利以動用可扣減暫時差額抵銷時確認入賬。倘暫時差額因商譽或初步確認並不影響應課稅溢利或會計溢利之交易(業務合併除外)之其他資產及負債而產生，則不會確認該等資產及負債。

遞延稅項負債就於附屬公司及聯營公司之投資所產生之應課稅臨時差異而予以確認，惟集團在可控制臨時差異之撥回以及臨時差異於可預見將來不可能撥回時的情況下則除外。

遞延稅項資產之賬面值於各結算日檢討，當應課稅溢利不再足以收回所有或部分資產時將予調低。

遞延稅項按預期適用於償還負債或變現資產期間之稅率計算。遞延稅項扣自或計入損益，惟涉及直接在權益扣除或入賬項目之遞延稅項除外，該等稅項亦於權益處理。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Taxation *(Continued)*

Deferred tax is recognised on differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

3. 主要會計政策 *(續)*

租約

凡將資產所有權之絕大部分風險及回報轉予承租人之租約，均列為融資租約。所有其他租賃均列作經營租約。

本集團作為出租人

經營租約租金收益以直線法於租期在綜合收益表確認。磋商及安排經營租約所產生初步直接成本計入租賃資產賬面值，以直線法於租期支銷。

本集團作為承租人

經營租約項下之應付租金以直線基準於相關租期扣自損益。作為訂立經營租約獎勵之已收及應收利益，於租期按直線基準確認為租金開支扣減項目。

借貸成本

所有借貸成本於產生期間確認及計入綜合損益表之財務費用。

外幣

於編製集團個別實體之財務報告時，以該實體功能貨幣以外貨幣(外幣)進行之交易，按交易日期當時匯率以其功能貨幣(即該實體經營主要經濟環境之貨幣)記錄。於各結算日，以外幣列值之貨幣項目按結算日當時匯率重新換算。以外幣過往成本計算之非貨幣項目不會重新換算。

結算貨幣項目及兑換貨幣項目所產生匯兑差額，於產生期間在損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in the consolidated income statement on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight line basis over the lease term.

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight line basis.

Borrowing costs

All borrowing costs are recognised as and included in finance costs in the consolidated income statement in the period in which they are incurred.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

3. 主要會計政策 *(續)*

外幣 *(續)*

就呈報綜合財務報告而言，本集團於海外業務之資產及負債，按結算日當時匯率換算為本集團呈報貨幣為港元，而有關收支按年內平均匯率換算，除非期內匯率大幅波動，於此情況下，則採用交易日期當日匯率。所產生匯兑差額(如有)確認為權益項下獨立部分(匯兑儲備)。該等匯兑差額於出售海外業務期間在損益確認。

退休福利計劃

對國家管理之退休福利計劃或強制性公積金計劃(「強積金計劃」)作出之供款於僱員提供服務後符合領取有關供款資格時列作支出。

4. 估計不確定因素之主要來源

於應用附註3所述本集團會計政策時，管理層根據過往經驗、未來展望及其他資料作出多項估計。下文論述有關未來之主要假設以及於結算日估計不確定因素之其他主要來源，該等假設及估計均存有重大風險可能導致下一個財政年度之資產及負債賬面值須作出重大調整。

存貨撥備

本集團管理層於各結算日審閱存貨之實質情況及可銷售性，就不再適合生產用途之已識別陳舊及滯銷存貨項目作出撥備。管理層主要根據最新發票價格及現行市況為基礎估計該等製成品及消費品之可變現淨值。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Foreign currencies *(Continued)*

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Retirement benefit schemes

Payments to state-managed retirement benefit scheme or the Mandatory Provident Fund ("MPF") Scheme are charged as expenses when employees have rendered services entitling them to contributions.

4. KEY SOURCE OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies which are described in note 3, the management has made various estimates based on past experience, expectations of the future and other information. The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Allowances for inventories

The management of the Group reviews the physical conditions and saleability of inventories at each balance sheet date, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production. The management estimates the net realisable value for such finished goods and consumables based primarily on the latest invoice prices and current market conditions.

4. 估計不確定因素之主要來源 *(續)*

商譽減值

釐定商譽是否出現減值，須估計獲分配商譽之現金產生單位的使用價值。使用價值計算法規定本集團須估計現金產生單位預期所產生未來現金流量及適當貼現率，以計算現值。當實際現金流量少於預期，或會產生重大減值虧損。於2007年3月31日，商譽賬面值及商譽儲備分別為25,494,000港元及3,688,000港元。有關可收回金額計算法之詳情於附註19披露。

所得稅

於2007年3月31日，基於無法預見未來溢利來源，並無於本集團資產負債表就估計未動用稅項虧損129,570,000港元確認遞延稅項資產。遞延稅項資產之可變現能力主要取決於日後會否產生充裕未來溢利或應課稅暫時差額。當所產生實際未來溢利與預期相若，或須於收益表確認或撥回大量遞延稅項資產，於確認期間收益表確認。

5. 金融工具

(a) 財務風險管理目標及政策

本集團主要金融工具包括應收賬款及按金、應收關連人士款項、應收／應付聯營公司款項、可供出售投資、持作買賣投資、衍生金融工具、指定為按公平值計入損益之金融資產、銀行結存、應付賬款、銀行透支及借款。該等金融工具詳情於相關附註披露。與該等金融工具相關風險及減低風險之政策載於下文。管理層管理及監察該等風險，確保及時有效推行適當措施。

4. KEY SOURCE OF ESTIMATION UNCERTAINTY *(Continued)*

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual cash flows are less than expected, a material impairment loss may arise. As at 31 March 2007, the carrying amounts of goodwill and goodwill reserve are HK$25,494,000 and HK$3,688,000 respectively. Details of the recoverable amount calculation are disclosed in note 19.

Income taxes

As at 31 March 2007, no deferred tax asset was recognised in the Group's balance sheet in relation to the estimated unused tax losses of HK$129,570,000 due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are more or less than expected, a material recognition or reversal of deferred tax asset may arise, which would be recognised in the income statement for the period in which such a recognition takes place.

5. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The Group's major financial instruments include debtors and deposits, amounts due from related parties, amounts due from/to associates, available-for-sale investments, investments held for trading, derivative financial instruments, financial assets designated at fair value through profit or loss, bank balances, creditors, bank overdrafts and borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

5. 金融工具 *(續)*

(a) 財務風險管理目標及政策 *(續)*

貨幣風險
本公司多家附屬公司之銷售額及應收貿易賬款以外幣列值，致使本集團面對外幣風險。本集團目前並無採取外幣對沖政策。然而，管理層會監控外匯風險，於有需要時將考慮對沖重大外幣風險。

現金流量利率風險
本集團之現金流量利率風險主要與浮息銀行借款相關。本集團目前並無採取任何政策對沖利率風險之現金流量。然而，管理層會監控利率風險，於有需要時將考慮對沖重大利率風險。

價格風險
本集團之持作買賣投資於各結算日按公平值計量。因此，本集團須承擔權益證券價格風險。管理層透過維持不同風險之投資組合管理有關風險。

信貸風險
倘訂約各方於2007年3月31日未能履行有關各類已確認金融資產之責任，則本集團之信貸風險最多為於綜合資產負債表所示資產賬面值。

為減低信貸風險，本集團管理層委派專責隊伍釐定信貸額、批核信貸及其他監管程序，確保跟進收回逾期債務。此外，本集團於各結算日審閱個別貿易債務之可收回金額，確保就不可收回金額作出適當減值虧損。因此，本公司董事認為，已大幅減低本集團信貸風險。

由於訂約各方乃國際信貸評級機構授予高信貸評級之銀行，因此，流動資金信貸風險有限。

本集團之信貸風險集中在南北美洲。於2007年3月31日，位於南北美洲之應收貿易賬款佔本集團應收貿易賬款總額之70%。

5. FINANCIAL INSTRUMENTS *(Continued)*

(a) Financial risk management objectives and policies *(Continued)*

Currency risk
Several subsidiaries of the Company have sales and trade receivables denominated in foreign currencies, which expose the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Cash flow interest rate risk
The Group's cash flow interest rate risk relates primarily to variable-rate bank borrowings. The Group currently does not have any policy on cash flow hedges of interest rate risk. However, the management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arise.

Price risk
The Group's held-for-trading investments are measured at fair value at each balance sheet date. Therefore, the Group is exposed to equity security price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles.

Credit risk
The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 March 2007 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group's concentration of credit risk by geographical location is mainly in North and South America. The trade debtors located in North and South America accounted for 70% of the Group's total trade debtors as at 31 March 2007.

5. 金融工具 *(續)*

(b) 公平值

金融資產及金融負債公平值之釐定如下：

- 附帶標準條款及條件並於活躍市場流通之金融資產之公平值參考市場報價而釐定；

- 其他金融資產及金融負債（衍生金融工具及指定為按公平值計入損益之金融資產除外）之公平值按公認之定價模式以貼現現金流量分析而釐定；及

- 衍生金融工具及指定為按公平值計入損益之金融資產之公平值乃參考經紀報價而釐定。

本公司董事認為，按攤銷成本記錄於綜合財務報表之金融資產及金融負債之賬面值與其相應之公平值相若。

6. 分類資料

(a) 業務分類

本集團業務由三個分部組成，分別是電子產品設計、製造及銷售、證券買賣及物業發展。該等分部乃本集團報告其主要分類資料之基準。

5. FINANCIAL INSTRUMENTS *(Continued)*

(b) Fair value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices;

- the fair value of other financial assets and financial liabilities (excluding derivative instruments and financial assets designated at fair value through profit or loss) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and

- the fair value of derivative financial instruments and financial assets designated at fair value through profit or loss are determined with reference to quoted prices from broker firms.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

6. SEGMENT INFORMATION

(a) Business segments

The Group is organised into three operating divisions, namely design, manufacture and sale of electronic products, securities trading and property development. These divisions are the basis on which the Group reports its primary segment information.

6. 分類資料 *(續)*

(a) 業務分類 *(續)*

(i) 按本集團業務分類之營業額(即銷售貨品)及業績分析如下：

6. SEGMENT INFORMATION *(Continued)*

(a) Business segments *(Continued)*

(i) An analysis of the Group's turnover, which represents sales of goods, and results by business segments is as follows:

		電子產品設計、製造及銷售 Design, manufacture and sale of electronic products 千港元 HK$'000	證券買賣 Securities trading 千港元 HK$'000	物業發展 Property development 千港元 HK$'000	合計 Consolidated 千港元 HK$'000
截至2007年3月31日止年度	Year ended 31 March 2007				
營業額	TURNOVER	2,434,241	–	–	2,434,241
分類業績	SEGMENT RESULTS	141,964	7,736	(466)	149,234
利息收入	Interest income				1,468
未分配開支	Unallocated expenses				(18,899)
已確認可供出售投資之減值虧損	Impairment loss recognised in respect of available-for-sale investments				(150)
投資物業公平價值增加	Increase in fair value of investment properties				3,322
被視作出售附屬公司部份權益之溢利	Gain on deemed partial disposal of a subsidiary				10,194
出售附屬公司之溢利	Gain on disposal of a subsidiary				99
財務費用	Finance costs				(26,975)
應佔聯營公司溢利	Share of profits of associates				1,613
除稅前溢利	Profit before taxation				119,906
稅項	Taxation				(9,715)
本年度溢利	Profit for the year				110,191
其他資料	OTHER INFORMATION				
增購投資物業	Additions of investment properties				813
增購物業、廠房及設備	Additions of property, plant and equipment	63,383	–	–	63,383
產品開發成本攤銷	Amortisation of product development costs	346	–	–	346
預付租賃款項撥回	Release of prepaid lease payments	121	–	–	121
物業、廠房及設備折舊及攤銷	Depreciation and amortisation of property, plant and equipment	52,533	–	9	52,542
出售物業、廠房及設備之虧損	Loss on disposal of property, plant and equipment	118	–	37	155
呆賬撥備	Allowance for doubtful debts	4,489	–	–	4,489
陳舊及滯銷之存貨撥備淨額	Net allowance for obsolete and slow-moving inventories	4,057	–	–	4,057
可供出售物業之減值虧損	Impairment loss on properties for sale	–	–	356	356

6. 分類資料 *(續)*

(a) 業務分類 *(續)*

(i) 按本集團業務分類之營業額(即銷售貨品)及業績分析如下：*(續)*

6. SEGMENT INFORMATION *(Continued)*

(a) Business segments *(Continued)*

(i) An analysis of the Group's turnover, which represents sales of goods, and results by business segments is as follows: *(Continued)*

		電子產品設計、製造及銷售 Design, manufacture and sale of electronic products 千港元 HK$'000	證券買賣 Securities trading 千港元 HK$'000	物業發展 Property development 千港元 HK$'000	合計 Consolidated 千港元 HK$'000
截至2006年3月31日止年度	Year ended 31 March 2006				
營業額	TURNOVER	1,782,771	–	–	1,782,771
分類業績	SEGMENT RESULTS	110,676	6,360	(2,316)	114,720
利息收入	Interest income				534
未分配開支	Unallocated expenses				(15,200)
投資物業公平價值增加	Increase in fair value of investment properties				2,691
財務費用	Finance costs				(11,975)
應佔聯營公司虧損	Share of losses of associates				(79)
除稅前溢利	Profit before taxation				90,691
稅項	Taxation				(11,452)
本年度溢利	Profit for the year				79,239
其他資料	OTHER INFORMATION				
增購物業、廠房及設備	Additions of property, plant and equipment	63,134	–	–	63,134
產品開發成本攤銷	Amortisation of product development costs	346	–	–	346
預付租賃款項撥回	Release of prepaid lease payments	121	–	–	121
物業、廠房及設備折舊及攤銷	Depreciation and amortisation of property, plant and equipment	45,373	–	10	45,383
出售物業、廠房及設備之虧損	Loss on disposal of property, plant and equipment	1,133	–	–	1,133
陳舊及滯銷之存貨撥備	Allowance for obsolete and slow-moving inventories	499	–	–	499

6. 分類資料 *(續)*

(a) 業務分類 *(續)*

(ii) 按本集團業務分類之資產負債表分析如下：

6. SEGMENT INFORMATION *(Continued)*

(a) Business segments *(Continued)*

(ii) An analysis of the Group's balance sheet by business segments is as follows:

		電子產品設計、製造及銷售 Design, manufacture and sale of electronic products 千港元 HK$'000	證券買賣 Securities trading 千港元 HK$'000	物業發展 Property development 千港元 HK$'000	合計 Consolidated 千港元 HK$'000
於2007年3月31日	At 31 March 2007				
資產	ASSETS				
分類資產	Segment assets	1,133,597	68,371	–	1,201,968
應佔聯營公司權益	Interest in associates				8,200
未分配公司資產	Unallocated corporate assets				222,830
合計總資產	Consolidated total assets				1,432,998
負債	LIABILITIES				
分類負債	Segment liabilities	257,966	17,861	–	275,827
未分配公司負債	Unallocated corporate liabilities				344,821
合計總負債	Consolidated total liabilities				620,648
於2006年3月31日	At 31 March 2006				
資產	**ASSETS**				
分類資產	Segment assets	982,238	33,339	3,590	1,019,167
應佔聯營公司權益	Interest in associates				1,701
未分配公司資產	Unallocated corporate assets				198,619
合計總資產	Consolidated total assets				1,219,487
負債	LIABILITIES				
分類負債	Segment liabilities	253,607	1,066	483	255,156
未分配公司負債	Unallocated corporate liabilities				235,637
合計總負債	Consolidated total liabilities				490,793

6. 分類資料 *(續)*

(b) 地區分類

(i) 截至2007年3月31日止兩個年度各年，本集團電子產品設計、製造及銷售之營業額按地區劃分之分析如下：

6. SEGMENT INFORMATION *(Continued)*

(b) Geographical segments

(i) An analysis of the Group's turnover in respect of design, manufacture and sale of electronic products by geographical market for each of the two years ended 31 March 2007 is as follows:

		2007 千港元 HK$'000	2006 千港元 HK$'000
南北美洲	North and South America	**1,579,914**	1,007,355
歐洲	Europe	**685,520**	358,905
香港	Hong Kong	**54,295**	221,078
中國內地	Mainland China	**6,723**	57,404
日本及韓國	Japan and Korea	**1,336**	12,306
其他國家	Other countries	**106,453**	125,723
		2,434,241	1,782,771

(ii) 按資產所在地區劃分之分類資產賬面值及資本增加分析如下：

(ii) An analysis of the carrying amount of segment assets and capital additions analysed by the geographical area in which the assets are located:

		Carrying amount of segment assets 分類資產賬面值		Capital additions 資本增加	
		2007 千港元 HK$'000	2006 千港元 HK$'000	2007 千港元 HK$'000	2006 千港元 HK$'000
香港	Hong Kong	**756,169**	606,658	**36,408**	28,914
南北美洲	North and South America	**361,017**	53,259	**6,689**	4,570
中國內地	Mainland China	**256,033**	542,955	**21,094**	28,759
其他國家	Other countries	**38,657**	10,896	**5**	891
		1,411,876	1,213,768	**64,196**	63,134

7. 其他收入 7. OTHER INCOME

		2007 千港元 HK$'000	2006 千港元 HK$'000
其他收入包括：	Other income comprises:		
已收賠款	Claims received	9	791
佣金	Commission	10,456	6,999
設計費收益	Design fee income	–	2,290
持作買賣投資之股息收益	Dividend income from investments held-for-trading	1,091	448
利息收益	Interest income	1,468	534
租金收益*(附註)*	Rental income *(Note)*	5,815	2,775
維修收益	Repairing income	3,450	7,054
廢料銷售收益	Sales of scrap materials	1,953	2,253
雜項	Sundry	1,467	2,137
工具整理收益	Tooling income	–	1,049
		25,709	26,330

附註： 42,000港元(2006年：229,000港元)為租金收益淨額5,773,000港元(2006年：2,546,000港元)所產生之開支。

Note: Outgoings of HK$42,000 (2006: HK$229,000) were incurred resulting in net rental income of HK$5,773,000 (2006: HK$2,546,000).

8. 融資成本 8. FINANCE COSTS

		2007 千港元 HK$'000	2006 千港元 HK$'000
利息	Interest on		
－五年內全部歸還	– borrowings wholly repayable within five years	25,656	11,039
－股票抵押戶口及證券公司之短期貸款	– margin accounts and short term loans from brokers	6	22
賬款貼現費用	Factoring charges	1,313	914
		26,975	11,975

9. 除税前溢利 / 9. PROFIT BEFORE TAXATION

		2007 千港元 HK$'000	2006 千港元 HK$'000
除税前溢利之計算已扣除：	Profit before taxation has been arrived at after charging:		
呆賬準備	Allowance for doubtful debts	**4,489**	–
產品開發成本攤銷	Amortisation of product development costs	**346**	346
核數師酬金	Auditors' remuneration	**2,005**	2,092
物業、廠房及設備折舊及攤銷	Depreciation and amortisation of property, plant and equipment	**52,542**	45,383
持作出售物業之減值虧損（包括銷售成本）	Impairment loss on properties for sale (included in cost of sales)	**356**	–
出售物業、廠房及設備之虧損	Loss on disposal of property, plant and equipment	**155**	1,133
租賃樓宇之經營租約最低租金支出	Minimum lease payments under operating leases in respect of rented premises	**4,390**	2,211
陳舊及滯銷之存貨撥備淨額	Net allowance for obsolete and slow-moving inventories	**4,057**	499
預付租賃款項撥回	Release of prepaid lease payments	**121**	121
研究及開發成本撇銷	Research and development costs written off	**36,761**	34,016
應佔聯營公司税項（包括應佔聯營公司溢利）	Share of tax of an associate (included in share of profits of associates)	**337**	–
員工成本，包括董事酬金*（附註）*	Staff costs including directors' remuneration *(Note)*	**157,299**	130,378

附註： 本年內員工成本包括退休福利計劃供款3,361,000港元（2006年：3,990,000港元）及股份付款2,566,000港元（2006年：3,392,000港元）。

Note: The staff costs for the year included retirement benefits scheme contributions of HK$3,361,000 (2006: HK$3,990,000) and share-based payments of HK$2,566,000 (2006: HK$3,392,000).

10. 董事及僱員酬金

本集團應付每名董事酬金詳情如下：

截至2007年3月31日止年度

10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

Details of emoluments paid by the Group to each of the directors are as follows:

For the year ended 31 March 2007

		袍金 Fees 千港元 HK$'000	薪酬及其他短期僱員福利 Salaries and other short term employee benefits 千港元 HK$'000	退休福利計劃供款 Retirement benefit scheme contributions 千港元 HK$'000	酬金總額 Total emoluments 千港元 HK$'000
執行董事：	*Executive directors:*				
劉錫康	Lau Sak Hong, Philip	50	8,469	205	8,724
劉錫淇	Lau Sak Kai, Anthony	50	1,454	73	1,577
劉錫澳	Lau Sak Yuk, Andy	50	1,316	66	1,432
非執行董事：	*Non-executive director:*				
韓相田	Hon Sheung Tin, Peter	50	–	–	50
獨立非執行董事：	*Independent non-executive directors:*				
何厚鏘	Ho Hau Chong, Norman	50	–	–	50
陳澤仲	Chan Chak Chung	50	–	–	50
卓育賢	Chuck Winston Calptor	50	–	–	50
		350	11,239	344	11,933

10. 董事及僱員酬金 *(續)*

截至2006年3月31日止年度

10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

For the year ended 31 March 2006

		袍金 Fees 千港元 HK$'000	薪酬及其他短期僱員福利 Salaries and other short term employee benefits 千港元 HK$'000	退休福利計劃供款 Retirement benefit scheme contributions 千港元 HK$'000	酬金總額 Total emoluments 千港元 HK$'000
執行董事：	*Executive directors:*				
劉錫康	Lau Sak Hong, Philip	50	7,206	201	7,457
劉錫淇	Lau Sak Kai, Anthony	50	1,431	72	1,553
劉錫澳	Lau Sak Yuk, Andy	50	1,401	71	1,522
非執行董事：	*Non-executive director:*				
韓相田	Hon Sheung Tin, Peter	50	–	–	50
獨立非執行董事：	*Independent non-executive directors:*				
何厚鏘	Ho Hau Chong, Norman	50	–	–	50
陳澤仲	Chan Chak Chung	50	–	–	50
卓育賢	Chuck Winston Calptor	50	–	–	50
		350	10,038	344	10,732

10. 董事及僱員酬金 (續)

僱員

本集團五名最高薪酬之人士包括三名(2006年：三名)董事，有關彼等酬金之詳情已於上文披露，其餘兩名(2006年：兩名)最高薪酬僱員之酬金如下：

10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

Employees

The five highest paid individuals of the Group included three (2006: three) directors, details of whose remuneration are set out above. The emoluments of the remaining two (2006: two) highest paid employees are as follows:

		2007 千港元 HK$'000	2006 千港元 HK$'000
薪酬及其他短期僱員福利	Salaries and other short term employee benefits	3,115	796
退休福利計劃供款	Retirement benefits scheme contributions	24	39
股份付款	Share-based payments	240	2,115
		3,379	2,950

此等僱員酬金之金額範圍如下：

Emoluments of these employees were within the following band:

		僱員人數 Number of employees 2007	 2006
1,000,001港元－1,500,000港元	HK$1,000,001 – HK$1,500,000	1	1
1,500,001港元－2,000,000港元	HK$1,500,001 – HK$2,000,000	1	1

11. 稅項 / 11. TAXATION

		2007 千港元 HK$'000	2006 千港元 HK$'000
稅項支出包括：	The charge comprises:		
香港利得稅	Hong Kong Profits Tax		
本年度稅項	Current year	**4,275**	2,115
以前年度(超額撥備)少提撥備	(Over) underprovision in prior years	**(312)**	674
		3,963	2,789
其他司法區之稅項	Taxation in other jurisdictions		
本年度稅項	Current year	**3,589**	5,630
以前年度少提撥備	Underprovision in prior years	**1,472**	38
		5,061	5,668
遞延稅項*(附註32)*	Deferred taxation *(Note 32)*	**691**	2,995
稅額	Taxation	**9,715**	11,452

香港利得稅以本年度估計應課稅溢利按稅率17.5%(2006年：17.5%)計算。

Hong Kong Profits Tax is calculated at 17.5% (2006: 17.5%) of the estimated assessable profit for the year.

其他司法區之稅項乃按個別司法區之現行稅率計算。於2007年3月16日，中國第十屆全國人民代表大會第五次會議通過中國企業所得稅法(「新稅法」)，自2008年1月1日起生效。然而，根據新稅法有關稅務優惠政策實施規則之詳情尚未向公眾公佈。因此，管理層未能估計新稅法對本集團下一年度之綜合財務報表構成之預計財務影響。實施新稅法對綜合資產負債表中有關本期應付稅項之款額並無任何財務影響。

Taxation in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. On 16 March 2007, the Fifth Plenary Session of the Tenth National People's Congress passed the Corporate Income Tax Law of Mainland China ("new tax law") which will take effect on 1 January 2008. However, the detailed implementation rules regarding the new tax law have yet to be made public. Consequently, the management is not able to a make an estimate of the expected financial effect of the new tax law on the Group's consolidated financial statements in the coming year. The enactment of the new tax law is not expected to have any financial effect on the amounts accrued in the consolidated balance sheet in respect of current tax payable.

11. 稅項 *(續)*

本年度稅項與綜合收益表所示除稅前溢利對賬如下：

11. TAXATION *(Continued)*

Taxation for the year can be reconciled to the profit before taxation per the consolidated income statement as follows:

		2007 千港元 HK$'000	2006 千港元 HK$'000
除稅前溢利	Profit before taxation	**119,906**	90,691
按本地所得稅稅率17.5%（2006年：17.5%）計算之稅項	Tax at the domestic income tax rate of 17.5% (2006: 17.5%)	**20,984**	15,871
應佔聯營公司業績之稅項影響	Tax effect of share of results of associates	**282**	–
不可扣稅費用對稅項影響	Tax effect of expenses that are not deductible for taxation purposes	**2,411**	3,763
毋須課稅收益對稅項影響	Tax effect of income that is not taxable for taxation purposes	**(2,270)**	(7,052)
海外稅率差異之影響	Effect of overseas tax rates differences	**(2,392)**	(1,243)
未確認稅務虧損對稅項影響	Tax effect of tax losses not recognised	**2,048**	6,706
動用先前未確認之稅務虧損對稅項影響	Tax effect of utilisation of tax losses previously not recognised	**(7,613)**	(3,580)
一家附屬公司所獲稅項豁免之影響 *(附註)*	Effect of tax exemption granted to a subsidiary *(Note)*	**(3,569)**	(3,384)
以前年度少提撥備	Underprovision in prior years	**1,160**	712
其他	Others	**(1,326)**	(341)
本年度稅項	Taxation for the year	**9,715**	11,452

附註： 該附屬公司根據有關司法區之法例及規例獲豁免繳納其他司法區之稅項。

Note: The subsidiary is exempted from taxation in other jurisdiction pursuant to the relevant laws and regulations in that jurisdiction.

12. 股息 / 12. DIVIDENDS

		2007 千港元 HK$'000	2006 千港元 HK$'000
支付中期股息，每股4.5港仙（2006年：3港仙）	Interim dividend paid of HK4.5 cents (2006: HK3 cents) per share	**34,466**	22,826
支付2006年末期股息，每股3港仙（2006年：支付2005年末期股息2港仙）	Final dividend paid for 2006 of HK3 cents (2006: final dividend paid for 2005 of HK2 cents) per share	**22,735**	15,144
		57,201	37,970

董事議決建議透過配發及發行新股份之方式向於2007年9月18日舉行股東週年大會日期名列本公司股東名冊之股東派發截至2007年3月31日止年度之末期以股代息每股3.5港仙，合共為27,566,000港元，而股東可選擇以現金收取末期以股代息（或部份）取代有關配發（2006年：現金末期股息每股3港仙）。

The directors have resolved to recommend the payment of a final scrip dividend of HK3.5 cents per share, totalling HK$27,566,000 for the year ended 31 March 2007, by way of allotment and issue of new shares with an alternative to the shareholders to elect to receive the final scrip dividend (or part thereof) in cash in lieu of such allotment (2006: cash final dividend of HK3 cents per share), payable to those shareholders whose names appear on the register of members of the Company as at the date of the annual general meeting to be held on 18 September 2007.

13. 每股盈利 / 13. EARNINGS PER SHARE

每股基本盈利及攤薄盈利乃根據以下資料計算：

The calculation of the basic and diluted earnings per share is based on the following data:

		2007 千港元 HK$'000	2006 千港元 HK$'000
為計算每股基本及攤薄盈利之本公司股東應佔盈利	Earnings attributable to shareholders of the Company for the purpose of basic and diluted earnings per share	**105,196**	79,141
為計算每股基本盈利之加權平均股份數目	Weighted average number of shares for the purpose of basic earnings per share	**762,850,032**	759,842,128
購股權相關具攤薄作用潛在股份之影響	Effect of dilutive potential shares relating to share options	**16,681,079**	6,992,031
為計算每股攤薄盈利之加權平均股份數目	Weighted average number of shares for the purpose of diluted earnings per share	**779,531,111**	766,834,159

14. 投資物業 / 14. INVESTMENT PROPERTIES

		2007 千港元 HK$'000	2006 千港元 HK$'000
投資物業之公平值：	Fair value of investment properties:		
於年初	At beginning of the year	**76,500**	61,100
本年度購置	Additions for the year	**813**	–
轉撥自持作出售物業	Transferred from properties for sale	**486**	–
轉撥自租賃物業	Transferred from leasehold properties	**–**	12,709
公平值增加	Increase in fair value	**3,322**	2,691
於年結日	At end of the year	**81,121**	76,500

投資物業賬面值包括： The carrying amount of investment properties comprises:

		2007 千港元 HK$'000	2006 千港元 HK$'000
在香港以長期租約持有	Long leases in Hong Kong	**68,060**	67,050
在香港以外以長期租約持有	Long leases outside Hong Kong	**13,061**	9,450
		81,121	76,500

本集團投資物業之公平值乃根據與本集團並無關連之獨立合資格專業估值師於結算日所進行估值計算所得。估值師擁有合適資格，最近亦有評估有關地點類似物業之經驗。該估值乃參考同類物業市場交易價格後達致。

The fair values of the Group's investment properties have been arrived at on the basis of valuations carried out on the balance sheet date by independent qualified professional valuers not connected with the Group. The valuers have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuations were arrived at by reference to market evidence of transaction prices for similar properties.

本集團以經營租約持有用於收租或資本增值用途之全部物業權益均以公平價值模式計算，並入賬列作投資物業。於2007年3月31日，該等物業權益之賬面值為81,121,000港元（2006年：76,500,000港元）。

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties. As at 31 March 2007, the carrying amount of such property interests amounted to HK$81,121,000 (2006: HK$76,500,000).

15. 物業、廠房及設備 / 15. PROPERTY, PLANT AND EQUIPMENT

		租賃物業 Leasehold properties 千港元 HK$'000	電腦設備 Computer equipment 千港元 HK$'000	傢俬、裝置及設備 Furniture, fixtures and equipment 千港元 HK$'000	汽車 Motor vehicles 千港元 HK$'000	廠房及機器 Plant and machinery 千港元 HK$'000	在建工程 Construction in progress 千港元 HK$'000	總計 Total 千港元 HK$'000
成本值或估值	COST OR VALUATION							
於2005年4月1日	At 1 April 2005	137,226	20,046	99,412	15,338	431,528	107	703,657
匯兑調整	Currency realignment	–	6	6	–	–	–	12
添置	Additions	3,115	2,345	3,710	426	53,538	–	63,134
出售	Disposals	–	–	(71)	(411)	(17,755)	(107)	(18,344)
撥入投資物業時重估租賃物業*(附註)*	Revaluation of leasehold properties upon transfer to investment properties *(Note)*	325	–	–	–	–	–	325
轉撥至投資物業	Transfer to investment properties	(20,811)	–	–	–	–	–	(20,811)
於2006年3月31日	At 31 March 2006	119,855	22,397	103,057	15,353	467,311	–	727,973
匯兑調整	Currency realignment	–	84	(50)	–	17	–	51
添置	Additions	78	5,005	3,498	1,783	49,311	–	59,675
收購附屬公司	Acquisition of subsidiaries	–	614	1,200	–	1,894	–	3,708
轉撥自持作出售物業	Transfer from properties for sale	611	–	–	–	–	–	611
出售	Disposals	–	–	–	(400)	(609)	–	(1,009)
出售附屬公司	Disposal of a subsidiary	–	(397)	(1,453)	–	(14,615)	–	(16,465)
於2007年3月31日	**At 31 March 2007**	**120,544**	**27,703**	**106,252**	**16,736**	**503,309**	**–**	**774,544**
包括：	Comprising:							
成本值	At cost	91,144	27,703	106,252	16,736	503,309	–	745,144
估價值－1991年	At valuation – 1991	29,400	–	–	–	–	–	29,400
		120,544	27,703	106,252	16,736	503,309	–	774,544

15. 物業、廠房及設備 (續)

15. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

		租賃物業 Leasehold properties 千港元 HK$'000	電腦設備 Computer equipment 千港元 HK$'000	傢俬、裝置及設備 Furniture, fixtures and equipment 千港元 HK$'000	汽車 Motor vehicles 千港元 HK$'000	廠房及機器 Plant and machinery 千港元 HK$'000	在建工程 Construction in progress 千港元 HK$'000	總計 Total 千港元 HK$'000
折舊及攤銷	DEPRECIATION AND AMORTISATION							
於2005年4月1日	At 1 April 2005	23,958	12,926	78,146	12,592	283,377	–	410,999
匯兑調整	Currency realignment	–	3	3	–	–	–	6
本年折舊	Provided for the year	2,264	1,750	4,580	572	36,217	–	45,383
出售時撇銷	Eliminated on disposals	–	–	(27)	(329)	(14,691)	–	(15,047)
轉撥至投資物業時撇銷	Eliminated on transfer to investment properties	(8,102)	–	–	–	–	–	(8,102)
於2006年3月31日	At 31 March 2006	18,120	14,679	82,702	12,835	304,903	–	433,239
匯兑調整	Currency realignment	–	7	(6)	–	14	–	15
本年折舊	Provided for the year	2,268	2,863	4,810	792	41,809	–	52,542
出售時撇銷	Eliminated on disposals	–	–	–	(268)	(577)	–	(845)
出售附屬公司時撇銷	Eliminated on disposal of a subsidiary	–	(340)	(1,294)	–	(14,615)	–	(16,249)
於2007年3月31日	**At 31 March 2007**	**20,388**	**17,209**	**86,212**	**13,359**	**331,534**	**–**	**468,702**
賬面值	CARRYING VALUES							
於2007年3月31日	**At 31 March 2007**	**100,156**	**10,494**	**20,040**	**3,377**	**171,775**	**–**	**305,842**
於2006年3月31日	At 31 March 2006	101,735	7,718	20,355	2,518	162,408	–	294,734

附註： 截至2006年3月31日止年度期間，本集團將若干租賃物業出租予外界人士，以賺取租金收益。該等物業應列作投資物業。由物業、廠房及設備撥入投資物業時，該等物業獲重估，得出公平值增加325,000港元，計入其他物業估值儲備。

Note: During the year ended 31 March 2006, the Group rented out certain of its leasehold properties to outsiders for rental income. Those properties should be accounted for as investment properties. Upon the transfer from property, plant and equipment to investment properties, those properties were revalued with the increase in fair value of HK$325,000 credited to the other property valuation reserve.

15. 物業、廠房及設備(續)

當租賃付款未能可靠分配至土地及建築物部份時，香港租賃物業之成本值或估值以直線基準按四十年計算折舊。香港以外地區租賃物業以直線基準按五十年或(如屬較短年期)租約所餘年期計算攤銷。

其他物業、廠房及設備乃於其估計可用年期按結餘遞減法計算折舊以撇銷其成本，所用年率如下：

電腦設備	25%
傢俬、裝置及設備	10 – 25%
汽車	20 – 25%
廠房及機器	15 – 30%

上述租賃物業之賬面值包括：

15. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The cost or valuation of leasehold properties in Hong Kong, which represent lease payments that cannot be allocated reliably between the land and building elements, is depreciated over forty years on a straight line basis. The cost of leasehold properties outside Hong Kong is amortised over a period of fifty years or, where shorter, the remaining term of the leases on a straight line basis.

Depreciation is provided to write off the cost of other property, plant and equipment over their estimated useful lives, using the reducing balance method at the following rates per annum:

Computer equipment	25%
Furniture, fixtures and equipment	10 – 25%
Motor vehicles	20 – 25%
Plant and machinery	15 – 30%

The carrying values of the leasehold properties shown above comprises:

		2007 千港元 HK$'000	2006 千港元 HK$'000
在香港以長期租約持有	Long leases in Hong Kong	**27,440**	27,860
在香港以外以中期租約持有	Medium term leases outside Hong Kong	**72,716**	73,875
		100,156	101,735

租賃物業由一家獨立專業估值師行於1991年按現時用途基準之公開市值予以重估。本集團採納香港會計準則第16條第80A段有關規定定期重估本集團租賃物業之過渡期豁免，故此毋須進一步重估租賃物業。倘租賃物業按成本值減累計折舊及累計減值虧損列賬，租賃物業於2007年3月31日之賬面淨值將約為21,286,000港元(2006年：21,652,000港元)。

The valuation of leasehold properties was carried out by a firm of independent professional valuers in 1991 on an open market value for existing use basis. The Group has adopted the transitional relief provided by paragraph 80A of HKAS 16 from the requirement to make revaluation on a regular basis of the Group's leasehold properties and, accordingly, no further revaluation of leasehold properties will be carried out. Had these leasehold properties been carried at cost less accumulated depreciation and accumulated impairment losses, the net book value of the leasehold properties at 31 March 2007 would have been stated at HK$21,286,000 (2006: HK$21,652,000).

16. 預付地價 / PREPAID LEASE PAYMENTS

本集團之預付地價包括：

The Group's prepaid lease payments comprise:

		2007 千港元 HK$'000	2006 千港元 HK$'000
在香港境外以中期租約持有之租賃土地	Leasehold land held under medium term leases outside Hong Kong	**4,257**	4,378
就申報目的分析為：	Analysed for reporting purposes as:		
流動資產	Current asset	**121**	121
非流動資產	Non-current asset	**4,136**	4,257
		4,257	4,378

17. 產品發展成本 / PRODUCT DEVELOPMENT COSTS

		HK$'000 千港元
成本值	**COST**	
於2005年4月1日、2006年3月31日及2007年3月31日	At 1 April 2005, 31 March 2006 and 31 March 2007	1,732
攤銷	**AMORTISATION**	
於2005年4月1日	At 1 April 2005	86
年度扣除	Charge for the year	346
於2006年3月31日	At 31 March 2006	432
年度扣除	Charge for the year	346
於2007年3月31日	**At 31 March 2007**	**778**
賬面值	**CARRYING VALUE**	
於2007年3月31日	At 31 March 2007	**954**
於2006年3月31日	At 31 March 2006	1,300

產品發展成本以直線法分五年攤銷。

Product development costs are amortised over a period of five years on a straight line basis.

18. 商譽 / 18. GOODWILL

		HK$'000 千港元
成本值	**COST**	
於2005年4月1日及2006年3月31日	At 1 April 2005 and 31 March 2006	9,149
收購附屬公司*(附註35)*	Acquisition of subsidiaries *(Note 35)*	37,934
收購附屬公司額外權益	Acquisition of additional interest in a subsidiary	531
出售附屬公司*(附註37)*	Disposal of a subsidiary *(Note 37)*	(19,121)
被視為出售附屬公司部份權益	Deemed partial disposal of a subsidiary	(2,999)
於2007年3月31日	At 31 March 2007	25,494

商譽之減值測試詳情載列於附註19。

Particulars regarding impairment testing on goodwill are disclosed in note 19.

19. 商譽減值測試 / 19. IMPAIRMENT TESTING ON GOODWILL

如附註6所闡釋，本集團以業務分類作為報告分類資料的主要方式。就減值測試而言，附註18所載商譽及儲備之商譽已被分配至電子產品設計、製造及銷售現金產生單位(「現金產生單位」)。

As explained in note 6, the Group uses business segments as its primary segment for reporting segment information. For the purposes of impairment testing, goodwill as set out in note 18 and the goodwill held in reserves have been allocated to the cash generating unit ("CGU") of the design, manufacture and sale of electronic products segment.

現金產生單位的可收回金額乃按使用價值釐定。計算使用價值所作出主要假設關於貼現率、增長率以及年內收入和直接成本之預計變動。管理層採用除稅前比率估計貼現率，該比率反映市場現時對貨幣時間值以及現金產生單位特有風險的評估。增長率以業內增長預測為基準。收入及直接成本之變動根據慣例及對市場未來變動的期望作出估計。

The recoverable amount of this CGU has been determined on the basis of value in use calculation. The key assumptions for the value in use calculation are those regarding the discount rates, growth rates and expected changes to revenue and direct costs during the year. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on industry growth forecasts. Changes in revenue and direct costs are based on past practices and expectations of future changes in the market.

於本年度，本集團按照獲管理層批准之未來五年最近期財務預算得出現金流量預測檢討商譽減值，所使用之貼現率為8%。由於採用按貼現率計算之使用價值高於現金產生單位之賬面值，故認為商譽毋須確認減值虧損。

During the year, the Group performed impairment review for goodwill based on cash flow forecasts derived from the most recent financial budgets for the next five years approved by management using a discount rate of 8%. The value in use calculated by using the discount rate is higher than the carrying amount of CGU, accordingly, no impairment loss was considered necessary.

20. 應佔聯營公司權益 / 20. INTEREST IN ASSOCIATES

		2007 千港元 HK$'000	2006 千港元 HK$'000
於聯營公司投資成本，非上市	Cost of investment in associates, unlisted	13,576	7,066
應佔收購後儲備，扣除已收股息	Share of post-acquisition reserves, net of dividend received	(4,455)	(4,444)
		9,121	2,622
減：已確認減值虧損	Less: Impairment losses recognised	(921)	(921)
		8,200	1,701

本集團聯營公司之詳情如下：

Details of the Group's associates are as follows:

聯營公司名稱 Name of associate	業務結構形式 Form of business structure	註冊／營業地點 Place of registration/ operations	註冊資本面值 Nominal value of registered capital	本集團應佔股本權益 Attributable equity interest to the Group 2007	 2006	主要業務 Principal activity
北京群輝電子有限公司（「北京群輝」） Beijing Commune Fair Electronics Co. Ltd. ("Beijing Commune")	合作企業 Co-operative joint venture	中華人民共和國（「中國」） People's Republic of China ("PRC")	800,000美元 US$800,000	68.75%（見下文） (see below)	68.75%	暫無業務 Inactive
Danehill Investments (Holdings) Limited	有限責任公司 Limited liability company	開曼群島 Cayman Islands	7,000,000港元 HK$7,000,000	48.28%	48.28%	投資控股 Investment holding
賢邦有限公司（「賢邦」） Interforce Limited ("Interforce ")	有限責任公司 Limited liability company	香港 Hong Kong	500,000港元 HK$500,000	30%	–	買賣電子產品 Trading in electronic products

20. 應佔聯營公司權益(續)

北京群輝於1992年10月註冊成立為合營公司，為期十五年。根據協議，本集團承諾投入550,000美元資本，相當於股本權益68.75%。本集團已投足所承擔數額。在協議生效期間，本集團享有北京群輝50%之溢利或虧損。本集團並沒有北京群輝董事局之控制權，惟能行使重大影響力。於2002年10月，北京群輝由於沒有更新商業登記證而被中國政府取消其商業登記證。北京群輝自此暫無業務。董事審閱於北京群輝投資之賬面值，並認為不大可能收回於北京群輝之權益，而預期源自該投資估計日後現金流量現值甚微。因此，已於財務報表確認減值虧損921,000港元，以撇銷該投資之賬面值。

聯營公司由本公司間接持有。

於聯營公司之投資成本包括年內收購賢邦所產生之商譽3,779,000港元(2006年：無)。

20. INTEREST IN ASSOCIATES *(Continued)*

Beijing Commune was incorporated as a joint venture company for a term of fifteen years commencing October 1992. Under the agreement, the Group is committed to invest an amount of US$550,000, representing an equity interest of 68.75%. The Group has fully contributed the amount committed. During the life of the agreement, the Group is entitled to share 50% of the profit or loss of Beijing Commune. The Group does not have controlling interest in the board of directors of Beijing Commune but is able to exercise significant influence. In October 2002, the business certificate of Beijing Commune has been cancelled by the PRC government as the company did not renew its business certificate. Beijing Commune became inactive since then. The directors reviewed the carrying amount of the investment in Beijing Commune and considered that it is unlikely to recover the interest in Beijing Commune and the present value of the estimated cash flows expected to arise from the investment are minimal. Accordingly, an impairment loss of HK$921,000 was recognised in the financial statements to write off the carrying amount of the investment.

The associates are indirectly held by the Company.

Included in the cost of investment in associates is goodwill of HK$3,779,000 (2006: nil) arising on acquisition of Interforce during the year.

20. 應佔聯營公司權益 (續)

有關本集團聯營公司之財務資料總結載列如下：

20. INTEREST IN ASSOCIATES *(Continued)*

The summarised financial information in respect of the Group's associates is set out below:

		2007 千港元 HK$'000	2006 千港元 HK$'000
資產總值	Total assets	**26,445**	6,747
負債總額	Total liabilities	**(15,327)**	(3,941)
資產淨值	Net assets	**11,118**	2,806
應佔資產淨值	Share of net assets	**5,342**	2,622
營業額	Turnover	**214,417**	–
年內溢利(虧損)	Profit (loss) for the year	**5,408**	(45)
應佔聯營公司溢利(虧損)	Share of profits (losses) of associates	**1,613**	(79)

21. 可供出售投資

21. AVAILABLE-FOR-SALE INVESTMENTS

		2007 千港元 HK$'000	2006 千港元 HK$'000
股本證券	Equity securities		
非上市股份，按成本	Unlisted shares, at cost	**26,690**	26,690
減：已確認減值虧損	Less: Impairment losses recognised	**(2,650)**	(2,500)
		24,040	24,190
於香港境外上市股份，按公平值	Listed shares outside Hong Kong, at fair value	**35**	59
		24,075	24,249
就申報用途分析為：	Analysed for reporting purposes as:		
流動資產	Current asset	**–**	150
非流動資產	Non-current asset	**24,075**	24,099
		24,075	24,249

21. 可供出售投資(續)

於結算日，除其公平值未能可靠計算之非上市股本投資外，所有可供出售投資均以公平值列賬。有關投資之公平值經參考活躍市場所報買入價釐定。

上述非上市投資為於香港註冊成立私人實體發行之非上市股本證券投資。由於合理公平值估計範圍甚大，本公司董事認為未能可靠計算其公平值，因此該等投資於各結算日按成本扣除減值計算。

非上市股本證券中包括於從事投資控股及提供保健相關服務之公司Net Plus Company Limited(「Net Plus」)17%股本權益。過往年度已於財務報表確認減值虧損2,500,000港元。於2007年3月31日，董事參考預期源自該投資之估計日後現金流量現值後審閱其賬面值，並認為可收回於Net Plus之權益之賬面值。

21. AVAILABLE-FOR-SALE INVESTMENTS *(Continued)*

As at the balance sheet date, all available-for-sale investments are stated at fair value, except for those unlisted equity investments of which their fair values cannot be measured reliably. Fair values of those investments have been determined by reference to bid prices quoted in active markets.

The above unlisted investments represent investments in unlisted equity securities issued by private entities incorporated in Hong Kong. They are measured at cost less impairment at each balance sheet date because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

Included in unlisted equity securities was a 17% equity interest in Net Plus Company Limited ("Net Plus"), a company engaged in investment holding and provision of healthcare related services. An impairment loss of HK$2,500,000 was recognised in the financial statements in prior years. At 31 March 2007, the directors reviewed its carrying amount with reference to the present value of the estimated future cash flows expected to arise from the investment and considered that the carrying value of the interest in Net Plus is recoverable.

22. 衍生金融工具／指定為按公平值計入損益之金融資產

22. DERIVATIVE FINANCIAL INSTRUMENTS/FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

		資產 Assets		負債 Liabilities	
		2007	2006	**2007**	2006
		HK$'000 千港元	HK$'000 千港元	**HK$'000** 千港元	HK$'000 千港元
(i) 指定為按公平值計入損益之金融資產：	(i) Financial assets designated at fair value through profit or loss:				
下列各項之購買沖銷票據：	Buy-write certificates on:				
－於香港上市之股本證券	– equity securities listed in Hong Kong	**10,728**	2,328	**–**	–
－於香港境外上市之股本證券	– equity securities listed outside Hong Kong	**10,067**	2,331	**–**	–
		20,795	4,659	**–**	–
(ii) 非指定為對沖工具之衍生金融工具：	(ii) Derivative financial instruments not designated as hedging instrument:				
外幣選擇權	Foreign exchange option	**480**	–	**–**	–
選擇權：	Options on:				
－於香港上市之股本證券	– equity securities listed in Hong Kong	**–**	–	**–**	(15)
－於香港境外上市之股本證券	– equity securities listed outside Hong Kong	**–**	–	**(438)**	(439)
		480	–	**(438)**	(454)
		21,275	4,659	**(438)**	(454)

上述金融工具於各結算日按公平值計算。其公平值乃根據於結算日之經紀報價釐定。

The above financial instruments are measured at fair value at each balance sheet date. Their fair values are determined based on the market prices quoted by brokers at the balance sheet date.

23. 存貨

23. INVENTORIES

		2007 千港元 HK$'000	2006 千港元 HK$'000
原料	Raw materials	**187,366**	152,979
在製品	Work in progress	**14,646**	17,387
製成品	Finished goods	**249,232**	205,668
		451,244	376,034

於本年度，於綜合收益表確認為支出之存貨成本達1,946,605,000港元（2006年：1,516,856,000港元）。

The cost of inventories recognised as an expense in the consolidated income statement during the year amounted to HK$1,946,605,000 (2006: HK$1,516,856,000).

24. 應收賬款、按金及預付款項

於2007年3月31日，應收賬款、按金及預付款項包括應收貿易賬款279,630,000港元（2006年：252,264,000港元）。於結算日應收貿易賬款之賬齡分析如下：

24. DEBTORS, DEPOSITS AND PREPAYMENTS

At 31 March 2007, debtors, deposits and prepayments included trade debtors of HK$279,630,000 (2006: HK$252,264,000). The aged analysis of trade debtors at the balance sheet date is as follows:

		2007 千港元 HK$'000	2006 千港元 HK$'000
0－30日	0 – 30 days	**229,768**	194,355
31－60日	31 – 60 days	**11,950**	21,267
61－90日	61 – 90 days	**2,072**	10,560
超過90日	Over 90 days	**35,840**	26,082
		279,630	252,264

應收貿易賬款包括具追索權貼現票據78,233,000港元（2006年：66,065,000港元）及已貼現應收賬款13,734,000港元（2006年：36,491,000港元）。

Included in trade debtors are bills discounted with recourse amounting to HK$78,233,000 (2006: HK$66,065,000) and factored debtors amounting to HK$13,734,000 (2006: HK$36,491,000).

本集團向其貿易客戶提供平均為期30至90日之數期。

The Group allows an average credit period ranging from 30 days to 90 days to its trade customers.

24. 應收賬款、按金及預付款項 *(續)*

以有關集團特定之功能貨幣以外之貨幣計值之本集團應收貿易賬款載列如下：

24. DEBTORS, DEPOSITS AND PREPAYMENTS *(Continued)*

The Group's debtors that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		美元 United States dollars 千港元 HK$'000	人民幣 Renminbi 千港元 HK$'000
於2007年3月31日	At 31 March 2007	198,466	3,266
於2006年3月31日	At 31 March 2006	135,263	3,140

25. 應收關連人士款項

於2007年3月，本公司董事劉錫康先生多名近親家族成員行使作為本集團僱員獲授之購股權，認購本公司20,072,000股普通股，合共17,196,000港元。有關款項已於2007年4月初全數支付。有關款項為無抵押及免息。

25. AMOUNTS DUE FROM RELATED PARTIES

In March 2007, certain close family members of Mr. Lau Sak Hong, Philip, a director of the Company, exercised the share options granted to them as employees of the Group to subscribe for 20,072,000 ordinary shares in the Company at an aggregate amount of HK$17,196,000. Such amounts were fully settled in early April 2007. The amounts are unsecured and interest-free.

26. 應收(應付)聯營公司款項

應收(應付)款項為無抵押、免息及當要求時償還。應收聯營公司款項包括應收聯營公司賬款1,049,000港元，賬齡超過90日。

26. AMOUNTS DUE FROM (TO) ASSOCIATES

The amounts are unsecured, interest-free and repayable on demand. Included in the amounts due from associate is a trade receivable from an associate of HK$1,049,000 which was aged over 90 days.

27. 持作買賣投資

27. INVESTMENTS HELD FOR TRADING

		2007 千港元 HK$'000	2006 千港元 HK$'000
上市證券	Listed securities		
於香港上市股本證券	Equity securities listed in Hong Kong	**7,152**	7,335
於香港境外上市股本證券	Equity securities listed outside Hong Kong	**17,668**	16,230
於香港境外上市債務證券	Debt securities listed outside Hong Kong	**793**	4,202
		25,613	27,767

於結算日，所有持作買賣投資均以公平值列賬。有關投資之公平值經參考活躍市場所報買入價釐定。

As at the balance sheet date, all investments held for trading are stated at fair value. Fair values of those investments have been determined by reference to bid prices quoted in active markets.

28. 銀行結存及現金

銀行結存及現金包括本集團所持現金，以及原定於三個月或以下到期，且平均利率為1.50厘（2006年：1.20厘）之短期銀行存款。

以有關集團特定之功能貨幣以外之貨幣計值之本集團銀行結存及現金載列如下：

28. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less at an average interest rate of 1.50% (2006: 1.20%).

The Group's bank balances and cash that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		加元 Canadian dollars 千港元 HK$'000	美元 United States dollars 千港元 HK$'000	人民幣 Renminbi 千港元 HK$'000
於2007年3月31日	At 31 March 2007	2,210	26,471	22,732
於2006年3月31日	At 31 March 2006	1,728	39,379	31,514

29. 應付賬款及應計費用

於2007年3月31日，應付賬款及應計費用包括應付貿易賬款193,281,000港元（2006年：211,357,000港元）。於結算日應付貿易賬款之賬齡分析如下：

29. CREDITORS AND ACCRUED CHARGES

At 31 March 2007, creditors and accrued charges included trade creditors of HK$193,281,000 (2006: HK$211,357,000). The aged analysis of trade creditors at the balance sheet date is as follows:

		2007 千港元 HK$'000	2006 千港元 HK$'000
0－30日	0 – 30 days	**146,779**	94,875
31－60日	31 – 60 days	**21,159**	44,773
61－90日	61 – 90 days	**10,782**	23,796
超過90日	Over 90 days	**14,561**	47,913
		193,281	211,357

以有關集團特定之功能貨幣以外之貨幣計值之本集團應付貿易賬款載列如下：

The Group's creditors that are denominated in currencies other than the functional currencies of the relevant group entities are set out below.

		美元 **United States dollars** 千港元 HK$'000	人民幣 **Renminbi** 千港元 HK$'000
於2007年3月31日	At 31 March 2007	–	574
於2006年3月31日	At 31 March 2006	34,949	7,413

30. 貸款 / 30. BORROWINGS

		2007 千港元 HK$'000	2006 千港元 HK$'000
貸款包括如下：	Borrowings comprise the following:		
信託收據及入口貸款	Trust receipts and import loans	**126,039**	105,646
短期貸款	Short term loans	**125,122**	20,611
有關具追索權貼現票據之貸款	Loans related to bills discounted with recourse	**78,233**	66,065
債權貼現貸款	Debt factoring loans	**121**	28,470
		329,515	220,792
有抵押	Secured	**95,777**	95,146
無抵押	Unsecured	**233,738**	125,646
		329,515	220,792

本集團之貸款為於一年內或當要求時償還之浮息貸款，並按香港銀行同業拆息利率1厘至2厘(2006年：香港銀行同業拆息利率1.25厘至2厘)計息。有關利息於每月重新定價。

The Group's borrowings are floating-rate borrowings which are repayable within one year or on demand. The interest is charged at a range from 1% – 2% over the Hong Kong Inter-bank Offered Rate ("HIBOR") (2006: 1.25% – 2% over the HIBOR"). Interest is repriced every month.

以相關集團特定之功能貨幣以外貨幣列值之本集團貸款載列如下：

The Group's borrowings that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		美元 United States dollars 千港元 HK$'000	日圓 Japanese Yen 千港元 HK$'000
於2007年3月31日	At 31 March 2007	161,313	2,706
於2006年3月31日	At 31 March 2006	180,856	6,167

31. 銀行透支 / 31. BANK OVERDRAFTS

本集團之銀行透支為浮息借貸。有關利息按平均利率8厘(2006年：7.75厘)計算，並於每月重新定價。

The Group's bank overdrafts are floating-rate borrowings. The interest is charged at an average interest rate of 8% (2006: 7.75%). Interest is repriced every month.

32. 遞延稅項

本年度及過往年度已確認主要遞延稅項負債及資產及其變動如下：

32. DEFERRED TAXATION

The followings are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior years:

		加速稅項折舊 Accelerated tax depreciation HK$'000 千港元	物業重估 Revaluation of properties HK$'000 千港元	稅項虧損 Tax losses HK$'000 千港元	其他 Others HK$'000 千港元	總額 Total HK$'000 千港元
於2005年4月1日	At 1 April 2005	(560)	(3,569)	1,221	274	(2,634)
年內扣自(計入)收益	(Charge) credit to income for the year	(10,639)	1,258	6,386	–	(2,995)
於2006年3月31日	At 31 March 2006	(11,199)	(2,311)	7,607	274	(5,629)
年內計入(扣自)收益	Credit (charge) to income for the year	2,827	(892)	(2,626)	–	(691)
於2007年3月31日	**At 31 March 2007**	**(8,372)**	**(3,203)**	**4,981**	**274**	**(6,320)**

就呈列資產負債表而言，若干遞延稅項資產及負債已對銷。用作財務報告用途之遞延稅項結餘分析如下：

For the purpose of the balance sheet presentation, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2007 千港元 HK$'000	2006 千港元 HK$'000
遞延稅項資產	Deferred tax assets	**1,263**	1,929
遞延稅項負債	Deferred tax liabilities	**(7,583)**	(7,558)
		(6,320)	(5,629)

由於未能預計未來溢利來源，本集團並無就稅項虧損129,570,000港元(2006年：163,078,000港元)確認遞延稅項資產。未確認稅項虧損包括81,141,000港元(2006年：82,513,000港元)將於2008年至2019年(2006年：2007年至2019年)到期之虧損，其他稅項虧損可無限期結轉。

The Group has not recognised deferred tax asset in respect of tax losses of HK$129,570,000 (2006: HK$163,078,000) due to the unpredictability of future profit streams. Included in the unrecognised tax losses are losses of HK$81,141,000 (2006: HK$82,513,000) that will expire in the years of 2008 to 2019 (2006: 2007 to 2019), other tax losses may be carried forward indefinitely.

33. 股本 33. SHARE CAPITAL

		股份數目 Number of shares	千港元 HK$'000
每股面值0.40港元之普通股	Ordinary shares of HK$0.40 each		
法定股本：	Authorised:		
於2005年4月1日、2006年3月31日及2007年3月31日	At 1 April 2005, 31 March 2006 and 31 March 2007	1,250,000,000	500,000
已發行及繳足股本：	Issued and fully paid:		
於2005年4月1日	At 1 April 2005	762,608,114	305,043
行使購股權而發行之股份	Issue of shares upon exercise of share options	4,500,000	1,800
購回股份	Repurchase of shares	(6,227,500)	(2,491)
於2006年3月31日	At 31 March 2006	760,880,614	304,352
行使購股權而發行之股份	Issue of shares upon exercise of share options	30,434,500	12,174
購回股份	Repurchase of shares	(3,707,500)	(1,483)
於2007年3月31日	**At 31 March 2007**	**787,607,614**	**315,043**

本公司股本之變動詳情如下：

(a) 於2005年12月，本公司若干購股權獲持有人行使，因此本公司以每股0.67港元之價格發行1,500,000股每股面值0.40港元之股份。

(b) 於2006年1月，本公司若干購股權獲持有人行使，因此本公司以每股0.40港元之價格發行3,000,000股每股面值0.40港元之股份。

Details of the changes in the share capital of the Company are as follows:

(a) In December 2005, 1,500,000 shares of HK$0.40 each were issued at HK$0.67 per share as a result of the exercise of the certain share options of the Company by their holders.

(b) In January 2006, 3,000,000 shares of HK$0.40 each were issued at HK$0.40 per share as a result of the exercise of the certain share options of the Company by their holders.

33. 股本 *(續)*

(c) 於截至2006年3月31日止年度內，本公司在聯交所購回其股份如下：

月份	Month	所購回每股面值0.40港元之股份數目 Number of shares of HK$0.40 each repurchased	每股價格 Price per share 最低 Lowest 港元 HK$	最高 Highest 港元 HK$	總代價 Aggregate consideration 千港元 HK$'000
2005年4月	April 2005	385,000	0.67	0.68	260
2005年5月	May 2005	417,500	0.68	0.69	284
2005年6月	June 2005	700,000	0.68	0.70	483
2005年8月	August 2005	1,082,500	0.58	0.58	628
2005年9月	September 2005	1,800,000	0.56	0.59	1,040
2005年10月	October 2005	1,642,500	0.56	0.59	944
2005年11月	November 2005	200,000	0.69	0.69	138
		6,227,500			3,777

以上股份於購回時已註銷，故本公司已發行股本已根據此等股份面值相應減少。購回股份之溢價已扣自累計溢利。相等於註銷股份面值之數額則由累計溢利轉撥至股本贖回儲備。

(d) 在2006年11月，本公司若干購股權獲持有人行使，因此本公司以每股0.40港元至0.89港元之價格發行7,982,500股每股面值0.40港元之股份。

(e) 在2006年12月，本公司若干購股權獲持有人行使，因此本公司以每股0.80港元至0.89港元之價格發行760,000股每股面值0.40港元之股份。

33. SHARE CAPITAL *(Continued)*

(c) The Company repurchased its own shares on the Stock Exchange during the year ended 31 March 2006 as follows:

The above shares were cancelled upon repurchase and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. The premium on repurchase was charged against accumulated profits. An amount equivalent to the nominal value of the shares cancelled was transferred from accumulated profits to the capital redemption reserve.

(d) In November 2006, 7,982,500 shares of HK$0.40 each were issued at a range of HK$0.40 to HK$0.89 per share as a result of the exercise of the certain share options of the Company by their holders.

(e) In December 2006, 760,000 shares of HK$0.40 each were issued at a range of HK$0.80 to HK$0.89 per share as a result of the exercise of the certain share options of the Company by their holders.

33. 股本 *(續)*

(f) 於2007年1月，本公司若干購股權獲持有人行使，因此本公司以每股0.89港元之價格發行250,000股每股面值0.40港元之股份。

(g) 於2007年3月，本公司若干購股權獲持有人行使，因此本公司以每股0.80港元至1.72港元之價格發行21,442,000股每股面值0.40港元之股份。

(h) 在截至2007年3月31日止年度內，本公司在聯交所購回其股份如下:

月份	Month	股份數目 Number of shares of	每股價格 Price per share 最低 Lowest 港元 HK$	最高 Highest 港元 HK$	總代價 Aggregate consideration 千港元 HK$'000
2006年5月	May 2006	765,000	1.11	1.13	856
2006年6月	June 2006	2,295,000	1.11	1.16	2,622
2006年10月	October 2006	647,500	1.26	1.28	824
		3,707,500			4,302

以上股份於購回已註銷，故本公司已發行股本已根據此等股份面值相應減少。購回股份之溢價已扣自累計溢利。相等於註銷股份面值之數額則由累計溢利轉撥至股本贖回儲備。

所有已發行股份在各方面與當時現有已發行之股份享有同等權益。

33. SHARE CAPITAL *(Continued)*

(f) In January 2007, 250,000 shares of HK$0.40 each were issued at HK$0.89 per share as a result of the exercise of the certain share options of the Company by their holders.

(g) In March 2007, 21,442,000 shares of HK$0.40 each were issued at a range of HK$0.80 to HK$1.72 per share as a result of the exercise of the certain share options of the Company by their holders.

(h) The Company repurchased its own shares on the Stock Exchange during the year ended 31 March 2007 as follows:

The above shares were cancelled upon repurchase and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. The premium on repurchase was charged against accumulated profits. An amount equivalent to the nominal value of the shares cancelled was transferred from accumulated profits to the capital redemption reserve.

All shares issued rank pari passu with the then existing shares is issued in all respects.

34. 購股權計劃

本公司之購股權計劃

本公司之購股權計劃已於2002年9月12日舉行股東特別大會上獲通過採用為期五年(「該計劃」)。該計劃旨在就參與者對本集團作出之貢獻提供鼓勵及獎勵。該計劃之合資格參與人包括任何僱員、非執行董事、商品或服務供應商、客戶、諮詢人或顧問以及本集團任何成員公司之股東。

根據該計劃將授予之所有購股權獲行使時可發行之最高股份總數，不得超過不時已發行股份之10%，而所有已授出尚未行使購股權可發行股份上限，不可超過不時已發行股份之30%。

截至購股權授出之日前任何12個月內，授予各參與人之購股權獲行使而已經及將予發行之股份總數，不可超逾不時已發行股份之1%。

購股權可行使期限由董事局決定，惟不可超過於授出日起計5年。承授人可於購股權期限內任何時間行使購股權。各購股權於授予當日起即時歸屬。

購股權之股份認購價由董事局決定，惟有關價格不得低過於(i)授予購股權當日股份之收市價，或(ii)緊接授出日期前連續5個交易日股份平均收市價，或(iii)股份於授出日期之面值，以最高者為準。

授出購股權之要約可自授出日期起計21日內採納。授出購股權之代價為1港元。該金額在任何情況下將不可退還。

34. SHARE OPTION SCHEME

Share Option Scheme of the Company

The Company's share option scheme was approved and adopted at the special general meeting of the Company held on 12 September 2002 (the "Scheme") for a period of 5 years. The primary purpose is to provide incentives or rewards to participants for their contribution to the Group. Eligible participants of the Scheme included any employees, non-executive directors, suppliers of goods or services, customers, advisors or consultant and shareholders of any member of the Group.

The maximum number of shares options which may be issued upon exercise of all options to be granted under the Scheme of the Company must not, in aggregate, exceed 10% while overall limit for all outstanding options granted and yet to be exercised must not exceed 30% of the shares in issue from time to time.

The total number of shares issued and to be issued upon exercise of the options granted to each participant in any 12 months period up to the date of the grant will not exceed 1% of the shares in issue.

The period within which the shares must be taken up under an option is any period as determined by the Board, which will not be more than 5 years from the date on which the option is granted. The option may be exercised by the grantee at any time during the option period. Each share option vested immediately at the date of grant.

The subscription price of the share options is determined by the Board, but will be no less than the highest of (i) the closing price of the shares on the offer date; (ii) the average of the closing price of the shares of the 5 trading day immediately preceding the offer date; or (iii) the nominal value of the shares on the offer date.

The offer of a grant of share options may be accepted within 21 days from the date of offer. The consideration for the grant is HK$1 and it will in no circumstance be refundable.

34. 購股權計劃 *(續)*

本公司之購股權計劃 *(續)*

根據該計劃所授出購股權之變動如下：

34. SHARE OPTION SCHEME *(Continued)*

Share Option Scheme of the Company *(Continued)*

The movements of the options granted under the Scheme were as follows:

授予日期 Date of grant		行使價 Exercise price 港元 HK$	購股權數目 Number of share options: 於年初尚未行使 Outstanding at beginning of the year	在本年度內授予 Granted during the year	在本年度內行使 Exercised during the year	於年終尚未行使 Outstanding at end of the year
截至2007年3月31日止年度	For the year ended 31 March 2007					
2003年5月2日	2 May 2003	0.40	1,700,500	–	1,700,500	–
2003年10月10日	10 October 2003	0.86	15,144,000	–	12,144,000	3,000,000
2004年8月24日	24 August 2004	0.808	3,000,000	–	3,000,000	–
2004年11月2日	2 November 2004	0.814	2,650,000	–	150,000	2,500,000
2005年12月22日	22 December 2005	0.80	4,910,000	–	4,910,000	–
2006年1月5日	5 January 2006	0.89	19,160,000	–	7,160,000	12,000,000
2006年8月16日	16 August 2006	1.15	–	500,000	–	500,000
2006年11月13日	13 November 2006	1.45	–	2,000,000	–	2,000,000
2007年1月4日	4 January 2007	1.66	–	2,050,000	1,230,000	820,000
2007年2月1日	1 February 2007	1.72	–	240,000	140,000	100,000
2007年3月7日	7 March 2007	1.93	–	3,000,000	–	3,000,000
			46,564,500	7,790,000	30,434,500	23,920,000
年終可予行使	Exercisable at the end of the year					23,920,000
加權平均行使價(港元)	Weighted average exercise price (HK$)		0.84	1.68	0.86	1.09

34. 購股權計劃 *(續)*

本公司之購股權計劃 *(續)*

34. SHARE OPTION SCHEME *(Continued)*

Share Option Scheme of the Company *(Continued)*

授予日期 Date of grant		行使價 Exercise price 港元 HK$	購股權數目 Number of share options: 於年初尚未行使 Outstanding at beginning of the year	在本年度內授予 Granted during the year	在本年度內行使 Exercised during the year	於年終尚未行使 Outstanding at end of the year
截至2006年3月31日止年度	For the year ended 31 March 2006					
2003年5月2日	2 May 2003	0.40	4,700,500	–	3,000,000	1,700,500
2003年10月10日	10 October 2003	0.86	15,144,000	–	–	15,144,000
2004年8月24日	24 August 2004	0.808	3,000,000	–	–	3,000,000
2004年11月2日	2 November 2004	0.814	2,650,000	–	–	2,650,000
2005年2月7日	7 February 2005	0.67	1,500,000	–	1,500,000	–
2005年12月22日	22 December 2005	0.80	–	4,910,000	–	4,910,000
2006年1月5日	5 January 2006	0.89	–	19,160,000	–	19,160,000
			26,994,500	24,070,000	4,500,000	46,564,500
年終可予行使	Exercisable at the end of the year					46,564,500
加權平均行使價(港元)	Weighted average exercise price (HK$)		0.76	0.87	0.49	0.84

以上購股權由授出日期起五年內行使。

The above options were granted for an exercise period of five years from the date of grant of the options.

本公司並無根據該計劃授予董事任何購股權。

No share options have been granted to the directors of the Company pursuant to the Scheme.

本年度內，共收到僱員因接納購股權而支付之總代價為每股24港元(2006年：3港元)。

Total consideration received during the year from employees for taking up the options granted amounted to HK$24 (2006: HK$3) per share.

34. 購股權計劃 *(續)*

本公司之購股權計劃 *(續)*

就取得服務而授出購股權之公平值乃參考所授出購股權之公平值計量。所取得服務之公平值乃按柏力克-舒爾斯定價模式估計。

截至2007年3月31日止年度

授出日期	Grant dates	2006年8月16日 16.8.2006	2006年11月13日 13.11.2006	2007年1月4日 4.1.2007	2007年2月1日 1.2.2007	2007年3月7日 7.3.2007
購股權之公平值及假設：	Fair value of share options and assumptions:					
於計量日期之公平值(港元)	Fair value at measurement dates (HK$)	0.223	0.317	0.343	0.346	0.323
股價(港元)	Share price (HK$)	1.150	1.440	1.640	1.720	1.920
行使價(港元)	Exercise price (HK$)	1.150	1.450	1.660	1.720	1.930
預計波幅	Expected volatility	39.45%	39.40%	37.08%	36.37%	30.59%
購股權期限(年)	Option life (years)	2	2	2	2	2
預期股息率	Expected dividend yield	5.28%	2.69%	2.47%	3.54%	3.35%
無風險利率	Risk-free interest rate	4.69%	4.69%	4.69%	4.69%	4.69%

截至2006年3月31日止年度

授出日期	Grant dates	2005年12月22日 22.12.2005	2006年1月5日 5.1.2006
購股權之公平值及假設：	Fair value of share options and assumptions:		
於計量日期之公平值(港元)	Fair value at measurement dates (HK$)	0.130	0.140
股價(港元)	Share price (HK$)	0.800	0.890
行使價(港元)	Exercise price (HK$)	0.800	0.890
預計波幅	Expected volatility	30.90%	31.74%
購股權期限(年)	Option life (years)	3	3
預期股息率	Expected dividend yield	6.01%	5.92%
無風險利率	Risk-free interest rate	4.138%	3.923%

預期波幅乃採用本公司股價於過去一年的歷史波幅而釐定。上述模式所用預期年期亦按管理層就不能轉讓之影響、行使限制及行為考慮因素作出的最佳估算予以調整。主觀輸入假設之變動可能會對公平值之估計構成重大影響。

34. SHARE OPTION SCHEME *(Continued)*

Share Option Scheme of the Company *(Continued)*

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on The Black-Scholes pricing model.

For the year ended 31 March 2007

Grant dates	授出日期	2006年8月16日 16.8.2006	2006年11月13日 13.11.2006	2007年1月4日 4.1.2007	2007年2月1日 1.2.2007	2007年3月7日 7.3.2007
Fair value of share options and assumptions:	購股權之公平值及假設：					
Fair value at measurement dates (HK$)	於計量日期之公平值(港元)	0.223	0.317	0.343	0.346	0.323
Share price (HK$)	股價(港元)	1.150	1.440	1.640	1.720	1.920
Exercise price (HK$)	行使價(港元)	1.150	1.450	1.660	1.720	1.930
Expected volatility	預計波幅	39.45%	39.40%	37.08%	36.37%	30.59%
Option life (years)	購股權期限(年)	2	2	2	2	2
Expected dividend yield	預期股息率	5.28%	2.69%	2.47%	3.54%	3.35%
Risk-free interest rate	無風險利率	4.69%	4.69%	4.69%	4.69%	4.69%

For the year ended 31 March 2006

Grant dates	授出日期	2005年12月22日 22.12.2005	2006年1月5日 5.1.2006
Fair value of share options and assumptions:	購股權之公平值及假設：		
Fair value at measurement dates (HK$)	於計量日期之公平值(港元)	0.130	0.140
Share price (HK$)	股價(港元)	0.800	0.890
Exercise price (HK$)	行使價(港元)	0.800	0.890
Expected volatility	預計波幅	30.90%	31.74%
Option life (years)	購股權期限(年)	3	3
Expected dividend yield	預期股息率	6.01%	5.92%
Risk-free interest rate	無風險利率	4.138%	3.923%

Expected volatility was determined by using the historical volatility of the Company's share price over the previous one year. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non transferability, exercise restrictions and behavioral considerations. Changes in the subjective input assumptions could materially affect the fair value estimate.

34. 購股權計劃 *(續)*

本公司之購股權計劃 *(續)*

本集團於本年內授出之購股權確認開支總額2,500,000港元（2006年：3,392,000港元）。

The Singing Machine Company, Inc.（「SMC」，本公司持有47.19%權益之附屬公司）之購股權

SMC購股權計劃已於2001年9月6日舉行之股東特別大會上獲股東批准（「SMC計劃」）。SMC計劃乃給予董事、經挑選僱員、高級人員、顧問及諮詢人鼓勵或無條件認購權以認購SMC普通股之方法。SMC計劃授權合共1,950,000股SMC普通股，而每名人士於各財政年度可獲授最高450,000股股份。

截至購股權授出之日前任何12個月內，授予各參與人之購股權獲行使而已經及將予發行之最高股份數目將為300,000股股份。

購股權可行使期限由SMC董事局決定，惟不可超過於授出日起計10年（或倘為持有普通股10%或以上之持有人，則為5年）。承授人可於購股權期限內任何時間行使購股權。各購股權於授予當日起即時歸屬。

購股權之股份認購價由認購權委員會（「委員會」）決定，委員會由SMC董事局所挑選之兩名或以上董事組成。購股權之價格將不低過股份於要約日期之收市價（或倘就授予持有普通股10%或以上之持有人而言，認購價則將不低過股份於要約日期收市價之110%）。

34. SHARE OPTION SCHEME *(Continued)*

Share Option Scheme of the Company *(Continued)*

The Group recognised the total expense of HK$2,500,000 (2006: HK$3,392,000) for the year in relation to share options granted by the Company.

Share option scheme of The Singing Machine Company, Inc. ("SMC"), a 47.19% owned subsidiary of the Company

SMC's share option scheme was approved by the shareholders at the special meeting held on 6 September 2001 (the "SMC Scheme"). The SMC Scheme was developed to provide a means whereby the directors and selected employees, officers, consultants, and advisors of SMC may be granted incentive or non-qualified stock options to purchase common stock of SMC. The SMC Scheme authorises an aggregate of 1,950,000 shares of SMC's common stock and a maximum of 450,000 shares to any one individual in any one fiscal year.

The maximum number of shares issued and to be issued upon exercise of the options granted to each participant in any 12 months period up to the date of the grant will be 300,000 shares.

The period within which the shares must be taken up under an option is any period as determined by the Board of SMC, which will not be more than 10 years (or 5 years in the case of a holder with 10% or more of the common stock) from the date on which the option is granted. The option may be exercised by the grantee at any time during the option period. Each option vested in one year from the date of grant.

The subscription price of the share options is determined by the Stock Option Committee ("Committee"), which consists of two or more directors chosen by the Board of SMC. The subscription price of the share options will be no less than the closing price of the shares on the offer date (or, if granted to a holder of 10% or more of the common stock, the subscription price will be no less than 110% of the closing price of the shares on the offer date).

34. 購股權計劃 *(續)*

The Singing Machine Company, Inc.(「SMC」，本公司持有47.19%權益之附屬公司)之購股權 *(續)*

SMC計劃所授出購股權之變動載列如下：

34. SHARE OPTION SCHEME *(Continued)*

Share option scheme of The Singing Machine Company, Inc. ("SMC"), a 47.19% owned subsidiary of the Company *(Continued)*

The movements of the options granted under the SMC Scheme were as follows:

		購股權數目 Number of shares options
於收購SMC時	At acquisition of SMC	2,005,410
期內已授出	Granted during the period	100,000
期內已行使	Exercised during the period	(285,000)
期內已沒收	Forfeited during the period	(437,520)
於期末尚未行使	Outstanding at end of the period	1,382,890
於期末可予行使	Exercisable at the end of the period	582,307
加權平均行使價(美元)	Weighted average exercise price (US$)	2.14

本公司董事概無根據SMC計劃獲授任何購股權。

No share options have been granted to the directors of the Company pursuant to the SMC Scheme.

就取得服務而授出購股權之公平值乃參考所授出購股權之公平值計量。所取得服務之公平值乃按柏力克-舒爾斯定價模式估計。

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on The Black-Scholes pricing model.

授出日期	**Grant date**	2007年3月31日 31.3.2007
於計量日期之公平值(美元)	Fair value at measurement date (US$)	0.34
股價(美元)	Share price (US$)	0.93
行使價(美元)	Exercise price (US$)	0.93
預計波幅	Expect volatility	90.77%
購股權期限(年)	Option life (year)	1
預期股息率	Expected dividend yield	0%
無風險利率	Risk-free interest rate	4.65%

上述購股權可由2008年3月30日起至2017年3月29日止期間行使。

The above options were granted for an exercise period from 30 March 2008 to 29 March 2017.

本集團於年內就SMC授出之購股權確認開支總額66,000港元(2006年：無)。

The Group recognised the total expense of HK$66,000 (2006: nil) for the year in relation to share options granted by SMC.

35. 收購附屬公司

於2006年6月，本集團收購SMC已發行股本之56.14%，代價為24,257,000港元包括法律及專業費用952,000港元。除新股份外，SMC亦以無償發行認股權證予本集團，詳情載於附註39。認股權證於發行日期之公平值總額約為5,532,000港元。認股權證儲備及可供出售投資已於合併賬目時對銷。是項收購乃以購買會計法處理。收購所產生之商譽為37,934,000港元。

交易所收購之負債淨額及所產生之商譽載列如下：

35. ACQUISITION OF SUBSIDIARIES

In June 2006, the Group acquired a 56.14% of the issued share capital of SMC at a consideration of HK$24,257,000, including legal and professional fees of HK$952,000. In addition to the new shares, SMC also issued warrants to the Group at nil consideration, details are set out in note 39. The total fair value of the warrants at the date of issue is approximately HK$5,532,000. The warrant reserve and available-for-sale investments are eliminated on consolidation. The acquisition has been accounted for using the purchase method of accounting. The amount of goodwill arising as a result of the acquisition was HK$37,934,000.

The net liabilities acquired in the transaction, and the goodwill arising, are as follows:

		HK$'000 千港元
所收購之負債淨額：	Net liabilities acquired:	
物業、廠房及設備	Property, plant and equipment	3,708
存貨	Inventories	12,479
應收賬款、按金及預付款項	Debtors, deposits and prepayments	13,892
銀行結存及現金	Bank balances and cash	10,030
應付賬款及應計費用	Creditors and accrued charges	(34,722)
應付税項	Taxation payable	(19,064)
		(13,677)
商譽	Goodwill	37,934
		24,257
以下列方式支付：	Satisfied by:	
現金代價	Cash consideration	8,720
收購附屬公司之按金	Deposit for acquisition of subsidiaries	15,537
		24,257
收購所產生之現金(流出)流入淨額：	Net cash (outflow) inflow arising on acquisition:	
現金代價	Cash consideration	(8,720)
所收購之銀行結存及現金	Bank balances and cash acquired	10,030
		1,310

35. 收購附屬公司 *(續)*

SMC主要從事開發、生產、分銷、推廣及銷售卡拉OK音響設備、配件及音樂， 其股份於美國證券交易所上市。本集團管理層認為，收購SMC之股本權益有利本集團作多元發展其產品系列及擴充本集團之現有分銷網絡，以達致協同效益及提升經濟規模。因此，管理層願意支付溢價收購SMC之股本權益，並錄得收購商譽37,934,000港元。

由收購日期起至結算日止期間，SMC為本集團營業額帶來199,660,000港元，並為本年度之本集團溢利帶來虧損3,440,000港元。

倘收購於2006年4月1日完成，本年度之本集團營業額為2,442,290,000港元，而年內溢利為95,311,000港元。備考資料僅供說明用途，並不一定為本集團在收購於2006年4月1日完成後實際之收益及營運業績之指標，亦非未來業績之預測。

35. ACQUISITION OF SUBSIDIARIES *(Continued)*

SMC is principally engaged in the development, production, distribution, marketing and sales of karaoke audio equipment, accessories and music and its shares are listed on the American Stock Exchange. The management of the Group considers the acquisition of equity interests in SMC can help to diversify the category of products and extend the existing distribution network of the Group to achieve synergistic effect and economy of scale of operations. Accordingly, the management is willing to pay a premium to acquire the equity interests in SMC and results in a goodwill on acquisition of HK$37,934,000.

SMC contributed HK$199,660,000 to the Group's turnover and a loss of HK$3,440,000 to the Group's profit for the year between the date of acquisition and the balance sheet date.

If acquisition had been completed on 1 April 2006, the Group's turnover for the year would have been HK$2,442,290,000 and profit for the year would have been HK$95,311,000. The pro forma information is for illustrative purposes only and is not necessary an indicative revenue and results of operation of the Group that actually would have been achieved had the acquisition been completed on 1 April 2006, nor is it intended to be a projection of future results.

36. 被視為出售附屬公司部份權益

由2006年9月起至2007年2月止期間，SMC已發行合共4,350,381股股份予若干名獨立第三方，因此，本集團所持有之股權已由56.14%攤薄至47.19%，令本集團錄得被視為出售附屬公司部份權益之收益約10,194,000港元及應佔商譽淨值約2,999,000港元。被視為出售附屬公司部份權益之收益乃根據於SMC發行額外股份前後，本集團應佔SMC資產淨值之差額計算。由於本集團可繼續指派SMC一半以上董事局成員，因此本集團可對SMC行使控制權，而本集團為SMC之單一最大股東。因此，其被視為本集團之附屬公司。

36. DEEMED PARTIAL DISPOSAL OF A SUBSIDIARY

During the period from September 2006 to February 2007, SMC issued an aggregate of 4,350,381 shares to certain independent third parties, accordingly, the shareholding held by the Group was diluted from 56.14% to 47.19% and resulted in a gain on deemed partial disposal amounting to approximately HK$10,194,000, net of attributable goodwill of approximately HK$2,999,000. The gain on deemed partial disposal was calculated as the difference between the Group's share of net assets in SMC, prior to and after each additional issue of shares by SMC. The Group is able to exercise control over SMC since over 50% of the board of directors of SMC continues to be nominated by the Group and the Group is the single largest shareholder of SMC. Accordingly, it is classified as a subsidiary of the Group.

37. 出售附屬公司

於2006年9月，SMC出售其於附屬公司International SMC (HK) Limited（「ISMC」）之100%股權，代價為99,000港元。

ISMC於出售日期之負債淨額載列如下：

37. DISPOSAL OF A SUBSIDIARY

In September 2006, SMC disposed of its 100% equity interest in a subsidiary, International SMC (HK) Limited ("ISMC"), at a consideration of HK$99,000.

The net liabilities of ISMC at the date of disposal were as follows:

		HK$'000 千港元
所出售負債淨額：	Net liabilities disposed of:	
物業、廠房及設備	Property, plant and equipment	216
應收賬款、按金及預付款項	Debtors, deposits and prepayments	380
銀行結存及現金	Bank balances and cash	577
應付賬款及應計費用	Creditors and accrued charges	(1,230)
應付税項	Taxation payable	(19,064)
		(19,121)
已解除商譽	Goodwill released	19,121
出售時收益	Gain on disposal	99
以現金代價支付	Satisfied by cash consideration	99
出售時所產生之現金流入（流出）淨額：	Net cash inflow (outflow) arising on disposal:	
現金代價	Cash consideration	99
所出售之銀行結存及現金	Bank balances and cash disposed of	(577)
		(478)

於本年度，ISMC對本集團業績及現金流量之影響並不重大。

The impact of ISMC on the Group's results and cash flows in the current year is insignificant.

38. 主要非現金交易

於2001年9月，Cosmo Communications Corporation（「Cosmo」）結欠本公司全資附屬公司智輝企業有限公司（「智輝」，先前持有Cosmo已發行股本91.4%權益）一筆為數1,162,000美元（相等於9,029,000港元）之貸款，而Cosmo亦結欠智輝應付賬款838,000美元（相等於6,511,000港元）。

於2007年3月15日，Cosmo及智輝同意將未償還貸款及應付賬款餘額全數轉換為Cosmo每股面值0.05美元之普通股份。Cosmo將就貸款及應付賬款解除所有責任及負債。

完成轉換後，本集團於Cosmo之應佔股權已由91.4%增加至93.8%。

38. MAJOR NON-CASH TRANSACTION

In September 2001, Cosmo Communications Corporation ("Cosmo") was indebted to Master Light Enterprise Limited ("Master Light"), a wholly-owned subsidiary of the Company, which previously held a 91.4% interest in the issued share capital of Cosmo, pursuant to a loan in an aggregate amount of US$1,162,000 (equivalent to HK$9,029,000) and Cosmo was indebted to Master Light for trade payables in the amount of US$838,000 (equivalent to HK$6,511,000).

On 15 March 2007, Cosmo and Master Light agreed that the outstanding balance of the loan and the trade payable to be converted into shares of Cosmo's common stock at a par value US$0.05 per share as a full payment. Cosmo would be released from all its obligations and liabilities with respect to the loan and the trade payable.

Upon the completion of conversion, the attributable equity interest to the Group in Cosmo increased from 91.4% to 93.8%.

39. 資本承擔

39. CAPITAL COMMITMENTS

		2007 千港元 HK$'000	2006 千港元 HK$'000
已簽約但未在財務報告撥備之資本費用：	Capital expenditure contracted for but not provided in the financial statements in respect of:		
－收購物業、廠房及設備	– acquisition of property, plant and equipment	**7,179**	3,104
－收購土地使用權	– acquisition of land use rights	**46,134**	–
－收購附屬公司	– acquisition of subsidiaries	**–**	7,769
		53,313	10,873

39. 資本承擔 *(續)*

於2006年2月21日，本集團與SMC訂立購入證券協議，以每股0.233美元之價格收購及認購SMC12,875,536股新股份，總代價為3,000,000美元(相當於23,310,000港元)。除新股份外，SMC亦以零代價向本集團發行認股權證。該等認股權證附有權利，可於交易結束日期後第一週年、第三週年及第四週年，按0.233美元(按每股股份基準支付之初步價格)、0.28美元(相當於初步價格120%)及0.35美元(相當於初步價格150%)之價格購入最多5,000,000股SMC額外股份。

於2006年3月8日，本集團與SMC訂立過渡貸款協議。根據該協議，本集團授予SMC一筆2,000,000美元(相當於15,537,000港元)之貸款，以贖回其尚未償還之債券。是項貸款可以現金償還或於交易完成後由本集團向SMC支付購入代價抵銷。因此，於結算日，過渡貸款列作收購附屬公司之訂金，餘下款項1,000,000美元(相當於7,769,000港元)則作為本集團於2006年3月31日之資本承擔披露。

39. CAPITAL COMMITMENTS *(Continued)*

On 21 February 2006, the Group entered into a securities purchase agreement with SMC to acquire and subscribe for 12,875,536 new shares of SMC, at the price of US$0.233 per share. The total consideration was US$3,000,000 (equivalent to HK$23,310,000). In addition to the new shares, SMC issued warrants to the Group at nil consideration. The warrants contain the rights to purchase up to 5,000,000 additional shares of SMC at prices of US$0.233 (the initial price paid on a per share basis), US$0.28 (equals to 120% of the initial price) and US$0.35 (equals to 150% of the initial price) on the first, third and fourth anniversary of the closing date of the transaction.

On 8 March 2006, the Group entered into a bridge loan agreement with SMC. Pursuant to the bridge loan agreement, the Group granted a loan of US$2,000,000 (equivalent to HK$15,537,000) to SMC for redemption of its outstanding debentures. The loan can be repaid either in cash or offset against the purchase consideration to be paid by the Group to SMC upon completion of the transaction. Accordingly, the bridge loan was recorded as a deposit for acquisition of subsidiaries at the balance sheet date, and the remaining balance of US$1,000,000 (equivalent to approximately HK$7,769,000) was disclosed as a capital commitment of the Group as at 31 March 2006.

40. 經營租約承擔

作為承租人

於結算日，本集團根據不可撤銷之已承租物業經營租約須於下列期間償還之最低租金承擔如下：

40. OPERATING LEASE COMMITMENTS

As lessee

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises as follows:

		2007 千港元 HK$'000	2006 千港元 HK$'000
一年內	Within one year	**5,684**	2,100
第二至第五年內	In the second to fifth years inclusive	**2,138**	2,079
超過五年	Over five years	**1,000**	1,188
		8,822	5,367

經營租約付款指本集團之辦公室及廠房物業之應付租金。租約乃經磋商後釐定，平均年期為三年，而租金於租約期內是固定的。

Operating lease payments represent rentals payable by the Group for its office and factory premises. Leases are negotiated for an average term of three years and rentals are fixed over the lease terms.

作為出租人

持有之物業已與租客簽訂未來一年之租約。根據本集團與租客簽訂不可撤銷經營租約，於下列期間應收取之未來最低租金如下：

As lessor

The properties held have committed tenants for the next year. The Group had contracted with tenants for the future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2007 千港元 HK$'000	2006 千港元 HK$'000
一年內	Within one year	**2,428**	3,280
第二至第五年內	In the second to fifth years inclusive	**–**	1,822
		2,428	5,102

41. 資產抵押

於結算日，本集團抵押若干資產作為所獲一般信貸融資及經紀股票按揭戶口之擔保。該等資產之賬面值如下：

41. PLEDGE OF ASSETS

At the balance sheet date, the Group pledged certain assets with the following carrying values to secure the general credit facilities granted to the Group and the margin accounts with brokers:

		2007 千港元 HK$'000	2006 千港元 HK$'000
具追索權銀行貼現票據及已貼現應收賬款結餘	Bills discounted with recourse and factored debtor balances	**91,967**	102,556
持作買賣之投資	Investments held for trading	**14,623**	13,678
指定為按公平值計入損益之金融資產	Financial assets designated at fair value through profit or loss	**17,760**	4,659
包括於應收賬款、按金及預付款項中之股票抵押按金	Margin deposits with brokers as included in debtors, deposits and prepayments	**11,708**	2,498

42. 或然負債

截至2007年3月31日止年度，本集團乃一宗涉及100,000美元(相等於770,000港元)訴訟之被告人。於本報告日期，有關訴訟尚未判決結果，因此，在綜合財務報表內並未就此呈列任何收支。

本集團在本年度內購入之SMC在一件有關版權侵權的案件中被列作被告之一。在2005年9月，各有關被告(包括SMC在內)多番提交呈請，以期撤銷此項由出版商就其擁有之音樂創作品而提出之控訴。在2005年10月，原告向法庭提呈簡易判決之申請。在2006年1月，法庭裁決各被告得直，並否決原告之控訴，隨之撤銷此案件，判各被告無罪。原告其後向法庭上訴，希望推翻原判，而有關案件現已交由上訴庭審理。雖然SMC有信心認為地方法院判其無罪，而上訴庭亦會確定此項判決，惟現時無法就將來的判決結果作出任何肯定的推測。因此，在綜合財務報表內並未就此呈列任何收支。由於所涉及之款額未能準確計量，故此，在計算因收購SMC而產生之商譽時亦無計入此或然負債。

42. CONTINGENT LIABILITIES

During the year ended 31 March 2007, the Group is a defendant in a lawsuit in the amount of US$100,000 (equivalent to HK$770,000). The outcome of this matter is not determinable as at the report date, and accordingly, no accrual has been made in the consolidated financial statements.

SMC, which was acquired by the Group during the year, is one of the defendants in a lawsuit relating to copyright infringement. In September 2005, the defendants, including SMC, filed multiple motions to dismiss the complaint from the publisher owners of musical compositions. In October 2005, the plaintiff filed a motion for summary judgment. In January 2006, the court granted the motions of the defendants and denied the motion of the plaintiff, thereby dismissing the case against the defendants with prejudice. The plaintiff thereafter appealed the decision and the case is currently under review by the appellate court. Despite the confidence of SMC that the ruling in its favor at the district court level will be affirmed on appeal, it is not possible to predict such outcomes with any degree of certainty. Accordingly, no accrual has been made in the consolidated financial statements. This contingent liability has not been taken into account when calculating the goodwill on acquisition of SMC since the amount cannot be measured reliably.

43. 退休福利計劃

本集團為香港全體合資格僱員參與香港政府推行之強積金計劃。強積金計劃之資產獨立於本集團之資產，由信託基金管理。自收益表扣除之強積金退休福利成本指本集團按強積金計劃規則規定之比率作出之應付供款。

受僱於中國附屬公司之僱員是中國政府管理之國營退休福利計劃之成員。該等中國附屬公司須按工資若干百分比向退休福利基金供款。本集團對有關退休福利計劃之責任只限於按該計劃所規定供款額作出供款。

43. RETIREMENT BENEFITS SCHEME

The Group participates in the MPF Scheme implemented by the Hong Kong Government for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group in funds under the control of trustee. The retirement benefit cost for the MPF charged to the income statement represents contributions payable to the fund by the Group at rates specified in the rules of the MPF Scheme.

The employees employed in the PRC subsidiaries are members of the state-managed retirement benefits schemes operated by the PRC government. The PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes is to make the required contributions under the schemes.

44. 關連人士交易

(a) 於本年度內，本集團主要股東劉錫康先生為本集團之一項非上市可供出售投資之減值提供個人擔保額達15,000,000港元（2006年：15,000,000港元）。

本集團與關連人士及聯營公司有往來賬項。於2007年3月31日，其往來賬項結餘及其條款分別列於綜合資產負債表內及於附註25及26闡述。

(b) 年內，本集團就本公司董事劉錫康先生多名近親家族成員作為本集團僱員而向彼等支付薪酬及其他短期僱員福利(包括股份付款)2,200,000港元（2006年：1,489,000港元）。

(c) 主要管理層人員之薪酬
年內，主要管理人員，即董事之酬金詳情載於附註10。

44. RELATED PARTY TRANSACTIONS

(a) During the year, Mr. Lau Sak Hong, Philip, a substantial shareholder of the Company, has provided a personal guarantee to indemnify the Group for any impairment of an unlisted available-for-sale investment to the extent of HK$15 million (2006: HK$15 million).

The Group maintained current accounts with related parties and associates. Their balances as at 31 March 2007 are set out in the consolidated balance sheet with the terms disclosed in notes 25 and 26.

(b) During the year, the Group paid salaries and other short term employee benefits, including share-based payments, of HK$2,200,000 (2006: HK$1,489,000) to certain close family members of Mr. Lau Sak Hong, Philip, a director of the Company, as employees of the Group.

(c) Compensation of key management personnel
Details of the remuneration of key management personnel, which are the directors, during the year were set out in note 10.

45. 比較數字

綜合損益表之若干比較數字經已重新分類以將出售持作買賣投資之收益按淨額基準列作投資收入。詳情載列如下：

45. COMPARATIVE FIGURES

Certain comparative figures in the consolidated income statement have been reclassified to present the gain on disposal of investments held for trading on a net basis as investment income. Details are set out as follows:

		先前呈報 As previously reported 千港元 HK$'000	重新分類 Reclassification 千港元 HK$'000	重列 As restated 千港元 HK$'000
營業額	Turnover	1,820,300	(37,529)	1,782,771
銷售成本	Cost of sales	1,550,672	(33,317)	1,517,355
投資收入	Investment income	–	4,212	4,212

46. 主要附屬公司

本公司之主要附屬公司詳情如下：

46. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries are as follows:

附屬公司名稱 Name of subsidiary	註冊成立或註冊／營業地點 Place of incorporation or registration/ operations	已發行普通股股本／註冊資本面值 Nominal value of issued ordinary share capital/ registered capital	本集團應佔股本權益 Attributable equity interest to the Group 2007	2006	主要業務 Principal activities
銳歡有限公司 ACME Delight Limited	香港 Hong Kong	2港元 HK$2	100%	100%	投資控股 Investment holding
Cosmo Communications Corporation	美國／加拿大 United States of America/Canada	1,571,000美元 US$1,571,000	93.8%	91.4%	電器產品貿易及投資控股 Trading in electrical appliances and investment holding
永堅有限公司 Ever Solid Limited	香港 Hong Kong	10,000港元 HK$10,000	100%	100%	投資控股 Investment holding
Hyundai Household Improvement Limited	香港 Hong Kong	2港元 HK$2	100%	100%	電器產品貿易 Trading in electrical appliances
高力勤實業有限公司 Korrigan Industrial Holdings Limited	香港 Hong Kong	25,000,000港元 HK$25,000,000	100%	100%	投資控股 Investment holding

46. 主要附屬公司 (續) / 46. PRINCIPAL SUBSIDIARIES (Continued)

附屬公司名稱 Name of subsidiary	註冊成立或註冊／營業地點 Place of incorporation or registration/ operations	已發行普通股股本／註冊資本面值 Nominal value of issued ordinary share capital/ registered capital	本集團應佔股本權益 Attributable equity interest to the Group 2007	2006	主要業務 Principal activities
高力勤國貿有限公司 Korrigan Marketing Limited	香港 Hong Kong	2港元 HK$2	100%	100%	電視產品貿易 Trading in television sets
智輝企業有限公司 Master Light Enterprises Limited	香港 Hong Kong	2港元 HK$2	100%	100%	投資控股 Investment holding
妙勤企業有限公司 Merrygain Holding Company Limited	香港 Hong Kong	5,000,000港元 HK$5,000,000	96%	96%	物業投資 Property investment
Newstar.com Limited	英屬維爾京群島 British Virgin Islands	1美元 US$1	100%	100%	投資控股 Investment holding
Nice States Investment Limited	香港 Hong Kong	2港元 HK$2	100%	100%	物業投資 Property investment
美日有限公司 Niceday Limited	香港 Hong Kong	2港元 HK$2	100%	100%	投資控股及物業發展 Investment holding and property development
廣捷有限公司 Noble Win Limited	香港 Hong Kong	2港元 HK$2	100%	100%	物業投資 Property investment
永光管理有限公司 Ram Light Management Limited	英屬維爾京群島 British Virgin Islands	1美元 US$1	100%	100%	投資控股 Investment holding
Sheen United Technology Limited	英屬維爾京群島 British Virgin Islands	1美元 US$1	100%	100%	投資控股 Investment holding
SIH Limited	英屬維爾京群島 British Virgin Islands	10,000港元 HK$10,000	100%	100%	投資控股 Investment holding
Skylight Technologies Limited	英屬維爾京群島 British Virgin Islands	1美元 US$1	100%	100%	投資控股 Investment holding

46. 主要附屬公司 (續) / 46. PRINCIPAL SUBSIDIARIES (Continued)

附屬公司名稱 Name of subsidiary	註冊成立或註冊／營業地點 Place of incorporation or registration/ operations	已發行普通股股本／註冊資本面值 Nominal value of issued ordinary share capital/ registered capital	本集團應佔股本權益 Attributable equity interest to the Group 2007	2006	主要業務 Principal activities
The Singing Machine Company, Inc.#	美國 United States of America	272,862美元 US$272,862	47.19%	–	消費卡拉OK音響設備貿易 Trading in consumer karaoke audio products
星輝電子有限公司 Star Fair Electronics Company Limited	香港 Hong Kong	15,090,000港元 HK$15,090,000	100%	100%	電子產品貿易 Trading in electronic products
Star Fair Manufacturing Company Limited	澤西島/中國 Jersey/PRC	12英鎊 £12	100%	100%	電子產品及塑膠產品製造及銷售 Manufacture and sale of electronic and plastic products
Star Legend Offshore Limited	英屬維爾京群島 British Virgin Islands	1美元 US$1	100%	100%	投資控股 Investment holding
Star Legend Technologies Limited	英屬維爾京群島 British Virgin Islands	1美元 US$1	100%	100%	投資控股 Investment holding
升岡電子有限公司 Star Light Electronics Company Limited	香港 Hong Kong	13,000,000港元 HK$13,000,000	100%	100%	電子產品貿易 Trading in electronic products
星葉發展有限公司 Starleaf Development Limited	香港 Hong Kong	2港元 HK$2	100%	100%	投資控股 Investment holding
Starlight eTech (Holdings) Limited	英屬維爾京群島 British Virgin Islands	1美元 US$1	100%	100%	投資控股 Investment holding
升岡出口有限公司 Starlight Exports Limited	香港 Hong Kong	2港元 HK$2	100%	100%	物業投資 Property investment
升岡集團有限公司 Starlight Industrial Holdings Limited	香港 Hong Kong	73,920,192港元 HK$73,920,192	100%	100%	投資控股 Investment holding

46. 主要附屬公司 (續) 46. PRINCIPAL SUBSIDIARIES *(Continued)*

附屬公司名稱 Name of subsidiary	註冊成立或註冊／營業地點 Place of incorporation or registration/ operations	已發行普通股股本／註冊資本面值 Nominal value of issued ordinary share capital/ registered capital	本集團應佔股本權益 Attributable equity interest to the Group 2007	2006	主要業務 Principal activities
Starlight Manufacturers Limited	澤西島/中國 Jersey/PRC	100,000港元 HK$100,000	100%	100%	電子產品製造及銷售 Manufacture and sale of electronic products
升岡市場拓展有限公司 Starlight Marketing Development Limited	香港 Hong Kong	2港元 HK$2	100%	100%	電子產品推銷 Marketing in electronic products
升岡市場推廣有限公司 Starlight Marketing Limited	香港 Hong Kong	2港元 HK$2	100%	100%	證券買賣及電子產品貿易 Securities trading and trading in electronic products
升岡市場推廣澳門離岸商業服務有限公司 Starlight Marketing Macao Commercial Offshore Limited	澳門 Macau	100,000港元 HK$100,000	100%	100%	電子產品貿易 Trading in electronic products
Starlight Overseas Marketing Limited	毛里求斯共和國 Republic of Mauritius	1美元 US$1	100%	100%	電子產品貿易 Trading in electronic products
升岡科研有限公司 Starlight R&D Limited	香港 Hong Kong	10,000港元 HK$10,000	100%	100%	物料採購及提供工程服務 Material sourcing and provision of engineering services
升岡影像有限公司 Starlight Video Limited	香港 Hong Kong	4港元 HK$4	100%	100%	為集團公司提供代理服務及視像產品貿易 Provision of nominee services for group companies and trading of DVD products

46. 主要附屬公司 (續) 46. PRINCIPAL SUBSIDIARIES (Continued)

附屬公司名稱 Name of subsidiary	註冊成立或註冊／營業地點 Place of incorporation or registration/ operations	已發行普通股股本／註冊資本面值 Nominal value of issued ordinary share capital/ registered capital	本集團應佔股本權益 Attributable equity interest to the Group 2007	2006	主要業務 Principal activities
Starlite Consumer Electronics (USA) Inc.	開曼群島 Cayman Islands	2港元 HK$2	100%	100%	電子產品貿易 Trading in electronic products
演富投資有限公司 Starshow Investment Limited	香港 Hong Kong	2港元 HK$2	100%	100%	為集團公司提供代理服務 Provision of nominee services for group companies
恒敏實業有限公司 Success Base Industries Limited	香港 Hong Kong	4,000,000港元 HK$4,000,000	80%	80%	塑膠產品製造及銷售 Manufacture and sale of plastic products
Top Spring Technology Limited	英屬維爾京群島 British Virgin Islands	1美元 US$1	100%	100%	投資控股 Investment holding
廣州星輝電子制造有限公司 Starfair Manufacturing (Panyu) Company Limited	中國* PRC*	33,300,000港元 HK$33,300,000	100%	100%	電子產品製造及銷售 Manufacture and sale of electronic products
深圳升岡電子有限公司 Shenzhen Starlight Electronics Co. Ltd.	中國* PRC*	60,000,000港元 HK$60,000,000	100%	100%	電子產品製造及銷售 Manufacture and sale of electronic products
番禺富臨花園房地產有限公司	中國* PRC*	人民幣31,750,000元 RMB31,750,000	100%	100%	物業發展 Property development
番禺恒敏塑膠製品有限公司 Panyu Success Base Plastic Company Limited	中國* PRC*	20,000,000港元 HK$20,000,000	100%	80%	塑膠產品製造及銷售 Manufacture and sale of plastic products

46. 主要附屬公司 *(續)*

46. PRINCIPAL SUBSIDIARIES *(Continued)*

附屬公司名稱 Name of subsidiary	註冊成立或註冊／營業地點 Place of incorporation or registration/ operations	已發行普通股股本／註冊資本面值 Nominal value of issued ordinary share capital/ registered capital	本集團應佔股本權益 Attributable equity interest to the Group 2007	2006	主要業務 Principal activities
番禺星輝電器制造有限公司 Panyu Starfair Electronics Manufacturing Company Limited	中國* PRC*	21,500,000港元 HK$21,500,000	100%	100%	電子產品製造及銷售 Manufacture and sale of electronic products

* *附屬公司屬為中國全外資企業。*

\# *由於本集團可指派SMC董事局50%以上成員，因此可對SMC行使控制權，而本集團為SMC之單一最大股東。此外，於行使SMC發行予本集團之認股權證後，本集團於SMC之股本權益將增加至53.27%。因此，SMC被列作本集團之附屬公司。*

董事局認為上表所列本公司附屬公司均對本年度之業績有重要的影響，或構成本集團資產淨值主要部分。董事局認為如提供其他附屬公司之詳情，將令資料過於冗長。

除SIH Limited及Star Legend Offshore Limited為本公司直接持有外，所有其他附屬公司均為本公司間接持有。於本年底或本年度內任何時間，均無附屬公司有任何未償還借貸資本。

* *The subsidiaries are PRC wholly foreign owned enterprises.*

\# *The Group is able to exercise control over SMC since over 50% of the board of directors are nominated by the Group and the Group is the single largest shareholder of SMC. In addition, upon exercise of warrants issued by SMC to the Group, the Group's equity interest in SMC will increase to 53.27%. Accordingly, it is classified as a subsidiary of the Group.*

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

Other than SIH Limited and Star Legend Offshore Limited which are held directly by the Company, all other subsidiaries are held indirectly by the Company. None of the subsidiaries had any loan capital outstanding at the end of the year or at any time during the year.

FIVE YEAR FINANCIAL SUMMARY
五年財務概要

		Year ended 31 March 截至3月31日止年度				
		2003 千港元 HK$'000	2004 千港元 HK$'000	2005 千港元 HK$'000	2006 千港元 HK$'000	**2007 千港元 HK$'000**
業績	RESULTS					
營業額(重列)	Turnover (restated)	1,364,789	1,785,247	1,630,741	1,782,771	**2,434,241**
除税前溢利	Profit before taxation	61,425	101,603	56,768	90,691	**119,906**
税項	Taxation	(218)	(720)	(5,694)	(11,452)	**(9,715)**
本年度溢利	Profit for the year	61,207	100,883	51,074	79,239	**110,191**
下列人士應佔：	Attributable to:					
本公司股東	Shareholders of the Company	61,118	100,065	50,526	79,141	**105,196**
少數股東權益	Minority interests	89	818	548	98	**4,995**
		61,207	100,883	51,074	79,239	**110,191**

		At 31 March 於3月31日				
		2003 千港元 HK$'000	2004 千港元 HK$'000	2005 千港元 HK$'000	2006 千港元 HK$'000	**2007 千港元 HK$'000**
資產與負債	ASSETS AND LIABILITIES					
資產總值	Total assets	880,716	1,023,051	975,841	1,219,487	**1,432,998**
負債總額	Total liabilities	340,885	352,718	292,474	490,793	**620,648**
		539,831	670,333	683,367	728,694	**812,350**
本公司股東應佔權益	Equity attributable to shareholders of the Company	539,284	668,968	681,814	727,177	**797,117**
上市附屬公司之購股權儲備	Share option reserve of a listed subsidiary	–	–	–	–	**66**
少數股東權益	Minority interests	547	1,365	1,553	1,517	**15,167**
		539,831	670,333	683,367	728,694	**812,350**

截至2006年3月31日止四年各年之營業額經已重列以將出售持作買賣投資之收益按淨額基準列作投資收入。

The turnover for each of the four years ended 31 March 2006 has been restated to present the gain on disposal of investments held for trading on a net basis as investment income.

SUMMARY OF INVESTMENT PROPERTIES
投資物業概要

作收租用途持有之投資物業 Investment properties held for rental purposes	樓面面積 (平方呎) Gross floor area (sq. ft.)	物業性質 Nature of property	本集團 應佔權益 Attributable interest to the Group	租約分類 Category of lease
香港銅鑼灣邊寧頓街18號 廣旅集團大廈13樓B、C、D Units B, C and D on 13th Floor of Guangdong Tours Centre No. 18 Pennington Street CausewayBay Hong Kong	2,280	商業 Commercial	100%	長年期租約 Long leases
香港中環金鐘道95號 統一中心26樓A Unit A, 26th Floor United Centre No. 95 Queensway, Central Hong Kong	5,543	商業 Commercial	100%	長年期租約 Long leases
香港香港仔香港仔大道232號 城都工業大廈18樓 18th Floor Shing Dao Industrial Building No. 232 Aberdeen Main Road Aberdeen Hong Kong	12,079	工業 Industrial	100%	長年期租約 Long leases
香港香港仔香港仔大道232號 城都工業大廈14樓 14th Floor Shing Dao Industrial Building No. 232 Aberdeen Main Road Aberdeen Hong Kong	13,974	工業 Industrial	100%	長年期租約 Long leases
香港香港仔香港仔大道232號 城都工業大廈12樓 12th Floor Shing Dao Industrial Building No. 232 Aberdeen Main Road Aberdeen Hong Kong	13,974	工業 Industrial	96%	長年期租約 Long leases
番禺石碁鎮岐山路8號 221及36地段	63,968	商業 Commercial	100%	長年期租約 Long leases

STARLITE

升岡國際有限公司

Starlight International Holdings Ltd

(在百慕達註冊成立的有限公司)

(Incorporated in Bermuda with Limited Liability)

Stock Code 股份代號：485