

恒
Perennial
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PERENNIAL INTERNATIONAL LIMITED
恒都集團有限公司

(Stock code 股份代號: 725)

INTERIM REPORT
中期報告 2007



INTERIM RESULTS

The Board of Directors (the “Directors”) of Perennial International Limited (the “Company”) is pleased to present the interim report and the unaudited condensed consolidated accounts of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30th June 2007 together with comparative figures as follows :

中期業績

恒都集團有限公司(「本公司」)之董事會(「董事」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零零七年六月三十日止六個月之中期報告及未經審核簡明綜合賬目，連同比較數字如下：

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED)

簡明綜合損益表(未經審核)

for the six months ended 30th June 2007

截至二零零七年六月三十日止六個月

		Six months ended 30th June		
		截至六月三十日止六個月		
		2007	2006	
		HK\$'000	HK\$'000	
		千港元	千港元	
Turnover	營業額	4	224,156	174,494
Cost of sales	銷售成本		(181,212)	(140,446)
Gross profit	毛利		42,944	34,048
Other gains	其他收益	5	2,639	190
Distribution expenses	分銷開支		(4,909)	(4,718)
Administrative expenses	行政開支		(24,152)	(20,222)
Other operating expenses	其他經營開支		(1,715)	(1,029)
Operating profit	經營溢利	6	14,807	8,269
Finance costs	財務費用	8	(3,066)	(2,110)
Profit before taxation	除稅前溢利		11,741	6,159
Taxation	稅項	9	(1,023)	243
Profit attributable to shareholders	股東應佔溢利		10,718	6,402
Dividend	股息	10	3,980	1,990
Basic earnings per share (cents)	每股基本盈利(仙)	11	5.4	3.2
Fully diluted earnings per share (cents)	每股全面攤薄盈利(仙)	11	5.4	3.2

CONDENSED CONSOLIDATED BALANCE SHEET

簡明綜合資產負債表

as at 30th June 2007

於二零零七年六月三十日

			Unaudited 未經審核 30th June 六月三十日 2007 HK\$'000 千港元	Audited 已經審核 31st December 十二月三十一日 2006 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Leasehold land and land use rights	土地租賃及土地使用權	14	29,956	30,349
Property, plant and equipment	物業、廠房及設備	12	91,483	89,266
Investment property	投資物業	13	7,110	4,700
Deposit paid for additions of land use rights and machinery	支付新增土地使用權 及機器之訂金		8,059	7,133
Deferred tax assets	遞延稅項資產		2,670	2,670
			139,278	134,118
Current assets	流動資產			
Inventories	存貨	15	61,743	73,492
Trade receivables	應收貿易賬款	16	120,989	109,375
Other receivables, deposits and prepayments	其他應收賬款、訂金及 預付款項		7,740	5,979
Bank balances and cash	銀行結存及現金		17,666	14,049
			208,138	202,895
Total assets	總資產		347,416	337,013
EQUITY	權益			
Share capital	股本	17	19,896	19,896
Other reserves	其他儲備	18	18,986	18,974
Retained earnings	保留盈利			
Others	其他		149,240	142,502
Proposed dividend	擬派股息		3,980	5,970
Total equity	總權益		192,102	187,342

Unaudited Condensed Consolidated Accounts
未經審核簡明綜合賬目

CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

簡明綜合資產負債表(續)

as at 30th June 2007

於二零零七年六月三十日

			Unaudited 未經審核 30th June 六月三十日 2007 HK\$'000 千港元	Audited 已經審核 31st December 十二月三十一日 2006 HK\$'000 千港元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Long-term bank loans	長期銀行貸款	20	2,467	3,158
Obligations under hire purchase contracts	租購合約承擔	20	7,805	9,015
Deferred tax liabilities	遞延稅項負債		3,429	3,662
			13,701	15,835
Current liabilities	流動負債			
Trade payables	應付貿易款項	19	38,265	43,550
Other payables and accruals	其他應付款項及應計開支		17,017	15,935
Taxation	稅項		1,207	725
Current portion of obligations under hire purchase contracts	租購合約承擔一年內應償還額	20	2,593	2,879
Current portion of long-term bank loans	長期銀行貸款一年內應償還額	20	1,362	2,224
Short-term bank loans	短期銀行貸款	20	6,000	6,000
Trust receipt loans	信託收據貸款	20	75,169	62,523
			141,613	133,836
Total liabilities	總負債		155,314	149,671
Total equity and liabilities	總權益及總負債		347,416	337,013
Net current assets	流動資產淨值		66,525	69,059
Total assets less current liabilities	總資產減流動負債		205,803	203,177

Unaudited Condensed Consolidated Accounts 未經審核簡明綜合賬目

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

簡明綜合權益變動表(未經審核)

for the six months ended 30th June 2007

截至二零零七年六月三十日止六個月

		Share capital 股份 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st January 2007	於二零零七年一月一日	19,896	18,974	148,472	187,342
Profit attributable to shareholders	股東應佔溢利	-	-	10,718	10,718
Exchange difference arising from translation of accounts of subsidiaries	附屬公司之兌換之匯率差異	-	12	-	12
Final dividend paid for 2006	二零零六年已派發之末期股息	-	-	(5,970)	(5,970)
At 30th June 2007	於二零零七年六月三十日	19,896	18,986	153,220	192,102
Represented by:	相當於:				
Interim dividend proposed for 2007	二零零七年擬派發之中期股息			3,980	
Others	其他			149,240	
Retained earnings as at 30th June 2007	截至二零零七年六月三十日止之保留盈利			153,220	
		Share capital 股份 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st January 2006	於二零零六年一月一日	19,896	18,343	126,972	165,211
Profit attributable to shareholders	股東應佔溢利	-	-	6,402	6,402
Final dividend paid for 2005	二零零五年已派發之末期股息	-	-	(5,970)	(5,970)
At 30th June 2006	於二零零六年六月三十日	19,896	18,343	127,404	165,643
Represented by:	相當於:				
Interim dividend proposed for 2006	二零零六年擬派發之中期股息			1,990	
Others	其他			125,414	
Retained earnings as at 30th June 2006	截至二零零六年六月三十日止之保留盈利			127,404	

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

簡明綜合現金流量表 (未經審核)

for the six months ended 30th June 2007

截至二零零七年六月三十日止六個月

Six months ended 30th June

截至六月三十日止六個月

2007 2006

HK\$'000 HK\$'000

千港元 千港元

Cash flows from operating activities	營運活動的現金流量		
Cash generated from operations	營運產生的現金	10,907	2,262
Profits tax paid	支付利得稅	(775)	(452)
Net cash generated from operating activities	營運活動產生的淨現金	10,132	1,810
Cash flows from investing activities	投資活動的現金流量		
Purchases of property, plant and equipment	購置物業、廠房及設備	(6,386)	(6,992)
Deposit paid for land use rights and machinery	支付土地使用權及機器之訂金	(926)	(922)
Sale of property, plant and equipment	出售物業、廠房及設備	133	-
Interest received	收取利息	91	71
Net cash used in investing activities	投資活動所用淨現金	(7,088)	(7,843)
Cash flows from financing activities	融資活動的現金流量		
Increase in trust receipt loans	新增信託收據貸款	12,646	16,529
Repayment of long-term bank loans	償還長期銀行貸款	(1,553)	(1,615)
Increase in short-term bank loans	新增短期銀行貸款	-	3,000
Repayment of capital element of hire purchase contracts	償還租購合約資本部份	(1,496)	(716)
Interest of hire purchase contracts	租購合約利息	(430)	(75)
Bank loans interest	銀行貸款利息	(2,636)	(2,035)
Dividend paid to the Company's shareholders	向本公司股東支付股息	(5,970)	(5,970)
Net cash generated from financing activities	融資活動產生淨現金	561	9,118
Net increase in cash and cash equivalents	現金及現金等價物之淨增加	3,605	3,085
Cash and cash equivalents at the beginning of the period	期初現金及現金等價物	14,049	19,364
Exchange difference on cash and cash equivalents	現金及現金等價物匯兌收益	12	-
Cash and cash equivalents at the end of the period	期終現金及現金等價物	17,666	22,449
Analysis of balances of cash and cash equivalents :	現金及現金等價物結存之分析 :		
Bank balances and cash	銀行結存及現金	17,666	22,449

1 GENERAL INFORMATION

The Perennial Group, founded in 1989, manufactures and trades quality power cords, power cord sets, cables and wire, wire harnesses and plastic resins. The Group's primary markets are America, Europe, Australia, China, Japan and Southeast Asia where it sells to prominent multi-national producers of electrical and electronic products.

2 BASIS OF PREPARATION

The unaudited condensed consolidated accounts for the six months ended 30th June 2007 are prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

These unaudited condensed consolidated accounts should be read in conjunction with the annual accounts for the year ended 31st December 2006.

1 一般資料

恒都集團於一九八九年成立，專門製造及營銷優質的電源線、電源線組合、導線、組合束線及塑膠皮料。本集團主要的外銷市場是美洲、歐洲、澳洲、中國、日本及東南亞客戶對象為著名的跨國電器及電子產品生產商。

2 編製基準

截至二零零七年六月三十日止六個月之未經審核簡明綜合賬目乃按照香港會計師公會頒布之準則（「會計準則」）第34號「中期財務報告」而編製。

本未經審核簡明賬目應與截至二零零六年十二月三十一日年度止之全年賬目一併參閱。

3 ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the annual accounts ended 31st December 2006.

New standards, amendment and interpretations effective in 2007:

HKAS 1 (Amendment)	Amendments to Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 7	Applying the Restatement Approach under HKAS 29 “Financial Reporting in Hyperinflationary Economies”
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment

The adoption of these new standards, amendment and interpretations does not have significant impact on the unaudited condensed consolidated accounts.

3 會計政策

本公司所採用的會計政策與截至二零零六年十二月三十一日年度止之全年賬目所採納的會計政策一致。

新準則、修訂及詮釋生效於二零零七年：

香港會計準則1(修訂)	資金披露修訂
香港財務準則7	金融工具：披露
香港(國際財務報告 詮釋委員會)-詮釋7	應用香港會計準 則第29「嚴重 通脹經濟的財 務報告」項下 重列法
香港(國際財務報告 詮釋委員會)-詮釋8	香港財務報告 準則2之範圍
香港(國際財務報告 詮釋委員會)-詮釋9	重新評估內含 衍生工具
香港(國際財務報告 詮釋委員會)-詮釋10	中期財務報告 與減值

此等新準則、修訂及詮釋的採用對未經審核簡明賬目並無任何重大影響。

4 **TURNOVER, REVENUE AND
SEGMENT INFORMATION**

Turnover recognised during the period are as follows:

Sale of goods 銷貨

Analysis of the Group's turnover and contribution to operating profit by:

Business segment

Turnover	營業額
Segment results	分部業績
Unallocated costs	未分配費用
Operating profit	經營溢利
Finance costs	財務費用
Profit before taxation	除稅前溢利
Taxation	稅項
Profit attributable to shareholders	股東應佔溢利
Depreciation and amortisation	折舊及攤銷

4 **營業額、收益及分部資料**

期內列賬之營業額如下：

Unaudited 未經審核	
Six months ended 30th June 截至六月三十日止六個月	
2007	2006
HK\$'000	HK\$'000
千港元	千港元
224,156	174,494

本集團之營業額及經營溢利之貢獻分析如下：

業務分部

Unaudited 未經審核		
Six months ended 30th June 2007 截至二零零七年六月三十日止六個月		
Cable and wire products 電線及導線	Investment holdings 投資	Group 本集團
產品	投資	本集團
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元
224,156	-	224,156
39,594	2,105	41,699
		(26,892)
		14,807
		(3,066)
		11,741
		(1,023)
		10,718
4,300	-	4,300

4 TURNOVER, REVENUE AND SEGMENT INFORMATION (CONTINUED)

4 營業額、收益及分部資料(續)

Business segment (Continued)

業務分部(續)

Assets and liabilities by segment as at 30th June 2007 and capital expenditure for the six months ended 30th June 2007 are as follows:

於二零零七年六月三十日之分部資產及負債與截至二零零七年六月三十日止六個月之資本性開支如下：

		Cable and wire products 電線及導線 產品 HK\$'000 千港元	Investment holdings 投資 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Group 本集團 HK\$'000 千港元
Assets	資產	308,770	38,646	-	347,416
Liabilities	負債	144,914	10,400	-	155,314
Capital expenditure for the six months ended 30th June 2007	二零零七年六月三十日止 六個月之資本性開支	6,386	-	-	6,386

There are no sales or other transactions between the business segments.

業務分部之間沒有銷售或其他交易。

4 TURNOVER, REVENUE AND
SEGMENT INFORMATION
(CONTINUED)

4 營業額、收益及分部資料(續)

Business segment (Continued)

業務分部(續)

		Unaudited 未經審核		
		Six months ended 30th June 2006 截至二零零六年六月三十日止六個月		
		Cable and wire products 電線及導線 產品 HK\$'000 千港元	Investment holdings 投資 HK\$'000 千港元	Group 本集團 HK\$'000 千港元
Turnover	營業額	174,494	-	174,494
Segment results	分部業績	34,048	-	34,048
Unallocated costs	未分配費用			(25,779)
Operating profit	經營溢利			8,269
Finance costs	財務費用			(2,110)
Profit before taxation	除稅前溢利			6,159
Taxation	稅項			243
Profit attributable to shareholders	股東應佔溢利			6,402
Depreciation and amortisation	折舊及攤銷	3,551	-	3,551

4 TURNOVER, REVENUE AND SEGMENT INFORMATION (CONTINUED)

Business segment (Continued)

Assets and liabilities by segment as at 31st December 2006 and capital expenditure for the six months ended 30th June 2006 are as follows:

		Cable and wire products 電線及導線 產品 HK\$'000 千港元	Investment holdings 投資 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Group 本集團 HK\$'000 千港元
Assets	資產	300,297	36,716	-	337,013
Liabilities	負債	138,832	4,519	6,320	149,671
Capital expenditure for the six months ended 30th June 2006	二零零六年六月三十日止 六個月之資本性開支	6,992	-	-	6,992

There are no sales or other transactions between the business segments.

4 營業額、收益及分部資料(續)

業務分部(續)

於二零零六年十二月三十一日之分部資產及負債與截至二零零六年六月三十日止六個月之資本性開支如下：

業務分部之間沒有銷售或其他交易。

4 **TURNOVER, REVENUE AND
SEGMENT INFORMATION
(CONTINUED)**

4 營業額、收益及分部資料(續)

Geographical segment

地區分部

Unaudited
未經審核

Six months ended 30th June 2007
截至二零零七年六月三十日止六個月

		Turnover	Segment results	Capital expenditure	Total assets
		營業額	分部業績	資本性開支	總資產
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong	香港	112,709	20,088	549	138,769
Mainland China	中國大陸	40,462	5,542	5,837	161,381
Other Asian Countries	其他亞洲國家	16,439	3,543	-	7,655
America	美洲	49,940	11,438	-	37,424
Europe	歐洲	4,467	1,047	-	2,187
South Africa	南非	139	41	-	-
		224,156	41,699	6,386	347,416

There are no sales between the geographical segments.

地區分部之間沒有任何銷售。

4 TURNOVER, REVENUE AND
SEGMENT INFORMATION
(CONTINUED)

4 營業額、收益及分部資料(續)

Geographical segment (Continued)

地區分部(續)

		Unaudited 未經審核		Audited 已經審核	
		Six months ended 30th June 2006 截至二零零六年六月三十日止六個月		31st December 2006 二零零六年 十二月三十一日	
		Segment 分部業績	Capital 資本性開支	Total 總資產	
Turnover 營業額	results 分部業績	expenditure 資本性開支	assets 總資產		
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Hong Kong	香港	79,970	11,464	81	137,684
Mainland China	中國大陸	23,921	3,800	6,911	160,542
Other Asian Countries	其他亞洲國家	12,991	3,043	-	6,425
America	美洲	52,156	14,507	-	30,772
Europe	歐洲	3,006	550	-	1,590
South Africa	南非	2,450	684	-	-
		174,494	34,048	6,992	337,013

There are no sales between the geographical segments.

地區分部之間並無任何銷售。

5 OTHER GAINS

5 其他收益

		Unaudited 未經審核	
		Six months ended 30th June 截至六月三十日止六個月	
		2007	2006
		HK\$'000	HK\$'000
		千港元	千港元
Revaluation surplus on investment property	投資物業之重估盈餘	2,410	-
Gross rental income from investment property	投資物業租金收入毛額	138	119
Interest income	利息收入	91	71
		2,639	190

6 OPERATING PROFIT

6 經營溢利

Expenses included in cost of sales, distribution expenses, administrative expenses and other operating expenses are analysed as follows:

開支包括銷售成本，分銷開支，行政開支及其他經營開支之分析如下：

		Unaudited 未經審核	
		Six months ended 30th June 截至六月三十日止六個月	
		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Amortisation and depreciation:	攤銷及折舊：		
Amortisation of leasehold land and land use rights	土地租賃及土地使用權攤銷	393	393
Depreciation of owned property, plant and equipment	自置物業、廠房及設備折舊	2,807	2,810
Depreciation of property, plant and equipment held under hire purchase contracts	根據租購合約持有之物業、廠房及設備折舊	1,100	348
Auditor's remuneration	核數師酬金	645	605
Cost of inventories sold	出售存貨成本	151,690	116,320
Net exchange loss/(gain)	外匯淨虧損/(盈利)	809	(396)
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租約租金	222	229
(Written-back)/provision for slow-moving inventories	慢用存貨(回撥)/撥備	(163)	944
Impairment of trade receivables	應收貿易款之減值	2,065	327
Staff costs (including directors' emoluments) (Note 7)	員工成本(包括董事酬金)(附註7)	24,475	21,013

7 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

7 員工成本(包括董事酬金)

		Unaudited 未經審核	
		Six months ended 30th June 截至六月三十日止六個月	
		2007	2006
		HK\$'000	HK\$'000
		千港元	千港元
Wages and salaries	薪酬工資	23,217	19,553
Termination benefits	解僱補償	35	2
Social security costs	社會保障成本	928	1,147
Pension costs – contribution to MPF scheme	退休金成本 – 向強積金計劃作出之供款	225	218
Other benefits	其他補償	70	93
		24,475	21,013

Included in the employee benefit expenses are remunerations paid to the directors as set out below:

員工福利開支包括支付予董事之酬金，賬列如下：

Directors' emoluments

董事酬金

		Unaudited 未經審核	
		Six months ended 30th June 截至六月三十日止六個月	
		2007	2006
		HK\$'000	HK\$'000
		千港元	千港元
Basic salaries, housing allowances, other allowances and benefits in kind	基本酬金，房屋津貼，其他津貼及實物利益	4,782	4,962
Discretionary bonuses	酌情花紅	117	239
Pension costs – contributions to MPF scheme	退休金成本 – 向強積金計劃作出之供款	36	39
		4,935	5,240

8 FINANCE COSTS

8 財務費用

		Unaudited 未經審核	
		Six months ended 30th June 截至六月三十日止六個月	
		2007	2006
		HK\$'000	HK\$'000
		千港元	千港元
Interest on bank loans	銀行貸款利息		
Wholly repayable within five years	須於五年內全數償還	2,636	1,862
Repayable over five years	須於五年後償還	-	173
Interest of hire purchase contracts	租購合約中之利息	430	75
		3,066	2,110

9 TAXATION

9 稅項

Hong Kong profits tax has been provided at the rate 17.5% (2006: 17.5%) on the estimated assessable profit for the period.

香港利得稅乃根據期內之估計應課稅溢利按17.5% (二零零六年：17.5%)之稅率撥備。

Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

海外溢利稅項為本集團附屬公司期內之估計應課稅溢利按其業務所在國家之普遍稅法計算。

On 16 March 2007, the National People's Congress of the PRC approved the Corporate Income Tax Law (the "new CIT Law"). The new CIT Law reduces or increases the corporate income tax rate for domestic enterprises or foreign invested enterprises from 33% or 24% or 15% to a fixed rate of 25% with effect from 1 January 2008. The new CIT Law provides that further detailed measures and regulations on the determination of taxable profit, tax incentives and grandfathering provisions will be issued by the State Council in due course. As and when the State Council announces the additional regulations, the Group will assess their impact, if any, and this change in accounting estimate will be accounted for prospectively.

於二零零七年三月十六日，中國全國人民代表大會通過《企業所得稅法》（「新所得稅法」）。新所得稅法將於二零零八年一月一日起施行，將內資企業或外資企業的企業所得稅率由原來的33%或24%或15%調低或增加至固定稅率25%。新所得稅法訂明，國務院將於適當時候頒佈有關釐定應課稅溢利、稅務優惠及保障條文的其他詳細措施及規例。待國務院宣佈該等額外規例後，本集團將評估該等規例的影響（如有），並在日後的賬目呈列有關會計估計的變動。

9 TAXATION (CONTINUED)

9 稅項(續)

		Unaudited 未經審核	
		Six months ended 30th June 截至六月三十日止六個月	
		2007	2006
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong profits tax	香港利得稅	300	153
Overseas taxation	海外稅項	723	396
Under-provision in prior years	年前撥備不足	-	13
Deferred taxation	遞延稅項	-	(805)
		1,023	(243)

10 DIVIDEND

10 股息

		Unaudited 未經審核	
		Six months ended 30th June 截至六月三十日止六個月	
		2007	2006
		HK\$'000	HK\$'000
		千港元	千港元
Interim, proposed, of HK\$0.02 (2006: HK\$0.01) per ordinary share	每股普通股0.02港元之 建議派發中期股息 (二零零六年：0.01港元)	3,980	1,990

At a meeting held on 3rd September 2007, the Directors declared an interim dividend of HK\$0.02 per ordinary share for the six months ended 30th June 2007. This proposed dividend is not reflected as a dividend payable in these unaudited condensed consolidated accounts, but will be reflected as an appropriation of retained earnings for the year ending 31st December 2007.

於二零零七年九月三日舉行之會議上，董事擬派截至二零零七年六月三十日止六個月之中期股息每股普通股0.02港元。此項擬派股息並無於本未經審核簡明綜合賬目中列作應付股息，惟將於截至二零零七年十二月三十一日止年度列作保留盈利分派。

11 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's profit attributable to shareholders for the six months ended 30th June 2007 of HK\$ 10,718,000 (Six months ended 30th June 2006: HK\$6,402,000) and the number of 198,958,000 (30th June 2006: 198,958,000) ordinary shares in issue during the period.

Diluted earnings per share equals basic earnings per share as there is no potential dilutive ordinary share during the period.

11 每股盈利

每股基本盈利乃根據截至二零零七年六月三十日止六個月之集團股東應佔溢利 10,718,000 港元（截至二零零六年六月三十日止六個月：6,402,000 港元）及按期內已發行普通股 198,958,000 股（二零零六年六月三十日：198,958,000 股）計算。

由於期內並無具攤薄效應之潛在普通股，故每股攤薄盈利與每股基本盈利相同。

12 PROPERTY, PLANT AND EQUIPMENT

12 物業、廠房及設備

		Unaudited 未經審核									
		Buildings 樓宇		Lease- hold improve- ments	Plant and machin- ery 廠房及 機器	Furniture and fixtures 傢俬及 裝置	Office equip- ment 辦公室 設備	Motor vehicles 汽車	Pleasure boat 遊艇	Constr- uction in progress 在建工程	Total 總額
		Inside HK 本地 HK\$'000 千港元	Outside HK 海外 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Net book value at 1st January 2007	於二零零七年 一月一日賬面淨值	9,223	33,213	1,720	16,710	1,063	4,201	3,657	14,324	5,155	89,266
Additions	添置	-	66	35	917	12	309	567	102	4,378	6,386
Disposals	出售	-	-	(14)	(41)	(32)	(45)	(130)	-	-	(262)
Depreciation	折舊	(114)	(413)	(167)	(1,634)	(106)	(405)	(364)	(704)	-	(3,907)
Net book value at 30th June 2007	於二零零七年 六月三十日賬面淨值	9,109	32,866	1,574	15,952	937	4,060	3,730	13,722	9,533	91,483
At 30th June 2007	於二零零七年 六月三十日										
At cost	成本	-	66	3,498	69,027	4,881	8,421	6,963	14,667	9,533	117,056
At valuation	估值	9,340	33,560	-	-	-	-	-	-	-	42,900
Accumulated depreciation	累積折舊	(231)	(760)	(1,924)	(53,075)	(3,944)	(4,361)	(3,233)	(945)	-	(68,473)
Net book value	賬面淨值	9,109	32,866	1,574	15,952	937	4,060	3,730	13,722	9,533	91,483

12 PROPERTY, PLANT AND
EQUIPMENT (CONTINUED)

12 物業、廠房及設備(續)

		Audited 已經審核									
		Buildings 樓宇		Lease- hold	Plant and improvements 廠房及 機器	Furniture and fixtures 傢俬及 裝置	Office equip- ment 辦公室	Motor vehicles 汽車	Pleasure boat 遊艇	Constr- uction in progress 在建工程	Total 總額
		Inside HK 本地	Outside HK 海外	improvements 裝修	machin- ery 機器	and fixtures 傢俬及 裝置	equip- ment 辦公室	vehicles 汽車	boat 遊艇	in progress 在建工程	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Net book value at 1st January 2006	於二零零六年 一月一日 賬面淨值	9,362	30,022	1,758	18,380	1,225	4,154	2,812	68	-	67,781
Additions	添置	-	6,230	238	995	-	894	1,618	14,565	5,155	29,695
Disposals	出售	-	-	-	(106)	(29)	(195)	(264)	(62)	-	(656)
Depreciation	折舊	(233)	(811)	(316)	(3,321)	(216)	(784)	(553)	(247)	-	(6,481)
Revaluation	重估	94	(2,228)	-	-	-	-	-	-	-	(2,134)
Exchange differences	匯率調整	-	-	40	762	83	132	44	-	-	1,061
Net book value at 31st December 2006	於二零零六年 十二月三十一 日賬面淨值	9,223	33,213	1,720	16,710	1,063	4,201	3,657	14,324	5,155	89,266
At 31st December 2006	於二零零六年 十二月三十一日										
At cost	成本	-	-	3,561	68,212	5,064	8,242	6,946	14,565	5,155	111,745
At valuation	估值	9,340	33,560	-	-	-	-	-	-	-	42,900
Accumulated depreciation	累積折舊	(117)	(347)	(1,841)	(51,502)	(4,001)	(4,041)	(3,289)	(241)	-	(65,379)
Net book value	賬面淨值	9,223	33,213	1,720	16,710	1,063	4,201	3,657	14,324	5,155	89,266

13 INVESTMENT PROPERTY

13 投資物業

		Unaudited 未經審核 30th June 六月三十日 2007 HK\$'000 千港元	Audited 已經審核 31st December 十二月三十一日 2006 HK\$'000 千港元
At the beginning of the period/year	於期初/年初	4,700	3,100
Revaluation surplus credited to the condensed consolidated profit and loss account	重估盈餘計入簡明綜合損益賬	2,410	1,600
At the end of the period/year	於期末/年末	7,110	4,700

14 LEASEHOLD LAND AND LAND USE RIGHTS

14 土地租賃及土地使用權

The Group's interests in leasehold land and land use rights represented prepaid operating lease payments and their net book values are analysed as follows:

本集團土地租賃及土地使用權權益列作預付經營租賃款項及其賬面淨值分析如下：

		Unaudited 未經審核 30th June 六月三十日 2007 HK\$'000 千港元	Audited 已經審核 31st December 十二月三十一日 2006 HK\$'000 千港元
In Hong Kong held on:	於香港擁有：		
–Leases of between 10 to 50 years	–租賃於十至五十年之間	21,670	21,947
Outside Hong Kong held on:	於海外擁有：		
–Leases of between 10 to 50 years	–租賃於十至五十年之間	8,286	8,402
		29,956	30,349

15 INVENTORIES

15 存貨

		Unaudited 未經審核 30th June 六月三十日 2007 HK\$'000 千港元	Audited 已經審核 31st December 十二月三十一日 2006 HK\$'000 千港元
Raw materials	原材料	31,203	33,111
Work in progress	在製品	12,206	14,788
Finished goods	製成品	20,585	28,007
		63,994	75,906
Provision for slow moving inventories	慢用存貨撥備	(2,251)	(2,414)
		61,743	73,492

16 TRADE RECEIVABLES

16 應收貿易賬款

		Unaudited 未經審核 30th June 六月三十日 2007 HK\$'000 千港元	Audited 已經審核 31st December 十二月三十一日 2006 HK\$'000 千港元
Trade receivables	應收貿易賬款	124,442	111,581
Less: Provision for bad and doubtful debts	減：呆壞賬撥備	(3,453)	(2,206)
		120,989	109,375

The carrying amounts of trade receivables approximate to their fair values as at balance sheet date.

應收貿易賬款之賬面值接近資產負債表日之公允值。

16 TRADE RECEIVABLES (CONTINUED)

At 30th June 2007, the ageing analysis of trade receivables is as follows:

Current – 3 months	即期 – 三個月
4 – 6 months	四個月 – 六個月
Over 6 months	超過六個月

Provision for bad and doubtful debts 呆壞賬撥備

16 應收貿易賬款(續)

於二零零七年六月三十日，應收貿易賬款之賬齡分析如下：

Unaudited 未經審核 30th June 六月三十日 2007 HK\$'000 千港元	Audited 已經審核 31st December 十二月三十一日 2006 HK\$'000 千港元
106,859	99,586
15,712	10,834
1,871	1,161
124,442	111,581
(3,453)	(2,206)
120,989	109,375

The average credit allowed to customers is 60 to 90 days after invoice date. New customers are charged in cash on delivery.

給予客戶的平均信貸為發票日起後六十至九十日內付款。惟新客戶須於貨品付運時以現金付款。

17 SHARE CAPITAL

Authorised:
Ordinary shares of HK\$ 0.10 each

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

17 股本

Unaudited 未經審核 30th June 六月三十日 2007 HK\$'000 千港元	Audited 已經審核 31st December 十二月三十一日 2006 HK\$'000 千港元
50,000	50,000
19,896	19,896

法定股本：
每股面值0.10港元之普通股

已發行及繳足股本：
每股面值0.10港元之普通股

18 RESERVES

18 儲備

		Share premium	Exchange fluctuation reserve 匯率 變動儲備	Unaudited 未經審核 Building revaluation reserve 樓宇 重估儲備	Capital redemption reserve 資本贖回	Total other reserves 總其他儲備
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st January 2007	於二零零七年 一月一日	15,885	2,891	94	104	18,974
Exchange differences arising from translation of accounts of subsidiaries	附屬公司 之兌換 之匯率 差異	-	12	-	-	12
At 30th June 2007	於二零零七年 六月三十日	15,885	2,903	94	104	18,986

19 TRADE PAYABLES

The carrying amounts of trade payables approximate to their fair values as at balance sheet date.

At 30th June 2007, the ageing analysis of trade payables is as follow:

19 應付貿易款項

應付貿易款項之賬面值接近資產負債表日之公允值。

於二零零七年六月三十日，應付貿易賬款之賬齡分析如下：

		Unaudited 未經審核 30th June 六月三十日 2007 HK\$'000 千港元	Audited 已經審核 31st December 十二月三十一日 2006 HK\$'000 千港元
Current – 3 months	即期–三個月	35,040	39,753
4 – 6 months	四個月–六個月	3,117	3,241
Over 6 months	超過六個月	108	556
		38,265	43,550

20 BORROWINGS

20 貸款

		Unaudited 未經審核 30th June 六月三十日 2007 HK\$'000 千港元	Audited 已經審核 31st December 十二月三十一日 2006 HK\$'000 千港元
Non-current	非流動		
Long-term bank loans	長期銀行貸款	2,467	3,158
Obligations under hire purchase contracts	租購合約承擔	7,805	9,015
		10,272	12,173
Current	流動		
Current portion of long-term bank loans	長期銀行貸款一年內應償還	1,362	2,224
Current portion of obligations under hire purchase contracts	租購合約承擔一年內應償還	2,593	2,879
Short-term bank loans	短期銀行貸款	6,000	6,000
Trust receipt loans	信託收據貸款	75,169	62,523
		85,124	73,626
Total borrowings	總貸款	95,396	85,799

Total borrowings include secured liabilities of HK\$73,169,000 (31st December 2006: HK\$59,856,000), which are secured by leasehold land, land use rights, buildings and investment property of the Group.

總貸款包括有抵押負債73,169,000港元(二零零六年十二月三十一日: 59,856,000港元)以本集團的土地租賃, 土地使用權, 樓宇及投資物業作抵押。

20. BORROWINGS (CONTINUED)

20. 貸款(續)

The maturity of borrowings is as follows:

貸款的到期日如下:

		Long term bank loans		Short-term bank loans		Trust receipt loans		Obligations under hire purchase contracts	
		30th June	31st December	30th June	31st December	30th June	31st December	30th June	31st December
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
		未經審核	已經審核	未經審核	已經審核	未經審核	已經審核	未經審核	已經審核
		六月三十日	十二月三十一日	六月三十日	十二月三十一日	六月三十日	十二月三十一日	六月三十日	十二月三十一日
		2007	2006	2007	2006	2007	2006	2007	2006
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Within 1 year	1年內	1,362	2,224	6,000	6,000	75,169	62,523	2,593	2,879
Between 1 and 2 years	1至2年內	1,450	1,405	-	-	-	-	2,343	2,377
Between 2 and 5 years	2至5年內	1,017	1,753	-	-	-	-	5,462	6,638
Wholly repayable within 5 years	5年內全數償還	3,829	5,382	6,000	6,000	75,169	62,523	10,398	11,894
Over 5 years	超過5年	-	-	-	-	-	-	-	-
Total borrowings	總貸款	3,829	5,382	6,000	6,000	75,169	62,523	10,398	11,894

21 BANKING FACILITIES

At 30th June 2007, the Group's banking facilities amounting to approximately HK\$108,830,000 (31st December 2006: HK\$120,384,000) were secured by the following:

- (a) legal charges over certain leasehold land, land use rights, buildings and investment property of the Group with a total net book value of HK\$37,889,000 (31st December 2006: HK\$35,870,000);
- (b) a deed of guarantee executed by the Company amounting to HK\$66,000,000 (31st December 2006: HK\$81,000,000).

21 銀行融資

於二零零七年六月三十日，本集團約108,830,000港元（二零零六年十二月三十一日：120,384,000港元）之銀行融資以下列項目作抵押：

- (a) 本集團以賬面淨值合共37,889,000港元（二零零六年十二月三十一日：35,870,000港元）之若干土地租賃，土地使用權，樓宇及投資物業所作之法定抵押；
- (b) 本公司簽署之一份擔保契據合共66,000,000港元（二零零六年十二月三十一日：81,000,000港元）。

22 RELATED PARTY TRANSACTIONS

(a) Transactions with the related party

- (i) Name and relationship with the related party

常州市恒軒進出口有限公司（「PIEL」）is wholly-owned by Mr. Zhou Jing Zhuan, a member of senior management of the Group. PIEL is thus a related party of the Group.

- (ii) Details of the transactions

During the period, the Group entered into the following significant transactions in the ordinary course of business with PIEL:

22 關連人士交易

(a) 關聯人士的交易

- (i) 關聯人士的名稱及關係

常州市恒軒進出口有限公司（「PIEL」）為周經傳先生全資擁有，彼為本集團之高層管理人員。故PIEL為本集團之關聯人士。

- (ii) 明細交易內容

本集團於期內與常州市恒軒進出口有限公司在日常業務中主要進行下列之交易：

**22 RELATED PARTY TRANSACTIONS
(CONTINUED)**

22 關連人士交易(續)

(a) Transactions with the related party (CONTINUED)

(a) 關聯人士的交易(續)

		Unaudited 未經審核 Six months ended 30th June 截至六月三十日止六個月	
		2007	2006
		HK\$'000	HK\$'000
		千港元	千港元
Sale of goods	銷貨	3,004	–

These transactions were entered into on normal commercial terms or, if there are no sufficient comparable transactions, on terms no less favourable to the Group than terms available to or from independent third parties.

上述關聯交易乃按一般商業條款或(倘沒有足夠類似交易以資比較)對本集團而言不遜於提供予獨立第三者或獨立第三者所提供的條款訂立。

(b) Compensation of key management personnel

(b) 主要管理人員之酬金

		Unaudited 未經審核 Six months ended 30th June 截至六月三十日止六個月	
		2007	2006
		HK\$'000	HK\$'000
		千港元	千港元
Basic salaries, housing allowances, other allowances and benefits in kind	基本酬金, 房屋津貼, 其他津貼及實物利益	6,169	6,149
Discretionary bonuses	酌情花紅	128	343
Pension costs – contributions to MPF scheme	退休金成本 – 向強積金計劃作出之供款	48	58
		6,345	6,550

23 COMMITMENTS

(a) Capital commitments

As 30th June 2007, the Group had the following capital commitment for construction project:

Contracted but not provided for 已訂約但未撥備

(b) Commitments under operating leases

At 30th June 2007, the Group had future aggregate minimum lease payments under non-cancelable operating leases as follows:

Not later than one year 一年內

23 承擔

(a) 資本承擔

於二零零七年六月三十日，本集團有以下建築項目之資本承擔：

Unaudited 未經審核 30th June 六月三十日 2007 HK\$'000 千港元	Audited 已經審核 31st December 十二月三十一日 2006 HK\$'000 千港元
4,065	5,213

(b) 經營租賃承擔

於二零零七年六月三十日，本集團根據於下列期間內屆滿之不可撤銷經營租賃於日後之最低租金如下：

Unaudited 未經審核 30th June 六月三十日 2007 HK\$'000 千港元	Audited 已經審核 31st December 十二月三十一日 2006 HK\$'000 千港元
50	17

FINANCIAL REVIEW

Results

The Group's turnover for the six months ended 30th June 2007 was HK\$224,156 (2006: HK\$174,494,000). Unaudited consolidated profit attributable to shareholders was HK\$10,718,000 (2006: HK\$6,402,000) up 67.4%. Earnings per share were HK\$0.054 (2006: HK\$0.032).

Interim Dividend

The Board of Directors of the Company declared an interim dividend of HK\$0.02 per share (2006: HK\$0.01 per share). The register of members of the Company will be closed from 2nd October 2007 to 5th October 2007, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, payable on or before 15th October 2007, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrars, Hong Kong Registrars Limited at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 28th September 2007.

財務回顧

業績

本集團截至二零零七年六月三十日止的營業額為224,156港元(二零零六年: 174,494,000港元)。未經審核的綜合股東應佔溢利為10,718,000港元(二零零六年: 6,402,000港元)，比二零零六年同期上升67.4%。每股盈利為0.054港元(二零零六年: 0.032港元)。

中期股息

董事會宣佈派發中期股息每股2港仙(二零零六年: 每股1港仙)。本公司將於二零零七年十月二日至五日，首尾兩天包括在內，暫停辦理股票過戶登記手續。凡欲獲派中期股息，必須於二零零七年九月二十八日下午四時半前，將過戶文件連同有關股票一併送達本公司在香港之過戶登記分處香港證券登記有限公司，香港皇后大道東183號合和中心17樓1712至1716室，辦理股票過戶登記手續。預計中期股息將於二零零七年十月十五日或之前派發。

FINANCIAL REVIEW (CONTINUED)

Liquidity and Financial Resources

As at 30th June 2007, the Group's bank balances and cash was HK\$17,666,000. The consolidated indebtedness of the Group, including short-term borrowings of HK\$85,124,000, was HK\$95,396,000. The borrowings are denominated in Hong Kong dollars and Renminbi and bear interest at floating rates.

The amount of the Group's current working capital was HK\$66,525,000 (31st December 2006: HK\$69,059,000). The current ratio was 1.47. The Group's trade receivables were HK\$ 120,989,000, representing 53.98% of the period's turnover of HK\$ 224,156,000.

財務回顧(續)

流動資金及財務資源

於二零零七年六月三十日，本集團之銀行結存及現金總額為17,666,000港元。本集團之綜合借貸為95,396,000港元，其中85,124,000港元為短期債項；所有借貸均以港元及人民幣為單位，按浮動息率計算。

本集團有營運資金66,525,000港元（二零零六年十二月三十一日：69,059,000港元）。流動比率為1.47。本集團之綜合應收貿易賬款為120,989,000港元，佔期內224,156,000港元營業額之53.98%。

FINANCIAL REVIEW (CONTINUED)

Capital structure

The equity of the Group was HK\$192,102,000, an increase of 16.0% over that of the last corresponding period. The gearing ratio, calculated by dividing total liabilities by shareholders' equity, was approximately 80.85%.

Pledge of Assets

As at 30th June 2007, the Group's banking facilities amounting to approximately HK\$108,830,000 (31st December 2006: HK\$120,384,000) were secured by legal charges over certain leasehold land, land use rights, buildings and investment property of the Group with a total net book value of HK\$37,889,000 (31st December 2006: HK\$35,870,000), and corporate guarantee given by the Company.

財務回顧(續)

股本結構

本集團之權益為192,102,000港元，較去年同期上升16.0%。負債對資本比率(以負債總額除以股東權益計算)約為80.85%。

抵押資產

截至二零零七年六月三十日為止，本集團約有108,830,000港元(二零零六年十二月三十一日：120,384,000港元)之銀行信貸乃以本集團若干土地租賃，土地使用權，樓宇及投資物業之法定抵押及本公司所提供之公司擔保作抵押。該等土地，樓宇及投資物業之總賬面值淨值共37,889,000港元(二零零六年十二月三十一日：35,870,000港元)。

BUSINESS REVIEW

The Group is principally engaged in the manufacturing and trading of quality power cord, power cord sets, cables and wires, wire harnesses and plastic resins.

During the period under review, our sales in power cord and power cord sets, cables and wires, wire harnesses and plastic resins accounted for 70%, 17%, 12% and 1% of the Group's total turnover, respectively.

On marketing strategy front, we focus on development of sound returns and high growth products. As such, we have progressively increased the manufacturing of wire harness, environmentally proof halogen-free products during the period under review.

An experienced local sales executive was hired in Japan for expansion of our market there.

業務回顧

本集團之主要業務包括專門製造及營銷品質穩定的電源線、電源線組合、導線、組合束線及塑膠皮料。

回顧期內，電源線及電源線組合、導線、組合束線及塑膠皮料的銷售額，分別佔本集團營業額之70%、17%、12%及1%。

在市場策略方面，我們專注發展穩健回報及高增長的產品。因此，我們在回顧期內穩步增加組合束線、符合環保要求的無鹵產品。

我們聘任了一位經驗豐富的日本本地業務員，負責進一步拓展當地市場。

BUSINESS REVIEW (CONTINUED)

Future Prospects

Statutory inspection of our newly constructed facilities is in progress. We plan to move in and commence production by early next year as soon as we obtain the statutory licenses in China.

The Group is strongly committed to providing a safe working environment. The employees are provided with continuous on job training, fair pay and fringe benefits.

We aim to maintain our cost efficiency by prudent financial management and by regular optimizing, standardizing and rationalizing our production. We will increase our production efficiency of our plastic manufacturing by reinforcing semi-automation.

We continue to invest our resources in research and developing environmentally-sound products.

We shall promote the sales of our green products with a primary focus of expansion in the wire harness business. China, the United States of America and Europe are still our primary sales markets.

The outlook of appreciation of Renminbi is positive as per the financial market. We plan to offload some of the burden through continuous hedging of certain needs.

業務回顧(續)

未來展望

本集團的新建廠房，現正進行法定驗收工程。在中國獲發法定牌照後，我們計劃於明年初遷入及開始投產。

本集團致力提供一個安全的工作環境，以及為員工提供持續在職培訓，合理待遇及福利條件。

本集團致力提升成本效益，採取穩健財務策略及繼續實施簡單化、標準化及系統化的生產政策；加強半自動化，增加膠料的生產效益。

我們會繼續投放資源，研究及開發環保產品。

我們會推廣銷售綠色產品，並主要集中開拓組合束線的業務。中國、美國及歐洲仍然是我們的主要銷售市場。

根據財經市場分析，人民幣匯率的前景，勢頭良好。我們計劃繼續透過對沖，減輕我們的一些負擔。

EMPLOYEES AND REMUNERATION POLICIES

As at 30th June 2007, the Group employed approximately 1,900 full time management, administrative and production staff in Hong Kong and the mainland China. The Group follows market practice on remuneration packages. Employees' remuneration is reviewed and determined by senior management annually depending on the employee's performance, experience and industry practice. The Group invests in its human capital. In addition to, on-job training, the Group encourages employees to further their study in extramural courses.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As 30th June 2007 the interests of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under section 352 of the SFO or as notified to the Company were as follows:

僱員及薪酬政策

於二零零七年六月三十日，本集團在香港及中國僱用約1,900名全職之管理，行政及生產人員。本集團之薪酬組合乃按市場慣例而定。高級管理人員因應僱員表現、經驗及業內慣例，每年檢討及釐定僱員薪酬。在職培訓，本集團鼓勵員工參與校外課程繼續學習。

董事及主要行政人員於證券中擁有之權益

於二零零七年六月三十日，根據證券及期貨條例第352條之規定而存置之登記冊所記錄，本公司董事及主要行政人員在本公司或其相關法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有之權益，或本公司已接獲通知之該等權益如下：

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES (CONTINUED)

董事及主要行政人員於證券中擁有之權益
(續)

(a) Ordinary shares of HK\$0.10 each of the Company ("Shares")

(a) 本公司每股 0.10 港元之普通股 (「股份」)

Name	姓名	Number of Shares 股份數目				Total interests 總權益	Total interests as % of the relevant issued share capital 總權益佔 相關已發 行股本之 百分比
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 法團權益	Other interests 其他權益		
MON Chung Hung	孟振雄	-	-	142,400,000 (note 1 附註1)	-	142,400,000	71.57%
KOO Di An, Louise	顧迪安	-	142,400,000 (note 2 附註2)	-	-	142,400,000	71.57%
LI Man Wai	李文嫻	2,150,000 (note 3 附註3)	200,000	-	-	2,350,000	1.18%
SIU Yuk Shing, Marco	蕭旭成	300,000	-	-	-	300,000	0.15%
LAU Chun Kay	劉振麒	138,000	-	-	-	138,000	0.07%

note 1: The 142,400,000 Shares were held in the name of Spector Holdings Limited, the issued share capital of which is beneficially owned as to 99.9% by Mr. MON Chung Hung and as to the remaining 0.1% by Ms. KOO Di An, Louise.

附註1: 此142,400,000股份由Spector Holdings Limited 實益擁有，該公司99.9%已發行股本由孟振雄先生擁有，餘下的0.1%由顧迪安女士擁有。

note 2: Ms. KOO Di An, Louise, is the wife of Mr. MON Chung Hung. Ms. KOO is the thus deemed to be interested in 142,400,000 Shares by virtue of her husband's interest therein.

附註2: 顧迪安女士為孟振雄先生的妻子，顧女士因其丈夫的緣故被視為擁有142,400,000股股份。

note 3: Ms. LI Man Wai is deemed to be interested in 200,000 Shares through interests of her husband, Mr. Tsang Cheung Ying.

附註3: 李文嫻女士由於其丈夫曾祥英先生擁有200,000股股份，故被視為擁有該等股份之權益。

**DIRECTORS' AND CHIEF EXECUTIVES'
INTERESTS IN SECURITIES
(CONTINUED)**

(b) Share options

On 23rd April 2003, ordinary resolutions were passed by the shareholders of the Company to adopt the new share option scheme ("New Scheme") and to terminate the share option scheme adopted in 1996 ("1996 scheme").

No option has been granted under the New Scheme nor the 1996 Scheme since the respective establishment thereof.

All the interests stated above present long positions. As at 30th June 2007, no short positions were recorded in the Register of Directors' and Chief Executives' Interests and Short Positions required to be kept under section 352 of the SFO.

Other than those disclosed above, at no time during the six months ended 30th June 2007 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or chief executives of the Company or any of their associates to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

**董事及主要行政人員於證券中擁有之權益
(續)**

(b) 購股權

本公司之股東於二零零三年四月二十三日通過普通決議案採納一項新購股權計劃(「新計劃」)及終止於一九九六年所採納之購股權計劃(「一九九六年計劃」)。

自上述計劃成立以來，並未有根據新計劃及一九九六年計劃授出過任何購股權。

上述所有權益均為好倉。於二零零七年六月三十日，根據證券及期貨條例第352條之規定而存置之董事及主要行政人員之權益及淡倉登記冊內，並無淡倉記錄。

除上文所披露外，截至二零零七年六月三十日止六個月之任何時間本公司或其任何附屬公司並未作出任何安排，使本公司董事或主要行政人員或彼等之任何聯繫人士因收購本公司或其他任何法人團體之股份或債券而獲益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

主要股東於證券中擁有之權益

Other than the interests of the Directors and chief executives of the Company as disclosed above, as at 30th June 2007, the register maintained by the Company pursuant to section 336 of the SFO recorded interests (as defined in the SFO) in the Company of the following corporation.

除上文所披露之本公司董事及主要行政人員之權益外，於二零零七年六月三十日，根據證券及期貨條例第336條之規定而存置之登記冊所記錄，以下法團持有本公司之權益（定義見證券及期貨條例）。

Name 姓名	Number of Shares 股份數目					Total interests 總權益	Total interests as % of the relevant issued share capital 總權益 佔相關已 發行股本 之百分比
	Personal interests 個人權益	Family interests 家族權益	Corporate interests 法團權益	Other interests 其他權益	Total interests 總權益		
Spector Holdings Limited	142,400,000	-	-	-	-	142,400,000	71.57%

The share capital of above company is owned as to 99.9% by Mr MON Chung Hung and as to the remaining 0.1% by Ms KOO Di An, Louise.

上述公司之股本其中99.9%由孟振雄先生擁有，餘下0.1%由顧迪安女士擁有。

All the interests stated above represent long positions. As at 30th June 2007, no short positions were recorded in the Register of Interests in Shares and Short Positions of substantial shareholders required to be kept under section 336 of the SFO.

上述所有權益均為好倉。於二零零七年六月三十日，根據證券及期貨條例336條之規定而存置之主要股東之股份權益及淡倉登記冊內，並無淡倉記錄。

Save as disclosed above, so far as the Directors are aware, there were no person who, as at 30th June 2007, directly or indirectly held or was beneficially interested in shares representing 5% or more of the issued share capital of the Company or its subsidiaries.

除上文所披露外，就各董事所知，於二零零七年六月三十日，並無任何人士直接或間接持有或實益擁有本公司或其附屬公司已發行股本5%或以上之股份權益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES (CONTINUED)

As at 3rd September 2007, being the latest practicable date prior to the issue of this report, approximately 27.03% of the issued capital of the Company is held by the public as required by Rule 8.08 of the Listing Rules.

THE AUDIT COMMITTEE

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters, including a review of the unaudited condensed consolidated accounts for the six months ended 30th June 2007 with the Directors.

CORPORATE GOVERNANCE

The Group is committed to safeguarding shareholders' rights and enhancing corporate governance standard. As a result, we establish the Compliance Committee, Audit Committee, Remuneration Committee and Nomination Committee to adhere to the best practice.

SOCIAL RESPONSIBILITY

Being a responsible corporate citizen is the Group's strong belief. We will continue to participate in and support community activities in both Hong Kong and the mainland China.

主要股東於證券中擁有之權益(續)

截至二零零七年九月三日，即本報告刊發前最後可行日期，本公司的已發行股本約有27.03%由公眾持有，符合上市規則第8.08條之規定。

審核委員會

審核委員會已與管理層一同審閱本集團採納之會計原則及慣例，並就內部控制及財務申報事宜進行討論，當中包括與董事審閱截至二零零七年六月三十日止六個月之未經審核簡明綜合賬目。

企業治理

本集團致力維護股東權益，提升企業管治水平。因此，我們設立監察委員會、審核委員會、薪酬委員會及提名委員會，遵守最佳守則。

社會責任

本集團堅守信念，做一家負責任的企業，所以我們持續參與和支持香港及中國的社會公益活動。

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

With effect from 1st January 2005, the Company has applied the principles and complied with the requirements of the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

The Directors confirm that, for six months ended 30th June 2007, the Company has fully complied with the code provision in the Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 as its own code of conduct regarding securities transactions by the Company (the “Code”). Having made specific enquiry of the Directors of the Company, all Directors of the Company had complied with the required standards as set out in the Code during the period from 1st January 2007 to 30th June 2007 (both dates inclusive).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company has not redeemed any of its shares during the six months ended 30th June 2007. Neither the Company nor its subsidiaries has purchased, redeemed or sold any of the Company’s shares during the six months ended 30th June 2007.

遵守企業管治常規之守則

自二零零五年一月一日起，本公司已採用並遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載之企業管治常規守則（「守則」）的要求。

董事確認於截至二零零七年六月三十日止六個月內，本公司已全面遵守了守則中守則條文的規定。

遵守董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載之董事進行證券之標準守則（「守則」）。經向本公司之董事作出特定查詢後，於二零零七年一月一日至二零零七年六月三十日（包括首尾兩日）期間，本公司所有董事均有遵守守則之規定。

買賣或贖回上市證券

本公司並無在截至二零零七年六月三十日止六個月內六個月內贖回任何股份。截至二零零七年六月三十日止六個月內，本公司或其他任何附屬公司並無買賣或贖回任何本公司之上市證券。

Management Discussion And Analysis 管理層討論及分析

PUBLICATION OF INFORMATION ON THE WEBSITE OF THE STOCK EXCHANGE OF HONG KONG LIMITED AND THE COMPANY

The information required by paragraphs 46(1) to 46(9) of Appendix 16 to the Listing Rules has been published on the website <http://www.hkex.com.hk> of The Stock Exchange of Hong Kong Limited and the Company's website <http://www.equitynet.com.hk/0725> in due course.

VOTE OF THANKS

On behalf of the Board of Directors, my sincere thanks to our shareholders, partners and customers for their continuous support and to our staff for their dedication.

By order of the board
KOO Di An, Louise
Chairman

Hong Kong, 3rd September 2007

As at the date of this report, the Executive Directors are Mr. Mon Chung Hung, Ms. Li Man Wai, Mr. Siu Yuk Shing, Marco, Ms. Mon Wai Ki, Vicky and Ms. Mon Tiffany, the Non-Executive Director is Ms. Koo Di An, Louise and the Independent Non-Executive Directors are Mr. Lau Chun Kay, Mr. Liao Zhixiong and Mr. Ma Chun Hon, Richard.

於香港聯合交易所有限公司及本公司之網站展示盡資料

一份載有按上市規則附錄 16 第 46(1) 至 46(9) 段所規定之一切資料已登載於香港聯合交易所有限公司之網站 <http://www.hkex.com.hk> 及本公司之網站 <http://www.equitynet.com.hk/0725>。

致謝

本人謹代表董事會，向股東、夥伴、客戶及員工的鼎力支持，表示衷心感謝。

承董事會命
主席
顧迪安

香港，二零零七年九月三日

於本報告日，執行董事為孟振雄先生、李文斌女士、蕭旭成先生、孟瑋琦女士及孟章怡女士；非執行董事為顧迪安女士；而獨立非執行董事為劉振麒先生、廖志雄先生及馬鎮漢先生。

EXECUTIVE DIRECTORS

Mon Chung Hung (*Chief Executive Officer and Deputy Chairman*)

Li Man Wai
Siu Yuk Shing, Marco
Mon Wai Ki, Vicky
Mon Tiffany

NON-EXECUTIVE DIRECTOR

Koo Di An, Louise (*Chairman*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Lau Chun Kay
Liao Zhixiong
Ma Chun Hon, Richard

COMPANY SECRETARY

Li Man Wai

REGISTERED OFFICE

Clarendon House
2 Church Street Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS

Units 2002-2006, 20/F, Greenfield Tower
Concordia Plaza, 1 Science Museum Road,
Tsimshatsui, Kowloon, Hong Kong

STOCK CODE

Stock Code on the Stock Exchange of
Hong Kong Limited : 725

SOLICITOR

IU, LAI & LI
20/F, Gloucester Tower, The Landmark
11 Pedder Street
Central, Hong Kong

執行董事

孟振雄 (*行政總裁及副主席*)

李文斌
蕭旭成
孟璋琦
孟韋怡

非執行董事

顧迪安 (*主席*)

獨立非執行董事

劉振麒
廖志雄
馬鎮漢

公司秘書

李文斌

註冊辦事處

Clarendon House
2 Church Street Hamilton HM11
Bermuda

主要營業地點

香港九龍尖沙咀科學館道1號
康宏廣場南座20樓2002-2006室

股份代號

香港聯合交易所有限公司
股份代號 : 725

律師

姚黎李律師行
香港中環畢打街十一號
置地廣場告羅士打大廈20樓

PRINCIPAL BANKERS

Hang Seng Bank
83 Des Voeux Road Central, Hong Kong

AUDITORS

PricewaterhouseCoopers
22nd Floor, Prince's Building, Central,
Hong Kong

PRINCIPAL REGISTRARS AND TRANSFER OFFICE

The Bank of Bermuda Limited
6 Front Street Hamilton HM11
Bermuda

BRANCH REGISTRARS AND TRANSFER OFFICE

Hong Kong Registrars Limited
46th Floor, Hopewell Centre,
183 Queen's Road East, Wan Chai, Hong Kong

主要往來銀行

恒生銀行
香港德輔道中83號

核數師

羅兵咸永道會計師事務所
香港中環太子大廈22樓

股份登記及過戶總處

The Bank of Bermuda Limited
6 Front Street Hamilton HM11
Bermuda

股份登記及過戶分處

香港證券登記有限公司
香港灣仔皇后大道中183號合和中心46樓

