



CARRY

W E A L T H HOLDINGS LIMITED

恒富控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號: 643)

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年度報告
Annual Report

*We Carry quality apparel with
A Wealth of Human Resources*



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CARRY WEALTH HOLDINGS LIMITED manufactures apparel products for internationally renowned brand names.

Headquartered in Hong Kong, Carry Wealth Holdings Limited has been listed on the Main Board of the Stock Exchange of Hong Kong since 2000.

The Group's production facilities are spread over three continents from China and Indonesia in Asia, El Salvador in Central America to Lesotho in sub-Saharan Africa.

The Chinese name of the Company means "enduring prosperity". The Group is committed to maximizing the return of its shareholders for their ongoing support.

恒富控股有限公司為多個國際知名品牌生產成衣。

恒富控股有限公司的總部設於香港，於二零零零年在香港聯合交易所主板上市。

本集團的生產設施遍佈三大洲，包括亞洲的中國和印尼、中美洲的薩爾瓦多及非洲撒哈拉附屬地區的萊索托。

本公司取名恒富，喻意「恒久富足」。本集團致力爭取最佳回報，回饋一直鼎力支持本集團的股東們。

Chairman

Mr Rusli Hendrawan

Managing Director

Mr Lee Sheng Kuang, James

Executive Directors

Mr Oey Tjie Ho

Mr Tang Chak Lam, Charlie

Independent Non-Executive Directors

Mr Cheung Kwok Ming

Mr Kwok Lam Kwong, Larry, J.P.

Mr Lau Siu Ki, Kevin

Audit Committee

Mr Cheung Kwok Ming

Mr Kwok Lam Kwong, Larry, J.P.

Mr Lau Siu Ki, Kevin

Remuneration Committee

Mr Cheung Kwok Ming

Mr Kwok Lam Kwong, Larry, J.P.

Mr Lau Siu Ki, Kevin

Mr Tang Chak Lam, Charlie

Company Secretary

Ms Lee Yu Ki, Vanessa

Auditor

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

Principal Bankers

CITIC Ka Wah Bank

DBS Bank

Shanghai Commercial Bank

Standard Chartered Bank

Principal Share Registrar and Transfer Agent

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre, 11 Bermudiana Road
Pembroke HM 08, Bermuda

**Branch Share Registrar and Transfer Agent
in Hong Kong**

Tricor Abacus Limited

Level 25, Three Pacific Place

1 Queen's Road East, Hong Kong

Registered Office

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

**Head Office and Principal Place of Business
in Hong Kong**

2701, 27th Floor

One Kowloon

1 Wang Yuen Street

Kowloon Bay, Hong Kong

Tel: (852) 2310 8180

Fax: (852) 2310 8797

Website

www.carrywealth.com

E-mail Address

info@carrywealth.com

Stock Code

643

主席

Rusli Hendrawan 先生

董事總經理

李勝光先生

執行董事

黃志和先生

鄧澤霖先生

獨立非執行董事

張國明先生

郭琳廣先生 太平紳士

劉紹基先生

審核委員會

張國明先生

郭琳廣先生 太平紳士

劉紹基先生

薪酬委員會

張國明先生

郭琳廣先生 太平紳士

劉紹基先生

鄧澤霖先生

公司秘書

李汝琪女士

核數師

羅兵咸永道會計師事務所
香港中環
太子大廈22樓

主要往來銀行

中信嘉華銀行

星展銀行

上海商業銀行

渣打銀行

主要股份過戶登記處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre, 11 Bermudiana Road
Pembroke HM 08, Bermuda

香港股份過戶登記分處

卓佳雅柏勤有限公司

香港皇后大道東1號

太古廣場三座25樓

註冊辦事處

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

總辦事處及香港主要營業地點

香港九龍灣

宏遠街1號

「一號九龍」

27樓2701室

電話: (852) 2310 8180

傳真: (852) 2310 8797

網址

www.carrywealth.com

電子郵箱

info@carrywealth.com

股份代號

643

INFORMATION FOR SHAREHOLDERS 股東資料

Results Announcement Date

Interim results

23rd August, 2007 (Thursday)

Annual results

20th March, 2008 (Thursday)

Financial Calendar

Deadline for lodging share transfer documents for final dividend entitlement and right to attend and vote at Annual General Meeting

24th April, 2008 (Thursday) at 4:00 p.m.

Closure of register of members

25th April, 2008 (Friday) to 29th April, 2008 (Tuesday)

Annual General Meeting

29th April, 2008 (Tuesday) at 11:30 a.m.

Dividends

Interim: 3.0 Hong Kong cents per ordinary share

paid on 21st September, 2007 (Friday)

Proposed final: 5.0 Hong Kong cents per ordinary share

payable on 8th May, 2008 (Thursday)

Shareholder Enquiries

Any matters relating to your shareholding, such as transfer of shares, change of address, loss of share certificates, should be addressed to the Branch Share Registrar and Transfer Agent in Hong Kong, contact details of which are set out as follows:

Tricor Abacus Limited
26th Floor, Tesbury Centre
28 Queen's Road East, Hong Kong
Tel: (852) 2980 1700
Fax: (852) 2890 9350

業績公布日期

中期業績

二零零七年八月二十三日(星期四)

全年業績

二零零八年三月二十日(星期四)

財務日誌

如欲獲取末期股息及出席股東週年大會並於會上投票，遞交股份過戶文件之限期

二零零八年四月二十四日(星期四)下午四時正

暫停股份過戶登記

二零零八年四月二十五日(星期五)至二零零八年四月二十九日(星期二)

股東週年大會

二零零八年四月二十九日(星期二)上午十一時三十分

股息

中期股息：每股普通股3.0港仙

已於二零零七年九月二十一日(星期五)派付

擬派付末期股息：每股普通股5.0港仙

擬於二零零八年五月八日(星期四)派付

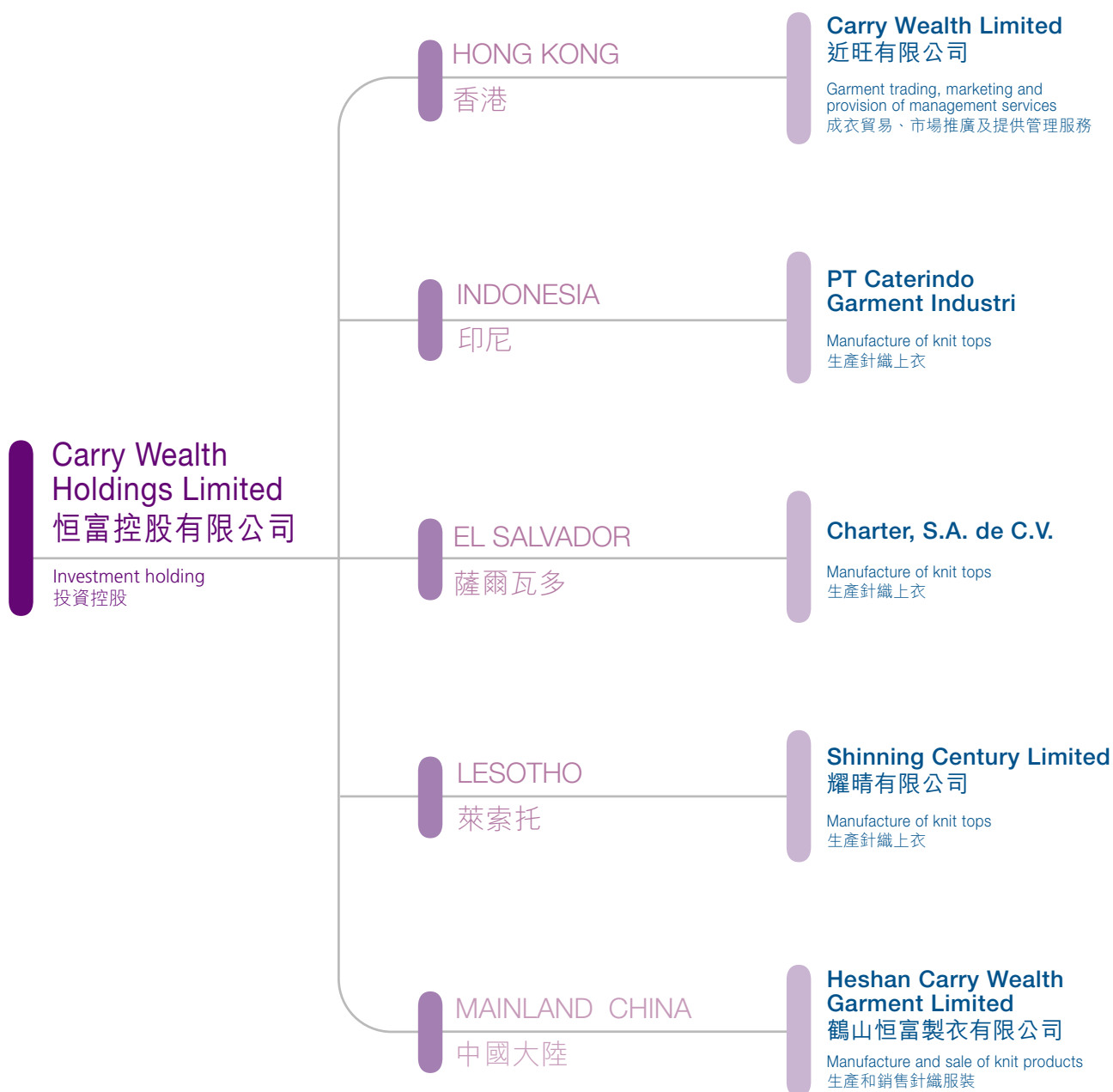
股東查詢

如閣下對持有本公司股份有關之事宜有任何疑問或需要，包括股份過戶、更改地址、遺失股票等，敬請聯絡香港股份過戶登記分處，聯絡資料如下：

卓佳雅柏勤有限公司
香港皇后大道東28號
金鐘匯中心26樓
電話：(852) 2980 1700
傳真：(852) 2890 9350

ORGANIZATIONAL STRUCTURE

集團架構



FINANCIAL HIGHLIGHTS

財務摘要

FIVE YEAR FINANCIAL SUMMARY

Results

五年財務摘要

業績

Year ended 31st December

截至十二月三十一日止年度

		2007	2006	2005	2004	2003
		二零零七年	二零零六年	二零零五年	二零零四年	二零零三年
		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
Revenues	收益	1,056,861	1,211,651	1,103,815	905,248	1,021,076
Profit/(loss) attributable to equity holders of the Company	本公司權益持有人應佔溢利／(虧損)	48,950	68,116	65,720	(41,180)	(23,792)

Assets and liabilities

資產及負債

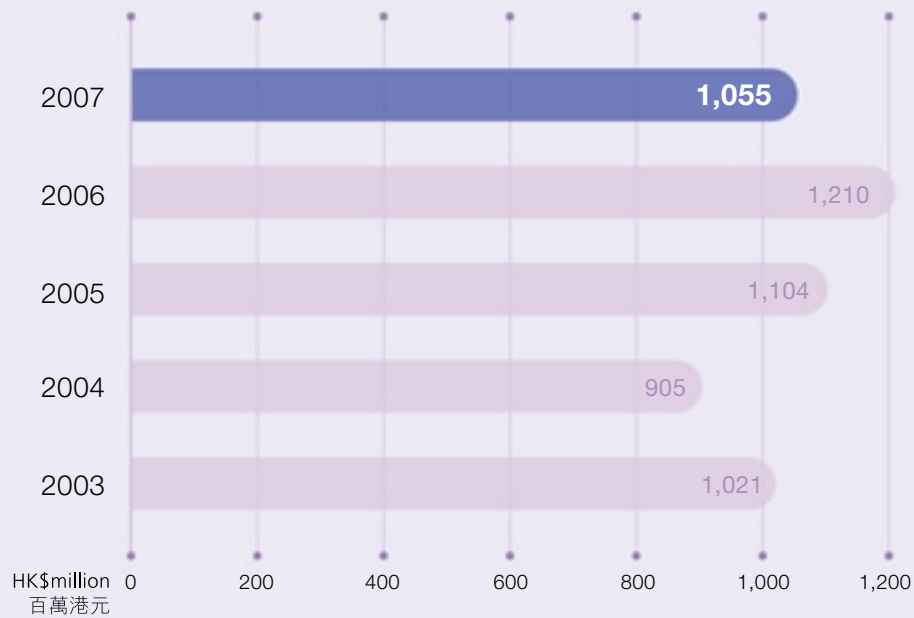
As at 31st December

於十二月三十一日

		2007	2006	2005	2004	2003
		二零零七年	二零零六年	二零零五年	二零零四年	二零零三年
		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
Total assets	總資產	604,006	591,976	506,966	487,756	539,571
Total liabilities	總負債	(270,048)	(284,454)	(250,207)	(263,400)	(276,421)
Total equity	總權益	333,958	307,522	256,759	224,356	263,150

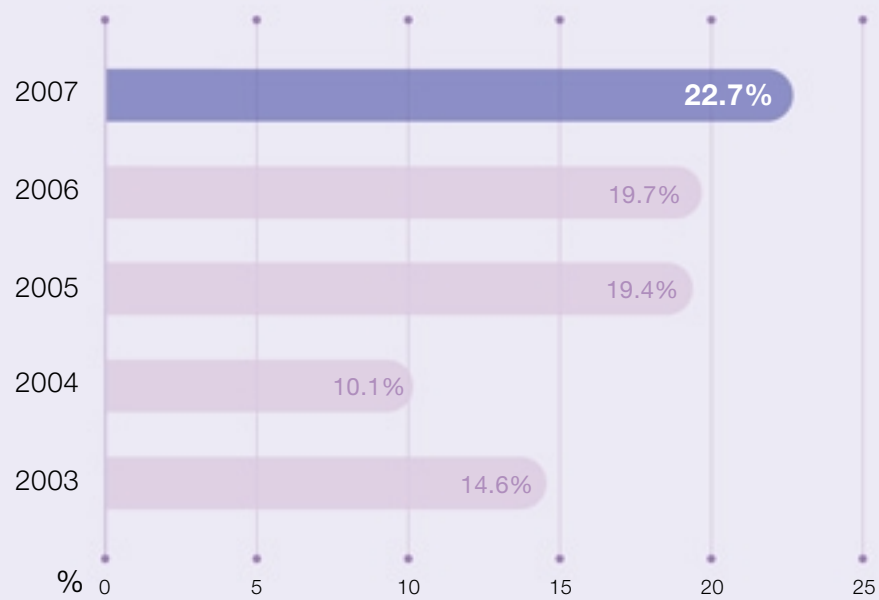
TURNOVER

營業額



GROSS PROFIT MARGIN

毛利率



FINANCIAL HIGHLIGHTS

財務摘要

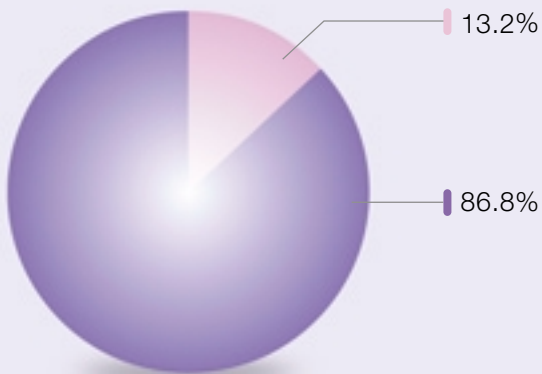
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	Changes 變化幅度
Operating results	經營業績			
Revenues	收益	1,056,861	1,211,651	-12.8%
Gross profit	毛利	239,571	238,795	0.3%
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	48,950	68,116	-28.1%
Financial position at year end	於年結日之財務狀況			
Properties, plant and equipment	物業、廠房及設備	152,141	108,326	40.4%
Bank balances and cash	銀行結存及現金	109,952	94,923	15.8%
Net current assets	流動資產淨值	119,224	136,016	-12.3%
Total assets	總資產	604,006	591,976	2.0%
Bank borrowings	銀行貸款	106,078	93,655	13.3%
Total liabilities	總負債	270,048	284,454	-5.1%
Equity attributable to the Company's equity holders	本公司權益持有人應佔權益	325,711	304,928	6.8%
Per share information	每股資料			
Basic earnings per share (Hong Kong cents)	每股基本盈利 (港仙)	13.40	18.88	-29.0%
Dividends per share (Hong Kong cents)	每股股息 (港仙)	8.0	9.0	-11.1%
Net asset value per share (Hong Kong cents)	每股資產淨值 (港仙)	88.6	84.5	4.9%
Ratio analysis	比率分析			
Profitability	盈利水平			
Gross profit margin	毛利率	22.7%	19.7%	3.0%
Net profit margin	純利率	4.6%	5.6%	-1.0%
Return on the Company's equity holders	本公司權益持有人資金回報	15.0%	22.3%	-7.3%
Liquidity	流動狀況			
Current ratio	流動比率	1.5	1.5	-
Gearing ratio	資本負債比率	n/a不適用	0.7%	n/a不適用
Operating efficiency	經營效益			
Inventory turnover period (days)	存貨周轉(日數)	39	59	-33.9%
Trade receivable turnover (days)	貿易應收款項周轉(日數)	37	32	15.6%
Trade payable turnover (days)	貿易應付款項周轉(日數)	33	41	-19.5%

TURNOVER BY PRODUCT CATEGORIES

按產品分類之營業額

2007

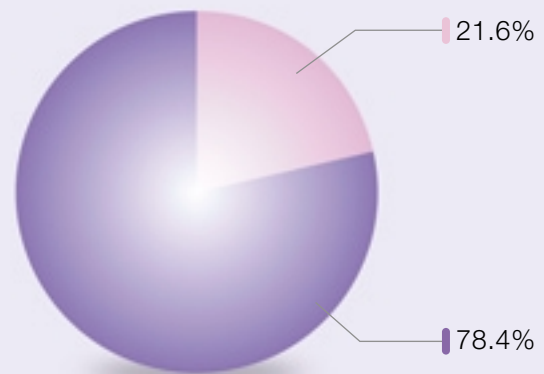
HK\$1,055 million
十億五千五百萬港元



Knit tops 針織上衣 Woven bottoms 梭織襯褲

2006

HK\$1,210 million
十二億一千萬港元

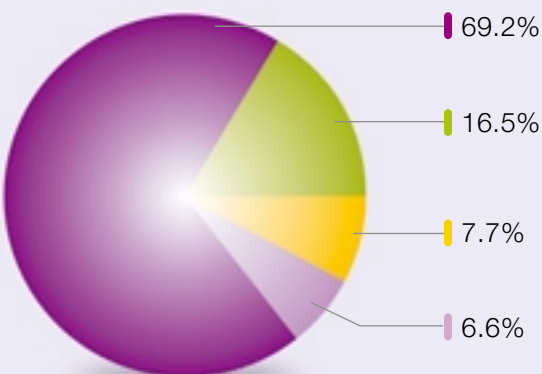


TURNOVER BY PRODUCTION BASES

按生產地分類之營業額

2007

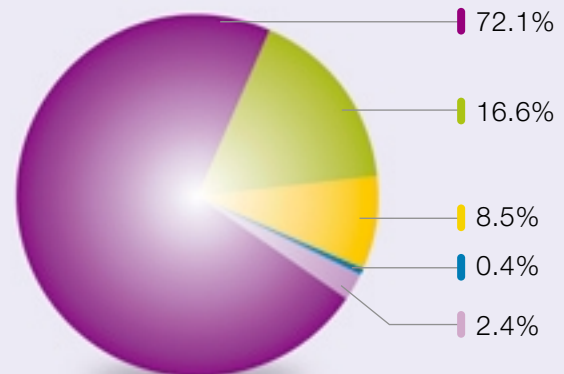
HK\$1,055 million
十億五千五百萬港元



Indonesia 印尼 El Salvador 薩爾瓦多 Lesotho 萊索托 Mainland China 中國大陸 Others 其他

2006

HK\$1,210 million
十二億一千萬港元



CHAIRMAN'S STATEMENT 主席報告

On behalf of the Board, I would like to report to shareholders the annual results of the Group for the year ended 31st December, 2007. The year 2007 was a dynamic and challenging year for Carry Wealth. The closing down of woven bottoms business and related expenses incurred plus some other exceptional items recorded during the financial year dragged down the Group's total revenues and profit attributable to equity holders to HK\$1,056.9 million and HK\$49.0 million respectively. Earnings per share was 13.40 HK cents for the year. The Board of Directors has recommended the payment of a final dividend of 5.0 HK cents per ordinary share for the year ended 31st December, 2007. Subject to shareholders' approval at the 2008 Annual General Meeting to be held on 29th April, 2008, the final dividend will be paid on 8th May, 2008. Together with the interim dividend of 3.0 HK cents paid on 21st September, 2007, the total dividend for the year will be 8.0 HK cents per ordinary share.

Globalisation will continue to fuel world trade including that of textiles and apparels in the coming decades. For the apparel manufacturing industry, competition has intensified as customers become more demanding for efficiency in delivery and product quality at lower costs. To cope with such demands, apparel manufacturers need to have solid production bases in developing countries which can offer abundant skillful workforce with comparatively lower production costs. Taking into account the keen competition in the global market and a possible US economic recession resulting from the sub-prime mortgage crisis, the Group will work on enhancing the productivity of its various production bases, particularly Indonesia, where the longest established major production base is located. We will continue to deploy resources to improve office infrastructure and enhance information systems to ensure we are able to promptly respond to customers' needs. The Group will also keep focusing on implementing cost control measures to enhance its overall profit margin.

本人謹代表董事會向股東報告本集團截至二零零七年十二月三十一日止年度之全年業績。二零零七年對恒富來說是充滿變化及挑戰之一年。因終止經營梭織襯褲業務及所產生之相關開支，加上於本財政年度錄得若干其他特殊項目，使本集團之總收益及權益持有人應佔溢利分別下降至十億五千六百九十萬港元及四千九百萬港元。本年度之每股盈利為13.40港仙。董事會建議就截至二零零七年十二月三十一日止年度派付每股普通股5.0港仙的末期股息。待股東在即將於二零零八年四月二十九日舉行之二零零八年股東週年大會上批准後，末期股息將於二零零八年五月八日派付。連同已於二零零七年九月二十一日派付之中期股息3.0港仙，全年股息合計將為每股普通股8.0港仙。

於未來數十年，全球化將繼續帶動全球貿易，當中包括紡織及成衣業。由於客戶對交付效率及低成本高質素產品之要求日增，導致製衣業競爭加劇。因應有關要求，成衣製造商須於可提供充足之熟練勞動人口而生產成本相對較低的發展中國家建立鞏固生產基地。鑒於全球市場競爭激烈，加上美國經濟因次按危機可能步入衰退，本集團將致力提升各生產基地之產能，尤其位於印尼為歷史最長久之主要生產基地。本集團將繼續投放資源改善辦公室之基礎設施，以及提升資訊系統，以確保本集團可迅速回應客戶之需求。本集團亦將專注於推行成本控制措施，以提升其整體之邊際溢利。

Construction of Phase I of the Group's new production facilities, comprising a 10,000 sq.m. factory, an office building and three staff quarters, in Heshan City, Guangdong Province was completed during the year. Just set up, the Heshan factory has yet to make a significant contribution to the Group. There are a number of factors which may deteriorate the business environment for the manufacturing industry in Mainland China. They include persistent shortage of electricity supply, intensifying inflationary pressure, appreciation of the Renminbi and escalating production costs including energy, raw material and labour costs. Nevertheless, the Group is still optimistic about the long-term development of the Mainland China market seeing continuous strong economic growth. The Group will remain vigilant in formulating its business development strategies for its new production base in Heshan, which is expected to play a critical role in the Group's long-term development.

The Group firmly believes that a talented and hardworking staff is its important asset and crucial to the success of its business. Thus, it is committed to fostering a corporate culture that emphasise continuous staff development and improvement. The Group provides regular training courses, subsidies for continuing education studies for outstanding employees and organises team-building programmes for managers so as to help them discharging their duties more effectively.

本集團位於廣東省鶴山市新建之第一期生產設施之工程已於年內完成，設施包括一幢佔地一萬平方米之廠房、一座辦公室大樓及三幢員工宿舍。由於鶴山廠房剛新落成，故暫時未能為本集團帶來重大貢獻。中國大陸存在若干可令製造業經營環境轉差之因素，其中包括長期缺電、通脹壓力加劇、人民幣升值及生產成本（包括能源、原料及員工成本）攀升。儘管如此，鑒於中國大陸經濟持續強勁增長，本集團對中國大陸市場之長遠發展依然樂觀。本集團於制定其鶴山新生產基地之業務發展策略時將繼續保持審慎，預期該廠房於本集團之長遠發展中扮演重要角色。

本集團深信具才幹及勤奮之員工為其最重要之資產，並為業務取得成功之必要因素。因此，本集團致力營造強調員工持續發展及提升之企業文化。本集團提供定期之培訓課程及資助出色之僱員持續進修，並會為經理級人員舉辦團隊建立課程，以協助彼等更有效地履行職務。

CHAIRMAN'S STATEMENT

主席報告

As adopting and projecting a more socially responsible outlook is important for every industry in current business world, heightened importance being continuously given by the Group to the area of corporate social responsibility. During the year, the Group continued to provide support and donations to educational institutions and participated in various charitable activities including blood donation, green collection programme, used clothes recycling programme and fund-raising sports day for children who are mentally disabled. I am pleased to announce that Carry Wealth has been accredited "The Caring Company Logo" by the Hong Kong Council of Social Service in February 2008 for the second year. To maintain a high level of corporate governance is also one of the Group's key objectives. The Group is committed to keeping high transparency of its business for scrutiny by shareholders and investors. It also keeps strengthening internal management so as to realise the corporate goal of maximising returns for shareholders.

To conclude, 2007 was full of changes and challenges for the Group. However, at the concerted effort of the management and all staff, the Group was able to overcome all difficulties. I would like to extend my heartfelt thanks to all members of the Board for their constant support and guidance, and to employees at all levels for their commitment and hard work. I am also grateful to our customers, business partners and shareholders for their trust and support to the Group.

Rusli Hendrawan

Chairman

20th March, 2008

由於現代商業世界中，採納及表現出對社會責任有更大承擔之態度，對各行業均相當重要，本集團持續注重企業社會責任方面之範疇。於年內，本集團繼續向教育機構提供支持及作出捐款，並參與各類慈善活動，如捐血、環保回收計劃、舊衣回收計劃及為智障兒童籌款之運動日。本人欣然宣布，恒富於二零零八年二月二度榮獲香港社會服務聯會頒發「商界展關懷」標誌。本集團另一項主要目標為維持高水平之企業管治。本集團致力保持業務高透明度，以供股東及投資者監察。本集團亦持續增強其內部管理，以實現為股東帶來最大回報之企業目標。

總括而言，二零零七年對本集團而言為充滿挑戰之一年，儘管如此，在管理層及全體員工群策群力下，本集團成功克服各種困難。本人謹向全體董事會成員一直作出之支持及指導，以及各級僱員之投入及勤奮工作衷心致謝。本人亦感謝客戶、業務夥伴及股東對本集團之信任及支持。

Rusli Hendrawan

主席

二零零八年三月二十日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

RESULTS AND BUSINESS REVIEW

For the year ended 31st December, 2007, the Group's revenues amounted to HK\$1,056.9 million (2006: HK\$1,211.7 million) and its gross profit was HK\$239.6 million (2006: HK\$238.8 million). Profit attributable to equity holders was HK\$49.0 million (2006: HK\$68.1 million) and basic earnings per share was 13.40 HK cents for the year under review (2006: 18.88 HK cents).

Despite the satisfactory performance of its knit tops business, the Group's overall performance was severely affected by related expenses incurred for the closure of the woven bottoms business in June 2007. The close down of related production facility in Indonesia involved severance payments for employees and provision for impairment of plant and machinery. The Board of Directors believes that exiting from the under-performing woven bottoms business will benefit the Group in the long run as the Group will be able to focus freed resources on higher margin knit products.

Turnover of the Group decreased by 12.8% when compared with last year. The decline was the result of cessation of the woven bottoms business and slowdown of the US economy in the second half of 2007. By product category, knit tops and woven bottoms accounted for 86.8% and 13.2% respectively of the Group's total turnover (2006: knit tops: 78.4% and woven bottoms: 21.6%).

Gross profit of the Group for the financial year ended 31st December, 2007 was HK\$239.6 million (2006: HK\$238.8 million). Gross profit margin increased from last year's 19.7% to 22.7% for the current year, mainly attributable to the Group's successful switch in product mix.

業績及業務回顧

本集團截至二零零七年十二月三十一日止年度之收益達十億五千六百九十萬港元(二零零六年:十二億一千一百七十萬港元),而毛利達二億三千九百六十萬港元(二零零六年:二億三千八百八十萬港元)。權益持有人應佔溢利為四千九百萬港元(二零零六年:六千八百一十萬港元),而回顧年度內之每股基本盈利為13.40港仙(二零零六年:18.88港仙)。

儘管針織上衣業務表現理想,惟本集團之整體表現因二零零七年六月終止梭織襯褲業務所產生之相關開支而受到嚴重影響。關閉位於印尼之相關生產設施所涉及之費用包括僱員遣散費,以及就廠房設備及機器作減值撥備等。董事會認為撤出經營表現欠佳之梭織襯褲業務,可讓本集團將騰出更多資源,從而集中投放於利潤較高之針織產品,有利本集團長遠發展。

本集團之營業額較去年減少12.8%。營業額下調主要由於二零零七年下半年終止經營梭織襯褲業務,以及美國經濟放緩所致。就產品類別而言,針織上衣及梭織襯褲分別佔本集團總營業額86.8%及13.2%(二零零六年:針織上衣:78.4%及梭織襯褲:21.6%)。

截至二零零七年十二月三十一日止財政年度,本集團之毛利為二億三千九百六十萬港元(二零零六年:二億三千八百八十萬港元)。本年度之毛利率則由去年19.7%上升至22.7%,此乃由於本集團成功調整產品組合所致。

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During the year, the Group invested in financial instruments mainly comprising listed shares of Mainland China enterprises which are constituents of H-shares Index and Hang Seng Index. Those enterprises are leaders in the energy, financial, material and telecommunications industries in Mainland China. However, with stock markets around the world in turmoil in the last quarter of 2007, the Group recorded fair value losses in respect of outstanding financial instruments by reference to their respective market value as at the year end.

Exercising tight control on shipment costs, the Group paid significant less freight charges for product delivery for the year. Selling expenses as a percentage of revenues, thus decreased from 3.8% last year to 3.5%. Increase in administration expenses for year 2007 was associated with setup costs for the Group's new factory in Mainland China and the costs incurred by the ceased woven bottoms factory in Indonesia.

The Group indirectly holds a 40% effective interest in ShanDong WeiQiao HengFu Textile Limited ("SWHT"), which manufactures knitted fabrics. SWHT reported a turnover of HK\$119.9 million and a profit of HK\$5.2 million for the year under review. The Group's share of net profit of SWHT was HK\$2.1 million (2006: HK\$4.9 million).

Indonesia

Despite the cessation of woven bottoms production in one of the factories in Indonesia, Indonesia continued to be the Group's major production base in the year under review. The factories there contributed 69.2% (2006: 72.1%) of the Group's turnover, of which 61.3% was from knit tops and 7.9% was from woven bottoms.

於年內，本集團所投資之金融工具主要由中國大陸上市企業之股份組成，而有關股份亦為H股指數及恒生指數之成份股。該等企業在中國大陸之能源、金融、物料及電訊業均處領導地位。然而，隨著二零零七年最後一季全球股票市場波動，本集團就未結算之金融工具（經參考其各自於年結時之市值計算），錄得公允值之虧損。

本集團透過嚴緊監控付運成本，令年內就交付產品所支付之運費大幅減少。因此，銷售開支佔收益之百分比由去年之3.8%下降至3.5%。二零零七年度之行政開支上升與本集團於中國大陸興建新廠房之費用，以及終止經營於印尼之梭織襯褲廠有關。

本集團間接持有山東魏橋恒富針織印染有限公司（「魏橋恒富」）40%之實益權益，其主要製造針織布料。於回顧年度內，魏橋恒富錄得一億一千九百九十萬港元之營業額及五百二十萬港元之溢利。本集團所佔魏橋恒富之純利為二百一十萬港元（二零零六年：四百九十萬港元）。

印尼

儘管其中一間印尼廠房終止生產梭織襯褲，印尼於回顧年度內仍是本集團之主要生產基地。印尼廠房佔本集團營業額69.2%（二零零六年：72.1%），其中針織上衣佔61.3%及梭織襯褲佔7.9%。

El Salvador

During the year, the knit factory Charter, S.A. de C.V. in El Salvador contributed 16.5% (2006: 16.6%) of the Group's total turnover, similar to that of last year. Having received a steady stream of orders during the year, the factory continued to make stable contribution to the Group.

Lesotho

The output from the knit factory Shinning Century Limited in Lesotho accounted for 7.7% (2006: 8.5%) of the Group's total turnover for the review period. The business environment in Lesotho faced more challenges including customers demand for shorter lead-time in delivery.

Mainland China

The construction of Phase I of production facilities in Heshan City, Guangdong Province was completed during the year. The facilities included a factory, an office building and three staff quarters. However, the severe shortage of skilled labour in southern China has hindered development of the factory delaying the planned production schedule. Contribution from the new factory to the Group's total turnover was still relatively minimal in 2007.

LIQUIDITY AND FINANCIAL RESOURCES

Adopting a conservative financial management system, the Group continued to maintain a healthy and solid liquidity position. As at 31st December, 2007, the Group's cash and cash equivalents and time deposits totalled at HK\$110.0 million (31st December, 2006: HK\$94.9 million). Working capital represented by net current assets amounted to HK\$119.2 million (31st December, 2006: HK\$136.0 million). The Group's current ratio was 1.5 (31st December, 2006: 1.5).

薩爾瓦多

於年內，位於薩爾瓦多之針織廠Charter, S.A. de C.V.佔本集團總營業額16.5%（二零零六年：16.6%），與去年相若。由於該針織廠於年內之訂單數量穩定，故能繼續為本集團帶來穩定收入。

萊索托

於回顧期內，位於萊索托之針織廠耀晴有限公司之產量佔本集團總營業額7.7%（二零零六年：8.5%）。萊索托之經營環境面對之挑戰日多，其中包括顧客要求更短之交付時間。

中國大陸

位於廣東省鶴山市之第一期生產設施之建築工程已於年內完成。有關設施包括一幢廠房、一座辦公室大樓及三幢員工宿舍。然而，華南熟手技工嚴重短缺阻礙了廠房的發展，延遲規劃生產時間。故於二零零七年，新廠房對本集團總營業額之貢獻仍相對微不足道。

流動資金及財務資源

本集團採用審慎之財務管理系統，得以繼續保持良好穩健的流動資金狀況。於二零零七年十二月三十一日，本集團之現金及現金等值項目以及定期存款合共為一億一千萬港元（二零零六年十二月三十一日：九千四百九十萬港元）。營運資金（即流動資產淨值）達一億一千九百二十萬港元（二零零六年十二月三十一日：一億三千六百萬港元）。本集團之流動比率為1.5（二零零六年十二月三十一日：1.5）。

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Bank borrowings, in the form of trust receipt loans, amounted to HK\$59.2 million (31st December, 2006: HK\$60.6 million) and term loan, amounted to HK\$46.9 million (31st December, 2006: HK\$33.1 million). The bank loans were denominated in either HK dollars or US dollars. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity plus net debt. As at 31st December, 2007, the Group was in a net cash position. Hence, no gearing ratio (31st December, 2006: 0.7%) is presented.

The debt maturity profile of the Group as at 31st December, 2007 was as follows:

以信託收據貸款形式籌措之銀行貸款為五千九百二十萬港元(二零零六年十二月三十一日:六千零六十萬港元), 有期貸款則為四千六百九十萬港元(二零零六年十二月三十一日:三千三百一十萬港元)。銀行貸款以港元或美元結算。資本負債比率之計算方式為債務淨值除以總資本;債務淨值以總借貸減現金及現金等值項目計算;總資本則以權益加債務淨值計算。於二零零七年十二月三十一日, 本集團享有現金淨值狀況。因此, 資本負債比率無須呈報(二零零六年十二月三十一日:0.7%)。

本集團於二零零七年十二月三十一日之債項到期日分析如下:

		At 31st December, 2007 於二零零七年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元	At 31st December, 2006 於二零零六年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Repayable within one year	須於一年內償還	72,773	68,405
Repayable after 1 year, but within 2 years	可於一年後但 須兩年內償還	12,916	15,550
Repayable after 2 years, but within 5 years	可於兩年後但 須五年內償還	20,389	9,700
Total	總計	106,078	93,655

CAPITAL EXPENDITURE

For the year under review, the Group incurred a total capital expenditure of HK\$70.3 million (2006: HK\$31.2 million), which was funded using its own financial resources and bank borrowings. HK\$63.3 million was invested in the production facilities in Heshan City, Guangdong Province and the balance of HK\$7.0 million was spent on new and replacement machineries for other factories.

FOREIGN EXCHANGE EXPOSURE

The Group's sales are principally denominated in US dollars. It has factories and offices in Hong Kong, Indonesia, El Salvador, Lesotho and Mainland China. Operating expenses of the Group are primarily denominated in Hong Kong dollars, Indonesia Rupiah, Salvadoran Colones, South African Rand, Renminbi and some in US dollars.

As the Hong Kong dollar and Salvadoran Colone are pegged to the US dollar, the Group does not expect to be exposed to any currency risks in the near term. The Group will closely monitor fluctuation of other currencies and, if necessary, will enter into forward exchange contracts to reduce exchange risk.

CREDIT POLICY

Consistent with prevailing industry practice, the Group switched trading terms with more customers from letters of credit to open account basis. During the year under review, about 36.7% (2006: 29.4%) of the Group's business was transacted on letters of credit, and the rest on open account basis granted to several long-standing customers. The credit ratings of customers are constantly reviewed and their respective credit limits adjusted, if necessary.

資本開支

於回顧年度內，本集團之資本開支總額為七千零三十萬港元（二零零六年：三千一百二十萬港元），由其財務資源及銀行貸款撥付。六千三百三十萬港元已用作投資位於廣東省鶴山市之生產設施，而餘下七百萬港元則用作添置及更換其他廠房之機器。

匯率波動風險

本集團之銷售額主要以美元計算。本集團於香港、印尼、薩爾瓦多、萊索托及中國大陸均設有廠房及辦事處。本集團之經營開支主要以港元、印尼盾、薩爾瓦多貨幣科朗、南非蘭特、人民幣及部分以美元計算。

由於港元及薩爾瓦多貨幣科朗與美元掛勾，本集團並不預見近期會承受任何貨幣風險。本集團將會不時密切監察其他貨幣之匯率波動情況，並於需要時將會訂立遠期外匯合約以減低匯率風險。

信貸政策

與現時行業慣例相符，本集團與客戶之買賣條款更多由信用狀付款轉為記賬形式。於回顧年度內，本集團約36.7%（二零零六年：29.4%）之業務以信用狀進行交易，其餘多個已建立長遠穩定關係之客戶則以記賬形式處理。本集團定期審閱客戶之信貸狀況，並於需要時調整彼等之信貸額。

CHARGES ON FIXED ASSETS

The Group's investment properties in Hong Kong with a carrying value of HK\$28.3 million (31st December, 2006: HK\$22.3 million) have been pledged to a bank to secure trade facilities of up to HK\$140.2 million (31st December, 2006: HK\$140.2 million). At 31st December, 2007, the respective secured bank loans amounted to HK\$26.2 million (31st December, 2006: HK\$38.5 million).

CONTINGENT LIABILITIES

As at 31st December, 2007, the Group had no contingent liabilities.

HUMAN RESOURCES AND REMUNERATION POLICIES

The Group believes that employees' commitment encouraged by its provision of a harmonious working atmosphere is important to the success of its business. The Group offers its employees rewarding careers and provides them with a variety of training programmes. It rewards employees according to prevailing market practices and their experience and performance. To attract and retain high calibre employees, the Group also awards discretionary bonuses and share options to staff.

As at 31st December, 2007, the Group had a total of 6,450 (31st December, 2006: 8,673) full-time employees in the following regions:

Indonesia	印尼	3,216
Lesotho	萊索托	1,196
El Salvador	薩爾瓦多	821
China (Mainland and Hong Kong)	中國(大陸及香港)	1,217
Total	合計	<u>6,450</u>

固定資產抵押

本集團以賬面值為二千八百三十萬港元(二零零六年十二月三十一日:二千二百三十萬港元)之香港投資物業作為為數最多達一億四千零二十萬港元(二零零六年十二月三十一日:一億四千零二十萬港元)之貿易信貸之抵押品。於二零零七年十二月三十一日,該筆有抵押銀行貸款為二千六百二十萬港元(二零零六年十二月三十一日:三千八百五十萬港元)。

或然負債

於二零零七年十二月三十一日,本集團並無或然負債。

人力資源及薪酬政策

本集團深信其業務之成功有賴透過提供和諧之工作環境令僱員得以投入工作。本集團給予僱員可持續發展之事業,並提供多個不同培訓課程。僱員薪酬福利乃根據目前市場慣例及按僱員之經驗與表現釐定。為吸引及保留高質素專業人才,本集團亦向僱員授予酌情花紅及購股權計劃。

於二零零七年十二月三十一日,本集團在以下各地共僱用6,450名(二零零六年十二月三十一日:8,673名)全職僱員:

OUTLOOK

Some economists believe the US economy will continue to slow down affected by the sub-prime mortgage crisis. They expect housing-related jobs to fall and unemployment rate to climb in the US, weakening consumer confidence and spending power. Should the US fall into recession, the global economy would be suffered.

Facing such uncertain economic conditions, the Group will step up efforts to improve efficiency of its various production bases and focus on expanding its product portfolio by adding new product categories to drive a sustainable growth. The Group will keep exploring business with new customers from different markets including Europe and Mainland China to ensure its customer portfolio has a diverse geographical coverage.

To many Mainland China manufacturers, inflation fueled by rising raw materials, energy and labour costs is a key concern. In addition, the persistent labour shortages and tense power supply in the Pearl River Delta region, changes in trade policies and tax rules and appreciation of the RMB are all unfavourable factors for manufacturers with facilities in Mainland China. Thus, the Group expects 2008 to be challenging year for its Heshan factory.

Although quotas on China-made textile products were lifted at the end of December 2007, the EU and Mainland China reached an agreement during the year putting eight categories of Chinese textile products under a joint monitoring system. In other words, the EU will continue to monitor market development to ensure the transition from the quota system to normal trading is smooth. Although the US is also obliged to lift quotas imposed on Chinese textile products at the end of year 2008, chances of the US introducing protectionism measure exist and may affect Chinese textile and apparel exports to the US market.

展望

部分經濟學家認為，美國經濟將受次按危機困擾而繼續放緩。該等經濟學家預期與美國房地產相關之工作將會減少，而失業率將會攀升，因而削弱消費者信心及消費能力。倘美國經濟步向萎縮，全球經濟將會受到牽連。

面對此等不明朗經濟因素，本集團將加快改善其多個生產基地之效率，並專注透過加入新增產品類別以擴闊其產品組合，達致持續增長。本集團將繼續與包括歐洲及中國大陸等不同市場之新客戶探索業務機遇，從而確保其客戶組合覆蓋不同地域。

對大部分中國大陸製造商而言，最關注之事項為原材料、能源及勞工成本不斷上漲導致通脹加劇。此外，珠三角地區之持續勞工短缺及能源供應緊張、貿易政策及稅務法規之變更以及人民幣升值，均對在中國大陸設有生產設施之製造商構成不利影響。因此，本集團預期二零零八年將是鶴山廠房充滿挑戰之一年。

儘管對中國製紡織產品之配額已於二零零七年十二月底解除，惟歐盟與中國大陸已於年內達成協議，將八類中國紡織產品收納於共同監察制度內。換言之，歐盟將繼續監察市場發展，以確保由配額制度過渡為正常貿易之過程暢順。雖然美國亦須於二零零八年年底取消對中國紡織產品施加之配額，但美國仍有機會推出保護主義措施，此舉亦可能影響中國紡織品及成衣出口至美國市場。

MANAGEMENT DISCUSSION AND ANALYSIS

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The Group will closely monitor development of its Heshan factory and regularly evaluate and adjust the business strategies it has for its production base in Mainland China to cope with potential challenges.

In a longer term, supported by sustained economic growth, rising per capita income and blooming domestic consumption, Mainland China will definitely continue to be a major market for the apparel industry. Thus, the Group expects the new production base in Heshan to become a growth engine for the Group in the long run.

The Group expects the apparel industry environment in the coming financial year to be extremely challenging. Apart from ensuring cost-effective production, the Group will strive to deliver maximum value to its customers so as to maintain its competitiveness. The Group will continue to strengthen its core competence by investing in product development and streamlining production flow to meet customers' lead time requirement and lower product delivery costs. Exercising vigilance and flexibility in formulating and implementing business strategies, the Group is cautiously optimistic about its future performance.

本集團將密切監察鶴山廠房之發展，並定期評估及調整就中國大陸生產基地之業務策略，以便應付潛在之挑戰。

長遠而言，在經濟維持增長、人均收入上升及強勁國內消費支持下，中國大陸將肯定繼續成為成衣業之主要市場。因此，本集團預期位於鶴山之新生產基地將成為本集團之長線增長動力。

本集團預期成衣業於下一個財政年度之經營環境將面臨極為艱巨之挑戰。除確保生產具備成本效益外，本集團將致力給予客戶最高價值，以保持其競爭優勢。本集團將繼續投放資源於產品開發及精簡生產流程，以迎合客戶對交付時間日短之要求及降低產品交付成本，從而加強其核心實力。本集團將謹慎及富彈性地制定及實行其業務策略，對其未來表現仍審慎樂觀。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員

DIRECTORS

Mr RUSLI Hendrawan

Chairman

Mr RUSLI Hendrawan, aged 64, is a founder and the Chairman of the Group. Mr Rusli focuses on overall corporate development and strategic direction of the Group and provides leadership for the board of directors and oversees its efficient functioning. Mr Rusli has over thirty years of experience in the manufacture of apparel products.

Mr LEE Sheng Kuang, James

Managing Director

Mr LEE Sheng Kuang, James, aged 61, is a founder and the Managing Director of the Group. He is responsible for all day-to-day corporate management matters. Mr Lee is also responsible for planning and developing the Group's strategy. Mr Lee has over thirty years of experience in the manufacture and distribution of apparel products.

Mr OEY Tjie Ho

Executive Director

Mr OEY Tjie Ho, aged 56, is a founder of the Group. He is in charge of the human resources and administration functions of the Group. Mr Oey has extensive experience in the garment industry.

Mr TANG Chak Lam, Charlie

Executive Director

Mr TANG Chak Lam, Charlie, aged 46, is responsible for the overall financial operation of the Group. He is a certified public accountant in Hong Kong. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants in the United Kingdom ("ACCA"). Prior to joining the Group in November 1999, Mr Tang was the head of finance and accounting of a conglomerate with subsidiaries listed on the NASDAQ in the United States and the Australian Stock Exchange Limited and the China division of another conglomerate listed on The Stock Exchange of Hong Kong Limited. Mr Tang also has extensive audit experience with one of the big four international accounting firms.

董事

RUSLI Hendrawan 先生

主席

RUSLI Hendrawan先生，現年六十四歲，乃本集團之創辦人兼集團主席。Rusli先生專注本集團之整體企業發展及發展策略，並領導董事會及監察其運作效能。Rusli先生在生產成衣產品方面積逾三十年經驗。

李勝光先生

董事總經理

李勝光先生，現年六十一歲，乃本集團之創辦人兼集團董事總經理，彼專責一切日常企業管理業務，李先生亦負責計劃及發展本集團之策略。李先生在生產及分銷成衣產品方面積逾三十年經驗。

黃志和先生

執行董事

黃志和先生，現年五十六歲，乃本集團之創辦人，彼掌管本集團之人力資源及行政管理的工作。黃先生在製衣業擁有豐富經驗。

鄧澤霖先生

執行董事

鄧澤霖先生，現年四十六歲，專責本集團之整體財務事宜。彼為香港執業會計師，亦為香港會計師公會及英國特許公認會計師公會（「特許公認會計師公會」）之資深會員。一九九九年十一月加盟本集團前，鄧先生為一間綜合企業之財務及會計部主管，該集團旗下多間附屬公司在美國NASDAQ及澳洲證券交易所有限公司上市，亦曾在另一間在香港聯合交易所有限公司上市之綜合企業出任中國業務部主管。鄧先生亦擁有豐富之審計經驗，曾在四大國際會計師行之一任職。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員

Mr CHEUNG Kwok Ming

Independent Non-Executive Director

Mr CHEUNG Kwok Ming, aged 46, was appointed an independent non-executive director in April 2005. He is a qualified solicitor in Hong Kong. Mr Cheung is currently a partner of a Hong Kong law firm, Or, Ng & Chan and his areas of practice include corporate finance, merger and acquisition, banking and securities. He holds a Bachelor of Laws degree from the University of Hong Kong.

Mr KWOK Lam Kwong, Larry, J.P.

*Independent Non-Executive Director
Chairman of Remuneration Committee*

Mr KWOK Lam Kwong, Larry, J.P., aged 52, was appointed an independent non-executive director in July 2002. He is a practising solicitor in Hong Kong, and is currently the Managing Partner, China of Mallesons Stephen Jaques. Mr Kwok is also qualified to practise as a solicitor in Australia, England and Wales and Singapore. He is also qualified as a Chartered Accountant in England and Wales and a CPA in Hong Kong and Australia. Mr Kwok graduated from the University of Sydney, Australia with Bachelor's Degrees in Economics and Laws respectively as well as a Master's Degree in Laws. He is currently the Chairman of the Traffic Accident Victims Assistance Advisory Committee and a member of the Hospital Governing Committee of Kwai Chung Hospital/ Princess Margaret Hospital, the Insurance Claims Complaints Panel and the Telecommunications (Competition Provisions) Appeal Board in Hong Kong. Mr Kwok is also a member of the Political Consultative Committee of Guangxi in the People's Republic of China.

張國明先生

獨立非執行董事

張國明先生，現年四十六歲，於二零零五年四月獲委任為獨立非執行董事。彼為香港合資格律師。張先生現為香港一間律師行柯伍陳律師事務所之合夥人，業務範圍包括企業融資、合併及收購、銀行界及證券界。彼擁有香港大學法律學士學位。

郭琳廣先生 太平紳士

*獨立非執行董事
薪酬委員會主席*

郭琳廣先生 太平紳士，現年五十二歲，於二零零二年七月獲委任為獨立非執行董事。彼為香港執業律師，現為萬盛國際律師事務所之首席合夥人（大中華區）。郭先生同時具有澳大利亞、英格蘭及威爾斯以及新加坡之執業律師資格，亦具有香港、澳大利亞及英格蘭及威爾斯之會計師及特許會計師資格。郭先生於澳大利亞悉尼大學畢業，分別持有經濟及法律學士學位以及法律碩士學位。彼現時為香港交通意外傷亡援助諮詢委員會之主席，以及葵涌醫院／瑪嘉烈醫院管治委員會、保險索償投訴委員會及電訊（競爭條文）上訴委員會等之委員。郭先生亦為中華人民共和國廣西自治區政協委員。

Mr LAU Siu Ki, Kevin

*Independent Non-Executive Director
Chairman of Audit Committee*

Mr LAU Siu Ki, Kevin, aged 49, was appointed an independent non-executive director in February 2002. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and ACCA. He has over twenty-five years of experience in corporate finance, financial advisory and management, accounting and auditing and had worked for an international accounting firm for over fifteen years. Mr Lau is currently a financial advisory consultant running his own management consultancy firm, Hin Yan Consultants Limited and also a consultant to the corporate finance division of PCP CPA Limited. Mr Lau is a Council Member of ACCA. He has also served as a member of the Executive Committee of the Hong Kong branch of ACCA since 1995 and was elected as the Chairman of the Hong Kong branch of ACCA for 2000/2001. He is currently the company secretary of two Hong Kong listed companies and also an independent non-executive director of several other listed companies in Hong Kong.

SENIOR MANAGEMENT**Mr WOO Keung Fu, Danny**

Sales Director

Mr WOO Keung Fu, Danny, aged 45, joined the Group in August 2005 and is the Sales Director of the Group. He is responsible for implementation of the sales strategies to achieve the annual sales target and also in charge of new product developments and formulating pricing strategies. Mr Woo holds a Bachelor's Degree of Science (Engineering) from The University of Hong Kong. He has over twenty years of experience in the manufacture of apparel products.

劉紹基先生

*獨立非執行董事
審核委員會主席*

劉紹基先生，現年四十九歲，於二零零二年二月獲委任為獨立非執行董事。彼為香港會計師公會及特許公認會計師公會之資深會員，於企業融資、財務顧問及管理、會計及審計各方面積逾二十五年經驗，並曾在一所國際會計師行任職超過十五年。劉先生現於其管理顧問公司顯仁顧問有限公司擔任財務顧問，彼亦為華德匡成會計師事務所有限公司之企業融資部顧問。劉先生為特許公認會計師公會理事會成員，亦自一九九五年起出任特許公認會計師公會香港分會執行委員會成員，另被推選為二零零零／二零零一年度特許公認會計師公會香港分會會長。彼現為兩間香港上市公司之公司秘書，並為數間香港上市公司之獨立非執行董事。

高級管理人員**胡強富先生**

銷售及市場部總監

胡強富先生，現年四十五歲，於二零零五年八月加入本集團，乃本集團之銷售及市場部總監。彼專責執行銷售策略以達成每年之銷售預算，同時亦負責新產品開發及制訂售價策略。胡先生擁有香港大學工程學士學位。彼在生產成衣產品方面積逾二十年經驗。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員

Ms FAN Sau Yin, Gloria

Financial Controller

Ms FAN Sau Yin, Gloria, aged 42, joined the Group in May 1996 and is the Financial Controller of the Group. She is a fellow member of ACCA and a member of the Hong Kong Institute of Certified Public Accountants. She holds a Master Degree of Professional Accounting from The Hong Kong Polytechnic University. Prior to joining the Group, Ms Fan also had audit experience with one of the big four international accounting firms and internal audit experience in a listed company in Hong Kong.

Mr KAM Shui Hao, Tony

General Manager – PRC Operations

Mr KAM Shui Hao, Tony, aged 50, joined the Group in May 1989 and is the General Manager of Heshan Carry Wealth Garment Limited, a PRC wholly foreign owned enterprise which is an indirect wholly-owned subsidiary of the Company. He is responsible for all day-to-day business operation matters for Heshan factory. Mr Kam has over twenty-seven years of experience in the manufacture and merchandising of apparel products.

Ms LAW Yuk Ling, Elaine

Group Human Resources Manager

Ms LAW Yuk Ling, Elaine, aged 39, is the Group Human Resources Manager of the Group. She is accountable for developing, planning and implementing all human resources policies, practices and activities for the Group. Ms Law holds a Bachelor's Degree of Business Administration. Prior to joining the Group in January 2007, Ms Law was the head of human resources in a Singaporean public-listed electronics company. She also has over ten years of human resources management experience with regional responsibilities in one of the biggest international garment manufacturer.

范秀賢女士

財務總監

范秀賢女士，現年四十二歲，於一九九六年五月加入本集團，乃本集團之財務總監。彼為特許公認會計師公會之資深會員及香港會計師公會之會員。彼擁有香港理工大學會計學碩士學位。在加盟本集團前，范女士亦擁有審計經驗，曾在四大國際會計師行之一任職，以及曾在一間香港上市公司任職，擁有內部審計經驗。

甘瑞孝先生

總經理 – 中國營運部

甘瑞孝先生，現年五十歲，於一九八九年五月加入本集團，乃本公司之間接全資附屬公司鶴山恒富製衣有限公司（一間中國獨資經營企業）之總經理，彼專責鶴山廠房一切日常管理事務。甘先生在生產及採購成衣產品方面積逾二十七年經驗。

羅玉玲女士

集團人力資源部經理

羅玉玲女士，現年三十九歲，乃本集團之集團人力資源部經理。彼負責發展、策劃及執行本集團內一切有關人力資源之政策、常規及事項。羅女士擁有商業管理學士學位。於二零零七年一月加盟本集團前，羅女士為一間於新加坡上市之電子公司人力資源部主管。彼亦曾於一間具規模之國際成衣製造商內任職，在人力資源區域管理方面積逾十年經驗。

The board of directors of the Company (the “Board”) is committed to maintaining and ensuring high standards of corporate governance as good corporate governance can safeguard the interests of all shareholders and enhance corporate value. The Company continuously reviews and improves the corporate governance practices and standards of the Group from time to time to ensure that business activities and decision making processes are regulated in a proper manner.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the year ended 31st December, 2007.

THE BOARD OF DIRECTORS

Board Composition

The Board is led by the Chairman and currently comprises four executive directors (one of whom is the Chairman) and three independent non-executive directors. The directors of the Company during the year and up to the date of this report were:

Executive Directors

Mr Rusli Hendrawan (*Chairman*)
Mr Lee Sheng Kuang, James (*Managing Director*)
Mr Oey Tjie Ho
Mr Tang Chak Lam, Charlie

Independent Non-Executive Directors

Mr Cheung Kwok Ming
Mr Kwok Lam Kwong, Larry, *J.P.*
Mr Lau Siu Ki, Kevin

本公司董事會（「董事會」）致力維持及確保高水平之企業管治，因良好之企業管治可保障全體股東利益及提高企業價值。本公司會持續不時檢討及改善本集團之企業管治常規及標準，以確保業務活動及決策過程受到適當規管。

遵守企業管治常規守則

截至二零零七年十二月三十一日止年度內，本公司一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載之企業管治常規守則內之守則條文。

董事會

董事會之組成

董事會由主席領導，現由四位執行董事（其中一位為主席）及三位獨立非執行董事組成。本年度內及截至本報告之日期，本公司之董事如下：

執行董事

Rusli Hendrawan先生（主席）
李勝光先生（董事總經理）
黃志和先生
鄧澤霖先生

獨立非執行董事

張國明先生
郭琳廣先生 *太平紳士*
劉紹基先生

The biographical details of the directors are set out on pages 21 to 23 of this Annual Report. The Board possesses a balance of skill and experience which are appropriate for the requirements of the business of the Group. A balanced composition of executive and non-executive directors also generates a strong independent element on the Board, which can exercise independent judgement effectively and make decision objectively for the best interests of the Company.

The Company does not at present have any officer with the title of “chief executive officer” (“CEO”) but instead the duties of a CEO are performed by the Managing Director. In order to have a clear division between the management of the Board and the day-to-day management of the business operation of the Company, the role of the Chairman is separate from that of the Managing Director. The Chairman focuses on overall corporate development and strategic direction of the Group and provides leadership for the Board and oversees the efficient functioning of the Board. The Managing Director is responsible for all day-to-day corporate management matters as well as planning and developing the Group’s strategy. Such division of responsibilities helps to reinforce their independence and to ensure a balance of power and authority. There is no relationship (including financial, business, family or other material or relevant relationship) among members of the Board and in particular, between the Chairman and the Managing Director.

All the independent non-executive directors of the Company have appropriate professional qualifications and their professional opinions raised in the Board meetings facilitate the maintenance of good corporate governance practices. All the independent non-executive directors are free from any business or other relationship with the Company. The Company has received from each independent non-executive director an annual confirmation of independence. The Board considers that each independent non-executive director is independent in character and judgement and that they all meet the specific independence criteria as required under Rule 3.13 of the Listing Rules. Moreover, all the independent non-executive directors are engaged on service contracts for a term of two years, subject to retirement by rotation and re-election in accordance with the provisions of the Bye-laws of the Company.

董事簡歷載於本年度報告第21頁至第23頁。董事會具備適合本集團業務所需之技能及經驗。執行董事及非執行董事之均衡組成，亦使董事會具備強大之獨立元素，以便有效率地進行獨立判斷及客觀地作出決策，以符合本公司之最佳利益。

本公司現時並無設有任何職銜為「行政總裁」（「行政總裁」），然而行政總裁之職責由董事總經理履行。為把管理董事會及管理本公司日常業務運作兩者作清晰劃分，主席及董事總經理之角色已予區分。主席專注本集團之整體企業發展及發展策略，並領導董事會及監察董事會之運作效能。董事總經理則專責一切日常企業管理事務，以及計劃及發展本集團之策略。此等劃分職責有助於增強兩者之獨立性及確保在權力及授權上取得平衡。董事會各成員之間（尤其是主席及董事總經理之間）概無任何關係（包括財政、業務、家族或其他重大或相關關係）。

本公司全體獨立非執行董事均具備合適之專業資格，而彼等於董事會會議上提出之專業意見亦有助維持良好之企業管治常規。全體獨立非執行董事概無與本公司有任何業務或其他方面之關係。本公司已收取各獨立非執行董事之年度獨立確認。董事會認為，各獨立非執行董事皆有其獨立角色及判斷，並認為彼等均符合上市規則第3.13條所規定之特定獨立性因素。此外，全體獨立非執行董事均已訂立為期兩年之服務合約，惟彼等須根據本公司之公司細則條文輪席退任及膺選連任。

Nomination of Directors

The Board is empowered under the Company's Bye-laws to appoint any person as a director either to fill a casual vacancy on or as an additional member of the Board. The selection criteria are mainly based on the professional qualification and experience of the candidate. A newly appointed director must retire and be re-elected at the first general meeting after his appointment. At each annual general meeting of the Company, one-third of the directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation. Every director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. As such, no director has a term of appointment longer than three years. A retiring director shall be eligible for re-election.

In April 2007, a Board meeting was held to approve the renewal of service agreement with an independent non-executive director, Mr Cheung Kwok Ming for a term of two years from 27th April, 2007 to 26th April, 2009.

Board and Management

To enable all directors to make informed decisions in the Board meetings and to discharge their duties and responsibilities, appropriate, complete and reliable information prepared by the management are provided in a timely manner. All directors are kept informed on a timely basis of major changes that may affect the Group's business, including relevant rules and regulations. To reinforce independence, the Board and each director can have separate and independent access to the management of the Company if additional information is required. To further assist the directors to discharge their duties to the Company, the Board has also established a written procedure to enable directors to seek independent professional advice at the Company's expenses. No request was made by any director for such independent professional advice in 2007.

提名董事

董事會獲本公司之公司細則授權委任任何人士為董事，以填補空缺或成為董事會新成員。甄選因素主要以候選人之專業資格及經驗為基準。新委任董事須於彼獲委任後首個股東大會上退任及膺選連任。本公司於每屆股東週年大會上，三分之一董事（或若其數目並非三或三之倍數，則必須為最接近但不少於三分之一之人數）須輪席退任。每名董事（包括按指定任期獲委任者）須至少每三年輪席退任一次。因此，概無董事之任期超過三年。退任董事將合符資格膺選連任。

於二零零七年四月，曾舉行一次董事會會議，以批准重續一名獨立非執行董事張國明先生之服務合約，該合約由二零零七年四月二十七日起至二零零九年四月二十六日止，為期兩年。

董事會及管理層

管理層須及時提供由彼等編製之適合、完整及可靠資訊，以確保全體董事於董事會會議上作出知情決定及履行其職務及職責。本公司就可能影響本集團業務的重大變動，包括有關法例及法規將會及時知會全體董事。為增強獨立性，董事會及各董事可於需要更多資訊時隨時自行透過獨立途徑接觸本公司之管理層。為進一步協助董事對本公司履行其職責，董事會亦已設立一套書面程序，使董事可尋求獨立專業意見，費用由本公司支付。董事於二零零七年並無要求進行上述獨立專業意見。

In order to have a clear principle in relation to the matters specifically reserved to the Board for decisions, functions between the Board and the management are formalized. The Board has established a written guideline determining which issues require a decision of the Board and those delegated to the management. The guideline is reviewed by the Board on a regular basis and has been posted on the intranet of the Company. Matters reserved to the Board for decision include the making of significant financial and legal commitments, merger and acquisition, material asset acquisition or disposal, the change of share capital, the approval of financial reporting, budgeting, management succession and representation to shareholders. The management is responsible for the day-to-day running of the Group. The management is required to submit reports on the operations to the Board on a regular basis and make recommendations to the Board on the development of major projects or business proposals and their respective implementation. The Board is of the view that such division of responsibilities can enhance the corporate governance of the Company.

The Company has arranged appropriate insurance cover in respect of legal action against its directors and officers and the insurance coverage is reviewed on an annual basis.

為就特別須董事會作決定之事項提供明確原則，董事會及管理層之職能已予界定。董事會亦已訂立一份書面指引，釐定需由董事會決定及授權予管理層之議題。指引定期由董事會審閱，並已於本公司內聯網上刊登。須董事會作決定之事項包括重要財務及法律承擔、收購及合併、重大資產收購或出售、更改股本、審批財務報告、編訂預算、管理層繼任及向股東作出陳述等。管理層負責本集團之日常營運。管理層須定期向董事會呈交營運報告，並就發展主要項目或業務計劃書及彼等各自之落實情況向董事會提出建議。董事會認為，如此劃分職務可增強本公司之企業管治。

本公司已就其董事及高級人員可能會面對之法律行動作適當之投保安排，投保範圍乃按年檢討。

Board Meeting

Regular Board meetings are held at least four times a year to approve annual and interim results, review the business operation and the internal control system of the Group and the meeting schedule will be fixed at the beginning of each year to facilitate fullest possible attendance. Between regular meetings, other Board meetings are held to approve major issues (if any). At least 14 days' notice of each regular meeting is given to all directors whilst reasonable notices are given for all other Board meetings. Agendas and accompanying Board papers are sent not less than 3 days before the date of Board meetings to ensure that the directors are given sufficient review time. Draft minutes of Board meetings and Board committee meetings are circulated to directors for their review and comment while final version of the said minutes, duly signed, are sent to all members for their records. All said minutes are kept by the Company Secretary of the Company and are open for inspection at any reasonable time on reasonable notice by any director.

During the year ended 31st December, 2007, four Board meetings were held and the individual attendance of directors are set out as follows:

董事會會議

每年至少舉行四次定期召開之董事會會議，以審批全年及中期業績、檢討本集團之業務運作及內部監控系統，為盡可能達到全體董事出席率，會議時間表將於每年年初訂定。於各定期召開之會議之間，亦會召開其他董事會會議以審批重大議題（如有）。每次定期召開之會議通告須於最少十四天前給予全體董事，而所有其他董事會會議則發出合理通告。會議議程及隨附之董事會文件亦須於董事會會議日期最少三天前送交董事，以確保董事有充分時間進行審閱。董事會會議及董事委員會會議之會議記錄初稿須向董事傳閱，以便審閱及評核，至於上述會議記錄經正式簽署之最終定稿則送交全體成員作其存檔之用。上述所有會議記錄由本公司之公司秘書備存，並在任何董事發出合理通知下可於任何合理時間供公開查閱。

於截至二零零七年十二月三十一日止年度內，曾舉行四次董事會會議，個別董事之出席情況載列如下：

Directors	董事	Attended 出席次數
Mr Rusli Hendrawan (<i>Chairman</i>)	Rusli Hendrawan先生 (主席)	4
Mr Lee Sheng Kuang, James (<i>Managing Director</i>)	李勝光先生 (董事總經理)	4
Mr Oey Tjie Ho	黃志和先生	4
Mr Tang Chak Lam, Charlie	鄧澤霖先生	4
Mr Cheung Kwok Ming	張國明先生	4
Mr Kwok Lam Kwong, Larry, <i>J.P.</i>	郭琳廣先生 <i>太平紳士</i>	4
Mr Lau Siu Ki, Kevin	劉紹基先生	4

Directors' Securities Transactions

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all directors of the Company, all directors have confirmed that they had complied with the required standard set out in the Model Code and the Company's code of conduct regarding directors' securities transactions during the year.

Details of the directors' interests in the shares and underlying shares of the Company are set out on pages 49 to 50 of this Annual Report.

To enhance the corporate governance of the Group as a whole, the Board has established a written guideline on no less exacting terms than the Model Code for employees of the Company or director or employee of the Company's subsidiaries or holding company who are likely to be in possession of unpublished price sensitive information in relation to the Group or securities of the Company. No incident of non-compliance was noted by the Company in 2007.

BOARD COMMITTEES

Audit Committee

The Board set up the Audit Committee in 2000 with specific written terms of reference which deal clearly with its authority and duties. The terms of reference have been posted on the Company's website. The Audit Committee is to review the Group's financial reporting, internal controls and corporate governance issues and make relevant recommendations to the Board.

The members of the Audit Committee include:

Mr Lau Siu Ki, Kevin (*Committee Chairman*)

Mr Cheung Kwok Ming

Mr Kwok Lam Kwong, Larry, *J.P.*

董事進行之證券交易

本公司已採納一套有關董事進行證券交易之守則，其規則標準不低於上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」）。經向本公司全體董事作出特定查詢後，全體董事均已確認，彼等於年內已符合標準守則及本公司有關董事進行證券交易之守則所載之規定標準。

有關董事擁有本公司之股份及相關股份之權益之詳情已載於本年度報告第49頁至第50頁。

為增強本集團整體之企業管治，董事會已就可能擁有的關於本集團或本公司證券之未公開股價敏感資料之本公司僱員或本公司之附屬公司或控股公司之董事或僱員建立一套書面指引，其規則標準不低於標準守則。本公司於二零零七年並不知悉任何不遵守書面指引之事件。

董事委員會

審核委員會

董事會於二零零零年成立審核委員會，書面職權範圍已闡明其權力與職責。其職權範圍已於本公司網站內刊登。審核委員會負責審閱本集團之財務報告、內部監控及企業管治事宜，並向董事會提出相關建議。

審核委員會成員包括：

劉紹基先生（委員會主席）

張國明先生

郭琳廣先生 *太平紳士*

All Audit Committee members are independent non-executive directors. During the year ended 31st December, 2007, four Audit Committee meetings were held and the individual attendance of members are set out as follows:

全部審核委員會成員均為獨立非執行董事。於截至二零零七年十二月三十一日止年度內，曾舉行四次審核委員會會議，個別成員之出席情況載列如下：

Members	成員	Attended 出席次數
Mr Lau Siu Ki, Kevin	劉紹基先生	4
Mr Cheung Kwok Ming	張國明先生	4
Mr Kwok Lam Kwong, Larry, J.P.	郭琳廣先生 太平紳士	4

In discharging its responsibilities, the Audit Committee had mainly performed the following work during the year of 2007:

於二零零七年年內，審核委員會在履行其職務時，曾主要執行下列工作：

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| (i) reviewed the effectiveness of the audit process in accordance with the applicable standards; | (i) 按適用基準檢討審計過程之有效性； |
| (ii) reviewed the draft interim and annual financial statements and the related draft results announcements; | (ii) 審閱中期及全年財務報告初稿，以及相關業績公布初稿； |
| (iii) reviewed the change in accounting standards and assessment of potential impacts on the Group's financial statements; | (iii) 審閱會計準則之變動，以及評估對本集團財務報表之潛在影響； |
| (iv) reviewed the continuing connected transactions and comment on the fairness and reasonableness of the transactions; | (iv) 審閱持續關連交易，並就該等交易是否公平合理提出意見； |
| (v) reviewed the Group's internal control system and discussed the relevant issues including financial, operational and compliance controls and risk management functions; and | (v) 檢討本集團之內部監控系統，並就財務、營運與合規監控及風險管理職能等相關議題進行磋商；及 |
| (vi) made recommendation on the appointment or reappointment of the external auditors and approved their terms of engagement. | (vi) 就委任或續聘外聘核數師提出建議，並審批其聘用條款。 |

Remuneration Committee

The Board set up the Remuneration Committee in 2005 with specific written terms of reference which deal clearly with its authority and duties. The terms of reference have been posted on the Company's website. The Remuneration Committee's role is to make recommendations to the Board on the remuneration policy and structure for directors and senior management and to ensure that they are fairly rewarded for their individual contribution to the Group's overall performance, having regard to the interests of shareholders. The principal duties of the Remuneration Committee include determining the specific remuneration packages of all executive directors and senior management as well as reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time.

The members of the Remuneration Committee include:
Mr Kwok Lam Kwong, Larry, *J.P. (Committee Chairman)*
Mr Cheung Kwok Ming
Mr Lau Siu Ki, Kevin
Mr Tang Chak Lam, Charlie

Except for Mr Tang Chak Lam, Charlie who is an executive director, all Remuneration Committee members are independent non-executive directors. During the year ended 31st December, 2007, the Remuneration Committee members met once and the individual attendance of members are set out as follows:

Members	成員	Attended 出席次數
Mr Kwok Lam Kwong, Larry, <i>J.P.</i>	郭琳廣先生 <i>太平紳士</i>	1
Mr Cheung Kwok Ming	張國明先生	1
Mr Lau Siu Ki, Kevin	劉紹基先生	1
Mr Tang Chak Lam, Charlie	鄧澤霖先生	1

薪酬委員會

董事會於二零零五年成立薪酬委員會，書面職權範圍已闡明其授權與職責。其職權範圍已於本公司網站內刊登。薪酬委員會之角色為按董事及高級管理人員之薪酬政策及架構向董事會提出建議，以及已考慮到股東利益之情況下，確保彼等已按各自對本集團之整體貢獻得到公平回報。薪酬委員會之主要職責包括釐定全體執行董事及高級管理人員之酬金待遇，以及參考董事會不時議決之企業目標及宗旨，審批按表現釐定之酬金。

薪酬委員會成員包括：
郭琳廣先生 *太平紳士* (委員會主席)
張國明先生
劉紹基先生
鄧澤霖先生

除身為執行董事之鄧澤霖先生外，薪酬委員會全體成員均為獨立非執行董事。於截至二零零七年十二月三十一日止年度內，曾舉行一次會議，個別成員之出席情況載列如下：

The Remuneration Committee is accountable to the Board and the following is a summary of its work during the year of 2007:

- (a) reviewed and approved the performance-based remuneration of executive directors; and
- (b) reviewed and approved the revised remuneration policy for directors and senior management.

The main principles of remuneration policy of the Company are:

- (i) to retain and motivate executive directors and senior management by linking their compensation with performance as measured against corporate objectives;
- (ii) to align executive directors' and senior management's remuneration with shareholders' interests; and
- (iii) to ensure that no director or senior management or any of his associate is involved in deciding his own remuneration.

When fixing the remuneration packages of executive directors, considerations have been given to the qualifications and experience of the executive directors, their duties and responsibilities with and contributions to the Group, the level of directors' remuneration of other comparable listed companies in Hong Kong and the Group's performance. The principal elements of the remuneration packages of executive directors of the Company include salary, director's fee, double pay, discretionary bonus and share options.

薪酬委員會向董事會負責，其於二零零七年之工作概要如下：

- (a) 審閱並審批執行董事按表現釐定之酬金待遇；及
- (b) 審閱並審批董事及高級管理人員之經修訂薪酬政策。

本公司薪酬政策之主要原則包括：

- (i) 將彼等之薪酬與按企業目標之表現掛鈎，藉此挽留及激勵執行董事及高級管理人員；
- (ii) 將執行董事及高級管理人員之酬金與股東利益達成一致；及
- (iii) 確保董事或高級管理人員或其任何聯繫人士概無參與釐定其本人之酬金。

訂立執行董事之酬金待遇時，已考慮該等執行董事之資歷及經驗、彼等之職務及責任和對本集團之貢獻，以及香港其他可供參考上市公司之董事酬金水平和本集團之表現。本公司執行董事酬金待遇之主要元素包括薪金、董事袍金、雙糧、酌情花紅及購股權。

For achieving high standards of corporate governance, the remuneration, comprising directors' fee, of independent non-executive directors will be put forward for shareholders' approval at the annual general meeting of the Company. Details of the remuneration of each director, on a named basis, are disclosed in Note 15 to the consolidated financial statements on pages 117 to 119 of this Annual Report. Reimbursement is allowed for out-of pocket expenses incurred (including traveling and hotel expenses) in connection with the performance of directors' duties.

RESPONSIBILITY FOR PREPARATION AND REPORTING OF FINANCIAL STATEMENTS

The directors of the Company acknowledge their responsibility for preparing the financial statements of the Group in accordance with statutory requirements and applicable accounting standards. The directors will select suitable accounting policies and apply them consistently, make judgements and estimates that are prudent, fair and reasonable and prepare the financial statements on a going concern basis. The Board's responsibility to present a balanced, clear and understandable assessment extends to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules as well as the information required to be disclosed pursuant to statutory requirements.

The statement of the auditor of the Company regarding their reporting responsibilities for the financial statements of the Group is set out on pages 55 to 57 of this Annual Report.

為了達至高水平之企業管治，獨立非執行董事之薪酬（包括董事酬金）將於本公司之股東週年大會上提呈，以便股東進行審批。有關列明每名董事酬金之詳情，於本年度報告第117頁至第119頁綜合財務報表附註15披露。彼等亦可獲償付一切於履行董事職責時產生之實報實銷費用（包括差旅及酒店費用）。

編製及呈報財務報表之責任

本公司董事確認彼等編製本集團財務報表之責任，而該等財務報表乃根據法定要求及適用會計準則編製。董事將會揀選並貫徹運用合適會計政策、作出審慎、公平及合理之判斷及估計，並按持續經營為基準編製財務報表。董事會之責任乃清晰公正及明確地評估年度報告及中期報告、其他涉及股價敏感資料之公布及根據上市規則規定須予披露之其他財務資料，以及根據法例規定須予披露之資料。

本公司核數師就彼等有關本集團之財務報表之呈報責任所作之聲明載於本年度報告第55頁至第57頁內。

INTERNAL CONTROL

The Board has the ultimate responsibility to maintain a sound and effective internal control system for the Group to safeguard the shareholders' investment and the Group's assets and to ensure strict compliance with relevant laws, rules and regulations. The Audit Committee is responsible for reviewing the effectiveness of the internal control system and reporting to the Board.

The Group adopts the principles outlined in *Internal Control and Risk Management – A Basic Framework* issued by the Hong Kong Institute of Certified Public Accountants as yardstick in establishing its control environment. The scope of internal control relates to areas including effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

During the year, the Board has reviewed the effectiveness of the internal control system of the Group through the Audit Committee. The review covers all material controls, including financial, operational and compliance controls and risk management functions of the Group. No material internal control aspects of any significant problems were noted. Both of the Audit Committee and the Board were satisfied that the internal control system of the Group has been functioned effectively during the review year.

內部監控

董事會肩負最終責任確保本集團維持穩健而有效之內部監控系統，以維護股東投資及本集團資產，並確保嚴格遵守有關法律、規則及規例。審核委員會負責檢討內部監控系統之有效性，並向董事會匯報。

本集團採納由香港會計師公會頒佈之「內部監控與風險管理的基本架構」中之原則大綱，作為建立本集團監控環境之標準。內部監控涉及之範疇包括營運之效率及效益、財務報告之可靠性以及遵守適用之法律及規例。

於年內，董事會透過審核委員會已檢討本集團內部監控系統之有效性。檢討涵蓋一切重要監控，包括本集團之財務、營運與合規監控及風險管理職能。本集團概無發現重大內部監控出現任何重大問題。審核委員會及董事會信納本集團之內部監控系統於回顧年度內有效運作。

AUDITOR'S REMUNERATION

During the year, Messrs PricewaterhouseCoopers, Auditor of the Company (which for the purpose includes any entity under common control, ownership or management with the Auditor or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally) provided the following audit and non-audit services to the Group:

		HK\$'000 千港元
Audit services	審計服務	1,650
Non-audit services	非審計服務	
Taxation services	稅務服務	178
		<u>1,828</u>

The Audit Committee received written confirmation from the external auditors on their independence and objectivity as required under the Professional Ethics Statement 1.203A "Independence for Assurance Engagements" issued by the Hong Kong Institute of Certified Public Accountants.

核數師酬金

於年內，本公司核數師羅兵咸永道會計師事務所（其定義包括任何與核數師受同一機構控制、擁有或管理或掌握所有相關資料之第三者能合理地推斷其為該核數師事務所之全國或國際分部之機構）向本集團提供下列審計及非審計服務：

		HK\$'000 千港元
Audit services	審計服務	1,650
Non-audit services	非審計服務	
Taxation services	稅務服務	178
		<u>1,828</u>

審核委員會已接獲外聘核數師就其獨立性及客觀性發出之書面確認書，表示其已符合由香港會計師公會頒佈的專業操守準則第1.203A條「審計業務的獨立性」之規定。

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

According to the Bye-laws of the Company, shareholders' holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the voting right at general meetings of the Company, can by written requisition to the Board or the Company Secretary of the Company to convene a special general meeting for the transaction of any business specified in such requisition. Any general meeting at which the passing of a special resolution is to be considered shall be called by not less than twenty-one clear days' notice, whilst others may be called by not less than fourteen clear days' notice. To further enhance the minority shareholders' right, all resolutions at any general meeting are decided on poll and such practice has been adopted since 2005. The chairman of any general meetings ensures that the shareholders are informed of the procedure for voting by poll by way of making the disclosure in the circulars to shareholders and the explanation during the general meetings. The chairman of general meetings also ensures compliance with the requirements about voting by poll contained in the Listing Rules and the Bye-laws of the Company.

In order to maintain an on-going dialogue with shareholders, shareholders are encouraged to attend annual general meeting of the Company at which the Chairman of the Board and the chairmen of the Board committees are available to answer questions related to the Group's business.

As a channel of further promoting effective communication as well as fulfilling the new requirements of the Listing Rules, the corporate website, www.carrywealth.com, is maintained by the Company to disseminate the relevant financial and non-financial information on a timely basis and the published information will be maintained at the above website for at least five years.

股東權利及投資者關係

根據本公司之公司細則，任何於發出要求當日持有有權於本公司股東大會上投票之本公司繳足股本不少於十分之一的股東，有權向董事會或本公司公司秘書致函，要求召開股東特別大會，以處理該等要求列明之任何事項。任何用以考慮通過特別決議案之股東大會須以不少於二十一曆日之通知召開，而其他股東大會則須以不少於十四曆日之通知召開。為進一步提高少數股東之權利，任何股東大會上之一切決議案均以投票方式表決，此常規自二零零五年起已採納。任何股東大會主席須確保股東已透過在致股東通函中及於股東大會時作出闡釋等方式知悉以投票方式表決之程序。股東大會主席亦須確保符合上市規則及本公司之公司細則中有關以投票方式表決之規定。

為與股東保持持續對話，茲鼓勵股東出席本公司之股東週年大會，而董事會主席及各董事委員會主席均將出席，解答與本集團業務有關之問題。

作為進一步促進有效溝通之渠道，並符合上市規則之新規定，本公司已設有網站 www.carrywealth.com，以適時發放有關財務及非財務資料，而已公布資料將於上述網站最少保留五年。

CORPORATE GOVERNANCE REPORT

企業管治報告

Shareholders' comments and suggestions together with any proposals put forward to shareholders' meetings at a reasonable time are welcome and such comments and proposals can be sent in writing to the Company Secretary at the Company's address in Hong Kong or by e-mail to the Company's website. The Board endeavors to answer all invaluable questions of the shareholders.

Based on information that is publicly available to the Company and within the knowledge of the directors as at the date of this Annual Report, the public float of the shares of the Company is sufficient.

本公司歡迎股東於合理時間內向股東大會提出質詢、意見及建議，而該等意見及建議可以投函至本公司之香港地址予公司秘書，或以電子郵件方式寄往本公司之網站。董事會會盡力解答股東一切寶貴問題。

於本年度報告日期，根據本公司可獲得之公開資料及據其董事所知，本公司股份之公眾持股量充足。

The directors present their report together with the audited financial statements for the year ended 31st December, 2007.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in Note 36 to the financial statements.

An analysis of the Group's performance for the year by business and geographical segments is set out in Note 5 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 58.

The directors declared an interim dividend of 3.0 Hong Kong cents per ordinary share, totalling approximately HK\$11,009,000 for the six months ended 30th June, 2007 (2006: HK\$10,830,000).

The directors recommend the payment of a final dividend of 5.0 Hong Kong cents per ordinary share, totalling approximately HK\$18,398,000 for the year ended 31st December, 2007 (2006: HK\$21,663,000).

董事會提呈其報告，連同截至二零零七年十二月三十一日止年度之經審核財務報表。

主要業務及業務之地域分析

本公司之主要業務為投資控股。附屬公司之業務載於財務報表附註36。

本集團於本年度之表現按業務及地區分佈之分析載於財務報表附註5。

業績及分派

本集團之本年度業績載於第58頁之綜合收入報表。

董事已宣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3.0港仙，合共約11,009,000港元（二零零六年：10,830,000港元）。

董事就截至二零零七年十二月三十一日止年度建議派付末期股息每股普通股5.0港仙，合共約18,398,000港元（二零零六年：21,663,000港元）。

RESERVES

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus of the Company shall not be distributed to the shareholders if there are reasonable grounds for believing that:

- (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

As at 31st December, 2007, the Company had distributable reserves amounting to HK\$169,868,000 (2006: HK\$178,853,000), including contributed surplus of HK\$147,694,000 (2006: HK\$147,694,000) which is distributable subject to conditions as set out above.

Movements in the reserves of the Group and the Company during the year are set out in Note 33 to the financial statements.

DONATIONS

Charitable donations made by the Group during the year amounted to HK\$110,620 (2006: HK\$255,000).

PROPERTIES, PLANT AND EQUIPMENT

Details of the movements in properties, plant and equipment of the Group during the year are set out in Note 17 to the financial statements.

儲備

根據一九八一年百慕達公司法(經修訂),在有合理理由相信會出現下列情況下,本公司之繳入盈餘不應分派予股東:

- (i) 本公司無法(或於分派後無法)支付到期清付之負債;或
- (ii) 本公司資產之可變現值因此低於本公司之負債及已發行股本及股份溢價賬之總值。

於二零零七年十二月三十一日,本公司擁有可供分派儲備169,868,000港元(二零零六年:178,853,000港元),包括繳入盈餘147,694,000港元(二零零六年:147,694,000港元),該款額受上述條件規限下可予分派。

於年內,本集團及本公司儲備之變動情況載於財務報表附註33。

捐款

於年內,本集團作出之慈善捐款為110,620港元(二零零六年:255,000港元)。

物業、廠房及設備

於年內,本集團物業、廠房及設備之變動詳情載於財務報表附註17。

PRINCIPAL PROPERTIES

The Group's investment properties are situated at Workshops Nos.1 and 2, 2nd Floor, Charm Centre, No.700 Castle Peak Road, Kowloon, Hong Kong under the lease period from 1st July, 1973 to 30th June, 2047, being leased to independent third parties for office usage.

Pursuant to the Company's announcement dated 4th March, 2008, Promaster Company Limited, an indirect wholly-owned subsidiary of the Company, entered into a binding provisional agreement for sale and purchase dated 3rd March, 2008 in respect of the above investment properties with Global Castle International Limited, an independent third party, for a consideration of HK\$35,600,000. A circular containing further details of the above disposal has been despatched to the shareholders of the Company on 18th March, 2008.

Other details of the Group's investment properties are set out in Note 18 to the financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in Note 32 to the financial statements.

SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in Note 36 to the financial statements.

BANK BORROWINGS

Particulars of bank borrowings of the Group are set out in Note 29 to the financial statements.

主要物業

本集團之投資物業位於香港九龍青山道700號時運中心二樓第一及二號工場，租期由一九七三年七月一日至二零四七年六月三十日，乃租予獨立第三方作辦公室用途。

根據本公司日期為二零零八年三月四日之公布，保萬德有限公司（本公司之間接全資附屬公司）就上述投資物業與Global Castle International Limited（一名獨立第三方）訂立一份日期為二零零八年三月三日之具約束力臨時買賣協議，代價為35,600,000港元。一份載有上述出售進一步資料之通函已於二零零八年三月十八日寄發予本公司股東。

本集團投資物業之其他詳情載於財務報表附註18。

股本

本公司股本之變動詳情載於財務報表附註32。

附屬公司

本公司主要附屬公司之詳細資料載於財務報表附註36。

銀行貸款

本集團銀行借貸之詳細資料載於財務報表附註29。

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 6.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

SHARE OPTIONS

Under the terms of the share option scheme of the Company adopted on 8th May, 2002 (the "Scheme"), the Company granted options to certain qualifying participants on 25th October, 2005 to subscribe for a total of 17,160,000 shares of HK\$0.10 each in the Company at HK\$0.536 per share at a consideration of HK\$1.00 per qualifying participant.

The principal terms of the Scheme are as follows:

(i) Purpose

The purpose of the Scheme is to provide incentives to qualifying participants to contribute to the Group and/or to enable the Group to recruit and/or to retain high-calibre employees and attract resources that are valuable to the Group.

五年財務資料摘要

本集團於過去五個財政年度之業績與資產及負債摘要載於第6頁。

購買、出售或贖回股份

本公司於年內並無贖回其任何股份。於年內，本公司或其任何附屬公司概無購買或出售本公司任何股份。

購股權

根據本公司於二零零二年五月八日採納之購股權計劃（「該計劃」）之條款，本公司於二零零五年十月二十五日以每位合資格參與者按代價1.00港元向若干合資格參與者授出購股權，可按每股0.536港元認購本公司每股面值0.10港元之股份合共17,160,000股。

該計劃之主要條款如下：

(i) 目的

該計劃之目的乃為鼓勵合資格參與者向本集團作出貢獻及／或讓本集團可聘用及／或留任高質素僱員，並吸引寶貴資源為本集團服務。

(ii) Qualifying participants

Any person being an employee, director (including executive or non-executive director), consultant, representative, professional adviser, customer, business partner, joint venture partner, strategic partner, landlord or tenant of, or any supplier or provider of goods or services, to the Group, and any trustee(s) of a discretionary trust of which one or more beneficiaries belong to any of the abovementioned category(ies) of persons.

(iii) Maximum number of shares

The total number of shares available for issue under the Scheme is 19,360,000 which is 5.26% of the issued share capital as at the date of this Annual Report.

(iv) Maximum entitlement of each qualifying participant

No qualifying participant shall be granted an option which, if exercised in full, would result in such person's maximum entitlement exceeding 1% of the aggregate number of shares for the time being issued and issuable under the Scheme.

(v) Option period

In respect of any particular option, such period commencing on the date of grant or such later date as the directors may decide and expiring on such date as the directors may determine, such period not to exceed 10 years from the date of grant.

(ii) 合資格參與者

本集團之僱員、董事（包括執行或非執行董事）、顧問、代表、專業顧問、客戶、業務夥伴、合營夥伴、策略夥伴、業主或租客、或向本集團提供貨品或服務之任何供應商、及任何酌情信託之受託人（該信託之受益人須隸屬上述任何一種類別之人士）。

(iii) 最高股份數目

根據該計劃可予發行之股份總數為19,360,000股，相當於本年度報告日期之已發行股本5.26%。

(iv) 每位合資格參與者可獲授權益上限

倘若授予合資格參與者之購股權獲全面行使，將導致該人士可獲授權益上限超逾當時根據該計劃所發行股份及將發行股份總數之1%，則該合資格參與者不獲授予購股權。

(v) 購股權有效期

就任何特定之購股權而言，有效期由授出日期或董事決定之較後日期起計，及至董事決定之日期屆滿，惟該有效期由授出購股權日期起計不得超逾十年。

(vi) Acceptance of offer

An offer of the grant of an option shall remain open for acceptance for a period of 30 days from the date on which the option is offered. An offer of the grant of the option shall be deemed to have been accepted when the duplicate offer document constituting acceptance of the option duly signed by the grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration of the grant thereof is received by the Company.

(vii) Subscription price

The subscription price in respect of any particular option shall be such price as the directors may determine at the date of grant of the relevant option but shall not be less than whichever is the greater of:

- (a) The closing price of the shares as stated in the daily quotations sheet of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of grant;
- (b) The average closing price of the Company's shares as stated in the daily quotations sheets in the Stock Exchange for the five business days immediately preceding the date of grant; and
- (c) The nominal value of the Company's shares.

(vi) 接納建議

接納授出購股權建議之開放期，由授出購股權建議之日期起計，為期三十日。本公司一經收到由獲授人正式簽署載有接納購股權之函件副本連同付予本公司1.00港元之款項作為授出購股權之代價後，授出購股權建議即被視作已獲接納。

(vii) 認購價

任何特定購股權之認購價乃由董事於授出相關購股權日期時所釐定之價格，惟不可少於下列三項之最高者：

- (a) 於購股權授出當日，股份在香港聯合交易所有限公司（「聯交所」）每日報價表所列之收市價；
- (b) 本公司股份在緊接授出購股權日期前五個交易日在聯交所每日報價表所列之平均收市價；及
- (c) 本公司股份之面值。

(viii) The remaining life of the Scheme

The directors shall be entitled at any time within 10 years commencing on 8th May, 2002 to offer the grant of an option to any qualifying participants.

Details of share options granted under the Scheme and outstanding as at 31st December, 2007 are as follows:

	Number of options 購股權數目				Held at 31st December, 2007 於 二零零七年 十二月 三十一日 持有	Exercise price HK\$ 行使價 港元	Grant date 授出日期	Exercise from 行使自	Exercise until 行使至
	Held at 1st January, 2007 於 二零零七年 一月一日 持有	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效					
Director Mr Rusli Hendrawan ("Mr Rusli") 董事Rusli Hendrawan先生 (「Rusli先生」)	3,600,000	-	-	-	3,600,000	0.536	25th October, 2005 二零零五年 十月二十五日	1st November, 2005 二零零五年 十一月一日	31st October, 2008 二零零八年 十月三十一日
Director Mr Lee Sheng Kuang, James ("Mr Lee") 董事李勝光先生 (「李先生」)	3,600,000	-	-	-	3,600,000	0.536	25th October, 2005 二零零五年 十月二十五日	1st November, 2005 二零零五年 十一月一日	31st October, 2008 二零零八年 十月三十一日
Director Mr Oey Tjie Ho ("Mr Oey") 董事黃志和先生 (「黃先生」)	500,000	-	-	-	500,000	0.536	25th October, 2005 二零零五年 十月二十五日	1st November, 2005 二零零五年 十一月一日	31st October, 2008 二零零八年 十月三十一日
Director Mr Tang Chak Lam, Charlie ("Mr Tang") 董事鄧澤霖先生 (「鄧先生」)	2,000,000	-	(2,000,000) (Note) (附註)	-	-	0.536	25th October, 2005 二零零五年 十月二十五日	1st November, 2005 二零零五年 十一月一日	31st October, 2008 二零零八年 十月三十一日
Continuous contract employees 持續合約僱員	5,920,000	-	(4,720,000) (Note) (附註)	-	1,200,000	0.536	25th October, 2005 二零零五年 十月二十五日	1st November, 2005 二零零五年 十一月一日	31st October, 2008 二零零八年 十月三十一日
	15,620,000	-	(6,720,000)	-	8,900,000				

Note:

The weighted average closing price per share immediately before the dates on which the share options were exercised was HK\$0.94.

No share options were granted or cancelled during the year.

(viii) 該計劃尚餘有效期

董事有權於二零零二年五月八日起計十年內隨時向任何合資格參與者建議授出購股權。

根據該計劃授出而於二零零七年十二月三十一日尚未行使之購股權詳情如下：

附註：

緊接購股權獲行使當日之每股股份加權平均收市價為0.94港元。

於年內概無授出或註銷任何購股權。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

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

Mr Rusli Hendrawan (*Chairman*)
Mr Lee Sheng Kuang, James (*Managing Director*)
Mr Oey Tjie Ho
Mr Tang Chak Lam, Charlie
Mr Cheung Kwok Ming[#]
Mr Kwok Lam Kwong, Larry, *J.P.* [#]
Mr Lau Siu Ki, Kevin[#]

[#] *Independent Non-Executive Director*

In accordance with Bye-law 87 of the Company's Bye-laws, Mr Rusli Hendrawan, Mr Cheung Kwok Ming and Mr Kwok Lam Kwong, Larry, *J.P.* shall retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事

於年內及截至本報告之日期，本公司之董事如下：

Rusli Hendrawan先生（主席）
李勝光先生（董事總經理）
黃志和先生
鄧澤霖先生
張國明先生[#]
郭琳廣先生 *太平紳士*[#]
劉紹基先生[#]

[#] 獨立非執行董事

根據本公司之公司細則第87條，Rusli Hendrawan先生、張國明先生及郭琳廣先生 *太平紳士* 將輪席退任，並符合資格亦願意於應屆股東週年大會上膺選連任。

董事之服務合約

被提名於應屆股東週年大會上重選之董事，概無與本公司訂立任何本公司不能於一年內免付賠償（法定賠償除外）而予以終止之服務合約。

董事之合約權益

本公司董事概無於本公司或其任何附屬公司訂立而與本集團業務有重大關係，且於本年度結束或於年內任何時間仍然有效之合約中直接或間接擁有重大利益。

CONNECTED TRANSACTIONS

On 13th September, 2001, a management services agreement (the “Management Services Agreement”) was entered into between Carry Wealth Limited (“CWL”), a wholly-owned subsidiary of the Company, and Shinning Century Limited (“SCL”) pursuant to which, CWL provides SCL with management services in Hong Kong at a management fee at 6% of the total sales at the invoiced value to customers of SCL for each calendar month. The terms of the Management Services Agreement, which are automatically renewed annually unless terminated by either party, as amended by a supplemental agreement dated 6th September, 2004 entered between CWL and SCL (the “First Supplemental Agreement”) will expire on 31st August, 2007 and be automatically renewed every 3 years and until terminated pursuant to the terms thereof for the purpose of complying with Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

On 24th November, 2006, CWL and SCL had entered into the second supplemental agreement (the “Second Supplemental Agreement”) to further amend the terms of the Management Services Agreement so as to comply with Chapter 14A of the Listing Rules for determining the annual cap amounts for the years ending 31st December, 2007, 2008 and 2009. Pursuant to the Second Supplemental Agreement, the terms of the Management Services Agreement (as amended by the First Supplemental Agreement) expire on 31st December, 2006 instead of 31st August, 2007 and will be renewed every 3 years unless terminated pursuant to the terms of the Management Services Agreement.

關連交易

於二零零一年九月十三日，本公司之全資附屬公司近旺有限公司（「近旺」）及耀晴有限公司（「耀晴」）訂立一項管理服務協議（「管理服務協議」），據此，近旺於香港向耀晴提供管理服務，管理費為於各曆月耀晴向客戶供貨之發票值之總銷售額之6%。管理服務協議之條款（除非任何一方予以終止，否則協議期滿每年自動重續）經近旺及耀晴訂立日期為二零零四年九月六日之補充協議（「第一份補充協議」）修訂，為了符合聯交所證券上市規則（「上市規則」）第14A章之規定，管理服務協議將於二零零七年八月三十一日屆滿，協議期滿每三年自行重續，直至根據其條款予以終止為止。

於二零零六年十一月二十四日，近旺及耀晴訂立第二份補充協議（「第二份補充協議」）進一步修訂管理服務協議之條款，以符合上市規則第14A章對釐定截至二零零七年、二零零八年及二零零九年十二月三十一日止年度之年度上限金額之規定。根據第二份補充協議，管理服務協議之條款（經第一份補充協議修訂）於二零零六年十二月三十一日而非二零零七年八月三十一日屆滿，除非根據管理服務協議之條款予以終止，否則將每三年重續一次。

REPORT OF THE DIRECTORS

董事會報告

SCL is owned as to 70% by the Company indirectly and 30% by Ms Chen Mei Chuan, Jennifer. Ms Chen is also the managing director of SCL. The ongoing transactions between CWL and SCL as aforesaid constitute connected transactions for the Company under the Listing Rules.

The independent non-executive directors of the Company have reviewed the transactions and confirmed that the transactions have been entered into:

- (i) in the ordinary and usual course of business of the Company and CWL;
- (ii) on normal commercial terms; and
- (iii) in accordance with the Management Services Agreement (as amended by the First and Second Supplemental Agreements) on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditor of the Company has confirmed to the board of directors that the transactions:

- (i) (1) have received the approval of the Company's board of directors;
- (2) are in accordance with the pricing policies of the Company;
- (3) have been entered into in accordance with the terms of the Management Services Agreement (as amended by the First and Second Supplemental Agreements); and
- (ii) the aggregate amount of management fees charged by CWL amounted to HK\$4,847,000 which did not exceed the cap amount of HK\$7,500,000 as disclosed in the Company's announcement dated 1st December, 2006.

耀晴由本公司間接擁有70%權益及由陳美娟女士擁有30%權益，陳女士亦為耀晴之董事總經理。根據上市規則，上述近旺與耀晴之間之持續交易構成本公司之關連交易。

本公司獨立非執行董事已覆核及確認有關交易：

- (i) 屬本公司及近旺之日常及慣常業務；
- (ii) 按一般商業條款進行；及
- (iii) 根據管理服務協議（經第一份及第二份補充協議修訂）進行，而交易條款乃公平合理，並且符合本公司股東之整體利益。

本公司核數師已向董事會確認，有關交易：

- (i) (1) 經本公司董事會批准；
- (2) 乃按照本公司之定價政策而進行；
- (3) 根據管理服務協議（經第一份及第二份補充協議修訂）之條款進行；及
- (ii) 近旺收取之管理費總額4,847,000港元並無超出本公司日期為二零零六年十二月一日之公布所披露之上限7,500,000港元。

INTERESTS OF DIRECTORS

As at 31st December, 2007, the interests of the directors of the Company in the shares and underlying shares of the Company as recorded in the register required to be kept under section 352 of the Securities and Futures Ordinance (the "SFO") or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") are as follows:

董事權益

於二零零七年十二月三十一日，根據證券及期貨條例（「證券及期貨條例」）第352條規定須予備存之登記冊或根據上市發行人董事進行證券交易的標準守則（「標準守則」）向本公司及聯交所發出之通知，本公司董事擁有本公司股份及相關股份之權益如下：

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

(a) 本公司每股面值0.10港元普通股

Name of Director	Capacity	Number of ordinary shares				Total interests	Percentage of issued share capital
		Personal interests	Family interests	Corporate interests	Other interests		
董事姓名	身份	個人權益	家族權益	公司權益	其他權益	總權益	股本百分比
Mr Rusli	Interest of controlled corporations	-	-	169,062,000	-	169,062,000	45.96
Rusli先生	受控制法團之權益			(Note)			
Mr Lee	Interest of controlled corporations	-	-	169,062,000	-	169,062,000	45.96
李先生	受控制法團之權益			(Note)			
Mr Tang	Beneficial owner	2,000,000	-	-	-	2,000,000	0.54
鄧先生	實益擁有人						

Note:

The above shares were held by Respected International Limited ("RIL"), which was ultimately owned as to 46.03% and 46.03% by Mr Rusli and Mr Lee respectively through their respective wholly-owned companies.

附註：

上述股份由 Respected International Limited（「RIL」）持有，而該公司則由 Rusli 先生及李先生分別透過彼等各自之全資擁有公司最終擁有 46.03% 及 46.03% 權益。

(b) Derivatives to ordinary shares of HK\$0.10 each in the Company

(b) 本公司每股面值0.10港元普通股之衍生工具

Name of director	Capacity	Unlisted options (physically settled equity derivatives) held 持有非上市購股權 (實物結算股本衍生工具)	Percentage of issued share capital 佔已發行 股本百分比
董事姓名	身份		
Mr Rusli Rusli先生	Beneficial owner 實益擁有人	3,600,000	0.97
Mr Lee 李先生	Beneficial owner 實益擁有人	3,600,000	0.97
Mr Oey 黃先生	Beneficial owner 實益擁有人	500,000	0.13

Note:

The above share options were granted to directors under the Scheme as defined in the section headed "SHARE OPTIONS" above.

附註:

上述購股權乃根據上文「購股權」一節所界定之該計劃授予董事。

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

上文所述之所有權益均屬好倉。除上文所披露者外，根據證券及期貨條例第352條規定須予備存之登記冊或根據標準守則向本公司及聯交所發出之通知，於二零零七年十二月三十一日，本公司董事或最高行政人員概無於本公司或任何相聯法團（按證券及期貨條例第XV部之定義）之股份、相關股份或債權證中擁有任何權益或淡倉。

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31st December, 2007, the interests of the substantial shareholders (as defined in the Listing Rules), other than directors or chief executives, of the Company in the shares of the Company as recorded in the register required to be kept under section 336 of the SFO are as follows:

Ordinary shares of HK\$0.10 each in the Company

Name of shareholder	Capacity	Number of ordinary shares	Percentage of issued share capital
股東名稱	身份	普通股股份數目	佔已發行股本百分比
RIL (Note 1) RIL (附註1)	Beneficial owner 實益擁有人	169,062,000	45.96
Bright Asia Worldwide Corporation (Note 1) Bright Asia Worldwide Corporation (附註1)	Interest of a controlled corporation 受控制法團之權益	169,062,000	45.96
Maxflow Investment Ltd. (Note 1) Maxflow Investment Ltd. (附註1)	Interest of a controlled corporation 受控制法團之權益	169,062,000	45.96
Greatwood Investment Trading Limited (Note 2) Greatwood Investment Trading Limited (附註2)	Beneficial owner 實益擁有人	62,000,000	16.85

主要股東權益

於二零零七年十二月三十一日，根據證券及期貨條例第336條規定須予備存之登記冊，本公司主要股東（定義見上市規則）（除董事或最高行政人員外）擁有本公司股份之權益如下：

本公司每股面值0.10港元普通股

REPORT OF THE DIRECTORS

董事會報告

Name of shareholder	Capacity	Number of ordinary shares	Percentage of issued share capital
股東名稱	身份	普通股股份數目	佔已發行股本百分比
Mr Yeung Sze Kei (Note 2)	Interest of a controlled corporation	62,000,000	16.85
楊仕基先生(附註2)	受控制法團之權益		
Preferable Situation Assets Limited (Note 3)	Beneficial owner	18,701,000	5.08
Preferable Situation Assets Limited (附註3)	實益擁有人		
Mr Webb David Michael (Note 3)	Beneficial owner	3,323,000	0.90
Webb David Michael先生(附註3)	實益擁有人		
	Interest of a controlled corporation	18,701,000	5.08
	受控制法團之權益		

Notes:

- 169,062,000 shares in the Company were held by RIL, a company in which Mr Rusli and Mr Lee held 46.03% and 46.03% equity interests respectively through Bright Asia Worldwide Corporation, which was wholly-owned by Mr Rusli and Maxflow Investment Ltd., which was wholly-owned by Mr Lee. Accordingly, Mr Rusli, Mr Lee, Bright Asia Worldwide Corporation and Maxflow Investment Ltd. were all deemed to be interested in 169,062,000 shares in the Company. These interests were duplicated with the interests of Mr Rusli and Mr Lee as disclosed in the section headed "INTERESTS OF DIRECTORS".
- These shares were held by Greatwood Investment Trading Limited, which was wholly-owned by Mr Yeung Sze Kei.

附註:

- RIL持有本公司169,062,000股股份，而Rusli先生及李先生透過Bright Asia Worldwide Corporation（為Rusli先生全資擁有）及Maxflow Investment Ltd.（為李先生全資擁有）分別持有該公司46.03%及46.03%之股本權益。因此，Rusli先生、李先生、Bright Asia Worldwide Corporation及Maxflow Investment Ltd.均被視作擁有本公司169,062,000股股份之權益。此等權益與「董事權益」一節所披露Rusli先生及李先生所佔之權益重複。
- 此等股份由楊仕基先生全資擁有之Greatwood Investment Trading Limited持有。

3. Pursuant to a notice filed under Part XV of the SFO, 18,701,000 shares in the Company were held by Preferable Situation Assets Limited, which was wholly-owned by Mr Webb David Michael. Accordingly, Mr Webb David Michael was deemed to be interested in 18,701,000 shares in the Company. Mr Webb David Michael had an aggregate interest in 22,024,000 shares.

All the interests stated above represent long positions. Save as disclosed above, as at 31st December, 2007, none of the substantial shareholders, other than directors or chief executives, of the Company had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

INTERESTS OF OTHER PERSONS

Save as disclosed in the sections headed "INTERESTS OF DIRECTORS" and "INTERESTS OF SUBSTANTIAL SHAREHOLDERS" above, the register required to be kept under section 336 of the SFO shows that as at 31st December, 2007, the Company had not been notified of any other person who had an interest or short position in the shares and underlying shares of the Company.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

3. 按一份根據證券及期貨條例第XV部存檔之通告，18,701,000股本公司股份由Webb David Michael先生全資擁有之Preferable Situation Assets Limited持有。因此，Webb David Michael先生被視作擁有本公司18,701,000股股份之權益。Webb David Michael先生持有合共22,024,000股股份之權益。

上文所述之所有權益均屬好倉。除上文所披露者外，根據證券及期貨條例第336條規定須予備存之登記冊，於二零零七年十二月三十一日，本公司之主要股東（除董事或最高行政人員外）於本公司股份或相關股份中概無擁有任何權益或淡倉。

其他人士權益

除上文「董事權益」及「主要股東權益」兩節所披露者外，根據證券及期貨條例第336條規定須予備存之登記冊，於二零零七年十二月三十一日，本公司並無獲通知任何其他人士擁有本公司股份及相關股份之權益或淡倉。

管理合約

於年內並無訂立或存有有關本公司整體或任何重大部份業務之管理及行政合約。

MAJOR SUPPLIERS AND CUSTOMERS

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

(i) Purchases	
– the largest supplier	32%
– five largest suppliers combined	56%
(ii) Sales	
– the largest customer	46%
– five largest customers combined	89%

None of the directors, their associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above at any time during the year.

PRE-EMPTIVE RIGHTS

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

AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

Lee Sheng Kuang, James

Managing Director

Hong Kong, 20th March, 2008

主要供應商及客戶

本集團主要供應商及客戶於年內所佔之採購及銷售百分比如下：

(i) 採購	
– 最大供應商	32%
– 五大供應商(合計)	56%
(ii) 銷售	
– 最大客戶	46%
– 五大客戶(合計)	89%

本公司董事、彼等之聯繫人士或任何股東(據董事所知於本公司股本中擁有5%以上權益者)於年內任何時間概無於上述主要供應商或客戶中擁有權益。

優先認股權

本公司之公司細則或百慕達法例均無優先認股權之規定。

核數師

本財務報表已經由羅兵咸永道會計師事務所審核。該核數師任滿告退，並表示願意應聘連任。

代表董事會

李勝光

董事總經理

香港，二零零八年三月二十日



羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong
Telephone (852) 2289 8888
Facsimile (852) 2810 9888
www.pwchk.com

**TO THE SHAREHOLDERS OF
CARRY WEALTH HOLDINGS LIMITED**

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Carry Wealth Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 58 to 152, which comprise the consolidated and company balance sheets as at 31st December, 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

**DIRECTORS' RESPONSIBILITY FOR THE
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 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.

致恒富控股有限公司股東

(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核列載於第58頁至第152頁恒富控股有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表。此綜合財務報表包括於二零零七年十二月三十一日的綜合及公司資產負債表與截至該日止年度的綜合收入報表、綜合權益變動表及綜合現金流轉表,以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司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按照香港《公司條例》的披露規定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而公平地列報財務報表相關的內部控制,以使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。

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 1981 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 financial statements are free from material misstatement.

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

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

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見，並按照百慕達一九八一年《公司法》（「公司法」）第90條僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報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控制的效能發表意見。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，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

OPINION

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

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 20th March, 2008

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零零七年十二月三十一日的事務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所

執業會計師

香港，二零零八年三月二十日

CONSOLIDATED INCOME STATEMENT

綜合收入報表

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

		Note 附註	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Revenues	收益	5	1,056,861	1,211,651
Cost of sales	銷貨成本	7	(817,290)	(972,856)
Gross profit	毛利		239,571	238,795
Other (losses)/gain – net	其他(虧損)/收益 – 淨額	6	(2,659)	56
Selling expenses	銷售開支	7	(36,860)	(46,146)
Administrative expenses	行政開支	7	(120,575)	(107,386)
Operating profit	經營溢利		79,477	85,319
Finance income	融資收入	8	6,730	3,281
Finance costs	融資成本	9	(6,637)	(5,988)
Share of profit of associates	分佔聯營公司溢利		1,738	4,839
Profit before income tax	除所得稅前溢利		81,308	87,451
Income tax expense	所得稅開支	10	(27,228)	(18,741)
Profit for the year	年度溢利		54,080	68,710
Attributable to:	由下列人士應佔:			
Equity holders of the Company	本公司權益持有人	11	48,950	68,116
Minority interests	少數股東權益		5,130	594
			54,080	68,710
Earnings per share for profit attributable to the equity holders of the Company during the year	年內由本公司權益持有人應佔溢利之每股盈利			
– basic (HK cents)	– 基本(港仙)	12	13.40	18.88
– diluted (HK cents)	– 攤薄(港仙)	12	13.23	18.71
Dividends	股息	13	29,407	32,493

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註構成此等綜合財務報表之部份。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31st December, 2007 於二零零七年十二月三十一日

			2007	2006
		Note	二零零七年	二零零六年
		附註	HK\$'000	HK\$'000
			千港元	千港元
ASSETS	資產			
Non-current assets	非流動資產			
Goodwill	商譽	16	1,100	1,100
Properties, plant and equipment	物業、廠房及設備	17	152,141	108,326
Investment properties	投資物業	18	28,300	22,300
Leasehold land and land use rights	租賃土地及土地使用權	19	12,546	2,235
Non-current deposits	非流動按金	20	–	7,223
Interests in associates	於聯營公司之權益	22	49,154	47,036
Deferred income tax assets	遞延所得稅資產	30	2,868	4,279
Financial assets	金融資產	23	9,314	9,028
			255,423	201,527
Current assets	流動資產			
Inventories	存貨	25	86,943	157,101
Trade and other receivables	貿易及其他應收款項	26	138,788	138,269
Financial assets	金融資產	23	12,900	156
Time deposits	定期存款		–	3,470
Cash and cash equivalents	現金及現金等值項目	28	109,952	91,453
			348,583	390,449
Total assets	總資產		604,006	591,976
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	由本公司權益持有人應佔資本及儲備			
Share capital	股本	32	36,777	36,105
Other reserves	其他儲備	33	37,806	33,660
Retained earnings	保留盈利			
– Proposed final dividend	– 擬派末期股息		18,398	21,663
– Others	– 其他		232,730	213,500
			325,711	304,928
Minority interests	少數股東權益		8,247	2,594
Total equity	總權益		333,958	307,522

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31st December, 2007 於二零零七年十二月三十一日

			2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
		Note 附註		
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Bank borrowings	銀行貸款	29	33,305	25,250
Deferred income tax liabilities	遞延所得稅負債	30	7,384	4,771
			40,689	30,021
Current liabilities	流動負債			
Derivative financial instruments	衍生金融工具	27	12,617	–
Trade and other payables	貿易及其他應付款項	31	128,333	171,362
Income tax payable	應付所得稅		15,636	14,666
Bank borrowings	銀行貸款	29	72,773	68,405
			229,359	254,433
Total liabilities	總負債		270,048	284,454
Total equity and liabilities	總權益及負債		604,006	591,976
Net current assets	流動資產淨值		119,224	136,016
Total assets less current liabilities	總資產減流動負債		374,647	337,543

Lee Sheng Kuang, James

李勝光

Managing Director

董事總經理

Tang Chak Lam, Charlie

鄧澤霖

Executive Director

執行董事

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註構成此等綜合財務報表之部份。

BALANCE SHEET

資產負債表

As at 31st December, 2007 於二零零七年十二月三十一日

			2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司之投資	21	165,938	166,346
Current assets	流動資產			
Amounts due from subsidiaries	附屬公司欠款	24	86,297	93,080
Other receivables	其他應收款項	26	1,119	1,049
Cash and cash equivalents	現金及現金等值項目	28	166	145
			87,582	94,274
Total assets	總資產		253,520	260,620
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	由本公司權益持有人應佔資本及儲備			
Share capital	股本	32	36,777	36,105
Other reserves	其他儲備	33	190,103	187,174
Retained earnings	保留盈利			
– Proposed final dividend	– 擬派末期股息		18,398	21,663
– Others	– 其他		3,776	9,496
Total equity	總權益		249,054	254,438
LIABILITIES	負債			
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計費用	31	4,466	6,182
Total liabilities	總負債		4,466	6,182
Total equity and liabilities	總權益及負債		253,520	260,620
Net current assets	流動資產淨值		83,116	88,092
Total assets less current liabilities	總資產減流動負債		249,054	254,438

Lee Sheng Kuang, James

李勝光

Managing Director

董事總經理

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鄧澤霖

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The accompanying notes are an integral part of these financial statements.

隨附之附註構成此等財務報表之部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔				
		Share capital	Other reserves	Retained earnings	Minority interests	Total
		股本 HK\$'000 千港元	其他儲備 HK\$'000 千港元	保留盈利 HK\$'000 千港元	少數 股東權益 HK\$'000 千港元	合計 HK\$'000 千港元
Balance at 1st January, 2006	於二零零六年 一月一日結餘	36,003	36,330	182,722	1,704	256,759
Fair value gain/(losses), net of tax:	公允價值收益/ (損失)·扣除稅項:					
- available-for-sale financial assets	- 可供出售之金融資產	-	528	-	-	528
- properties, plant and equipment	- 物業·廠房及設備	-	(1,021)	-	28	(993)
Disposal of available-for-sale financial assets	出售可供出售之 金融資產	-	297	-	-	297
Currency translation differences	匯兌差額	-	10,281	-	268	10,549
Transfer of reserve	儲備轉移	-	(13,146)	13,146	-	-
Net (expense)/income recognised directly in equity	於權益直接確認 之淨(開支)/收入	-	(3,061)	13,146	296	10,381
Profit for the year	年度溢利	-	-	68,116	594	68,710
Total recognised (expense)/ income for 2006	二零零六年已確認 (開支)/收入總額	-	(3,061)	81,262	890	79,091
Employee share option scheme:	僱員購股權計劃:					
- exercise of share options	- 購股權之行使	102	445	-	-	547
- lapsed of share options	- 購股權之失效	-	(54)	54	-	-
2005 final dividend paid	已付二零零五年末期股息	-	-	(18,045)	-	(18,045)
2006 interim dividend paid	已付二零零六年中期股息	-	-	(10,830)	-	(10,830)
		102	391	(28,821)	-	(28,328)
Balance at 31st December, 2006	於二零零六年 十二月三十一日結餘	36,105	33,660	235,163	2,594	307,522
Balance at 1st January, 2007	於二零零七年 一月一日結餘	36,105	33,660	235,163	2,594	307,522
Fair value gain, net of tax:	公允價值收益· 扣除稅項:					
- available-for-sale financial assets	- 可供出售之金融資產	-	22	-	-	22
- properties, plant and equipment	- 物業·廠房及設備	-	340	-	26	366
Disposal of available-for-sale financial assets	出售可供出售之 金融資產	-	(392)	-	-	(392)
Currency translation differences	匯兌差額	-	1,247	-	1,078	2,325
Net income recognised directly in equity	於權益直接確認之 淨收入	-	1,217	-	1,104	2,321
Profit for the year	年度溢利	-	-	48,950	5,130	54,080
Total recognised income for 2007	二零零七年已確認 收入總額	-	1,217	48,950	6,234	56,401
Employee share option scheme:	僱員購股權計劃:					
- exercise of share options	- 購股權之行使	672	2,929	-	-	3,601
2006 final dividend paid	已付二零零六年末期股息	-	-	(21,976)	(581)	(22,557)
2007 interim dividend paid	已付二零零七年中期股息	-	-	(11,009)	-	(11,009)
		672	2,929	(32,985)	(581)	(29,965)
Balance at 31st December, 2007	於二零零七年 十二月三十一日結餘	36,777	37,806	251,128	8,247	333,958

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註構成此等綜合財務報表之部份。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流轉表

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

			2007	2006
			二零零七年	二零零六年
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
Cash flows from operating activities 經營活動之現金流轉				
Cash generated from operations	經營產生之現金	34(a)	129,685	108,281
Interest paid	已付利息		(6,637)	(5,988)
Hong Kong profits tax (paid)/refund	(已繳) / 退回香港利得稅		(18,583)	170
Overseas tax paid	已繳海外稅項		(4,000)	(3,493)
Net cash generated from operating activities	經營活動產生現金淨額		100,465	98,970
Cash flow from investing activities 投資活動之現金流轉				
Purchase of properties, plant and equipment	購置物業、廠房及設備		(70,293)	(23,993)
Proceeds from disposal of properties, plant and equipment	出售物業、廠房及設備所得款項		4,130	473
Purchase of financial assets at fair value through profit or loss	購入按公允值計入損益賬之金融資產		(15,610)	-
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公允值計入損益賬之金融資產所得款項		5,412	5,898
Proceeds from disposal of available-for-sale financial assets	出售可供出售之金融資產所得款項		756	1,905
Deposits paid for a land use right	已付土地使用權按金		-	(7,223)
Proceeds from disposal of subsidiaries	出售附屬公司所得款項		-	6,391
Acquisition of an associate	收購一間聯營公司		-	(3,000)
Dividend income received from an associate	收取一間聯營公司之股息收入		2,899	-
Decrease in time deposits	定期存款減少		3,470	-
Interest received	已收利息		6,730	3,281
Net cash used in investing activities	投資活動所用淨現金		(62,506)	(16,268)

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流轉表

For the year ended 31st December, 2007 截至二零零七年十二月三十一日止年度

			2007 二零零七年	2006 二零零六年
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
Cash flows from financing activities	融資活動之現金流轉			
Proceeds from issuance of ordinary shares	發行普通股所得款項		3,601	547
Proceeds from bank borrowings	銀行貸款所得款	34(b)	413,195	432,563
Repayments of bank borrowings	償還銀行貸款	34(b)	(400,772)	(440,545)
Dividends paid to equity holders of the Company	已付本公司權益持有人股息		(32,985)	(28,875)
Dividends paid to a minority shareholder of a subsidiary	已付一間附屬公司一名少數股東股息		(581)	-
Net cash used in financing activities	融資活動所用淨現金		(17,542)	(36,310)
Effect of foreign exchange rate changes	外幣匯率變動之影響		(1,918)	(1,392)
Net increase in cash and cash equivalents	現金及現金等值項目之淨增加		18,499	45,000
Cash and cash equivalents at beginning of the year	年初現金及現金等值項目		91,453	46,453
Cash and cash equivalents at end of the year	年終現金及現金等值項目		109,952	91,453

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註構成此等綜合財務報表之部份。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

1 GENERAL INFORMATION

Carry Wealth Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) manufactures and trades garment products. The Group has production facilities in Indonesia, Lesotho, El Salvador and Mainland China.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company is listed on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$'000), unless otherwise stated.

These consolidated financial statements have been approved for issue by the Board of Directors on 20th March, 2008.

1 一般資料

恒富控股有限公司（「本公司」）及其附屬公司（統稱為「本集團」）生產及買賣成衣產品。本集團於印尼、萊索托、薩爾瓦多及中國大陸均有生產設施。

本公司是一間於百慕達註冊成立的有限公司。註冊地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本公司於香港聯合交易所有限公司上市。

除另有說明外，此等綜合財務報表均以千港元為呈列單位（千港元）。

此等綜合財務報表已於二零零八年三月二十日獲董事會批准刊發。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of Carry Wealth Holdings Limited have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of buildings, investment properties, financial assets and financial liabilities, which are carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

2 主要會計政策概要

編製此等綜合財務報表所採納之主要會計政策載於下文。除另有說明外，此等政策已於所有呈報年度貫徹應用。

2.1 編製基準

恒富控股有限公司之綜合財務報表乃按照香港財務報告準則（「香港財務報告準則」）編製。綜合財務報表乃根據歷史成本法而編製，並就重估之建築物、投資物業、金融資產與金融負債按公允值列賬而予以修訂。

根據香港財務報告準則，本財務報表之編製作出了若干關鍵會計估算。同時，在應用本公司會計政策之過程中，需要管理層行使其判斷。

需要作出較多判斷或較為複雜之範疇，或有關假設及估計對綜合財務報表屬於重要之範疇，已於附註4披露。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(a) *Standards, amendment and interpretations effective in 2007*

- HKFRS 7, 'Financial instruments: Disclosures', and the complementary amendment to HKAS 1, 'Presentation of financial statements – Capital disclosures', introduces new disclosures relating to financial instruments. The Group assess the impact of HKFRS 7 and HKAS 1 (Amendment) and considers that it does not have any impact on the classification and valuation of the Group's financial instruments. The main additional disclosures will be the sensitivity analysis to market risk and capital disclosures. The Group has applied HKFRS 7 and HKAS 1 (Amendment) from 1st January, 2007.
- HK(IFRIC) – Int 10, 'Interim financial reporting and impairment', prohibits the impairment losses recognised in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date. This standard does not have any impact on the Group's financial statements.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

(a) 於二零零七年生效之準則、修訂及詮釋

- 香港財務報告準則第7號「金融工具：披露」及香港會計準則第1號「財務報表之呈報－資本披露」之補充修訂引入了有關金融工具之新披露規定。本集團已評估香港財務報告準則第7號及香港會計準則第1號（修訂）之影響，並認為其對本集團之金融工具之分類及估值無任何影響。主要額外披露為市場風險之敏感度分析及資本披露。本集團已由二零零七年一月一日起應用香港財務報告準則第7號及香港會計準則第1號（修訂）。
- 香港（國際財務報告詮釋委員會）－詮釋第10號「中期財務報告和減值」禁止在中期期間確認按成本值列賬之商譽及權益工具之投資和金融資產投資之減值虧損，在之後之結算日撥回。是項準則對本集團之財務報表並無任何影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) Standards, amendments and interpretations effective in 2007 but not relevant to the Group

The following standards, amendments and interpretations to published standards are mandatory for accounting periods beginning on or after 1st January, 2007 but they are not relevant to the Group's operations:

- HKFRS 4, 'Insurance contracts';
- HK(IFRIC) – Int 7, 'Applying the restatement approach under HKAS 29, Financial reporting in hyper-inflationary economies';
- HK(IFRIC) – Int 8, 'Scope of HKFRS 2'; and
- HK(IFRIC) – Int 9, 'Re-assessment of embedded derivatives'.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

(b) 於二零零七年生效但與本集團無關之準則、修訂及詮釋

下列為須於二零零七年一月一日或以後開始之會計期間強制應用但與本集團業務無關之準則、修訂及對已頒佈準則之詮釋：

- 香港財務報告準則第4號「保險合約」；
- 香港（國際財務報告詮釋委員會）－詮釋第7號「應用香港會計準則第29號「嚴重通脹經濟中之財務報告」下的重列法」；
- 香港（國際財務報告詮釋委員會）－詮釋第8號「香港財務報告準則第2號之範圍」；及
- 香港（國際財務報告詮釋委員會）－詮釋第9號「重新評估勘入式衍生工具」。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(c) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

The following standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1st March, 2007 or later periods, but the Group has not early adopted them:

- HKAS 23 (Amendment), 'Borrowing costs' (effective from 1st January, 2009). The amendment requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. The Group will apply HKAS 23 (Amended) from 1st January, 2009 but is currently not applicable to the Group as there are no qualifying assets and it is not expected to have any impact on the Group's financial statements.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

(c) 尚未生效且本集團並無提前採納之準則、修訂及對現有準則之詮釋

下列為已頒佈及須於本集團二零零七年三月一日或以後開始之會計期間強制應用，但本集團並無提前採納之準則、修訂及對現有準則之詮釋：

- 香港會計準則第23號(修訂)「借貸成本」(於二零零九年一月一日起生效)。此項修訂要求實體將收購、興建或生產一項合資格資產(即需要頗長時間籌備作使用或出售的資產)直接應佔的借貸成本資本化，作為該資產的部份成本。將該等借貸成本即時作費用支銷的選擇將被刪去。本集團將會由二零零九年一月一日起應用香港會計準則第23號(修訂)，由於本集團並無合資格資產，故目前不適用於本集團。且預期不會對本集團之財務報表構成任何影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (c) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (Continued)*
- HKFRS 8, 'Operating segments' (effective from 1st January, 2009). HKFRS 8 replaces HKAS 14 and aligns segment reporting with the requirements of the US standard SFAS 131, 'Disclosures about segments of an enterprise and related information'. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The Group will apply HKFRS 8 from 1st January, 2009 but it is not expected to have any impact on the Group's financial statements.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

- (c) 尚未生效且本集團並無提前採納之準則、修訂及對現有準則之詮釋 (續)
- 香港財務報告準則第8號「營運分部」(於二零零九年一月一日起生效)。香港財務報告準則第8號取代了香港會計準則第14號，並將分部報告與美國準則SFAS 131「有關企業分部和相關資料的披露」的規定統一起來。此項新準則要求採用「管理方法」，即分部資料須按照與內部報告所採用的相同基準呈報。本集團將會由二零零九年一月一日起應用香港財務報告準則第8號，惟預期不會對本集團之財務報表構成任何影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (c) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (Continued)*
- HK(IFRIC) – Int 11, ‘HKFRS 2 – Group and treasury share transactions’ (effective from 1st March, 2007). HK(IFRIC) – Int 11 provides guidance on whether share-based transactions involving treasury shares or involving Group entities (for example, options over a parent’s shares) should be accounted for as equity-settled or cash-settled share-based payment transactions in the stand-alone accounts of the parent and Group companies. The Group will apply HK(IFRIC) – Int 11 from 1st January, 2008, but it is not expected to have any impact on the Group’s financial statements.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

- (c) 尚未生效且本集團並無提前採納之準則、修訂及對現有準則之詮釋 (續)
- 香港 (國際財務報告詮釋委員會) – 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」(於二零零七年三月一日起生效)。香港 (國際財務報告詮釋委員會) – 詮釋第 11 號就涉及庫存股份或本集團實體 (如母公司股份之購股權) 之股份交易，於母公司及集團公司之獨立賬目中應以權益結算或現金結算股份付款交易處理提供指引。本集團將於二零零八年一月一日起應用香港 (國際財務報告詮釋委員會) – 詮釋第 11 號，惟預期不會對本集團之財務報表構成任何影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (c) **Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (Continued)**
- HK(IFRIC) – Int 14, 'HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction' (effective from 1st January, 2008). HK(IFRIC) – Int 14 provides guidance on assessing the limit in HKAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. The Group will apply HK (IFRIC) – Int 14 from 1st January, 2008, but it is not expected to have any impact on the Group's financial statements.

The adoption of the above standards, amendments and interpretations does not result in substantial changes to the Group's accounting policies.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

- (c) **尚未生效且本集團並無提前採納之準則、修訂及對現有準則之詮釋 (續)**
- 香港 (國際財務報告詮釋委員會) – 詮釋第 14 號「香港會計準則第 19 號 – 界定福利資產限額、最低資金要求及兩者相互關係」(由二零零八年一月一日起生效)。香港 (國際財務報告詮釋委員會) – 詮釋第 14 號對香港會計準則第 19 號有關評估可確認為資產的盈餘金額的限額提供指引。此項準則亦解釋了公積金資產或負債如何可能受法定或合約性的最低資金要求所影響。本集團會由二零零八年一月一日起應用香港 (國際財務報告詮釋委員會) – 詮釋第 14 號，惟預期不會對本集團之財務報表構成任何影響。

採納上述準則、修訂及詮釋不會對本集團之會計政策造成重大變動。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to 31st December.

(a) *Subsidiaries*

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

2 主要會計政策概要 (續)

2.2 綜合賬目

綜合賬目包括本公司及其所有附屬公司截至十二月三十一日之財務報表。

(a) *附屬公司*

附屬公司指本集團有權監管其財政及營運政策的所有實體，一般附帶超過半數投票權之股權。現時可行使或可轉換之潛在投票權之存在及影響，會於評估本集團是否控制另一間實體時考慮。

附屬公司於控制權轉移至本集團當日起全數綜合入賬，並自控制權終止當日起停止綜合入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Consolidation (Continued)

(a) Subsidiaries (Continued)

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

The gain or loss on disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any unamortised goodwill or goodwill/negative goodwill taken to reserves and which was not previously charged or recognised in the consolidated income statement and also any related accumulated exchange fluctuation reserve.

2 主要會計政策概要 (續)

2.2 綜合賬目 (續)

(a) 附屬公司 (續)

會計收購法乃用作本集團收購附屬公司的入賬方法。收購的成本根據於交易日期所給予資產、所發行的股本工具及所產生或承擔的負債的公允值計算，另加該收購直接應佔的成本。在企業合併中所收購可識別的資產以及所承擔的負債及或然負債，首先以彼等於收購日期的公允值計量，而不論任何少數股東權益的數額。收購成本超過本集團應佔所收購可識別資產淨值的公允值的數額記錄為商譽。若收購成本低於所購入附屬公司資產淨值的公允值，該差額直接在收入報表確認。

出售附屬公司之盈虧乃相當於出售所得款項與本集團所佔該附屬公司之淨資產之差額，連同任何未攤銷商譽或先前並未於綜合收入報表扣除或確認但已撥入儲備之商譽／負商譽，以及任何有關之累計匯兌波動儲備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Consolidation (Continued)

(a) Subsidiaries (Continued)

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet, investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted by the Company on the basis of dividend received and receivable.

(b) Transactions and minority interests

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recorded in the consolidated income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

2 主要會計政策概要 (續)

2.2 綜合賬目 (續)

(a) 附屬公司 (續)

集團內公司間之交易、交易之結餘及進行交易時之未變現收益會予以抵銷。除非有關交易能提供所轉讓資產之減值指標之憑證，否則未變現之虧損亦會抵銷。附屬公司之會計政策已在需要時作出相應變動，以確保與本集團所採納之政策符合一致。

在本公司之資產負債表內，於附屬公司之投資乃以成本扣除減值虧損撥備後列賬。附屬公司之業績乃按本公司之已收及應收股息入賬。

(b) 交易及少數股東權益

少數股東權益乃相當於外間股東於附屬公司之經營業績及淨資產之權益。

本集團採用之政策為將帶有少數股東權益之交易視為與本集團以外人士所作之交易。向少數股東權益出售而為本集團帶來盈虧於綜合收入報表記賬。向少數股東進行採購而導致的商譽，相當於所支付之任何代價與所收購附屬公司淨資產有關份額之賬面值兩者之差額。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Consolidation (Continued)

(c) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition (Note 2.8).

The Group's share of its associates post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

2 主要會計政策概要 (續)

2.2 綜合賬目 (續)

(c) 聯營公司

聯營公司是指所有本集團對其有重大影響力而無控制權的實體，通常附帶有20%至50%投票權的股權。聯營公司投資以權益會計法入賬，初始以成本確認。本集團於聯營公司之投資包括於收購時識別之商譽（扣除任何累計減值虧損）（附註2.8）。

本集團應佔收購後聯營公司的溢利或虧損於收入報表內確認，而應佔收購後儲備的變動則於儲備賬內確認。投資賬面值會根據累計之收購後儲備變動而作出調整。如本集團應佔一家聯營公司之虧損等於或超過其在該聯營公司之權益，包括任何其他無抵押應收款，本集團不會確認進一步虧損，除非本集團已代聯營公司承擔責任或作出付款。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Consolidation (Continued)

(c) Associates (Continued)

Unrealised gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the associate has been changed, where necessary, to ensure consistency with the policies adopted by the Group.

Dilution gains and losses in associates are recognised in the consolidated income statement.

2.3 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

The Group has determined that geographical segments by location of customers be presented as the primary reporting format. Business segments are not presented as the secondary reporting format because the Group's turnover and operations were solely contributed by the garment manufacturing business.

2 主要會計政策概要 (續)

2.2 綜合賬目 (續)

(c) 聯營公司 (續)

本集團與其聯營公司之間交易的未實現收益按集團在聯營公司權益的數額對銷。除非交易提供所轉讓資產減值之憑證，否則未實現虧損亦予以對銷。聯營公司的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

聯營公司之攤薄收益及虧損於綜合收入報表內確認。

2.3 分部報告

一個業務分部指從事提供產品或服務之一組資產及業務，而該組資產及業務之風險及回報與其他業務分部有別。一個地區分部乃在某一特定經濟環境下從事提供產品或服務，而該分部之風險及回報與在其他經濟環境經營之分部有別。

本集團以客戶所在地區分佈資料作為主要報告形式呈列。由於本集團之營業額及營運全數來自成衣製造業務，因此本集團並無以業務分部資料作為次要報告形式呈列。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Foreign currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Hong Kong dollar, which is the Company's functional and presentation currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Changes in the fair value of monetary securities denominated in foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences are recognised in the income statement and other changes in carrying amount are recognised in equity.

2 主要會計政策概要 (續)

2.4 外幣匯兌

(a) 功能及呈列貨幣

本集團各實體之財務報表所列之項目，乃按該實體經營所在地之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表以港元呈列，而港元則為本公司之功能及呈列貨幣。

(b) 交易及結餘

外幣交易均按交易當日之匯率換算為功能貨幣。結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在收入報表確認。

以外幣為單位及被分類為可供出售證券之貨幣證券之公允值轉變將在其證券攤銷成本轉動與該證券賬面值的其他變動所產生的匯兌差額進行分析。匯兌差額會在收入報表內確認，而其他賬面值之轉變則在權益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Foreign currency translation (Continued)

(b) Transactions and balances (Continued)

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in other reserves.

(c) Group companies

The results and financial position of all the group entities, none of which has the currency of a hyperinflationary economy, that have a functional currency different from the presentation currency are translated into the presentation currency as follow:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates; and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

2 主要會計政策概要 (續)

2.4 外幣匯兌 (續)

(b) 交易及結餘 (續)

非貨幣金融資產及負債 (例如按公允值計入損益賬之權益) 之匯兌差額將錄作公允值盈虧的一部份。非貨幣金融資產 (例如分類為可供出售的金融資產之權益) 之匯兌差額於其他儲備內列賬。

(c) 集團公司

集團旗下所有公司 (當中沒有高通脹經濟體系之貨幣) 之功能貨幣倘有別於呈列貨幣, 其業績及財務狀況須按如下方式兌換為呈列貨幣:

- (i) 每份呈報的資產負債表所列資產及負債按其結算日之收市匯率換算;
- (ii) 每份收入報表所列收入及開支按平均匯率換算; 及
- (iii) 所有由此而產生之匯兌差額均確認為權益獨立組成部份。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Foreign currency translation (Continued)

(c) Group companies (Continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

2.5 Properties, plant and equipment

Buildings, comprises mainly of factories and offices, are shown at fair value and is determined by directors based on valuations by external independent valuers which are performed on an annual basis, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other plant and equipment are stated at historical cost less accumulated depreciation and impairment losses.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the financial year in which they are incurred.

2 主要會計政策概要 (續)

2.4 外幣匯兌 (續)

(c) 集團公司 (續)

於綜合賬目時，因換算於海外實體之淨投資及借貸而產生之匯兌差額均計入股東權益內。當出售海外業務時，有關匯兌差額乃於收入報表確認為出售盈虧的一部份。

收購海外實體時產生之商譽及公允值調整乃作為該海外實體之資產及負債處理，並按收市匯率換算。

2.5 物業、廠房及設備

樓宇主要包括工廠及辦公室，並由董事根據外聘獨立測量師之年度估值以公允值列賬減樓宇之其後折舊。於估值日期之任何累計折舊，與資產賬面總值對銷，而淨額則重列至資產的重估金額。所有其他廠房及設備，乃按歷史成本減折舊及減值虧損列賬。

歷史成本包括收購該項目直接產生之開支。其後成本只有在與該項目之相關未來經濟利益有可能流入本集團而該項目之成本能可靠計算時，相關成本才能包括在資產之賬面值或確認為獨立資產（如合適）。所有其他維修及保養費用，於其產生之財務年度於收入報表支銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Properties, plant and equipment (Continued)

Increases in the carrying amount arising on revaluation of buildings are credited to fixed asset revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fixed asset revaluation reserve directly in equity and all other decreases are expensed in the income statement.

Properties, plant and equipment are depreciated at rates sufficient to write off their cost or valuation over their estimated useful lives on a straight-line basis. The principal annual rates are as follow:

Buildings	5%
Leasehold improvements	5% to 20%
Plant and machinery	10% to 30%
Furniture, office equipment and motor vehicles	10% to 30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement. When revalued assets are sold, the amounts included in fixed assets reserves are transferred to retained earnings.

2 主要會計政策概要 (續)

2.5 物業、廠房及設備 (續)

樓宇估值之增值部份乃計入權益中之固定資產重估儲備。用以抵銷同一項資產以往增值之減值乃直接扣減權益中之固定資產重估儲備，其餘減值則於收入報表支銷。

物業、廠房及設備折舊率足以按直線法根據預期可使用該等資產之年期撇銷其成本或估值。主要年率如下：

樓宇	5%
租賃裝修	5%至20%
廠房設備 及機器	10%至30%
傢俬、辦公室 設備及汽車	10%至30%

於各結算日，本集團會審閱資產餘值及使用年期，並作出調整（如適用）。

若資產的賬面值大於其估計可收回價值，該資產的賬面值須即時撇減至其可收回價值。

出售損益乃透過將所得款項與賬面值比較而釐定，並在收入報表內確認。出售重估資產時，列入固定資產儲備之款額會撥入保留盈利。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Properties, plant and equipment (Continued)

Construction-in-progress represents buildings under construction and is stated at cost. Cost includes the cost of construction of buildings and interest charges arising from borrowings used to finance these assets during the period of construction or installation and testing, if any. No provision for depreciation is made on construction-in-progress until such time as the relevant assets are completed and ready for intended use. When the assets concerned are brought into use, the costs are transferred to buildings and depreciated in accordance with the policy as stated above.

2.6 Leasehold land and land use rights

The up-front prepayments made for leasehold land and land use rights are accounted for as operating leases. They are expensed in the income statement on a straight-line basis over the periods of the lease or the land use rights, or when there is impairment, the impairment is expensed in the income statement.

2.7 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated group, is classified as investment property. Investment property comprises land held under operating leases and buildings held under finance leases.

Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

2 主要會計政策概要 (續)

2.5 物業、廠房及設備 (續)

在建工程指在建樓宇，並按成本入賬。成本包括於建築或安裝及測試（如有）期內的樓宇建築成本以及就該等資產融資的借貸利息開支。在建工程項目直至有關資產完成及可作擬定用途前不作折舊撥備。當有關資產投入運作時，將成本轉撥至樓宇，並按上文所述的政策提折舊。

2.6 租賃土地及土地使用權

就租賃土地及土地使用權支付之一次性預付款項已入賬為經營租賃。該等款項於租賃或土地使用權期內以直線法在收入報表內列作支出，或倘出現減值，則減值於收入報表內列作支出。

2.7 投資物業

持作長期租金收益或資本增值或兩者兼備且並非集團旗下各公司所佔用之物業分類為投資物業。投資物業包括根據經營租賃持有之土地及根據融資租賃持有之樓宇。

當符合分類為投資物業之其他定義時，以經營租賃持有之土地亦分類及入賬作投資物業。該經營租賃乃當作融資租賃入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Investment properties (Continued)

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted if necessary, for any difference in the nature, location or condition of the specific asset.

The fair value of investment property reflects rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of land classified as investment property, while others, including contingent rent payments, are not recognised in the financial statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the income statement during the financial year in which they are incurred.

Changes in fair values are recognised in the income statement.

2 主要會計政策概要 (續)

2.7 投資物業 (續)

投資物業最初按其成本值 (包括相關的交易成本) 計量。

投資物業於初步確認後以公允價值列賬。公允值以活躍市場價格為基準，並在有需要之情況下根據特定資產之性質、地點或狀況調整公允值。

投資物業之公允值反映來自現有租賃及基於現時市況估計未來租賃之租金收入。公允值亦按相似基準反映物業預期產生之任何現金流出。此等現金流出部份確認為負債，包括與分類作投資物業之土地有關之融資租賃負債；而其他包括或然租金款項不會於財務報表中列賬。

期後支出只有在與該項目之相關未來經濟利益有可能流入本集團，而且能可靠地計量該項目之成本時，才計入該項資產之賬面值。其他維修及保養成本則在其產生之財政期間在收入報表內支銷。

公允值之變動在收入報表內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Investment properties (Continued)

If an item of properties, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of properties, plant and equipment under HKAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the income statement.

2.8 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates and is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

2 主要會計政策概要 (續)

2.7 投資物業 (續)

根據香港會計準則第16號，倘物業、廠房及設備因改變用途而成為投資物業，此項目於轉讓日之賬面值與公允值之間之任何差額將於權益中確認為物業、廠房及設備重估。然而，倘公允值收益抵銷以往之減值虧損，該收益則於收入報表確認。

2.8 商譽

商譽指收購附屬公司／聯營公司之購買成本超出於收購當日日本集團應佔有關公司可識辨資產淨值的公允值之數額。因收購附屬公司產生之商譽計入無形資產。因收購聯營公司產生之商譽計入聯營公司之投資並每年就減值進行測試並按成本減累計減值虧損列賬。商譽之減值損失不予撥回。出售某個實體所產生的盈虧包括與所售出實體有關之商譽賬面值。

商譽會分配至現金產生單位，以檢測減值。該分配對象為於產生商譽之業務合併中受惠的現金產生單位或現金產生單位之群體。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Impairment of investments in subsidiaries, associates and non-financial assets

Assets that have an indefinite useful life or have not yet been available for use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 主要會計政策概要 (續)

2.9 於附屬公司、聯營公司及非金融資產之投資減值

沒有確定使用年期或尚未可供使用之資產無需作攤銷，但需進行年度減值測試。須攤銷之資產在出現顯示可能不能收回賬面值之情況或變化時，須作減值檢討。倘資產之賬面值超出其可收回款額，超出之款項將作減值確認。可收回款額為資產公允值減出售成本或使用價值之較高者。就評估減值而言，資產按可分開識別現金流量（現金產生單位）者之最低級別分組。倘商譽以外之資產出現減值跡象，須於每個報告日期審查其可能出現之減值撥回。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

(a) *Financial assets at fair value through profit or loss*

This category consists of financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as 'trade and other receivables' in the balance sheet (Notes 2.12).

2 主要會計政策概要 (續)

2.10 金融資產

本集團將其金融資產分類為以下類別：按公允值計入損益賬、貸款及應收款項，以及可供出售。分類視乎購入金融資產之目的而定。管理層會於初步確認時釐定其金融資產分類並於每個報告日期重新評估此項分類。

(a) 按公允值計入損益賬之金融資產

此類別包括持作買賣的金融資產及開始時已確認按公允值計入損益賬之金融資產。倘收購的主要目的為於短期內出售或倘管理層有所指定，則金融資產會撥歸此類別。衍生工具亦分類為持作買賣類別，除非其指定作對沖用途，則作別論。該類別資產乃持作買賣或預期將於結算日起計十二個月內變現，則分類為流動資產。

(b) 貸款及應收款項

貸款及應收款項為有固定或已釐定付款額而並非於活躍市場報價之非衍生金融資產。除到期日於結算日後十二個月者外，貸款及應收款項列入流動資產。該等貸款及應收款項乃於資產負債表分類為「貿易及其他應收款項」（附註2.12）。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Financial assets (Continued)

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade-date that is the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through income statement. Financial assets carried at fair value through profit or loss and transaction costs are expensed in the income statement. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value.

Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the income statement in the year in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the Group's right to receive payments is established.

2 主要會計政策概要 (續)

2.10 金融資產 (續)

(c) 可供出售之金融資產

可供出售之金融資產為指定為此類別或並無歸入任何其他類別之非衍生工具。該類別資產乃列入非流動資產，惟管理層有意於結算日起計十二個月內出售之投資則除外。

投資買賣於交易日（即本集團承諾購買或出售資產當日）確認。對於並非按公允值透過收入報表記賬的所有金融資產，投資初步按公允值加交易成本確認。金融資產之公允值透過損益列賬及交易成本均在收入報表出支。當從投資收取現金流量之權利屆滿或轉移及本集團大致轉移其擁有權之一切風險及回報時，投資即終止確認。可供出售之金融資產及按公允值計入損益賬之金融資產其後按公允值列賬。

因為按公允值計入損益賬之金融資產類別的公允值變動而產生的盈虧，列入產生期間的收入報表內。於本集團收取股息之權利確立時，來自按公允值計入損益賬之金融資產之股息收入於收入報表確認為其他收入之一部分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Financial assets (Continued)

Changes in the fair value of monetary securities denominated in foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences resulting from changes in amortised cost are recognised in income statement and other changes in amortised costs are recognised in equity. For changes in the fair values of non-monetary securities classified as available-for-sale are recognised in equity.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active, the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis, making maximum use of market inputs and relying as little as possible on entity-specific inputs option pricing models.

2 主要會計政策概要 (續)

2.10 金融資產 (續)

以外幣為單位及被分類為可供出售證券之貨幣證券之公允值轉變將在其證券攤銷成本轉變衍生之匯兌差額及其他證券賬面值轉變之間予以分析。因攤銷成本轉變而產生之匯兌差額會在收入報表內確認，而其他攤銷成本之轉變則在權益中確認。被分類為可供出售之非貨幣證券之公允值轉變於權益內確認。

當分類為可供出售之證券在售出或減值時，則於權益確認之累計公允值之調整將列入收入報表內。

有報價投資的公允值乃按當時的買盤價計算。倘一項金融資產並無活躍市場，本集團則會採用估值方法釐定其公允值。此等方法包括近期之公平交易、貼現現金流量分析和期權定價模式，充份利用市場輸入資料，及儘量少依賴實體持有的資料。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Financial assets (Continued)

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss which is measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement, is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out basis, comprising materials, direct labour and an appropriate proportion of all production overhead expenditure. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

2 主要會計政策概要 (續)

2.10 金融資產 (續)

本集團於每個結算日評估是否有客觀憑證顯示一項或一組金融資產已出現減值。就分類為可供出售之股本證券而言，證券公允值若大幅度或長期跌至低於其成本值，會被視為證券已經顯示減值。倘可供出售之金融資產存在任何上述憑證，則累計虧損（按收購成本與當時公允值間之差額減該金融資產先前於收入報表確認之任何減值虧損計量）於權益中剔除，並於收入報表確認。於收入報表確認之股本工具減值虧損，不會從收入報表回撥。

2.11 存貨

存貨乃按成本或可變現淨值（取較低者）列賬。成本乃按先入先出法計算，其中包括物料、直接勞工及按適當比例計算之所有生產費用。可變現淨值乃根據預計出售所得款項減估計出售支出後釐定。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the provision is recognised in the income statement. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within selling and marketing costs. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against selling and marketing costs in the income statement.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2 主要會計政策概要 (續)

2.12 貿易及其他應收款項

貿易及其他應收款項初步按公允值確認，其後以實際利率方法計算攤銷成本，並扣除減值撥備。當有客觀證據顯示本集團未能根據有關應收款項之原訂條款收回所有到期款項時，則會作出貿易及其他應收款項之減值撥備。撥備金額為資產賬面值與估計日後按原實際利率折算之現金流量現值間差額。撥備金額在收入報表確認。資產的賬面值透過使用備付賬戶削減，而有關的虧損數額則在收入報表內的銷售和推廣成本中確認。如一項貿易應收賬款無法收回，其會與貿易應收賬款內的備付賬戶撇銷。之前已撇銷的款項如其後收回，將撥回收入報表中的銷售和推廣成本內。

2.13 現金及現金等值項目

現金及現金等值項目包括手頭現金、可隨時提取之銀行存款和銀行透支。銀行透支於資產負債表的流動負債下列作借款。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.15 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.16 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Borrowings are subsequently stated at amortised cost where any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2 主要會計政策概要 (續)

2.14 股本

普通股被分類為權益。

直接歸屬於發行新股或購股權的新增成本在權益中列為所得款的減少(扣除稅項)。

2.15 貿易及其他應付款項

貿易及其他應付款項初步按公允值確認，其後以實際利率方法計算攤銷成本。

2.16 貸款

貸款最初乃按公允值(已扣除所產生之交易成本)確認。交易成本為直接歸屬予金融資產或金融負債之取得、發行或出售之遞增成本。貸款其後按攤銷成本列賬，如扣除交易成本後之所得款項及贖回價值出現差額，則於貸款期內以實際利率法在收入報表內確認。

除非本集團有無條件權利將債務結算日期遞延至結算日後至少十二個月，否則借貸將被劃分為流動負債。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using taxation rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 主要會計政策概要 (續)

2.17 當期及遞延所得稅項

當期所得稅開支根據本公司及其附屬公司及聯營公司營運及產生應課稅收入之國家於結算日已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

遞延所得稅項以負債法，就資產及負債之稅基與其於綜合財務報表內之賬面值所產生之暫時差額作全數撥備。遞延所得稅乃按結算日前實施或基本上實施，及預期於相關遞延所得稅變現或遞延所得稅負債結清時適用之稅率釐定。

遞延所得稅資產於將來可能出現足以抵消該項暫時差異之應繳稅利潤時予以確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Current and deferred income tax (Continued)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associate, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.18 Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group principally participates in defined contributions plans and pays contributions to publicly or privately administered pension plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due and if applicable, are reduced by contributions forfeited by those employees who leave the scheme or the plan prior to vesting fully in the contributions.

2 主要會計政策概要 (續)

2.17 當期及遞延所得稅項 (續)

遞延所得稅就附屬公司及聯營公司產生之暫時差異而撥備，但假若本集團可以控制暫時差異之撥回時間，而暫時差異在可預見將來可能不會撥回則除外。

2.18 僱員福利

(i) 僱員休假權益

僱員在年假之權益乃於年假應計予僱員時予以確認。已就僱員截至結算日止已提供之服務撥出年假估計負債之準備。

僱員之病假及產假權益於休假時方予確認。

(ii) 退休金責任

本集團主要參與定額供款計劃，並按照強制性、合約或自願基準向公共或私人管理退休金計劃繳付供款。支付供款後，本集團再無進一步之支付責任。供款乃於到期時確認為僱員成本，倘僱員於有權悉數享有僱主之供款前退出該計劃，則所放棄之供款可減低集團之供款。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Employee benefits (Continued)

(iii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the income statement with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2 主要會計政策概要 (續)

2.18 僱員福利 (續)

(iii) 以股份為基礎之報酬

本集團運作一項以權益結算、以股份為基礎之報酬計劃。就授出購股權所換取僱員服務之公允值確認為支出。須於歸屬期列作支出之總額乃參考所授予購股權之公允值釐定，惟不計及任何非市場歸屬條件之影響。假設預期歸屬之購股權數目時價考慮非市場歸屬條件。於每個結算日，實體修訂預期歸屬之購股權預計數目，修訂原先估計之影響（如有）於收入報表確認並確認權益之相應調整。

已收所得款項減任何直接相關交易成本乃於購股權獲行使時計入股本（按面值）及股份溢價。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Employee benefits (Continued)

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

2.19 Provisions

Provisions are recognised when the Group has a present legal and constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

2.20 Revenue recognition

Revenue from the sale of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when shipment is made.

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and using the effective interest method.

Rental income is recognised on a straight-line basis over the lease period.

2 主要會計政策概要 (續)

2.18 僱員福利 (續)

(iv) 解僱補償

解僱補償在本集團於正常退休日期前終止僱用，或當僱員接受自願遣散以換取此等福利時支付。本集團在可證明如下承諾時確認解僱補償：根據一項詳細的正式計劃終止現有僱員的僱用而沒有撤回的可能；或因為提出一項要約以鼓勵自願遣散而提供的解僱補償。在結算日後超過12個月支付的福利貼現為現值。

2.19 撥備

倘本集團需就過去事件承擔現有法律或推定責任而很可能導致經濟利益流出企業以抵償責任，而有關金額能可靠地估計時，需計提有關撥備。

2.20 收入確認

出售貨品之收入於擁有權之風險及回報轉移時確認，一般與付運時同時發生。

利息收入按時間比例確認，並計及未清還本金額及使用實際利率方法計算。

租金收入以直線法在租約年期內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Leases (as the lessee)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases, net of any incentives received from the lessor, are expensed in the income statement on a straight-line basis over the lease period.

2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the year in which the dividends are approved by the Company's shareholders.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks namely credit risk, foreign exchange risk, interest rate risk, liquidity risk and price risk. The Group's overall risk management programme focuses on minimising potential adverse effect of these risks on the Group's financial performance.

(a) Credit risk

Credit risk of the Group mainly arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers such as trade receivables. The carrying amount of these balances in the balance sheet represents the Group's maximum exposure to credit risk in relation to its financial assets.

2 主要會計政策概要 (續)

2.21 租賃 (作為承租人)

資產之大部份風險及回報由出租人保留之租賃，均歸類為經營租賃。租賃期內支付之經營租賃總額在扣除出租人所給予之任何優惠後，於租賃期內以直線法在收入報表中支銷。

2.22 股息分派

分派予本公司股東之股息於本公司股東批准之期間於本集團財務報表中確認為負債。

3 財務風險管理

3.1 財務風險因素

本集團經營活動面臨各種金融風險，包括信貸風險、外匯風險、利率風險、流動資金風險和價格風險。本集團之整體風險管理計劃集中降低潛在負面因素對本集團財務表現所帶來之風險。

(a) 信貸風險

本集團之信貸風險主要來自現金及現金等值項目、在銀行及財務機構的存款以及向客戶提供的信貸，包括貿易應收款項。此等於資產負債表內之款項之賬面值指本集團有關金融資產之最高信貸風險。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Credit risk (Continued)

For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. Management does not expect any losses from non-performance by these banks and financial institutions as they have no default history in the past.

The credit quality of the customers is assessed based on its financial position, past experience and other factors. The Group has policies in place to ensure that sales of products are made to customers with appropriate credit histories.

The major trade debtors have no history of default in recent years. The Group performs periodic credit evaluations of its customers. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and management is of the opinion that provision for uncollectible receivables is not necessary.

(b) Foreign exchange risk

The Group operates internationally and it has factories and offices in Hong Kong, Indonesia, El Salvador, Lesotho and Mainland China. Operating expenses of the Group are primarily denominated in Hong Kong dollar, Indonesia Rupiah, Salvadoran Colone, South African Rand, Renminbi and some in United States dollar. Thus, it is exposed to foreign exchange risk arising from currency exposures.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 信貸風險 (續)

對於銀行及財務機構，只接受獲獨立評級機構最少評為「A」級的機構。管理層並不預期會因該等銀行及財務機構不能履行合約而產生任何重大虧損，此乃由於彼等於過往並無違約紀錄。

客戶之信貸質素乃根據其財務狀況、過往經驗及其他因素而作出評估。本集團之政策確保將產品售予具備良好信貸記錄之客戶。

主要應收賬項於近年並無違約紀錄。本集團向其客戶進行定期信貸檢討。本集團過往未收回之貿易及其他應收款項並未超出所設定之限額，而管理層認為無須就未收回之應收款項作出撥備。

(b) 外匯風險

本集團業務遍佈全球，其於香港、印尼、薩爾瓦多、萊索托及中國大陸均有廠房及辦事處。本集團之經營開支主要以港元、印尼盾、薩爾瓦多科郎、南非蘭特、人民幣列值及部份以美元計算。因此，本集團面對多種貨幣兌換所產生外匯風險。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Foreign exchange risk (Continued)

However, since the Group's sales are principally denominated in United States dollar, management considers that the foreign exchange risk arises primarily from United States dollar. Since Hong Kong dollar and Salvadoran Colone are pegged to United States dollar, the Group does not expect to be exposed to relevant currency risks from these currencies in the near term.

For Indonesia Rupiah, South African Rand and Renminbi, at 31st December, 2007, if United States dollar had strengthened/weakened by 5% against these currencies with all other variables held constant, the net assets at the year end would have been HK\$1,441,000/HK\$1,441,000, HK\$562,000/HK\$562,000 and HK\$371,000/HK\$371,000 (2006: HK\$460,000/HK\$460,000, HK\$1,386,000/HK\$1,386,000 and HK\$2,748,000/HK\$2,748,000) higher/lower, respectively, mainly as a result of foreign exchange gains/losses on translation of these foreign operations.

The management closely monitors the fluctuation of other currencies and may consider entering into foreign forward exchange contracts from time to time so as to better manage these foreign exchange exposures, when required.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 外匯風險 (續)

然而，由於本集團之銷售額主要以美元列值，故管理層認為外匯風險主要來自美元。由於港元及薩爾瓦多科郎與美元掛鈎，本集團並不預見近期會承受因這些貨幣而產生之貨幣風險。

對於印尼盾、南非蘭特及人民幣，於二零零七年十二月三十一日，若美元兌此等貨幣升值／貶值5%，而所有其他可變因素保持不變，於年終之資產淨值將分別增加／減少1,441,000港元／1,441,000港元、562,000港元／562,000港元及371,000港元／371,000港元（二零零六年：460,000港元／460,000港元、1,386,000港元／1,386,000港元及2,748,000港元／2,748,000港元），此乃主要由於換算此等海外業務而產生之外匯兌換收益／虧損。

管理層會不時密切監察其他貨幣之匯率波動情況，並於需要時將會訂立遠期外匯合約以減低匯率風險。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-rate risk arises from bank borrowings. As at 31st December, 2007, borrowings were primarily at floating rates. The Group generally has not used interest rate swaps to hedge its exposure to interest rate risk. The Group regularly seeks out the most favorable interest rates available for its bank borrowings.

As 31st December, 2007, if interest rates on United States dollar-denominated borrowings and Hong Kong dollar-denominated borrowings have been 10 basis point higher/lower with all other variables held constant, profit for the year would have been HK\$106,000 (2006: HK\$94,000) and HK\$106,000 (2006: HK\$94,000) lower/higher, respectively, mainly as a result of higher/lower interest expenses on floating rate borrowings.

(d) Liquidity risk

The Group has adequate cash and has maintained adequate credit facilities for its operating requirement. Management monitors rolling forecasts of the Group's liquidity reserve and cash and cash equivalents on the basis of expected cash flows.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 利率風險

由於本集團並無任何重大計息資產，故本集團之收入及經營現金流轉乃獨立於市場利率變動。本集團之利率風險來自銀行貸款。於二零零七年十二月三十一日，貸款主要按浮動利率計息。本集團一般不會使用利率掉期對沖其利率風險。本集團會定期尋找最優惠利率之銀行貸款。

於二零零七年十二月三十一日，若以美元計值之借貸及以港元計值之借貸的利率增加／減少10基點，而所有其他因素維持不變，年度溢利將分別減少／增加106,000港元（二零零六年：94,000港元）及106,000港元（二零零六年：94,000港元），此乃主要由於浮動利率貸款利息開支增加／減少所致。

(d) 流動資金風險

本集團有足夠之現金及維持足夠信貸融資以應付其營運需要。管理層按預期現金流量基準，監察本集團流動資金儲備的滾動預算。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(d) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

		Within 1 year 一年內 HK\$'000 千港元	Between 1 and 2 years 一至兩年內 HK\$'000 千港元	Between 2 and 5 years 二至五年內 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Bank borrowings	銀行貸款	68,405	15,550	9,700	93,655
Trade and other payables	貿易及其他應付款項	171,362	-	-	171,362
At 31st December, 2006	於二零零六年 十二月三十一日	239,767	15,550	9,700	265,017
Bank borrowings	銀行貸款	72,773	12,916	20,389	106,078
Trade and other payables	貿易及其他應付款項	128,333	-	-	128,333
Derivative financial instruments	衍生金融工具	12,617	-	-	12,617
At 31st December, 2007	於二零零七年 十二月三十一日	213,723	12,916	20,389	247,028

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(d) 流動資金風險 (續)

下表顯示本集團的財務負債，按照相關的到期組別，根據由資產負債表日至合約到期日的剩餘期間進行分析。由於貼現的影響不大，故此在十二個月內到期的結餘相等於其賬面值。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(e) Price risk

The Group is exposed to equity securities price risk because the investments held by the Group are linked to a basket of listed securities. The Group diversifies its portfolio in order to manage the price risk arising from these investments.

At 31st December, 2007, if the price of the underlying listed securities has increased/decreased by 5% with all other variables held constant, the Group's profit for the year would have increased/decreased by HK\$2,483,000/HK\$2,694,000 (2006: Nil) as a result of fair value gains/losses on the investments.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(e) 價格風險

由於本集團持有的投資與若干上市證券掛鈎，故本集團須面對股票證券價格風險。本集團分散其投資組合以便處理由該等投資產生之價格風險。

於二零零七年十二月三十一日，若相關上市證券之價格上升／下降5%，而所有其他可變因素保持不變，本集團之年度溢利將因投資之公允值收益／虧損而增加／減少2,483,000港元／2,694,000港元（二零零六年：無）。

3.2 資金風險管理

本集團的資金管理政策，是保障集團能繼續營運，以為股東提供回報和為其他權益持有人提供利益，同時維持最佳的資本結構以減低資金成本。

為了維持或調整資本結構，本集團可能會調整支付予股東的股息數額、向股東分派的資本返還、發行新股或出售資產以減低債務。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation

The fair value of financial instruments traded in active markets such as publicly traded securities and available-for-sale securities, is based on quoted market prices at balance sheet date. The quoted market price used for financial assets held by the group is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for financial assets and financial liabilities. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date.

The carrying value less impairment provision of trade receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

3 財務風險管理(續)

3.3 公允值之估計

於交投活躍之市場(如公開買賣的證券及可供出售證券)之公允值乃按結算日之市場報價計算。本集團持有之金融資產之市場報價乃當時之買盤價。

沒有在活躍市場買賣的金融工具的公允值利用估值技術釐定。本集團利用多種方法，並根據每個結算日當時的市場情況作出假設。金融資產及金融負債採用類似工具之市場報價或交易商報價。外匯遠期合約之公允價值乃按結算日遠期市場匯率釐定。

賬面值減貿易應收款項及貿易應付款項之減值撥備為其公允值之合理概約數值。須予披露之金融負債之公允值乃透過按本集團就類似金融工具可得之現行市場利率折現未來合約現金流量估計。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions 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.

(a) *Estimated impairment of goodwill*

The Group reviews annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 2.8. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations.

(b) *Income taxes*

The Group is subject to income taxes in a number of jurisdictions. Significant judgement is required in determining the provision for income taxes. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4 關鍵會計估算及判斷

估算及判斷會被持續評估，並以過往經驗及其他因素為基準，包括在目前情況下相信為合理之預期日後事件。

4.1 關鍵會計估算和假設

本集團就未來作出估算和假設。產生之會計估算將（按定義）甚少等同於相關實際結果。下文討論有相當大機會導致下個財政年度資產和負債賬面值須作出重大調整之估算和假設。

(a) *估計商譽減值*

本集團每年根據附註2.8所述會計政策，檢測商譽有否出現任何減值。現金產生單位之可收回金額乃根據使用價值計算，計算該等價值時須作出估計。

(b) *所得稅*

本集團須繳納多個不同司法權區之所得稅。釐定世界各地不同所得稅撥備時需要作出重大判斷。本集團按照會否出現額外到期稅項之估計為基準而確認預期稅項審計事宜所產生之負債。倘若該等事宜之最終稅項結果與初始記錄金額不同，則有關差額將會影響作出決定期間之所得稅及遞延所得稅撥備。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

4.1 Critical accounting estimates and assumptions (Continued)

(c) Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each balance sheet date.

5 REVENUES AND SEGMENT INFORMATION

The Group is principally engaged in garment manufacturing and trading. Revenues recognised during the year are as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Turnover	營業額		
Sale of garment products	銷售成衣產品	1,055,153	1,210,219
Other income	其他收入		
Rental income	租金收入	1,708	1,432
		1,056,861	1,211,651

The Group's turnover solely arises from garment manufacturing and trading. The Group's customers are located in five main geographical areas namely United States of America, Europe, Canada, Southeast Asia and other countries, while, the Group's business activities are conducted predominantly in Hong Kong, Indonesia, Lesotho, El Salvador and Mainland China.

4 關鍵會計估算及判斷 (續)

4.1 關鍵會計估算和假設 (續)

(c) 衍生工具及其他金融工具之公允值

沒有在活躍市場買賣的金融工具之公允值利用估值技術釐定。本集團利用判斷選取多種方法，並主要根據每個結算日當時的市場情況作出假設。

5 收益及分部資料

本集團主要從事成衣製造及貿易。於年內確認之收益如下：

本集團之營業額全數來自成衣製造業務及貿易。本集團之客戶分佈於五大地區：美國、歐洲、加拿大、東南亞及其他國家，而本集團之業務活動主要於香港、印尼、萊索托、薩爾瓦多及中國大陸進行。

5 REVENUES AND SEGMENT INFORMATION (Continued)

An analysis of the Group's turnover and contribution to operating profit for the year by geographical segment is as follows:

Primary reporting format – geographical segments by location of customers for 2007

		United States of America 美國	Europe 歐洲	Canada 加拿大	Southeast Asia 東南亞	Other countries 其他國家	Group 本集團
		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
Turnover	營業額	955,637	26,000	41,675	19,315	12,526	1,055,153
Segment results	分部業績	126,081	1,462	6,206	2,181	528	136,458
Unallocated rental income	不能分攤之租金收入						1,708
Unallocated administrative expenses	不能分攤之行政開支						(58,689)
Operating profit	經營溢利						79,477
Finance income	融資收入						6,730
Finance costs	融資成本						(6,637)
Share of profit of associates	分佔聯營公司溢利						1,738
Profit before income tax	除所得稅前溢利						81,308
Income tax expense	所得稅開支						(27,228)
Profit for the year	年度溢利						54,080
Segment assets	分部資產	91,097	3,585	3,225	8,878	1,245	108,030
Unallocated assets	不能分攤之資產						495,976
Total assets	總資產						604,006
Unallocated liabilities	不能分攤之負債						270,048
Capital expenditure	資本開支						70,293
Depreciation	折舊						17,414
Amortisation	攤銷						766

5 收益及分部資料 (續)

本集團於年內按地區分部劃分之營業額及經營溢利貢獻分析如下：

主要報告形式 – 按二零零七年客戶地區分部劃分

5 REVENUES AND SEGMENT INFORMATION (Continued)

Primary reporting format – geographical segments by location of customers for 2006

		United States of America 美國	Europe 歐洲	Canada 加拿大	Southeast Asia 東南亞	Other countries 其他國家	Group 本集團
		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
Turnover	營業額	1,088,112	31,084	51,047	18,908	21,068	1,210,219
Segment results	分部業績	130,390	1,661	5,959	560	459	139,029
Unallocated rental income	不能分攤之租金收入						1,432
Unallocated administrative expenses	不能分攤之行政開支						(55,142)
Operating profit	經營溢利						85,319
Finance income	融資收入						3,281
Finance costs	融資成本						(5,988)
Share of profit of associates	分佔聯營公司溢利						4,839
Profit before income tax	除所得稅前溢利						87,451
Income tax expense	所得稅開支						(18,741)
Profit for the year	年度溢利						68,710
Segment assets	分部資產	85,955	11,483	4,059	11,662	3,218	116,377
Unallocated assets	不能分攤之資產						475,599
Total assets	總資產						591,976
Unallocated liabilities	不能分攤之負債						284,454
Capital expenditure	資本開支						31,216
Depreciation	折舊						15,493
Amortisation	攤銷						862

Unallocated administrative expenses represent corporate expenses, including other (losses)/gains.

5 收益及分部資料 (續)

主要報告形式 – 按二零零六年客戶地區分部劃分

不能分攤之行政開支指企業開支，包括其他(虧損)/收益。

5 REVENUES AND SEGMENT INFORMATION (Continued)

Primary reporting format – geographical segments by location of assets

5 收益及分部資料 (續)

主要報告形式 – 按資產地區分部劃分

		Total assets 資產總值 2007 二零零七年 HK\$'000 千港元	Capital expenditure 資本開支 2007 二零零七年 HK\$'000 千港元
Hong Kong	香港	236,063	4,965
Indonesia	印尼	165,583	658
Lesotho	萊索托	23,994	1,279
El Salvador	薩爾瓦多	21,414	78
Mainland China	中國大陸	155,852	63,313
		602,906	70,293
Unallocated assets	不能分攤之資產	1,100	–
		604,006	70,293

		Total assets 資產總值 2006 二零零六年 HK\$'000 千港元	Capital expenditure 資本開支 2006 二零零六年 HK\$'000 千港元
Hong Kong	香港	188,776	603
Indonesia	印尼	228,722	5,069
Lesotho	萊索托	32,696	214
El Salvador	薩爾瓦多	38,886	578
Mainland China	中國大陸	101,796	24,752
		590,876	31,216
Unallocated assets	不能分攤之資產	1,100	–
		591,976	31,216

6 OTHER (LOSSES)/GAINS – NET

6 其他(虧損)/收益—淨額

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Fair value gains on investment properties	投資物業之公允值收益	6,000	–
Fair value gains/(losses) realised on disposal of available-for-sale financial assets	可供出售之金融資產 已確認公允值收益/(虧損)	392	(300)
Fair value (losses)/gains on derivative financial instruments:	衍生金融工具之 公允值(虧損)/收益:		
Foreign forward exchange contracts	遠期外匯合約	130	356
Equity accumulators	權益累積工具	(11,525)	–
Market linked instrument with swap arrangement	訂有掉期安排之 市場掛鈎工具	(1,092)	–
		(12,487)	356
Fair value gains/(losses) on financial assets at fair value through profit or loss:	按公允值計入損益賬之 金融資產之 公允值收益/(虧損):		
Listed equity securities	上市股本證券	5,409	–
Foreign currency linked structured note	與外幣掛鈎之結構性票據	1,020	–
Market linked instruments with initial investments	有初期投資之市場掛鈎工具	(2,993)	–
		3,436	–
Total other (losses)/gains – net	其他(虧損)/收益總數—淨額	(2,659)	56

7 EXPENSES BY NATURE

Operating profit is stated after crediting and charging the following:

7 按性質分類之開支

經營溢利已計入及扣除下列各項：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Raw materials used	使用之原材料	486,840	646,980
Changes in inventories of finished goods and work in progress	製成品及半製成品的存貨變動	39,741	(4,858)
Quota charges	配額開支	103	63
Depreciation of properties, plant and equipment	物業、廠房及設備折舊	17,414	15,493
Provision for impairment of plant and machinery	廠房設備及機器減值撥備	8,261	–
Gain on disposal of properties, plant and equipment	出售物業、廠房及設備之收益	(1,576)	(278)
Amortisation	攤銷	766	862
Employee benefit expense (excluding directors' emoluments) (Note 14)	僱員福利開支(不包括董事酬金)(附註14)	242,986	232,558
Operating lease rentals – land and buildings	經營租賃租金—土地及樓宇	10,658	10,096
Auditors' remuneration	核數師酬金	2,034	1,932
Net exchange losses	匯兌虧損淨額	395	229
Others	其他	167,103	223,311
Total cost of sales, selling expenses and administrative expenses	銷貨成本、銷售開支及行政開支總額	974,725	1,126,388

8 FINANCE INCOME

Finance income on short-term bank deposits	短期銀行存款之融資收入
Finance income from market linked instruments	市場掛鈎工具之融資收入

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
----------------------------------	----------------------------------

5,398 3,281

1,332 –

6,730 3,281

9 FINANCE COSTS

Finance costs represent interest expenses paid for bank borrowings and overdrafts which are wholly repayable within five years.

10 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profit for the year. Income tax on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

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

8 融資收入

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
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3,281

–

3,281

9 融資成本

融資成本指就須於五年內全數償還之銀行貸款及透支支付之利息開支。

10 所得稅開支

香港利得稅乃根據年內估計應課稅溢利，按稅率17.5%（二零零六年：17.5%）計算準備。海外溢利之所得稅乃根據年內估計應課稅溢利，按本集團經營業務所在國家之現行稅率計算。

扣自綜合收入報表之所得稅金額為：

2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
----------------------------------	----------------------------------

Current income tax	當期所得稅
– Hong Kong profits tax	– 香港利得稅
– Overseas income tax	– 海外利得稅
Under-provision in prior years	以往年度撥備不足
Deferred income tax (Note 30)	遞延所得稅（附註30）

16,846 16,694

6,297 2,828

268 –

3,817 (781)

Income tax expense 所得稅開支

27,228 18,741

10 INCOME TAX EXPENSE (Continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the taxation rate of Hong Kong is as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	81,308	87,451
Calculated at tax rate of 17.5% (2006: 17.5%)	按稅率17.5% (二零零六年: 17.5%) 計算	14,230	15,304
Effect of different taxation rates in other countries	其他國家之不同稅率之影響	(2,095)	438
Income not subject to tax	無須課稅之收入	(3,560)	(2,437)
Expenses not deductible for tax	就課稅而言不可扣稅之支出	4,507	5,252
Unrecognised deferred tax assets	未確認遞延稅項資產	11,469	184
Utilisation of previously unrecognised tax losses	動用以往尚未確認之稅務虧損	(2,580)	-
PRC income tax exempted in previous years	過往年度已豁免之中國利得稅	3,262	-
Under provision in prior years	以往年度撥備不足	268	-
Others	其他	1,727	-
Income tax expense	所得稅開支	27,228	18,741

During the year, Dongguan Guoxing Garment Limited ("Guoxing"), a subsidiary engaged in sample making, was closed and the sample making processes are moved to another factory located in Heshan City, Guangdong Province. Pursuant to the relevant laws and regulations in Mainland China, Guoxing is entitled to an exemption from the PRC enterprises income tax for the two years commencing from its first profit-making year and thereafter, it is entitled to 50% relief from the PRC enterprise income tax for the following three years. However, since Guoxing has operated for less than ten years, it is required to pay the PRC enterprise income tax exempted for the prior years amounting to approximately HK\$3,262,000 when it is closed.

10 所得稅開支 (續)

本集團除稅前溢利的稅項與採用香港稅率所計算之理論金額的差別如下:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	81,308	87,451
Calculated at tax rate of 17.5% (2006: 17.5%)	按稅率17.5% (二零零六年: 17.5%) 計算	14,230	15,304
Effect of different taxation rates in other countries	其他國家之不同稅率之影響	(2,095)	438
Income not subject to tax	無須課稅之收入	(3,560)	(2,437)
Expenses not deductible for tax	就課稅而言不可扣稅之支出	4,507	5,252
Unrecognised deferred tax assets	未確認遞延稅項資產	11,469	184
Utilisation of previously unrecognised tax losses	動用以往尚未確認之稅務虧損	(2,580)	-
PRC income tax exempted in previous years	過往年度已豁免之中國利得稅	3,262	-
Under provision in prior years	以往年度撥備不足	268	-
Others	其他	1,727	-
Income tax expense	所得稅開支	27,228	18,741

年內，從事製造樣版之附屬公司東莞國興製衣有限公司（「國興」）已關閉，而製造樣版之工序已轉移到另一間位於中國廣東省鶴山市之廠房。根據中國大陸之相關法律及法規，國興於首個業務獲利年度起首兩年獲豁免繳交中國企業所得稅，而隨後三年可按減半稅率繳交中國企業所得稅。然而，由於國興營運少於十年，故須於其關閉時繳交過往年度已獲豁免之中國企業所得稅約3,262,000港元。

11 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of profit of approximately HK\$24,000,000 (2006: HK\$36,500,000).

12 EARNINGS PER SHARE

(i) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

11 本公司之權益持有人應佔溢利

計入本公司財務報表之權益持有人應佔溢利約為24,000,000港元(二零零六年: 36,500,000港元)。

12 每股盈利

(i) 基本

每股基本盈利乃根據本公司權益持有人應佔溢利除以年內已發行普通股之加權平均數計算。

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	48,950	68,116
Weighted average number of ordinary shares in issue (thousands)	已發行普通股之加權平均數(千股)	365,245	360,731
Basic earnings per share (HK cents per share)	每股基本盈利(每股港仙)	13.40	18.88

12 EARNINGS PER SHARE (Continued)**(ii) Diluted**

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares that is share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

12 每股盈利 (續)**(ii) 攤薄**

每股攤薄盈利是在假設所有攤薄性潛在普通股已轉換的情況下，經調整普通股加權平均數計算。本公司有一類潛在攤薄性普通股，即購股權。對於購股權，本公司會根據尚未行使購股權所附之認購權幣值計算，以釐定按公允值（按本公司股份之平均年度市場股價而定）而可購入之股份數目。以上計算所得之股份數目乃與假設該等購股權獲行使後將會發行之股份數目比較。

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	48,950	68,116
Weighted average number of ordinary shares in issue (thousands)	已發行普通股之加權平均數(千股)	365,245	360,731
Adjustments for share options (thousands)	購股權之調整(千股)	4,710	3,395
Weighted average number of ordinary shares for diluted earnings per share (thousands)	每股攤薄盈利之普通股之加權平均數(千股)	369,955	364,126
Diluted earnings per share (HK cents per share)	每股攤薄盈利(每股港仙)	13.23	18.71

13 DIVIDENDS

13 股息

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Interim dividend paid of 3.0 HK cents (2006: 3.0 HK cents) per ordinary share	中期股息每股普通股3.0港仙 (二零零六年: 3.0港仙)	11,009	10,830
Proposed final dividend of 5.0 HK cents (2006: 6.0 HK cents) per ordinary share	擬派付末期股息 每股普通股5.0港仙 (二零零六年: 6.0港仙)	18,398	21,663
		29,407	32,493

14 EMPLOYEE BENEFIT EXPENSE (EXCLUDING DIRECTORS' EMOLUMENTS)

14 僱員福利開支(不包括董事 酬金)

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Wages and salaries	薪金及酬金	224,406	224,192
Termination benefits	解僱補償	12,180	1,808
Pension costs	退休金成本	6,400	6,558
		242,986	232,558

14 EMPLOYEE BENEFIT EXPENSE (EXCLUDING DIRECTORS' EMOLUMENTS) (Continued)

Forfeited contributions totaling HK\$149,000 (2006: HK\$184,000) were utilised during the year. There is no remaining balance available at the year end to reduce future contributions (2006: HK\$62,000).

There is no contribution payable at the year end (2006: Nil).

The Group operates/participates the following defined contribution plans:

- (i) A defined contribution scheme for employees in Hong Kong, under which the Group and its employees each contributes 5% of the employees' salaries. The forfeited contributions made by the Group and the related accrued interest are used to reduce the Group's future employer's contribution. The assets of the scheme are held separately from those of the Group's in independent trustee-administered fund.
- (ii) The Mandatory Provident Fund Scheme (the "MPF Scheme") for employees in Hong Kong, under which the Group and its employee each makes monthly contribution to the scheme at 5% of the qualifying earnings of the employee, subject to a monthly cap of HK\$1,000.

14 僱員福利開支（不包括董事 酬金）（續）

年內已動用之已沒收供款合共149,000港元（二零零六年：184,000港元），於年底並無餘下結餘（二零零六年：62,000港元）可動用作扣除未來供款。

於年底並無應付供款（二零零六年：無）予基金。

本集團實行／參與以下定額供款計劃：

- (i) 為香港僱員而設之定額供款計劃，本集團及僱員均須支付相關薪金之5%作為供款。本集團沒收之供款及相關應計利息會用作減少本集團日後之僱主供款。本計劃之資產與本集團之資產分開，並交由獨立受託人管理之基金管理。
- (ii) 為香港僱員而設之強制性公積金計劃（「強積金計劃」）規定，本集團及其僱員均須按合資格入息之5%作每月供款，惟每月供款額上限為1,000港元。

14 EMPLOYEE BENEFIT EXPENSE (EXCLUDING DIRECTORS' EMOLUMENTS) (Continued)

- (iii) The Group's subsidiaries do not operate any pension plan in Indonesia. However, according to the labor law in Indonesia, the employer is required to pay retirement benefits to the employees upon their retirement and the retirement benefits are calculated based on the final monthly basic salary and the years of service. The latest actuarial valuation of the plan was performed by a professionally qualified independent actuarial firm, as at 31st December, 2007, using the "projected unit credit" method.
- (iv) The Group's subsidiaries in Mainland China contribute approximately 10% of the basic salary of their employees to retirement schemes operated by municipal governments. Other than the mandatory contributions, the Group has no further obligations for the actual pension payments or any post retirement benefits. The retirement schemes are responsible for the entire pension obligations payable to retired employees.
- (v) The Group's subsidiary in El Salvador operates defined contribution plan, under which the Group's subsidiary and employees contribute to a pensions fund administered by a specialised institution authorised by the Government of El Salvador, which according to the Saving System for Pensions Law, is responsible for the pension's payment and other benefits to employees.

14 僱員福利開支（不包括董事 酬金）（續）

- (iii) 本集團之附屬公司並無於印尼實施退休金計劃。然而，根據印尼之勞工法，僱主須於僱員退休時為僱員支付退休福利，而退休福利乃按照最後基本月薪及服務年期計算。於二零零七年十二月三十一日，計劃之最新精算估值乃由專業合資格獨立精算公司利用「以預計單位貸記法」進行。
- (iv) 本集團為於中國大陸之附屬公司對省政府設立之退休計劃作出之供款為僱員基本薪金約10%。除強制性供款外，本集團並無其他實質退休金或退休後福利之承擔。該退休計劃負責全部應付予退休僱員之退休承擔。
- (v) 本集團為薩爾瓦多之附屬公司實行定額供款計劃，據此，本集團之附屬公司及僱員向一個獲薩爾瓦多政府授權之專責機構管理之退休金基金供款，根據退休金儲蓄系統法，該機構負責退休金之付款及向僱員提供其他福利。

15 EMPLOYEE BENEFIT EXPENSE – DIRECTORS’ AND SENIOR MANAGEMENT’S EMOLUMENTS

(a) Directors’ emoluments

The remuneration of every Director for the year ended 31st December, 2007 is set out below:

Name of Director	Fees	Discretionary Salary	bonuses	Other Benefits	Employer's contribution to the MPF scheme	Total	
董事姓名	袍金	薪酬	酌情獎金	其他福利	僱主供款 強制性 公積金計劃	合共	
	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	
Mr Rusli Hendrawan	Rusli Hendrawan先生	100	2,968	1,295	86	112	4,561
Mr Lee Sheng Kuang, James	李勝光先生	100	2,134	1,295	2,316	95	5,940
Mr Oey Tjie Ho	黃志和先生	100	797	280	20	41	1,238
Mr Tang Chak Lam, Charlie	鄧澤霖先生	100	1,395	630	30	69	2,224
Mr Cheung Kwok Ming	張國明先生	150	-	-	-	-	150
Mr Kwok Lam Kwong, Larry	郭琳廣先生	180	-	-	-	-	180
Mr Lau Siu Ki, Kevin	劉紹基先生	180	-	-	-	-	180

15 僱員福利開支 – 董事及高級管理人員之酬金

(a) 董事酬金

截至二零零七年十二月三十一日止年度各董事之酬金列載如下：

15 EMPLOYEE BENEFIT EXPENSE – DIRECTORS’ AND SENIOR MANAGEMENT’S EMOLUMENTS (Continued)

(a) Directors’ emoluments (Continued)

The remuneration of every Director for the year ended 31st December, 2006 is set out below:

Name of Director	Fees	Salary	Discretionary bonuses	Other Benefits	Employer's contribution to the MPF scheme 強制性公積金計劃 僱主供款	Total	
董事姓名	袍金 HK\$'000 千港元	薪酬 HK\$'000 千港元	酌情獎金 HK\$'000 千港元	其他福利 HK\$'000 千港元	僱主供款 HK\$'000 千港元	合共 HK\$'000 千港元	
Mr Rusli Hendrawan	Rusli Hendrawan先生	100	2,878	1,850	86	112	5,026
Mr Lee Sheng Kuang, James	李勝光先生	100	2,494	1,850	1,956	113	6,513
Mr Oey Tjie Ho	黃志和先生	100	797	400	3	41	1,341
Mr Tang Chak Lam, Charlie	鄧澤霖先生	100	1,395	900	11	69	2,475
Mr Cheung Kwok Ming	張國明先生	150	-	-	-	-	150
Mr Kwok Lam Kwong, Larry	郭琳廣先生	180	-	-	-	-	180
Mr Lau Siu Ki, Kevin	劉紹基先生	180	-	-	-	-	180

Other benefits include leave pay, share option and housing allowances.

During the year, no director has waived any of their emoluments (2006: Nil).

15 僱員福利開支 – 董事及高級管理人員之酬金 (續)

(a) 董事酬金 (續)

截至二零零六年十二月三十一日止年度各董事之酬金列載如下：

其他福利包括有薪假、購股權及房屋津貼。

於年內，概無董事放棄彼等之酬金（二零零六年：無）。

15 EMPLOYEE BENEFIT EXPENSE – DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include three (2006: four) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2006: one) individuals during the year are as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits-in-kind	基本薪金、房屋津貼、其他津貼及實物利益	3,353	2,000
Contributions to the MPF scheme	強積金計劃供款	84	12
		3,437	2,012

The emoluments fell within the following bands:

Emolument bands	酬金範圍	Number of individuals 人數	
		2007 二零零七年	2006 二零零六年
HK\$1,000,000 – HK\$1,500,000	1,000,000港元 – 1,500,000港元	1	–
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	1	1

15 僱員福利開支 – 董事及高級管理人員之酬金 (續)

(b) 五名最高薪酬人士

本集團之五名最高薪酬人士包括三名(二零零六年:四名)董事,彼等之酬金已於上文呈列之分析中反映。年內應付予餘下兩名(二零零六年:一名)人士之酬金如下:

酬金範圍如下:

Emolument bands	酬金範圍	Number of individuals 人數	
		2007 二零零七年	2006 二零零六年
HK\$1,000,000 – HK\$1,500,000	1,000,000港元 – 1,500,000港元	1	–
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	1	1

16 GOODWILL

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to the country of operation and it is allocated to the manufacturing operation in El Salvador.

The recoverable amount of CGU is determined based on value-in-use calculations. These calculations used cash flow projections based on financial budgets approved by management covering a five-year period.

Key assumptions used for value-in-use calculation:

		Manufacturing 生產 % 百分比
Gross profit margin	毛利率	21
Growth rate	增長率	3
Discount rate	折扣率	7

Notes:

- (a) Management determined budgeted gross profit margin based on past performance and its expectations for the market development.
- (b) The growth rate applied is consistent with the forecasts for the industry.
- (c) The discount rate used is pre-tax and reflect risks relating to the relevant segment.

The management believes that any reasonably foreseeable change in any of the above key assumptions would not cause the aggregate carrying amount of goodwill to exceed the aggregate recoverable amount.

16 商譽

商譽乃按營運所在國家分配至本集團現金產生單位（「現金產生單位」），其亦分配至薩爾瓦多之生產業務。

現金產生單位的可收回數額基於計算使用值而釐定。有關數值乃根據管理層批核的五年度財政預算而預測的現金流量計算。

計算使用值之主要假設：

附註：

- (a) 管理層基於過往業績及其對市場發展之預測，釐定預算毛利率。
- (b) 所用增長率與行業預測一致。
- (c) 所採納之折扣率乃除稅前折現率，並反映有關該分部之特定風險。

管理層相信任何以上重要假設有任任何合理可測之轉變應不會導致商譽之總計賬面值超越總計可收回金額。

17 PROPERTIES, PLANT AND EQUIPMENT

17 物業、廠房及設備

		Group 本集團							
		Buildings 樓宇			Furniture, office equipment and Construction motor vehicles progress				Total
		Held in Mainland China	Held in Indonesia	Held in Lesotho	Leasehold improve- ments	Plant and machinery	Construction in progress		Total
		於中國 大陸持有	於印尼持有	於萊索托 持有	租賃裝修	廠房設備 及機器	傢俬、 辦公室 設備 及汽車	在建工程	總計
		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
Year ended 31st December, 2007	截至二零零七年 十二月三十一日止年度								
Opening net book amount	期初賬面淨值	-	28,158	7,126	1,888	47,555	8,616	14,983	108,326
Additions	添置	-	-	-	19,627	12,136	19,642	18,888	70,293
Transfer	轉移	33,871	-	-	-	-	-	(33,871)	-
Disposals	出售	-	-	-	(86)	(1,973)	(495)	-	(2,554)
Depreciation	折舊	(510)	(2,112)	(554)	(1,383)	(8,221)	(4,634)	-	(17,414)
Impairment	減值	-	-	-	-	(8,261)	-	-	(8,261)
Revaluation surplus	重估盈餘	-	511	-	-	-	-	-	511
Exchange differences	匯兌差額	1,379	(1,226)	-	803	(948)	1,232	-	1,240
Closing net book amount	期末賬面淨值	34,740	25,331	6,572	20,849	40,288	24,361	-	152,141
At 31st December, 2007	於二零零七年 十二月三十一日								
Cost or valuation	成本或估值	34,740	25,331	6,572	25,081	69,307	46,808	-	207,839
Accumulated depreciation	累計折舊	-	-	-	(4,232)	(29,019)	(22,447)	-	(55,698)
Net book amount	賬面淨值	34,740	25,331	6,572	20,849	40,288	24,361	-	152,141
Year ended 31st December, 2006	截至二零零六年 十二月三十一日止年度								
Opening net book amount	期初賬面淨值	-	31,102	7,617	3,194	46,117	7,897	-	95,927
Additions	添置	-	-	-	79	4,732	4,199	14,983	23,993
Disposals	出售	-	-	-	-	(93)	(102)	-	(195)
Depreciation	折舊	-	(2,270)	(491)	(1,389)	(7,748)	(3,595)	-	(15,493)
Revaluation surplus	重估盈餘	-	566	-	-	-	-	-	566
Exchange differences	匯兌差額	-	(1,240)	-	4	4,547	217	-	3,528
Closing net book amount	期末賬面淨值	-	28,158	7,126	1,888	47,555	8,616	14,983	108,326
At 31st December, 2006	於二零零六年 十二月三十一日								
Cost or valuation	成本或估值	-	28,158	7,126	5,238	61,204	30,446	14,983	147,155
Accumulated depreciation	累計折舊	-	-	-	(3,350)	(13,649)	(21,830)	-	(38,829)
Net book amount	賬面淨值	-	28,158	7,126	1,888	47,555	8,616	14,983	108,326

17 PROPERTIES, PLANT AND EQUIPMENT (Continued)

The Group's buildings were revalued at 31st December, 2007. Valuations were made on the open market value basis and were carried out by:

- (i) Vigers Appraisal and Consulting Limited, an independent qualified surveyor in Hong Kong;
- (ii) PT VPC Hagai Sejahtera, an independent qualified surveyor in Indonesia; and
- (iii) Japie Van Blerk, an independent qualified surveyor in Lesotho.

The revaluation surplus net of applicable deferred income taxes was credited to fixed assets revaluation reserve in shareholders' equity.

Depreciation of approximately HK\$10,081,000 (2006: HK\$9,351,000) has been expensed to cost of goods sold, approximately HK\$537,000 (2006: HK\$638,000) has been expensed to selling expenses and HK\$6,796,000 (2006: HK\$5,504,000) has been expensed to administrative expenses.

If buildings were stated on the historical cost basis, the amounts would be as follows:

17 物業、廠房及設備 (續)

本集團樓宇已於二零零七年十二月三十一日重新估值。估值乃根據公開市場價值由下列各方進行：

- (i) 威格斯資產評估顧問有限公司 (香港獨立合資格測量師)；
- (ii) PT VPC Hagai Sejahtera (印尼獨立合資格測量師)；及
- (iii) Japie Van Blerk (萊索托獨立合資格測量師)。

重估盈餘扣除適用遞延所得稅乃計入股東權益中之固定資產重估儲備。

折舊已分別於銷售存貨成本中支銷約10,081,000港元(二零零六年：9,351,000港元)、於銷售開支支銷約537,000港元(二零零六年：638,000港元)及於行政開支支銷約6,796,000港元(二零零六年：5,504,000港元)。

倘樓宇乃按歷史成本列賬，其金額如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Cost	成本	161,071	106,435
Accumulated depreciation	累計折舊	(98,043)	(74,613)
Net book amount	賬面淨值	63,028	31,822

17 PROPERTIES, PLANT AND EQUIPMENT (Continued)

The analysis of the cost or valuation at 31st December, 2006 of the above assets is as follows:

		Buildings 樓宇			Leasehold improve- ments	Plant and machinery	Furniture, office equipment and motor vehicles	Construction in progress	Total
		Held in Mainland China 於中國大陸 持有	Held in Indonesia 於印尼 持有	Held in Lesotho 於萊索托 持有	租賃裝修 HK\$'000 千港元	設備及機器 HK\$'000 千港元	傢俬、辦公室 設備及汽車 HK\$'000 千港元	在建工程 HK\$'000 千港元	總計 HK\$'000 千港元
At cost	按成本	-	-	-	5,238	61,204	30,446	14,983	111,871
At 2006 valuation	於二零零六年估值	-	28,158	7,126	-	-	-	-	35,284
		-	28,158	7,126	5,238	61,204	30,446	14,983	147,155

The analysis of the cost or valuation at 31st December, 2007 of the above assets is as follows:

		Buildings 樓宇			Leasehold improve- ments	Plant and machinery	Furniture, office equipment and motor vehicles	Construction in progress	Total
		Held in Mainland China 於中國大陸 持有	Held in Indonesia 於印尼 持有	Held in Lesotho 於萊索托 持有	租賃裝修 HK\$'000 千港元	設備及機器 HK\$'000 千港元	傢俬、辦公室 設備及汽車 HK\$'000 千港元	在建工程 HK\$'000 千港元	總計 HK\$'000 千港元
At cost	按成本	-	-	-	25,081	69,307	46,808	-	141,196
At 2007 valuation	於二零零七年估值	34,740	25,331	6,572	-	-	-	-	66,643
		34,740	25,331	6,572	25,081	69,307	46,808	-	207,839

上述資產於二零零六年十二月三十一日之成本或估值分析如下：

上述資產於二零零七年十二月三十一日之成本或估值分析如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

17 PROPERTIES, PLANT AND EQUIPMENT (Continued)

Net book value of buildings is analysed as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Outside Hong Kong, held on:	於香港以外持有：		
– Leases of between 10 to 50 years	– 租約年期介乎10至50年	60,071	28,158
– Leases of less than 10 years	– 租約年期少於10年	6,572	7,126
		66,643	35,284

18 INVESTMENT PROPERTIES

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Beginning of the year	年初	22,300	22,300
Fair value gains	公允值之收益	6,000	–
End of the year	年末	28,300	22,300

The investment properties were revalued at 31st December, 2007 by an independent valuer, Vigers Appraisal and Consulting Limited. Valuations were based on current prices in an active market for all properties.

17 物業、廠房及設備 (續)

樓宇之賬面淨值分析如下：

18 投資物業

投資物業於二零零七年十二月三十一日由獨立測量師威格斯資產評估顧問有限公司重估。估值乃根據所有物業於活躍市場之現行價格估值。

18 INVESTMENT PROPERTIES (Continued)

The Group's interests in the investment properties at their net book values are analysed as follows:

		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
In Hong Kong, held on:	於香港持有:		
– Leases of between 10 to 50 years	– 租約年期介乎10至50年	28,300	22,300

Investment properties of the Group have been pledged as securities for the Group's secured bank borrowings.

The Group leases out the investment properties under operating leases, for an initial period of three years. During the year ended 31st December, 2007, the gross rental income from investment properties amounted to approximately HK\$1,654,000 (2006: HK\$1,379,000). As at 31st December, 2007, the Group's future rental income under non-cancellable operating leases is as follows:

		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
Not later than one year	一年內	965	1,654
Later than one year and not later than five years	一年後但不遲於五年	–	965
		965	2,619

18 投資物業 (續)

本集團於以賬面淨值列賬之投資物業的權益分析如下:

	2007	2006
	二零零七年	二零零六年
	HK\$'000	HK\$'000
	千港元	千港元
In Hong Kong, held on:		
– Leases of between 10 to 50 years	28,300	22,300

本集團之投資物業已予抵押，作為本集團有抵押銀行貸款之抵押品。

本集團租出以經營租賃之投資物業，初步期為三年。於截至二零零七年十二月三十一日止年度，投資物業之租金收入總額約為1,654,000港元（二零零六年：1,379,000港元）。於二零零七年十二月三十一日，本集團不可撤銷經營租賃下之未來租金收入如下：

19 LEASEHOLD LAND AND LAND USE RIGHTS

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

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
In Mainland China held on:	於中國大陸持有：		
– Leases of between 10 to 50 years	– 租約年期介乎10至50年	11,077	–
In Indonesia held on:	於印尼持有：		
– Leases of between 10 to 50 years	– 租約年期介乎10至50年	775	1,755
– Leases of less than 10 years	– 租約年期少於10年	694	480
		12,546	2,235

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Beginning of the year	年初	2,235	3,097
Additions	添置	11,077	–
Amortisation of prepaid operating lease payments	攤銷預付經營租賃款項	(766)	(862)
End of the year	年末	12,546	2,235

As at 31st December, 2007, the Group has not yet obtained the formal land use right relating to the piece of land located in Mainland China.

19 租賃土地及土地使用權

本集團於租賃土地及土地使用權之權益代表預付經營租賃款項，其賬面淨值分析如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
In Mainland China held on:	於中國大陸持有：		
– Leases of between 10 to 50 years	– 租約年期介乎10至50年	11,077	–
In Indonesia held on:	於印尼持有：		
– Leases of between 10 to 50 years	– 租約年期介乎10至50年	775	1,755
– Leases of less than 10 years	– 租約年期少於10年	694	480
		12,546	2,235

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Beginning of the year	年初	2,235	3,097
Additions	添置	11,077	–
Amortisation of prepaid operating lease payments	攤銷預付經營租賃款項	(766)	(862)
End of the year	年末	12,546	2,235

於二零零七年十二月三十一日，本集團仍未取得有關位於中國大陸一幅土地之正式土地使用權。

20 NON-CURRENT DEPOSITS

As at 31st December, 2006, non-current deposits represented deposits paid for the land use right for the piece of land in Mainland China as mentioned in Note 19.

21 INVESTMENTS IN SUBSIDIARIES

Costs, unlisted shares 成本·非上市股份

Details of principal subsidiaries are set out in Note 36 to the financial statements.

22 INTERESTS IN ASSOCIATES

Beginning of the year	年初
Addition	添置
Share of profit	分佔溢利
Disposal	出售
Dividend income	股息收入
Exchange difference	匯兌差額
End of the year	年末
Amount due from an associate	聯營公司欠款

20 非流動按金

於二零零六年十二月三十一日，非流動按金指就附註19所述有關一幅位於中國大陸的土地之土地使用權支付之按金。

21 於附屬公司之投資

Company	
本公司	
2007	2006
二零零七年	二零零六年
HK\$'000	HK\$'000
千港元	千港元

165,938	166,346
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主要附屬公司之詳細資料載於賬目附註36。

22 於聯營公司之權益

2007	2006
二零零七年	二零零六年
HK\$'000	HK\$'000
千港元	千港元

47,036	38,055
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-	3,000
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1,738	4,839
--------------	-------

(2,928)	-
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(2,899)	-
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3,207	1,142
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46,154	47,036
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3,000	-
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49,154	47,036
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NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

22 INTERESTS IN ASSOCIATES (Continued)

The Group's interest in its associates, which is unlisted, is as follows:

Name	Registered and paid up capital	Country of incorporation	Assets	Liabilities	Revenues	(Loss)/ profit	% Interest held
名稱	註冊及繳足股本	註冊成立地點	資產 HK\$'000 千港元	負債 HK\$'000 千港元	收益 HK\$'000 千港元	(虧損)/ 溢利 HK\$'000 千港元	所持權益 百分比
Fortune Champ Group Limited 兆冠集團有限公司	US\$150 150美元	British Virgins Islands 英屬處女群島	18,253	19,314	-	(1,062)	20
山東魏橋恒富針織 印染有限公司 (ShanDong WeiQiao HengFu Textile Limited)	US\$12,375,000 12,375,000美元	People's Republic of China 中華人民共和國	123,334	7,173	119,852	5,198	40

22 於聯營公司之權益 (續)

本集團於非上市聯營公司之權益如下：

23 FINANCIAL ASSETS

23 金融資產

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Beginning of the year	年初	9,184	15,636
Additions	添置	15,610	-
Disposals	出售	(6,168)	(7,336)
Fair value gains on derivative financial instruments (Note 6)	衍生金融工具之 公允值收益(附註6)	130	356
Net fair value gains on financial assets at fair value through profit or loss (Note 6)	按公允值計入損益賬之 金融資產公允值收益淨值 (附註6)	3,436	-
Fair value gains on available-for-sale financial assets charged to equity (Note 33)	扣自權益之 可供出售資產公允值收益 (附註33)	22	528
End of the year	年末	22,214	9,184

23 FINANCIAL ASSETS (Continued)

Financial assets include the following:

23 金融資產(續)

金融資產包括以下各項:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Available-for-sale financial assets	可供出售之金融資產		
Listed equity securities	上市股本證券	–	734
Financial assets at fair value through profit or loss	按公允值計入損益賬之金融資產		
Market linked instruments with initial investments	有初期投資之市場掛鈎工具	12,507	–
Foreign currency linked structured note	與外幣掛鈎之結構性票據	9,314	8,294
Listed equity securities	上市股本證券	107	–
Derivative financial instrument	衍生金融工具		
Foreign forward exchange contracts	遠期外匯合約	286	156
		22,214	9,184
Less: non-current portion	減: 非流動部分		
Listed equity securities	上市股本證券	–	(734)
Foreign currency linked structured note	與外幣掛鈎之結構性票據	(9,314)	(8,294)
		(9,314)	(9,028)
Current portion	流動部分	12,900	156

23 FINANCIAL ASSETS (Continued)

Financial assets are denominated in the following currencies:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
United States dollar	美元	22,107	8,450
Hong Kong dollar	港元	107	734
		22,214	9,184

24 AMOUNTS DUE FROM SUBSIDIARIES

The amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

25 INVENTORIES

The cost of inventories recognised as expenses and included in cost of goods sold amounted to approximately HK\$526,581,000 (2006: HK\$642,122,000).

23 金融資產(續)

金融資產乃以下列貨幣列值：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
United States dollar	美元	22,107	8,450
Hong Kong dollar	港元	107	734
		22,214	9,184

24 附屬公司欠款

附屬公司欠款為無抵押、免息及於要求時償還。

25 存貨

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Raw materials	原材料	40,692	71,109
Work in progress	半製成品	33,711	54,715
Finished goods	製成品	12,540	31,277
		86,943	157,101

確認為開支及計入已售貨品成本之存貨成本約526,581,000港元(二零零六年: 642,122,000港元)。

26 TRADE AND OTHER RECEIVABLES

26 貿易及其他應收款項

		Group 本集團		Company 本公司	
		2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Trade receivables	貿易應收款項	108,030	106,266	–	–
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項	30,758	32,003	1,119	1,049
		138,788	138,269	1,119	1,049

The carrying amounts of the trade receivables approximate their fair values.

貿易應收款項之賬面值與其公允值相若。

The majority of the Group's sales to customers are on open account basis, with credit terms ranging from 30 to 45 days. The remaining sales are on letter of credit at sight to 90 days. The ageing analysis of trade receivables is as follows:

本集團大部份銷售予客戶之款額均以記賬方式進行，而信貸期則介乎30至45日。餘下銷售款額以即期至90日信用狀付款。貿易應收款項之賬齡分析如下：

		Group 本集團	
		2007 二零零七年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元
Within 30 days	30日內	79,204	96,895
31-60 days	31 – 60日	27,415	9,191
61-90 days	61 – 90日	261	72
Over 90 days	超過90日	1,150	108
		108,030	106,266

As at 31st December, 2007, the trade receivables from the Group's five largest customers accounted for 81% (2006: 88%) of the total trade receivables. The Group's approach to managing credit risk is disclosed in Note 3.

於二零零七年十二月三十一日，本集團五大客戶之貿易應收款項佔貿易應收款項總額81%（二零零六年：88%）。本集團管理信貸風險之方式於附註3披露。

26 TRADE AND OTHER RECEIVABLES (Continued)

Ageing analysis of trade receivables past due but not impaired is as follows:

Within 30 days	30日內
31-60 days	31 – 60日
61-90 days	61 – 90日
Over 90 days	超過90日

At 31st December, 2007, there were no provisions for impairment of trade receivables (2006: Nil).

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables mentioned above. The Group does not hold any collateral as security.

26 貿易及其他應收款項 (續)

已逾期但無減值之貿易應收款項賬齡分析如下:

		Group 本集團	
		2007 二零零七年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元
Within 30 days	30日內	8,613	9,019
31-60 days	31 – 60日	50	72
61-90 days	61 – 90日	168	45
Over 90 days	超過90日	962	63
		9,793	9,199

於二零零七年十二月三十一日，並無就貿易應收款項作出撥備（二零零六年：無）。

於匯報日期之最高信貸風險為上述各類別應收款項之公允值。本集團並無持有任何抵押品作抵押。

26 TRADE AND OTHER RECEIVABLES (Continued)

The carrying amounts of the trade receivables were denominated in the following currencies:

		Group 本集團	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
United States dollar	美元	105,641	106,266
Hong Kong dollar	港元	595	-
Renminbi	人民幣	1,794	-
		108,030	106,266

26 貿易及其他應收款項 (續)

貿易應收款項之賬面值乃以下列貨幣列值：

27 DERIVATIVE FINANCIAL INSTRUMENTS

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Beginning of the year	年初	-	-
Fair value losses charged to profit and loss (Note 6)	扣自損益賬之公允值虧損 (附註6)	12,617	-
End of the year	年末	12,617	-

27 衍生金融工具

Derivative financial instruments comprise the followings:

衍生金融工具包括下列各項：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Equity accumulators	權益累積工具	11,525	-
Market linked instrument with swap arrangement	訂有掉期安排之 市場掛鈎工具	1,092	-
		12,617	-

28 CASH AND CASH EQUIVALENTS

28 現金及現金等值項目

		Group 本集團		Company 本公司	
		2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cash at bank and in hand	銀行及手頭現金	41,727	58,487	166	145
Short-term bank deposits	短期銀行存款	68,225	32,966	–	–
		109,952	91,453	166	145

The effective interest rate on short-term bank deposits was 3.5% (2006: 4.9%) per annum where these deposits have an average maturity of 3 days (2006: 1 day).

短期銀行存款之實際年利率為3.5厘（二零零六年：4.9厘），其平均到期日為3日（二零零六年：1日）。

The carrying amount of the cash and cash equivalents were denominated in the following currencies:

現金及現金等值項目之賬面值乃以下列貨幣列值：

		Group 本集團		Company 本公司	
		2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Hong Kong dollar	港元	18,197	1,903	166	145
United States dollar	美元	71,781	64,530	–	–
Indonesian rupiah	印尼盾	17,424	19,680	–	–
Renminbi	人民幣	2,235	5,217	–	–
Others	其他	315	123	–	–
		109,952	91,453	166	145

29 BANK BORROWINGS

29 銀行貸款

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Non-current	非流動		
Bank borrowings	銀行貸款		
– secured (Note (b))	– 有抵押 (附註(b))	1,938	9,750
– unsecured	– 無抵押	31,367	15,500
		33,305	25,250
Current	流動		
Bank borrowings (Note (a))	銀行貸款 (附註(a))		
– secured (Note (b))	– 有抵押 (附註(b))	24,238	28,772
– unsecured	– 無抵押	48,535	39,633
		72,773	68,405
Total borrowings	總貸款	106,078	93,655

The Group's borrowings were repayable as follows:

本集團之貸款之還款期如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Within 1 year	一年內	72,773	68,405
Between 1 and 2 years	一至兩年內	12,916	15,550
Between 2 and 5 years	二至五年內	20,389	9,700
		106,078	93,655

29 BANK BORROWINGS (Continued)

Notes:

- (a) Bank borrowings wholly repayable within one year included secured trust receipts loans of approximately HK\$16,488,000 (2006: HK\$20,972,000) and unsecured trust receipts loans of approximately HK\$42,723,000 (2006: HK\$39,633,000).
- (b) Investment properties of the Group with an aggregate carrying value of approximately HK\$28,300,000 (2006: HK\$22,300,000) have been pledged as security for the secured bank borrowings.
- (c) The bank borrowings bear interest rates ranging from 6.8% to 7.2% per annum for United States dollar denominated bank borrowings (2006: 6.0% to 7.1% per annum) and 5.4% to 6.2% per annum for Hong Kong dollar denominated bank borrowings (2006: 5.8% to 5.9% per annum).

The carrying amounts of bank borrowings approximate their fair values.

The carrying amounts of the bank borrowings were denominated in the following currencies:

29 銀行貸款 (續)

附註:

- (a) 須於一年內悉數償還之銀行貸款包括有抵押信託收據貸款約16,488,000港元(二零零六年: 20,972,000港元)及無抵押信託收據貸款約42,723,000港元(二零零六年: 39,633,000港元)。
- (b) 本集團賬面值合共約28,300,000港元(二零零六年: 22,300,000港元)之投資物業已抵押作為有抵押銀行貸款之抵押品。
- (c) 銀行貸款中,以美元為單位者按年利率6.8厘至7.2厘計息(二零零六年: 年利率6.0厘至7.1厘),以港元為單位者則按年利率5.4厘至6.2厘計息(二零零六年: 年利率5.8厘至5.9厘)。

銀行貸款之賬面值與其公允值相若。

銀行貸款之賬面值乃以下列貨幣列值:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Hong Kong dollar	港元	18,948	8,018
United States dollar	美元	87,130	85,637
		106,078	93,655

30 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
Deferred income tax assets	遞延所得稅資產	2,868	4,279
Deferred income tax liabilities	遞延所得稅負債	(7,384)	(4,771)
		(4,516)	(492)

Hong Kong deferred income tax is calculated in full on temporary differences under the liability method using a principal taxation rate of 17.5% (2006: 17.5%). Deferred income tax of overseas subsidiaries are calculated at the rates of taxation prevailing in the countries in which the Group operates.

The movements on the deferred income tax account are as follows:

		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
Beginning of the year	年初	(492)	181
Deferred income tax (charged)/credited to income statement (Note 10)	於收入報表(扣除)／計入之遞延所得稅(附註10)	(3,817)	781
Deferred income tax charged to equity	於權益中扣除之遞延所得稅	(146)	(1,559)
Exchange differences	匯兌差額	(61)	105
End of the year	年末	(4,516)	(492)

30 遞延所得稅

當有法定可執行權力將現有稅項資產與現有稅項負債抵銷，且遞延所得稅項涉及同一財政機關，則可將遞延所得稅項資產及負債抵銷。所抵銷之金額如下：

香港遞延所得稅項乃按負債法，採用主要稅率17.5%（二零零六年：17.5%）就臨時差額作出全數撥備。海外附屬公司之遞延所得稅項乃按本集團經營業務所在國家之現行稅率計算。

遞延所得稅項賬目之變動如下：

30 DEFERRED INCOME TAX (Continued)

Deferred income tax assets are recognised for tax loss carry forwards to the extent that realisation of the related tax benefit through the future taxable profits is probable. As at 31 December, 2007, the Group has unrecognised cumulative tax losses of approximately HK\$20,359,000 (2006: HK\$19,657,000) to carry forward against future taxable income. Cumulative tax losses of approximately HK\$4,915,000 (2006: HK\$19,657,000) can be carried forward indefinitely while tax losses of approximately HK\$15,444,000 (2006: Nil) will expire in five years.

The movements in deferred income tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year are as follows:

Deferred income tax assets

		Tax losses	Provision for post-employment benefits	Decelerated tax depreciation	Total
		稅務虧損 HK\$'000 千港元	僱員結束服務後之福利撥備 HK\$'000 千港元	減速稅項折舊 HK\$'000 千港元	總計 HK\$'000 千港元
At 1st January, 2006	於二零零六年一月一日	546	-	1,316	1,862
(Charged)/credited to income statement	於收入報表中 (扣除)/計入	(583)	2,929	(168)	2,178
Exchange differences	匯兌差額	37	121	81	239
At 31st December, 2006	於二零零六年十二月三十一日	-	3,050	1,229	4,279
At 1st January, 2007	於二零零七年一月一日	-	3,050	1,229	4,279
Charged to income statement	於收入報表中扣除	-	(452)	(833)	(1,285)
Exchange differences	匯兌差額	-	(115)	(11)	(126)
At 31st December, 2007	於二零零七年十二月三十一日	-	2,483	385	2,868

30 遞延所得稅 (續)

遞延所得稅資產僅會於有關之稅項利益有可能透過未來應課稅溢利變現，而就結轉稅項虧損確認。於二零零七年十二月三十一日，可供本集團結轉用以抵銷日後應課稅收入之未確認累計稅項虧損約為20,359,000港元（二零零六年：19,657,000港元）。累計稅項虧損約4,915,000港元（二零零六年：19,657,000港元）可無限期結轉，而稅項虧損約15,444,000港元（二零零六年：無）將於五年內到期。

年內之遞延所得稅資產及負債變動（於抵銷同一稅項管轄區之結餘前）如下：

遞延所得稅資產

30 DEFERRED INCOME TAX (Continued)**Deferred income tax liabilities**

		Fair value gains of buildings and investment properties 樓宇及 投資物業之 公允值收益 HK\$'000 千港元	Accelerated tax depreciation 增速 稅項折舊 HK\$'000 千港元	Withholding tax for undistributed retained earnings 未分派 保留盈利之 預扣稅項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st January, 2006	於二零零六年一月一日	711	970	-	1,681
Charged to income statement	於收入報表中扣除	401	996	-	1,397
Charged to equity	於權益扣除	1,559	-	-	1,559
Exchange differences	匯兌差額	-	134	-	134
At 31st December, 2006	於二零零六年十二月三十一日	2,671	2,100	-	4,771
At 1st January, 2007	於二零零七年一月一日	2,671	2,100	-	4,771
Charged/(credited) to income statement	於收入報表中 扣除/(計入)	1,094	(289)	1,727	2,532
Charged to equity	於權益扣除	146	-	-	146
Exchange differences	匯兌差額	-	(65)	-	(65)
At 31st December, 2007	於二零零七年十二月三十一日	3,911	1,746	1,727	7,384

31 TRADE AND OTHER PAYABLES**31 貿易及其他應付款項**

		Group 本集團		Company 本公司	
		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Trade payables	貿易應付款項	74,078	109,334	-	-
Other payables and accruals	其他應付款項 及應計費用	54,255	62,028	4,466	6,182
		128,333	171,362	4,466	6,182

31 TRADE AND OTHER PAYABLES (Continued)

The ageing analysis of the trade payables is as follows:

		Group 本集團	
		2007 二零零七年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元
Within 30 days	30日內	56,783	72,737
31-60 days	31 – 60日	5,855	25,863
61-90 days	61 – 90日	5,647	2,758
Over 90 days	超過90日	5,793	7,976
		74,078	109,334

Trade and other payables approximate their fair values.

Trade and other payables were denominated in the following currencies:

		2007 二零零七年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元
Hong Kong dollar	美元	50,007	53,341
United States dollar	港元	18,923	49,741
Indonesia Rupiah	印尼盾	2,840	6,252
Renminbi	人民幣	2,308	–
		74,078	109,334

31 貿易及其他應付款項 (續)

貿易應付款項之賬齡分析如下：

		Group 本集團	
		2007 二零零七年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元
Within 30 days	30日內	56,783	72,737
31-60 days	31 – 60日	5,855	25,863
61-90 days	61 – 90日	5,647	2,758
Over 90 days	超過90日	5,793	7,976
		74,078	109,334

貿易及其他應付款項與其公允值相若。

貿易及其他應付款項乃以下列貨幣列值：

		2007 二零零七年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元
Hong Kong dollar	美元	50,007	53,341
United States dollar	港元	18,923	49,741
Indonesia Rupiah	印尼盾	2,840	6,252
Renminbi	人民幣	2,308	–
		74,078	109,334

32 SHARE CAPITAL

32 股本

		2007 二零零七年 Number of Shares 股份數目 (thousands) (千股)	2007 二零零七年 Ordinary shares 普通股 HK\$'000 千港元	2006 二零零六年 Number of Shares 股份數目 (thousands) (千股)	2006 二零零六年 Ordinary shares 普通股 HK\$'000 千港元
At 1st January	於一月一日	361,054	36,105	360,034	36,003
Employee share option scheme	僱員購股權計劃				
– new shares issued	– 發行新股份	6,720	672	1,020	102
At 31st December	於十二月三十一日	367,774	36,777	361,054	36,105

The total authorised number of ordinary shares is 2,000,000,000 (2006: 2,000,000,000) shares with a par value of HK\$0.10 per share (2006: HK\$0.10 per share).

Share option scheme adopted on 8th May, 2002 (the “Scheme”)

At the annual general meeting of the Company held on 8th May, 2002, the Scheme was approved and adopted.

Under the Scheme, the directors of the Company are authorised to grant options to qualifying participants of the Company or its subsidiaries to subscribe for shares in the Company at prices in accordance with the terms of the Scheme. The total number of shares available for issue under the Scheme is 19,360,000 which is 5.26% of the issued share capital of the Company as at 31st December, 2007.

Under the terms of the Scheme, the directors of the Company granted options to certain qualifying participants on 25th October, 2005 to subscribe for a total of 17,160,000 shares in the Company at a price of HK\$0.536 per share. As at 31st December, 2007, there were 8,900,000 (2006: 15,620,000) share options outstanding which are exercisable from 1st November, 2005 to 31st October, 2008.

法定普通股總數為2,000,000,000股（二零零六年：2,000,000,000股），每股面值0.10港元（二零零六年：每股面值0.10港元）。

於二零零二年五月八日採納之購股權計劃（「該計劃」）

該計劃已於二零零二年五月八日舉行之本公司股東週年大會上批准及採納。

根據該計劃，本公司董事獲授權可授予本公司或其附屬公司之合資格參與者購股權，以按照該計劃條款規定之價格認購本公司之股份。該計劃涉及之可供發行股份數目合共19,360,000股，佔本公司於二零零七年十二月三十一日之已發行股本之5.26%。

於二零零五年十月二十五日，本公司董事根據該計劃之條款授予若干合資格參與者可按每股0.536港元之價格認購合共17,160,000股股份之購股權。於二零零七年十二月三十一日，8,900,000份（二零零六：15,620,000份）可於二零零五年十一月一日至二零零八年十月三十一日行使之購股權尚未行使。

32 SHARE CAPITAL (Continued)

Share option scheme adopted on 8th May, 2002 (the "Scheme") (Continued)

Movements in the number of options outstanding under the Scheme during the year and their related weighted average exercise prices are as follows:

		2007 二零零七年		2006 二零零六年	
		Average exercise price 平均行使價	Number of options 購股權數目	Average exercise price 平均行使價	Number of options 購股權數目
		HK\$ per share 每股港元		HK\$ per share 每股港元	
At 1st January	於一月一日	0.536	15,620,000	0.536	17,160,000
Exercised	已行使	0.536	(6,720,000)	0.536	(1,020,000)
Lapsed	已失效	–	–	0.536	(520,000)
At 31st December	於十二月三十一日		8,900,000		15,620,000

Share options outstanding as at 31st December, 2007 under the Scheme have the following terms:

32 股本 (續)

於二零零二年五月八日採納之購股權計劃(「該計劃」)(續)

在該計劃下尚未行使之購股權數目於年內之變動，及彼等之相關加權平均行使價如下：

於該計劃下於二零零七年十二月三十一日尚未行使之購股權之條款載列如下：

Expiry date	屆滿日期	Exercise price 行使價 HK\$ 港元	Number of options 購股權數目 2007 二零零七年
Directors	董事		
31st October, 2008	二零零八年十月三十一日	0.536	7,700,000
Continuous contract employees	持續合約僱員		
31st October, 2008	二零零八年十月三十一日	0.536	1,200,000
			8,900,000

33 OTHER RESERVES

33 其他儲備

		Group 本集團						
		Share premium	Exchange translation reserve	Fixed assets revaluation reserve	Merger Reserve (Note (i))	Share-based compensation reserve	Available-for-sale investments reserve	Total
		股份溢價	匯兌儲備	固定資產重估儲備	合併儲備 (附註(i))	以股份支付僱員酬金儲備	可供出售投資儲備	總計
		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
At 1st January, 2006	於二零零六年一月一日	36,889	(19,908)	17,804	(200)	2,200	(455)	36,330
Exchange differences arising on the translation of the financial statements of overseas subsidiaries and associates	換算海外附屬公司及聯營公司財務報表產生之匯兌差額	-	10,281	-	-	-	-	10,281
Fair value changes, net of deferred tax	公允值變動，扣除遞延稅項	-	-	(1,021)	-	-	-	(1,021)
Employee share options scheme:	僱員購股權計劃：							
- exercised share options	一行使購股權	551	-	-	-	(106)	-	445
- lapsed share options	一購股權失效	-	-	-	-	(54)	-	(54)
Surplus on revaluation of available-for-sale financial assets	重估可供出售之金融資產盈餘	-	-	-	-	-	528	528
Disposal of available-for-sale financial assets	出售可供出售之金融資產	-	-	-	-	-	297	297
Transfer of reserve	儲備轉移	-	-	(13,146)	-	-	-	(13,146)
At 31st December, 2006	於二零零六年十二月三十一日	37,440	(9,627)	3,637	(200)	2,040	370	33,660
At 1st January, 2007	於二零零七年一月一日	37,440	(9,627)	3,637	(200)	2,040	370	33,660
Exchange differences arising on the translation of the financial statements of overseas subsidiaries and associates	換算海外附屬公司及聯營公司財務報表產生之匯兌差額	-	1,247	-	-	-	-	1,247
Fair value changes, net of deferred tax	公允值變動，扣除遞延稅項	-	-	340	-	-	-	340
Employee share options scheme:	僱員購股權計劃：							
- exercised share options	一行使購股權	3,714	-	-	-	(785)	-	2,929
Surplus on revaluation of available-for-sale financial assets	重估可供出售之金融資產盈餘	-	-	-	-	-	22	22
Disposal of available-for-sale financial assets	出售可供出售之金融資產	-	-	-	-	-	(392)	(392)
At 31st December, 2007	於二零零七年十二月三十一日	41,154	(8,380)	3,977	(200)	1,255	-	37,806

33 OTHER RESERVES (Continued)

33 其他儲備(續)

		Company 本公司			
		Share premium	Contributed Surplus (Note (ii))	Share- based compen- sation reserve	Total
		繳入盈餘 股份溢價	(附註(ii))	以股份 支付僱員 酬金儲備	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st January, 2006	於二零零六年一月一日	36,889	165,739	2,200	204,828
Employee share option scheme:	僱員購股權計劃:				
– exercised of share options	– 行使購股權	551	–	(106)	445
– lapsed of share options	– 購股權失效	–	–	(54)	(54)
2006 final dividend paid	二零零六年已付末期股息	–	(18,045)	–	(18,045)
At 31st December, 2006	於二零零六年 十二月三十一日	<u>37,440</u>	<u>147,694</u>	<u>2,040</u>	<u>187,174</u>
At 1st January, 2007	於二零零六年一月一日	37,440	147,694	2,040	187,174
Employee share option scheme:	僱員購股權計劃:				
– exercised of share options	– 行使購股權	3,714	–	(785)	2,929
At 31st December, 2007	於二零零七年 十二月三十一日	<u>41,154</u>	<u>147,694</u>	<u>1,255</u>	<u>190,103</u>

Notes:

- (i) The merger reserve of the Group represents the difference between the nominal value of the shares of a subsidiary acquired and the nominal value of the Company's shares issued in exchange thereof.
- (ii) The contributed surplus of the Company represents the difference between the consolidated shareholders' funds of the subsidiary acquired and the nominal value of the Company's shares issued in exchange thereof.

附註:

- (i) 本集團之合併儲備乃指購入之一間附屬公司股份面值與本公司用作交換而發行股份之面值之差額。
- (ii) 本公司之繳入盈餘乃指收購該附屬公司之綜合股東資金與本公司用作交換而發行股份之面值之差額。

34 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

34 綜合現金流轉表附註

(a) Reconciliation of profit before income tax to net cash inflow from operations is as follows:

(a) 除所得稅前溢利與經營活動現金流入淨額之對賬

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	81,308	87,451
Depreciation of properties, plant and equipment	物業、廠房及設備折舊	17,414	15,493
Gain on disposal of properties, plant and equipment	出售物業、廠房及設備之收益	(1,576)	(278)
Provision for impairment of plant and machinery	廠房設備及機器減值撥備	8,261	-
Amortisation of leasehold land and land use rights	租賃土地及土地使用權之攤銷	766	862
Share of profit of associates	分佔聯營公司溢利	(1,738)	(4,839)
Gain on disposal of an associate	出售一間聯營公司之收益	(72)	-
Fair value gains on investment properties	投資物業公允值之收益	(6,000)	-
Net fair value losses/(gains) on derivative financial instruments	衍生金融工具之公允值之虧損／(收益)淨額	12,487	(356)
Fair value gains on financial assets at fair value through profit or loss	按公允值計入損益賬之金融資產公允值收益	(3,436)	-
Fair value (gains)/losses realised on disposals of available-for-sale financial assets	出售可供出售之金融資產之已確認公允值(收益)／虧損	(392)	300
Finance income	融資收入	(6,730)	(3,281)
Finance costs	融資成本	6,637	5,988
		106,929	101,340
Changes in working capital:	營運資金變動：		
Inventories	存貨	70,158	8,535
Trade and other receivables	貿易及其他應收款項	(519)	(23,752)
Trade and other payables	貿易及其他應付款項	(46,883)	22,158
Net cash inflow from operations	經營活動現金流入淨額	129,685	108,281

34 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Continued)

(b) Analysis of changes in financing during the year

		Share capital and share premium		Bank borrowings		Minority interests	
		股本及股份溢價		銀行貸款		少數股東權益	
		2007	2006	2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
		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
At 1st January	於一月一日	73,545	72,892	93,655	101,637	2,594	1,704
Issuance of shares upon exercise of employee share options	於行使僱員購股權時發行股份	4,386	653	-	-	-	-
Bank borrowings raised	新增銀行貸款	-	-	413,195	432,563	-	-
Bank borrowings repaid	償還銀行貸款	-	-	(400,772)	(440,545)	-	-
Minority interests' share of profits and reserves	少數股東應佔溢利及儲備	-	-	-	-	4,575	622
Exchange differences	匯兌差額	-	-	-	-	1,078	268
At 31st December	於十二月三十一日	77,931	73,545	106,078	93,655	8,247	2,594

34 綜合現金流轉表附註 (續)

(b) 年內融資變動分析

35 COMMITMENTS

Capital commitments

Capital expenditure at the balance sheet date but not yet incurred is as follows:

		2007	2006
		二零零七年	二零零六年
		HK\$'000	HK\$'000
		千港元	千港元
Leasehold land and land use right, properties, plant and equipment	租賃土地及土地使用權、物業、廠房及設備		
Contracted but not provided for	已簽約但未撥備	2,880	23,743

35 承擔

資本承擔

於結算日但仍未產生之資本開支如下：

35 COMMITMENTS (Continued)**Commitments under operating leases**

The Group had future aggregate minimum lease payments for land and buildings under non-cancellable operating leases as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Not later than one year	一年內	5,302	8,699
Later than one year and not later than five years	一年後但不遲於五年	11,226	3,300
Later than five years	五年後	6,091	4,154
		22,619	16,153

36 SUBSIDIARIES

The following is a list of the principal subsidiaries at 31st December, 2007:

Company name	Place of incorporation/ Place of operation	Principal activities	Particulars of issued share capital	Percentage of interest held
公司名稱	註冊成立/ 經營地點	主要業務	已發行股本資料	所持權益百分比

Shares held directly:

直接持有股份：

Topwell Group Development Ltd.	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1,000 ordinary shares of US\$1 each 1,000股每股面值1美元之普通股	100
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35 承擔 (續)**經營租賃承擔**

本集團根據不可撤銷經營租賃而須於未來就土地及樓宇支付之最低租金總額如下：

36 附屬公司

本公司於二零零七年十二月三十一日之主要附屬公司詳列如下：

36 SUBSIDIARIES (Continued)

36 附屬公司 (續)

Company name 公司名稱	Place of incorporation/ Place of operation 註冊成立/ 經營地點	Principal activities 主要業務	Particulars of issued share capital 已發行股本資料	Percentage of interest held 所持權益百分比
Shares held indirectly: 間接持有股份：				
Best Sphere Group Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1 ordinary share of US\$1 1股面值1美元之普通股	100
Bright Horizons Investments Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1 ordinary share of US\$1 1股面值1美元之普通股	100
Carry Wealth Limited	Hong Kong	Garment trading, marketing and provision of management services 成衣貿易、市場推廣及提供管理服務	4,000,000 ordinary shares of HK\$1 each 4,000,000股每股面值1港元之普通股	100
Carry Wealth (South Africa) Investment Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1 ordinary share of US\$1 1股面值1美元之普通股	100
Charter Row Group Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1 ordinary share of US\$1 1股面值1美元之普通股	100

36 SUBSIDIARIES (Continued)

36 附屬公司 (續)

Company name 公司名稱	Place of incorporation/ Place of operation 註冊成立/ 經營地點	Principal activities 主要業務	Particulars of issued share capital 已發行 股本資料	Percentage of interest held 所持權益 百分比
Charter, S.A. de C.V.	El Salvador 薩爾瓦多	Manufacture of knit tops 生產針織上衣	200 shares of US\$114.28 each 200股每股面值 114.28美元之股份	100
Easy Victory Investments Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1 ordinary share of US\$1 1股面值1美元之 普通股	100
Gold Clipper Trading Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1 ordinary share of US\$1 1股面值1美元之 普通股	100
Hillwealth International Limited 領溢國際有限公司	Hong Kong 香港	Investment holding 投資控股	1 ordinary share of HK\$1 1股面值1港元之 普通股	100
Mass Wealth Investments Limited 尚豪投資有限公司	Hong Kong 香港	Investment holding 投資控股	1 ordinary share of HK\$1 1股面值1港元之 普通股	100
Mutual Grace Investments Limited 忠域投資有限公司	Hong Kong 香港	Investment holding 投資控股	1 ordinary share of HK\$1 1股面值1港元之 普通股	100

36 SUBSIDIARIES (Continued)

36 附屬公司 (續)

Company name 公司名稱	Place of incorporation/ Place of operation 註冊成立/ 經營地點	Principal activities 主要業務	Particulars of issued share capital 已發行股本資料	Percentage of interest held 所持權益百分比
Promaster Company Limited 保萬德有限公司	Hong Kong 香港	Property holding 持有物業	2 ordinary shares of HK\$1 each 2股每股面值1港元之普通股	100
PT Caterindo Garment Industri	Indonesia 印尼	Manufacture of knit tops 生產針織上衣	15,000 ordinary shares of Rp1 million each 15,000股每股面值一百萬印尼盾之普通股	95
Shinning Century Limited 耀晴有限公司	Hong Kong/ Lesotho 香港/萊索托	Manufacture of knit tops 生產針織上衣	1,000,000 ordinary shares of HK\$1 each 1,000,000股每股面值1港元之普通股	70
Sino Precision Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1,000 ordinary shares of US\$1 each 1,000股每股面值1美元之普通股	66.7

36 SUBSIDIARIES (Continued)

36 附屬公司 (續)

Company name 公司名稱	Place of incorporation/ Place of operation 註冊成立/ 經營地點	Principal activities 主要業務	Particulars of issued share capital 已發行股本資料	Percentage of interest held 所持權益百分比
Supreme Bright Group Limited 博光集團有限公司	Hong Kong 香港	Provision of garment agency services 提供成衣代理服務	2 ordinary shares of HK\$1 each 2股每股面值1港元之普通股	100
Times King Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1 ordinary share of US\$1 1股面值1美元之普通股	100
Topwell Investments Ltd.	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1 ordinary share of US\$1 1股面值1美元之普通股	100
鶴山恒富製衣有限公司 (Heshan Carry Wealth Garment Limited)	PRC wholly foreign owned enterprise 中國獨資經營企業	Manufacture and sale of knit products 生產和銷售針織服裝	US\$6,300,000 6,300,000美元	100

37 RELATED PARTY TRANSACTIONS

As at 31st December, 2007, 169,062,000 shares (45.96%) of the Company were held by Respected International Limited, which was ultimately owned as to 46.03% and 46.03% by Mr Rusli Hendrawan and Mr Lee Sheng Kuang, James, directors of the Company, respectively through their respective wholly-owned companies.

Key management compensation

Salaries and other short-term employee benefits	薪酬及其他短期僱員福利
Contributions to the MPF Scheme	強制性公積金計劃供款

37 關連方交易

於二零零七年十二月三十一日，本公司169,062,000股股份(45.96%)由Respected International Limited持有，Rusli Hendrawan先生與李勝光先生分別透過彼等各自之全資擁有公司最終擁有該公司之46.03%及46.03%。

主要管理人員酬金

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
	13,646	15,020
	317	335
	13,963	15,355

38 EVENTS AFTER THE BALANCE SHEET DATE

On 3rd March, 2008, the Group entered into a binding provisional agreement with a third party purchaser for the disposal of its investment properties at a consideration of HK\$35,600,000. The estimated disposal gain is approximately HK\$6,900,000 after netting off with the necessary selling and legal expenses. The expected completion date of the disposal will be on or before 28th July, 2008.

38 結算日後事項

於二零零八年三月三日，本集團就出售其投資物業與第三方買方訂立一份具約束力之臨時協議，代價為35,600,000港元。於扣除必要之出售及法律開支後，出售收益預計約為6,900,000港元。出售事項之預計完成日期將為二零零八年七月二十八日或之前。

締造**恒**優品質
源於**豐**富人材



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